



BUDGET INFORMATION WORKSHOP

Presented by: PUSD Cabinet
January 15, 2020

AGENDA



Summary of Budget Meetings and Activities

Summary of Reductions made for 2019-2020 & First Interim Status

Summary of feedback

- Survey
- Summary from Budget Subcommittee recommendations

Potential additional reductions for 2019-20

- Fiscal impact of those reductions

Scenarios for reductions and Impact of Board Reserve Considerations

- Negotiations
- Governor's January budget

Timeline for next steps



Summary of Meetings

Key Board Meetings: 2018-2019

Oct 24th Board Approved Tentative Agreement for 2017-2018 and financial impact and use of Board 3% reserve

Nov 14th: Discussion on budget reduction process

Dec 5th Board Budget Subcommittee: Committee recommended to take 2-4 years for re-establishing the Board's reserve

Dec 12th: Board Adopted First Interim with Qualified Status

Jan 9th, 2019: Discussion on budget reduction process; Board approved a Resolution to establish a Board Budget Advisory Committee

Jan 23rd, 2019 Board discussed formation of Board Budget Advisory Committee; February 6th, 2019: Board approved formation of Board Budget Advisory Committee and appointed members

February 11, 2019 Budget Workshop: Highlights: reviewed Budget, including rising pension, special ed costs, California per pupil funding inadequacy; identified deficit for 2020-2021 as 4.4m at that time (pre-negotiations)

February 20th, 2019; Board Discussion on budget reduction process

March 13th, 2019 : Board Adopted Second Interim with Qualified Status

May 8th, 2019: : Discussion of Board Budget Advisory Committee

May 22, 2019: Discussion of Gov's Budget and Board Resolution to identify reductions for 2020-2022; Board adopted Third Interim report with Qualified Status. Board adopted Resolution on June 26th, 2019.

Board Budget Advisory Committee Meetings: February, 2019- December, 2019

LCAP Community Meetings: February-April, 2019, Board LCAP Workshop on April 17th, 2019

*Agendas and information on all meetings are located on our website under the Business Services Department and all minutes of above-meetings are located on BoardDocs, through the main page on our district website

www.pittsburg.k12.ca.us

REDUCTIONS ALREADY MADE 2019-20



Reductions made March 13, 2019

Title	FTE
Multiple Subject Elementary Teachers	8.0
Teachers on Special Assignment – Multiple Subject	2.0
Teachers on Special Assignment – Math	1.0
Mentors – Teacher Induction Program	4.0
	15.0

Reductions: reviewed at May 16, 2019 Board budget Subcommittee; LCAP Public Hearing/Board Meeting on June 5, 2019; approved Board Meeting on June 26th, 2019

LCAP reductions: \$700

Additional Reductions - 10% Reduction in site budgets
\$300,000

Total: 2.5million

FIRST INTERIM - MYP SUMMARY



Description	2019-20 First Interim Budget			2020-21 Projected Budget			2021-22 Projected Budget		
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined
TOTAL REVENUES	77,875,092	69,987,292	147,862,384	79,749,754	66,293,403	146,043,156	80,077,020	66,487,802	146,564,821
TOTAL EXPENDITURES	86,965,951	70,301,292	157,267,242	90,391,272	66,888,357	157,279,630	88,653,097	67,714,565	156,367,662
Net Increase (Decrease)	(9,090,859)	(314,000)	(9,404,859)	(10,641,519)	(594,955)	(11,236,473)	(8,576,077)	(1,226,763)	(9,802,840)
FUND BALANCE, RESERVES									
Estimated Beginning Balance	17,080,820	3,024,708	20,105,528	7,989,961	2,710,708	10,700,669	(2,651,558)	2,115,754	(535,804)
Estimated Ending Balance	7,989,961	2,710,708	10,700,669	(2,651,558)	2,115,754	(535,804)	(11,227,635)	888,991	(10,338,644)
Nonspendable	25,000	-	25,000	25,000	-	25,000	25,000	-	25,000
Restricted	0	2,710,708	2,710,708	-	2,115,754	2,115,754	-	888,991	888,991
Assigned	3,237,076	-	3,237,076	-	-	-	-	-	-
Unassigned - REU @ 3%	4,718,017	-	4,718,017	4,718,389	-	4,718,389	4,691,030	-	4,691,030
Unassigned - Other	9,868	(0)	9,868	(7,394,947)	-	(7,394,947)	(15,943,665)	-	(15,943,665)
Total - Est. Fund Balance	7,989,961	2,710,708	10,700,669	(2,651,558)	2,115,754	(535,804)	(11,227,635)	888,991	(10,338,644)

