

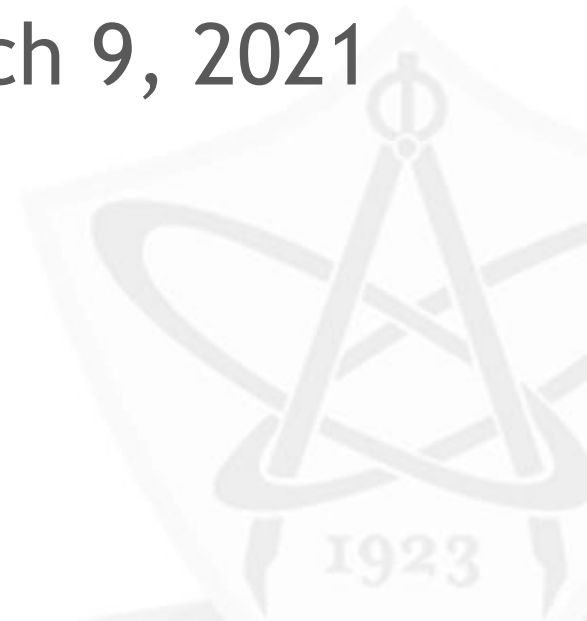
# BUDGET REPORT



## BOARD OF TRUSTEES STUDY SESSION

March 9, 2021

## SECOND INTERIM



# SUMMARY OF CHANGES SINCE 1st Interim



Since 1<sup>st</sup> Interim, the following changes are reflected in the 2<sup>nd</sup> Interim Budget.

## Revenue:

- Secured Property Tax: increase \$419K
- Unsecured Roll Taxes: increase \$685K
- One-time Learning Loss Mitigation Fund: increase \$407K  
(already included in the Learning Continuity & Attendance Plan)
- Contribution to restricted: decrease \$400K

## Expenditures:

- Substitute teacher budget: decrease \$420K
- Utilities budget: decrease \$530K
- Special Education transportation cost: decrease \$250K
- Bus Pass: decrease \$100K
- Election Cost: increase \$183K

