



# 2019-20 Budget

*Report to Board of Education - June 12, 2019*

# THE “FINAL” BUDGET

- ▶ “Final” budget due June 30 to state
- ▶ For all funds:
  - 2018-19 Estimated Actuals
  - 2019-20 Budget
- ▶ General Fund only:
  - Multi-year projections through 2021-22
- ▶ Budget will be revised throughout the year



# THE “FINAL” BUDGET

- ▶ Our budget based on Governor's May Revision
- ▶ State budget to be passed by June 15



# 2018-19 ESTIMATED ACTUALS

- ▶ District's best estimate of our unaudited actuals
- ▶ Reflects current District budget
- ▶ Current budget includes all budget revisions for year



# 2018-19 ESTIMATED ACTUALS

## Items Reviewed:

- LCFF updated to latest information
- All Categorical programs/carryovers
- Other revenues
- All expense accounts
- Program Contributions
- Other Funds



# 2018-19 ESTIMATED ACTUALS

## MATERIAL CHANGES FROM SECOND INTERIM



- ▶ LCFF change - minimal
- ▶ No other major changes

# 2018-19 ESTIMATED ACTUALS

## MATERIAL CHANGES FROM SECOND INTERIM

Estimated General Fund Net Income (loss):

At Second Interim: (\$1,557,722)

Estimated Actuals: (\$1,037,973)

Change \$519,749

# 2018-19 ESTIMATED ACTUALS

Estimated net decrease (\$ 1,037,973)

*Total is made up of:*

- Unrestricted net decrease (\$ 975,986)
- Restricted net decrease (\$ 61,987)



# 2018-19 ESTIMATED ACTUALS

Ending Fund Balance:

Restricted, Reserved, Designated	\$ 6,161,802
Unrestricted	<u>20,065,234</u>

Total General Fund Ending Balance  
\$26,227,036



# 2018-19 ESTIMATED ACTUALS

## Unrestricted Ending Fund Balance

- \$23,413,827
- 21% of total expenditures
- State requirement is 3%



# 2018-19 ESTIMATED ACTUALS

## Final results should be better than Estimated Actuals

- ▶ 100% of categorical grants typically not spent
- ▶ Projected under-spending in expenditure accounts



# 2019-20 BUDGET



# STATE BUDGET – GOVERNOR'S MAY REVISION

Total State budget - \$147 Billion

Prop 98 budget - \$81.1 Billion

➤ \$3 B increase from 2018-19 budget

Rainy Day Fund - \$16.5 Billion (11.5%  
of revenues)



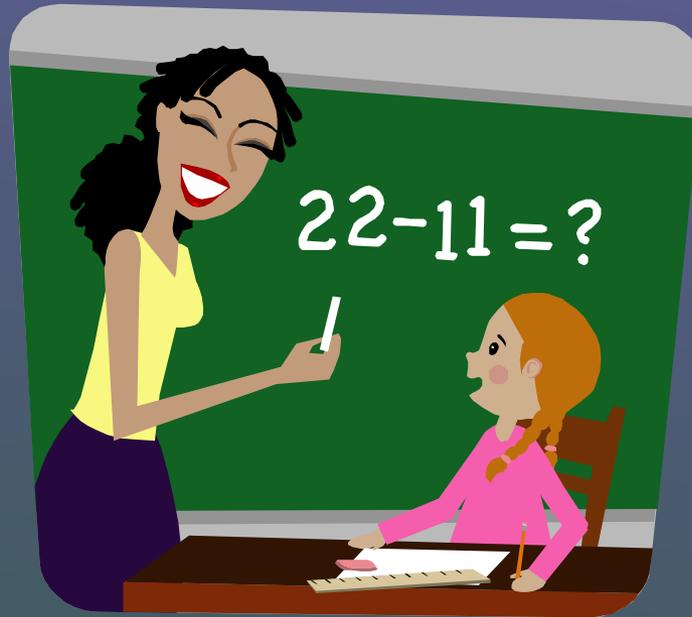
# STATE BUDGET – GOVERNOR'S MAY REVISION

Positive for LEAs:

- ▶ COLA increase
- ▶ CalSTRS employer rate reduction

Still pending:

- ▶ Special Ed funding increase
  - ▶ Super COLA
- 



# Bonita Unified School District Budget

# BUDGET PROCESS



- ▶ 2019-20 Budget first published June 2017
- ▶ “A Living Document”
- ▶ Always includes normal reoccurring expense changes
- ▶ LCFF updated at least 4x a year
- ▶ Refined for enrollment, program changes

# SUMMARY BUSD BUDGET – TOTAL GENERAL FUND

	<b>Estimated Actuals 6-30-19</b>	<b>Budget 6-30-20</b>
Revenues	110,243,717	108,692,717
Expenditures	<u>111,281,690</u>	<u>113,878,014</u>
Change in Fund Balance	(1,037,973)	(5,185,297)
Beginning Fund Balance	<u>27,265,009</u>	<u>26,227,036</u>
Ending Fund Balance	<u>26,227,036</u>	<u>21,041,739</u>

