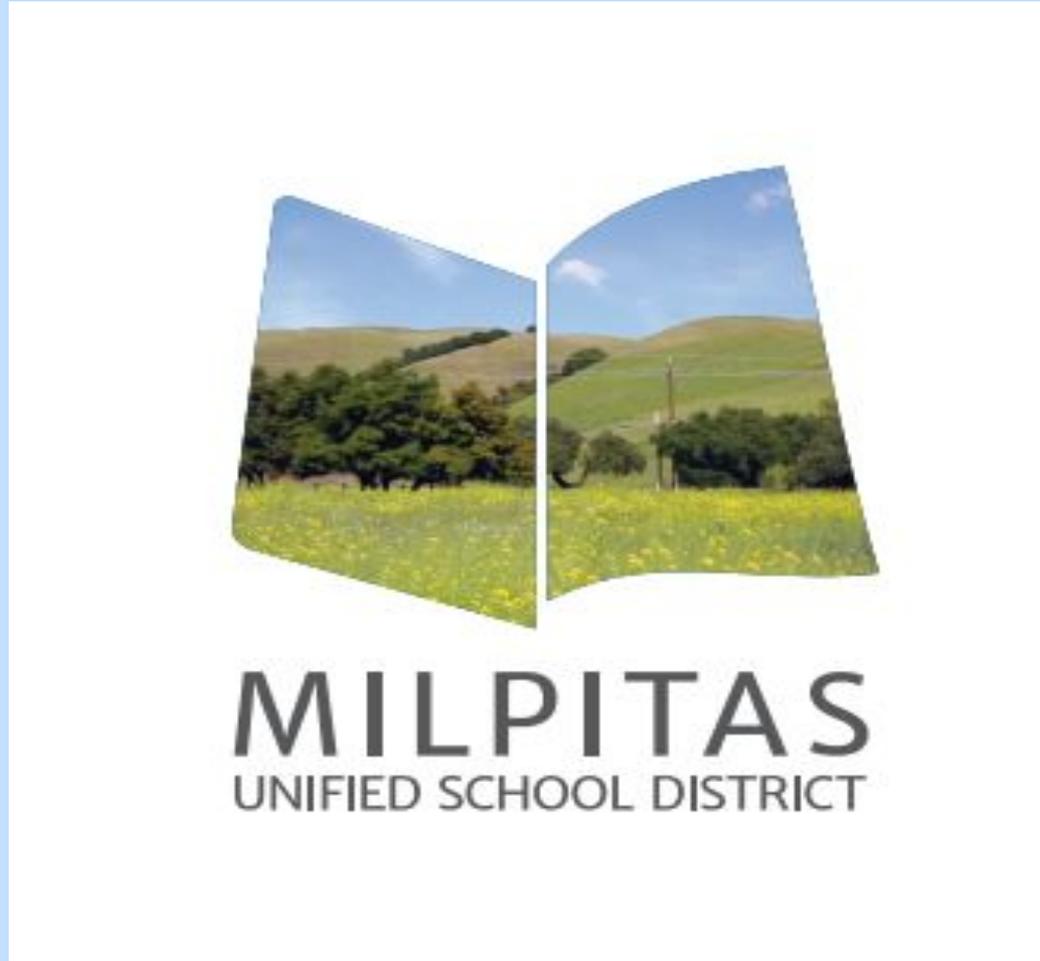


2020-21 Budget Study

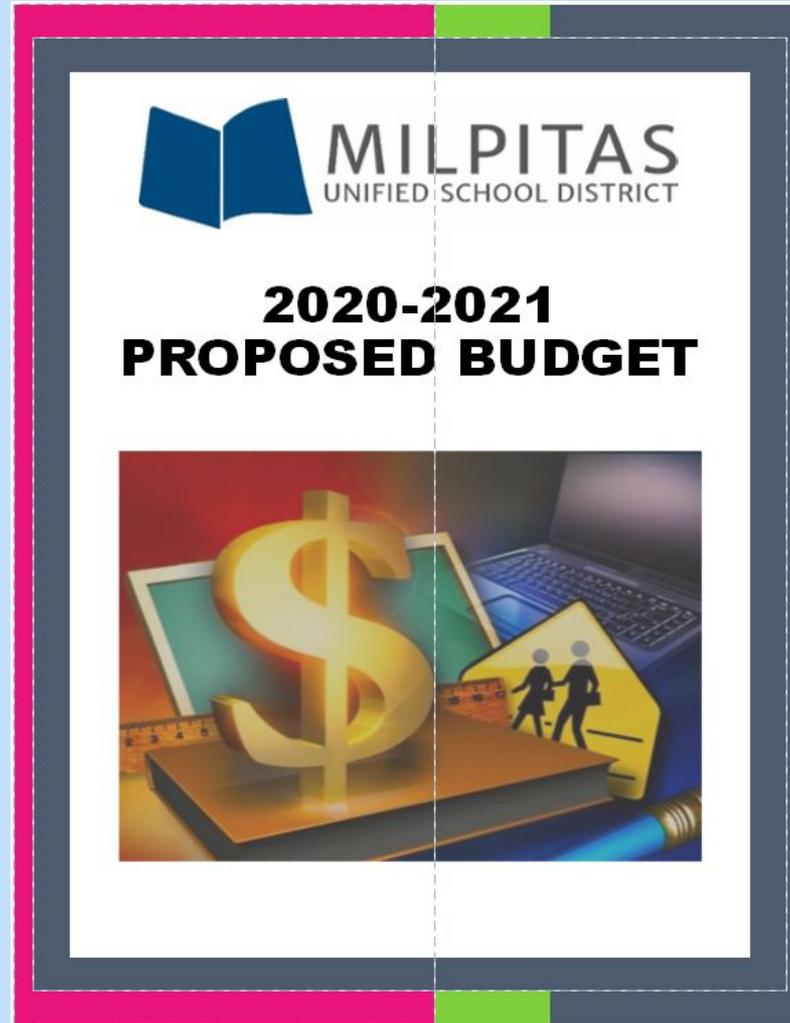


By The Business Services Team on June 9, 2020



Our Story

2020-2021 Proposed Budget



District's Major Funds

General



Bond



Building



Reserve



