

# FINAL APPROVED



## PCHS BUDGET AND FINANCE COMMITTEE

Minutes of the Regular Meeting of December 14, 2009

### I. PRELIMINARY

A. Robert King (Budget Committee Chair) called the meeting to order.

B. In Attendance:

**Voting Members:** Robert King (Chairperson), Olivia Castro, Susan Curren, Sandra Duarte, Richard Held, Dan Kelly, Rick Mills, Karyn Newbill, Simon Santana, Eileen Savage, Andrew Simnegar, James Suhr.

**Non-voting Members:** Jennifer Avant Eustice, Kevin Olson, Eleanor Rozell, Greg Wood.

**Visitors:**

C. Approval of previous meeting's minutes - Regular Meeting of November 9, 2009 minutes were approved with the following amendments:

- Section IVD., under Member Concerns, final sentence amended to read, "after the payroll function was consolidated to address ASB's reporting concerns."

D. Selection of recorder: E. Savage

### II. SPECIAL REPORT

James Paleno was invited to the meeting to discuss the school facilities' permitting process.

- Mr. Paleno has supervised "Civic Center Permits" since Pali became a charter.
- Permits for the football field, gym, and baseball field are budgeted to net \$140,000 after direct expenses. These funds are used to service the loan for the field project and to maintain the facilities. This is almost a doubling over the previous year (\$71,000), primarily the result of increased revenue and the elimination of the Blue Nite Security expense.
- Revenue projections for the 2010-2011 fiscal year will be almost \$100,000 higher as the three-year contract with AYSO and LA Blues ends that extended free usage for their donations to the field project. They are interested in continuing, so the contracts will be renegotiated.
- Field rates run \$90-150 per hour and are based on rates at other comparable sites, such as the City of Santa Monica field space. Rates are not published.
- 320 hours are currently available to be permitted but there is no process for actively soliciting groups. Pali needs to develop a policy for balancing school use, permitted time, and community access.
- Pali collects permit fees but fees for filming are collected by the District. It is believed that there is language in the Charter that allows this distinction. Facilities use fees with LAUSD are currently being negotiated; perhaps this division could be revisited to allow Pali to collect all fees.

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- Neighbors have expressed concerns about noise from the school facilities. This is an ongoing issue being addressed and should not impact permitting time.
- Permit groups sign contracts to cover their damage. Pali has created a Deferred Maintenance Account for net permit fees to cover repairs and ongoing improvements.
- The athletic facilities must be better maintained for both students and users, especially if Pali is to aggressively pursue permit income. The facilities are the first impression of the campus and when modernized and kept in good repair, they enhance the educational environment as well as optimize permit income.
- Gym time is relatively maximized. Baseball field use is limited because it's a grass field and easily torn up. It commands lower rates and is primarily permitted to AYSO. Gym rates are comparable to SM College and Memorial Park.
- A Calendar of Permit Time is online but football field, gym, and baseball field information is not complete. A comprehensive calendar for school and outside users needs to be published and perhaps also a table of permit rates. Concern is that changes are frequent and calendar information wouldn't be current.

### **III. OLD BUSINESS**

#### **A. Budget Update – Greg Wood reported as follows:**

- The 2008-09 Audit is being finalized and will be presented to the Board, with an explanation of the process and school/auditor responsibilities. Other reports were filed, including the Title III Limited English Proficiency Program Expenditure Report.
- The Attendance Rate through November is down .9% from last year, but enrollment is up to 2,826 (including 41 at Temescal Academy, down from the 49 in budget). Overall ADA is projected at 2,681 to date or 1.0 above the 2009-2010 Approved Budget.
- Payroll is down \$260,000 from last year and on track to meet budget. Classified salaries are down about \$35,000, while budget projected a \$100,000 reduction. Opportunities for further reductions are being explored.
- Two reports are being compiled for the Second Federal Stimulus, due in December to the CDE.
- Cafeteria operations have had mixed results to date. Reimbursements for Free & Reduced Meals are up, but cash sales are down. Cafeteria is reviewing current menu items and will be surveying students for preferences.
- The Audit Committee of the Board is being reconstituted and is reviewing Audit firms. Pali received an Unqualified Audit Opinion, the highest rating possible. Audit results were reviewed.
- A report was reviewed that will be distributed to all departments detailing budget and expenditures to date.
- The committee reviewed and discussed the First Interim Financial results.

