

2021-22 Budget Update and Discussion of Budget Priorities



Board of Education Meeting

April 14, 2021

Pauline Follansbee, Assistant Superintendent

Brent Stephens. Superintendent

Topics For This Evening

1. Review of the Current LCAP Reporting and Planning Process
2. Update on 2020-21 (current year) Covid Expenditures
3. Update on Spending Capacity ("Scorecard")
 - a. Unrestricted General Fund
 - b. LCAP
 - c. BSEP
4. Revenue Assumptions and Multi-Year Projections - Unrestricted General Fund
5. Pre-Community Engagement - staff's work to build off Board priorities
6. Next Steps

Looking Forward

2021-2024

Local Control and Accountability Plan (LCAP)

1. Review Data for Areas of Greatest Progress and Greatest Need
2. Identify Performance Gaps
3. Support for Identified Schools (CSI and ATSI)
4. Stakeholder Engagement
5. Set Goals (State Priorities and Local Priorities)
6. Establish Action Areas
7. Establish Outcome Measures and Targets
8. Identify Funding
- 9.

The LCAP includes

General Fund
Supplemental Funding
BSEP
BERRA
Federal Funding

The LCAP serves as

The District's Strategic Plan for the coming school years

The LCAP draws from input from

Community
Committees
Principals and School Staff
Central Office Leaders
The Board of Education

Looking Forward

2021-2024

Local Control and Accountability Plan (LCAP)

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2. Identify Performance Gaps
3. Support for Identified Schools (CSI and ATSI)
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The LCAP integrates

Analysis of our current participation and outcome data

- greatest progress
- greatest need

Review of current programming

Information about the district's projected revenue, and our ability over time to support schools and programs (Multi-Year Projections)

Tonight's presentations on the 21-22 Budget and the 21-24 LCAP work together:

The budget presentation provides a look ahead - as best we can right now - at our projected funding

The LCAP presentation provides a look ahead at our work to define our coming LCAP goals; the actions that drive our budgeting; and the goals and measures for our district.

21-22 Budget Scorecard:

Key Information on Budget Capacity

	General Fund	LCAP	BSEP(HQI) Measure A	Projected One Time COVID Relief
Revenue Increase (COLA), and other revenue	+\$3.3M		+\$230,000	
Cost Increases (STRS, PERS, Step and Column) and budget reductions per MYP, and increase in other sources and uses	-\$4.0M	-\$ 201,134	-152,000	
Decreased Student Enrollment/Decreased Funding	No impact in 21-22	-284		
Available New Revenue/(Deficit) (Ongoing)	<\$.7M>	NA	current deficit spending <130,000>	
Available One Time Revenue			\$171,000 Measure A	\$16M
Balance	-\$700,000	-\$978,435		

Update: 2020-21 COVID Expenditures include

- Additional contract Sports for Learning
 - (Grades 6-8) \$240,345
- Stipends, in-person instruction (all units) \$303,000
- Lifelong (Additional Staffing) \$ 50,265
- Hot Spots \$ 75,000
- Communications \$ 25,000
- Additional nursing staff for student COVID testing \$118,755

Reminder: Revenue Assumptions

	2020-21	2021-22	2022-23
Enrollment	9,844	9,155	9,155
UPC (Students)	2,743	2,551	2,551
UPP - rolling average in LCFF calculator	30.64%	28.82%	27.86%
ADA - Funded	9,426	9,426	8,766
ADA - Projected	9,426	8,766	8,766
COLA	0.00%	3.84%	2.11%

We continue to assume a 7% decrease in overall student enrollment in 21-22 and 22-23.

We have adopted an assumption for the COLA in 22-23 that averages estimates provided by the state and School Services.

Enrollment and Revenue Projections

For now, we strongly recommend using a -7% enrollment assumption for 21-22 and the following years. This places BUSD on a conservative footing for now, which we feel is wise given the dynamic nature of enrollment and state funding.

We recommend revising our enrollment assumptions only after the May 16 Round 2 enrollment deadline, and after the May 15 Revision from the state.

Enrollment YoY Comparative

Enrollment			YoY Change		
Grade	2020-21	2021-22	Expected New Students (TK and K)	Change by Grade	Students Leaving The District
TK	123 *	127	127		-123
K	683	668	668		
1	700	600		-83	
2	706	679		-21	
3	647	683		-23	
4	678	631		-16	
5	689	680		2	
	4226	4068	795	-141	-123
6	716	685		-4	
7	734	644		-72	
8	720	714		-20	
	2170	2043	0	-96	0
9	825	782		62	
10	788	779		-46	
11	789	744		-44	
12	846	854			-854
BTECH 10	1	1			
BTECH 11	9	9		8	
BTECH 12	41	41			-41
	3299	3210	0	-20	-895
SDC	50	50			
nps	47	51			
H&H	10	10			
Total	9802	9432	795	-257	-1018
					-480
First round count per Admissions (Second round May 16)					
TK			81		
K			550		
			631		
			79%		
Per our assumptions					
7% reduction or 93% enrollment			739		
* Per trend analysis TK students do not attend BUSD K					

Collective Bargaining

Contracts with all four bargaining units are opening at the end of this year.

