AGENDA SPECIAL MEETING
WEDNESDAY, MAY 13, 2020
4:30 P.M. (OPEN SESSION)

In accordance with Executive Order N-29-20 Paragraph 3, the May 13, 2020 Special Board of Education meeting will be held via teleconferencing and will be available for all members of the public seeking to observe via http://go.fresnounified.org/ustream/, or on the Ustream App on your Android or Apple device, Comcast Xfinity Channel 94 and AT&T U-Verse Channel 99, or through the following teleconference line:

Teleconference Line - English
Dial in: +1 559-512-2623 Passcode: 141 945 774#

Teleconference Line – Spanish
Dial in: +1 559-512-2623 Passcode: 281 959 252#

Individuals who wish to address the Board may do so by:

- Submitting an email to publiccomment@fresnounified.org; or
- Leaving a voice message by calling 559-457-6222 (voice message will be transcribed).

Please include your name, agenda item number or subject matter being addressed, along with a 250-word description of the subject matter being addressed. Emails and voicemails received by no later than 12:00 p.m. on May 13, 2020 will be part of the record for the Board’s information and/or discussion, will be posted on www.fresnounified.org/board and will be included in the minutes. Please note, consistent with Board Bylaw 9323, any statements submitted for public comment that are inappropriate in nature, including, but not limited to statements that are obscene, threatening or substantially disruptive to school operations, will either be redacted, or will not be posted.

In compliance with the Americans with Disabilities Act, those requiring special assistance to access the teleconference line and/or the electronic platform, to access written documents being discussed at the Board meeting, or to otherwise participate at Board meetings, please contact the Board President or Board Secretary at 559-457-3727. Notification at least 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to the Board meeting and to provide any required accommodations.

Public materials are available for public inspection at www.fresnounified.org/board.

Pursuant to Government Code Section 54953 (b)(2), all action taken during this teleconferenced meeting shall be by roll call vote.
*4:30 P.M.
CALL Meeting to Order

1. Present and Discuss the 2020/21 Strategic Budget Development
   The 2020/21 Governor’s Proposed Budget was released on January 10, 2020. The Board of Education has discussed the Governor’s proposal and the potential impacts on Fresno Unified, as well as the strategic budget development process, at the following Board of Education meetings: January 15, 2020, January 29, 2020, February 12, 2020, February 26, 2020, March 04, 2020, April 01, 2020, April 15, 2020 and May 06, 2020. Fiscal Impact: Not available at this time. Contact person: Ruth F. Quinio.

UNSCHEDULED ORAL COMMUNICATIONS
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Members of the public with questions on school district issues may submit them in writing. The Board will automatically refer to the Superintendent any formal requests that are brought before them at this time. The appropriate staff member will furnish answers to questions.

ADJOURNMENT

NEXT REGULAR MEETING
WEDNESDAY, MAY 20, 2020
Special Board Meeting: 2020/21 Strategic Budget Development Phase VII - Preliminary Recommendations
Outline

- Budget Development Timeline
- Department Budget Reviews
- Budget Recommendations Summary
- Examining Revenue Impacts
- Proposition 98 Projected Revenue Loss – State
- Budget Toolkit – State
- State Fiscal Crisis – Potential Approaches
- Budget Toolkit – Fresno Unified
- Board Inquiry
- Upcoming Discussions
Budget Development Timeline

Budget Development Updates:
- LCAP abridged template due December 2020
- Upcoming May Revise will adjust the Governor’s Proposed Budget

January
- Governor’s Proposed Budget
- Staffing Parameters
- School Site Allocations

February - April
- Stakeholder Input*
- Budget Presentations*

May
- Budget Presentations*
- Governor’s May Revise

June
- Budget Hearing / Adoption*
- LCAP Summary Report*
- SPSA Approval

Fall 2020
- Anticipated State Budget Revision*

December 2020
- Updated LCAP Template Due*

* Process and timing altered based on pandemic

2020/21 Strategic Budget Development

05/13/20
DEPARTMENTS PLANNED FLAT
NO STAFFING CHANGES

BUDGET
(Revised based on Governor’s May Revise)

DEPARTMENTS PLANNED FLAT
WITH STAFFING CHANGES

DEPARTMENTS
WITH PLANNED INCREASES OR EXPANDED NEEDS
Departments Planned Flat – No Staffing Changes