Deficit spending in next two years erodes ending fund balance



SUMMARY OF FEEDBACK



Survey Ranking Concept

As of 1/9/2020 804 parents, staff and/or community members have responded to the survey, as follows:

- 395 Parents or Guardians
- 28 Students (Scholars)
- 310 Certificated Staff (PEA)
- 83 Classified Staff (CSEA)
- 12 Administrators
- 9 Other PUSD Staff
- 30 Community Members

(note: counts reflect that some responders identified in more than one role)

SUMMARY OF FEEDBACK



Engaging & Rigorous Teaching and Learning

- Arts and Music opportunities (53%)
- Counselors that provide academic and social emotional supports to students (45%)
- Science, Technology, Engineering, Arts and Math (STEAM) Education (42%)
- Advanced Placement courses (AP) 34%
- Career Technical Education (CTE) and work-based learning (33%)



Equity, Access & Success

- Expanded Learning, Tutoring (59%)
- Early Literacy Supports & Staff – Elementary (43%)
- Added Administrative Supports, e.g., Vice Principals (37%)
- Financial Assistance for taking AP/SAT/ACT/PSAT exams (37%)
- Workshops/Prep classes for exams (EAP/SAT/ACT) (37%)



Student & Family Assets

- Social Emotional/Mental health counseling and supports (64%)
- Dedicated Parent and Family Liaisons (50%)
- Dedicated Supports and Staff to address behavioral challenges (48%)



Recruit & Support a Diverse Staff

- Comprehensive salary/benefits package. Remain in the top 3rd in the county. (69%)
- Paid opportunities for teachers to collaborate outside of the school day (40%)
- New teacher professional development/training and supports (27%)



Safe & Welcoming Facilities and Nutrition Services

- Safety – Pittsburg Police Officers as school resource officers at secondary schools, crossing guards (62%)
- Clean and well-maintained school facilities (58%)
- Emergency preparedness programs such as Alert, Lockdown, Inform, Counter, Evacuate (ALICE) programs (36%)

SUMMARY OF FEEDBACK



Summary of Board's Budget Advisory Committee Recommendations

Revenue

- Generate revenue by providing services to other districts with the newly hired staff.
- After School program cost should be shared with Parents. Parents should pay a portion of the costs.

Efficiencies

- Provide business classes to Ed Services administration to improve their knowledge.
- Convert the text book adoption to electronic to save money.
- Set a limits on all Cal-Card purchases for meeting supplies and conferences.
- Change the meetings time to avoid providing large meals.
- Reduce outside printing services cost by doing the work in house.
- Eliminate the Crossing Guard contract and do it in house.

Compensation and Recruitment

- Offer retirement incentives to eliminate higher step paying employees and bring new lower step paying employees.
- Review Stipends (Cell Phone, Mileage, etc.) to evaluate if they are still valid.
- Freeze step increases for management employees.
- When there are over time earned, change that to comp time so the employee can take the time off instead of getting paid.
- Provide internal promotional opportunities for hard to fill positions.
- Research for new incentives from the city and communities to attract new employees.

SUMMARY OF FEEDBACK



Summary of Board's Budget Advisory Committee Recommendation's

Potential Staffing Review

- Provide an analysis for Ed services staff to show the admin to student ratio.
- Review and evaluate all new created positions for the last 5 years for possible elimination.
- Eliminate Career Tech positions at PHS.
- Eliminate or reduce SRO's positions. Or look for possible Grants to offset the cost.
- Re-evaluate the PHS academic counselor positions for possible elimination or reduction of FTEs.
- Eliminate all sites' Parent Volunteer positions.
- Cut VP's positions and share them at elementary schools and reduce VP's positions FTE's in secondary level.
- Compare the cost to hire a full time nurse to care for all schools instead of using the outside nursing service.
- Review secondary school counselors' efficiencies for possible cut.
- Review from the highest positions to the lowest for possible cut to get the maximum savings.

Special Education

- Negotiate with Special Ed's contract vendors to get better prices. Or possibly promote in house employees to take classes so they can be qualified to do the services.
- Promote in house employees to take classes so they can be hired to do the services provided by Speech Pathology Group.

