

# Preliminary 2<sup>nd</sup> Interim Budget Report 2019/20 Fiscal Year

February 25, 2020



For the future of every student

## 2019/20 Budget and Reporting Cycle

<input checked="" type="checkbox"/>	Jan 22, 2019:	Governor's 2019/20 Budget Proposal
<input checked="" type="checkbox"/>	May 2019:	Governor's Revised 2019/20 Budget
<input checked="" type="checkbox"/>	May 28, 2019:	Preliminary 2019/20 VUSD Budget
<input checked="" type="checkbox"/>	June 11, 2019:	2019/20 VUSD Budget Public Hearing
<input checked="" type="checkbox"/>	June 25, 2019:	2019/20 VUSD Budget Presented for Board Approval
<input checked="" type="checkbox"/>	July 1, 2019:	Adopt 2019/20 Original State Budget
<input checked="" type="checkbox"/>	Nov 12, 2019:	Preliminary 2019/20 VUSD First Interim Report
<input checked="" type="checkbox"/>	Dec 10, 2019:	2019/20 VUSD First Interim Report
<input checked="" type="checkbox"/>	<b>February 2020:</b>	<b>Preliminary 2019/20 VUSD Second Interim Report</b>
	Mar 10, 2020:	2019/20 VUSD Second Interim Report
	May 2020:	Preliminary Estimated Actuals Report
	June 2020:	Estimated Actuals Report
	September 2020:	Unaudited Actuals Report

# 1<sup>st</sup> Interim 2019/20 Multi-Year Projections

(in millions)

Where we were

	2019-20 1st Interim	2020-21 Projections	2021-22 Projections
Revenues	\$192.651	\$190.052	\$191.074
Expenditures	\$193.917	\$193.733	\$193.605
<b>(Deficiency) of Revenue Over Expenditures</b>	<b>(\$1.265)</b>	<b>(\$3.681)</b>	<b>(\$2.530)</b>
Transfers to/(from) Other Funds	\$1.120	\$1.120	\$1.120
<b>Net (Decrease) in Fund Balance</b>	<b>(\$2.385)</b>	<b>(\$4.801)</b>	<b>(\$3.650)</b>
Beginning Fund Balance	\$20.613	\$18.228	\$13.427
<u>Components of Ending Fund Balance</u>			
Total Ending Fund Balance	\$18.228	\$13,427	\$9.776
3% Reserve for Economic Uncertainty	\$5.851	\$5.846	\$5.842
Legally Restricted	\$1.048	\$1.048	\$1.048
Non-Spendable (Stores)	\$0.552	\$0.773	\$0.556
Other Assignments	\$5,030	\$3,579	\$2,329
<b>Undesignated/Unappropriated Fund Balance</b>	<b>\$5.746</b>	<b>\$2.180</b>	<b>\$0.001</b>
<b>Reductions Included in Projections</b>	<b>(\$552,575)</b>	<b>(\$1,174,442)</b>	<b>(\$500,000)</b>

# Work In Process: 2019/20 2nd Interim Multi-Year Projections

## Revenue Changes from 1<sup>st</sup> Interim Budget

Preliminary

Revenue	Description
+	State Cost of Living Adjustment (2020/21 and 2021/22)
+	One Time Preschool Dollars (2020/21)
+	Proposed State Special Ed Funding Formula (2020/21 and 2021/22)
+	One Time Thomas Fire Material Attendance Decrease Relief (2020/21)



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# Work In Process: 2019/20 2nd Interim Multi-Year Projections

## Expenditure Changes from 1<sup>st</sup> Interim Budget Report

Preliminary

Expenditures	Description
+	Health & Welfare Premiums (2020/21 and 2021/22)
+	Employee Salaries and Wages (2019/20, 2020/21, and 2021/22) Bargaining with Certificated and Classified Employee Associations
-	Additional Reductions Proposed, More Are Needed to Balance Budget



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# Health & Welfare Premiums Effective July 1, 2020

Initial quote proposes a significant increase

## Annual H&W Rates Per Employee

<u>2019/20 Current Cost Per Employee</u>	\$16,320
Medical	\$14,856
Dental	\$1,212
Vision	\$252

<u>2020/21 Proposed Cost Per Employee</u>	\$19,620
Medical	\$18,108
Dental	\$1,260
Vision	\$252

**Increased Annual Cost Per Employee \$3,300**

**Per Employee Per Month \$315.00**

\$3,300 per employee increase  
1,245 full time employees receiving  
100% district paid benefits =  
\$4,109,970 annual cost to VUSD



