



# BUDGET 101

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March 8, 2021

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



# Welcome & Opening Remarks



# Presentation Agenda

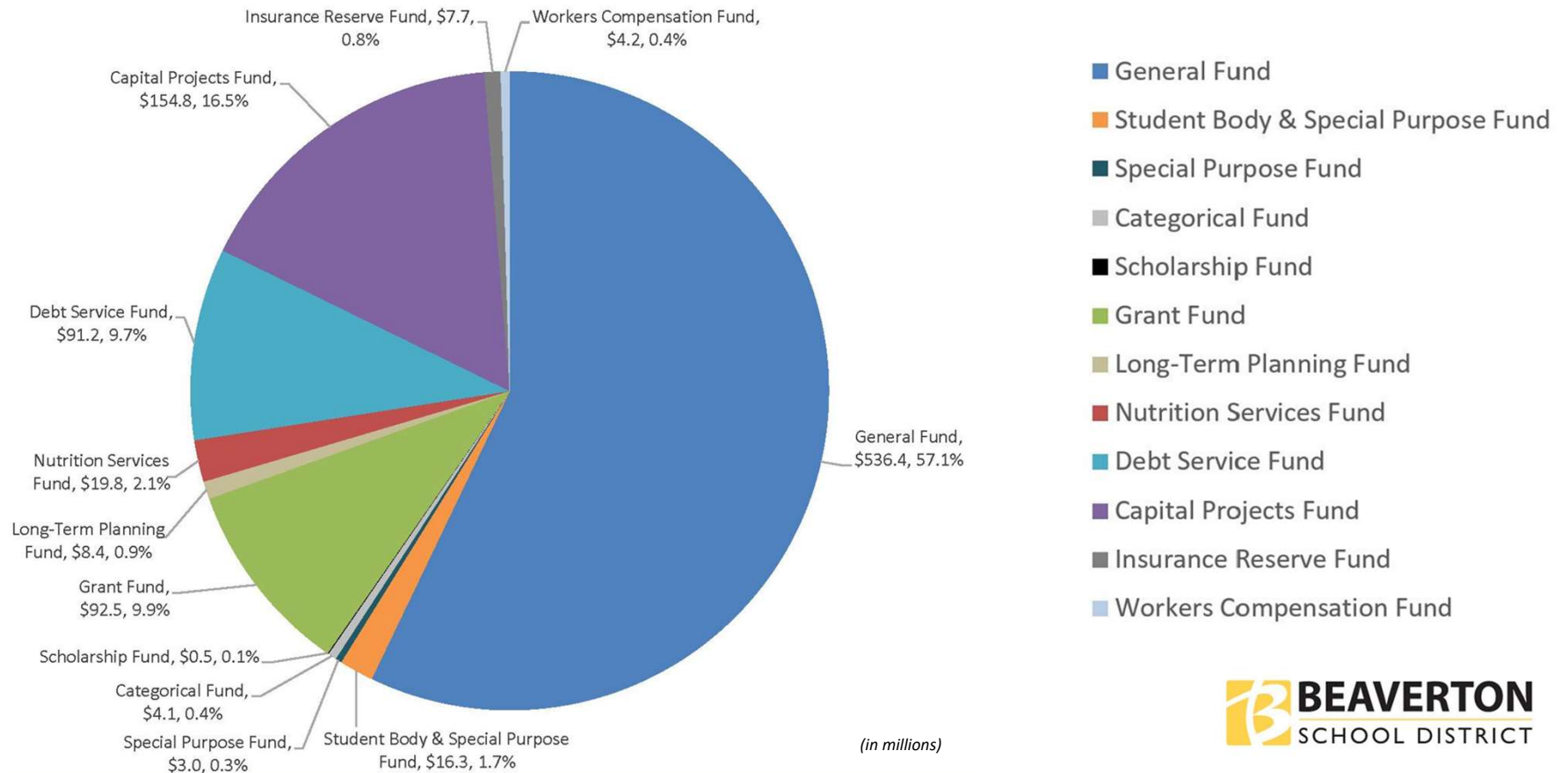
- Understanding Components of the Budget  
Fund Sources and Uses
- General Fund  
Where the money comes from  
How we spend it  
How we compare
- Student Investment Account (SIA)

# Presentation Agenda Continued

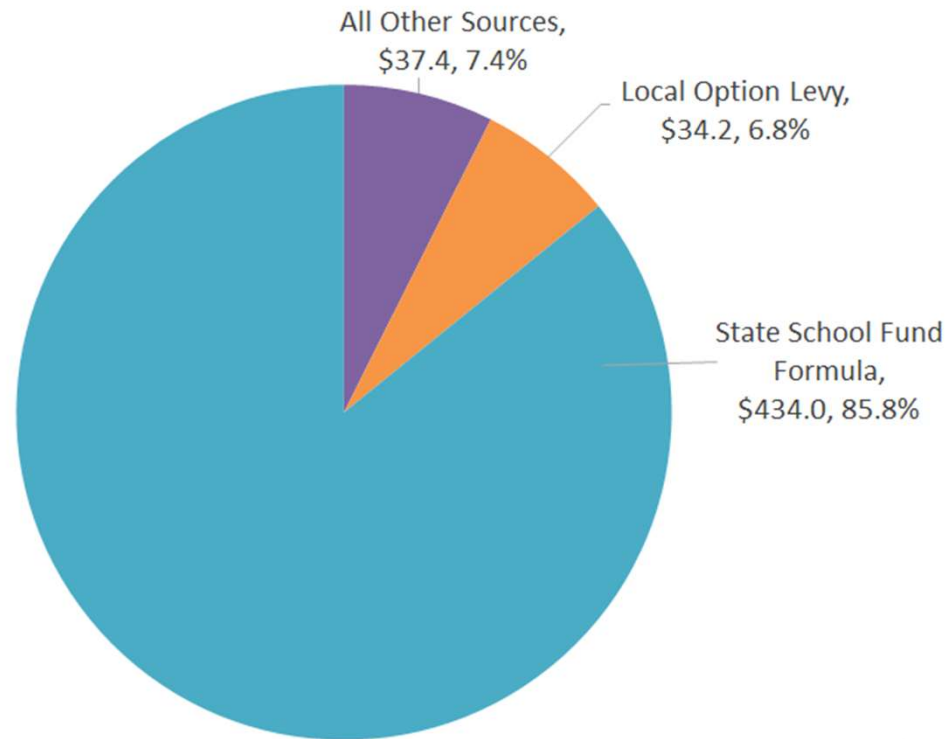
- Enrollment Changes
- Funding & Economic Update
- The Numbers (General Fund)
- Budget Listening & Learning Feedback
- Budget Document Overview
- Budget Timeline/Next Steps



