



MT. DIABLO UNIFIED SCHOOL DISTRICT

2020-2021 Third Interim Presentation

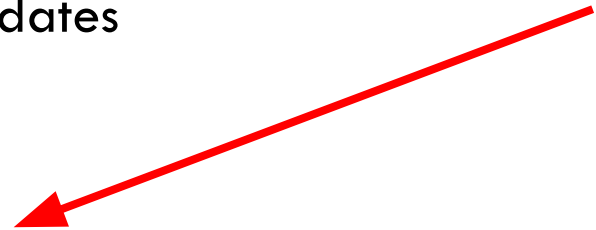
May 26 2021, Board Meeting

Dr. Lisa Gonzales, Chief Business Officer
Mika Arbelbide, Director of Fiscal Services

Budget Timeline, Jan - June 2021

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- ❑ January 2021
 - ❑ 2021-22 Governor's Proposed Budget
 - ❑ 2021-22 Preliminary Enrollment Projections
- ❑ February 2021
 - ❑ 2021-22 Staffing & Budget Assumptions
 - ❑ Staffing/Layoff Actions reviewed
- ❑ March 2021
 - ❑ 2020-21 Second Interim Report
 - ❑ Staffing Considerations
- ❑ April 2021
 - ❑ 2021-22 Budget Development Updates
- ❑ **May 2021**
 - ❑ **2021-22 Governor's May Revise**
 - ❑ **Third Interim Report**
- ❑ **June 2021**
 - ❑ **2021-22 Budget Adoption**



California School District Financial Reporting Requirements

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- California Education Code requires districts submit interim reports to the County Office of Education twice a year
- Completed using the Standardized Account Code Structure (SACS)
- Offers projections for the remainder of the 2020/2021 school year
- Multi year projections for the next two fiscal years
- Requires Governing Board approval and certification

Financial Reporting Certifications

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There are three types of certification based on the multi-year projections at each reporting period (AB 1200)

- Positive Certification ~ District can meet its financial obligations for the current and two subsequent years.
- Qualified Certification ~ Borderline, may not meet financial obligations during one of the three years of the MYP.
- Negative Certification ~ Cannot meet financial obligations in two or more of the three years as shown by negative fund balance, insufficient Reserves for Economic Uncertainty.

Factors Used for Budget Development & Multi-Year Projections

SSC School District and Charter School Financial Projection Dashboard 2021–22 Governor’s Budget

This version of School Services of California Inc.’s (SSC) Financial Projection Dashboard is based on the 2021–22 Governor’s Budget proposal. We have updated the cost-of-living adjustment (COLA), Consumer Price Index (CPI), and ten-year T-bill planning factors per the latest economic forecasts. We have also updated the Local Control Funding Formula (LCFF) factors. We rely on various state agencies and outside sources in developing these factors, but we assume responsibility for them with the understanding that they are general guidelines.

LCFF PLANNING FACTORS					
Factor	2020–21	2021–22	2022–23	2023–24	2024–25
Department of Finance (DOF) Estimated Statutory COLA	2.31%	1.50% ¹	2.98%	3.05%	N/A
DOF Estimated Funded COLA	0.00%	3.84% ²	2.98%	3.05%	N/A
SSC Estimated Statutory COLA ³	0.00%	3.84%	1.28%	1.61%	1.90%

LCFF GRADE SPAN FACTORS FOR 2021–22				
Entitlement Factors per ADA	K-3	4–6	7–8	9–12
2020–21 Base Grants	\$7,702	\$7,818	\$8,050	\$9,329
Compounded COLA at 3.84%	\$296	\$300	\$309	\$358
2021–22 Base Grants	\$7,998	\$8,118	\$8,359	\$9,687
Grade Span Adjustment Factors	10.4%	–	–	2.6%
Grade Span Adjustment Amounts	\$832	–	–	\$252
2021–22 Adjusted Base Grants ⁴	\$8,830	\$8,118	\$8,359	\$9,939

*Average daily attendance (ADA)

OTHER PLANNING FACTORS					
Factors	2020–21	2021–22	2022–23	2023–24	2024–25
California CPI	1.44%	1.57%	1.82%	2.12%	2.40%
California Lottery	Unrestricted per ADA	\$150	\$150	\$150	\$150
	Restricted per ADA	\$49	\$49	\$49	\$49

Multi Year Projections (MYP) & Assumptions

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- ❑ **Cost of Living Adjustment (COLA)** is proposed at 3.84% only on LCFF (1.5% elsewhere for 21/22, then drops to 1.28% in 22/23 and 1.61% in 23/24)
- ❑ The **annual step & column increase** of 1.5% a year plus the impact of the CPI puts us in expense increases of about 4.5% a year
- ❑ **Enrollment calculations** in 2022-23 will include a reduction of 908 students (hold harmless until 2022-23 for LCFF only)
- ❑ **Average daily attendance** stays flat at 94.8%

MYP & Assumptions (cont.)

