

Irvine Unified School District
Minutes
Special Meeting of the Board of Education
April 15, 2019 3:00 PM
IRVINE UNIFIED SCHOOL DISTRICT
Administrative Center
5050 Barranca Parkway
Irvine, CA 92604
3:00 p.m. Special Meeting

Attendance Taken at 3:00 PM:

Present:

Lauren Brooks
Betty Carroll
Ira Glasky
Sharon Wallin

Absent:

Paul Bokota

Updated Attendance:

Paul Bokota was updated to present at: 3:21 PM

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

Minutes:

President Brooks called the meeting to order at 3:00 PM. The Pledge of Allegiance to the Flag of the United States of America was led by Member Carroll.

Members Present:

Paul Bokota (updated to present at 3:21 PM)
Lauren Brooks
Betty Carroll
Ira Glasky
Sharon Wallin

Staff Present:

Terry L. Walker, Superintendent of Schools
John Fogarty, Assistant Superintendent, Business Services
Eamonn O'Donovan, Assistant Superintendent, Human Resources
Raianna Chavez, Executive Assistant to the Superintendent

2. ADOPTION OF AGENDA

Motion Passed: Adopt the agenda, as presented.

Passed with a motion by Sharon Wallin and a second by Ira Glasky.

Absent	Paul Bokota
Yes	Lauren Brooks
Yes	Betty Carroll
Yes	Ira Glasky
Yes	Sharon Wallin

3. BUDGET STUDY SESSION *

Minutes:

Local Control Accountability Plan (LCAP)

Executive Director of Student Support Services, Alan Schlichting, reviewed the three types of potential funding categories in the Local Control Funding Formula (LCFF). 1.) Base Funding, which provides most of the funding and is calculated at different rates based on grade spans. 2.) Supplemental Funding, which provides 20% of the Base Funding for Low Income, Foster Youth, and English Language Speaking students. IUSD's Supplemental Funding is projected at \$19.7 million for 2019-20. 3.) Concentration Funding, which provides additional funding for school districts with targeted disadvantaged students totaling 55% or more; IUSD doesn't qualify for this funding.

Alan reviewed the breakdown of the LCAP document which consists of the following five sections and their subsections, additionally he shared, new for this year, there will be a budget overview for parents and an Every Student Succeeds Act LCAP addendum. The five LCAP sections are:

1. Plan Summary
2. Annual Update
3. Stakeholder Engagement
4. Goals, Actions, Expenditures, and Progress Indicators
5. Increased or Improved Services for Unduplicated Students

Assistant Superintendent of Human Resources, Eamonn O'Donovan, reviewed the process of collaborating on the LCAP items with bargaining units as they are an identified stakeholder group; however, the LCAP isn't subject to collective bargaining.

Alan reviewed the prioritization process the District undertook to identify LCAP actions that stakeholders felt were priority or negotiable actions that should be considered for elimination, reduction, or to be funded outside of the LCAP. He reviewed the top five priority and negotiable actions selected by stakeholders. Previously, stakeholders provided input regarding the LCAP survey, requesting the option of a long detailed or short abbreviated surveys. The surveys were activated and distributed on Tuesday, April 9, 2019; as of the morning of April 15, there were 234 responses received from the comprehensive survey and 289 responses received from the condensed survey.

The budget prioritization on LCAP focus areas and the survey trends thus far were reviewed in the areas of Student Instructional Support, Increase School Site Funding, California Aligned Materials and Support, and Equity, Safety and Support.

Board members inquired how the action items are generated and if the new action items were indicated as "new" on the survey. Alan responded that Cabinet members first review LCAP

actions that are unfunded for the upcoming year, they are considered for ongoing, one-time, reduced funding or elimination of funding. Cabinet members meet frequently with site and education staff to develop any new action items for consideration; additionally staff review new action item suggestions provided from the LCAP survey completed by the community, staff and students. There were a few new items, which were expressed during the prioritization process when considering what to include in the proposed LCAP.

Member Carroll and Brooks recommended indicating the total funding amounts including funding from other sources, especially for the high priority action items, for future presentations.

