

BUDGET REPORT



BOARD OF TRUSTEES STUDY SESSION

JUNE 15, 2021

BUDGET ADOPTION

On May 14, 2021 the Governor presented an overview of the May Revision:

Significant Changes Since January Proposed Budget

- May Revision - \$75.7 Billion surplus
- Estimated Prop. 98 Funding - \$93.7 Billion
 - The Largest Increase since the adoption of Prop. 98 in 1988,
 - Almost \$18 Billion higher than the January Proposal
- Super COLA – 5.07 %
- Statutory COLA – 1.7%
- Compounded COLA – 4.05%



Major Issues Not Included in May Revision

- Full payoff of principal apportionment deferrals
- Any additional relief for school employer CalSTRS/CalPERS rate increases
- Any relief for increased unemployment insurance rate costs – from .05% to 1.23%
- Supplemental payments to Prop 98
May revision proposes eliminating this statutory obligation

Direct Impacts on the District's Programs

- Special Education COLA = 4.05%
- Adult Education Block Grant COLA = 1.7%
- Mandated Block Grant COLA = 1.7 %
- Career Technical Education Incentive Grant COLA = No COLA



Potential one-time funds (unknown amounts)

- Another round of funding - supplement the In-Person Instruction Grant (AB 86)
- School kitchen infrastructure upgrades and training for Food Services staff
- Expand Broadband Access
- Expand Learning Time
- Behavioral Health System
- Special Education
- Federal Funding – American Rescue Plan





MULTI-YEAR BUDGET



COVID ONE-TIME FUNDING



Due to the pandemic, the district has received various sources of one-time funding.

These funds are restricted funds, but there is flexibility in how we use them.



Sources of Funds:

- ESSER II - \$651,143
- AB86 In-Person Instruction (IPI) - \$3,504,668
Penalty for not resuming in-person instruction by April 1st
- AB86 Expanded Learning Opportunity (ELO) - \$6,656,753
- AB86 Expanded Learning Opportunity (ELO) - \$738,195
Restricted to Paraprofessionals
- Total One-Time Funding - \$11,550,759



Usage of Funds:

- Expand Paraprofessional services
- Extending instructional learning time beyond requirements
- Accelerating progress to close learning gaps
- Integrated pupil supports, such as the provision of mental health services, access to school meal programs, before and after school programs, and programs to address trauma
- Community learning hubs that provide pupils with access to technology, high-speed internet, and other academic supports
- Supports for credit-deficient pupils to complete graduation or promotion requirements and to increase or improve pupils' college eligibility

Usage of Funds Continued:

- Additional academic services for pupils, such as diagnostic, progress monitoring, and benchmark assessments of pupil learning
- Training for school staff on strategies, including trauma-informed practices, to engage pupils and families in pupils' social-emotional health needs and academic needs
- COVID-19 testing
- Cleaning and disinfecting
- Personal protective equipment
- Ventilation and other school upgrades for health and safety
- Social and mental health support services provided in conjunction with in-person instruction



Multi-Year Budget

EDUCATIONAL SERVICES	2020-21	2021-22	2022-23
Special Ed - increase ACT classrooms		\$270,000	
Special Ed - Non Public Schools (NPS)		\$400,000	\$400,000
Translations		\$10,000	\$10,000
7 hour EL Paraprofessionals		\$80,000	
Extra time for Special Ed Paraprofessionals		\$20,000	\$20,000
Training staff on accelerated learning strategies		\$5,000	
.6 School-Based Therapist Curriculum Lead		\$108,000	\$108,000
Specialized academic instruction 8th block over 3 sessions		\$30,000	\$30,000
Training on strategies for executive functioning and trauma informed practices		\$5,000	

Multi-Year Budget

EDUCATIONAL TECHNOLOGY	2020-21	2021-22	2022-23
Care Solace		\$27,678	
Chromebooks		\$750,000	\$750,000
Hot Spots		\$24,000	\$24,000
MinuteTraq software		\$12,000	\$12,000
Tech supplies (headphones, doc cameras, speakers, video cameras)		\$25,000	\$25,000
Test security software		\$50,000	\$50,000
Zoom license		\$70,000	\$70,000
Customization of student data analytics system		\$111,000	

COVID ONE-TIME FUNDING



Multi-Year Budget

PERSONNEL	2020-21	2021-22	2022-23
Appreciation/Support bonus classified	\$101,000		
Learning Loss administrative support		\$180,000	\$180,000
Extra support for social distancing	\$10,000		
Return to school timesheets for teachers	\$120,000		
Schoology Implementation Leads		\$544,000	\$571,200
Schoology training		\$50,000	\$50,000
Surveillance testing	\$160,000		

FACILITIES / MAINT / OPERATIONS	2020-21	2021-22	2022-23
Air quality testing/repairs		\$200,000	\$200,000
HVAC - CDE preapproval required	\$2,500,000	\$1,600,000	\$650,000
Merv 13 filters		\$50,000	\$25,000

COVID ONE-TIME FUNDING



Multi-Year Budget

SAFETY / SANITATION / OTHER	2020-21	2021-22	2022-23
Additional PPE supplies & equipment		\$5,000	
Cafeteria service		\$105,000	
Cleaning and sanitizing equipment & supplies		\$50,000	
ESSER II Fund backfill unemployment insurance increase in 2021-22		\$620,136	
Indirect cost	\$38,461	\$69,468	\$38,461

TOTALS FOR MULTI-YEAR	2020-21	2021-22	2022-23
ANNUAL TOTALS	\$2,929,461	\$5,471,282	\$3,213,661
GRAND TOTAL			\$11,614,404

LCFF CALCULATION 2021-2022



Total 2021-22 LCFF Calculation

Base Funding w/ COLA (5.07 %)	\$104,918,158
9-12 Augmentation (CTE @ 2.6%)	\$2,729,456
Supplemental Grant	\$3,627,725
Transportation & TIIG Add-On	\$842,497
Total 21-22 LCFF Funding	\$112,117,836

Because our estimated Property Tax revenue less in-lieu transfer is **\$45.79M** greater than the estimated LCFF funding, we will remain in Community Funded/Basic Aid status.

