



# **Western Placer USD 2019-20 Adopted Budget**

**Board of Trustees Meeting**

**June 18, 2019**

Presented by:

Audrey Kilpatrick

Asst. Supt. Business & Operations

# WPUSD 2019-20 Budget Assumptions

- The 2019-20 budget assumptions are used to prepare the 2019-20 Budget and multi-year projections for 2020-21 and 2021-22 fiscal years.
- They are built with assumptions provided by PCOE Common Message, School Services of California, the State Dept. of Finance (DOF), FCMAT LCFF Calculator, federal funding projections and district trends and data. Property taxes, state allocations, LCFF Funding estimates, new legislature, federal funding and budget projections.
- The budget also reflects the State's 2019-20 May Revise proposals.
- Detailed 2019-20 budget and enrollment assumptions for all funds were presented at a public hearing and board meeting on June 4, 2019.
- Budget does not include any changes from the recently adopted State Budget approval as it is awaiting Governor's approval.

# WPUSD 2019-20 General Fund Budget

	Adopted Budget		
	Unrestricted	2019-20 Restricted	Combined
Revenues			
LCFF Funding - Base	59,461,887	995,884	60,457,771
LCFF Funding - Supplemental	3,966,354	-	3,966,354
Federal Revenue	16,724	2,309,840	2,326,564
State Revenue	1,296,206	4,419,339	5,715,545
Local Revenue	1,527,000	2,574,267	4,101,267
<b>Total Revenue</b>	<b>66,268,171</b>	<b>10,299,330</b>	<b>76,567,501</b>
Expenditures			
Certificated Salaries	28,368,912	5,139,383	33,508,295
Classified Salaries	6,116,145	3,624,808	9,740,953
Benefits	13,024,057	6,798,939	19,822,996
Books and Supplies	2,503,756	1,271,460	3,775,216
Other Services & Oper. Exp	5,089,997	2,326,838	7,416,835
Capital Outlay	15,000	22,547	37,547
Other Outgo 7xxx	220,075	2,026,415	2,246,490
Transfer of Indirect 73xx	(862,338)	858,556	(3,782)
<b>Total Expenditures</b>	<b>54,475,604</b>	<b>22,068,946</b>	<b>76,544,550</b>
Deficit/Surplus	11,792,567	(11,769,616)	22,951
Transfers In			-
Transfers out	(350,755)		(350,755)
Contributions to Restricted	(11,829,910)	11,829,910	-
<b>Net increase (decrease) in Fund Balance</b>	<b>(388,098)</b>	<b>60,294</b>	<b>(327,804)</b>
Beginning Balance	6,340,894	339,751	6,680,645
<b>Ending Fund Balance</b>	<b>5,952,796</b>	<b>400,045</b>	<b>6,352,841</b>
<b>Components of Ending Fund Balance</b>			
<b>Nonspendable:</b>			
Revolving Cash	5,000		5,000
Prepaid Expenditures	8,516	7,667	16,183
<b>Restricted - Federal/State/Local Programs</b>			
Reserve - Designated Programs	-	392,378	392,378
<b>Unassigned/Unappropriated:</b>			
<b>Reserve - Economic Uncertainty @ 3%</b>	<b>2,306,859</b>		<b>2,306,859</b>
Reserve - 19/20 Early TK Staffing	107,810		107,810
Reserve - Start Up - Elementary 20/21	580,000		580,000
Reserve - Start Up - High School 21/22	1,100,000		1,100,000
Reserve - One-Time Science Adoption 19/20	400,000		400,000
Reserve - Charter Technical Assistance	236,083		236,083
<b>Reserve - Unassigned Economic Uncertainty surplus/(deficit)</b>	<b>1,208,528</b>	<b>-</b>	<b>1,208,528</b>
<b>Total Ending Fund Balance</b>	<b>5,952,796</b>	<b>400,045</b>	<b>6,352,841</b>

