



2019 – 2020 Budget Status and Story – Parts 1 & 2

West Contra Costa Unified School District
October 30, 2019

Tony Wold, Ed.D.,
Associate Superintendent, Business Services

2019 – 2020 Budget Calendar

Budgeting for a school district is a continuous, year-round process. Projections continually change based on new and changing information. There are 5 formal reports presented to the Board:

- ❖ June 30, 2019 Adopted 2019 – 20 Budget
- ❖ September 18, 2019 Unaudited Actuals
- ❖ **December 11, 2019** **1st Interim Budget** *(Data as of October)*
- ❖ March 11, 2020 2nd Interim Budget *(Data as of January)*
- ❖ June 10/24, 2020 Adopted 2020 – 21 Budget

Other than the presentation of the actual financial information (unaudited actuals) all other budget presentations are a combination of actuals and projections for the current and upcoming year

Moving Forward - Together

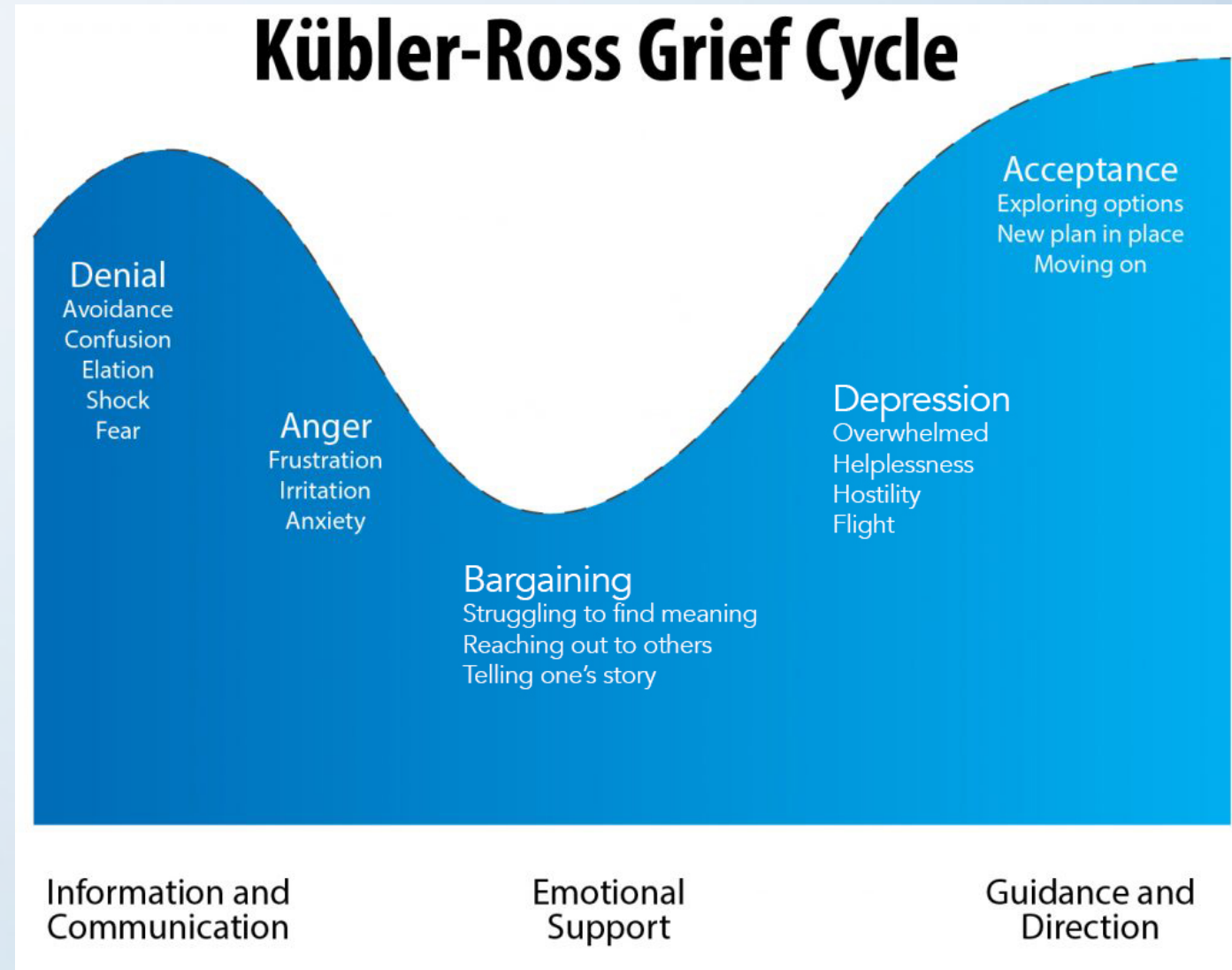
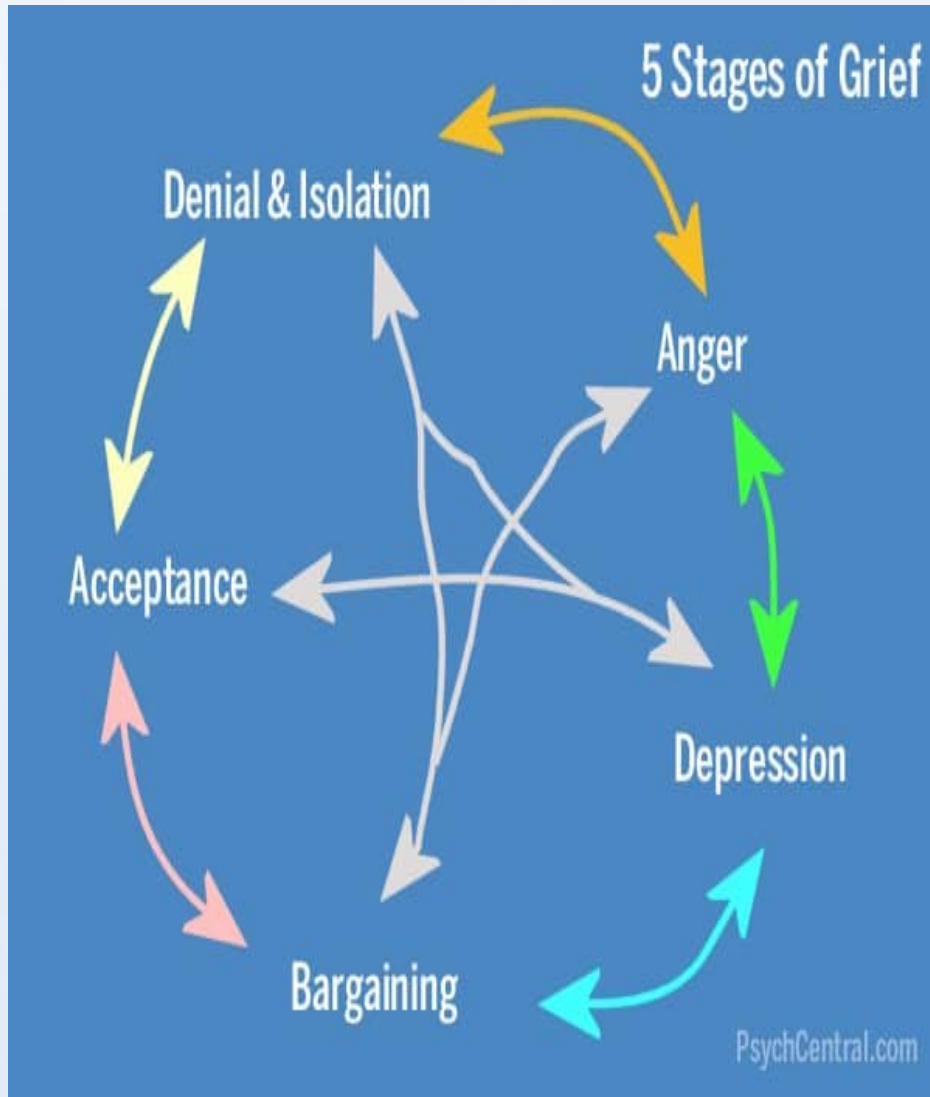
- Solving the Budget issue will require a full partnership of all stakeholders.
- We need to understand the current situation, provide data, and answer questions
- We need to look forward – together!



