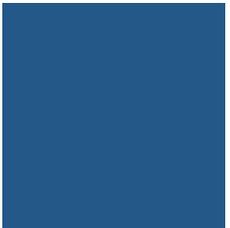


2019-2020 Second Interim Budget Report

Tim Zearley
Associate Superintendent,
Business Services

March 9, 2020



Presentation Overview

Second Interim Budget Update

- ADA Assumptions
- Revenue Assumptions
- Expenditure Assumptions
- MYP Summary
- Next Steps
- Questions

Average Daily Attendance Assumptions

ADA Factors:

- Change to projected funded ADA since 1st Interim

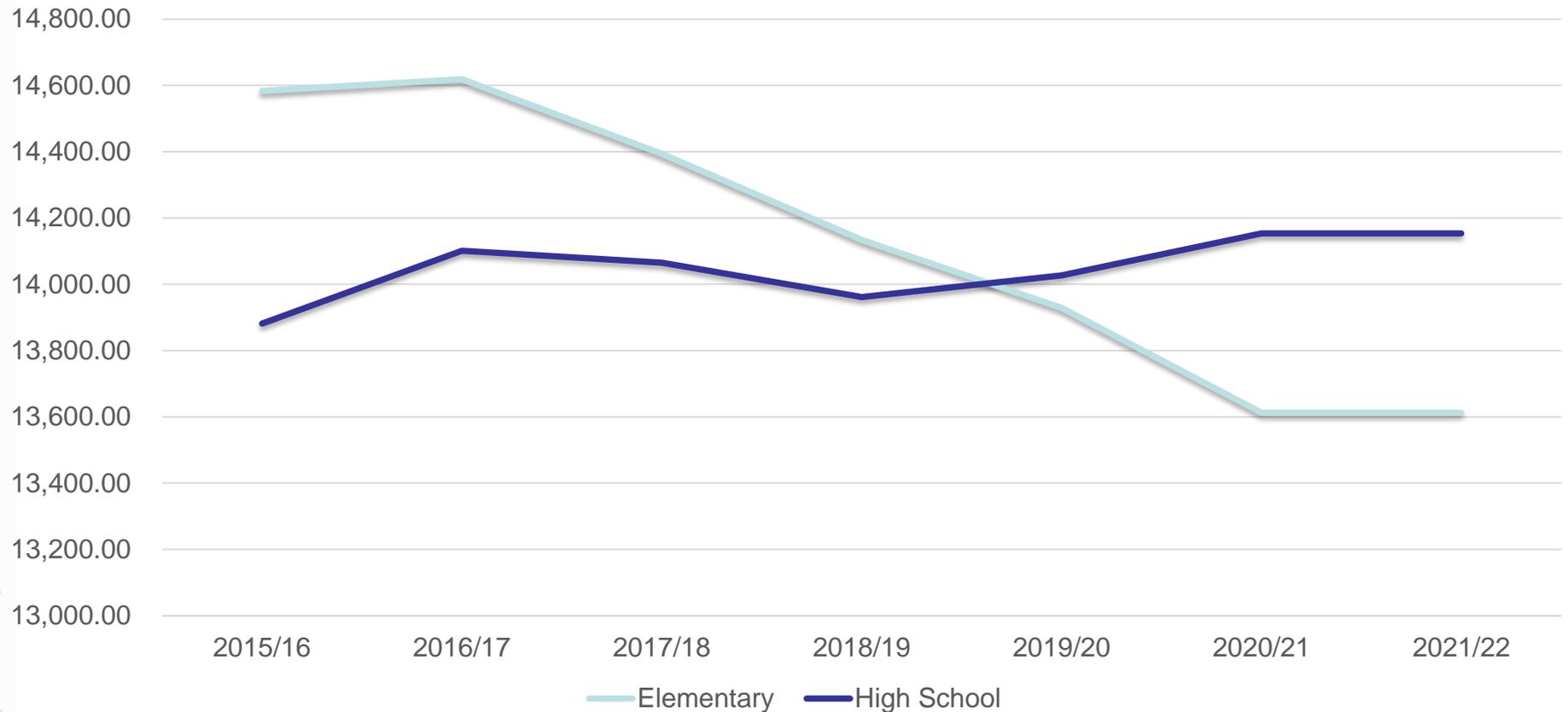
Elementary	-0-
High School	+35.26
Total	+35.26

