

Board Special Meeting

Work Session: Budget; Executive Session: To evaluate the qualifications of an applicant for public employment; To review the performance of a public employee.
RCW 42.30.110(1)(g).



January 7, 2021, 4:30 — ~~8:00~~ ~~6:30~~ pm

Meeting to be held remotely

By [Microsoft Teams](#)

By Teleconference: 206-800-4125 (Conference ID: 611 677 300#)

Agenda

| | |
|--|-----------------|
| <u>Call to Order</u> | 4:30 pm |
| <u>Work Session: Budget</u> | 4:30 pm |
| <u>Executive Session: To evaluate the qualifications of an applicant for public employment; To review the performance of a public employee.</u> <u>RCW 42.30.110(1)(g).</u> | 6:30 pm* |
| <u>Adjourn</u> 6:30 pm* | <u>8:00 pm*</u> |

IMPORTANT NOTE: This meeting will be held remotely without an in-person location per the Governor’s proclamation prohibiting public agencies from conducting meetings subject to the Open Public Meetings Act in-person to curtail the spread of COVID-19. The public is being provided remote access through Microsoft Teams and teleconference as noted above. There is a maximum capacity of 350 meeting participants and other attendees for this remote meeting, and a “waiting room” may be utilized to address capacity. Additional attendees will be admitted from the waiting room as capacity permits.

*Special meetings of the Board, including work sessions and retreats, may contain discussion and/or action related to the items listed on the agenda. Executive sessions are closed to the public per RCW 42.30. *Times given are estimated.*



Seattle Public Schools

Budget Work Session

www.seattleschools.org | January 7, 2021



Outcomes

1. Update on Participatory Budgeting Process
2. Review 2021-22 projections and timeline
3. Review and provide feedback on 21-22 budget solutions by major category
4. Feedback on enrollment projections

Participatory Budgeting Update



SEATTLE
PUBLIC
SCHOOLS

Participatory Budgeting Report

Exploration of a Participatory

12.15.20



Zithri Information Associates

AGENDA



A: Background



B: Our Approach



C: Our Findings



D: Discussion and
Recommendations



E: Q&A



BACKGROUND

Zithri Ahmed Saleem | Designer and Researcher

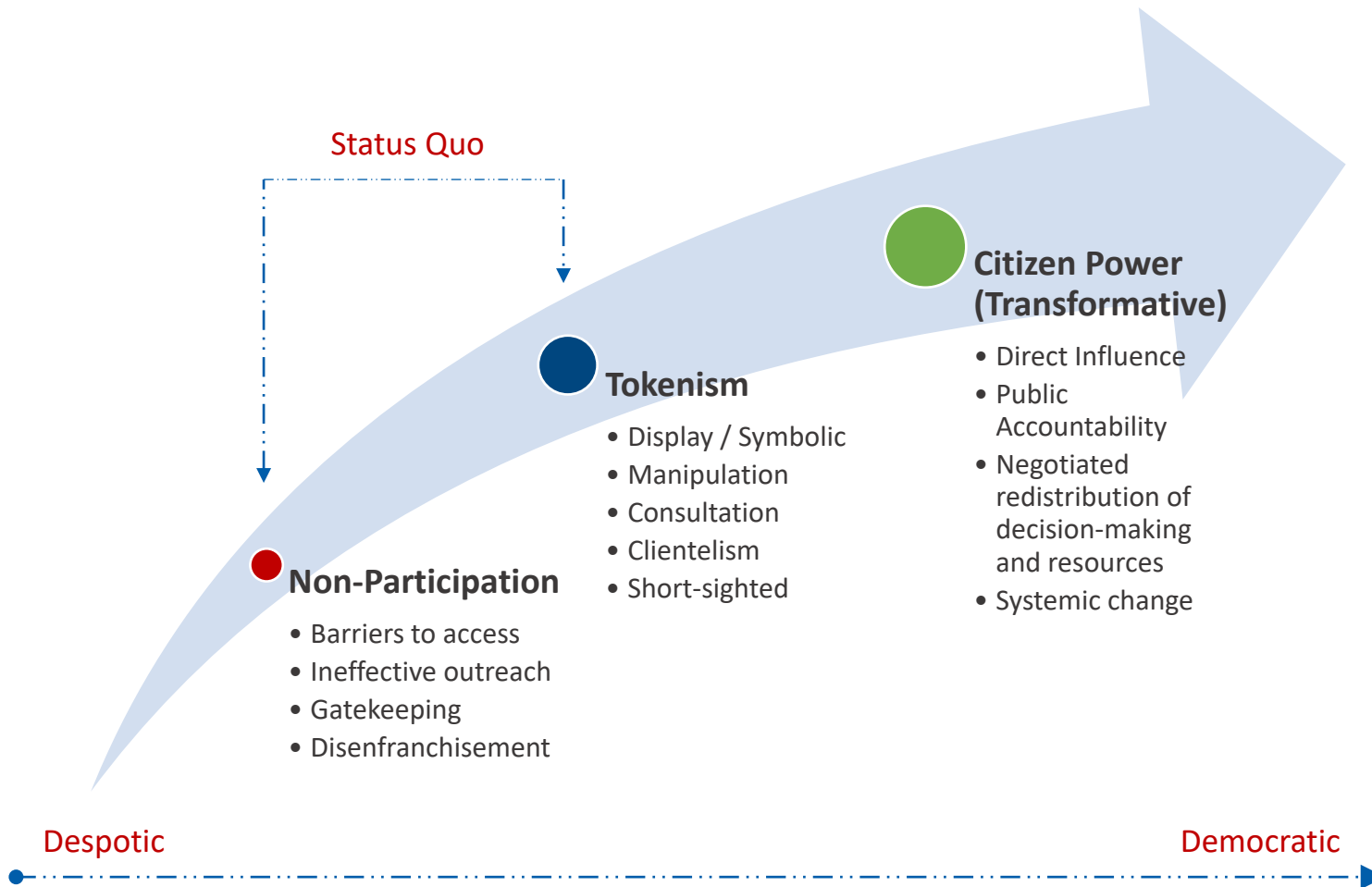
- Information and Learning Sciences
- Design and evaluation of policies and interventions considering human and technological factors (ICT)
- Anti-oppressive researcher (AOR) methods considering the roles factors such as race, class, gender, and geography can play institutional inequities
- Primary research focuses on how leaders in the US and EU conceptualize inclusion in an increasingly technology-mediated and globally connected world



