

Corning Union High School District Rodgers Oversight Committee Meeting Minutes

Date: October 2, 2019

Time: 5:00 pm

Location: CUHS Library

1. Call to Order

The meeting was called to order at 5:00 pm by committee chair, Jared Caylor

2. Approval of Minutes

No changes were suggested for the minutes of the meeting on 5/2/19.

3. Public Comment Process

Mr. Caylor informed the three guests present, Nolan Kee, Brandon Lengtat, and Emily Dale, that they were welcome to comment on items on the agenda.

4. Committee Member Reminder

The committee is currently made up of two Board members (Todd Henderson and Jim Bingham), one administrator (Jason Armstrong), and the Superintendent (Jared Caylor). When a Ranch Manager is hired, that person will sit on the committee as well.

5. Purpose of Committee - Endowment and Ranch Oversight, Reporting to Board

Mr. Caylor reminded all present that the primary purpose of the committee is to oversee, direct, and report to the Board on ranch development and endowment activity.

6. Endowment & Loan Update

Mr. Caylor reported that total value of the Rodgers investment account currently sits at \$3,868,698. The par value is currently \$2,995,000. Cash flow projected for the next 12 months is \$163,293. Performance for 2019 YTD is +8.94%. Checking account current value is \$122,861 with \$19,351 scheduled to be added on November 1, 2019. The current balance on the loan account is \$305,364. This does not include a one time

payment of \$50,000 that was authorized by the Board last month. CBO Christine Fears will work with Financial Advisor Eric Moxon to make this payment, which will drop the loan balance accordingly. Mr. Moxon has communicated to Mr. Caylor that interest rates are currently very low and are likely to remain that way for the immediate future. Because of this, he is hesitant to invest in long term bonds that will have little return. As a result, he is looking to buy 10-15 year bonds with some call protection and wait for rates to go back up.

7. Ranch Manager Position

Mr. Caylor presented a draft of some job duties that could be included in the advertisement for a part time Ranch Manager. There was a lengthy discussion about the duties the person would have and whether they would be limited to just the new orchard, or the entire Ranch. Everyone seemed to agree that the long term plan is to have a Ranch Manager oversee all activities at the Ranch and work with teachers and other District staff to maximize its use and access. However, because this is being offered as a part time position right now, we are going to have to wait to see what is feasible for the person who is hired. There was also discussion about the historical view that the Ranch is completely separate from the District in terms of funding and oversight, and whether it needs to remain that way. The group agreed that it is probably time to revisit this conversation with the whole Board, especially in light of the fact that the District is contributing so much funding to the Ranch right now. The group emphasized the need to be flexible in whatever agreement is reached with the employee because we are just starting out and we really don't know what the duties are going to require of this person. Mr. Caylor is going to finalize the job description and post the position the week of 10/7/19.

8. PG&E, Well Completion

Mr. Caylor communicated that PG&E has developed plans for our project to get power to the new well and that Andersen and Sons is going to be working with Patterson Electric to get our end of the work done so that PG&E can connect power. Additionally, Patterson Electric has said they are looking to get some of the materials and/or labor necessary for the project donated.

9. Update on Orchard Development

The land leveling has been completed for the new orchard. Ripping is supposed to start the week of October 9th. The goal remains to have trees planted by Spring 2020.

10. Update on Potential Chico State Partnerships

Chico State has a rural outreach department that is extremely interested in partnering with us to develop the Ranch. Mr. Caylor is currently working with Dr. Ann Schulte and Dr. Cindy Daley from Chico State to explore the potential of this partnership.

11. Potential Lease of Upper Parcel

There seems to be interest from California Olive Company in leasing the upper parcel (approximately 30 acres) for high density olives. This has been a possibility in the past as well. Mr. Bingham said he has a contact at the company that he will reach out to and gauge whether the interest is real on their part. If it is, the committee can explore what that process would look like and whether it's the best use of the parcel.

12. Other Topics

There were none.

13. Next Meeting Date

The next meeting date was not set, but it is expected to in January or sooner if needed.

Corning Union High School District Endowment Trust October 1, 2019

Investment Account

Total Value - \$3,868,698

Par Value \$2,995,000

Target Par Value \$3,300,000

Called Securities

9/3/19 - \$35,000 - 5.07% CA Muni

10/1/19 - \$130,000 - 6.2% CA Muni

10/1/19 - \$115,000 - 6.2% CA Muni

\$289,000 needs to be reinvested

Cash Flow Projected- \$163,293

Target \$160,000

Money Market - \$20,000

\$19,351 moves to checking 11/1/19

Performance

2019 YTD - +8.94%

Checking Account

Total Value - \$122,861

\$19,351 will be added 11/1/19

Loan Account

\$305,364 Balance

4.52% - Current rate - Variable based on 30 Day LIBOR

Rate will continue to decrease as Feds lower rates

Current Loan Payment Plan

\$5,000/mo (\$60,000/year)

Interest is currently \$1,247/mo

Principal is \$3,752/mo (\$45,024/year)

Aprox 5.5 years to pay off at current rate

Ideas

- Rates are going to be lower for longer
- Buy 10-15 year bonds with some call protection
- Rates will eventually go back up

