

Budget Advisory Committee Meeting



East Side Union High School District

Presented by Chris Jew, Associate Superintendent of Business Services, Silvia Pelayo, Director of Finance, and Chris Funk, Superintendent

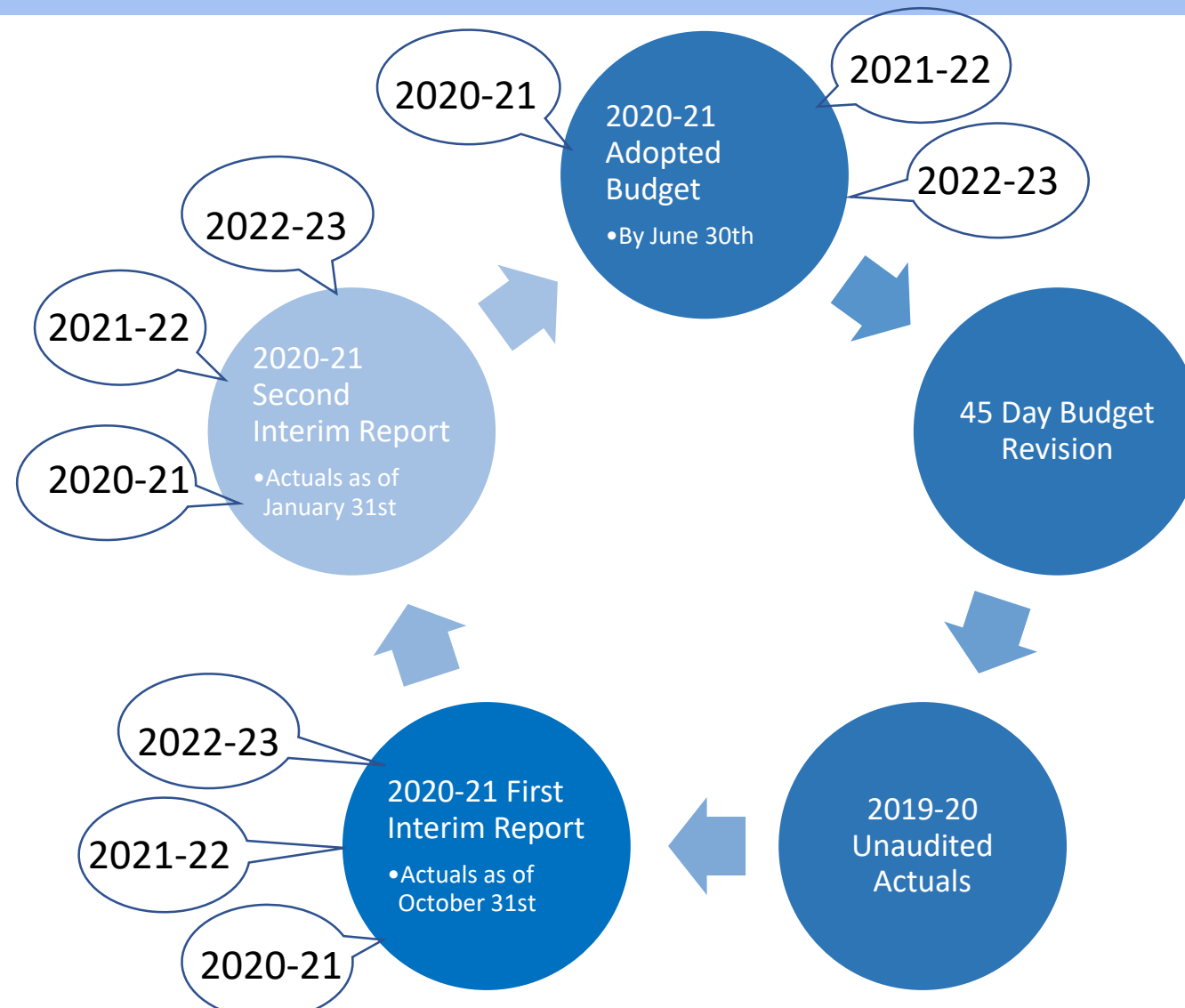
December 8, 2020



Budget Advisory Committee Meeting

- Welcome and Introduction
- Review Multi-Year Projections
- Review Budget Recommendations from Prior Year
- Break out Groups
- Questions and Answers

