

EANES INDEPENDENT SCHOOL DISTRICT  
Board of Trustees Finance Committee Meeting  
October 28, 2002

Committee Members

Present: Robert Durkee, Committee Chair  
Marvin Bendele, Committee Member  
Jim Strickland, Committee Member

EISD

Administrators Present: Dr. Jess Butler, Ed.D., Interim Superintendent  
Robert N. Jocius, Asst. Superintendent for Business Affairs

Others Present:

Robert V. Henderson, RBC Dain Rauscher  
Bill Bingham, McGinnis, Lochridge & Kilgore LLP  
Rich Egan, Forest Trail Booster Club  
Charlotte Knepp EISD Board Trustee  
Paula Murray, Director Technical/Staff Development  
Jo Layne Boies, EISD Secretary to Robert N. Jocius

Convened by Robert Durkee at 8:32 a.m.

**Items for the October 30, Board Meeting, 7:30 PM**

- 1) Mr. Jocius reviewed the Business Affairs report for the Month ended September 30, 2002. There was one budget amendment request presented, for information purposes only, to reflect the actual amended amount of minus \$9,015.00 from ESEA Title IV to reflect the actual amount from TEA for the FY03.
- 2) Mr. Jocius summarized the state requirements of Chapter 41, which mandate Eanes ISD to reduce or equalize its wealth level to \$305,000. Under Option 4, this will be accomplished through the purchase of weighted average daily attendance (WADA) from eight school districts. The partner school districts include Blanco, Florence, Fredericksburg, Gonzales, Johnson City, Lockhart, Luling, and Seguin. The Total amount of recapture is plus \$51 million.

The committee recommended approval of the partnership agreements.

- 3) Dr. Butler and Mr. Jocius reviewed the FY04 budget development and reported there will be a budget meeting on November 12, 2002, to discuss options for raising additional revenue.

**Items of Information for Discussion Only**

- 4) The Committee reviewed and accepted the Minutes of September 23, 2002.
- 5) Paula Murray reported on the proposed expenditures for Instructional Technology. A decision was made to reserve a portion of the allocated funds from the Ninth Grade Center '99 Bond Series so that purchases could be staggered over a period of a few years. She reported \$334,510 was available to purchase new, emerging technology equipment and other needs not anticipated at the time the school was opened. Any technology left over at the high school will be moved to the libraries.

- 6) Robert V. Henderson of RBC Dain Rauscher gave an update on the Progress of the Issue of Bond Series 2002, which is to take place on or about November 20, 2002. The remaining amount of unissued bonds is \$32 million.
- 7) Mr. Jocius reported on the impact of the FY2002 – 2003 student transfers which number 40, and is 30 under the number projected. These are students whose parents live outside the district boundaries and are not employed by the district.
- 8) Mr. Bill Bingham of the McGinnis, Lochridge and Kilgore Law firm reported his findings regarding the potential election on gaining voter approval to decide the \$1.50 M&O Tax Rate.
- 9) Mr. Jocius advised the committee of the Utility Audit, which is expected to be completed by March 2003.
- 10) Mr. Jocius presented a list of existing member employees of JR3.
- 11) Mr. Bingham advised the committee on the status of the Attorney General's Opinion regarding "recapture provisions of the Texas Education Code, Chapter 41" which is pending a decision.
- 12) Dr. Butler reviewed the status of the ASM contract and recommended that the Board approve it.
- 13) Mr. Jocius updated the committee on the prospect of implementing electronic payments through Official Payments Corporation.
- 14) Mr. Jocius advised the committee that the Reimbursement Resolution relating to the purchase of buses was passed by the Board on June 6, 2002.
- 15) Mr. Jocius reviewed the Resolution in Support of legislative action on school finance from the Texas School Coalition and advised the committee that he would contact Dr. Jimmy Creel to determine if the resolution could be modified.
- 16) Mr. Jocius advised that student enrollment is 7,140 and is minus 30 of the projected 7,170.

Chair Robert Durkee adjourned the meeting at 11:20.