# BUSD BUDGET - REVENUES

- LCFF uses *May Revise* assumptions
- COLA 3.26%
- No other new revenues



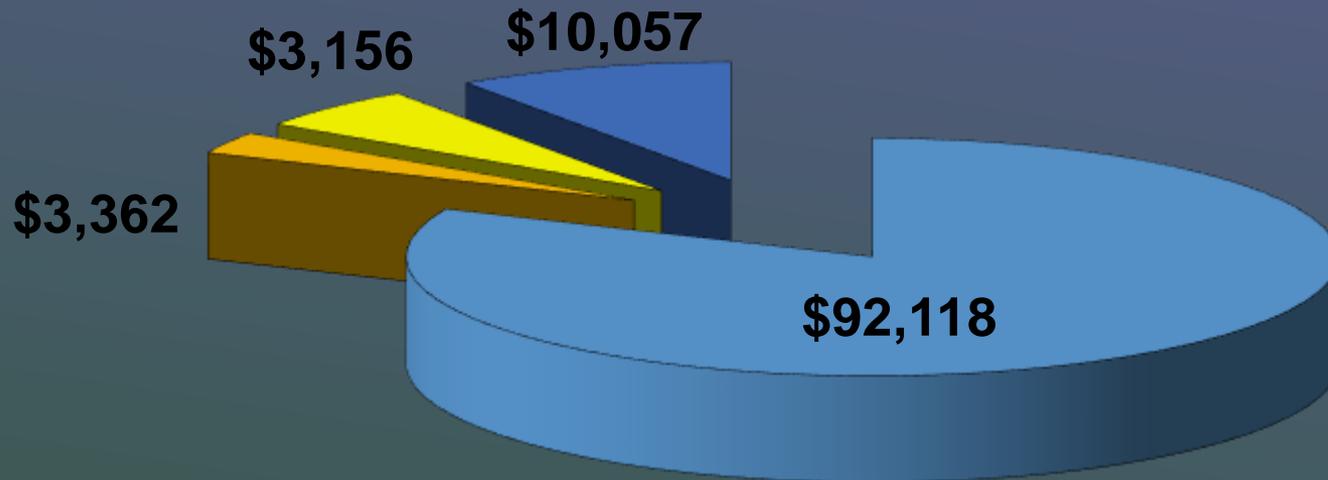
# PROJECTED REVENUES – 2019-20

- Total Revenues - \$ 108.7M
  - \$1.5M decrease from Estimated Actuals 2018-19
  - Decrease due to one-time funding
  - 2018-19 decline of 67 ADA reflected
  - Federal and state COLA – 3.26%