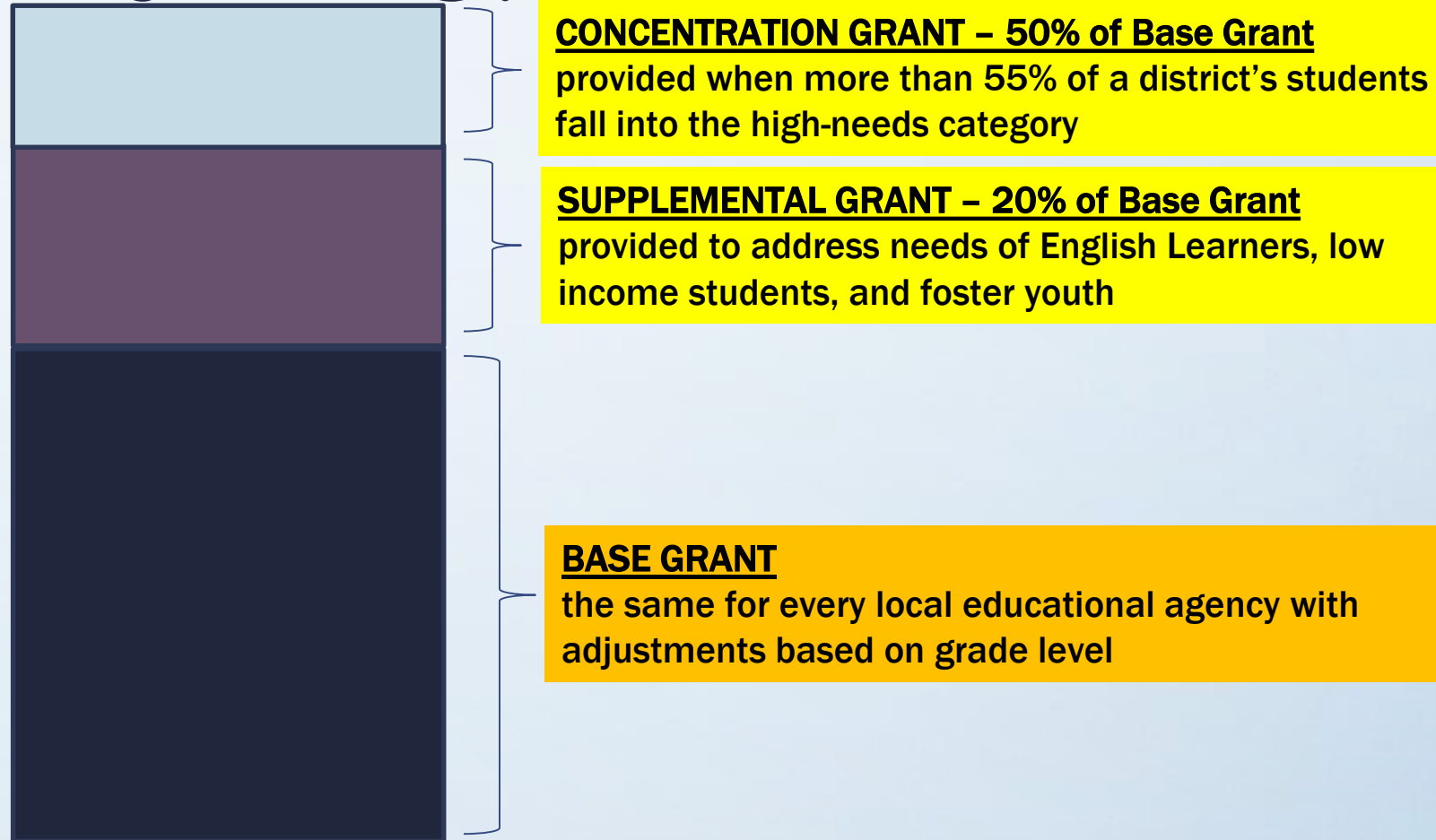
Priorities of the Board & District

- Roadmap 2.0
- English Language Arts program elementary schools
- Dual language immersion program
- Support for African American students
- Positive school climate
- Stege Elementary School
- *Make necessary reductions to maintain a positive certification for the 2019 – 20 and two subsequent years budgets*

Budget Reduction Emotional Cycle



STATE FUNDING: LCFF REVIEW



CONCENTRATION GRANT – 50% of Base Grant
provided when more than 55% of a district's students fall into the high-needs category

SUPPLEMENTAL GRANT – 20% of Base Grant
provided to address needs of English Learners, low income students, and foster youth

BASE GRANT
the same for every local educational agency with adjustments based on grade level

2019-20 LCFF Funding Factors

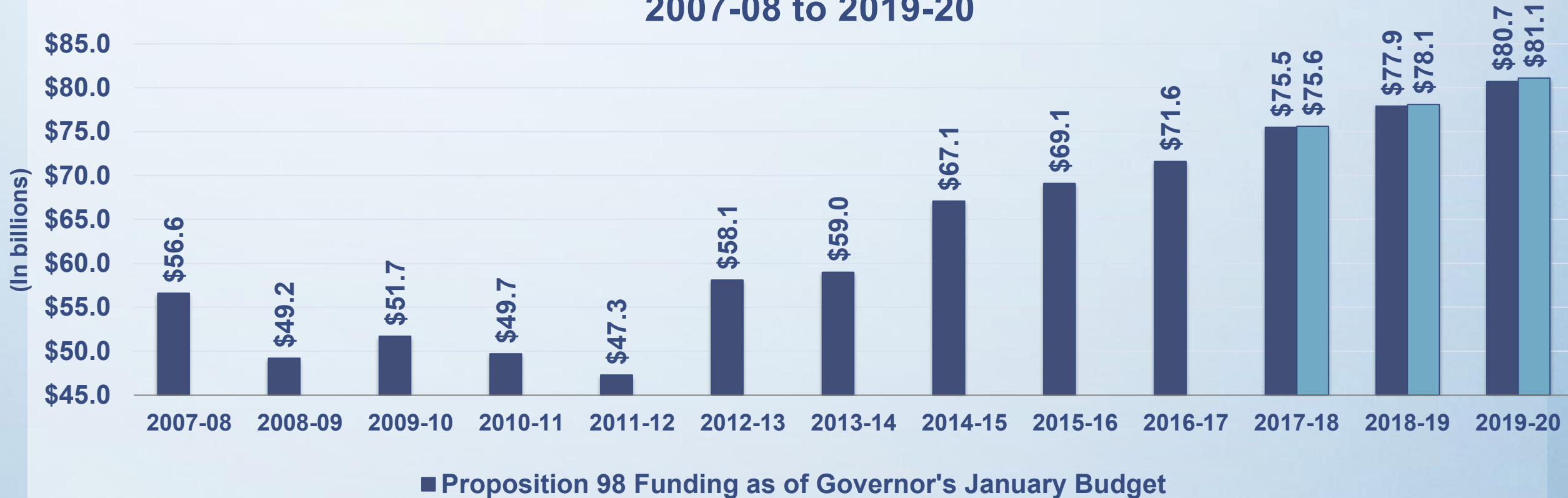
- Supplemental and concentration grants are calculated based on the percentage of an LEA's enrolled students who are English learners, free and reduced-price meal program eligible, or foster youth – the unduplicated pupil percentage (UPP)

