



# Early 2019-2020 M&O Budget Review # 2

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# 2019-2020 M&O Funding



Total Weighted Student Count	28,393.146	
Base Level 1.8% Inflation	\$ 4,081.74	
5% State Provided Teacher Salary Adjustment	\$ 106.57	\$ 3,025,715.57
Estimated Amt. Per Student	\$ 4,188.31	
Result	\$ 118,919,153.90	
TEI	\$ 2,532,977.98	
Result	\$ 121,452,131.88	
Audit FY18	\$ 54,603.75	
BSL & BRCL	\$ 121,506,735.63	
Transportation RCL	\$ 8,101,259.69	
Revenue Control Limit	\$ 129,607,995.32	
M&O Override (RCL * 15%)	\$ 19,441,199.30	

# 2019-2020 M&O Funding



Tuition FY2020	\$	125,000.00	
M&O Deseg	\$	7,182,855.00	
Estimated Budget Balance Carryforward from FY18/19	\$	9,657,966.66	6% FY19 GBL
Dropout Prevention	\$	221,130.00	
Water Savings Transfer	\$	(3,306,063.59)	
Prop 123 Funds	\$	1,010,000.00	
Estimated 2019-2020 General Budget Limit	\$	163,940,082.68	

# 2019-2020 Estimated M&O Budget Summary



2018-2019 Anticipated General Budget Limit	\$ 160,960,088.11
2019-2019 Estimated General Budget Limit	\$ 163,940,082.68
General Budget Limit Difference	\$ 2,979,994.57
Estimated Increases	\$ 1,178,000.00
Difference	\$ 1,801,994.57
5% Salary Increases All Staff	\$ 6,347,039.00 *
Difference	\$ (4,545,045.00)

\* \$1.3 Million for teacher 5% - State adjustment & Definitions



# Possible M&O Increases

- State Retirement Estimated Increase 0.3% = \$300,000
- Minimum Wage Increase (1/1/19-6/30/19) from \$11.00 to \$12.00 = \$148,000
- Estimated Reserve For Program Increases & Salary Reclassification = \$300,000
- Contracted Custodial Increase = \$170,000
- SRO Contract Estimated Increase = \$100,000
- Stipends to attract and retain
  - Self-Contained Special Education Teachers = \$160,000
- Total Possible M&O Increases = \$1,178,000





# M&O Budget Savings

- Administrative Staff Reductions \$500,000
- Certified Teaching Staff Reductions \$1,650,000
  - Reductions will be through attrition – staffing standards will not change. Reductions are due to enrollment decline.
- M&O Positions Moved to Cash Accounts \$2,000,000  
(Indirect \$800,000, MIPS \$500,000, Civic Center \$100,000, Community Education \$600,000)
  
- Total Savings \$4,150,000
- Projected Budget Deficit 2019/2020 \$(4,545,045)
- Estimated Net Deficit \$(395,045)

# Cash Accounts



Cash Account	FY18-19 Beg. Balance	FY18-19 Projected Revenue	FY18-19 Projected Expenses	FY18-19 Projected Ending Balance	Proposed Reduction
Indirect Costs	\$ 7,843,971	\$ 1,892,000	\$ 1,075,000	\$ 8,660,971	\$ 800,000.00
MIPS	\$ 5,199,575	\$ 1,377,000	\$ 700,000	\$ 5,876,575	\$ 500,000.00
Civic Center	\$ 7,165,573	\$ 1,335,500	\$ 500,000	\$ 8,001,073	\$ 100,000.00 *
Community Education	\$ 3,711,508	\$ 6,000,000	\$ 5,300,000	\$ 4,411,508	\$ 600,000.00
	\$ 23,920,628	\$ 10,604,500	\$ 7,575,000	\$ 26,950,128	\$ 2,000,000

\* Cell Tower Revenue Only



# Highlights

- No Budget Reductions Negatively Affect Instructional Programs
- No Budget Reductions Negatively Affect Class Size Ratios
- Provides A Projected 5% Salary Increase For All Employees
- No Reduction In Benefits
- Estimated 2019/2020 1.8% Inflation Factor
- No Significant Change In Teacher Experience Index
- Utilizes Same ADM Reduction As This Year (569.21)
- Assumes No District Detrimental Legislation Is Enacted For Next Year





# Budget Preparation Calendar

- November 8 – Early Projection of 2019-2020 M&O Budget
- January 15 – Review of proposed 2019-2020 Capital Outlay and M&O Budgets
- February 7 – Review of Proposed 2019-2020 Capital Outlay and M&O Budgets
- February 12 – Review of Restructured 2019-2020 Salary Schedules and Employee Handbook
- March 7 – Tentative Approval of 2019-2020 M&O Budget



# Budget Preparation Calendar

- March 19 – Board Approval of 2019-2020 Salary Schedules & Authority to Issue Contracts and Letters of Employment
- April 11 – Tentative Approval of 2019-2020 Capital Outlay Budgets
- June 11 – Approval of 2019-2020 Proposed Budget for Advertisement
- June 25 – Public Hearing and Adoption of the 2019-2020 Proposed Budget