The cost of a 1% raise is about \$1,100,000 ongoing to the General Fund, and BSEP and LCAP are also impacted.

Let's look at three scenarios:

Modest: 1% raise, 1% one time

Moderate: 2% raise, 2% one time

COLA: 3% raise, 3% one time

Example	New Ongoing Spending from the General Fund	One Time Expenses
1% raise	\$1.1M	\$1.1M
2% raise	\$2.2M	\$2.2M
3% raise	\$3.3M	\$3.3M

What does this mean for the General Fund?

Student Enrollment	Right now, at the end our assumption about an ongoing-7% decline in enrollment appears to be accurate.	\$8M ongoing reduction in 22-23; and \$1M one time in 22-23
Increased Costs for 21-22	Right now, we are projecting cost increases that are \$700,000 in excess of new revenue.	\$700,000 reduction in spending in 21-22
Collective Bargaining	We do not know yet the impact of collective bargaining on the General Fund.	\$1.1M - \$6.6M reduction in spending for 21-22
New Investments	New investments will require a dollar for dollar reduction in other spending - on top of the reductions listed above.	
	GF Reductions for 21-22	\$1.5M - \$3.7M (without the use of one-time funds)

Before Our Data Analysis

There are a number of organizational efficiencies or requirements that we have identified for consideration in this year's budgeting process:

1. Communications Office and BSEP/BERRA
2. Special Education
3. Unemployment Insurance
4. Conversion from QSS to ESCAPE

These are not recommendations, but a preview of one of many categories of needs.

Pre-Community Engagement

Revenue Source	Spending Capacity	Possible Expenditures	Difference
GF	\$<0.7>	\$2.1 million	\$3 million
SUPP		(\$1 million)	
BSEP	Primarily from Fund Balance of \$5M in HQI	\$750,000 projected one time for 2021-22	The deficit spending must be reduced to a balanced budget by 2024
COVID		\$10.8 million	

Pre-Community Engagement

<i>2021 Summary proposed adjustments Item / SOURCE</i>	Total Transactions	GF impact	LCAP Impact	COVID	BSEP
MATH & SCIENCE					
Math & Science	\$255,000	\$0	(\$195,000)	\$0	\$255,000
EL/Literacy	\$790,000	\$440,000	(\$110,000)	\$350,000	
BLACK LIVES / LATINX / AAPI	\$889,000	\$443,000	(\$289,000)	\$390,000	\$188,000
Climate/Gender	\$331,000	\$0	(\$156,000)	\$201,000	\$130,000
Family Engagement	\$1,060,000	\$1,060,000	\$0	\$0	\$0
Communications	\$170,000	\$72,000	\$0	\$0	\$168,000

Pre-Community Engagement

<i>2021 Summary proposed adjustments Item / SOURCE</i>	Total Transactions	GF impact	LCAP Impact	COVID	BSEP
Special Education	\$1,715,000	\$25,000	\$0	\$1,690,000	\$0
McKinney Vento	\$213,000	\$0	(\$125,000)	\$213,000	\$0
Statutory Changes - Increase in State Unemployment Rate	\$1,420,000	\$0	\$0	\$1,420,000	\$0
Pandemic Support/ Learning Loss	\$5,210,000	\$0	\$0	\$5,210,000	\$0
Organizational	\$1,052,000	\$120,000	(\$175,000)	\$667,000	\$50,000
Business Enterprise System - One Time	\$332,000	\$332,000	\$0	\$0	\$0

Pre-Community Engagement

<i>2021 Summary proposed adjustments Item / SOURCE</i>	Total Transactions	GF impact	LCAP Impact	COVID	BSEP
Business Enterprise System - Ongoing	\$376,000	\$376,000	\$0	\$0	\$0
Ontime Transfer of Salaries and Benefits to accommodate Business Enterprise System	\$708,000	(\$708,000)	\$0	\$708,000	\$0
Total	\$14,521,000	\$2,160,000	(\$1,050,000)	\$10,849,000	\$791,000

