

BUDGET COMMITTEE MEETING

MAY 9, 2022

www.beaverton.k12.or.us/annual-budget

Roles & Responsibilities

- Administration

- Charged with presenting the proposed budget to the budget committee. This is our best effort to meet the needs of students within the resources available.
- After the budget message, the administration serves in an advisory capacity.

- Budget Committee

- Approves appropriations, tax rates and amounts
- Appropriation approval is by Fund/Function only
 - (fund/function/object/center/area/sub-area)
- Subject to public meeting laws, simple majority
- May inquire about programs but does not make program decisions

Roles & Responsibilities Continued

- Budget Committee Options For Approval
 - Approve the budget as proposed.
 - Increase the appropriation (we think we'll get more \$\$)
 - Decrease the appropriation (we think we'll get less \$\$)

Presentation Agenda

- Components of the Budget
 - Fund Sources and Uses
- General Fund
 - Where the money comes from
 - How we spend it
 - Our approach
- Significant Budget Modifications
 - Class Size & Direct Supports to Students
 - Operations Support
- Grant Funds Summary
- The Numbers
- Reserve Discussion

Presentation Agenda

- Budget Document Overview
- Next Steps
- Questions/Comments from the Committee
- Public Comment
- Summary for May 18 Meeting
- Superintendent's Closing Remarks

Components of the Budget

1XX – General Fund (core operations)

2XX – Special Revenue Funds (grants, nutrition services, SIA, ESSER, etc.)

3XX – Debt Service Fund (general obligation bonds, pension bonds, other debt)

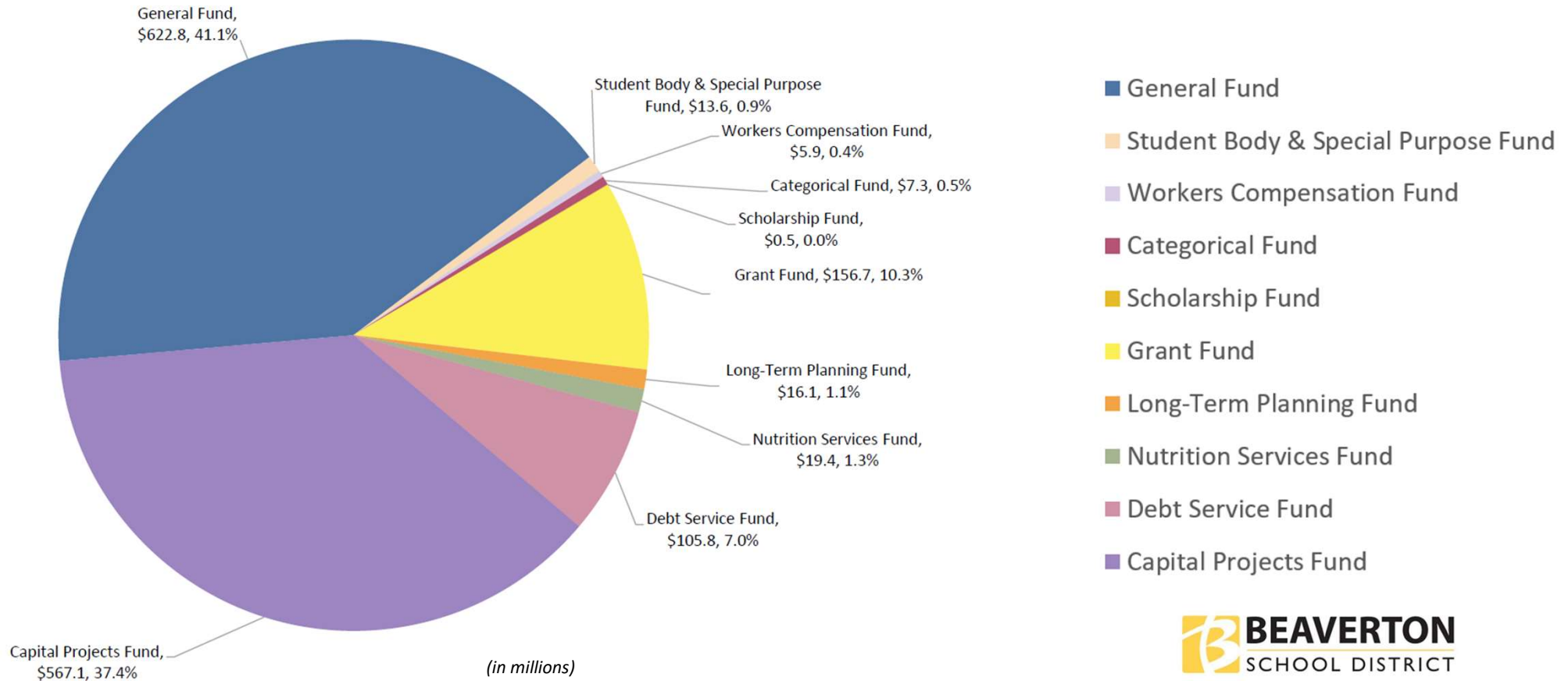
4XX – Capital Projects Fund (facility construction, acquisition, equipment)

5XX – Enterprise Funds (none for us)

6XX – Internal Reserve Funds (insurance reserve, worker's compensation)