- Projected enrollment change

	2020-21	2021-22
Elementary	<335>	Flat
High School	+134	Flat

ADA Assumptions

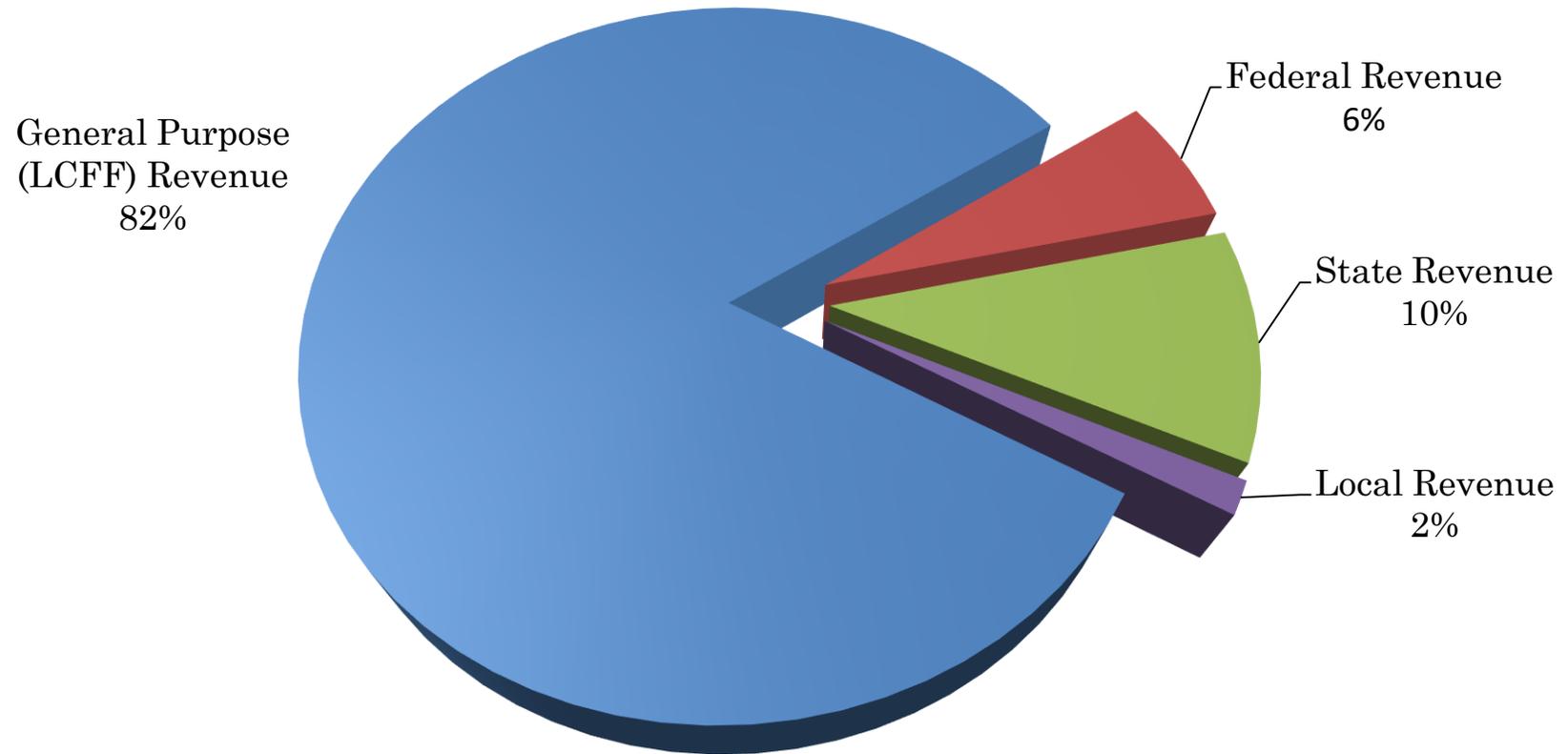
ADA Trend by District



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Revenue Assumptions

Total General Fund Revenues Second Interim Budget 2019-20



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Revenue Assumptions

Local Control Funding Formula (LCFF)

At Full Implementation:

- Annual growth in LCFF funding will be determined by (1) change in ADA, and (2) the statutory COLA
- Supplemental and Concentration grant funding is determined by the UPP

YEAR	COLA	Base Increase	Supplemental/Concentration Increase Year Over Year
2019-20	3.26%	\$5.7M	\$3.0M
2020-21	2.29%	\$5.4M	\$1.5M
2021-22	2.71%	\$4.3M	\$1.7M

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Revenue Assumptions

LCFF - Elementary

Grades	ADA	Base	Grade Span	Supp.	Conc.	TARGET
Unduplicated Pupil %				87.97%	87.97%	
K-3	6,129.76	\$7,702	\$801	\$1,496	\$1,402	\$69,883,784
4-6	4,867.09	\$7,818		\$1,375	\$1,289	\$51,018,279
7-8	3,215.77	\$8,050		\$1,416	\$1,327	\$34,708,962
TOTAL						\$155,611,026
TIIG Add-On						\$1,084,014
Transportation Add-On						\$474,814
18/19 LCFF FUNDING						\$157,169,854

