



**Westminster School
District
First Interim Budget
2020-2021**

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Business Services



2020-2021 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, 2020	Unaudited Actuals
December 15, 2020	1 st Interim Budget (Data as of October 31)
March 15, 2021	2 nd Interim Budget (Data as of January 31)
June 30, 2021	Adopted 2021-22 Budget



2020-21 Adopted Budget Review

- The May Revision assumes that the state will suffer from a \$41.2 billion loss in revenues compared to January estimates in 2019–20 and 2020–21 combined
- 2020-21 LCFF Funding Change = [-\$6.5 billion]
- 2020-21 Statutory COLA of 2.31% is Suspended
- One-Time Discretionary Funds = \$0

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Combined MYP	2020-2021	2021-2022	2022-2023
Beginning Balance	35,357,770	25,756,932	16,793,419
REVENUES			
Local Control Funding Formula (LCFF)	84,072,412	83,651,630	82,523,713
Federal Apportionments	5,657,942	5,657,942	5,657,942
Other State (including Lottery)	7,089,102	7,078,886	7,049,864
Other Local Income	6,370,232	6,370,232	6,370,232
Transfers from Unrestricted Resources	0	0	0
Current Year Revenue	103,189,688	102,758,690	101,601,751
EXPENDITURES			
Certificated Salaries (1000)	53,260,776	53,944,108	54,640,246
Classified Salaries (2000)	16,363,642	16,674,159	16,990,593
Employee Benefits (3000)	26,206,182	26,942,793	29,004,161
Materials & Supplies (4000)	3,743,968	3,743,968	3,743,968
Services & Other Expenses (5000)	10,874,258	11,025,035	11,299,734
Capital Outlay (6000)	1,212,600	1,212,600	1,212,600
Indirect (7000)	1,129,100	1,144,540	1,144,540
Unidentified Adjustments	0	(2,965,000)	(15,210,000)
Total Expenditures	112,790,526	111,722,203	102,825,842
Current Year Revenue & Expenditures	(9,600,838)	(8,963,513)	(1,224,091)
Projected Ending Balance--Surplus/(Deficit)	25,756,932	16,793,419	15,569,328
Components of Ending Fund Balance			
Nonspendable Reserve	120,000	120,000	120,000
Restricted Reserve	8,803,988	8,851,488	8,250,859
Assigned Reserve	4,559,008	0	0
Reserve for Economic Uncertainties (7%)	7,895,337	7,821,931	7,198,469
Unassigned Balance	4,378,599	0	0
	25,756,932	16,793,419	15,569,328



2020-21 First Interim Assumptions

- Revenues
 - The final budget for 2020-21 suspended the statutory COLA of 2.31% on the Local Control Funding Formula (LCFF) and eliminated the 10% proration factor proposed in the Governor's May Revision resulting in a "zero" COLA planning factor
 - Additional COVID funding Federal and State
- Expenditures
 - Increase Expenditures for COVID, One-Time Funding
 - Due to increased LCFF Funding additional expenditure reduction may not be required in 2021-22 or 2022-23



2020-21 First Interim Assumptions (cont)

- ADA
 - The initial budget trailer bill established that all LEAs will receive funding in 2020-21 based on 2019-20 ADA. SB 820 confirmed this action
 - Under no circumstances shall an apportionment calculation for a LEA be less than the apportionment that would be calculated based on 2019-20 ADA, (EC Section 43502)
 - The district is funded on the higher of current or prior year ADA
 - Allows a year to navigate the impact of the loss of revenue
- What does this mean?
 - ADA Funding level 2019-20 = 8785
 - ADA Funding level 2020-21 = 8785
 - ADA Funding level 2021-22 = 8785 (projected)
 - ADA Funding level 2022-23 = 8627 (projected)