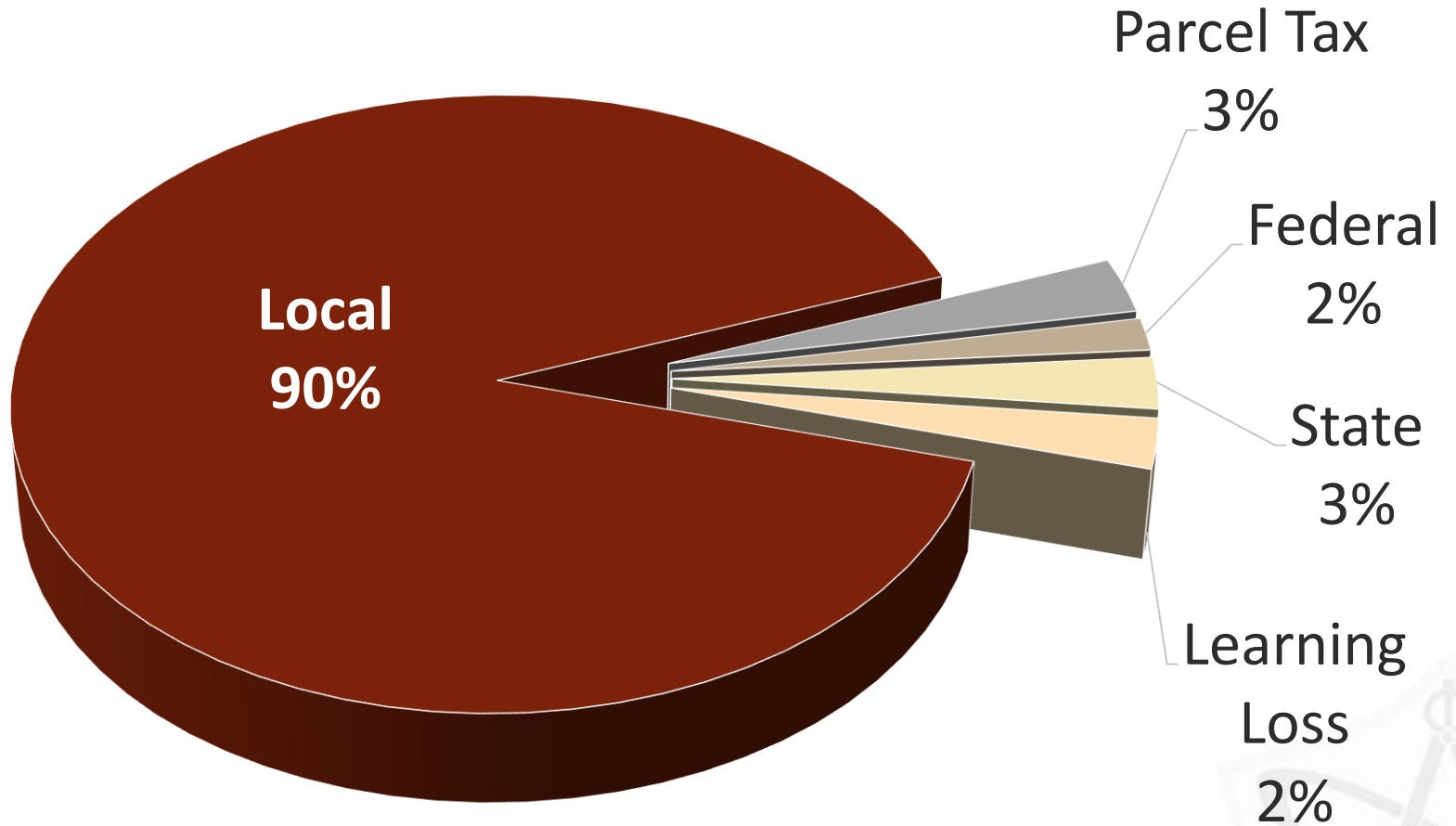


## Revenue

- Local Property Tax Growth = 6.79%
- Parcel Tax = \$5.2M (ends 2030)
- Guaranteed State Aid = \$1.45M
- Mandated Block Grant Ongoing = \$661K
- Prop. 55 = \$2.15M (ends 2030)
- Lottery Unrestricted = \$1.6M
- Due to Charter Schools in Lieu of Property Tax = \$1.4M



# GENERAL FUND REVENUE



## First Interim to Second Interim

Description	2020-21 1 <sup>st</sup> Int.	2020-21 2 <sup>nd</sup> Int.	Change
Secured	142,724,000	143,143,000	419,000
Unsecured	8,133,000	8,818,000	685,000
RDA	2,889,151	2,901,151	12,000
<b>Total</b>	<b>153,746,151</b>	<b>154,862,151</b>	<b>1,116,000</b>



# LOCAL PROPERTY TAXES



## 3-Year Summary: 18-19 to 20-21

In Millions	2018-19 Actual	2019-20 Actual	2020-21 2 <sup>nd</sup> Interim
Secured	125,327,438	133,657,563	143,143,000
Unsecured	8,730,172	8,507,355	8,818,000
RDA	2,551,450	2,849,758	2,901,151
<b>Total</b>	<b>136,609,060</b>	<b>145,014,676</b>	<b>154,862,151</b>
<b>Growth</b>	<b>7.08%</b>	<b>6.15%</b>	<b>6.79%</b>

