

Budget 101

March 19, 2024

Welcome & Opening Remarks



Presentation Agenda

- Background
 - Understanding Components of the Budget (Fund Sources and Uses)
 - Where the money comes from
 - How we spend it
 - How we compare
 - Budget process updates
 - Enrollment update

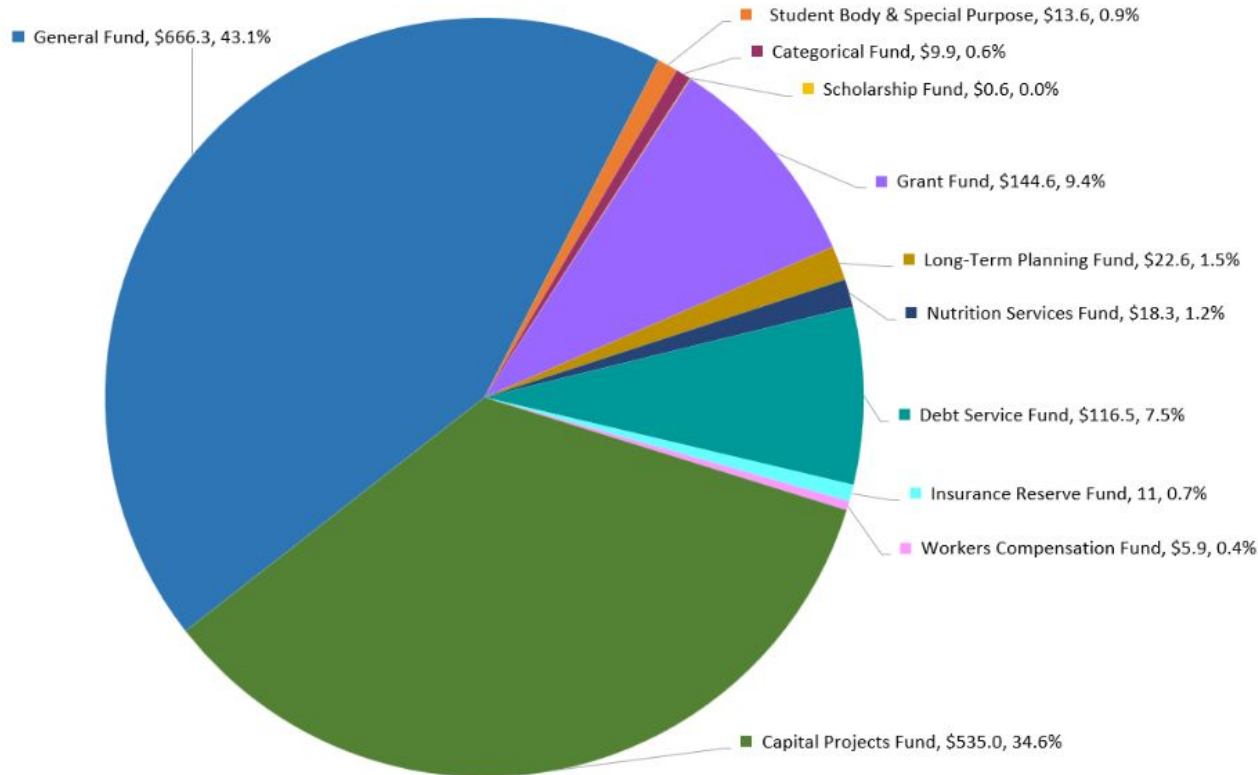
Presentation Agenda

- General Fund
 - Operating fund for the district
 - Major funding source is State School Fund, including local property tax
 - This is where most district staff is funded, including teachers & other personnel
 - Spring 2023 Projection vs Actual 2023
 - The Numbers

Presentation Agenda

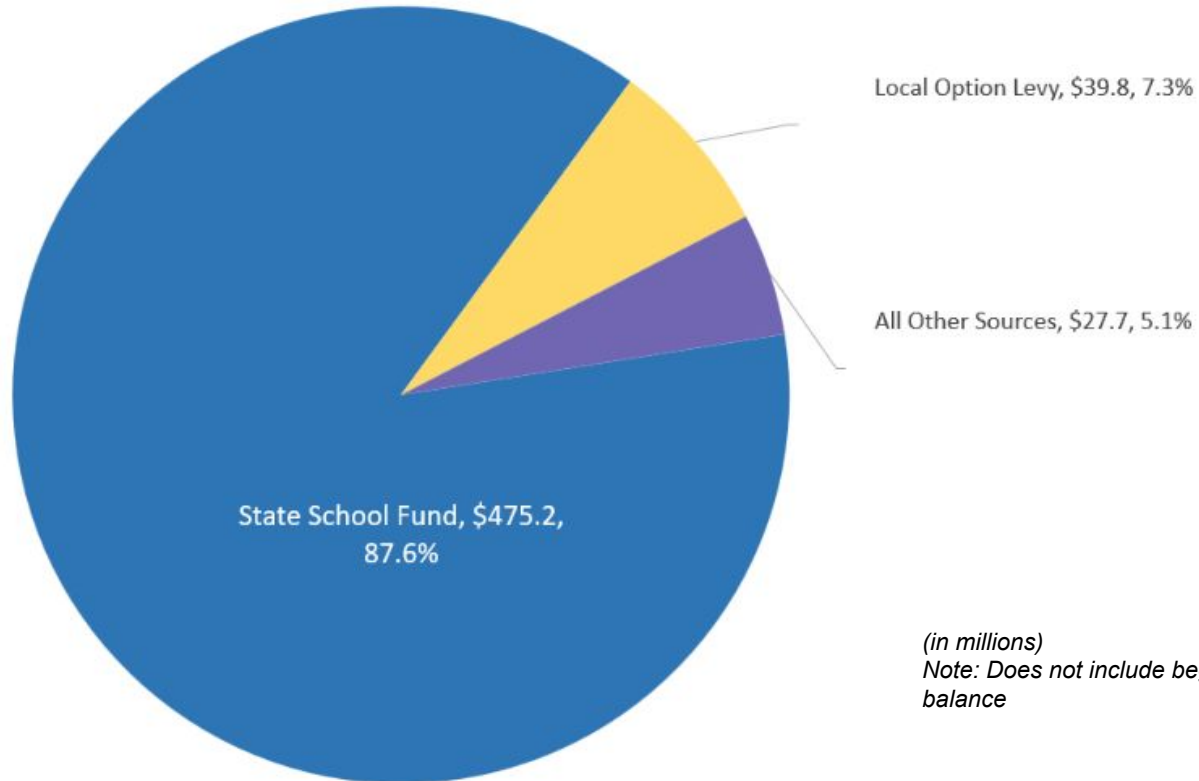
- Integrated Guidance (SIA, HSS, etc.)
- Elementary & Secondary Schools Emergency Relief (ESSER) funds
- Budget Listening & Learning Survey Results
- Budget Document Overview
- Timeline
- Questions & Comments
- Closing Remarks

Components of the Budget - 2023-24



(in millions)

