



**LONG BEACH UNIFIED SCHOOL
DISTRICT
2020-21 BUDGET**



June 2, 2020

CALIFORNIA STATE BUDGET

- May Revision
- Adoption of State Budget this month
- August Revision
 - Personal Income Tax deadline shift

Continuing Issues

- *Life of the virus*
- *Consumer confidence and spending*
- *Revival of small and large businesses*
- *Federal unemployment benefits*
- *Performance of world economy*

MAY REVISION

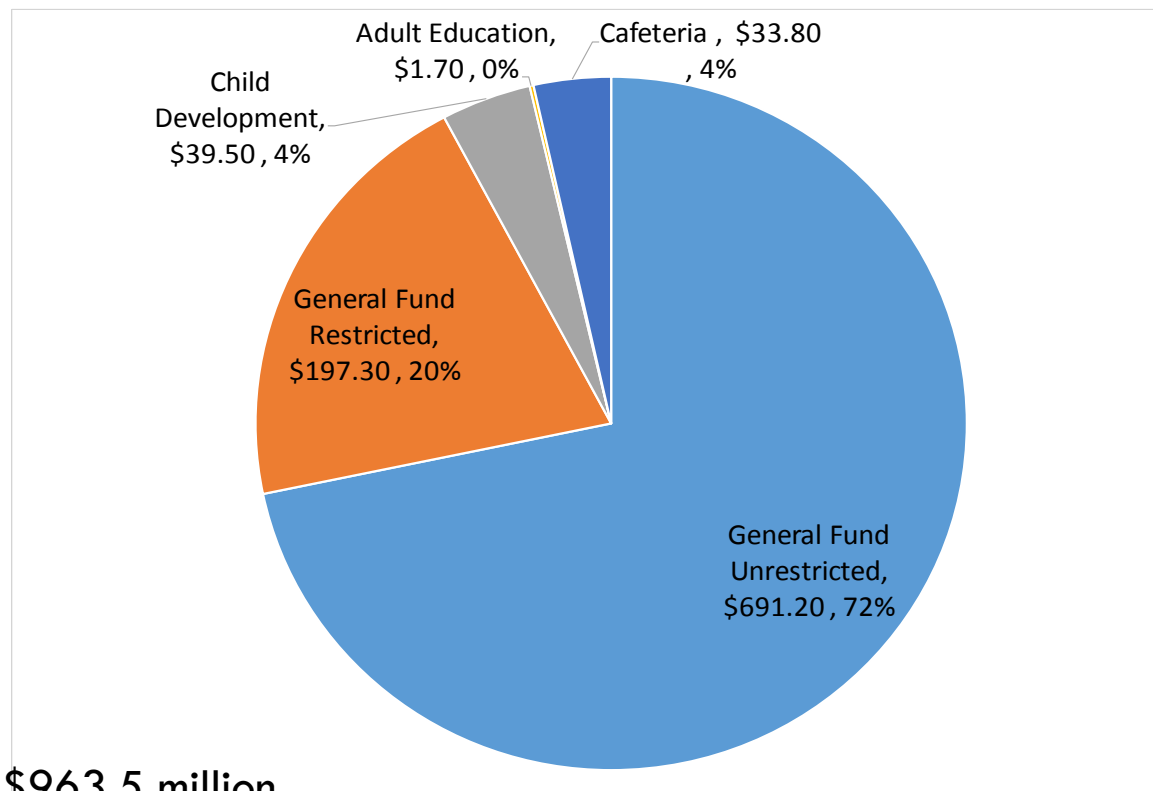
- Eleven years of economic expansion came to an abrupt halt this year.
- CA jobless rate 15.5% in April; likely to reach 23% when reported for May
- May Revision based on a \$54 billion shortfall for 2019-20 and 2020-21

2020-21 GOVERNOR'S MAY REVISION

- 10% reduction in LCFF and categorical programs*
- Cash deferrals
- Temporary relief from STRS and PERS increases
- Commitment to increased special education funding
- CARES Act funding of \$4.4 billion