WHY PARTICIPATION MATTERS NOW?



Arch Of Participation



DISRUPTING INSTITUTIONAL PATTERNS

Institutional patterns of participation tend to serve privileged populations and stakeholders at the expense of vulnerable ones, even with the best intentions. In worse cases, institutions invite citizen participation only after they have secured the interests of privileged stakeholders and the institution. We cannot honor our commitments to equity, inclusion, and democracy if we do not critically rethink our ideas, complicity, and practices around participation.

Participatory Budgeting

- **Notable References:** Porto Alegre (Brazil), NYC City Council, Food Coalition (CO), The World Bank, City of Seattle w/ KCEN
- **Action-Leaders:** Participatory Budgeting Project (<https://www.participatorybudgeting.org/>)
- **A Design-Intensive Undertaking:** Requires capacity building for both institutions and community stakeholders

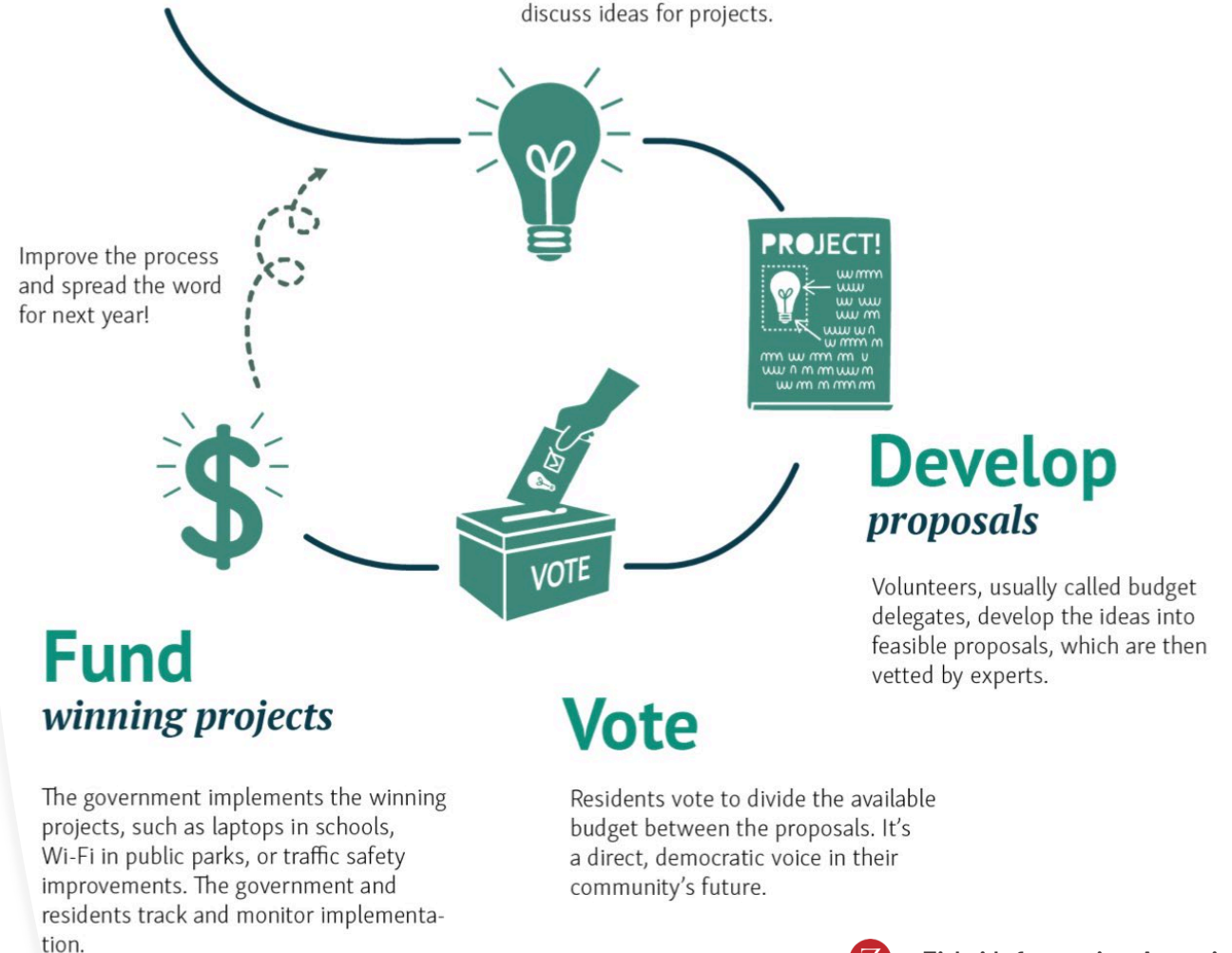
Graphic to the right taken from *Participatory Budgeting*. (2020, June 1). Organizing Engagement. <https://organizingengagement.org/models/participatory-budgeting/>

