

Travis Unified School District Budget Workshop

October 30, 2000

Outline of Workshop

- I. Overview of California School Finance
- II. A Typical California Revenue & Expenditure Budget
- III. Budget Calendar
- IV. Travis Revenues & Expenditures
- V. Travis Budget Details
- VI. Challenges & Opportunities
- VII. A Final Thought

What is a Budget?

- In Simplest Form:

Proposed plan for revenues and expenditures for following fiscal years.

- In Typical Form:

Proposed plan for revenues and expenditure in a format the meets County and State requirements.

What Is a Budget? (con't)

In Optimum Form:

- A policy document – to reflect the philosophy of the Board, the Administration, the education community
- A financial plan – to show where you've been and where you are going
- An operations guide – to guide administrative decisions and actions throughout the year
- A communications device – to share with the community the strengths and challenges of the instructional program

Overview

- Prior to 1978, schools were almost completely locally funded from property taxes
 - Even then Travis was an exception
- Prop 13 changed the way schools received revenue
- Serrano-Priest decision changed the amount of revenue some districts received and established the concept of the revenue limit

Simplified Overview of School Finance

- Pre 1978 locally funded
- Post 1978 (Prop 13 Tax Revolt) burden shifts to State
- About the same time, Serrano-Priest decision moving through the courts on equity in revenue for school districts
- Concept of Revenue Limit
- Prop 98 (1988) approved by voter to guarantee funding to schools
 - 3 conditions outlined

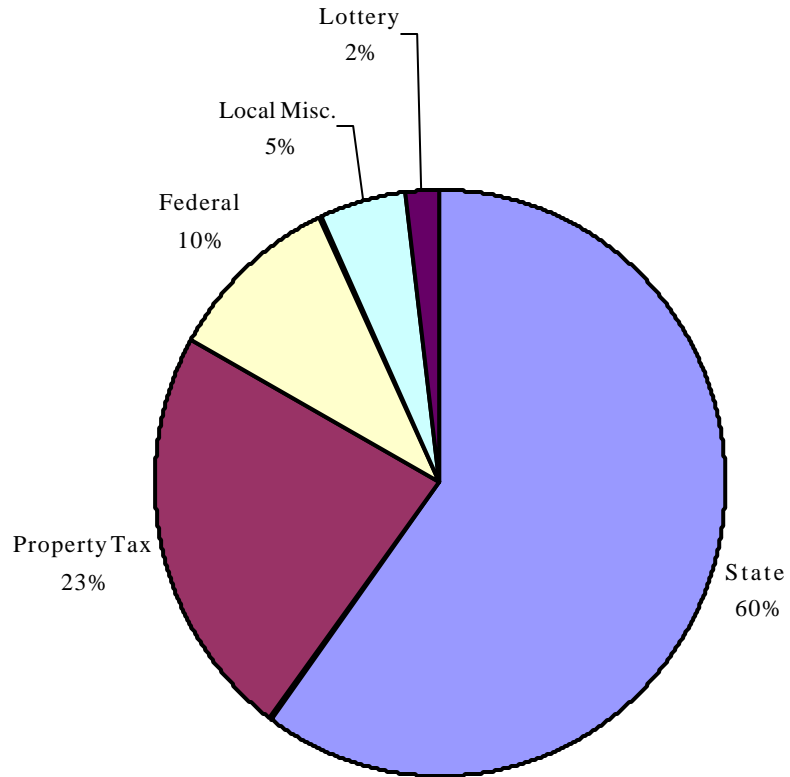
Local control eroded by increased restricted or designated revenue source

Fiscal Golden Rule:

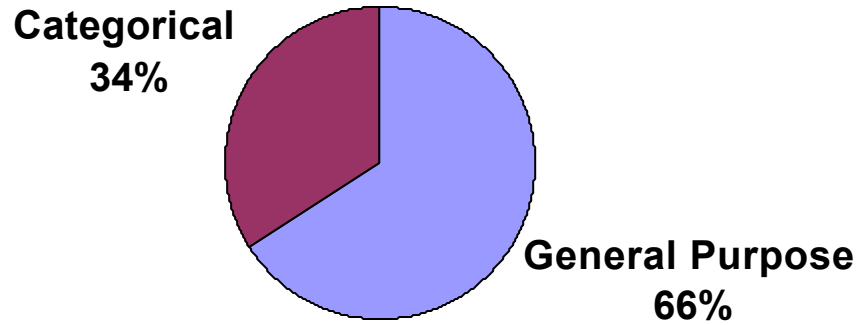
“He who has the Gold makes the Rules”

