



BUDGET COMMITTEE MEETING

MAY 4, 2020

<https://www.beaverton.k12.or.us/budget>

Welcome & Opening Remarks



Approval of Minutes from April 20, 2020 Budget Committee Meeting



COVID-19 Economic Impacts

○What we know (since April 20th)

- First look at State School Fund estimate = down by over \$650 million, \$41 million for our district
- Federal CARES Act funding estimated at \$4.3 million for our district
- Projected Ending Fund Balance is rising. Currently estimating \$38 million
- Unemployment continues to climb

○What we are doing (since April 20th)

- Some emergency spending due to Governor's Order and distance learning
- Spending and hiring restrictions
- Increasing reserves to preserve staff in the Fall 2020
- Directed district leadership to provide prioritized list of reductions at 5%, 10% and 15%

○What we need to know

- Initial impact on State revenue (Forecast May 20th)?
- Legislative response to upcoming forecast?
- New round of Federal spending?
- Will schools be open in the fall?

COVID-19 Economic Impacts

Economic Climate

- Likely a Significant Impact on State Revenue
 - Income Tax Collections: shortfall in the \$1-\$3 billion range
 - Corporate Activities Tax (SIA): Unknown but likely significant shortfall from estimated collections of ~\$1 billion for FY20-21
 - Lottery Funding (portion to SSF): Significant reductions due to complete cessation of video poker
 - Marijuana Funding (dedicated to SSF): Likely flat or slightly +/-
 - Local Property Taxes: No significant decline rumored.
- State Quarterly Revenue Forecast on May 20

COVID-19 Economic Impacts

Possible State Action

- Governor's Options
 - Allotment Reduction - Limited Authority
 - Currently planning an 8.5% allotment reduction
 - No ability to prioritize
- Legislative Options
 - Total budgetary authority
 - Balanced budget requirement
 - State Reserves
 - Rainy Day Fund
 - Education Stability Fund
 - Can Prioritize Among Programs (SSF, SSA, M98, Grant in Aid)

Review Public Comment

<https://www.beaverton.k12.or.us/budget>

1. Question: Is the district looking to partner high SES schools with low SES schools to help with inequity in this district? When one school raises \$3,000 in a jogathon and another school raises \$141,000 in a jogathon that does not seem equitable. Would schools be able to be partnered together to help with this gap? Portland Schools do this. Why not Beaverton?

Answer: Currently, parent and voluntary fundraising remains with the local school, including parent group fundraising or other local foundation supports. It is worth noting that funds raised in this manner are not able to be used for staffing in schools. It is possible that the District could review options for sharing of fundraising but this would require a board conversation and likely a change to board policy.

2. Comment: Please consider plenty of funding for more teachers next year so we don't end up with overcrowded classrooms again! Especially in light of the virus, the kids should have at least enough space to not be shoulder to shoulder.

Review Public Comment -continued

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3. Question: It's great that BSD is using weighted staff allocation based on free and reduced lunches! When does the district look at free/reduced lunch numbers for purposes of allocating teachers/staff with the new weighted model? With unemployment numbers skyrocketing I'm sure free/reduced lunch numbers will be higher throughout the district in the fall, but since all lunches are free right now, families who have recently experienced a change in circumstance may not have applied for free/reduced lunch. Perhaps the district could encourage families to apply now and let them know why.

Answer: The District uses free and reduced lunch percentages as of January 31 of each year to project for the following year. This is due to the availability of data and the timelines for getting information for staffing purposes to Human Resources each year. Unfortunately, new data would not be available until November of 2020 that possibly would reflect any changes in circumstances.

4. Question: Last year we had major budget cuts that affected our staffing. We felt the impact of this in a major way this year. Most school complained about not having enough staff. Now we are hearing the budget is in trouble again due to the State not getting adequate funding. Will this shortfall also reduce staffing for next year?

Answer: Yes. Staffing levels will likely be reduced due to resource reductions from the State.



Review Public Comment -continued

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5. Question: Will you be extending the school year for 2021 and 2022 or beyond to help students keep up and prepare for college?

Answer: The current 2020-2021 calendar has 175 student days. If it is determined the District has the financial resources to support additional days, it will need to be negotiated with the licensed association.

6. Question: Will food programs continue through summer?

Answer: Yes. The district summer food program will begin on Monday, June 16. Our current model of food delivery via bus routes will end as drivers are not under contract and we resume regular summer programming as outlined by ODE. Sites will be identified and advertised on the district website, which will be in schools and area parks.

7. Question: For low income households are there any scholarships or waiver for remote summer school?

Answer: Yes. Our summer school coordinator can provide parents with specific information in regards to each of our summer school programs.



Review Public Comment -continued

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8. Question: For individuals with no internet access is it possible to open the computer lab or libraries for summer remote courses?

Answer: The current orders from the Governor do not allow us to open facilities to the public, including our students. We are exploring a number of paths to address student connectivity issues.

9. Question: I see falling revenues, would it be possible to ask for an additional local option levy to shore up the revenue streams?

Answer: No. The District has an existing 5-year local option levy in place that pays for nearly 300 teaching positions. Given the current economic situation, and high unemployment, this would not be the time to ask more of our community.

Committee Questions, Discussion and Indication of Support of Budget



Set Agenda/Closing Remarks

<https://www.beaverton.k12.or.us/budget>

