

**Ross School District
Financial Advisory Committee**

Members: Bob Jacobson, Chair
Frank Doodha
David Howitt
Jay Kern
Noel Lindsay
Stephanie Robinson
Steve Sutro
Greg Wolkom

Board Liaison: Whit Gaither
District Staff: Scott Mahoney, Superintendent/Principal
Sarah Blackstone, Business Manager

MEETING AGENDA

Tuesday, September 27, 2011

5:00-7:00pm p.m.

Ross School Conference Room
Ross School, 9 Lagunitas Road, Ross, CA 94957

1. Welcome (Discussion)
2. Approval of Agenda (Discussion/Action)
3. Approval of Minutes from the May 9, 2011 meeting (Discussion/Action)
4. Discuss Foundation Goals for 2011-2012 (Discussion/Action)
5. Discuss FAC Objectives/Goals for 2011-2012 (Discussion)
 - a. Analyze what Ross School looks like (and viability) under a Revenue Limit rather than Basic Aid funding structure, including implications for programs, private fundraising and shared services
 - b. Analyze multi-year (5 year) financial viability based on the continued assumption of Basic Aid
 - c. As/if needed only: assist in budget process review or budget review only if requested by the School Board and administration
6. Next meeting date and time (Discussion/Action)

FAC Meeting Minutes (draft) for Sep. 27, 2011

Present: Bob Jacobson, Frank Doodha, David Howitt, Jay Kern, Noel Lindsay, Stephanie Robinson, Sarah Blackstone

Absent: Steve Sutro, Greg Wolkom, Whit Gaither, Scott Mahoney

- Approved Sep 27, 2011 Agenda: (Robinson moved, Lindsay seconded, unanimously approved)
- Approved May 9, 2011 Minutes: Approved minutes subject to only one correction to the draft circulated, namely that Noel Lindsey was present (he had been incorrectly designated as both present and absent). (Robinson moved, Howitt seconded; unanimously approved by all attendees of the May 9 meeting).
- Approved Foundation '11-'12 Goal: The group discussed and approved a \$1,125,000 gross and \$1,075,000 net goal for the Foundation this year. The gross goal is \$50k lower than last year's actual raised, primarily reflecting a 15 student reduction in the school population this year. Among other factors, the group wanted to set an attainable goal (after 3 years of the Foundation not being able to do so) and was sensitive to continued economic weakness, the departure of certain large-donor families from the school community, and that the goal fit within the historic percentage of total school funding by the Foundation (20-22%) as it relates to the '12-13 budget (gross is 21% of '12-13 budget, while net goal is just over 20%). (Kern moved, Robinson seconded, unanimously approved).
- Discussed \$35K Athletic Endowment: following up on a discussion at the May 2011 FAC meeting, the group briefly discussed further how to handle the \$35k athletic endowment that was funded many years ago but that has sat idle in a restricted district account. Bob J agreed to discuss with Dave Peterson and Jeff Lyons (President and Secretary/Treasurer of the Endowment, respectively), if the Ross School Endowment is comfortable taking over this athletic endowment and, if so, how it would address segregating the funds and donations made to Ross School related to these earmarked funds. The group agreed to discuss again at our next meeting.
- Discussed Financial Viability Analyses: Bob introduced the major remaining task for the FAC this year, namely assisting the District/School Board look at long-term financial/program viability of the District under two different scenarios. Bob suggested FAC break into 2 subcommittees to work thru these scenarios separately. We will set specific project goals, objectives and tactics at the next FAC meeting.
 - Scenario 1: continued Basic Aid funding. FAC will consider how the expense structure will look in 5 years based on expected status quo program expense growth and how our main revenue sources today can be expected to grow – namely, property taxes, Foundation/PTA, and parcel tax. FAC will determine if a funding gap is projected, and, if so, what structural revenue or expense changes may be required.
 - Scenario 2: (steady state) Revenue Limit funding. Currently, a switch to Revenue Limit would mean an approximate \$1.6 million dollar loss in funding and a \$1.3 million budget shortfall. This analysis will consider potential program structure changes, opportunities for shared services, and new revenue sources to address how a shortfall of this magnitude might be addressed
- Other administrative matters: Bob asked Sarah to see if the school could set up a Google Docs or website location for easy access by FAC members to FAC/financial materials. Bob also will work with Laura Talley to set up an FAC email distribution list.