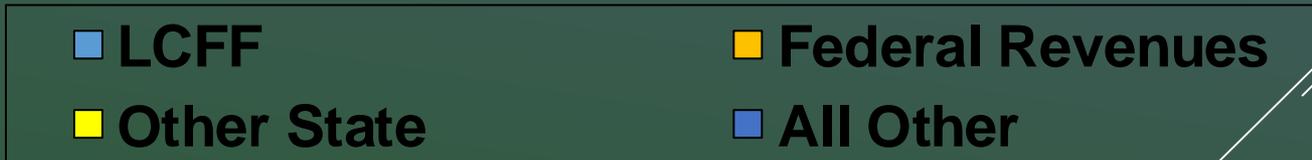


# PROJECTED REVENUES – 2019-20

Total Projected Revenues = \$108,693

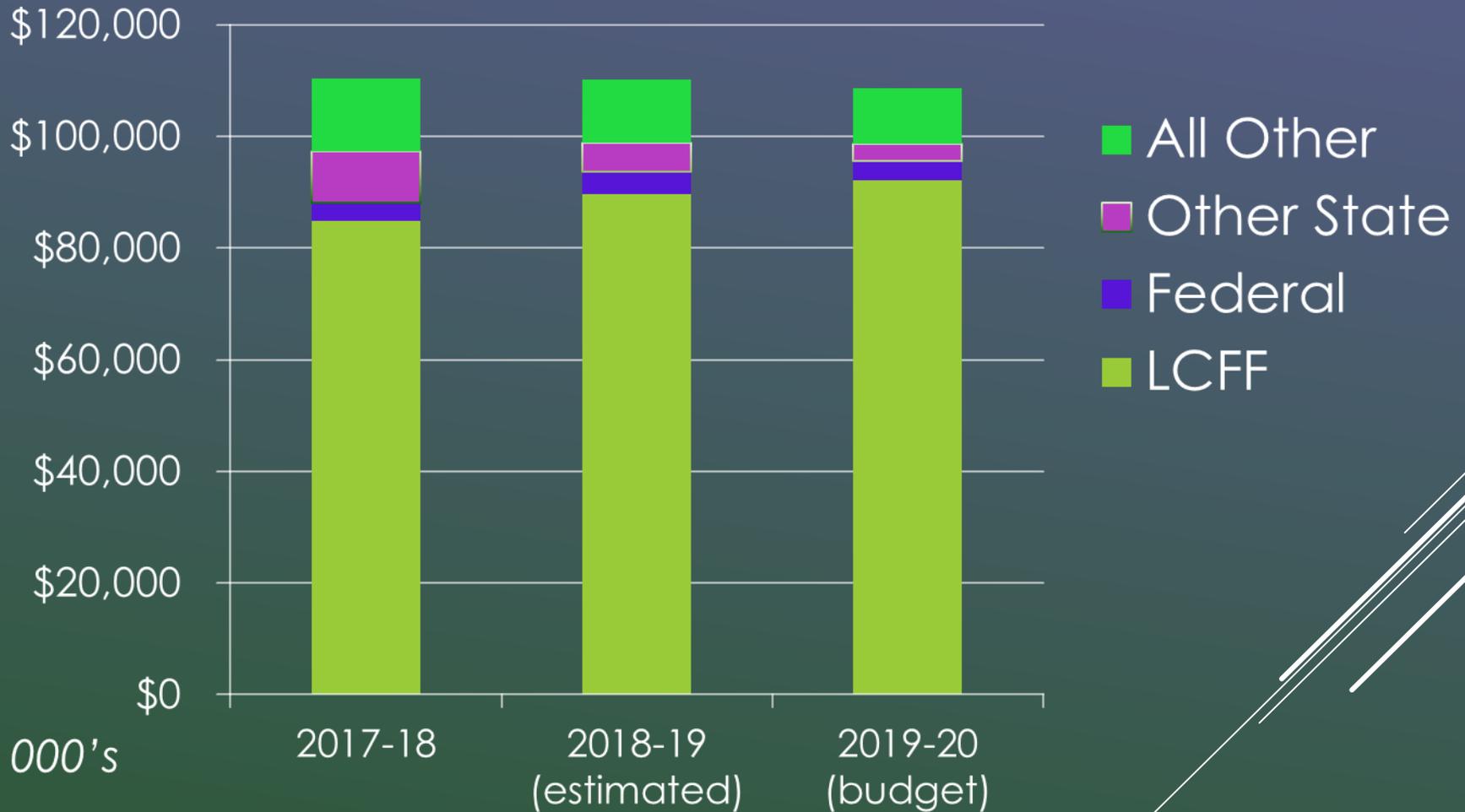


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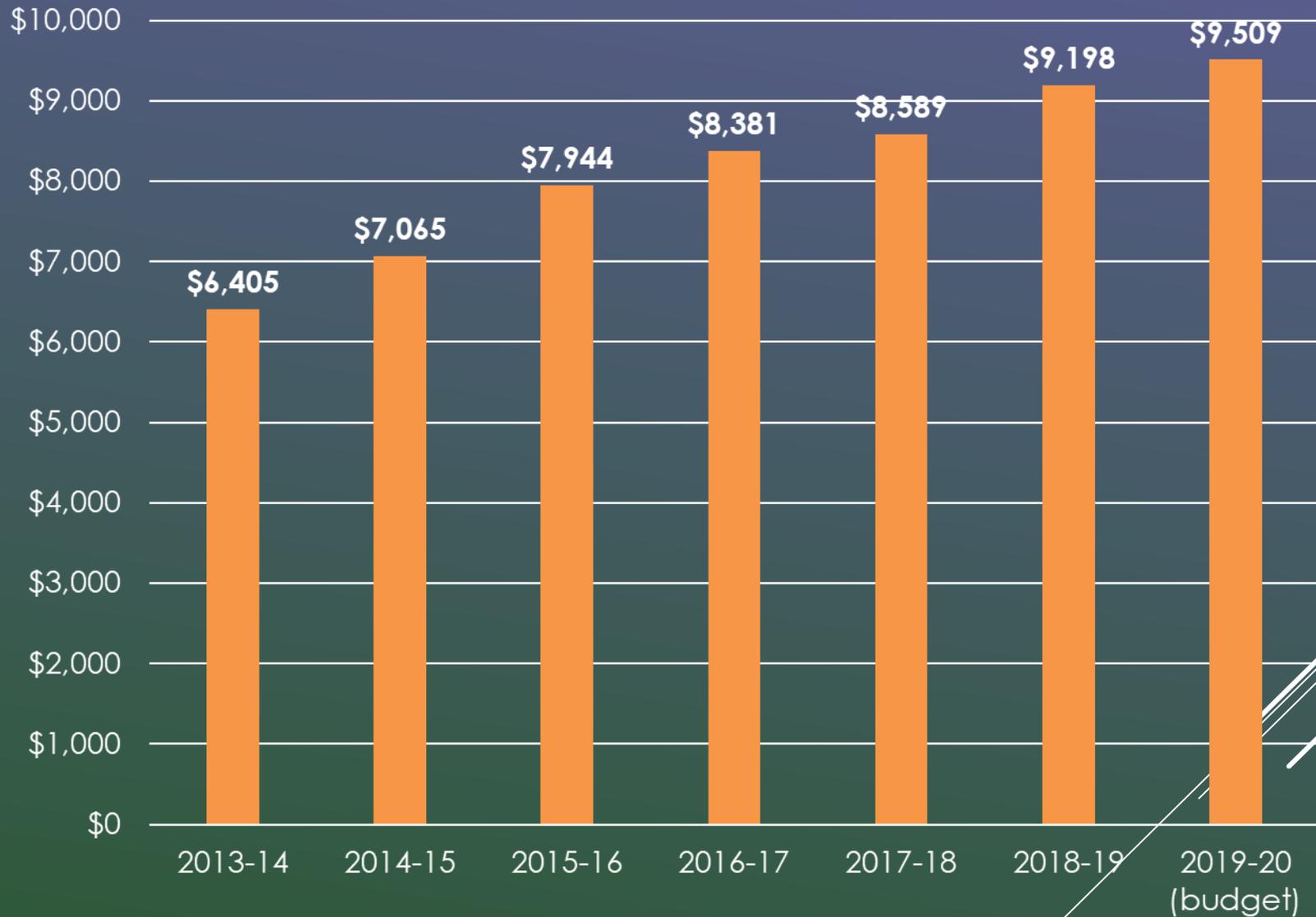