# Components of the Budget - 2020-21

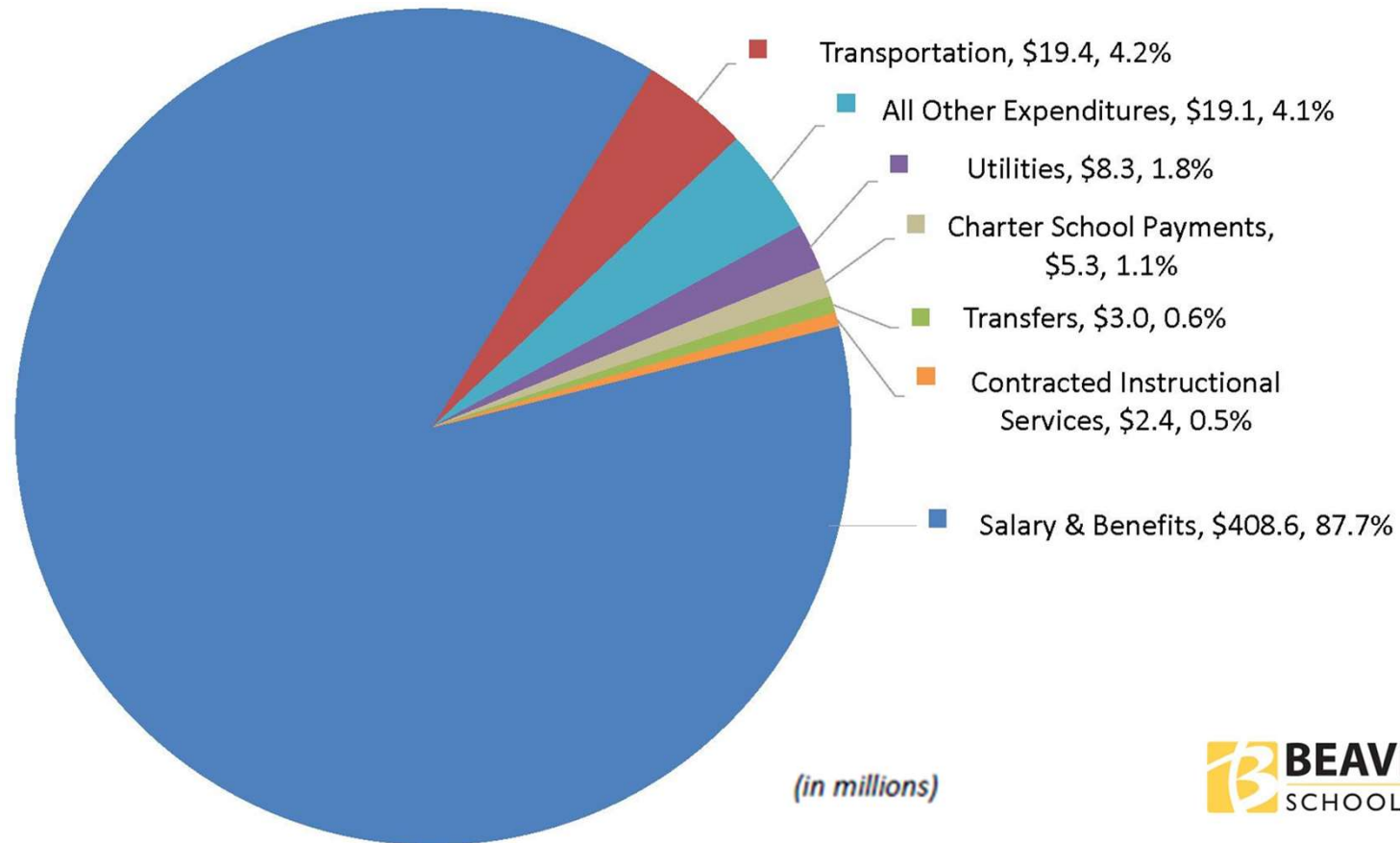


# General Fund Revenue – 2019-20 Actuals



(in millions)

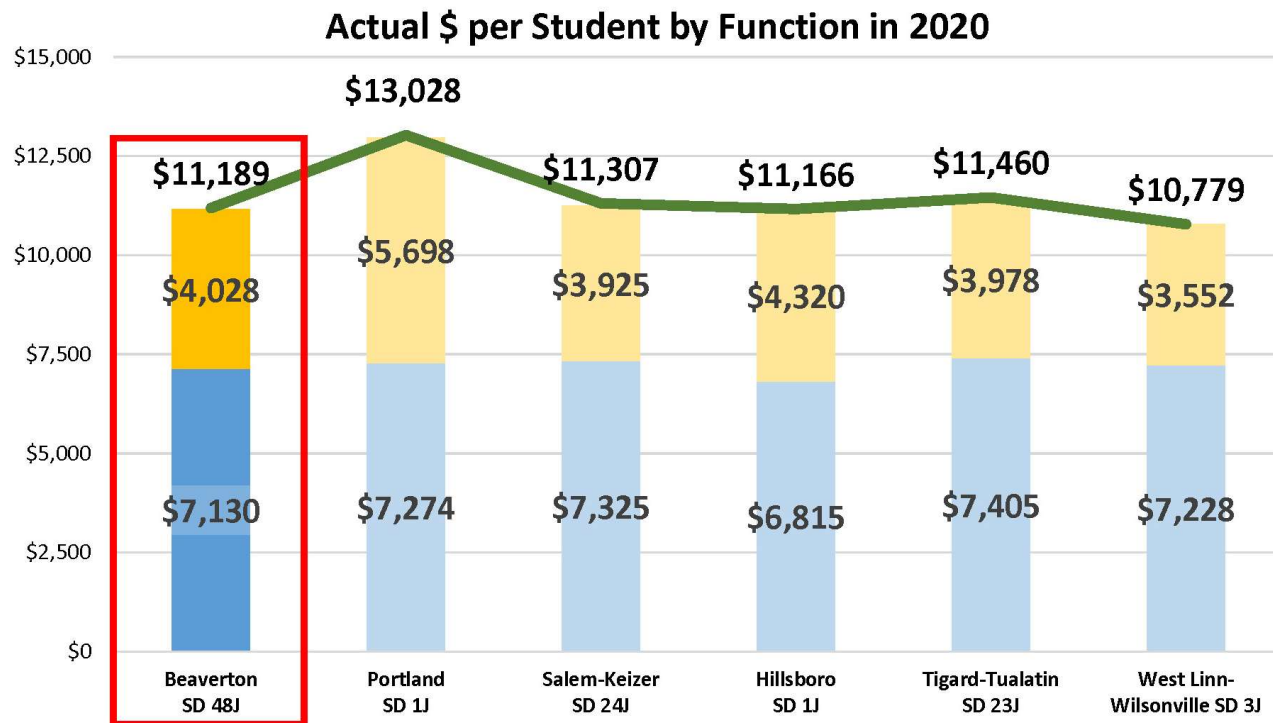
# General Fund Expenditures – 2019-20 Actuals



# How We Compare

- Based on location and/or demographics
  - Portland Public Schools
  - Salem-Keizer Public Schools
  - Hillsboro School District
  - Tigard-Tualatin School District
  - West Linn-Wilsonville School District

# How We Compare – 2020 Actual Expenditures



Note: Enterprise & Community Services, Facilities Acquisition & Construction and Other Uses at BSD was less than \$32 per student so not separated out in graph. However, these amounts are included in the totals.

