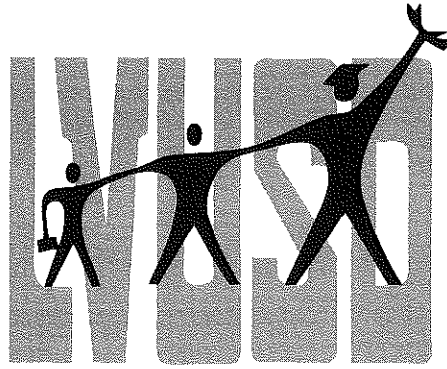


LAS VIRGENES UNIFIED SCHOOL DISTRICT

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MEASURE E OVERSIGHT COMMITTEE

December 15, 2014

MINUTES

**Committee
Members**

Present: Jack Colman
Debra Cohen
John Elginer
Lesli Kraut
Hannah Turner Kukurudz

**Committee
Members**

Absent: Ned Davis
Jay Lieberman

Also Present: Karen Kimmel, Assistant Superintendent-Business
Cherie Moreno, Director of Accounting

Chair Member Lesli Kraut called the meeting to order at 5:37pm

District / State Budget

Ms. Kimmel presented the 2014-2015 1st Interim Budget Report to the committee (the report was shared with the Board of Education at their meeting held on December 9, 2014). Ms. Kimmel reported that for districts in declining enrollment, the state bases their pupil budget allocation based on enrollment for the previous school year leading up to the existing school year. The district projections showed that enrollment would be down about 100 students across the district, however, the actual amount is an increase of 100 students above last year's numbers. This created a pupil count difference of 200 pupils between the state's allocated budget amount and the actual numbers. Additional staff was hired to accommodate this difference in pupil count. The increased enrollment will help in next year's budget.

Ms. Kimmel informed the committee that Common Core categorical funds carried over from last year. Additionally, she let the committee know that Prop 30 funds begin phasing out in 2016, with the final phase out in 2018. The phase out timing for the Prop 30 funds is specific to the Las Virgenes Unified School District per the state budget projections.

The Proposition 2 (Rainy Day) Fund was approved statewide in November 2014. The Prop 2 voter approved language provides that the state may retain a Rainy Day Fund, however, school districts may not keep a reserve fund with the exception of a 3% mandatory reserve and an additional 3% on top of the mandatory reserve. However, if the Board of Education at a school district approves a commitment of funds for a specific purpose, the districts may retain those funds in reserves. For instance, the state mandated district pension contributions are a concern. The state actuarial study is projecting an increase in CalSTRS Employer Contributions from 8.25% to 19%. This will impact each school district's individual budget and require funds be reserved for this distribution to the state.

Ms. Kimmel reminded the committee that over 60% of the budget provided by the state to school districts is based on income taxes, whereas other states have a stronger property tax distribution to school districts. The property tax distribution provides for a more stable source of revenue than relying on income taxes, which are more likely to ebb and flow.

Ms. Kraut inquired about the results of the negotiations with the teachers and classified unions. Ms. Kimmel reported that there were no increases for 6 years. In 2013-2014, there was a 2% increase, and in 2014-2015 there was 4% increase.

Parcel Tax Budget

Ms. Moreno guided the committee through the Parcel Tax Budget including the revenues and expenditures. Ms. Kraut asked how funds are being spent if the revenues are still in process (as the parcel tax monies are received after property taxes are paid). Ms. Kimmel informed the committee that the district has the ability to use the reserves from the general fund and then when the revenue from the parcel tax is received from the local counties, the reserve fund is replenished.

The 4/5 Science Program is listed as an expense on the Parcel Tax Budget because it is treated as separate cost center. The difference between allocated state funding and 4/5 Science Program expenses are transferred out of the parcel tax budget. This is a niche program and it is beneficial to keep it as a separate item for the purpose of securing future grants.

Ms. Kraut asked if it is possible to designate the 4/5 Science Program differently so that it does not show as an expense within the Parcel Tax Budget. Ms. Kimmel will check to see if the county will allow the district to treat this line item differently.

Parcel Tax Sunset

Ms. Kimmel gave the committee an update of the upcoming parcel tax sunset/renewal. The district is in the process of highlighting the qualities of the district within the community. In order to retain the Parcel Tax revenues, a proposition to renew the parcel tax needs to be approved by June of 2016 at the latest. Parcel taxes require a 2/3s majority vote in order to adopt the tax.

Ms. Kimmel let the committee know that only about 25% of the community residents are parents of students enrolled in the district. Some of the steps the district will take to increase awareness about the district within the community include: letters to editors, press releases, updates to the website and meet and greets with Dr. Stepenosky at local community meetings. Additionally, the district created a brochure that highlights information about the district. This will be mailed to registered voters and parents within the district beginning in January 2015. The Superintendent also created a Superintendents Advisory Board, which includes about 12 active community members who will help keep the district informed about perceptions within the community.

By mid-2015 the Board will decide whether or not to include the parcel tax renewal on the ballot.

Mr. Elginer suggested including information that is relevant to voters who do not have children in district schools. Ms. Kukurudz suggested contacting local HOAs. Ms. Cohen commented that good schools are important for good property values and that this message should be incorporated into communications to voters.

The previous voter approved parcel tax passed with 77% of the vote.

Annual donation Letter – Out of District Parents

The committee provided comments for the solicitation letter that will be mailed to out-of-district parents letting them know about the opportunity to donate \$98 to match the funds in-district parents voted to pay as part of their property taxes in support of the district schools.

The letter will be mailed towards the end of January 2015.

Annual Report to Board of Education

The committee decided to present their Annual Report to the Board on Tuesday, May 5, 2015.

City Council Reports

The committee decided to defer this item until the next committee meeting.

Next meeting

The next meeting is scheduled for Monday, March 30, 2015 at 5:30pm at the District Office.

The meeting adjourned at 6:57pm.