



2020-2021 ANNUAL BUDGET

Redlands Unified School District
Board Meeting
June 9, 2020

Some Data provided by
School Services of California and
Capitol Advisors



LEA's must budget from the May Revision
but the only certainty is that the final
budget will be different from this proposal.



LCFF FUNDING

- The assumptions for the building of this budget used the Governor's May Revision which had substantial adverse changes from the January proposal.
- While May Revisions are usually built upon actual personal income tax receipts and stable economic projections, both are missing this year.
- The Governor provides some glimmer of hope with resources outside of the Proposition 98 guarantee and potentially triggering off LCFF cuts – but the economic situation could also get worse from here.
- LCFF funded COLA of 2.31%, but deficit funding 10% for a net reduction of **-7.92%**.



LCFF FUNDING

- The May Revision assumes that the state will suffer from a \$41.2 billion loss in revenues compared to January.
- While the May Revision gives us important anchors for state and local budgets that must be adopted by July 1, 2020, there continues to be a gaping hole of information that we need in order to build more accurate budgets.
- The state will likely need to revise its Budget when more information becomes available later this summer.
- The Budget process will most likely continue into the fall.



What is the Budget for Redlands USD in 2020-2021?

▣ MAJOR ASSUMPTIONS

- Enrollment: 20,919, a 61 student increase from last year, but still below 18-19 enrollment
- ADA: 19,879.22 (95.09%)
- UPP 62.35% (3 yr. avg.)
- Funded LCFF: \$9,312 per ADA – a decrease of \$691 compared to 2019-20 and \$980 less than we expected at 2nd Interim.
- Step & Column Increase of \$1,912,508
- Negotiations for 2020-21 not settled
- Nearly \$13M of “one-time” Federal support



2020-2021 Budget Multi-Year Assumptions

- Revenue Projection Assumptions
 - Funded COLAs 2021-22 = 0.00%, 2022-23= 0.00%
 - ADA % Remains Flat - Enrollment Increases in 2021-22 and 2022-23
- Expenditure Assumptions
 - Step and Column Increase, 1.4% (same as 2019-20 increase)
 - STRS Compounding Employer Yearly Contribution Decrease 2021-22 = **2.18%**, and Increase 2022-23 = 2.08%
 - PERS Contributions Decrease 2021-22= **1.76%** , and Increase 2022-23= 3.06
 - 35% increases for P&L Insurance and 5% utilities costs
 - Does not include any bargained agreement for 2020-21

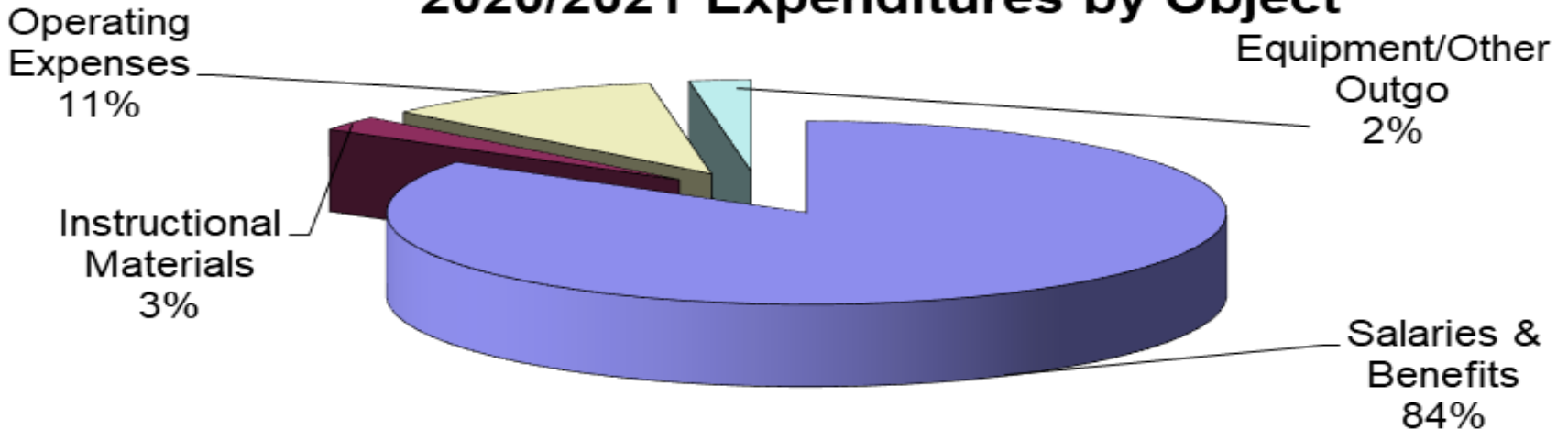


Multi-Year Analysis

(Restricted/Unrestricted)

