




# Evergreen School District

*From strong roots grow bright futures*

---

**DATE:** August 9, 2018

**TO:** Katherine Gomez, Superintendent and  
The Board of Trustees

**FROM:**  Mary T Stark – Interim Chief Business Officer

**SUBJECT:** **Approve the 45 Day Budget Revisions for 2018-19**

**Background:**

Under Education Code 42127(h), school boards of education have 45 days to revise their adopted budget once the Governor signs the final state budget. The Board approved the 2018-19 Budget, based upon the May Revise, and the Local Control Accountability Plan (LCAP) at their June 14<sup>th</sup> meeting. Governor Brown signed the 2018-19 California State Budget on June 27<sup>th</sup>, 2018.

The 2018-19 Adopted California State Budget Act included the following significant budgetary changes affecting Evergreen School District:

- LCFF funding COLA was increased from an augmented (“super”) COLA of 3.0% to 3.7%. This increase provides additional on-going funds for the current and subsequent two years.
- One-Time Discretionary Funds for 2018-19 were decreased from \$344/ADA to \$184/ADA. This decrease is to one-time funds in the 2018-19 budget only.

**Financial Implications:**

As a result of these changes adjustments to the 2018-19 Budget and two subsequent years in the Multi-Year Projection have been calculated. See the attached recap and updated MYP table.

**Unrestricted General Fund:**

**2018-19:** The Adopted Budget reflected \$96,026,697 in calculated LCFF revenue sources. The 45 Day LCFF calculation is \$96,660,658. **This is a projected LCFF increase of \$633,961.**

Other State Revenue of one-time funds in the Adopted Budget of \$3,792,600 at \$344/ADA was reduced to \$2,028,600 at \$184/ADA. This is a decrease of (\$1,764,000) at \$160 x 11,025 prior year ADA.

2019-20: The MYP reflected \$94,574,134 in the Adopted Budget. The 45 Day LCFF Calculation is \$95,390,323. This is a projected LCFF increase of \$636,189.

2020-21: The MYP reflected \$93,366,673 in the Adopted Budget. The 45 Day LCFF Calculation is \$93,990,004. This is a projected LCFF increase of \$623,331.

**RECOMMENDATION:**

It is recommended that the Governing Board approve the 45 Day Budget revisions for 2018-19 and the MYP.

**EVERGREEN SCHOOL DISTRICT'S MULTI-YEAR PROJECTION (MYP)  
UPDATED BASED UPON FINAL STATE BUDGET "45 DAY REVISE"**

LCFF from 3.0% to 3.7% "Super- COLA"	2018-19	2019-20	2020-21	TOTAL
Adopted Budget	\$96,026,697.00	\$94,754,134.00	\$93,366,673.00	
45 Day Revise	\$96,660,658.00	\$95,390,323.00	\$93,990,004.00	
Difference	\$633,961.00	\$636,189.00	\$623,331.00	\$1,893,481.00

One - Time Funds Reduced from \$344/ADA to \$184/ADA for 11,025 prior year ADA	2018-19	2019-20	2020-21	TOTAL
Adopted Budget	\$3,792,600.00	-	-	
45 Day Revise	\$2,028,600.00	-	-	
Difference	(\$1,764,000.00)	\$	\$	(\$1,764,000.00)

