

**LAS VIRGENES UNIFIED SCHOOL
DISTRICT**
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BOARD OF EDUCATION

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SUPERINTENDENT

**LAS VIRGENES UNIFIED SCHOOL DISTRICT
FINANCE COMMITTEE MEETING**
April 26, 2023

Present: Ms. Lesli Stein, Board President
Ms. Jill Gaines, Board Member
Dr. Dan Stepenosky, Superintendent
Dr. Ryan Gleason, Assistant Superintendent/CBO
Dr. Steve Scifres, Assistant Superintendent, HR
Ms. Angie Falk, Assistant Superintendent of Student Services
Ms. Valerie Gockel, Payroll Supervisor
Ms. Tammy Ventry, Senior Accountant
Ms. Dawn Quevedo, Accounting Technician, Categorical Grants
Ms. Barbara Diaz, Accounting Technician
Ms. Tina Wilkie, Accounting Technician/Credential Analyst
Ms. Ali Lloyd, Permits Coordinator

The meeting came to order at 9:41 a.m. Dr. Gleason shared the agenda with the committee.

Budget Updates:

Dr. Gleason shared the statewide cash report, sharing that preliminary general fund cash receipts for the first nine months of the 2022-23 fiscal year were \$4.684 billion below the 2023-24 Governor's Budget forecast of \$126.675 billion.

Dr. Gleason noted that the year-to-date shortfalls were largely due to lower personal income tax and corporate tax receipts. He also shared that March cash receipts were only \$4 million below forecast as shortfalls in personal income and corporation tax receipts were largely offset by strength in sales tax, insurance tax, pooled money interest and other revenues.

Dr. Gleason noted that the Governor's budget monthly cash flow reflects the expected impact of delayed payment and filing deadlines for Californians in most counties to October 16th due to winter storms and flooding in January. Dr. Gleason shared that inflation is slowing. The

Legislative Analyst's Office is projecting that the Governor's budget is likely unaffordable in the coming years and Dr. Gleason stressed the importance of sustaining a reserve.

Dr. Gleason spoke about CALPERS rates for the 2023-2024 year, stating that it will be 26.68% which is an increase of 1.31% over the employer rate. Dr. Gleason also shared budget mitigation tools which include reducing additional one-time and temporary spending.

Dr. Gleason shared information regarding Senate Bill 98 which would provide school agencies with state funding equivalent to what they would receive under an enrollment-based funding model. The agency must meet certain requirements and spend at least 30% of the additional funding to address chronic absenteeism and habitual truancy. Dr. Gleason noted that there is some concern that the bill would reward districts with high truancy/ absenteeism numbers and not reward those districts who have successfully invested in absenteeism mitigation efforts.

Dr. Gleason also spoke about pending legislation such as AB 230, AB 377, AB 237 and AB 599. Known as the Girl Scouts Period Equity Act, AB 230 would expand prior legislation requiring public schools to provide an adequate supply of menstrual products at public schools serving students in grades 6 to 12, and to any school serving students in grade 3 or higher.

AB 377, known as Career Technical Education: California Career Technical Education Incentive Grant Program: Strong Workforce Program would move the \$150 million currently provided for the K-12 Strong Workforce Program into the Career Technical Education Incentive Grant Program (CTEIG), bringing total CTEIG funding to \$450 million annually. Dr. Gleason shared that the bill passed out of committee on consent, meaning all committee members were supportive of the bill.

AB 237 regarded intradistrict and interdistrict transfers: low-performing pupils. This bill prohibits a school district from denying an interdistrict transfer request for a low performing pupil who attends a low performing school; and, requires if a school district of enrollment accepts transfers, the school district shall have an unbiased selection process, accept all pupils until they reach maximum enrollment, and provide transportation for pupils who qualify for the free and reduced price meal program.

AB 599 regarded suspensions and expulsions: controlled substances: tobacco. This bill removes the possession of tobacco products and controlled substances on school grounds or at a school activity as bases for suspension from school or recommendations for expulsion, as of July 1, 2025. Requires the California Department of Education to develop and make available a model policy for a public health approach to addressing student possession and use of illicit drugs on school property, by July 1, 2025.

Accounting Team Transitions;

Dr. Gleason shared updates to the accounting team at the District. He shared that Ms. Diane Hawe and Mr. Andrew Lacson are serving as the role of Accounting Supervisor. Ms. Tina Wilkie is now the Accounting Technician for Child Nutrition, Ms. Dawn Quevedo now handles the Categorical programs, Ms. Barbara Diaz is now the Accounting Technician for ASB and site

budgets and Ms. Tammy Ventry is the Senior Accountant for Bond and Construction projects. Current vacancies in the department include an Accounting Technician 5 and two Accounting Technician 3 positions.