Sources of Revenue for K12 Education

K-12 Statewide Averages



Split Between General Purpose Revenues and Earmarked Funds Average K-12 School District



Budget Calendar

- January – Governors Budget
- February thru April – District budget development
- May Revise
- June 30 – District Budget Submission
- September 15 ??? – 45 Day Revision
- October 31 – end of first interim
- January 31 – end of second interim
- April thru May – prepare for end of year
- June 30 – end of fiscal year
- July thru August – close books
- October thru December external audit

Types of Revenue



General Purpose – Unrestricted

\$ All of the dollars are used for general purpose operations



General Purpose – Partially Restricted

\$ All or some of the dollars are earmarked by state or federal law for specific objectives - CSR



Categorical – Totally Restricted

\$ All of the dollars are earmarked by state or federal law for specific objectives

Major Components of the Revenue Limit

Base Revenue Limit

+ COLA

- Deficit Factor

+ Meals for Needy Pupils

+ Summer School

+ Longer School Day and Year

Other Adjustments (- PERS Reduction)

AVERAGE REVENUE LIMITS

	1999-00 Base Revenue Limit	1999-00 Deficited Base Revenue Limit	2000-01 Base Revenue Limit	Change Over Prior Year	
Unified Districts				\$	%
Very High	5,147	4,786.92	5,285.00	498.08	10.41%
High	4,647	4,321.90	4,785.00	463.10	10.72%
Average	4,347	4,042.88	4,485.00	442.12	10.94%
Low	4,297	3,996.38	4,435.00	438.62	10.98%

Examples of Categorical Aid

 Special Education

 Class Size Reduction
-- K-3 and 9

 Transportation

 Deferred Maintenance

 Digital High School

 Instructional Materials

 School Improvement
Program

 Block Grants

 Instructional Materials
-- Standards Based





 Mentor and PAR

 School Library
Materials

 Staff Development
Days Buyout

 ISI

Other Sources of General Fund Revenue from The State

-  Mandated Costs Reimbursement
-  Legislative Programs
-  Lottery
-  Special Ed Settlement ???

