How Do We Compare in Terms of Percentage of Disabilities by Type?

*Other: Hard of hearing, deaf, deaf-blindness, multiple disability, traumatic brain injury, orthopedic impairment, visual impairment

### 2018-19 Kern High School District Percentage of Disabilities, by Type

- Specific Learning Disabilities: 54%
- Speech and Language Impairment: 2%
- Autism: 11%
- Emotional Disturbance: 5%
- Other*: 5%
- Intellectual Disability: 11%
- Other Health Impairment: 12%

### 2018-19 Statewide Percentage of Disabilities, by Type

- Specific Learning Disabilities: 38%
- Speech Language Impairment: 21%
- Autism: 15%
- Emotional Disturbance: 3%
- Other*: 5%
- Intellectual Disability: 6%
- Other Health Impairment: 13%

*Other: Hard of hearing, deaf, deaf-blindness, multiple disability, traumatic brain injury, orthopedic impairment, visual impairment
KERN HIGH SCHOOL DISTRICT
SPECIAL EDUCATION DEPARTMENT
EXPENDITURES BY ACCOUNT FY20

- Certificated Salaries: 33.4%
- Classified Salaries: 21.5%
- Employee Benefits: 24.6%
- Books and Supplies: 0.8%
- Services / Other Operating: 6.5%
- Direct Support / Indirects: 4.8%
- Capital Outlay: 1.6%
- Other Outgo: 6.7%
- Direct Support / Indirects: 4.8%

KERN HIGH SCHOOL DISTRICT
SPECIAL EDUCATION DEPARTMENT
EXPENDITURES BY ACCOUNT FY20
Kern High School District
Special Education Department
Spending FY16 to FY20

<table>
<thead>
<tr>
<th>Year</th>
<th>Budgeted Expenses</th>
<th>Actuals Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015 - 2016</td>
<td>63,882,693</td>
<td>66,004,153</td>
</tr>
<tr>
<td>2016 - 2017</td>
<td>66,056,205</td>
<td>66,056,205</td>
</tr>
<tr>
<td>2017 - 2018</td>
<td>72,961,648</td>
<td>73,443,582</td>
</tr>
<tr>
<td>2018 - 2019</td>
<td>78,606,223</td>
<td>82,211,558</td>
</tr>
<tr>
<td>2019 - 2020</td>
<td>93,167,825</td>
<td>90,236,520</td>
</tr>
</tbody>
</table>

Students Served:
- 2015 - 2016: 3,664
- 2016 - 2017: 3,813
- 2017 - 2018: 4,119
- 2018 - 2019: 4,399
- 2019 - 2020: 4,685
KERN HIGH SCHOOL DISTRICT
SPECIAL EDUCATION BUDGET PROJECTION
2020-21

- **REVENUES**
  - FEDERAL: $7,279,000
  - STATE: $30,337,000
  - TOTAL REVENUES: $37,616,000

- **GENERAL FUND CONTRIBUTION**: $53,669,000

- **TOTAL EXPENDITURES**: $91,285,000

- **TOTAL STUDENTS EXPECTED TO BE SERVED**: 5,024
Kern High School District
2020-2021
Budget Adoption

As presented at the June 29th
Kern High School District Board Meeting

Sources: School Services of California, Inc., KCSOS, Dave Walrath, Michael Hulsizer, and KHSD Staff
The Economy
U.S. Real GDP—Great Recession vs. COVID-19

Source: U.S. Bureau of Economic Statistics
The State Budget
California Revenues

- The May Revision assumes that the state will suffer from a $41.2 billion loss in revenues compared to January estimates in 2019–20 and 2020–21 combined
  - $9.1 billion for 2019–20
  - $32.2 billion for 2020–21
- Revenue losses are compounded by the growing number of Californians who need access to state safety net services, bringing the state’s total projected shortfall to $54 billion
The Governor’s May Revision solutions to address the $54.3 billion shortfall comes from combined sources:

- Cancel $6.1 billion in new program expansions and spending increases proposed in the January proposal
- Use all $16.2 billion in State Reserves ("rainy day fund") over a three-year period.
- Defer apportionments (including school funding), borrow and transfer $4.1 billion from special funds.
- Make $14 billion in cuts (including $6.5 billion from the LCFF) if sufficient federal fiscal relief does not materialize.