2020-21 Budget and Fiscal Reporting Cycle



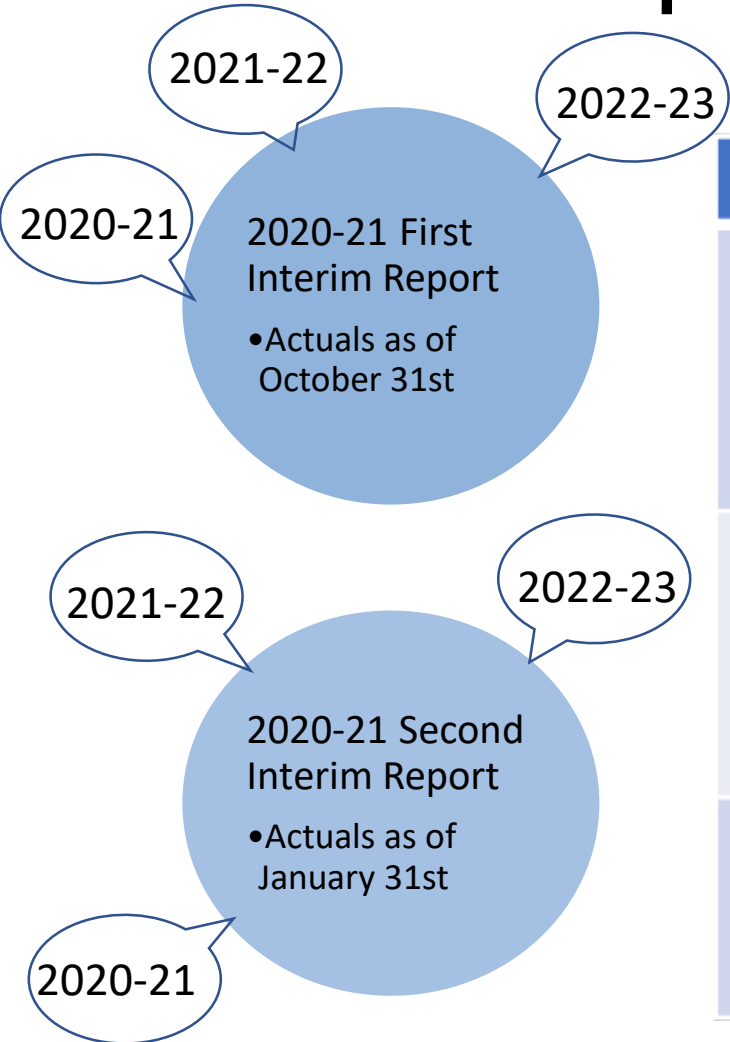
What is a Multi-Year Budget Projection?



- Annual financial look at 3 consecutive school years
- Forecast of Revenues (Ongoing and One-time) and Expenditures (Ongoing and One-time)
- Other Factors
 - Staffing cost are the largest factor in a Multi-Year projection
 - Balanced Budget
 - Deficit Spending



Interim Report Certification



Certification	
Positive	District <u>WILL</u> meet its financial obligations for the remainder of the fiscal year and the subsequent 2 years
Qualified	District <u>MAY NOT</u> be able to meet its financial obligations either in the current year or the subsequent 2 years
Negative	District <u>WILL NOT</u> be able to meet its financial obligation for current fiscal year or subsequent year