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Revenue Assumptions

LCFF – High School

Grades	ADA	Base	Grade Span	Supp.	Conc.	TARGET
Unduplicated Pupil %				67.35%	67.35%	
9-12	14,475.68	\$9,329	\$243	\$1,289	\$591	\$165,781,558
TOTAL						\$165,781,559
TIIG Add-On						\$717,582
Transportation Add-On						\$458,416
18/19 LCFF FUNDING						\$166,957,557

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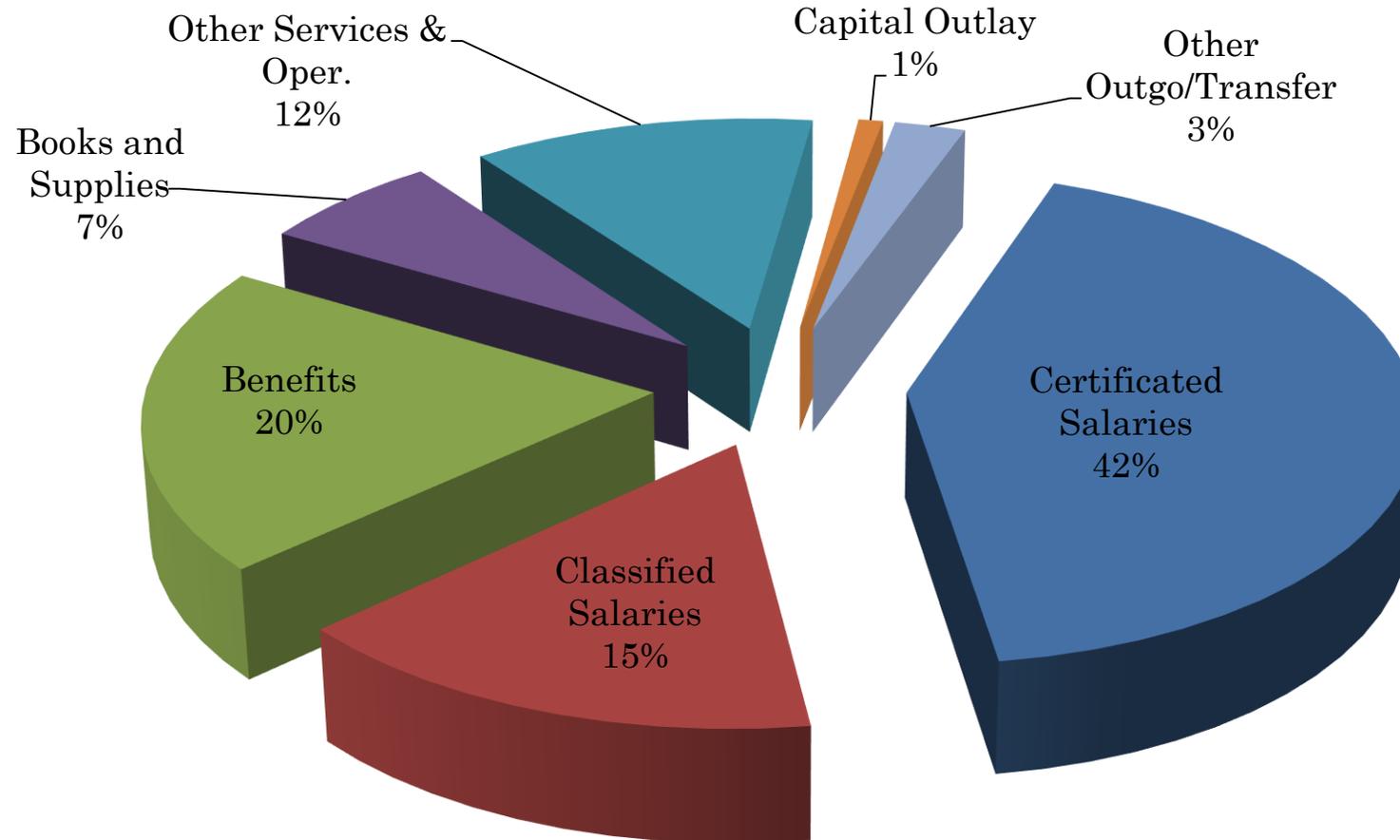
Revenue Assumptions

Other Revenue Factors:

- Title I, Part A Basic \$60K
- Mandate Cost Block Grant \$23K
- Agriculture Incentive Grants \$95K
- Learning Communities for School Success \$1M
- Interest Income \$450K
- CalSTRS Defined Benefit Employer Refund \$379K
- CTE Construction Proceeds \$47K
- Fire Restoration Insurance Proceeds \$1.5M
- Special Education Tuition \$32K

Expenditure Assumptions

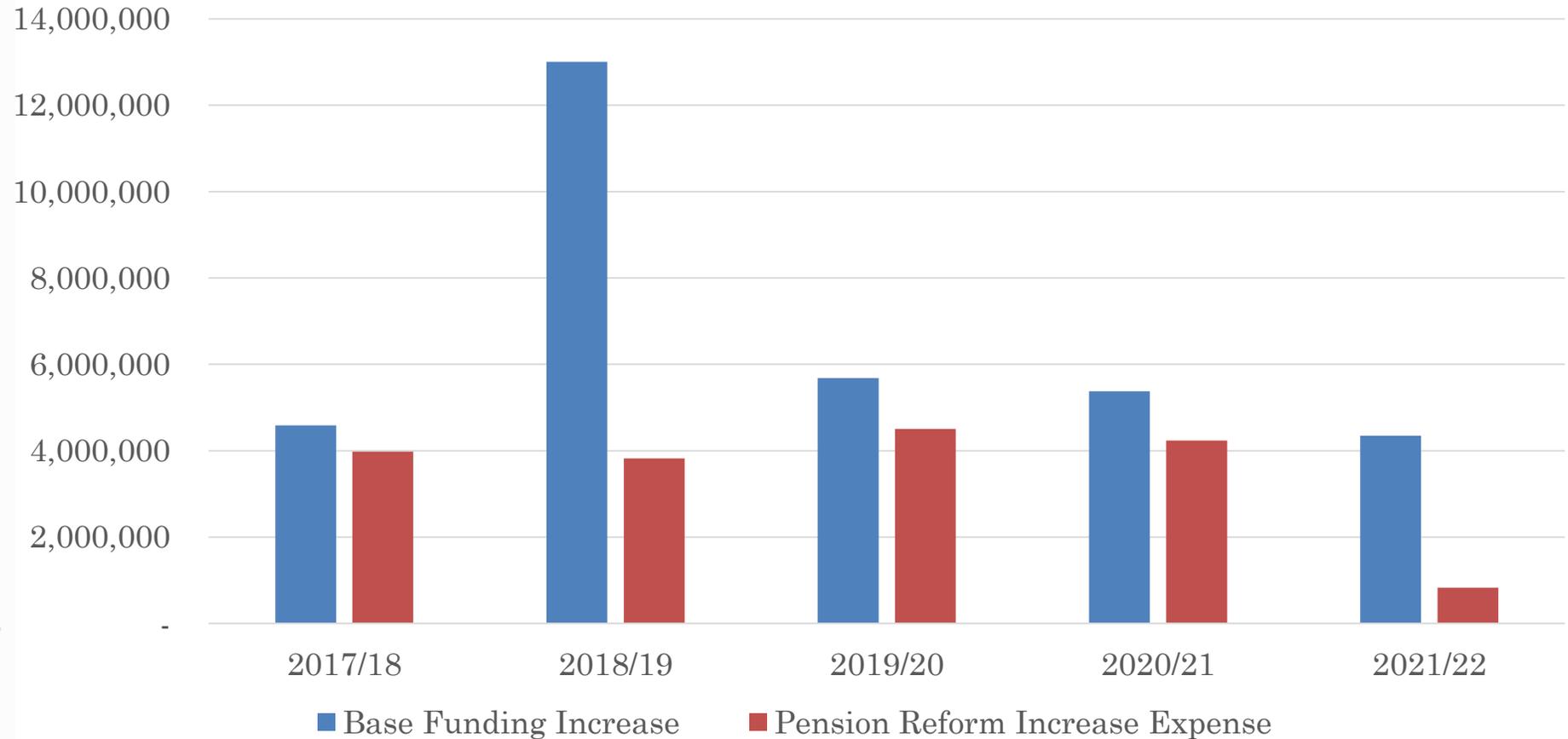
Combined General Fund Expenditures Second Interim Budget 2019-20



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Expenditure Assumptions

Unrestricted Pension Reform Expenses vs New Base Funding



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Pension Assumptions

PENSION REFORM	2018-19	2019-20	2020-21	2021-22
STRS	16.28%	17.10%	18.40%	18.1%
Increase Over Prior Year		\$3.1M	\$2.3m	<\$0.6M>
PERS	18.062%	19.721%	22.80%	24.90%
Increase Over Prior Year		\$1.4K	\$2.0M	\$1.3M
Increase Over 2019/20			\$4.3M	\$5.0M