	<u>2019/20</u> <u>Estimated</u>	<u>2020/21</u> <u>Budget</u>	<u>2021/22</u> <u>Projected</u>	<u>2022/23</u> <u>Projected</u>
Beginning Balance	\$70,599,907	\$54,176,500	\$52,240,595	\$45,001,764
Revenues	\$244,984,203	\$245,042,652	\$233,965,129	\$234,901,275
Expenditures	\$262,756,700	\$245,628,657	\$241,203,960	\$242,305,840
Ending Balance	\$52,827,410	\$53,590,495	\$45,001,764	\$37,597,199

2020/2021 Expenditures by Object





Multi-Year Analysis

(Unrestricted Balance less REU, Assigned and Committed)

	<u>2019/20</u> <u>Estimated</u>	<u>2020/21</u> <u>Budget</u>	<u>2021/22</u> <u>Projected</u>	<u>2022/23</u> <u>Projected</u>
Beginning Balance	\$47,139,835	\$33,161,298	\$35,083,622	\$29,522,966
Revenues	\$186,674,605	\$182,931,215	\$173,402,981	\$174,050,768
Expenditures	\$200,653,142	\$181,008,891	\$178,963,637	\$179,006,133
Ending Balance	\$33,161,298	\$35,083,622	\$29,522,966	\$24,567,601
Assigned/Committed	\$11,266,340	\$11,266,340	\$11,266,340	\$11,266,340
Reserve Econ Uncert	\$7,750,000	\$7,650,000	\$7,350,000	\$7,520,000
Balance Remaining	\$14,144,958	\$16,167,282	\$10,906,626	\$5,781,261



2020-2021 Budget Components of Ending Balance

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Non-Spendable Revolving Cash	\$50,000		\$50,000
Non-Spendable	\$1,300,000		\$1,300,000
Legally Restricted		\$17,156,972	\$17,156,972
Committed	\$7,177,000		\$7,177,000
Assigned	\$4,089,312		\$4,089,312
3% Reserve EU	\$7,650,000		\$7,650,000
Unassigned (Unappropriated)	\$16,167,281		\$16,167,281
Totals	\$36,433,593	\$17,156,972	\$53,590,565



Ending Fund Balance: Assigned

▣ Donations (Site Funds)	\$ 938,030
▣ Sites (SSP))	\$ 925,400
▣ ETEC	\$ 300,000
▣ Furniture and Equip Site Allocation	\$ 500,000
▣ AQMD - Bus	\$ 42,709
▣ Site Allocation	\$ 25,963
▣ Lottery - not Committed to Text Adoption	<u>\$ 1,357,229</u>
Total	\$ 4,089,331



Ending Fund Balance: Committed

□ K-12 Science (Lottery)	\$ 2,578,320++
□ Innovation and Technology	\$ 3,462,872
□ Social Studies	\$ 135,817**
□ World Language	<u>\$ 1,000,000</u>
Total	\$ 7,177,000

++ Board approved \$1,000,000 for Secondary Biology and Chemistry 2019/2020

** Board approved \$3,000,000 for Social Studies 2019/2020



Key Components of Restricted Ending Fund Balance

▣ Medi-Cal Billing Option	\$ 104,975
▣ Lottery Inst. Materials (Prop. 20)	\$ 1,148,153
▣ Spec. Ed. Early Ed (Infant Program)	\$ 719,319
▣ Ongoing & Major Maint. (RRM)	\$ 603,789
▣ Other Restricted Local (RDA)	\$ 14,580,736
TOTAL	\$ 17,156,972

Questions?