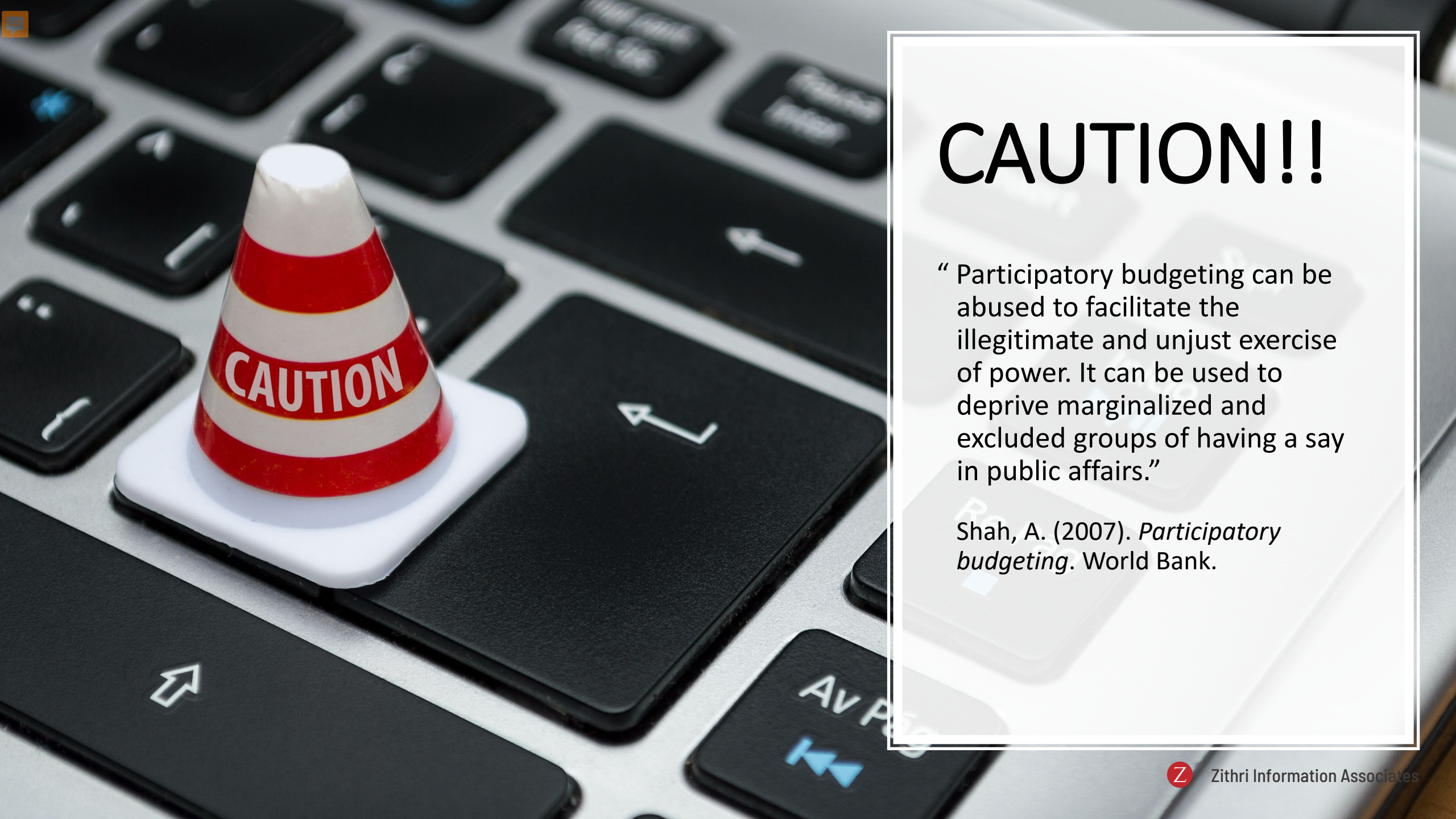
Design the process

A steering committee, representative of the community, creates the rules in partnership with government officials to ensure the process is inclusive and meets local needs.

Brainstorm ideas

Through meetings and online tools, residents share and discuss ideas for projects.





CAUTION!!

“ Participatory budgeting can be abused to facilitate the illegitimate and unjust exercise of power. It can be used to deprive marginalized and excluded groups of having a say in public affairs.”

Shah, A. (2007). *Participatory budgeting*. World Bank.



OUR APPROACH

- Design Research Methods Sprint (4-weeks)
- GOALS: Glean community ideas and representations toward iterative design of participatory methodology
- Board Selected Three Focus Areas
 - Restorative Justice
 - Ethnic, Black, and American Indian Studies
 - Dual Language
- Four meetings with focus groups w/ current state vs. future state analysis
- Elicited community representations on focus areas and the overall Participatory Budgeting Process



KEY FINDINGS

PB Process

- **INFORMATION ASYMMETRY:** Community needs PD & access to district information such that they can act as informed participants
- **STUDENT VOICE:** Multiple layers of student engagement

Restorative Justice

- **ADULT ACCOUNTABILITY:** A restorative process that allows teachers to be brought into circle and happens at building leadership level
- **CLARITY:** Definitions, staffing, roles, and resources.

Ethnic , Black, and American Indian Studies

- **EMOTIONAL LABOR SUPPORT:** This work is not simply curricular
- **COMPENSATE COMMUNITY:** Community are best source of direction and should be compensated
- **CLARITY:** Definitions, staffing, roles, and resources.

Dual Language

- **BUDGET:** Increase funding so there is a clear allocation to help schools with high ELL populations
- **STAFFING:** Allocate budget for proper recruitment and retention of DL staff. Impacts to continuity of learning in building from high turnover.

DISCUSSION & RECOMMENDATIONS

1