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Expenditure Assumptions

Other Expenditure Factors:

- Health & Welfare Benefits <\$1.5M>
- STRS (substitutes) <\$1.M>
- Property & Liability Insurance <\$1M>
- One-time approved expenditures are reflected in 2019/20 but removed from subsequent years
- No increases reflected for pending negotiations

MYP Summary

Assumptions reflected in subsequent years:

- Step/Column costs of 1.5% year over year
- Pension increase year over year
- Removal of 2019-20 onetime expenditures
- Removal of deferred and carryover funds

MYP Summary

Unrestricted Deficit Spending	First Interim	Second Interim
Net Increase/Decrease In Fund Balance	<\$16,424,244>	<\$12,530,947>
Onetime Expenditures & Carryover		
Curriculum Adoptions	\$6,125,000	\$6,125,000
Lost Textbook/Library Book Fund	\$739,296	\$740,901
Supplemental & Concentration Carryover	\$4,699,273	\$6,686,646
Periodic Expenses	\$211,724	\$211,724
Other Misc. Onetime & Carryover	\$225,926	\$874,865
Total	\$12,001,219	\$14,639,136
Structural Net Increase/Decrease	<\$4,423,025>	\$2,108,189

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MYP Summary

Unrestricted Fund Balance	2018/19	2019/20	2020/21	2021/22
Fund Balance	\$82,624,272	\$70,093,325	\$64,558,868	\$62,565,210
Nonspendable – Stores, Revolving Cash, Prepaid Expenses	\$2,041,449	\$1,500,000	\$1,500,000	\$1,500,000
Assigned				
Economic Uncertainties	\$12,201,996	\$25,035,402	\$24,101,413	\$24,315,156
County Cash FMV Adjustments	\$615,802	\$615,802	\$615,802	\$615,802
LCAP Supplemental & Concentration	\$15,853,104	\$9,532,659	\$11,061,972	\$12,769,296
Carryover Obligation – Misc.	\$1,295,383	\$3,600	\$3,600	\$3,600
One Time Expenditures	\$-0-	\$-0-	\$250,000	\$250,000
Unassigned Balance	\$50,616,538	\$33,405,863	\$27,026,081	\$23,111,356
Unassigned Reserve Percentage	18.38%	11.31%	9.41%	7.97%

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MYP Summary

Items NOT included in projections:

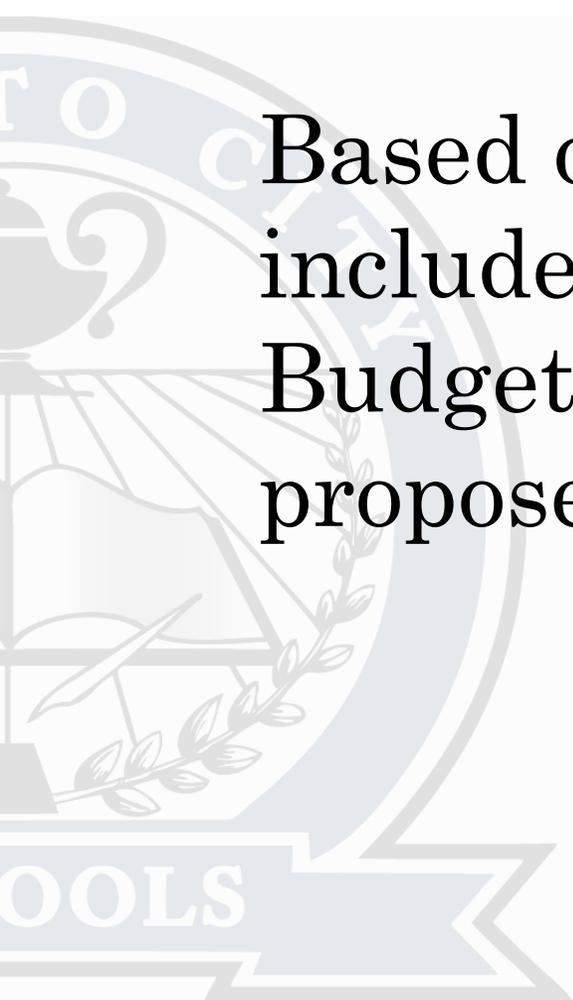
- Future impacts from Collective Bargaining Agreements



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Next Steps

Based on the factors and assumptions included and noted in the Second Interim Budget document, the District is able to propose a **Positive Certification**



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Questions



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