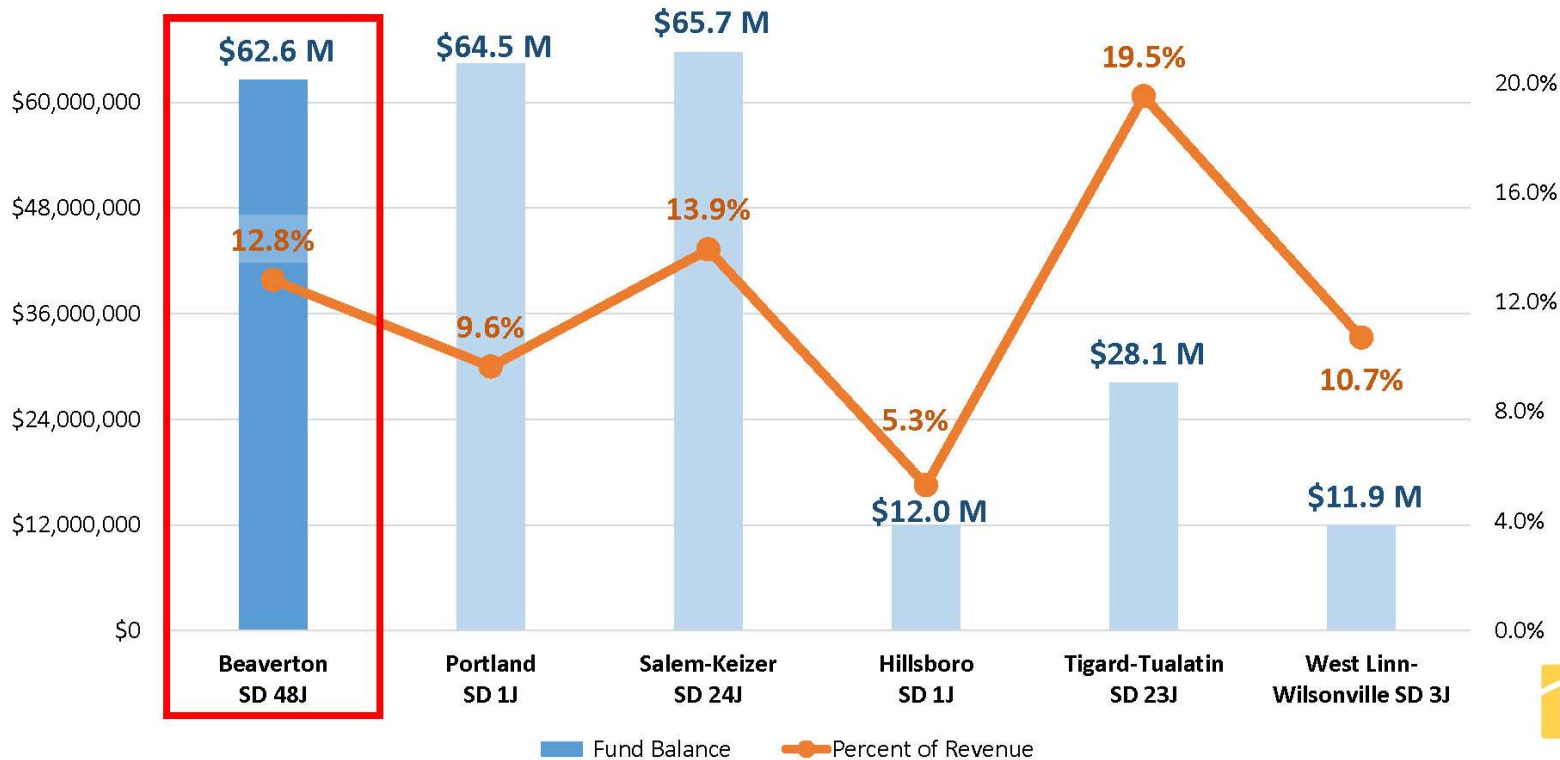
Source: 2019-20 CAFR for each school district

Instruction Support Services Total



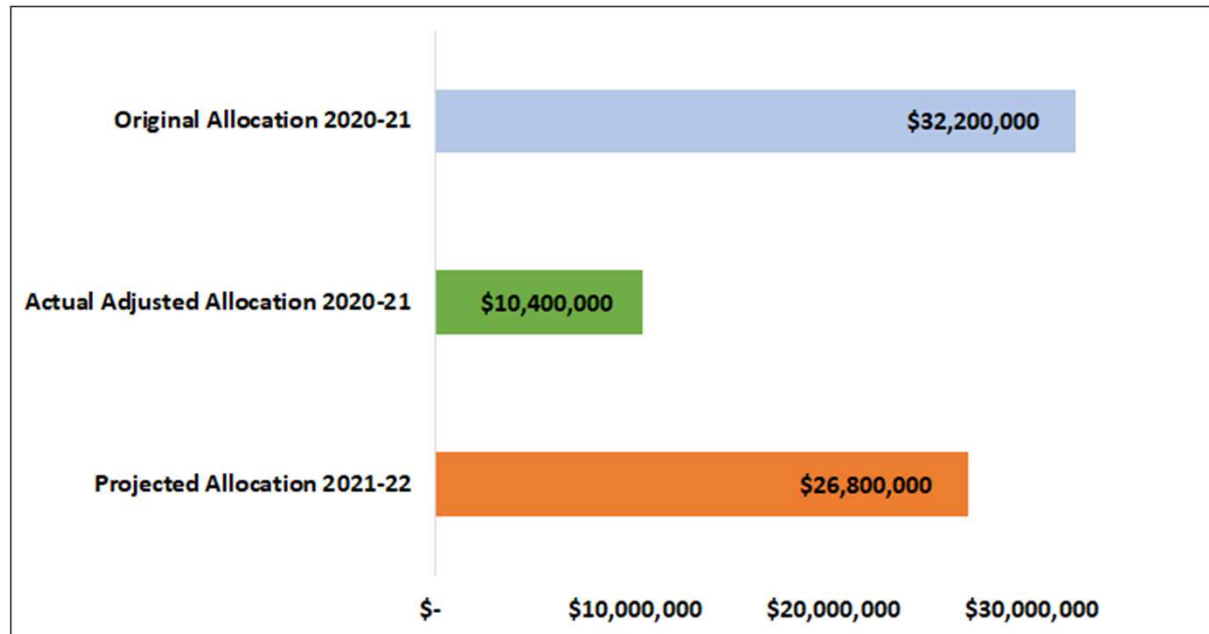
# How We Compare – 2020 Actual Ending Fund Balance

Fund Balance and Percent of Revenue





# Student Investment Account (SIA)



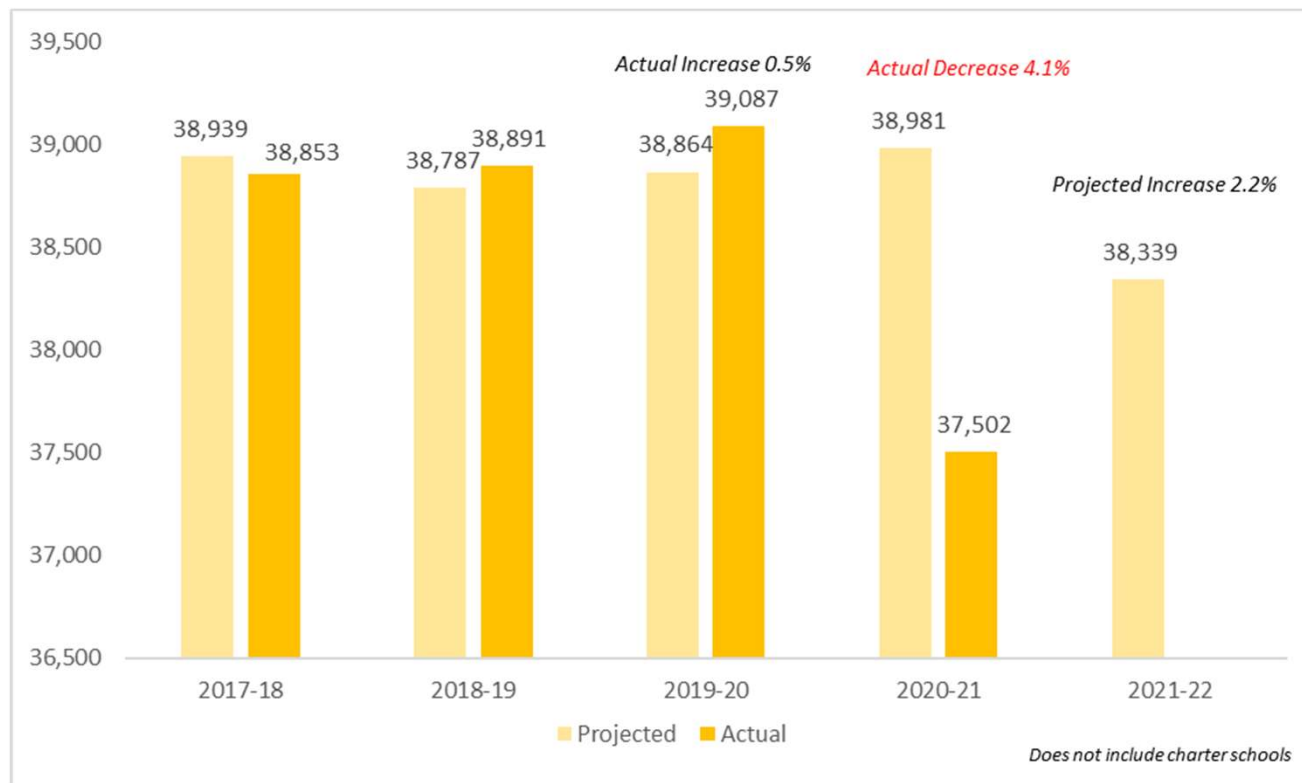
# Student Investment Account (SIA) - 2020-21