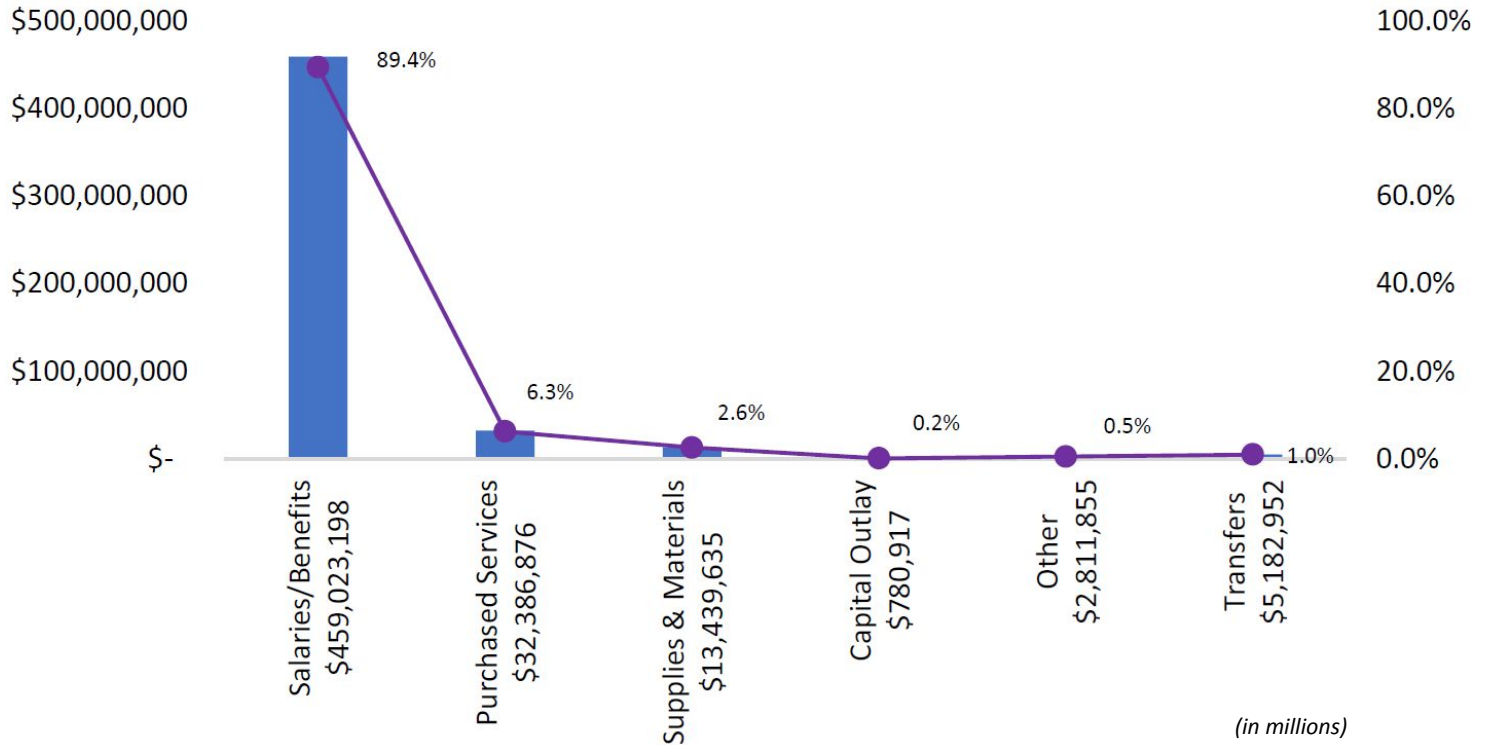
General Fund Revenue - 2022-23 Actuals



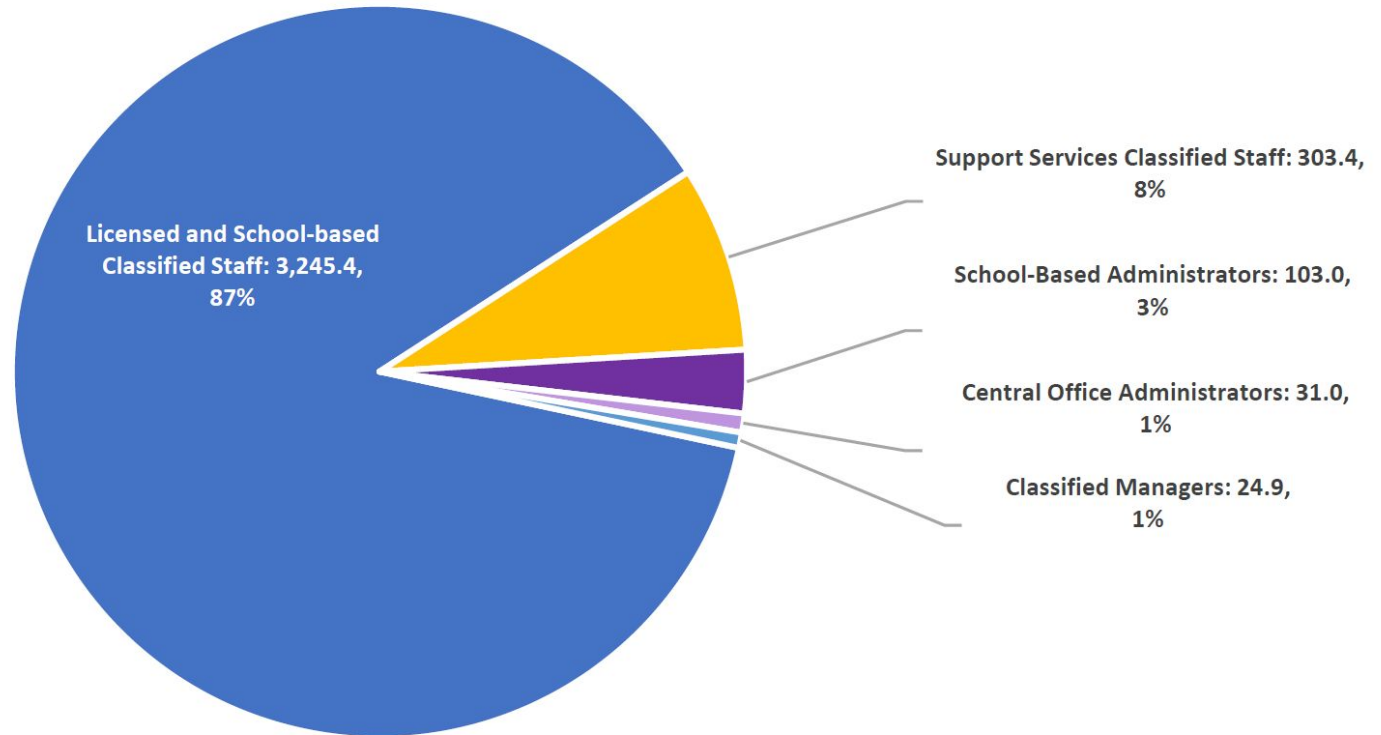
(in millions)

