



Evergreen
School District

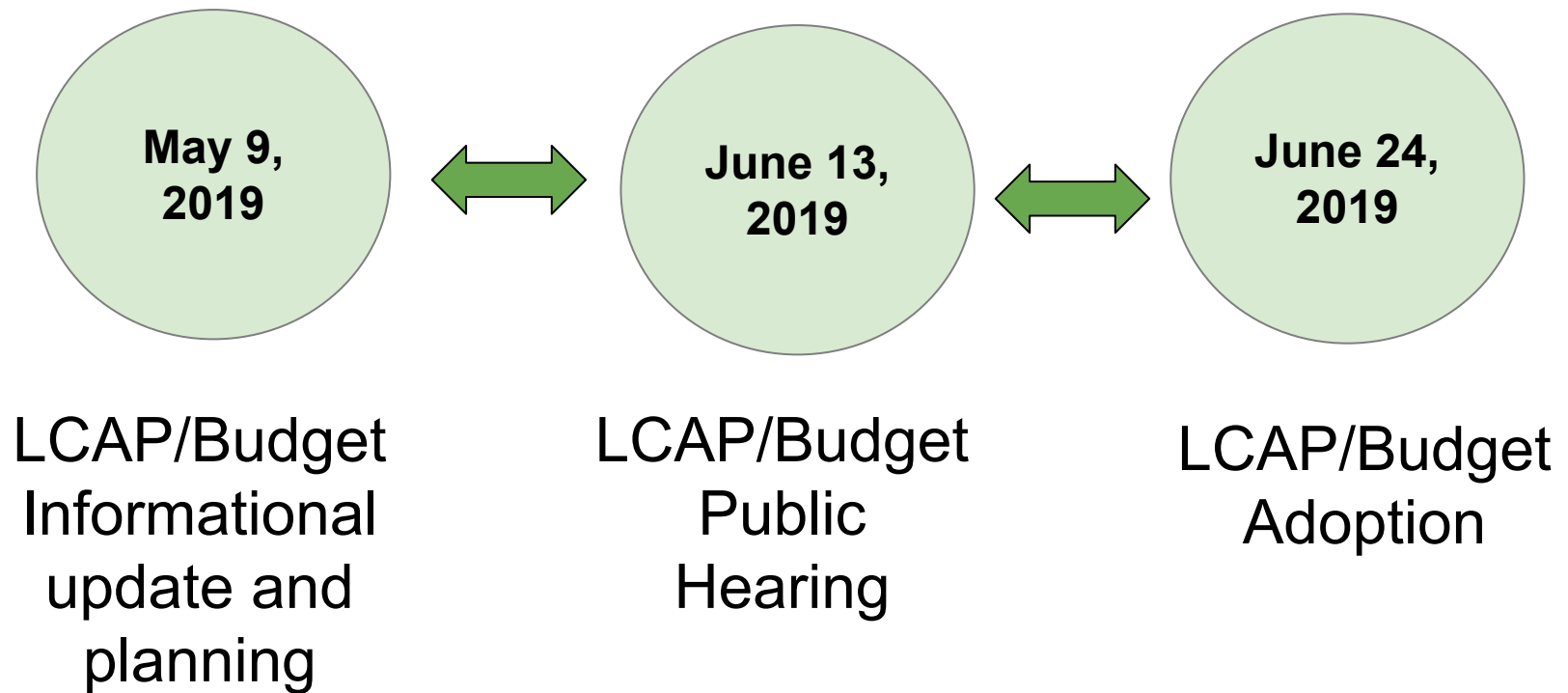
2019-20 LCAP, Programs & Budget Update

June 13, 2019

Outcomes

1. Review and set context for LCAP and Budget adoption
2. Provide information regarding the assumptions utilized in Budget and LCAP development
3. Facilitate a Public Hearing prior to the Budget and LCAP being presented for approval on June 24, 2019

LCAP/Budget Adoption Timeline



State Priorities

1. Basic conditions and resources for learning (*Williams* requirements)
2. Implementation of academic content and performance standards
3. Parental involvement
4. Pupil achievement
5. Pupil engagement
6. School climate
7. Pupils have access to, and are enrolled in, a broad course of study
8. Pupil outcomes, if available, in the subject areas comprising a broad course of study.



