



Board Special Meeting

Work Sessions: Student Outcomes Focused Governance and Planning/

2021-22 Fall Planning Prep; Budget

April 28, 2021, 4:30 pm – 7:30 pm

Meeting to be held remotely

[By Microsoft Teams](#)

By Teleconference: 206-800-4125 (Conference ID: 388 336 791#)

Agenda

Call to Order

4:30pm

**Work Session: Student Outcomes Focused Governance and Planning/
2021-22 Fall Planning Prep**

4:30 pm*

Work Session: Budget

6:00 pm*

Adjourn

7:30 pm*

IMPORTANT NOTE: This meeting will be held remotely without an in-person location per the Governor’s proclamation allowing public agencies to conduct meetings subject to the Open Public Meetings Act remotely 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 | April 28, 2021



Agenda

1. Finalize FY2021-22 solutions
2. Elementary and Secondary School Emergency Relief Funds (ESSER)
3. Economic Stabilization Fund
4. Potential enrollment restoration to schools
5. 2021 Legislative Session



SEATTLE
PUBLIC
SCHOOLS

Board Meeting

April 28, 2021

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

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Finalize FY2021-22 solutions, Elementary and Secondary School Emergency Relief Funds (ESSER), economic stabilization fund, potential enrollment restoration to schools and 2021 Legislative Session.

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)



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)
Use of ESSER Funds to cover FY21 staffing	\$	(19,400,000)
Capital Fund Transfer	\$	(10,037,000)
Reductions to District Programs	\$	(12,322,505)
Reductions to Schools	\$	(6,240,495)
	\$	-



Updated 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.

Current Proposed Solutions				
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	\$ 1,114,589,318	\$ 1,148,026,998
Resource Gap		\$ (69,807,757)	\$ (64,971,268)	\$ (81,475,445)

Solutions		Current Plan	Potential	
Annual underspend, which equals all of our available fund balance	\$ 20,000,000	\$ 21,807,757	\$ 10,000,000	\$ 10,000,000
Economic Stabilization Fund - one time	\$ 38,700,000	\$ -	\$ 19,400,000	\$ -
ESSER funds - one time		\$ 19,400,000	\$ 15,600,000	
Capital Funds - one time extended	\$ 10,000,000	\$ 10,037,000	\$ -	\$ -
Total remaining gap		\$ (18,563,000)	\$ (19,971,268)	\$ (71,475,445)
Reduction to District Programs	\$ 10,000,000	\$ 12,322,505	\$ -	\$ -
Reduction to School Allocations	\$ 40,000,000	\$ 6,240,495	\$ -	\$ -
Total remaining gap		\$ -	\$ (19,971,268)	\$ (71,475,445)



Elementary and Secondary School Emergency Relief Funds (ESSER)

ESSER Funds						
	FY19-20	FY20-21		FY20-21	FY21-22	Total
	ESSER I	ESSER II		ESSER III	ESSER III	ESSER III
Amount	\$ 10,709,835	\$ 41,396,439				\$ 92,971,000
Indirect	\$ 1,285,481	\$ 4,968,738				\$ 9,975,999
Direct resources available	\$ 9,424,354	\$ 36,427,701				\$ 82,995,001
Spend Plan	<i>All claimed Oct '20</i>	<i>Approved</i>		<i>Not Yet Approved</i>		
Covid costs-Tech/Custodians/supplies	\$ (9,424,354)					\$ -
Covid costs-PPE supplies				\$ (6,000,000)	\$ (3,200,000)	\$ (9,200,000)
Tech				\$ -	\$ (18,000,000)	\$ (18,000,000)
Staffing FY20-21		\$ (31,000,000)		\$ (3,450,353)		\$ (3,450,353)
Transportation backfill					\$ (19,500,000)	\$ (19,500,000)
Comp Ed - special ed				\$ (3,500,000)	\$ (6,500,000)	\$ (10,000,000)
Reopening - HVAC/HEPA filters/Custodial cleaning		\$ (5,500,000)			\$ (1,000,000)	\$ (1,000,000)
Summer school				\$ (3,000,000)	\$ (3,000,000)	\$ (6,000,000)
TA with SEA				\$ (5,800,000)		\$ (5,800,000)
21-22 learning loss					\$ (10,000,000)	\$ (10,000,000)
Balance	\$ -	\$ (72,299)				\$ 44,648

ESSER Funds Usage from FY20-21 Staffing

- Use \$35M to cover extra school and program staff in FY20-21
 - Replace planned \$19.4M of Economic Stabilization usage to balance FY21-22
 - Apply balance of funds, \$15.6M toward FY22-23 anticipated funding deficit
- \$19.4M of Economic Stabilization Funds now available to assist the FY22-23 deficit

Committed/Minimum Fund Balance Percent for FY20-21 Year End Planning

Economic Stabilization Fund	Percent	Dollars	Dollar Amount Change
FY 2017-18	3.00%	\$24,500,000	\$1,900,000
FY 2018-19	3.00%	\$27,600,000	\$3,100,000
FY 2019-20	4.00%	\$38,700,000	\$11,100,000
FY 2020-21	4.00%	\$38,700,000	\$0

Planning change to use ESSER Funds maintains the Economic Stabilization Fund at 4%



2021-22 Projections Methodology

- 2020-21 enrollment data is expected to be an outlier due to the pandemic and remote learning.
- Enrollment Planning used two models for 2021-22 projections given the uncertainty of whether all grades will return for in-person instruction in the fall.
- **Higher “Capital” Model:** assumes return to in-person instruction and is mostly based on SPS Moderate projection model.
- **Lower “Budget/Staffing” Model:** assumes continued virtual instruction and is based upon the 3-year average grade progression rates, two of which had net declines across the district.



2021-22 Projection Review (June)

- In line with historical practice, Enrollment Planning will review current student assignments at the beginning of June.
- Enrollment Planning will then adjust the projection with the assumption that more students may return in fall 2021 given the availability of vaccines.
- This will be reviewed by the Budget Office, and staffing adjustments will be made accordingly before the end of the school year.
- The current projected headcount for October 2021 is 52,165, and the June projection is anticipated to be higher.



Major Legislative Changes

- Increase in expected transportation funding allocations

Year	Previous Projection	Conference Budget	Funding Increase
2020-21	\$ 9,778,381	\$ 20,159,893	\$ 10,381,512
2021-22	\$ 19,040,965	\$ 33,064,730	\$ 14,023,765

- Increase in counselor allocation of 16.7 FTE for high poverty schools in FY22-23
 - K-5 (8.9 FTE)
 - 6-8 (3.8 FTE)
 - 9-12 (4.0 FTE)



Feedback

1. Use of ESSER Funds/Engagement
2. Economic Stabilization Fund
3. Potential enrollment restoration for schools



Questions?

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