**Adult
Education**



**Cafeteria
(SNS)**



**Developer
Fee**



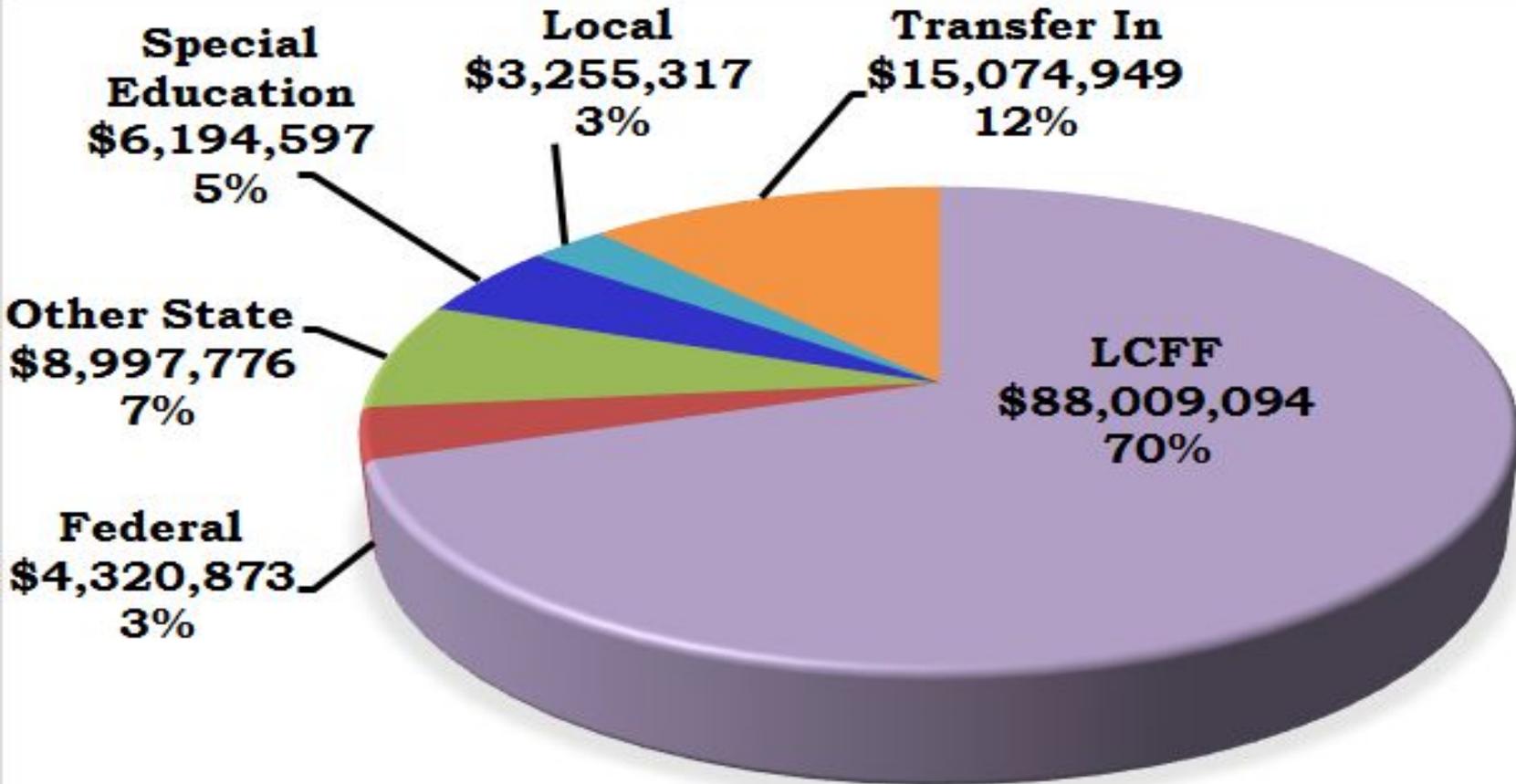
**Child
Development**





2020-21 General Fund Revenue

\$125,852,606





LCFF Funding Factors

Grade Span	2019-20 Base \$/ ADA	2.31% COLA	New Base \$/ADA with COLA	10% Reduction to Base Funding	New Base Funding	Factor to 2019-20 funding level
K-3	\$7,702	\$178	\$7,880	(\$788)	\$7,092	-7.92%
4-6	\$7,818	\$181	\$7,999	(\$800)	\$7,199	-7.92%
7-8	\$8,050	\$186	\$8,236	(\$824)	\$7,412	-7.92%
9-12	\$9,329	\$215	\$9,544	(\$954)	\$8,590	-7.92%