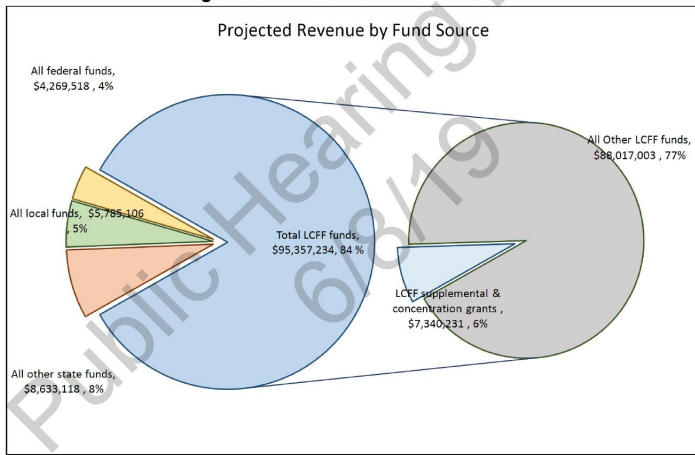
2019-20 LCAP

LCFF Budget Overview for Parents

Local Educational Agency (LEA) Name: Evergreen Elementary School District
CDS Code: 43-69435-0000000
Local Control and Accountability Plan (LCAP) Year: 2019-20
LEA contact information: Dan Deguara, Assistant Superintendent

School districts receive funding from different sources: state funds under the Local Control Funding Formula (LCFF), other state funds, local funds, and federal funds. LCFF funds include a base level of funding for all LEAs and extra funding - called "supplemental and concentration" grants - to LEAs based on the enrollment of high needs students (foster youth, English learners, and low-income students).

Budget Overview for the 2019-20 LCAP Year



- This is the final year of our 3-year LCAP designed to increase achievement and opportunity for Evergreen students.
- New this year is an executive spending summary titled "LCFF Budget Overview for Parents".
- Included with the LCAP is the Federal Every Student Succeeds Act (ESSA) addendum to account for federal funds disbursed to Evergreen School District.

Community Outreach



Survey

316

In Person Consultation

112

428

Points of Contact

LCAP Community Outreach

Strengths

- Parcel Tax passage
- Staff
- MFTs and Social Workers
- Support Staff
- SEAL & intervention programs
- Established Profile of a Learner
- Student safety
- PBIS and Project Cornerstone
- Settling a multi-year contract

Challenges

- Structural deficits
- Student funding and declining enrollment
- Instructional supports at school sites
- ELD support
- Boosting creativity rigor
- Keeping up with the changing environment
- Retention of specialist credentials

Questions

- How do we correct structural deficits and build sustainability?
- How can we better articulate student supports?
- How are we supporting STEAM / NGSS in schools?
- How will we measure our Profile of a Learner?
- How and when will we transition from PBIS to MTSS?

Ideas

- Facility Use – Joint Use? Repurpose?
- Green initiatives
- Explore online supports
- Translation services more extensive
- Explore dual immersion
- Investigate social emotional curriculum
- Additional classified professional development
- Offering incentives for specialized credentials

Community and Board Feedback

Based upon community and Board feedback, LCAP and budget development focused on the following:

- Maintaining 2018-19 levels of school site support
- Maintaining school counselors and social workers
- Resuming school enrichment activities (SEAT) funding for school sites
- Reviving the Evergreen School District teacher induction program
- Earmarking funds for innovative program development
- Providing flexibility for Superintendent to develop a strategy for moving Evergreen School District forward

Parcel Tax Expenditures

FY 2019-2020 (07/01/2019 - 06/30/2020)

| Expenses | | FTE | Estimate 2019-2020 Budget |
|--|-------------|-------|------------------------------|
| Class Size Reduction | 50% of fund | 11.29 | \$1,528,591 |
| Teacher Quality | 5% of fund | | \$152,859 |
| STEAM | 5% of fund | | \$152,859 |
| Music Teachers | | 3.80 | \$518,735 |
| Library Assistants | | 5.43 | \$368,578 |
| Assistant Principals | | 1.50 | \$272,967 |
| Instruments – New | | | \$8,000 |
| Instruments Repair | | | \$11,000 |
| Music for Minors – Pilot | | | \$10,026 |
| Music /Math/Art Instructional Materials | | | \$29,566 |
| Consultant Services for Tax Exemption | | | \$2,000 |
| Exemption Materials Printing & Mailing Fee | | | \$2,000 |