Pre-Community Engagement - Detail

MATH & SCIENCE	Total Transactions	GF impact	LCAP Impact	COVID	BSEP
Willard Math Support Class	\$25,000	\$0	(\$25,000)	0	\$25,000
Math TWI Support - LF, TO, SM	\$110,000	\$0	(\$110,000)	0	\$110,000
MS Math Coach	\$60,000	\$0	(\$60,000)	0	\$60,000
BHS Math Coaching	\$40,000	\$0		0	\$40,000
BHS Chemistry Sections to lower class size in sections for targeted students, 0.2 FTE	\$20,000			0	\$20,000
Sub-Total	\$255,000	\$0	(\$195,000)	\$0	\$255,000

Pre-Community Engagement - Detail

EL / LITERACY	Total Transactions	GF impact	LCAP Impact	COVID	BSEP
LF Literacy Coach	\$110,000	\$110,000	(\$110,000)	\$ -	\$0
Literacy Action Plan, CONSULTANT SUPPORT (Total \$500K, \$200K in MYP)	\$300,000	\$300,000		\$ -	\$0
Literacy Action Plan, Post-Pandemic PROGRAM EVALUATION	\$200,000			\$ 200,000	\$0
Consultant: EL Master Plan 2 years (Continued from Spring)	\$30,000	\$30,000		\$ -	\$0
Early Literacy Supplemental Support (0.5 FTE TSA) - Should this also include MS?	\$55,000			\$ 55,000	\$0
EL Supplemental Support (0.5 FTE TSA)	\$55,000			\$ 55,000	\$0
EL Support at BHS - .4 FTE (Juan)	\$40,000			\$ 40,000	\$0
	\$790,000	\$440,000	(\$110,000)	\$350,000	\$0

Pre-Community Engagement - Detail

BLACK LIVES / LATINX /AAPI	Total Transactions	GF impact	LCAP Impact	COVID	BSEP
Black Studies .4 FTE for Co-Teacher Leaders (release period)?	\$40,000			\$0	\$40,000
Black Studies - Expanded Student Events	\$30,000			\$30,000	\$30,000
Community Partnerships-Young, Gifted, and Black; program and training for BUSD after-school staff	\$35,000			\$50,000	\$0
AA Success Manager	\$210,000	\$210,000	(\$210,000)	\$0	\$0
African American Success Framework Consultant (LCAP/BSEP) 50% savings (RT Fischer)	\$60,000				\$60,000
Eliminate Supplemental School Welfare/Attend at Longfellow, AASP	(\$79,000)		(\$79,000)		\$0
PUENTE Program at BHS and Longfellow	\$40,000				\$40,000
TWI Library Materials (Spanish)	\$8,000	\$8,000			\$8,000
OFEE Spanish Language Specialist	\$90,000	\$90,000			\$0

Pre-Community Engagement - Detail

BLACK LIVES / LATINX /AAPI Cont'd	Total Transactions	GF impact	LCAP Impact	COVID	BSEP
Comms Spanish Outreach (reorg)	\$10,000				\$10,000
Ethnic Studies TSA	\$110,000	\$110,000			\$0
Ethnic Studies Program Development Budget: Materials & Extended time	\$25,000	\$25,000			\$0
Community Partnerships- STEM Steps	\$60,000			\$60,000	\$0
Community Partnerships- Other Partnerships	\$250,000			\$250,000	\$0
	\$889,000	\$443,000	(\$289,000)	\$390,000	\$188,000

Pre-Community Engagement - Detail

CLIMATE / GENDER	Total Transactions	GF impact	LCAP Impact	COVID	BSEP
TSA for Equity / Gender / Inclusion	\$110,000				\$110,000
Behavioral Health	\$156,000		(\$156,000)	\$ 156,000	\$0
Consent Education (PD and Student Facing)	\$50,000			\$ 30,000	\$20,000
Coaching Boys into Men	\$15,000			\$ 15,000	\$0
	\$331,000	\$0	(\$156,000)	\$201,000	\$130,000
FAMILY ENGAGEMENT	Total Transactions	GF impact	LCAP Impact	COVID	BSEP
OFEE Additional Specialists 7.5 FTE Middle (2) an Elementary (6)	\$720,000	\$720,000		\$ -	\$0
LF Family Engagement Specialist	\$90,000	\$90,000		\$ -	\$0
OFEE Ed Hub at Bonar (Facilities)	\$0	\$0		\$ -	\$0
Create OFEE Director	\$160,000	\$160,000		\$ -	\$0
OFEE Family Education Specialist	\$90,000	\$90,000		\$ -	\$0
	\$1,060,000	\$1,060,000	\$0	\$0	\$0

