

**Burbank Unified School District
Administrative Services**

REPORT TO THE BOARD

TO: Members of the Board of Education

FROM: Debbie Kukta, Assistant Superintendent, Administrative Services

PREPARED BY: Debbie Kukta, Assistant Superintendent, Administrative Services

SUBMITTED BY: Ruthie DiFonzo, Senior Administrative Assistant

DATE: June 23, 2021

SUBJECT: Approval of the Updated Fiscal Stabilization Plan Required by Los Angeles County Office of Education (LACOE) Based on the Adopted 2021-2022 Budget

Background:

The Los Angeles County Office of Education (LACOE) is requiring the District to approve a Fiscal Stabilization Plan based on its Adopted Budget 2021-2022. The plan should be based on the most current information available as well as unfavorable assumptions to demonstrate the District's ability to address adverse scenarios.

Discussion/Issues:

In the letter to the Board President dated April 15, 2021, LACOE concurred with the District's positive certification in the Second Interim Report. However, concern was expressed regarding the projected trend of deficit spending and its impact on the District's ability to maintain the required reserve for economic uncertainty levels in future years. Because of the impact of these potential shortfalls, LACOE specifically requires an updated Fiscal Stabilization Plan that provides the implementation status of planned reductions, alternative options for contingent expenditure reductions and specific revenue enhancements with the 2021-2022 Adopted Budget.

The Fiscal Stabilization Plan that has been implemented thus far is attached. (Attachment A)

Due to COVID-19, Districts across the State received emergency one-time funding from Federal and State sources in order to help mitigate Learning Loss, as well as address health and safety concerns such as the procurement of personal protective equipment (PPE) and supplies for sanitizing and cleaning facilities. The funds can also be used for current expenditures of staff who are being utilized not only for learning loss interventions, but for those who are being used for a substantially different use due to the pandemic. Subsequently, using these restricted funds in lieu of unrestricted general funds, provides relief of general fund expenditures where personnel, materials, supplies and services were charged. Since Second Interim, additional COVID one-time funds are projected to be allocated to School Districts. The total of one time funds Burbank USD is projected to received is \$42,331,332.

In the multi-year projection, using COVID one-time funds in the current 2021-2022 and two out years, the following assumption of personnel who are typically part of unrestricted expenditures, are able to utilize one-time COVID funding. This relief, along with the increase in COLA projected with the Governor's budget from a 0% COLA in fiscal years 2021-2022, 2022-2023 and 2023-2024 to 5.07%, 2.48% and 3.11% respectively, and the reductions the district has already implemented from its prior Fiscal Stabilization Plan (Attachment A), allow Burbank to meet its required 3% reserve for economic uncertainty in the current and following two fiscal years.

It is important to note that this relief is one time. Once the funds are expended in 2023-2024, personnel, materials and services which utilized one-time COVID funds, are now back to being spent out of unrestricted general funds. This provides Burbank time to evaluate its expenditures and encourage families to return to its distinguished campuses.

Fiscal Impact:

As stated above.

Recommendation:

Debbie Kukta, Assistant Superintendent, Administrative Services, recommends that the Board of Education approve the updated Fiscal Stabilization Plan, as presented.

Attachment A: Fiscal Stability Plan of Implemented Reductions

Implemented Fiscal Stability Plan	2020-21	2021-22	2022-23
Management	\$423,000	\$423,000	\$423,000
• Program Specialist			
• Supervisor M&O			
• Assistant Principal – Miller Elementary			
Certificated	\$966,000	\$966,000	\$966,000
• Elementary PE Teachers – 5.0 FTE			
• Elementary Music Teachers – 3.0 FTE			
• TOSA – 2.0 FTE			
• Assistive Tech TOSA - .20 FTE			
• Increase Class Size	\$1,464,593	\$1,464,593	\$1,464,593
• Teacher Single Subject – 10.0 FTE			
• Teacher Multiple Subject – 3.0 FTE			
Classified	\$195,630	\$195,630	\$195,630
• District Office Attendance Technician – 1.0 FTE			
• Tech Support Specialist – 1.0 FTE			
• Employee Benefits Tech - .5 FTE			
Move Pre-Service Day to Supplemental Funding	\$200,000	\$800,000	\$800,000
Reduce Deferred Maintenance	\$400,000	\$400,000	\$400,000
Reduce Career Tech Ed Program	\$250,000	\$250,000	\$250,000
Total Reductions as of Second Interim	\$3,899,223	\$4,499,223	\$4,499,223

One-Time COVID Funding Overview	2020-21	2021-22	2022-23
Certificated personnel such as additional hours for staff for extended learning and stipends	\$7,506,965	\$7,180,882	\$2,293,814
Classified personnel such as additional hours for staff for extended learning and stipends	1,341,527	989,951	94,476
Benefits for the personnel above	2,364,430	2,575,468	219,421
Books and Supplies such as additional curriculum, materials and technology to meet the Board of Education and District's goal of one to one technology, personal protective equipment, MERV-13 filters and facility supplies to repair window and ventilation	3,739,588	1,587,848	175,000
Services such as facilities HVAC, window and ventilation repairs and Special Education services for student supports and interventions due to learning loss	4,151,681	3,076,932	415,400
Capital Outlay for facilities ventilation and HVAC repairs and upgrades	61,995	948,800	-0-
Indirect	435,286	919,187	531,922
Food Services meal distribution support	964,762		
Total	\$20,566,234	\$17,279,068	\$3,730,033