Grade Span	2019-20 Adjusted Grants Per ADA	20% Supplemental Grant – Total UPP	50% Concentration Grant – UPP Above 55%
K-3	\$8,503	\$1,701	\$4,252
4-6	\$7,818	\$1,564	\$3,909
7-8	\$8,050	\$1,610	\$4,025
9-12	\$9,572	\$1,914	\$4,786

Proposition 98 Funding

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Proposition 98 Funding 2007-08 to 2019-20



CalSTRS

Fiscal Year	Without Additional Payments	Budget Act
2018-19	16.28	16.28
2019-20	18.13	17.1 (-1.03)
2020-21	19.1	18.4 (-0.7)
2021-22	18.4*	18.1* (-0.3)
2022-23	18.4*	18.1* (-0.3)
2023-46	18.4*	18.1* (-0.3)

2015 – 2016 rate was 10.56%

CalPERS

Fiscal Year	Without Additional Payments	Budget Act
2018-19	18.062	18.062
2019-20	20.733	19.721 (-1.012)
2020-21	23.6*	22.7 (-0.9)
2021-22	24.9*	24.6 (-0.3)
2022-23	25.7*	25.4 (-0.3)
2023-24	26.4*	26.1 (-0.3)
2024-25	26.6*	26.3 (-0.3)
2025-26	26.5*	26.2 (-0.3)

2015 – 2016 rate was 11.847%

Impact of CalSTRS and CalPERS on WCCUSD

- Employer Rate Keeps increasing yearly
- Data is from ALL Funds, and not just Fund 01 and is therefore higher than reported in many summary reports from the Unadited Actuals and SACs budget reports

Year	STRS Rate	PERS Rate	CalSTRS \$ Increase	CalPERS \$ Increase	Total \$ Increase	Cumulative \$ Increase
2015-2016	10.73%	11.847%	\$1,980,210	\$357,467	\$2,337,677	
2016-2017	12.58%	13.888%	\$2,874,898	\$1,402,373	\$4,277,271	\$6,614,948
2017-2018	14.43%	15.531%	\$3,569,569	\$1,157,209	\$4,726,778	\$11,341,726
2018-2019	16.28%	18.062%	\$3,870,338	\$1,738,226	\$5,608,564	\$16,950,290
2019-2020	17.10%	19.721%	\$2,417,469	\$1,535,401	\$3,952,870	\$20,903,160
2020-2021	18.40%	22.700%*	\$2,592,201	\$1,981,003	\$4,573,204	\$25,476,364
2021-2022	18.10%	24.600%*	(\$542,287)	\$1,489,768	\$947,481	\$26,423,845

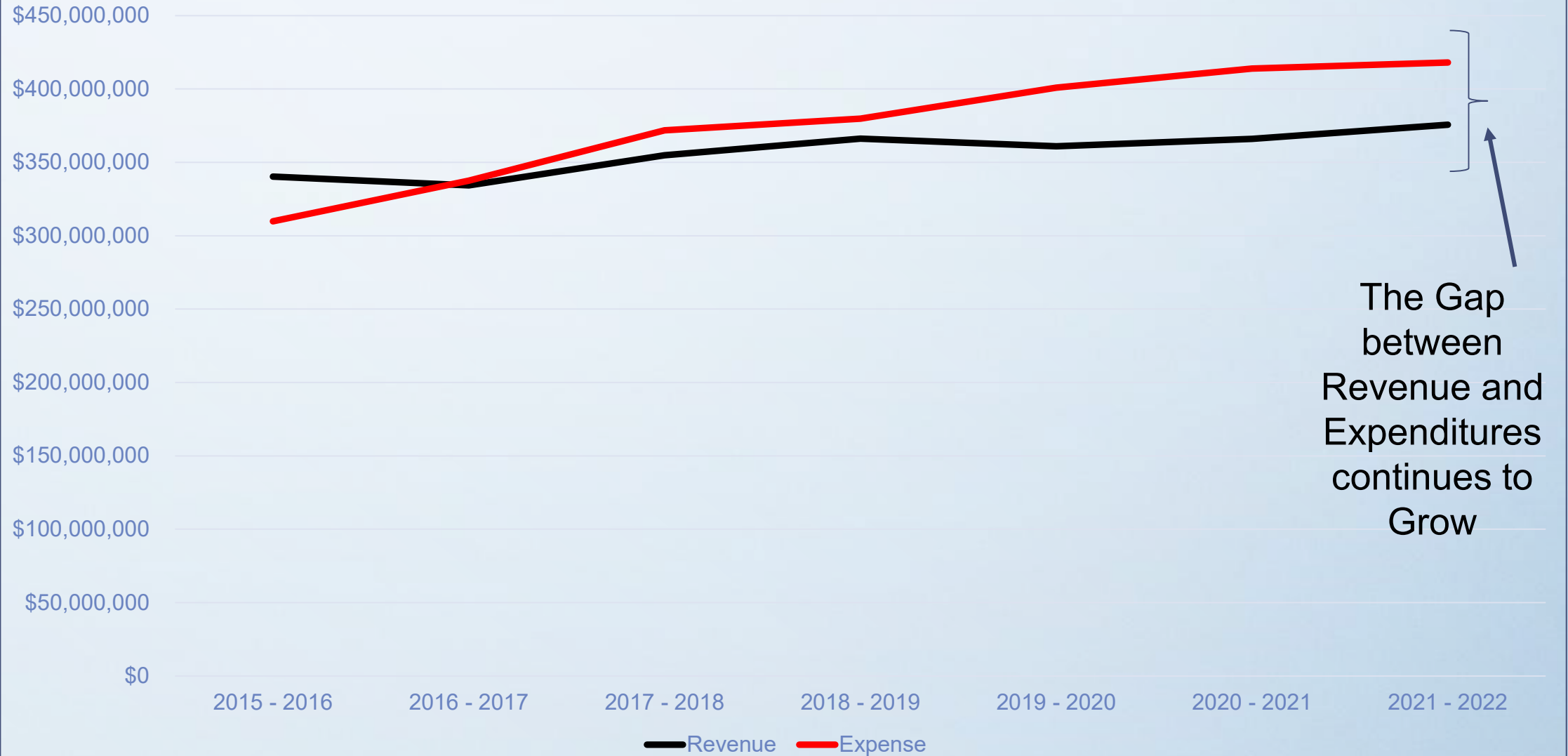
Revenue vs. STRS/PERS in WCCUSD

- Since 2015 – 2016 the total increase through 2021 for STRS and PERS in expenditures is estimated at over \$26 million
- During this same period, the total revenue increase from LCFF is just over \$35 million (from 15-16 to 21-22)
- Over 70% of all LCFF revenue (with the assumption that other operational funds cannot absorb the costs that then be made up through a contribution from Fund 01) has or will be absorbed to fund required STRS and PERS contributions without any benefit to our academic and operational programs

