



A CALIFORNIA DISTINGUISHED SCHOOL

REGULAR MEETING Minutes
BUDGET/FINANCE COMMITTEE
Monday, November 14, 2011
3:30-5:20 PM., Palisades Charter High School Library

I. PRELIMINARY:

- CALL TO ORDER & INTRODUCTIONS – R King

- In Attendance:

Voting Members: Olivia Castro, Rob King, Michele Lynch, Dan Kelly, Mary Bush,
David Shabbouei, Simon Santana, Ellen Pfahler, Kim Carson, Cheryle Onoye, Karyn
Newbill

Non-Voting Members: Greg Wood, Pamela Magee, Kevin Olson, Stephanie Inyama,
Eleanor Rozell

II. OLD BUSINESS:

- A. Update From Executive Director/Principal P Magee
 - 1. Human Resources – New hire for HR Director, pending Board Approval this Thursday the 17th.
 - 2. Planning for Future/Deficits
 - a. Technology – problems such as a) today’s difficulties following a power outage and b) increasingly frequent laptop problems highlight the need to set aside money and plan for tech funding.
 - b. Textbooks – will start a conversation with department chairs about setting up a system for prioritizing future textbook purchasing
 - c. Data Systems – a change will probably be in the vicinity of \$300,000. It is a priority, but research and fundraising (grants, for example) will be necessary.
 - d. School infrastructure/Facilities – needs to be evaluated.
 - e. RIF Cycle – happens because it’s one part of the picture that doesn’t hinge on negotiations; we want to avoid issuing RIFs. We need to consider what we can put into next year’s budget in order to avoid RIFs. Concerns expressed about how it feels like we issue RIFs “every year” because we’ve done so for two years.
 - 3. Budget Committee Brainstorming All
 - a. Ellen Pfahlertop priority has to be things that help students learn (tech, textbooks, etc.); maybe look at percentages the last five years to help us build a budget based on percentages. We could use these percentages to help us see

what's happened to these percentages as we've hit harder budget years. Kim Carson added that the percentages would help us look at what the top three or four categories should be so that we keep those at the forefront of our planning.

- b. Michele Lynch added that the school goal's help establish parameters for that discussion, too.
- c. Stephanie Inyama added that we want to know how the Board can support fundraising efforts. This school has too many resources to have these problems.
- d. Mary Bush added that we would like to see someone who has dedicated time to apply for grants. Pam Magee added that the fundraising consultant will focus on grants but will start later this month.
- e. Greg Wood added that even looking at the "top" priorities Dr. Magee mentioned above, we may need to prioritize. We need to know who make the decisions going forward about what the priorities are and to what degree they will be funded.
- f. Kevin Olson added that we may need to think creatively about the problems and look at multi-year plans (with an end goal in mind).
- g. Rick Mills added that funding Lifetime Health Benefits will need to be among the list of top priorities to help us keep up with actuarial recommendations.
- h. Olivia Castro asked how we can raise awareness among Board Members about the history, deadlines, and perception surrounding RIFs; Dr. Magee added that negotiations may need to start earlier in order to help the Board feel comfortable not issuing RIFs by the deadline. This conversation continued before official recommendations were determined.
- i. Stephanie Inyama would like to see the Budget Committee give more recommendations to the Board regarding where to cut money in order to avoid RIFs.

4. Budget Committee Recommendations

All

- a. Motion from Michele Lynch (Seconded by Dan Kelly): The Budget Committee asks the Board to direct the Administration to conduct and complete labor negotiations for the subsequent school year by March 1st ; the plan developed would include triggers to allow a balanced budget based on funding streams. Motion approved.
- b. Motion from Cheryl Onoye (Seconded by Dan Kelly): The Budget Committee requests that the Board direct the Operations/Facilities Committee to develop three to five year plans (including costs and implementation) for spending on school infrastructure/facilities, data systems, and technology. The Budget Committee also requests that the Board direct the Administration to work with Department Chairs to develop a three to five year plan for updating textbooks. The Budget Committee has directed its subcommittee to create a three to five year plan for funding lifetime health benefits as well. Each of these plans should be presented to the Budget Committee by February 13th. Motion approved.

B. Budget Update

G Wood

a. 2011-2012 Budget Review/Projections:

-2010-2011 audit is happening now; we're a tier 3 school for special ed funding – that's a 20% encroachment and we'll be in a new LAUSD SELPA
-2898 enrollment at the end of month 2 (it went up!); but our ADA was based on 2910, so ADA projections are down from 2747 to 2745.3.

Greg Wood agreed to provide updated attendance rates at our regular meetings. cafeteria turned profit both months; this helps to counter our costs in covering cafeteria employees medical benefits over the summer.

b. Budget Committee Response

All

Greg Wood said he does not recommend any changes to our approved budget at this time.

Kim Carson asked if we have triggers or a contingency plan if a loss in state funding of ADA leaves our updated budget in a deficit. (Current projections of worst-case would mean a \$260 cut in ADA, perhaps a \$713,000 change in revenue.) Greg Wood responded that negotiations would reopen if this happened, and that the Board is aware of the possibility. Conversation then centered around a) using the reserves to help fill a potential deficit and b) the Board asking Administration to create a potential hierarchy of cuts should these become necessary.

C. Booster Update

M Lynch

- a. Funding requests for Girls Soccer Uniforms, Aquatic Center, Charter School Foundation dues, airfare to a conference, AcaDec jackets, PTSA, Gay Straight Alliance workshop, and Pali Baseball were approved at the October meeting.
- b. Phone-a-thon was a success, with approximately \$20,000 more in pledges this year. Adults who are granted requests this year will be asked to help make the calls next year, as it was helpful to have staff assist with calls this year.

D. ASB Update

K Olson/D Shabbouei

- Homecoming was a financial success.
- Pie Day next week.
- Goals for year include having a voice for the students, improving communication, increasing school spirit, and helping fund athletics and classes when possible.

E. Lifetime Health Benefits Committee Update

D Kelly

- a. Sub-committee determined that Pali could set up a revocable trust for lifetime health benefits with provisions for a future distribution of funds;
- b. 2.7 million dollars are currently in general fund reserves set aside for lifetime health benefits;
- c. \$400,000 needs to be put into the trust annually to continue funding five years out; each year we would roll another year's funding into the trust; at any given time, the trust will have five years' funding available in a checking account from the trust;

- d. A trust will cost legal expenses for set-up; the costs would, on one hand, cost the school at least \$20,000, and on the other hand ameliorate concerns about the security of that money.
- e. The subcommittee will be presenting to the Board on November 17, 2011.

III. Emergency Budget Request (ACTION ITEM)

- A. None

IV. NEW BUSINESS:

- A. Budget Committee Membership Selections R King
 - Those interested in membership notify
O Castro at ocastro@palihigh.org
- B. Member Concerns All
 - Cheryl Onoye: New Common Core Standards and Assessment presented at a recent conference; need to budget for Professional Development for new standards and assessment.
- C. Date of Next Regular Meeting: Monday, December 12, 2011, 3:30 – School Library (Agenda items must be submitted to rking@palihigh.org by Wednesday December 7, 2011@ 2:00 P.M. via EMAIL)