<table>
<thead>
<tr>
<th>Department</th>
<th>Budget</th>
<th>FTE</th>
</tr>
</thead>
<tbody>
<tr>
<td>GATE, AP, IB</td>
<td>$1.6 million</td>
<td>8.6 FTE</td>
</tr>
<tr>
<td>LIBRARY SERVICES</td>
<td>$9.6 million</td>
<td>110.0 FTE</td>
</tr>
<tr>
<td>LEADERSHIP DEVELOPMENT</td>
<td>$1.0 million</td>
<td>3.0 FTE</td>
</tr>
<tr>
<td>CLASSIFIED DEVELOPMENT</td>
<td>$0.9 MILLION</td>
<td>2.0 FTE</td>
</tr>
</tbody>
</table>

Note: Recommendations are tentative, pending Governor’s May Revise
Departments Planned Flat –
One no Staffing Changes, One with Staffing Changes

**FOOD SERVICES**
- $57.6 million
- 396.8 FTE

**TRANSPORTATION SERVICES**
- $20.2 million
- 110.0 FTE

**FTE Restructure:** 0.0 FTE
- Bus Driver Trainer (1.0 FTE)
- Dispatcher 1.0 FTE

**Other Considerations:**
- First Student Contract (Previously contemplated in the multi year) +$260,000 ongoing

Note: Recommendations are tentative, pending Governor’s May Revise
Departments Planned Flat –
Three with no Staffing Changes, one with Staffing Change

<table>
<thead>
<tr>
<th>Department</th>
<th>Budget</th>
<th>FTE</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADULT EDUCATION</td>
<td>$8.7 million</td>
<td>68.4 FTE</td>
</tr>
<tr>
<td>TEACHER DEVELOPMENT</td>
<td>$9.6 million</td>
<td>41.0 FTE</td>
</tr>
<tr>
<td>ENGLISH LEARNER SERVICES</td>
<td>$8.3 million</td>
<td>44.4 FTE</td>
</tr>
<tr>
<td>CURRICULUM AND INSTRUCTION</td>
<td>$8.8 million</td>
<td>43.0 FTE</td>
</tr>
</tbody>
</table>

FTE Restructure: (0.5 FTE)
• Vice Principal on Special Assignment: (0.5 FTE)

Note: Recommendations are tentative, pending Governor’s May Revise

2020/21 Strategic Budget Development

05/13/20
## Budget Recommendations Summary

<table>
<thead>
<tr>
<th>Department</th>
<th>One-Time</th>
<th>Ongoing</th>
<th>FTE</th>
</tr>
</thead>
<tbody>
<tr>
<td>GATE / AP / IB</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Library Services</td>
<td></td>
<td></td>
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<tr>
<td>Leadership Development</td>
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<tr>
<td>Classified Development</td>
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<tr>
<td>Adult Education</td>
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<td></td>
</tr>
<tr>
<td>Teacher Development</td>
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<td></td>
<td></td>
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<tr>
<td>English Learner Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Curriculum and Instruction</td>
<td></td>
<td></td>
<td>(0.5)</td>
</tr>
<tr>
<td>Food Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transportation</td>
<td></td>
<td>$260,000</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>$260,000</td>
<td>(0.5)</td>
</tr>
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05/13/202020/21 Strategic Budget Development
Examining Revenue Impacts – Losses, Duration and Trajectory

**V-Shaped Recession**
Sharp downturn with a quick, pronounced, recovery

**U-Shaped Recession**
Sharp downturn with a persisting level of depressed level of activity followed by a pronounced recovery

**L-Shaped Recession**
Sharp downturn, slow resolution and inadequate federal stimulus leading to protracted recession

**W-Shaped Recession**
Sharp downturn with slight recovery, followed by second downturn before sustained recovery

Linked to the duration and severity of COVID-19
COVID-19 has caused a national recession, a precipitous decline in income, rapidly rising health and human services caseloads and substantial COVID-19 driven costs.