Note: Does not include beginning fund balance

General Fund Expenditures - 2022-23 Actuals



General Fund FTE by Type - 2022-23 Actuals

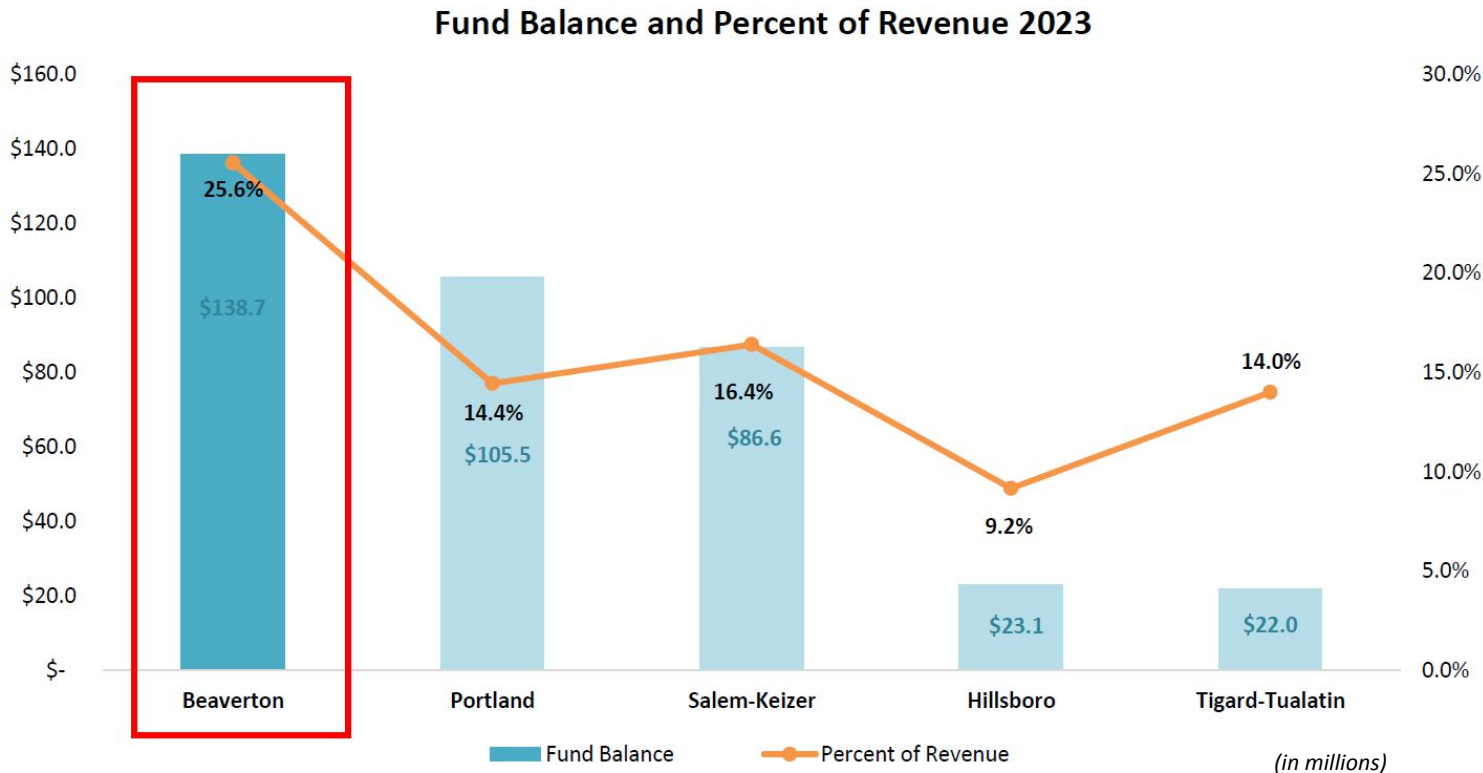


How We Compare

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

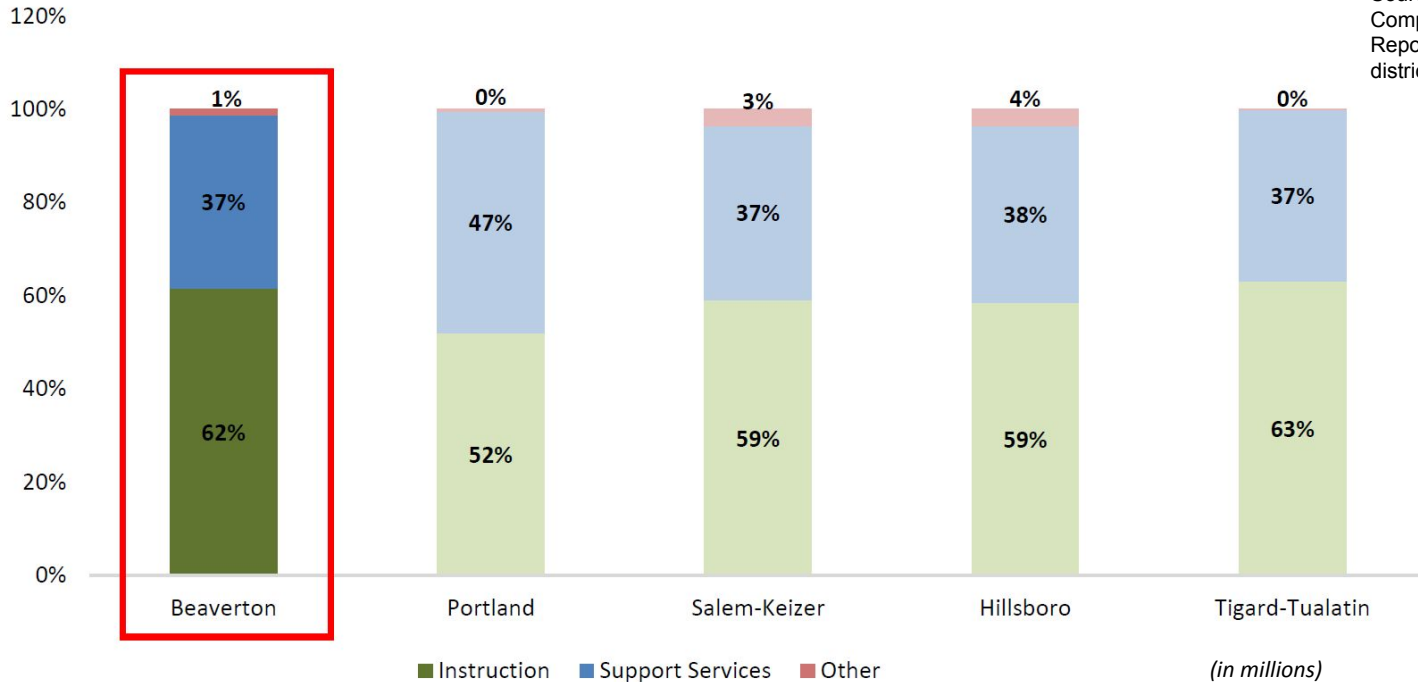
How We Compare (General Fund) - 2023 Ending Fund Balance

Source: Annual Comprehensive Financial Report for each school district.



How We Compare (General Fund) - 2023 Expenditures

Actual % of Operating Spend per Student by Function in 2023



Source: Annual Comprehensive Financial Report for each school district.