EANES INDEPENDENT SCHOOL DISTRICT  
Board of Trustees Finance Committee Meeting  
November 18, 2002

Committee Members

Present: Robert Durkee, Committee Chair  
Marvin Bendele, Committee Member  
Jim Strickland, Committee Member

EISD Administrators Present: Dr. Jess Butler, Ed.D., Interim Superintendent  
Robert N. Jocius, Asst. Superintendent for Business Affairs  
Sheila Douthit, Asst. Superintendent for Curriculum & Instruction

Others Present:

Clint Sayers, President, EISD Board Trustee  
Ellen Balthazar EISD Board Trustee  
Robert V. Henderson, RBC Dain Rauscher  
Rich Egan, Forest Trail Booster Club  
Lloyd Patterson, EISD Parent  
Cec Crowley, EISD District Accountant  
Jo Layne Boies, EISD Secretary to Robert N. Jocius

Convened by Robert Durkee at 8:35 a.m.

**Items for the November 20, Board Meeting, 7:30 PM**

- 1) Mr. Jocius reviewed the Business Affairs report for the Month ended October 31, 2002. There were no budget amendments for the month of October.
- 2) Dr. Butler will review the progress of the FY04 budget to include the options discussed at the special board meeting held on November 12, 2002 for raising additional revenue.
- 3) The committee recommended adoption of the Texas School Coalition's Legislative Resolution, as modified by Robert Durkee, in Support of Legislative Action on School Funding.

**Items of Information for Discussion Only**

- 4) The Committee reviewed and accepted the Minutes of October 28, 2002.
- 5) Mr. Jocius informed the committee that Mr. Thompson, of ING, has rescheduled his presentation on tax deferred 457 plans until December 16, 2002. Mr. Thompson will send a packet of information outlining the benefits in advance of the forthcoming meeting.
- 6) The Committee, Dr. Butler and Mr. Jocius discussed the disposition of the remaining unencumbered cash of \$203,333.55 in Fund 690 for which a budget was created a few years ago to accommodate equipment repairs and replacement, or for minor building construction, remodeling and/or improvements. The committee asked that these funds remain where they are now until further notice.
- 7) Mr. Jocius presented the Committee with a copy of the existing investment policy CDA (Legal) and CDA (Local), a list of approved brokers, and the annual report on the investment program

and investment activity for FY02, which the Committee reviewed and accepted without modification.

- 8) Robert V. Henderson of RBC Dain Rauscher updated the committee on the progress of the remaining \$32 million outstanding bonds to be issued. Mr. Henderson made a recommendation to postpone the sale until the first week after Thanksgiving due to the unusual volatility in the market and the near record volume of bonds scheduled to sell the week of November 18, 2002. The Board deferred this decision as to the timing of the sale to Dr. Butler, Mr. Jocius and Mr. Henderson. Mr. Jocius extended an invitation to interested members who may desire to attend the sale in Dallas. Mr. Bendele indicated he would be interested.

Mr. Henderson also responded to a Committee's previous request relating to the methodology used by the rating agencies in which General Fund balances are viewed.

Moody's, who has traditionally been the most conservative agency, gave the most conservative answer. They calculate fund balances as a percentage of total revenues to the District that include the funds raised to make equalization payments. Moody's did express an understanding of the circumstances surrounding Chapter 41 Districts and expressed that they would take those facts into consideration.

On the other end of the spectrum, Fitch Investor Services indicated that as a threshold matter, they calculated fund balances as a percentage of operations and maintenance expenses that exclude as an expense, equalization payments.

In the middle is Standard & Poor's who indicated that they would generally look to calculate fund balances as a percentage of operations and maintenance expenses, and expect that percentage to be in the 15-20% range. But, they would also look for some reserves, albeit less, to be associated with the equalization payments. They mentioned something in the range of 5% for this purpose.

Mr. Henderson concluded that it would seem from these conversations that due to the relatively few number of Chapter 41 Districts, there is not a clear consensus on what may constitute appropriate fund balances as they pertain to that portion of a budget that relates to equalization payments. In addition, Mr. Henderson indicated that the rating agencies are keenly aware of the financial difficulties facing Chapter 41 Districts as they maximize their local tax efforts under the \$1.50 cap for maintenance and operations. He noted that the representative from Standard and Poor's specifically indicated that unless there is legislative relief in the next session, they expect to be reviewing bond ratings of various Chapter 41 District's around the state with the expectation of lowering ratings on a number of those Districts.

