



Proposed Budget 2021-22 Fiscal Year

Presenters:

Ruth F. Quinto, CPA

Assistant Superintendent, Business and Fiscal Services

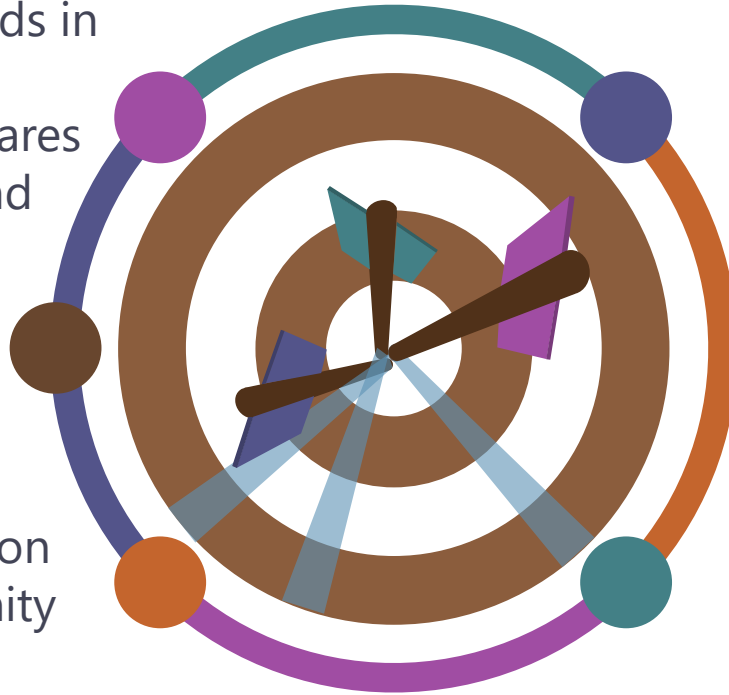
Mary Crandall Plasencia, Director of Finance

June 2, 2021

2 Budget Development Guiding Principles

➤ All students will achieve high academic standards in a nurturing, creative environment that prepares students for college and career opportunities.

➤ Improve communication with parents, community and staff.



➤ All students will continue to be provided with programs and services that contribute to their well-being, safety and connectedness

➤ Fiscal stability and welcoming and clean school environments



Overview

- State economic overview
- May Revise updates and budget assumptions
- Second Interim summary
- Enrollment trends and projections
- Summary of Proposed Budget for 2021/22
- Proposed increase and expansion of initiatives and investments
- Upcoming Budget Actions





State Economic Overview

- California's economy – “California is turning the corner on its most challenging year in recent history”

- Unemployment Rates as of March 2021
 - National – 6.0%
 - State – 8.3%
 - Ventura County – 6.8%



5 Updating State Budget Impacts – January Proposal to May Revise

Governor's January Proposed Budget

LCFF COLA 3.84%

SPED COLA 1.5%

STRS Rate 15.92%

PERS Rate 23.0%

Unemployment Rate 0.05%

Cash Deferrals – \$3.7 billion

Governor's May Revise

LCFF COLA 5.07%

SPED COLA 4.05%

Total Ongoing Revenue Changes **\$2.75 million**

STRS Rate 16.92% \$800,000

PERS Rate 22.91 % \$70,000

Unemployment Rate 1.23% \$1.1 million

Total Ongoing Expense Changes **\$2.0 million**

Cash Deferrals – \$2.6 billion

**Net
Change**



06/02/2021



Projected Employer Pension Increases



CALSTRS

- 2013/14 – 8.25%
- 2014/15 – 8.88%
- 2015/16 – 10.73%
- 2016/17 – 12.58%
- 2017/18 – 14.43%
- 2018/19 – 16.28%
- 2019/20 – 17.10%
- 2020/21 – 16.15%
- **2021/22 – 16.92%**
- **2022/23 – 19.10%**
- **2023/24 – 19.10%**



CalPERS

- 2013/14 – 11.442%
- 2014/15 – 11.771%
- 2015/16 – 11.847%
- 2016/17 – 13.888%
- 2017/18 – 15.531%
- 2018/19 – 18.062%
- 2019/20 – 19.721%
- 2020/21 – 20.700%
- **2021/22 – 22.91%**
- **2022/23 – 26.10%**
- **2023/24 – 26.10%**



CA Unemployment Rate for School Employers
One-year increase in 2021-22 from 0.05% to 1.23%,
an increase of **\$850,000** for Oxnard School District.