District Revenue and Expenditures

Year	Revenue	Expense
2015 – 2016	\$340,214,523.53	\$309,902,278.54
2016 – 2017	\$334,337,590.93	\$337,500,166.46
2017 – 2018	\$354,747,420.08	\$371,805,877.13
2018 – 2019	\$366,105,318.65	\$379,764,236.31
2019 – 2020 projected	\$361,018,357.00	\$400,960,735.00
2020 – 2021 projected	\$365,990,946.00	\$413,840,125.00
2021 – 2022 projected	\$375,578,583.00	\$417,988,338.00

Historical Revenue and Expense – Fund 01 Combined



Historical Attendance Rate

(Does not include Charter Schools)

Fiscal Year	CBEDS Enrollment	P2 ADA	% ADA to CBEDS enrollment	Change in ADA %	Enrollment Change
2010 – 11	29,078	27,664.85	95.14%		506
2011 – 12	28,858	27,597.70	95.63%	0.49%	(220)
2012 – 13	29,364	28,036.81	95.48%	(0.15%)	506
2013 – 14	29,486	28,147.48	95.46%	(0.02%)	122
2014 – 15	29,145	27,741.04	95.18%	(0.28%)	(341)
2015 – 16	28,639	27,169.65	94.87%	(0.31%)	(506)
2016 – 17	28,518	27,023.13	94.75%	(0.12%)	(121)
2017 – 18	28,457	26,808.35	94.21%	(0.54%)	(61)
2018 – 19	28,121	26,403.27	93.89%	(0.32%)	(336)
2019 – 20 Projected	28,121*				

Charter School Enrollment

Fiscal Year	MZ	LPS	RC P	WCC HS	MWA	RCA	BJE	Caliber	Summk2	ASP. CP	ASP. RTA	JHHS	SummitT	Invictus	Voices	Total / Year
2000 - 2001	25															25
2010 – 2011	150	402	219	129	400											1,300
2011 – 2012	156	447	291	131	496											1,521
2012 – 2013	148	473	323	0	583	90										1,617
2013 – 2014	155	475	418		556	186										1,790
2014 – 2015	154	480	444		760	215	158	294	125							2,630
2015 – 2016	135	511	444		759	231	405	608	224	232	251	125				3,925
2016 – 2017	99	548	436		781	248	465	755	321	348	286	202				4,489
2017 – 2018	121	577	503		795	218	417	793	486	520	342	257	237			5,266
2018 – 2019	119	597	542		940	269	421	802	533	541	345	320	352	78	133	5,992
2019 – 2020 Preliminary																6,993

For 2018 If all students enrolled in Charter schools remained in WCCUSD the total revenue would be as follows:

Base Revenue (assumes 94% ADA @ \$7,965 per ADA)	\$44,862,270
Supplemental and Concentration (assumes 74.09% Unduplicated count)	\$10,929,898

Historical Enrollment Change including Charter Schools

Fiscal Year	CBEDS Enrollment	Enrollment Change	Charter Enrollment	Charter Change	Net Change
2010 – 11	29,078	506	1,300	267	873
2011 – 12	28,858	(220)	1,521	221	1
2012 – 13	29,364	506	1,617	96	602
2013 – 14	29,486	122	1,790	173	295
2014 – 15	29,145	(341)	2,630	840	499
2015 – 16	28,639	(506)	3,925	1,295	789
2016 – 17	28,518	(121)	4,489	564	443
2017 – 18	28,457	(61)	5,266	777	716
2018 – 19	28,121	(336)	5,992	726	390
NET CHANGE		(957)		4,692	3,735

Special Education Services

- The total Spending for Special Education in 2018 – 2019 was over \$84 million
 - The severity of disabilities served continues to increase

Data presented is selected disabilities: Totals include all classified students

Year	Speech Only	Other Health Impaired	Specific Learning Disability	Autism	Total	Total Expenditures
2005 - 2006	1,759	62	2,091	157	4,757	
2016 – 2017	957	170	1,888	461	4,108	\$74,450,590
2017 - 2018	947	197	1,820	535	4,109	\$81,747,459
2018 - 2019	977	233	1,740	637	4,167	\$84,413,356

Risk Management

- The District spends \$7,344,43 for Worker's Compensation Premiums

- The District spends \$2,331,282 for Property and Liability Insurance

Year	Worker's Compensation Premium
2015 – 2016	\$4,600,440
2016 – 2017	\$5,683,661
2017 – 2018	\$6,090,680
2018 – 2019	\$7,288,619
2019 – 2020	\$7,344,431

Year	Property and Liability Premium
2015 – 2016	\$1,731,405
2016 – 2017	\$1,714,433
2017 – 2018	\$1,705,375
2018 – 2019	\$1,947,195
2019 – 2020	\$2,331,282

- The experience modification (Ex-Mod) factor determines the rates
- WCCUSD Ex-Mod is 146% for 2018 - 2019
- **San Ramon has an Ex-Mod of 84.1% and a total premium of \$3,910,650**

- The experience modification (Ex-Mod) factor determines the rates
- WCCUSD Ex-Mod is 158% for 2019 – 2020 for Liability and 92% for Property

Employee Compensation Information

Total Salaries These expenditures are from Unrestricted budget plus the special education budget. All other restricted funds are not included.

Unit	2015 - 2016	%	2016 - 2017	%	2017 - 2018	%	2018 - 2019	%	2019 - 2020	%
Teacher (UTR)	\$93,641,221	50.74%	\$103,733,269	48.50%	\$111,286,250	49.94%	\$120,269,563	51.90%	\$129,577,779	54.21%
Classified (Teamsters)	\$35,628,766	19.31%	\$39,637,952	18.53%	\$40,972,976	18.39%	\$42,504,292	18.34%	\$45,492,552	19.03%
Supervisors (SSA)	\$1,939,221	1.05%	\$1,077,135	0.50%	\$1,003,685	0.45%	\$1,155,249	0.50%	\$1,456,092	0.61%
Administration (WCCAA)	\$8,568,010	4.64%	\$9,146,229	4.28%	\$10,167,056	4.56%	\$11,053,929	4.77%	\$11,571,909	4.84%
Management	\$3,422,043	1.85%	\$4,695,003	2.20%	\$5,449,996	2.45%	\$4,610,701	1.99%	\$4,770,625	2.00%
Confidential	\$799,197	0.43%	\$936,476	0.44%	\$972,103	0.44%	\$400,019	0.17%	\$406,898	0.17%
Board Members	\$42,840	0.02%	\$46,840	0.02%	\$42,840	0.02%	\$42,936	0.02%	\$42,840	0.02%
Everything Else (non-salary 4000-6999)	\$40,495,247	21.94%	\$54,610,664	25.53%	\$52,949,261	23.76%	\$51,716,221	22.32%	\$45,721,593	19.13%
Total	\$184,536,545		\$213,883,568		\$222,844,167		\$231,752,910		\$239,040,288	

Major Expenditure Assumptions – Out Years

(As of 2018-2019 Unaudited Actuals – Fund 01 ONLY)