# 2018-19 2<sup>nd</sup> Interim vs. 2018-19 Estimated Actuals

	Second Interim 2018-19 Combined	Estimated Actuals 2018-19			Second Int vs Est. Actuals Variance	
		Unrestricted	Restricted	Combined		
Revenues						
LCFF Funding - Base	57,439,908	56,944,637	995,884	57,940,521	500,613	1
LCFF Funding - Supplemental	3,762,734	3,790,667	-	3,790,667	27,933	1
Federal Revenue	2,754,046	16,724	2,763,283	2,780,007	25,961	2
State Revenue	7,480,064	2,508,311	5,036,034	7,544,345	64,281	3
Local Revenue	4,481,981	2,067,213	2,891,079	4,958,292	476,311	4
<b>Total Revenue</b>	<b>75,918,733</b>	<b>65,327,552</b>	<b>11,686,280</b>	<b>77,013,832</b>	<b>1,095,099</b>	
Expenditures						
Certificated Salaries	32,378,589	27,371,369	5,077,857	32,449,226	70,637	5
Classified Salaries	9,549,688	6,026,370	3,542,777	9,569,147	19,459	6
Benefits	18,713,908	12,415,411	6,300,350	18,715,761	1,853	7
Books and Supplies	8,882,941	4,230,647	2,377,449	6,608,096	(2,274,845)	8
Other Services & Oper. Exp	8,574,908	5,381,090	3,403,776	8,784,866	209,958	9
Capital Outlay	448,513	23,969	314,285	338,254	(110,259)	10
Other Outgo 7xxx	2,087,568	225,075	1,915,129	2,140,204	52,636	11
Transfer of Indirect 73xx	(3,869)	(940,965)	937,096	(3,869)	-	
<b>Total Expenditures</b>	<b>80,632,246</b>	<b>54,732,966</b>	<b>23,868,719</b>	<b>78,601,685</b>	<b>(2,030,561)</b>	
Deficit/Surplus	(4,713,513)	10,594,586	(12,182,439)	(1,587,853)	3,125,660	
Transfers In	-	-	-	-	-	
Transfers out	(23,360)	(80,274)	-	(80,274)	(56,914)	12
Contributions to Restricted	-	(11,267,603)	11,267,603	-	-	
<b>Net increase (decrease) in Fund Balance</b>	<b>(4,736,873)</b>	<b>(753,291)</b>	<b>(914,836)</b>	<b>(1,668,127)</b>	<b>3,068,746</b>	
Beginning Balance	8,348,772	7,094,185	1,254,587	8,348,772	-	
<b>Ending Fund Balance</b>	<b>3,611,899</b>	<b>6,340,894</b>	<b>339,751</b>	<b>6,680,645</b>	<b>3,068,746</b>	
<b>Components of Ending Fund Balance</b>						
<b>Nonspendable:</b>						
Revolving Cash	5,000	5,000	-	5,000	-	
Prepaid Expenditures	-	8,516	7,667	16,183	16,183	
<b>Restricted - Federal/State/Local Programs</b>						
Reserve - Designated Programs	241,568	-	332,084	332,084	90,516	
<b>Unassigned/Unappropriated:</b>						
<b>Reserve - Economic Uncertainty @ 3%</b>	<b>2,419,668</b>	<b>2,360,459</b>		2,360,459	(59,209)	
Reserve - Start Up - Elementary 20/21		580,000		580,000	580,000	
Reserve - Start Up - High School 21/22		1,100,000		1,100,000	1,100,000	
Reserve - One-Time Science Adoption 19/20		400,000		400,000	400,000	
Reserve - Charter Technical Assistance	237,296	257,815		257,815	20,519	
<b>Reserve - Unassigned Economic Uncertainty surplus/(deficit)</b>	<b>708,367</b>	<b>1,629,104</b>	<b>-</b>	<b>1,629,104</b>	<b>920,737</b>	
<b>Total Ending Fund Balance</b>	<b>3,611,899</b>	<b>6,340,894</b>	<b>339,751</b>	<b>6,680,645</b>	<b>3,068,746</b>	

## Major Changes in 2018-19 Budget

Revenues:

LCFF Funding Increase	
- P-2 46 ADA	\$530,000
Federal Revenues	25,000
State Revenues	65,000
Local Revenues	<u>475,000</u>
<b>Change in Revenues</b>	<b>\$1,095,000</b>

Expenditures:

Salaries & Benefits	\$90,000
Services, Operating & Other	
Books, Supplies	(2,065,000)
<b>Change in Expenditures</b>	<b>(\$1,975,000)</b>

Total Net Increase in Projected 18/19  
Ending Fund Balance **\$3,068,000**

**Estimated Ending Fund  
Balance June 30, 2019 - \$6,680,645**

# Enrollment and ADA Projections

For the 2018-19 school year, the District enrollment increased by 128 students, a 1.8% increase. With the exception of a one-year decline of 54 students in 2014-15, the District has experienced an average annual enrollment increase of approximately 1.15% over the past seven years.