Local Sources of Revenue

 Interest

 Rebates

 Donations

General Fund Revenues from Federal Sources

 Impact Aid

 Title I

 Special Education

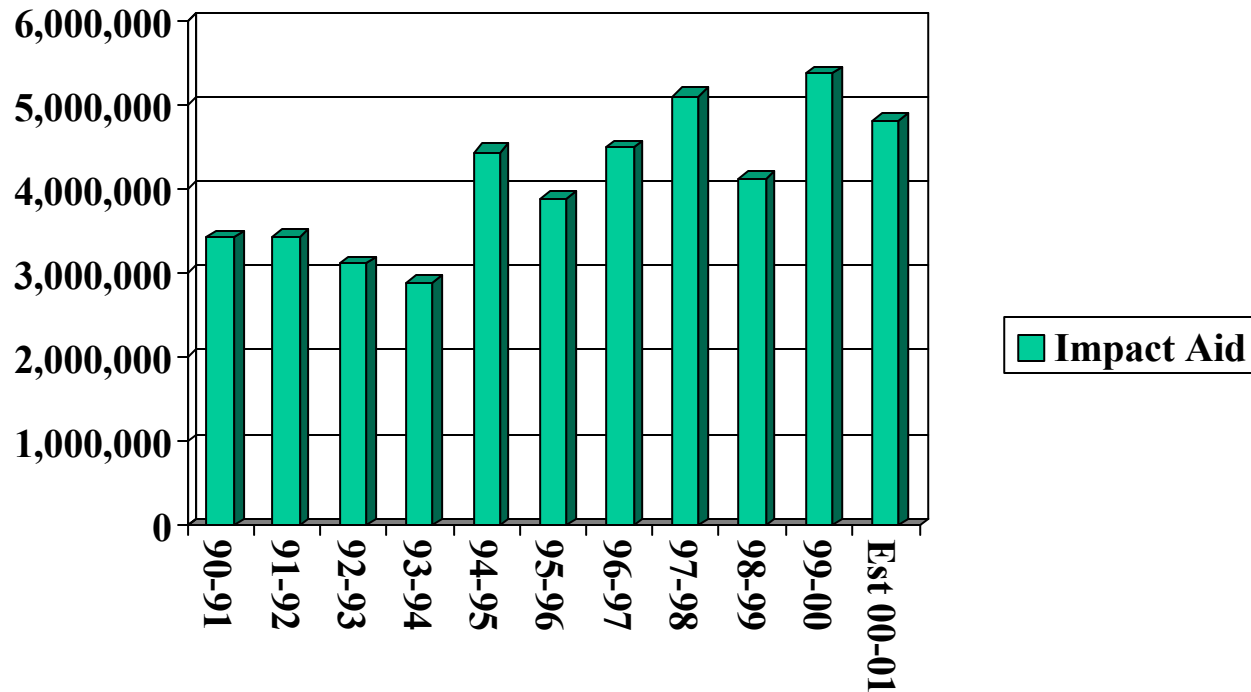
 Drug, Alcohol, and Tobacco

 Eisenhower Math

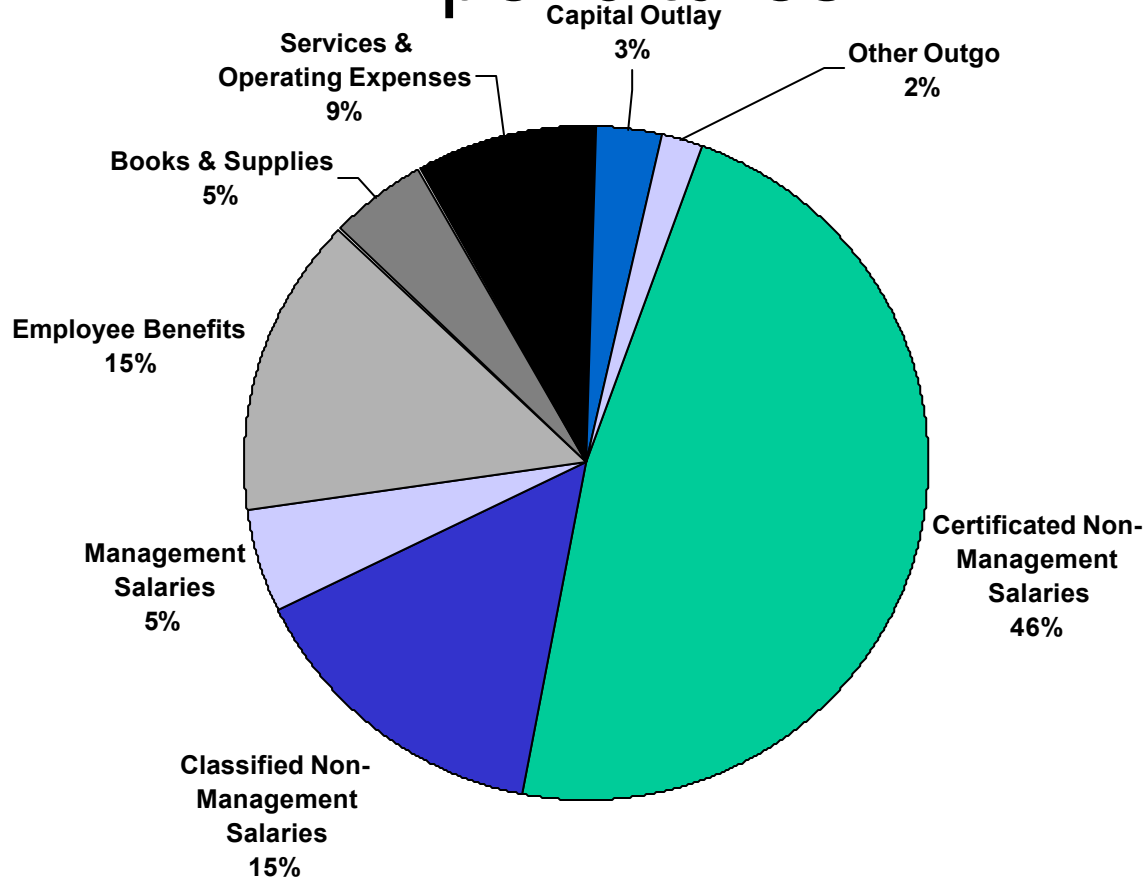
 Class Size

