MEETING MINUTES

We welcome you to this meeting of the LGSUHSD Budget Advisory Committee (BAC) meeting. The public may make comments relevant to agenda items at the time designated on the agenda. Public comment will not be heard outside the designated time. While not required, we would appreciate it if you would identify yourself with your name and address when addressing the BAC. Speakers are asked to limit remarks to three minutes (with a maximum of twenty minutes for one topic).

Assistance Information: Any individual requiring disability-related accommodations or modifications, including auxiliary aids and services, in order to participate in the BAC meeting should contact the Business Services office in writing. Please provide sufficient advance notice to allow the Committee time to arrange for your accommodation.

Please use the following link to join virtually. (Committee Members must attend in person.) https://lgsuhsd.zoom.us/j/98605687497

Attendance

Voting Members
Jim Bertonis
Mathew Day
Lee Fagot
Peter Hertan
Julian Juan
Arnav Mana, Absent
Wendy Riggs
Fan Steinke
Daniel Snyder
Jennifer Young

Non-Voting Members
Pola Michelle Alas
Patrick Bernhardt
Steve Chen
Greg Louie
Dr. Deepa Mukherjee
David Poetzinger
Heath Rocha, Absent
Katherine Tseng

I. OPENING BUSINESS

A. Call to Order/Establish Quorum

The meeting was called to order at 4:16 p.m and a quorum was established.

B. Approval of the Agenda

The agenda was approved as submitted.

C. Approval of the Minutes

The minutes were approved as submitted.

Motion made by: Jennifer Young
Motion seconded by: Fan Steinke

> ***Voting results:*** Unanimously Approved

D. Public Comment

There were no public comments.

II. REPORT/DISCUSSION ITEMS

A. 2026-27 Fiscal Year Proposed Budget

Patrick Bernhardt, Executive Director of Business Services, shared greetings and apologies from Superintendent Rocha for today's absence.

Mr. Bernhardt welcomed and thanked Mr. Bertonis and Mr. Fagot for joining the Committee.

He noted the Committee meeting date is set to occur earlier in the week, of the week when the board receives the four quarterly financial presentations in the year. This budget reports is the biggest report of the year and this is in preparation for the public hearing on the budget, which will take place Thursday night. The presentation being shared is the exactly the presentation that is appearing on the board's agenda. Mr. Bernhardt will run through it and you can ask questions so he can be prepared and members are welcome to ask the two board members who are present questions so that they can be papered to do a more robust public hearing on Thursday evening.

Mr. Bernhardt presented the Adopted Budget Report 2026-27 presentation that will be presented to the board. Chairperson Riggs noted the Committee's part is to see the presentation with the eyes of the public and provide Mr. Bernhardt with feedback on what if anything could be improved to inform their understanding of the budget better. Mr. Bernhardt indicated their will not be any changes made to the presentation. The budget adoption process is a two-board meeting process. There is a public hearing on Thursday at which the board will receiving the presentation in this form, but the board will not take action on the budget until June 11. And so after the public hearing, Mr. Bernhardt can bring back changes.

Mr.Bernhardt indicated what is highlighted on the budget presentation is what will affect the District, basic aid funded by our local property taxes, not the state or county budget state that may impact the district's colleagues. The district receives ~6% to 7% per year of our total district revenue directly from the state.
However, there are some significant program changes in the governor's budget that will have some meaningful impact on the district. The governor proposes changes in January, then proposes a May revision in May and then between that
and which happens by law by May 14th by constitutions, the end of June the governor and legislator will sign the budget and we will know the governors budget at the end of June what the state budget is.

The governor is proposing another round of discretionary on-tien block grands paid on a per Average daily attendance (ADA). Anything the state pays on a per pupil or a per ADA basis the district receives. Last year the district received ~$900,000 in a one-time discretionary block grant paid on a per ADA basis. At the governor's current proposal, the district would receive~$2.5 million. Although there is afaction in the assembly that is strongly advocating to change the allocation basis of that block grant from per ADA to per unduplicated pupil count (UPP), which the district would then go from about $2.5 million to about $170,000 because we only have about 7% of our students are unduplicated. Unduplicated pupils are students that are low socioeconomic, English language learners, or they're foster youth. The term unduplicated comes for the fact that if you fall into more than one of those categories, you only count once. Changing that allocation basis, even for a portion of that block grant, would be significant to the district because the district would lose 90% of the fund. there aren't any assumptions about how much that revenue the district will receive. None of that revenue is in this budget presentation.

There may likely be an increase in special education funding that is paid on a per ADA basis. The governor's proposing this year is likely to be incorporated is the district would receive $917 per student and the proposal is to increase that to $1,340 per student, a 35% increase. That money is paid to the SELPA, which is a regional consortium of school districts that pool their special educator resources. They take some of that money off the top and the balance is passed through onto the District. The district will not know until the budget has to be adopted and then the SELPA needs to decide how much fit is goingto get passed through on to us. If the complete total were to be passed on to the district, it could be a million dollars per year of ongoing funding, which would be a permanent increase in resources. This money is not yet incorporated into the budget and we do not have the final number that would be in the budget or how much of that is potentially SELPA going to keep for special education programs, for loc incidence disabilities, where it does not make sense for district's to rund their own program because they do not have enough students. For example, are blind, There are just a handful of programs around the county that are run for students who are blindand all school districts send their students who need those services to these programs. SELPA will skim some off the top.

On the expenditure side, the district is running about three-tenths of a percent, a little more than a third of a percent higher, and that is mainly in the employee benefits category. Mr. Bernhardt plans to do a little more investigation after we lose the books as to why the change. It does seem that the average cost for benefits has increased significantly over the last six months. Employee benefits are calender ear plans. In January, the district paid higher

premiums, which was accounted for at second interim. It could be due to more employees taking family coverage than previously. Full time eqivelant (FTE) employees is currently 330.
Mr. Snyder noted its a significant differences from $300,000 to $239,000 in the last three months, which would equate to ~ a quarter of all employees changed benefit plans. Mr. Bernhardt noted employee benefit changes are recorded in January and there is currently not a system in place to where the budget is updated when employees change benefit plans.

There is a slowing of property tax growth this year and the district is tuning down that number on the budget, building in a 4 1/2% increase for next year, which that trend is then carried out for the three years of the multi-year projections. It is higher than most districts will budget for, higher than the state cola is projected. over that period.

III. ADJOURNMENT

The meeting was adjourned at 6:10 p.m.