**Cuts would be reversed if federal aid was available*

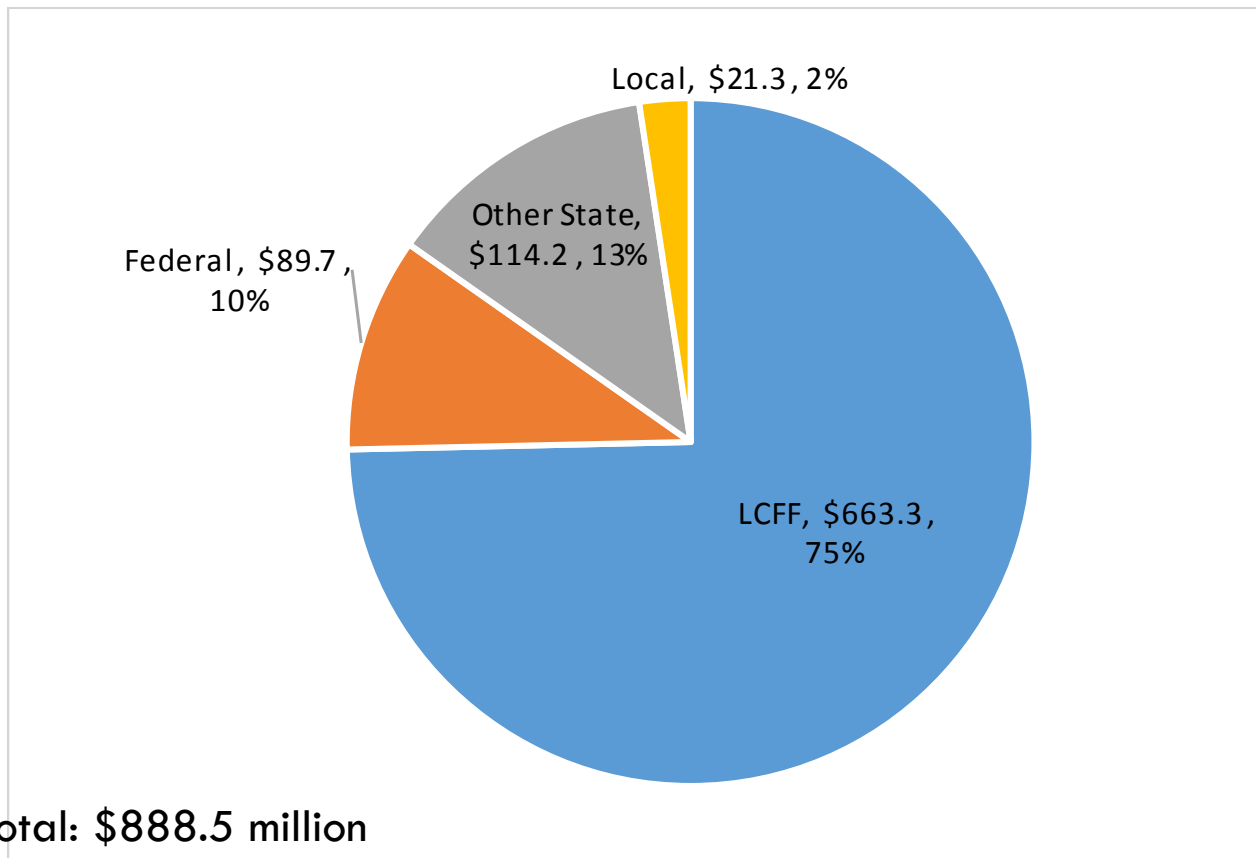
2020-21 OPERATING REVENUES (\$MILLIONS)