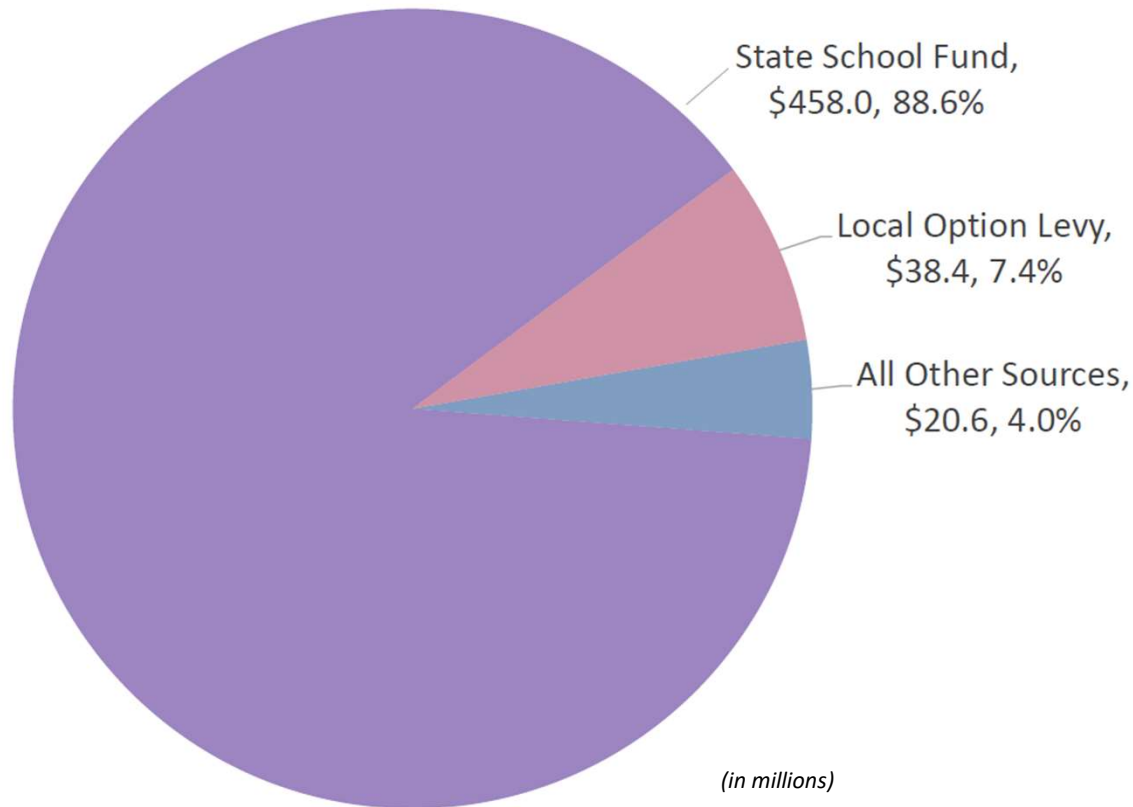
7XX - Fiduciary Funds (none for us)

Components of the Budget – 2022-23 Proposed



General Fund Revenue – 2022-23 Proposed

(does not include beginning fund balance)

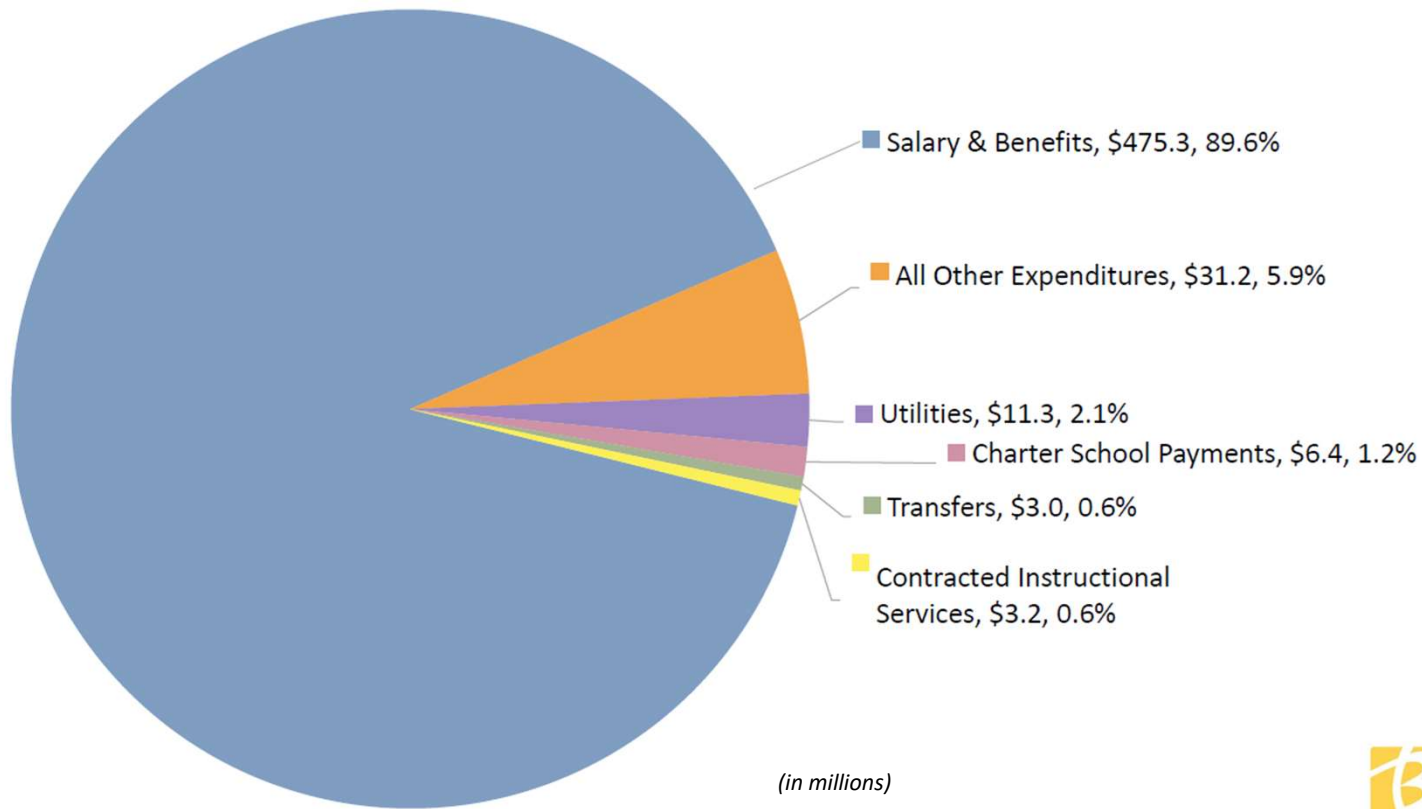


General Fund - Expenditures

- Bargained Amounts
 - Step/Column
 - Cost of Living Allowance (COLA)
 - Professional Development
 - Working Conditions (preparation time, etc)
 - Benefits (health and other)
 - Leaves (sick, personal, other)
- Superintendent's Cabinet
 - Very defined, justify all
- Schools
 - Staffing (allocation based on number of students & demographics)
 - Discretionary (allocation based on number of students & demographics)
 - Uses Staffing Allocation Methodology (SAM) & Student Investment Account (SIA)
 - One-time ESSER funds will continue to supplement for the next two years

