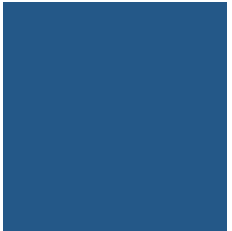


2019-2020 Second Interim Budget Report

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

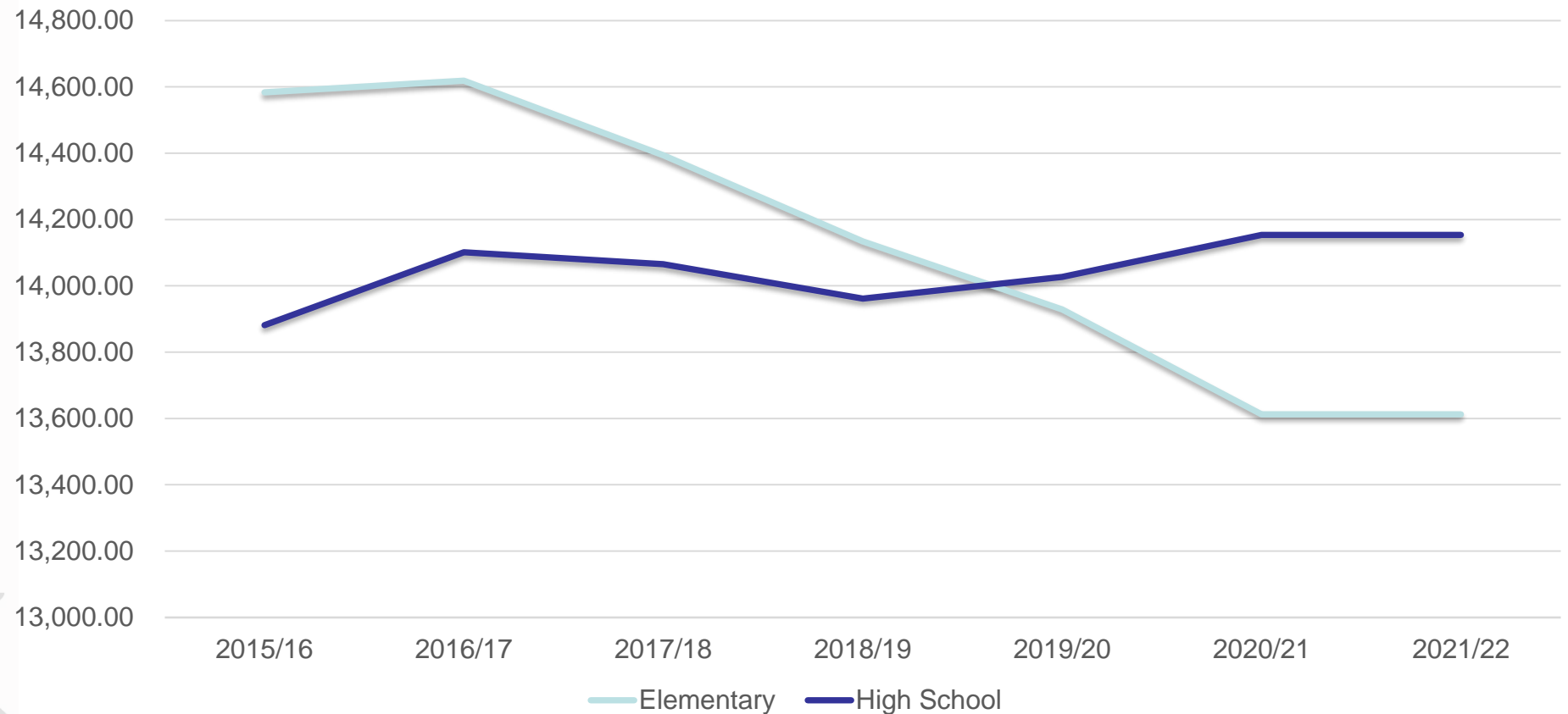
Elementary	-0-
High School	+35.26
Total	+35.26

