



Beverly Hills
Unified School District

CREATING A WORLD CLASS EDUCATION

Achieving Long-Term Financial Sustainability

February 16, 2017
Budget Study Session

Beverly Hills Unified School District

Mission:

The mission of the Beverly Hills Unified School District is to inspire and enable each student to achieve academic excellence and meet the goals of college and career readiness.

Vision:

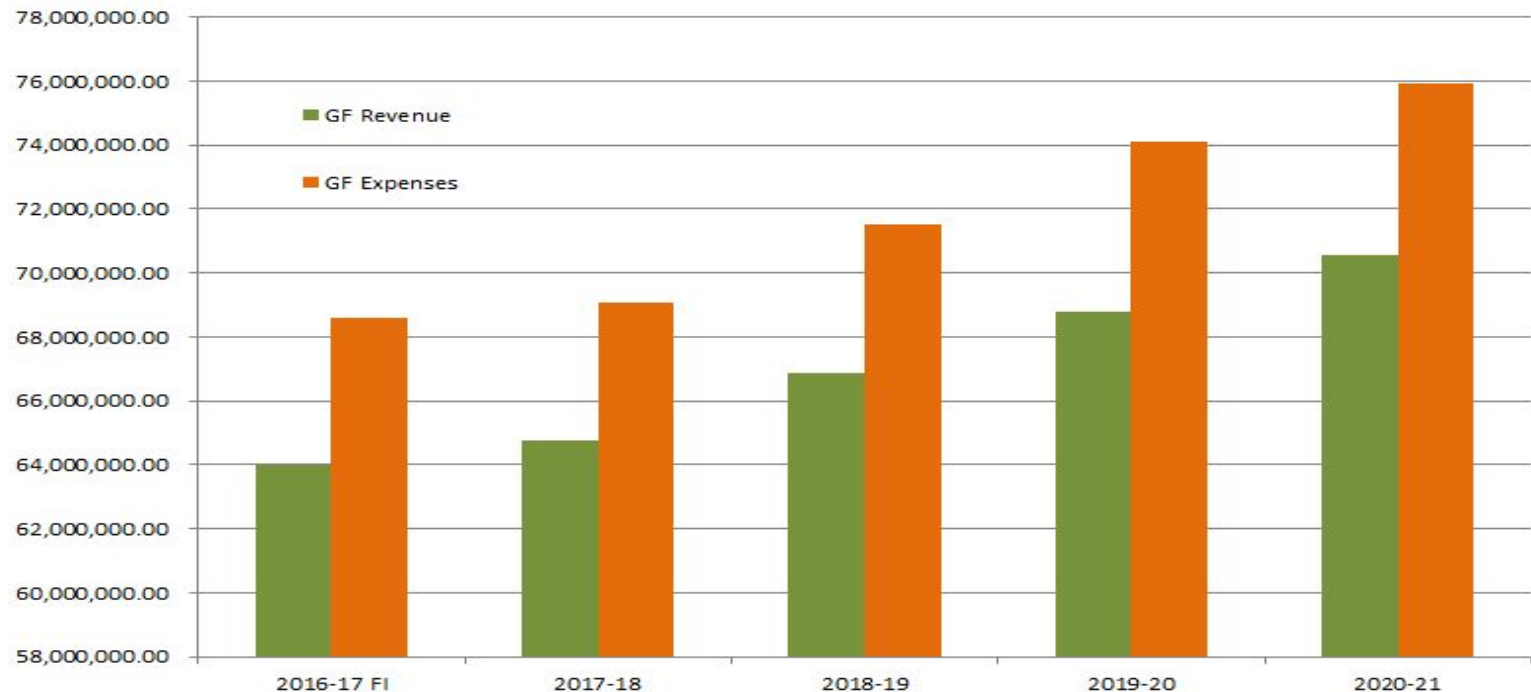
Through a safe and supportive environment, every student will engage in a rigorous and enriching quality education, and will be prepared to thrive in a complex, changing world.