# GENERAL FUND REVENUES

FYE June 30,



# BUSD LCFF PER PUPIL FUNDING

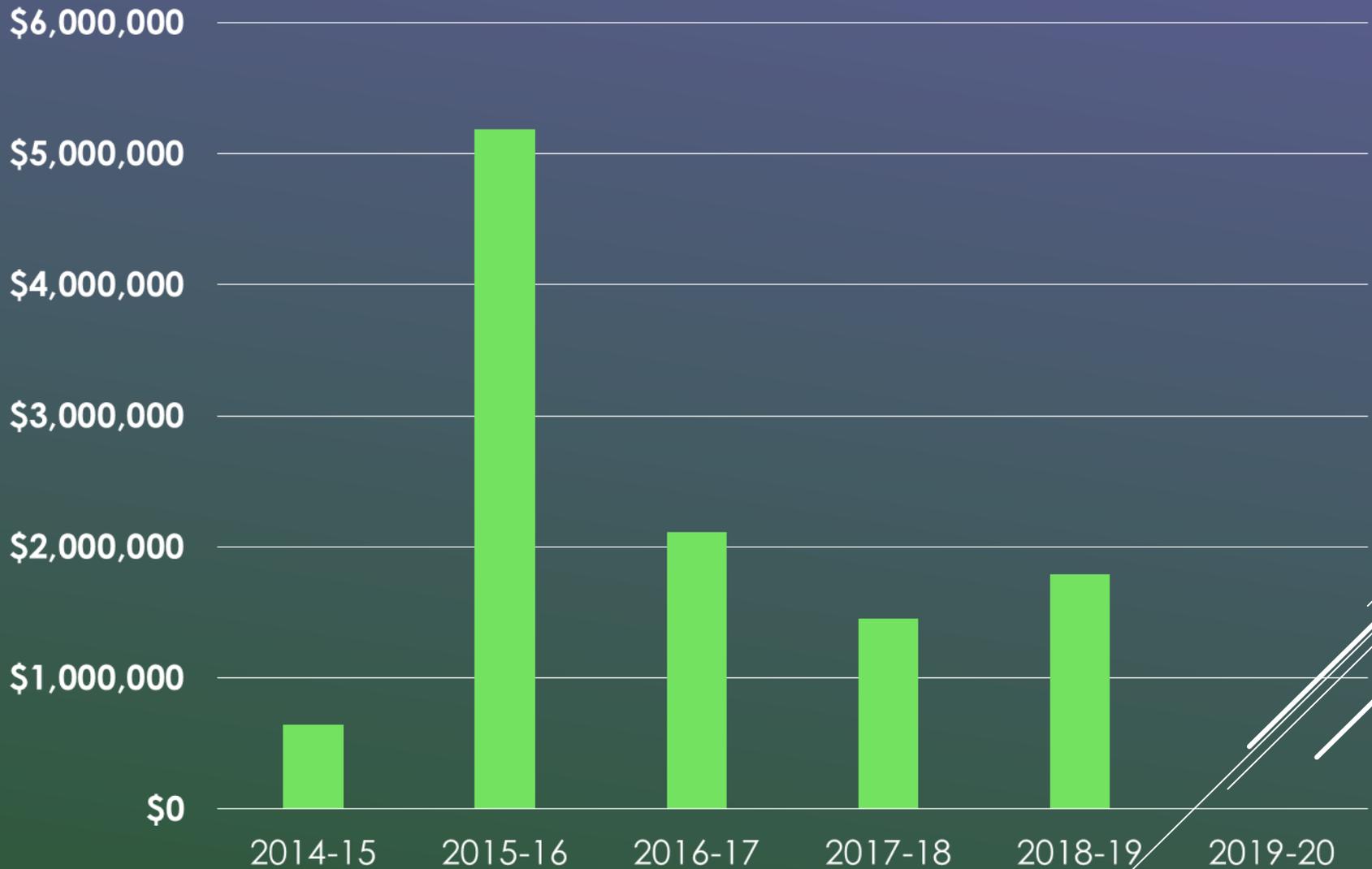


# ONE-TIME REVENUES

- ▶ 2018-19      \$1,790,721      (\$184 per student)
- ▶ 2019-20      - 0 -



# One-time Revenues



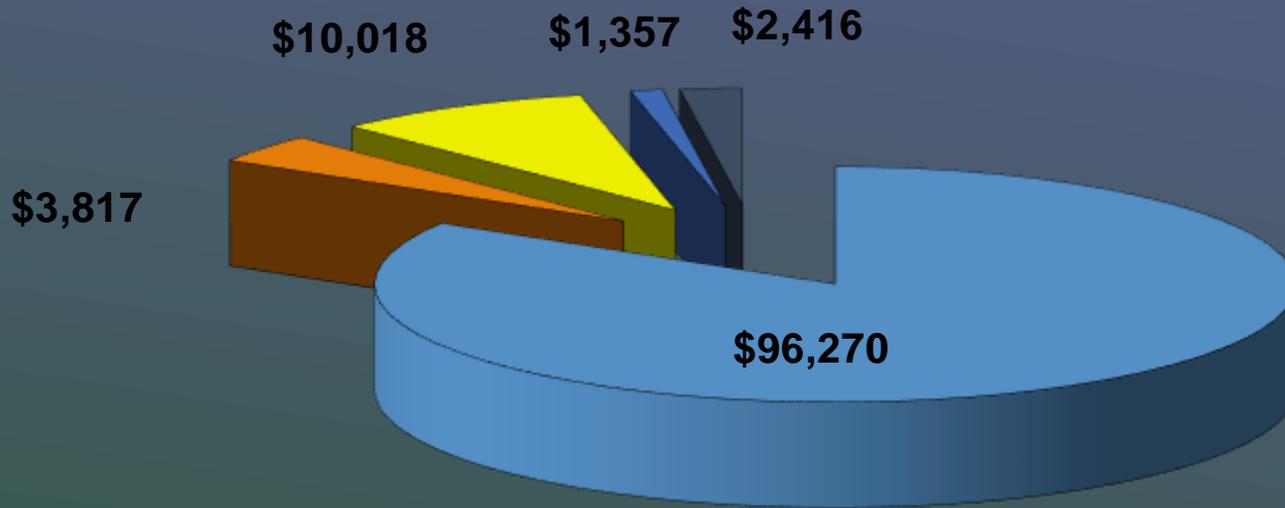
# PROJECTED EXPENDITURES – 2019-20

- ▶ Total \$113.8M
- ▶ Increases to Budget:
  - Step and column
  - Rate increases for STRS and PERS retirement plans
  - Inflationary increases for goods/services
  - Increases to contribution
  - Increases per tentative agreements
  - Mental Health