2020-21 First Interim MYP - COMBINED



Year 1: 2020-2021 - COMBINED GENERAL FUND * First Interim Multi-Year Projection

Savings	Revenue	Expense	Balance	Require 3% Reserve	How much is the District Deficit Spending?
What is left in the bank from last year?	How much is expected to come in?	How much money will be spent this year?	Do we have money left in the bank to meet 3% Reserve?		
\$ 42,893,910	+ \$ 305,319,318	- \$ 298,693,012	= \$ 49,520,216	\$ 8,960,790	\$ -
				Restricted Reserve Balance	
				\$ 5,087,438	

Year 2: 2021-2022 - COMBINED GENERAL FUND * First Interim Multi-Year Projection

Savings	Revenue	Expense	Balance	Require 3% Reserve	How much is the District Deficit Spending?
What is left in the bank from last year?	How much is expected to come in?	How much money will be spent this year?	Do we have money left in the bank to meet 3% Reserve?		
\$ 49,520,216	+ \$ 279,774,487	- \$ 292,240,099 (\$19,250,000) Ongoing Reductions	= \$ 37,054,604	\$ 8,767,203	\$ (12,465,612)
				Restricted Reserve Balance	
				\$ 3,192,754	

Year 3: 2022-2023 - COMBINED GENERAL FUND * First Interim Multi-Year Projection

Savings	Revenue	Expense	Balance	Require 3% Reserve	How much is the District Deficit Spending?
What is left in the bank from last year?	How much is expected to come in?	How much money will be spent this year?	Do we have money left in the bank to meet 3% Reserve?		
\$ 37,054,604	+ \$ 276,213,886	- \$ 302,052,399 (\$19,250,000) Ongoing Reductions	= \$ 11,216,091	\$ 9,061,572	\$ (25,838,513)
				Restricted Reserve Balance	
				\$ 1,393,946	



2020-21 First Interim MYP - UNRESTRICTED



Year 1: 2020-2021 - UNRESTRICTED GENERAL FUND * First Interim Multi-Year Projection

Savings	Revenue	Expense	Balance	Require 3% Reserve	How much is the District Deficit Spending?
What is left in the bank from last year?	How much is expected to come in?	How much money will be spent this year?	Do we have money left in the bank to meet 3% Reserve?		
\$ 38,041,632	+ \$ 203,357,682	- \$ 196,966,536	= \$ 44,432,778	\$ 8,960,790	\$ -

Year 2: 2021-2022 - UNRESTRICTED GENERAL FUND * First Interim Multi-Year Projection

Savings	Revenue	Expense	Balance	Require 3% Reserve	How much is the District Deficit Spending?
What is left in the bank from last year?	How much is expected to come in?	How much money will be spent this year?	Do we have money left in the bank to meet 3% Reserve?		
\$ 44,432,778	+ \$ 194,232,082	- \$ 204,803,010 (\$19,250,000) Ongoing Reductions	= \$ 33,861,850	\$ 8,767,203	\$ (10,570,928)

Year 3: 2022-2023 - UNRESTRICTED GENERAL FUND * First Interim Multi-Year Projection

Savings	Revenue	Expense	Balance	Require 3% Reserve	How much is the District Deficit Spending?
What is left in the bank from last year?	How much is expected to come in?	How much money will be spent this year?	Do we have money left in the bank to meet 3% Reserve?		
\$ 33,861,850	+ \$ 188,092,674	- \$ 212,132,379 (\$19,250,000) Ongoing Reductions	= \$ 9,822,145	\$ 9,061,572	\$ (24,039,705)



2020-21 First Interim MYP - RESTRICTED



Year 1: 2020-2021 - RESTRICTED GENERAL FUND * First Interim Multi-Year Projection

Savings	Revenue	Expense	Balance	Restricted Reserve Balance	How much is the District Deficit Spending?
What is left in the bank from last year?	How much is expected to come in?	How much money will be spent this year?	Do we have money left in the bank to meet 3% Reserve?		
\$ 4,852,278	+ \$ 101,961,636	- \$ 101,726,476	= \$ 5,087,438	\$ 5,087,438	\$ -

Year 2: 2021-2022 - RESTRICTED GENERAL FUND * First Interim Multi-Year Projection