 Preschool

TUSD History of Revenues from Impact Aid



K-12 Statewide Average Expenditures



In Addition to the General Fund

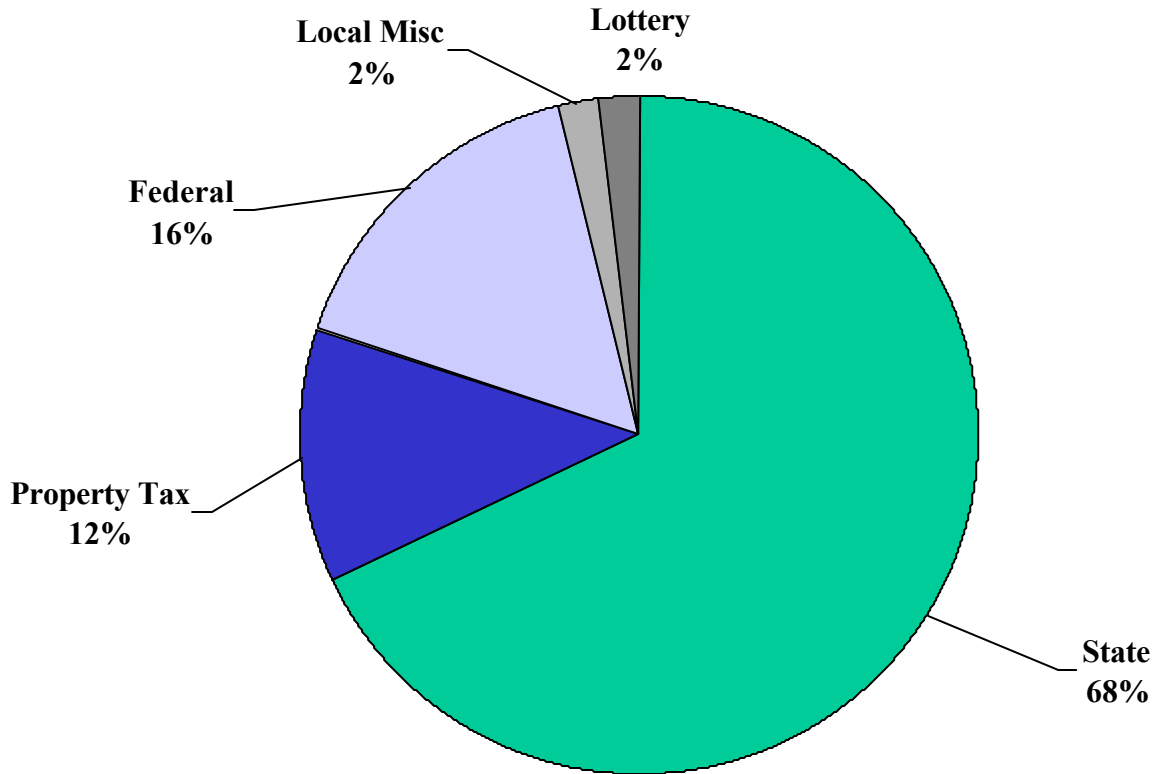
- Capital Facility
- Mello Roos X 2
- Cafeteria
- Student Body
- Adult Education

How Does Travis Compare?

