

SANTA CRUZ CITY SCHOOLS
PARCEL TAX OVERSIGHT COMMITTEE MEETING
District Office
133 Mission Street, Ste. 100
Santa Cruz, CA
Meeting of February 5, 2019
Minutes

Call to Order

The meeting was called to order at 6:00 p.m. at the District Office. Roll call was taken. Asst. Supt. Patrick Gaffney reviewed the agenda.

Attendance at Meeting:

Matt Farrell, Senior Organization Representative
Linnaea Holgers, Business Community Representative
Carol McKee, Elementary Parent Representative
Isabelle Tuncer, Secondary Parent Representative

Absent:

Rob Darrow, Representative at Large

Staff:

Patrick Gaffney, Assistant Superintendent, SCCS
Catherine Meyer-Johnson, Admin. Asst., Business Services, SCCS

Public Visitors:

None.

Public Comment

None.

Agenda

Asst. Supt. Patrick Gaffney reviewed the proposed agenda. Materials distributed included: the agenda, draft Minutes for the PTOC meeting of 11/27/19, 2018-19 Budget Summaries for all four Parcel Tax measures, and reports of Measure J and Measure P expenditures to date for 2018-19.

Draft Minutes for 11/27/18 PTOC Meeting

The draft minutes for PTOC's meeting of 11/27/18 were reviewed. The minutes had been sent previously to PTOC members via email. Chair Matt Farrell requested a motion to approve the minutes. The motion was made, seconded and approved. (MSP: McKee/Tuncer/4-0).

2018-19 Parcel Tax Budget Summaries & Measure J and Measure P Financial Activity Reports

At the last PTOC meeting, Members requested that categories of expenses be compared on a percentage basis with the revenue expected for each parcel tax measure. These percentages are now shown in the last column to the right on each Budget Summary worksheet. Asst. Supt. Pat Gaffney explained the meaning of the columns and compared the budget summaries to the financial activity reports for Measures J and P, showing where line items on the budgets tie to lines on the financial activity reports. Where expenses exceed revenue, augmentation from the General Fund is shown. Measure P revenues in excess of those allocated for Library, Art and Music, and Science contribute to K-3 class size reduction.

Asst. Supt. Gaffney and his staff met with all the principals twice so far this year. The principals are aware of what is allocated to their sites from parcel tax revenues. In March, staff will meet with principals again to see what has been spent. The goal is to spend this year's revenues on this year's students, and to have an accurate forecast of the ending balance. Plans for carryover funds will be considered.

At the March 12th PTOC oversight Committee meeting, Members will be provided with financial activity reports for all the measures. The District's purchasing cut-off at is the end of March. At the May 9th meeting, Members will again receive updated financial activity reports. The annual report to the Board will be drafted at the May meeting.

Expenditures are driven by the language of the parcel tax measure. Shortfalls sometimes occur because of salary variables, like increases. Staff with seniority cost more. Vacancies are usually filled without delay.

The PTOC's charge is to report whether the expenses incurred agree with the original language of the ballot. In the new year, the District is switching to a new accounting reporting system. The reports generated will look a little different from those presented at tonight's meeting, but will cover the same information.

Future Meetings

Measures I and J will expire in 2021. Members asked when the Board will make decisions about renewal of these measures. Asst. Supt. Gaffney said that the multi-year projections will be reviewed. Cost factors vary according to which election is chosen to place these measures on the ballot. A polling firm will evaluate the level of need and the level of support. The threshold usually varies by community. Often the amount of the parcel tax is kept the same. Santa Cruz citizens have been very generous in supporting the parcel taxes.

Members asked whether more revenue was expected from the State. Most existing programs will receive a cost of living adjustment (COLA). The base Local Control Funding Formula (LCFF) will receive an increase. One-time funds will provide Districts some relief for the next two years in the amount they must contribute to the State Teachers Retirement System (STRS), and slightly less in the third year. Governor Newsom has proposed many ambitious goals that will benefit the community at large, including support for early childhood education. More students have had special needs identified in recent years. Parcel taxes now fund 8% of the District budget.

Members questioned what should be included in the PTOC annual report. Asst. Supt. Gaffney explained that the report should confirm that the parcel tax expenses incurred are appropriate and agree with the language of the parcel tax ballot measures. PTOC can thank the community for their support, and acknowledge the benefits the parcel taxes provide. It was commented that the District does not want to lose these resources, as it would be difficult to fund the programs they support from general District revenues.

Future meetings include:

- Tuesday, March 12, 2019, 6:00 – 7: 30 pm, at the District Office
- Tuesday, May 9, 2019, 6:00 – 7:30 pm, at the District Office.

Adjournment

There was no further business to be discussed. A motion to adjourn was made, seconded and approved unanimously (M/S/P: McKee/Tuncer/4-0). The meeting was adjourned at 6:30 pm.

Respectfully submitted,

Patrick Gaffney
Asst. Superintendent, Business Services
Santa Cruz City Schools

Catherine Meyer-Johnson
Administrative Asst., Business Services
Santa Cruz City Schools