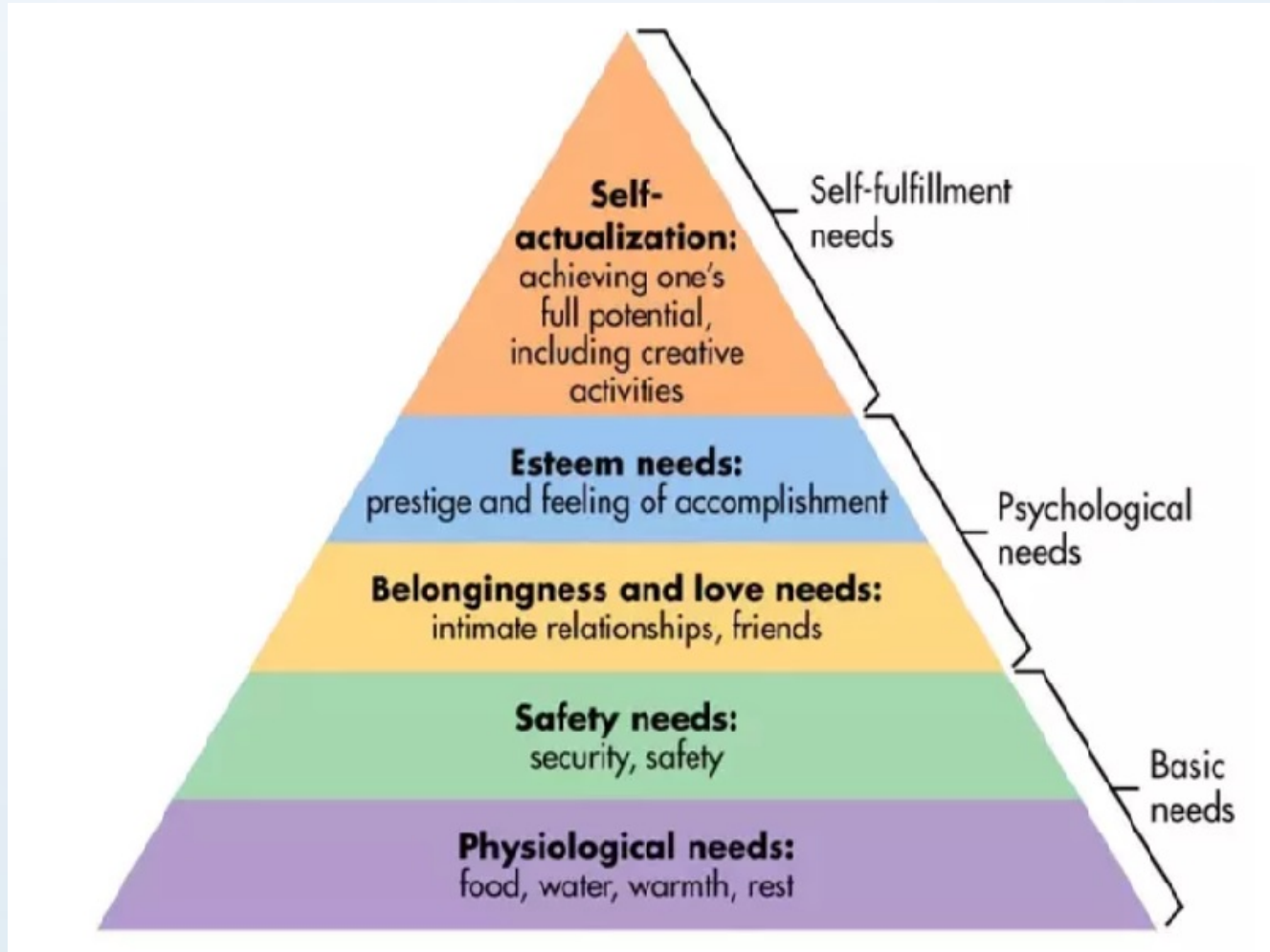
	2018 -2019	2019-2020	2020-2021	2021-2022
LCFF Gap Rate Projection	100%	0%	0%	0%
Projected COLA (DOF)	3.70%	3.26%	3.00%	2.80%
Step & Column cost	\$1,364,047	\$1,507,905	\$1,567,280	\$1,582,953
STRS (increased rate)	\$921,867	\$953,242	\$1,565,581	(\$364,901)
PERS (increased rate)	\$327,558	\$384,525	\$1,081,339	\$696,573
Restricted Maintenance (3% contribution)	\$73,421	\$61,558	\$96,284	\$156,431
Reserve for Economic Uncertainties	\$9,968	\$143,635	\$339,539	\$124,446
Declining Enrollment (loss of revenue)	\$691,824	\$2,657,835	\$559,795	\$84,466
Special Education Contribution (SELPA)	\$2,665,897	\$2,745,873	\$2,814,519	\$2,884,882
Insurance / Workers Compensation	\$1,439,759	\$439,899	\$500,000	\$500,000
Salary Settlements	\$11,354,185	\$9,751,423	\$5,605,680	\$0
Statutory Benefits Cost Increases	\$273,115	\$358,527	\$399,465	\$413,806
Program Contributions (CPI estimate)	\$1,202,452	\$1,115,029	\$1,055,376	\$1,056,238
TOTAL New Expenditures	\$20,324,093	\$20,119,415	\$15,584,858	\$7,134,894

Budget Building Blocks



- The District must be able to demonstrate that it can meet it's financial obligations for the budget year + 2 out years under AB1200.
 - The District must also maintain adequate reserves
 - Recommended reserve levels are approximately 2 months of payroll, or 17%
- In a balanced budget:
 - Revenue – Expenditures = a positive number and reserves increase

Budget Reduction Considerations

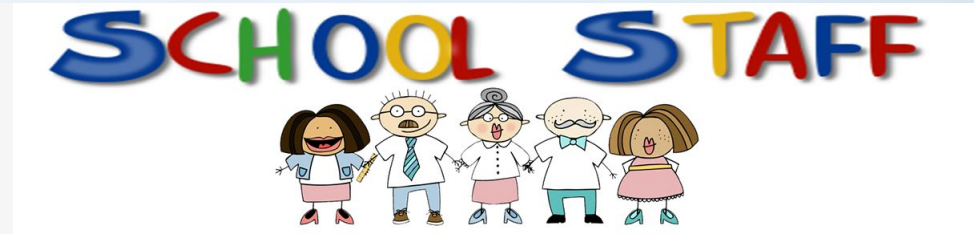
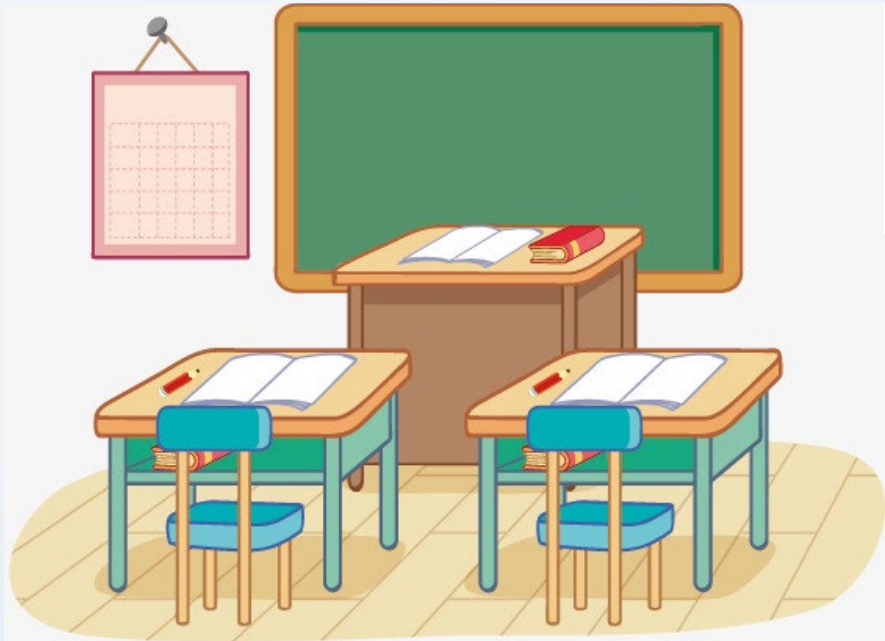


Maslow's Hierarchy of Needs

When identifying reductions the focus starts with the determination of base (essential) services

- Identify base program that supports instruction
- Prioritize auxiliary services that support student achievement
 - Hard decisions may be required regarding support services

What must the Base Budget Cover?