Average Daily Attendance rates (ADA) have ranged from a high of 96.2% in 2015-16 to a low of 94.42% in 2010-11 with an average ADA rate of 95.9% for the last five years and 95.8% for the last three years.

The enrollment projections do not include any potential enrollment growth for the addition of the elementary (20/21) or high school (21/22) nor potential reduction for the permanent construction of John Adams Academy charter (20/21).

Enrollment and attendance projections for the current budget year, 2019-20 Adopted budget year and the next two projected budget years are listed below:

	18/19 Est. Actuals Budget	19/20 Adopted Budget	20/21 Projection	21/22 Projection
Enrollment	7,088	7,159	7,230	7,303
ADA Yield	95.6%	95.8%	95.8%	95.8%
ADA	6,799	6,878	6,947	7,016
% Increase (Decrease) Enrollment	1.8%	1.0%	1.0%	1.0%
# Increase (Decrease) Enrollment	128	71	71	73

# Local Control Funding Formula & State Revenues

## Local Control Funding Formula

With the release of the Governor's 2019-20 May Revision, the Department of Finance has revised estimates of the statutory cost-of-living adjustments (COLAs) for 2019-20 and future years. The table below illustrates the current 2018-19 budget year, proposed 2019-20 budget year and next three years:

## Other State Programs

The Governor's May Revision proposal includes a cost-of-living adjustment (COLA) of 3.26% for the 2019-20 fiscal year. Programs outside the LCFF, including Special Education and Child Nutrition, will also receive the statutory COLA of 3.26%.

	2018-19	2019-20	2020-21	2021-22	2022-23
<b>Cost-of-Living Adjustment (COLA)</b>	<b>3.70%*</b>	<b>3.26%</b>	<b>3.00%</b>	<b>2.80%</b>	<b>3.16%</b>
<b>DOF Gap Funding %</b>	<b>100.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>*Includes statutory COLA of 2.71% plus an additional 0.99% augmentation</b>					

# Contributions to Restricted Programs

## Contributions to Restricted Programs

Some categorical programs require contributions from the district unrestricted funds as the funding received does not cover the expenditures for that specific program. A summary of the change in contributions from 2019-20 Adopted to 2018-19 Estimated Actuals Budget is presented below:

### ***Contributions to Restricted Programs 2018-19 Estimated Actuals and 2019-20 Adopted Budget***

<b><i>Program</i></b>	<b><i>Resource</i></b>	<b><i>2018-19 Estimate</i></b>	<b><i>2019-20 Budget</i></b>	<b><i>Change</i></b>	<b><i>Comments</i></b>
Special Ed-Basic Grant (PL94-142)	3310	\$1,765,268	\$1,912,760	\$147,492	Increase in PERS rate \$47k, additional LHS RSP para \$32k, step & column \$29k, salary settlement \$30k
Spec Ed Pre-School	3315	\$0	\$0	\$0	
Spec Ed Pre-School	3320	\$287,729	\$0	(\$287,729)	This resource has been folded into resource 6500 - see below
Special Education	6500	\$7,336,619	\$8,039,163	\$702,544	Addition of resource 3320 revenues and expenditures \$288k, salary settlements \$122k, increase in STRS rate \$17k, projected increase in PCOE billback \$113k, step & column \$80k, NPA/NPS \$52k, indirect costs \$13k
Maintenance	8150	\$1,877,987	\$1,877,987	\$0	
Total Contribution to Restricted Programs		\$11,267,603	\$11,829,910	\$562,307	
Total Special Ed Contribution		\$9,389,616	\$9,951,923	\$562,307	

# CalSTRS and CalPERS Employer Contributions

The Governor's May Revision proposed an additional investment to further reduce the CalSTRS employer contribution rate from the statutory rate of 18.13% to 16.7% in 2019-20. The proposal retains the decrease in the employer rate that was included in the January proposal of 19.1% to 18.1% in 2020-21.

