

MINUTES
CLARK COUNTY SCHOOL DISTRICT
COMMUNITY BUDGET ADVISORY COMMITTEE
GRANT SAWYER BUILDING, ROOM 4401
555 EAST WASHINGTON AVENUE, LAS VEGAS, NV 89101
FRIDAY, SEPTEMBER 22, 2017
2:00 p.m.

CALL TO ORDER

The meeting of the CCSD Community Budget Advisory Committee was called to order by Co-Chair, Assemblywoman Maggie Carlton at 2:03 p.m.

Members Present

Maggie Carlton, Assemblywoman, Co-Chair
Sylvia Lazos, Educate Nevada Now Policy Director, Co-Chair
Albert Delgado, Community
Caryne Shea, HOPE
Eva Simmons, Community
Susan Brager, Commissioner
Felicia Ortiz, State Board of Education
Immer Ravallo, MS Principal
Greg Cole, HS Principal
Joyce Woodhouse, Senator
Lindy Glanz, CCSD Support Staff
Gary Ameling, City of Las Vegas
Paul Moradkhan, Las Vegas Metro Chamber
Richard Derrick, City of Henderson
Sean Thueson, Parent
Chet Curtis, Community
Brian Wachter, Community
Yvette Williams, Community

PUBLIC COMMENT PERIOD

Autumn Tampa is a CCSD employee who stated that she has worked with Clark County School District for 18 years and received a surplus notice/reduction in force. This also happened to her nine years ago. She has been a union member and they helped her through it. She said while working for CCSD she has had more pay cuts than raises or promotions. She stated that it took about nine years to get her pay back up to where it was nine years ago and will now most likely get a 20-40% pay cut. She attends school board meetings and legislative hearings regularly and is extremely disappointed and disheartened. She feels that two o'clock in the afternoon on Friday is not a good time for the public to attend a meeting, that evenings and weekends are best because most people work during the day. She hopes that the committee reaches out to CCSD employees and not just listens to the experts, because the experts have been doing it for years and it's not working very well.

Assemblywoman Maggie Carlton stated she had offered the Legislative building so that it could be streamed so that people could see it on the internet and not have to actually come here. She added that they are taking that into consideration and will do their best.

Georgeann Ray stated that she has had a student in the Clark County School District for the last 23 years and is a product of the Clark County School District herself. She is very concerned as a taxpayer with how the budget has been done in the past, and is encouraged to see that the committee is willing to work at a different model for funding. She hopes that they will take a lot of public input from people such as her, who have had a lot of direct involvement with the school district, but may not be considered authorities or experts. She feels that most options for the survey online for the budget were placed on the backs of the students and the teachers of the individual schools, and she has a real problem with that. She didn't see options for reducing the bureaucracy in the buildings at Flamingo, Sahara, Pecos and all the other central locations. She states that now that CCSD has School Organizational Teams she doesn't see why we need so many central office employees. Her concern is putting all of our efforts into individual classrooms to booster up the individual classroom teachers, the principals on site, and the students, because that's really in the end is where you're going to see the difference. She adds that we all want our students to succeed, we want them to achieve greater heights, and that's what makes the difference. She hopes as we go forward, the committee will take a lot of parent input and not just look at the "authorities and experts", because in reality, who are the experts of our individual children, but the parents.

Assemblywoman Maggie Carlton thanked the public speakers and reminded everyone that she would open it up for public comment again at the end of the meeting.

OPENING REMARKS AND INTRODUCTION OF COMMITTEE MEMBERS

Assemblywoman Maggie Carlton thanked all in attendance, welcomed the committee members and made introductions.

Co-Chair, Sylvia Lazos introduced herself as the Educate Nevada Now policy director; also a law professor at the UNLV Boyd School of Law. Honored for the opportunity to serve on the committee.

Immer Ravalo introduced herself as the principal at Dell Robison Middle School and stated that she is honored to be a part of the committee.

Brian Wachter introduced himself as a Clark County School District parent that decided to be a part of this group to see where it can go.

Paul Moradkhan introduced himself as Vice-President of the Las Vegas Metro Chamber of Commerce and stated that he appreciates the opportunity to have this conversation.

Chet Curtis introduced himself as Public Consulting Group, who has a key focus on education improvement and educational financial positions. He is very excited to be on the committee to serve with all of his peers and contribute to the process.

Sean Thueson introduced himself as an attorney and parent who serves on the school organizational team. Excited for the opportunity and look forward working with this committee.

Richard Derrick introduced himself as the Assistant City Manager and Chief Financial Officer for the City of Henderson. He is a life-long Henderson resident, a product of the CCSD, and his wife and daughters are teachers. He used to work for CCSD in the budget department and is looking forward to helping the performance of the schools within the city.

Yvette Williams stated that she has served on numerous superintendents' committees and is hoping her voice can give suggestions to our budget crisis.

Caryne Shea said that she is from Honoring Our Public Education, a parent advisory group, which was formed a few years ago to bridge communication to create an informed parent community, and she is happy to be a part of this team.

Albert Delgado stated that he has a background with Business & Finance working with small to mid-size businesses helping with budgets and finding capital. He is the current Chair of the Attendance Zone Advisory Commission for the Clark County School District and is happy to be here.

Greg Cole said that he is the Principal of Mojave HS and appreciate being on this committee to provide a voice of what it's like as budget discussion happens in the school levels.

Gary Ameling introduced himself as the CFO for the City of Las Vegas. Twenty-eight years background in government finance. Hopes to help in any way he can.

Lindy Glanz has been employed for 27 years as a CCSD support staff employee and is very honored to have been asked to be on this committee.

Eva Simmons said she serves on the SOT team at Simmons Elementary School; is a CCSD retiree of 37 years, and a bona fide citizen who is honored to serve.

Felicia Ortiz said she has been involved with all aspects of the reorganization for over a year now and is looking forward to making a positive change. She is a member of the Nevada Board of Education.

Commissioner Susan Brager said she served on the CCSD Board of Trustees for 12 years; has served 11 years as a Clark County Commissioner, and is looking forward to where we can take the District.

Senator Joyce Woodhouse said she is a State Senator for District 5 in Southern Nevada; she is also a retired 40-year education veteran and feels that the work that the committee does here will be helpful as we move forward both here in Clark County as well as state wide.

Assemblywoman Maggie Carlton stated that she has served in the state legislature since 1999 where she started her career in the Senate, then went from the Senate to the Assembly. She currently chairs the Assembly Ways and Means Committee and hopes to be doing that again in the next legislative session. She looks forward to the work and the discussion that will happen in this committee meeting and feels that community advisory committees are central to the work that gets done. She believes the more they get answers, and good hard data that they can sit down, have a discussion and come up with solid answers.