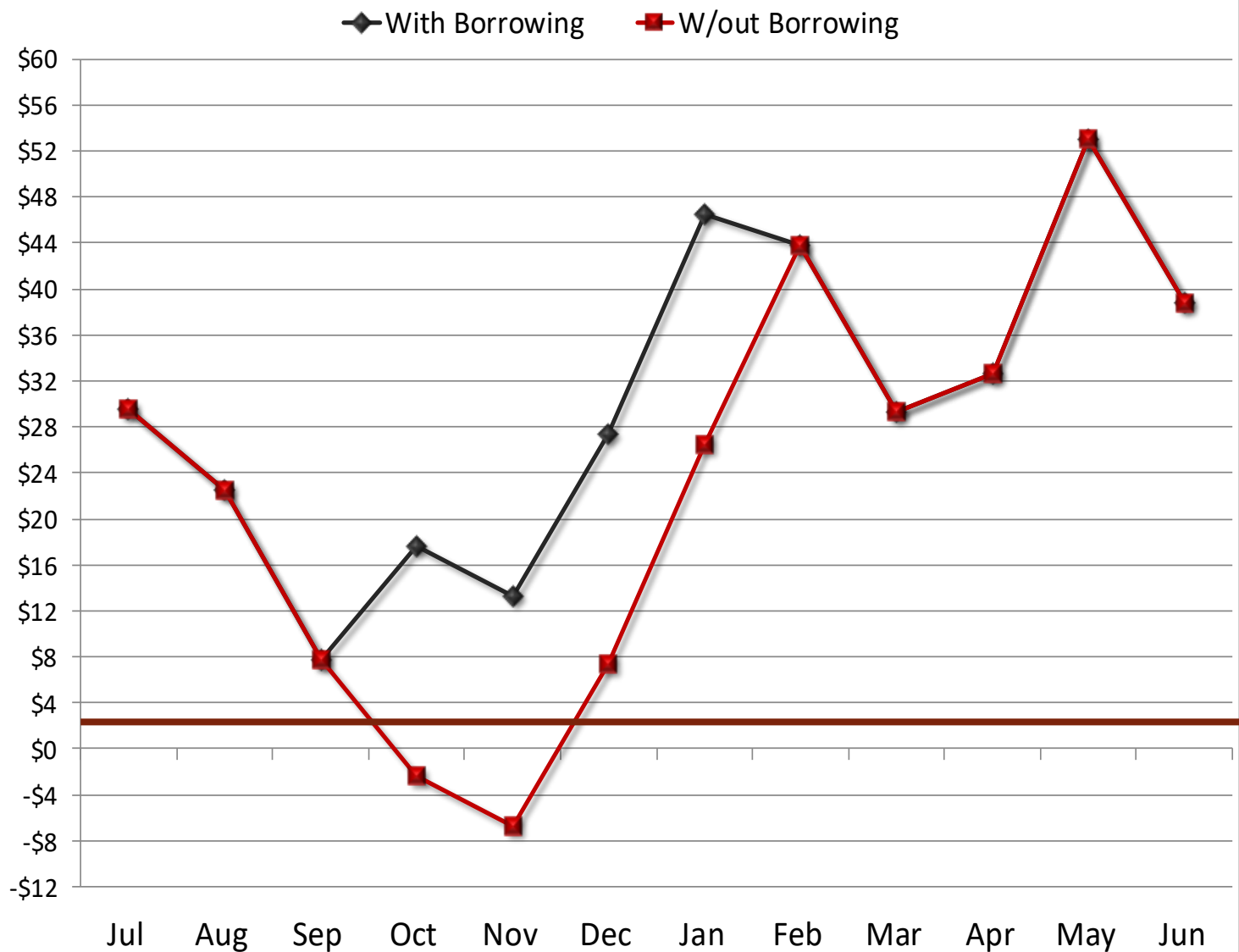
Reminder: LCFF = Local Control Funding Formula

ANNUAL CASH FLOW



W/OUT Borrowing

Jul	29,555,347
Aug	22,564,652
Sep	7,740,023
Oct	- 2,384,487
Nov	- 6,722,851
Dec	7,424,545
Jan	26,444,740
Feb	43,770,758
Mar	29,300,719
Apr	32,686,503
May	53,063,817
Jun	38,834,484