Budget Process Updates

- What We Know
 - Mid-biennium - \$10.2 billion State School Fund (SSF)
 - Budget priorities collected from staff and community
 - General Fund/SIA/ESSER changes
 - Staffing Allocation Methodology (SAM) adjustments

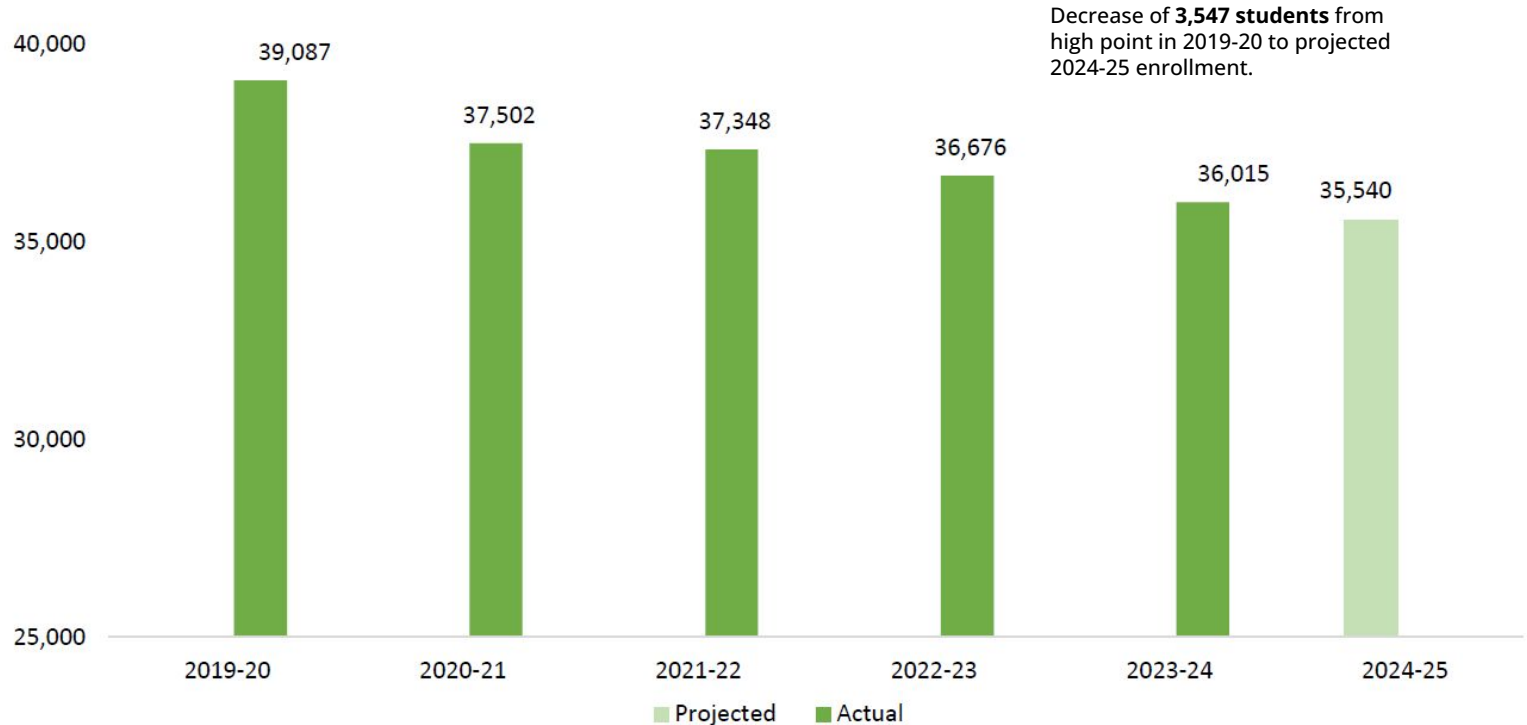
Budget Process Updates

- What We Are Working On
 - Apply Staffing Allocation Methodology (SAM) formulas to final enrollment projections
 - Analyzing budget priorities collected from students, staff and community
 - Minor budget adjustments

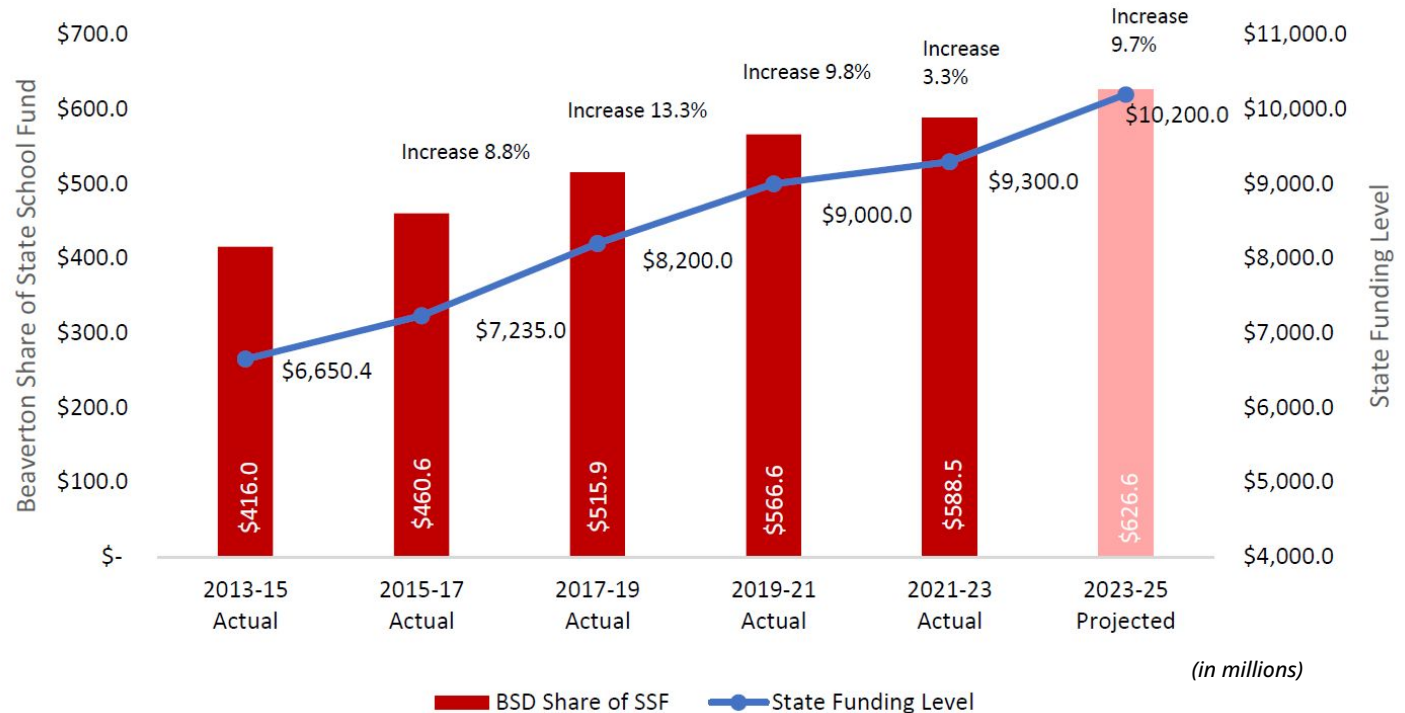
Budget Process Updates

- What We Need to Know
 - Licensed negotiations this spring
 - Classified (salary only) negotiations this spring
 - Unemployment Senate Bill 489 costs
 - May economic forecast

