



P&O Year Ahead — Jay Nitschke & Natasha Beery
December 14, 2020 — BSEP P&O Meeting

Prop 13 and the erosion of public school funding

Proposition 13 (officially the “People's Initiative to Limit Property Taxation”) is an amendment of the Constitution of California approved by California voters on June 6, 1978.

After Prop 13 was passed, public school funding based on property taxes in California declined dramatically. According to the 1986 Ballot H Argument, Berkeley School funding was 20% less in real terms (after inflation) in 1986 than in 1977.

First BSEP: Measure H of 1986

Starting from scratch, there was much debate about the Bylaws — as many as 9 members of the original P&O were attorneys. There were no precedents for a school funding measure.

At the time there was no measure supporting the Maintenance Department, so a significant amount of the measure went to School Maintenance.

Originally, each of the 4 purposes were kept in separate funds (rather than one Fund [04] with separate resources, as they are today):

- 04 Class Size & Maintaining program diversity
- 05 Site “Enrichment” Funds
- 06 Instructional Materials
- 07 Facilities Improvements

Class Size — There is no “Right” Size

There is nothing special about any specific class size — whether 20:1, 26:1, 28:1, 30:1 etc.

Class size research is sparse — and what there is, is quite old. The most quoted research is of a Tennessee study in the 1980's: Project STAR (Student/Teacher Achievement Ratio), which defined small class size as 13 to 17 students.

Measure A of 2006

“The goals for the class sizes to be achieved with these revenues are District-wide Average Class Sizes of **26:1** for grades K-5, **28:1** for secondary schools, and **18:1** for continuation high school and other opportunity programs. Average class sizes in **K-3** grades shall be reduced to **20:1** as long as state class size reduction funds are provided for that purpose at a level not less than currently funded by the State.”

Measure E1

In 2012, the state changed its K-3 class size reduction goals from 20:1 to **24:1**, and decreased the class size funding.

The District maintained its commitment to the **20:1** size through 2016 (the end of the BSEP Measure A), but that led to budget shortfalls in some of the other BSEP-funded programs. Page 2 programs were reduced, and some costs were picked up by the General Fund.

Measure E1 continued

After extensive community conversations, the decision was made to adjust our elementary grades to eliminate the 20/26 imbalance, beginning with the new BSEP measure in the 2017-18 year, with the goal of achieving a **school-wide** (rather than district-wide) average K-5 class size of **23** by the sixth year of the measure.

Our elementary class sizes are now smaller than almost every other school district in the area.

High Quality Instruction: 66%

- Reduced Class Sizes (\$15,364,700)
And Support for Teaching:
- Professional Development (\$1,800,000)
- Classroom Support (\$1,590,000)
- Program Evaluation BREA (\$608,000)
- Expanded Course Offerings (\$843,700)

