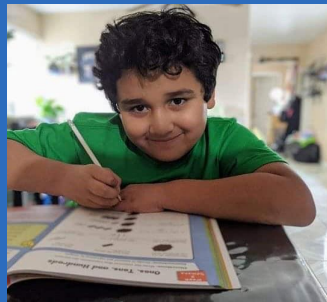




2020-21 Adopted Budget Public Hearing

June 25, 2020

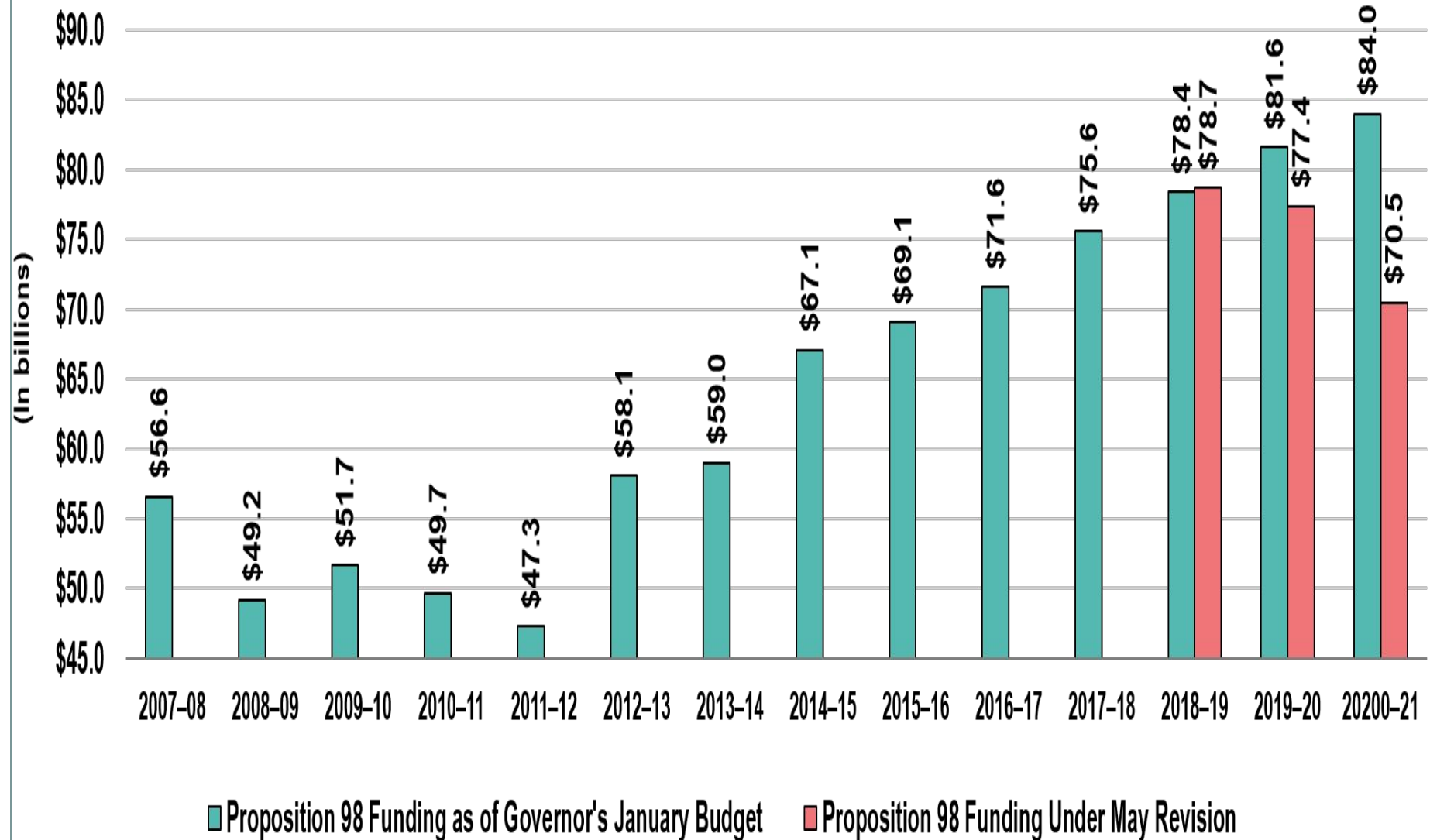


2020-21 State Budget Proposal

Governor Newsom's May Revise proposed a 10% cut to LCFF Funding. Net effect to our 2020-21 Budget is a projected **\$16.1 Million** less in **LCFF Funding** for the **2020-21 Fiscal year**.