General Fund Expenditures – 2022-23 Proposed

(does not include contingency)



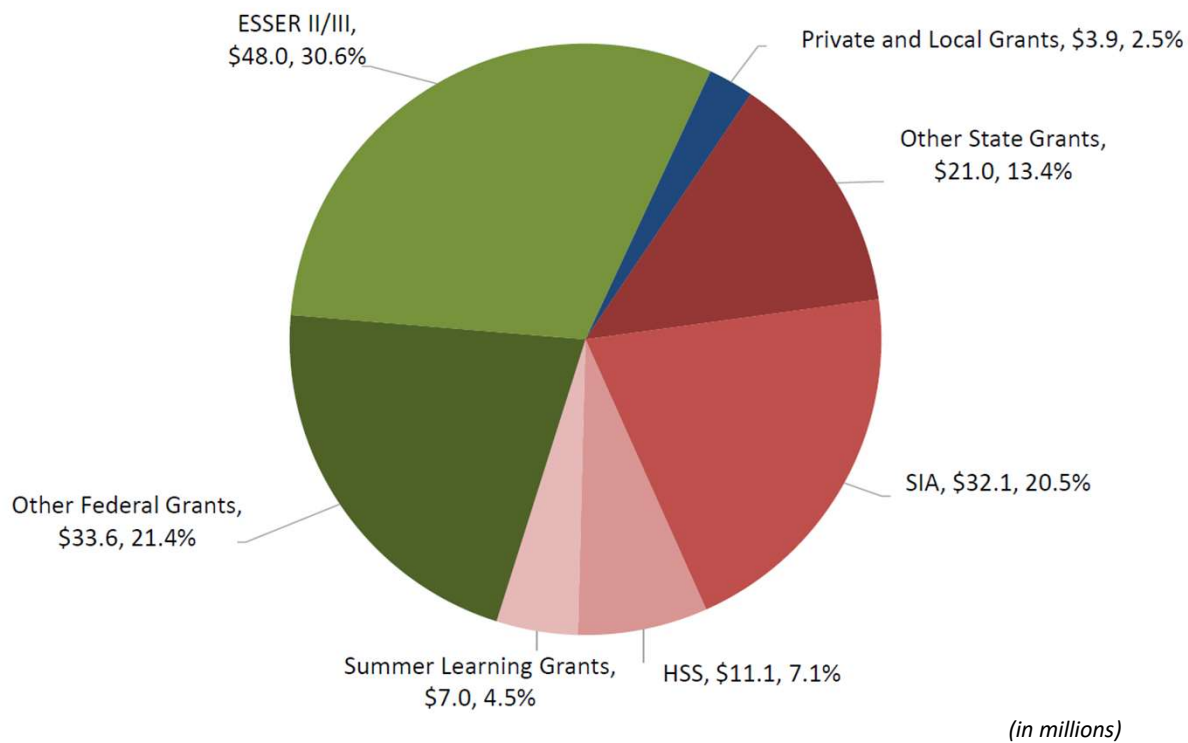
Significant Budget Investment – Class Size and Direct Student Supports \$9.5M

- Class Size (Staffing Allocation Methodology)
 - Increased \$7.0M in K-12 classroom teachers
 - Additional \$1.0M in middle school classroom teachers
- Direct Supports to Students \$1.5M
 - PreK, MLD, Newcomers, Safety, Transportation, Charters

Operations Support - \$1.5M

- Staffing for additional Operations Support between HR, Equity, Business Office, Maintenance and Facilities (approximately 10.0 FTE)

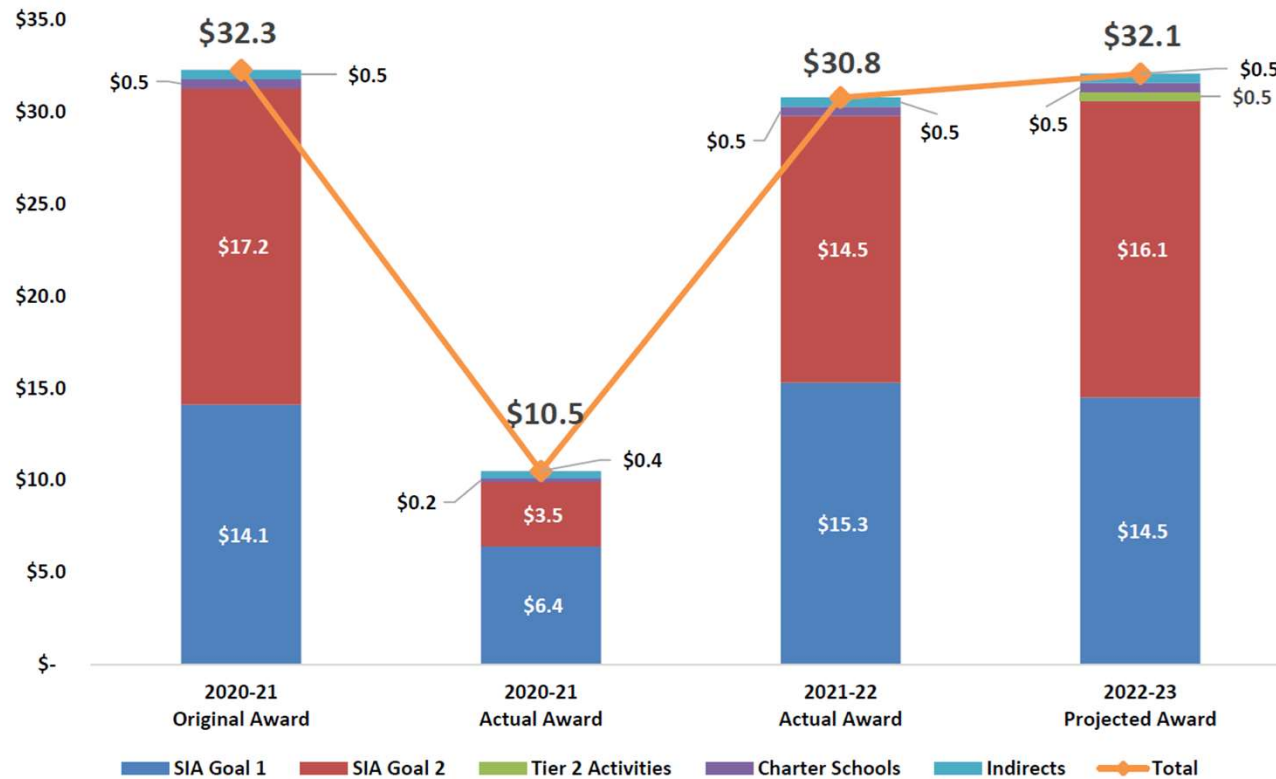
Grant Fund Revenue 2022-23



TOTAL			
Federal	\$81.6	52.1%	
State	\$71.2	45.4%	
Private and Local	\$3.9	2.5%	

SIA - Student Investment Account
ESSER - Elementary & Secondary Schools
Emergency Relief
HSS - High School Success