#### **B. Budget Planning & Strategy 2010-11**

- Tabled for next meeting.

#### **C. HR Report – Jennifer Avant Eustice reported as follows:**

- Benefits enrollment went smoothly. Cost came in slightly below projections, roughly \$27,000 on an annualized basis.

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- The Health & Welfare Committee is being reconvened.
- Next year, the new benefit rates will be published by the end of April or beginning of May, which will help in the budgeting process. Open enrollment must be completed by September 1<sup>st</sup>. Because of the summer recess, the process will be conducted in June.

### D. Booster Club Update

- At its December 8<sup>th</sup> meeting, the Booster Club approved \$7,700 in expenditures:
  - \$3,700 to fund a basketball team for the Temescal Academy, including league fees, uniforms, transportation and a coach.
  - \$2,500 or ½ of the remaining cost for a drinking and driving awareness program, called "Every 15 Minutes." This was subject to the Pali Fund contributing the other half.
  - \$1,500 for the Faculty Holiday Party.
- Further discussion of the \$2,500 donation toward "Every 15 Minutes" was tabled until Pali Fund allocation process is decided. Given budget cuts, Pali has no excess funds available.
- Concern was expressed about Booster Club's ability to continue meeting other requests. Much of their fundraising has been cut because of the Pali Fund competition for dollars. For instance, the Booster Club donated \$5,000 to the Marching Band for transportation and competition fees.

### E. ASB Report —Kevin Olson reported as follows:

- The November Monthly P&L was presented, showing net income of \$3,347.
- ASB has a major concern regarding retroactive invoices for the CIF City Section. They are billing Pali significantly more and for previous years. The committee recommended that for the time being, ASB pay the normal fees that have been budgeted plus an additional \$2,000, contributed from the Athletic Budget capital account. The remainder of the payment can be made after decisions have been made on Pali Fund allocations. Concerns should be expressed to the District about these retroactive billings, which have a major impact on the ability to plan.

## IV. EMERGENCY BUDGET REQUEST

A. ASB – CIF City Dues – Discussed above under ASB Report

B. Booster Club – Every 15 Minutes – Discussed above under Booster Club

## V. NEW BUSINESS

### A. Proposal for Distribution of Annual Giving Funds

- A proposal was discussed for allocating the Pali Annual Giving Funds. The proposal set priorities for funding various broad areas of the budget.
- The proposal does not address Technology or capital allocations.
- Field Trips fall under one of the top priorities.
- Funds should be used to backfill this year's budget cuts and then allocated according to a long-term plan.
- Process should fall somewhere between "first come, first served" and priority, school-determined allocations.

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- Process decided for this year may not necessarily be appropriate for succeeding years.
- Member Concern:** Budget Committee does not want to review individual budget requests for Pali Fund. Process for distribution should allocate the funds according to school priorities to avoid this possibility. Some funds could be set aside for programs/needs identified during the year.
- The Committee did not take a position on this initial proposal. There will be further discussion at the January meeting.

C. Member Concerns – Cited Above.

D. DATE, TIME, AND LOCATION OF NEXT MEETING :

- The next regular meeting was set for **Monday, January 11<sup>th</sup>, 2010 at 3:30 PM in Room F201.**

**Agenda items must be submitted to R. King no later than Wednesday, January 6<sup>th</sup>, 2010 at 2:00 p.m. via email to: [rking@palihigh.org](mailto:rking@palihigh.org).**

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