Organizational Efficiencies or Requirements: Communications and BSEP/BERRA

COMMUNICATIONS	Total Transactions	GF impact	LCAP Impact	COVID	BSEP
BSEP/BERRA Director (reorg)	\$30,000				\$30,000
Comms Manager (reorg)	\$20,000	\$2,000			\$18,000
Comms Specialist (reorg)	\$50,000				\$50,000
Comm. Relations Special Projects	\$140,000	\$70,000			\$70,000
<i>see also Sp. Outreach proposed for OFEE</i>					
	\$240,000	\$72,000	\$0	\$0	\$168,000

Organizational Efficiencies or Requirements: Special Education

<u>SPED</u>	Total Transactions	GF impact	LCAP Impact	COVID	BSEP
SpEd Teacher/Case Managers Additional	\$540,000			\$540,000	
SpEd Recruitment stipends - ongoing	\$25,000	\$25,000			
Sped 4.0 FTE Mild Mod	\$444,000			\$444,000	
SPED 2.5 FTE Mod Severe	\$263,000			\$263,000	
School Psych	\$377,000			\$377,000	
.5 Counselor	\$66,000			\$66,000	
	\$1,715,000	\$25,000	\$0	\$1,690,000	\$0
<u>MCKINNEY VENTO</u>					
Counselor move to AB 86	\$125,000		(\$125,000)	\$ 125,000	\$0
McKinney/Vento Supplemental Services	\$88,000			\$ 88,000	\$0
	\$213,000	\$0	(\$125,000)	\$213,000	\$0

Organizational Efficiencies or Requirements: Unemployment Insurance

<u>STATUTORY CHANGES - NEW</u> <u>4/2/2021</u>	Total Transactions	GF impact	LCAP Impact	COVID	BSEP
Change in UI rate from .05% to 1.23% - Districtwide (Can use ESSER last bucket) one time? Out years by fund resource	\$1,420,000			\$ 1,420,000	
	\$1,420,000	\$0	\$0	\$1,420,000	\$0

Pre-Community Engagement - Detail

PANDEMIC SUPPORT / LEARNING LOSS	Total Transactions	GF impact	LCAP Impact	COVID	BSEP
School Supplemental Grants (Supports for student learning and well being) PER PUPIL ALLOCATION (\$150 per student)	\$1,500,000			\$1,500,000	\$0
School Supplemental Grants (Supports for student learning and well being) SUPPLEMENTAL ALLOCATION (\$150 per unduplicated student)	\$500,000			\$500,000	\$0
Support for EL at BHS, 0.4 FTE	\$40,000			\$40,000	\$0
K-8 PLCs focusing on data about students' ongoing needs	\$100,000			\$100,000	\$0
Aya health, staff and student testing, District Nurses (3 FTE)	\$500,000			\$500,000	\$0

Pre-Community Engagement - Detail

PANDEMIC SUPPORT / LEARNING LOSS Cont'd	Total Transactions	GF impact	LCAP Impact	COVID	BSEP
Data Integration and Improvement Science Specialist	\$120,000			\$ 120,000	\$0
Professional development on integrating ELD strategies into daily instruction	\$50,000			\$ 50,000	\$0
Professional development for IAs & ITs on supporting students academic needs	\$50,000			\$ 50,000	\$0
Digital Platform Subscriptions (Remind, Zoom, etc.)	\$100,000			\$ 100,000	\$0
Materials & Technology Replacement	\$250,000			\$ 250,000	\$0
Expanded learning and engagement opportunities	\$2,000,000			\$ 2,000,000	\$0
	\$5,210,000	\$0	\$0	\$5,210,000	\$0

ORGANIZATIONAL	Total Transactions	GF impact	LCAP Impact	COVID	BSEP
Longfellow 7 Period Day - 2 years (King and Willard)	\$200,000			\$ 200,000	\$0
BTA Administrator	\$82,000	\$82,000	(\$82,000)	\$ -	\$0
K-8 Coordination of School Based Services	\$115,000		(\$93,000)	\$ 115,000	(\$22,000)
Eliminate BERRA TSA, adjust BSEP/BERRA oversight contributions to balance	(\$50,000)			\$ -	(\$50,000)
BTA/BIS Library Support	\$20,000	\$20,000		\$ -	(\$20,000)
Increase VAPA Family Equity/Eng. to 1.0	\$70,000			\$ -	\$70,000
Instructional Technology TSA	\$53,000			\$ -	\$0
Project Manager - provided by ACOE (Focusing on business operations improvement)	\$0			\$ -	\$0
BREA Position Reclass Coord > Dir	\$30,000	\$18,000		\$ -	\$12,000
Increase 2.4 BREA TSAs to 3 TSAs	\$60,000			\$ -	\$60,000
Data Integration and Improvement Science Specialist <see also line 87>	\$120,000			\$ -	\$0
Supplemental Middle School Staffing Allocations, +3.2 FTE	\$352,000			\$ 352,000	\$0
	\$1,052,000	\$120,000	(\$175,000)	\$667,000	\$50,000

