

What can we expect with the May Revision?

⇒ What do we know today?

⇒ DOF reports that General Fund cash for March was \$1.39 billion (22.7%) above the revised forecast included in the Governor's January budget proposals.

⇒ Detail of the three largest tax collections in March are:

⇒ Personal Income tax revenues for March were \$874 million (29.6%) above the month's forecast of \$2.959 billion

⇒ Sales and use tax receipts in March were \$66 million (-3.9%) below the month's forecast of \$1.702 billion

⇒ Corporation tax revenues in March were \$338 million (32.8%) above the month's forecast of \$1.029 billion

⇒ April tax collections are pacing with estimates

⇒ So what does that mean?

⇒ We can expect the May Revision to be similar to what was presented in the January Budget Proposal

⇒ Any new money will likely be scored as one-time or to support programs that were not offered new on-going revenue with January budget Proposal

Translation of the Governor's Budget Proposal and impacts on YCOE:

- ⇒ Cost of Living increase = +\$35,977 (to LCFF funding)
 - ⇒ End of one-time LCAP funding = -\$75,000
 - ⇒ One-time mandate payment funding decrease = -\$29,000
 - ⇒ Although not directly part of the budget, STRS and PERS rates have recently increased as follows:
 - ⇒ Increased cost of STRS across all YCOE programs = \$217,681
 - ⇒ Increased cost of PERS across all YCOE programs = \$137,217
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Highlights

- ⇒ Department of Finance (DOF) reports that State Revenues are starting to lag expectations
- ⇒ Cost of Living is proposed at 1.48%, which applies to all State funded programs
- ⇒ On-Going funding for County Office LCAP work has *not* been included, although there is a financial burden to provide guidance and oversight
- ⇒ One-time funding (offsetting prior year mandate reimbursement claims) is proposed at \$48 per ADA (down from \$214)
- ⇒ Final year of Career Technical Education funding, program will have to be supported without funding in future years
- ⇒ Federal Program funding uncertain at this time