Attendance and Enrollment Update:

Dr. Gleason shared year-to-date enrollment projections. Ms. Stein asked if the projections include incoming TK students and Dr. Gleason stated they did. Ms. Stein also spoke about the importance of school tours and sharing that the schools have to offer. Dr. Gleason shared that numbers are increasing and the total change from the 23-24 census prediction reflects between \$1M and \$7.4M in increased revenues.

Dr. Gleason also shared an update on attendance sharing attendance rates up to March 1 and since March 1. Ten sites have increased attendance since March 1. Ms. Falk spoke about strategies being used to target the most chronically absent students. The committee commended these efforts.

Measure S Series A Sale Preparation:

Dr. Gleason shared a timeline for the Measure S Series A Sale:

April through June:

- Working to Develop a Preliminary Official Statement
 - Discloses the district's fiscal position to investors
 - Includes information about the district, past audits, interim reports, and budget health
 - Leadership Longevity and Structure
 - Ensures all disclosures are made that could be a risk to investors.

Dr. Gleason shared that the Preliminary Official Statement/Resolution is slated to go before the Board of Education at the June 6, 2023 meeting.

Late May through late June:

- Credit Rating Issuance
 - Secure a Credit Rating
 - Present to Fiscal Health and Overview of the District
 - Credit Rating Secured by End of June or Early July
 - Credit Rating and POS is background reading.

July:

- Bond Sale
 - Goes on the market for investors
 - Preliminary Official Statement, Action Agenda, and Credit Rating
 - Goal of Closing August 1st

Ms. Stein asked when COP debt will be paid off and Dr. Gleason stated that it will be paid off with the first round.

Dr. Gleason also shared some developments that are in the works in the community which will generate revenue from developer fees for the District.

Categorical Grant Updates:

Dr. Gleason shared that \$385K was received through the non-competitive Kitchen Infrastructure Grant. Approximately \$85K was received in addition through the Competitive Grant Process. Dr. Gleason shared that Approximately \$470K will be utilized for new stoves and freezer storage, to expand scratch cooking at school sites.

Dr. Gleason also shared an update on categorical programs, sharing total budget, total expenditures for this fiscal year, the total amount encumbered and the total amount remaining in the budget.

Preschool/UTK:

Dr. Gleason shared information pertaining to tuition at Buttercup Preschool. He shared that tuition is currently \$775 a month for the hours of 8 am - 1 pm. Tuition at neighboring preschools is \$1155 a month for the hours of 8 am - 12 pm. The District recommends increasing tuition to \$880 a month beginning with the 2023/2024 school year.

Ms. Stein asked if preschool enrollment will be affected because of universal TK. Ms. Falk stated that the program has a lot of 3 year olds and she does not believe that Buttercup will see a decrease in enrollment.

Proposition 28:

Dr. Gleason shared that \$1.3M anticipated to LVUSD in 2023-24 as a result of Proposition 28. Dr. Gleason also shared some parameters of Proposition 28 which include:

- The state will take 2022-23 staffing as a baseline and the district will need to demonstrate how the funding grew music and theater education programs beyond the existing baseline.
- 80% of funding must be used to hire new staff.
- Requires the governing board to certify that the additional funding is used to supplement and not supplant the existing program.

As a condition of receiving funds, LEAs must do the following annually:

- Certify that funds are used to provide arts education, and that funds expended in the prior fiscal year were used for that purpose
- Certify that funds received will be used to supplement funding for arts education programs and that funds received in the prior fiscal year were used for that purpose
- Certify that no more than 1% will be used for an LEA's administrative expenses and that funds received in the prior fiscal year were used within that limit
- Submit an annual report that describes the arts education programs funded and specifies how funds were utilized

Board Policy Updates: Staff Travel and Residential Travel:

Dr. Gleason shared that Board Policy Updates regarding Staff Travel and Residential Travel are going before the Board at the May 6 meeting. Dr. Gleason shared proposed language to the Board Policy.

Measure E Vacancy:

The committee discussed the current Measure E Oversight Committee vacancy and reviewed applicants to fill that seat. A recommendation will go to the Board at the May 6 meeting.

Rental, Lease, and Litigation Updates:

Dr. Gleason provided updates on current rentals and leases as well as the settlements related to class action litigation.

The meeting came to a close at 12:02 p.m.