- 9) Mr. Jocius reported that student enrollment is 7,133 which is 37 less than the 7,170 projected for FY03.

Chair Robert Durkee adjourned the meeting at 10:30.

EANES INDEPENDENT SCHOOL DISTRICT  
Board of Trustees Finance Committee Meeting Minutes  
December 16, 2002

Committee Members

Present: Robert Durkee, Committee Chair  
Marvin Bendele, Committee Member  
Jim Strickland, Committee Member

EISD

Administrators Present: Dr. Jess Butler, Ed.D., Interim Superintendent  
Robert N. Jocius, Asst. Superintendent for Business Affairs  
Sheila Douthit, Asst. Superintendent for Curriculum & Instruction

Others Present:

Clint Sayers, President, EISD Board Trustee  
Charlotte Knepp EISD Board Trustee  
Gloria Thomas, EISD Director of Elementary Curriculum  
Paula Murray, EISD Director Technology/Staff Development  
Rick Dyer, EISD Director of Community Education  
Cynthia Schiebel, Director of Guidance/Health Services  
Art Cory, Travis Central Appraisal District  
Rich Egan, Forest Trail Booster Club  
Peggy Carrasquillo, EISD Parent  
Thomas Ratliff, EISD Parent  
Stephen Thompson, ING  
Patti Conrad, EISD Parent  
Jo Layne Boies, EISD Secretary to Robert N. Jocius

Convened by Robert Durkee at 8:42 a.m.

**Items for the December 20, Board Meeting, 7:30 PM**

- 1) Mr. Jocius reviewed the Business Affairs report for the Month ended November 30, 2002. There were six (6) budget amendments, but only one is required for approval by the full Board. This is an amendment to increase the current operating budget due to grant funds from San Marcos Civic Foundation of \$2,570.00, which are to be used for the Eanes ISD Dyslexia program. The other five (5) amendments were For Information Purposes Only and involved Federal Funds and were Grant Awards from TEA for FY03.
- 2) Dr. Butler updated the Committee on the progress of the development of the FY04 Budget. Mr. Jocius discussed the FY04 and FY05 budget forecast, and the changes made to projections for property values, investment income and attendance.

**Items of Information for Discussion Only**

- 3) The Committee reviewed and accepted the Minutes of November 18, 2002.
- 4) Mr. Art Cory, Chief Appraiser, Travis County Appraisal District, advised the Committee that he has lowered the expected increase in property values for FY04 and FY05 from seven percent to two percent. This change will negatively impact the FY04 budget by an additional \$2 million...

- Stephen Thompson, Client Relations Manager, ING Financial Advisers, LLC, (AETNA), provided information on the products and services that his company markets/brokers for 403(b) tax sheltered annuity plans, as well as 457 tax deferred compensation plans for educational institutional employees..
- 6) Dr. Butler and Mr. Durkee reviewed the contents of the Princeton Review advertising proposal, which is in the early stages of negotiation. Mr. Jocius will meet with representative of Princeton Review and Action Sports Media on December 17, 2002 to continue negotiations.
  - 7) Mr. Jocius presented and recommended adding Federated Government Ultrashort Fund to the list of approved investment alternatives for the district. Federated is the firm that also manages TEXPOOL. The fund invests in U.S. government securities at slightly higher yields than generally available through the district's current fund pools. The securities in the fund's portfolio are rated AAA. The Committee approved the recommendation and asked that the list of approved funds/brokers be handed out to the full Board at their regular meeting on December 18, 2002.
  - 8) Mr. Don Fisher, Tax Collector, Eanes ISD, reviewed the successful bid on the sale of Lot 39, Block 61, Austin Lake Hills, Section 2 that the district, who is trustee, foreclosed on for delinquent taxes in 1995. The bid of \$4,800.00 covered all outstanding court cost and monies due to all taxing jurisdictions. The committee approved the transaction, which requires the signatures of board president and board secretary. (Note, this item is for board information only).
  - 9) Dr. Butler reported to the Committee that the transfer policy count as of December 13, 2002 was 38. He also advised that he is reviewing the future possibilities of this program.
  - 10) Mr. Jocius reported student enrollment at 7,115 which is 55 less than the 7,170 projected for the current FY03.