- Projected enrollment change

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

ADA Assumptions

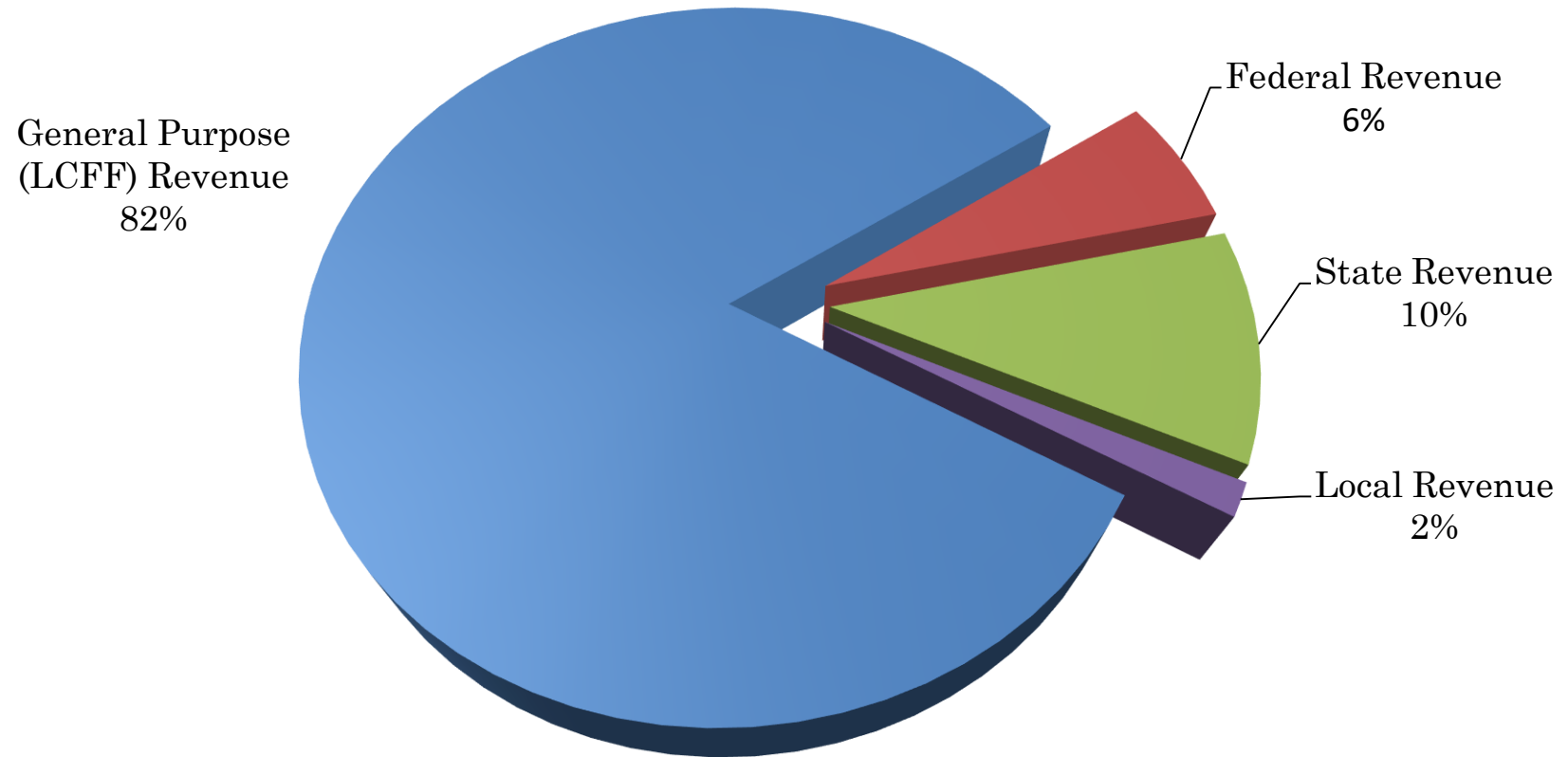
ADA Trend by District



Every Student Matters, Every Moment Counts

Revenue Assumptions

Total General Fund Revenues Second Interim Budget 2019-20



Every Student Matters, Every Moment Counts