She stated that we are all here for the kids. She thanked everyone for taking time out of their very busy schedules to do this on a very short notice.

REVIEW AND ADOPTION OF COMMITTEE POLICIES

Assemblywoman Maggie Carlton reviewed the operational policies of the Committee. The policy statement that the Committee will use as a foundation for their work is that the Clark County School District, through this Community Budget Advisory Committee, strives to develop public opportunities to view and understand the budgeting process of both the District and the State of Nevada for K-12 education. The District supports this community process in order to better provide a high-quality education to all Clark County students and families. The basic purpose behind this committee is designed to assist the Clark County School District and the Nevada Legislature in looking at solutions to the current education funding issues that have arisen. The committee may provide recommendations regarding resources, policies, and/or processes. She added that there will not be bill drafts that come from this committee, rather they will make recommendations to CCSD, and the school district will take them from there. She added that it will be a multi-step process moving forward. She reminded the public that all meetings will be appropriately calendared and posted to ensure access for the public and that members will discuss matters on the agenda while exhibiting professional conduct and behavior. She said that debate and discussion are encouraged and members will maintain respect, despite any differences of opinion. The Co-Chairs will ensure that all discussions are orderly and remain on topic. She also reminded everyone that topics that are to be discussed during the meeting must have been previously placed on the agenda, and that emerging items shall be addressed in subsequent meetings through a planned agenda process. She stated that any policy recommendations shall be determined by a vote of the majority of the members present, and that whenever possible, this committee shall include the opportunity for comment by the general public at each meeting during the times specified on the agenda. She said that public comment will be limited to two minutes per person, and that this committee will work under the Robert's Rule of Order as its guide.

REVIEW OF THE CLARK COUNTY SCHOOL DISTRICT (CCSD) BUDGET DEVELOPMENT PROCESS

Assemblywoman Maggie Carlton introduced the Chief Financial Officer from the Clark County School District, Jason Goudie.

Jason Goudie explained to the committee that they were looking at an overview of components of the budget, budget process, and some of the challenges of the District. He presented some CCSD facts including that the district was first established in 1956.

Mr. Goudie stated that the components are pretty simple, there are revenues that come in, salaries and benefits that go out, as well as supplies and other costs that go out. Our budget, as it stands, is about \$2.4 billion. About 87% of the funds in our budget are related to salaries. This is both very good and very challenging at times. Good, because we have a human asset, which is the most valuable asset you can have in an organization, and challenging, that when you are so heavily driven through personnel, when you face budget challenges it impacts people.

Mr. Goudie next showed the budget breakdown as it relates to the funding allocated to the schools. He stated that 55% of the funds are directly in the school strategic budgets, which is controlled by the principals. Additionally, there is another 33% bucket, which are services directly provided to schools but

are funded through central services. Therefore 88% of funds go directly to schools; in the form of either the strategic budget or services that are provided to them. The remaining 12% is the central services fund for which services are not directly provided to schools. He said that all of those services are provided for the benefit of the schools but not directly attributed to them.

Mr. Goudie continued that since we have a bi-annual legislative session there are challenges in the timing. In January, we receive budgets from the different departments and we then also provide initial preliminary strategic budgets to the schools. Those are based off all the preliminary information from the state and various other agencies. In April, we then provide a tentative budget that takes all the information that we have and puts in the required forms for the state. We then adopt a final budget submitted in May, even though in legislative years, funding is not determined until the session ends in June. This means we're presenting our final budget prior to the final funding bill from the legislature. We then have the opportunity to amend the final budget in July if there are significant changes to revenue. Then the amended final budget is submitted in December of that year. The challenge is around when we provide information, and when we actually get final revenue information from the state.

The next slide is about the budget creation process. The Nevada Plan establishes a state guaranteed basic support (average for FY2018 is \$5,897 per pupil). From a historical perspective, when we look at the per-pupil amount Nevada provides, about 96% goes to the Clark County School District (\$5,700 for FY2018).

Mr. Goudie showed another slide and said that it shows the basic support that's been provided over the past four to five years. Clark County School District's share includes local taxes as well as state taxes.

Mr. Goudie continued with a general summary of the Nevada Plan, which provides the guaranteed basic support. Another component is the local funding sources outside of the Nevada Plan, such as 2/3 of the property tax, general services tax, and franchise taxes. There are other items, such as 1/3 of the property tax and the local school support tax, which comprise part of the actual minimum funding; the other state taxes are the marijuana tax, the slot tax, room tax, and state general fund.

Mr. Goudie then discussed the budget creation process. He stated that the most significant expense is personnel. Enrollment drives the number of teachers and other components. Understanding student enrollment is one of the most important factors in determining the required FTE's, which ultimately result in the salaries and benefits included in the budget.

Mr. Goudie continued, the next piece includes 13% in supplies and other components. Supplies are done no differently than any other business; we look at what we used last year, what we can change with this year, as well as what we might need for additional supplies. We also look at large items such as utilities, transportation, legal costs, maintenance costs, etc. A lot of those are based off historic trends, anything we might receive that might change in those areas, as well as working with department managers to build those numbers up. That becomes our total bucket of expenditures for the year.

Assemblywoman Maggie Carlton asked that within the budget timeline, CCSD, in essence starts in January?

Jason Goudie said that they technically probably start prior to that; January is when they actually start the formal process when we receive things from the departments.

Assemblywoman Maggie Carlton asked about the budget timeline: In essence it starts in January, and then they do a tentative budget and the adoption of the final budget he has listed in May. She knows that the education funding bill is usually one of the last things introduced. It was introduced this past session on May 31, which was actually after they had submitted their final budget. Is this correct?

Jason Goudie said that he believes after they submit to the Board of School Trustees for approval, then the final submissions look like they were required to do so by June 8. He was not here, so cannot attest to the date. Given the volume, there's preparation for it from a timeline to what they can actually make any changes to it.

Assemblywoman Maggie Carlton asked if they are working off of projections? In some areas there are not solid numbers, and asked him where they think they will be the next school year?

Jason Goudie stated that is correct.

Brian Wachter asked if during the legislative session, does the District look at the economic forum numbers that are released at the beginning of May, and if the economic forum numbers are ever utilized?

Jason Goudie said that when those numbers are released, the timeline doesn't allow us to incorporate them. He added that there are some timing challenges.

Brian Wachter asked about the presentation on page 6, what falls in the 33% (direct services to schools) and what falls in the 12% category (central services)?