District Enrollment as of September 30



State School Fund History & Projections



2022-23 Spring Projection* vs Actual

*Projection as of
May 3, 2023

Spring Projection vs Final

Resources	2022-23 Spring Projection	2022-23 Final	Variance
Beginning Fund Balance	\$ 109,645,221	\$ 109,645,221	0.00%
State Controlled	471,451,447	477,113,857	1.20%
Locally Controlled	62,593,702	65,518,474	4.67%
Total	\$ 643,690,370	\$ 652,277,552	1.33%
Expenditures	2022-23 Spring Projection	2022-23 Final	Variance
Salaries	\$ 290,378,053	\$ 289,468,762	-0.31%
Benefits	173,609,137	169,554,435	-2.34%
All Other	55,703,180	54,602,235	-1.98%
Total	\$ 519,690,370	\$ 513,625,433	-1.17%
Ending Fund Balance	\$ 124,000,000	\$ 138,652,119	
Long-Term Planning Reserve	15,500,000	17,128,224	
Total Reserves	\$ 139,500,000	\$ 155,780,343	

The Numbers

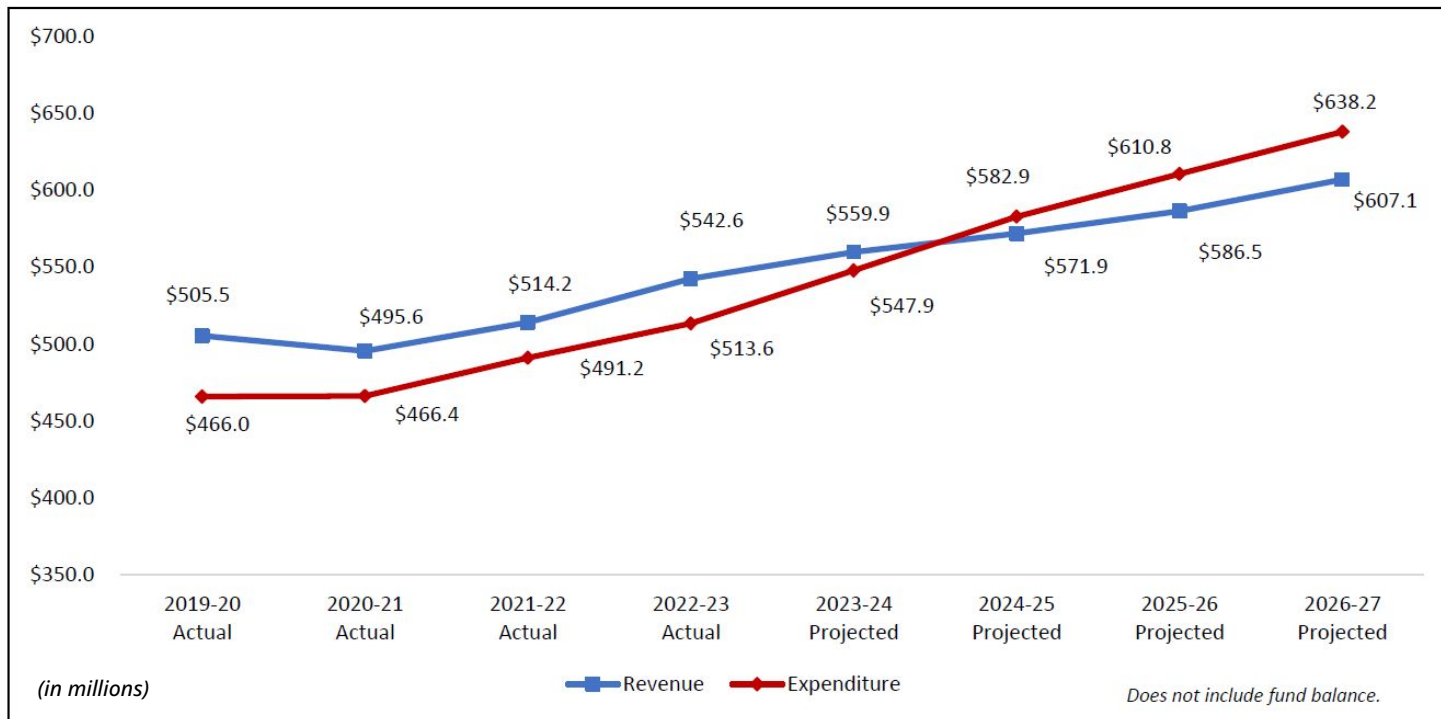
Assumptions:

- Based on most recent ODE State School Fund updates for 2023-24 and 2024-25
- Includes most recent enrollment adjustments for 2023-24 and 2024-25
- State School Fund at \$10.2B for 2023-25, \$11.12B for 2025-27 (9% increase)
- Includes enhancements to SAM
- Does not include budget changes under review for 2024-25
- Includes previously funded ESSER positions related to schools and Teaching & Learning Department
- Does not include SIA, HSS or ESSER funds
- Based on best information available at this time.

As of March 1, 2024

Resources	2022-23 Actual	2023-24 Adopted	2023-24 Projected	2024-25 Projected	2025-26 Projected	2026-27 Projected
Beginning Fund Balance	\$ 109,645,221	\$ 124,000,000	\$ 138,652,119	\$ 150,665,148	\$ 139,688,226	\$ 115,395,265
State Controlled	477,113,857	480,912,345	492,117,821	505,326,108	518,924,203	538,430,064
Locally Controlled	65,518,474	61,409,057	67,814,817	66,618,707	67,610,814	68,687,329
Total	\$ 652,277,552	\$ 666,321,402	\$ 698,584,757	\$ 722,609,963	\$ 726,223,243	\$ 722,512,658
Expenditures	2022-23 Actual	2023-24 Adopted	2023-24 Projected	2024-25 Projected	2025-26 Projected	2026-27 Projected
Salaries	\$ 289,468,762	\$ 304,154,798	\$ 304,063,573	\$ 322,765,214	\$ 338,081,896	\$ 354,139,766
Benefits	169,554,435	181,005,379	181,001,161	192,984,905	202,381,811	210,288,686
All Other	54,602,235	65,164,032	62,854,875	67,171,618	70,364,271	73,793,101
Contingency/Reserve	-	115,997,193	-	-	-	-
Total	\$ 513,625,432	\$ 666,321,402	\$ 547,919,609	\$ 582,921,737	\$ 610,827,978	\$ 638,221,553
Surplus/(Deficit)	29,006,899	-	12,013,029	(10,976,922)	(24,292,961)	(31,104,160)
Ending Fund Balance	\$ 138,652,120	\$ 115,997,193	\$ 150,665,148	\$ 139,688,226	\$ 115,395,265	\$ 84,291,105
Long-Term Planning Reserve	17,163,350	22,522,561	22,522,561	28,225,322	34,203,953	40,775,538
Total Reserves	\$ 155,815,470	\$ 138,519,754	\$ 173,187,709	\$ 167,913,548	\$ 149,599,218	\$ 125,066,643

General Fund Revenue & Expenditure



Aligning for Student Success: Integrated Guidance

- Beginning in the 2023–2024 school year, ODE’s integrated approach to several grants was implemented.
 - The district submitted a multi-year plan to ODE.
 - Student Investment Account (SIA) & High School Success (HSS)
- Additional information regarding the integrated guidance, including the district’s current plan and budget can be found on the district’s website.
 - <https://www.beaverton.k12.or.us/departments/teaching-learning/integrated-guidance>