Chair Robert Durkee adjourned the meeting at 11:16.

Draft Copy Dated January 27, 2003

EANES INDEPENDENT SCHOOL DISTRICT  
 Board of Trustees Finance Committee Meeting  
 January 27, 2003

Committee Members

Present: Robert Durkee, Committee Chair  
 Marvin Bendele, Committee Member  
 Jim Strickland, Committee Member

EISD

Administrators Present: Dr. Jess Butler, Ed.D., Superintendent  
 Robert N. Jocius, Asst. Superintendent for Business Affairs  
 Sheila Douthit, Asst. Superintendent for Curriculum & Instruction  
 Jerry Molinoski, Asst. Superintendent for Human Resources

Others Present:

Ellen Balthazar, EISD Board Trustee  
 Cheryl Conner, EISD Parent  
 Penny Williams, EISD Parent  
 Rich Egan, Forest Trail Booster Club  
 Peggy Carrasquillo, EISD Parent  
 Thomas Ratliff, EISD Parent  
 Patti Conrad, EISD Parent  
 Jordan Baine, EISD Parent  
 Jo Layne Boies, EISD Secretary to Robert N. Jocius

Convened by Robert Durkee at 8:33 a.m.

**Items for the January 29<sup>th</sup> Board Meeting, 7:30 PM**

- 1) Mr. Jocius reviewed the Business Affairs report for the Month ended December 31, 2002. There were no budget amendments in December.
- 2) Dr. Butler and Mr. Jocius deferred presentation of the FY04 Budget development to the 4:00 meeting this afternoon.
- 3) Scott Krchnak and Earl Maxwell of Maxwell, Locke & Ritter, LLP reviewed the Comprehensive Annual Financial Report which was completed October 21, 2002. The Committee recommended approval by the Board.
- 4) The committee reviewed the State Compensatory Audit, that is required by the state, and the only discrepancy was found to be the four (4) students who were identified as "at risk" was found to be a clerical error. The committee recommended approval by the Board.
- 5) The committee reviewed the Order and Notice calling for a May 3, 2003, Trustee Election and approved the Order with a minor adjustment of two of the dates.
- 6) Mr. Jocius reviewed the Vendor Catalog Bid for the procurement of supplies and materials for Grounds and Building Maintenance, Custodial and Transportation and Equipment, RFP#09-004-2003. 332 Bid Packages were send out, 106 responded and 11 were disqualified. He recommended awarding to 95 of the responding vendors. The committee recommended approval.

Draft Copy Dated January 27, 2003

**Items of Information for Discussion Only**

- 7) The Committee reviewed and accepted the Minutes of December 18, 2002.
- 8) Mr. Jocius reported on his negotiations with The Princeton Review in partnership with Action Sports Media and Eanes ISD. He advised the committee of the benefits to the students as well as the revenue benefits to the district. The Committee recommended approval.
- 9) Dr. Butler and Mr. Jocius reviewed the Transfer Policy Count for the committee and reported that as of January 22, 2003, there were 52 students enrolled in EISD whose parents live outside the district boundaries and are not employed by the district.
- 10) Mr. Jocius presented the report on Private School Attendance and advised that the enrollment for private schools was up to 628 as of January 23, 2003.
- 11) Mr. Jocius reported that student enrollment is 7,149 which is 21 less than the 7,170 projected for FY03.
- 12) Jordan Baine presented to the committee a fund raising program that she is developing which would provide Eanes ISD with extra revenue. The committee recommended further study.

Chair Robert Durkee adjourned the meeting at 11:05.

