

WESTERN PLACER UNIFIED SCHOOL DISTRICT BOARD OF TRUSTEES MEETING FACT SHEET

MISSION STATEMENT: Empower Students with the skills, knowledge, and attitudes for Success in an Ever Changing World.

DISTRICT GLOBAL GOALS

1. Develop and continually upgrade a well articulated K-12 academic program that challenges all students to achieve their highest potential, with a special emphasis on students
2. Foster a safe, caring environment where individual differences are valued and respected.
3. Provide facilities for all district programs and functions that are suitable in terms of function, space, cleanliness and attractiveness.
4. Promote the involvement of the community, parents, local government, business, service organizations, etc. as partners in the education of the students.
5. Promote student health and nutrition in order to enhance readiness for learning.

SUBJECT:

2020-21 First Interim Report

AGENDA ITEM AREA:

Action

REQUESTED BY:

Audrey Kilpatrick, Asst. Supt. Business/Operations

ENCLOSURES:

Yes

DEPARTMENT:

Business Services

FINANCIAL INPUT/SOURCE:

Included in Back Up

MEETING DATE:

December 15, 2020

ROLL CALL REQUIRED:

No

BACKGROUND:

The district's Board of Trustees shall certify in writing whether or not the district is able to meet its financial obligations for the remainder of the fiscal year and, based on current projections, for the two subsequent fiscal years. The certification shall be classified as positive, qualified, or negative, pursuant to standards and criteria adopted by the State Board of Education (EC §33127).

In certifying the 2020-21 First Interim report as positive, the Board confirms its fiduciary responsibility to maintain fiscal solvency for the current (2020-21) and subsequent two fiscal years (2021-22 and 2022-23).

A summarized slide presentation and the required State SACS software budget documents are also included after the First Interim notes.

RECOMMENDATION:

Administration recommends the Board of Trustees certify the First Interim report as positive.

**WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEES
2020-21 First Interim Notes**

The First Interim budget report is a snapshot in time of the local educational agency's (LEA) revenue and expenditure forecasts for the current fiscal year as well as a projection of the two subsequent fiscal years. It is a time to adjust the budget based upon the enacted State Budget and subsequent trailer bills, the closing of the prior fiscal year, and other factors that impact revenue and expenditures. The First Interim report covers the period of time from July 1 through October 31 each fiscal year and must be submitted to the county office of education no later than December 15.

BUDGET ASSUMPTIONS

Planning Factors for First Interim and MYPs:

The 2020-21 budget assumptions are used to prepare the 2020-21 Budget and multi-year projections for 2021-22 and 2022-23 fiscal years. The multi-year projections provide a view of the current year (2020-21) budget and the next two years' budget plan (2021-22 and 2022-23). They are built with assumptions provided by PCOE Common Message, School Services of California, the State Dept. of Finance (DOF), FCMAT LCFF Calculator, federal funding projections and district trends and data. Property taxes, state allocations, LCFF Funding estimates, new legislature, federal funding and budget projections, and ballot measures can all have a significant impact on revenue assumptions.

Additionally, PCOE recommends the district incorporate projection information from FCMAT and School Services of California (SSC) Dartboard for specific budget circumstances for our individual district. Every district receives differing amounts of revenue through the LCFF funding model and has its own particular set of financial risk factors. It is important that all districts continue to assess their individual situation and plan accordingly to maintain fiscal solvency.

Key planning factors for LEAs to incorporate into the 2020-21 budget and multiyear projections are listed on the next page and based on the latest information available.

**WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEES
2020-21 First Interim Notes**

GENERAL FUND BUDGET ASSUMPTIONS FIRST INTERIM AND MYP – Revenues

**WESTERN PLACER UNIFIED SCHOOL DISTRICT
2020-21 FIRST INTERIM BUDGET ASSUMPTIONS**

	19/20 Unaudited Actuals	20/21 Adopted Budget	20/21 August Revision	20/21 First Interim	21/22 Projection	22/23 Projection	
REVENUES							
Enrollment	7,209	7,281	7,281	7,034	7,209	7,353	Oct CALPADS for 19/20 & 20/21, 21/21 = 19/20 Actual, 22/23 - 2% increase of 19/20 Actual
ADA Yield	96.4%	95.8%	95.8%	95.8%	96.0%	96.0%	5 Yr Ave Historical Rates
ADA	6,966	6,994	6,966	6,966	6,966	7,080	Enrollment X ADA Yield
% Increase (Decrease) Enrollment	1.8%	1.0%	1.0%	-2.4%	2.5%	2.0%	Assume flat enrollment from 19/20 for 21/22 . 22/23 assumes 2% increase from 20/21
# Increase (Decrease) Enrollment	128	72	72	(175)	175	144	
Funded ADA	6,947	6,994	6,947	6,947	6,947	7,061	20/21 & 21/22 Funded With 19/20 ADA. Hold Harmless
% Increase (Decrease) Funded ADA		0.7%	0.0%	0.0%	0.0%	1.6%	
# Increase (Decrease) Funded ADA	N/A	47.62	0.00	0.00	0.00	114.43	20/21 & 21/22 Funded With 19/20 ADA. Hold Harmless
Statutory COLA %	3.26%	2.31%	2.31%	2.31%	2.48%	3.26%	Per PCOE Common Message
Effective Deficit Factor	0.00%	-7.92%	0.00%	0.00%	0.00%	0.00%	Per SSC Dartboard
COLA Suspension	0.00%	0.00%	-2.31%	-2.31%	-2.48%	-3.26%	Per SSC Dartboard
Funded COLA %	3.26%	0.00%	0.00%	0.00%	0.00%	0.00%	Per SSC Dartboard
Base Grant - Grades K-3	\$7,702	\$7,092	\$7,702	\$7,702	\$7,702	\$7,702	Per LCFF Calculator
Base Grant - Grades 4-6	\$7,818	\$7,199	\$7,818	\$7,818	\$7,818	\$7,818	Per LCFF Calculator
Base Grant - Grades 7-8	\$8,050	\$7,412	\$8,050	\$8,050	\$8,050	\$8,050	Per LCFF Calculator
Base Grant - Grades 9-12	\$9,329	\$8,590	\$9,329	\$9,329	\$9,329	\$9,329	Per LCFF Calculator
Grade Span Funding (K-3 CSR & 9-12)	\$801	\$738	\$801	\$801	\$801	\$801	Per LCFF Calculator
Supplemental Grants (% Adj. Base)	20%	20%	20%	20%	20%	20%	Per LCFF Calculator
Concentration Grants	50%	50%	50%	50%	50%	50%	Per LCFF Calculator
Concentration Grant Threshold	55%	55%	55%	55%	55%	55%	Per LCFF Calculator
LCFF Gap Closed Percentage	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	Per LCFF Calculator
LCFF Entitlement per ADA (Inc Supp \$)	9,143	9,379	9,379	9,379	9,379	9,379	Per LCFF Calculator
LCFF Funding - Base	\$1,085,347	\$55,713,704	\$60,268,532	\$1,050,885	\$60,266,914	\$61,252,804	Per LCFF Calculator
Property Tax change	2.68%	0.00%	0.00%	3.39%	0.00%	0.00%	19-20 P-2 Property Taxes
Est. Property Taxes	\$52,928,911	\$52,928,911	\$52,928,911	\$54,721,735	\$54,721,735	\$54,721,735	19-20 P-2 Property Taxes
LCFF Supplemental Funds	\$3,998,911	\$3,649,620	\$3,947,381	\$3,952,174	\$3,907,729	\$3,945,232	Per LCFF Calculator
Federal Revenue	0%	0%	0%	0%	0%	0%	Per PCOE Common Message
Categorical COLA	3.26%	0.00%	0.00%	0.00%	0.00%	0.00%	Per PCOE Common Message
Transfers In	33,886	-	-	-	-	-	
Lottery Unrestricted/ADA	\$149.00	\$153.00	\$150.00	\$150.00	\$150.00	\$150.00	Per SSC Dartboard
Lottery Restricted/ADA	\$48.00	\$54.00	\$49.00	\$49.00	\$49.00	\$49.00	Per SSC Dartboard
Mandate Block Grant (grades K-8)	\$32.18	\$32.18	\$32.18	\$32.18	\$32.18	\$32.18	Per SSC Dartboard
Mandate Block Grant (grades 9-12)	\$61.94	\$61.94	\$61.94	\$61.94	\$61.94	\$61.94	Per SSC Dartboard

**WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEES
2020-21 First Interim Notes**

GENERAL FUND BUDGET ASSUMPTIONS FIRST INTERIM AND MYP – Expenditures

**WESTERN PLACER UNIFIED SCHOOL DISTRICT
2020-21 FIRST INTERIM BUDGET ASSUMPTIONS**

	19/20 Unaudited Actuals	20/21 Adopted Budget	20/21 August Revision	20/21 First Interim	21/22 Projection	22/23 Projection	
EXPENDITURES							
Certificated New Positions - FTE	4.0	5.6	5.6	5.0	0.0	2.0	Based on Enrollment & Staffing Projections
Cert. New Positions - New Schools	0.5	2.0	2.0	4.0	2.0	0.0	20/21 New Elementary, 21/22 New H.S.
Estimated Retire/Resignations - FTE	0.0	-1.0	-1.0	0.0	0.0	0.0	Based on Notifications
Reductions in Staffing - FTE	0.0	0.0	0.0	0.0	0.0	0.0	
Staffing Ratios:							
TK/Kindergarten	25:1	25:1	25:1	25:1	25:1	25:1	Per Contract - District-wide
1-3	25:1	25:1	25:1	25:1	25:1	25:1	Per Contract - District-wide
4-5	31:1	31:1	31:1	31:1	31:1	31:1	Per Contract
6-8	32:1	32:1	32:1	32:1	32:1	32:1	Per Contract
9-12	36:1	36:1	36:1	36:1	36:1	36:1	Per Contract
Certificated Step/Column	1.70%	1.55%	1.55%	1.55%	1.55%	1.55%	
Avg. teacher compensation	\$107,840	\$110,381	\$110,381	\$110,381	\$112,147	\$113,941	
Classified New Positions - FTE	0.0	0.0	0.0	1.3	0.0	0.0	
Classified New Positions - New Schools	0.0	4.7	4.7	4.2	10.5	0.0	20/21 New Elementary, 21/22 New H.S.
Estimated Retirements - FTE	0.0	0.0	0.0	0.0	0.0	0.0	
Reductions in Staffing - FTE	0.0	0.0	0.0	0.0	0.0	0.0	
Classified Step/Column	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	
Health Benefits per FTE	\$14,424	\$14,424	\$14,424	\$14,424	\$14,424	\$14,424	Contribution Capped
CalPERS Employer Rate	19.721%	20.70%	20.70%	20.70%	23.00%	26.30%	Per SSC Dartboard - First Interim
Classified Total Statutory Benefits Rate	28.761%	29.75%	29.75%	29.75%	32.05%	35.35%	
CalSTRS Employer Rate	17.10%	16.15%	16.15%	16.15%	15.92%	18.40%	Per SSC Dartboard - First Interim
Certificated Total Statutory Benefits Rate	19.940%	19.00%	19.00%	19.00%	18.85%	21.25%	
Transfers Out	\$254,470	\$315,360	\$315,360	\$185,533	\$487,437	\$525,712	Adult Ed, Cafeteria, Fund 17 (19/20)
Contribution to RRM	\$2,313,776	\$2,313,776	\$2,313,776	\$2,313,776	\$2,313,776	\$2,313,776	3% of GF 18-19 Expenditures-2019-20 (STRS On-Behalf Excluded 20/21)
Designated for Economic Uncertainty	3%	3%	3%	3%	3%	3%	
Site Allocations:							
Elementary	\$47.00	\$47.00	\$47.00	\$47.00	\$47.00	\$47.00	
Middle School	\$58.50	\$58.50	\$58.50	\$58.50	\$58.50	\$58.50	
High School	\$83.75	\$83.75	\$83.75	\$83.75	\$83.75	\$83.75	
Lottery per teacher	\$500	\$500	\$500	\$500	\$500	\$500	Per Contract

**WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEES
2020-21 First Interim Notes**

PROPOSED BUDGET:

The 2020-21 First Interim budget, presented on below, is built from assumptions from the State-adopted budget, federal and local revenue projections, district historical data, SSC dashboard, FCMAT LCFF Calculator and PCOE Common Message.

	First Interim		
	Unrestricted	2020-2021 Restricted	Combined
Revenues			
LCFF Funding - Base	60,268,532	1,087,024	61,355,556
LCFF Funding - Supplemental	3,952,174	-	3,952,174
Federal Revenue	-	6,825,536	6,825,536
State Revenue	1,301,379	5,359,688	6,661,067
Local Revenue	2,016,957	3,277,592	5,294,549
Total Revenue	67,539,042	16,549,840	84,088,882
Expenditures			
Certificated Salaries	28,627,008	5,619,362	34,246,370
Classified Salaries	6,204,042	3,901,130	10,105,172
Benefits	13,053,505	7,231,730	20,285,235
Books and Supplies	4,579,952	4,770,748	9,350,700
Other Services & Oper. Exp	5,667,175	3,514,767	9,181,942
Capital Outlay	50,000	240,539	290,539
Other Outgo 7xxx	230,075	2,004,220	2,234,295
Transfer of Indirect 73xx	(1,166,569)	1,160,811	(5,758)
Total Expenditures	57,245,188	28,443,307	85,688,495
Deficit/Surplus	10,293,854	(11,893,467)	(1,599,613)
Transfers In			-
Transfers out	(185,533)		(185,533)
Contributions to Restricted	(11,294,159)	11,294,159	-
Net increase (decrease) in Fund Balance	(1,185,838)	(599,308)	(1,785,146)
Beginning Balance	13,022,360	1,884,651	14,907,011
Ending Fund Balance	11,836,522	1,285,343	13,121,865
Components of Ending Fund Balance			
Nonspendable:			
Revolving Cash	5,000		5,000
Reserve - Designated Programs		1,285,343	1,285,343
Unassigned/Unappropriated:			
Reserve - Economic Uncertainty @ 3%	2,576,221		2,576,221
Reserve-Start Up - Elementary 20/21			-
Reserve-Start Up - High School 21/22	1,500,000		1,500,000
Reserve-One-Time Science Adoption	400,000		400,000
Reserve-Charter Technical Assistance	262,088		262,088
Reserve-Unassigned Economic Uncertainty surplus/(deficit)	7,093,213		7,093,213
Total Ending Fund Balance	11,836,522	1,285,343	13,121,865

**WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEES
2020-21 First Interim Notes**

August Revision Budget vs. First Interim Budget:

Each year our budget is revised throughout the year as new information becomes available and assumptions are modified. At First Interim reporting we have closed the prior year books and the actual Ending Fund Balance is known as well as unspent program and site funds that carryover to be spent in the 2020-21 budget year. The differences between the district's August Budget Revision and First Interim Budget are reflected in the table below and summarized in the comments that follow:

	August Budget Revision			First Interim			1st Interim vs August revised 20-21 Variance	
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined		
Revenues								
LCFF Funding - Base	60,268,532	1,050,885	61,319,417	60,268,532	1,087,024	61,355,556	36,139	1
LCFF Funding - Supplemental	3,947,381		3,947,381	3,952,174	-	3,952,174	4,793	
Federal Revenue	-	6,440,691	6,440,691	-	6,825,536	6,825,536	384,845	2
State Revenue	1,322,121	5,303,759	6,625,880	1,301,379	5,359,688	6,661,067	35,187	3
Local Revenue	1,993,912	3,259,470	5,253,382	2,016,957	3,277,592	5,294,549	41,167	4
Total Revenue	67,531,946	16,054,805	83,586,751	67,539,042	16,549,840	84,088,882	502,131	
Expenditures								
Certificated Salaries	28,938,761	5,311,553	34,250,314	28,627,008	5,619,362	34,246,370	(3,944)	5
Classified Salaries	6,283,168	3,853,996	10,137,164	6,204,042	3,901,130	10,105,172	(31,992)	4
Benefits	13,133,387	7,335,795	20,469,182	13,053,505	7,231,730	20,285,235	(183,947)	7
Books and Supplies	3,135,441	4,941,508	8,076,949	4,579,952	4,770,748	9,350,700	1,273,751	8
Other Services & Oper. Exp	5,336,507	2,802,758	8,139,265	5,667,175	3,514,767	9,181,942	1,042,677	9
Capital Outlay	50,000	97,547	147,547	50,000	240,539	290,539	142,992	10
Other Outgo 7xxx	230,075	1,828,806	2,058,881	230,075	2,004,220	2,234,295	175,414	11
Transfer of Indirect 73xx	(1,155,905)	1,150,147	(5,758)	(1,166,569)	1,160,811	(5,758)	-	
Total Expenditures	55,951,434	27,322,110	83,273,544	57,245,188	28,443,307	85,688,495	2,414,951	
Deficit/Surplus	11,580,512	(11,267,305)	313,207	10,293,854	(11,893,467)	(1,599,613)	(1,912,820)	
Transfers In	-	-	-	-	-	-	-	
Transfers out	(345,360)	-	(345,360)	(185,533)	-	(185,533)	159,827	12
Net increase (decrease) in Fund Balance	(227,488)	195,335	(32,153)	(1,185,838)	(599,308)	(1,785,146)	(1,752,993)	
Beginning Balance	10,123,570	1,019,987	11,143,557	13,022,360	1,884,651	14,907,011	3,763,454	
Ending Fund Balance	9,896,082	1,215,322	11,111,404	11,836,522	1,285,343	13,121,865	2,010,461	
Components of Ending Fund Balance								
Nonspendable:								
Revolving Cash	5,000		5,000	5,000		5,000	-	
Restricted-Federal/State/Local Programs								
Reserve - Designated Programs	-	1,215,322	1,215,322		1,285,343	1,285,343	70,021	
Unassigned/Unappropriated:								
Reserve-Economic Uncertainty @ 3%	2,508,567		2,508,567	2,576,221		2,576,221	67,654	
Reserve-MAA - Ext Day Kindergarten	91,842		91,842			-	(91,842)	
Reserve-2 FTE K & MS Class-size								
Staffing 20/21	160,000		160,000			-	(160,000)	
Reserve-Start Up - Elementary 20/21	-		-			-	-	
Reserve-Start Up - High School 21/22	1,500,000		1,500,000	1,500,000		1,500,000	-	
Reserve-One-Time Science Adoption	400,000		400,000	400,000		400,000	-	
Reserve-Charter Technical Assistance	270,455		270,455	262,088		262,088	(8,367)	
Reserve-Unassigned Economic Uncertainty surplus/(deficit)	4,960,218		4,960,218	7,093,213		7,093,213	2,132,995	
Total Ending Fund Balance	9,896,082	1,215,322	11,111,404	11,836,522	1,285,343	13,121,865	2,010,461	

**WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEES
2020-21 First Interim Notes**

Major Changes to Fund Balance from August Budget Revision to First Interim 2020-21

Budgeted Deficit Spending at August Revision

(\$32,153)

Revenues

LCFF Base - Increase in AB602 property tax allocation	40,000		1
Federal Revenue			
Medi-Cal revenues (budgeted when received)	25,000		
2019/20 Carryover - Federal Programs added to budget	360,000		
Total Federal Revenue Changes		385,000	2
State Revenue			
Prior-year lottery revenues less than AVR	(55,000)		
2019/20 Carryover State Programs added to budget	90,000		
Total State Revenue Changes		35,000	3
Local Revenue			
Transportation revenues - reduced due to in-person start in October	(30,000)		
Worker's comp program dividend from SIG	140,000		
Reduction in facility use revenues and other local revenues	(70,000)		
Total Local Revenue changes		40,000	4
Total Change in Revenues			500,000