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- ❑ **Unduplicated pupil count funding** is 47.8% for 2020-21 but drops to to 46.9% in 2021-22, then increases to 47.1% in 2022-23 (3 year average calculation)
- ❑ **STRS and PERS increase significantly in 2022-23**
STRS (20/21=16.75%, 21/22=15.92%, 22/23=18.00%)
PERS (20/21=20.70%, 21/22=23.00%, 22/23=26.30%)
- ❑ **Health benefits increase** 10% annually (could be higher)
- ❑ **Indirect cost increases** from 1.47% in 2020-21 to 3.76% in 2021-22 and 2022-23

Multi Year Projections (with one time, as of 4/30/21)

	2020-21			2021-22			2022-23		
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined
A. REVENUES AND OTHER FINANCING SOURCES	289,077,152	101,991,628	391,068,780	296,901,585	72,296,229	369,197,814	292,237,231	72,391,240	364,628,471
B. EXPENDITURES AND OTHER FINANCING USES	202,282,102	173,492,727	375,774,829	237,873,355	141,779,513	379,652,869	235,751,430	144,428,864	380,180,294
C. OVER/SHORT	86,795,050	(71,501,099)	15,293,951	59,028,230	(69,483,285)	(9,311,205)	56,485,801	(72,037,624)	(15,551,823)
D. CONTRIBUTIONS	(60,826,684)	60,826,684	0	(67,138,058)	67,138,058	0	(71,362,731)	71,362,731	0
E. NET INCREASE (DECREASE) IN FUND BALANCE	25,968,366	(10,674,416)	15,293,951	(8,109,828)	(2,345,227)	(10,455,055)	(14,876,930)	(674,893)	(15,551,823)
F. FUND BALANCE									
Beginning Fund Balance	29,784,253	18,331,604	48,115,857	55,752,619	7,657,188	63,409,807	47,642,791	5,311,962	52,954,753
Ending Fund Balance	55,752,619	7,657,188	63,409,807	47,642,791	5,311,962	52,954,753	32,765,861	4,637,068	37,402,929
Restricted	712,000	7,657,188	8,369,188	712,000	5,311,962	6,023,962	712,000	4,637,069	5,349,069
Assigned	43,767,374		43,767,374	35,541,204		35,541,204	20,648,452		8,169,106
Reserve for Economic Uncertainties	11,273,245		11,273,245	11,389,587		11,389,587	11,405,409		11,405,409

(REQUIRED AMOUNT FOR 3% RESERVE)

11,273,245

11,389,586

11,405,409

Multi Year Projections (without one time, as of 4/30/21)

	2020-21			2021-22			2022-23		
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined
A. REVENUES AND OTHER FINANCING SOURCES	289,077,152	78,934,758	368,011,910	296,901,585	72,296,229	369,197,814	292,237,231	72,391,240	364,628,471
B. EXPENDITURES AND OTHER FINANCING USES	227,956,351	147,818,478	375,774,829	237,903,355	141,779,513	379,682,869	235,781,430	144,428,864	380,210,294
C. OVER/SHORT	61,120,801	(68,883,720)	(7,762,919)	58,998,230	(69,483,285)	(9,311,205)	56,455,801	(72,037,624)	(15,581,823)
D. CONTRIBUTIONS	(60,826,684)	60,826,684	0	(67,138,058)	67,138,058	0	(71,362,731)	71,362,731	0
E. NET INCREASE (DECREASE) IN FUND BALANCE	294,117	(8,057,036)	(7,762,919)	(8,139,828)	(2,345,227)	(10,485,055)	(14,906,930)	(674,893)	(15,581,823)
F. FUND BALANCE									
Beginning Fund Balance	29,784,253	18,331,604	48,115,857	30,078,370	10,274,568	40,352,938	21,938,542	7,929,341	29,867,883
Ending Fund Balance	30,078,370	10,274,568	40,352,938	21,938,542	7,929,341	29,867,883	7,031,612	7,254,448	14,286,060
Restricted	712,000	10,274,568	10,986,568	712,000	7,929,341	8,641,341	712,000	7,254,448	7,966,448
Assigned	18,093,125		18,093,125	9,836,055		9,836,055	0		0
Reserve for Economic Uncertainties	11,273,245		11,273,245	11,390,487		11,390,487	6,319,612		6,319,612
(REQUIRED AMOUNT FOR 3% RESERVE)	11,273,245			11,390,486			11,406,309		