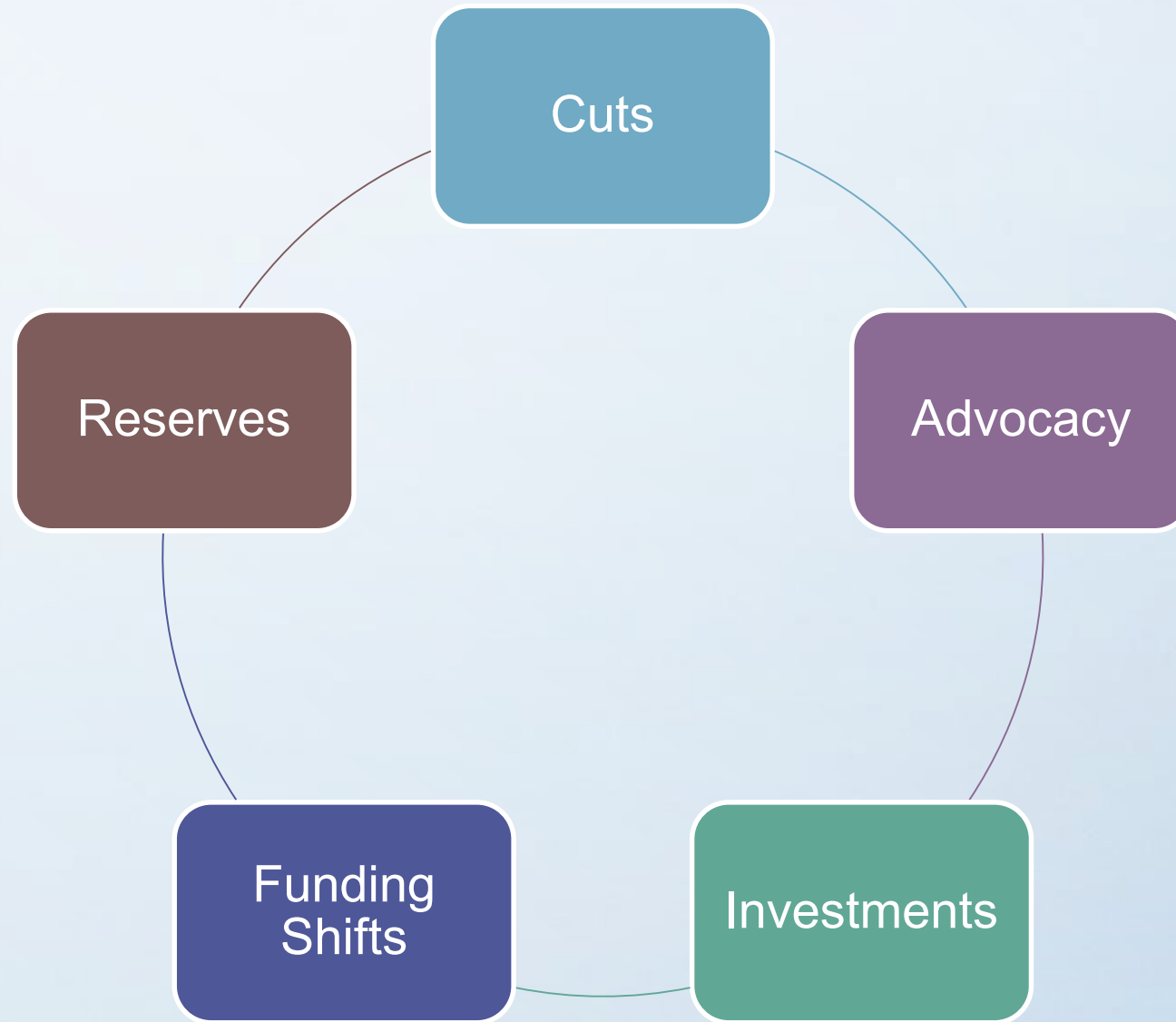
Teachers
Principal
Office Staff
Custodial Staff
Support Staff (Payroll, Human Resources,
Accounting)

Classroom Furniture and Technology*
Student Textbooks* and Technology*
Teacher Supplies and Technology*
General Upkeep of Facilities

Everything that represents the base is
necessary to support the classroom.

*currently funded with one-time block funds and do not have ongoing funding identified

Budget Reductions – Multiple Approaches



Budget Reduction Options

Rock, Piggy, Scissors



Use **one-time** sources of funds and grants to address reductions for **one year**, effectively moving the ongoing budget reduction from one year to the next...this option is running out



Utilize **one-time fund balances** to address required reductions for **one year**, effectively moving the ongoing budget reduction from one year to the next



An ongoing reduction: elimination or reduction of program; negotiated reduction; or reduction in staffing resulting in reduced expenditures

Over % of the District budget is currently used to pay for staffing costs₂₅

Investments



- Look at opportunities to increase district revenue
- Attendance accountability
- Risk Management focus
- Facility utilization and optimization
- Specialty programs to sustain enrollment
- Public/Private partnerships
- Facility Use Rental Fees

Advocacy



- Utilize our voice with Sacramento Decision Makers
- Create an advocacy plan of action
- Appropriately engage lobbyists that can support the district's message
- Collaborate with statewide organizations such as CSBA, CASBO, ACSA
- Partner with our associations (UTR, Teamsters, and SSA) in the message of adequate school funding

Unaudited Actuals (Combined Fund 01) - Results

Year	Projected Expense (Estimated Actuals)	Actual Expense	Revenue
2014 – 2015	\$319,180,032.00	\$300,957,157.45	\$299,799,225.22
2015 – 2016	\$327,183,528.00	\$309,902,278.54	\$340,214,523.53
2016 – 2017	\$349,056,714.00	\$337,500,166.46	\$334,337,590.93
2017 – 2018	\$370,133,529.00	\$371,805,877.13	\$354,747,420.08
2018 - 2019	\$395,249,377.00	\$379,764,236.31	\$366,105,318.65

2018-2019 Unaudited Actuals as of June 30, 2019

Reflects both unrestricted (plus Fund 17) and restricted programs and is aligned to the projected budget at adoption in June.