Jason Goudie answered that it is transportation; school buses and school bus drivers.

Brian Wachter asked regarding the presentation on page 12, if the other categories are separate from the 33%, are they directly related?

Jason Goudie answered that it is a combination; part of transportation is included in the 33%. Bus drivers are included in direct services to schools. Others, such as maintenance, was not included in that 33%.

Sylvia Lazos asked how much flexibility CCSD has with this timeline, and if they could move the final budget to the middle of June instead of having it in the middle of May?

Jason Goudie answered that he believes it is required by statute or other requirement as to the specific timelines of when we are required to provide a budget.

Sylvia Lazos asked regarding the presentation on page 11, on the second arrow it looks like you calculate FTE per a formula or some kind of equation; what is that formula?

Jason Goudie said that he doesn't know the exact formula, however, the process includes understanding how many students, type of school that make up those students, and how that then drives the required FTEs.

Eva Simmons asked about student-to-employee ratios and if some of those are mandated either legislatively or by past practice?

Jason Goudie said yes, that there are certain class sizes based off of state mandates and that we would have our internal policies on how we develop the FTE counts for different levels that aren't mandated by regulation or law.

Eva Simmons asked if it would be smart to examine those policies not regulated by law, and if those regulations are located on the CCSD website?

Jason Goudie answered in the affirmative on both counts.

Assemblywoman Maggie Carlton said that they are making a to-do list and a question list as they work. She thanked Mr. Goudie for being there and said that they realize he had just been hired recently and is new to this.

Felicia Ortiz said that she had spent a significant amount of time with Dr. White, who was doing the budgeting process prior to Mr. Goudie. She said that figuring the FTEs is quite complex with many factors and formulas to consider. For instance, based on the number of students in a school, determines when you get a principal, an assistant principal, a dean. There are multiple lawsuit settlements that require positions as well. For example, a FASA, (First Aid Safety Assistant), depending on if it is a Title I school, there are rules to follow on how to determine what a school is required to have. This determines the count of positions that is required multiplied by the average salary of that position to determine what the budget should be for that school. Each school differs, so if there's a career and technology education school, there are different requirements as far as positions go. If there is a rural school that has less students, there are positions required regardless of student count. So, for a school in Moapa or Spring Valley where there are not enough students, you still have to have a principal. Those positions are then delineated and an equity adjustment happens to move dollars to those schools to cover those positions, since the student count doesn't necessarily cover them.

Gary Ameling asked if Mr. Goudie could clarify what we are looking at, and if it is the CCSD operating budget? He also asked if it included the capital budget?

Jason Goudie said that is correct; they are looking at the general operating fund which does not include capital, food service, or any of the other special funds.

Gary Ameling asked how much flexibility they have to move money from capital budget to operating budget?

Jason Goudie said none, that the capital fund is purely dedicated for capital projects and that they have no ability to move money between funds.

Gary Ameling asked if there is separate dedicated funding sources for capital?

Jason Goudie answered that is correct.

Jason Goudie continued the presentation regarding categorical funding that is provided by the Legislature, and distributed by the Nevada Department of Education, which includes class size reduction, Zoom schools, Victory schools, and weighted funding under SB178. These are all very important funding sources for the District, but they are very specific as to their uses. They can't just go into a school and be used for anything; they are very restricted as to how they are used. He added that these don't necessarily directly impact the general operations because they are more separated.

Assemblywoman Maggie Carlton asked if Special Education would be on this list?

Jason Goudie answered in the affirmative.

Susan Brager stated that it seems that with class size reduction whenever there is a budget issue we raise the class sizes because it is one way to save money. She asked if that is considered somewhere as we continue through this process to make sure we don't impact our children with larger class sizes?

Jason Goudie said that they have sent out a strategic budget and those decisions lie with the different units. School principals have the most insight on how to best spend their funds. They do not have that information back yet, but they are all very well aware and do not wish to impact class sizes, and that given the current funding, they do not yet know.

Mr. Goudie said that he would like to talk about some of the budget challenges in general. He stated that the processes overall are fairly manual, and Ms. Ortiz helped describe our strategic budget process. He said that one of the things that he is looking at is how to improve that. He added that the HCM system should assist in that process.

Assemblywoman Maggie Carlton asked if Mr. Goudie could clarify the meaning of "HCM" system and asked he was referring to the "Human Capital Management System" that the legislature funded last session.

Jason Goudie said that is correct.

Mr. Goudie continued by saying that the payroll process itself has much more manual processes than he is used to seeing in a financial situation. We have limited software capability, so the SAP system that we are using is limited in the ability to grow and meet some of these new needs as we start to develop budgets and accounting systems to very granular levels. No longer can we budget on a consolidated basis, we are really budgeting and monitoring things on a school by school, as well as department by department basis. He added that this is not something new, he has seen it, but never in such a large government sector where there is more of a consolidated approach. There is also risk management, which is actual impact, and he'll talk about that a little later and how that became a challenge. The demographics department, which is the group used to estimate the students that will be in the District, are extremely accurate and were only off by 600 students.

Mr. Goudie said that we have a number of bargaining unions and believes every single one is negotiated on an annual basis. He said we are continually bargaining and trying to negotiate on an ongoing basis, and that if we are unable to reach an agreement, then we go into arbitration, which we are a lot less able to forecast. These are all very challenging.

Sylvia Lazos stated that a \$17 million bill to modernize Clark County's accounting system was passed so that the District would not have to do so much by hand. She asked if that takes care of all of these challenges regarding manual payroll and limited software capabilities? She also asked when he anticipates the modernizations to come online?

Jason Goudie stated that he doesn't know the full answer to that question at this time but knows it will cover a number of the issues around payroll and the people management side. He also stated that it will be about an 18-month rollout.

Commissioner Susan Brager stated she knows the ending fund balance is important, but doesn't think it is protected from bargaining. She asked if that is correct?

Jason Goudie said that he does believe there are statutes that protect ending fund balance. However, in a practical matter, when an arbitrator rules, they don't say you're going to fund from ending fund balance; they determine that we have adequate funding sources.

Commissioner Susan Brager said she doesn't think it is protected at all. She feels it is very unfortunate, because there are demands of how much should be in the budget, yet when arbitration takes place, it creates havoc. She said that she is concerned about class sizes, because sometimes there is nowhere else to get that money without increasing class sizes.

Assemblywoman Maggie Carlton said thank you; this is what this is about, asking the questions; proceed.

