

PCHS BUDGET AND FINANCE COMMITTEE

Minutes of the Regular Meeting of March 10, 2008



In Attendance:

Voting Members: Robert King (Co-Chairperson), Mark Snyder (Co-Chairperson), Richard Simon (Secretary), Susan Curren, Sandra Duarte, Rachel Lerner, Simon Santana

Non-voting Members: Colleen McCarthy, Nick Morshed, Eleanor Rozell, Greg Wood

Visitors: Brittney Merritt, Kevin Olson

Opening

Mark Snyder called the meeting to order. Minutes of February 11 were approved.

Old Business

BUDGET REPORT: Chief Business Officer Greg Wood reported as follows:

- ❑ Swimming Pool:
 - Meetings have been held & are ongoing focused on fund-raising with a goal for ground-breaking in 2008-2009
 - Professional fund-raiser is involved.
 - Contractor donations contingent on start date.
 - YMCA involvement would mean additional resources but loss of control & possible down-the-road conflicts with LAUSD.
 - Need to carefully monitor potential impact of maintenance on school budget.
- ❑ 2007-2008 Budget Update:
 - Revenue slightly above projections due to:
 - Decrease in LAUSD special education encroachment.
 - Slight increase in ADA.
 - Expenditures: down slightly
 - Overall position: Overall position: within approximately \$81,000 of a balanced budget, an improvement over the Board-approved budget for 2007-2008 that anticipated tapping reserves.
 - Awaiting Governor's May Revise.
 - Normally, 8% of school's state revenue is remitted in July. State may reduce that remittance to 1% of annual revenue, deferring the remaining 7% of revenue until September. The Governor has also proposed a one percent reduction for the remainder of 2007-2008.
- ❑ 2008-2009 Budget Update:
 - Kevin Olson is assisting with creation of 3-year historical reports for requestors to help in formulating zero-based budget requests.

HUMAN RESOURCES: Colleen McCarthy reported as follows:

- Benefits:
 - Self-funding, as opposed to purchasing package from LAUSD will cost approximately \$300,000 more than our current remuneration but does not account for \$600,000 currently paid to district for retiree benefits. Discussion:
 - Question: can Pali “piggyback” its lifetime healthcare benefits on LAUSD’s? Answer: according to LAUSD’s providers, “no.”
 - Question: will Pali be able to continue purchasing benefits from LAUSD? Answer: unknown.
- Leave Policies:
 - Currently being examined to ensure leave policies align with contractual obligations & labor codes.
- Right-of-Return:
 - No word on LAUSD extension but deadline may be “soft.”
- STRS/PERS:
 - STRS met or will meet with covered employees at Pali.
 - Pali will cover time for covered employees to meet with PERS off-site.
- Job Fairs:
 - Many résumés submitted, including potential employees willing to relocate.
 - Local job fairs expected to attract more good candidates.

BOOSTER CLUB:

- No report.

ASB: Nick Morshed and Kevin Olson reported as follows:

- ❑ Casino Night—April 18.
- ❑ Meeting with students to determine how to spend ASB trust surplus—
 - Swimming pool.
 - Painting of Stadium-by-the-Sea bleachers.
- ❑ ASB Enterprises:
 - Robek’s juice sales.
 - Golf tournament scheduled at Malibu Country Club in May.
- ❑ Better coordination with Booster Club.

New Business

NON-ROUTINE: No requests.

FREEZE ON 2007-2008 FUNDS:

- ❑ Proposal to freeze unspent funds as of April 1. Discussion:
 - Question: What is the normal cutoff date? Answer: May 10.
 - Will advancing cutoff date encourage panic spending?
 - What about offices that must continue to operate?
 - What about restricted funds, e.g. GATE, that will not return to the general fund?
 - Should we consider unpredictability of needs? When something breaks or is exhausted, it needs to be replaced regardless of arbitrary cutoff dates.
 - We should consider a conversation rather than a dictate—include requestors in the process, determine their needs & encourage them to be prudent.
- ➔ Action: An ad hoc Budget & Finance committee executive task force will meet with department chairs, program heads, & other requestors to discuss voluntary reductions, exempting restricted budgets, in 2007-2008 allocations, & encourage careful prioritizing of 2008-2009 zero-based budget requests.

SELECTION OF INDEPENDENT AUDITORS:

- ❑ Recommend selection of Vicente, Lloyd & Stutzman, LLP, the firm that performed the last four audits. Discussion:
 - What is the norm in continuing to use the same firm?
 - How long before a fresh set of eyes should look at financial operations?
 - Rules require different auditors within the same firm ensuring periodic “fresh eyes.”
- ➔ Action: approved recommendation of Vicente, Lloyd & Stutzman

MEMBER CONCERNS:

- ❑ Need to review and possibly amend bylaws.
- ❑ Committee should consider a contingency line item in the 2008-2009 budget to avoid looking for offsets to fund non-routine requests.

Date, Time, and Location of Next Meeting:

The next regular meeting was set for Monday, April 14, 2008, at 3:15 p.m. in room F-201.

Proposed agenda items must be submitted to Robert King no later than Wednesday, April 8 @ 2:00 p.m.