



SWEETWATER
UNION HIGH SCHOOL DISTRICT

2018-19 Budget Revision

Board of Trustees Presentation

October 8, 2018

Agenda

- Opening Remarks
- 2018-19 Budget Revision Timeline
- Current and Multi-Year Assumptions
- 2018-19 Budget Revision and Multi-Year Projections
- 2018-19 Budget Solutions
- Recommendation

Budget Revision Timeline



Your company name

Current and Multi-Year Assumptions

Your company name

Revenue Assumptions

Description	2018-19	2019-20	2020-21
LCFF Funding Formula			
Enrollment	39,400	39,200	38,750
Funded ADA 7-8 (97%)	10,680	10,630	10,555
Funded ADA 9-12 (95%)	27,000	26,850	26,500
Unduplicated % (Single Year)	60.0%	59.0%	58.0%
Unduplicated % (3 Yr Avg)	60.6%	60.9%	59.0%
Cost-of-Living-Adjustment*	3.70%	2.57%	2.67%

Your company name

Historical Cost-of-Living-Adjustment

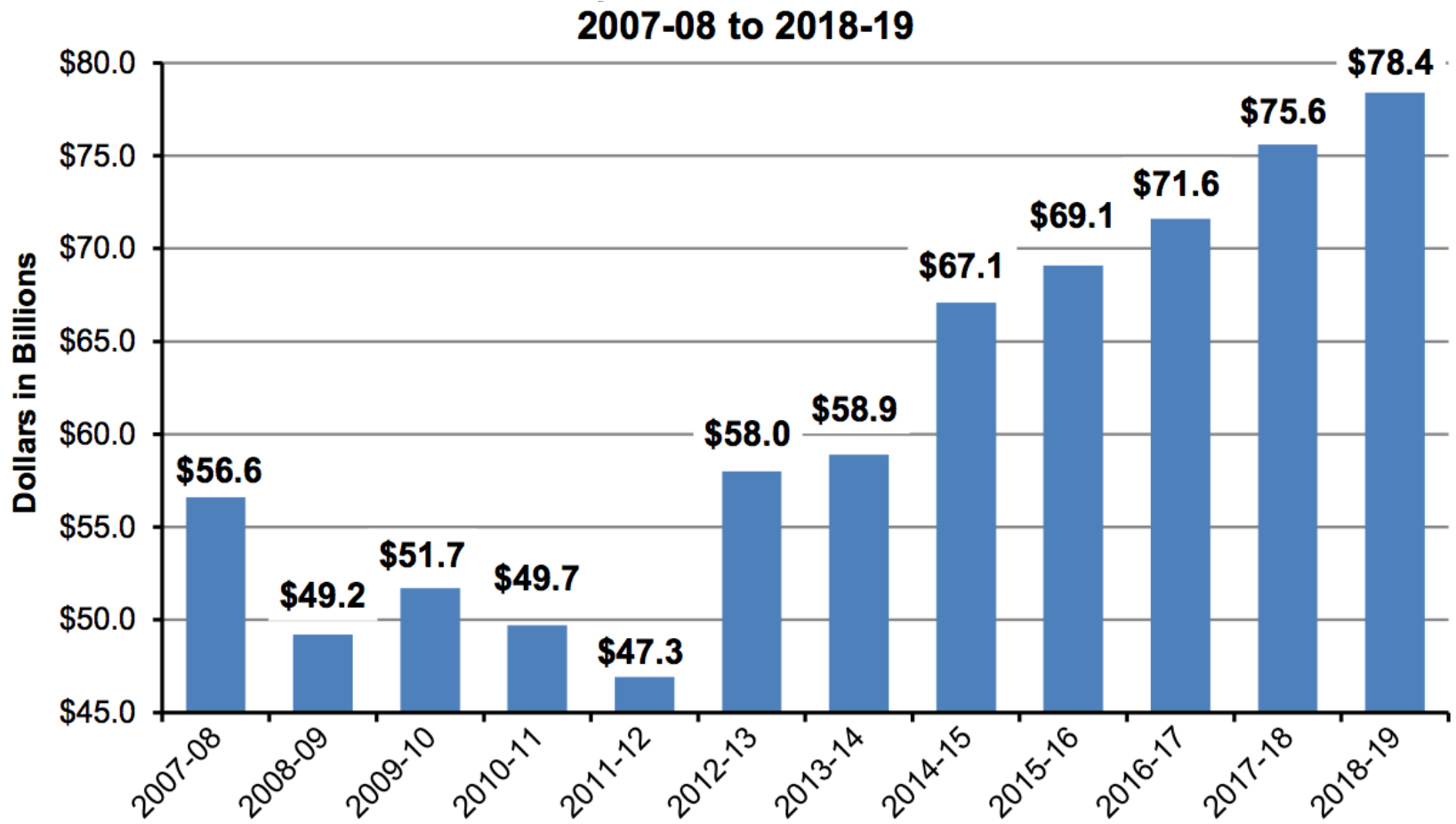
Fiscal Year	COLA %
2013-14	1.56%
2014-15	0.85%
2015-16	1.02%
2016-17	0.00%
2017-18	1.56%
2018-19	3.70%