Jason Goudie continued by saying that another challenge is demographics; where we don't have the ability to keep tabs on where all the new charters will be located. There is some information, but ultimately, the charters may pop up in an area where you wouldn't necessarily build another school. It challenges us to fully use our resources, plan for capital where enrollment growth is going to be. But if charter schools come into play, we are unable to control where those go, and if they go into a location where we didn't need the additional resources, it just pulls from a school that may not be fully utilized.

Mr. Goudie stated that the next slide addresses our basic support guarantee and increases. Overlaying that with our percentage increase in payroll and reflecting that 87% of our budget is payroll.

Yvette Williams asked a question about unanticipated legislative mandates in the District regarding consultants that were hired and that CCSD was expected to pay for, and if Mr. Goudie could share what those expenses were that the district absorbed?

Jason Goudie answered that there was a \$1.2 million contract that was utilized to help with the AB469 process and that he only knows of one as related to that one component.

Yvette Williams said that she just wanted to clarify that there were not any additional.

Jason Goudie stated that his point in the slide is that with 87% of CCSD's budget being based off of payroll, and if that is increasing at a higher rate than our basic support guarantee, it causes a long term challenge. He said that when your biggest portion of expenses are increasing more than your biggest portion of

funding, at some point you run out of money. That is the overall challenge over time and is not something that is impacted immediately in the 2017-2018 year. This has been happening over time, which is the overall concept.

Mr. Goudie stated that another challenge is unfunded mandates. He said that there are a number of programs for students that are required from a state and/or federal level and that CCSD must provide additional services to meet these guidelines. He said that the costs to meet these guidelines are underfunded. As an example, special education services where we are required to provide under state and federal guidelines and the cost to the District in excess of funds that we do receive for those sources, is about \$255 million. Those are the type of things that put additional burden on the District.

Assemblywoman Maggie Carlton asked about the presentation on page 15 and the asterisk at the bottom. She stated that she is trying to figure out the \$51 million loss for the full day kindergarten grant and wants to know what that asterisk really means? She stated that she doesn't want the public to see that asterisk stating there was a revenue net loss of \$51 million towards kindergarten, when there really wasn't a loss.

Jason Goudie said that what happened was in the past, in 2017, 2016, and prior to that, full-day kindergarten was funded through a grant outside the general fund. In 2018, that grant went away, which was about \$51 million in 2017, and it went back into general funding. He said that from a realistic perspective, we have to pull \$51 million out of that, because we no longer have the grant.

Assemblywoman Maggie Carlton stated that she just wanted to make sure we clarify, there was \$51 million in a grant fund, and then the process changed and those dollars went into the general funding with the DSA. So there wasn't an actual loss, there was a shifting of funds.

Jason Goudie said that was correct.

Assemblywoman Maggie Carlton said that the money still existed, instead of going into pot A, it went into pot B.

Jason Goudie stated that he is just trying to explain the fact that the increase in DSA was higher, but, it really wasn't as high because it was a shift in funds from the grant.

Assemblywoman Maggie Carlton said that she was a little concerned about having an asterisk on a slide that's available to the public that states there was a revenue net loss of \$51 million towards kindergarten when there really wasn't a \$51 million dollar loss. The money was there but was accounted for in a different way. She ended by saying that she doesn't want the public to think that \$51 million dollars was lost.

Jason Goudie said he agreed.

Sylvia Lazos added that this chart is very important and that on this chart it seems that things didn't go very well in fiscal year 2017. She said that we had pretty much everything going together in 2014, 2015, and 2016; but that in 2017 the actual salary and benefit growth were much greater than projected revenue. She asked how that happened? She stated that Mr. Goudie should be able to project what the collective bargaining costs are each year, and asked how we had such a big gap in fiscal year 2017?

Jason Goudie said he will respond later as he will need to get more details.

Brian Wachter asked if personnel contracts are on an annual basis and if every fiscal year there is an additional contract negotiation?

Jason Goudie answered yes; for the vast majority of our contracts.

Caryne Shea asked if kindergarteners are now weighted at one point as other students are, and asked if the \$51 million conformed with what we had, and how do we currently fund kindergarten?

Jason Goudie said that the cost of the 2017-18 Full-Day Kindergarten is around \$80 million and that was funded at \$51 million, and that the extra was paid through CCSD's general fund.

Caryne Shea asked if they're funded at a weight of one now, doesn't it come out of the DSA as a student?

Jason Goudie answered that it does in 2018.

Caryne Shea asked out of the 87% that are salaries and benefits, how much of that are actually school-based positions?

Jason Goudie stated that he did not have that information with him.

Gary Ameling asked regarding the presentation on the same slide, the two shocking points are in the plus over 10% column and the growth for expenditure line for fiscal year 2017-18, can you describe the growth rate from prior fiscal years? He stated that it seems to be about 10.5% or so for fiscal year 2017, and slightly higher for fiscal year 2018. He stated that reflects growth over fiscal year 2017 in an excess of 10% compared to prior year and asked if that is correct?

Jason Goudie said I believe so, yes.

Gary Ameling asked that with salaries and benefits being 87% can Mr. Goudie talk about percentages that are in salaries; and what growth rates were for salary components and benefit components like retirement, health care, etc., as he feels that is would be very helpful as to what the major drivers are.

Sylvia Lazos pointed out that special education is 10% of the CCSD budget, and asked how much help does CCSD get in funding from the state for special education, and if they are able to project costs?

Jason Goudie said that CCSD does have resources to project costs and will get back with them. He added that they do have the tools in place to adequately address the plan and estimated costs. He said that the fact that the costs exceed the actual monies received is the challenge.

Sylvia Lazos stated that the gap would grow with enrollment, so the unfunded mandate would grow every year. She said that it would not stay stable or decline because as population grows, special education population grows, and the unfunded capacity for that is also growing.

Jason Goudie agreed with that statement.

Caryne Shea asked if it is possible to gather information on what funding we get federally? She said that it is her understanding that we are to receive 40% of our need, but we receive far less than that. She said she would like to know how much money that is given to our state from the federal government is spent on special education.

Jason Goudie said okay, absolutely.

Assemblywoman Maggie Carlton said that it is difficult when we look at these numbers, because education is funded from so many different pies. We take a slice from all different pies and we try and make one pie out of it, and then you slice it up again. So it is a bit difficult when you look at these numbers with the mandates involved and because of the way the weights work, the way the categorical work, the DSA is added on top of it. You are basing this whole thing on projections. Would you agree with that?

Jason Goudie answered yes, I would.

Assemblywoman Maggie Carlton asked that if special education kids are funded at the same weight as every other student, yet another \$11 million was added to that weight for special education, is that correct?