Organizational Efficiencies or Requirements: Conversion from QSS to ESCAPE

Business Enterprise System	Total Transactions	GF impact	LCAP Impact	COVID	BSEP
Business Enterprise System (ESCAPE) - Licensing and Technical Support - One Time	\$140,000	\$140,000		\$ -	\$0
Business Enterprise System (ESCAPE) - Licensing and Technical Support - Ongoing	\$376,000	\$376,000		\$ -	\$0
ESCAPE Training costs One time	\$192,000	\$192,000		\$ -	\$0
	\$708,000	\$708,000	\$0	\$0	\$0
					\$0
Staffing To COVID					\$0
Site/central office based Salaries and Benefits - consider \$3 million one time	\$708,000	(\$708,000)		\$708,000	\$0
	Total Transactions	GF impact	LCAP Impact	COVID	BSEP
TOTALS Year 1	\$5,004,000	\$97,000	(\$125,000)	\$4,031,000	\$168,000
Year 2		\$473,000			

Pre-Community Engagement - Detail

TOTALS	\$14,521,000	\$2,160,000	(\$1,050,000)	\$10,849,000	\$791,000
Available Fund Balance 2021-22		(\$700,000)			
Additional Budget Adjustments		\$2,962,000			
Excludes impact of bargaining					

Multi-Year Projection - UGF

Multi-Year Projections 2021-22 Budget Development			
Unrestricted General Fund			
Unrestricted General Fund (in millions)	2021-22	2022-23	2023-24
REVENUE			
COLA	3.84%	2.11%	2.33%
ADA	9,426	8,766	8,766
UPP	2,551	2,551	2,551
LCFF Funding			
<i>Base Funding</i>	91.0	86.9	88.9
<i>Supplemental Funding</i>	4.9	4.5	4.6
Total LCFF Funding	95.9	91.4	93.5
Other State Funding	1.8	1.8	1.8
Local Funding	2.7	2.7	2.7
TOTAL REVENUE	100.4	95.9	98.0

Multi-Year Projection - UGF

Unrestricted General Fund (in millions)	2021-22	2022-23	2023-24
Expenditures	-92.6	-95.6	-97.1
<i>Prior Budget Adjustments - Ongoing</i>		<i>8.0</i>	<i>8.0</i>
<i>Prior Additional Adjustments - One Time</i>		<i>1.0</i>	
<i>2021-22 Pre-Community Engagement Reductions and Transfers</i>	<i>-0.1</i>	<i>-0.5</i>	<i>-0.5</i>
<i>2021-22 Pre-Community Engagement Reductions and Transfers On-going Costs</i>		<i>1.0</i>	<i>1.0</i>
<i>Negotiated salary increases will require additional reductions</i>			
TOTAL EXPENDITURES	-92.7	-86.1	-88.6
TOTAL SOURCES AND USES	-9.5	-9.5	-9.5
Change in Fund Balance	-1.8	0.3	-0.1
Beginning Fund Balance	3.0	1.2	1.5
Ending Fund Balance	1.2	1.5	1.4
Revolving Cash	-0.1	-0.1	-0.1
Assignment for Supplemental Grant LCAP	-0.8	-0.8	-0.8
Fund 01 share of 3% reserve	-0.3	-0.3	-0.3
Ending Fund Balance - Undesignated	0.0	0.3	0.2

Multi- Year Plan - Summary

Prior to Budget Priorities - budget reduction of \$9 million in the out years - \$8 million on going

If Budget Priorities presented for the General Fund are approved

Expenditures:

FY 21-22 \$0.1 million in ongoing expenditures

FY 22-23 \$.5 million in ongoing expenditures (Escape no longer paid for by Covid funds)

Budget Adjustment:

FY 22-23 additional \$1.0 million in budget adjustments

Next Steps

Focus on data analysis for the purpose of identifying areas of improvement and equity; as well as LCAP Goals

Bring P&O recommendations for 21-22 BSEP budgets to the Board to the Board, starting next week

Continue to collaborate with Advisory Committees:
Superintendent's Budget Advisory Committee, Educator Advisory Committee, Parent Advisory Committee and District English Learner Advisory Committee

Staff will continue to consult with key partners, including our labor partners and the City of Berkeley

LCAP Community Engagement Process (described in the next presentation)