Your company name

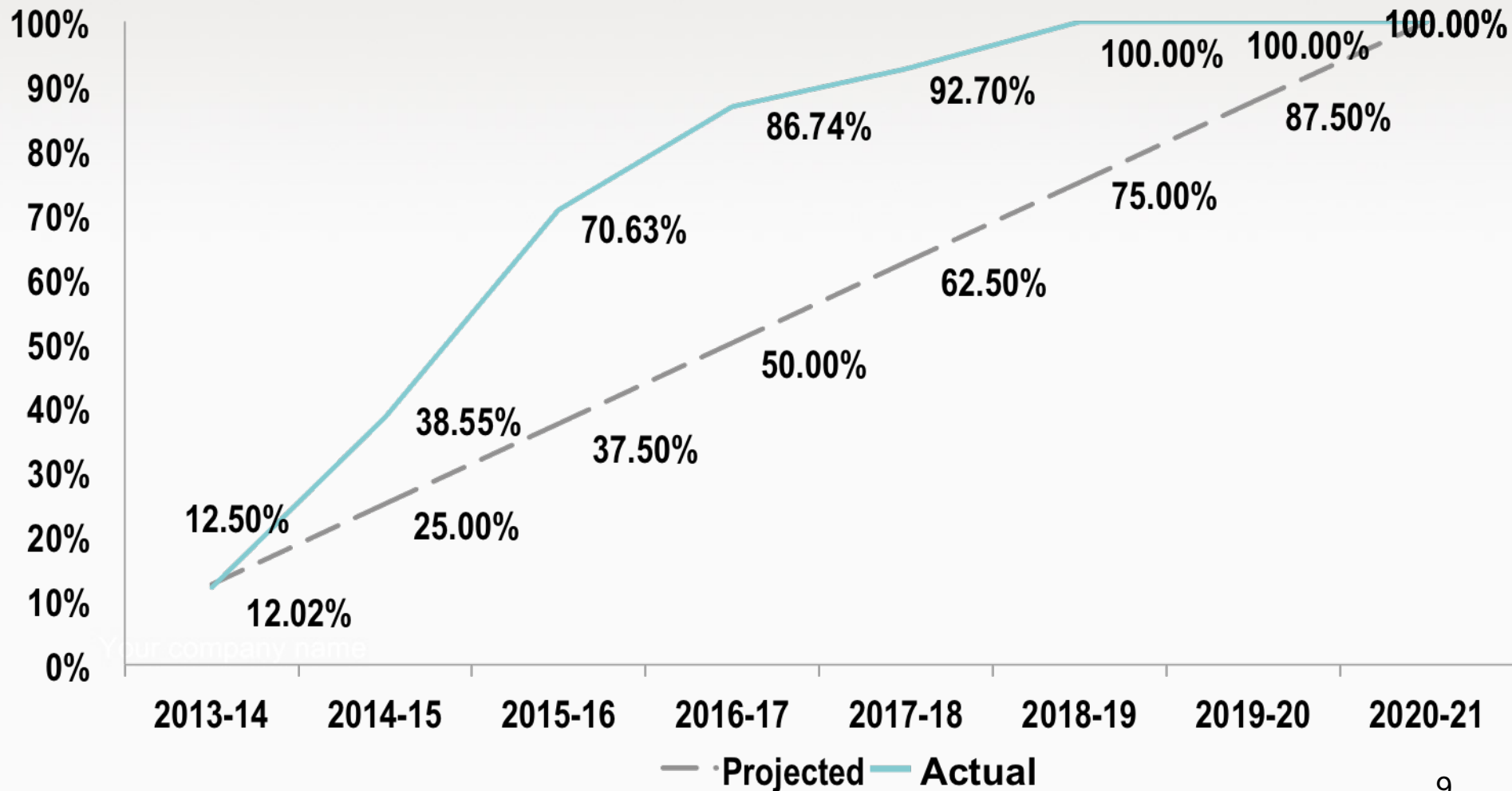
Full Implementation of the LCFF

- Since enactment of the Local Control Funding Formula (LCFF), Governor Brown's top priority has been full implementation of this funding model
- How did the Governor define full implementation?
 - Restoration of K-12 funding levels that prevailed in 2007-08, the year before the Great Recession
- The Governor's goal was to reach full funding by 2020-21, an eight-year implementation period
 - The State budget reflects funding to reach full implementation in 2018-19, two years earlier than planned