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

Every Student Matters, Every Moment Counts



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

Every Student Matters, Every Moment Counts

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

Every Student Matters, Every Moment Counts

Revenue Assumptions

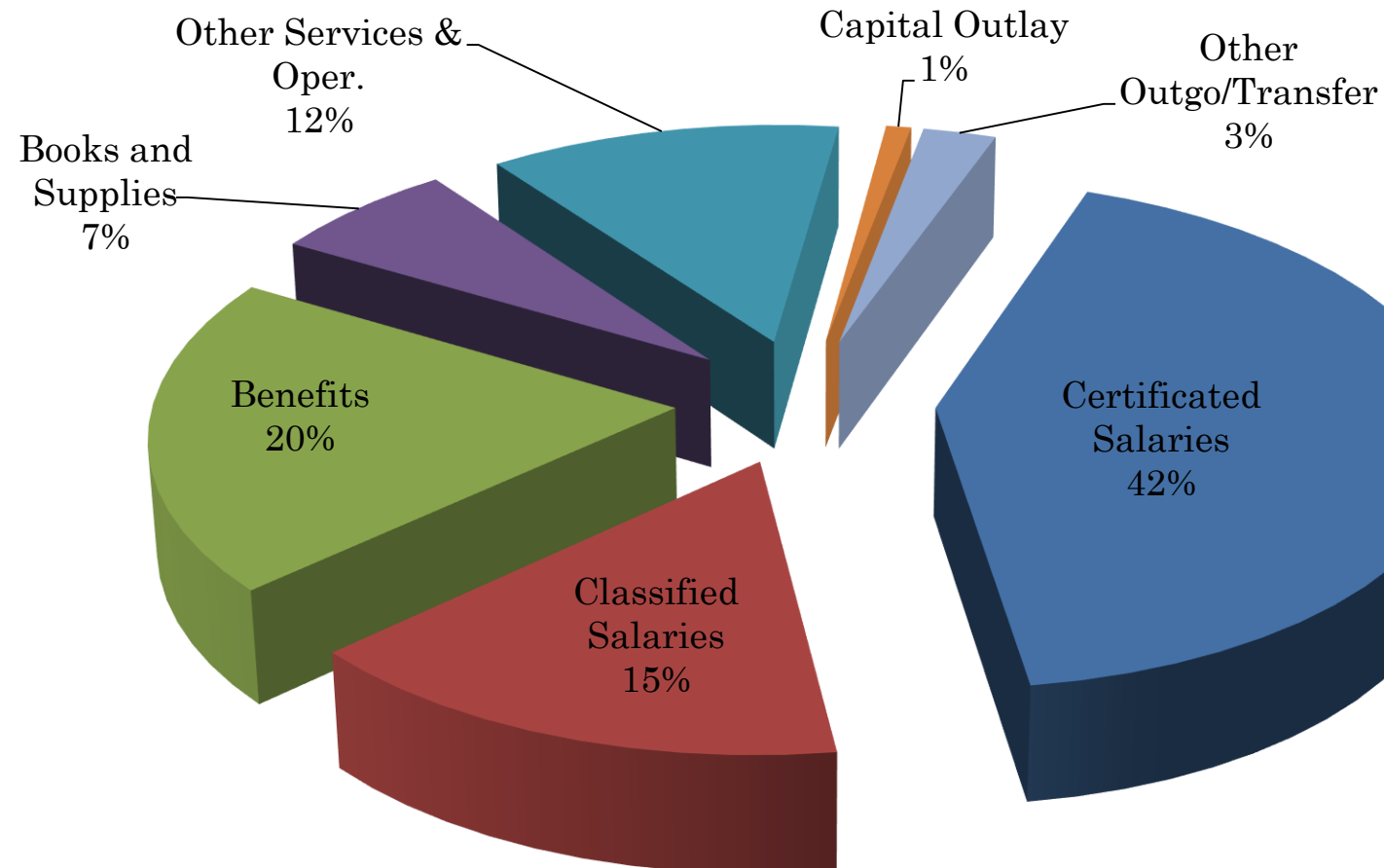
Other Revenue Factors:

- 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

Every Student Matters, Every Moment Counts

Expenditure Assumptions

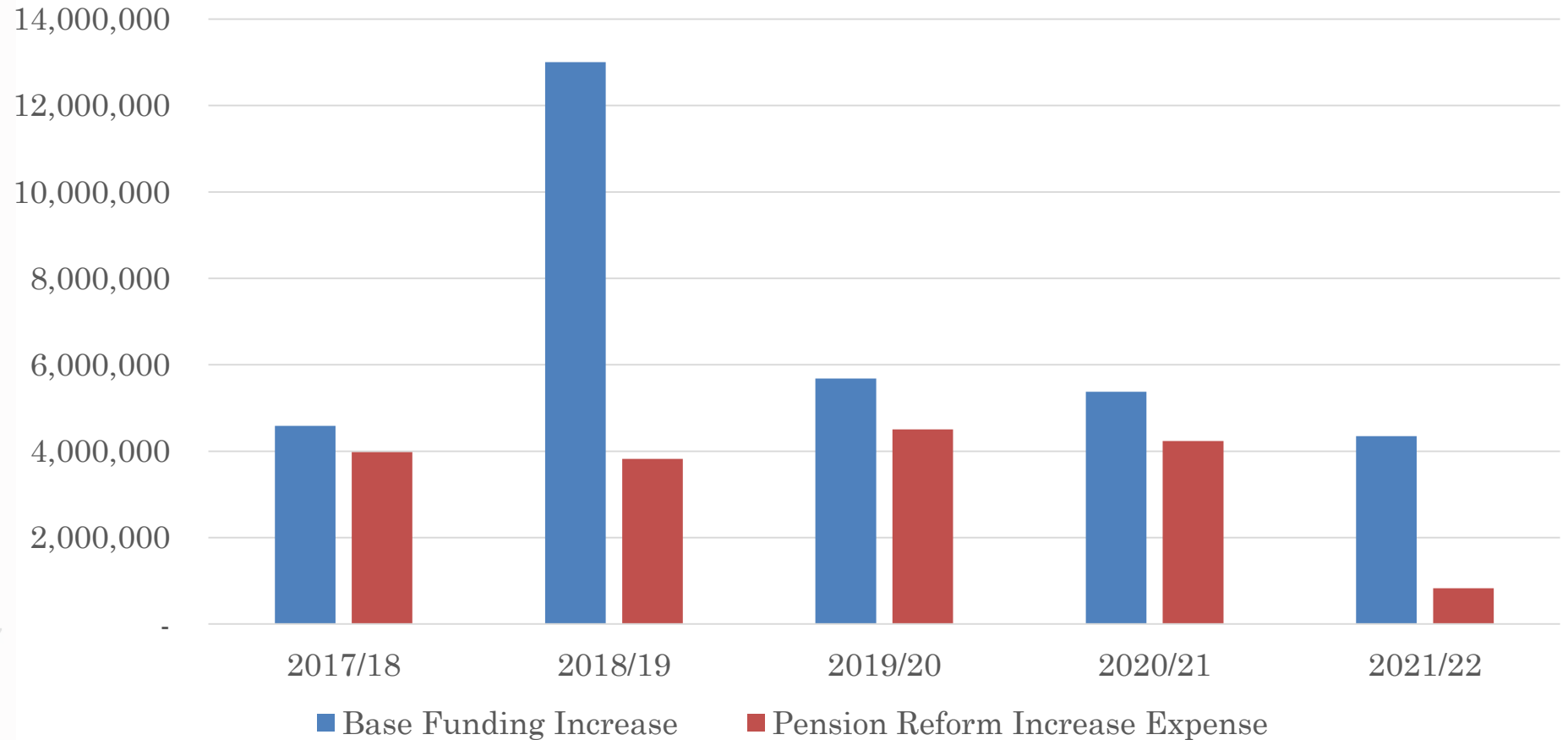
Combined General Fund Expenditures Second Interim Budget 2019-20



