

BSEP PLANNING & OVERSIGHT COMMITTEE MINUTES

March 8, 2016

BUSD Offices –Technology Room 126
2020 Bonar Street, Berkeley, CA 94702

P&O Committee Members Present:

Madhu Marchesini, *Arts Magnet*
Eric van Dusen, *Cragmont (Co)*
Dawn Paxson, *Emerson*
Terry Pastika, *Jefferson*
Danielle Perez, *John Muir (co-Chair)*
Rob Collier, *LeConte (Co)*
John Eknoian, *Oxford*
Jonathan Cherin, *Thousand Oaks (Co)*
Aaron Schiller, *Thousand Oaks (Co)*
Alan Hubbard, *Washington*

Joey Rapoza, *Washington*
Bruce Simon, *King (co-Chair)*
Elisabeth Hensley, *King (Alt)*
Josh Irwin, *King (Alt)*
Catherine Huchting, *Willard*
Christine Meuris, *Willard*
Aaron Glimme, *Berkeley High*
Catherine Lazio, *Berkeley High*

inequitable and a problem. She was very much in favor of including BHS for the next measure to providing music supplies for the program.

6. BSEP/BUSD Update

Donald Evans, Superintendent

Evans stated that last Monday, February 29, 2016, the Cabinet and Executive team met for an extended meeting to review key elements of the measure, including: Balancing class sizes at the elementary schools, budget scenarios, tax rate decisions. highlights of the workshops, stakeholders input, and voter polls, and other allocations.

7. State and District Budget Overview

Javetta Cleveland, Deputy Superintendent Business Services

Cleveland provided the following:

Berkeley Unified School District State of the Budget handout of her PowerPoint slide presentation (11 pages)

Cleveland introduced herself to the committee and noted her previous work as a fiscal recovery manager for schools in California. She decided to work for BUSD in a more pro-active role as a budget manager, and noted the components of BSEP were of interest to her as well. In addition to keeping the district solvent and supporting instructional purposes of the district, she sees her role as someone who has to manage the resources to support the district's vision and goals. Cleveland gave a brief history about the time in which the district's budget was cut to the tune of about \$8M. She

Berkeley's funding per student is higher compared to other districts because of the support of parcel tax.

Slide 9 LCFF Revenue Calculations and Projections: An enlarged color version was provided on the last page of the handout. Cleveland stated that BUSD has projected about 39% Free & Reduced Lunch Students/Targeted Students and believes that we could stay at that level, but if the level drops, so would the funding. Cleveland added that we are at 95% of the target for the repayment of the Maintenance Factor and funding would be leveling off toward the end of the target. Huchting noted that the Free & Reduced Lunch numbers at one of her children's schools had dipped precipitously low. Cleveland noted the concern and has not projected a decline but added that another demographic study could be done. She also noted that the district is maintaining a contingency fund within the Supplemental Grant and feels that if there were a change they would be able to address it.

Slide 10 One Time State Revenue: Cleveland noted that the \$4.9M one-time funding was helping the budget for BSEP Page 2 Program Support.

Slide 11 Multi Year Projections: Cleveland confirmed that the one-time funding was located in the Other State Funding highlighted under 2015-16. She noted the \$1.7M under 2017-18 is what the district would normally get without the one-time funding.

Slide 14 Budget Priorities 2016-17: Budget Priorities for 2016-17 has gone to the School Board for 2 meetings and up for approval at tomorrow night's Board meeting. Cleveland noted that there were several items up for ongoing funding approval: After Hours Supervisor (24/7 Custodial Manager), Theater Manager at BHS, and Emergency Preparedness for yearly drills.

Slide 15 Budget Priorities 2016-17: Cleveland noted that there were items on this slide that were listed as needs, e.g., School Nurse, and would be decided upon depending on what happens with the Governor's May Revision. Cleveland confirmed that the Reduction in Contribution to Child Development represented a class that could not be filled and would be moved into another class. The district provides the contribution for Child Development every year and the money would return to the district, which would help the GF. Cleveland noted that they had been monitoring that class.

In response to a question from Paxson, Cleveland to provide a review of what the percentage contribution of the GF is to the total district budget and the total makeup of the district funds. She noted that the Special Ed funding was part of the GF along with Child Development, Adult Education (\$2.7M), Facilities & Bond Sales for projects, and the Cafeteria fund.

Lazio asked if the Prop 30 would be reduced when it expires in a few years. Cleveland clarified that there would be some reduction but she included that in the projections. She noted that the COLA was unfunded for 5 years and the district was making up for teachers and staff loss of raises since 2008.

In response to a question about deficit spending, Cleveland confirmed that she preferred -0-deficit spending and explained that she would not want to go over \$0.5M. The district has a reserve and an ending balance of \$6M. She would not like to see the district expend that in 2

the district's ratio of 34:1 has not changed. Nitschke added that inequity was always an issue in school funding state-wide. Glimme stated that he thought that BSEP provided a leveling in a broad based tax for all schools and all kids that was more egalitarian than just parents donating money for their kid to get various offerings. Lazio wondered if there could be a mechanism in the new measure to determine the formula and its flexibility for CSR so that there is not always an high ratio. Her concerns were around pressures in increasing taxes, now and in the future. There was a discussion about the balance of CSR and providing services, teacher salaries, and retirement costs.

Glimme noted that this was not the first time that CSR numbers and their determination came up. There was a proposal previous, when Hewitt was superintendent, to change the number to 36:1. He noted that as specified by the measure the money after meeting CSR was to go to other things and all the money was designed to serve the students. He thought the tax measure was the easiest way to do that.

Huchting wondered if the in writing the new measure, the COLAs for the salaries in BSEP could be covered by the GF. We were supportive of salary increases but the balances of the funds were compromised when BSEP revenues don't keep up.

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Official but not Adopted