# Employee Earnings & Benefits (2018/19 compared to 2019/20)

**0.9 % Increased Funding from the State:**

**2019/20 Change in Revenue**

New Unrestricted Revenue

New Dollars per ADA	\$357
Funded ADA	15,848
<b>Total New Unrestricted Revenue</b>	<b>\$5,654,511</b>

Declining Enrollment

Prior Year Funded ADA	16,307
Prior year per ADA revenue	\$9,419
<b>Total Decrease in Revenue</b>	<b>(\$4,320,530)</b>

**Increase in LCFF Funding** **\$1,333,981**

**3.22 % Increase in Employee Earnings and Benefits :**

	<b>Total Change</b>	<b>Average per FTE</b>
STRS/PERS	\$1,700,383	\$1,052
Step/Column	\$1,096,120	\$ 678
Negotiations Offer	\$1,996,544	\$1,236
Health & Welfare	<u>\$259,598</u>	<u>\$ 161</u>
<b>Sub Total</b>	<b><u>\$5,052,645</u></b>	<b><u>\$3,127</u></b>

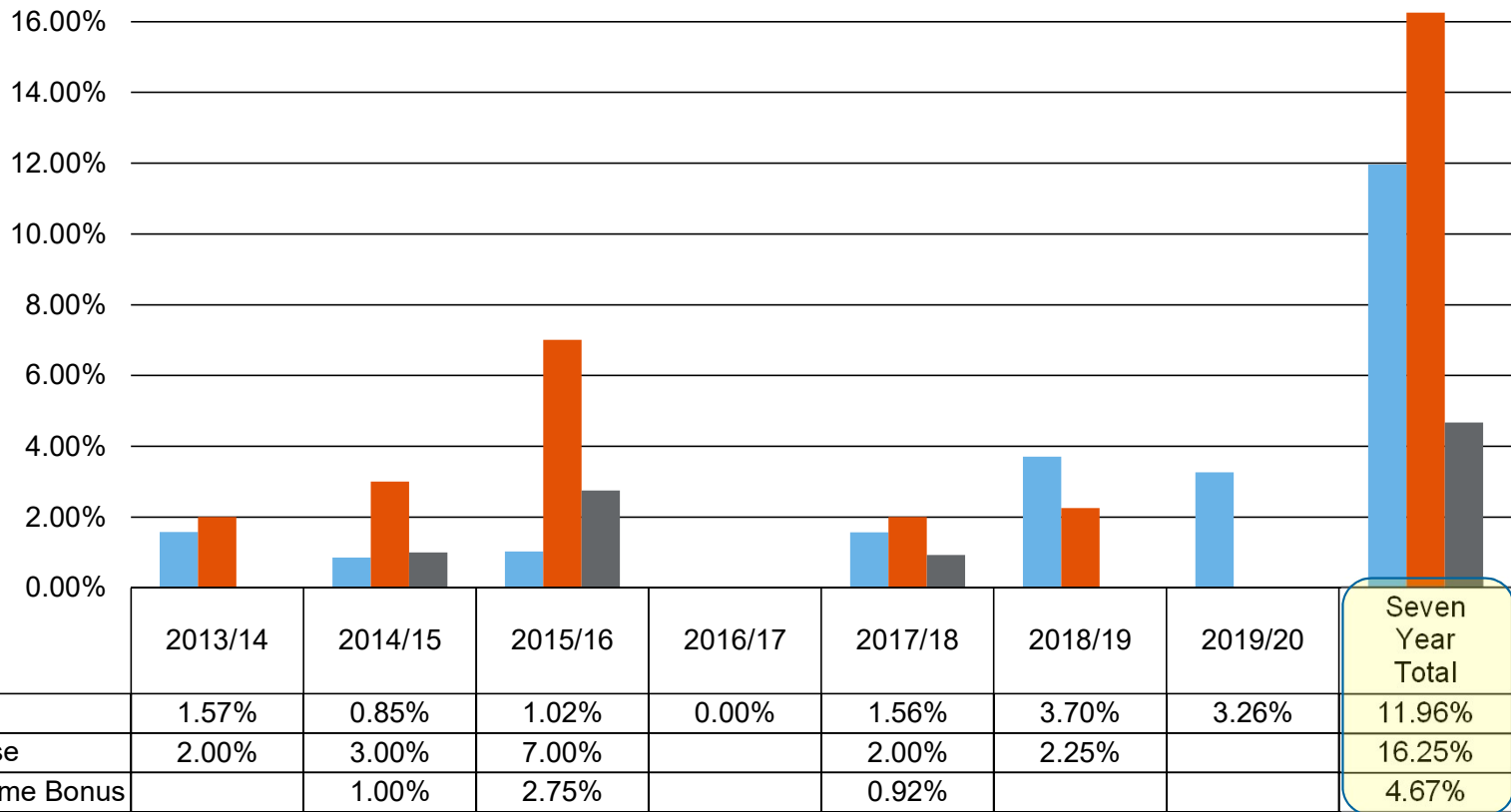
Average per Employee = \$2,533

FTE = Full Time Equivalent Employee  
 Ventura Unified's 1,616 FTE's = 1,995 Employees



# Great Recession Recovery: Negotiations History

## 2019/20 Salary Adjustment Pending Completion of Negotiations





# Preliminary 2nd Interim 2019/20 Multi-Year Projections

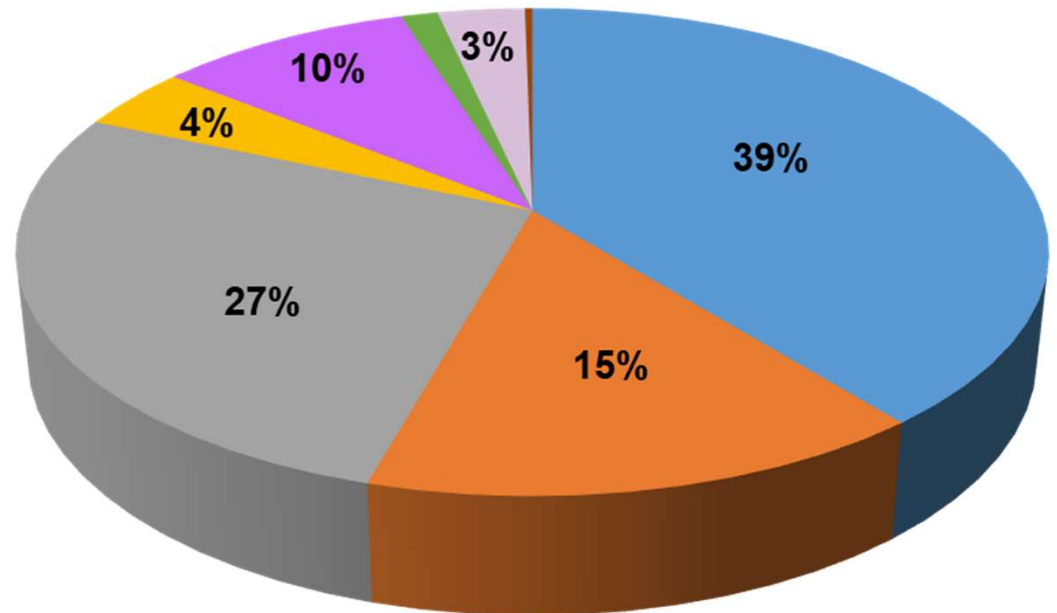