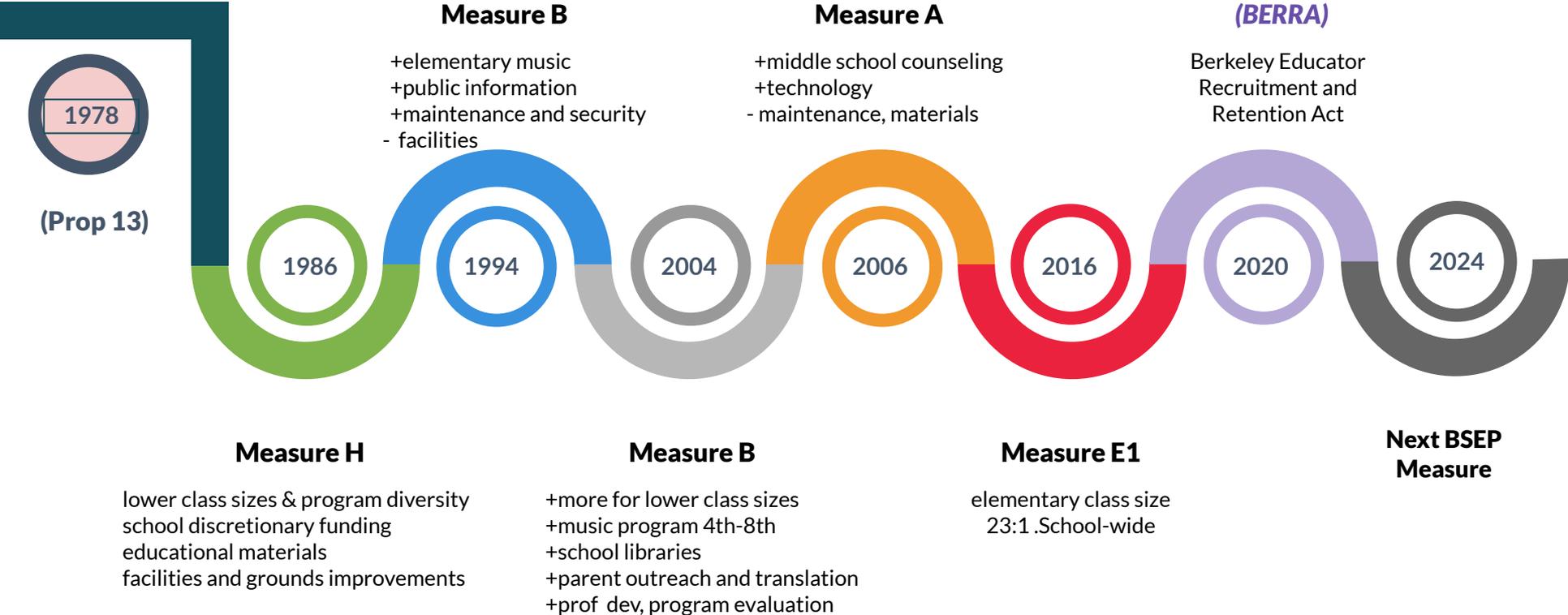
Essentials for Excellence

- School Site Programs (Dollars for Schools) 10.25% (\$3,251,000)
- Libraries 7.25% (\$2,300,000)
- Music/VAPA 6.25% (\$1,983,000)
- Instructional Technology 3.25% (\$1,031,000)

Effective Student Support 7% (\$2,200,000)



BSEP HISTORY



Summary

- Berkeley is fortunate to have BSEP/BERRA to support our schools
- Class size reduction is the largest cost in BSEP - pays for $\frac{1}{3}$ of teachers
 - Class size goals have varied over the course of the BSEP measures
- Other BSEP elements vary based on district need, funding sources
- Sustainability of BSEP funds is affected by both controllable and uncontrollable/less predictable factors, including:
 - Program needs, availability of other funding sources
 - Enrollment, COLA, staffing costs, state funding/LCAP, disasters

Jay's thoughts

One:

A school district budget is hugely complex, and Berkeley's budget is not the purview of the BSEP P&O (it is the School Board's). Those who want to understand the whole budget, understanding the time commitment, can follow the four key Board Budget presentations and other budget presentations:

- Adoption (June), First Interim (December), Second Interim (March), Unaudited Actuals (September)
- Superintendent's Budget Advisory Meetings (generally Jan–April)
- LCAP PAC

Jay's thoughts

Two:

2024 will be the next time when BSEP can make substantive changes. During the years leading up to 2024, think about which parts of BSEP you could change to achieve better student outcomes. In my mind, the class size targets should be reevaluated. (Note, sizes at elementary need to be held across all grades; you cannot make K lower than grade 5.)

Jay's thoughts

Two (continued):

Research class sizes at other districts. Note the relation of compensation and class size. For example, at high school of 3000 students, changing class size from 28 to 30 saves the cost of 8.5 teachers, which is roughly \$1,000,000.

Could those teachers, or those resources, be used differently to enhance outcomes, or increase compensation?

Jay's thoughts

Three:

This is as far as the Berkeley taxpayers are going to go.

For my house, bought in 1997 for \$365,000

- BSEP: \$1011 (based on size of house)
- BERRA: \$307 (based on size of house)
- Maintenance (H) \$225 (based on size of house)
- Bonds: \$547 (this year 0.1% of value, allowed to be 0.14%)

TOTAL: \$2090 - about 20% of total tax bill