

2019/2020 Unaudited Actuals

Presented by Dr. Lisa Gonzales, Chief Business Official
Mika Arbelbide, Director of Fiscal Services
Dr. Adam Clark, Superintendent

September 28, 2020



Flashback to 2019/2020

2

What We Said:

- Addressing budget solutions would require partnerships and input from stakeholders
- We need to understand the current situation, the history, provide data, and answer questions
- We need to be fiscally solvent

What We Did:

- Made \$19.1M in ongoing reductions in collaboration with stakeholders
- Moved to a more transparent model while building stronger fiscal policies and practices
- Designed a 2020/2021 School Reopening Plan with broad stakeholder engagement

2019/2020 Unaudited Actuals

3

- * Year end financial documents required by the State Superintendent of Public Instruction (SPI)
- * The only time during the year when an accurate picture of any District finances can be seen
- * Shows the picture on one specific day - June 30th
 - All expenses and revenues are accounted for
 - All other reports are a combination of actual and projected finances

Verified by External Auditors - Audit Report - December 2020

2019/2020 General Fund Revenues

4

- Other Federal Revenues included \$1.8M in unrestricted one-time funds for Medi-Cal, and Other State Revenues included \$2.6M in restricted one-time funds for Special Education Early Intervention Preschool Grant. \$19.5M in restricted funds for STRS On-Behalf.
- Unrestricted revenues finished \$4M lower than projected and restricted revenues came in \$1M lower than projected, primarily due to a prior year EPA fund adjustment and deferred revenues for unspent amount.

Description	Unrestricted		Combined	
General Purpose Revenue (LCFF)	\$ 276,642,774	95%	\$ 276,642,774	76%
Federal Revenues	\$ 1,869,953	1%	\$ 18,448,426	5%
Other State Revenues	\$ 8,516,567	3%	\$ 54,711,006	15%
Other local Revenues	\$ 4,021,482	1%	\$ 14,427,030	4%
TOTAL	\$ 291,050,776	100%	\$ 364,229,235	100%

2019/2020 General Fund Contributions

5

- ❑ Salaries and benefits comprise approximately 92% of unrestricted expenditures and 85% of overall expenditures
 - ❑ \$9.9 million was spent on instructional salaries and benefits for Education Protection Account (EPA) funds
 - ❑ Benefits include \$19.5 million for STRS On-Behalf
- ❑ Unrestricted expenses came under projected budget by \$4.3 million

Description	Unrestricted		Combined	
Certificated Salaries	\$ 121,768,356	53%	\$ 155,797,743	43%
Classified Salaries	\$ 31,844,401	14%	\$ 53,204,857	15%
Benefits (Payroll Taxes & Welfare Contributions)	\$ 59,370,926	26%	\$ 102,747,929	28%
Books and Supplies	\$ 3,100,895	1%	\$ 8,877,107	2%
Other Operating Expenditures	\$ 14,388,078	6%	\$ 39,076,180	11%
Capital Outlay	\$ 135,330	0%	\$ 3,124,808	1%
Other Outgo (Excluding Indirect Cost Recaptures)	\$ 473,352	0%	\$ 2,457,444	1%
TOTAL	\$ 231,081,339	100%	\$ 365,286,068	100%

2019/2020 Contributions to Restricted Programs

6

- ❑ The contributions to Special Education programs was \$2.2M less than projected with estimated actuals.

Description	2019-20
JROTC	\$ 246,424
Special Education	\$51,698,221
Restricted Maintenance Account	\$10,968,105
Athletics, MDEA Reps	\$ 824,219
TOTAL CONTRIBUTIONS	\$63,736,969