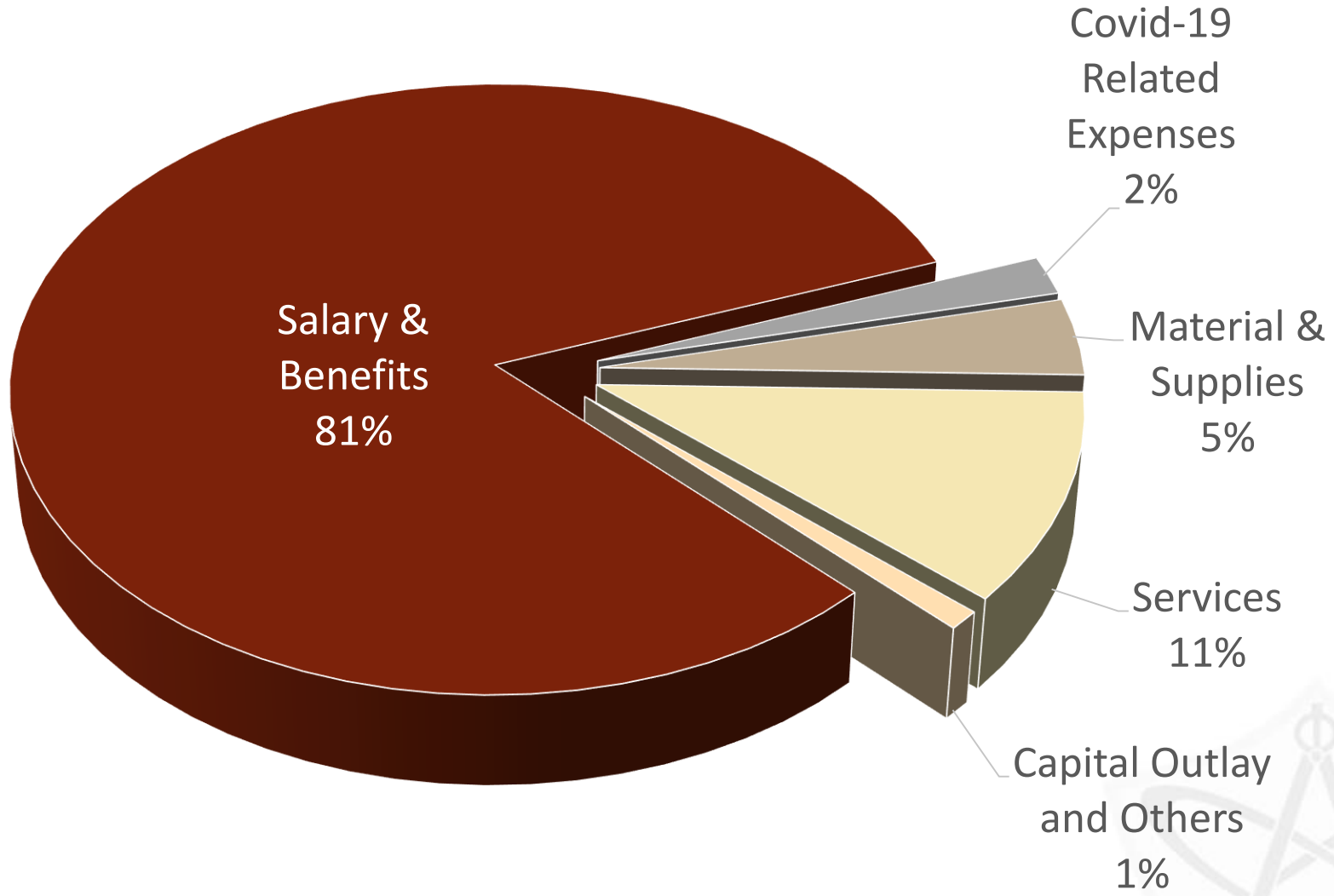


## Expenditures

- No Salary changes for CSEA, FEA and FMA
- Step and Col. = 1.5% for all three groups
- No CSEA and FMA Health insurance changes
- FEA Health insurance increase 8%
- Decrease 5.2 teacher FTE = 26 sections
- Statutory Benefits
  - Certificated 19.31%
  - Classified Classic 37.57%
  - Classified PEPRA 30.06%



# GENERAL FUND EXPENDITURE





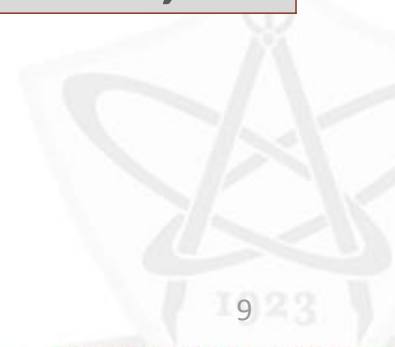
# UTILITIES EXPENDITURES



## First to Second Interim

Description	2020-21 1 <sup>st</sup> Interim	2020-21 2 <sup>nd</sup> Interim	Change
Electricity	1,856,450	1,673,255	-183,195
Gas	775,894	565,000	-210,894
Water/Sewage	716,995	614,100	-102,895
All Other*	433,110	398,550	-34,560
<b>Total</b>	<b>3,782,449</b>	<b>3,250,905</b>	<b>-531,544</b>