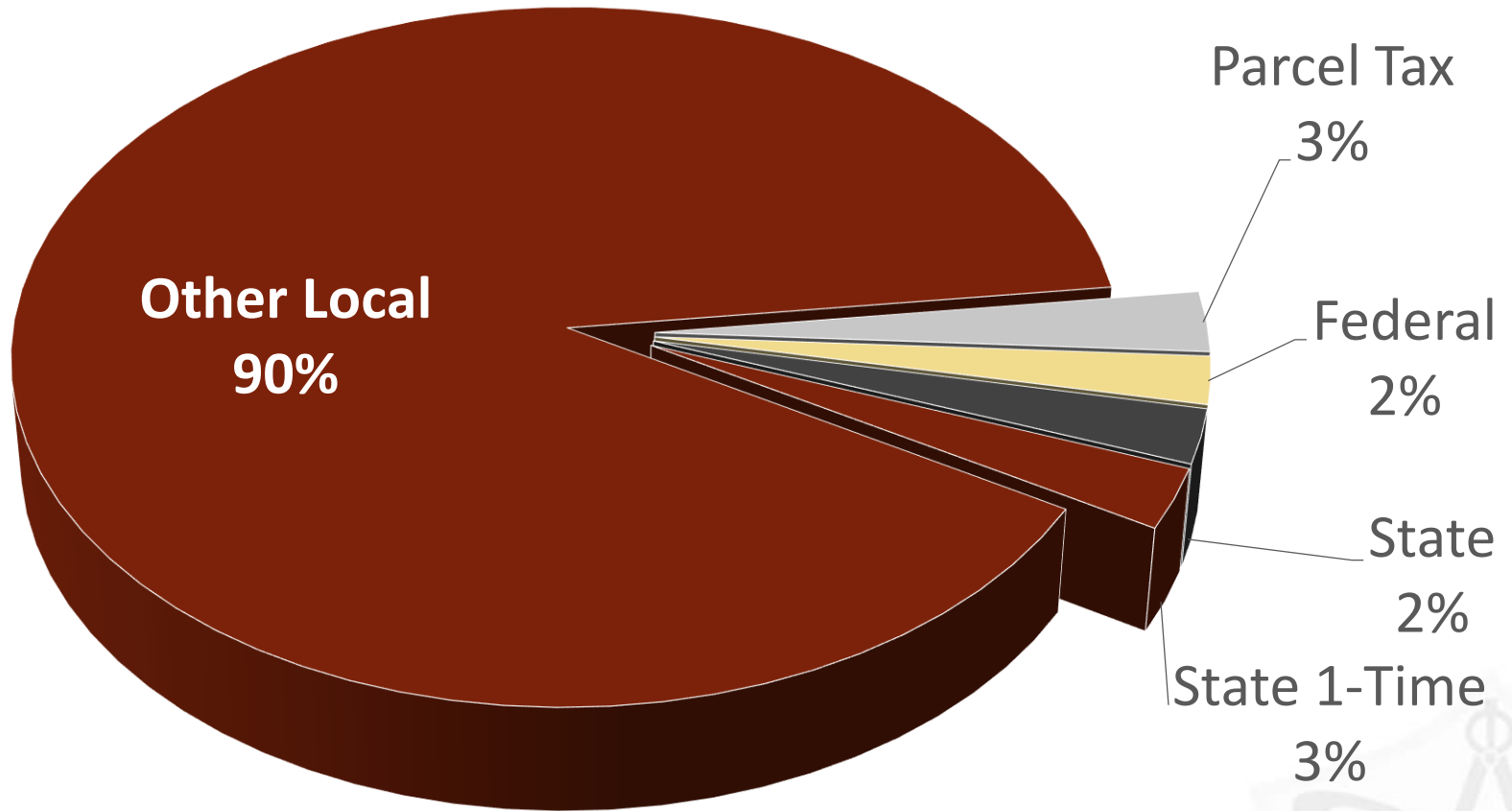
GENERAL FUND REVENUE ASSUMPTIONS



- Secured Local Property Tax Growth = 3%
- Parcel Tax = \$5.2M (ends 2030)
- Guaranteed State Aid = \$1.45M
- Mandated Block Grant Ongoing = \$661K
- Prop. 55 = \$2.15M (ends 2030)
- Lottery Unrestricted = \$1.49M
- Due to Charter Schools in Lieu of Property Tax = \$1.4M
- One-Time Revenue:
 - ESSER II = \$651K
 - AB86 = \$5.4M



GENERAL FUND REVENUE



LOCAL PROPERTY TAXES



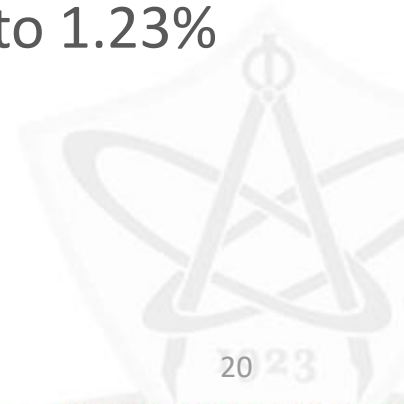
3-Year Summary: 19-20 to 21-22

Description	2019-20 Actual	2020-21 Est. Actual	2021-22 Adopted
Secured	133,657,563	143,421,000	147,708,540
Unsecured	8,507,355	8,957,885	8,957,885
RDA	2,849,758	2,642,151	2,642,151
Total	145,014,676	155,021,036	159,308,576
Growth	6.15%	6.90%	2.77%

GENERAL FUND EXPENDITURE ASSUMPTIONS



- No Salary changes for CSEA, FEA and FMA
- Step and Col. = 1.5% for all three groups
- CSEA and FMA Health insurance increase cap \$47 (from \$900 to \$947)
- FEA Health insurance increase 6%
- Teaching FTE decrease 15 FTE
- Statutory Benefits: Certificated 21.26%, Classified Classic 40.96%, Classified PEPRA 33.47%
- Unemployment Insurance increase from 0.05% to 1.23%
- Coaches stipend increase \$50K



