



**State Enacted Budget
Key Items:
LCFF COLA, Cash Deferrals, and
Federal Funds**

Board Meeting
July 16, 2020
Agenda Item No. 9.1

Budget Update Presentation Agenda

- State Budget signed June 29, 2020
 - Three Key Items
 1. 0% COLA for LCFF Funds
 2. Additional Cash Deferrals
 3. Federal Funds
- Projected Cash in 2020-21 through 2022-2023
- *Updates per 7/14/20 School Services of California webinar: Enacted State Budget*
- Next Budget Update – August 2020

0% LCFF COLA

- Adopted budget based on a 2.3% COLA and a -10% deficit factor, effective COLA -7.92%
- State budget eliminated both the COLA and the deficit, leaving LCFF base funding rates flat
- Impact to District is projected revenue improvement

0% COLA

Projected LCFF Funding Comparing May Revise to 2020-2021 State Enacted Budget			
LCFF COLA	2020-2021	2021-22	2022-23
May Revise (District Adopted Budget)			
Negative 10% COLA	379,071,064	378,590,692	376,294,525
2020-21 State Enacted Budget 0% COLA	411,831,038	411,322,442	408,828,646
Projected Increase in LCFF Revenue	32,759,974	32,731,750	32,534,121

Additional Cash Deferrals

- State budget increased the cash deferrals by approximately \$12 billion
- February through June for both fiscal years 2020-2021 and 2021-2022
- For the District this represents approximately \$40 million in additional cash deferrals each year. *Update: total deferrals approximately equal to adopted budget*
- Decreases the District's projected cash balance at 6/30/21 by \$26M for a projected ending cash balance of -\$111M *Update: projected ending cash balance @ 6/31/21 -\$85.5M*

Additional Cash Deferrals

Cash Flow Assumptions *(pre-SSC webinar)*

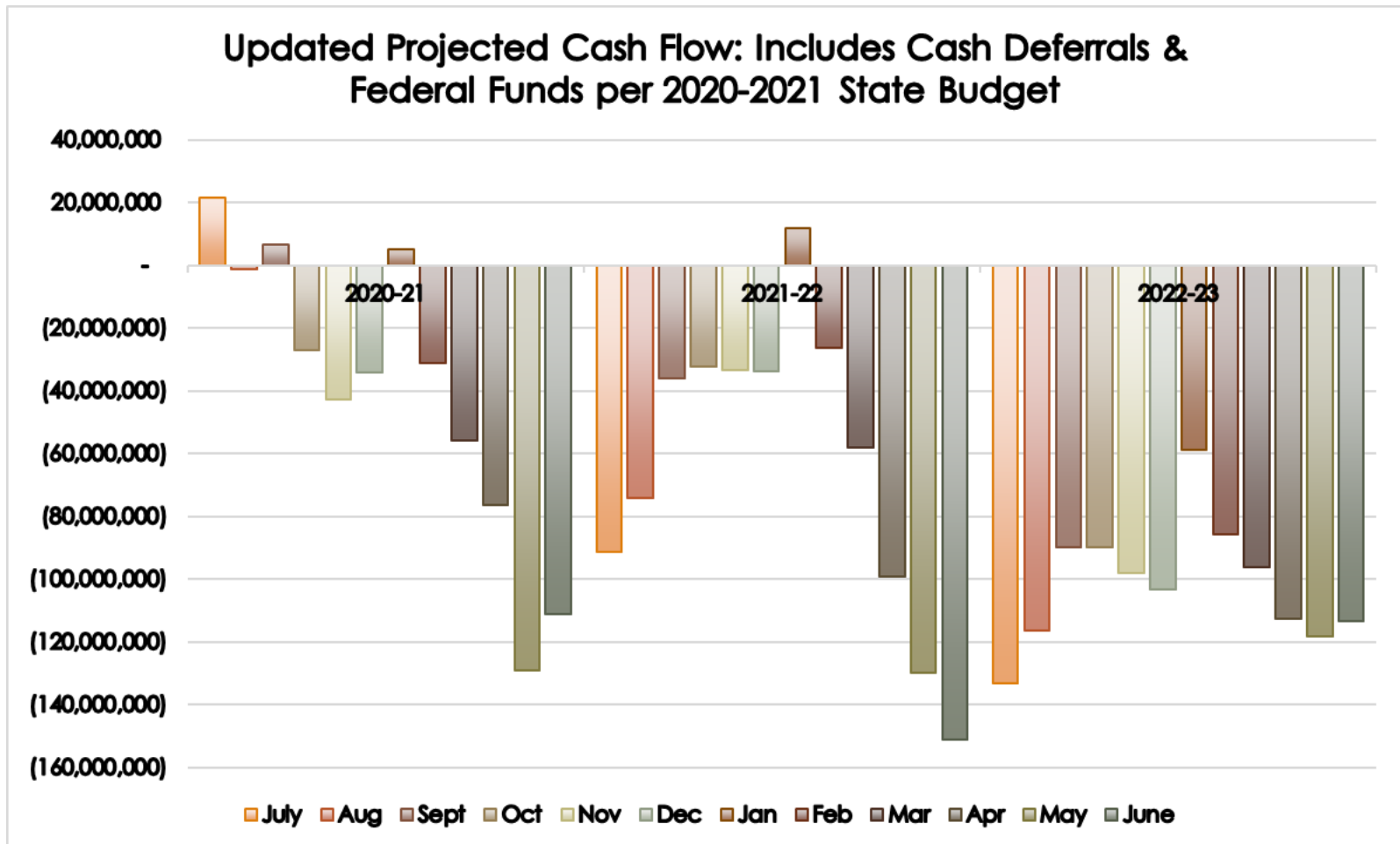
- Additional Deferrals \$40M approximately *total deferrals about the same as Adopted Budget*
- For Federal Funds ESSERF 100% expended & received in 2020-2021 \$15.8M *no change from Adopted Budget*
- For Federal Funds GEER/CVR (Learning Loss Mitigation) 100% expended & 75% revenue received in 2020-2021 ~~\$39.7M~~ *revised total \$40.5M and change in spending deadline to 9/30/2021 for GEER portion of Spec Ed funding*

