



MEETING MINUTES

Voting Members

Paul Bokota, Board Member
Lauren Brooks, Board President
Cyril Yu, Board Clerk
Jeff Kim, Board Member
Katie McEwen, Board Member

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE/ROLL CALL

President Brooks called the meeting to order at 3:02 p.m.

The Pledge of Allegiance to the Flag of the United States of America was led by Member Bokota.

Members Present:

Paul Bokota
Lauren Brooks
Jeff Kim
Katie McEwen
Cyril Yu

Staff Present:

Terry L. Walker, Superintendent of Schools
John Fogarty, Assistant Superintendent, Business Services
Eamonn O'Donovan, Assistant Superintendent, Human Resources
Cassie Parham, Assistant Superintendent, Education Services
Brienne Ford, Assistant Superintendent, Information Technology
Raianna Chavez, Executive Assistant to the Superintendent

2. ADOPTION OF AGENDA

Adopt agenda, as presented.

Motion made by: Paul Bokota

Motion seconded by: Cyril Yu

Voting:

Paul Bokota - Yes
Lauren Brooks - Yes
Cyril Yu - Yes
Jeff Kim - Yes
Katie McEwen - Yes

3. *BUDGET STUDY SESSION

Minutes:

Tammy Blakely, Executive Director of Student Support Services, commenced the Local Control Accountability Plan (LCAP) and Budget Study Session by reviewing the goals and outcomes for the meeting. These include a review of the 2023-24 LCAP development process and the district budget as it relates to the Local Control Funding Formula (LCFF). The 2023-24 school year is the last of a three-year cycle for the current LCAP. The purpose of the LCAP is to align planning and budgeting efforts, monitor implementation of actions and student progress by subgroups, engage educational partners including students, parents, and staff, and ensure oversight by the Board of Education.

The LCAP consists of eight sections: the Budget Overview for Parents; Plan Summary; Educational Partner Engagement; Goals, Actions, Expenditures, and Progress Indicators; Increase or Improved Services for Unduplicated Students; Expenditure Tables; Federal Addendum; and attachments.

The District obtained feedback on the LCAP through the use of the Annual Survey in January 2023, where all sites participated, resulting in feedback from 24,467 respondents. Of these, 18,147 were students, 5,049 were parents, and 1,450 were staff members. Additionally, the District utilized a ThoughtExchange LCAP activity in spring 2023, where nearly 1,700 participants from educational partner groups such as the IUCPTA, ITA, CSEA, Special Education CAC, DELAC, and district office staff generated nearly 1,800 individual thoughts in four different languages, which were then reviewed and ranked. From these exercises, high-priority themes emerged, consisting of Mental Health, Staff Support, and Academic Interventions.

Eamonn O'Donovan, Assistant Superintendent of Human Resources, provided an overview of employee stakeholder input into the LCAP, noting that while the LCAP process is not subject to collective bargaining, it is typically discussed as informational items in bargaining meetings. This is because some of the goal areas in the LCAP process relate to curriculum content, selection of instructional materials, and the use of technology. In addition, decisions made as a result of the LCAP process can have implications for collective bargaining, especially regarding negotiable issues by law, such as class size and salary, benefits, and working conditions.

Next, Tammy reviewed the eight state priorities and 23 progress indicators associated with the three Districtwide goals, which are the same goals as last year for comparison purposes. For Goal 1: Create a positive school climate and system of support for student personal and academic growth, Tammy reviewed the action items, noting that the Elementary Resource Counselors (ERCs) were the highest priority item based on the feedback. For Goal 2: Ensure all students attain proficiency in state standards through access to rigorous and relevant learning tools, resources, and skills for staff and students, the action items were reviewed, noting that most of them could be lumped into three main categories: student learning, technology, and staff support, which were high-priority topics. For Goal 3: Address barriers limiting student participation in programs and provide equity in the allocation of resources, the action items were reviewed, noting the expansion of Paper (formerly known as GradeSlam) from 4th to 12th grade.

The Board inquired about curriculum development, ChatGPT, and the utilization of Paper by students. Member Yu recommended a short video orientation to accompany the ThoughtExchange activity next year.

John Fogarty, Assistant Superintendent of Business Services, presented the 2023-24 LCAP Budget overview. He began with a 2023-24 state fiscal outlook, noting that the Governor's

revenue forecast assumes slower economic growth but not a recession, although most economists believe that a mild recession will occur in 2023 or 2024. The Governor's budget forecasts General Fund revenues approximately \$31 billion lower than the 2022-23 enacted state budget projected. Additionally, the outlook for Prop 98 funding indicates that K-12 funding will remain in Test 1, as it has for the last four fiscal years. The Department of Finance recently reported that tax collections through February were down approximately \$4.9 billion from what was included in the Governor's January Budget proposal. Additionally, the delay in the 2022 tax filing was discussed.