\*All Other includes Waste Disposal and Security



# UTILITIES EXPENDITURES



## 3-Year Summary: 18-19 to 20-21

In Millions	2018-19 Actual	2019-20 Actual	2020-21 2 <sup>nd</sup> Interim
Electricity	1,538,228	1,621,688	1,673,255
Gas	615,602	729,436	565,000
Water/Sewage	689,837	658,427	614,100
All Other*	397,102	364,284	398,550
<b>Total</b>	<b>3,240,769</b>	<b>3,373,835</b>	<b>3,250,905</b>

\*All Other includes Waste Disposal and Security

# SPECIAL EDUCATION CONTRIBUTION



## First to Second Interim

Description	2020-21 1 <sup>st</sup> Interim	2020-21 2 <sup>nd</sup> Interim	Change
Local/State Rev.	4,728,217	4,760,118	31,901
Federal Rev.	2,496,064	2,496,064	0
<b>Total Revenue</b>	<b>7,224,281</b>	<b>7,256,182</b>	<b>31,901</b>
Salaries	19,635,571	19,683,460	47,889
Benefits	8,111,479	8,262,701	151,222
All Other*	10,112,658	9,527,169	-585,489
<b>Total Expenses</b>	<b>37,859,708</b>	<b>37,473,330</b>	<b>-386,378</b>
GF Contribution	30,554,549	30,136,270	-418,279
Prop 55 Cont.	80,878	80,878	0

\* Includes Special Ed Transportation and Non Public Schools

# SPECIAL EDUCATION CONTRIBUTION



## 3-Year Summary: 18-19 to 20-21

Description	2018-19	2019-20	2020-21
	Actual	Actual	2 <sup>nd</sup> Interim
Local/State Rev.	4,409,170	4,666,853	4,760,118
Federal Rev.	2,483,222	2,492,899	2,496,064
<b>Total Revenue</b>	<b>6,892,392</b>	<b>7,159,752</b>	<b>7,256,182</b>
Salaries	18,495,306	19,127,351	19,683,460
Benefits	7,616,583	8,049,701	8,262,701
All Other*	10,297,685	9,496,456	9,527,169
<b>Total Expenses</b>	<b>36,409,574</b>	<b>36,673,508</b>	<b>37,473,330</b>
GF Contribution	29,267,182	29,418,606	30,136,270
Prop 55 Cont.	250,000	95,150	80,878

\*Includes Special Ed Transportation and Non Public School Students

**MULTI-YEAR**



2020-2021  
to  
2022-2023

**PROJECTIONS**



# MULTI-YEAR REVENUE ASSUMPTIONS



- Local Property Taxes
  - 20-21 = 6.79% growth
  - 21-22 & 22-23 = 2.0% growth
- Parcel Tax = \$5.2M annual
- Guaranteed State Aid = \$1.45M annual
- Mandated Block Grant = \$661K annual
- Prop. 55 = \$2.15M annual
- Lottery Unrestricted = \$1.6M annual
- Due to Charter Schools = \$1.4M annual





**Salary Schedules:** no change for all groups

**Step & Column:** 1.5% per year for all groups

## **Staffing Changes for FEA**

- 2020-21 = decrease 5 FTE
- 2021-22 = unchanged
- 2022-23 = unchanged

## **Health & Welfare:**

- FEA = increase 8% annual
- CAP @ \$900 monthly for CSEA and FMA



# CalSTRS CONTRIBUTION RATES



Year	Employer %	Employee PEPRA %	Employee Classic %
2019-20	<b>17.100</b>	10.205	10.25
2020-21	<b>16.150</b>	10.205	10.25
2021-22	<b>15.920</b>	10.205	10.25
2022-23	<b>18.000</b>	10.205	10.25
2023-24	<b>18.000</b>	10.205	10.25