Jason Goudie said we will get back with you.

Assemblywoman Maggie Carlton asked if we currently have the final numbers on 2017? She stated that she believes they had wrapped up their books on those a month ago and asked when they will have those numbers?

Jason Goudie said that they have final numbers that are being audited. He added that he is an ex-auditor, so nothing is finalized in his view until he gets the audit opinion and the audit financials. Those are actually sent out in November. CCSD believes our numbers are done for 2017 at this point, but we still go through that audit process for verification.

Assemblywoman Maggie Carlton asked if the problem with the timeline is that by waiting until November it increases the burden of cuts or adjustments being done in a shorter time. She stated that she has concerns with that delay.

Jason Goudie answered that is correct; audits are generally complete 60-90 days after year end.

Assemblywoman Maggie Carlton asked if there are preliminary numbers that are available now and can they be shared?

Jason Goudie said yes, and yes

Sylvia Lazos asked what the difference is between a forensic audit and an audit; and how long does a forensic audit take, and how much would it cost?

Jason Goudie said that a forensic audit is usually looking for criminal activity like fraud. I believe that we may be talking about more specific things like internal controls as well as transactional type things to ensure the controls are in place. A financial audit, which we go through every year, is where they validate our numbers to a level of materiality. The numbers are reasonably stated and they don't believe there is anything misstated. They go through and look at interim controls, procedures, they then validate numbers. That is what an audit does. This could take up to two weeks for a small company, to a month or month-and-a-half for larger ones. A forensic audit can range from a very small amount, to many millions of dollars. If there was a request to review "x" number of transactions over a set dollar amount for a District of our size, it could be in the millions of dollars. To better answer that question, I would need to have a better understanding of the scope they are looking at and then apply a rate. I believe it would run into the millions of dollars.

Assemblywoman Maggie Carlton asked that they now move on to the current shortfall.

Jason Goudie said he would like to talk about some of the major components. He continued by saying that with a budget of \$2.4 billion, there are hundreds of thousands of transactions. There were a number of items that were above budget, and there were a number of items that were below. These (see slide) are some of the most significant items that are identifiable. This ultimately contributed to the shortfall itself. I'd like to explain the shortfall and how it is calculated, because it doesn't relate to just one year. We have an ending fund balance, which is kind of our reserve. At the beginning of the year, you start out with your beginning balance, you have your revenue come in, and your expenditures go out. In a perfect world, we would spend all of our revenues. You would have a zero based budget or a balanced budget and the fund balance wouldn't move unless there were changes. It doesn't work like that in reality. What happened was, when we were building our 2018 budget, we had anticipated the beginning fund balance for 2018, which was our ending 2017 fund balance. We are required to maintain an ending fund balance of 2% of our operating revenues for that year. The Board of School Trustees, for the 2018 budget year, lowered that to a 1.75% level. We have to have 1.75% of our \$2.4 billion budget in 2018, ending up in our ending fund balance at the end of 2018. That's the general concept of ending fund balance.

Assemblywoman Maggie Carlton asked, of in the ending fund balance, you're looking at a \$2.4 billion budget, you are looking at setting it at 2%, and you used a variable to get to 1.75%. Correct?

Jason Goudie said yes, we had a waiver from the Board to move it to 1.75% when we presented the final budget for 2018.

Assemblywoman Maggie Carlton said that the snapshot that she got from all of that was that at a 1.75%, you have a seven day reserve. The state has \$3.8 billion dollar budget and we keep 6% and it keeps my staff up at night. I think this is very important that the public needs to understand. We talk about families living from week to week, and we have a school district that's living week to week. I have some very serious concerns that we'd really like to work on.

Jason Goudie thanked her for addressing that, and the quick math of seven days. It is frightening to having only seven days of reserve available. When you think about a \$2.4 million budget to have a one or two million bump, we should be able to cover that in reserves. We had a collective bargaining agreement that was resolved through arbitration in 2017. This resulted in a settlement of \$19 million dollars. We had \$6

million reserved for that. We had a \$17 million negative impact to our budget for that arbitration, less the \$6 million that we had anticipated.

Mr. Goudie continued, when employee salaries went through for retroactive pay, we had to apply that to the 2018 budget. This resulted in the \$16.5 million impact to the budget in 2018. We believed we would receive more money than we did for full day kindergarten. We had a special education contingency, we believed we would qualify and went through the process. However, we did not meet the guidelines in the application process and did not receive that funding for 2017. It was removed from the 2018 budget when determined we wouldn't receive again this year. Our expected liabilities over the long term were about \$3.8 million higher than anticipated.

Gary Ameling said in reading about the CCSD shortfall, he assumed we were talking about structural deficit or an ongoing budget deficit. He said that some of these numbers strike him as being one- time numbers and are not part of an ongoing deficit. \$11.2 million for example, is what we needed retroactively to pay back based on arbitration decisions. That amount won't contribute until next fiscal year? Have you put together the piece of the \$50-60 million deficit and put into perspective how much was ongoing? And have you projected that out with the future fiscal years – say five year forecast?

Jason Goudie said, no we haven't started that process yet. We are going through to determine the changes we need to make. There are other collective bargaining negotiations that could increase future costs.

Mr. Derrick interjected that from a city's perspective, we're supposed to have two months reserve. It would be nice to see the District be bolstered in that area. He added that a longer financial planning would be helpful not only for CCSD but for the Legislature as well. Some of these issues could be anticipated a few years out.

Greg Cole asked a question about the special education unfunded mandates and contingency funding. He knows they have specific procedures, such as nurses coming in and required feedings and asked what the overall impact is on the budget for these things?

Jason Goudie said yes, there is a significant amount, and the vast majority of unfunded mandates of \$250 million or so for special education needs.

Assemblywoman Maggie Carlton added that she wanted to clarify for Mr. Cole that there were assumptions made on this grant that were not fulfilled.

Nicole Rourke said that CCSD receives from the state about \$121 million for special education funding and that we also receive dollars through IDEA (Individuals with Disabilities Education Act) through the federal government. These are the additional dollars that come from the general fund budget on top of both those things. Our children need a wide range of services, from having a nurse with them throughout the day to speech therapy, which we are required to provide. So in response to that question, the Special Education Contingency Fund, we have provided over 170 applications with zero funding.

Susan Brager commented that in regard to collective bargaining, when you do it year after year in the five groups you're never done. Is there a way it can be done every four years?

Jason Goudie said that being looked at.

Felicia Ortiz commented that there has been an increase in litigation and asked how we budget for that?