Activity	Original Budget	Revised Budget
Equity-based Classroom Investment K-12	\$ 6,823,637	\$ 4,400,952
Equity-based Classroom Investment K-2	\$ 4,292,568	\$ 2,359,443
K-2 Intervention Specialist Full Time at Title I	\$ 946,890	\$ -
K-3 Literacy PD (Dyslexia +Assessments)	\$ 380,000	\$ -
MS Extended Programming (Homework Clubs)	\$ 570,000	\$ -
CRT/Library Materials	\$ 383,262	\$ -
Dyslexia Materials Purchase	\$ 50,000	\$ -
ELD Teachers (Reduces Caseload)	\$ 658,610	\$ -
Student Success Teams	\$ 15,637,445	\$ 3,077,030
SEL/Behavioral PD	\$ 250,000	\$ -
NAMI Partnership	\$ 110,900	\$ -
MLD #2: Facilitators/Liaisons	\$ 600,952	\$ -
Behavioral Paraeducator Support	\$ 150,000	\$ -

[illegible]

# Enrollment Changes

*(as of September 30 each year)*



# 2019-20 Spring Projection\* vs Actual

Resources	2019-2020 Spring Projection	2019-2020 Final	Variance
Beginning Fund Balance	\$ 16,915,100	\$ 16,915,100	
State Controlled	432,179,013	433,956,257	
Locally Controlled	71,451,516	71,547,031	
<b>Total</b>	<b>\$ 520,545,629</b>	<b>\$ 522,418,388</b>	<b>0.36%</b>
Expenditures	2019-2020 Spring Projection	2019-2020 Final	Variance
Salaries	\$ 269,352,927	\$ 259,791,083	
Benefits	171,266,615	166,784,742	
All Other	47,976,087	39,418,508	
<b>Total</b>	<b>\$ 488,595,629</b>	<b>\$ 465,994,333</b>	<b>-4.63%</b>
<b>Ending Fund Balance</b>	<b>\$ 31,950,000</b>	<b>\$ 56,424,055</b>	
Long-Term Planning Reserve	3,823,243	3,823,243	
<b>Total Reserves</b>	<b>\$ 35,773,243</b>	<b>\$ 60,247,298</b>	

\*Projection as of March 13, 2020

# Funding & Economic Update

- **What we know**

- Governor's budget framework recommends \$9.1 billion State School Fund (1.1% increase)
- PERS rates reduced by an average 3.25% for the 2021-2023 biennium
- Budget priorities collected from staff and community
- Received and spent approximately \$10.1 million in Federal Cares Act funds
- Received approximately \$20.7 million in additional Federal Funding (ESSER II)

- **What we are working on**

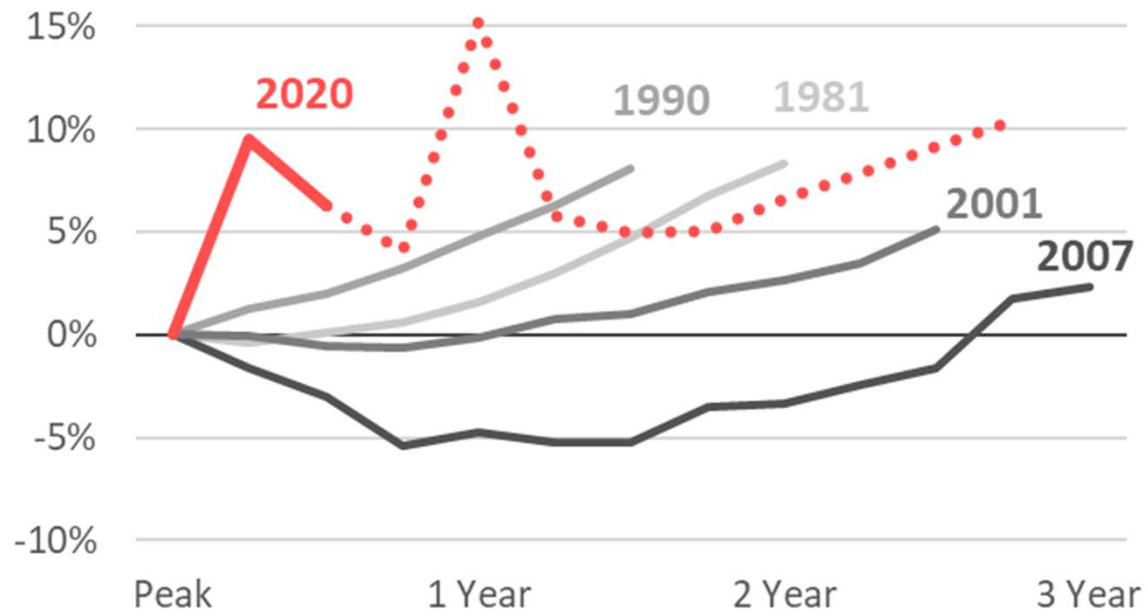
- ESSER II spending plans
- Finalizing enrollment
- Potential modest adjustments in the General Fund
- SIA prioritization
- Preparing for students in hybrid model

- **What we need to know**

- Legislative leadership budget framework
- Will the Federal \$1.9 trillion stimulus pass?
- May economic forecast. How close are we?

# Total Oregon Personal Income

Nominal, Percent Change from Pre-Recession Peak

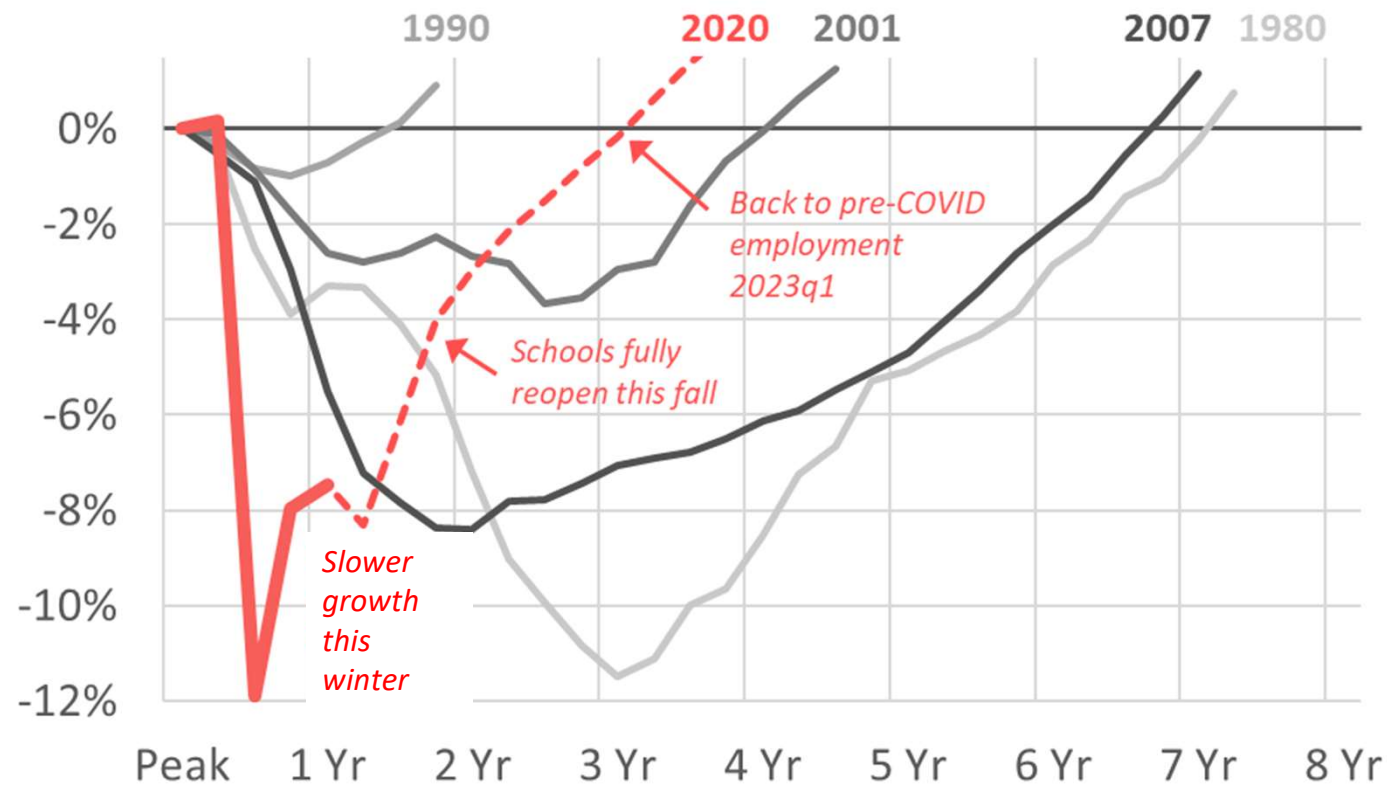


Quarterly data. Latest data 2020q3 | Source: BEA, Oregon Office of Economic Analysis