Student Investment Account Summary



SIA Goal 1: Increasing Academic Achievement, including reducing academic disparities for focal populations

SIA Goal 2: Addressing students' health and safety needs

SIA Plan:

<https://www.beaverton.k12.or.us/departments/accountability/improvement-planning>

ESSER Summary

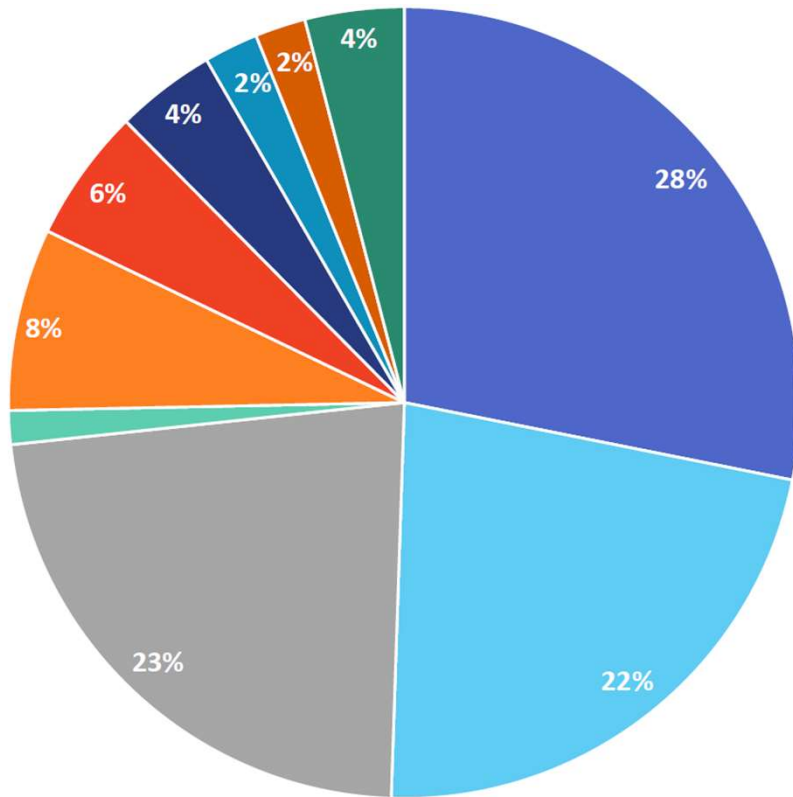
- ESSER II - Part of Coronavirus Response and Relief Supplemental Appropriations Act (\$20.7M)
- ESSER III - Part of American Rescue Plan (\$46.4M)
- These are one-time funds and must be spent by September 30, 2024
- Projecting approximately \$48.0M remaining at July 1, 2022
- Plan modifications will continue

ESSER Summary

- Considerations for spending plans:
- Community/Staff Priorities
 - Used January 2021 Survey for 2021-22 plans
 - Used January/February 2022 Survey for adjustments to 2022-23 and 2023-24 plans
- SIA/SAM (Staffing Allocation Methodology) Priorities
- Operations - HVAC
- Equity Lens
- Detailed Financial Summary posted:

<https://www.beaverton.k12.or.us/departments/accountability/improvement-planning>

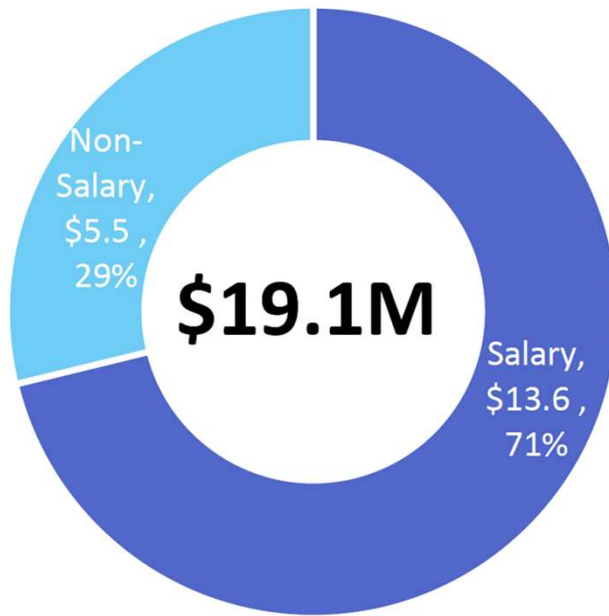
ESSER Budgeted Strategies



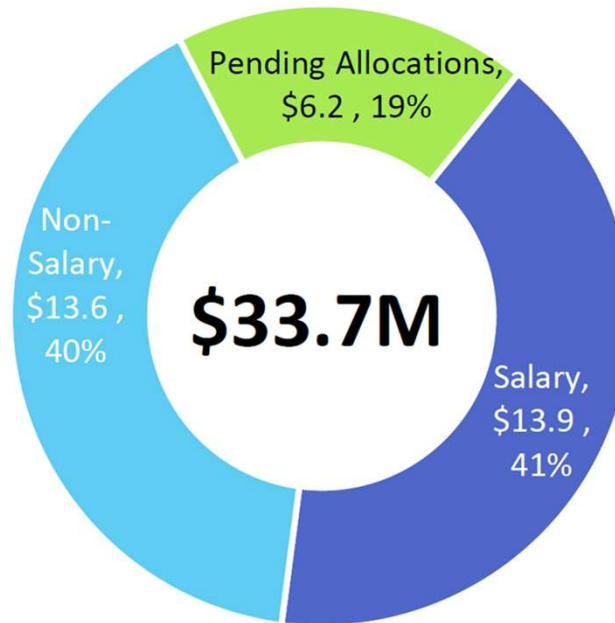
Data as of 3/31/22

- 28.1% Time & Attention
- 22.4% Relationships & Mental Health Support
- 22.8% Improve the Indoor Air Quality OR School Facility Repairs and Improvements
- 1.4% Maintain the Operation of and Continuity of Services
- 7.4% Empowering, Adaptable Instruction
- 5.5% Implementation of Public Health Protocols
- 4.1% Purchasing Educational Technology
- 2.2% Family & Community Partnerships
- 2.1% Charter Schools
- 4.0% Indirect