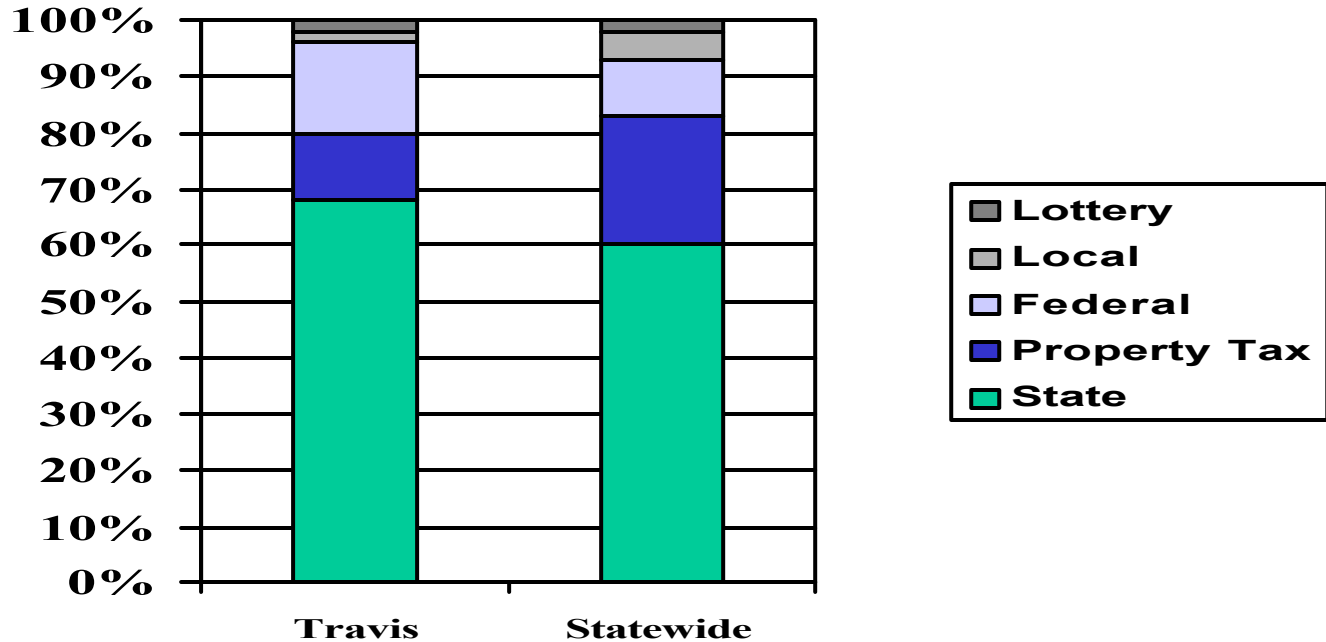
REVENUE LIMIT COMPARISONS

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Travis USD	4,242	3,945.28	4,380.05	434.77	11.02%

