



## **Audit Committee Meeting**

**Date:** June 22, 2021

**Time:** 3:30-5:00pm via Zoom

**Facilitator:** Pauline Follansbee

## **In Attendance**

Laurie Snowden, Isaiah Roter, Dan Lindheim, Pauline Follansbee, Elizabeth Karam, Laura Babbitt, Kadijah Brown

Members absent: None

Call to order was made by Laurie Snowden and Quorum was established

## **Approval of Minutes**

No minutes from previous meeting.

## **Public Comments**

No public comments

## **Assistant Superintendent Comments**

Preliminary budget at board meeting, slight change in numbers and forms, it was another budget adjustment. Lot of work and long days, Saturday, Sunday. We incorporated the board changes into the budget, rerunning forms and tying in final budget yesterday now online, taking you through the changes prior to this adoption.

## **New Business – Adopted Budget**

- ✓ Cost included in Budget – Budget Road Map
- ✓ Changes since Preliminary – Variance Report
- ✓ Focus includes: Managing Enrollment and ADA and UPC, Multi Year Plan
- ✓ Resolution on Budget Reductions
- ✓ Public Hearing on Reserves
- ✓ Next Steps

Cost included in Budget:

Restorative Restart Grants \$2M to sites (they had to apply for these discretionary funds that meet the goals of the grant.)

Pilot seven day for Longfellow \$200.000

Data integration specialist (BREA) \$130,000

Technology replacement and refurbishment of Chromebooks \$550,000

Special Education Summer Assessments \$180,000

Graduation Cost \$167,000

Total of as of May 5 \$897,000

Total Covid approved expenses \$3,227,000.

### Board/Superintendents Budget Priorities:

Built into budget from unrestricted general fund and Covid funds. Several request in terms of positions and programs we wanted to fund. We were asking for these three positions reduction in LCAP or reorg of BSEP unfunded and staffed with no layoff. African American success, (\$153,000 reduction in LCAP) BTA Administrator (\$71,000 .5 FTE reduction in LCAP) and BTA counselor (\$58,063 BSEP reduction)

Other programs funded LPBG decided to put-on one-time funding (used Covid Funding for these positions.) Total \$282,063

### Changes since Preliminary – Variance Report

No change to LCFF revenue, or expenses would have gone up.

No change to transfers or cost contribution out. (SPED net changes \$841 reduction significant one-time prior year cost for mental health. Don't expect to have it again, program evaluation in progress.

Deficit spending by \$2.3M (beginning fund balance \$4.5M) Ending fund balance of \$2.2M

### Resolution on Budget Reductions

Will need budget adjustment increase revenue or decrease expenditures \$4.5M in 2022-23 additional \$300K in 3<sup>rd</sup> year. The county asked us to list of items we are going to reduce (see appendix A in presentation 1:11 zoom) County asked for resolution on reserve.

### Summary on reserves

	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
Unrestricted Ending Fund Balance (Funds 1-8)	\$ 11,160,432	\$ 8,897,023	\$ 9,307,298
Minimum Reserve Level (3%)	\$ 5,721,860	\$ 5,347,207	\$ 5,386,757
Amount in excess of the Reserve Level	\$ 5,438,572	\$ 3,549,816	\$ 3,920,541
Add Fund 17 Reserves	\$ 3,921,046	\$ 3,932,809	\$ 3,944,608
Total in excess of the reserve level	\$ 9,359,618	\$ 7,482,625	\$ 7,865,149
Assigned and Unassigned Amounts			
Revolving Cash	\$ 100,000	\$ 100,000	\$ 100,000
Restricted Unspent Parcel Taxes	\$ 7,359,946	\$ 6,138,824	\$ 6,105,921
Unspent Supplemental LCAP Balance	\$ 800,000	\$ 690,000	\$ 580,000
Fiscal Prudency	\$ 1,099,675	\$ 539,254	\$ 1,064,445
	\$ 9,359,621	\$ 7,468,078	\$ 7,850,366

## **Next Steps:**

Governors Adopted Budget, may be additional funding for STRS/PERS. Schools are submitting before Governors adopted budget from the state. 45-day revision if amendment is needed. working with committees regarding budget.

Structural deficits in our budgets major parts is hoping enrollment returns to pre-pandemic levels we are losing 400 students \$10K per ADA, LCF \$4M working with enrollment team. Suspect we will be back on track but unsure.

## **MYP with and without one- times**

Revenue projections were calculated using the (FCMAT) LCFF calculator and are based on the Governor's 2021-22 May Revise Budget. The ACOE is requiring districts to provide two multi-year scenarios, one with and one without one-time funds. (see attachments for detail on MYP with and without)

## **Meeting adjourned at 5:10 pm**

### **Action Items**

Send Covid Workbook to Committee

Look at ways to cut cost- cost benefit analysis - full inclusion model

PTA pool

Increase numbers in attendance

Addressing supplemental shortfall (families to complete alternative enrollment form )

Inter-district transfer policy (no cap) balance against political impact of non-Berkeley students benefiting from parcel tax.

Adopted budget can be found @

<https://www.berkeleyschools.net/departments/business-services-division/>