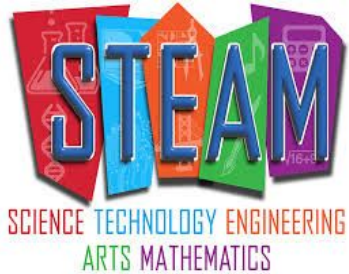
Total Expenses

\$3,057,181

Supplemental Budget Expenditures

| Supplemental Budget | | | |
|--|-------------------------|-------------------------|------------------------|
| Object Code and Description | 17-18 Actuals (LCAP) | 18-19 Actuals (LCAP) | 19-20 Budget (LCAP) |
| 1590 Supplemental Schools | \$642,230 | \$671,754 | \$614,030 |
| 1591 Supplemental Staffing | \$5,484,907 | \$5,254,477 | \$5,427,830 |
| 1592 Supplemental Technology | \$256,499 | -0- | -0- |
| 1593 Supplemental District | \$1,010,256 | \$874,903 | \$874,903 |
| 1594 Foster Youth | \$10,000 | \$10,000 | \$10,000 |
| 1595 Parent Engagement | \$74,630 | \$60,703 | \$60,703 |
| 1596 Staff Development | \$454,415 | \$354,254 | \$354,254 |
| 1597 Staff Collaboration | \$90,795 | -0- | -0- |
| Supplemental Total | \$8,023,732 | \$7,226,091 | \$7,341,720 |
| Required Supplemental Proportionality | \$7,158,208 | \$7,192,183 | \$7,340,231 |

Budget Support For Innovative Programs



Rationale:

- *To promote achievement for all students in a rigorous and innovative 21st century learning environment,*
- *To achieve financial stability and sustainability,*
- *In an effort to mitigate declining enrollment trends*



Earmarked funds in support of innovative programs such as STEAM, dual language and International Baccalaureate:

- \$152,859 has been allocated within Parcel Tax for STEAM development.
- Supplemental professional development funds (50%) will be allocated to continue PBL and SEAL support.
- In an effort to launch a dual language program in 2020-21 professional learning will be multi-funded.



LCFF Assumptions

| Item | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|---|----------------|----------------|---------------|---------------|
| LCFF Gap Funding Percentage | 100% | 100% | 100% | 100% |
| COLA | 3.46% | 2.41% | 2.86% | 2.92% |
| District Enrollment | 10,958 | 10,543 | 10,214 | 9,933 |
| Average Daily Attendance (ADA) | 10,520 | 10,062 | 9,748 | 9,473 |
| LCFF Funded ADA Include County ADA | 11,142 | 10,634 | 10,177 | 9,863 |
| Supplemental Grant Funding | \$7.4 M | \$7.4 M | \$7.2M | \$7.1M |

Summary of Major Revenues & Expenditure Assumptions:

- State one time discretionary funds are not budgeted in 2019-20, or subsequent years.
- Health and Welfare cost increases are estimated at 5% over prior years for 2019-20 and subsequent years.
- The reduction of 14 FTEs in 2019-20 is based on estimated enrollment. Subsequent years include a reduction of 5 FTEs as a response to declining enrollment.
- CalSTRS and CalPERS employer contribution rates have been increased as scheduled in the May Revised state budget and statute and reflected in this report.