# PROJECTED EXPENDITURES – 2019-20

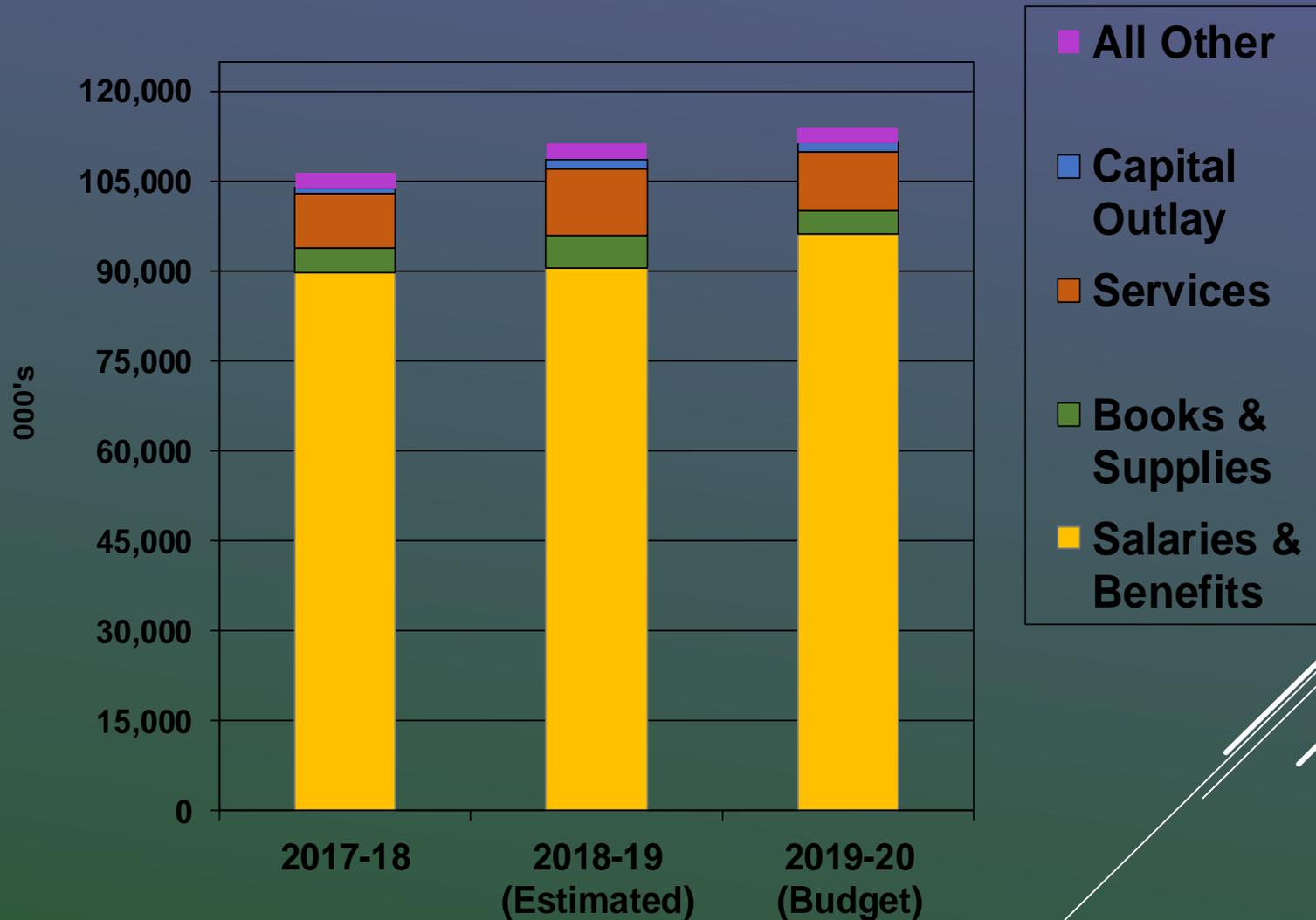
Total Projected Expenditures = \$113,878



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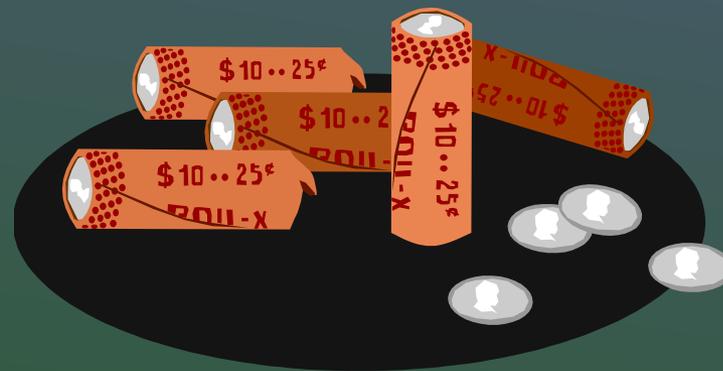
- Salaries and Benefits
- Books and Supplies
- Services
- Capital Outlay
- All Other Outgo

