

Fountain Valley School District
Superintendent's Office

SPECIAL MEETING OF THE BOARD OF TRUSTEES

10055 Slater Avenue
Fountain Valley, CA 92708

June 6, 2016

MINUTES

President Galindo called the special meeting of the Board of Trustees to order at 3:00pm.

CALL TO ORDER

The following board members were present:

ROLL CALL

Jeanne Galindo	President
Sandra Crandall	President Pro-Tem
Lisa Schultz	Clerk
Jim Cunneen	Member
Ian Collins	Member

Motion: Mrs. Schultz to approve the meeting agenda.

AGENDA APPROVAL

Second: Mr. Cunneen

Vote: 5-0

Mr. Cunneen led the Pledge of Allegiance.

PLEDGE OF
ALLEGIANCE
PUBLIC COMMENTS

There were no requests to address the Board.

Dr. Johnson began the presentation by outlining the series of events that led up to this workshop. He stated that the first step was a survey, which was completed in November of 2015. The logical first step was to look at what other districts were doing with regard to facilities (modernization and new construction). Next, staff began to further assess what the current conditions of our facilities, which led to the Facilities Master Plan (FMP). Now that the FMP has been approved by the Board, the next step is to discuss how the effort could be funded. Dr. Johnson explained that it was important to wait on that issue until we had an idea of our needs, and how much a project of this scope could cost. Now that potential costs have been identified, it's time to take a detailed look at how school districts fund facilities. He stated that, at this point, the Facilities Committee, the Facilities Master Plan Committee, the Student Facilities Engagement Committee and the Board of Trustees have now come to place where it is an ideal

OPTIONS FOR FUNDING
FACILITIES

time to discuss how we move forward, together. He thanked Mrs. Fullerton and Mr. Hastie for their excellent work throughout this process. He also thanked Government Financial Strategies for all the work they've done. He handed the presentation over to Mrs. Fullerton, who began by thanking the Board for their support during this effort and that she is excited to move forward.

Mrs. Fullerton outlined the agenda noting that we would review the following: background regarding financial resources for the District and the research that has been done so far and a quick overview of Bonds and some reference materials that cover taxes and tax base demographics. She went on to cite the facilities assessment and research work that has been done, beginning in March of 2015. She noted the District's responsible management of assets and reviewed some of the major modernizations that have taken place since 1997. She stated that without new funding dedicated to facilities, we will continue to maintain what we have, but major capital improvements will require a new funding source. She went on to say that the costs of the needs which have been identified throughout this process total an estimated \$280 million dollars – and the estimated cost of the most urgent needs are approximately \$50 to \$100 million. She then turned the presentation over to Ms. Raineri.

Ms. Raineri started by reviewing the potential funding sources. She discussed the role of financing, the District's unique financial assets and the District's current funds for facilities. She then provided a brief summary of the factors that have been discussed so far, ending with the next step, which is to align District priorities and strategy.

Dr. Johnson also engaged in the conversation and stated that last summer the Board drafted and adopted five District Priorities. Priority #5 pertained with facilities and included five objectives: 1) Continue the facilities analysis 2) Work with a committee to improve each site 3) Continue to improved technology 4) Explore options for funding 5) Align strategy with vision. He stated that we've done the first 4, so the next step is funding – which begins our work on objective #5.

Ms. Raineri then went on to review the basics of Bonds and the steps that would have to be taken, should the Board decided to pursue getting a bond on the November ballot. The Board discussed some concerns with a bond, citing past bonds and the fact that so few people who live in this community have children in our schools. Ms. Raineri stated that a public opinion survey

would address these issues and give us a better indication of the community's feelings on a bond. It was also discussed that this bond would be very different from the past bond, as the past bond was for technology, which is constantly changing and can quickly become obsolete; whereas, this bond is for facilities, which is far more permanent. Ms. Raineri went on to provide a potential timeline for putting a bond on the November ballot. She provided a detailed overview on tax rates and stated that the District's Bonding Capacity is sufficient.

Dr. Johnson concluded the presentation by stating that the next step is to get direction from the Board regarding: hiring someone to do community outreach, look at future work with Government Financial Strategies, putting together a process to hire bond counsel and the completion of a public opinion survey. He went on to say that the District needs direction from the Board to get through June and July in order to put something on the Ballot in November. He stated that the greatest time issue is the public opinion survey; direction on that that piece is needed now, given the time constraints. The Board agreed to the completion of a survey and directed the District to move forward with the survey, and that the next steps would be a community expert for community outreach and bond counsel.

The Board thanked Mrs. Fullerton and Ms. Raineri for their presentation citing the great level of detail and depth of information.

SUPERINTENDENT'S COMMENTS/NEW ITEMS OF BUSINESS

Dr. Johnson None

ADJOURNMENT

Motion: Mr. Cunneen moved to adjourn the meeting at 5:05pm.

Second: Mr. Collins

Vote: Unanimously approved

/hg