Projected SIA Spending

2024-25 Projected SIA Award: \$38.0M

	FTE
Equity Based Classroom Teachers	100.0
Student Success Coaches/School Support Specialists	44.5
Academic Coaches	30.5
Kindergarten Paraeducators	42.4
Social Workers	14.8
Nurses	21.0
Special Education Teachers, Speech Language Pathologists & Psychologists	20.0
ELD Teachers & Support	9.3
Multi-Tiered System of Supports TOSA	1.0
Substance Use Specialists	2.0
Equity & Inclusion Administrator	1.0
HR Equity Talent Acquisition Administrator	1.0
Total	287.5

SIA Goals:

- Increasing academic achievement, including reducing academic disparities for focal populations
- Addressing students' health and safety needs

Projected HSS Spending

2024-25 Projected HSS Award: \$12.0M

	FTE
Graduation Mentors/College & Career Counselors	23.9
9th Grade Success Leads	5.9
Social Workers	4.5
Career Technical Education Support	10.4
FLEX Credit/Credit Recovery	13.0
ELD Support	3.3
School Support Specialists/Substance Use Specialists	15.5
Total	76.6

HSS Goals:

- Improve student progress toward graduation, beginning in grade 9
- Increase high school graduation rates
- Increase equitable access to advanced coursework
- Improve high school graduates' readiness for college and career

Elementary & Secondary School Emergency Relief (ESSER)

- All school-based and Teaching & Learning FTE will be funded in the General Fund.

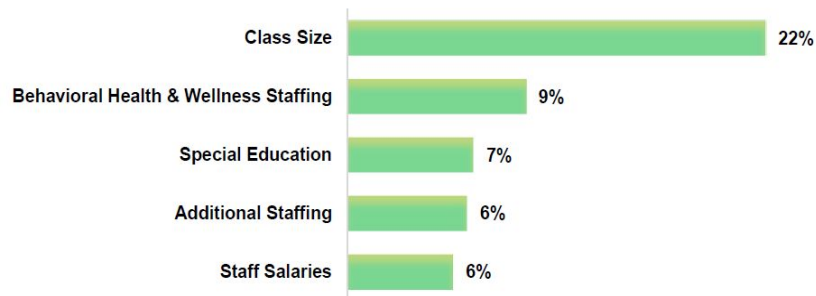
	FTE	\$
Social Workers	25.4	\$ 3,169,913
Bilingual Resource Facilitators	9.6	\$ 942,331
Teachers on Special Assignment	5.2	\$ 800,521
Teaching & Learning Administrators	1.5	\$ 356,627
Total FTE	41.7	\$ 5,269,392

Budget Listening & Learning Feedback

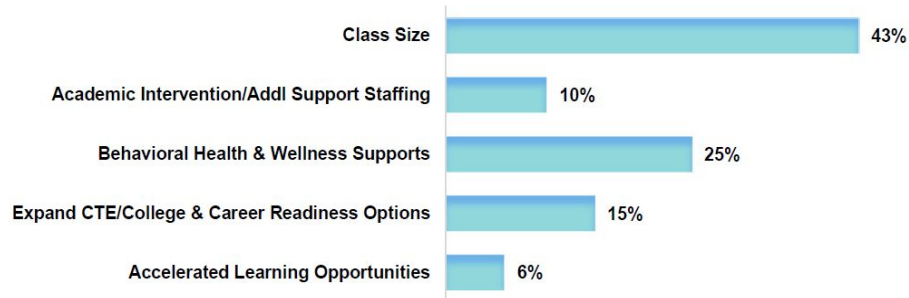
February/March 2024

Total Number of Survey Responses	2,401
Total Number of Additional Comments	1,005

TOP FIVE TOPICS IN ADDITIONAL COMMENTS



PRIORITIES RANKING FROM SURVEY

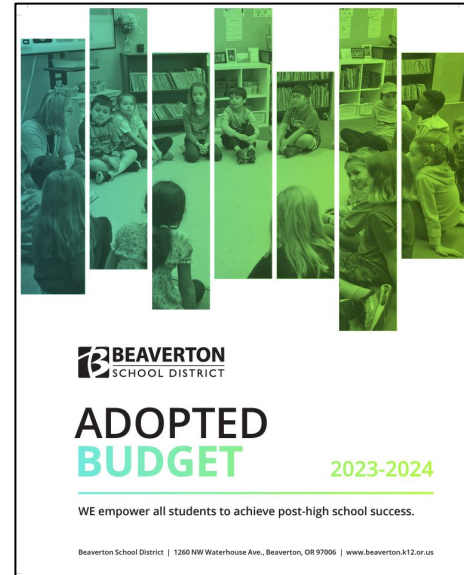


Note: All budget survey comments are available for review at <http://www.beaverton.k12.or.us/annual-budget>.

Budget Document Overview

Four Main Sections

- Executive Summary
- Organizational Section
- Financial Section
- Informational Section



Executive Summary

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

Budget Message - Page 3



Superintendent's 2023-24 Budget Message

May 8, 2023

Dear Beaverton School District Community,

The 2022–23 school year has brought a return to more regular school routines for our students, families and staff, as well as an expectation of stability for the coming year. After multiple years in which the COVID-19 pandemic significantly impacted students' learning experience, our schools are back to normal operations and our full focus is on supporting students' achievement and well-being. While many students have experienced academic, social and emotional challenges as a result of the pandemic, and the needs of our students and families have changed over time, our commitment to serve them has remained unwavering.

To focus and guide our work over the next several years, the District has embarked this year on a community-engaged process to develop a new strategic plan. This process has provided an opportunity for students, families, staff, and community members to unite around our values, identify priorities and collaborate on key strategies to achieve the outcomes that we desire for our students.

Summary by Fund - Page 9

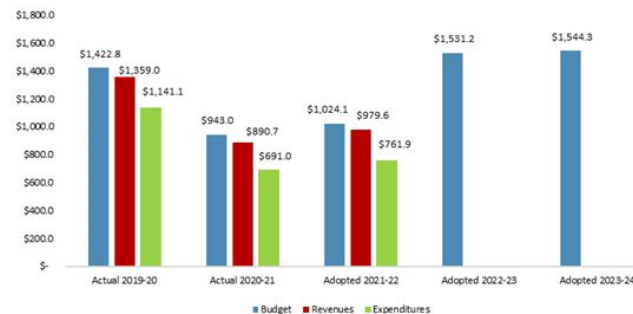
BUDGET SUMMARY BY FUND – ALL FUNDS FIVE YEARS ADOPTED BUDGETS

Total revenue and expenditures budget for all funds has increased by \$13.1 million from 2022-23 to 2023-24. This increase is primarily due to the approval of a \$723 million capital bond measure by voters on May 17, 2022, as well as an increase in the General Fund reserves.