EANES INDEPENDENT SCHOOL DISTRICT  
Board of Trustees Finance Committee Meeting  
April 28, 2003

**Committee**

Members Present: Robert Durkee, Committee Chair  
Marvin Bendele, Committee Member  
Jim Strickland, Committee Member

**EISD**

Administrators Present: Dr. Jess Butler, Ed.D., Superintendent  
Tom Zimmerer Interim Asst. Superintendent for Business Affairs

**Others Present:**

Ellen Balthazar, EISD Board Trustee  
Charlotte Knepp, EISD Board Trustee  
Rich Eagan, Forest Trail Booster Club  
Ronna Martin, EISD Parent  
Ray Roman, SBA (AT&T Tower)  
Art Cory, Chief Appraiser, Travis County  
Kristin High, EISD Secretary to Tom Zimmerer

Convened by Robert Durkee at 8:31 a.m.

1. Tom Zimmerer reviewed the Business Affairs Reports. He informed the Committee that Marty Parker was currently getting her Investment Certification so that the District will have someone with the certification. The Capital Project audit should be completed this week.
2. All the Budget Amendments that required Board approval were approved by the Committee to go to the Board.
3. It was decided that the date for the next Finance Committee meeting will be moved from May 26, 2003 (Memorial Day) to May 12, 2003 at 8:30am.
4. The Finance Committee decided to approve extending our current Bank Depository contract with Bank of America and so it will be presented the Board meeting this week to be voted on and signed.
5. Tom Zimmerer brought to the Finance Committee's attention that the current contract with the tax attorney has us turning over delinquent taxes to him for collection in March instead of in July of the tax year. A summary of fees paid to the tax attorney for 2002 and March and April 2003 will be presented at the May 12<sup>th</sup> Finance Committee Meeting.
6. Reviewed Capital Projects 619 and 620, and Tom informed us that the audit on Capital Projects would be completed and a draft report presented at the April 30 Board meeting.
7. Ray Roman, with SBA, came to talk with the Committee about AT&T putting a mono pole cell tower in at Bridge Point Elementary School. It would be about 120' tall, with an antennae array at the top that would stick out 3' - 6'. He mentioned that in the last two years there have been no studies that show that cell towers pose a safety hazard due to radio emissions. It was decided that a plat would be pulled of Bridge Point so that the exact location could be shown. Robert Durkee was also going to call some other businesses in the area to see what they are being compensated for similar towers and Charlotte Knepp was going to try to find AT&T's original proposal from two years ago to compare compensation. It was also noted that there are towers currently located on properties close

- to Hill Country Middle School and we were going to try to find out how close those towers are located to the school.
8. Tom Zimmerer differed reviewing the Fine Arts Facility rentals until a future date.
  9. The Committee discussed the Capital Project 618 and given an accounting of remaining funds. Since trees were removed for the installation of the tennis courts they will need to be replaced pending verification of the agreement that may have been made with the City of Austin. No cost was assigned to the replacement of the "trees".
  10. There were no Bids/Inter-local Agreements for discussion or review.
  11. Tom Zimmerer brought to the attention of the Committee that there was at least one other party (Texas Sports Network) interested in bidding for our sports broadcast contract. It was decided that we would prepare a proposal rather than just renewing the current contract so that other stations have an opportunity.
  12. Jess Butler had a draft of a letter appealing for money to the District parents. Ellen Balthazar suggested that we should pass it by E.E.F. since they were also planning something similar to this and that we should coordinate. It was agreed that Ellen would meet with the EEF and present the Board with her findings on Wednesday.
  13. Art Cory, the Travis County Tax Assessor, came to address the Finance Committee. Art informed us that the evaluation was completed on April 18, 2003 and that the appraisal letters were mailed out last Monday, April 21, 2003. His initial estimate was off by almost 6% due mostly to the market value for many privately owned homes dropping below their capped value. He is using a 3% factor for appeal losses, but he will be sending the District letters about every two weeks updating our status.

Chair Robert Durkee adjourned the meeting at 11:15 a.m.

EANES INDEPENDENT SCHOOL DISTRICT  
Board of Trustees Finance Committee Meeting  
May 15, 2003

**Committee**

Members Present: Robert Durkee, Committee Chair  
Marvin Bendele, Committee Member  
Gail King, Committee Member

**EISD**

Administrators Present: Dr. Jess Butler, Ed.D., Superintendent  
Tom Zimmerer Interim Asst. Superintendent for Business Affairs

**Others Present:**

Jim Strickland, EISD Board Trustee  
Jerry Molinoski Assistant Superintendent Human Resources  
Kristin High, EISD Secretary to Tom Zimmerer

Convened by Robert Durkee at 9:09 a.m.

