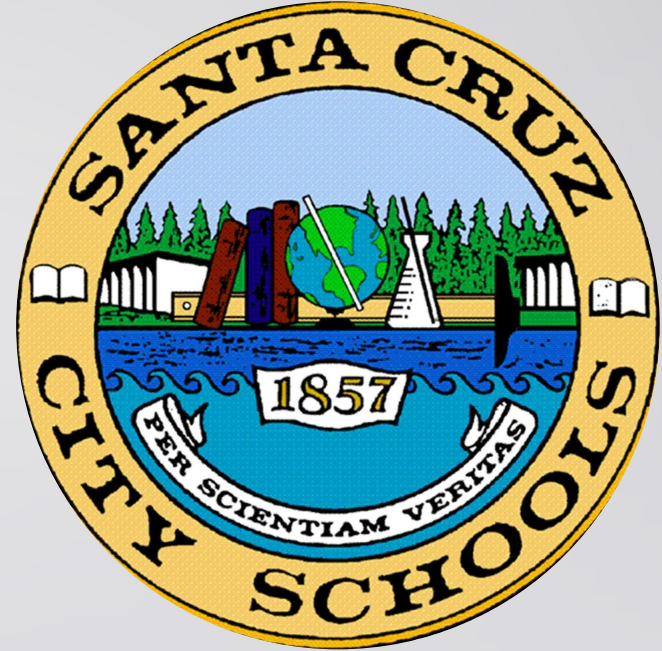


Budget Advisory Committee

December 8, 2020





Recent News from Sacramento

- One time revenues in the State since April 2020
- Information on revenue forthcoming in Governor's January Budget
- Challenges in the out years due to economic effects of pandemic
- Discussion of potential federal stimulus
- State discussion on fund distribution to support pandemic costs
- Pension costs projected to increase in 2022-23
- Decline in enrollment and unduplicated counts present funding challenges to the state



1st Interim Multi Year Projection

Changes in Revenue:

LCFF Sources decreased by <\$294,990>

- Driven by enrollment updates and property tax decreases

Federal Revenue increased by \$614,558

- Carryover in Title I, Title III-Limited English, Title III-Immigrant

State Revenue increased by \$105,406

- Carryover budgeted from Unaudited Actuals

Local Revenue decreased by <\$73,722>

- Budgeted for Interest reduction, Special Education reductions



1st Interim Multi Year Projection

Changes in Expenditures:

Certificated Salaries increased by \$188,584

- Updating staffing from budget adoption and start of school

Classified Salaries increased by \$330,779

- Updating staffing from budget adoption for support services

Employee Benefits decreased by <\$775,478>

- Updating PERS Reductions, Health and Welfare Decreases



1st Interim Multi Year Projection

Changes in Expenditures:

Books and Supplies increased by \$2,924,979

- Updating Materials/Supplies Carryover and Non-capitalized equipment

Services and Operating increased by \$384,367

- Updating professional/consulting services in special education and reductions in travel/conferences and rentals/leases/repairs

Capital Outlay increased by \$186,777

- Updating Equipment (truck replacement, pool covers/reels) and DROPs Program carryover

Learning Loss Mitigation & Coronavirus Relief Funds

- Addressing learning loss or accelerating progress to close learning gaps through the implementation, expansion, or enhancement of learning supports that begin before the start of the school year and the continuation of intensive instruction and support into the school year
- Extending the instructional school year by making adjustments to the academic calendar, increasing the number of instructional minutes provided during each week of school day, or taking any other action that increases the amount of instructional time or services provided to pupils based on their learning needs.