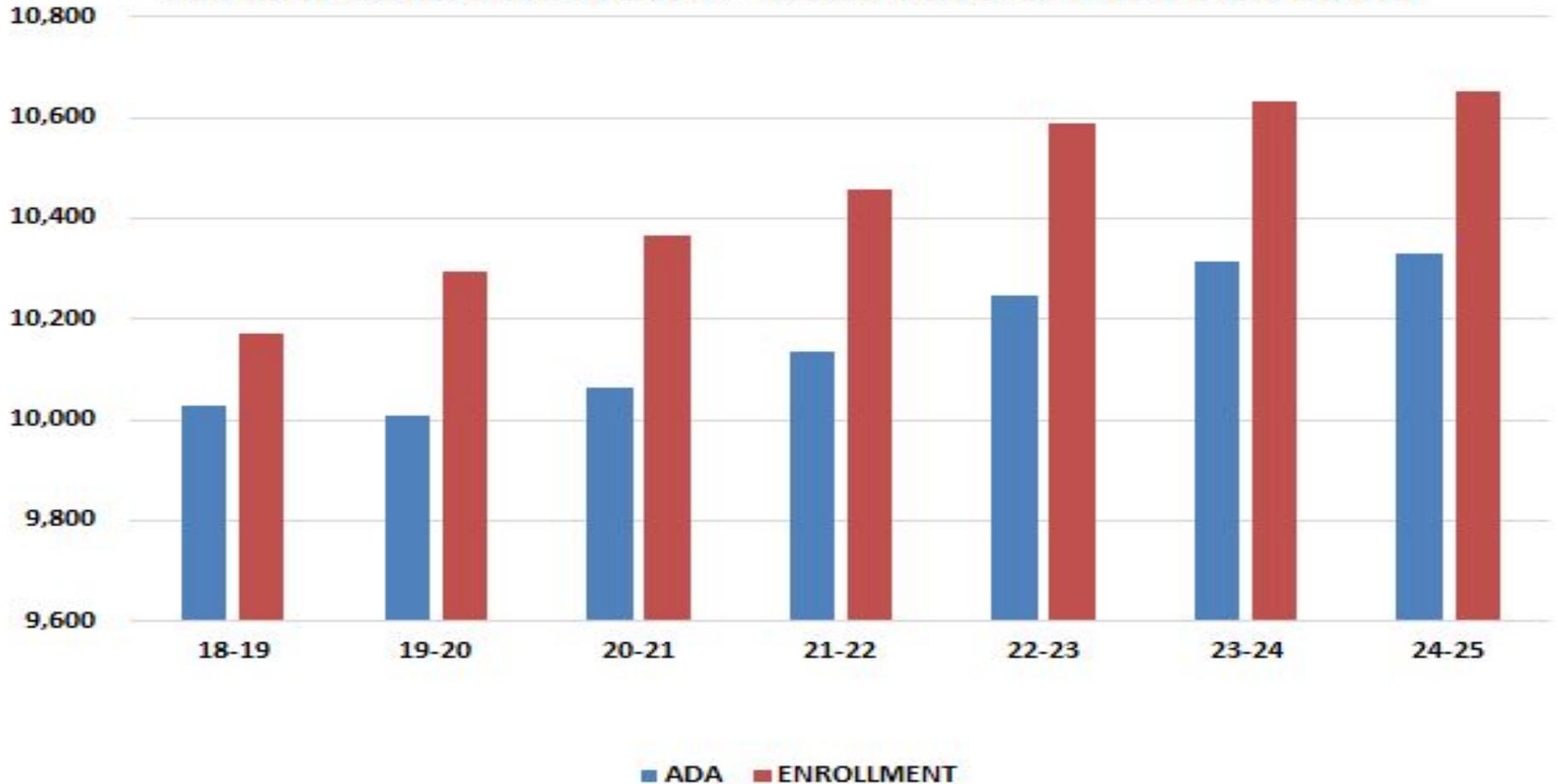
2019-20 LCFF: \$95,126,627

2020-21 LCFF: \$88,009,094



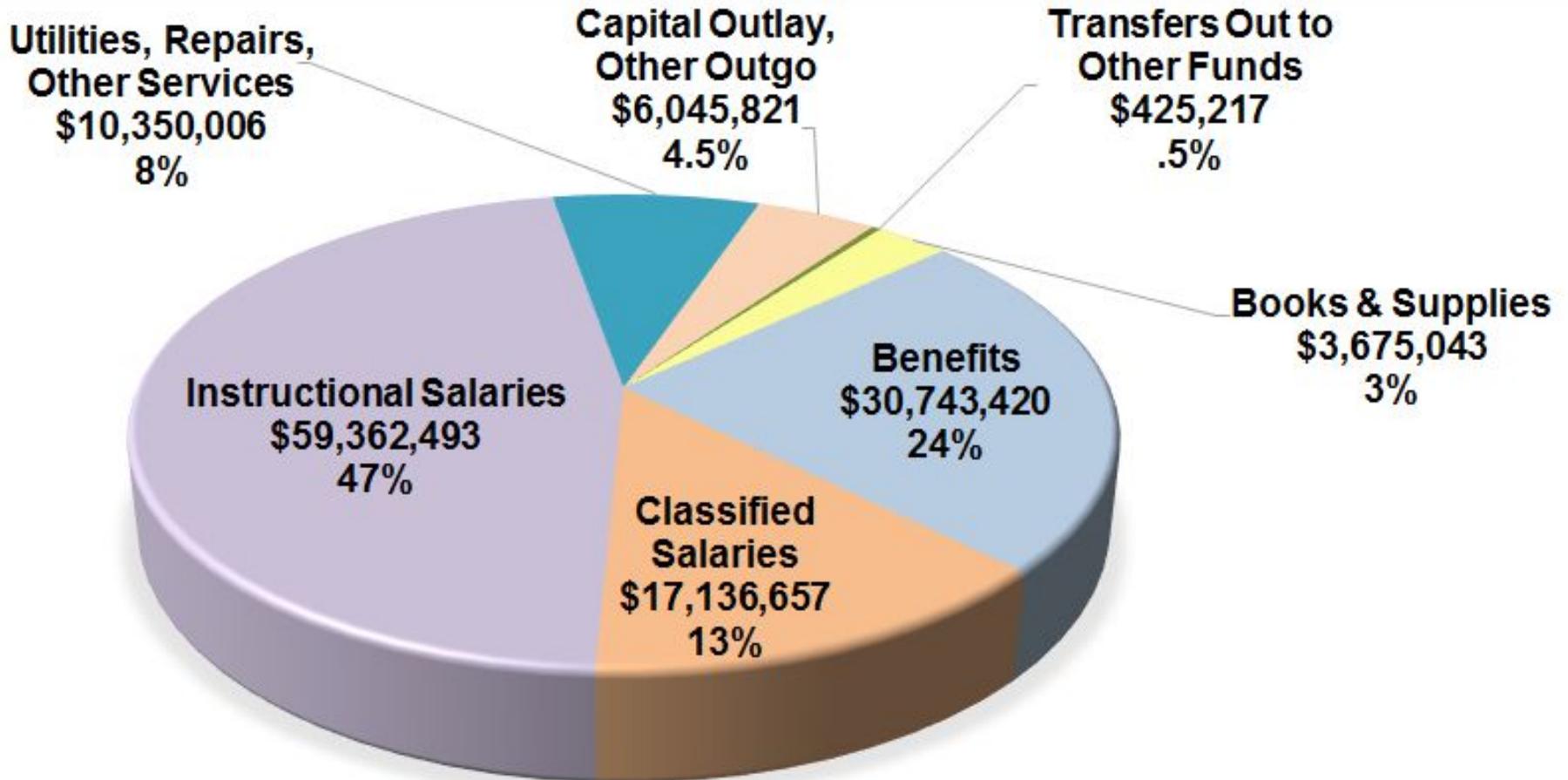