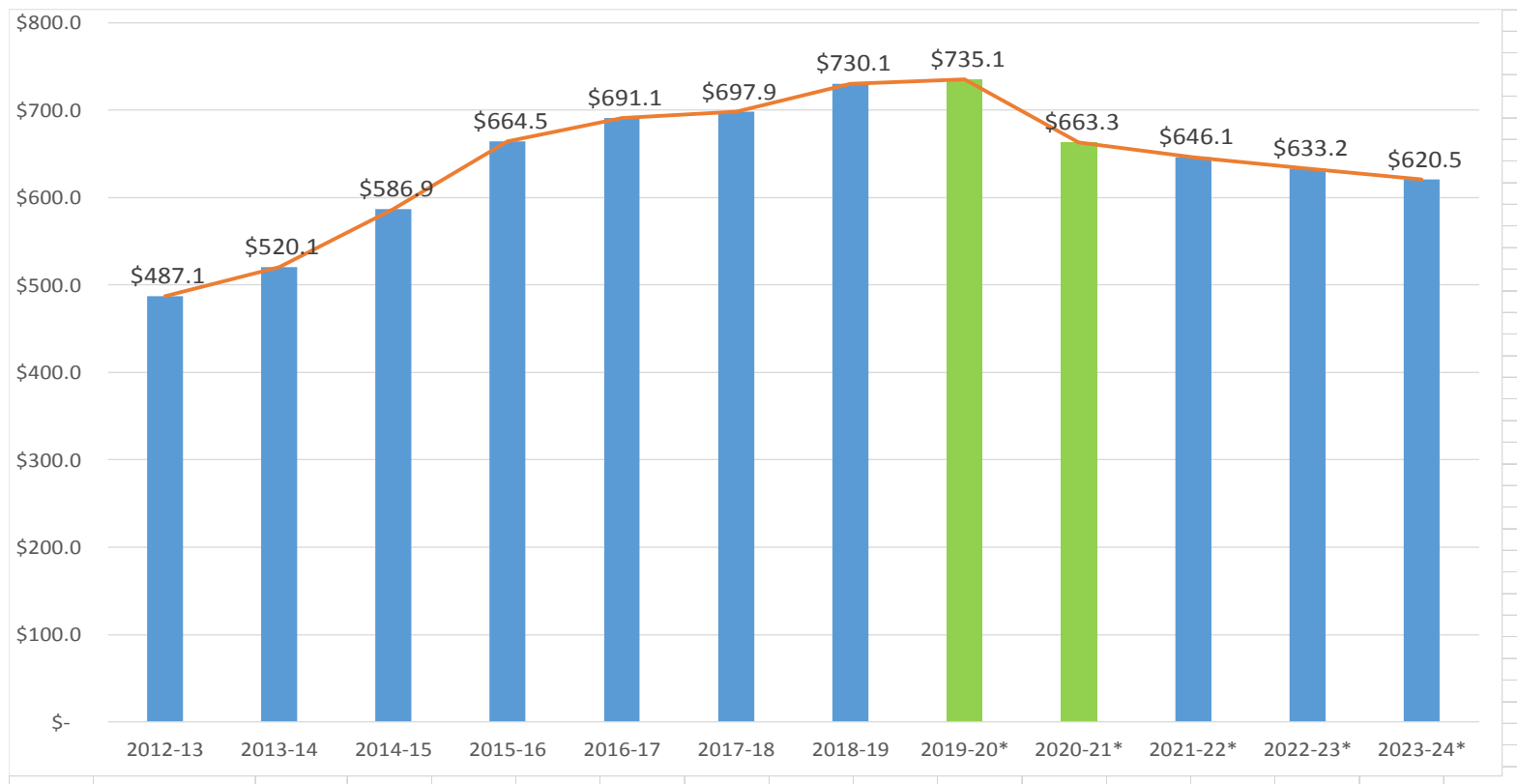
Total: \$963.5 million

2020-21 GENERAL FUND REVENUES

(\$MILLIONS)



LCFF 2012-13 THROUGH 2023-24 (\$MILLIONS)



*Projected

FEDERAL REVENUES

- CARES Act funding direct to districts
 - Included \$20 million in budget
- \$4.4 billion of CARES Act funding
 - Mitigate learning loss
 - Must be spent by December 2020
- Title I, II, III programs, Head Start, Child Nutrition
 - No known reductions at this time