1. The minutes from the April 28, 2003 Finance Committee Meeting were approved.
2. A. Tom Zimmerer reviewed the Business Affairs Reports. He reported that we can now download most of the reports directly from Roger (AS400) into Excel thus enabling us to manipulate them easier and faster. There is still a small problem with the Budget Variance Report downloading, but he hopes to have that operational by the June meeting. Robert Durkee said that they all looked good but asked if it would be possible to add a tracking number into the Variance Report.  
B. The new investment report was presented to the Committee and everyone agreed that the new format that Marty created was easier to read and understand.  
C. Tom is going to look into two figures that the Board had questions on; what exactly the 529,420 in the budget is, and why Child Nutrition is showing a loss of over 89,000 this month. Marty Parker will report on the findings at the May Board meeting.  
D. Tom reminded the Committee that he would be on vacation starting next week. He will not be here for the May board Meeting but informed them that Marty Parker and Carolyn Ryder would be able to attend the meeting in order to answer any questions that may arise.  
E. Tom will continue to monitor our collection rate for delinquent taxes and make a recommendation for the revision of 2003-2004 year contract with our delinquent tax attorney at the June Finance Committee meeting.
3. Tom reviewed a new interlocal agreement that Cindy Hallett found. It was for a co-op type bid that we can join at no cost to us. Since all of the vendors on their list have already gone through the bidding process it would allow us to purchase from them with out having to go through our own costly bid process. We would also be able to compare their prices to the prices of our other co-op's. The committee agreed that this would be a good idea and gave their approval to join.
4. Tom presented the finished report from Jefferson Wells on the Capital Project/Bond monies. Dr. Butler suggested that a list be put together of everything that the district wants and/or feels needs to be done and then submit it to the Facility Committee for prioritizing.
5. There were no Budget Amendment to approve.
6. Dr. Butler brought in a copy of the 2001 proposal from AT&T for leasing land for a cell tower. They proposed paying Eanes \$20,400 a year for the first 5 years and then a 15%

increase for each consecutive set of 5 years after that. This is considerably higher than the offer they presented the Finance Committee at the last meeting. Gail King pointed out that it could give a negative perception if the District were to vote on this over the summer break. The committee decided that they would like to look into the idea of developing a relationship with AT&T. Dr. Butler is to get with Ray Roman and discuss different options for payment and "in kind" arrangements.

7. Tom reviewed the list of tax refunds that the district was going to have to pay in the month of May due to litigation. Even though there was going to get a rollback of over \$100,000, we were still going to have pay over \$440,000. Don Fisher contacted the Appraisal District to find out what other cases were still to be decided and Art Cory felt that we would have another \$500,000 against the district in the cases that remained. Most of this would hit in the 2003-2004 budget year. Tom informed the committee that he would be adjusting the available funds down by \$500,000 for 2003-04 revenue budget.
8. The bid proposals for the Sports Radio contract have been sent out and we are just waiting for them to come back. Marvin Bendele mentioned that we will want to ask whoever gets the bid if they would be willing to let us use recordings of the announcing of the football games for a football video that the students put together.
9. The committee reviewed the status of our debt service payments and thought that it all seemed to be in good shape.
10. A. A new form that showed cash flow was introduced. It illustrated what money came in and when and what money went out and when.  
B. Gail King discussed looking at the campus leadership/student ratios on a quarterly basis.
11. Discussion of the SHW Architectural Fees for Forest Trail was tabled until a later date.

Chair Robert Durkee adjourned the meeting at 11:45 a.m.

EANES INDEPENDENT SCHOOL DISTRICT  
Board of Trustees Finance Committee Meeting  
June 18, 2003

**Committee**

Members Present: Robert Durkee, Committee Chair  
Marvin Bendele, Committee Member  
Gail King, Committee Member

**EISD**

Administrators Present: Dr. Jess Butler, Ed.D., Superintendent  
Tom Zimmerer Interim Asst. Superintendent for Business Affairs

**Others Present:**

Paul Stone, EISD Board Trustee  
Jerry Molinoski Assistant Superintendent Human Resources  
Charles Teichner, Executive Director Facilities Management  
Marty Parker, District Accountant  
Kristin High, EISD Secretary to Tom Zimmerer  
Mike Abild, Candidate for Assistant Superintendent of Business Affairs  
K.J. Bartosh, community member

Convened by Robert Durkee at 10:00 a.m.