Savings	Revenue	Expense	Balance	Restricted Reserve Balance	How much is the District Deficit Spending?
What is left in the bank from last year?	How much is expected to come in?	How much money will be spent this year?	Do we have money left in the bank to meet 3% Reserve?		
\$ 5,087,438	+ \$ 85,542,405	- \$ 87,437,089	= \$ 3,192,754	\$ 3,192,754	\$ (1,894,684)

Year 3: 2022-2023 - RESTRICTED GENERAL FUND * First Interim Multi-Year Projection

Savings	Revenue	Expense	Balance	Restricted Reserve Balance	How much is the District Deficit Spending?
What is left in the bank from last year?	How much is expected to come in?	How much money will be spent this year?	Do we have money left in the bank to meet 3% Reserve?		
\$ 3,192,754	+ \$ 88,121,212	- \$ 89,920,020	= \$ 1,393,946	\$ 1,393,946	\$ (1,798,808)



Multi-Year Projection Scenarios



#2

(SCENARIO #2) 2020-21 First Interim MYP - COMBINED



SCENARIO #2

Year 1: 2020-2021 - COMBINED GENERAL FUND * First Interim Multi-Year Projection

Savings	Revenue	Expense	Balance	Require 3% Reserve	How much is the District Deficit Spending?
What is left in the bank from last year?	How much is expected to come in?	How much money will be spent this year?	Do we have money left in the bank to meet 3% Reserve?		
\$ 42,893,910	\$ 305,319,318	\$ 298,693,012	\$ 49,520,216	\$ 8,960,790	\$ -
				Restricted Reserve Balance	
				\$ 5,087,438	

Year 2: 2021-2022 - COMBINED GENERAL FUND * First Interim Multi-Year Projection

Savings	Revenue	Expense	Balance	Require 3% Reserve	How much is the District Deficit Spending?
What is left in the bank from last year?	How much is expected to come in?	How much money will be spent this year?	Do we have money left in the bank to meet 3% Reserve?		
\$ 49,520,216	\$ 279,774,487	\$ 302,240,099 (\$9,250,000) Ongoing Reductions	\$ 27,054,604	\$ 9,067,203	\$ (22,465,612)
				Restricted Reserve Balance	
				\$ 3,192,754	

Year 3: 2022-2023 - COMBINED GENERAL FUND * First Interim Multi-Year Projection

Savings	Revenue	Expense	Balance	Require 3% Reserve	How much is the District Deficit Spending?
What is left in the bank from last year?	How much is expected to come in?	How much money will be spent this year?	Do we have money left in the bank to meet 3% Reserve?		
\$ 27,054,604	\$ 276,213,886	\$ 292,752,399 (\$9,250,000) Ongoing Reductions Additional (\$19,300,000) Ongoing Reductions	\$ 10,516,091	\$ 8,782,572	\$ (16,538,513)
				Restricted Reserve Balance	
				\$ 1,393,946	



(SCENARIO #2) 2020-21 First Interim MYP - UNRESTRICTED



SCENARIO #2

Year 1: 2020-2021 - UNRESTRICTED GENERAL FUND * First Interim Multi-Year Projection

Savings	Revenue	Expense	Balance	Require 3% Reserve	How much is the District Deficit Spending?
What is left in the bank from last year?	How much is expected to come in?	How much money will be spent this year?	Do we have money left in the bank to meet 3% Reserve?		
\$ 38,041,632	+ \$ 203,357,682	- \$ 196,966,536	= \$ 44,432,778	\$ 8,960,790	\$ -

Year 2: 2021-2022 - UNRESTRICTED GENERAL FUND * First Interim Multi-Year Projection

Savings	Revenue	Expense	Balance	Require 3% Reserve	How much is the District Deficit Spending?
What is left in the bank from last year?	How much is expected to come in?	How much money will be spent this year?	Do we have money left in the bank to meet 3% Reserve?		
\$ 44,432,778	+ \$ 193,932,082	- \$ 214,803,010 (\$9,250,000) Ongoing Reductions	= \$ 23,561,850	\$ 9,067,203	\$ (20,870,928)

