



Pleasanton Unified School District

2019/20 Unaudited Actuals

Presentation to Board of Trustees

September 10, 2020



Presentation Summary

- Key Findings
- Review 2019/20 Unaudited Actuals Revenue
- Review 2019/20 Unaudited Actuals Expenditures
- Per Student Expenditure Comparisons
- All Funds Report
- Components of the Ending Fund Balance
- Next Steps
- Appendix



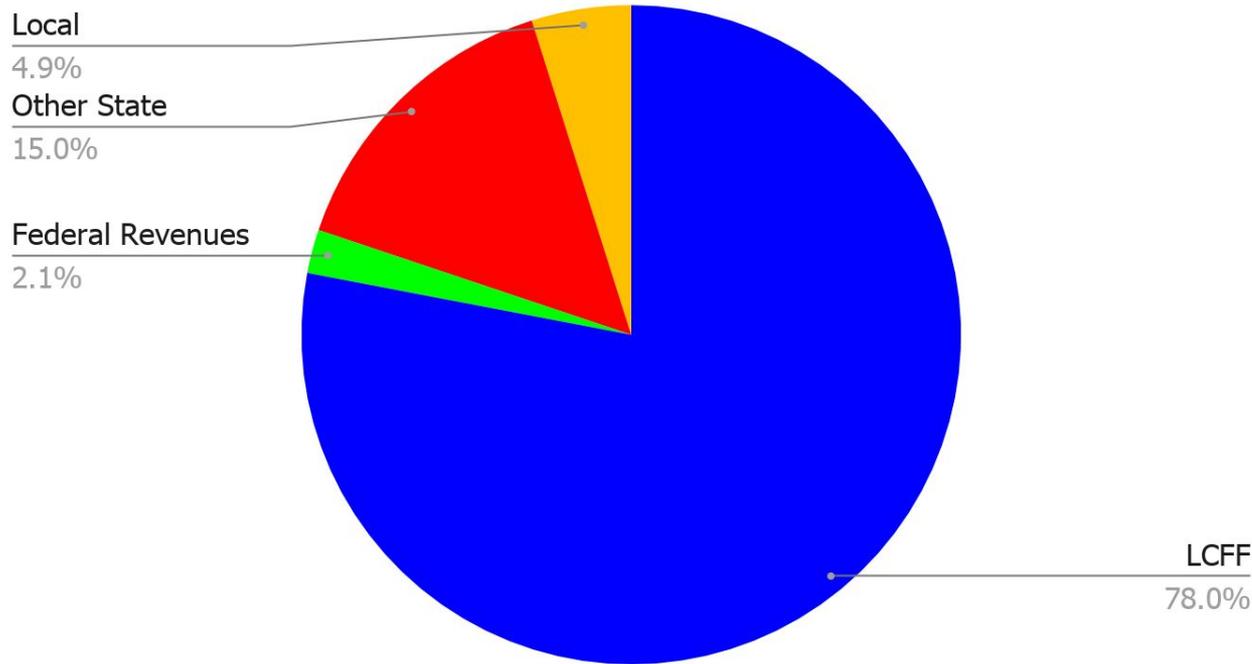
Key Finding

- District's total reserves improved from Estimated Actuals from 6.88% to 7.6% of total expenditures
- Reduced expenditures were mainly in the areas of Books/Supplies and Services/Operations
- District's quick actions after shelter-in-place orders reduced expenditures and improved district financial position
- Ending Fund Balance includes significant Restricted funds
- District still faces uncertain fiscal situation as a result of the COVID 19 pandemic



