



**Vallecitos** School District

5211 Fifth Street • Rainbow, CA 92028 • (760) 728-7092 • FAX (760) 728-7712

"A community school where we learn to achieve our dreams"

# 2019-20 BUDGET ADOPTION

# LOCAL CONTROL FUNDING FORMULA (LCFF)

- ▶ The LCFF base grant is the same for every school district with adjustments based on grade levels. The formula also includes a supplemental grant and a concentration grant. The supplemental grants are intended to meet the needs of English Learners, low income, and foster youth.

# LOCAL CONTROL ACCOUNTABILITY PLAN (LCAP)

- ▶ The LCAP must describe annual goals that address state and local priorities for all students: including, low-income, youth English Learners, and foster youth. The plan must also describe the services and/or actions to achieve the goals and budget expenditures to support those services and/or actions. In addition, the plan must address state priorities through conditions of learning, pupil outcomes, and engagement.

# BUDGET ASSUMPTIONS

	2018-19	2019-20	2020-21	2021-22
	ESTIMATED	PROPOSED	PROJECTED	PROJECTED
	ACTUALS	BUDGET	BUDGET	BUDGET
<b><u>REVENUE</u></b>				
<b>1. ENROLLMENT ESTIMATES</b>	201	205	205	205
<b>2. AVERAGE DAILY ATTENDANCE</b>	191.00	192.00	192.00	192.00
<b>3. UNDUPLICATED COUNT</b>	190	200	200	200
<b>4. STATUTORY COLA</b>	3.70%	3.26%	3.00%	2.80%
<b>5. GAP FUNDING</b>	100.00%	100.00%	100.00%	100.00%
<b>5. LOTTERY</b>				
Unrestricted	\$151.00	\$151.00	\$151.00	\$151.00
Restricted	\$53.00	\$53.00	\$53.00	\$53.00
<b>6. MANDATED BLOCK GRANT</b>				
K - 8th Grade	\$31.16	\$32.18	\$33.15	\$34.08
<b><u>EXPENDITURES</u></b>				
<b>1. FRINGE BENEFIT RATES (EMPLOYER)</b>				
STRS State Teachers Retirement System	16.280%	18.130%	19.100%	18.300%
PERS Public Employee Retirement System	18.062%	20.733%	23.600%	24.900%
Social Security	6.200%	6.200%	6.200%	6.200%
Medicare	1.450%	1.450%	1.450%	1.450%
SUI State Unemployment Insurance	0.050%	0.050%	0.050%	0.050%
Workers Compensation	1.840%	1.840%	1.840%	1.840%
<b>2. EMPLOYEE SALARY STEP INCREASES</b>				
Certificated	2.61%	2.61%	2.61%	2.61%
Classified	2.61%	2.61%	2.61%	2.61%

# 2019-20 PROPOSED BUDGET

## UNRESTRICTED

<b>Beginning Fund Balance</b>	<b>\$ 1,235,274</b>
<b>Revenue</b>	<b>2,281,927</b>
<b>Expenditures</b>	<b>2,250,344</b>
<b>Net Increase/Decrease</b>	<b>31,583</b>
<b>Ending Fund Balance</b>	<b>\$ 1,266,859</b>
<b>Note: Contributions</b>	<b>\$ 192,200</b>
<b>EFB</b>	<b>1,074,659</b>

## RESTRICTED

<b>Beginning Fund Balance</b>	<b>\$ 0</b>
<b>Revenue</b>	<b>654,943</b>
<b>Expenditures</b>	<b>772,143</b>
<b>Contributions</b>	<b>117,200</b>
<b>Ending Fund Balance</b>	<b>\$ 0</b>

# 2019-20 General Fund Estimated Revenue

<b>LCFF Sources</b>	<b>\$ 2,225,571</b>
<b>Federal Revenue</b>	<b>166,996</b>
<b>Other State Revenue</b>	<b>159,706</b>
<b>Other Local Revenue</b>	<b>384,597</b>
<b>Total Revenue</b>	<b>\$ 2,936,870</b>