Current Situation

- BHUSD is on an **unsustainable financial path**
- High number of staff relative to student population
- Considerable reductions have been made over the years
- We are at a tipping point

Projected Revenue and Expenditures = Deficit Spending

	2016-17 FI	2017-18	2018-19	2019-20	2020-21
GF Revenue	63,995,411.00	64,748,588.00	66,883,787.00	68,795,748.00	70,559,869.00
GF Expenses	68,619,863.00	69,066,808.00	71,533,605.00	74,097,097.00	75,913,527.00
GF Net Change	(4,624,452.00)	(4,318,220.00)	(4,649,818.00)	(5,301,349.00)	(5,353,658.00)



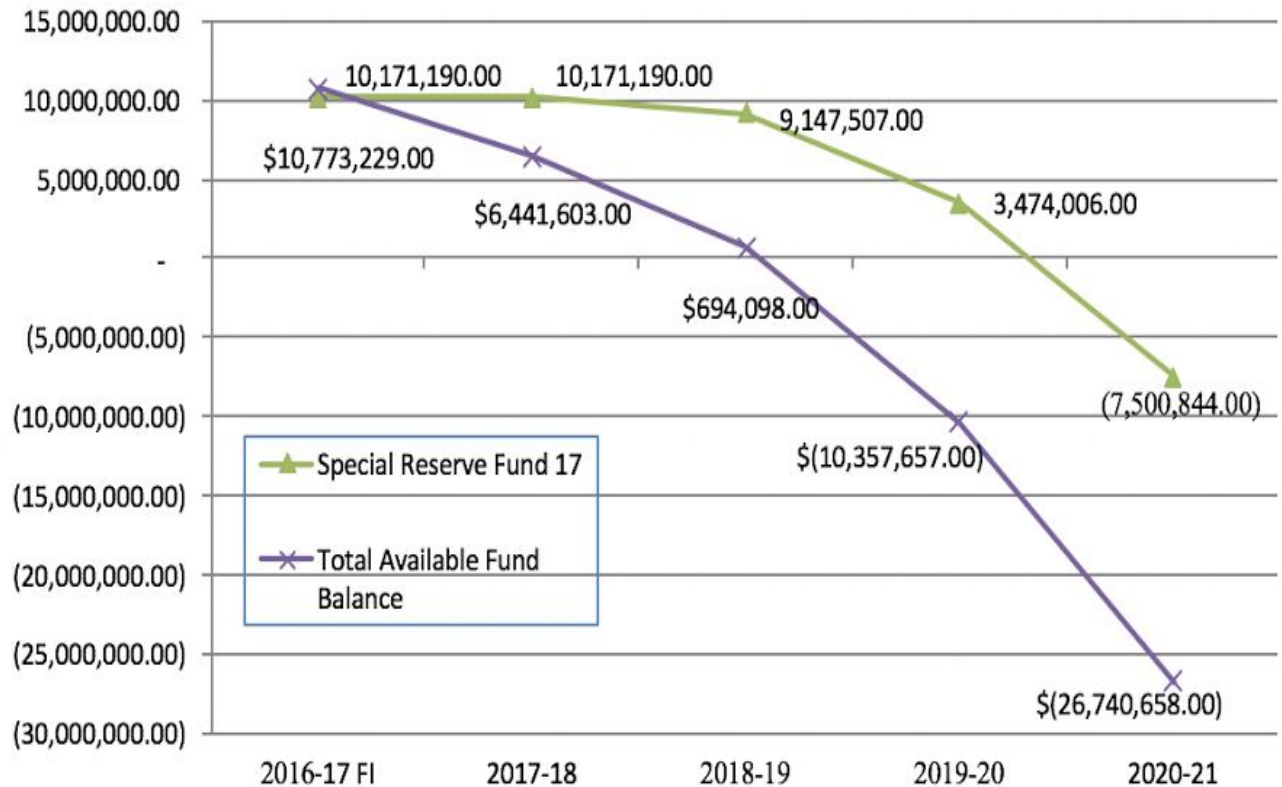
Current Budget & MYP Fund Balance Erosion WITHOUT Budget Reductions

First Interim Reporting - Multiple
Years of Deficit Spending

Impact on Reserve:

- 16/17 Reserves @ 20%
- 17/18 Reserves @ 19%
- 18/19 Reserves @ 17%
- 19/20 Reserves @ 9%
- 20/21 Reserves @ 3%