Major Expenditure Assumptions-MYP At 2020-2021 First Interim

Planning Factor	2020-21	2021-22	2022-23
Statutory COLA	2.31%	2.48%	3.26%
COLA Suspension	-2.31%	-2.48%	-3.26%
Funded LCFF COLA	0%	0%	0%
STRS Employer Rates (Approximate)	16.15%	15.92%	18.4%
PERS Employer Rates (Approximate)	20.7%	22.84%	25.9%
Lottery – Unrestricted per ADA	\$150.	\$150.	\$150.
Lottery – Prop. 20 per ADA	\$49.	\$49.	\$49.
Mandated Block Grant for Districts K-8 per ADA	\$32.18	\$32.18	\$32.18

Unrestricted MYP	2020-2021	2021-2022	2022-2023
Beginning Balance	31,806,042	27,133,576	22,810,155
REVENUES			
Local Control Funding Formula (LCFF)	91,320,693	91,254,400	89,644,093
Federal Apportionments	225,000	225,000	225,000
Other State Income	1,703,516	1,695,622	1,673,188
Other Local Income	731,947	730,000	730,000
Contributions to Restricted Programs	(18,031,325)	(18,144,314)	(19,019,632)
Current Year Revenue	<u>75,949,831</u>	<u>75,760,708</u>	<u>73,252,649</u>
EXPENDITURES			
Certificated Salaries (1000)	41,781,760	42,292,907	42,814,277
Classified Salaries (2000)	9,661,188	9,854,412	10,051,500
Employee Benefits (3000)	17,358,218	17,817,131	19,297,295
Materials & Supplies (4000)	5,043,909	3,153,328	3,153,328
Services & Other Expenses (5000)	7,035,931	7,186,708	7,461,407
Capital Outlay (6000)	574,600	574,600	574,600
Indirect (7000)	(833,309)	(794,957)	(794,957)
Unidentified Adjustments			
Total Expenditures	<u>80,622,297</u>	<u>80,084,129</u>	<u>82,557,450</u>
Current Year Revenue & Expenditures	(4,672,466)	(4,323,421)	(9,304,801)
Projected Ending Balance--Surplus/(Deficit)	<u>27,133,576</u>	<u>22,810,155</u>	<u>13,505,354</u>
Components of Ending Fund Balance			
Nonspendable Reserve	120,000	120,000	120,000
Restricted Reserve			
Assigned Reserve	7,165,873	7,165,873	3,234,219
Reserve for Economic Uncertainties (7%)	8,874,779	8,028,104	8,262,507
Unassigned Balance	10,972,924	7,496,178	1,888,628
	<u>27,133,576</u>	<u>22,810,155</u>	<u>13,505,354</u>





Restricted MYP	2020-2021	2021-2022	2022-2023
Beginning Balance	9,234,608	9,569,062	9,569,062
REVENUES			
Local Control Funding Formula (LCFF)			
Federal Apportionments	16,472,969	5,432,942	5,432,942
Other State (including Lottery)	6,327,284	5,385,586	5,385,586
Other Local Income	5,640,232	5,640,232	5,640,232
Transfers from Unrestricted Resources	18,031,325	18,144,314	19,019,632
Current Year Revenue	<u>46,471,810</u>	<u>34,603,074</u>	<u>35,478,392</u>
EXPENDITURES			
Certificated Salaries (1000)	12,363,580	11,651,201	11,825,969
Classified Salaries (2000)	6,734,178	6,819,747	6,939,093
Employee Benefits (3000)	9,041,895	9,125,662	9,706,866
Materials & Supplies (4000)	10,687,699	590,640	590,640
Services & Other Expenses (5000)	4,709,595	3,838,327	3,838,327
Capital Outlay (6000)	638,000	638,000	638,000
Indirect (7000)	1,962,409	1,939,497	1,939,497
Total Expenditures	<u>46,137,356</u>	<u>34,603,074</u>	<u>35,478,392</u>
Current Year Revenue & Expenditures	334,454	0	0
Projected Ending Balance--Surplus/(Deficit)	<u>9,569,062</u>	<u>9,569,062</u>	<u>9,569,062</u>
Components of Ending Fund Balance			
Nonspendable Reserve			
Restricted Reserve	9,569,063	9,569,062	9,569,062
Assigned Reserve			
Reserve for Economic Uncertainties (7%)			
Unassigned Balance			
	<u>9,569,063</u>	<u>9,569,062</u>	<u>9,569,062</u>