Every Student Matters, Every Moment Counts

Expenditure Assumptions

Unrestricted Pension Reform Expenses vs New Base Funding



Every Student Matters, Every Moment Counts

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

Every Student Matters, Every Moment Counts

Expenditure Assumptions

Other Expenditure Factors:

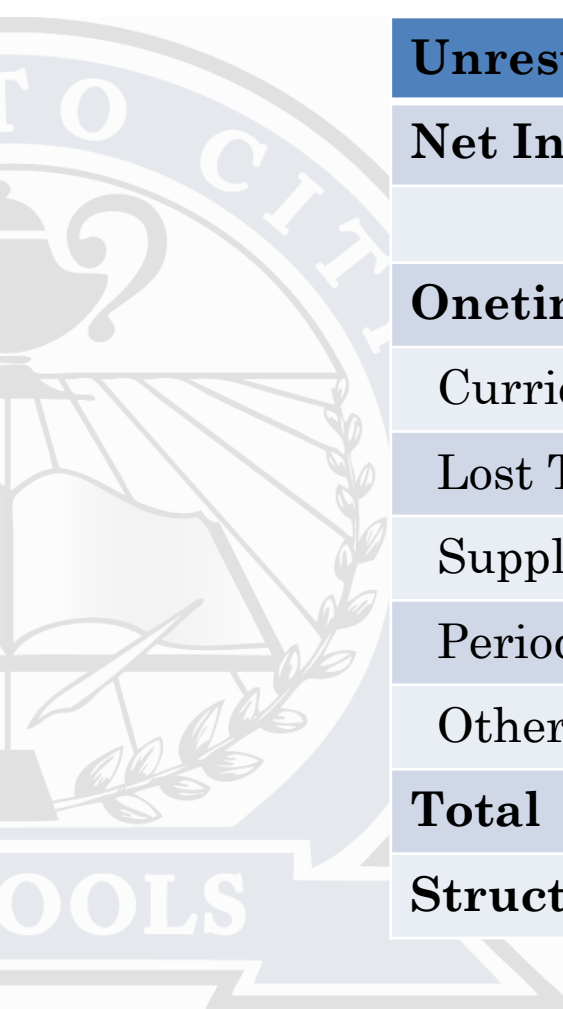
- Health & Welfare Benefits <\$1.5M>
- STRS (substitutes) <\$1.M>
- Property & Liability Insurance <\$1M>
- One-time approved expenditures are reflected in 2019/20 but removed from subsequent years
- No increases reflected for pending negotiations

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

Every Student Matters, Every Moment Counts

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%

Every Student Matters, Every Moment Counts

MYP Summary

Items NOT included in projections:

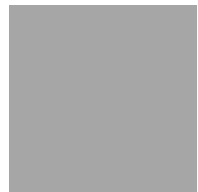
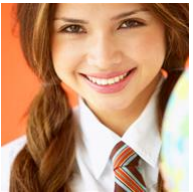
- Future impacts from Collective Bargaining Agreements



Every Student Matters, Every Moment Counts

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**



Every Student Matters, Every Moment Counts

Questions



Every Student Matters, Every Moment Counts