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Sarah Blackstone, Business Manager

MEETING AGENDA

Tuesday, October 25, 2011

6:00-8:00 p.m.

Ross School Conference Room
9 Lagunitas Road, Ross, CA 94957

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| 1. Welcome | (Discussion) |
| 2. Approval of Agenda | (Discussion/Action) |
| 3. Review/Approval of September 27, 2011 Meeting Minutes | (Discussion/Action) |
| 4. Discuss Administration of \$35K Athletic Endowment Fund | (Discussion/Action) |
| 5. Set Goals and Work Plan for District Long Term Financial Viability Analyses | (Info/Discussion) |
| 6. Next Meeting Date and Time | (Discussion/Action) |

FAC Meeting Minutes (draft) for Oct. 25, 2011

Members Present: Sarah Blackstone, Frank Doodha, David Howitt, Bob Jacobson, Noel Lindsay, Stephanie Robinson, Whit Gaither,

Guests: David Peterson (Endowment), Terena Mares (MCOE)

Absent: Jay Kern, Steve Sutro, Greg Wolkom, Scott Mahoney

- Approved Oct. 25, 2011 Agenda: (Lindsay moved , Howitt seconded, unanimously approved)
- Approved Sep. 27, 2011 Minutes: Approved draft minutes as presented (Lindsay moved, Doodha seconded, unanimously approved)
- Approved Recommending shift of \$35K Athletic Endowment from Ross School District to Ross School Endowment: (Jacobson moved; Lindsay seconded, unanimously approved). FAC will recommend to the Ross School Board (RSB) and to the Ross School Endowment (RSE) that they approve the removal of the \$35k athletic Endowment principal from a restricted district account and such funds be shifted to the RSE which will take over administration and management of these funds on the district's behalf, and that distributions to the school be made by the RSE on a segregated basis such that these funds still be used based on original intent (for funding athletic related expenses at the school).
- Discussed Financial Viability Analyses: The group discussed goals, data needs and next steps related to these two analyses.
 - Analyses Summary: Analysis 1 will look at the projected financial expense/revenue relationship in 5 years under continued Basic Aid funding status and identify potential risks, concerns and opportunities. Analysis 2 will look at how the district might function/fund under a Revenue Limit structure (which currently implies a \$1.6 million funding loss) and still provide a quality educational program. Analysis 2 will likely look at potential program cuts, shared services opportunities (administration and programmatic) and possible outsourcing of certain services/programs. Terena Mares, from the MCOE indicated that she could be helpful in providing ideas, opportunities and potential costs around shared services.
 - Teams:
 - i. Analysis 1: Noel (lead), Greg, Jay, David
 - ii. Analysis 2: Stephanie (lead), Frank, and Steve
 - Next steps and project schedule: Immediate follow up is for teams to submit data requests to Sarah, for any data/budget info required to perform initial analysis (Noel and Stephanie will coordinate follow up). Subcommittees will then meet several times and put together their ideas and draft recommendations in advance of the next full FAC meeting. At the Jan full group meeting, the subcommittees will present their initial recommendations to the group, after which the analyses and recommendations will be refined and finalized for presentation to the RSB either in February or March. Both analyses will be useful for the RSB as they consider the '12-'13 budget in March.
- Set Next Meeting Date: next full FAC meeting date will be Tues, Jan 10 at 6pm. Subcommittees will meet several times in the interim.