2023

GENERAL FUND EXPENDITURE ASSUMPTIONS



- Increase due to reopening schools for in-person instruction:
 - Substitute increase \$500K
 - Utilities increase \$635K
 - Bus Passes increase \$110K
 - Special Education Transportation increase \$870K

- Increase one-time expenditure – AB86
 - 2020-21 = \$2.9M
 - 2021-22 = \$5.4M

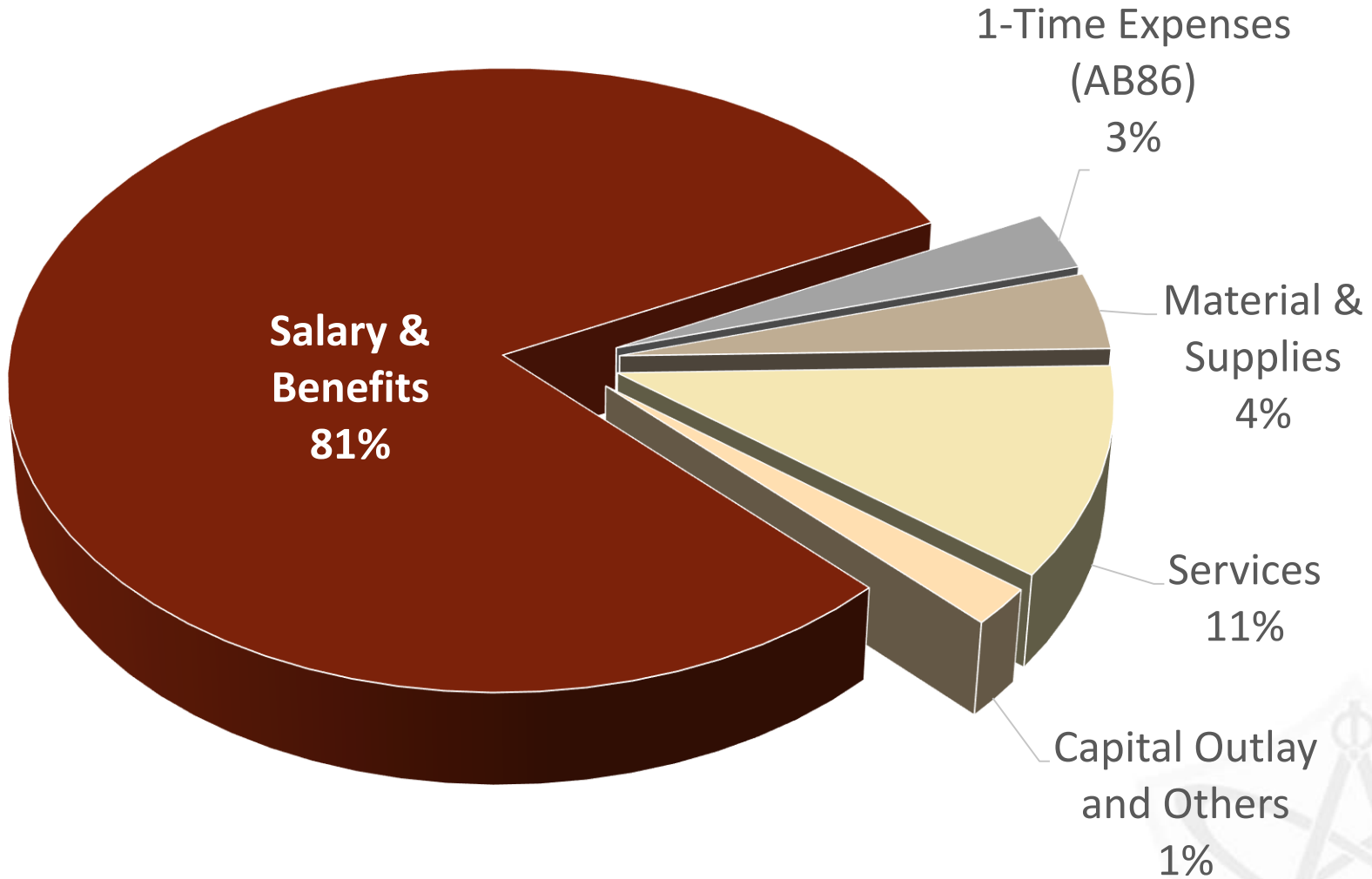


STATUTORY BENEFIT RATES (%)