Expenditures

Certificated Salaries			
CARES-funded distance learning training	230,000		
CARES-funded Special Projects Coordinator - COVID	85,000		
GF Savings from moving elementary prep teachers to 4 FTE vacancies	(415,000)		
Temp Kindergarten teacher added at COES due to enrollment	40,000		
Teacher step & column movement in excess of budget	35,000		
Final position control adjustments based on actual hires	20,000		
Total Certificated Salaries changes		(5,000)	5
Classified Salaries			
CARES-funded 2.0 FTE technology support technicians	100,000		
Increase kindergarten aide and health clerk allocations	40,000		
CARES-funded distance learning training	35,000		
Eliminate Supplemental-funded ISP positions	(15,000)		
Final position control adjustments - based on actual hires	(15,000)		
Reduce paraprofessional summer school budget	15,000		
Reduce bus driver sub/OT budgets, staff facility use overtime	(80,000)		
Closed 2.25 FTE para positions, .75 position vacant for 20/21	(110,000)		
Total Classified		(30,000)	6

**WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEES
2020-21 First Interim Notes**

Major Changes to Fund Balance from August Budget Revision to First Interim 2020-21

Benefits			
Savings from changes above	(15,000)		
Final H&W adjustments	(130,000)		
Reduction in STRS rate	(35,000)		
Total Benefits		(180,000)	7
Books and Supplies			
Federal carryover funds added to budget	90,000		
State carryover funds added to budget	1,200,000		
Site co-curricular, facility use and site discretionary carryover	500,000		
Chromebook replacement fund carryover	60,000		
Transfers to other objects and miscellaneous changes	<u>(580,000)</u>		
Total Books and Supplies		1,270,000	8
Services & Other Operating Expenditures			
Federal carryover funds added to budget	165,000		
State carryover funds added to budget	420,000		
Local carryover added to budget	35,000		
Contract with Maxim to fill behind nurse on maternity leave	65,000		
Reduction in SRO charge due to distance learning until October	(65,000)		
Transfers from other objects and miscellaneous changes	<u>420,000</u>		
Total Services and Other Operating Costs		1,040,000	9
Capital Outlay			
RRM Funded GEMS cooler/freezer generator, 2 used mowers	100,000		
Transfers from other objects	<u>45,000</u>		
Total Capital Outlay		145,000	10
Other Outgo			
Increase in billback based on PCOE adopted budget		175,000	11
Transfers Out			
Transfer to Fund 13 decreased due to increased state and federal revenues		<u>(160,000)</u>	12
Total Change in Expenditures			\$2,255,000
Rounding			\$2,007
Total Change in Budgeted FB			<u>(\$1,752,993)</u>
Budgeted Deficit Spending at Estimated Actuals			<u><u>(\$1,785,146)</u></u>

**WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEES
2020-21 First Interim Notes**

Multi-Year Projections 2020-21, 2021-22 and 2022-23 Budget Years:

The multi-year projections provide a view of the current year (2020-21) budget and the subsequent two years' projected budgets.

	First Interim 2020-2021 Combined	Projection 2021-2022 Combined	Projection 2022-23 Combined
Revenues			
LCFF Funding - Base	61,355,556	61,353,938	62,339,828
LCFF Funding - Supplemental	3,952,174	3,907,729	3,945,232
Federal Revenue	6,825,536	2,306,891	2,306,891
State Revenue	6,661,067	5,747,191	5,747,191
Local Revenue	5,294,549	5,162,300	5,162,300
Total Revenue	84,088,882	78,478,049	79,501,442
Expenditures			
Certificated Salaries	34,246,370	34,851,113	35,551,703
Classified Salaries	10,105,172	10,704,928	10,813,789
Benefits	20,285,235	20,774,123	22,241,257
Books and Supplies	9,350,700	3,586,237	3,401,237
Other Services & Oper. Exp	9,181,942	8,727,381	8,727,381
Capital Outlay	290,539	70,539	70,539
Other Outgo 7xxx	2,234,295	2,029,220	2,029,220
Transfer of Indirect 73xx	(5,758)	(5,758)	(5,758)
Total Expenditures	85,688,495	80,737,782	82,829,368
Deficit/Surplus	(1,599,613)	(2,259,733)	(3,327,926)
Transfers In	-	-	-
Transfers out	(185,533)	(487,437)	(525,712)
Net increase (decrease) in Fund Balance	(1,785,146)	(2,747,170)	(3,853,638)
Beginning Balance	14,907,011	13,121,865	10,374,695
Ending Fund Balance	13,121,865	10,374,695	6,521,057
Components of Ending Fund Balance			
Nonspendable:			
Revolving Cash	5,000	5,000	5,000
Restricted-Federal/State/Local Programs			
Reserve - Designated Programs	1,285,343	1,503,165	1,701,825
Unassigned/Unappropriated:			
Reserve-Economic Uncertainty @ 3%	2,576,221	2,436,757	2,500,652
Reserve-Start Up - High School 21/22	1,500,000	-	-
Reserve-One-Time Science Adoption	400,000	400,000	400,000
Reserve-Charter Technical Assistance	262,088	262,088	262,088
Reserve-Unassigned Economic Uncertainty surplus/(deficit)	7,093,213	5,767,685	1,651,492
Total Ending Fund Balance	13,121,865	10,374,695	6,521,057

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Multi-Year Projections 2020-21, 2021-22 and 2022-23 Budget Years:

The multi-year projections provide a view of the current year (2020-21) budget and the subsequent two years' projected budgets. The multi-year projections are built on assumptions provided by PCOE Common Message, School Services of California, the 2020-21 State adopted budget, the State Dept. of Finance (DOF), FCMAT LCFF Calculator, federal funding projections and district trends and data.