Over the past five years, all funds budget has increased by \$121.6 million with the largest area of change being the Capital Projects Fund, Grant Fund and the Debt Service Fund. Over time, the Capital Projects Fund had decreased due to spend down of the 2014 bond measure but has increased again with the inclusion of the May 2022 Capital Bond measure. In this time, the Grant Fund has also seen significant increases due to the addition of the Student Investment Account (SIA) beginning in 2020-21 and the Elementary and Secondary Schools Emergency Relief (ESSER) funding provided in response to the COVID-19 pandemic. The Debt Service Fund saw a decrease in the last five years due to a bond refunding that occurred in the 2019-20 year.

		Adopted Budget 2019-20	Adopted Budget 2020-21	Adopted Budget 2021-22	Adopted Budget 2022-23	Adopted Budget 2023-24
100	General Fund	\$ 515,619,825	\$ 536,377,901	\$ 580,428,011	\$ 622,821,541	\$ 666,321,402
220	Student Body & Special Purpose Fund	10,700,000	16,305,000	14,450,000	13,569,000	13,569,000
230	Special Purpose Fund	9,160,000	3,000,000	-	-	-
240	Categorical Fund	4,025,000	4,125,000	8,301,161	7,256,000	9,932,000
260	Scholarship Fund	450,000	490,000	515,000	515,000	550,000
270	Grant Fund	57,497,749	94,769,568	180,303,185	164,670,491	144,648,240
280	Long-Term Planning Fund	26,284,279	8,393,243	13,460,243	16,050,000	22,600,000
290	Nutrition Services Fund	18,766,435	19,812,622	17,451,159	19,383,736	18,332,235
300	Debt Service Fund	525,461,801	91,206,599	94,150,499	105,760,013	116,516,484
400	Capital Projects Fund	244,134,000	154,840,000	101,898,500	567,095,950	534,962,000
611	Insurance Reserve Fund	6,825,667	9,453,790	7,753,269	8,151,475	11,038,624
612	Workers Compensation Fund	3,828,815	4,239,092	5,437,188	5,944,823	5,851,772
		\$ 1,422,753,571	\$ 943,012,815	\$ 1,024,148,215	\$ 1,531,218,029	\$ 1,544,321,757

Summary of Revenues & Expenditures - All Funds
(in millions)



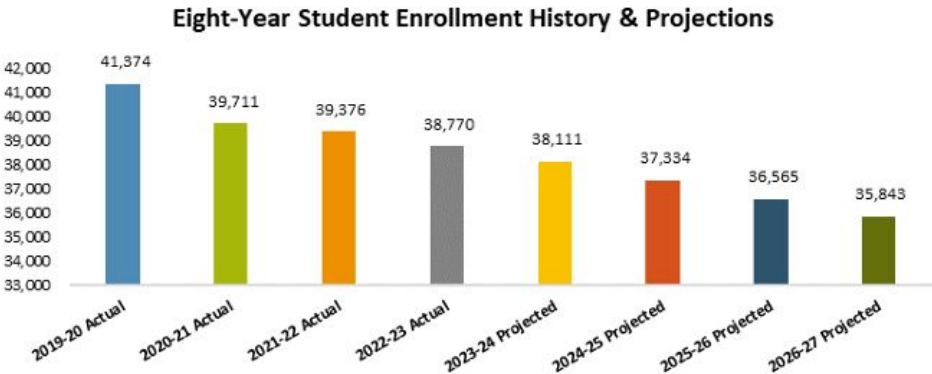
Enrollment History & Projections - Page 14

STUDENT ENROLLMENT HISTORY AND PROJECTIONS

The District’s proposed budget is 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 2023-24 budget projection includes an enrollment decrease from the September 2022 enrollment, which did not recover from the September 2020 pandemic-related drop. The decrease in enrollment that was experienced in 2021-22 and 2022-23 was mostly at the elementary level. The 2023-24 projections show a decrease to overall District enrollment, which continues with the projected declining enrollment pre-pandemic.

The following chart displays student population for four years based on actual enrollment as of September 30 of each year and projected enrollment for 2023-24 through 2026-27.



Organizational Section

- District structure, school board and administrative staff
- Strategic measures of student success
- Budget process and financial reporting description
- Strategic investment summary

Financial Section

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

Variance Analysis - Pages 64-65

EXPENDITURE VARIANCE ANALYSIS

GENERAL FUND (100)

OBJECT	DESCRIPTION	VARIANCE FROM 2022-23 BUDGET	VARIANCE EXPLANATION
0300	Purchased Services	\$ 5,031,701	Variance is due to increasing utility rates, increased charter school payments and the inclusion of consulting costs to research, evaluate and begin implementation of a new ERP system.
0700	Transfers	1,551,902	The increase in transfers is due to two new transfers to the Categorical Fund for classroom furniture and classroom technology replacements for \$1.0 million each and a slight decrease in the transfer to Insurance Reserve Fund. The decrease to Insurance Reserve Fund is due to less claims in 2021-22 and 2022-23, which caused the contingency in the fund to increase.
0800	Other Uses of Funds (Contingency)	25,735,335	Increase in contingency is due to increased reserves as a result of staffing shortages and increased State School Fund per pupil allocations.

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

GENERAL FUND (100)

FUNCTION	DESCRIPTION	VARIANCE FROM 2022-23 BUDGET	VARIANCE EXPLANATION
5200	Transfers of Funds	\$ 1,551,902	The increase in transfers is due to two new transfers to the Categorical Fund for classroom furniture and classroom technology replacements for \$1.0 million each and a slight decrease in the transfer to Insurance Reserve Fund. The decrease to Insurance Reserve Fund is due to less claims in 2021-22 and 2022-23, which caused the contingency in the fund to increase.

Fund Overviews - Pages 75, 89, 95, 105, 113, 121, 133, 141, 149, 157, 167, 175

GENERAL FUND OVERVIEW

The General Fund budgets for most operating activities of the District, except for those activities required to be accounted for in another fund.

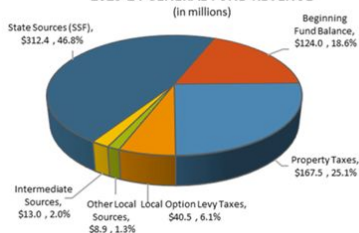
Revenue - The State School Fund Grant general purpose and transportation grants are the principal revenue sources of the General Fund totaling 88.5% of total revenue, excluding beginning fund balance. The State School Fund Grant is apportioned to schools through the general purpose grant, a facility grant, a transportation grant and a high cost disabilities grant. Approximately 95.5% of the grant is allocated to school districts and the remainder is allocated to Education Service Districts (ESD). All grants except the facility grant and a portion of the transportation grant are accounted for in the General Fund. Districts may apply for facility grant funds when construction adds square footage to school buildings. The portion of the transportation grant related to the depreciation of transportation related capital assets is accounted for in the Categorical Fund, along with the facility grant funds

The state grant apportionment is less the local revenue. Local revenue includes general operating property taxes, county and common school funds. Local property taxes account for 77.2% of the local revenue. The general purpose grant is allocated through a weighted average daily membership (ADMw) formula. The transportation grant is paid at seventy percent of the District's allowable General Fund transportation costs. Each December, all school districts within the state are required to estimate for the following year the components of the grant such as ADMw, local property taxes, transportation costs, and the cost of students with an individual education

claimed and is approximately 0.3% of General Fund revenue. The District receives an estimated payment for the current year in May and a final settlement the following May.