- 1) The minutes from the May 15, 2003 Finance Committee Meeting were approved with corrections.
- 2) Tom Zimmerer reviewed the status of the Business Office and the Business Affairs Reports.
  - a) Gail King questioned if steps were being taken to avoid the Business Office from being in a similar situation in the future and Tom explained that Marty Parker was compiling a procedure manual as she went along.
  - b) Contract for the Tax attorney is going to be re-written to enable EISD to have more control over the delinquent Tax Calendar.
  - c) Will present an updated list of all the tax refunds at next meeting.
  - d) Tom stated that the percentage of return on investments will probably drop below 1% in the next couple of months, and to save money he was looking into getting out of a contract we had with an investment advising company.
  - e) Discussed the contracts with our current WADA partner districts. Committee decided that with the changing environment we would need to re-evaluate these contracts on a yearly basis.
  - f) The utility audit that we are doing has recovered \$24,000 on the phone bills. They are finishing up on the electric bills, but it does not look like we will recover any additional funds.
  - g) Dr. Butler mentioned that we will be renewing the campuses intensive gearing up to get the campuses really involved in energy saving this next year.
- 3) Reviewed the Fine Arts Facility Budget. Finance Committee fifty thousand in repairs to come out of bond money budget. K.J Bartosh addressed the Committee from the floor about the excellent job that David Poole, the Fine Arts Director, had done.
- 4) Discussed new bids.
  - a) Committee agreed to recommend Jones Hardwood Floors be awarded the flooring bid to the Board. The Committee agreed also to recommend that the cost for the FAF floor be taken out of bond money. Some question as to the species of wood for the stage replacement was asked; maple vs. pine. David Poole would be consulted again.

- b) Committee agreed to recommend that Schooldude.com as the replacement software for the now defunct ACT1000 maintenance and utility software.
  - c) With the current trend in shrinking elementary population and the current budget constraints the Committee did not approve the FF&E for elementary schools at this time.
  - d) Committee approved to go ahead with the Hill Country Lighting project as long as it does not require any change orders on the Hill Country contract.
  - e) Tom discussed that we are still in negotiations with KVET for the Sports Broadcasting contract and it should be finalized by the July Board meeting.
  - f) Committee discussed Deloitte & Touche be awarded the Internal Audit contract and approved sending it to the next Board meeting for approval and signature.
- 5) Reviewed the 2003-2004 Budget.
- a) Robert Durkee questioned where we stood on two figures from the last meeting, and Tom informed him that the 529,420 was the warehouse inventory, and that he was still looking into the Child Nutrition loss.
  - b) Tom pointed out that right now we have a \$474,000 deficit in the 2003-2004 budget. This is due to mainly a lower than expected WADA.
  - c) The committee restated that we would not use more than 3 million from fund balance.
  - d) Tom informed the Committee that once the elementary principals turned in their final projections for next year it was down over 100 students. Gail King suggested getting a quarterly report that would show each class section in the district and how many students in each section by grade level. Robert Durkee challenged Dr. Butler to really hone the schedules and get them as close to target numbers set earlier.
- 6) Discussion of future reports was tabled until a future meeting.
- 7) Dr. Butler introduced Mike Abild, one of the finalists for the Assistant Superintendent of Finance, to the Committee.

Chair Robert Durkee adjourned the meeting at 1:00 p.m.

EANES INDEPENDENT SCHOOL DISTRICT  
Board of Trustees Finance Committee Meeting  
July 28, 2003

**Committee**

Members Present: Robert Durkee, Committee Chair  
Marvin Bendele, Committee Member  
Gail King, Committee Member

**EISD**

Administrators Present: Dr. Jess Butler, Ed.D., Superintendent  
Tom Zimmerer Interim Asst. Superintendent for Business Affairs  
Jerry Molinoski Assistant Superintendent Human Resources  
Don Fisher, Tax Collector

Others Present: Jim Strickland, EISD Board Trustee  
Marty Parker, District Accountant  
Jeff Steimle, Repair Technician  
Kevin Schwartz, Wide Area Network Coordinator  
Kristin High, EISD Secretary to Tom Zimmerer

Convened by Robert Durkee at 8:34 a.m.