(in millions)

Where we are now

	2019-20 2nd Interim	2020-21 Projections	2021-22 Projections
Revenues	\$192.813	\$195.025	\$194.831
Expenditures	\$195.482	\$200.400	\$200.695
<b>(Deficiency) of Revenue Over Expenditures</b>	<b>(\$2.668)</b>	<b>(\$5.374)</b>	<b>(\$5.864)</b>
Transfers to/(from) Other Funds	\$1.070	\$0.985	\$0.985
<b>Net (Decrease) in Fund Balance</b>	<b>(\$3.738)</b>	<b>(\$6.359)</b>	<b>(\$6.849)</b>
Beginning Fund Balance	\$20.483	\$16.745	\$10.385
<u>Components of Ending Fund Balance</u>			
Total Ending Fund Balance	\$16.745	\$10.385	\$3.537
3% Reserve for Economic Uncertainty	\$5.897	\$6.042	\$6.050
Legally Restricted	\$1.271	\$0.817	\$0.817
Non-Spendable (Stores)	\$0.552	\$0.773	\$0.556
Other Commitments	\$2.941	\$1.949	\$1.242
<b>Undesignated/Unappropriated Fund Balance</b>	<b>\$6.084</b>	<b>\$0.804</b>	<b>(\$5.311)</b>
<b>Reductions Included in Projections</b>	<b>(\$636,743)</b>	<b>(\$1,673,129)</b>	<b>(\$500,000)</b>