# Oregon Recession Comparison

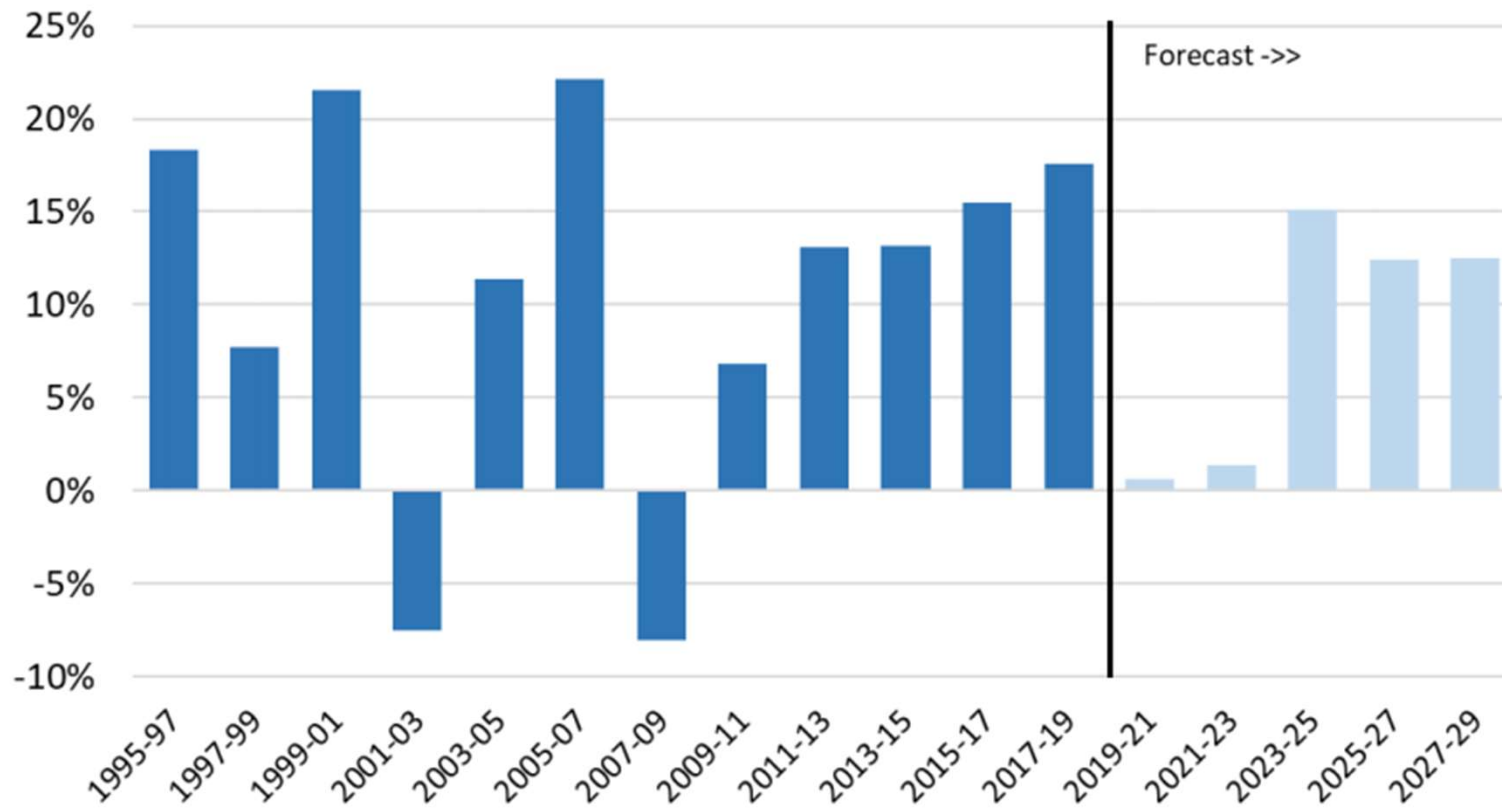
Employment Percent Change from Pre-Recession Peak



Source: Oregon Employment Department, Oregon Office of Economic Analysis

# Net General Fund and Lottery Revenue

% change over biennium



Source: Oregon Office of Economic Analysis March 2021 Economic and Revenue Forecast

