

**Evergreen School District  
Budget Advisory Committee (BAC)  
Minutes of May 3, 2017 Meeting**

**I. Call to order**

- a. 5:32 pm; Welcome and introductions  
Present: Nelly Yang, Kim McNiven, Sylvia Alvarez, Brian Wheatley, Kristi Frankina, Suzy Woodley, Gina Juarez, Phil Bond, Jim Sherman, Diane Hobbs, Delma Juarez, Dixie Lopes, Conrad Taylor, Sanobar Mehta.

**II. Approval of minutes from March 2, 2017 meeting**

- a. Approved.

**III. Budget Update: 2016-17 through 2019-20 budget recap based on 2016-17 2% salary increase for all groups**

- a. With 2% salary increase, 2018-19 still falls within the reserve requirement of 3%. 2019-20 does not meet the minimum requirement -- \$11M short. Potential sources of funds:
  - i. \$3M other commitments
  - ii. \$1.7 GASB45 fund
  - iii. \$0.6M workers comp
  - iv. Still \$6M short
- b. When to make reduction plan? Need before November.
- c. May 19: Gov revised budget will be published
- d. Federal funding for Title 1 reduced 21% next year. Change not run through latest budget because expense is matched to revenue in general.
- e. Question: Why the increase of \$3M in expenditures from 2016-17 to '17-18?
  - i. \$2.1M due to STRS and PERS plus health benefits expense
  - ii. Special ed encroachment increased expense: \$600K
  - iii. Add'l classified staffing salaries \$300K (for full day kinder staffing)
- f. Detailed budget will be posted on website for May 11 Board meeting
- g. Question: Will we get more kinder kids due to full day kinder in more schools?
  - i. Hopefully, but not able to forecast
- h. Question: More money from state for longer day? No
- i. 2019-20 budget currently assumes no parcel tax. Current parcel tax expires June, 2019. Hit to budget is approx. \$1.6M (revenue gone, but class size reductions maintained). The rest of the revenue loss is offset by reduced expenses. Nelly can't put extension of parcel tax into budget until it is passed.
- j. Retirement plan details: PERS: District pays EE and ER share or 7%, depending on hire date. PERS management: EE pays own. STRS: EE pays own.
- k. By BAC's June 1 meeting, Nelly will have May state budget revision. May 11 Board meeting will contain budget update for board and public.

- IV. 2016-17 Work Focus align with District Strategic Objectives: Achieve financial stability and sustainability**
- a. How soon do we need a reduction plan? We can submit in June if 3<sup>rd</sup> year is not balanced, but county may question. By December, would need to show reduction plan.
  - b. School site repurposing not included yet. \$0.4M per school savings in staffing costs. Savings not realistic to begin until 2018-19. Board to have study session at May 11 meeting.
  - c. \$6M problem in year 3: to fix requires \$3M in 2018-19, and \$3M in 2019-20.
- V. Public Comment**
- a. None
- VI. Future meetings: June 1, 2017. 5:30 – 7:00 pm**
- VII. Meeting was adjourned at 6:12 pm.**

Respectfully submitted,

Dixie Lopes  
Secretary