Enrollment and Attendance Projection

ADA & ENROLLMENT - HISTORY & PROJECTION





2020-21 General Fund Expenditure

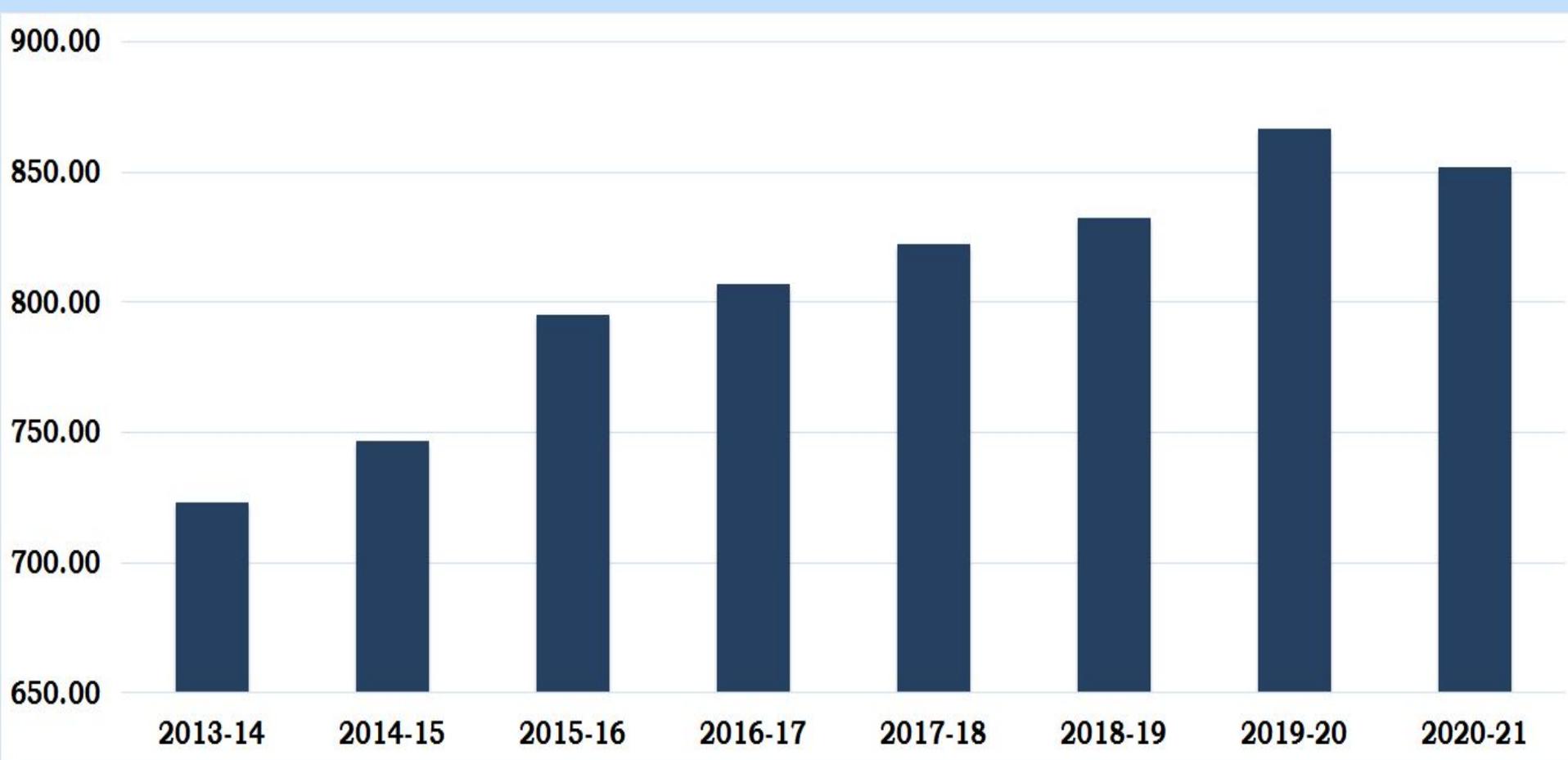