Additional Cash Deferrals

Projected Cash Deferrals	20-21	21-22	22-23
February 50% deferred to November (new deferral)	\$ 13,500,000	\$ 13,300,000	
March 100% deferred to October (new deferral)	\$ 27,000,000	\$ 26,500,000	
April 100% deferred to September	\$ 27,000,000	\$ 26,500,000	
May 100% deferred to August	\$ 27,000,000	\$ 26,500,000	
June 100% deferred to July	\$ 27,000,000	\$ 26,500,000	
Total Projected Deferrals	\$ 121,500,000	\$ 119,300,000	\$ -
<i>Update: Change in % Deferred</i>	<i>\$ (25,600,000)</i>	<i>\$ (25,200,000)</i>	
<i>Update: Total Projected Deferrals</i>	<i>\$ 95,900,000</i>	<i>\$ 94,100,000</i>	

Additional Cash Deferrals

*to be updated pending additional details: expenditure deadline for Federal Funds
(Learning Loss Mitigation Funds – portion of Spec Ed)*



Federal Funds

Title	Amount	Allowable Uses	Time Constraints
Elementary and Secondary School Emergency Relief (ESSER)	1X \$15.8M Based on a proportionate share of 2019 Title 1 Part A Funds Funds received after expenditures are incurred.	<ul style="list-style-type: none"> • COVID-19 response activities • Any other purpose supported by federal elementary and secondary education laws 	Expenses incurred on or after March 13, 2020 through September 30, 2022

Federal Funds

Title	Amount	Allowable Uses	Time Constraints
New Item Governor's Emergency Education Relief (GEER) and Coronavirus Relief Fund (CRF) AKA Learning Loss Mitigation Funds	1X \$39.8M \$40.5M based on: 1. 2019 Fall Count Special Ed Students \$12.5M 2. Proportionate share of 2019-20 Supplemental & Concentration \$6.35M 3. Proportionate share of 2019-20 LCFF \$21.65M Funds received after expenditures are incurred.	Four general categories: 1. Student Learning Supports 2. General Measures that extend instructional time for students 3. Additional core academic support for students who need it 4. Integrated services that support teaching and learning	Expenses incurred on or after March 1, 2020 through December 31, 2020 <i>Update: Portion of Special Ed allocation extended spending deadline to 9/30/2021</i>

District's Next Budget Dates

- August 2020 – District Budget and Cash Flow Update
- October 2020 – Revised Proposed District Budget for Fiscal Year 2021-2020

Questions?