Description	Amount
Beginning Fund Balance	\$68,192,723.75
Plus: Total Revenues for 2018-2019	\$366,105,318.65
Less: Total Expenses/Transfers for 2018-2019	<u>(\$379,764,236.31)</u>
Ending Fund balance for 2018-2019	\$53,892,038.61

Breakdown of Ending Fund Balance	Amount
Unrestricted + Fund 17	\$38,082,475.70
Restricted	<u>\$15,809,562.91</u>
Total	\$53,892,038.61

Components of Unrestricted and Fund 17 2018-2019 Ending Fund Balance

Assignment / Designation	Amount
Revolving cash	\$70,000.00
Stores (values of Warehouse stock)	\$264,189.53
Unassigned/Unappropriated	\$3,710,443.05
Fund 17	\$34,037,843.12
Total	\$38,082,475.70

Components of Restricted 2018-2019 Ending Fund Balance

Assignment / Designation	Amount
Medi-Cal Billing Option	\$1,454,482.19
Lottery: Instructional Materials	\$3,696,065.62
California Clean Energy Jobs Act	\$958,778.80
Special Ed: Mental Health Services	\$2,225,000.00
Learning Communities for School Success Program	\$831,018.89
Classified School Employee Professional Development Block Grant	\$215,011.00
Low-Performing Students Block Grant	\$1,347,649.00
Ongoing & Major Maintenance Account (RMA)	\$360,851.31
Other Restricted Federal	\$20,949.69
Restricted Local Reserves	\$4,699,756.50
Total	\$15,809,563.00

Restricted funds are often one-time and **MUST** be used for specified purposes and cannot be used for salaries or ongoing operations!

First Interim Multiyear Projections - Combined

	<u>2018 - 2019</u>	<u>2019 - 2020</u>	<u>2020 - 2021</u>	<u>2021 - 2022</u>
Revenue	\$366,105,319	\$361,018,357	\$365,990,946	\$375,578,583
Expenses	\$379,764,236	\$400,960,735	\$413,840,125	\$417,988,338
Difference	(\$13,658,917)	(\$39,942,378)	(\$47,849,179)	(\$42,409,755)
Beginning Balance (Unrestricted + Fund 17)	\$48,849,344	\$38,082,475	(\$1,859,903)	(\$49,709,082)
Ending Balance	\$38,082,475	(\$1,859,903)	(\$49,709,082)	(\$92,118,837)
<u>Components of Ending Fund Balance</u>				
Reserve for Economic Uncertainties (within Fund 17)	\$11,392,927	\$12,028,822	\$12,368,361	\$12,492,807
Stores	\$264,189	\$230,000	\$230,000	\$230,000
Revolving Cash	\$70,000	\$70,000	\$70,000	\$70,000
Unallocated	\$3,710,443	\$	\$	\$
Fund 17 (balance)	\$22,644,916	\$	\$	\$

Cut Target

- 2019 – 2020 \$39.9 million
- 2020 – 2021 \$7.9 million
- 2021 – 2022 \$0 million (at this time)

How Did We get here?

- State Funding Less that cost of yearly increases \$16 million
- STRS and PERS contribution increase \$4 million (cumulative \$20 million to date)
- Year over year budget deficit spending in fund balance decrease \$10 million
- Declining enrollment and ADA decline \$2.5 million (cumulative over \$5 million in the last couple of years)
- Increases in employee compensation to remain competitive with neighboring districts \$9.7 million
- Other increased expenditures / factors \$10 million
- These numbers were offset by many of the mitigations efforts completed last year to reduce the cuts needed for this year

Non-Salary Evaluation Criteria

During Review of Non-Salary expenditures the following should be considered when identifying areas for possible reduction

- Is the Expenditure Required by law?
- Is this a District Obligation / Requirement?
- Does it align to District Priorities (Roadmap 2.0)?
- Is the Expenditure a Restricted Grant Obligation?
- Is the Expenditure a Long-term contractual obligation?
- Are there Measureable Outcomes identified?
- Is the Expenditure aligned to the District's Core Functions?

Types of Expenditures

- “Fixed Cost” non-salary expenditures are those that are required to operate the school district and which there is little control regarding the total expense
 - Examples include: Utilities, Repairs, Audits, Legal Expenditures, Software Licenses, After School Programs, Special Education NPA/NPS placements, Classroom Furniture and Operational Supplies, Special Education Transportation
- “Discretionary” cost non-salary expenditures are those for programs which are additive to the educational program
 - Examples include: Professional Development, Supplemental Academic Software, Assessments, Classroom Libraries

Non Salary Expenditures

- The District is projected to spend \$79,815,033 on non-salary operational expenses (includes carryover)
- These expenses are reported in the 4000 – 5999 Object Codes
 - 4000 Object Codes are Materials and Supplies
 - 5000 Object Codes are Operations and Services
- The Expenditures are divided into Unrestricted (General Fund) and Restricted Resources

Expenditure	Unrestricted	Restricted	Total
4000 – 5999 Object Code Non-salary	\$33,851,417	\$45,963,616	\$79,815,033

- Expenditures are then divided into “fixed” expenses and those that may be deemed “discretionary”

Fixed vs. “Discretionary” Non-Salary Expense

- Most restricted non-salary expense is fixed cost supports for specific subgroups of students or based upon required contributions
- Of the \$33,851,417 in Unrestricted non-salary expense approximately \$25,703,955 is budgeted for fixed costs
- Of the \$8,147,462 of non-salary expense may fall into the “discretionary” category...
 - This is the first area to review for possible areas of reduction

Examples of “Fixed” Non-salary Expense - Unrestricted

- Some Examples of the Unrestricted Fixed Costs within Non-Salary are costs related to Operations

Department	Contract (description)	Amount
Facilities - 5400	Property and Liability Insurance	\$2,400,000
Facilities - 5501	Gas and Electricity	\$4,050,000
Facilities – 5502	Water	\$1,100,000
Facilities – 5513	Garbage / Sewer	\$1,300,000
Sup. – 5895	Legal Fees	\$1,095,299
Pup. Sv. – 5890	Other Services Operations – Police*	\$1,650,000
Tech – 5858	Software Licenses – eg. Powerschool/Follet	\$967,003
Spec Ed – 5890	Other Services Operations – Special Ed. Transportation	\$8,445,500
Tech – 5900	Communications – Comcast/Broadband/NWN/T-Mobile	\$1,360,199
SUB TOTAL		\$22,368,001

Examples of “Discretionary” Non-Salary Expense - Unrestricted

- Within the potential “discretionary” non-salary budgets the following are the larger amounts not yet encumbered:

Department	Contract (description)	Amount
IT - 4460	Non capitalized technology equipment (replacement)	\$430,448
Sup. – 5860	Consultant Reviews	\$33,000
Bus. – 4300	Materials and Supplies – Printer/Warehouse Supplies	\$252,619
Fac. – 4300	Materials and Supplies – Home Depot/Repair - Custodial	\$274,564
Pupil – 4300	Materials and Supplies – Site Discretionary Materials	\$668,658
Pupil – 5100	Sub Agreements – Site S3 replacement funds	\$517,880
Ed. Sv. – 5890	Other Services – College Board / SAT and PSAT	\$325,555
Ed. Sv. – 4300	Materials and Supplies – Site Material Allocation VAPA	\$281,163
HR – 5890	Other Services – CSU East Bay	\$84,650
Comm. – 5890	Other Services – Graphic Design/Advertising	\$33,454