Salary & Benefits: \$107,242,570 or 84%



Staffing Projections

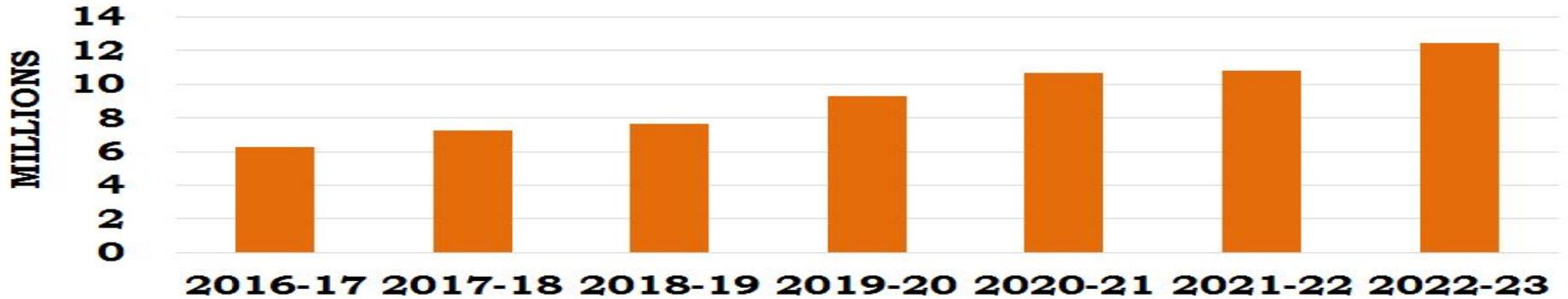
TOTAL 722.94 746.59 795.14 806.89 822.61 832.60 866.83 852.06