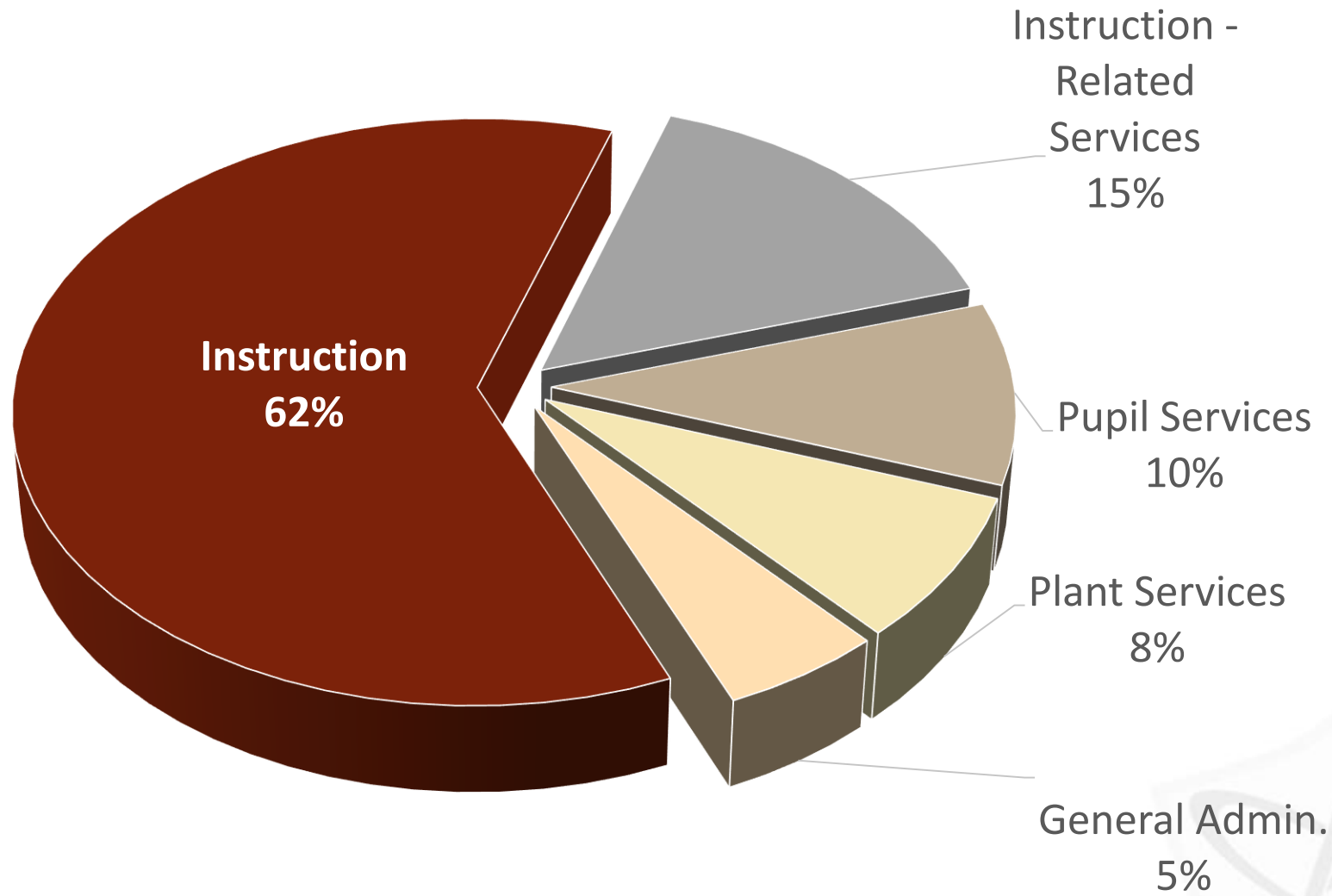


Benefit	Cert.	Classic	PEPRA
STRS – Employer	16.920		
Unemployment Ins.	1.230	1.230	1.230
Workers Compensation	1.325	1.325	1.325
Medicare Insurance	1.450	1.450	1.450
Income Protection	0.340	0.360	0.360
OASDI – Disability		6.200	6.200
PERS – Employer		22.91	22.91
PERS – Employee		7.490	
Total Statutory Rate	21.265%	40.965%	33.475%

GENERAL FUND EXPENDITURE



GENERAL FUND EXPENDITURES BY FUNCTION



UTILITIES EXPENDITURES



3-Year Summary: 19-20 to 21-22

Description	2019-20 Actual	2020-21 Est. Actual	2021-22 Adopted
Electricity	1,621,688	1,635,000	1,946,025
Gas	729,436	554,885	831,557
Water/Sewage	658,427	627,270	662,714
All Other*	364,284	412,865	425,251
Total	3,373,835	3,230,020	3,865,547

*All Other includes Waste Disposal and Security

SPECIAL EDUCATION CONTRIBUTION



3-Year Summary: 19-20 to 21-22

Description	2019-20	2020-21	2021-22
	Actual	Est. Actual	Adopted
Local/State Rev.	4,666,853	5,054,747	4,952,306
Federal Rev.	2,492,899	2,494,113	2,494,113
Total Revenue	7,159,752	7,548,860	7,446,419
Salaries	19,127,351	20,218,933	20,919,877
Benefits	8,049,701	8,426,243	9,094,383
All Other*	9,496,456	9,448,493	11,133,717
Total Expenses	36,673,508	38,093,669	41,147,977
GF Contribution	29,418,606	30,463,931	32,976,715
Prop 55 Contribution	95,150	80,878	68,746
AB 86 Contribution		0	656,097

*Includes Special Ed Transportation and Non Public School Students

MULTI-YEAR



2021-2022

to

2023-2024

PROJECTIONS



MULTI-YEAR REVENUE ASSUMPTIONS



- Local Property Taxes
 - 21-22 = 3% growth
 - 22-23 & 23-24 = 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 = \$1.49M 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

- 2021-22 = decrease 15 FTE
- 2022-23 = decrease 12 FTE
- 2023-24 = decrease 16 FTE