# 2019-20 General Fund Estimated Expenditures

<b>Certificated Salaries</b>	<b>\$</b>	<b>1,252,500</b>
<b>Classified Salaries</b>		<b>375,850</b>
<b>Employee Benefits</b>		<b>524,198</b>
<b>Books &amp; Supplies</b>		<b>93,535</b>
<b>Operating Expenses</b>		<b>611,404</b>
<b>Capital Outlay</b>		<b>165,000</b>
<b>Other Outgoing</b>		<b>75,000</b>
<b>Total Expenditures</b>	<b>\$</b>	<b>3,097,487</b>

# 2018-19 General Fund Unrestricted Balance

<b>Beginning Fund Balance</b>	<b>\$</b>	<b>1,215,895</b>
<b>Revenue</b>		<b>2,358,290</b>
<b>Expenditures</b>		<b>2,120,784</b>
<b>Net Increase/Decrease</b>		<b>237,506</b>
<b>Ending Fund Balance</b>	<b>\$</b>	<b>1,453,401</b>
<b>Note: Interfund Transfer</b>	<b>\$75,000</b>	
<b>GF Contribution</b>	<b><u>143,127</u></b>	
<b>Ending Fund Balance</b>	<b>\$1,235,274</b>	



# General Fund 19/20 Multi-Year Projection

	FY 2019-20	FY 2020-21	FY 2021-22
<b>Beginning Fund Balance</b>	\$ 1,235,274	\$ 1,074,657	\$ 1,014,370
<b>Revenue</b>	2,936,870	3,026,985	3,084,299
<b><u>Expenditures</u></b>	<u>3,097,487</u>	<u>3,087,271</u>	<u>3,135,643</u>
<b>Net Increase/Decrease</b>	(160,617)	(60,287)	(51,344)
<b>Ending Fund Balance</b>	<b>\$1,074,657</b>	<b>\$1,014,370</b>	<b>\$ 963,026</b>
<b>Note: Expenditures Include Interfund Transfers</b>			

# Multi-Year Projection - Assumptions

- Property Tax: 2% increase annually
- Average Daily Attendance
  - 2018-19: 201.69
  - 2019-20: 192.00
  - 2020-21: 192.00
- Salary: 2.61% salary step increase annually
- Benefits: Increases in employer STRS and PERS contributions

