

2019-2020 Second Interim Report

March 10, 2020

Board Meeting

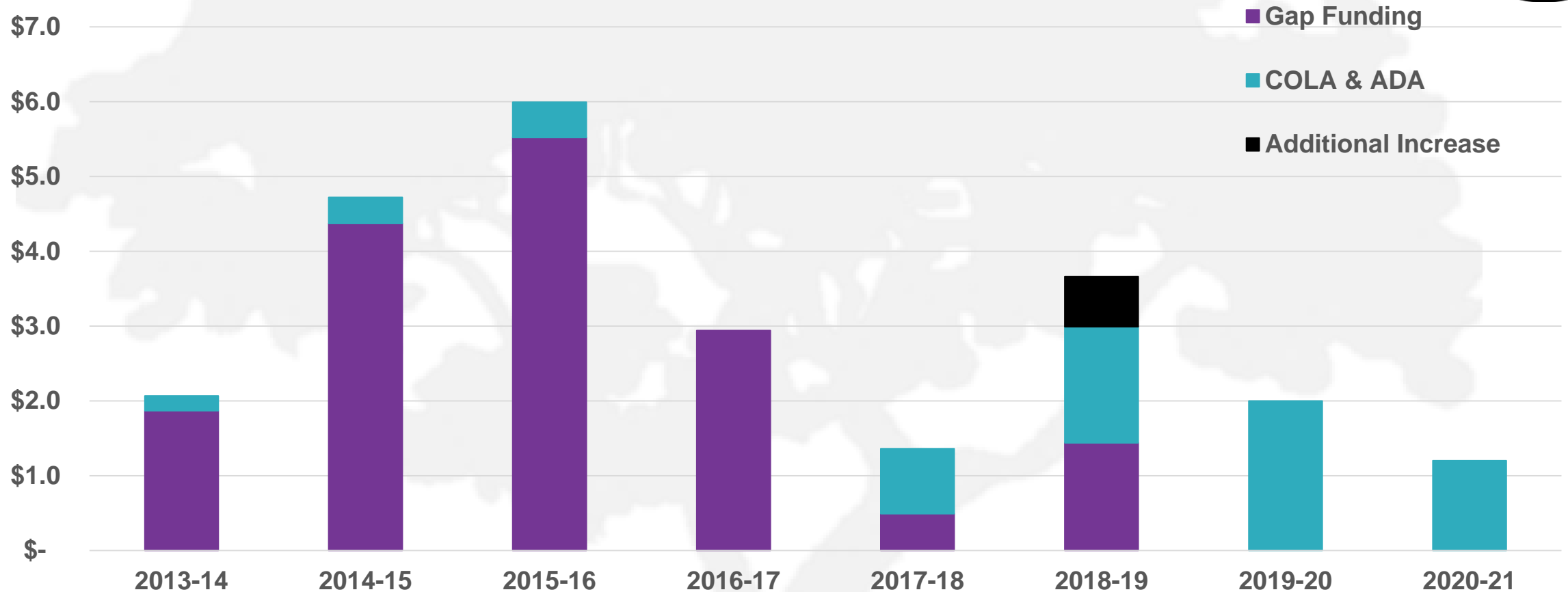
Second Reading





Increases in LCFF Funding

(Dollars in Billions)





Education Proposal – Overview

- \$84.0 billion for Prop 98 (\$74.16 billion for K-12)
- \$2.9 billion 2020-21 projected guarantee increase over 2019 Budget Act
- \$1.2 billion for District LCFF and \$5.7 million for county office LCFF, to provide 2.29% COLA



Education Proposal – One Time Funds

- \$900 million (one-time) for programs to improve educator training, recruitment, and retention
- \$300 million (one-time) for new Opportunity Grants
- \$300 million (one-time) for Community Schools
- \$122 million to provide 2.29% COLA to some categorical programs outside of the LCFF
- \$70 million total (\$60 million on-going for meal reimbursement) for school nutrition
- \$15 million (one-time) computer science supplementary authorization grants



Special Education

- Governor made continued appropriation of \$645 million from 2019-20 Budget contingent on special education reforms in the 2020 Budget Act
- Proposes three-phase, multi-year reform process
- \$250 million (one-time funds) for 3-5 year olds with exceptional needs
- Initial Phase – Base Special Education Funding carrying forward one-time dollars from 19-20
 - \$645 million ongoing Prop 98 to increase special education funding for most LEAs
 - Technically not equalization, but similar intended effect
 - Replaces AB 602 base funding formula; still appropriated to SELPAs
 - New base allocation formula using 3-year rolling average of LEA ADA
 - Any LEA with base funding currently above new statewide base will be held harmless