Local Control Funding Formula (LCFF)

The final budget for 2020-21 suspended the statutory COLA of 2.31% on the Local Control Funding Formula (LCFF) and removed the 10% proration factor proposed in the Governor's May Revision to hold all school districts, with the exception of districts eligible for SB 820 growth funding and newly operational charter schools, at 2019-20 ADA levels. This change was made possible in part by increasing deferrals of the principal apportionment to \$11 billion to be paid in the 2021-22 fiscal year. With the reliance on one-time funds including reserves, and the magnitude of deferrals required to maintain LCFF funding, all districts are encouraged to view the LCFF planning factors showing a 0% COLA as a best-case scenario. Below are the current planning factors used in calculating the district's LCFF funding.

	19/20 Unaudited Actuals	20/21 Adopted Budget	20/21 August Revision	20/21 First Interim	21/22 Projection	22/23 Projection
REVENUES						
Statutory COLA %	3.26%	2.31%	2.31%	2.31%	2.48%	3.26%
Effective Deficit Factor	0.00%	-7.92%	0.00%	0.00%	0.00%	0.00%
COLA Suspension	0.00%	0.00%	-2.31%	-2.31%	-2.48%	-3.26%
Funded COLA %	3.26%	0.00%	0.00%	0.00%	0.00%	0.00%

CalSTRS and CalPERS Employer Contributions

The CalSTRS employer contributions rates are as follows:

- 2020-21 -16.15%
- 2021-22 -15.92%
- 2022-23 -18.40%

The CalPERS employer contributions rates are as follows:

- 2020-21 - 20.7%
- 2021-22 - 23.0%
- 2022-23 - 26.3%

The projected CalSTRS and CalPERS costs associated with the employer rates increase over the next three years are as follows:

	2020-2021	2021-2022	2022-23
STRS Additional Costs Per Year	\$ (325,341)	\$ (80,590)	887,539
PERS Additional Costs Per Year	\$ 106,809	\$ 264,985	384,066
	\$ (218,532)	\$ 184,395	1,271,605
STRS Additional Costs - Cumulative (since 16/17)	\$ 1,591,190	\$ 1,510,600	2,398,139
PERS Additional Costs - Cumulative (since 16/17)	\$ 773,502	\$ 1,038,487	1,422,553
	\$ 2,364,692	\$ 2,549,087	3,820,692

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Property Taxes

Property taxes revenues have grown moderately for each of the past 5 years. In 2019-20, property tax revenues increased about 2.68% over the prior year, and they are expected to increase another 3.39% in 2020-21. Because of the current uncertain fiscal climate, we are assuming no change in property taxes for the 2021-22 and 2022-23 fiscal years until we see continued reliable increases in property tax receipts.

Enrollment and ADA

In the current year, the District saw a decrease in enrollment of 175 students from 2019-20, mainly due to students moving out of the area, to another district or home schooling due to the COVID-19 pandemic. The District had projected an increase of 72 students, which equates to an actual enrollment drop of 247 students from what we projected at budget adoption. Fortunately, funding purposes the State has provided a hold-harmless provision and our 2020-21 LCFF funding is based on 2019-20 Actual ADA.

For 2021-22, we are projecting that enrollment will increase to at least our 2019-20 enrollment of 7,209 and regain the 175 students we lost in 2020-21. If our actual enrollment and ADA do not exceed our 2019-20 ADA, we will be subject to the normal hold harmless provision, meaning we would again be funded at 2019-20 ADA. Therefore, we are projecting our 2021-22 LCFF funding based on 2019-20 ADA of 6,947.

For 2022-23, we are projecting that we will increase enrollment to enrollment of 7,353 reflecting (an overall average increase of approximately 2% over a three-year period from 2019-20 to 2022-23). Applying an ADA yield of 96.0%, we are projecting to our 2022-23 LCFF funding to be based on 7,061 ADA, a projected increase of 114 ADA.

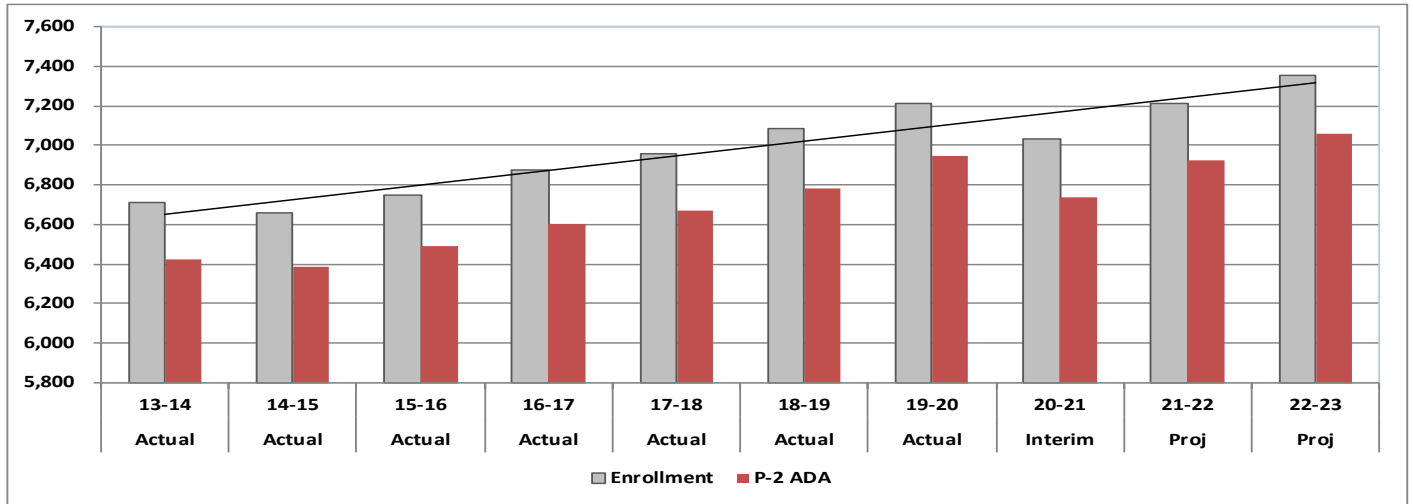
Enrollment and attendance information for the 2019-20 Unaudited Actuals, the current 2020-21 budget year and the next two budget years are listed in the table below:

	19/20 Unaudited Actuals	20/21 Adopted Budget	20/21 August Revision	20/21 First Interim	21/22 Projection	22/23 Projection
Enrollment	7,209	7,281	7,281	7,034	7,209	7,353
ADA Yield	96.4%	95.8%	95.8%	95.8%	96.0%	96.0%
ADA	6,966	6,994	6,966	6,966	6,966	7,080
% Increase (Decrease) Enrollment	1.8%	1.0%	1.0%	-2.4%	2.5%	2.0%
# Increase (Decrease) Enrollment	128	72	72	(175)	175	144
Funded ADA	6,947	6,994	6,947	6,947	6,947	7,061
% Increase (Decrease) Funded ADA		0.7%	0.0%	0.0%	0.0%	1.6%
# Increase (Decrease) Funded ADA	N/A	47.62	0.00	0.00	0.00	114.43

In the 2020-21 budget year, the District opened the new Scott M. Leaman Elementary School. Additionally, John Adams Academy (JAA) charter opened a new school site and expanded grades at their charter. In the 2021-22 year, the District will open the new Twelve Bridges High School. Any enrollment change from this new high school in the 2021-22 budget year has not been included in the budget at this time. As we move closer to the opening, we will assess any possible enrollment changes.

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The following chart shows historical and projected enrollment data:



Categorical Revenue

The State Budget included zero COLA for state Special Education, Child Nutrition and Mandate Block Grant for 2020-21. Pupil transportation and Targeted Instructional Improvement Grants continue as separate add-ons to the LCFF allocations, which do not receive a COLA. Federal categorical programs will be adjusted to reflect federal funding levels once the amounts are known.

Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act funding was received in the 2020-21 budget. Below are the specific funds and amounts received and are included in the District First Interim budget:

- Elementary and Secondary School Emergency Relief (ESSER) Fund - \$565,000
- Governor's Emergency Education Relief (GEER) Funds(WPUSD - \$425,000
- Coronavirus Relief Fund (CRF)(WPUSD - \$3,500,000

Some categorical programs require contributions from the district unrestricted funds as the funding received does not cover the expenditures for that specific program. A summary of the change in contributions from 2020-21 August Revision to First Interim Budget is displayed below.

Contributions to Restricted Programs 2020-21 August Revision vs. First Interim						
<u>Program</u>	<u>Resource</u>		<u>2020-21 Revised</u>	<u>2020-21 1st Interim</u>	<u>Change</u>	<u>Comments</u>
Special Ed-Basic Grant (PL94-142)	3310	*	\$2,134,437	\$1,883,864	(\$250,573)	Closed 2.25 FTE para positions, leaving .75 FTE position vacant, reduction in PERS rate, final position control adjustments
Spec Ed Pre-School	3315	*	\$17,167	\$25,147	\$7,980	Sub for employee on maternity leave
Special Education	6500	*	\$7,504,075	\$7,529,969	\$25,894	
Routine Repair & Maintenance (RRM)	8150		\$1,816,534	\$1,855,179	\$38,645	Increased based on actual 19-20 total exp. and transfers out
RDA Funds - Facilities	9030		(\$350,000)	(\$350,000)	\$0	
Total Contribution to Restricted Programs			<u>\$11,122,213</u>	<u>\$10,944,159</u>	<u>(\$178,054)</u>	
Total Special Ed Contribution			<u>\$ 9,655,679</u>	<u>\$ 9,438,980</u>	<u>\$216,699</u>	

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Other Expenditure Assumptions

Negotiations are not yet completed for the 2020-21 school year with all bargaining units, management, contract or confidential employees. Also, no settlement costs are included in the 2021-22 or 2022-23 budget years.

Cash Flow and Deferrals

As a significant portion of our State funding are from property taxes and those payments are apportioned only two times a year, the District must use short-term TRANS (Tax Revenue Anticipation Notes) borrowing to provide General Fund cash flow support during the remaining nine non-apportionment months.