# Minimum Reserves 2019/20 Per Ed Code

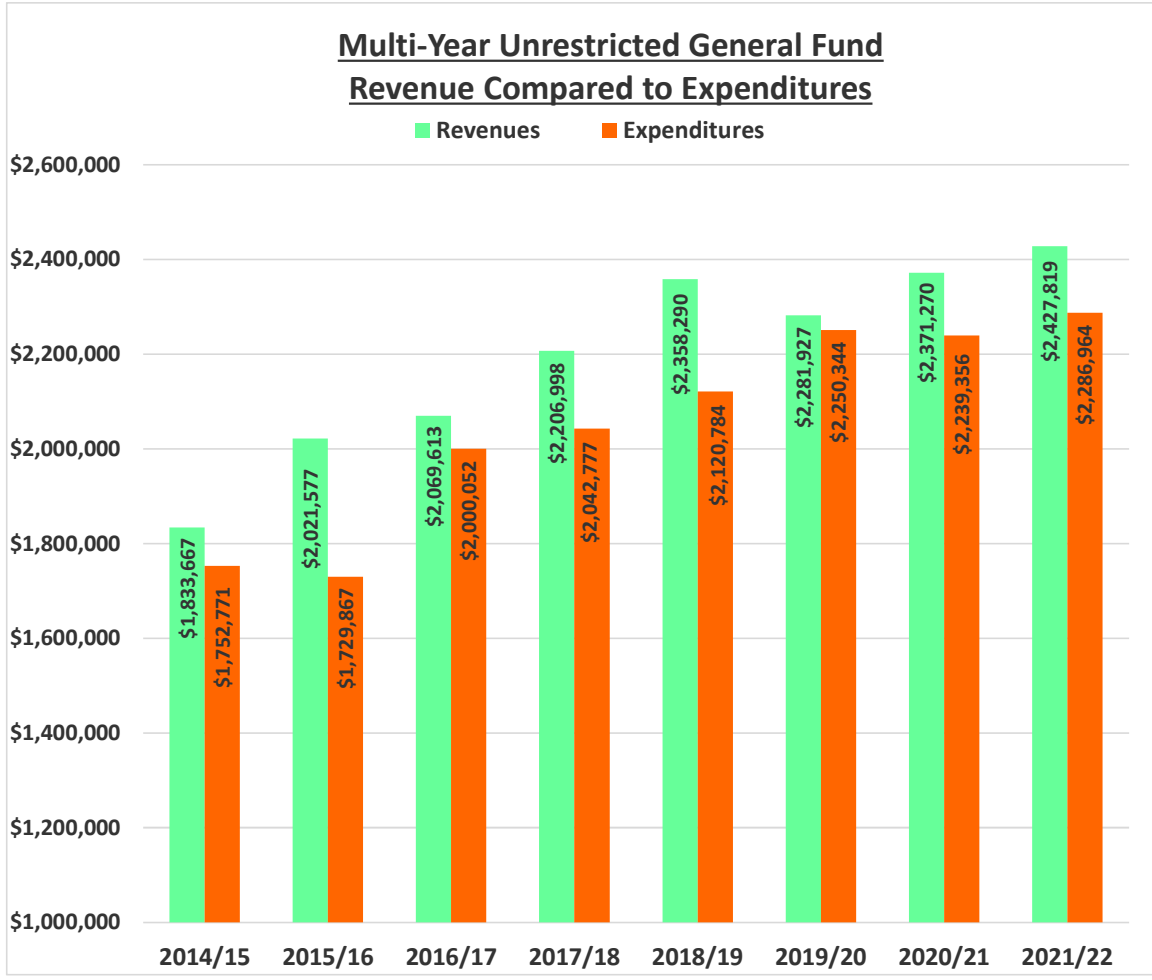
<b>Combined Assigned and Unassigned/unappropriated Fund Balances</b>				
Form	Fund		2019-20 Budget	
01	General Fund/County School Service Fund		\$1,074,657.00	
17	Special Reserve Fund for Other Than Capital Outlay Projects		\$302,949.00	
	Total Assigned and Unassigned Ending Fund Balances		\$1,377,606.00	
	District Standard Reserve Level		5%	
	Less District Minimum Reserve for Economic Uncertainties		\$156,000.00	
	Remaining Balance to Substantiate Need		\$1,221,606.00	
<b>Reasons for Fund Balances in Excess of Minimum Reserve for Economic Uncertainties</b>				
Form	Fund		2019-20 Budget	Description of Need
01	General Fund/County School Service Fund		\$107,200.00	Replace Telephone System; Tech Systems
01	General Fund/County School Service Fund		\$585,657.00	Additional set-aside for EU Payroll, STRS increases
01	General Fund/County School Service Fund		\$190,300.00	Facilities Upgrades and Campus Security Project
01	General Fund/County School Service Fund		\$65,000.00	Equipment purchases; Facilities Related
01	General Fund/County School Service Fund			Board Fund Balance Policy requiring available reserves of at least 10% but not more than 25% of total general fund expenditures
17	Special Reserve Fund for Other Than Capital Outlay Projects		\$273,449.00	Facilities Improvement Projects
17	Special Reserve Fund for Other Than Capital Outlay Projects			
	Total of Substantiated Needs		\$1,221,606.00	