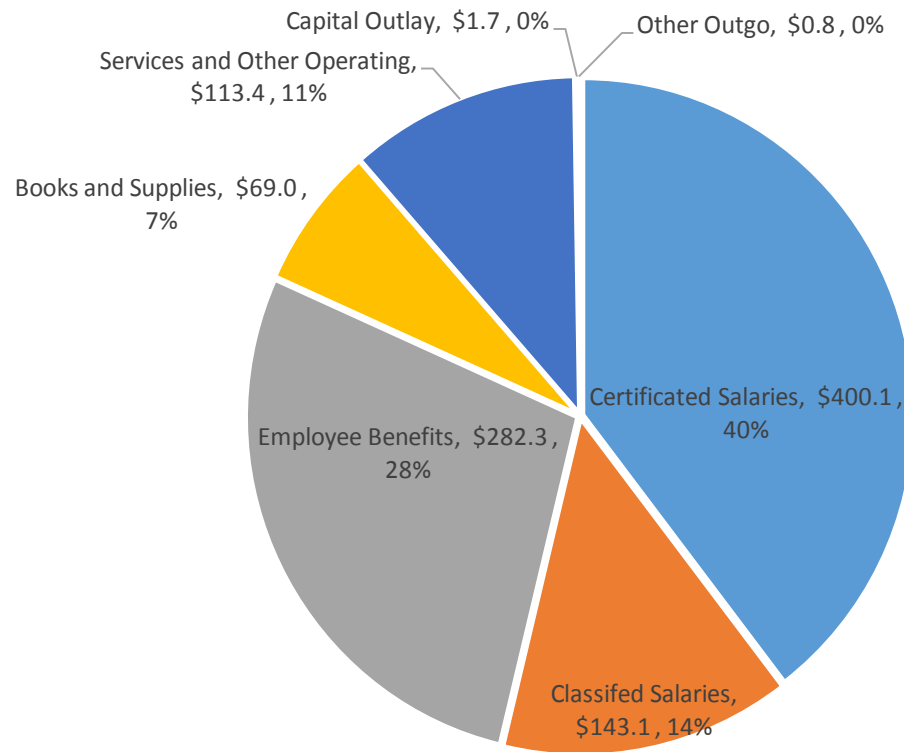
DEFERRALS RETURN

- Delay in cash payments to districts (IOU)
- Rely on cash balances
- Interfund borrowing
- Borrow cash short term (Tax and Revenue Anticipation Notes- TRANS)