Jason Goudie said that the CCSD legal team looks at past history to anticipate future litigation, and added that there is no way to fully budget for that item.

Brian Wachter asked about the \$250 million in unfunded special education services and if those are all state mandates, or they are state and federal mandates? He asked if they could see a breakdown of those?

Nicole Rourke said that the expenses are not necessarily associated with a specific mandate and that this is in excess of what we need to provide. Generally speaking, state law reflects federal law. If a student needs a nurse, or speech therapy services, the IEP team (Individual Education Program), determines what those needs are. That's where the costs are driven from.

Assemblywoman Maggie Carlton said that in the 2016-17 budget, we spent \$306 million; in the next session the Legislature approved a budget for 2018-19 to \$386 million. It was an increase of 28% that the state provided for special education.

Brian Wachter asked if there was any portion of the general fund or operating budget that is not available during collective bargaining, and does an arbitrator have ability to look at entire general fund to make decision?

Jason Goudie answered that the arbitrator's task is to see if the funds are available. They deem we have the ability to pay, and don't break it down to show we have the ability to pay.

The immediate short-term plan to address the shortfall is in utilizing the school associate superintendents, principals, and central service groups to identify proposed cuts. We have broken these into components for timing purposes. We've also put together a Superintendent's Budget Task Force, which consist of 8-10 people that are financial and business experts, to help determine recommendations. We have met three times and will meet again to assist on an ongoing basis.

Additionally, this group was formed to improve this process. We are trying to work on communication with labor groups; if 87% of our budget is based on people, a vast majority are covered by union contracts. We need to work with them as well.

In reference to the \$43 million, we used the school associate superintendents, finance team, and principals to identify this first bucket. We will be bringing another bucket of proposed cuts to the Board of School Trustees on September 28, 2017. To clarify, the budget deficit is at the \$50-\$60 million dollar range. A memo got out to the public noting we were looking for \$70-\$80 million dollars of cuts and certain people took that information and inaccurately reflected that there was a \$70-\$80 million deficit. When you are a quarter of the way through the year, we've lost July, August, and September, we've lost the ability for an annual savings of 25%. In order to get to a savings, or deficit of \$50-\$60 million, you have to identify cuts in excess of that amount. That was the purpose of identifying cuts in the amount of \$70-\$80 million, to ensure we can fully mitigate the \$50-\$60 million in deficit.

We did send out a survey which received 26,000 responses.

Eva Simmons said that her question regarding the community survey is that if you have analyzed those 26 thousand responses, what generalizations can you share with us that were recommended?

Kirsten Searer said that the top three responses were related to furlough days for employees and that this information is on the CCSD.net website. She said that the top response was closing buildings during winter breaks and eliminating seven work days. The second most popular was one furlough day for all employees, including teachers; then moving some twelve month administrators to eleven month administrators. The next general group was changing our busing schedules; transportation is one of our biggest line items, so that's an area to save money. She added that we have been looking at changing the walking radius and that right now it is based on if you live two miles or more away from your school. This one was much less popular. She concluded by saying that we have been having discussions on the legalities of doing furloughs, and that is probably something we would have to engage our employee associations in.

Eva Simmons asked if the survey results are on the CCSD website?

Kirsten Searer answered that if you go to openbook.ccsd.net that it is a great website in terms of transparency, and that all of the school strategic budgets are there. She added that the website is updated at least quarterly. She continued by saying that on openbook.ccsd.net we are building a page with information about the budget situation in general and suggested that maybe some of the questions that they are asking today could actually be posted to that page. She said that by going to the website they could learn more about the shortfall as they scroll down and click through the survey results. She added that the fourth option was eliminating add-on days for teachers and explained that some teachers have special assignments during the summer, or days outside of their 180 days.

Eva Simmons said that it was reported in the newspaper that an error had been made in calculating some aspects of the salaries and asked if that was an accurate report?

Jason Goudie said that he would not consider that an accurate report and added that the process for putting together CCSD strategic budgets, which is the \$1.4 billion budget that goes out to our 357 schools, is very challenging. He said that there were some changes as it related to the budget deficit and that some of the information needed to be updated. He said that they went through and identified those problems and notified the schools involved rather than being able to release it on the September 18th deadline. He said that they are in the process of re-releasing those numbers.

Sylvia Lazos asked about timing issues and when they get resolved?

Lindy Glanz said that she is a support staff employee and ESEA member and asked if furlough days are implemented and you reduce administration from twelve to eleven months, how does that affect our budget for this year; because we're already in a current working year, right?

Jason Goudie said yes, and that there are a number of legal and personnel challenges with doing that. For instance, a furlough day, without any legal challenges, would just be that we wouldn't pay people. So that is

how it would ultimately help with our deficit, because the payroll amount would go down. Based off of averages, it is about \$8 million a day if you take all the employees and benefits rolled into it. The other component, moving it from 12 to 11 month, the pay scale goes down. We have already started the work here, which you pointed out, so you don't get a full impact of that, however, you would get a portion of that savings.

Eva Simmons said she doesn't see how that will help and asked how furlough days would work if students are guaranteed 180 days of instruction?

Jason Goudie said that the last day for teachers would be considered because that day would not impact the students. He said that anyone outside a school, such as administrators, there are no such restrictions. He added that there are a number of legal restrictions in doing that.

Sylvia Lazos said that one thing she is concerned about is this timing issue of the collective bargaining contracts and when they get resolved, and asked if that is affecting who get more or less in their arbitration award? She said that she is listening to staff who are getting the short end of the stick because of the timing of the collective bargaining agreement. She said that she has also heard from police who too, are suffering because of the way collective bargaining agreements are structured and timed.

Jason Goudie said that he could not specifically address staff that are negatively impacted, and that speaking from experience, if CCSD only has \$100 available and somebody gets \$50 of that, that only leaves \$50 going forward, so it certainly impacts it. He added that given the restricted amount of funding, it could impact those as well.

Richard Derrick said that he had another observation on the slide about involving unions. He said that one of the take-aways that they had during the downturn was meeting with unions monthly, as we guided ourselves through cuts and so forth. He said that many times labor groups can be part of the solution, but a lot of that is building trust over time. He said that in going forward and looking at redefining the way the district is doing business, he thinks that labor unions can be partners in trying to solve solutions, and that rather than having things done to them, it's done with them. He thinks that would be a good cultural thing as we move forward.

Jason Goudie said that he agrees and that he is always willing to sit down and talk and learn more.