District Reserve Limit Policy
Needed

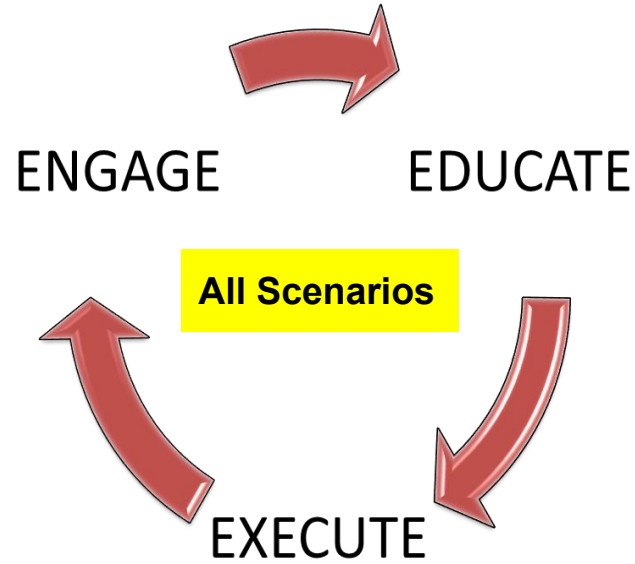


Board Charge

- Reduce annual spending up to \$5 million beginning in the 2017-2018 school year
- Analyze future financial projections
- Explore program reductions to meet target budget



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Scenario #1

Scenario	Estimated Savings (\$MM)
No Cuts	\$0.00
TOTAL Savings	\$0.00

Impact of Scenario #1

- Engaging the community in a detailed process - Educational Program Review Technique (EPRT)

Scenario #2

Scenario	Estimated Savings (\$MM)
Total FTE K-8: 8.5	\$850,000
Total FTE 9-12: 4.6	\$460,000
TOTAL Savings	\$1,310,000

Impact of Scenario #2

- Reductions are based on declining enrollment. Enrollment may increase, and these reductions are therefore subject to change.
- Layoffs projected in English, Social Studies, and PE. We will lose high quality teachers.
- Some teachers may have to travel between two schools at the K-8s, which limit master schedule flexibility based on the availability of the traveling teacher.

Scenario #3

Scenario	Estimated Savings (\$MM)
HS Classified	\$60,000
Tech Teachers Reduce 50%	\$200,000
Enrollment Reductions	\$1,310,000
Intervention - Reduce by 50%	\$480,000
TOTAL Savings	\$2,050,000

Impact of Scenario #3:

- Layoffs projected in English, Social Studies, and PE. We will lose high quality teachers and support staff.
- Some teachers may have to travel between two schools at the K-8s, which limit master schedule flexibility based on the availability of the traveling teacher.
- Decisions to be made regarding which intervention program to be cut. Data results are too limited to make a decision based on overall effectiveness.

Scenario #4

Impact of Scenario #4:

Scenario	Estimated Savings (\$MM)
1 HS Counselor	\$120,000
HS Classified	\$60,000
Tech Teachers Reduce 50%	\$200,000
Enrollment Reductions	\$1,310,000
Intervention - Reduce by 50%	\$480,000
TOTAL Savings	\$2,170,000

- Layoffs projected in English, Social Studies, and PE. We will lose high quality teachers and support staff.
- Some teachers may have to travel between two schools at the K-8s, which limit master schedule flexibility based on the availability of the traveling teacher.
- Decisions to be made regarding which intervention program to be cut. Data results are too limited to make a decision based on overall effectiveness.
- Fewer HS counselors may result in losing our momentum on gains in college and career readiness.