Cash Flow Precise Details

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Mt. Diablo Unified School District

Fund 01 Cash Flow (Actuals through 4/30/2021)

Fiscal 2020-2021	Object	July	August	September	October	November	December	January	February	March	April	May	June	Accruals	TOTAL	BUDGET
A. BEGINNING CASH		41,739,103	30,367,986	21,530,991	24,757,560	18,618,940	4,598,680	81,013,139	66,648,319	88,408,471	70,569,990	116,471,674	120,144,067			
B. RECEIPTS																
Principal Apportionment	8010-8019	6,196,505	6,196,505	15,199,612	11,153,709	11,153,709	15,199,612	11,153,709	4,689,308	(4,995,652)	1,282,112	2,112,241	-	51,042,904	130,384,274	130,384,274
Property Taxes	8020-8079	156,910,265	-	-	4,190,526	263,800	(6,901,917)	447,045	(178,159)	5,435	(123,352)	23,676,600	(16,724,933)		161,565,310	161,565,310
Miscellaneous Funds	8080-8099	-	(2,337,469)	(1,038,875)	(1,038,875)	(1,038,875)	(1,148,333)	(1,120,969)	(1,626,479)	(1,583,366)	(964,860)	(964,860)	(909,672)		(13,772,633)	(13,772,633)
Federal Revenue	8100-8299	(7,727,044)	1,188,281	15,659,906	2,230,436	666,102	3,403,509	318,712	132,382	8,963,150	3,543,707	215,773	15,160,811		43,755,725	43,755,725
Other State Revenue	8300-8599	(520,309)	2,035,750	6,633,491	2,263,084	3,059,670	5,634,382	1,890,421	2,473,185	4,400,299	3,555,882	14,377,239	9,194,960		54,998,054	54,998,054
Other Local Revenue	8600-8799	(2,638,460)	758,417	1,100,650	709,726	128,531	1,338,587	701,581	1,681,108	1,711,849	351,711	1,890,500	6,403,850		14,138,050	14,138,050
TOTAL RECEIPTS		152,220,957	7,841,484	37,554,784	19,508,606	14,232,937	17,525,840	13,390,499	7,171,345	8,501,715	7,645,200	41,307,493	13,125,016	51,042,904	391,068,780	391,068,780
C. DISBURSEMENTS																
Certificated Salaries	1000-1999	442,048	12,965,910	12,976,806	13,217,681	13,170,797	13,081,851	13,387,135	13,177,021	13,180,553	13,234,232	14,706,200	15,296,333	-	148,836,567	148,836,567
Classified Salaries	2000-2999	1,602,730	3,652,186	4,096,699	4,013,449	4,559,152	3,957,106	4,144,776	4,018,008	3,994,554	3,977,934	3,994,100	4,762,093	-	46,772,787	46,772,787
Employee Benefits	3000-3999	2,797,143	6,437,291	6,592,639	6,681,779	6,925,791	6,597,528	7,291,663	7,048,658	7,062,833	7,053,962	6,535,200	26,113,573	-	97,138,060	97,138,060
Books & Supplies	4000-4999	68,769	337,591	389,683	254,541	662,551	1,370,086	731,595	473,540	490,185	953,332	2,179,800	16,037,146	-	23,948,819	23,948,819
Services	5000-5999	1,722,153	1,973,717	1,455,374	2,831,591	3,627,187	2,649,593	2,994,554	3,120,021	2,579,378	2,674,510	5,997,000	15,784,570	-	47,409,648	47,409,648
Capital Outlay	6000-6599	-	146,947	41,178	27,318	67,460	20,041	44,746	2,746	9,392	1,940	5,473,000	3,720,437	-	9,555,205	9,555,205
Other Outgo	7000-7499	(3,888)	149,090	150,156	(5,868)	(42,229)	(12,458)	(15,189)	(14,744)	(14,921)	30,041	124,500	1,769,253	-	2,113,743	2,113,743
TOTAL DISBURSEMENTS		6,628,955	25,662,732	25,702,535	27,020,491	28,970,709	27,663,747	28,579,280	27,825,250	27,301,974	27,925,951	39,009,800	83,483,405	-	375,774,829	375,774,829
D. BALANCE SHEET TRANSACTIONS																
Assets																
Cash Not In Treasury	9111-9199	(5,428)	1,064	-	(3,386)	886	-	(2,526)	408	(67,500)	(1,748)	(52,100)	430,330		300,000	-
Accounts Receivable	9200-9299	22,756,395	(683)	22,834	(5,476)	(4,272)	11,247	(2,878)	(53)	4,852	10,809	15,700	(6,765,571)	(51,042,904)	(35,000,000)	-
Due From Other Funds	9310-9330	36,926	-	-	-	-	-	-	-	-	-	-	(36,926)		-	-
Stores	9320	(7,264)	24,436	14,807	(9,168)	8,968	(78,881)	20,140	9,400	19,638	18,460	87,400	(117,936)		-	-
Advance on Taxes	9345	(156,904,815)	-	-	-	(283,450)	85,779,775	(38,688)	182,110	(5,434)	65,105,347	(1,656,600)	7,821,755		-	-
Subtotal Assets		(134,124,186)	24,817	37,641	(18,030)	(277,868)	85,712,141	(23,952)	191,865	(48,444)	65,132,868	(1,605,600)	1,331,652	(51,042,904)	(34,710,000)	-
Liabilities																
Accounts Payable	9500-9599	21,583,149	(8,959,436)	7,923,321	(1,391,295)	(995,380)	(840,225)	(847,913)	(1,167,192)	(1,010,222)	(1,049,567)	(2,980,300)	(10,564,940)	-	(300,000)	-
Due To Other Funds	9610	120,764	-	740,000	-	-	-	-	-	-	-	-	(860,764)	-	-	-
Current Loans Payable	9640	-	-	-	-	-	-	-	(41,055,000)	-	-	-	-	-	-	-
Unearned Revenues	9650	1,135,020	-	-	-	-	-	-	-	-	-	-	(835,020)	-	300,000	-
Subtotal Liabilities		22,838,933	(8,959,436)	8,663,321	(1,391,295)	(995,380)	(840,225)	(847,913)	(42,222,192)	(1,010,222)	(1,049,567)	(2,980,300)	(12,260,724)	-	(41,055,000)	-
TOTAL BALANCE SHEET TRANSACTIONS		(156,963,119)	8,984,253	(8,625,680)	1,373,265	717,512	86,552,366	823,961	42,414,057	961,778	66,182,435	1,374,700	13,592,376	(51,042,904)	6,345,000	-
E. NET INCREASE/DECREASE		(11,371,117)	(8,836,995)	3,226,569	(6,138,620)	(14,020,260)	76,414,459	(14,364,820)	21,760,152	(17,838,481)	45,901,684	3,672,393	(56,766,013)	-	21,638,951	15,293,951
F. ENDING CASH		30,367,986	21,530,991	24,757,560	18,618,940	4,598,680	81,013,139	66,648,319	88,408,471	70,569,990	116,471,674	120,144,067	63,378,054	-	21,638,951	15,293,951
G. ENDING CASH, PLUS CASH ACCRUALS & ADJ															63,378,054	