# GENERAL FUND EXPENDITURES



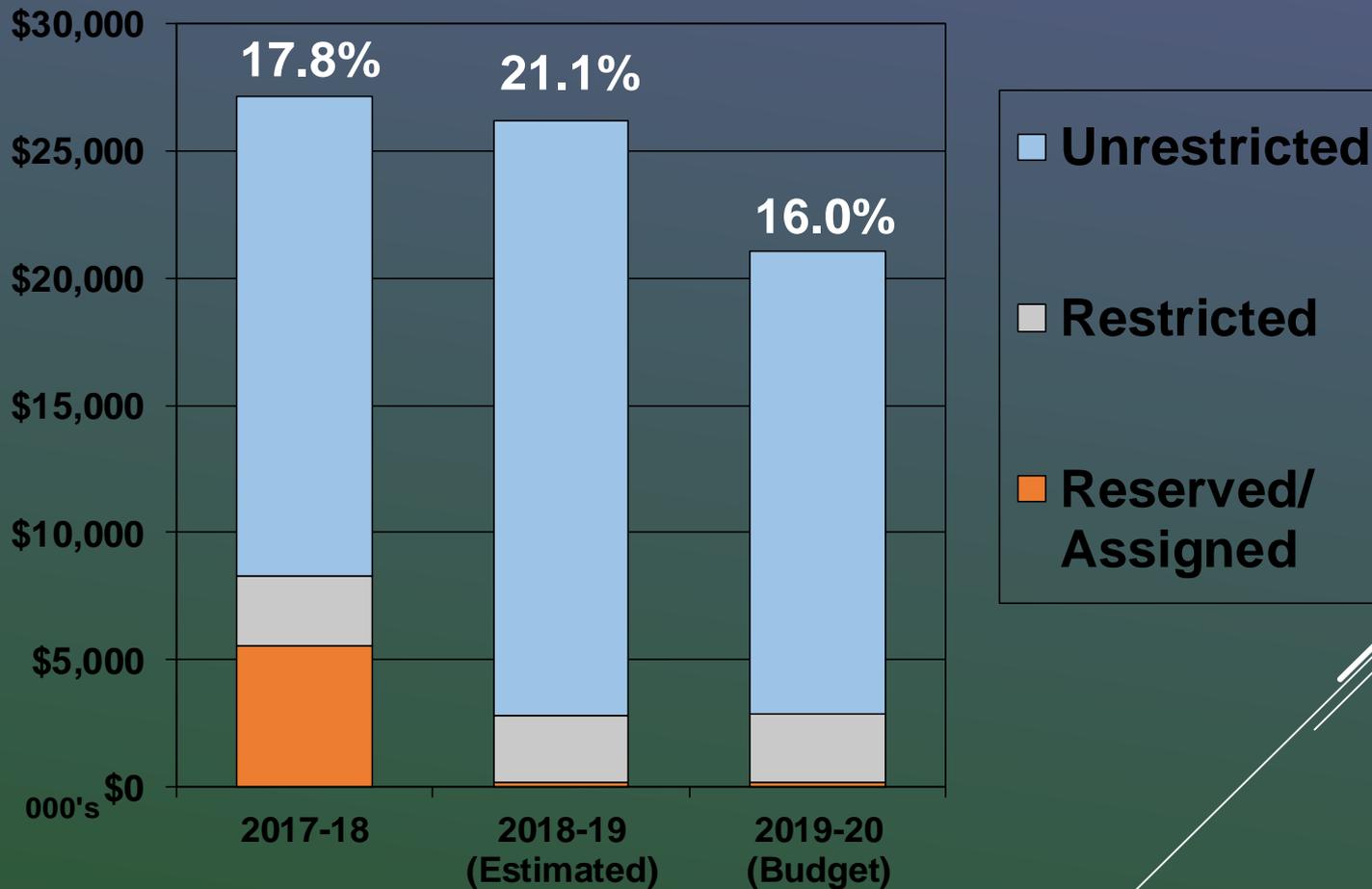
# 2019-20 BUDGET – CHANGE IN FUND BALANCE

<b>Total estimated net decrease</b>	<b>(\$5,185,297)</b>
<i>Unrestricted decrease</i>	<i>(5,203,111)</i>
<i>Restricted increase</i>	<i>17,814</i>