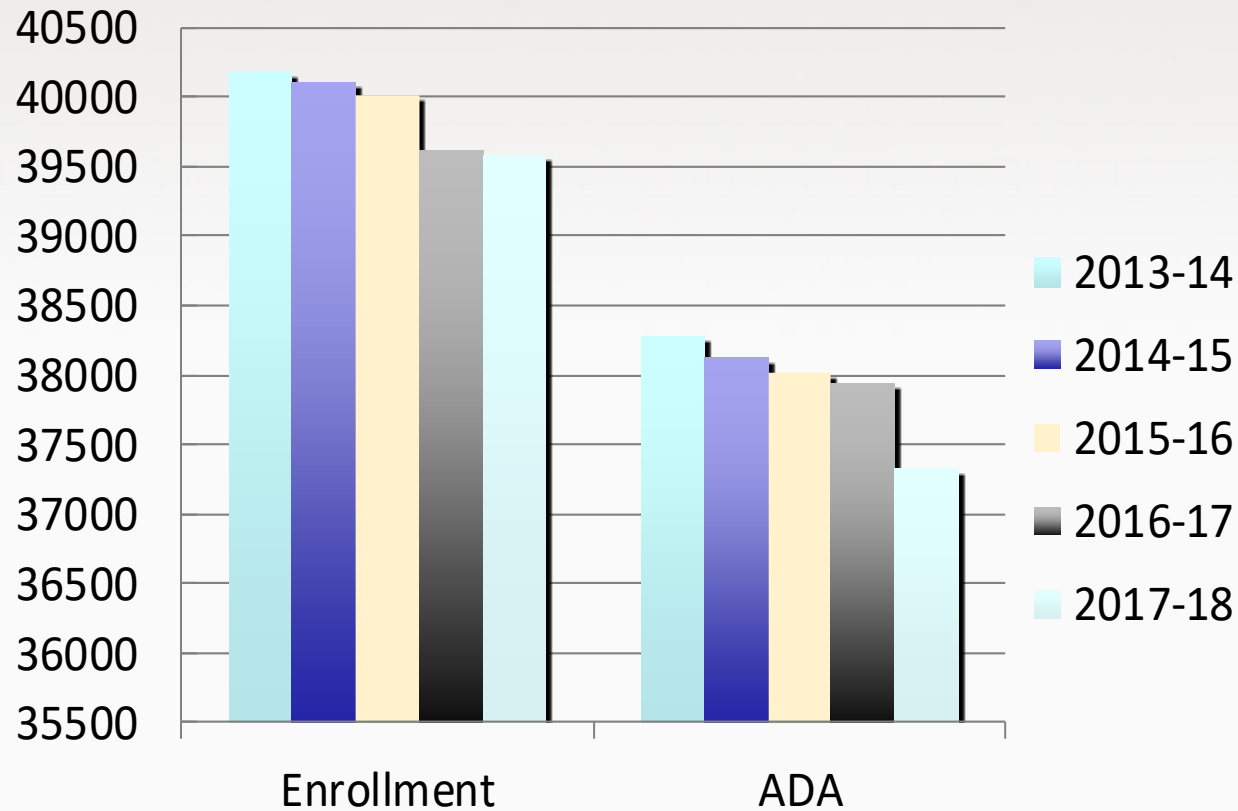
Proposition 98 Funding



Progress Toward LCFF Implementation



District's Historical Enrollment



Your company name

Revenue Assumptions

Description	2018-19	2019-20	2020-21
Federal	\$1.46M	\$1.46M	\$1.46M
Other State*			
One-Time Discretionary (\$184/PY ADA)	\$6,894,173	\$0	\$0
Lottery (GFU \$151/CY ADA)	\$5,689,680	\$5,659,480	\$5,595,305
Lottery (GFR \$53/CY ADA)	\$1,997,040	\$1,986,440	\$1,915,963
Mandate Block Grant 7-8 (\$ Per CY ADA)	\$31.16	\$31.96	\$32.81
	\$332,789	\$339,735	\$346,310
Mandate Block Grant 9-12 (\$ Per CY ADA)	\$59.83	\$61.37	\$63.01
	\$1,615,410	\$1,647,785	\$1,669,765
Low Performing Students Block Grant (est.)	\$2,200,000	\$0	\$0
Local: Interest	1.836%	1.836%	1.836%
Transfers In			
Developer Fees (Fund 25) Admin Fees	\$15,000	\$15,000	\$15,000

*Per 2018-19 Adopted State Budget

10/8/2018

Expense Assumptions

Description	2018-19	2019-20	2020-21
Salaries			
Step and Column: Certificated	2.00%	2.00%	2.00%
Step and Column: Classified	1.30%	1.30%	1.30%
Pension Contributions			
STRS	16.28%	18.13%	19.10%
PERS	18.06%	20.80%	23.50%
Health and Welfare Premiums	\$10,775	\$10,990	\$11,209
Materials and Supplies (CPI)	3.66%	3.50%	3.23%
Contracted Services (CPI)	3.66%	3.50%	3.23%
Utilities	\$9.12M	\$9.79M	\$9.98M
Transfers Out			
Adult Education (Fund 11)	\$0	\$0	\$0
Cafeteria (Fund 13)	\$400K	\$400K	\$400K

Expense Assumptions