# CaIPERS CONTRIBUTION RATES



Year	Employer %	Employee PEPRA %	Employee Classic %
2019-20	<b>19.721</b>	7.0	7.0
2020-21	<b>20.700</b>	7.0	7.0
2021-22	<b>23.000</b>	7.0	7.0
2022-23	<b>26.300</b>	7.0	7.0
2023-24	<b>27.300</b>	7.0	7.0



# RESIDENT ENROLLMENT PROJECTIONS 2021-22



Site	Actual 2020-21	Proj. 2021-22	1-Yr. Change
Fremont	2,233	2,187	-46
Homestead	2,379	2,307	-72
Monta Vista	2,052	1,940	-112
Cupertino	2,341	2,265	-76
Lynbrook	1,573	1,470	-103
<b>District Total</b>	<b>10,578</b>	<b>10,169</b>	<b>-409</b>

\*This data includes Non Public School Enrollments, but not Inter-district transfers.

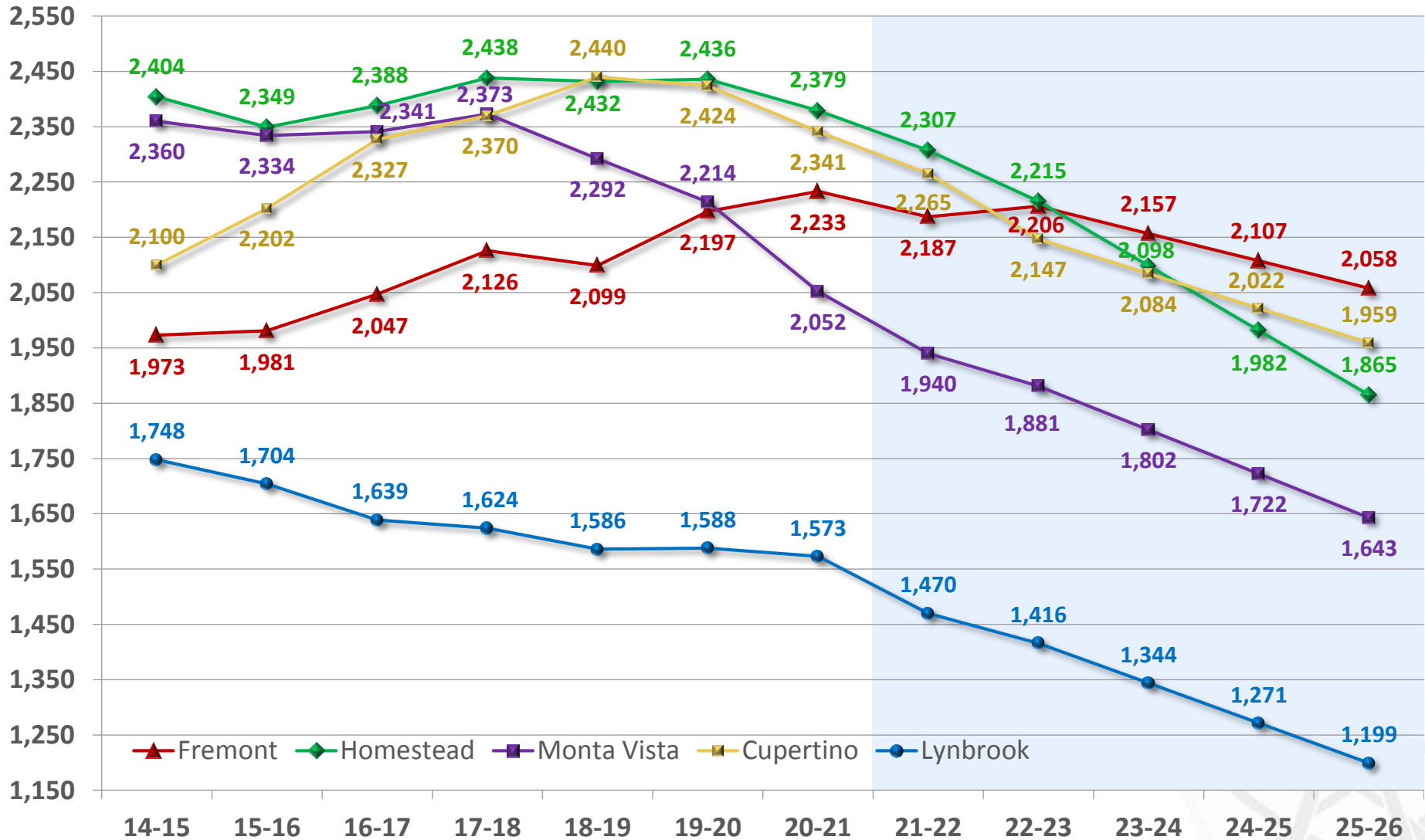
# RESIDENT PROJECTIONS: 2 YEARS (2022-23)