# ENDING GENERAL FUND BALANCE

## Unrestricted Fund Balance %

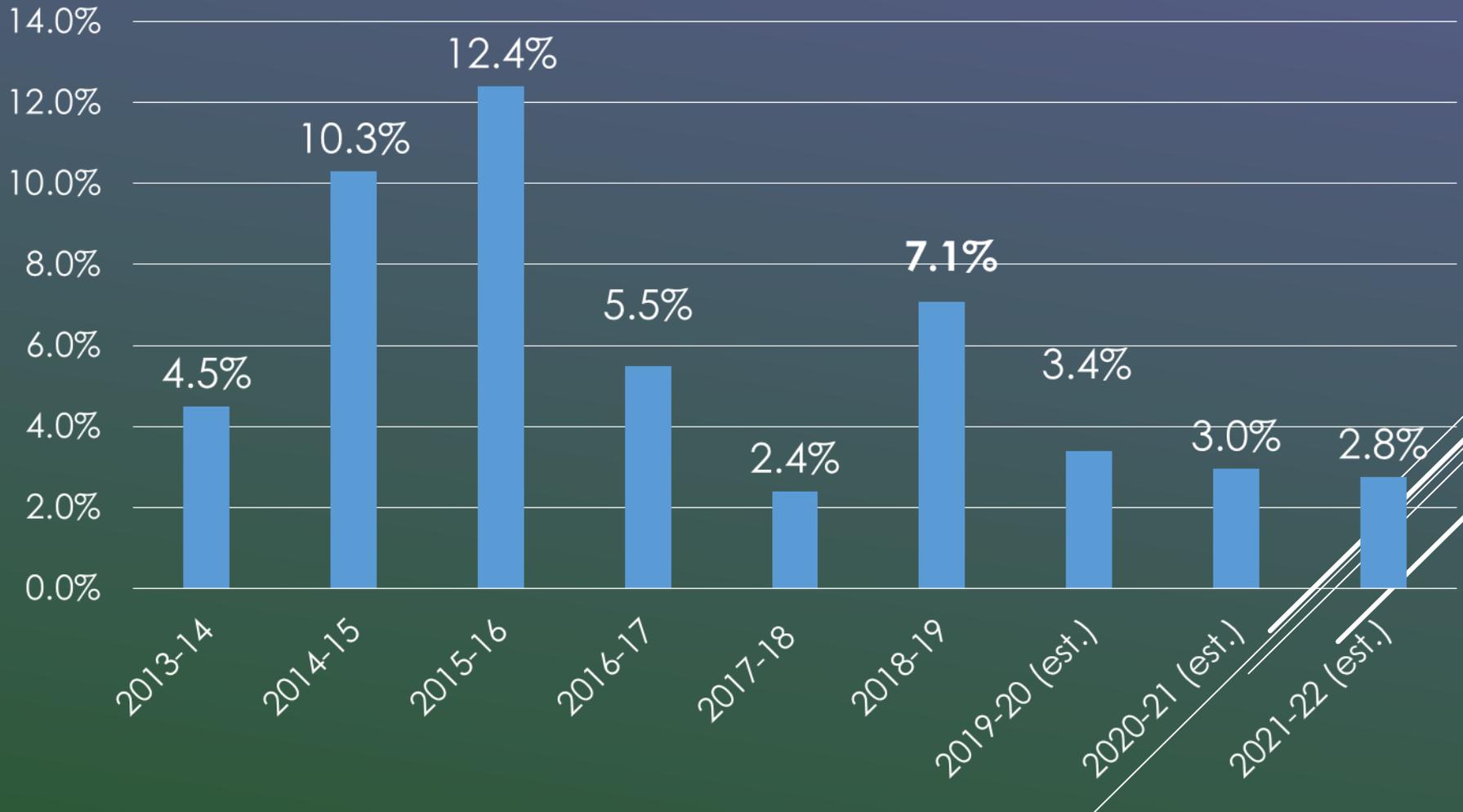


# THREE-YEAR PROJECTION - LCFF

	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>
Statutory COLA	3.26%	3.0%	2.8%
Unduplicated Count	40.45%	40.47%	40.47%
Net change in per ADA BUSD LCFF funding	3.39%	2.95%	2.75%
ADA – Funded	9,687	9,687	9,687

# BUSD – CHANGE IN PER PUPIL FUNDING

LCFF Funding-per pupil change (%)



# THREE-YEAR PROJECTION

Projected Unrestricted Fund Balance %'s:

- ▶ 2019-20 16.0%
- ▶ 2020-21 12.3%
- ▶ 2021-22 9.6%



# REQUIRED DISCLOSURE UNDER ED CODE 42127 (A)(2)(B)

	<b>Assigned</b>	<b>Unassigned</b>	<b>3% Minimum</b>	<b>Amount Above 3% Minimum</b>
June 30, 2020	\$0	\$18,210,716	\$3,416,340	\$14,794,376
June 30, 2021	\$0	\$14,243,971	\$3,464,190	\$10,779,781
June 30, 2122	\$0	\$11,282,365	\$3,514,985	\$7,767,380

## Required Disclosure under Ed Code 42127 (a)(2)(b)

The Board of Education of the Bonita Unified School District maintains a prudent reserve which provides for :

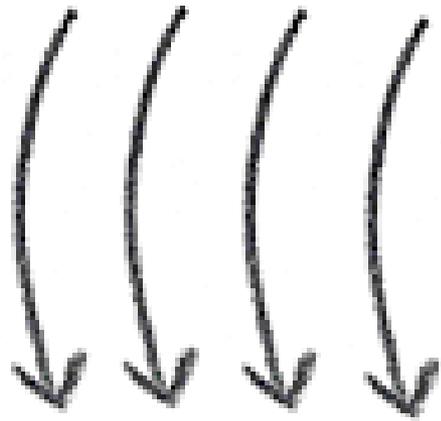
- ▶ anticipated future expenditures for technology, instructional materials, and other necessary instructional expenditures
- ▶ funds available to mitigate the costs to the District of declining enrollment
- ▶ for unplanned or emergency expenditures that might occur in the future
- ▶ for future facilities needs
- ▶ for future downturns in the state economy which could negatively affect the District's budget

# WHAT'S NEXT?

- ▶ Update our budget to state budget
- ▶ Close books on 2018-19 to determine carryovers
- ▶ Start school and count enrollment
- ▶ Further budget refinement



# Ask Me A Question



**It's Free**