

Wiseburn School District

Measure CL Oversight Committee

Meeting Date: May 12, 2014

Notes Prepared: August 1, 2014

Notes Prepared by Dave Wilson

Provide any comments within seven days of the distribution date.

Attendees: Tom Johnstone Daniel Juarez Russell Kehl
Dave Wilson Nelson Martinez Don Putnick
Vince Madsen Cindy Parsons Roger Banuelos
Bill Denney

1. Measure CL Chairman Danny Juarez called the meeting to order at 8:43 p.m.
2. Review of Minutes from February 10, 2014
Tom Johnstone moved to approve the minutes from February 10, 2014
Russell Kehl seconded the motion
Meeting minutes from February 10, 2014 were unanimously approved
3. Tom Johnstone provided an update on the litigation regarding Measure CL. Dr. Johnstone shared that the five school districts had authorized \$40,000 to be spent on legal fees in order to represent the Joint Powers Authority in the appeal process.

Dr. Johnstone mentioned there is proposed legislation, Senate Bill 1021, introduced by Senator Wolk, that would establish the legality of taxing different classifications of parcels at different rates.

Dr. Johnstone also stated that we have been informed by our attorneys that the appeal should have resolution by late summer or early fall.
4. Dave Wilson provided the Committee with an update of how the District planned to spend the Measure CL revenues, as listed below:
 - \$400K in teacher salaries and benefits to increase instructional days from 175 to 180
 - \$450K in teacher salaries and benefits to hire five (5) additional teachers in order to lower class sizes to 24 to 1 at Kindergarten through 3rd grade and 30 to 1 at grades 4th through 8th.

5. Danny Juarez asked what the plans were from the District as the Parcel Tax would eventually expire and the District had built these expenditures into their “base” programs. In particular, how will the District continue offering programs funded by Measure CL when the revenue could eventually be reduced?

Dr. Johnstone and Dave Wilson discussed that due to the ongoing litigation, the District is taking a conservative approach and only spending \$850K per year out of the total revenues received, projected to be \$1.8 million every year. By doing so, the District will have built up around \$1.8 million after two years in a reserve, (if appeal is decided in our favor and the JPA does not have to return the taxes collected on the higher rate for commercial property). If the appeal lasts longer, the reserve could potentially grow higher. The District plans on using this reserve as a “soft” landing to cover two to three years of programs in the event the parcel tax is not renewed. It was also stated that the District will begin transferring expenditures that are on-going in nature from the Measure CL funds and replace them with expenditures that are “one-time” in nature. This would help mitigate the potential loss of parcel tax revenue from being a drastic loss to the General Fund.

6. The next Measure CL meeting was scheduled for October 27, 2014.
7. The meeting was adjourned at 9:45 p.m.