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Stephanie Robinson
Steve Sutro
Greg Wolkom

Board Liaison: Whit Gaither
District Staff: Chris Carter, Interim Superintendent
Jim Cerreta, Interim Business Manager

MEETING AGENDA

February 7, 2012

5:30-7:00 p.m.

Ross School Conference Room
9 Lagunitas Road, Ross, CA 94957

1. Welcome (Discussion)
2. Approval of Agenda (Discussion/Action)
3. Review/Approval of October 25, 2012 Meeting Minutes (Discussion/Action)
4. Athletic Endowment Follow-up (Info/Discussion)
5. Review Subcommittee Progress: (Info/Discussion)
 - a. Basic Aid subcommittee (Noel L, chair)
 - b. Revenue Limit subcommittee (Stephanie R, chair)
 - c. Discuss next steps and timing to present to School Board
6. Next Meeting Date and Time (Discussion/Action)

FAC Meeting Minutes (draft) for Feb 7, 2012

Members Present: Jim Cerreta, David Howitt, Bob Jacobson, Jay Kern, Noel Lindsay, Stephanie Robinson,

Absent: Frank Dudha, Whit Gaither, Scott Mahoney, Steve Sutro, Greg Wolkom

- Approved February 7, 2012 Agenda: (Noel moved , Stephanie seconded, unanimously approved)
- Approved October 25, 2011 Minutes: Approved draft minutes as presented (Stephanie moved, Noel seconded, unanimously approved)
- \$35K Athletic Endowment update: Bob re-opened this topic by noting that he had been informed by the district that these funds were no longer in a separate account, which might limit or prevent their transfer to the Endowment. Bob asked Jim to look into this and provide his feedback about whether they could still be moved. Bob noted that the FAC had already recommended moving these funds and that the Endowment strongly supports the move, so the next step required is the District's and Board's support.
- Subcommittee Updates:
 - Rev Limit Subcommittee: Stephanie presented approach and preliminary, draft conclusions. The group endorsed the peer analysis approach and the "three bucket" (shared services, cost and program reductions, and revenue enhancement) presentation format. The group suggested looking at additional peer comparisons and discussing methodology and tentative conclusions with Chris Carter, particularly due to her past role in the Reed District (which is an important data point in the peer analysis). Stephanie and Bob will follow up with her.
 - Basic Aid Subcommittee: Noel gave an update on this subcommittee. Results are not yet too far along, but the tasks are known and allocated amongst team members: Noel to work on property taxes, Jay on Foundation and Endowment projections and Greg on parcel taxes. Bob agreed to take over the Endowment projections, given his role on the Endowment Board.
 - Group agreed that March presentation to the School Board is unlikely and will now target April or May.
- Set Next Meeting Date: tentatively, next full FAC meeting date to be Tues, March 20 at 5:30pm. Primary objective is to finalize subcommittee analyses and recommendations before presenting to the School Board.

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District Staff: Scott Mahoney, Interim Superintendent/Principal
Debbie Wolfe, Business Manager

MEETING AGENDA

April 4, 2012

5:30-7:30 p.m.

Ross School Conference Room
9 Lagunitas Road, Ross, CA 94957

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| 1. Welcome (Introduction of Debbie Wolfe) | (Discussion) |
| 2. Approval of Agenda | (Discussion/Action) |
| 3. Review/Approval of February 7, 2012 Meeting Minutes | (Discussion/Action) |
| 4. Review Subcommittee Progress (working session): | (Info/Discussion) |
| 5. Other Items | (Info/Discussion) |
| 6. Next Meeting Date and Time | (Discussion/Action) |

FAC Meeting Minutes (draft) for Feb 7, 2012

Members Present: Bob Jacobson, Jay Kern, Noel Lindsay, Stephanie Robinson, Debbie Wolfe