Description	2018-19	2019-20	2020-21
Contributions			
Special Education	\$59.7M	\$60.9M	\$62.1M
Career Technical Education	\$2.3M	\$2.4M	\$2.5M
Routine Restricted Maintenance	\$9.4M	\$9.7M	\$9.9M
Budget Solutions	\$23M	\$10.4M	\$5.5M

Your company name

Reserve Assumptions

Description	2018-19	2019-20	2020-21
Reserves			
Required 2% Economic Uncertainties	\$9.4M	\$9.5M	\$9.5M
Revolving Cash	\$152,000	\$152,000	\$152,000
Stores Inventory	\$591,470	\$591,470	\$591,470
School Site Donations	\$270,000	\$270,000	\$270,000
Qualified Zone Academy Bond	\$0	\$0	\$5M

Your company name

2018-19 Budget Revision and Multi-Year Projections

Your company name

Net Changes Since June's Adopted Budget General Fund Unrestricted

- Starting 17/18 Operating Fund Balance \$(3,558,363)
- Revenues
 - Increase to LCFF \$1,899,444
 - Decrease to One-Time Discretionary \$6,228,366
 - Increase to Local \$50,000
- Expenditures
 - Decrease to Certificated Salaries \$3,576,538
 - Decrease to Classified Salaries \$688,442
 - Decrease to Benefits \$616,398
 - Decrease to Books and Supplies \$3,270,926
 - Increase to Contracted Services \$19,022
 - Increase to Capital Outgo \$1,362,777
- Contributions
 - Increase of \$2,059,140
- Reserves
 - Increase for economic uncertainties \$9,426,236
 - Increase for school site carryover \$270,000
 - Increase for revolving cash \$152,000
 - Increase for Stores \$591,469