# The Numbers

## Financial Update - March 1, 2021

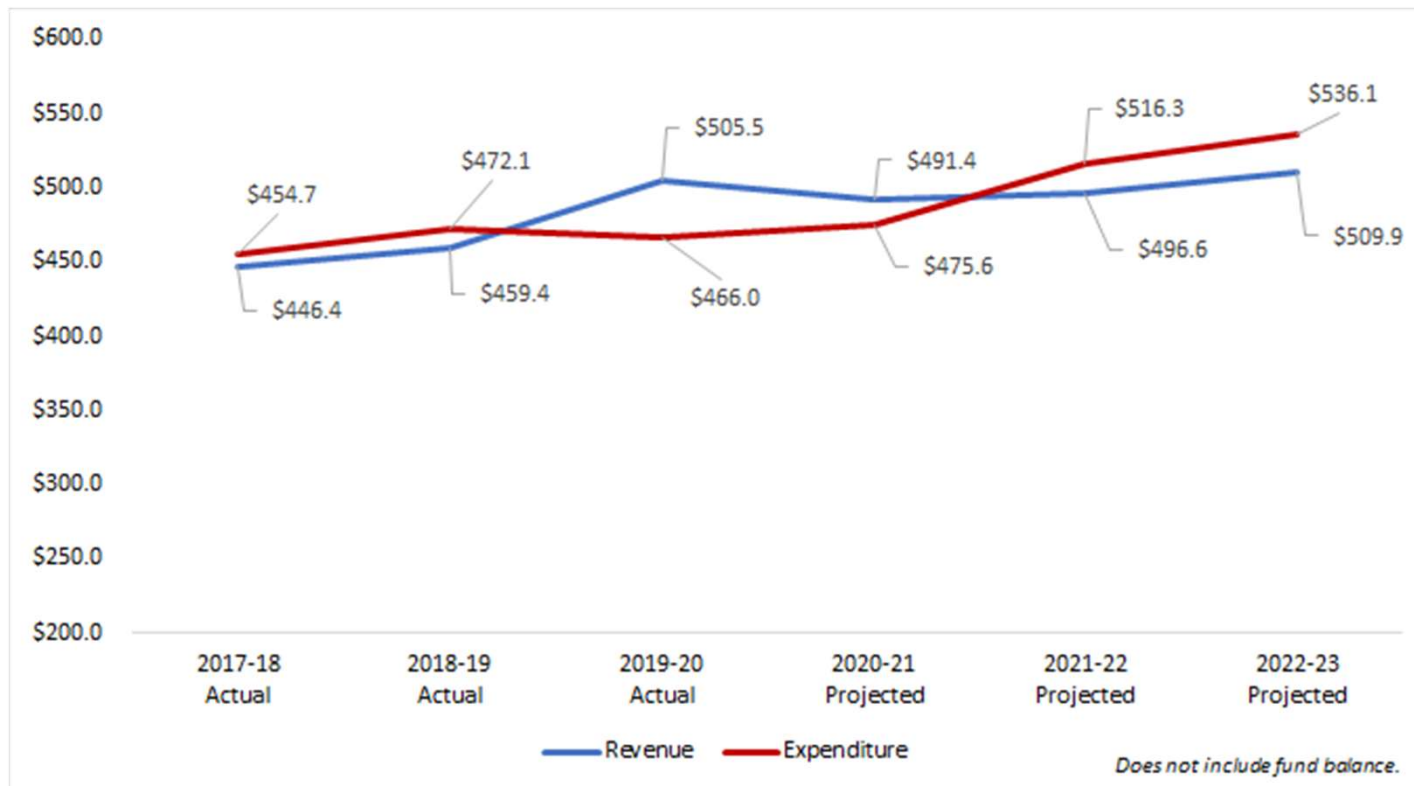
Resources	2018-2019 Actual	2019-2020 Actual	2020-2021 Adopted	2020-2021 Projected	2021-2022 Projected	2022-2023 Projected
Beginning Fund Balance	\$ 29,617,787	\$ 16,915,100	\$ 31,950,000	\$ 56,424,054	\$ 72,223,600	\$ 52,500,668
State Controlled	402,770,539	433,956,257	445,614,737	441,861,000	435,803,457	453,341,454
Locally Controlled	56,675,125	71,547,031	58,813,164	49,548,440	60,820,000	56,595,000
<b>Total</b>	<b>\$ 489,063,451</b>	<b>\$ 522,418,388</b>	<b>\$ 536,377,901</b>	<b>\$ 547,833,494</b>	<b>\$ 568,847,057</b>	<b>\$ 562,437,122</b>
Expenditures	2018-2019 Actual	2019-2020 Actual	2020-2021 Adopted	2020-2021 Projected	2021-2022 Projected	2022-2023 Projected
Salaries	\$ 272,466,915	\$ 259,791,084	\$ 276,892,153	\$ 262,995,969	\$ 283,219,582	\$ 297,826,191
Benefits	154,178,184	166,784,741	176,735,240	165,430,369	175,847,201	184,276,573
All Other	45,503,252	39,418,509	56,005,992	47,183,556	57,279,606	53,997,994
Contingency/Reserve	-	-	26,744,516	-	-	-
<b>Total</b>	<b>\$ 472,148,351</b>	<b>\$ 465,994,334</b>	<b>\$ 536,377,901</b>	<b>\$ 475,609,894</b>	<b>\$ 516,346,389</b>	<b>\$ 536,100,758</b>
			-	-	-	-
<b>Ending Fund Balance</b>	<b>\$ 16,915,100</b>	<b>\$ 56,424,054</b>	<b>\$ 26,744,516</b>	<b>\$ 72,223,600</b>	<b>\$ 52,500,668</b>	<b>\$ 26,336,364</b>
Planning/PERS Reserve	22,201,279	3,823,243	3,823,243	3,846,447	10,046,447	16,491,447
<b>Total Reserves</b>	<b>\$ 39,116,379</b>	<b>\$ 60,247,297</b>	<b>\$ 30,567,759</b>	<b>\$ 76,070,047</b>	<b>\$ 62,547,115</b>	<b>\$ 42,827,811</b>

## Assumptions:

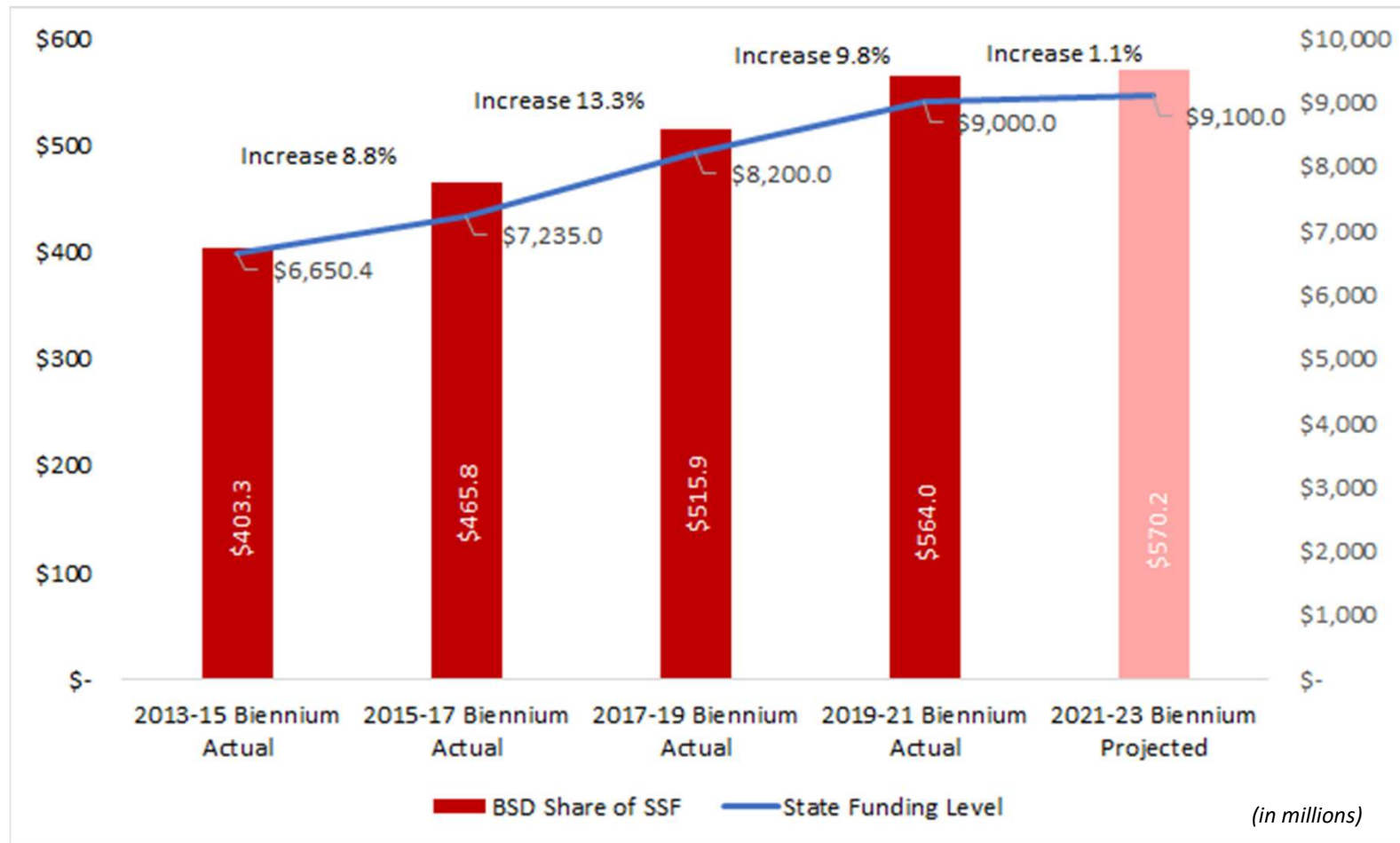
- Based on most recent ODE State School Fund updates for 2019-20, 2020-21 and 2021-22
- Includes most recent enrollment adjustments for 2019-20, 2020-21 and 2021-22
- Governor's Budget Framework \$9.1 billion (1.1% increase) for 2021-23
- Reduced PERS rates in 2021-20, new PERS reserve created for 2021-23
- Does not include new SIA funds
- Does not include HSS (M98) funds
- Does not include CARES Act/ESSER one-time funds
- Based on best information available at this time

# General Fund Revenue & Expenditures

(in millions)