In addition to the normal State funding payment schedule, the final State budget language included \$12 billion of principal apportionment cash deferrals from fiscal year 2020-21 to fiscal year 2021-22. Cash deferrals are changes in law (Education Code Section [EC §] 14041) to delay the schedule of apportionments allowing the state to retain cash for a period of time—the burden of borrowing lies with the LEA to ensure adequate cash for operations.

Two sets of K-12 Principal Apportionment Deferrals for a total of \$11.1 billion were pushed to 2020-21:

- \$1.9 billion in June 2020 payments deferred to July 2020, and then repeated for June 2021 to July 2021
- Additional \$9.2 billion deferred in 2020-21 from:
 - June 2021 to July 2021 - \$524.9 million
 - May 2021 to August 2021 - \$2.38 billion
 - April 2021 to September 2021 - \$2.38 billion
 - March 2021 to October 2021 - \$2.38 billion
 - February 2021 to November 2021 - \$1.54 billion

In 2020-21, the District has used a \$14 million TRANS borrowing to provide cash flow support during the non-apportionment/deferral months. Next year the District will be participating in TRANS borrowing and will be assuming approximately an \$8 million TRANS. Without a TRANS issuance, we would anticipate having negative cash for the two or three months preceding our property tax payments each year in December. This is typical of districts that rely on property taxes to backfill LCFF funding. With the additional State deferrals, we do not see any other cash flow needs other than the current TRANS for this year.

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COMPONENTS OF ENDING FUNDS BALANCE

Details of Components of Ending Fund Balance for 2020-21, 2021-22 and 2022-23 are listed below:

	First Interim 2020-2021 Combined	Projection 2021-2022 Combined	Projection 2022-23 Combined
Ending Fund Balance	13,121,865	10,374,695	6,521,057
Components of Ending Fund Balance Nonspendable:			
Revolving Cash	5,000	5,000	5,000
Restricted-Federal/State/Local Programs			
Reserve - Designated Programs	1,285,343	1,503,165	1,701,825
Unassigned/Unappropriated:			
Reserve-Economic Uncertainty @ 3%	2,576,221	2,436,757	2,500,652
Reserve-Start Up - High School 21/22	1,500,000	-	-
Reserve-One-Time Science Adoption	400,000	400,000	400,000
Reserve-Charter Technical Assistance	262,088	262,088	262,088
Reserve-Unassigned Economic Uncertainty surplus/(deficit)	7,093,213	5,767,685	1,651,492
Total Ending Fund Balance	13,121,865	10,374,695	6,521,057

When reviewing the components of Ending Fund balance it is important to distinguish those amounts that are *non-spendable, restricted and unassigned/unappropriated*. For the 2020-21 budget year and next two budget years the district is meeting the minimum 3% *Reserve for Economic Uncertainties*. Along with this reserve, the district is reserving funds for startup costs associated with the new high school in 2021-22, a one-time science textbook adoption, and charter technical assistance. Amounts that are not specifically identified for designated uses as noted above are included in the *Reserve – Unassigned Economic Uncertainty Surplus*.

Placer County Office of Education continues to reinforce the need for reserves over the minimum reserve requirements. In the projection years, funding growth is expected to be limited as revenues remain flat, employer contributions to retirement benefits are scheduled to rise and requirements to improve academic performance increase. Special attention must be made to out-year projections and the contributing factors both within and outside the control of district decision makers. To maximize success, districts will need to make deliberate use of resources and prudent fiscal decisions.

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DISTRICT OTHER FUNDS

Included below are the other funds of the District. The budgets have been updated to reflect budget adjustments up to the First Interim reporting period. Also, the actual 2019-20 Ending Fund Balances have been carried forward and are reflected the 2020-21 First interim budget.

	2020-21 FIRST INTERIM			
	Beginning Fund Balance	Revenues	Expenditures	Ending Fund Balance
Fund 11 - Adult Education Fund	\$ 22,908	\$ 108,400	\$ 108,400	\$ 22,908
Fund 12 - Child Development Fund	\$ 11,186	\$ -	\$ -	\$ 11,186
Fund 13 - Cafeteria Fund	\$ 14,219	\$ 2,095,890	\$ 2,095,890	\$ 14,219
Fund 17 - Special Reserve for Other Than Capital Outlay	\$ 720,056	\$ 7,000	\$ -	\$ 727,056
Fund 21 & 22 - Building Fund	\$ 60,339,972	\$ 28,668,571	\$ 79,542,203	\$ 9,466,340
Fund 25 - Capital Facilities Fund	\$ 358,389	\$ 623,000	\$ 478,076	\$ 503,313
Fund 35 - County Schools Facilities Fund	\$ 3,104,257	\$ -	\$ 3,067,388	\$ 36,869
Fund 40 - Special Reserve for Capital Outlay Projects	\$ 50,087	\$ -	\$ -	\$ 50,087
Fund 49 - Debt Service Fund for Blended Component Units	\$ 8,735,852	\$ 8,309,620	\$ 7,193,602	\$ 9,851,870
Fund 71 - Retiree Benefit Fund	\$ 7,264	\$ 125	\$ -	\$ 7,389
Fund 73 - Foundation Private-Purpose Trust Fund	\$ 165,080	\$ 2,500	\$ -	\$ 167,580