	2020-2021	2021-2022	2022-2023
Beginning Balance	41,040,650	36,702,638	32,379,217
REVENUES			
Local Control Funding Formula (LCFF)	91,320,693	91,254,400	89,644,093
Federal Apportionments	16,697,969	5,657,942	5,657,942
Other State (including Lottery)	8,030,800	7,081,208	7,058,774
Other Local Income	6,372,179	6,370,232	6,370,232
Transfers from Unrestricted Resources	0	0	0
Current Year Revenue	122,421,641	110,363,782	108,731,041
EXPENDITURES			
Certificated Salaries (1000)	54,145,340	53,944,108	54,640,246
Classified Salaries (2000)	16,395,366	16,674,159	16,990,593
Employee Benefits (3000)	26,400,113	26,942,793	29,004,161
Materials & Supplies (4000)	15,731,608	3,743,968	3,743,968
Services & Other Expenses (5000)	11,745,526	11,025,035	11,299,734
Capital Outlay (6000)	1,212,600	1,212,600	1,212,600
Indirect (7000)	1,129,100	1,144,540	1,144,540
Unidentified Adjustments	0	0	0
Total Expenditures	126,759,653	114,687,203	118,035,842
Current Year Revenue & Expenditures	(4,338,012)	(4,323,421)	(9,304,801)
Projected Ending Balance--Surplus/(Deficit)	36,702,638	32,379,217	23,074,416
Components of Ending Fund Balance			
Nonspendable Reserve	120,000	120,000	120,000
Restricted Reserve	9,569,063	9,569,062	9,569,062
Assigned Reserve	7,165,873	7,165,873	3,234,219
Reserve for Economic Uncertainties (7%)	8,874,779	8,028,104	8,262,507
Unassigned Balance	10,972,924	7,496,178	1,888,628
	36,702,639	32,379,217	23,074,416



Multiyear Projections - Combined

	2020-21	2021-22	2022-23
Revenues	\$122,421,641.00	\$110,363,782.00	\$108,731,041.00
Expenses	\$126,759,653.00	\$114,687,203.00	\$118,035,842.00
Difference/Deficit	(\$4,338,012.00)	(\$4,323,421.00)	(\$9,304,801.00)
Beginning Balance	\$41,040,650.46	\$36,702,638.46	\$32,379,217.46
Ending Balance	\$36,702,638.46	\$32,379,217.46	\$23,074,416.46



Components of Ending Fund Balance	2020-21	2021-22	2022-23
Reserve Economic Uncertainties	\$8,874,779.	\$8,028,104.	\$8,262,507.
Restricted Designation	\$9,569,063.03	\$9,569,063.03	\$9,569,063.03
Stores	\$20,000.00	20,000.00	\$20,000.00
Revolving Cash	\$100,000.00	\$100,000.00	\$100,000.00
Bus Replacement	\$270,000.00	\$270,000.00	0
Textbook Adoptions	\$780,720.00	\$780,720.00	0
ACA/AB1522	\$366,818.50	\$366,818.50	0
Facilities Use	\$261,741.23	\$261,741.23	\$261,741.23
Student Support	\$588,841.27	\$588,841.27	0
18-19 one-time block	\$536,156.00	\$536,156.00	\$536,156.00
19-20 Site/Dept/C/O	\$1,107,570.34	\$1,107,570.34	\$1,107,570.34
19-20 Encumbrances	\$781,067.35	\$781,067.35	\$781,067.35
18-19 Est. Sp. Ed. Savings	\$1,797,599.02	\$1,797,599.02	\$1,797,599.02
21-22 STRS/PERS	\$290,772.00	\$290,772.00	\$290,772.00
22-23 STRS/PERS	\$384,587.55	\$384,587.55	\$384,587.55
Unassigned/Unappropriated Amount	\$10,972,923.16	\$7,496,177.85	\$1,888,628.12



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 2020-2021 First 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.

**Thank
you**