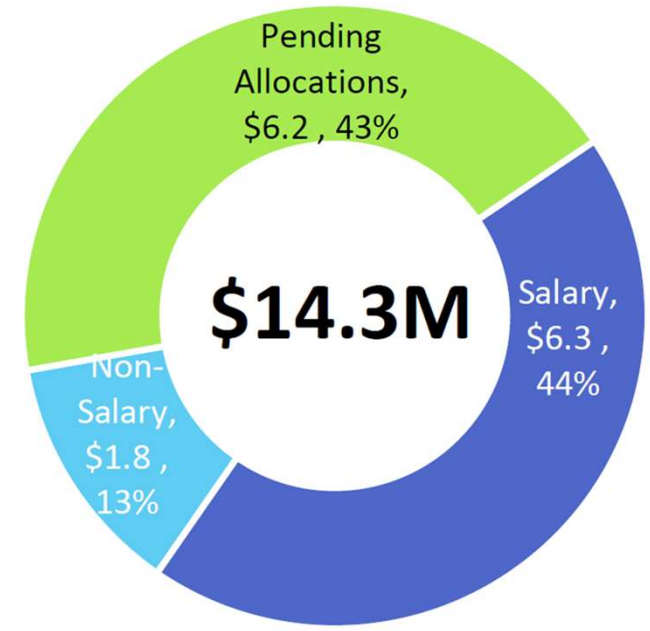
ESSER Salaries vs Non-Salary



2021-22
Projected Expenses



2022-23
Proposed Budget



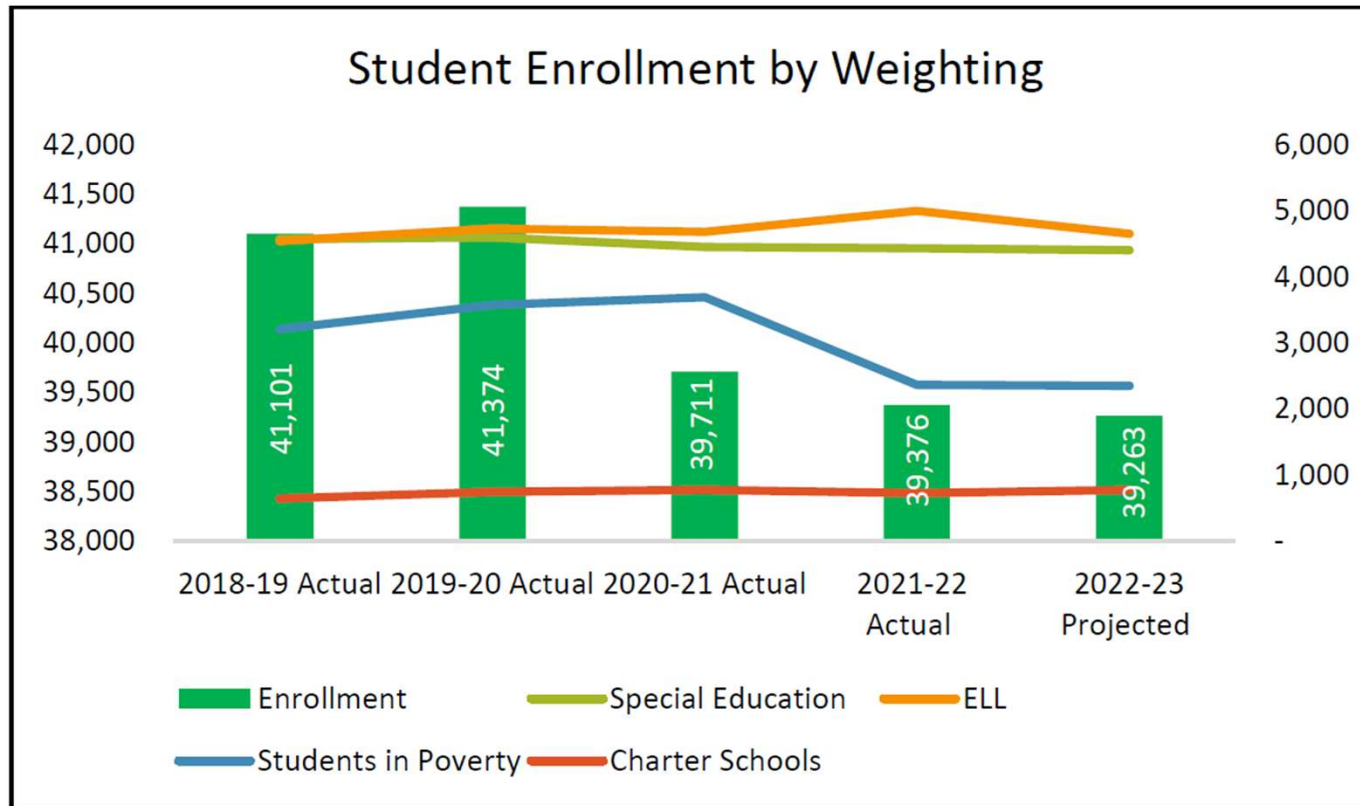
2023-24
Expected Budget

(in millions)
Data as of 3/31/22

Summer Learning Grants Summary

- Two grants included (total \$7.0M):
 - Summer Academic Supports Grants - High School Level
 - Summer Enrichment Program Grants - K-8 Level
- Must have 25% local match (ESSER)
- Timeline: April 4, 2022 - October 15, 2022
- Spending plans in development - equity lens will be used to guide decisions