Form and fund year-long community PB steering group to develop strategy and implement for next budget cycle.

2

Bridge gaps across SPS participatory efforts (e.g., task forces, community advisories) by developing coherent **participatory framework and rubric**. Identify targets for participatory decision-making and resources.

3

Close feedback loop to PB participants in terms of budget decisions.





Thank you!



Zithri Information Associates

Participatory Budgeting Next Steps

- Feedback from Directors
- Formulation of a recommendation for each area
- Continuation of participatory budget process

FY21-22 Draft Budget Development Calendar

- **October 28, 2020** - Budget Work Session
- **November 16** thru December 16 Community Meetings
- **November 17, 2020** - Budget Work Session
- **December 9, 2020** – Budget Work Session
- **December 13, 2020** – Final WSS Changes determined
- **January 7, 2021** - Budget Work Session to review recommendations
 - Review WSS Changes
 - Review Overall major budget changes/agreement on budget
- **January 11, 2021** – Legislative session begins
- **January 13 to January 29** - Central budgets developed
- **January 20, 2021** – Budget Work Session
- **February 23, 2021** - Budget Allocations to Schools
- **March 3, 2021** - Budget Work Session
- **April 26, 2021** - Regular Legislative session ends
- **April 28, 2021** – Budget Work Session
- **May 3, 2021** - Final General Fund Balancing, Budget Book development
- **May 25, 2021** - Budget Work Session
- **June 7, 2021** - Board Action Report and Budget Resolution to A&F
- **June 9, 2021** - Budget Work Session
- **June 23, 2021** - Introduce Budget to Board
- **July 7, 2021** – Required Public Hearing
- **July 7, 2021** - Board Action to adopt school year 2021-22 budget





Budget Work Session

January 7, 2020

Seattle Public Schools is committed to making its online information accessible and usable to all people, regardless of ability or technology. Meeting web accessibility guidelines and standards is an ongoing process that we are consistently working to improve.