Translates to on-going cuts of $35 million for the Kern High School District
The Governor’s Proposal, the Legislature’s Response, and the Compromise
<table>
<thead>
<tr>
<th>2020-21 Budget Comparison Chart: May Revision, Assembly/Senate &amp; Final</th>
<th>May Revision</th>
<th>Assembly and Senate Budget</th>
<th>Final Budget Agreement</th>
</tr>
</thead>
</table>
| **2020-21 General Fund Revenue, Transfers and Reserves** | $119.4 billion  
• $10.8 B Reserves | $139.8 billion  
• $7.5 B Reserves | $139.7 billion  
• $8.3 billion – Reserves |
| **2020-21 Prop 98 (K-14) Spending** | $70.490 billion  
• $78.5 billion w/fed aid  
• $72.6 billion w/out fed aid | $70.490 billion | ($1.148 billion*)  
* suspends 2.31% COLA |
| **Local Control Funding Formula (LCFF)** | **10% cut (inclusive of the 2.31 COLA)** | **$1.148 billion to fund 2.31% COLA** | **$9.1 billion**  
Up to $5.7 billion of deferral eliminated if $14 billion in federal relief is received by 10/15 |
| **2019-20 K-12 Apportionment Deferrals** | $1.9 billion | $1.9 billion | $1.9 billion |
| **2020-21 K-12 Apportionment Deferrals** | $3.4 billion  
• $3.4 billion  
• $5.2 billion additional deferral if sufficient federal relief isn’t received by 10/1 |
| **Special Education** |  
• $645 m base grant increases  
• $545 million base grant increase  
• $100 million low incidence augmentation | $545 million base grant increase  
$100 million low incidence augmentation | $545 million base grant increase  
$100 million low incidence augmentation |
| **Learning Loss Mitigation Grants (Fed CARES Act Relief and Governor’s Emergency Education Relief Funds)** |  
• $2.855 billion to LEAs (per ADA) eligible for LCFF concentration grants.  
• $1.5 billion to eligible LEAs based upon the total number of pupils with exceptional needs enrolled in the LEA |  
• $2.855 billion to LEAs using LCFF funding formula  
• $1.5 billion to eligible LEAs based upon the total number of pupils with exceptional needs enrolled in the LEA | $2.855 billion to LEAs using S & C funding formula  
$1.5 billion to eligible LEAs based upon the total number of pupils with exceptional needs enrolled in the LEA using 2019-20 Fall 1 Census special education data.  
$980 million using LCFF formula |
<table>
<thead>
<tr>
<th>Budget Item</th>
<th>May Revision</th>
<th>Assembly and Senate Budget</th>
<th>Final Budget Agreement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal CARES Act Elementary &amp; Secondary School Emergency Relief (ESSER) Funds to LEAs</td>
<td>$1.48 billion (federal) to LEAs in proportion to the amount of Title I-A funding the agencies receive to support COVID-19-related costs.</td>
<td>Approved May Revision</td>
<td>Approved May Revision</td>
</tr>
<tr>
<td>2020-21 AD Hold Harmless</td>
<td>Provides 2020-21ADA hold harmless for funding at the 2019-20 ADA level as established by SB117.</td>
<td>Provides 2020-21ADA hold harmless for funding at the 2019-20 ADA level as established by SB117.</td>
<td></td>
</tr>
<tr>
<td>School Employer Pension Contributions</td>
<td>Redirects $2.3 billion from CalSTRS and CalPERS Funds to further reduce employer contribution rates. Reduces</td>
<td>Approved May Revision Proposal</td>
<td>Approved May Revision Proposal</td>
</tr>
<tr>
<td>Categorically Funded Programs</td>
<td>Approximate 35% cut to Categorically Funded Programs</td>
<td>Restored</td>
<td>Restored</td>
</tr>
</tbody>
</table>
| • Adult School | • Strong Workforce | • Perkins | • Partnership Academies | • After School Programs
• LEAs are not required to adopt a Local Control and Accountability Plan (LCAP) for the 2020–21 school year.

• Instead requires the governing board LEAs to adopt a learning continuity and attendance plan by September 30, 2020. We hope to update the Board on any news regarding Federal assistance.

• Requires the learning continuity and attendance plan to include information about the instruction the school district, or charter school will provide to pupils in the 2020–21 school year.
What this Means for the Kern High School District
The budget we are submitting for approval this evening is based on the Governor’s May Revise.

The budget is built on the assumption of lower revenues and a need to trim $35 million in expenses. This is only a “paper budget” and will not be the final budget.

There will be no need for any cuts or reductions at this time.

The actual budget (100+ pages) takes time to develop (several weeks), and details of the compromise are not fully available yet.

We will bring back a new “revised” budget for adoption at the August Board meeting, well within the 45 day window allowed by law. CASH Reserves will be very important to survive deferrals.

We will also be working on the plan for nearly $40 million in one-time funds for mitigating student learning loss.
Next Steps

- We will get to work on the “compromise” budget, including plans for the MSLL funds

- We will bring back the “revised” budget at the August Board meeting for Board approval

- We hope to update the Board on any news regarding Federal assistance

- We will be bringing back a Learning Continuity and Attendance Plan for Board Approval at the September Board meeting