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# Second Interim Budget 2019- 2020

March 12, 2020


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Executive Director, 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. Regular budget updates are presented to the Board during these normal cycles:

- September 15, 2019      Unaudited Actuals
- December 15, 2019      1<sup>st</sup> Interim Budget (Data as of October 31)
- March 15, 2020          2<sup>nd</sup> Interim Budget (Data as of January 31)
- June 30, 2020            Adopt 2020-21 Budget



## Second Interim Changes

- Revenue
  - New One Time Special Education Early Intervention Preschool Grant \$1,360,505
  - Other Local revenue updated to reflect actuals to date \$247,872
  - COLA projections have changed since First Interim:
    - 2020-2021 was 1.79% and is now projected at 2.29% generating \$450,093
    - 2021-2022 was 1.2% and is not projected at 2.71% generating \$1,836,351
- Expenditures
  - Salaries & Benefits updated to reflect current staff changes & projections
  - Budget Transfers from departments & sites
  - Preliminary Utility Savings determined for transfer for Solar Lease Payments



## Major Expenditure Assumptions/Changes At 2019-2020 Second Interim

	2019 -2020	2020-2021	2021-2022
Projected COLA (DOF)	3.26%	2.29%	2.71%
Step & Column cost	\$978,675	\$1,268,351	\$1,287,717
STRS 17.1%, 18.4%, 18.1%	\$276,821	\$864,656	\$32,782
PERS 19.721%, 22.8%, 24.9%	\$470,771	\$704,239	\$527,922
Restricted Maintenance (3% contribution)	\$55,637	\$60,385	\$49,415
Maintain 7% Reserve for Economic Uncertainties	\$0	\$43,549	\$115,303
Special Education Contribution	\$0	\$100,000	\$100,000
Property & Liability Insurance	\$110,000	\$108,114	\$124,331
<b>TOTAL New Expenditures</b>	<b>\$1,891,904</b>	<b>\$3,149,294</b>	<b>\$2,237,470</b>

## Multiyear Projections - Combined

	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>
<b>Revenue</b>	\$114,430,405	\$112,947,565	\$114,453,957
<b>Expenses</b>	\$113,875,524	\$113,327,034	\$114,974,224
<b>Difference</b>	<b>\$554,882</b>	<b>(\$379,469)</b>	<b>(\$520,267)</b>
<b>Beginning Balance</b>	\$35,546,643	\$36,101,525	\$35,722,056
<b>Ending Balance</b>	<b>\$36,101,525</b>	<b>\$35,722,056</b>	<b>\$35,201,789</b>

### Components of Ending Fund Balance

<b>Reserve for Economic Uncertainties</b>	\$7,889,344	\$7,932,893	\$8,048,196
<b>Restricted Designation</b>	\$7,943,876	\$7,235,342	\$6,302,928
<b>Stores</b>	\$20,000	\$20,000	\$20,000
<b>Revolving Cash</b>	\$100,000	\$100,000	\$100,000
<b>Bus Replacement</b>	\$360,000	\$270,000	\$180,000
<b>Textbook Adoptions</b>	\$2,693,072	\$2,693,072	\$2,693,072
<b>Code to the Future</b>	\$99,000		
<b>ACA/AB1522</b>	\$378,966	\$378,966	\$378,966
<b>Technology Sustainability</b>	\$0	\$0	\$0
<b>Facilities Use</b>	\$203,832	\$203,832	\$203,832
<b>Student Support</b>	\$588,841	\$588,841	\$588,841
<b>18-19 One Time Block Grant - H&amp;W Cap</b>	\$1,072,312	\$536,156	\$0
<b>18-19 Special Education Savings</b>	\$1,797,599	\$1,797,599	\$1,797,599
<b>20-21 STRS/PERS Increase</b>	\$1,157,962		
<b>21-22 STRS/PERS Increase</b>	\$190,891	\$190,891	
<b>Unassigned/Unappropriated Amount</b>	<b>\$11,605,830</b>	<b>\$13,774,464</b>	<b>\$14,888,355</b>



## Certification Definition

- **Positive** = A school district that, based on current projections, **will** be able to meet its financial obligations for the current fiscal year and subsequent two fiscal years.
  - Superintendent is recommending that the Board approve the 2019-2020 Second Interim Financial Report with a Positive Certification
- **Qualified** = A school district that, based on current projections, **may not** meet its financial obligations for the current fiscal year and subsequent two fiscal years.
- **Negative** = A school district that, based on current projections, **will be unable** to meet its financial obligations for the current fiscal year and subsequent two fiscal years.