



MINUTES - Amended
FINANCE ADVISORY COMMITTEE

Thursday, May 10, 2018 • 1:30 p.m.
LCPS Administration Building • Instruction Conference Room

I. INTRODUCTION

1. Call to Order

Mr. Ed Ellison, called the meeting to order at 1:32 p.m.

2. Attendance

In attendance were: Mr. Ed. Frank, School Board President and Mr. Maury Castro, School Board Member. From Administration: Mr. Ed Ellison, Mr. Jerry Ontiveros, Sylvia Martinez and Cindy Archuleta. From NEA-LC: Mr. Dean King. From Public: Ms. Amy Simpson, NEA-National and Mr. Glenn Landers.

II. FINANCE REPORTS

1. April Finance Report

Mr. Ellison presented the April Finance Report. Total revenue received to date \$151,844,388.71. Expenditures to date were \$132,330,431.01. When compared to last fiscal year, the current percentage of budget expended is 1% more than this time last year.

There were no questions regarding the April Finance Report.

2. LCPS 3rd Quarter Report

Mr. Ed Ellison presented the 3rd Quarter Finance Report. The quarterly report ended March 31, 2018, was submitted to PED. The cash report shows cash position for all funds except agency funds.

Mr. Frank inquired about FTE's listed on the quarterly report. Mr. Ellison explained that these FTE's are not necessarily accurate since the district is reporting expenditure dollars over a period of time. Ms. Simpson requested a comparison between the FTE figures LCPS reported to PED with regards to actual FTE figures, T & E and budget figures. Mr. Ellison stated that FTE's were not an agenda item and that an FTE analysis had not been prepared. Mr. Ellison did express that filled positions have increased across the district. On the 17-18 budget, this was the first year the district has listed cash balance as a line item. Previously the district had placed this figure into unfilled budgeted positions. Due to this, it makes comparisons difficult.

Mr. Frank requested to know the amount of filled positions in FY 16-17 as compared to this year. Mr. Ellison will provide this information at the June 2018 Finance Advisory Committee meeting. Mr. Ellison stated he has not completed this yet due to his working on the district's budget. Mr. Ellison is working on an analysis of FTE's using state job codes instead of job class codes. Mr. Ellison continued to explain that PED uses state codes on school and district report cards. It was requested that the legal fees summation be put on the Finance Advisory Committee meeting agenda for June 2018.

III. OTHER

1. *Budget Adjustment Request (BAR's)*

Mr. Ellison presented the budget adjustment requests. Most of the BAR's were adjusting balances for carryover awards and to move funds to correct functions for year-end. New Mexico PED's deadline for BAR's for the current year is June 1st so the Finance Department is currently working on end of year adjustments now.

2. *Bids*

Mr. Ellison presented the five bids that will be submitted to the Board as consent items. The five bids are: bid #17-18-03 price agreement for turnkey installation of ADA compliant automatic doors, bid #17-18-04 price agreement for milk, yogurt and fruit juice, bid #17-18-06 price agreement for fresh/frozen bread products, bid #17-18-07 price agreement for tortilla products and bid #17-18-08 for dishwashing machine supplies, dispensing equipment and related support services. These bids are being submitted for consent based on the quality and/or taste testing of the product and lowest bid.

3. *Property Dispositions*

Mr. Ellison presented the items listed in property dispositions with a total original value of \$48,000. There were no questions regarding property dispositions.

4. *April Vendor Payments*

Mr. Ellison presented the April vendor payments and asked for questions from members. There were no questions regarding the April vendor payments, but Ms. Simpson questioned why the question for vendor payments was not directed to include herself or Mr. Landers. Mr. Ellison explained that he was extending the question to committee members to ensure their questions were being answered. Mr. Ellison explained that he is following the agenda per the Open Meetings Act and that items for discussion must be placed on the agenda. The agenda is required to be posted 72 hours in advance of the meeting.

5. *Approval of April 12th Finance Advisory Committee Meeting Minutes.*

The April minutes did not include a specific date for the town hall meeting and due to the meeting date not being previously known, Ms. Simpson questioned when it would be. Mr. Ellison stated that the town hall meeting is tentatively scheduled for May 31st. Mr. King voiced concern that teachers would be out of school when the town hall was being held. Ms. Simpson inquired as to whose input was sought with regards to NEA

and CSEC on the budget survey referenced in the April minutes. Mr. Ellison responded that he sought and received input from Mr. Dean King and Ms. Irma Valdespino. Mr. Ellison said he received over 800 responses to the survey and that these results, as well as established budget priorities and goals, will all be taken into consideration into budget formation. The budget will be published online on May 22nd to allow for public viewing before the May 31st town hall meeting. Final budget approval will be sought at the June 5th work session. The budget is due to the PED on June 12th and the scheduled town hall and work session will allow for adjustments to be made in time to meet the PED's deadline.

Ms. Simpson expressed that last year monthly budget committee meetings were held which she found preferable in budget formation. Mr. Ellison acknowledged her remark, then continued to state that LCPS is currently in negotiations with the unions regarding salary schedules. Negotiating salary schedules during the budgeting process provides for major input into the budget. This is something that has not been done in the past. Ms. Simpson asked if there would be feedback to inquires at the town hall meeting. Mr. Ellison will discuss this with Dr. Ewing as to how he would like to handle public feedback/input. The town hall will be advertised on the LCPS District website and through local publication sources. Public input can also be received directly via email or through a school board member.

The minutes from the April 12, 2018 Finance Advisory Committee meeting were presented. Mr. Frank moved that the minutes be approved. Mr. King seconded the motion. The motion was approved. The minutes will now be sent to the School Board for their information.

IV. BUDGET

1. Budget Update

Mr. Ellison provided a budget update. The budget is still being compiled and departmental budgets are being reviewed, debt service is being finalized, capital projects are being reviewed, and positions being determined, etc. Mr. Ellison reiterated that the budget will be published May 22nd.

V. PUBLIC INPUT

Mr. Landers stated that the public should participate and provide input at the Finance Advisory Committee meetings. He feels the committee needs to expand and he does not feel comfortable with the amount of public input regarding the budget and feels the survey won't provide meaningful input. In addition, he feels that LCPS has an image problem with regards to public perception

Ms. Simpson stated she does not believe the budget process has improved from last year. She stated that both unions, NEA and C-SEC, were listed in the press release and she did not support their being listed. She is concerned about the time frame for the budget process and didn't see the recommended changes from last year put into effect this year. She feels

public opinion is absent from the budget process and that the scope of the survey was limited. She is requesting transparency being provided in a timely manner.

Mr. Frank remarked that previously there was little trust in the Finance Advisory Committee and he feels that this is no longer the case. He feels that transparency has increased and that all stakeholders need to work together to get a budget approved that serves the students in the classroom and to adequately staff the schools. The latest press releases have hurt the district, but he feels the truth of the matter will come out.

Mr. Landers stated that he wants both the LCPS Board and Dr. Ewing to be successful. He feels he cannot respond to inquiries regarding the press release adequately because it has not been discussed in Finance Advisory Committee meeting. He feels the district's response to the press release is too delayed and feels that the delay is a betrayal.

Mr. Ellison stated that many of the mentioned issues are beyond the scope of this committee but that the financial statements that are provided are accurate. He stated that the next Finance Advisory Committee meeting will be held on June 14th and issued a reminder that there will not be a meeting in July.

VI. ADJOURNMENT

The meeting was adjourned at 2:54 p.m.

—*Minutes taken by Cindy Archuleta.*