While Seattle Public Schools endeavors to only post documents optimized for accessibility, due to the nature and complexity of some documents, an accessible version of the document may not be available. In these limited circumstances, the District will provide equally effective alternate access.

For questions and more information about this document, please contact the following:

JoLynn Berge
Chief Financial Officer
BudgetOffice@seattleschools.org

Update on Participatory Budgeting Process, review 2021-22 projections and timeline, review and provide feedback on 21-22 budget solutions by major category and feedback on enrollment projections.

FY21-22 Estimated Financial Gap

| | |
|--|------------------------|
| Revenue & Other Resources | \$ 1,030,525,426 |
| Expenses | \$ (1,100,333,183) |
| | |
| Resource Gap | \$ (69,807,757) |
| | |
| Use of Prior year savings (unrestricted fund balance) | \$ 21,807,757 |
| | |
| Anticipated funding Gap to solve | \$ (48,000,000) |

Three Year Outlook and Options

FY21-22 Potential Solutions

| Estimated Gap of \$48m | Option A | Option B | Option C | Option D |
|--|---|---------------------------|--|---------------------------------|
| | No reduction to school allocations, use all savings | All areas have reductions | No reduction to economic stabilization | No reduction to capital funding |
| Economic Stabilization Fund | \$ 38,700,000 | \$ 18,000,000 | \$ - | \$ 15,000,000 |
| Reductions to District Programs | \$ 4,300,000 | \$ 10,000,000 | \$ 15,000,000 | \$ 15,000,000 |
| Use Capital Funding | \$ 5,000,000 | \$ 10,000,000 | \$ 10,000,000 | \$ - |
| Reductions to School Funding Allocations | \$ - | \$ 10,000,000 | \$ 23,000,000 | \$ 18,000,000 |
| Total | \$ 48,000,000 | \$48,000,000 | \$48,000,000 | \$ 48,000,000 |

Note: These examples are provided for discussion purposes only.

Three Year Outlook and Options

| Three Year Outlook | | | | |
|---|---------------------|------------------|-------------------|-------------------|
| General Fund Position over three years | Available resources | 2021-22 | 2022-23 | 2023-24 |
| Revenues | | \$ 1,030,525,426 | \$ 1,049,618,050 | \$ 1,066,551,553 |
| Expenditures | | \$ 1,100,333,183 | \$ 1,133,152,318 | \$ 1,167,146,887 |
| Resource Gap | | \$ (69,807,757) | \$ (83,534,268) | \$ (100,595,334) |
| *Assumption of revenues and expenditures being held constant is for illustration purposes only. | | | | |
| | | | | |
| Option A - minimize cuts, use savings and Capital | | | | |
| General Fund Position over three years | Available resources | 2021-22 | 2022-23 | 2023-24 |
| Revenues | | \$ 1,030,525,426 | \$ 1,049,618,050 | \$ 1,066,551,553 |
| Expenditures | | \$ 1,100,333,183 | \$ 1,132,044,561 | \$ 1,103,579,387 |
| Resource Gap | | \$ (69,807,757) | \$ (82,426,511) | \$ (37,027,834) |
| | | | | |
| Solutions | | | | |
| Annual underspend, which equals all of our available fund balance | \$ 20,000,000 | \$ 20,000,000 | \$ 20,000,000 | \$ 20,000,000 |
| Economic Stabilization Fund - one time | \$ 38,700,000 | \$ 38,700,000 | Nothing available | Nothing available |
| Capital Funds - may be one time | \$ 10,000,000 | \$ 10,000,000 | Nothing available | Nothing available |
| Total remaining gap | | \$ (1,107,757) | \$ (62,426,511) | \$ (17,027,834) |
| Reduction to District Programs | \$ 10,000,000 | \$ 1,107,757 | \$ 8,892,243 | \$ - |
| Reduction to School Allocations | \$ 40,000,000 | | \$ 53,534,268 | \$ 17,027,834 |
| | | | | |
| Total remaining gap | | \$ - | \$ - | \$ - |