Health & Welfare

- FEA = increase 6% annual
- CAP @ \$947 monthly for CSEA and FMA

Unemployment Insurance

- 2021-22 = 1.23%
- 2022-23 & 2023-24 = 0.20%



CalSTRS CONTRIBUTION RATES



Year	Employer %	Employee PEPRA %	Employee Classic %
2020-21	16.150	10.205	10.25
2021-22	16.920	10.205	10.25
2022-23	19.100	10.205	10.25
2023-24	19.100	10.205	10.25
2024-25	19.100	10.205	10.25



CalPERS CONTRIBUTION RATES



Year	Employer %	Employee PEPRA %	Employee Classic %
2020-21	20.700	7.0	7.0
2021-22	22.910	7.0	7.0
2022-23	26.100	7.0	7.0
2023-24	27.100	7.0	7.0
2024-25	27.700	7.0	7.0



MULTI-YEAR REVENUE



Unrestricted GF[#]	2021-22	2022-23	2023-24
LCFF Revenue*	160.59	163.8	167.08
State Revenue**	2.16	2.16	2.16
Parcel Tax	5.2	5.2	5.2
Other Local***	1.94	1.94	1.94
Other Fin. Sources	0	0	0
Contribution	-36.96	-38.44	-39.98
Total	132.93	134.66	136.40

In millions

* Included: Property Taxes, EPA, GSA

** Included: MCB, Lottery

*** Included: Interest, Fees, Leases

MULTI-YEAR EXPENDITURES



Unrestricted GF*	2021-22	2022-23	2023-24
Salary + Benefits	116.44	118.30	119.91
Supplies & Other	13.92	13.92	13.92
Other Financing Uses	2.82	2.82	2.82
Total	133.19	135.05	136.66

*In millions



MULTI-YEAR PROJECTIONS



Unrestricted GF*	2021-22	2022-23	2023-24
Beginning Fund Balance	22.95	22.68	22.29
Plus Total Revenue & Other Financing Sources	132.93	134.66	136.40
Less Total Expenditures & Other Financing Uses	133.19	135.05	136.66
Less Reserve for Economic Uncertainties	19.50	19.81	20.11
Less Committed/Assigned	2.87	2.48	1.92
Net Shortfall/Surplus	0.32	0.00	0.00

* In millions

LOCAL RESERVES - DISTRICT SUMMARY



TOTAL FUND BALANCE CALCULATION FOR SB 858	2021-22	2022-23	2023-24
Total Assigned & Unassigned Fund Balance	22,685,687	22,297,465	22,029,274
Min. Reserve for Econ. Uncertainty	5,849,957	5,944,427	6,033,239
Remaining Bal. to Substantiated Needs	16,835,730	16,535,038	15,996,035



LOCAL RESERVES - DISTRICT SUMMARY



REASONS FOR FUND BALANCES IN EXCESS OF 3% RESERVE	2021-22	2022-23	2023-24
Revolving Cash	15,000	15,000	15,000
Set aside-Prepaid Expense	250,000	250,000	250,000
Set aside-Prop. 55 Plan	954,210	634,184	
Set aside-prior year pending invoices	324,390	324,390	
1-time pandemic saving (RSP)	1,642,230		
Projected enrollment decline		1,259,135	1,653,478
Board Policy requiring available reserves of at least 10%	13,649,899	13,870,329	14,077,557

KEY BUDGET DEADLINES 2021-22



BUDGET ITEM	DATE
Budget/LCAP Public Hearing	June 15, 2021
Adopted Budget Approval	June 22, 2021
First Interim	December 15, 2021
Calculation of RSP	February of 2022
Enrollment Projections	February of 2022
Second Interim	March 15, 2022
Site Budget Allocations	May of 2022
Unaudited Actuals	September 15, 2022
Final Audit Report	December 15, 2022

Certification:

1. This Budget was developed using the state-adopted Criteria and Standards. It includes the expenditures necessary to implement the Local Control and Accountability Plan (LCAP) or annual update to the LCAP that will be effective for the budget year. The Budget was filed and adopted subsequent to a public hearing by the governing board of the school district pursuant to Education Code sections 33129, 42127, 52060, 5201 and 52062
2. School district's 3-year budget complies with SB 858 – Reserve Cap