Scenario #5

Scenario	Estimated Savings (\$MM)
2 Counselors	\$240,000
HS Classified	\$60,000
4 MS Tech/STEM	\$400,000
Enrollment	\$1,310,000
Intervention	\$480,000
GATE	\$80,000
Increase TK-3 Class Size to 29	\$600,000
MS Instrumental Music	\$200,000
Library Techs	\$82,000
TOTAL Savings	\$3,452,000

Impact of Scenario #5:

- Layoffs projected in English, Social Studies, and PE. We will lose high quality teachers and support staff.
- Some teachers may have to travel between two schools at the K-8s, which limit master schedule flexibility based on the availability of the traveling teacher.
- Decisions to be made regarding which intervention program to be cut. Data results are too limited to make a decision based on overall effectiveness.
- Fewer HS counselors may result in losing our momentum on gains in college and career readiness.
- Increased class size requires Board Policy change and an additional MOU through Dec.
- MS Instrumental cuts could result in a smaller HS Instrumental program
- Cuts to too many MS electives may result in increased master schedule challenges
- Cuts to Library Techs require an analysis of the contract

Master Schedule Complications:

A teacher's schedule is impacted by a number of factors: maximum teaching minutes (1350), the needs of the district, curricular offerings, the schedules of other staff, particularly part time and specialist staff...and the list goes on. Our K-8 configuration contributes to our overall low enrollment, which exacerbates scheduling. Several examples highlight complications:

Example: Middle School ELA/Math: Regular, honors, intervention = low grade level enrollment. Hiring a teacher for only 2 sections is unlikely. Combining programs at two K8s allows a teacher to teach 4 periods and drive for one period, which is also undesirable.

Example: Low Enrollment Music Courses: Hiring a part time teacher is challenging during a statewide teacher shortage, and it reduces K-12 opportunities in performing arts. Ensuring a robust Arts program is almost impossible with part time teachers.

Master Schedule Complications - A Snapshot:

BHHS Notes:

Some of these classes are special education

One choral, one theater and one instrumental teacher = low elective enrollment

1-2 sections of some APs

Art and FL classes doubled up

Thtr Art Wkshp7/8	7
Am. Govt7/Econ8	7
General Study	7
Tennis Team V	7
Basketball Tm Vr G	7
Men's Choir	8
English 1/2	8
English 3/4	8
TV Tech	8
English 1/2	9
Spanish 1/2	9
General Study	9
Life Skills	9
Foundtns of PE	9
Volleyball Tm-Fr	9
Studio Art H	10
TV Prod Wrkshop	10
Hebrew 1/2	10
English 7/8	10
English 5/6	10
Algebra 1/2	10
Int Alg-Trig	10
General Study	10
General Study	10
English 5/6	10
AP Chemistry	10
Journalism Beg	10
Broadcast Journ	10
Thtr Art Wkshp7/8	11
English 5/6	11
AP French	11

CO	TS
Study Skills	3
Spanish 1	7
English Support	7
English Learner	7
English 6	9
Study Skills	9
Orchestra Adv	9
English 7	10
Math Support	12
Music Apprec	13
Band: Beginning	13
Soc Stud 7	14
French 1/2	14
Math 7	15
English 8	15
Math 8	16
Homeroom 6-8	16
Soc Stud 7	17
Spanish 2	17
English 7 Hon	17
English 8	17
Math 6	17
Homeroom 6-8	17
Science 8	17
Yearbook	17
Math 7 Honors	18
Homeroom PK-5	18
Orchestra: Beg	18
Homeroom PK-5	18

K8 Notes:

Intervention, EL, Honors, and Regular = low enrollment in a grade level

French: one teacher who travels to 4 schools

One Instrumental teacher/site = low elective enrollment

Future Considerations

Example: JPA with City of Beverly Hills: Review the agreement language and conduct thorough cost/benefit analysis

Example: Academies: Academies are a vision for our future and we should invest in thoughtful planning with integrity and purpose.

Example: Special Education: Maintenance of Effort/Program Effectiveness requires a detailed analysis by a Special Education Director - To Be Hired

Example: Athletics: A program analysis is needed to reflect such factors as declining enrollment and rising transportation costs.



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TOP DOWN

**Top
Down**

- Committee Members Develop Options
- Broader Community Offers Feedback
- Committee Recommendation to Administration
- Administration Recommendation to the Board
- Board Takes Action

BOTTOM UP

**Bottom
Up**

- Administration Makes Recommendation
- Board Takes Action

Continuing the Conversation 2/16/17

- What are the Board of Education drivers?
 - Finances (how much \$?)
 - Educational Programming (what cuts?)
 - Stakeholder & Community Support
 - Rate of change
- By reviewing the scenarios in the presentation, to what extent does the Board want to implement cuts for the 2017-18 school year?