06/02/2021

7 Proposed Budget Assumptions

Planning Factor	2021/22	2022/23	2023/24
Estimated Funded ADA (Average Daily Attendance)	15,184	14,345	13,914
Funded UPP (Unduplicated Pupil Percentage portion of students with higher needs)	90.66%	90.70%	90.60%
Estimated Cost of Living Adjustment (COLA) Applied to State Funded Programs	1.70% 5.07%	2.48%	3.11%
Step & Column	1.2%	1.2%	1.2%
STRS (Employer Contribution to Teachers Retirement System)	16.92%	19.10%	19.10%
PERS (Employer Contribution to Public Employees Retirement System)	22.91%	26.10%	27.10%
Consumer Price Index (CPI) Applied to Non-Salary Related Expenditures	3.84%	2.40%	2.23%





Other May Revise Proposals



New Concentration Grant formula and requirements - \$1.1 billion



Targeted Intervention Grant - \$2.6 billion to supplement the Expanded Learning Opportunities Grant



In-Person Instruction Health and Safety Grant - \$2 billion to supplement the In-Person Instruction Grant



Summer and Afterschool Programs - \$1 billion in 2021-22, growing to \$5 billion in 2025-26



Universal Transitional Kindergarten for all four-year-olds by 2024-25 - \$3.7 billion over next four years



Educator Investments to build the teacher pipeline, encourage educator retention, and provide professional training - \$3.3 billion



Child Nutrition investments to increase student access to subsidized breakfast and lunch meals - \$150 million