John highlighted the 2023-24 Governor's January Budget Proposal for K-12 education, noting that the budget focuses on preserving key initiatives created when revenues were robust, such as Transitional (Universal Pre) Kindergarten and the Expanded Learning Opportunities Program (ELOP). There are no new ongoing and one-time categorical programs, just a Cost-of-Living Adjustment (COLA) for the Local Control Funding Formula (LCFF) and most of the categorical programs previously established. The COLA is currently projected at 8.13%, which would yield \$35.2 million for IUSD. However, the actual COLA rate won't be known until the end of April. After accounting for annual increases in expenditures related to step and column, pension costs, and special education, there is anticipated to be approximately \$24.1 million in ongoing funding available for allocation. While there is no state statute requiring full funding of the COLA, the Governor is proposing a one-time reduction to the Arts and Music Discretionary Grant by \$1.2 billion in the current year to assist in funding the COLA. For IUSD, that equates to an \$8 million cut.

Next, he reviewed the different elements of the LCFF, which include a Base Grant providing per-pupil funding by grade spans, Class Size Reduction and Career Technical Education grade span adjustments, a Supplemental Grant equal to 20% for identified English-Learner, Low-income, and foster youth students, a Concentration Grant consisting of 65% of a district's base grant for districts whose disadvantaged populations are at or exceed 55% of their enrollment (for which IUSD doesn't qualify), and the Targeted Instructional Improvement, Home-to-School Transportation, and Transitional Kindergarten add-on grants, which, prior to this year, was frozen at 2012-13 levels. The IUSD LCFF projected funding for 2023-24, based on the Governor's January proposal, is equal to \$418.8 million.

Then, John reviewed the District's Basic Aid status, noting three main factors impact when a district transitions from LCFF funding (Basic Aid) to locally funded: annual assessed property valuations and corresponding property tax collections, districtwide enrollment/Average Daily Attendance (ADA) growth, and statewide LCFF appointment increases. IUSD is currently an LCFF funded district, receiving LCFF funding of \$383.7 million, of which \$310 million or 81% comes from local property taxes, and the rest, \$73.7 million, is made up in State aid. Locally funded districts receive nearly all funding from local property taxes, with just a small amount from state categorical funding. Based on current projections, IUSD will not be locally funded through at least 2026-27.

In building the 2023-24 LCAP Budget, staff utilized input from numerous stakeholders through the LCAP process to create a plan to leverage the use of one-time resources over multiple fiscal years. Approximately \$7.8 million in one-time investments were targeted to drop off at the end of 2022-23. Some action items were moved to ongoing in 2022-23, leaving an unfunded amount of approximately \$5.5 million. The 2023-24 LCAP Focus Areas total \$5.5 million; however, approximately \$1.5 million in action items can be funded with state and federal resources, for a total LCAP allocation of nearly \$4 million, leaving approximately \$1.3 million in one-time funds for future LCAPs. He provided an illustration of the projected 2023-24 and 2024-25 budgets with the implementation of the proposed funded LCAP action items.

He outlined the ongoing challenges related to school district funding, which mainly equate to the LCFF representing over 90% of unrestricted revenue. For IUSD, it represents 94%, yet funding disproportionately benefits districts with high concentrations of disadvantaged students. Other challenges include district and statewide enrollment challenges, one-time categorical funding, volatile state revenues, the impact of ongoing pension increases, and the uncertainty of the economy as it still hasn't recovered from the pandemic, with a potential recession looming.

He reviewed the IUSD enrollment trends and Average Daily Attendance rates pre- and post-pandemic, the use of one-time stimulus funds, allowable uses for new 2022-23 one-time funding grants, including the three-year plan for Learning Recovery Emergency Block Grant funds of \$25.9 million, breaking down the distribution of the one-time grant funds by area of impact, and expenditures by year. In closing, he reviewed the ongoing increases to CalSTRS and CalPERS pension costs, noting that the Governor's budget didn't include any relief from the escalating costs for school employers in 2023-24. He provided the next steps in the LCAP and Budget process, noting that the LCAP plan will be shared with stakeholder groups in May, with the public hearings and adoptions in two separate meetings in June.

Board members expressed their concern regarding the lower average daily attendance of students following the pandemic and inquired about the possible reasons for the dip from an average of 97.19% to 95.4%. John communicated that all districts are experiencing the same occurrence, with many having even lower numbers. The reason is believed to be that parents are heeding the warnings by health experts not to send their students to school if they aren't feeling well.

The Board extended their appreciation to staff for the information and the presentation.

4. ADJOURNMENT

The meeting was adjourned at 4:58 p.m.

Motion made by: Paul Bokota

Motion seconded by: Katie McEwen

Voting:

Paul Bokota - Yes

Lauren Brooks - Yes

Cyril Yu - Yes

Jeff Kim - Yes

Katie McEwen - Yes