

Preliminary Draft

Budget Development Assumptions

- Local Control Funding Formula (LCFF) calculator and Cost of Living Adjustment (COLA): 2.31% COLA for 20/21, then a 10% reduction (net -7.92% reduction)
 - STRS/PERS – one year relief but bounces back in the 3rd year
 - increase to Special Education augmentation from \$557 to \$625, net change helps to reduce contribution
 - 10-50% reduction in categoricals including transportation, provided reduced as proposed
 - Federal budgets unclear at this time
 - PARS approval (retirement program – June 8 board meeting) - \$1.7M
 - Excessive expenditure budgets reduced to actual spending patterns
- * Net effect of these, which you will see at budget adoption, is our ending fund balance going from \$10.5M in unassigned reserves to \$0 in unassigned reserves
- * Expenditure adjustments in Special Education to reduce encroachment.
- * Nets a budget that still has a structural deficit, but keeps us positive for 20/21 only.
- * We still have a significant structural deficit.