BOARD OF TRUSTEES



LOCAL CONTROL AND ACCOUNTABILITY PLAN (LCAP) BUDGET OVERVIEW FOR PARENTS

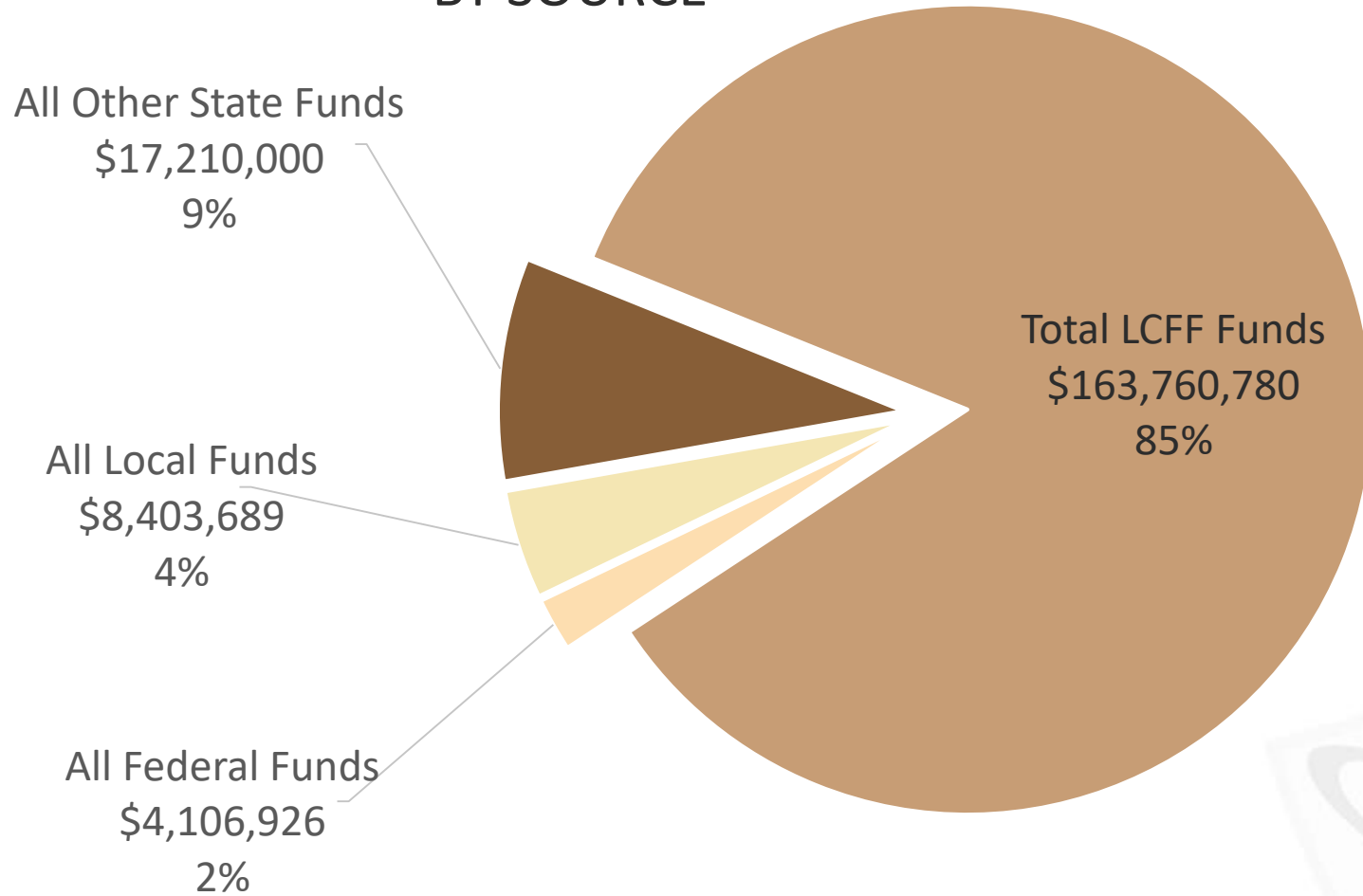
JUNE 15, 2021

STUDY SESSION

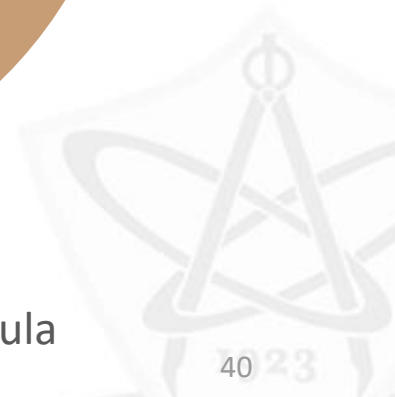
LCAP BUDGET OVERVIEW



PROJECTED TOTAL REVENUE (\$193M) BY SOURCE



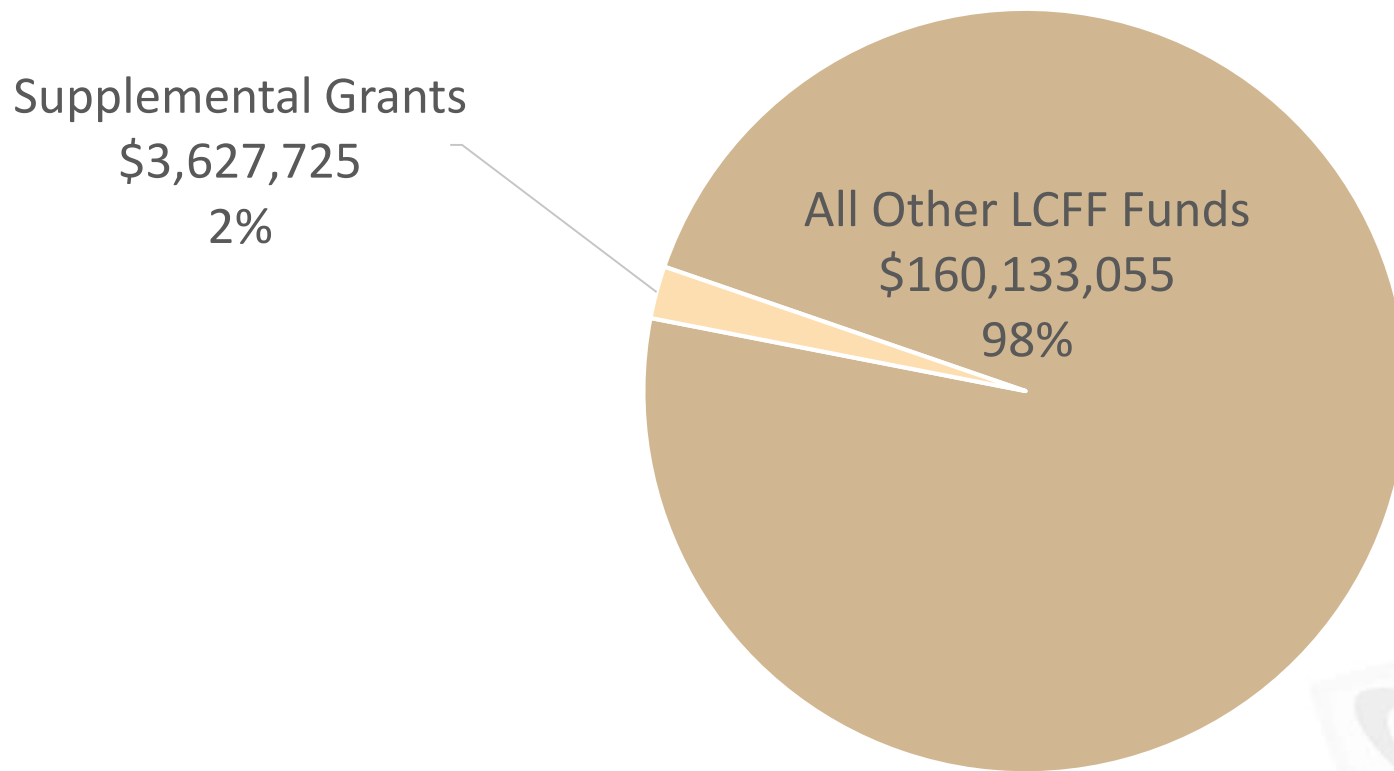
LCFF = Local Control Funding Formula



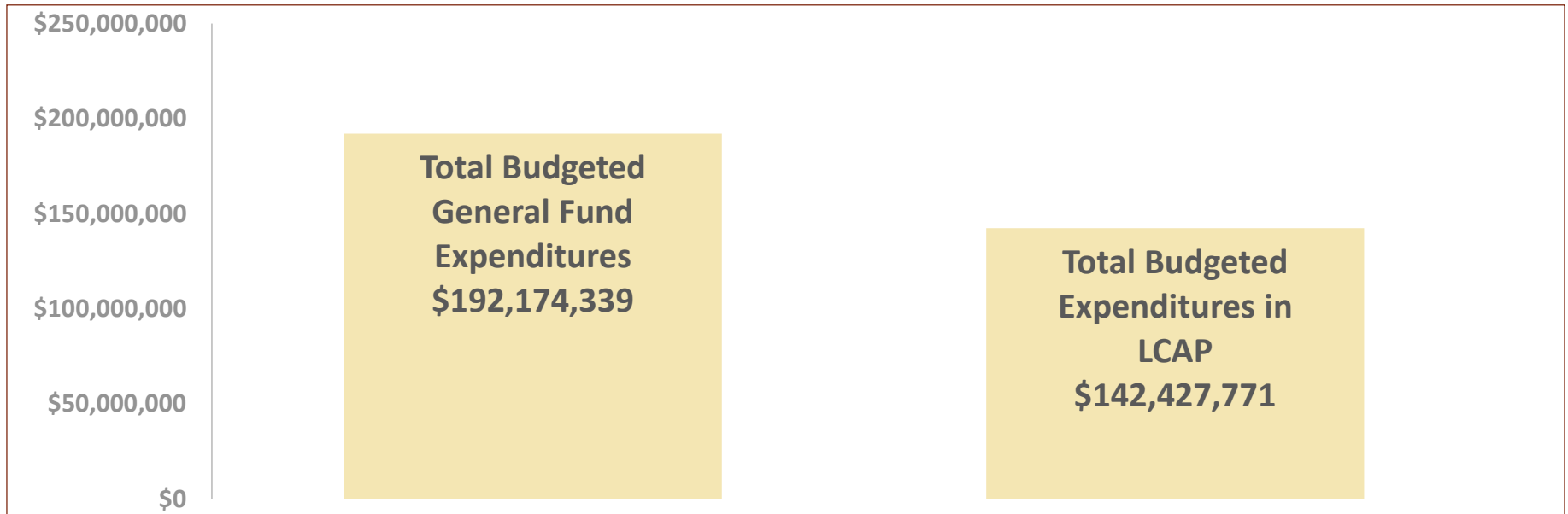
LCAP BUDGET OVERVIEW



TOTAL \$163.76M IN LCFF FUNDING BY CATEGORY



LCAP BUDGET EXPENDITURES



Though the total Budgeted GF Expenditures is \$192M, the LCAP only addresses \$142M of expenditures. Expenditures not addressed in the LCAP are:

- Supplies, contracted services, & other expenses = \$33,741,967;
- Donations and programs funded by the Building Fund = \$1,690,450;
- STRS on-Behalf = \$7,341,330;
- Salary and benefits of vacancies and LOA personnel = \$1,302,000

2020-21 IMPROVED SERVICE FOR HIGH NEEDS STUDENTS



Total Budgeted Expenditures for High
Needs Student in LCP
\$846,000

Total Estimated Actual Expenditures for High Needs Student in LCP
\$1,569,348

\$0 \$200,000 \$400,000 \$600,000 \$800,000 \$1,000,000 \$1,200,000 \$1,400,000 \$1,600,000 \$1,800,000

- For 2020-21, the District's Learning Continuity Plan (LCP) budgeted: **\$846,000**
- The District's 2020-21 LCP estimated spend **\$1,569,348**.

BUDGET REPORT



QUESTIONS?

BUDGET ADOPTION