2019/20 Unaudited Actuals Revenues

2019/20 Unaudited Actual Revenue Sources



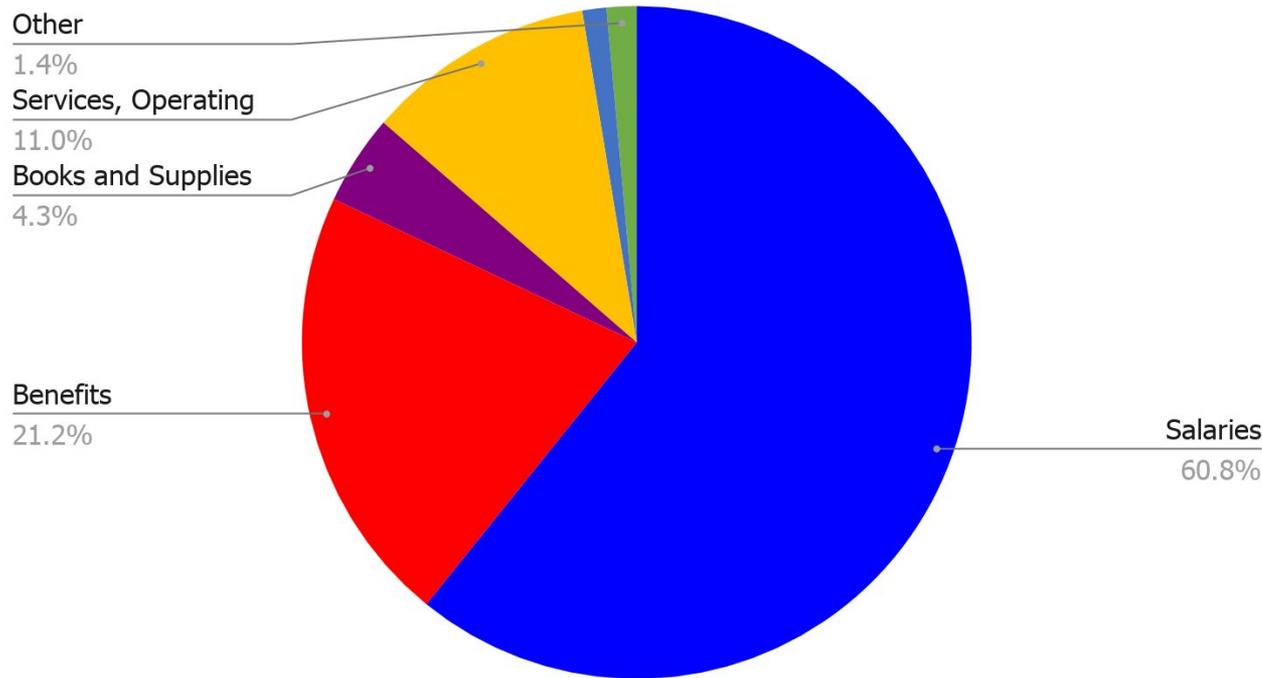
Total Revenues:
\$174,976,432

- Flat revenue growth from 2018/19 level
- LCFF growth of about 5%
- Reduced revenues in other State and Local
- Per Student revenue about \$11,870
- Includes \$7.9M for on behalf State Pension Contribution