Learning Loss Mitigation & Coronavirus Relief Funds

- Providing additional academic services for pupils, such as diagnostic assessments of pupil learning needs, intensive instruction for addressing gaps in core academic skills, additional instructional materials or supports, or devices or connectivity for the provision of in-classroom and distance learning
- Providing integrated pupil supports to address other barriers to learning, such as the provision of health, counseling, or mental health services, professional development opportunities to help teachers and parents support pupils in distance-learning contexts, access to school breakfast and lunch programs
- Funding has been earmarked under the Coronavirus Aid, Relief and Economic Security Act (CARES) and the Governors Emergency Relief Fund (GEER) that include purchasing supplies to sanitize and clean facilities

Learning Loss Mitigation Funds (LLMF)

\$4,899,963 District received in (LLMF) Learning Loss Mitigation Funds

\$878,924 - Resource 3210 Coronavirus Aid, Relief and Economic Security Act
Spend by September 30, 2022

\$403,890 - Resource 3215 Governors Emergency Relief Fund
Spend by September 30, 2022

\$2,999,833 - Resource 3220 Coronavirus Relief Funds, LCFF & Supplemental
Spend by December 30, 2020

\$106,435 - Resource 7388 COVID 19
Spend by Open

\$510,881 - Resource 7420 PROP 98
Spend by June 30, 2021

Learning Loss Mitigation Funds (LLMF) - Budget

Revenue	\$ 4,899,963
Chromebooks	\$ 1,611,116
Laptops	\$ 510,594
Hotspots	\$ 280,535
Technology - Other Hardware	\$ 286,727
Technology - Other Software	\$ 476,081
Supplies to Sites	\$ 630,639
Additional Professional Development Day for Certificated	\$ 210,000
Extra Hourly for Teachers	\$ 214,773
Small Group Tutoring	\$ 114,377
Extra Hourly for Small Cohorts	\$ 93,728
COVID-19 - Personal Protection Equipment (PPE) Supplies	\$ 294,228
COVID 19 - PPE Set Aside	\$ 101,830
Total Budgeted	\$ 4,824,628
Total Not Budgeted	\$ 75,335

1st Interim Multi Year Projection

12/5/2020	2019/20		
	Unaudited Actuals		
	Unrestricted	Restricted	Total
Revenue			
LCFF Sources	70,261,006	0	70,261,006
Federal Revenue	0	3,518,496	3,518,496
State Revenue	1,715,406	6,156,260	7,871,666
Local Revenue	7,214,354	2,727,633	9,941,987
Total Revenue	79,190,766	12,402,389	91,593,155
Expenditures			
Certificated	30,420,785	7,646,451	38,067,236
Classified	9,135,505	4,058,184	13,193,689
Benefits	16,097,079	9,693,983	25,791,062
Books & Supplies	1,434,482	1,429,110	2,863,592
Services, Other Ops	6,188,121	5,231,946	11,420,067
Capital Outlay	176,548	892,339	1,068,887
Other Outgo	24,206	0	24,206
Direct/Indirect Support	(914,322)	914,322	0
Total Expenditures	62,562,404	29,866,335	92,428,739
Excess/Deficiency	16,628,362	(17,463,946)	(835,584)

	Unrestricted	Restricted	Total
Other Financing			
Transfers In	2,711,579	0	2,711,579
Transfers Out	406,902	0	406,902
Contributions To Restr.	(17,325,765)	17,325,765	0
Transfers/Contributions	(15,021,088)	17,325,765	2,304,677
Net Inc/Dcr to Fund Balance	1,607,274	(138,181)	1,469,093
Beg Fund Balance	14,519,636	1,833,833	16,353,469
Audit Adjustments			0
Ending Fund Balance	16,126,910	1,695,652	17,822,562
Legally Restricted/Designated	67,704	2,194,020	2,261,724
Unrestricted Reserve:			
Reserve 3% Econ. Uncert.	2,785,069		2,785,069
Reserve for 21-22 Deficit	2,161,847		2,161,847
Reserve for 22-23 Deficit	4,610,028		4,610,028
Reserve for LCAP Hold Harmless	739,109		739,109
Undesignated	5,763,153	(498,368)	5,264,785
% Unrestricted Reserve			8.67%