Assemblywoman Maggie Carlton asked how these budgets were developed in looking at the attrition issue? She equates that to the vacancy savings on the state side and asked how many vacancies do we have right now, and how many of them are teachers? Do we have that number?

Trustee Edwards said that we have 450 teacher positions vacant, and we have 450 support staff positions vacant.

Assemblywoman Maggie Carlton asked that those dollars that are not being used that are the attrition savings, are those dollars baked into future budgets? She said that this is concerning to her because we hear how we need to hire teachers and we need to hire support staff, but if we're using those savings to shore us up in the future, if we are able to hire, we are robbing Peter to pay Paul on an attrition savings.

Jason Goudie said that the other component would be substitute costs and special education teachers. He said that these are another kind of offset to the attrition costs. The District initially budgets for all expenses, the expense in general exceed the revenue. When we budget for payroll, we budget on a fully staffed basis for the entire year. That is put into our first draft budget; that number exceeds our revenue. There are two ways to address this, such as in the private world, they budget for a 25% staff turnover which is a more realistic expectation. The District budgets for the full amount of staff for the year, knowing we won't be using it all; then they offset other expenses that benefit schools and central services. So, if you hire more employees than what was anticipated, through normal attrition perspective, it does create a deficit. If you hire less, or there are more open positions, this creates an abundance of attrition.

Assemblywoman Maggie Carlton asked what are your attrition dollars currently?

Jason Goudie said that attrition dollars for 2018 are about \$65 million. That's based off of the average open positions at beginning of the year that were assumed would remain open throughout the year. Our Human Resources program is not efficient, so gathering accurate data on a department level is difficult.

Assemblywoman Maggie Carlton said that in the past, those attrition dollars have been part of your ending fund balance, and asked if that is correct?

Jason Goudie said that those attrition dollars are part of all of the other costs because we know we won't spend 100% of our payroll dollars. We budget to spend more of the other dollars which creates a balanced budget. It doesn't necessarily end in the ending fund balance. If we have more attrition at the end of the year, it would contribute to an ending fund balance. If we did not budget to utilize the attrition dollars, and we were spot-on with everything else, we would have a \$65 million increase in our ending fund balance at the end of the year. This is not the right way to do this either, because we want to spend our money in the classroom. We cannot underestimate the number by great dollar amounts and have the ending fund balance blow up. Then it doesn't go to the schools immediately, and on the underside, it contributes to a deficit. We are working on how to do this in the future to make it more transparent.

Assemblywoman Maggie Carlton said that it is her understanding that under the reorganization the attrition dollars will now go to the schools and not stay at the District. So there is another variable that we need to figure out how those will be dealt with.

Jason Goudie said that is because we have not budgeted based off of system limitations. To do that we would need to employ a number of manual processes. We have not budgeted for a department by department basis, especially as it comes to attrition. We need to apply that \$65 million on a department-by- department and school-by-school basis to get to a true payroll number for each of those groups.

Felicia Ortiz said that with AB469, CCSD is now required to fund the schools the full amount of their budget had they been fully staffed. So, if they do have attrition or open positions that are not filled, those dollars are supposed to remain with the school. If we don't change the budgeting methodology, we're in violation of AB469, correct?

Jason Goudie said that is correct and that they are looking at ways to do that. He said that CCSD wants to be in compliance with the law. He added that how they go about that would be to take the attrition dollars

and apply them to schools. This does take a procedural change on our part, as well as conceptual changes on how we look at attrition and appropriately addressing it.

Mr. Goudie commented that he believed they were about finished and that he would like to mention that the class of 2017 had 19,948 graduates, which is the highest number the District has ever seen. With that, we received more than \$227 million in merit scholarships. It shows a lot of great things are beginning to happen in the District and with your help there will be more great things.

Assemblywoman Maggie Carlton asked if there were any other questions? She invited the superintendent to come up so they could have a short conversation with him and then she would open the last part of the meeting to public comments.

Superintendent Pat Skorkowsky said that it is important to know how appreciative we are of the community coming together to help and work on this issue. This challenge isn't the responsibility of one person or individual, it is something we have to work together as a community to solve and put in place as we move forward. He has thought about everything we have to get into place by January 15, 2018, we have to make sure we are building this system better for each year moving forward. With AB469, certain things have to happen every year, and we have to build these structures now. Unfortunately, we have to build these as we move through our daily work, making it much more of a challenge. Having a group of individuals to come together and help us work through these problems and think about it a different way is very assuring. We have a large group of staff members who are here to help support. As we go forward, it is important we build this structure better. Month by month, milestone by milestone, we are working to ensure that the reorganization is taking place in a meaningful way that will help benefit kids. We need to change the system to the structures for the reorganization but also to put into place structures that benefit for years and years to come.

Felicia Ortiz said that Mr. Goudie mentioned the numbers of student-to-teacher ratio and what it would take us to get us to match the Washoe County school district to 28 to one? She requested that he restate those statistics.

Superintendent Skorkowsky answered that one or two-star schools are required to have a ratio of Kindergarten 25 to 1. First and second grade is 16 to 1; third grade is 19 to 1; fourth and fifth grade it jumps to 34 to 1; middle school he believes is 36 to 1; and high school is 35.5 to 1.

Caryne Shea asked if we are at a point where we can achieve those class size ratios with the vacancies we now have, and the classrooms available?

Superintendent Skorkowsky said that classroom availability is more achievable, and that teacher ratio is a challenge because we are under a teacher shortage both locally and nationally. He stated that CCSD could do heavier recruiting, as our salaries are competitive across the southwest United States and that it is one of the highest when you look at the take-home pay and the tax structure of the state of Nevada versus other states. He added that the largest number of openings we have right now are for special education.

Caryne Shea asked that in comparing our teacher salary in the southwest, do we have other comparisons to other larger school districts? She stated that we hear how top heavy we are, but without actual the data to prove or disprove, it doesn't further the conversation. She asked if there is a way we can compare?

Superintendent Skorkowsky said that there is definitely a way we can compare and that he is working on getting the numbers from the Council of Great City Schools. He added that CCSD is looking at the ratios of student- to-teacher, administrator-to-student, and central office administrative numbers, and add that other districts have a significant number of central office administrators compared to CCSD.

Sylvia Lazos said that some critics have argued central services administrators' salaries, such as the Sahara office, would be sufficient to cover the CCSD projected deficit.

Superintendent Skorkowsky said that he could not tell them the exact number but he could tell them that CCSD has around 400 central office administrators; 800 plus school based administrators and stated that he could get that information. He added that in CCSD two-thirds of the administrative rank is school based, and only one third is central.