Potential Terms for Contracted Ranch Manager

1. 3 year term
2. Specify Duties
 - a. Serve as primary contact for orchard consultants/contractors
 - b. Works with Superintendent to develop orchard budget and plans, develops and implements policies, guidelines and operational procedures to ensure a cost effective operations
 - c. Schedules all necessary work for orchard installation/maintenance, coordinating this schedule with District staff and outside contractors
 - d. Helps ensure a safe environment for students, staff and community visiting the Ranch.
 - e. Serves as a permanent member of the Rodgers Oversight Committee.
 - f. Works with District IPM coordinator to follow all applicable guidelines related to chemical use in District facilities.
 - g. Monitors use of supplies for orchard and completes proper accounting and reporting documentation.
 - h. Regular report to Superintendent and Board on orchard progress
 - i. Oversee all necessary activities related to harvest, including providing detailed reports to Superintendent and Board on production, sales, etc.
 - j. In cooperation with the Superintendent, negotiate with buyers for the sale, storage, and shipment of crops.
 - k. Plan crop activities based on factors such as crop maturity or weather conditions.
 - l. Select or purchase machinery, equipment, or supplies, such as fertilizer, or chemicals.
 - m. Inspect orchards or fields to determine crop maturity or condition or to detect *disease or insect infestation*.
 - n. Monitor and adjust irrigation systems to distribute water according to crop needs and to avoid wasting water.
 - o. Direct crop production operations, such as planning, tilling, planting, fertilizing, cultivating, spraying, or harvesting. This may include the hiring of sub-contractors for specific farm labor needs.
3. License and Certificate Requirement
 - i. Possession of a valid Class C California Driver's License
 - ii. Possession of or ability to attain all necessary certifications related to agriculture herbicide and pesticide use
4. Compensation
 - a. Total \$25,000 per year, salary and benefits (part time). Upon execution of agreement, the contracted employee may elect whether to receive the District contribution toward health benefits in the amount of \$12,000 per year. If this is chosen, the total annual compensation will be reduced by this amount.
5. Evaluation
 - a. The Superintendent shall evaluate this person on an annual basis.

6. Termination of Agreement

- a. Both parties can unilaterally terminate the agreement with 30 days notice.

Job Advertisement

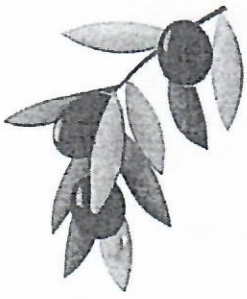
1. KNOWLEDGE, ABILITIES AND SKILLS:

- b. Principles, methods, trends, procedures and techniques used to operate a fully functional walnut orchard
- c. Legal mandates, policies, regulations and guidelines related to farming operations
- d. Safe working methods and procedures
- e. Computer operations, including word processing and email
- f. Communicate effectively in oral and written form
- g. Understand and carry out oral and written directions with minimal accountability controls
- h. Establish and maintain cooperative organizational and community relationships
- i. Safely operate and perform minor maintenance on a variety of farming equipment

2. QUALIFICATIONS:

Any combination of experience and training that would likely provide the required knowledge and skill is qualifying.

- A typical way to obtain the required knowledge and skill would be: Five years of experience farming, including at least two years in a supervisory capacity.
- Equivalent to the completion of the twelfth grade, supplemented by advanced training or coursework in the organization and supervision of farming operations.



CORNING UNION HIGH SCHOOL DISTRICT

Jared Caylor, Superintendent

Board Members: James Bingham, J. Scott Patton, Todd Henderson, Ken Vaughan and William Mache

September 26, 2019

To Whom It May Concern:

Corning Union High School District is currently in the process of installing infrastructure and planting an approximately 50 acre walnut orchard at Rodgers Ranch. Our ranch is a 177 acre property that was given to the school approximately 20 years ago with the hopes of expanding agricultural and career technical education (CTE) opportunities for students.

There are two primary reasons we believe the development of this orchard would be beneficial for our students. First, it would provide a quality, hands on learning experience to study orchard development, maintenance, harvest, etc. Second, it will generate a revenue source to support future development and use of the ranch. It is our vision that the Ranch will become a model CTE facility in the state of California and a centerpiece of the community of Corning. Programs including agriculture, manufacturing, natural resources, marketing/entrepreneurship, special education, foods & nutrition/culinary arts, construction technology, welding, ag small engines/power, and science could all easily utilize the ranch as a tremendous learning lab for students. Additionally, the Ranch has the potential to become a focal point of the community of Corning through gardens, walking paths, pick your own produce, elementary school outreach, etc.

As you may be aware, school funding in California can fluctuate quite a bit depending on the economy and politics. The development of this orchard is the first major step in stabilizing funding sources for CTE and Rodgers Ranch so that our students have access to quality programs for generations to come.

Any support you can provide for the development of our orchard would be greatly appreciated. If you need our tax id number, please do not hesitate to contact me. All donations made to our District will be formally accepted by our Board and we will do our best to publicly acknowledge the generosity that is shown towards our students through this help.

Sincerely,

Jared Caylor
Superintendent