1st Interim Multi Year Projection

	Zero COLA		
12/5/2020	2020/21		
	Projected		
	Unrestricted	Restricted	Total
Revenue			
LCFF Sources	70,027,568	0	70,027,568
Federal Revenue	0	8,057,286	8,057,286
State Revenue	1,174,757	4,117,359	5,292,116
Local Revenue	7,216,608	1,260,105	8,476,713
Total Revenue	78,418,933	13,434,750	91,853,683
Expenditures			
Certificated	30,100,713	7,573,767	37,674,480
Classified	8,959,139	3,734,271	12,693,410
Benefits	15,631,734	6,730,749	22,362,483
Books & Supplies	2,218,806	7,949,550	10,168,356
Services, Other Ops	6,354,703	6,428,335	12,783,038
Capital Outlay	231,210	253,261	484,471
Other Outgo	25,362	0	25,362
Direct/Indirect Support	(779,602)	779,602	0
Total Expenditures	62,742,065	33,449,535	96,191,600
Excess/Deficiency	15,676,868	(20,014,785)	(4,337,917)

Other Financing	0		
Transfers In	2,500,000	0	2,500,000
Transfers Out	300,000	0	300,000
Contributions To Restr.	(17,986,283)	17,986,283	0
Transfers/Contributions	(15,786,283)	17,986,283	2,200,000
	0	0	0
Net Inc/Dcr to Fund Balance	(109,415)	(2,028,502)	(2,137,917)
Beg Fund Balance	16,126,910	1,695,652	17,822,562
Audit Adjustments			0
Ending Fund Balance	16,017,495	(332,850)	15,684,645
Legally Restricted/Designated	67,701	523,838	591,539
Unrestricted Reserve:			
Reserve 3% Econ. Uncert.	2,894,748		2,894,748
Reserve for 21-22 Deficit	2,161,847		2,161,847
Reserve for 22-23 Deficit	4,610,028		4,610,028
Reserve for LCAP Hold Harmless			0
Undesignated	6,283,171	(856,688)	5,426,483
% Unrestricted Reserve			8.62%

1st Interim Multi Year Projection

	Zero COLA		
12/5/2020	2021/22		
	Projected		
	Unrestricted	Restricted	Total
Revenue			
LCFF Sources	70,607,974	0	70,607,974
Federal Revenue	0	3,604,516	3,604,516
State Revenue	1,174,757	3,117,482	4,292,239
Local Revenue	7,181,857	1,258,558	8,440,415
Total Revenue	78,964,588	7,980,556	86,945,144
Expenditures			
Certificated	30,259,369	6,995,373	37,254,742
Classified	9,123,100	3,757,697	12,880,797
Benefits	17,060,348	6,959,173	24,019,521
Books & Supplies	2,218,806	1,900,312	4,119,118
Services, Other Ops	6,701,492	5,488,638	12,190,130
Capital Outlay	231,210	253,261	484,471
Other Outgo	25,362	0	25,362
Direct/Indirect Support	(792,203)	792,203	0
Total Expenditures	64,827,484	26,146,657	90,974,141
Excess/Deficiency	14,137,104	(18,166,101)	(4,028,997)

Other Financing	0		
Transfers In	2,500,000	0	2,500,000
Transfers Out	300,000	0	300,000
Contributions To Restr.	(18,498,951)	18,498,951	0
Transfers/Contributions	(16,298,951)	18,498,951	2,200,000
	0	0	0
Net Inc/Dcr to Fund Balance	(2,161,847)	332,850	(1,828,997)
Beg Fund Balance	16,017,495	(332,850)	15,684,645
Audit Adjustments			0
Ending Fund Balance	13,855,648	(0)	13,855,648
Legally Restricted/Designated	67,704	0	67,704
Unrestricted Reserve:			
Reserve 3% Econ. Uncert.	2,738,224		2,738,224
Reserve for 21-22 Deficit	0		0
Reserve for 22-23 Deficit	4,610,028		4,610,028
Reserve for LCAP Hold Harmless			0
Undesignated	6,439,692	(0)	6,439,692
% Unrestricted Reserve			10.06%