Three Year Outlook and Options

| Three Year Outlook | | | | |
|---|---------------------|------------------|------------------|------------------|
| General Fund Position over three years | Available resources | 2021-22 | 2022-23 | 2023-24 |
| Revenues | | \$ 1,030,525,426 | \$ 1,049,618,050 | \$ 1,066,551,553 |
| Expenditures | | \$ 1,100,333,183 | \$ 1,133,152,318 | \$ 1,167,146,887 |
| Resource Gap | | \$ (69,807,757) | \$ (83,534,268) | \$ (100,595,334) |
| *Assumption of revenues and expenditures being held constant is for illustration purposes only. | | | | |
| Option B - all areas have reductions | | | | |
| General Fund Position over three years | Available resources | 2021-22 | 2022-23 | 2023-24 |
| Revenues | | \$ 1,030,525,426 | \$ 1,049,618,050 | \$ 1,066,551,553 |
| Expenditures | | \$ 1,100,333,183 | \$ 1,111,344,561 | \$ 1,102,958,387 |
| Resource Gap | | \$ (69,807,757) | \$ (61,726,511) | \$ (36,406,834) |
| Solutions | | | | |
| Annual underspend, which equals all of our available fund balance | \$ 20,000,000 | \$ 20,000,000 | \$ 20,000,000 | \$ 20,000,000 |
| Economic Stabilization Fund - one time | \$ 38,700,000 | \$ 18,000,000 | \$ - | \$ - |
| Capital Funds - one time? | \$ 10,000,000 | \$ 10,000,000 | \$ - | \$ - |
| Total remaining gap | | \$ (21,807,757) | \$ (41,726,511) | \$ (16,406,834) |
| Reduction to District Programs | \$ 10,000,000 | \$ 5,000,000 | \$ 5,000,000 | \$ - |
| Reduction to School Allocations | \$ 40,000,000 | \$ 16,807,757 | \$ 36,726,511 | \$ 16,406,834 |
| Total remaining gap | | \$ - | \$ - | \$ - |

How do we solve the rest?

| | | Percent of \$1.08m | Flexible | Percent of \$1,080m | |
|--|------------------|-----------------------|----------------|------------------------|----------------------|
| | | | | | |
| Total 2020-21 budget | \$ 1,080,904,739 | | | | |
| Deficit per pupil <small>est. 52,500 students</small> | \$ 1,330 | | | | |
| Total Deficit | \$ 69,807,757 | 6.5% | | 6.5% | |
| Central Office/Ops* | \$ 331,965,499 | 30.7% | \$ 112,291,648 | 10.4% | |
| Central Admin | \$ 60,508,767 | 5.6% | \$ 52,477,721 | 4.9% | |
| WSS/Schools** | \$ 567,645,564 | 52.5% | \$ 109,451,352 | 10.1% | |
| Total | \$ 960,119,830 | 88.8% | \$ 274,220,721 | 25.4% | |
| Reserves/Grants | \$ 120,784,909 | 11.2% | | | \$ 21,807,757 |
| Unrestricted fund | | | | | \$ 21,807,757 |
| Balance left to solve | | | | | \$ 48,000,000 |
| Balance to 2020-21 | \$ 1,080,904,739 | 100.00% | | | |
| *Includes grants | | | | | |
| **Only base allocation, no grants, self help, City or PTSA | | | | | |