2000-2001 Revenues



State and Travis Revenues Compared



COLA


 Revenue Limit Sources


 65% of Revenue –
received 11.02%

 Impact Aid Source

 14% of Revenue –
received **-8.55%**

 Federal Revenue

 2% of Revenue –
received estimated
3.43%

 Other State
Revenue

 17% of Revenue –
received 3.17%

 Other Local and
Other Sources

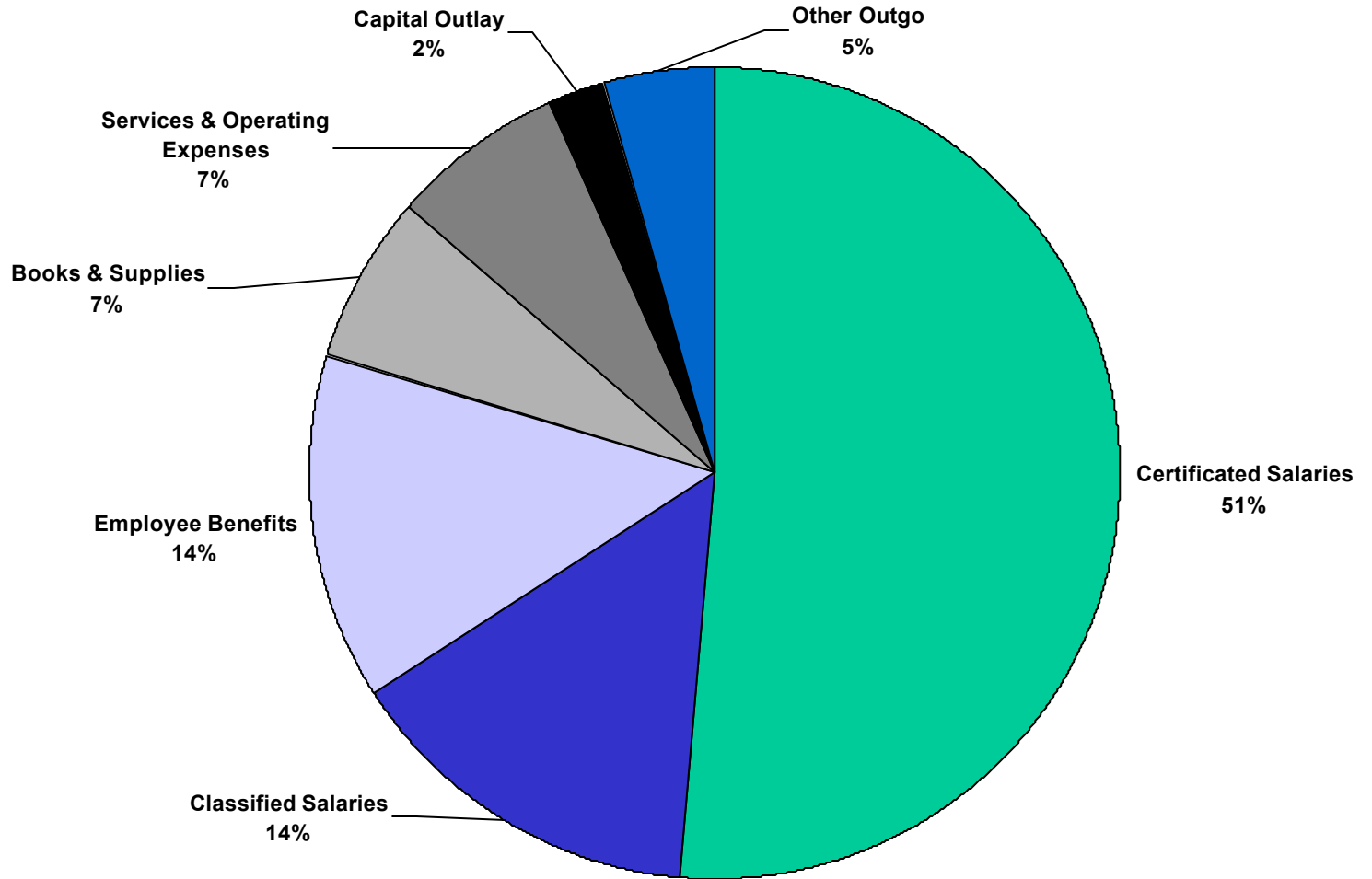
 2% of Revenue –
received 3.17%

What Does This Add Up To??