General Fund Revenue & Expenditures - 2019-2020 Proposed Budget

| | 2018-2019 Estimated Actuals | | | 2019-2020 Proposed Budget | | | Change |
|-------------------------------------|--------------------------------|-------------------|--------------------|------------------------------|-------------------|--------------------|--------------------|
| | UNRESTRICTED | RESTRICTED | TOTAL | UNRESTRICTED | RESTRICTED | TOTAL | |
| PROJECTED INCOME | | | | | | | |
| LCFF / Property Tax | 96,771,465 | 0 | 96,771,465 | 95,357,234 | 0 | 95,357,234 | (1,414,231) |
| Federal Income | 0 | 4,340,858 | 4,340,858 | 0 | 4,269,518 | 4,269,518 | (71,340) |
| Other State Income | 4,201,758 | 6,704,209 | 10,905,967 | 1,943,157 | 6,689,961 | 8,633,118 | (2,272,849) |
| Local Income | 3,676,499 | 2,105,198 | 5,781,697 | 4,162,181 | 1,622,925 | 5,785,106 | 3,409 |
| Transfers | 2,491,107 | 0 | 2,491,107 | 0 | 0 | 0 | (2,491,107) |
| Encroachment | (15,273,990) | 15,273,990 | 0 | (16,888,175) | 16,888,175 | 0 | 0 |
| TOTAL PROJECTED INCOME | 91,866,839 | 28,424,255 | 120,291,094 | 84,574,397 | 29,470,579 | 114,044,976 | (6,246,118) |
| PROJECTED EXPENDITURES | | | | | | | |
| Certificated Salaries | 49,563,681 | 6,457,662 | 56,021,343 | 49,015,675 | 6,538,887 | 55,554,562 | (466,781) |
| Classified Salaries | 8,079,920 | 3,128,842 | 11,208,762 | 8,668,509 | 2,886,473 | 11,554,982 | 346,220 |
| Benefits | 23,891,299 | 9,427,038 | 33,318,337 | 25,027,506 | 9,829,424 | 34,856,930 | 1,538,593 |
| Books & Supplies | 2,046,305 | 3,873,702 | 5,920,007 | 1,949,306 | 2,762,466 | 4,711,772 | (1,208,235) |
| Services & Operating Expenses | 4,062,518 | 4,080,798 | 8,143,316 | 4,554,309 | 5,005,166 | 9,559,475 | 1,416,159 |
| Capital Outlay | 9,800 | 2,758,816 | 2,768,616 | 4,000 | 0 | 4,000 | (2,764,616) |
| Other Outgo | 457,041 | 2,145,679 | 2,602,720 | 976,731 | 2,448,163 | 3,424,894 | 822,174 |
| Categorical | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL PROJECTED EXPENDITURES | 88,110,564 | 31,872,537 | 119,983,101 | 90,196,036 | 29,470,579 | 119,666,615 | (316,486) |
| Estimated Unspent | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Expenditures (over/under) Revenue | 3,756,275 | (3,448,282) | 307,993 | (5,621,639) | 0 | (5,621,639) | (5,929,632) |

| | 2018-2019 Estimated Actuals | | | 2019-2020 Proposed Budget | | | Change |
|---|--------------------------------|------------------|-------------------|------------------------------|------------------|-------------------|--------------------|
| | UNRESTRICTED | RESTRICTED | TOTAL | UNRESTRICTED | RESTRICTED | TOTAL | |
| FUND BALANCE, RESERVES: | | | | | | | |
| Beginning Balance - July 1 | 21,187,090 | 5,236,012 | 26,423,102 | 24,943,365 | 1,787,730 | 26,731,095 | 307,993 |
| Projected Ending Balance - June 30 | 24,943,365 | 1,787,730 | 26,731,095 | 19,321,726 | 1,787,730 | 21,109,456 | (5,621,639) |
| COMPONENTS OF THE ENDING BALANCE: | | | | | | | |
| <i>Nonspendable:</i> | | | | | | | |
| Revolving Cash Fund | 14,184 | | 14,184 | 15,000 | | 15,000 | 816 |
| Stores Inventory | 45,398 | | 45,398 | 45,000 | | 45,000 | (398) |
| Stores Inventory | 269,338 | | 269,338 | 0 | | 0 | (269,338) |
| <i>Restricted:</i> | | | | | | | |
| Reserve for categorical programs | | 1,787,730 | 1,787,730 | | 1,787,730 | 1,787,730 | 0 |
| <i>Assigned:</i> | | | | | | | |
| Other Commitments | 0 | | 0 | 0 | | 0 | 0 |
| <i>Unassigned:</i> | | | | | | | |
| Other Assignments | 0 | | 0 | 0 | | 0 | 0 |
| Total Components | 328,920 | 1,787,730 | 2,116,650 | 60,000 | 1,787,730 | 1,847,730 | (268,920) |
| RESERVE FOR ECONOMIC UNCERTAINTIES | 24,614,445 | 0 | 24,614,445 | 19,261,726 | 0 | 19,261,726 | (5,352,719) |
| | 20.51% | 0.00% | 20.51% | 16.10% | 0.00% | 16.10% | -4.42% |