2019/20 Unaudited Actuals Expenditures

2019/20 Unaudited Actuals Expenditures

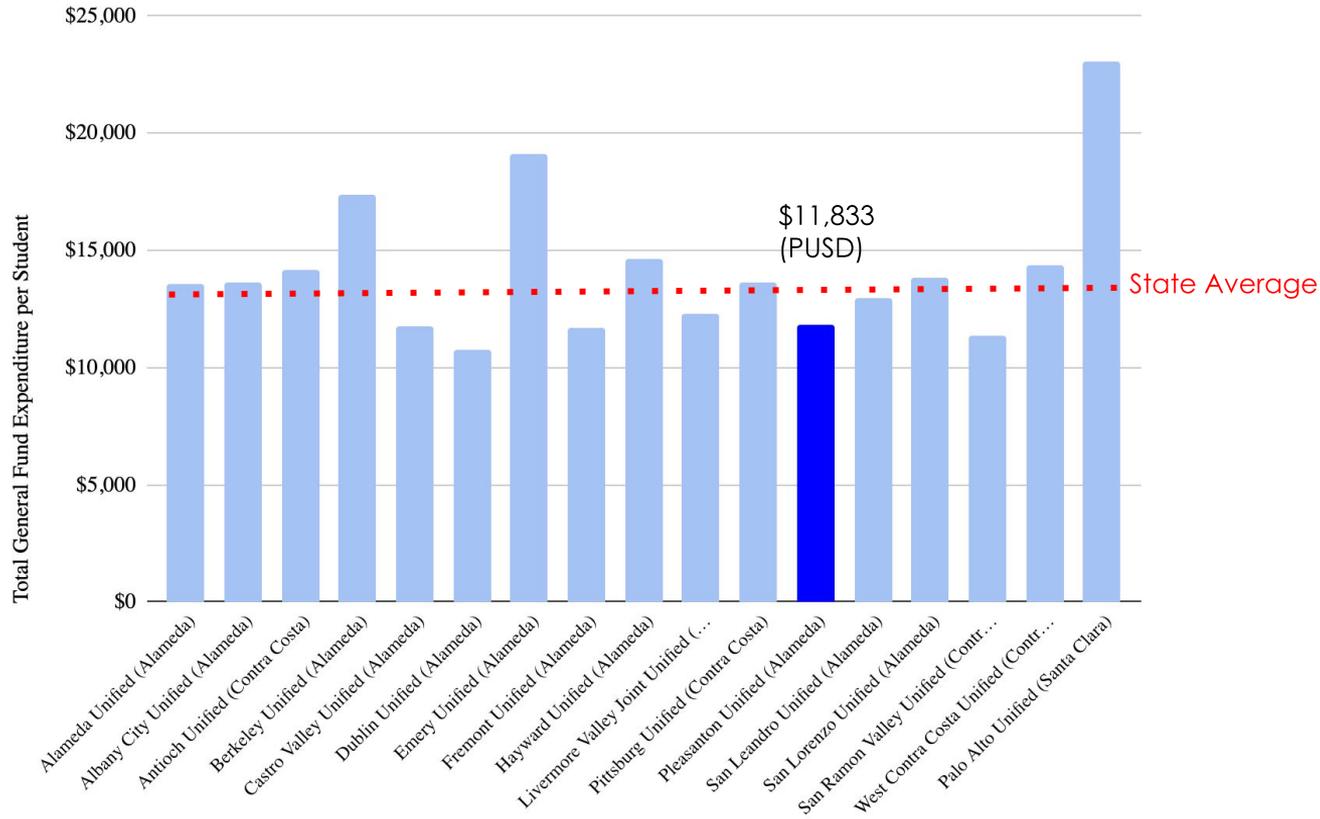


Total Expenditures:
\$178,821,062

- Total deficit spending \$3,758,506
- 4.2% increase in exp. fom 2018/19
- Salary and Benefit increase of 4.54% from 2018/19
- Reduction in Services from 2018/19 level
- Per student expenditure \$12,036



2018/19 Total General Fund Expenditure per Student



Comparison of Total GF Expenditure per Student

Source: Ed-data.org



| Fund | Description | 2018-19 | 2019-20 |
|------|--|--------------|---------------|
| 01 | General Fund (Operating Budget) | \$26,417,508 | \$22,659,002 |
| 11 | Adult Education | \$226,470 | \$136,403 |
| 13 | Cafeteria (Child Nutritional Services) | \$1,328,970 | \$1,101,641 |
| 14 | Deferred Maintenance | \$1,159,730 | \$169,894 |
| 17 | Non-capital | \$7,763,016 | \$1,150,433 |
| 18 | Non-capital (PSEE) | \$295,812 | \$227,027 |
| 20 | Other Post Employment Benefits | \$0 | \$6,760,578 |
| 21 | Facility Bond Program (Measure I1) | \$47,877,146 | \$125,984,379 |
| 25 | Capital Facilities (Developer Fees) | \$4,615,440 | \$4,719,758 |
| 40 | Capital | \$5,122,859 | \$5,122,859 |
| 41 | Capital Sycamore | \$7,177,080 | \$7,238,253 |
| 63 | Enterprise (Kids Club, Steam, Horizon) | \$1,816,973 | \$1,194,898 |
| 64 | Enterprise (Adult Summer Program) | \$60,169 | \$17,872 |

All Funds Ending Balance

Key:

Blue: funds were revenues
come from grants, tuition,
or sales

Red: facility and
maintenance related funds



| | |
|---|---------------------|
| Restricted Balances | |
| Routine Restricted Maintenance | \$2,479,638 |
| Local Site | \$1,858,975 |
| Special Education AU (SELPA) | \$737,517 |
| Special Education (PUSD) | \$3,125 |
| Low Performing Student Block Grant | \$286,347 |
| Classified Employee PD Block Grant | \$49,968 |
| COVID Response | \$124,342 |
| MAA - LEA | \$38,391 |
| Total Restricted Balances | \$5,578,304 |
| Unrestricted Assigned Fund Balance | |
| Harvest Park Fire - Library Rebuild | \$252,768 |
| Site Carryover (music, library, and art) | \$119,342 |
| LCAP | \$517,078 |
| MAA (Medical Reimbursement) | \$551,819 |
| Safety Plan | \$86,261 |
| Technology Plan | \$434,640 |
| Site Carryover (hold harmless) | \$2,217 |
| Textbooks (K-5 SS and 6-12 WL) | \$1,300,000 |
| Total Unrestricted Assigned Fund Balance | \$3,264,125 |
| Reserves | |
| Economic Uncertainty | \$5,366,503 |
| Unappropriated | \$8,226,855 * |
| Total Reserves | \$13,593,358 |
| Nonspendable Cash | \$223,215 |
| Total Ending Fund Balance | \$22,659,002 |

* includes per State direction a reduction of \$210,274 in restricted CARES Act funding where actual allocation will be in 2020/21



7.6% of GF expenditures, about one month of operating expenses

Components of the Ending Fund Balance



Next Steps

- Independent financial audit of 2019/20 Unaudited Actuals
- Update cashflow analysis to assess need and timing for short term borrowing due to planned State deferrals
- First Interim Report - December 2020 Board Meeting
- Closely monitor fiscal impacts of pandemic and multi-year budget planning
- Monitor enrollment and ADA for 2020/21 school year
- Continue work on long term solutions to develop financial security



Appendix: Budget Approval Process

Education Code Section 42130 requires that school districts certify to the State the fiscal stability of the District. Districts must demonstrate they can meet their fiscal obligations for the current year and two years out. The reports must be presented to and approved by the District's Governing Board no later than 45 days after the close of the report period.

- 1st Interim, covers actual expenditures and actual revenues from July 1 through October 31, and updates projections for the balance of the year
- 2nd Interim, covers actual expenditures and actual revenues from July 1 through January 31, and updates projections for the balance of the year

The Certification of the District's financial condition may take one of three forms:

Positive Certification: The District will meet its financial obligations for the current fiscal year and subsequent two years.

Qualified Certification: The District may not meet its financial obligations for the current fiscal year or subsequent two years.

Negative Declaration: The District will not meet its financial obligations for the remainder of the fiscal year or for the subsequent fiscal years.



Appendix: Budget Calendar

- August 2020: 45 Day Budget Revision for 2020/21 Adopted Budget
- **September 2020: Unaudited Actuals FY19/20**
- December 2020: First Interim Report, as of 10/31/20
- January 2021: Audited Financial Statements for FY19/20
- January 2021: Governor's Budget Proposal for FY21/22
- March 2021: Second Interim Report, as of 1/31/21
- March-April 2021: Staff Review and prepare for Budget Development
- May 2021: Governor's May Revise Budget Proposal
- June 2021: Estimated Actuals FY20/21 & Budget Adoption for FY21/22



Appendix: District Funds

| Fund | Description |
|-------------|---|
| 01 | General Fund |
| 10 | Special Education Pass Through |
| 11 | Adult Education |
| 13 | Cafeteria (Food Service) |
| 17 | Special Reserve Fund for Other Than Capital Outlay Projects |
| 63 | Other Enterprise Fund (Infant, Preschool, and child care) |

| Fund | Description |
|-------------|--|
| 14 | Deferred Maintenance |
| 21 | Building (Bond Program) |
| 25 | Capital Facilities |
| 35 | County School Facilities |
| 40 | Special Reserve Fund for Capital Outlay Projects |
| 51 | Bond Interest & Redemption |