Year 3: 2022-2023 - UNRESTRICTED GENERAL FUND * First Interim Multi-Year Projection

Savings	Revenue	Expense	Balance	Require 3% Reserve	How much is the District Deficit Spending?
What is left in the bank from last year?	How much is expected to come in?	How much money will be spent this year?	Do we have money left in the bank to meet 3% Reserve?		
\$ 23,561,850	+ \$ 188,342,674	- \$ 202,832,379 (\$9,250,000) Ongoing Reductions Additional (\$19,300,000) Ongoing Reductions	= \$ 9,072,145	\$ 8,782,572	\$ (14,489,705)



(SCENARIO #2) 2020-21 First Interim MYP - RESTRICTED



SCENARIO #2

Year 1: 2020-2021 - RESTRICTED GENERAL FUND * First Interim Multi-Year Projection

Savings	Revenue	Expense	Balance	Restricted Reserve Balance	How much is the District Deficit Spending?
What is left in the bank from last year?	How much is expected to come in?	How much money will be spent this year?	Do we have money left in the bank to meet 3% Reserve?		
\$ 4,852,278	\$ 101,961,636	\$ 101,726,476	\$ 5,087,438	\$ 5,087,438	\$ -

Year 2: 2021-2022 - RESTRICTED GENERAL FUND * First Interim Multi-Year Projection

Savings	Revenue	Expense	Balance	Restricted Reserve Balance	How much is the District Deficit Spending?
What is left in the bank from last year?	How much is expected to come in?	How much money will be spent this year?	Do we have money left in the bank to meet 3% Reserve?		
\$ 5,087,438	\$ 85,842,405	\$ 87,437,089	\$ 3,492,754	\$ 3,192,754	\$ (1,594,684)

Year 3: 2022-2023 - RESTRICTED GENERAL FUND * First Interim Multi-Year Projection

Savings	Revenue	Expense	Balance	Restricted Reserve Balance	How much is the District Deficit Spending?
What is left in the bank from last year?	How much is expected to come in?	How much money will be spent this year?	Do we have money left in the bank to meet 3% Reserve?		
\$ 3,492,754	\$ 87,871,212	\$ 89,920,020	\$ 1,443,946	\$ 1,393,946	\$ (2,048,808)



Multi-Year Projection Scenarios



#3

(SCENARIO #3) 2020-21 First Interim MYP - COMBINED



SCENARIO #3

Year 1: 2020-2021 - COMBINED GENERAL FUND * First Interim Multi-Year Projection

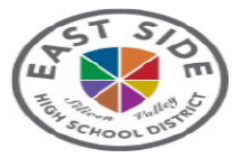
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\$ 42,893,910	+ \$ 305,319,318	- \$ 298,693,012	= \$ 49,520,216	\$ 8,960,790	\$ -
				Restricted Reserve Balance	
				\$ 5,087,438	

Year 2: 2021-2022 - COMBINED GENERAL FUND * First Interim Multi-Year Projection

Savings	Revenue	Expense	Balance	Require 3% Reserve	How much is the District Deficit Spending?
What is left in the bank from last year?	How much is expected to come in?	How much money will be spent this year?	Do we have money left in the bank to meet 3% Reserve?		
\$ 49,520,216	+ \$ 279,224,487	- \$ 311,490,099	= \$ 17,254,604	\$ 9,344,703	\$ (32,265,612)
				Restricted Reserve Balance	
				\$ 3,192,754	

Year 3: 2022-2023 - COMBINED GENERAL FUND * First Interim Multi-Year Projection

Savings	Revenue	Expense	Balance	Require 3% Reserve	How much is the District Deficit Spending?
What is left in the bank from last year?	How much is expected to come in?	How much money will be spent this year?	Do we have money left in the bank to meet 3% Reserve?		
\$ 17,254,604	+ \$ 276,713,886	- \$ 283,302,399 (\$38,000,000) Ongoing Reductions	= \$ 10,666,091	\$ 8,499,072	\$ (6,588,513)
				Restricted Reserve Balance	
				\$ 1,393,946	