LCUSD - Budget Assumptions

- Enrollment remains flat in multi-year
- ADA remains at 97.76%
- Only COLA calculated in future years – reduced rates from 1st Interim
- No future one-time dollars in budget
- No additional state contributions to pension obligations
- No Special Ed budgeted at this time
- Preschool funding budgeted in multi-year

Revenue





Revenue – Combined General Fund

	Approved Budget 2019 -20	1st Interim 2019 -20	2nd Interim 2019 -20	Projected Budget 2020 -21	Projected Budget 2021 -22
LCFF	\$35,658,762	\$35,649,099	\$35,488,101	\$36,315,354	\$37,274,729
Federal	\$932,400	\$949,589	\$952,485	\$925,338	\$925,338
Other State	\$3,367,966	\$3,439,480	\$3,720,059	\$3,640,663	\$3,873,379
Other Local	\$8,355,999	\$8,823,426	\$8,819,071	\$8,490,315	\$6,009,460
	\$48,315,127	\$48,861,594	\$48,979,716	\$49,371,670	\$48,082,906

On-going Fiscal Impacts





Expenditures – Combined General Fund

	Approved Budget 2019 -20	1st Interim 2019 -20	2nd Interim 2019 -20	Projected Budget 2020 -21	Projected Budget 2021 -22
Certificated	\$21,523,989	\$22,025,612	\$21,869,200	\$21,658,648	\$19,981,675
Classified	\$8,506,192	\$8,739,448	\$8,864,090	\$8,878,638	\$8,408,030
Benefits	\$9,592,813	\$10,013,589	\$9,992,949	\$10,643,344	\$10,848,926
Supplies	\$2,662,272	\$2,633,138	\$2,733,612	\$2,673,109	\$2,213,206
Services	\$6,742,837	\$7,006,965	\$7,521,673	\$7,031,848	\$7,042,869
Capital Outlay	\$70,000	\$167,589	\$156,158	\$50,000	\$50,000
Other Outgo	\$0	\$0	0	\$0	\$0
Direct/Indirect	-\$43,000	-\$46,194	-\$46,720	-\$46,720	-\$46,720
	\$49,055,103	\$50,540,147	\$51,090,962	\$50,888,867	\$48,497,986



General Fund Change Balance

	Approved Budget 2019 -20	1st Interim 2019 -20	2nd Interim 2019 -20	Projected Budget 2020 -21	Projected Budget 2021 -22
Revenue	\$48,315,127	\$48,861,594	\$48,979,716	\$49,371,670	\$48,082,906
Expenditures	-\$49,055,103	-\$50,540,147	-\$51,090,962	-\$50,888,867	-\$48,497,986
Difference	-\$739,976	-\$1,678,553	-\$2,111,246	-\$1,517,197	-\$415,080
Transfers (COP, State PS Contribution)	-\$440,000	-\$440,000	-\$355,000	-\$355,000	-\$355,000
Surplus/Deficit	-\$1,179,976	-\$2,118,553	-\$2,466,246	-\$1,872,197	-\$770,080

Ending Fund Balance



	Approved Budget 2019-20	1st Interim 2019-20	2nd Interim 2019-20	Projected Budget 2020-21	Projected Budget 2021-22
Beg Balance	\$9,354,710	\$9,354,710	\$9,354,710	\$6,888,464	\$5,016,267
Surplus/Deficit	-\$1,179,976	-\$2,118,553	-\$2,466,246	-\$1,872,197	-\$770,080
Ending Balance	\$8,174,734	\$7,236,157	\$6,888,464	\$5,016,267	\$4,246,187
Restricted	\$1,338,383	\$1,883,473	\$1,827,457	\$1,245,404	\$1,330,404
Economic Uncertainties	\$6,836,351	\$5,352,684	\$5,061,007	\$3,770,863	\$2,915,783
3.5% Reserve	\$1,732,329	\$1,784,305	\$1,800,609	\$1,793,535	\$1,709,855
3.0% Reserve	\$1,484,853	\$1,529,404	\$1,543,379	\$1,537,316	\$1,465,590



Looking Forward

- Budget Certification: Positive
 - County will comment on deficit spending
- Governor's May Revise
 - Special Education reforms
 - COLA status
 - April tax collections
- Estimated Actuals and Budget in June
 - Monitor services
 - Planning for enrollment and staffing in 20 -21

Thank you!