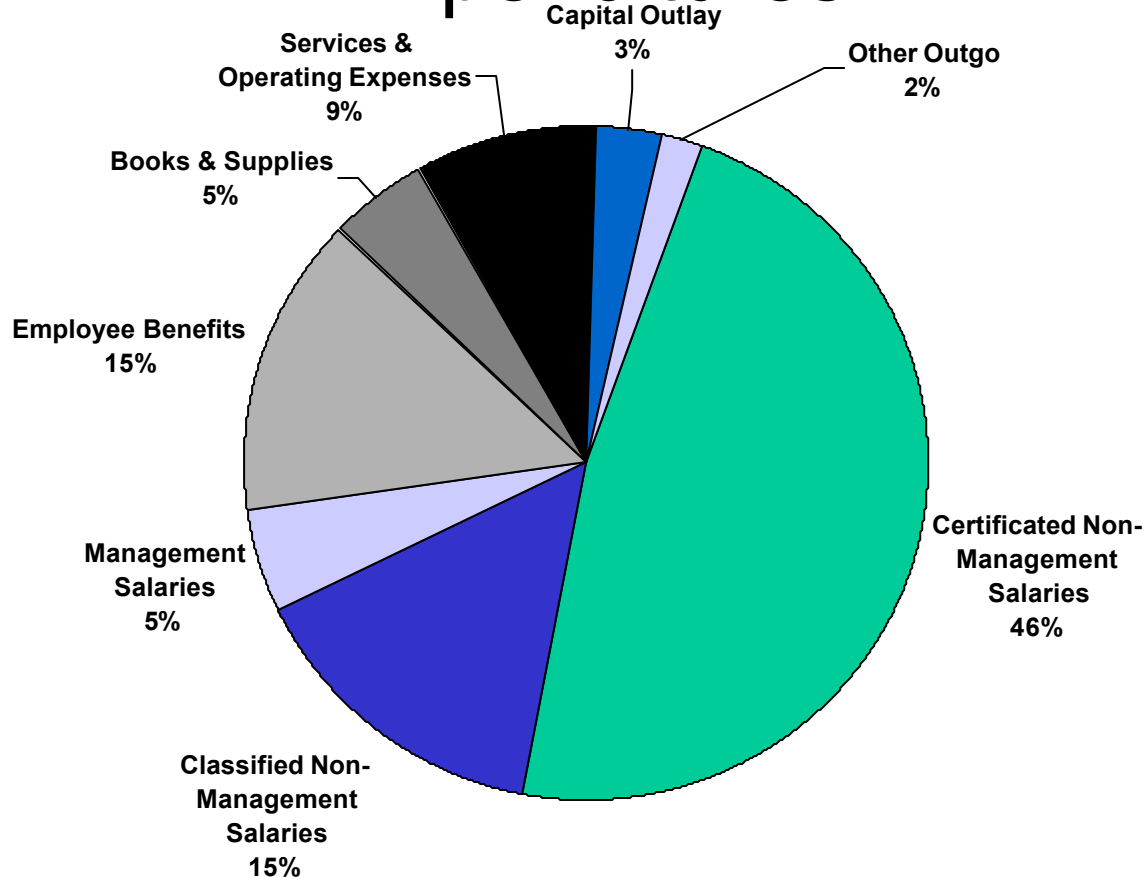
Blended COLA

7.50%

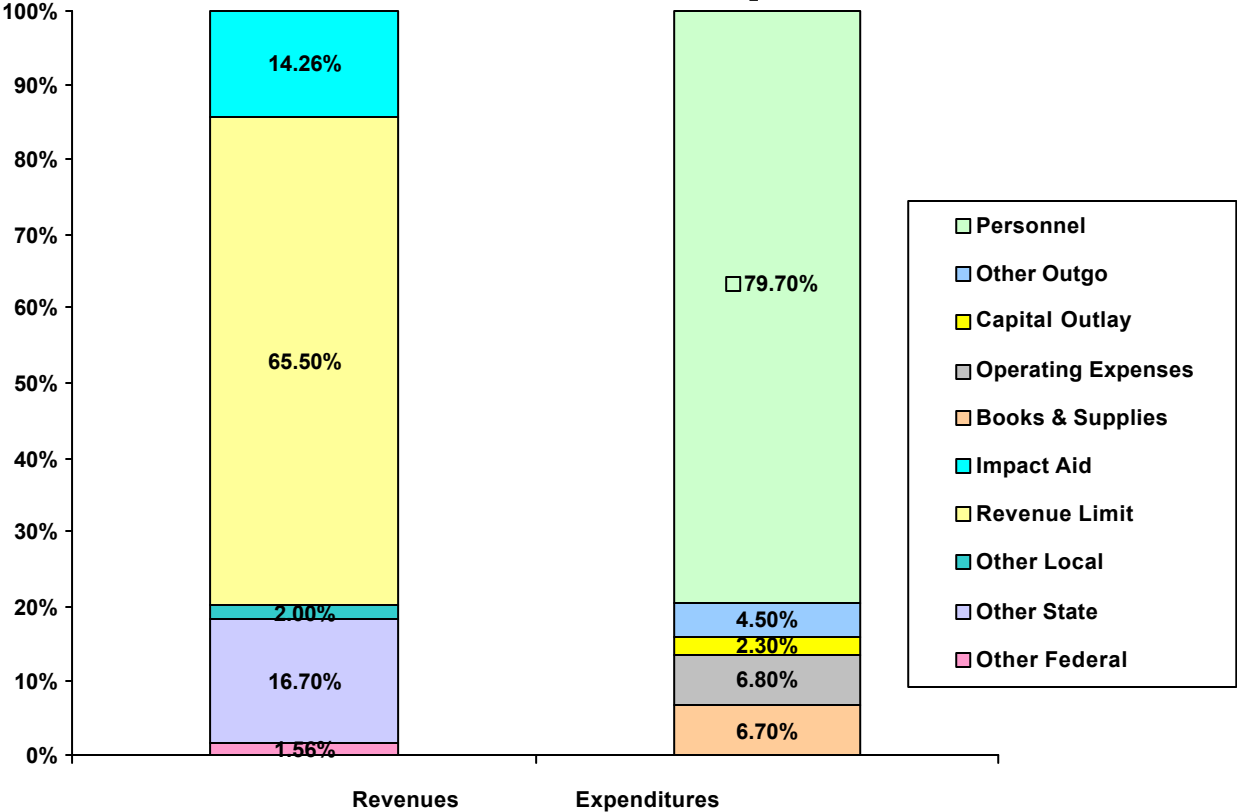
2000-2001 Budget Expenditures



K-12 Statewide Average Expenditures



TUSD Comparison of Revenues and Expenditures



Good News / Bad News

- 99/00 Impact Aid was 16.48 % of our Budgeted Revenue
- 99/00 Large amount to depend on for lobbying & federal appropriations
- 00/01 Deficit Reduction eliminated from Revenue Limit
- 00/01 Impact Aid estimated to decrease by \$556,585
- 00/01 Lower % of dependence on Impact Aid
- 00/01 Receiving less Impact Aid – less money for facilities

PRIOR YEAR ACTUALS TO CURRENT YEAR BUDGET COMPARISON

		98-99 Audited Acutals	99-00 Unaudited Actuals	00-01 Proposed Budget
Revenue Limit Sources		17,774,759	19,670,953	22,088,559
Federal Revenue		4,134,360	5,758,231	5,336,318
Other State Revenues		4,957,737	6,201,978	5,625,988
Other Local Revenues		712,723	928,438	481,054
Total Revenues		27,579,579	32,559,600	33,531,919
Certificated Salaries		14,985,256	16,852,881	17,078,343
Classified Salaries		3,947,361	4,301,697	4,761,558
Employee Benefits		3,812,623	3,662,578	4,568,296
Books and Supplies		1,275,122	1,462,511	2,210,290
Services, Other Operating		2,114,158	2,254,507	2,260,663
Capital Outlay		463,084	939,352	757,451
Other Outgo		841,101	1,040,327	404,500
