

The Board of Education of the Chico Unified School District met in a Regular Meeting at 7:00 p.m. in the Chico City Council Chambers. The following were present:

BOARD MEMBERS:

Ann Sisco, President
Steve O'Bryan, Clerk
Donna Aro, Member

ABSENT:

Rick Anderson, Vice President
Scott Schofield, Member

ADMINISTRATION:

Dr. Scott Brown, Superintendent
Jim Sands, Deputy Superintendent
Kelly Mauch, Assistant Superintendent – Educational Services
Randy Meeker, Assistant Superintendent – Business Services
Bob Feaster, Director – Educational Services
Vikki Gillett, Director – Information Technology
Scott Jones, Director – Fiscal Services
Dr. Cynthia Kampf, Director – Educational Services
Mary Leary, Director – Maintenance & Operations/Transportation
Tracy Martineau, Director – Classified Personnel
Alan Stephenson, Director – Educational Services
Bernie Vigallon, Director – Educational Services
Kim Hutchison, Executive Secretary to the Superintendent

OTHERS:

Principals, Assistant Principals, Association representatives, news media, and visitors.

1. CALL TO ORDER

1.1 At 7:00 p.m., Ms. Sisco called the meeting to order.

2. INFORMATION AND DISCUSSION

2.1 Randy Meeker, Assistant Superintendent provided the information regarding the revisions to the 2002-03 budget and the adjustments for the 2001-02 actual ending balances.

In 2001-02, the unrestricted CUSD fund balance improved by \$3,334,815 over the estimated amount of \$6,089,546 for a total of \$9,424,261. This increase was evenly split with revenue increasing by \$1,691,814 and expenses being lower by \$1,643,270. These changes represent a 2.344% change in expenses and a 2.53% change in revenues. When carryover is backed out of the increase, the actual change to the fund balance drops to \$1,718,612 or an overall percentage change of 2.45%.

The revised budget has a total of \$93,902,104 in revenue while expenditures are projected at \$98,637,884. The variance (\$4,735,780) is made up of several items. Carryover, which is placed back in expense from fund balance, increases expenditures. Therefore, the total deficit, (\$2,710,449) represents restricted carryover. The unrestricted deficit (\$2,025,331) consists partially of (\$1,307,256) in carryover, making the actual deficit for the 2002-03 fiscal year (\$718,075). This means that we are spending (\$718,075) more than our revenue stream for the same period. The deficit is projected to come out of fund balance. The ending unrestricted fund balance is projected to be \$7,399,030. This balance exceeds our State mandated 3% by \$4,439,893 of which the undesignated portion of this balance is \$2,758,213.

The multi-year projections for years, 2002-03, 2003-04 and 2004-05 each show a positive undesignated fund balance, but only after cuts have been made in the 2003-04 and 2004-05 fiscal years. A significant change from the adopted multi-year projection is the addition of the "net change to the base revenue limit" being budgeted for each employee group in the 2003-04 fiscal year at a cost of (\$1,312,096). Additional minor changes have been made to expenses and revenues in each of the out years. Cuts in the 2004-05 year have increased from adopted of (\$130,000) to (\$635,000). Cuts in 2003-04 have remained the same at (\$350,000).

3. ACTION CALENDAR

3.1 The Board approved the revisions to the 2002-03 budget and adjustments for the 2001-02 actual ending balances. MSC Aro/O'Bryan

4. At 8:20 p.m. the special meeting was adjourned.

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Approved:

Board of Education

Administration