(SCENARIO #3) 2020-21 First Interim MYP - UNRESTRICTED



SCENARIO #3

Year 1: 2020-2021 - UNRESTRICTED GENERAL FUND * First Interim Multi-Year Projection

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\$ 44,432,778	+ \$ 193,682,082	- \$ 224,053,010	= \$ 14,061,850	\$ 9,344,703	\$ (30,370,928)

Year 3: 2022-2023 - UNRESTRICTED GENERAL FUND * First Interim Multi-Year Projection

Savings	Revenue	Expense	Balance	Require 3% Reserve	How much is the District Deficit Spending?
What is left in the bank from last year?	How much is expected to come in?	How much money will be spent this year?	Do we have money left in the bank to meet 3% Reserve?		
\$ 14,061,850	+ \$ 188,592,674	- \$ 193,382,379 ((\$38,000,000) Ongoing Reductions)	= \$ 9,272,145	\$ 8,499,072	\$ (4,789,705)



(SCENARIO #3) 2020-21 First Interim MYP - RESTRICTED



SCENARIO #3

Year 1: 2020-2021 - RESTRICTED GENERAL FUND * First Interim Multi-Year Projection

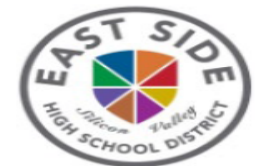
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\$ 5,087,438	+ \$ 85,542,405	- \$ 87,437,089	= \$ 3,192,754	\$ 3,192,754	\$ (1,894,684)

Year 3: 2022-2023 - RESTRICTED GENERAL FUND * First Interim Multi-Year Projection

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\$ 3,192,754	+ \$ 88,121,212	- \$ 89,920,020	= \$ 1,393,946	\$ 1,393,946	\$ (1,798,808)





Fiscal Solvency Resolution **(Required)**

- Address 100% of Reduction in Force going into 2021/2022

School Year - ~~\$58,300,000~~ ~~\$31,000,000~~ ~~\$29,350,000~~ \$19,250,000

~~435~~ ~~231~~ ~~219~~ 140 Total FTEs

- ESTA = ~~296~~ ~~157~~ ~~149~~ 94 FTEs

- CSEA = ~~115~~ ~~61~~ ~~58~~ 39 FTEs

- Admin/Management = ~~24~~ ~~13~~ ~~12~~ 7 FTEs



SCENARIO #2

Fiscal Solvency Resolution (Required)

- Address Reduction in Force going into 2021/22 and 2022/23

<p>\$9,250,000 in 2021/22</p> <ul style="list-style-type: none"> · 67 Total FTEs · ESTA = 45 FTEs · CSEA = 18 FTEs · Admin/Management = 4 FTEs 	<p>AND</p>	<p>\$19,300,000 in 2022/23</p> <ul style="list-style-type: none"> · 137 Total FTEs · ESTA = 93 FTEs · CSEA = 37 FTEs · Admin/Mgmt. = 7 FTEs
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*Total 204 Total FTEs, 138 for ESTA, 55 for CSEA, and 10 for Management



SCENARIO #3

Fiscal Solvency Resolution **(Required)**

- **Address 100% Reduction in Force going into 2022/23**
- **\$38,000,000**
 - **272 Total FTEs**
 - **ESTA = 184 FTEs**
 - **CSEA = 74 FTEs**
 - **Admin/Management = 14 FTEs**