EXPENSES

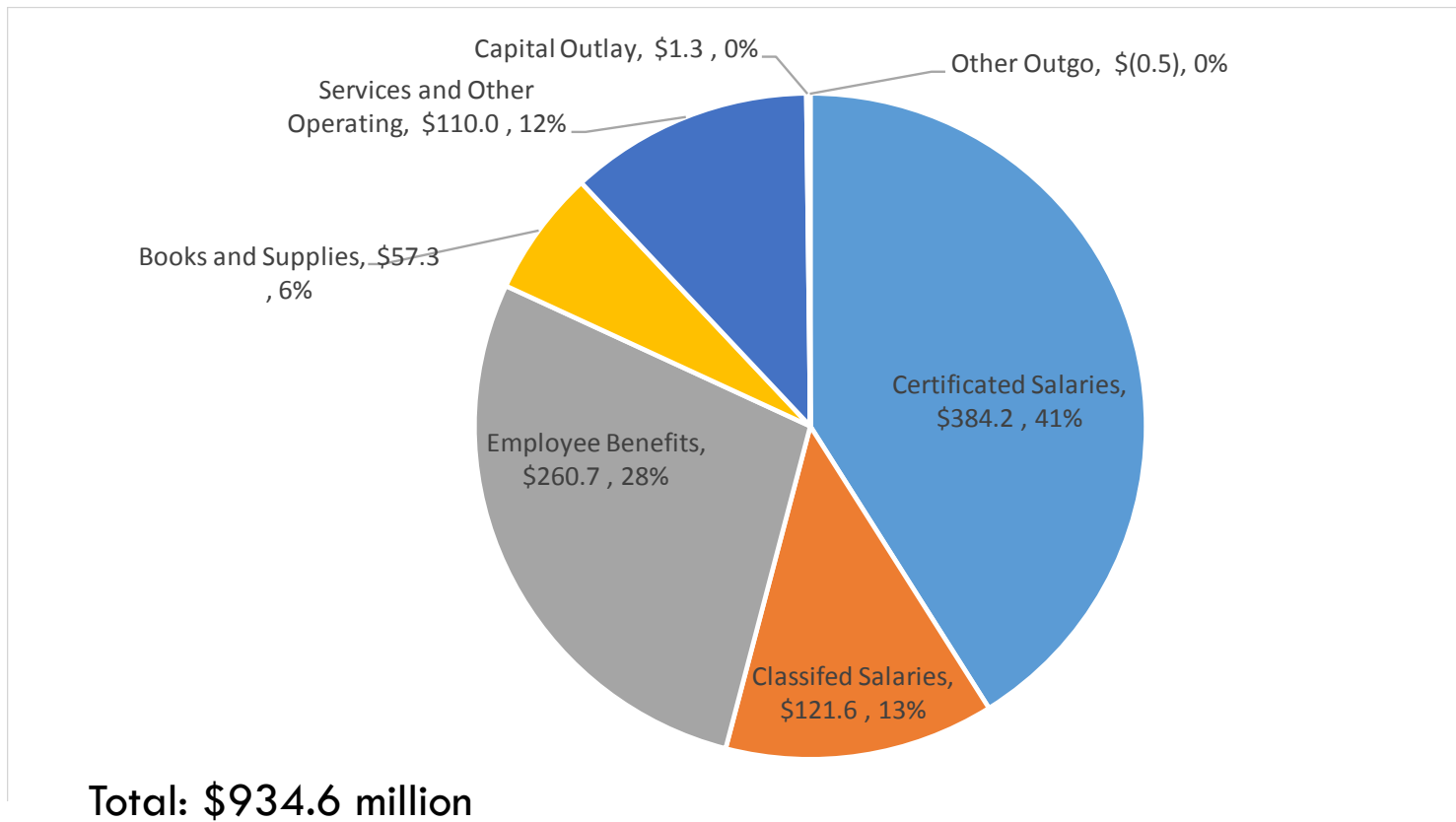
- All known program expenses
- Does not include expenses related to new standards or requirements for reopening of school

2020-21 OPERATING FUNDS EXPENSES (\$MILLIONS)



Total: \$1,010.4 million

2020-21 GENERAL FUND EXPENSES (\$MILLIONS)