**NET INCREASE TO MYP**

**\$129,481.00**

*JUNE 14TH BUDGET ADDITION*

	6/7/2018	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
		ACTUAL	ACTUAL	ACTUAL	Estimated	BUDGET	BUDGET	BUDGET
<b>SUMMARY</b>								
TOTAL REVENUES		103,340,085	122,235,917	118,005,076	114,181,953	120,578,986	110,901,832	109,454,143
TOTAL EXPENDITURES		105,007,151	114,149,446	115,528,108	116,537,317	116,487,036	117,480,050	119,924,406
SURPLUS/(DEFICIT)		<b>(1,667,065)</b>	8,086,471	2,476,968	<b>(2,355,364)</b>	<b>4,091,950</b>	<b>(6,578,218)</b>	<b>(10,470,263)</b>
BEGINNING BALANCE								
UNRESTRICTED		11,946,220	10,356,533	18,817,642	21,736,909	19,532,005	23,604,662	17,220,386
RESTRICTED		3,672,420	3,595,042	3,220,404	2,778,105	2,627,646	2,646,939	2,452,997
ENDING BALANCE		<b>13,951,575</b>	<b>22,038,046</b>	<b>24,515,014</b>	<b>22,159,650</b>	<b>26,251,601</b>	<b>19,673,383</b>	<b>9,203,120</b>
COMPONENTS OF ENDING BALANCE								
<b>A) NONSPENDABLE</b>								
1 REVOLVING CASH		15,000	15,000	15,000	15,000	15,000	15,000	15,000
2 STORES		49,504	39,664	32,781	39,663	39,663	39,663	39,663
3 PREPAID EXPENDITURES		1,360,418	1,236,417	2,023,878	1,236,416	1,236,417	1,236,417	1,236,418
<b>B) RESTRICTED</b>								
MAIN. RESERVES		299,508	299,508	214,328	77,409	75,281	21,301	563,689
RESTRICTED		3,295,534	2,920,896	2,563,777	2,550,236	2,571,657	2,449,941	2,009,286
<b>C) COMMITTED</b>								
STABILIZATION ARRANGEMENTS		0	0	0	0	0	0	0
OTHER COMMITMENTS		0	3,000,000	3,000,000	3,000,000	0	0	0
<b>D) ASSIGNED</b>								
OTHER ASSIGNMENTS		24,746	34,350	0	0	0	0	0
<b>E) UNASSIGNED/UNAPPROPRIATED</b>								
RESERVE FOR ECO. UNCERTAINTIE		3,150,215	3,424,483	3,465,843	3,496,120	3,494,611	3,524,402	3,597,732
UNASSIGNED/UNAPPROPRIATED		5,756,651	11,067,728	13,199,407	11,744,805	18,818,971	12,386,659	<b>1,741,333</b>
UNRESTRICTED (DEFICIT)/SURPLUS		<b>(1,589,687)</b>	8,461,109	2,919,268	<b>(2,204,906)</b>	<b>4,072,656</b>	<b>(6,384,276)</b>	<b>(10,548,878)</b>
% of AVAILABLE RESERVE		8.48%	12.70%	14.43%	13.08%	19.16%	13.54%	4.45%

m. stark



45 Day REVISE" UPDATE

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
<b>SUMMARY</b>							
TOTAL REVENUES	ACTUAL	ACTUAL	ACTUAL	Estimated	BUDGET	BUDGET	BUDGET
LCFF .7% COLA Increase	103,340,085	122,235,917	118,005,076	114,181,953	120,578,986	110,901,832	109,454,143
One Time Funding Decrease (from \$344 to \$184/ADA * 11,025 ADA)					(1,764,000)	636,189	623,331
TOTAL EXPENDITURES	105,007,151	114,149,446	115,528,108	116,537,317	116,487,036	117,480,050	119,924,406
SURPLUS/(DEFICIT)	(1,667,065)	8,086,471	2,476,968	(2,355,364)	2,961,911	(5,942,029)	(9,846,932)
BEGINNING BALANCE							
UNRESTRICTED	11,946,220	10,356,533	18,817,642	21,736,909	19,532,005	22,474,623	16,726,538
RESTRICTED	3,672,420	3,595,042	3,220,404	2,778,105	2,627,646	2,646,939	2,452,997
ENDING BALANCE	13,951,575	22,038,046	24,515,014	22,159,650	25,121,562	19,179,533	9,332,603
<b>COMPONENTS OF ENDING BALANCE</b>							
A) NONSPENDABLE							
1 REVOLVING CASH	15,000	15,000	15,000	15,000	15,000	15,000	15,000
2 STORES	49,504	39,664	32,781	39,663	39,663	39,663	39,663
3 PREPAID EXPENDITURES	1,360,418	1,236,417	2,023,878	1,236,416	1,236,417	1,236,417	1,236,418
B) RESTRICTED							
MAIN. RESERVES	299,508	299,508	214,328	77,409	75,281	21,301	563,689
RESTRICTED	3,295,534	2,920,896	2,563,777	2,550,236	2,571,657	2,449,941	2,009,286
C) COMMITTED							
STABILIZATION ARRANGEMENTS	0	0	0	0	0	0	0
OTHER COMMITMENTS	0	3,000,000	3,000,000	3,000,000	0	0	0
D) ASSIGNED							
OTHER ASSIGNMENTS	24,746	34,350	0	0	0	0	0
E) UNASSIGNED/UNAPPROPRIATED							
RESERVE FOR ECO. UNCERTAINTIES	3,150,215	3,424,483	3,465,843	3,496,120	3,494,611	3,524,402	3,597,732
UNASSIGNED/UNAPPROPRIATED	5,756,651	11,067,728	13,199,407	11,744,805	17,688,932	11,892,809	1,870,815
	13,951,575	22,038,046	24,515,014	22,159,649	25,121,561	19,179,533	9,332,603
UNRESTRICTED (DEFICIT)/SURPLUS	(1,589,687)	8,461,109	2,919,268	(2,204,906)	2,942,617	(5,766,332)	(9,948,662)
% of AVAILABLE RESERVE	8.48%	12.70%	14.43%	13.08%	18.19%	13.12%	4.56%

m. stark