Potential Two-year Options

| | Potential Solutions | Available | FTE | Recommended FY21-22 | For Illustration only, TBD FY22-23 |
|--|---|---------------|--------|----------------------|------------------------------------|
| | Economic Stabilization Fund Ending FY19-20 | \$ 38,700,000 | | \$ 19,400,000 | |
| | Economic Stabilization Fund Ending FY20-21 | \$ 19,300,000 | | | \$ 19,300,000 |
| | Use of Capital Funding | | | | |
| | Capital Fund coverage of GF maintenance | \$ 10,037,000 | | \$ 10,037,000 | |
| | Reductions to District Programs | | | | |
| | Infrastructure improvement resources | \$ 2,000,000 | | \$ 2,000,000 | \$ 2,000,000 |
| | Fall enrollment reserve | \$ 4,000,000 | | \$ 2,800,000 | \$ 2,800,000 |
| | School mitigation reserve | \$ 2,000,000 | | \$ 1,400,000 | \$ 1,400,000 |
| | Curriculum Funds not yet committed | \$ 954,212 | | \$ 954,212 | \$ 3,254,212 |
| | Curriculum Funds - 6-8 ELA | \$ 2,300,000 | | \$ 2,300,000 | |
| | Option School transportation | \$ 740,000 | | \$ 740,000 | \$ 740,000 |
| | Central Office reductions | | | \$ 2,128,293 | \$ 3,000,000 |
| | Strategic Plan reduction | \$ 6,234,071 | | | \$ 3,000,000 |
| | Reductions to School Funding Allocations | | | | |
| | Grade 4-12 increase class size by one student | \$ 6,240,495 | 43.4 | \$ 6,240,495 | \$ 6,240,495 |
| | Assistant Principals | \$ 17,637,046 | 92.50 | | \$ 5,879,015 |
| | House Administrators | \$ 716,440 | 5.00 | | \$ 358,220 |
| | High School Academic Intervention Specialist | \$ 1,447,270 | 11.00 | | \$ 723,635 |
| | High School Activity Coordinators | \$ 1,549,680 | 11.00 | | \$ 774,840 |
| | Clerical staff | \$ 19,665,110 | 211.50 | | \$ 4,916,278 |
| | Cert Core | \$ 2,256,225 | 17.00 | | \$ 2,256,225 |
| | School Supply dollars | \$ 7,645,068 | | | \$ 1,911,267 |
| | Equity Dollars | \$ 6,955,087 | | | \$ 1,738,772 |
| | Admin Funding for Sped Pre-school | \$ 851,525 | | | \$ 851,525 |
| | Credit Recovery funds | \$ 132,000 | | | \$ 132,000 |
| | Extra Funding for Head Start | \$ 83,550 | | | \$ 83,550 |
| | International Baccalaureate | \$ 465,560 | | | \$ 465,560 |
| | Above Model - Non-Traditional | \$ 1,077,111 | | | \$ 538,556 |
| | | | | \$ 48,000,000 | \$ 62,364,149 |
| | Additional reductions needed (surplus) | | | \$ - | \$ 1,170,119 |

| Other ideas | |
|--|----------------|
| Non-Traditional Schools - Rent | \$ 368,700 |
| Above Model - Middle School | \$ 447,674 |
| Reconfigure South Lake/Nova/Interagency | \$ 500,000 |
| Curriculum not included above | \$ 2,104,186 |
| Librarians | \$ 9,445,270 |
| Switch bell times back and return to three tier busing | est in process |
| Special education reconfigure program | \$ 20,000,000 |
| ELL reconfigure program | \$ 5,000,000 |
| Surface Water Fees | \$ 3,000,000 |

Current Status of FY21-22 Recommendation

| | | | |
|------------------------------------|-------------------------------------|-----------|-------------------|
| Identified Deficit | | \$ | 69,807,757 |
| | | | |
| Solutions | | | |
| | Use of Unrestricted Fund Balance | \$ | (21,807,757) |
| | | | |
| | Balance to solve | \$ | 48,000,000 |
| | | | |
| Options currently discussed | | | |
| | Use of Economic Stabilization Fund* | \$ | (19,400,000) |
| | Capital Fund Transfer | \$ | (10,037,000) |
| | Reductions to District Programs | \$ | (12,322,505) |
| | Reductions to Schools | \$ | (6,240,495) |
| | | | |
| | | \$ | - |

*Will require a repayment plan being developed

2021-22 District Level Recommendation

| | |
|--------------------------------------|----------------------|
| Option School Transportation | \$ 740,000 |
| Fall Enrollment Reserve | \$ 2,800,000 |
| School mitigation Reserve | \$ 1,400,000 |
| Infrastructure improvement resources | \$ 2,000,000 |
| Curriculum Funds 6-8 ELA | \$ 2,300,000 |
| Curriculum Funds not yet committed | \$ 954,212 |
| Central Office Reductions | \$ 2,128,293 |
| | \$ 12,322,505 |

2021-22 School Level Recommendation

For 2021-22:

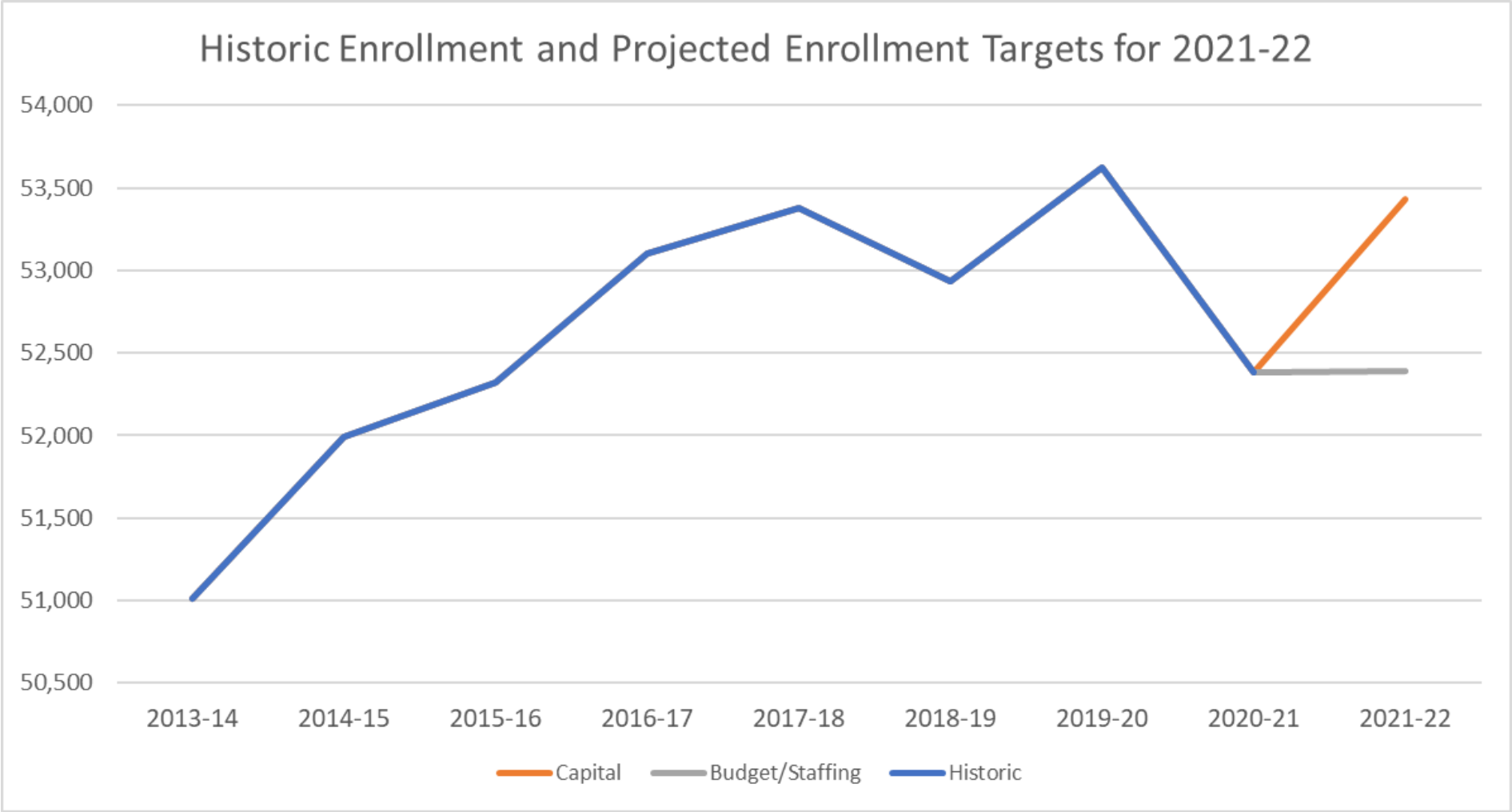
Increase class size by 1 student for Grades 4-12 - \$6,240,495

ENROLLMENT PROJECTIONS

2021-22 Projections Methodology

- 2020-21 enrollment data is expected to be an outlier due to the pandemic and remote learning.
- Enrollment Planning is using two models for 2021-22 projections given the uncertainty of whether all grades will return for in-person instruction in the fall.
- **In person instruction projection:** assumes return to in-person instruction and is mostly based on SPS Moderate projection model. This scenario assumes 350 additional Kindergartners are added who would have enrolled in 2020 but will enter 1 year late.
- **Remote instruction projection:** assumes continued virtual instruction to meet continued social distancing requirements and is based upon the 3-year average grade progression rates, two of which had net declines across the district. This scenario assumes 100 additional Kindergartners are added who would have enrolled in 2020 but will enter 1 year late.

Enrollment and Projection Trend



Enrollment and Projection Data

| | Enrolled Headcount |
|---|--------------------|
| 2019-20 Actual | 53,627 |
| 2020-21 Projected | 54,027 |
| 2020-21 Actual | 52,381 |
| 2021-22 In-Person Projected (Draft) | 53,435 |
| 2021-22 Remote Learning Projected (Draft) | 52,392 |

Recommendation

- Because of uncertainty with vaccination timelines, and no current vaccine for students, social distancing requirements are likely to continue in the Fall of 2021. This would require an A/B schedule and some learning to still be done remotely.
- Use the Remote Instruction model for February staffing. Reevaluate in June based on any new information.
- Use the In Person model for capital planning purposes.

Outcomes

1. Update on Participatory Budgeting Process
2. Review 2021-22 projections and timeline
3. Review and provide feedback on 21-22 budget solutions by major category
4. Feedback on enrollment projections



Questions?

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