Site	Actual 2020-21	Proj. 2022-23	2-Yr. Change
Fremont	2,233	2,206	-27
Homestead	2,379	2,215	-164
Monta Vista	2,052	1,881	-171
Cupertino	2,341	2,147	-194
Lynbrook	1,573	1,416	-157
<b>District Total</b>	<b>10,578</b>	<b>9,865</b>	<b>-713</b>

\*This data includes Non Public School Enrollments, but not Inter-district transfers.

# SCHOOL RESIDENT ENROLLMENT\*



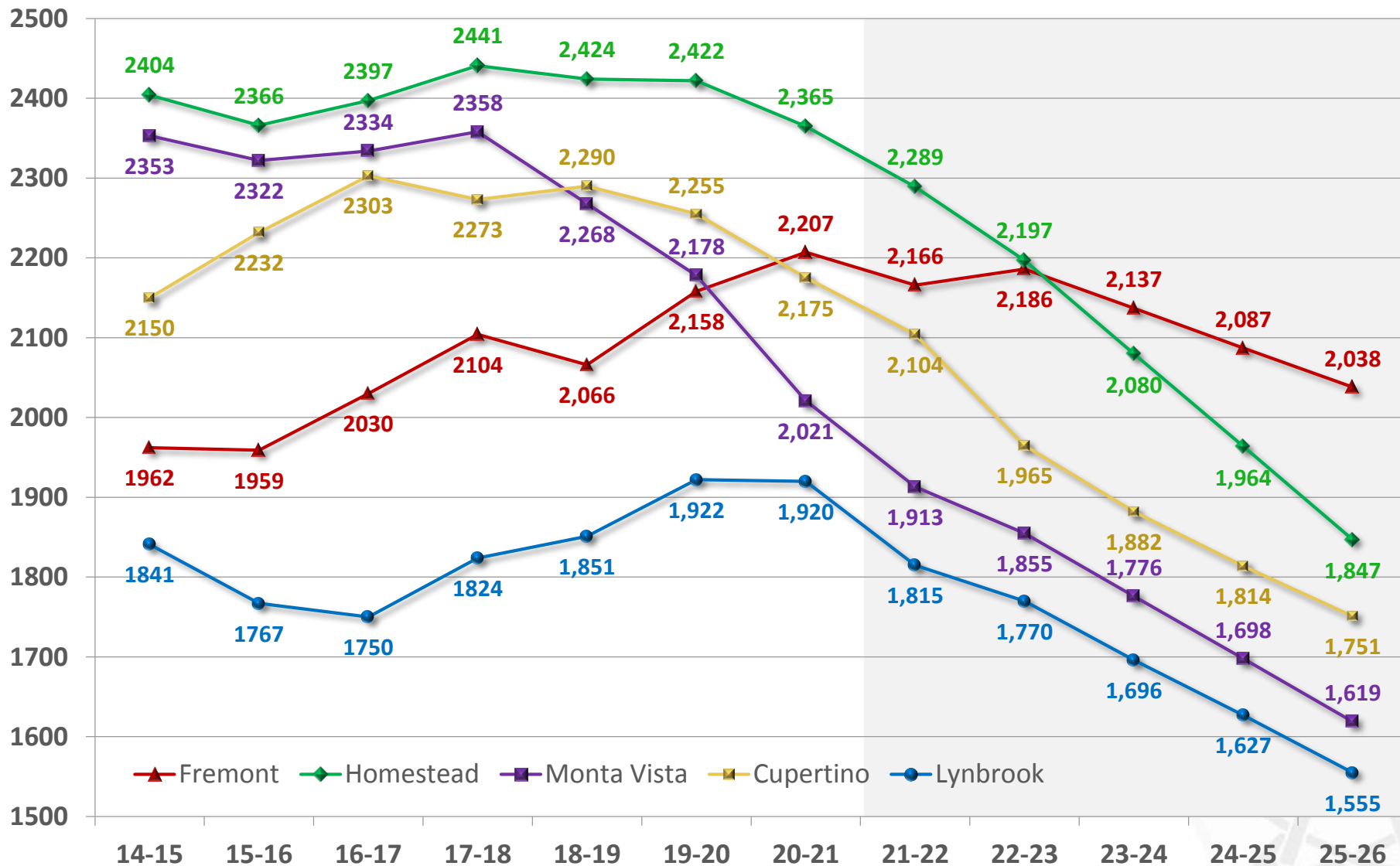
\*2021-22 and beyond are projected enrollments. 2023-24 & 2024-25 are extrapolated totals.