# Retirement - Employer Rate Increases

<b>YEAR</b>	<b>STRS</b>	<b>PERS</b>
2014-15	8.80%	11.77%
2015-16	10.73%	11.85%
2016-17	12.58%	13.89%
2017-18	14.43%	15.53%
2018-19	16.28%	18.10%
2019-20	18.13%	20.80%
2020-21	19.10%	23.80%
<b>Change</b>	<b>117.05%</b>	<b>102.21%</b>

**2021-22      18.30%      24.90%**

GENERAL FUND		UNRESTRICTED & RESTRICTED			
	2018-19	2019-20	2020-21	2021-22	
	ESTIMATED	PROPOSED	PROJECTED	PROJECTED	
A. REVENUES	ACTUALS	BUDGET	BUDGET	BUDGET	
LCFF / Revenue Limit Sources	2,227,378	2,225,571	2,315,422	2,371,971	
Federal Revenues	156,818	166,996	166,996	166,996	
Other State Revenues	217,806	159,706	159,970	160,735	
Other Local Revenues	290,665	384,597	384,597	384,597	
<b>TOTAL, REVENUES</b>	<b>2,892,667</b>	<b>2,936,870</b>	<b>3,026,985</b>	<b>3,084,299</b>	
<b>B. EXPENDITURES</b>					
Certificated Salaries	1,121,700	1,252,500	1,274,619	1,297,179	
Classified Salaries	370,527	375,850	380,811	385,871	
Employee Fringes	508,195	524,198	612,736	627,818	
Books & Supplies	144,113	93,535	53,558	55,192	
Services & Other Operating Expenditures	534,790	611,404	618,493	620,331	
Capital Outlay	393,029	165,000	72,054	74,252	
Debt Service	0	0	0	0	
Other Outgo - Transfers of Indirect Costs	0	0	0	0	
<b>TOTAL, EXPENDITURES</b>	<b>3,072,354</b>	<b>3,022,487</b>	<b>3,012,271</b>	<b>3,060,643</b>	
<b>C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES &amp; USES (A - B)</b>	<b>(179,687)</b>	<b>(85,617)</b>	<b>14,714</b>	<b>23,656</b>	
<b>D. OTHER FINANCING SOURCES/USES</b>					
Interfund Transfers	(75,000)	(75,000)	(75,000)	(75,000)	
Contributions	-	-	-	-	
<b>TOTAL, OTHER FINANCING SOURCES/USES</b>	<b>(75,000)</b>	<b>(75,000)</b>	<b>(75,000)</b>	<b>(75,000)</b>	
<b>E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D)</b>	<b>(254,687)</b>	<b>(160,617)</b>	<b>(60,286)</b>	<b>(51,344)</b>	
<b>F. FUND BALANCE, RESERVES</b>					
1) Beginning Balance	1,489,961	1,235,274	1,074,657	1,014,371	
2) Ending Balance, June 30 (E + F1)	1,235,274	1,074,657	1,014,371	963,026	



*Note: Does not reflect GF Contributions and interfund transfers out*

## CHILD DEVELOPMENT

	2018-19	2019-20	2020-21	2021-22
	ESTIMATED	PROPOSED	PROJECTED	PROJECTED
	ACTUALS	BUDGET	BUDGET	BUDGET
<b>A. REVENUES</b>				
Other State Revenues	82,081	82,500	82,500	82,500
Other Local Revenues	110	100	100	100
<b>TOTAL, REVENUES</b>	<b>82,191</b>	<b>82,600</b>	<b>82,600</b>	<b>82,600</b>
<b>B. EXPENDITURES</b>				
Certificated Salaries	960	660	660	660
Classified Salaries	49,500	50,100	50,100	50,100
Employee Fringes	16,131	16,490	16,490	16,490
Materials & Supplies	500	750	750	750
Services & Other Operating Expenditures	15,100	14,600	14,600	14,600
<b>TOTAL, EXPENDITURES</b>	<b>82,191</b>	<b>82,600</b>	<b>82,600</b>	<b>82,600</b>
<b>C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>D. OTHER FINANCING SOURCES/USES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>F. FUND BALANCE, RESERVES</b>				
1) Beginning Balance as of July 1	7,460	7,460	7,460	7,460
2) Ending Balance, June 30 (E + F1)	7,460	7,460	7,460	7,460