# Expenditure Categories

Expenditure Category	2019/20 2nd Interim	Per Student
Certificated Salaries	\$76,996,483	\$4,749
Classified Salaries	\$29,855,428	\$1,842
Employee Benefits	\$53,403,703	\$3,294
Books/Supplies	\$8,271,246	\$510
Services, Software, Other Operating	\$18,488,966	\$1,140
Building Modifications and Equipment	\$2,664,643	\$164
County SpEd Programs	\$6,334,100	\$391
Transfers to/(from) Other Funds	(\$533,039)	(\$32.88)
<b>Total Expenditures</b>	<b>\$195,481,530</b>	<b>\$12,058</b>

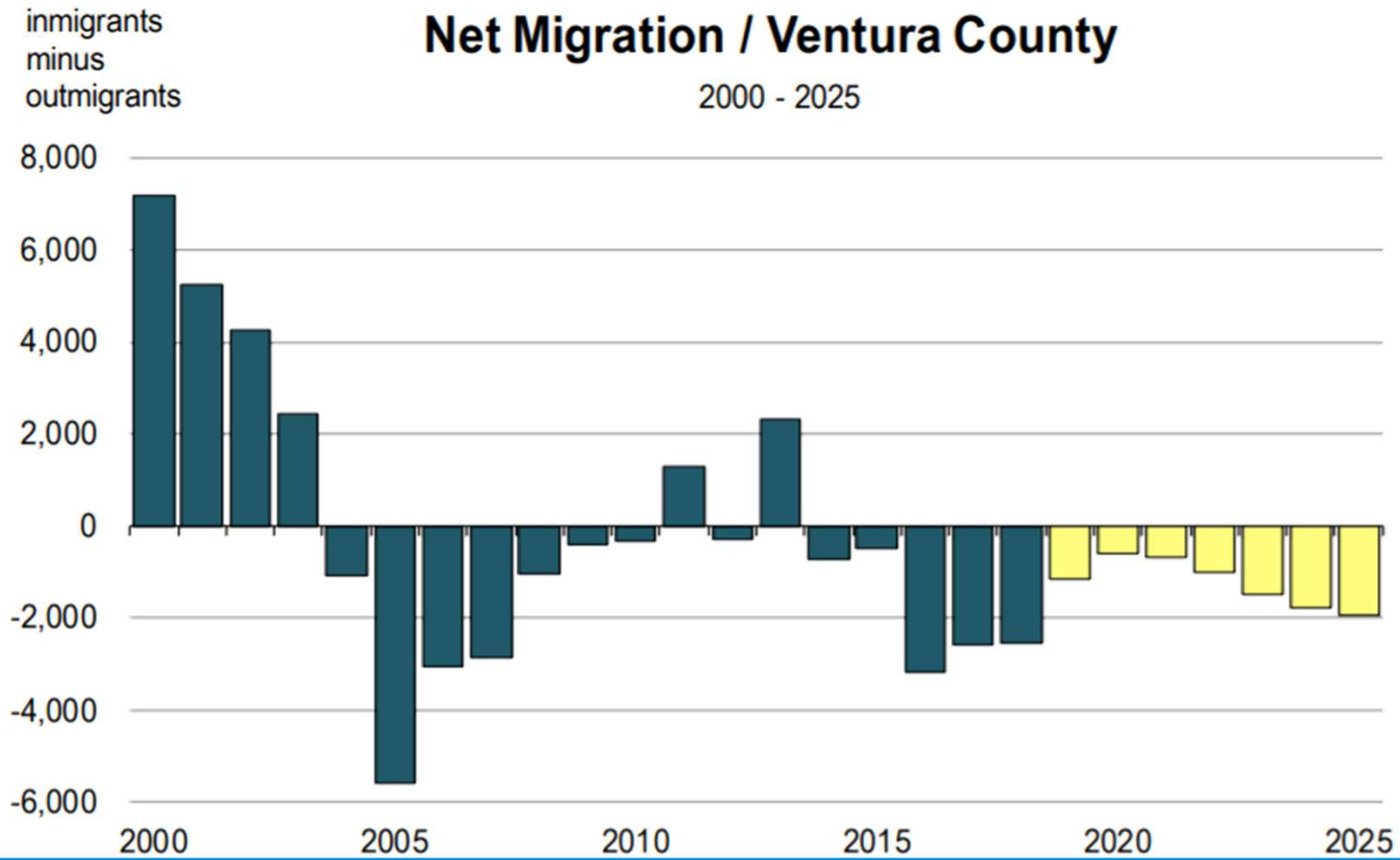


- Certificated Salaries
- Classified Salaries
- Employee Benefits
- Books/Supplies
- Services, Software, Other Operating
- Capital Outlay
- County SpEd Programs
- Transfers to/(from) Other Funds

It takes people to educate students and provide the necessary support services!