2019/2020 Fund Summaries

7

All funds have a positive ending fund balance as of June

Fund	2018-19 UA	Est. Net Change	2019-20 UA
General (Unrestricted & Restricted)	\$49,490,107	-\$1,374,251	\$48,115,857
SACS Fund 09 - Charter Schools Special Revenue Fund	\$1,000,936	\$127,209	\$1,128,145
SACS Fund 11 - Adult Education Fund	\$2,333,485	-\$354,231	\$1,979,254
SACS Fund 13 - Cafeteria Special Revenue Fund	\$4,565,327	-\$125,140	\$4,440,187
SACS Fund 21 - Building Fund	\$85,418,350	-\$27,291,072	\$58,127,277
SACS Fund 25 - Capital Facilities Fund	\$11,219,848	\$1,729,365	\$12,949,213
SACS Fund 35 - County School Facilities Fund	\$3,784,333	-\$300,048	\$3,484,285
SACS Fund 49 - Capital Projects Fund for Blended Component Units	\$2,874,514	-\$1,160,709	\$1,713,805
SACS Fund 51 - Bond Interest and Redemption Fund	\$31,577,764	\$6,597,054	\$38,174,819
SACS Fund 52 - Debt Service Fund for Blended Component Units	\$26,915,078	-\$20,241,582	\$6,673,496
SACS Fund 73 - Foundation Private-Purpose Trust Fund	\$57,977	\$1,016	\$58,993
TOTAL	\$219,237,720	-\$42,392,390	\$176,845,330

Key Differences from Estimated Actuals

- Unrestricted Resources

8

General Unrestricted Expenditures came in \$4.3M lower than Estimated Actuals.

\$1.9M will be carried over to the 20/21 school year, assigned to school site budget.

Contributions to Restricted Programs were \$2M lower than Estimated Actuals.

This was primarily due to fewer contributions to Special Ed Program due to COVID-19 (transportation, etc.)

Ending fund balanced ended up \$10 million higher than projected with Estimated Actuals.

Key Differences from Estimated Actuals

- Restricted Resources

9

- ❑ Moved funding for summer schools from Unrestricted General Fund to Title II and Low Performing Student Block Grant - \$600K
- ❑ Moved funding for Teacher on Special Assignment (TOSA) costs from Unrestricted General Fund to TITLE II, III, IV, Comprehensive Support and Improvement (CSI), and Low Performing Student Block Grant \$600K
- ❑ Received SB117 COVID-19 Response Funds \$510K

2019/2020 Components of Ending Fund Balance

Description	2019-2020 Unaudited Actuals		
	Unrestricted	Restricted	Combined
NONSPENDABLE			
Revolving Cash	305,000		305,000
Stores	415,121		415,121
Prepaid Items			-
TOTAL - NONSPENDABLE	720,121	-	720,121
RESTRICTED			
Restricted		18,331,604	18,331,604
TOTAL - RESTRICTED	-	18,331,604	18,331,604
COMMITTED			
Committed			-
TOTAL - COMMITTED	-	-	-
ASSIGNED			
Unpaid Student Meal Fees	200,000		200,000
Anticipated State Cash Deferrals	17,896,026		17,896,026
TOTAL - ASSIGNED	18,096,026	-	18,096,026
Unassigned			
Reserve for Economic Uncertainties (3%)	10,968,105		10,968,105
Unallocated			-
TOTAL - UNASSIGNED	10,968,105	-	10,968,105
TOTAL - FUND BALANCE	29,784,253	18,331,604	48,115,857

Budget Concerns

11

- Additional, unreimbursed costs related to COVID-19
- Additional, unreimbursed costs related to reopening schools
- Uncertainty of Enrollment and Average Daily Attendance
- Cash Deferrals
- Economic Recovery
- Cost of Living Adjustment (COLA) Rate in future years
- Increasing Cost of Health Benefits
- Increasing Cost of Worker's Compensation and insurance policies
- Increasing Cost of STRS/PERS Rates

20/21 Budget Calendar

12

June 30, 2020	Adopted 2020/2021 Budget
September 28, 2020 (LCP)	Unaudited Actuals and Learning Continuity Plan
December 2020	1st Interim & Parent LCAP Budget Report
March 2021	2nd Interim Budget
May 2021	Third Interim Budget (if needed)
June 2021	Public Hearing Budget and LCAP
June 2021	2021/2022 Budget and LCAP Adoption

Questions?