Budget Recommendations from Prior Year

Prior Recommendations to the Board of Trustees



Summary of Proposed Reductions from 2019-20 FY

#	Description	Total Current FTE Positions	Preliminary Proposed Reductions in FTEs			Net Budget Savings	Updated 2020-21 Cost Savings on Non Implemented Items
			Certificated	Classified	Management		
1	Supplemental Retirement Incentive Plan (SERP)					\$ 241,620	
2	1 Staff Development Day (1st Day)					\$ 914,889	\$ 942,336
3	10% cut of Personnel at District Office			11		\$ 990,000	\$ 1,019,700
4	10% cut on all Discretionary Budgets					\$ 980,000	
5	Special Education Contracts					\$ 3,500,000	
6	Management (District Office)				8	\$ 1,096,600	\$ 1,129,498
7	Transfer Expense to Ed Tech Bond					\$ 1,000,000	
8	Reduce Contract Services					\$ 500,000	
9	Course Consolidation		0.6			\$ 210,000	
10	City Year Contract					\$ 243,500	
SUBTOTAL		0	0.6	11	8	\$ 9,676,609	\$ 3,091,534

2020-21 Final Proposed Layoff # (Not Implemented)			2021-22 Projected Costs Savings
Certificated	Classified	Management	
	11		\$ 1,019,700
		4	\$ 564,749
0	11	4	\$ 1,584,449

11	Advisors	26	26			\$ 3,172,000	\$ 3,267,160
12	Librarians	5.8	5.8			\$ 707,600	\$ 728,828
13	Subject Area Coordinators (SACS)	3.8	3.8			\$ 463,600	\$ 477,508
14	Athletic Directors (0.2)	4.2	4.2			\$ 512,400	\$ 527,772
15	Activities Directors (0.4)	6.6	6.6			\$ 805,200	\$ 829,356
16	Instructional Coaches	8	2			\$ 244,000	\$ 251,320
17	Counselor (General Fund)	24.6	24.6			\$ 3,000,000	\$ 3,090,000
SUBTOTAL		79	73	0	0	\$ 8,904,800	\$ 9,171,944

15				\$ 1,884,900
5.8			\$ 728,828	
4.8			\$ 603,168	
4.2			\$ 527,772	
6.6			\$ 829,356	
2			\$ 251,320	
0			\$ -	
38.4	0	0	\$ 4,825,344	

18	Support Services Technicians	12		12		\$ 1,080,000	\$ 1,112,400
19	Custodians	87		22		\$ 1,980,000	\$ 2,039,400
20	Language Assessment Clerks	4		4		\$ 360,000	\$ 370,800
21	Parent Involvement Specialist (PCIS)	15		15		\$ 1,305,000	\$ 1,344,150
22	Bookroom Clerks	1		1		\$ 90,000	\$ 92,700
SUBTOTAL		119	0	54	0	\$ 4,815,000	\$ 4,959,450

	12		\$ 1,112,400
	11		\$ 1,019,700
	4		\$ 370,800
	8		\$ 716,880
	1		\$ 92,700
0	36	0	\$ 3,312,480

TOTAL **198** **73.6** **65** **8** **\$ 23,396,409** **\$ 17,222,928**

38.4 **47** **4** **\$ 9,722,273**

146.60

89.40

Prior Recommendations to the Board of Trustees



Salary and Benefits (Updated for 2020-21)

- * Avg Certificated Salary Cost = \$126,000
- * Avg Classified Salary Cost = \$92,700
- * Avg Management Salary Cost = \$141,000

Cost of 1 Work Day

Certificated = \$918,558
Classified = \$262,491
Management and Confidentials = \$73,622
Total = \$1,254,671

Cost of 1%

Certificated = \$1,486,975
Classified = \$441,472
Management and Confidentials = \$145,839
Total = \$2,074,286