STRS Rates – Governor's May Revision Proposal					
Fiscal Year	2018-19	2019-20	2020-21	2021-22	2022-23
STRS Employer Rate	16.28%	16.70%	18.10%	17.80%	17.80%

  

	PERS Adopted	Actual	PERS Projected		
Fiscal Year	2018-19	2019-20	2020-21	2021-22	2020-21
Employer Rate	18.062%	20.733%	23.6%	24.9%	24.9%

The CalSTRS and CalPERS additional costs associated with the employer rates increase over the next three years as follows:

	2019-20	2020-2021	2021-2022
<b>STRS Additional Costs Per Year</b>	<b>140,735</b>	<b>477,091</b>	<b>(106,166)</b>
<b>PERS Additional Costs Per Year</b>	<b>260,181</b>	<b>288,369</b>	<b>137,811</b>
<b>Total Per Year</b>	<b>400,916</b>	<b>765,460</b>	<b>31,645</b>
<b>STRS Additional Costs - Cumulative (since 16/17)</b>	<b>5,944,467</b>	<b>6,421,558</b>	<b>6,315,392</b>
<b>PERS Additional Costs - Cumulative (since 16/17)</b>	<b>908,240</b>	<b>1,196,609</b>	<b>1,334,420</b>
<b>Total Cumulative</b>	<b>6,852,707</b>	<b>7,618,167</b>	<b>7,649,812</b>



# Multi-Year Projections

	Adopted Budget 2019-20 Combined	Projection 2020-2021 Combined	Projection 2021-2022 Combined
Revenues			
LCFF Funding - Base	60,457,771	62,840,784	65,193,208
LCFF Funding - Supplemental	3,966,354	4,086,899	4,201,102
Federal Revenue	2,326,564	2,326,564	2,326,564
State Revenue	5,715,545	5,561,078	5,561,078
Local Revenue	4,101,267	3,961,267	3,961,267
<b>Total Revenue</b>	<b>76,567,501</b>	<b>78,776,592</b>	<b>81,243,219</b>
Expenditures			
Certificated Salaries	33,508,295	34,408,866	35,388,814
Classified Salaries	9,740,953	10,058,223	10,600,853
Benefits	19,822,996	21,184,363	21,779,760
Books and Supplies	3,775,216	3,566,963	3,727,088
Other Services & Oper. Exp	7,416,835	7,461,835	7,649,979
Capital Outlay	37,547	37,547	37,547
Other Outgo 7xxx	2,246,490	2,246,490	2,246,490
Transfer of Indirect 73xx	(3,782)	(19,317)	(19,317)
<b>Total Expenditures</b>	<b>76,544,550</b>	<b>78,944,970</b>	<b>81,411,213</b>
Deficit/Surplus	22,951	(168,378)	(167,994)
Transfers In	-	-	-
Transfers out	(350,755)	(229,994)	(349,377)
Contributions to Restricted	-	-	-
<b>Net increase (decrease) in Fund Balance</b>	<b>(327,804)</b>	<b>(398,372)</b>	<b>(517,370)</b>
Beginning Balance	6,680,645	6,352,841	5,954,469
<b>Ending Fund Balance</b>	<b>6,352,841</b>	<b>5,954,469</b>	<b>5,437,099</b>
<b>Components of Ending Fund Balance</b>			
<b>Nonspendable:</b>			
Revolving Cash	5,000	5,000	5,000
Prepaid Expenditures	16,183	-	-
<b>Restricted - Federal/State/Local Programs</b>			
Reserve - Designated Programs	392,378	560,045	720,045
<b>Unassigned/Unappropriated:</b>			
<b>Reserve - Economic Uncertainty @ 3%</b>	<b>2,306,859</b>	<b>2,375,249</b>	<b>2,452,818</b>
Reserve - Additional LCFF Supplemental			
Required Increase Budget 20-21 & 21-22	-	70,545	134,748
Reserve - RRM Contribution Inc to 3% in 20/21	-	440,922	948,237
Reserve - 19/20 Early TK Staffing	107,810	107,810	107,810
Reserve - Start Up - Elementary 20/21	580,000	-	-
Reserve - Start Up - High School 21/22	1,100,000	1,100,000	-
Reserve - One-Time Science Adoption 19/20	400,000	400,000	400,000
Reserve - Charter Technical Assistance	236,083	214,351	192,619
<b>Reserve - Unassigned Economic Uncertainty surplus/(deficit)</b>	<b>1,208,528</b>	<b>680,546</b>	<b>475,821</b>
<b>Total Ending Fund Balance</b>	<b>6,352,841</b>	<b>5,954,469</b>	<b>5,437,099</b>

# WPUSD 2019-20 Budget Assumptions

## **Expenditures for New Elementary and High School**

Included in the 2020-21 and 2021-22 budget years are expenditures related to the startup and ongoing operational costs of the two new schools. We have included ongoing expenses for administration, office/clerical, custodial, grounds and cafeteria staffing along with any additional certificated support staffing as part of the operations of the school. Teaching staff have not been increased in the two budget years for the opening of the two schools as any revenue due to potential growth in enrollment is also not included in the budget years. As we move closer to the opening of each school we will continue to adjust the budget for the appropriate operations of the elementary school and high school.