2019-20 Current Budget

Major Object Codes 4000's & 5000's

Fund 01- General Fund Objects 4000s to 5000s	UNRESTRICTED		RESTRICTED			
Fund 01- General Fund Objects 4000s & 5000s	REVISED BUDGET	AVAILABLE BUDGET	REVISED BUDGET	AVAILABLE BUDGET	TOTAL UNRESTRICTED AND RESTRICTED REVISED BUDGE	TOTAL UNRESTRICTED AND RESTRICTED AVAILABLE
	\$ 33,851,417	\$ 10,103,603	\$ 45,963,616	\$ 20,867,991	\$ 79,815,033	\$ 30,971,594
4100 - TEXTBOOKS	\$ -	\$ -	\$ 1,426,602	\$ 223,519	\$ 1,426,602	\$ 223,519
4200 - BOOKS AND REFERENCE	\$ 235,668	\$ 87,663	\$ 299,427	\$ 129,989	\$ 535,095	\$ 217,652
4300 - MATERIALS AND SUPPLIES	\$ 3,175,140	\$ 1,704,357	\$ 7,912,460	\$ 5,915,619	\$ 11,087,600	\$ 7,619,976
4400 - NONCAPITAL ASSETS \$500-\$5000	\$ 665,129	\$ 483,754	\$ 354,969	\$ 278,100	\$ 1,020,098	\$ 761,854
5100 - SUB AGREEMENT SERVICES	\$ 2,480,180	\$ 609,888	\$ 4,948,097	\$ 1,112,207	\$ 7,428,277	\$ 1,722,095
5200 - TRAVEL AND CONFERENCES	\$ 360,080	\$ 313,967	\$ 855,691	\$ 687,144	\$ 1,215,771	\$ 1,001,111
5300 - DUES MEMBERSHIP	\$ 70,977	\$ 16,148	\$ 113,793	\$ 21,237	\$ 184,770	\$ 37,385
5400 - INSURANCE	\$ 2,400,000	\$ 2,400,000	\$ -	\$ -	\$ 2,400,000	\$ 2,400,000
5500 - UTILITIES AND SERVICES	\$ 6,511,847	\$ 4,696,278	\$ -	\$ -	\$ 6,511,847	\$ 4,696,278
5600 - RENT/LEASE/REPAIR	\$ 1,224,199	\$ 266,465	\$ 5,029,795	\$ 2,921,283	\$ 6,253,994	\$ 3,187,748
5700 - DIRECT COST TRANSFER	\$ (3,546,399)	\$ (3,546,399)	\$ 3,625,192	\$ 3,625,192	\$ 78,793	\$ 78,793
5800 - OTHER SERVICES	\$ 18,737,024	\$ 2,635,043	\$ 21,385,209	\$ 5,941,477	\$ 40,122,233	\$ 8,576,520
5900 - COMMUNICATIONS	\$ 1,537,572	\$ 436,439	\$ 12,381	\$ 12,224	\$ 1,549,953	\$ 448,663

2019-20 Current Non-Salary Budget

By Department

Fund 01- General Fund Objects 4000s to 7000s	UNRESTRICTED		RESTRICTED			
Department / Division	REVISED BUDGET	AVAILABLE BUDGET	REVISED BUDGET	AVAILABLE BUDGET	TOTAL UNRESTRICTED AND RESTRICTED REVISED BUDGE	TOTAL UNRESTRICTED AND RESTRICTED AVAILABLE
	\$ 33,851,417	\$ 10,039,826	\$ 45,963,616	\$ 20,909,153	\$ 79,815,033	\$ 30,948,979
SUPERINTENDENT	\$ 1,536,394	\$ 153,778	\$ 267,880	\$ 180,388	\$ 1,804,274	\$ 334,166
PUPIL SERVICES (INCLUDES SITES)	\$ 4,957,343	\$ 2,015,391	\$ 6,238,359	\$ 1,626,262	\$ 11,195,702	\$ 3,641,653
EDUCATIONAL SERVICES	\$ 4,226,830	\$ 1,384,591	\$ 12,810,863	\$ 8,442,344	\$ 17,037,693	\$ 9,826,935
FACILITIES	\$ 6,364,021	\$ 3,881,004	\$ 10,231,845	\$ 6,966,459	\$ 16,595,866	\$ 10,847,463
HUMAN RESOURCES	\$ 521,900	\$ 214,185	\$ 566,152	\$ 271,341	\$ 1,088,052	\$ 485,526
BUSINESS SERVICES	\$ 3,090,122	\$ 921,543	\$ 494,723	\$ 472,558	\$ 3,584,845	\$ 1,394,101
SPECIAL EDUCATION	\$ 9,528,120	\$ 197,239	\$ 15,297,702	\$ 2,889,614	\$ 24,825,822	\$ 3,086,853
TECHNOLOGY	\$ 3,468,560	\$ 1,198,206	\$ 50,583	\$ 57,011	\$ 3,519,143	\$ 1,255,217
COMMUNICATIONS	\$ 158,127	\$ 73,889	\$ 5,509	\$ 3,176	\$ 163,636	\$ 77,065

Other Post Employee Benefits - OPEB

- The District provides post-employment health and welfare benefits to retirees as stipulated in the collective bargaining agreements
 - **This is a guaranteed benefit**
- The total expenditure is built into the operational budget and is estimated at \$15.6 million for 2019 – 2020
 - These are required benefits and the funds are transferred from the General Fund to Fund 71 each year to pay the benefits
- An Irrevocable Trust for OPEB Expense was set up in Fund 71

FUND 71 – Retiree Benefits

- The Ending Fund Balance in Fund 71 included two components

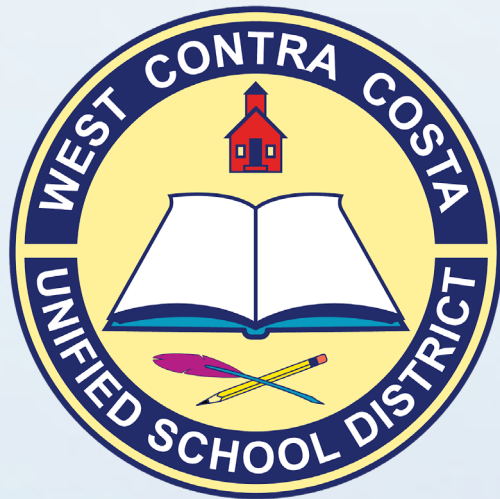
Object Code	Fund Balance
9100 – 9199 – Cash and Equivalents	\$5,535,425.95
9135 – Cash With Fiscal Agent	\$27,621,054.38
TOTAL	\$33,156,480.33

- Expenditures are paid out of the General Fund and the fund balance is saved for future payments if needed
- The projected expenditure is budgeted \$15,604,986 for 2019 – 2020
 - This amount can be paid from the Fund balance as a one-time transfer up to the amount of the expense for the current school year

Calendar of Budget Events

- Board Presentation October 23rd – Budget Story: Part 2
“Non-salary expenditures”
- Community Input Meetings “Non-salary Expenditures” – Week of
October 28th
- Board Presentation November 6th –Advocacy discussion
- Board Presentation November 20th – Budget Story: Part 3
“Administration staffing and Investments discussion”
- Community Input Meetings “Administration staffing review” –
Week of December 9th
- Board Presentation December 11th – First Interim

District's Goal is to continue to work collaboratively with our associations.



Reduction Target - Next Steps

**Days
Remaining to
Identify 2019–
20 Reductions**

238
(as of October 23, 2019)



Date	Event or Activity
December 11, 2019	First Interim and identification of first round of <u>one-time and ongoing reductions</u>
March 11, 2020	Second Interim and identification of second round of <u>one-time and ongoing reductions</u>
June 24, 2020	Adopted Budget and identification of final round of <u>one-time and ongoing reductions</u>

2019 - 20 Remaining Reduction Target = \$- million

2020 – 21 Budget Reduction Target = \$47.8 million

2021 – 22 Budget Reduction Target = \$0 million