Department of Finance - May 7, 2020 Fiscal Update

<table>
<thead>
<tr>
<th>Legislative Analyst’s Office (LAO)</th>
<th>Fiscal Crisis and Management Assistance Team (FCMAT)</th>
<th>Department of Finance (DOF)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$(8.5) billion</td>
<td>$(11.6) billion</td>
<td>$(16.3) billion</td>
</tr>
</tbody>
</table>

2020/21 Strategic Budget Development

05/13/20
Budget Toolkit - State

Reserves

Pension Adjustments

Deferrals

COLA

Other Adjustments

$45 billion
(estimate)
## 2020/21 Budget Year Revenue Projections

<table>
<thead>
<tr>
<th></th>
<th>LAO</th>
<th>FCMAT</th>
<th>DOF</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Projected Prop 98 Revenue Loss</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State</td>
<td>$(8.5) billion</td>
<td>$(11.6) billion</td>
<td>$(16.3) billion</td>
</tr>
<tr>
<td><strong>Potential Offset</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State Utilization of Budget Tools</td>
<td>$4.5 billion</td>
<td>$6.8 billion</td>
<td>$9.0 billion</td>
</tr>
<tr>
<td><strong>Prop 98 Projected Net Revenue Loss</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State</td>
<td>$(4.0) billion</td>
<td>$(4.9) billion</td>
<td>$(7.3) billion</td>
</tr>
<tr>
<td><strong>Fresno Unified Revenue Loss</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State Utilization of Budget Tools</td>
<td>$(39.4) million</td>
<td>$(47.9) million</td>
<td>$(71.7) million</td>
</tr>
<tr>
<td>State Utilizes No Budget Tools</td>
<td>$(83.6) million</td>
<td>$(114.2) million</td>
<td>$(160.0) million</td>
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</tbody>
</table>
Budget Toolkit – Fresno Unified

Federal and State Relief

Reserves

One-time Actions

Mitigating Actions

Programmatic Reductions
Federal and State Stimulus Funds

- CARES act estimated at $43.9 million
- SB 117 received $1.1 million

Responsible Utilization of Reserves

- Approximately $10.0 million for each 1%, IE, 9.8% to 78.8%
- Reserve policy 2%-4% in difficult economic times
Tools – Budget Solutions

**One-time Sources**

- Reduce Workers’ Compensation Reserve by 10% – $3.1 million
- Delay New Textbook Adoption - $11.2 million
- Sweep Adult Education Building Fund – $1.9 million
- Sweep Extended Day Fund Balance – $0.7 million
- Defer GASB 75 District Contributions – $1.5 million

**Mitigating Actions**

- 2019/20 Identified savings in the current year
$10.9 million Potential Ongoing Reductions

- Pervasively vacant positions (vacant all of 2019/20)
- Pervasively unspent budgets (average over two years)
- Strategic Central Office reductions
- Travel and Conferences (Central Office only)
- Contribution to the Health Fund (per bargaining agreement)

Unknown Other Potential Ongoing Reductions

- Other programmatic reductions
Unknown Other Opportunities

- Future Federal Stimulus Funds
- Federal Emergency Management Agency Grant
- Governor’s Emergency Education Relief Fund – per ADA share if allocated to schools $3.0 million

Est. $8.1 million Offsetting Costs

- Unreimbursed Food Distribution Costs
- Distance Learning Technology
- Cleaning supplies
- Health and safety supplies
- Safety and security costs
Early Mitigations and Consistent Fiscal Policy Produce Long-Term Benefits

**Today’s Actions Mitigate Tomorrow’s Challenges**

**INCREASE RESERVE**
- “Sweep” of ending balances in 2019/20 helps prepare the District to weather future revenue losses

**SEEK ADDITIONAL SOURCES OF REVENUE**
- Emergency grants and other application-based funding opportunities

**REDUCE CURRENT YEAR SPENDING**
- Hiring and Purchasing Exception Committee
- Savings and accelerated timelines for current-year spending aligned with shutdown
- Vendor payments only for services rendered
Pre-May Revise Conclusions

- 2020/21 Budget Deficit – Estimated $39 million to $160 million for Fresno Unified
  - Main factors:
    - Budget projections (LAO, FCMAT, DOF)
    - Trajectory of recovery – Recessions typically persist more than one year
    - Budget mitigation tools utilized by the State
  - May Revise will provide clarity
    - State budget revision is likely later in the fiscal year
  - Fresno Unified is well prepared to weather the storm
    - Tools to mitigate budget deficits over multiple years
Should budget reductions become necessary beyond current mitigating actions, what do you feel should be prioritized and to what extent?

- Stability to School Sites
- Teaching and Learning Environment
- Supports for Students
Upcoming Budget Discussions

- May 20, 2020
  - Governor’s May Revise

- June 10, 2020
  - Public Hearing – Budget
  - Adoption – Budget
  - SPSA Approval