

ASSUMPTIONS UTILIZED IN THE 2019/2020 PROPOSED PLACEHOLDER BUDGET

HOW ARE REVENUE AND EXPENDITURE PROJECTIONS MADE?

Because there are so many unpredictable factors affecting revenues and expenditures, it is important to develop and utilize budget assumptions based on the best information available at the time the budget is adopted. The following assumptions are based on the Governor's May Revision. At the June 25, 2019 Board meeting, the Board of Education will be asked to approve the Adopted Budget. This budget should be considered a "snapshot in time" of the financial plan of our District on the date it is adopted. As the school year progresses, variables will change and the budget will have to be updated and approved again by the Governing Board. As a starting point, the following assumptions will be used for the proposed **2019/20 Placeholder Budget**.

Revenue

- We are using the Fiscal Crisis and Management Team (FCMAT) Local Control Funding Formula calculator. This includes a 3.26% Cost of Living Adjustment (COLA).
- Enrollment on day 14 is projected to be 13,800 students, an increase of 62 from prior year.
- Local Control Funding Formula (LCFF) will be based on 13,275 Average Daily Attendance (ADA).
- The unduplicated count of Low-Socio Economic students, English Language Learners, and Foster Youth is estimated to be 27.98% of enrollment for supplemental funding purposes.
- Special Education funding will receive a 3.26% COLA.
- Lottery income is estimated at \$204 per annual ADA: \$53 Restricted and \$151 Unrestricted.
- State and Federal grants have been budgeted at that same level as 2018/19. As actual entitlements become known, the budgets will be adjusted.
- Donation accounts will be booked on a cash basis.
- It is estimated that \$3.98 million will be collected in Parcel Tax revenue from Measure G.
- The Career Technical Education Incentive grant is estimated at \$433,000.
- One-time funding of \$1.4 million from a profit sharing agreement with Lyons Homes
- All prior year carry over and one-time funding has been removed.

Assumptions Continued...

Expenditures

- Base staffing levels for certificated and classified positions are maintained at the same level as in 2018/19.
- The expense of step, column, and longevity increases and the related statutory benefits for employees are included in the budget.
- The employer contribution to the California State Teachers' Retirement System (CalSTRS) has increased from 16.28% to 16.7%. The employer contribution to the California Public Employees' Retirement System (CalPERS) has increased from 18.062% to 20.733%.
- All items in the Local Control Accountability Plan (LCAP) are included in the budget. A few of the items added this year are:
 - Musical Instruments to ensure all students have access
 - Elementary PE support
 - Expansion of Positive Behavior Intervention Support (PBIS)
- Measure G will continue to help fund:
 - Advanced courses in science, technology, engineering, and math (STEM);
 - Programs in music, art, and foreign language;
 - Attracting and retaining highly qualified teachers;
 - Elementary school science and technology specialists;
 - Keeping our schools safe and well-maintained; and
 - Up-to-date instructional materials and comprehensive curricular programs.
- Adult Education receives a block grant from the State and continues to participate in the Chabot-Las Positas/Mid-Alameda County Consortium for additional funding.
- A transfer of \$1,313,104 to the Regional Occupation Program (ROP) is included in the budget based on the agreed upon Joint Powers Authority (JPA) agreement.
- Projected utility savings from solar installations are included in the budget.
- The tentative agreement for competitive compensation has been included for all bargaining units. The agreement would increase compensation by 1% as of July 1, 2019 and then an additional 2% beginning on January 1, 2020.