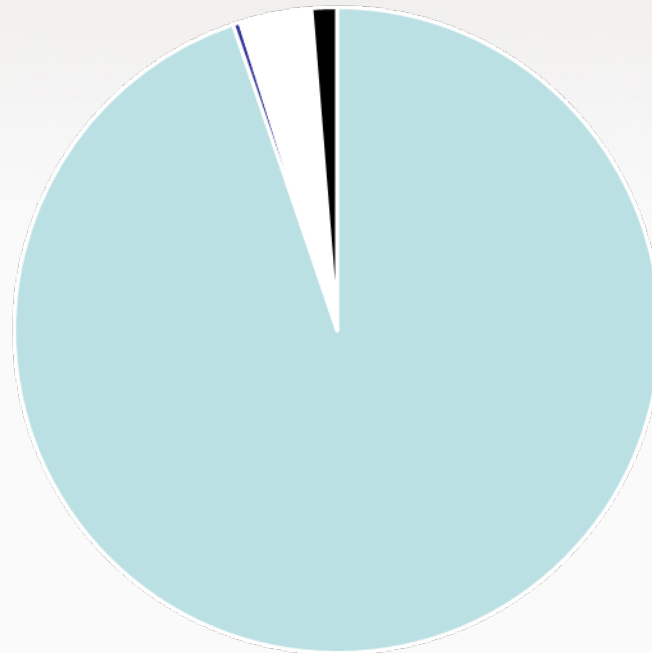
Budget Projections

General Fund Unrestricted

A	B	C	D
<u>Description</u>	<u>2018/19 Projection</u>	<u>2019/20 Projection</u>	<u>2020/21 Projection</u>
1 Beginning Balance	(3,558,363)	365,696	10,513,460
2 Revenues	407,460,234	409,654,827	413,201,472
3 Expenditures	(331,388,774)	(315,927,389)	(327,952,195)
4 Contributions	(71,762,401)	(73,133,000)	(74,693,346)
5 Projected Shortfall Solutions	-	(10,446,674)	(5,555,930)
6 Total Expenditures	(403,151,175)	(399,507,063)	(408,201,471)
7 Other Sources/Uses	(385,000)	-	-
8 Ending Balance	365,696	10,513,460	15,513,461
Required Reserves			
9 Economic Uncertainties	9,426,236	9,500,000	9,500,000
10 Revolving Cash	152,000	152,000	152,000
11 Stores Inventory	591,469	591,460	591,461
12 School Site Donations	270,000	270,000	270,000
13 Qualified School Academy Bond	-	-	5,000,000
14 Total Required Reserves	10,439,705	10,513,460	15,513,461
15 Net Balance	(10,074,009)	-	-

2018-19 Unrestricted Revenues

Revenues

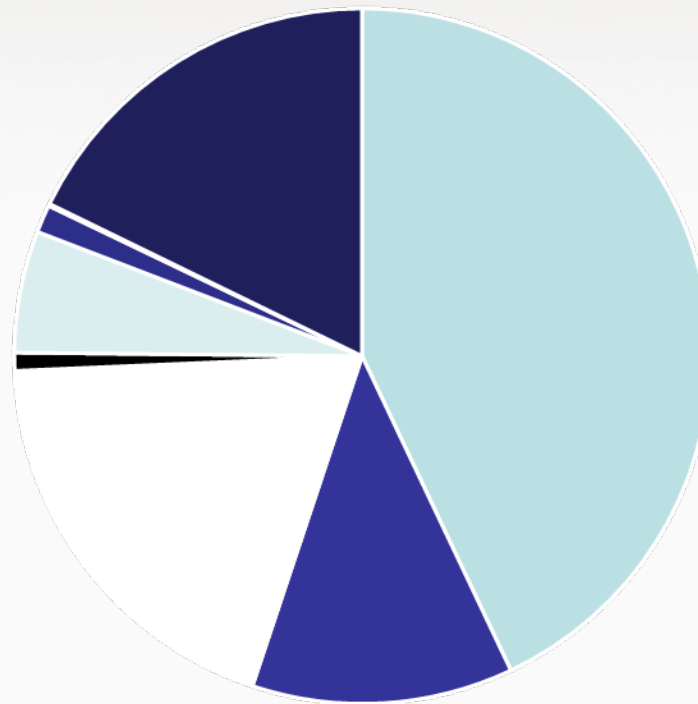


■ LCFF ■ Federal ■ Other State ■ Other Local

Your company name

2018-19 Unrestricted Expenditures

Expenditures



Your company name

- Certificated Salaries
- Classified Salaries
- Benefits
- Books and Supplies
- Services
- Other Outgo
- Contributions
- Interfund Transfers