Second Interim Summary

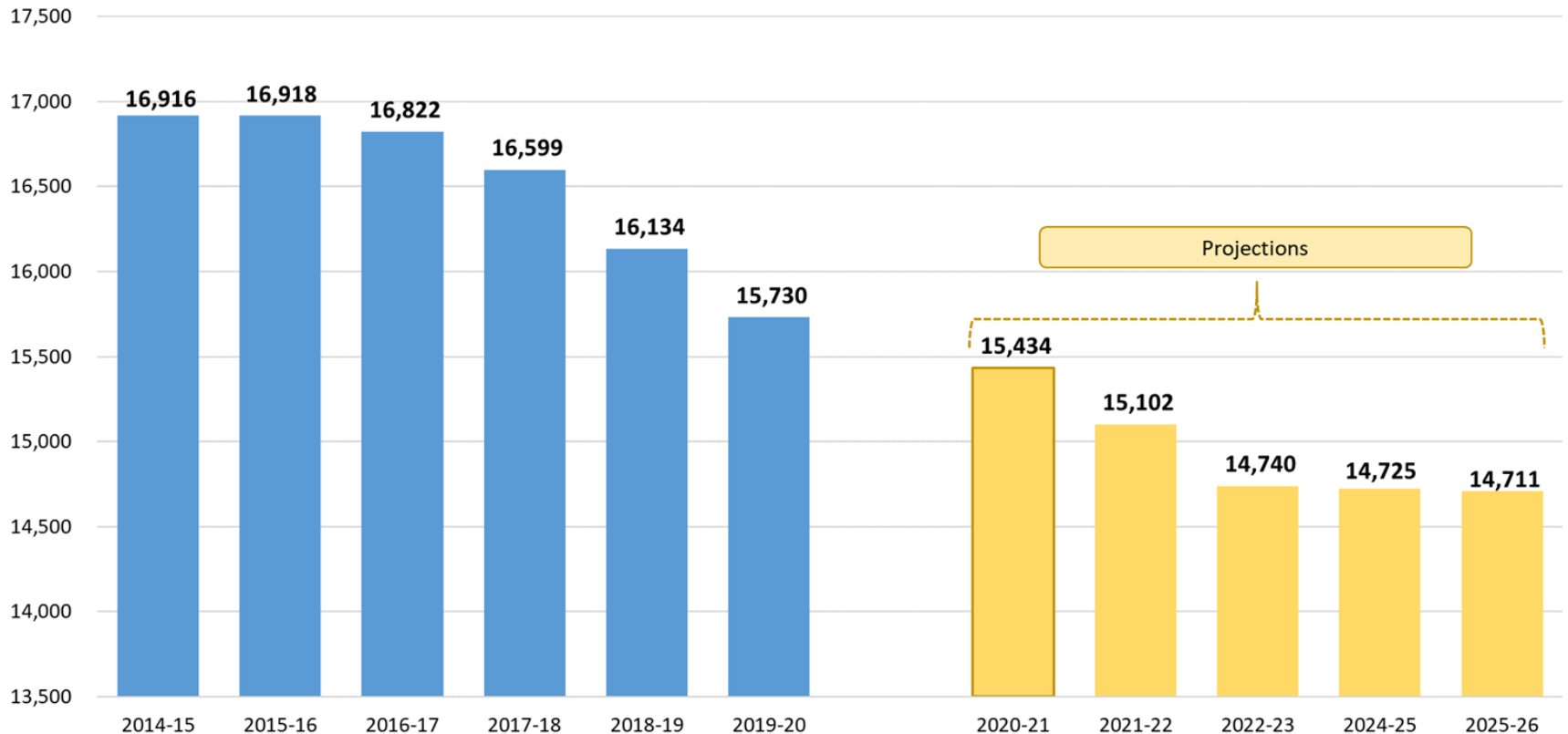
March 3, 2021

	2020/21	2021/22	2022/23
Budget reductions required	-0-	-0-	\$7.0 million
Net revenues – surplus/(deficit)	\$1.7 million	\$2.7 million	(\$800,000)
Reserve for Economic Uncertainty \$	\$6.7 million	\$6.2 million	\$6.3 million
Reserve for Economic Uncertainty %	3.28%	3.00%	3.10%
Total Reserves \$	\$13.6 million	\$20.5 million	\$20.1 million
Total Reserves %	6.69%	10.14%	9.96%



06/02/2021

Enrollment Trends and Projections



2021/22 Budget Assumptions - Revenue

- LCFF
 - Applied Cost of Living Adjustment is a 5.07% 'Mega COLA', to catch-up for the zero COLA applied in 2020/21
 - Declining Enrollment continues to have a 'year-after' effect on LCFF revenue, as ADA 'hold harmless' provisions expire
- Federal
 - Carryover Title funds will be fully budgeted after close of the current year (after June 30, 2021)
 - ESSER funds are recognized when they are spent, creating a carryover effect in subsequent years
 - Federal funds come with reporting requirements and time-certain expenditure deadlines through September 30, 2024
- Other State Revenue
 - In-Person Instruction Grant funds are recognized when they are spent, creating carryover into the subsequent year (must be spent by August 31, 2022)
 - Expanded Learning Opportunity Grant funds are recognized in the 2020/21 fiscal year, and must be spent by August 31, 2022



Major Revenue Updates

Resource	(in millions)
LCFF COLA increase in 2021/22	\$ 2.5
In-person Instruction Grant - begins 2020/21	\$ 5.0
Expanded Learning Opportunity Grant - begins 2020/21	\$ 12.5
ESSER II (CRRSA Act) - begins 2020/21	\$ 14.0
ESSER III (American Rescue Plan) - begins 2021/22	\$ 31.9
TOTAL New Revenue in two-year period	\$ 65.9



2021/22 Budget Assumptions - Expenditures

- Certificated and Classified salaries
 - Minor reduction in force to adjust to declining enrollment
 - Increases due to COVID testing stipends, additional days of professional development, anticipated salary settlements, and step and column movement amount to \$7.5 million across a two year period
 - Increases due to increased STRS/PERS and Unemployment rates
- Other Expenditure Items
 - Alignment with Local Control Accountability Plan (LCAP)
 - Continued technology investment and refresh of student iPads
 - Expanded summer learning and before/after school programs
 - Contribution to Routine Restricted Maintenance
 - Contribution to Special Education



Multi-year Projections

	2021/22	2022/23	2023/24
Budget reductions required	-0-	-0-	-0-
Net revenues – surplus/(deficit)	\$32.5 million	(\$9.1 million)	(\$4.4 million)
Additional time-certain investments	\$20.6 million	\$25.0 million	\$5.8 million
Reserve for Economic Uncertainty %	7.00%	10.00%	14.00%
Total Reserves \$	\$62.0 million	\$52.9 million	\$48.5 million
Total Reserves %	29.82%	24.50%	23.22%



Prioritization of Time Certain Resources

Proposed Recommendations

Board Goal and Description	2020/21	2021/22	2022/23
Instruction			
Information Technology – 4 year student device refresh	\$2.8 million	\$3.5 million	\$2.0 million
Human Capital			
Human Resources– Intervention/Literacy Specialists, 2% one-time off-schedule payment, Temporary HR Manager	\$3.3 million	\$2.7 million	\$2.7 million
Educational Services and HR– Additional professional learning days	-0-	\$2.5 million	\$2.5 million
Information Technology – Continue two TSTs from temp to perm	\$180,000	\$180,000	\$180,000
Safety and Student Welfare			
Child Nutrition – Refrigerated truck, emergency freezer, replace cafeteria tables more than five years old,	-0-	\$455,000	-0-
Facilities/Maintenance –Temp Maint. Services Manager, Temporary crews, Fire Alarm inspections and upgrades	-0-	\$1.6 million	\$1.5 million
Health Services– LVNs for Care Rooms		\$620,000	\$620,000
Information Technology– Emergency systems, District office and Board room upgrades	\$260,000	-0-	-0-
Communication			
Information Technology– Temporary Website Master	-0-	\$140,000	\$140,000



Upcoming Budget Discussions

- Conduct Public Hearing – LCAP and Budget
 - ▣ June 02, 2021

- Adoption – LCAP and Budget
 - ▣ June 23, 2021