Multi Year Projection 2019-2022

| | 2019-2020 | 2020-2021 | 2021-2022 |
|--|---------------|----------------|----------------|
| Total Revenues | \$114,044,976 | \$112,726,954 | \$112,389,628 |
| Total Expenses | \$119,666,615 | \$123,690,185 | \$128,959,901 |
| Surplus (Deficit) | (\$5,621,639) | (\$10,963,231) | (\$16,570,273) |
| Beginning Balance | \$26,731,095 | \$21,109,456 | \$10,146,225 |
| Ending Balance | \$21,109,456 | \$10,146,225 | (\$6,424,048) |
| | | | |
| Restricted Ending Balance | \$1,787,730* | \$1,724,135* | \$1,745,588* |
| Unrestricted Ending Balance | \$19,321,726* | \$8,422,090* | (\$8,186,635)* |
| Total Unrestricted Reserve Percentages | 16.15% | 6.80% | (6.34%) |
| State Required Minimum Reserve Amount (3%) | \$3,589,998 | \$3,710,706 | \$3,868,797 |

Excess Minimum Reserves 2019-20

Reasons for Assigned and Unassigned Ending Fund Balances in Excess of Minimum Recommended Reserves

Education Code Section 42127(a)(2)(B) requires a statement of the reasons that substantiates the need for assigned and unassigned ending fund balances in excess of the minimum reserve standard for economic uncertainties for each fiscal year identified in the budget.

Combined Assigned and Unassigned/unappropriated Fund Balances

| Form | Fund | 2019-20 Budget |
|--|---|-----------------|
| 01 | General Fund/County School Service Fund | \$19,261,726.00 |
| Total Assigned and Unassigned Ending Fund Balances | | \$19,261,726.00 |
| District Standard Reserve Level | | 3% |
| Less District Minimum Reserve for Economic Uncertainties | | \$3,589,998.45 |
| Remaining Balance to Substantiate Need | | \$15,671,727.55 |

Reasons for Fund Balances in Excess of Minimum Reserve for Economic Uncertainties

| Form | Fund | 2019-20 Budget | Description of Need |
|-----------------------------------|---|-----------------|--|
| 01 | General Fund/County School Service Fund | \$15,671,727.55 | To cover 20/21 and 21/22 deficit spending and revenue loss due to declining enrollment |
| Total of Substantiated Needs | | \$15,671,727.55 | |
| Remaining Unsubstantiated Balance | | \$0.00 | Balance should be Zero |

Excess Minimum Reserves 2020-21

Reasons for Assigned and Unassigned Ending Fund Balances in Excess of Minimum Recommended Reserves

Education Code Section 42127(a)(2)(B) requires a statement of the reasons that substantiates the need for assigned and unassigned ending fund balances in excess of the minimum reserve standard for economic uncertainties for each fiscal year identified in the budget.

Combined Assigned and Unassigned/unappropriated Fund Balances

| Form | Fund | 2020-21 Budget |
|--|---|----------------|
| 01 | General Fund/County School Service Fund | \$8,405,591.00 |
| Total Assigned and Unassigned Ending Fund Balances | | \$8,405,591.00 |
| District Standard Reserve Level | | 3% |
| Less District Minimum Reserve for Economic Uncertainties | | \$3,710,705.55 |
| Remaining Balance to Substantiate Need | | \$4,694,885.45 |

Reasons for Fund Balances in Excess of Minimum Reserve for Economic Uncertainties

| Form | Fund | 2020-21 Budget | Description of Need |
|-----------------------------------|---|----------------|--|
| 01 | General Fund/County School Service Fund | \$4,694,885.45 | To cover 21/22 deficit spending and revenue loss due to declining enrollment |
| Total of Substantiated Needs | | \$4,694,885.45 | |
| Remaining Unsubstantiated Balance | | \$0.00 | Balance should be Zero |



Evergreen School District

From strong roots grow bright futures

The 2019-20 Proposed Budget and LCAP are presented for the public hearing, Board review and discussion. The Budget and LCAP will be presented for approval and adoption on June 24, 2019.



Public Hearing