The Numbers

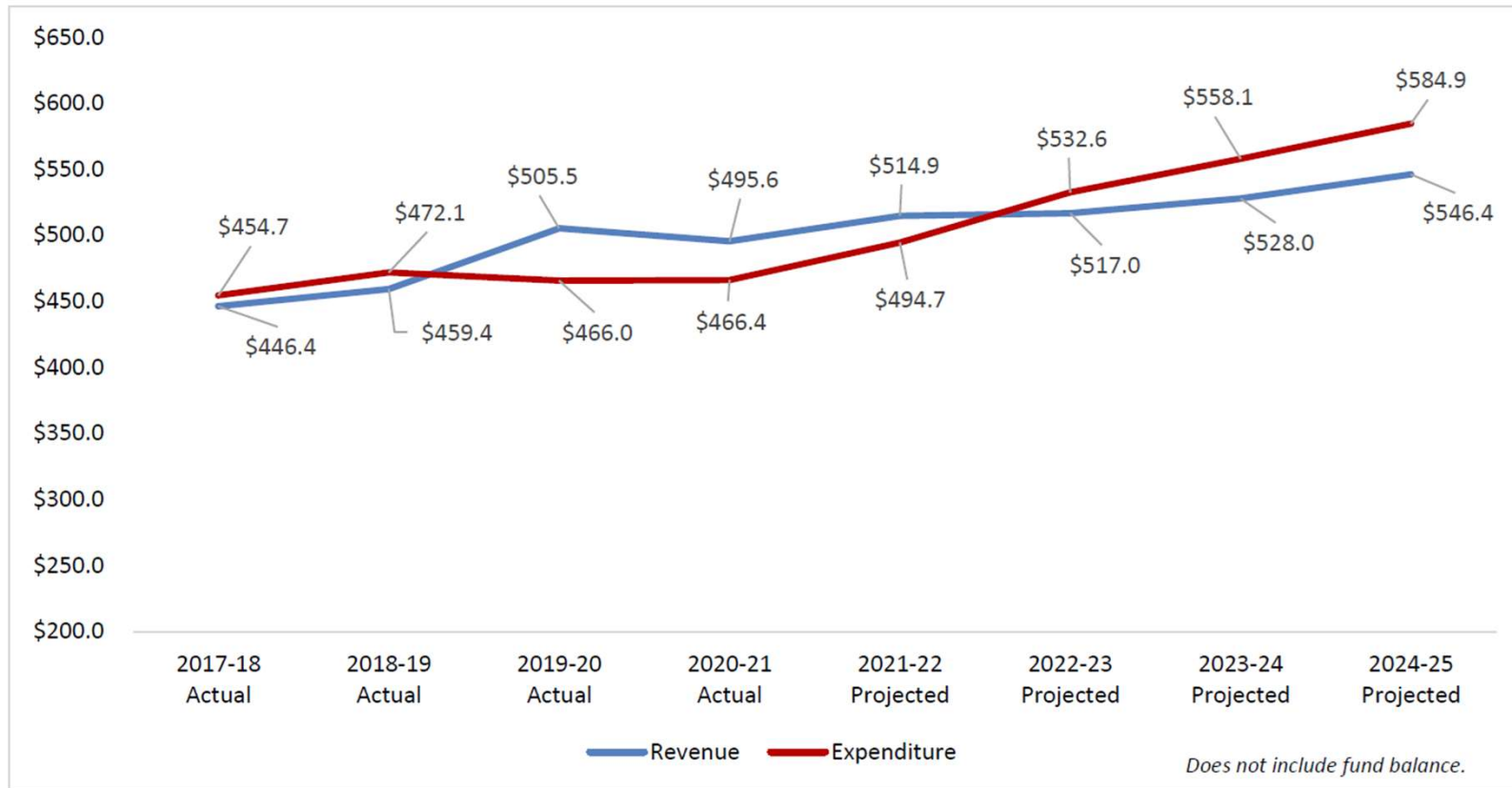


The Numbers

Financial Update - April 1, 2022

Resources	2019-2020 Actual	2020-2021 Actual	2021-2022 Adopted	2021-2022 Estimated	2022-2023 Proposed	2023-2024 Estimated	2024-2025 Estimated
Beginning Fund Balance (BFB)	\$ 16,915,100	\$ 56,424,054	\$ 77,973,600	\$ 85,626,331	\$ 105,800,000	\$ 90,261,858	\$ 60,193,001
Revenue:							
State Controlled	433,956,257	445,646,408	442,833,164	451,573,669	459,723,079	469,719,093	486,498,715
Locally Controlled	71,547,031	49,937,595	59,621,247	63,300,000	57,298,462	58,305,559	59,934,011
Total State/Local Only	505,503,288	495,584,003	502,454,411	514,873,669	517,021,541	528,024,652	546,432,726
Total BFB, State & Local	\$ 522,418,388	\$ 552,008,057	\$ 580,428,011	\$ 600,500,000	\$ 622,821,541	\$ 618,286,510	\$ 606,625,727
Expenditures	2019-2020 Actual	2020-2021 Actual	2021-2022 Adopted	2021-2022 Estimated	2022-2023 Proposed	2023-2024 Estimated	2024-2025 Estimated
Salaries	\$ 259,791,084	\$ 260,524,903	\$ 279,005,792	\$ 274,600,000	\$ 297,206,669	\$ 312,962,919	\$ 329,568,063
Benefits	166,784,741	165,249,749	174,165,734	166,900,000	178,092,610	186,776,428	195,893,407
All Other	39,418,509	40,607,074	58,378,225	53,200,000	57,260,404	58,354,162	59,475,057
Contingency/Reserve	-	-	68,878,260	-	90,261,858	-	-
Total	\$ 465,994,334	\$ 466,381,726	\$ 580,428,011	\$ 494,700,000	\$ 622,821,541	\$ 558,093,509	\$ 584,936,527
Ending Fund Balance	\$ 56,424,054	\$ 85,626,331	\$ 68,878,260	\$ 105,800,000	\$ 90,261,858	\$ 60,193,001	\$ 21,689,200
Financial Reserve (PERS)	3,823,243	4,000,000	9,600,000	9,600,000	15,544,133	21,803,392	28,394,753
Total Reserves	\$ 60,247,297	\$ 89,626,331	\$ 78,478,260	\$ 115,400,000	\$ 105,805,991	\$ 81,996,393	\$ 50,083,953

The Numbers



(in millions)

