

## Questions Submitted by Trustee Prado

April 18, 2018

### Regular Called Board Meeting

#### Presentation #2

- 1) The student enrollment for SY 2017-18 is depicted as 9,101. However, in the Board Update, dated April 9, 2018 with attachments, the current enrollment as of April 13, 2018 is 9,004.
  - a. For state revenue funding which enrollment is used?
    - i. Neither. Projected state funding is based on the district's end of year attendance and student population data.
  - b. Has the school district ascertained why we are experiencing the loss of student enrollment?
    - i. Enrollment in the district has dropped approximately 1,018 students in the last 4 years. Approximately half of this enrollment loss is attributed to enrollment in charter schools, PreK-4SA, parochial schools, and enrollment in other public school systems. The other half of the enrollment drop is due to an aging community in certain parts of the district and lack of residential development in the district.
  - c. Has the school district utilized data under school district control, such as, an official records request from the receiving school after a student withdraws from our school district. These "requests" would determine if our students are leaving to enroll in a charter school, another school district, private/parochial school, etc.
    - i. As explained in 1) b., the district has used official district records and data to determine where the students that leave the district enroll.
  - d. Do we have these breakdowns?
    - i. Yes, we have these breakdowns.
- 2) Page 2 Question
  - a. It appears we experienced a loss in student enrollment from last school year to this school year than the administration had projected or budgeted for. Why did we "miss the target" ?
    - i. Our original enrollment projection was 9,160 students. Our pre-enrollment middle school numbers were greater than we expected. For that reason, we adjusted our projection to 9,363. As you know, projections are based on the available data at the time the projection is made. Sometimes these projections turn out to be fairly accurate and sometimes they don't. In this case, we would have been better served by sticking to the original projection.
  - b. Can we assume, that the loss of student enrollment from 9,631 to 9,101, is attributable to the approx. \$6 million loss in revenue?
    - i. The difference in revenue due to enrollment is approximately \$4 million.
  - c. If there are other factors, please explain.
    - i. The other difference in revenue is caused by the \$1.9 million in subsidy funds recognized in 2016-17, along with other reductions in Tuition fees, Rental, etc.
  - d. However, we are projecting another loss of 500 students for next year and

the loss in revenue is approx. \$4 million. Please explain this difference.

i. Please refer to the answer in 2) b.

- e. There is a projected deficit of approx. \$1.5 million at the end of this budget year. Will this deficit be addressed by the general fund balance?

i. Currently our projection is that we should be able to balance the 17-18 budget and not require funds from the general fund balance.

- f. If not, what other means?

i. Frugal financial management

- g. What is the current balance in the Tax Subsidy Fund?

i. \$2.4 million

- h. When is the next "payment" scheduled?

i. August

- i. Are there any Tax Subsidy Funds included in the projected 2018-2019 budget? If so, how much?

i. Yes, \$900,000.

- j. Are they included in the revenue column (\$71,2 million) for 2018-2019?

i. Yes.

### 3) Page 6 Question

- a. When is the contractual deadline (specific date) for teachers to indicate they are returning to our school district or leaving?

i. July 5, 2018

- b. In the category listed as Other Areas of Reduction, if there are no FTE's involved, please delineate how the amounts in Contracted Services, Capital Improvements and Reduction of Police Services are being reduced?

i. There are FTEs in these areas being reduced.

ii. The proposed reductions in contracted services include the elimination of CIS in the district, elimination of after school programs, and the elimination of the Learn to Swim program. This totals approximately \$385,000. The remaining \$339,000 reduction in this area would be at the discretion of department heads and principals.

iii. Capital improvements funds will be reduced by \$450,000.

iv. The district will maintain police services at the campus level but will reduce some of the administration of the police force and reduce the roving patrol and dispatcher functions.

- c. What programs are being affected in the \$1.3 reduction in Campus Based Program Changes? Middle School Academies? Other?

i. Campus based program reductions will vary between schools. Principals have been given discretion to decide where in their school budget to make the required cuts.

- d. Are the 8 FTE reductions in Administrator/Professional all found in Function 41 or 21?

i. Both functions

- e. Are these reductions sufficient to receive the top score in the Administrative Cost Ratio indicator in the School FIRST Financial Rating?

i. Current projections indicate we would receive the top score in this criteria.

### 4) Page 9 Question

- a. In the revenue category, Discretionary, you indicate a revenue loss of approx. \$2 million. Please explain, what is a discretionary revenue?

i. Discretionary means funds that have no restrictions on how the funds are spent.

5) Page 14 Question

- a. Why are Individuals in the school district community totally confused with the different versions of the impact of closing Athens, Kazen and the Alternative School. At the April 19, 2017, District Efficiency Meeting held at Dwight Middle School you presented a cost savings of \$3.1 for Option 1 (close Athens, Kazen, Alt. School) for "new educational opportunities for students". Also, during that same presentation you indicated seven bullets for the "re-direction of resources". This is the information the community was presented and what they believed. Why does the information vary greatly from the information on page 14 of the April 18, 2018 presentation?

- i. There was no meeting at Dwight on April 19, 2017 and I am not aware that "individuals in the school district community are totally confused with the different versions of the impact of closing Athens, Kazen, and the Alternative School."

- b. Additionally, during a Budget Workshop on May 10, 2017, on page 6 of your power-point presentation you indicate a cost savings of \$4,582,338 for the "Impact of School Consolidation Savings" (Closing Athens, Kazen, Alt. School). Why does this presentation differ from page 14 of the April 18, 2018 presentation as it relates to total cost savings and how the cost savings were to be re-distributed?

- i. This page does not show the closure savings. Page 3 of the same presentation shows the savings for School Consolidation in the amount of \$3,946,070.

- c. Needless to say, the April 18, 2018, page 14 presentation differs from the other presentations offered to the community and the Board of Trustees. Which version is the correct version?

- i. District administration has consistently shown the \$3,946,070 closure savings since last May.

- d. It appears that the different versions which were presented evolved into something totally different the community and Board of Trustees initially were presented. Why did this happen and what responsibility do we owe the school district community?

- i. The closure savings has not changed since last May. Since that date, the administration has used the \$3.9 million estimate as the savings that results from closing these schools.

6) Page 15 Questions

- a. Other than the political will for citizens to tax themselves, again, what fiscal impediments could there be if ever the school district decides to have a Bond election, after a successful TRE?

- i. Please be more specific on what you are asking.