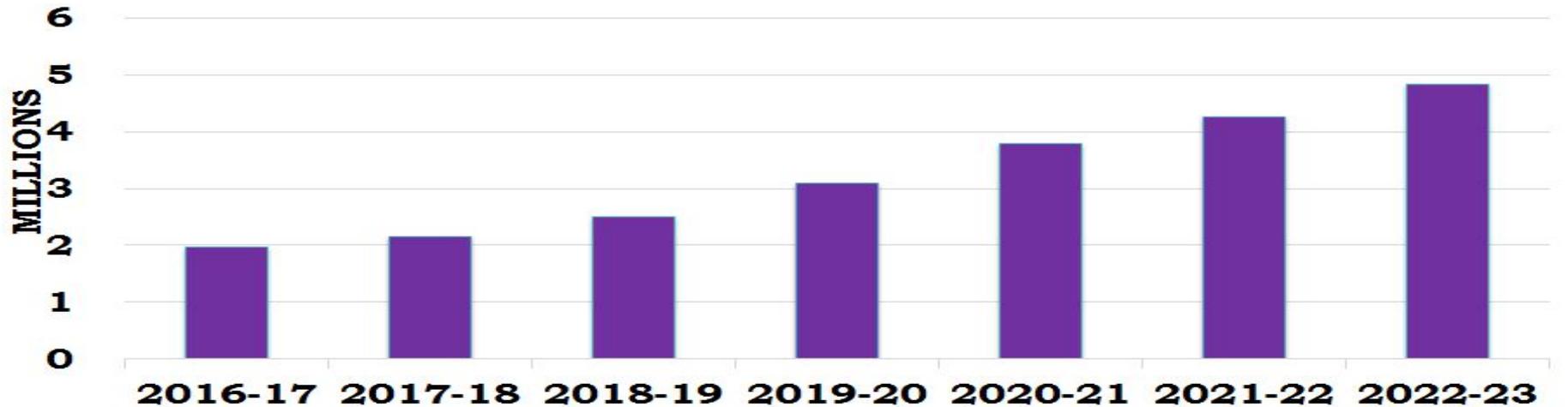


STRS & PERS Cost

STRS COSTS



PERS COSTS





Benefit Rate

	17-18	18-19	19-20	20-21	21-22	22-23
STRS (Certificated)	14.43%	16.28%	17.10%	16.15%	16.02%	18.10%
PERS (Classified)	15.53%	18.06%	19.72%	20.70%	22.84%	25.50%
Social Security	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%
Medicare	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%
Unemployment Insurance	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%
Worker's Comp	1.82%	1.76%	1.87%	1.92%	2.02%	2.12%
Total Certificated	17.75%	19.54%	20.47%	19.57%	19.54%	21.72%
Total Classified	25.05%	27.52%	29.29%	30.32%	32.56%	35.32%



Programs Requiring General Fund Contributions

- ❖ **Special Education: \$15,875,646**
- ❖ **Student Nutrition Services: \$303,768**
- ❖ **Child Development Center: \$62,449**



Special Education Program Projections

- ❖ **New Base Rate of \$645/ADA: \$726K**
- ❖ **Early Childhood Intervention: <\$829K>**
- ❖ **Supervisor, Mental Health: \$171K**
- ❖ **Program Reorganization: <\$492K>**
- ❖ **County Program Cost: \$401K**
- ❖ **NPS, Facility & Other Cost: \$179K**



Student Nutrition Program Projections

- ❖ **2020-21 Revenue is projected to be at the same level prior to COVID-19**
- ❖ **2019-20 Revenue loss due to COVID-19 is \$683K**
- ❖ **Staffing cost (salary & benefits) increased \$257K**
- ❖ **Food Cost and Supplies increased by \$73K**
- ❖ **General Fund support is needed, if there is no additional funding from the State**



Adult Education Program Projections

FUND 110: 2020-21		Elmwood	Ayer	Total
	COLA (%)	0.00%	0.00%	0.00%
	Beginning Balance	0	521,169	521,169
	Federal Revenue	125,060	296,645	421,705
	State Revenue	1,830,703	1,041,963	2,872,666
	Local Revenue	4,000	84,540	88,540
	Total Income	1,959,763	1,423,148	3,382,911
	Certificated Salaries	1,060,938	712,534	1,773,472
	Classified Salaries	304,556	196,122	500,678
	Employees Benefits	557,835	515,805	1,073,641
	Other Expenditures	160,403	119,978	280,381
	Total Expenditures	2,083,732	1,544,439	3,628,172
	Surplus (Deficit) Before Beginning Balance	(123,969)	(121,291)	(245,261)
	Total Ending Fund Balance	(123,969)	399,877	275,908