Contracts

- Is there a better way to monitor Ed Services related contracts to make sure that they are fully working well; also need to make sure that the contracts are utilizing to cover the existing staff's duties?
- Invest in contracts management systems.
- Get bid for printing services to get better pricing.
- Review Specific contracts to possibly eliminate or reduce costs.

• “Inside-Out” Planning and Budgeting

Our decisions must have our scholars at the center

What did we add over the last 4-6 years that we did not have before?

What did we have that does not serve our scholars well?

What are those activities/services that are absolutely essential for our students?

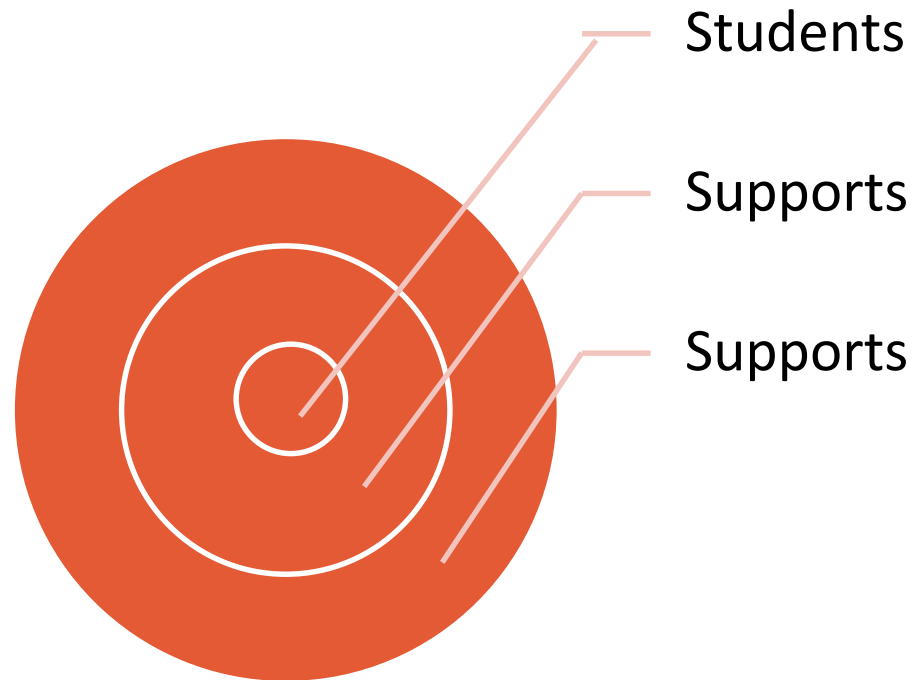
What helps inform our recommendations:
Feedback from surveys, LCAP feedback from last few years including: teachers and staff, parents and community, and student feedback

Law/Compliance

Labor Contracts

District Priorities

Data: LCAP, Contracts with 4 Essential ?'s



EXAMPLES OF POTENTIAL ADDITIONAL REDUCTIONS



Activity	Approximate Amount	Current Budget Source	Impact
Secondary Instructional materials and tech	1.3m	LCAP	Shift to Bond and Lottery Carry Over, less tech/materials
Camp Invention for Elementary and Secondary Summer School	100k	LCAP	Eliminate STEAM PBL; use own curriculum
Student Services Social Worker	100k	LCAP	Shift work to County MOU
Reduce expanded learning allocation	200k	LCAP	Minimal: analysis showed sites did not use full allocation
CTE Allocation	150k	LCAP	Less materials, Grant funding larger than expected
Reduce Professional Development Outside Work Day	300k	LCAP	Reduce from equiv of 2 to 1 day; reduce other PD hours
Financial Literacy	100k	LCAP	Free EVERFI grant



- Board Policy
 - 3%; This is in addition to the State requirement of 3%
 - Approximately \$4.7M – Based on current MYP
- Dec, 2018: Board Budget Subcommittee recommended board delay re-establishment of Board reserve for 2-4 years
- Government Finance Officers Association
 - Best Practice recommends a Unrestricted Fund Balance of “no less than 2 months” of regular General Fund operating revenues”
 - This equates to roughly 17%

SCENARIOS OF REDUCTIONS BOE RESERVE



Scenario 1	2019-20	2020-21	2021-22	Total
2019-20 Potential Additional Reductions	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 6,000,000
2020-21 Potential Reductions		\$ 4,000,000	\$ 4,000,000	\$ 8,000,000
2021-22 Potential Reductions			\$ 1,900,000	\$ 1,900,000
Total Potential Reductions	\$ 2,000,000	\$ 6,000,000	\$ 7,900,000	\$ 15,900,000
BOE Reserve 3%		\$ 4,700,000		\$ 4,700,000
Total Potential Reductions incl. BOE Reserve	\$ 2,000,000	\$ 10,700,000	\$ 7,900,000	\$ 20,600,000