# State School Fund History and Projection by Biennium

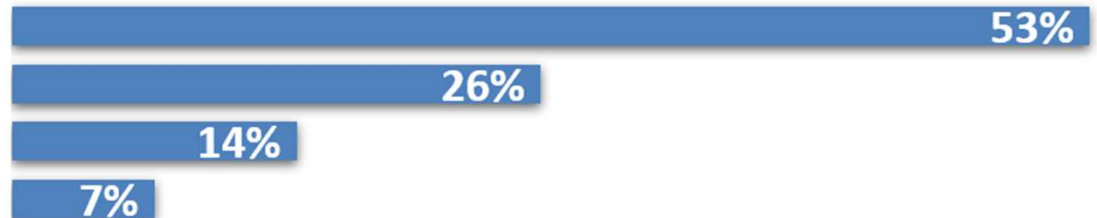


# Budget Listening & Learning Feedback – January 2021

Total Number of Survey Responses	1,873
Total Number of Additional Comments	717

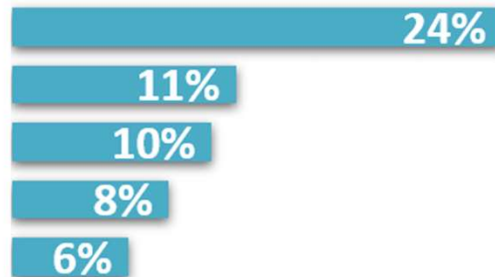
Class Size  
Social Emotional Learning/Mental Health  
Intervention Teachers/Additional Support Staffing  
Summer and before/after school programs

## PRIORITIES RANKING FROM SURVEY



Class Size  
Social Emotional Learning/Mental Health  
COVID Health & Safety  
Intervention Teachers/Additional Support Staffing  
Return to In-Person School

## TOP FIVE TOPICS IN ADDITIONAL COMMENTS



A full version of all budget survey comments is available at [www.beaverton.k12.or.us/budget](http://www.beaverton.k12.or.us/budget)



# Budget Document Overview

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



# Executive Summary

- Lifiable stand-alone document
- High-level financial data
- Enrollment history and projections
- All funds salaries, benefits and positions

# Budget Message – Page 4



## Budget Message – 2020-21

April 20, 2020

### Superintendent's 2020-21 Budget Message

We are in unprecedented times. Our schools have been closed for over a month and our students will not return to in-person classes this academic year. In times like this, it is critical to focus on the health and welfare of our students, staff and community. While our work has changed, we continue to provide meals, daycare services for healthcare workers and education services to our students in a multitude of ways.

We will continue to engage students in learning through our teacher-led Remote Learning Plan until June 12. Our high school principals and their teams, along with the Teaching & Learning team are working to ensure that our seniors' accomplishments over 12 years and 7 months of school are not impacted or diminished by this unprecedented closure during the last two months of their final school year. We are exploring possible alternatives for commemorating their achievements.

We are learning to be more flexible and responsive, and through this situation, we are innovating the way we teach and learn and do business. I have asked that we prioritize equity in every instructional and operational decision.

It is important to note the 2020-21 proposed budget does not include any financial impacts as a result of the COVID-19



# Summary by Fund – Page 9

## BUDGET SUMMARY BY FUND – ALL FUNDS FIVE YEARS ADOPTED BUDGETS

Total revenue and expenditures budget for all funds have decreased by \$486.3 million from 2019-20 to 2020-21. This decrease is primarily due to the 2019-20 budget including \$440.0 million in capacity for bond refunding and a decrease of \$89.3 million in the Capital Projects Fund from the spend down of the bond program. This is offset by an increase of \$32.7 to the Grant Fund primarily due to the additional funding from the SSA in fully funding High School Success (HSS) and the addition of the SIA.

Over the past five years, all funds budget has decreased by \$389.5 million. The areas of greatest change are the General Fund, Grant Fund and the Capital Projects Fund. The increases in General Fund are due to increased state and local funding for operations and an increase in PERS costs. The increases in the Grant Fund are due to the SSA addition noted above. The decrease in the Capital Projects Fund is due to bond construction spend down associated with the \$680 million bond measure passed by voters in May 2014.

		Adopted Budget 2016-17	Adopted Budget 2017-18	Adopted Budget 2018-19	Adopted Budget 2019-20	Adopted Budget 2020-21
100	General Fund	\$454,853,893	\$485,584,740	\$488,328,269	\$515,619,825	\$536,377,901
220	Student Body & Special Purpose Fund	10,700,000	10,700,000	10,700,000	10,700,000	16,305,000
230	Special Purpose Fund	5,155,694	12,009,089	12,160,000	9,160,000	3,000,000
240	Categorical Fund	3,750,000	10,725,000	6,525,000	4,025,000	4,125,000
250	Pension Fund	115,000	75,000	65,000	-	-
270	Grant Fund	28,206,293	37,010,265	42,497,719	57,497,749	90,003,572
280	Long-Term Planning Fund	23,311,000	24,389,827	26,281,279	26,284,279	8,393,243
290	Nutrition Services Fund	19,339,698	19,642,301	19,477,834	18,766,435	19,812,622
300	Debt Service Fund	75,885,344	81,888,473	83,888,481	535,461,881	81,386,588



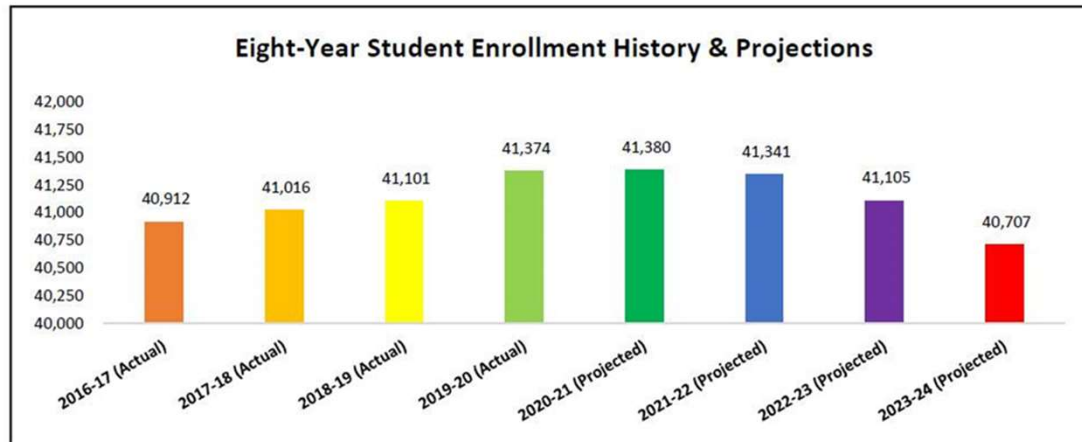
# Enrollment History & Projection – Page 14

## STUDENT ENROLLMENT HISTORY AND PROJECTIONS

The District's adopted budget requirements are based on the number of projected students. State School Funding, the primary source of District revenue, is calculated based on the number and demographic of students enrolled.

The District's 2020-21 budget projection includes an enrollment relatively even with September 2019 with a decline in elementary. While overall projections are flat compared to 2019-20, the District's charter school students are projected 64 students higher than September 2019.

The following chart displays student population for four years based on actual enrollment as of September 30 of each year and projected enrollment for 2020-21 through 2023-24.



Source: District Records

# Organizational Section

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



# Financial Section

- Summary and detail level financial information for all funds
- Variance analysis
- General Fund budgeted positions
- Debt and capital projects information

# Variance Analysis – Pages 60-62

## EXPENDITURE VARIANCE ANALYSIS

Major variances from the 2019-20 Adopted Budget are outlined below beginning with General Fund object variances, followed by function variances for each fund. Variance criteria is indicated with each section.