2018-19 Budget Solutions

Your company name

2018-19 Budget Solutions

Solution	Amount	Ongoing/One-Time
Funding		
Dept of Defense	\$200,000	Ongoing 5 Year Award
Wallace Foundation (SDSU Research)	40,000	One-Time
Title IV	667,000	Ongoing
JPA Dental Reserve	50,000	One-Time
Low Performing Students Block Grant	2,200,000	One-Time
Total Funding	\$3,157,000	
Restricted Funding Alignment (0900)		
College & Career Counselor	\$179,370	Ongoing
District TOSA Restorative	450,000	Ongoing
PSAT	158,000	Ongoing
Gizmos	53,200	Ongoing
Library (extra hours & supplies)	250,000	Ongoing
Intervention Services	600,000	Ongoing
AVID	251,000	Ongoing
Summer School	635,030	Ongoing 21

2018-19 Budget Solutions

Solution	Amount	Ongoing/One-Time
Restricted Funding Alignment (0900)		
Data Management	\$45,000	Ongoing
FYS Services	841,075	Ongoing
CIS .2 FTE – 2 nd Semester	629,965	Ongoing
Leadership Office & Equity Office	140,000	Ongoing
2 PD Days in January (pending negotiation)	2,000,000	Ongoing
Site PD	75,000	Ongoing
AP Testing Subsidy	100,000	Ongoing
Math, Science, ELD PD Release	50,000	Ongoing
CRF Central PD	5,000	Ongoing
Total Restricted Funding Alignment	\$6,462,640	
Restricted Funding Alignment (4035)		
Induction	\$670,000	Ongoing
Restricted Funding Alignment (Fund 40)		
Salaries and Benefits	\$333,220	Ongoing