- The minutes from the June 18, 2003 Finance Committee Meeting were approved as amended.
- Tom Zimmerer reviewed the status of the Business Office and the Business Affairs Reports.
  - Marty Parker will be making bond and WADA payments in August. The total of these payments is approximately 63 million.
  - Refunds for contested tax appraisals are higher this year.
  - Tom anticipates the Fund Balance to be around 19 million instead of 18 million at the end of the 2002-2003 fiscal year.
  - Tom explained why Child Nutrition/Food Service was showing a loss of approximately \$80,000, and 2003-2004 was not going to be much better with the elimination of most of the sugary snacks at the elementary and middle school level. In an effort to spend down some of the fund balance for Child Nutrition, ten custodians are going to be charged to Child Nutrition.
    - Since the pricing for food is going to go up at most campuses, Robert Durkee was concerned about how the cafeteria price increase was going to be communicated to the public. Dr. Butler explained that a packet had already been mailed out with the menus and new pricing, and that all that information was posted on our website.
- Several bids were discussed and approved by the Committee to go to the Board for consideration.
- Tom Zimmerer reviewed the 03-04 Budget.
  - Tax roll came in higher then expected so there could be money for employee raises.
    - Tom Zimmerer suggested giving a stipend or lump sum payment instead of an across the board 1.5% raise. He stated that this could save as many as 18 jobs next year.
    - Gail King asked that a proposal on the raise issue/options be drawn up by Dr. Butler and presented to the Board.

- The tax collection percentage (%) changed from 99.5% to 99.0% and \$500,000 has been built in to the 03-04 budget for potential tax refunds.
- Discussed new reports that the Business Office would be using and asked if there were any reports that the Committee would like to see.
  - Will be adding a report next month that will show all new Capital Project PO's and /or projects started that month.
  - Gail King mentioned that she would still like to get a report that could be used for trend analysis of teacher/student ratios. She offered to work with Tom Zimmerer on this.
  - Robert Durkee suggested that an exit/entrance interview be conducted on all students entering and/or leaving the District to find out the reason for the move.
- Robert Durkee said that he feels we should just drop negotiations with AT&T on the installation of a cell tower at Bridge Point Elementary School. The bad public relations in the district did not seem worth the money AT&T was willing to pay. So unless Dr. Butler heard from AT&T soon we would not pursue it any longer.
- Discussed the radio contract for the broadcasting of the High School football games.
  - KVET is willing to broadcast for us but it would cost \$19,000. The district would be able to recoup this amount by selling radio advertising spots during the games. Gail King suggested that since the voice over of the games is used on video tapes of the games that are then sold as a fund raiser, that the Chaps Club be given the responsibility of paying for this service and selling the ads. Robert Durkee asked Tom Zimmerer to contact the President of the Chaps Club to let them know that the District would not be renewing this contract but we would help facilitate an agreement between KVET and the Chaps Club, if they were interested.
- Tom Zimmerer gave a review of our WADA partners and explained that by staying with partners in our district it is good public relations move since the money stays in the local area. Tom is also going to try to have our 2003-04 WADA Partners set by this Thanksgiving.
- Kevin Schwartz and Jeff Steimle addressed the Committee about changing the way in which we auction used/obsolete items, specifically computers. They proposed selling these obsolete items over the internet on eBay.
  - Robert Durkee was concerned about the legality of this move and Dr. Butler said that he would check with the lawyer.
  - Gail King was worried that if we turned over the equipment too rapidly then there was the potential of selling something from one school that might work at another school. Jeff explained that before anything went up for auction that he and Paula Murray went over the list to make sure that this would not happen.
  - As long as there were no policy and legal issues the Committee gave its consent since no Board action was required.
- Other

Chair Robert Durkee adjourned the meeting at 10:55am