### GENERAL FUND (100)

OBJECT	DESCRIPTION	VARIANCE FROM 2019-20 BUDGET	VARIANCE EXPLANATION
0120	Substitute/Temporary Salaries	\$ 1,644,612	An analysis was done in the fall of 2019 to review the substitute budget for the District and it was found to be too low. The budget was increased for the 2020-21 year to reflect expected substitute usage.
0230	Other Required Payroll Costs	911,990	Increase is due to a change in the workers' compensation rate from 0.60% to 0.90%. An analysis of the Workers' Compensation Fund and actuarial reports indicated that the rate should have been increased previously to maintain a sustainable level.
0360	Charter School Payments	694,538	Increase in Charter School Payments to reflect the increase in the State School Fund and increased enrollment.
0410	Consumable Supplies	1,907,897	School allocations were changed to use student enrollment that is weighted based on poverty percentages. This increased the amount of non-salary dollars placed into a school's budget.
0430	Library Books	524,454	Increase is due to addition of classroom libraries.
0470	Computer Software	1,199,415	A portion of the increase is due to the addition of district-wide licensing in the IT department, including cybersecurity licensing, K12 Insight, and Microsoft licensing. In addition, for the 2020-21 year, the District is moving to line item budgeting and departments moved budget that had been held in other objects to the correct Computer Software object.
0480	Computer Hardware	3,873,350	The increase in computer hardware represents the purchase of teacher laptops from a new lease with Apple.

For the General Fund by object, variances greater than \$500,000 and 10% are listed above.

# Informational Section

- Ratio teacher staffing by school
- Personnel resource allocations
- School summary pages
- Strategic Investment Reports
- Surveys

# Personnel Resource Allocations – Pages 251-252

## BEAVERTON SCHOOL DISTRICT PERSONNEL RESOURCE ALLOCATIONS HISTORY - ALL FUNDS

	Actual 2016-17	Actual 2017-18	Actual 2018-19	Adopted Budget 2019-20	Adopted Budget 2020-21
<b><u>ADMINISTRATORS</u></b>					
Superintendent	1.0	1.0	1.0	1.0	1.0
Deputy Superintendent	1.9	1.8	2.0	2.0	2.0
Associate Superintendent	-	-	-	-	1.0
Chief Officer	4.0	4.0	3.0	4.0	3.0
Executive Administrator	7.9	7.7	9.9	9.0	10.0
Administrator	14.8	16.7	13.7	13.0	14.0
Coordinator	6.0	7.0	6.7	7.0	7.0
Elementary School Principal	30.8	30.8	30.8	31.0	31.0
Middle School Principal	7.9	8.0	8.0	8.0	8.5
High School Principal	6.0	6.0	6.0	6.0	6.0
Options Principal K-8	2.9	3.0	3.0	3.0	3.0
Options Principal Secondary	4.0	4.0	4.0	4.0	4.0



# School Summary Pages – Pages 289-340

## Aloha Huber Park K-8

5000 SW 173rd Avenue

Beaverton, OR 97078

Principal: Scott Drue

School Programs: Title I, Dual Language, Early Learning

### Enrollment History and Projections:

Actual 2016-17	Actual 2017-18	Actual 2018-19	Actual 2019-20	Projected 2020-21	Projected 2021-22	Projected 2022-23	Projected 2023-24
976	921	926	895	857	829	823	805

### Staffing Information:

2016-17 Actual	2017-18 Actual	2018-19 Actual*	2019-20 Actual*	2020-21 Budget*	2018-19 Average Classroom Teacher Years of Experience	
2.00	2.00	2.00	2.00	2.00	Aloha Huber Park K-8	11.3
49.51	48.06	54.55	54.12	59.30	Beaverton School District	13.4
13.40	13.31	20.43	19.69	17.62		

### Financial Data:

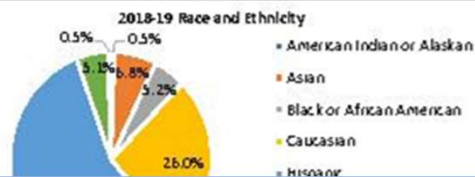
2016-17 Actual	2017-18 Actual	2018-19 Actual*	2019-20 Budget*	2020-21 Budget*
\$ 6,097,334	\$ 6,352,603	\$ 8,149,077	\$ 8,620,947	\$ 9,906,589
221,005	157,053	123,368	6,600	5,901
559,384	354,423	323,428	239,536	270,622
6,120	-	-	-	-
554	177	269	500	650
\$ 6,884,397	\$ 6,864,256	\$ 8,596,142	\$ 8,867,583	\$ 10,182,762
Cost Per Student		\$ 9,283	\$ 9,930	\$ 11,882



### School Performance Measures



### Demographic Information

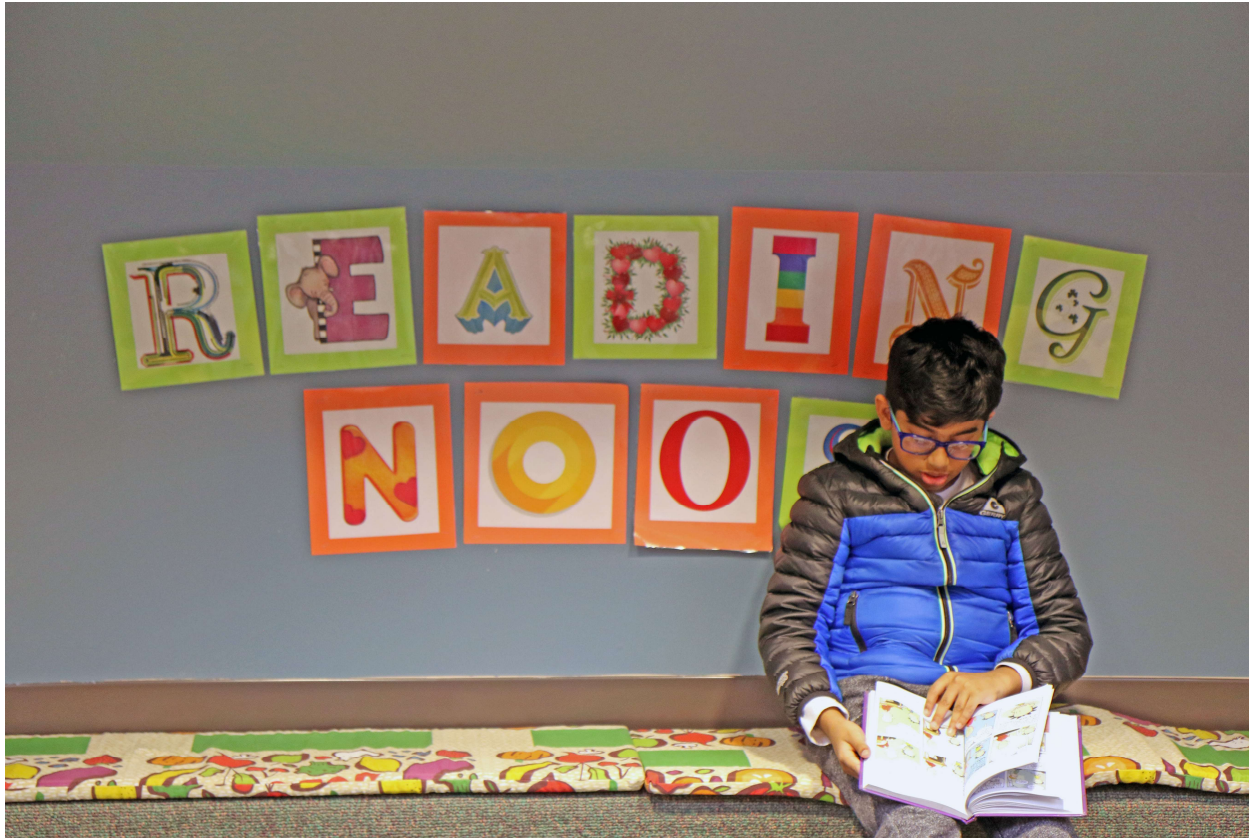


# Budget Timeline

- Budget 101 - March 8, 2021
- Budget Committee - May 3, 2021
  - Superintendent proposes budget and delivers budget message
  - Elect Budget Committee Officers
  - Public Testimony
- Budget Committee Meeting - May 17, 2021
  - Budget Committee Discussion
  - Approval of budget and tax levies
- School Board Adopts Budget - June 21, 2021



# Committee Comments & Questions?



# Superintendent's Closing Comments



**Budget documents are  
available at**  
[www.beaverton.k12.or.us/budget](http://www.beaverton.k12.or.us/budget)