Cash Flow

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2020-21	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21
BEGINNING CASH BALANCE	41.7M	30.4M	21.5M	24.8M	18.6M	4.6M	81.M	66.6M	88.4M	70.6M	116.5M	120.1M
TOTAL REVENUES	152.2M	7.8M	37.6M	19.5M	14.2M	17.5M	13.4M	7.2M	8.5M	7.6M	41.3M	13.1M
TOTAL EXPENDITURES	6.6M	25.7M	25.7M	27.M	29.M	27.7M	28.6M	27.8M	27.3M	27.9M	39.M	83.5M
TOTAL WORKING CAPITAL	-157.M	9.M	-8.6M	1.4M	.7M	86.6M	.8M	42.4M	1.M	66.2M	1.4M	13.6M
NET CASH ADJUSTMENT	-11.4M	-8.8M	3.2M	-6.1M	-14.M	76.4M	-14.4M	21.8M	-17.8M	45.9M	3.7M	-56.8M
CASH ENDING BALANCE	30.4M	21.5M	24.8M	18.6M	4.6M	81.M	66.6M	88.4M	70.6M	116.5M	120.1M	63.4M

Third Interim Review

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- The Contra Costa County Office of Education does not require a certification for our Third Interim
- **We are required to turn in only an updated cash flow and a Multi Year Projection as of April 30, 2021**
- FCMAT is conducting a Fiscal Health Risk Analysis that will provide more insights into systems and practices
- We continue working with Fiscal Advisor Mike Berg, consultant assigned by CCCOE