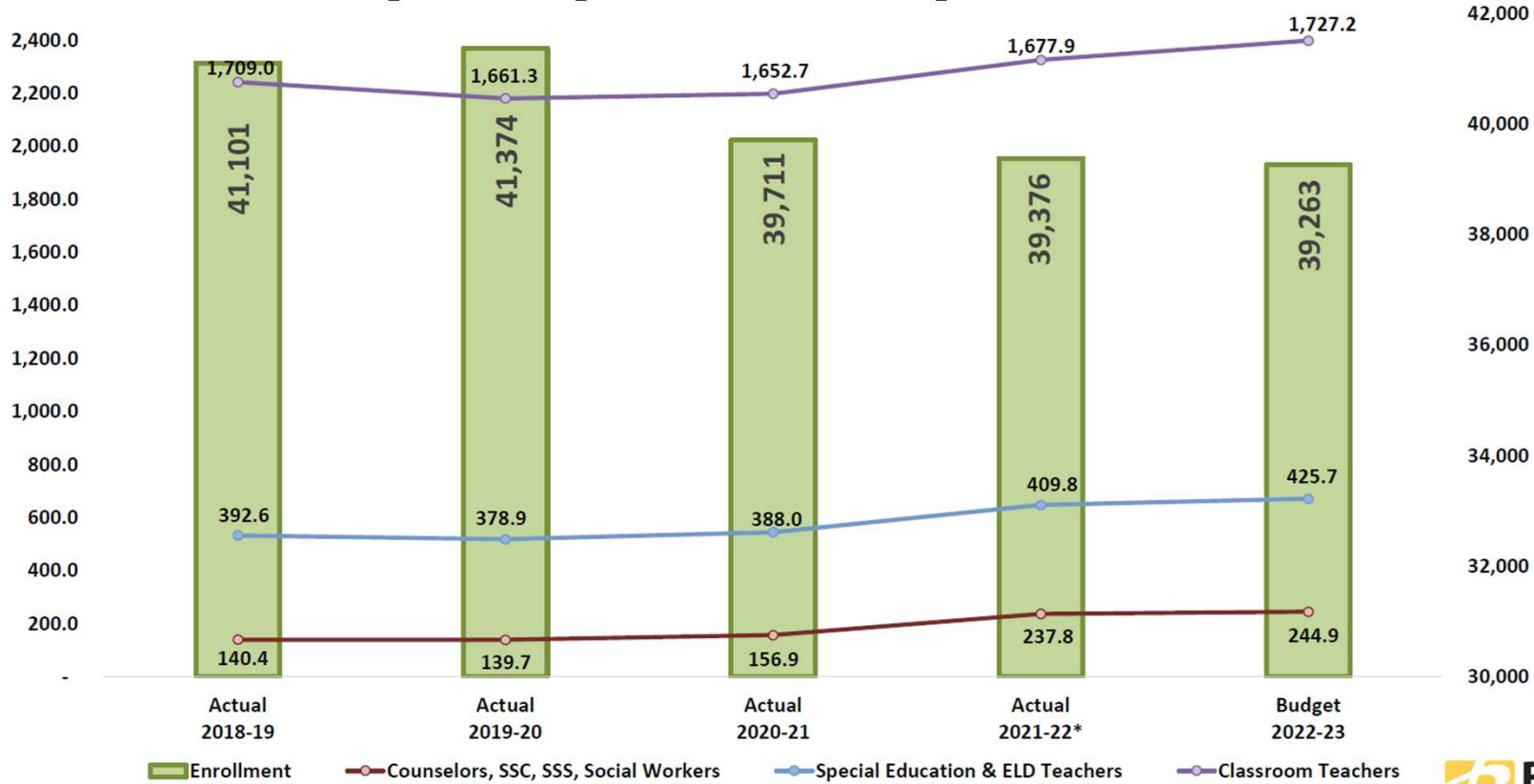
The Numbers Assumptions

- Based on actuals and projections
- Assumes \$9.91B SSF for 2023-2025 (6.6% increase for the biennium)
- Assumes slight decline in enrollment for 2022-23, flat thereafter
- Does not reflect likely PERS increase in 2023-2025 biennium
- Reflects District's most recent offer and 3% COLA in 2024-25
- Does not include SIA funds
- Does not include HSS (M98) funds
- Does not include ESSER funds
- Based on best information available at this time

Reserve Discussion

- 2020-21 ending fund balance was higher than expected
 - Lower spending
- 2021-22 State School Fund
 - Lower student counts in state = more \$ per student
 - From original ODE estimate in March 2021 to most recent estimate in April 2022, nearly 24,000 (3.4%) student weights have left the system
- 2021-22 lower spending
 - Lower enrollment (0.8%) = unfilled positions
 - Staffing/sub shortage
 - Less overall spending/supply chain issues