## SPECIAL RESERVE FUND

	2018-19	2019-20	2020-21	2021-22
	ESTIMATED	PROPOSED	PROJECTED	PROJECTED
	ACTUALS	BUDGET	BUDGET	BUDGET
<b>A. REVENUES</b>				
Other Local Revenues	75,500	75,500	75,500	75,500
<b>TOTAL, REVENUES</b>	<b>75,500</b>	<b>75,500</b>	<b>75,500</b>	<b>75,500</b>
<b>B. EXPENDITURES</b>				
Services & Other Operating Expenditures	0	0	0	0
<b>TOTAL, EXPENDITURES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>75,500</b>	<b>75,500</b>	<b>75,500</b>	<b>75,500</b>
<b>D. OTHER FINANCING SOURCES/USES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)</b>	<b>75,500</b>	<b>75,500</b>	<b>75,500</b>	<b>75,500</b>
<b>F. FUND BALANCE, RESERVES</b>				
1) Beginning Balance as of July 1	151,950	227,450	302,950	378,450
2) Ending Balance, June 30 (E + F1)	227,450	302,950	378,450	453,950
Note: Special Reserve fund is budgeted to include projected facilities needs, in addition to potential emergency and other unforeseen district needs. (i.e. Failed septic system in 2017 projected cost; +/- \$500k)				



## CAPITAL FACILITIES

	2018-19	2019-20	2020-21	2021-22
	ESTIMATED	PROPOSED	PROJECTED	PROJECTED
	ACTUALS	BUDGET	BUDGET	BUDGET
<b>A. REVENUES</b>				
Other Local Revenues	13,550	12,025	12,025	12,025
<b>TOTAL, REVENUES</b>	<b>13,550</b>	<b>12,025</b>	<b>12,025</b>	<b>12,025</b>
<b>B. EXPENDITURES</b>				
Services & Other Operating Expenditures	13,550	12,025	12,025	12,025
<b>TOTAL, EXPENDITURES</b>	<b>13,550</b>	<b>12,025</b>	<b>12,025</b>	<b>12,025</b>
<b>C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>D. OTHER FINANCING SOURCES/USES</b>	<b>0</b>	<b>0</b>		<b>0</b>
<b>E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>F. FUND BALANCE, RESERVES</b>				
1) Beginning Balance as of July 1	12,704	12,704	12,704	12,704
2) Ending Balance, June 30 (E + F1)	12,704	12,704	12,704	12,704

# WHAT'S AHEAD

- In 2017-18, Vallecitos School District submitted financial and facilities hardship applications to the state for the septic system replacement. The application was approved and funding has been received.
- A combination of one-time funding and donation receipts were used to fund the playground equipment purchase and installation.
- Title funding supported the social worker position for intervention and services for our most vulnerable students and families needing support.
- Facilities needs will continue to be addressed in fiscal year 2019/20 and 2020/21. Much needed repairs and improvements have been budgeted for and are being implemented. Included in the plan is the kitchen/food service area upgrade project.
- Safety of our students and staff is a primary focus and the District is moving forward on the school site property fencing project for security purposes.
- We will continue to monitor the economy in the state and the nation for potential impact on the District budget.

# CERTIFICATION

- ▶ The ending fund balance summary shows that the District will have a positive fund balance for the current year; therefore the District is certifying as positive for the 2019/20 Budget Adoption. The 2019/20 fiscal year, along with the two outyears project deficit spending as well. As a result, District will monitor outyear budgets in relation to State budget and economic climate during the upcoming fiscal year, and budget cuts will be implemented accordingly.

**It is Respectfully Recommended  
the Board Approve the Proposed  
2019-2020 Fiscal Year Budget**

***Thank You!***



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