2018-19 Budget Solutions

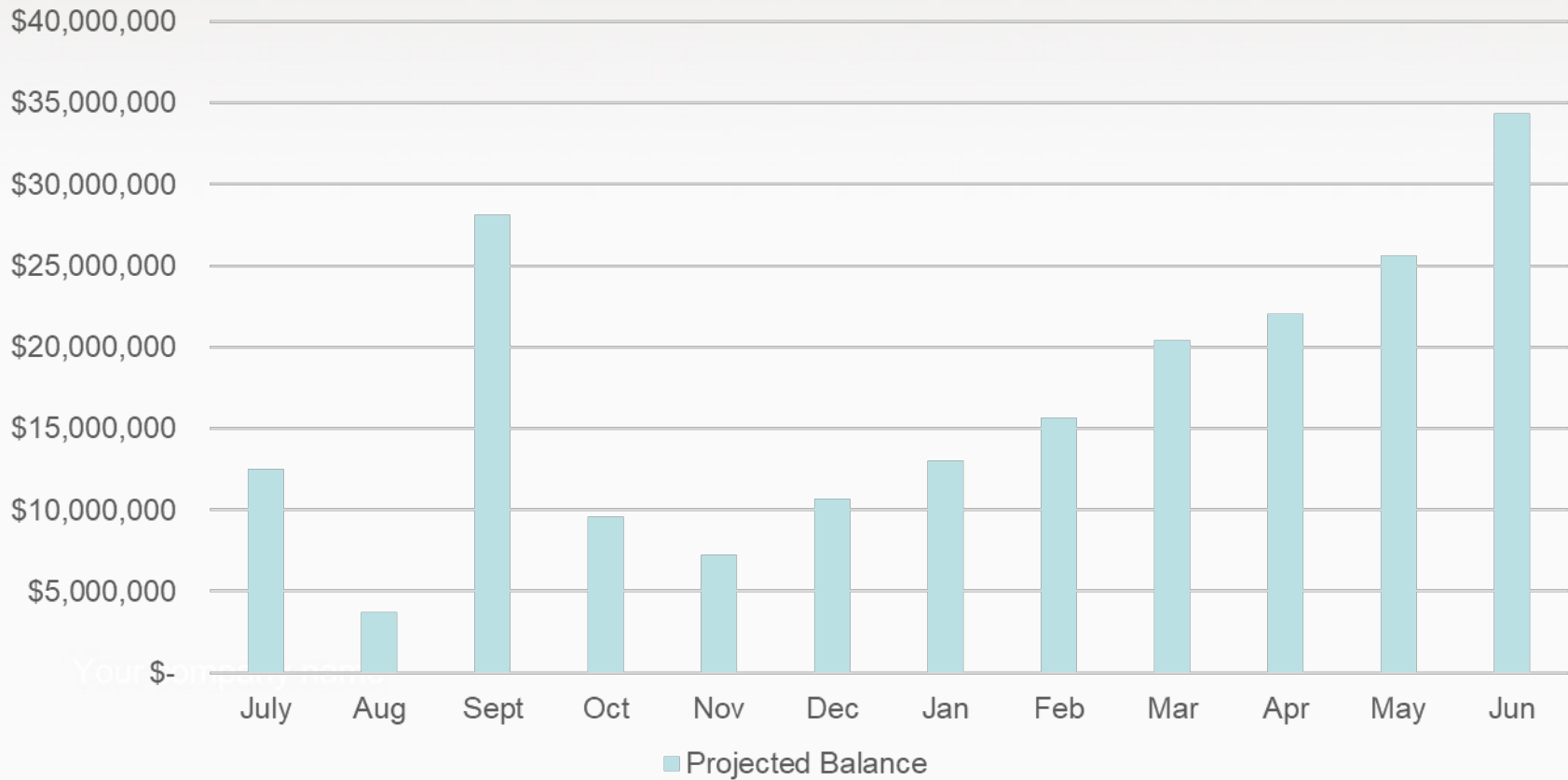
Solution	Amount	Ongoing/One-Time
Staffing		
Mgmt & Conf Reduced Work Year	\$576,724	Ongoing
Substitutes/Extra Duty/Hourly/OT	1,237,454	Ongoing
School Staffing Ratio – Attrition	908,741	Ongoing
Vacancies and New Positions	1,682,635	Ongoing
Total Staffing	\$4,405,554	
Reduction in Contributions/Transfers		
Adult Education (Fund 11)	\$2,011,115	Ongoing
Cafeteria (Fund 13) includes vacancies	400,000	Ongoing
Special Education includes vacancies	2,800,000	Ongoing
Total Reduction in Contributions/Trs	\$5,211,115	
Books and Supplies		
Textbooks	1,124,000	One-Time
Site Discretionary (Desk Replacement)	56,637	Ongoing
Food and Refreshments	107,419	Ongoing

2018-19 Budget Solutions

Solution	Amount	Ongoing/One-Time
Total Books and Supplies	\$1,288,056	
Contracted Services		
Travel	\$179,341	Ongoing
Transportation – Athletics (2 nd Semester)	500,000	Ongoing
Contracts	345,662	Ongoing
Utilities (Energy Conservation)	480,000	Ongoing
Total Contracted Services	\$1,505,003	
Total Solutions	\$23,032,588	
	10/8/2018	24

Cash Flow Projections

Projected Cash Balances



Next Steps

- Submit 2018-19 Budget Revision to San Diego County Office of Education (SCDOE) for review in accordance with Education Code 42127(d)(3)
- SDCOE has until November 8 to review the 2018-19 Budget Revision in accordance with Education Code 42127(f)(1) to determine the following:
 - Compiles with the standards and criteria adopted by the state board
 - Allows the district to meet its financial obligations during the fiscal year
 - Is consistent with a financial plan that will enable the district to satisfy its multiyear financial commitments

Recommended Action

- Staff recommends that the Board of Trustees approve the 2018-19 Budget Revision submit to the SDCOE in accordance with Education Code 42127(d)(3)

Your company name

Questions?

Your company name