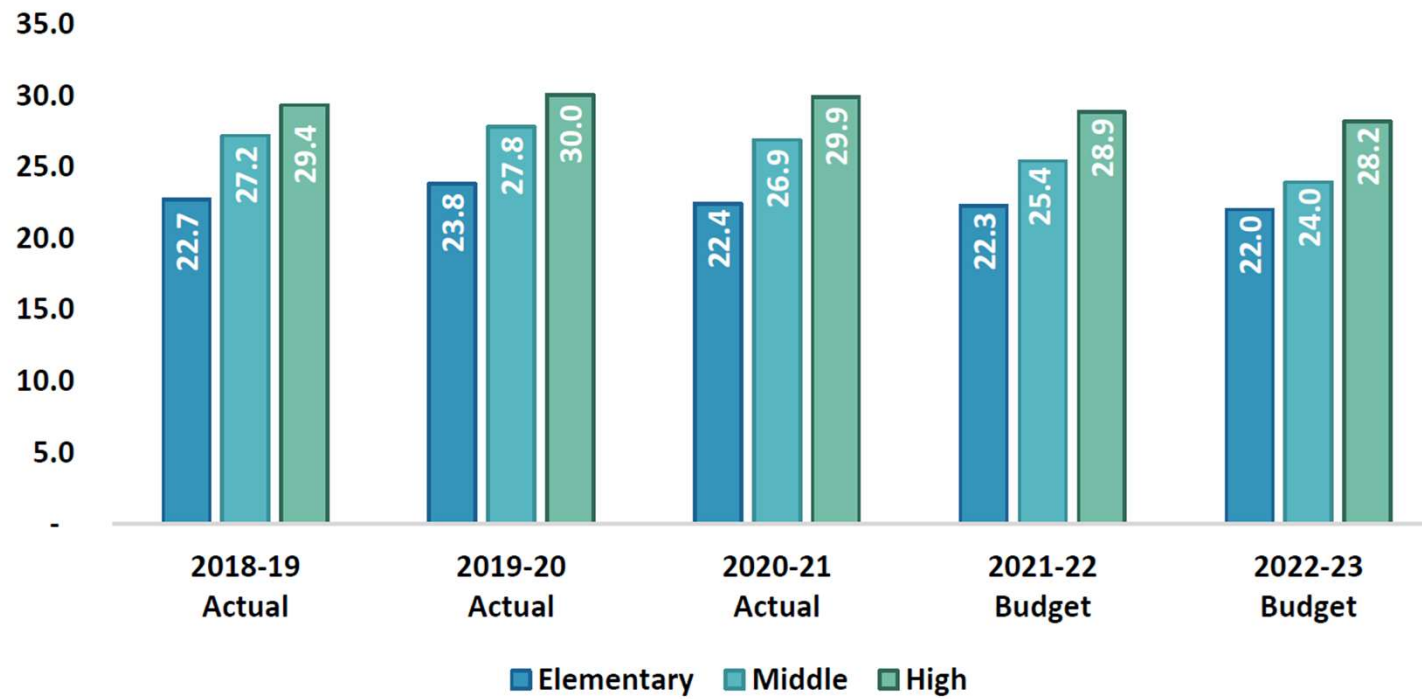
Summary - Key Takeaways



*Actual FTE as of 3/31/22

Summary - Key Takeaways

Average Class Size

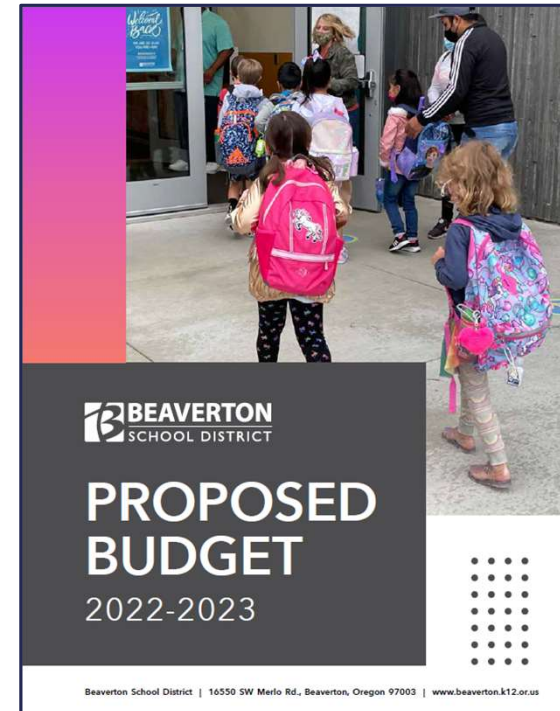


Summary - Key Takeaways

- Staff Impacts
 - Increased investment in class size
 - Individual school staffing still affected by enrollment changes
 - Additional staffing and support with one-time ESSER funds (student success and academic coaches, etc)
- Overall budget
 - Budget anticipates deficit spending (again)
 - Significant reserves compared to the last several years
 - Looking forward into next biennium

Budget Document Overview

- **Four Main Sections**
 - Executive Summary
 - Organizational Section
 - Financial Section
 - Informational Section



Executive Summary

- Lifiable stand-alone document presenting high-level financial and organizational data
 - Superintendent's Budget Message - page 4
 - Budget Summary by Fund - page 10
 - All funds salaries, benefits and positions - page 11
 - Enrollment history and projections - page 15

Organizational Section

- District structure, School Board and administrative staff
 - Strategic measures of student success - page 23
 - Budget process and financial reporting description - page 40
 - Multiyear investment summary - page 46

Financial Section

- Summary and detail level financial information for all funds
 - Variance analysis - page 60
 - General Fund budgeted positions - page 72
 - Debt Information - 137
 - Capital Projects Information - page 143

Informational Section

- Ratio teacher staffing by school - page 174
- Personnel resource allocations - page 175
- Detailed enrollment history and projections page 191
- Staffing Allocation Methodology (SAM) - page 193
- School summary pages - page 211

Next Steps

- Administration
 - Bargaining continues with BEA and OSEA
 - Continue to modify ESSER II/III plans
- Budget Committee
 - Receive and review public input
 - What questions must be answered?
- Next Meeting is May 18, 2022

Comments & Questions from Committee



Review Public Comment

www.beaverton.k12.or.us/annual-budget

1. Can you please point out specifics on how the budget reflects the pillars of excellence?

The District budgets for excellence in many areas. The investments in class sizes overall and targeted class size reductions at high poverty schools combined with a rigorous hiring process ensures excellence in instruction for all Beaverton students. It should be noted the District's strategic plan (goals and pillars) will be reviewed in the coming year as we emerge from the pandemic and onboard a new superintendent.

2. If an alien from another world looked at our budget, what would they see that it prioritizes (top 3)? Do these differ from the stated prioritizations of BSD Leadership?

Top priorities of the District include an investment in classroom teachers, behavioral health & wellness of students and allocating resources to students based on a poverty weighted enrollment calculation. These investments are evidenced throughout the 2022-23 Proposed Budget Document.

Review Public Comment

www.beaverton.k12.or.us/annual-budget

3. How are we improving equity in title 1 (compared to affluent) schools?

The Staffing Allocation Methodology (SAM) referenced in the Superintendent's Budget Message and later in the Informational Section of the 2022-23 Proposed Budget Document describes how resources are allocated to schools based on the number of students living in poverty. The District reevaluated SAM in the fall of 2019 for implementation in the 2020-21 year, creating a more equitable and responsive allocation of resources to schools.

4. How does the budget support the mental health of children?

On pages 175-176 of the 2022-23 Proposed Budget Document, an increase in staffing for counselors, student success coaches, school support specialists, social workers, school nurses and other behavioral health and wellness supports are presented. In addition, a description of Student Success Teams can be found on page 274.

Summary for May 18 Meeting/ Superintendent's Closing Remarks



Budget Webpage:

www.beaverton.k12.or.us/annual-budget