Direct Support		(47,581)	(37,767)	0
Total Expenditures		27,391,124	30,476,086	32,041,101
Other sources				193,618
Other Financing/uses		71,338	(580,951)	(1,097,377)
Change in fund balance		259,793	1,502,563	587,059
Beginning Fund Balance		1,985,620	2,497,861	4,000,558
Ending Fund Balance		2,245,413	4,000,424	4,587,617

Critical Facility Needs

- Center Power Upgrade
 - \$100,000
- Vanden Roofs
 - \$37,000
- Vanden Walkways
 - \$134,000
- Vanden/TEC Landscaping
 - \$75,000
- Scandia Roofs
 - \$100,000
- Asphalt/Cement Work
 - \$164,000
- Additional Lighting
 - \$10,000
- Carpet at Sites and DO
 - \$110,000

Other Challenges and Opportunities

- State Modernization Funding
- Bonding Capacity
- Future Growth Trends
- Growth Funding
 - LA Lawsuit
 - Forward Funding of Architect Fees
- Impact Aid Construction Funding Restrictions

Common Sources of Confusion and Questions

- Uncertainty of Impact Aid
- Different Federal and State Budget Cycles
- Late State and Federal Budget Approvals
- Budget Beginning Balance Changes with Closing of Books and Unaudited Actuals
- Carryovers and Deferred Revenues

A Final Thought

- The Budget is:
 - A Planning Document
 - A Working Document
 - A Living Document
 - A Monitoring Document
 - A Reporting Document
 - An Easily Understood Document