## ATTENDING ENROLLMENT – 1 YEAR

Site	Actual 2020-21	Proj. 2021-22	1-Yr. Change
Fremont	2,207	<b>2166</b>	<b>-41</b>
Homestead	2,365	<b>2289</b>	<b>-76</b>
Monta Vista	2,021	<b>1913</b>	<b>-108</b>
Cupertino	2,175	<b>2104</b>	<b>-71</b>
Lynbrook	1,920	<b>1815</b>	<b>-105</b>
NPS & CDS	25	<b>27</b>	<b>2</b>
<b>District Total</b>	<b>10,713</b>	<b>10,314</b>	<b>-399</b>

# SCHOOL ATTENDING ENROLLMENT\*



\*2021-22 and beyond are projected enrollments. 2023-24 & 2024-25 are extrapolated totals.

# MULTI-YEAR REVENUE



<b>Unrestricted GF*</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>
LCFF Revenue	155.34	158.44	161.61
State Revenue	2.26	2.26	2.26
Parcel Tax	5.2	5.2	5.2
Other Local	1.94	1.94	1.94
Other Fin. Sources	0	0	0
Contribution	-35.11	-38.62	-40.55
<b>Total</b>	<b>129.63</b>	<b>129.22</b>	<b>130.46</b>

LCFF Revenue: Property Taxes, EPA, GSA

State Revenue: MCBG, Lottery

Other Local: Interest, Fees, Leases

\*In millions

# MULTI-YEAR EXPENDITURES



<b>Unrestricted GF*</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>
Salary + Benefits	108.02	111.00	114.72
Supplies & Other	13.778	14.958	15.678
Other Financing Uses	2.16	2.16	2.16
<b>Total</b>	<b>123.96</b>	<b>128.12</b>	<b>132.56</b>

\*In millions





# MULTI-YEAR PROJECTIONS



<b>Unrestricted GF*</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>
Beginning Fund Balance	22.36	28.03	29.14
Plus Total Revenue & Other Financing Sources	129.63	129.22	130.46
Less Total Expenditures & Other Financing Uses	123.96	128.12	132.56
Less Reserve for Economic Uncertainties	18.08	18.47	19.12
Less Committed/Assigned	3.69	3.69	3.69
<b>Net Shortfall/Surplus</b>	<b>6.26</b>	<b>6.97</b>	<b>4.23</b>

\*In millions

# KEY BUDGET DEADLINES 2020-21



<b>BUDGET ITEM</b>	<b>DATE</b>
Budget Public Hearing	June 02, 2020
Adopted Budget	June 16, 2020
First Interim/BOP*	December 15, 2020
Calculation of RSP	February of 2021
Enrollment Projections	February of 2021
Second Interim	March 15, 2021
Site Budget Allocations	May of 2021
Unaudited Actuals	September 15, 2021
Final Audit Report	December 15, 2021

\*BOP = Budget Overview for Parents

## Certification:

### Positive Certification

The District *will* meet its financial obligations for the current year, and the two subsequent fiscal years.