1st Interim Multi Year Projection

		Zero COLA					
12/5/2020		2022/23					
		Projected					
		Unrestricted	Restricted	Total			
Revenue							
LCFF Sources		70,528,037	0	70,528,037			
Federal Revenue		0	3,604,516	3,604,516			
State Revenue		1,174,757	3,117,482	4,292,239			
Local Revenue		7,147,280	1,258,558	8,405,838			
Total Revenue		78,850,074	7,980,556	86,830,630			
Expenditures							
Certificated		30,705,013	7,099,147	37,804,160			
Classified		9,290,341	3,830,542	13,120,883			
Benefits		18,506,490	7,487,844	25,994,334			
Books & Supplies		2,218,806	1,900,312	4,119,118			
Services, Other Ops		6,603,692	5,488,638	12,092,330			
Capital Outlay		231,210	253,261	484,471			
Other Outgo		25,362	0	25,362			
Direct/Indirect Support		(812,404)	812,404	0			
Total Expenditures		66,768,510	26,872,148	93,640,658			
Excess/Deficiency		12,081,564	(18,891,592)	(6,810,028)			
					Other Financing		
					0		
					Transfers In		
					2,500,000		
					0		
					Transfers Out		
					300,000		
					0		
					Contributions To Restr.		
					(18,891,592)		
					18,891,592		
					0		
					Transfers/Contributions		
					(16,691,592)		
					18,891,592		
					0		
					Net Inc/Dcr to Fund Balance		
					(4,610,028)		
					0		
					(4,610,028)		
					Beg Fund Balance		
					13,855,648		
					(0)		
					13,855,648		
					Audit Adjustments		
					0		
					Ending Fund Balance		
					9,245,620		
					(0)		
					9,245,620		
					Legally Restricted/Designated		
					67,704		
					0		
					67,704		
					Unrestricted Reserve:		
					Reserve 3% Econ. Uncert.		
					2,818,220		
					2,818,220		
					Reserve for 21-22 Deficit		
					0		
					0		
					Reserve for 22-23 Deficit		
					0		
					Reserve for LCAP Hold Harmless		
					0		
					Undesignated		
					6,359,697		
					(0)		
					6,359,696		
					% Unrestricted Reserve		
					9.77%		



Committee Questions on 1st Interim information



Fund 17 -Basic and State Aid Funded Reserve



Fund 17: Basic & State Aid Funded Reserve Purpose

To prepare for both loss and deferred revenue due to:

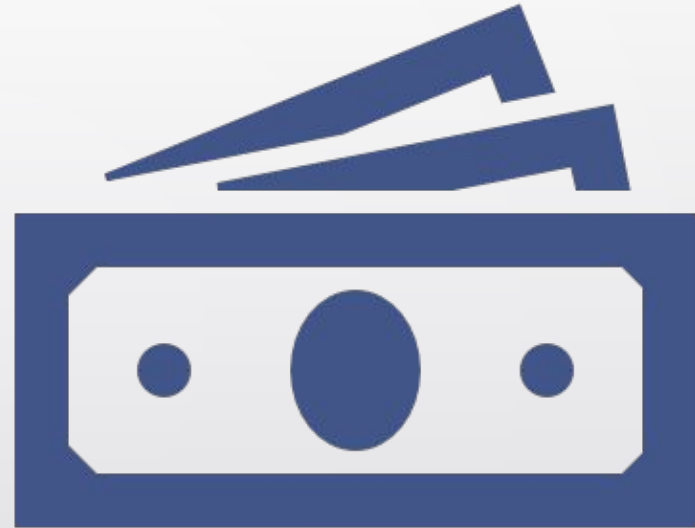
- Declining enrollment
- Anticipated funding cuts resulting from pandemic recession
- Current revenue deferrals caused by pandemic budget

Simply stated: Fund 17 is a district “rainy day” fund to help us weather revenue variability



Fund 17 Recommendation

Staff recommends establishing a Fund 17: Basic and State Aid Funded Reserve to ensure the financial stability of the district.





Committee Questions & Discussion on Fund 17