The local option tax levy is a voter approved levy that allows the district to collect taxes outside the constitutional tax limitation. The length of the approval is limited to five years. District voters passed a local option levy in 2013 for reduced class size. Funds from this levy can only be spent on classroom teachers. Voters renewed the levy in 2018 and again in 2022 for an additional five years at \$1.25/\$1,000 of assessed value of property. This resource accounts for 7.5% of the General Fund revenue, excluding beginning fund balance. The five-year renewal of the local option levy expires at June 30, 2028. The remainder of the General Fund revenue includes earning on investments, the portion of district's ESD allocation not used for services, athletic pay-to-play and gate fees, other state and local sources, and beginning fund balance.

2023-24 GENERAL FUND REVENUE



Informational Section

- Ratio teacher staffing by school
- Personnel resource allocations
- Staffing Allocation Methodology (SAM)
- School summary pages
- Strategic investment reports
- Glossary

Ratio Teacher Staffing by School - Page 184



2023-24 Ratio Teacher Staffing By School

DISTRICT SUMMARY - CLASSROOM TEACHERS	Classroom Teachers	Average Staffing Ratio
	Funded by General Fund (GF)	1,161.8
	Funded by Local Option Levy	289.2
	Funded by Student Investment Account (SIA)	96.2
	Funded by ESSER	7.2
	TOTAL	1,554.4

ELEMENTARY	Budgeted Enrollment	Classroom Teachers			
		GF	Levy	SIA	TOTAL
Aloha Huber (K-8)	901	29.0	9.0	3.0	41.0
Barnes	433	14.0	4.0	2.0	20.0
Beaver Acres	771	25.0	6.0	4.0	35.0
Bethany	428	11.0	4.0	2.0	17.0
Bonny Slope	672	19.0	6.0	2.0	27.0
Cedar Mill	337	10.0	2.0	2.0	14.0
Chehalem	371	12.0	3.0	2.0	17.0
Cooper Mountain	394	11.0	3.0	2.0	16.0
Elmonica	398	12.0	3.0	2.0	17.0
Errol Hassell	365	10.0	3.0	2.0	15.0
Findley	582	15.0	5.0	2.0	22.0
Fir Grove	314	11.0	2.0	2.0	15.0

MIDDLE SCHOOLS	Budgeted Enrollment	Classroom Teachers				
		GF	Levy	SIA	ESSER	TOTAL
Cedar Park	659	21.6	5.0	1.0	0.6	28.2
Conestoga	797	25.8	6.0	1.2	0.8	33.8
Five Oaks	790	26.4	6.2	1.2	0.8	34.6
Highland Park	642	20.2	4.8	0.8	0.6	26.4
Meadow Park	665	23.8	5.8	1.0	0.8	31.4
Mountain View	853	30.6	7.4	1.2	1.0	40.2
Stoller	1,001	28.8	7.0	1.2	1.0	38.0
Tumwater	951	26.8	6.4	1.2	0.8	35.2
Whitford	772	25.8	6.0	1.2	0.8	33.8
Middle School Total	7,130	229.8	54.6	10.0	7.2	301.6
Average Middle School Staffing Ratio		31.0	25.1	24.2	23.6	

Personnel Resource Allocations - Pages 185-186

BEAVERTON SCHOOL DISTRICT PERSONNEL RESOURCE ALLOCATIONS HISTORY - ALL FUNDS

	Actual 2019-20	Actual 2020-21	Actual 2021-22	Adopted Budget 2022-23	Adopted Budget 2023-24
<u>ADMINISTRATORS</u>					
Superintendent	1.0	1.0	1.0	1.0	1.0
Deputy Superintendent	2.0	2.0	2.0	2.0	2.0
Associate Superintendent	0.6	1.0	1.0	1.0	1.0
Chief Officer	3.2	3.0	3.0	3.0	4.0
Executive Administrator	9.0	9.0	12.3	13.0	12.0
Administrator	12.7	14.6	13.4	14.0	12.0
Coordinator	6.9	6.0	6.0	8.0	7.0
Elementary School Principal	30.9	30.9	31.0	31.0	33.0
Middle School Principal	8.0	8.5	9.0	9.0	9.0
High School Principal	6.0	6.0	6.0	6.0	6.0
Options Principal K-8	3.0	3.3	3.3	3.3	1.3
Options Principal Secondary	4.0	4.7	4.7	4.7	4.7
Assistant Principal	50.5	50.4	51.7	52.0	48.0
Administrator Total	137.9	140.4	144.4	148.0	141.0
<u>CLASSIFIED MANAGERS</u>					
Coordinator/Supervisor	27.20	28.10	25.01	30.00	30.00
Classified Manager Total	27.20	28.10	25.01	30.00	30.00
<u>CERTIFIED</u>					
Pre-K School Teacher	7.0	6.4	11.0	13.0	15.0
Elementary School Teacher	740.1	727.1	717.0	742.0	714.5
Middle School Teacher	383.7	383.2	391.4	413.5	399.1
High School Teacher	537.5	542.4	559.5	578.1	575.1
Athletic Director	5.6	5.6	5.8	5.0	5.0

School Summary Pages - Pages 229-284

Aloha Huber Park K-8

5000 SW 173rd Avenue

Beaverton, OR 97078

Principal: Sarita Amaya

School Programs: Title I, Dual Language, Early Learning, Newcomers Program

Enrollment History and Projections:

Actual 2019-20	Actual 2020-21	Actual 2021-22	Actual 2022-23	Projected 2023-24	Projected 2024-25	Projected 2025-26	Projected 2026-27
893	822	849	892	901	915	912	916

Staffing Information:

Administration
Certified
Classified

2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Actual^	2023-24 Budget
2.00	1.91	2.00	2.00	2.00
53.98	57.29	59.71	64.51	65.20
19.63	18.25	17.80	18.84	18.44

2022-23 Average Classroom Teacher Years of Experience

Aloha Huber Park K-8	7.8
Beaverton School District	16.5

(average years experience in District)

Financial Data:

Salaries & Benefits
Purchased Services
Supplies and Materials
Capital Outlay
Other Objects

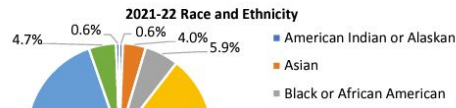
2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Budget^	2023-24 Budget
\$ 7,674,402	\$ 8,902,596	\$ 9,752,890	\$ 11,297,955	\$ 11,135,944
11,187	110,924	194,624	179,450	10,663
76,036	264,747	549,338	542,883	259,366
405	-	-	-	-
119	269	275	2,264	3,000
Total	\$ 7,762,149	\$ 9,278,537	\$ 10,497,127	\$ 12,022,553
Cost Per Student	\$ 8,692	\$ 11,288	\$ 12,364	\$ 13,478



School Performance Measures

English/Lang Arts			Math		
2020**	2021**	2022	2020**	2021**	2022

Demographic Information



Timeline

March/April

- Present Budget 101 to Budget Committee
- Applying SAM formulas to final enrollment projections
- Analyzing survey results
- Minor budget modifications

May

- Present proposed budget
- Budget Committee approval of proposed budget

June

- School Board adoption of proposed budget

Committee Questions & Comments?



Superintendent's Closing Comments

Budget documents are available at
<http://www.beaverton.k12.or.us/annual-budget>