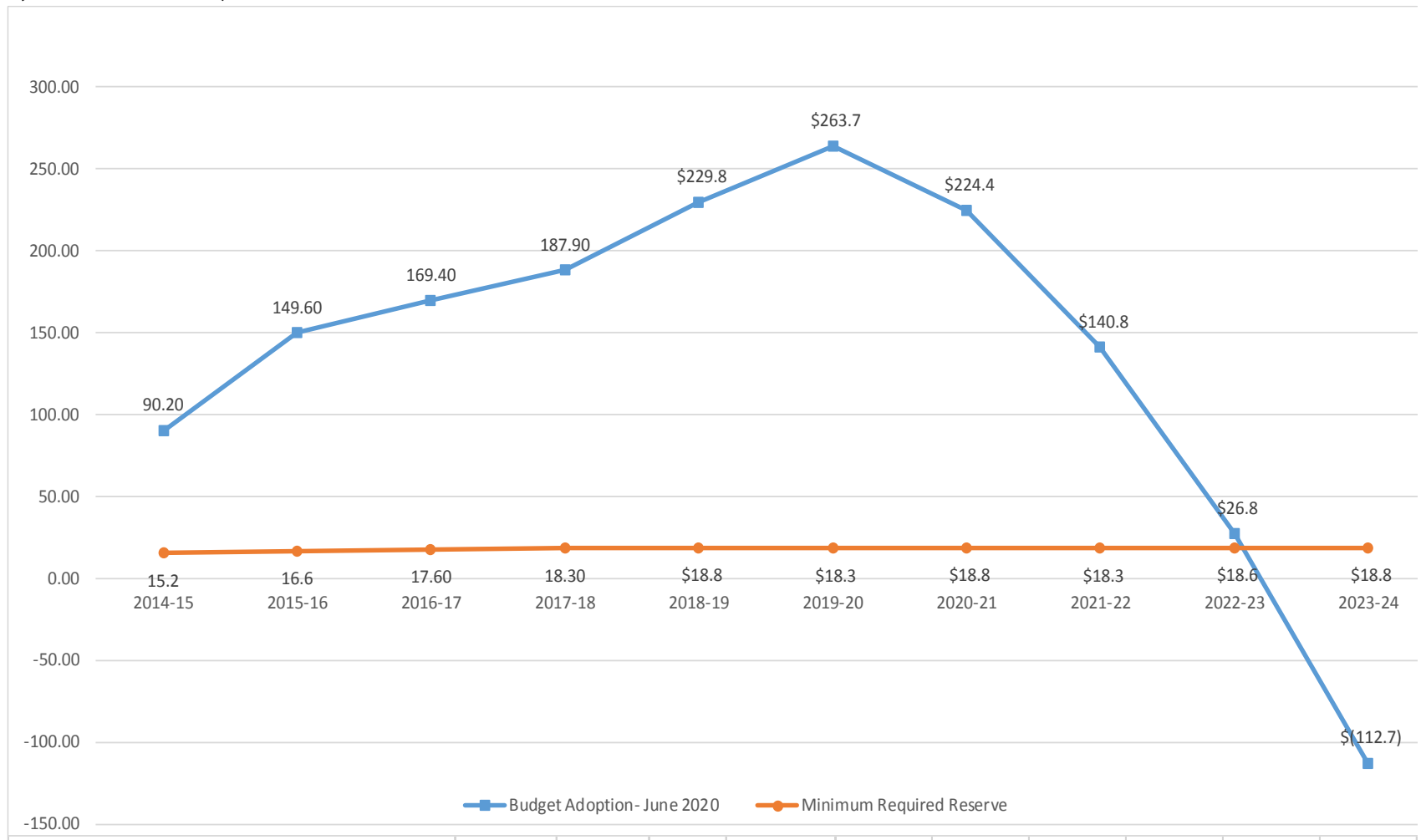


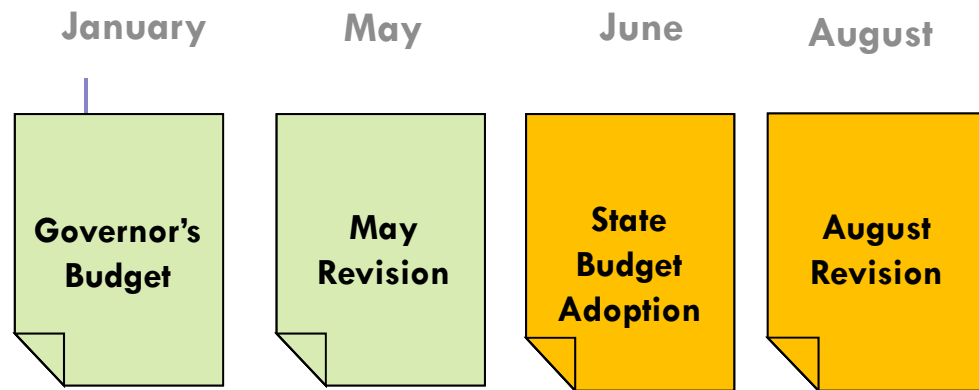
THE BOTTOM LINE

- Unrestricted Ending Balance (Reserve)
- Serves as a cushion and allows us to be more strategic in addressing adverse fiscal circumstances.

PROJECTED GENERAL FUND UNRESTRICTED BALANCES

(\$MILLIONS)





BUDGET AND FINANCIAL REPORTING PROCESS

