

**Riverside Unified School District**  
**Business and Governmental Relations Division**

**Board Finance Subcommittee Meeting**

Superintendent's Office

May 8, 2013

2:00 p.m.

CALL TO ORDER – Dr. Beaty called the meeting to order at 2:04 p.m.

PRESENT: Dr. Charles Beaty (Chair), Mrs. Gayle Cloud, Dr. Rick Miller, Mr. Mike Fine, Ms. Sandie Meekins, Mrs. Dalia Gadelmawla, Mrs. Joyce Threadgold (recorder)

**1. Approval of the Board Finance Subcommittee Meeting Minutes**

Mrs. Cloud moved and Dr. Beaty seconded the motion to approve the Board Finance Subcommittee Minutes of March 11, 2013.

**2. Nutrition Services Price Increase**

Mr. Fine shared with the Committee that this item will come before the full Board on May 20. He went on to explain that this recommendation is for a 25 cent per meal price increase for breakfast and lunches, due to the fact that the new USDA's Healthy, Hunger Free Kids Act menu requirements have driven the food and labor costs up. Meal prices have not been increased since the 2008-2009 school year. Mr. Fine stated that for the current year through April, the district is running about a \$500,000 deficit in food service, with a projection that by the end the year it will be an approximate \$250,000-\$300,000 deficit. He discussed the fact that the largest single impact has been the added food cost to comply with the new USDA regulations along with general cost increases in food and paper products.

**3. Interim Audit Report**

Mr. Fine reported that the Business Services staff reviewed the independent auditor's interim audit findings from March and provided the Committee with the information. He explained that the March interim audit focuses on school site cash collections, attendance and ASBs. Mr. Fine shared that there were numerous findings by the auditors; however, many of the interim findings will not be reported in the published annual audit report since sites have developed corrective action plans.

**4. 2013/14 Budget Development**

Mr. Fine shared with the Committee that the governor's May Revised budget proposal will be released next week on May 14<sup>th</sup>. There are two extremes among the proposals. The first is the governor's LCFF proposal that would likely result in about \$13 million of new funds for RUSD next year. The second is the Senate Democrats' proposal that could be less than one-third of that value depending on how the Proposition 98 guarantees are handled. Mr. Fine said he will be able to share more at the next Subcommittee meeting being held on May 28<sup>th</sup>. He explained that we are continuing to refine a list of initial priorities for budget augmentations. Mr. Fine went on to say that this is a relatively short list focused on high priority items consistent with the Board's

goals, our employee's priorities and legal requirements. He stated that most of the items on the current list can be implemented post-July 1, by doing this it will allow us to be conservative and consistent with our long-time approach to budget based on what we know.

### PUBLIC RELATIONS

#### 1. Unscheduled Communications

There were no unscheduled communications.

### ADJOURNMENT

The meeting was adjourned at 4:00 p.m.