Trustee Deanna Wright interjected that she wanted to show the committee the information they have online on openbook, which is an informational icon that shows the difference in administrators here in Nevada.

Assemblywoman Maggie Carlton stated that they can let people know that they can find information on openbook and asked if there were any more questions.

Gary Ameling asked if the superintendent could talk a little bit about the revenue side and stated that he is trying to understand if it's a revenue problem or expenditure problem. He asked in the superintendent's perspective, where are we at with respect to funding per pupil?

Superintendent Skorkowsky said that CCSD is the lowest funded county in Nevada, which is one of the lowest funded states (per pupil) in the United States. He added that CCSD receives \$5700 per pupil from the state with some Nevada counties receiving \$13,000 per student. He stated that CCSD's funding is based on two different sources, the distributive schools account, the amount of money we get per student; the other portion of our funding is based on our local services tax, property tax, sales tax, etc. He added that one of our challenges is when our local services taxes revenue goes up, that means the states responsibility goes down.

Assemblywoman Maggie Carlton stated that the DSA (per-pupil allocation) for CCSD is the lowest. It is the state portion, it is the backup, depending upon how each individual county is doing, and the state makes up the difference. So when we say lowest DSA, we need to weigh it all out.

Yvette Williams asked the superintendent to explain the ten-year bond and asked when CCSD gets funds from the ten year bond (taxes) if it offsets funds from the state, or is that separate?

Superintendent Pat Skorkowsky said that those are different; capital funds are kept separate from the state distributive schools account and local services taxes. He stated that they are only used under certain guidelines, such as facility renovation, rehab modernization, building of new structures, and purchasing land to build these structures on. He added that it's all about growth and maintaining our current buildings.

Assemblywoman Maggie Carlton stated that they had reached their time limit and that she needed to open for public comment. She said that any other questions can be given to Ms. Nicole Rourke who will share

them with the committee and forward them on to the superintendent. She closed that portion of the meeting and asked to take public comment.

PUBLIC COMMENT PERIOD

Dorian Stonebarger stated that he is a free breakfast supporter and wanted to clarify an item on page 16 of the review document. He said that something stated in the beginning of the presentation by Mr. Goudie was that the Food Services budget is separate from the general budget, and the fourth item on this list is a state mandate that does not affect the general budget. It is something that was funded at the beginning of the mandate, and it does have some federal funds attached to it as well. The word qualifying means that the children qualify for free and reduced priced meals which have federal funds that come back to support that.

Guillermo Vazquez stated that he is the Executive Director for ESEA and would like to let the committee know that they are working collaboratively with the District to help out with this deficit. He added that it is a big concern to the over 12,000 support professionals that work for CCSD and that the upcoming proposed cuts are really focused on the backs of support staff. He hopes to find other solutions to ease the burden to support staff and added that ESEA will do their part to help because they are here for the kids.

Autumn Tampa said that she is really glad the committee is asking the tough questions and thanked them. Before the recession, she saw where raises for collective bargaining were put into the state's budget. Then the recession hit, SB241, that wasn't accounted for. Support staff every year haven't gotten raises, but teachers and administrators have. When you look at an entry level position for a support staff, who works with a child, it's thirteen to fourteen thousand a year. That is part of the raise, so one administrator's raise for the year, is the salary of one support staff for the year.

Assemblywoman Maggie Carlton stated that she wanted to clarify that the raises when they are given are put into that budget and then rolled up; then the dollars go to the county and the school district negotiates the contracts through that. The state has nothing to do with the negotiations; they just consider the past dollars when negotiating the future budget.

Terri Shuman stated that she is a CCSD support staff employee and has received a pink slip because her position is located in central offices. As the superintendent has said, they will not affect those working in classrooms with students, but rather focus on central services divisions. Even though her department is in central, every single day we are working with students. Her position as itinerant tester not only tests students coming in from other countries, but tests MAPS, SBAC, and WIDA and many other tests that the state requires. She also does pull-outs working with ELL students and stated that there are only 56 of these positions so they are assigned several schools. They are working in schools everyday yet their positions are being targeted and she doesn't think that is right. She added that she is in a two-star, ZOOM, and Title I school, and knows that these students need to have pull-outs. She said that she cannot accept that her position has to be cut just because she is a central office employee.

Ed Gonzalez said that in regard to the \$51 million dollars for full day kindergarten, he thinks the public had the perception it was being taken away. He stated that one Trustee on Twitter mentioned some surprise to it, so he appreciated the clarification. He added that we need better communication if Trustees are being surprised by this.

John Hooper said that he and his fellow students were there to discuss the funding for "We the People" program because they just received notice that the program will be cut due to funding.

Another "We the People" student said that we the people of the United States should be aware of how to show civic virtue as it pertains to the common good of our community and country. Maturity comes with experience and not age, and that we have the right to state our opinions as adults do. He added that We the People teaches important elements in our government such as due process, natural rights, the constitution and many more.

John Hooper said that some of the elements would include: expressing civic duties, how the government works, and how it should be run. He said that they learn what morals and beliefs the early government was based on, and what it is based on now.

A student said that "We the People" is not only a class; it's an experience we go through as a family. The fundamentals they learn in the class prepare them for their futures and civic responsibilities. He added that the program is valid to the youth of our community because they are the future. He concluded that the experience educates the future leaders and government officials that will later run the critical areas of our government.

Riley Molls said that "We the People" classes are being cut across the District, and added that they would like to keep this class because it teaches them a lot about the future and our government.

John Hooper said that they feel that the money used to fund "We the People" should be taken from district cars, having employees drive their own cars, and having less layers of administration.

Shelby Johnson said that she is a 19-year veteran of CCSD and that her father was an administrator and her mother was a teacher for 30 years. Regarding class size reduction, she said that she teaches second grade with 29 students. Class size reduction was spoken of in Title I schools and in one and two-star schools, but was not talked about in four and five-star schools. She said that we understand their clientele is different, but we all want to achieve the same end results. Class size reduction is a big concern for those of us who live in the land of no extra funding. We are tied completely to our strategic budget with no other funding at all. She added that once they do their budget as an SOT member, they are left with about \$900 for the year. She said that she would like to see an elementary representative added to this committee, because their budget does work differently

Assemblywoman Maggie Carlton ended by the meeting by thanking everyone for being there. She reminded them to relay any questions to Nicole Rourke. She stated that the next anticipated meeting date is scheduled for November 3, 2017. She said that they hope to have that meeting at one of the local high schools, and that they will send out a notice.

ADJOURN

The meeting adjourned at 4:39 p.m.