Proposition 98 Funding 2007-08 to 2020-21



Key Budget Assumptions

AVERAGE DAILY ATTENDANCE (ADA)	2020-21: 12,152 2021-22: 11,909 2022-23: 11,671
LCFF FUNDING	2020-21: \$138,380,675 2021-22: \$137,145,838 2022-23: \$134,455,683
LCFF COST OF LIVING ADJUSTMENT (COLA) / EFFECTIVE DEFICIT FACTOR	2020-21: 2.31% / -7.92% 2020-21: 2.48% / -12.18% 2020-21: 3.26% / -14.95%
LCFF SUPPLEMENTAL & CONCENTRATION FUNDS	Supplemental = 94% Concentration = 39%

2020-21 General Fund

(unrestricted)

Total Revenues	\$ 141,934,548
Contributions	<u>(26,115,178)</u>
Total Net Revenues	<u>115,819,370</u>
Expenditures	<u>134,536,853</u>
Operating Deficit	(18,744,483)
Beginning Fund Balance	<u>24,529,881</u>
Ending Fund Balance	5,785,398

Minimum Reserve for Economic Uncertainty (3%) \$5.78 million

One Month's Salary and Benefits \$13.5 million

***Reserves above minimum required** are to enable the District to address any uncertainties in funding and any potential economic downturns*

Unrestricted General Fund Multi-Year Projection

	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
Total Revenues	\$ 141,934,548	\$ 140,807,778	\$ 138,070,384
Certificated Salaries	58,236,880	59,113,433	60,003,134
Classified Salaries	23,409,399	23,760,539	24,116,948
Employee Benefits	32,252,802	32,739,637	33,230,733
Books and Supplies	3,868,298	4,000,000	4,000,000
Services and Other	13,945,597	15,000,000	15,000,000
Capital Outlay	285,266	200,000	200,000
Other Outgo	1,686,351	1,686,351	1,686,351
Transfer of Indirect	(1,148,198)	(1,148,198)	(1,148,198)
Transfer to Other Funds	2,027,458	2,027,458	2,027,458
Total Expenditures	134,563,853	137,379,220	139,116,426
Contributions SPED & RRMA	26,115,178	25,725,069	25,725,069
Ending Fund Balance	5,785,398	(16,511,113)	(43,282,225)

UGF - Personnel Expense (in millions)

Unrestricted General Fund Revenue	\$ 141.9
Contributions to Restricted Programs	<u>(26.1)</u>
Net UGF Revenue	<u>115.8</u>
Personnel Expense:	
Certificated Salaries	58.2
Classified Salaries	23.4
Benefits	<u>32.2</u>
Total UGF Personnel Expense	<u>113.8</u>
Remaining UGF Revenue	<u>2.0</u>

98% of Unrestricted General Fund goes to Employee Costs

Budget Reductions

Significant expense reductions are included in the multi-year projections, in line with declining enrollment and reductions in unrestricted revenue, in the following areas:

- Extra-duty and Substitutes
- Instructional Materials
- Office Supplies
- Services
- Non-Instructional Contracts
- Capital Outlay

The budget assumes the shifting some instructional contracts and services expense to restricted resources.

Reserves For Economic Uncertainty (REU)

2020-21: 3.01%

2021-22: -9.96%

2022-23: -23.95%

Minimum Required Reserves = 3% of total expenditures

What's Next

- Board consideration to adopt 2020-21 budget with a commitment to maintain fiscal solvency and state required reserve levels.
- Continue to identify unrestricted expenditures that can be moved to restricted funds.
- District budget revision within 45 days after state budget adoption.
- Possible August revisions.

Questions