Absent: David Howitt, Whit Gaither, Scott Mahoney, Steve Sutro, Greg Wolkom

- Welcomed Debbie Wolfe as new Business Manager. Debbie went thru her background and experience and what her first priorities are at Ross School.
- Approved April 4, 2012 Agenda: (Stephanie moved , Jay seconded, unanimously approved)
- Approved February 7, 2012 Minutes: Approved draft minutes as presented (Stephanie moved, Noel seconded, unanimously approved)
- Subcommittee Updates:
 - Rev Limit Subcommittee: Stephanie presented revised analysis and conclusions, subject only to replacing the '09/'10 comparables data with '10/'11 data. Group agreed with methodology and draft conclusions and agreed that the results were ready to be incorporated into a written report as soon as the comp data from the County is updated.
 - Basic Aid Subcommittee: Noel gave an update on this subcommittee. Group resolved some open items, including how to approach Foundation and Parcel Tax assumptions going forward. But the most significant analysis, property tax analysis/projections still needs to be done. Noel has begun working with Debbie on data needs.
- Set Next Meeting Date: Bob will reach out to group regarding next meeting. He suggested 2-3 weeks if we are to be successful presenting to School Board in May. Timing will depend on status of the property tax analysis.

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MEETING AGENDA

June 4, 2012

5:30-7:00 p.m.

Ross School Conference Room
9 Lagunitas Road, Ross, CA 94957

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|---|---------------------|
| 1. Welcome | (Discussion) |
| 2. Approval of Agenda | (Discussion/Action) |
| 3. Review/Approval of April 4, 2012 Meeting Minutes | (Discussion/Action) |
| 4. Review and Approve Subcommittee Analysis and Reports | (Discussion/Action) |
| 5. Discuss 2012-2013 Committee Membership | (Info/Discussion) |
| 6. Next Meeting Date and Time:
Thursday, September 27, 2012, 5:30 p.m. (Tentative) | (Discussion/Action) |

FAC Meeting Minutes (draft) for June 4, 2012

Members Present: Bob Jacobson, Noel Lindsay, Scott Mahoney, Stephanie Robinson, Steve Sutro, Debbie Wolfe

Others Present: Chi Kim, Seth Reicher, Tim Reidy

Members Absent: Whit Gaither, David Howitt, Jay Kern, Greg Wolkom

- Approved June 4, 2012 Agenda: (Stephanie moved , Noel seconded, unanimously approved)
- Approved April 4, 2012 Minutes: Approved draft minutes as presented (Noel moved, Stephanie seconded, unanimously approved)
- Subcommittee Updates:
 - Rev Limit Subcommittee: Stephanie presented a final draft of the Revenue Limit report for the group's feedback. The group approved the format, analysis and conclusions with no additional suggestions. Final edits will be made to ensure numbers are in synch with updated district's numbers and to ensure stylistic consistency with other parts of the full report to the School Board.
 - Basic Aid Subcommittee:
 1. Bob overviewed the analytical framework which has been modeled for the 5-year year plan (rolling out existing budget and the key revenue and expense line item). The group discussed and came to consensus on most growth rate assumptions, which Bob will incorporate into the forecast and the written report. Moreover, Debbie will make certain changes to the District's 3-year plan to conform to these FAC assumptions. Noel will focus on the largest revenue line item, property taxes.
 2. Noel provided a detailed overview of the analysis he has done with respect to property tax growth rate projections. He will continue to refine this over the next several days, and Bob and he will work over the next several days on translating the conclusions into the appropriate growth rate assumption for the 5-year plan.
 - Final versions of all subcommittee work to be completed by Thursday, June 7 so that materials can be sent to the Board on June 8 for their June 13 meeting. Bob encouraged all members to attend the June 13 meeting.
- Discussed 2012-13 Committee Membership: Seth Reicher and Tim Reidy attended the June 4 as they have been asked to consider joining FAC next year. Bob asked all committee members for suggestions for other prospective members.
- Set Next Meeting Date: did not set meeting date. Bob will reach out to everyone at end of summer.