Cummulative Reduction \$ 2,000,000 \$ 12,700,000 \$ 20,600,000

Scenario 2	2019-20	2020-21	2021-22	Total
2019-20 Potential Additional Reductions	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 6,000,000
2020-21 Reductions		\$ 4,900,000	\$ 4,900,000	\$ 9,800,000
2021-22 Reductions			\$ 100,000	\$ 100,000
Total Potential Reductions	\$ 2,000,000	\$ 6,900,000	\$ 7,000,000	\$ 15,900,000
BOE Reserve 3%			\$ 4,700,000	\$ 4,700,000
Total Potential Reductions incl. BOE Reserve	\$ 2,000,000	\$ 6,900,000	\$ 11,700,000	\$ 20,600,000

Cummulative Reduction \$ 2,000,000 \$ 8,900,000 \$ 20,600,000

Scenario 3	2019-20	2020-21	2021-22	Total
2019-20 Potential Additional Reductions	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 6,000,000
2020-21 Reductions		\$ 3,400,000	\$ 3,400,000	\$ 6,800,000
2021-22 Reductions			\$ 3,100,000	\$ 3,100,000
Total Potential Reductions	\$ 2,000,000	\$ 5,400,000	\$ 8,500,000	\$ 15,900,000
BOE Reserve 3%		\$ 2,400,000	\$ 2,300,000	\$ 4,700,000
Total Potential Reductions incl. BOE Reserve	\$ 2,000,000	\$ 7,800,000	\$ 10,800,000	\$ 20,600,000