2019-20 District Budget

Assistant Superintendent of Business Services, John Fogarty, provided an overview of the Governor's January 2019-20 budget proposal which includes a Cost-of-Living Adjustment (COLA) of 3.46% only, with no additional one-time discretionary funding now that the LCFF target is fully funded. For IUSD this is projected to provide \$10.7 million in ongoing discretionary funding. The overall increase in LCFF funding for IUSD, including growth, is projected at \$15.7 million; which is reduced from the recent projection of \$18.9 million based on an anticipated decline in enrollment projections. On average, IUSD has had an annual enrollment increase of 1,051 students from 2011-12 to 2017-18. IUSD's enrollment growth in 2018-19 was projected at 1,100 students; however, the enrollment increase is approximately 674 students. IUSD's enrollment growth for 2019-20 is estimated at 556 students.

The Governor's January budget also includes a CalSTRS Pension payment of \$3 billion allocated to reduce pension liability and district contribution. This is proposed to be funded with one-time funds outside of Prop 98 funding. STRS and PERS projected increases are estimated to increase by 324% from 2011-12 to 2022-23, at an increased cost of \$40.2 million. If adopted, the one-time funding of the CalSTRS Pension system is anticipated to reduce school district benefit expense by 1% resulting in a \$1.7 million benefit. Additionally, there is a proposal for Special Education funding of \$576 million to support additional services for districts with high concentrations of disadvantaged student populations; which IUSD doesn't qualify for. An Early Childhood Education proposal of \$1.6 billion is allocated to support Universal Preschool, Full Day Kindergarten and Child Care options throughout the state. More details are needed on this proposal to know any potential impacts for IUSD. Lastly, the Governor's budget proposes selling \$1.5 billion in facility bonds for Proposition 51 funding which would benefit IUSD's facilities projects submitted for reimbursement. A change from recent years, there will be no one-time discretionary funding for K-12 education.

Member Wallin requested further details of the Governor's \$1.6 billion Early Childhood Education proposal when available.

Based on the 2018-19 Second Interim report, Governor's budget and reduced with anticipated growth the allocation of the projected \$15.7 million in LCFF funding breaks down \$4.6 million in growth positions, new schools and step and column increase expenses; \$2.3 million for Special Education growth; \$2.7 million in STRS/PERS increase which is reduced based on the Governor's budget proposal; leaving \$6 million unallocated. The Governor's January proposed budget will not be final until adopted in June.

Education Funding and State Economy

John cautioned that Proposition 98 growth is slowing, hinting at the “good times” for education may be leaving. There is a statewide decline in enrollment which will partially offset growth related to General Fund revenue gains. Slow revenue growth with increasing costs means more strain on Local Education Agency budgets. He reviewed aspects of Proposition 98 funding, stressing that the funding system was established as a stable, minimum guaranteed funding level for K-14 education; however, it is has been treated as a funding ceiling by politicians. He outlined the three funding tests indicating 2019-20 is projected to be a Test 1 Year.

John continued issuing caution regarding California’s economy as many economists are projecting a slowdown in the near future, citing a volatile stock market, housing crisis or shortage, an aging population, federal foreign trade policy conflicts, overall policy conflicts with the federal government, historically low unemployment and the current length of the economic expansion – approaching the longest ever in U.S. History.

John detailed the proposed LCAP individual Focus Area Actions' funding allocations totaling \$8,773,000 in one-time funds and \$2,831,000 in ongoing funds. The combined funding per Focus Area are fairly balanced with \$3.3 million allocated to Direct Student Instruction, \$2.2 million to School Site Funding, \$3.8 million to California Aligned Materials and Support and \$2.3 million allocated to Equity, Safety and Support.

A timeline for next steps was provided:

- May 2019
 - Share plan with stakeholder groups
 - Continue to review and revise plan based on input
- June 11, 2019
 - 2019-20 LCAP Public Hearing
 - 2019-20 Budget Public Hearing
- June 25, 2019
 - 2019-20 LCAP Adoption
 - 2019-20 Budget Adoption

Board members thanked staff for their hard work and efforts.

4. ADJOURNMENT

Motion Passed: Passed with a motion by Paul Bokota and a second by Betty Carroll.

Yes Paul Bokota
Yes Lauren Brooks
Yes Betty Carroll
Yes Ira Glasky
Yes Sharon Wallin

Minutes:

Meeting adjourned at 5:07 PM.