Multi-Year Projections

- **Drastic budget reductions to Education in response to State revenue deficit of \$54 Billion**
- **No detailed information was provided by the Governor on how to implement the cuts**
- **Staff developed 3 Scenarios of projections for the 2 subsequent years**



Multi-Year Projection Scenario 1

Factors used to Calculate LCFF	Estimated Actual 2019-20	Projection 2020-21	Projection Y1 2021-22	Projection Y2 2022-23
ADA	10,009.48	10,065.00	10,135.00	10,245.00
COLA (%)	3.26%	2.31%	0.00%	0.00%
LCFF Deficit Factor	0.00%	<7.92%>	0.00%	0.00%
LCFF Revenue	95,126,627	88,009,094	95,813,851	96,434,335
Funds Transferred in to Balance the Budget				
Building Fund	1,450,000	1,450,000	9,712,863	6,078,982
Special Reserve -Operations	0	12,131,871	1,040,411	0
Post Retirement Fund	0	500,000	500,000	836,792
Total Funds Available	2,345,039	15,074,949	12,246,352	7,619,333
General Fund Ending Fund Balance	6,133,211	4,247,160	4,316,432	(2,103,584)
Amount needed to balance the Budget	0	0	0	(6,494,498)



Multi-Year Projection Scenario 2

Factors used to Calculate LCFF	Estimated Actual 2019-20	Projection 2020-21	Projection Y1 2021-22	Projection Y2 2022-23
ADA	10,009.48	10,065.00	10,135.00	10,245.00
COLA (%)	3.26%	2.31%	2.48%	3.26%
LCFF Deficit Factor	0.00%	<7.92%>	<7.92%>	<7.92%>
LCFF Revenue	95,126,627	88,009,094	90,463,723	93,989,039
Funds Transferred in to Balance the Budget				
Building Fund	1,450,000	1,450,000	14,723,318	1,068,527
Special Reserve -Operations	0	12,131,871	1,040,411	0
Post Retirement Fund	0	500,000	750,000	583,792
Total Funds Available	2,345,039	15,074,949	17,506,807	2,355,878
General Fund Ending Fund Balance	6,133,211	4,247,160	4,319,322	(9,714,380)
Amount needed to balance the Budget	0	0	0	(14,108,109)



Multi-Year Projection Scenario 3

Factors used to Calculate LCFF	Estimated Actual 2019-20	Projection 2020-21	Projection Y1 2021-22	Projection Y2 2022-23
ADA	10,009.48	10,065.00	10,135.00	10,245.00
COLA (%)	3.26%	2.31%	0.00%	0.00%
LCFF Deficit Factor	0.00%	<7.92%>	<7.92%>	<7.92%>
LCFF Revenue	95,126,627	88,009,094	88,293,503	88,864,239
Funds Transferred in to Balance the Budget				
Building Fund	1,450,000	1,450,000	14,723,318	1,068,527
Special Reserve -Operations	0	12,131,871	1,040,411	0
Post Retirement Fund	0	500,000	828,792	505,000
Total Funds Available	2,345,039	15,074,949	17,585,599	2,277,086
General Fund Ending Fund Balance	6,133,211	4,247,160	2,135,331	(17,197,028)
Amount needed to balance the Budget	0	0	(2,183,254)	(21,590,095)



MYP- Summary

- **With our current reserves we should have a balanced budget for the coming year**
- **We will deplete our Building Fund balance in order to balance the 21-22 year budget**
- **The District's General Fund Deficit Spending Gap is bigger than usual**
- **We can't wait until the 22-23 year to solve our budget deficit problem**
- **We recommend adopting Scenario #2 for the 20-21 year**



The Road Ahead....

Use every possible opportunity to prepare for and ensure continuity of learning, wellness, and safety for *all Staff & Students*.

- **Revenue generation: *on-going/committed funding source, parcel tax?***
- **Expenditures: increase operational efficiency**
- **Leverage resources within the MUSD community**
- **Capture the best thinking and voices of MUSD stakeholders**

Be Proactive, Not Reactive