# Details of Components of Ending Fund Balance

**2019-20 Ending Fund Balance Components (\$6,352,841) :**

Nonspendable:  
\$21,183

Restricted:  
\$392,378

Reserve for EU (3%):  
\$2,306,859

Board designated:  
\$743,893 - Staffing,  
Charter Assitsance &  
Textbooks  
-and-  
\$1,680,000 - Start-up  
Elementary and  
High School

Unassigned Surplus:  
\$1,280,528

	Adopted Budget 2019-20 Combined	Projection 2020-2021 Combined	Projection 2021-2022 Combined
<b>Ending Fund Balance</b>	<b>6,352,841</b>	<b>5,954,469</b>	<b>5,437,099</b>
<b>Components of Ending Fund Balance</b>			
<b>Nonspendable:</b>			
Revolving Cash	5,000	5,000	5,000
Prepaid Expenditures	16,183	-	-
<b>Restricted - Federal/State/Local Programs</b>			
Reserve - Designated Programs	392,378	560,045	720,045
<b>Unassigned/Unappropriated:</b>			
<b>Reserve - Economic Uncertainty @ 3%</b>	<b>2,306,859</b>	<b>2,375,249</b>	<b>2,452,818</b>
Reserve - Additional LCFF Supplemental Required Increase Budget 20-21 & 21-22	-	70,545	134,748
Reserve - RRM Contribution Inc to 3% in 20/21	-	440,922	948,237
Reserve - 19/20 Early TK Staffing	107,810	107,810	107,810
Reserve - Start Up - Elementary 20/21	580,000	-	-
Reserve - Start Up - High School 21/22	1,100,000	1,100,000	-
Reserve - One-Time Science Adoption 19/20	400,000	400,000	400,000
Reserve - Charter Technical Assistance	236,083	214,351	192,619
<b>Reserve - Unassigned Economic Uncertainty surplus/(deficit)</b>	<b>1,208,528</b>	<b>680,546</b>	<b>475,821</b>
<b>Total Ending Fund Balance</b>	<b>6,352,841</b>	<b>5,954,469</b>	<b>5,437,099</b>

# 2019-20 Adopted Budget - Other Funds

	2019-20 ADOPTED BUDGET			
	Beginning Fund Balance	Revenues	Expenditures	Ending Fund Balance
Fund 11 - Adult Education Fund	\$ 22,908	\$ 71,682	\$ 71,682	\$ 22,908
Fund 12 - Child Development Fund	\$ 10,480	\$ -	\$ -	\$ 10,480
Fund 13 - Cafeteria Fund	\$ 14,112	\$ 1,912,395	\$ 1,912,395	\$ 14,112
Fund 17 - Special Reserve for Other Than Capital Outlay	\$ 519,230	\$ 220,500	\$ -	\$ 739,730
Fund 21 - Building Fund	\$ 66,175,984	\$ 600,000	\$ 66,775,984	\$ -
Fund 25 - Capital Facilities Fund	\$ 141,607	\$ 509,000	\$ 509,000	\$ 141,607
Fund 35 - County Schools Facilities Fund	\$ 108,917	\$ 6,000	\$ -	\$ 114,917
Fund 40 - Special Reserve for Capital Outlay Projects	\$ 94,922	\$ 3,000	\$ -	\$ 97,922
Fund 49 - Debt Service Fund for Blended Component Units	\$ 5,355,339	\$ 6,433,155	\$ 7,255,365	\$ 4,533,129
Fund 71 - Retiree Benefit Fund	\$ 7,132	\$ 125	\$ -	\$ 7,257
Fund 73 - Foundation Private-Purpose Trust Fund	\$ 164,292	\$ 2,500	\$ -	\$ 166,792

# • The Future

- ❖ Finishing the Budget Cycle:

- ❖ State budget has to be signed by the Governor with 45 day report of effect of State Budget approval (July/August 2019)

- ❖ 2018-19 Unaudited Actuals will be presented in September 2019

# • Board Approval

- ❖ Recommend approval of 2019-20 Adopted Budget

# • Questions or Comments