Cummulative Reduction \$ 2,000,000 \$ 9,800,000 \$ 20,600,000

CONSIDERATIONS



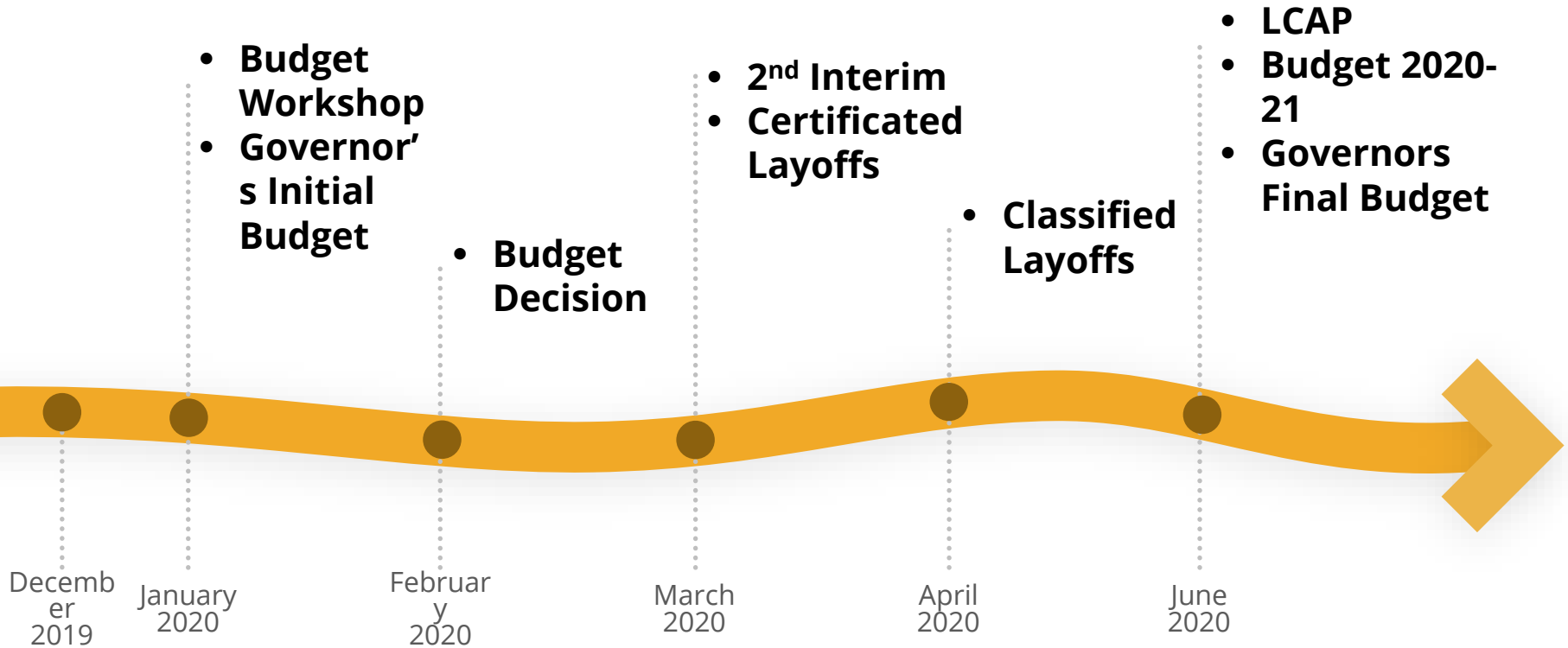
Negotiations

- Negotiations with PEA for 2019-20 begin Jan 22, 2020

Governor's Budget

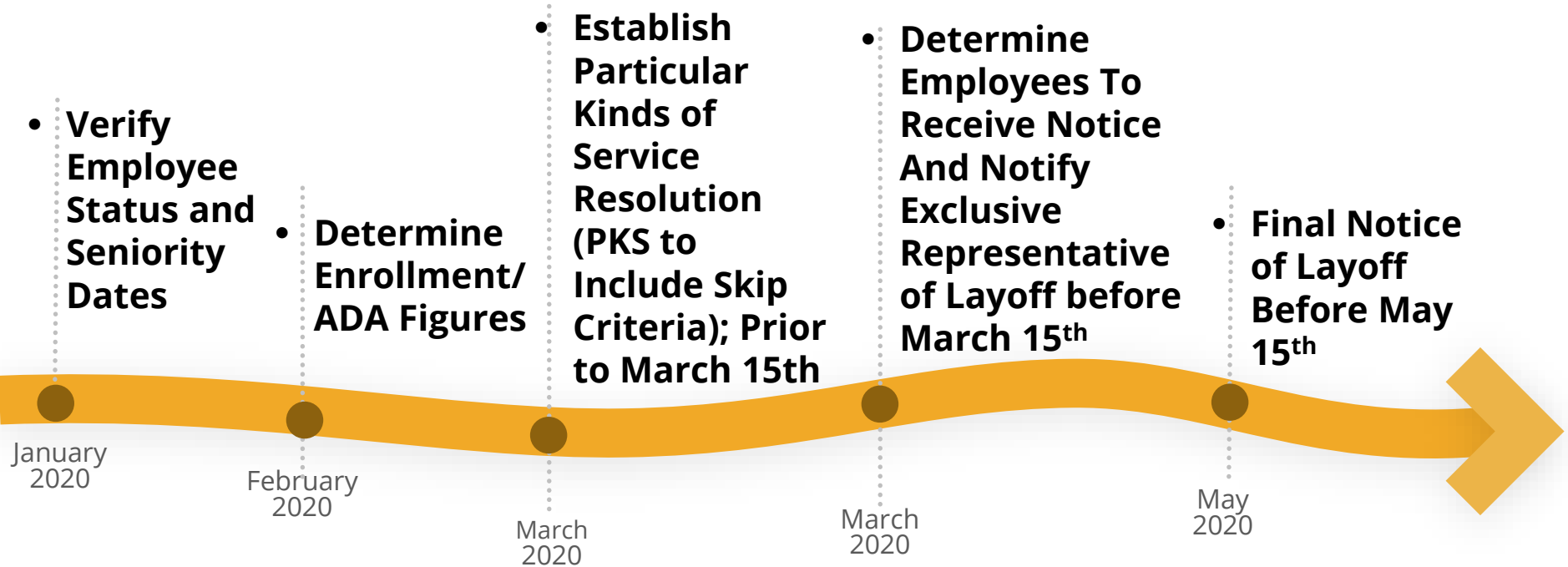
- January 2020
 - Too soon to know actual amount that will impact our District's budget
 - Highlights include: commitment to early education, teacher credentialing and professional development, special education, mental health services for youth
 - Decreased COLA for 2020-2021 from anticipated 3% to 2.29%

BUDGET TIMELINE & NEXT STEPS





CERTIFICATED LAYOFF PROCEDURES & NEXT STEPS



* Employees receiving layoff notices also have the right to request a Hearing

CLASSIFIED LAYOFF PROCEDURES & NEXT STEPS