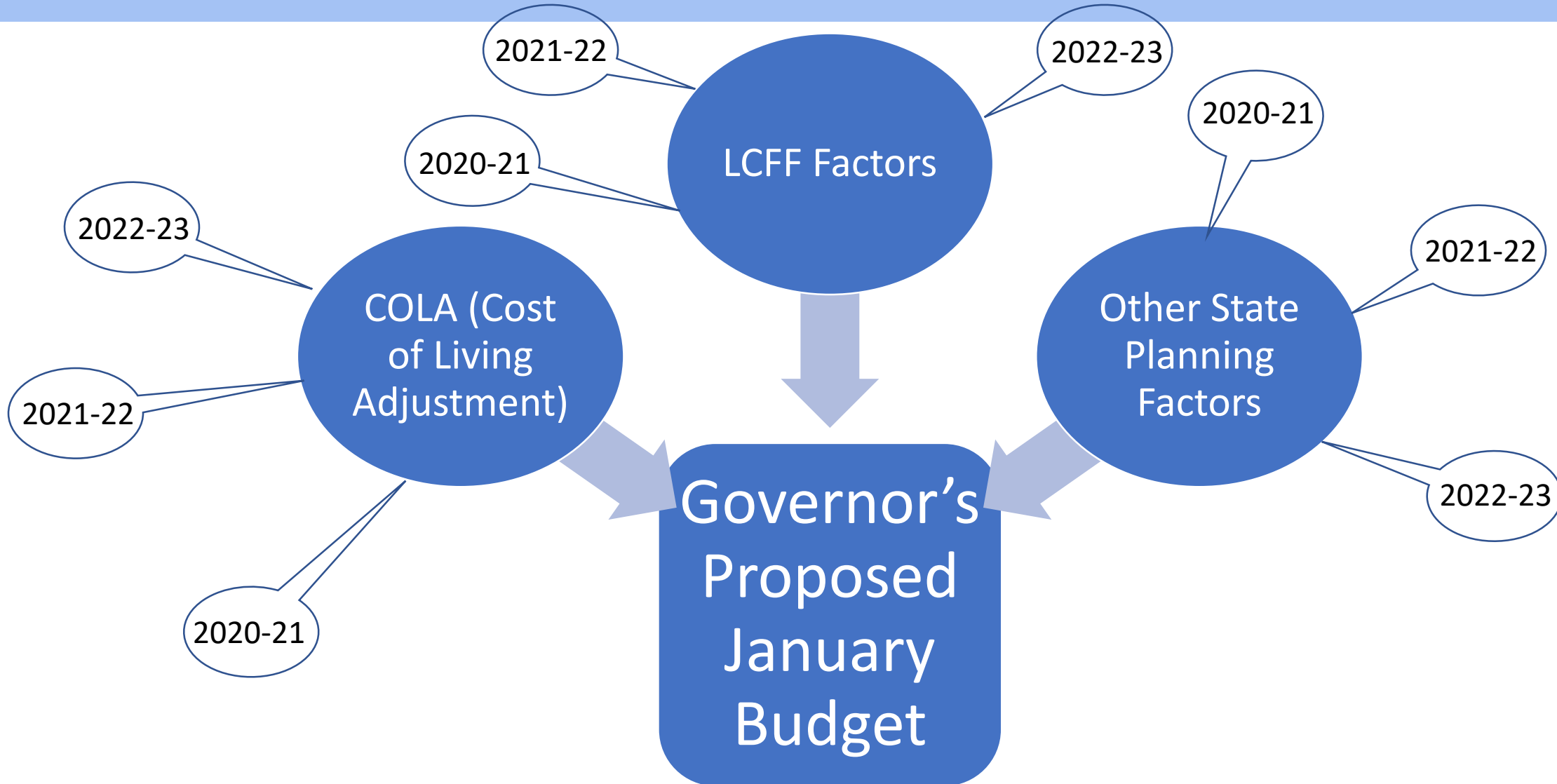
Other Possible Savings

Class Size Leveling +2 = \$7,3250,000
2 Staff Development Days = \$1,837,116
Building Master Schedule to Match Graduation Requirements (220 Units) = \$7,350,000
Reduced Work Year 5 days (Classified) = \$1,312,455



Follow up on Questions from Previous Meetings

Budget Development Assumptions



Budget Advisory Committee Meeting



Break Out Groups



Questions or Comments