82% (\$9,885 per student per year) of the district's costs are employee salaries and benefits.

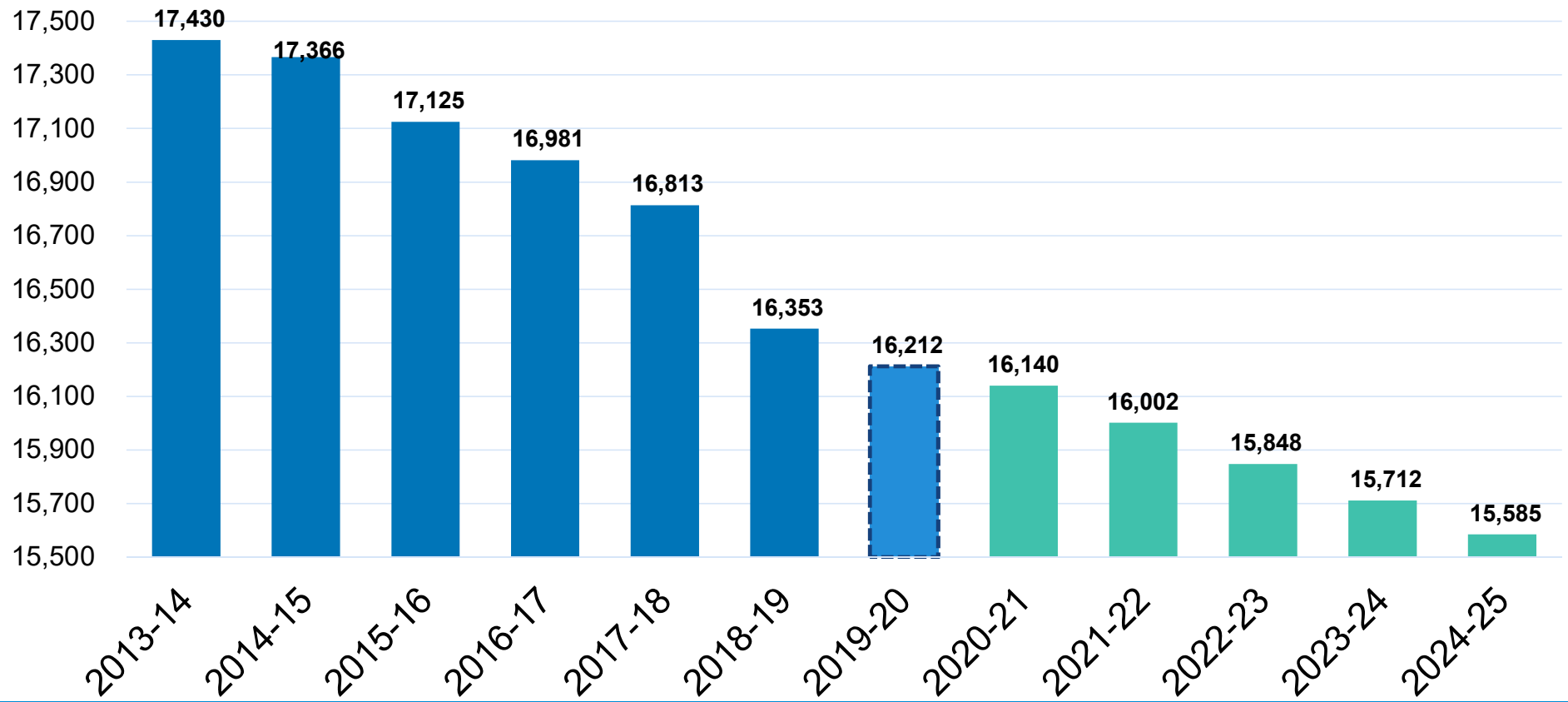
# Ventura County Population Trends



Source: California Dept of Finance

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# Enrollment Trend with Projections



**Thank You**



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