

# 2020-2021 Unaudited Actuals Summary



For the Period Ending June 30, 2021



# Table of Contents

**03**

Board Members

**04**

Administration

**05**

Executive Summary & Year in Review

**06**

Enrollment & Average Daily Attendance (ADA)

**07**

Unrestricted General Fund

**10**

Charter Schools

**11**

Restricted General Fund

**13**

District Funds

# Board of Education



**Board President**  
Juan R. Guerrero  
Trustee Area 2



**Board Clerk**  
Walta S. Gamoian  
Trustee Area 1



**Board Member**  
Megan Casebeer Soleno  
Trustee Area 5



**Board Member**  
John L. Crabtree  
Trustee Area 4



**Board Member**  
Jacqueline A. Gaebe  
Trustee Area 7



**Board Member**  
Joy M. Naylor  
Trustee Area 3



**Board Member**  
Christopher Pope  
Trustee Area 6

# Administration

## **Superintendent**

Tamara Ravalín , Ed.D.

### **Assistant Superintendent**

Educational Services

Doug Cardoza

### **Administrator**

Equity & Student Services

Brandon Gridiron

### **Administrator**

Curriculum & Instruction

Andre Pecina

### **Administrator**

Special Education

Carrie Stephens

### **Administrator**

Family & Community Services

Jim Sullivan

### **Chief Business Officer**

Business Services

Nathan Hernandez

### **Assistant Superintendent**

Human Resources Development

Dedi Somavia

### **Administrator**

Human Resources Development

Andy Di Meo

### **Area Administrator**

K-12

Alma Navarro

### **Area Administrator**

K-12

Mark Thompson

### **Area Administrator**

K-12

Roberto Vaca

### **Chief Operations Officer**

Operations Services

Erik Kehrer

# Executive Summary

## The Year In Review

The Unaudited Actuals Report is the District's final budget report for the fiscal year until the Annual Financial Report or audit is presented in January. This report is a snapshot of District activity as of June 30, 2021.

The 2020-21 fiscal year was unlike any we have experienced before. The January Governor's proposal projected a surplus with a funded Cost of Living Adjustment (COLA) and continued growth in the California economy. Then, in a matter of weeks, then months, the May Revision projected a \$54 billion shortfall as a result of the COVID-19 pandemic. Just as the Local Control Funding Formula (LCFF) reached its target for full funding to restore the cuts from the Great Recession, the State and Nation were pushed into a recession and the Education budget took a major hit. The State planned to balance the budget through the use of all available Reserve balances, one-time funds from Federal CARES Act funding, Education Deferrals, and cuts to the LCFF and other areas of the State budget.

The certificated bargaining unit reached an agreement with the District to fund step and column movement for the 2020-21 school year. Due to the uncertain economic conditions caused by the COVID-19 pandemic and its related impact on school funding, there was no COLA increase, or other increase, to any salary schedule, stipend, or other payment for the 2020-21 school year. The work calendar was also reduced by one day. The classified bargaining unit reached an agreement with the District to freeze step movement and not provide a COLA for the 2020-21 year. The percentage of salary contributed to STRS by the district on-behalf of its teachers had a slight decrease from 17.100% in 2019-20 to 16.15% in 2020-21. California Public Employees Retirement System (PERS) rates paid by the district for classified staff grew slightly going from 19.721% in 2019-20 to 20.70% in 2020-21.

For students, the majority of the 2020-21 school was conducted virtually. On March 1, 2021, Governor Newsom announced a deal had been reached with the Legislature to provide \$2.0 billion for In-Person Instruction Grants and \$4.6 billion for Expanded Learning Opportunities Grants. On March 10, 2021 the House of Representatives approved the Senate's version of the \$1.9 trillion American Rescue Plan. This stimulus bill earmarked nearly \$170 billion for education, including \$122.8 billion for a third round of funding in the Elementary and Secondary School Emergency Relief (ESSER) Fund. The purpose of these funds were to improve workplace safety and ventilation, expand learning opportunities to combat learning loss, provide infrastructure for technology and wireless needs, and to prepare for a return to traditional in-person instruction.

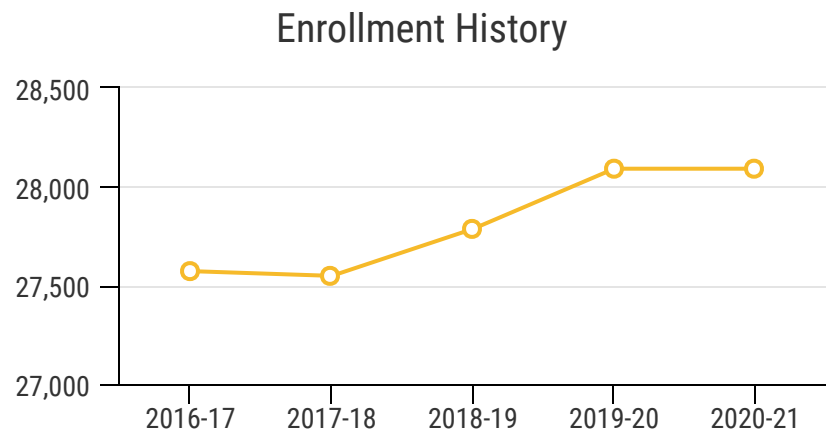
At the end of 2020-21, VUSD maintained a reserve for economic uncertainties at 11.5% for FY 2020-21.

# Enrollment & ADA

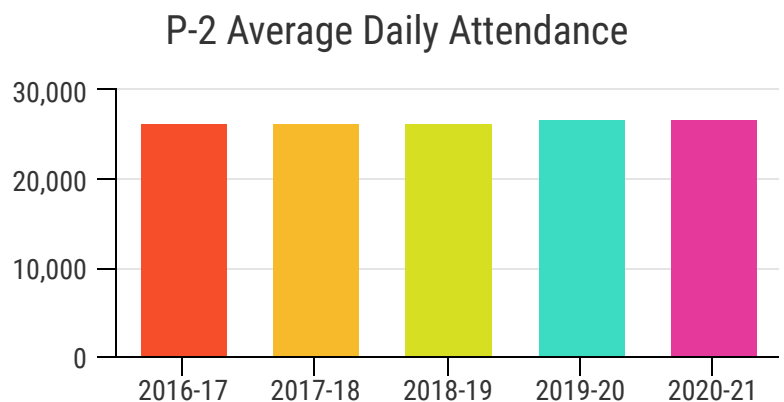
The majority of revenues coming into the general fund are based on student attendance, enrollment, and the district's unduplicated pupil percentage (UPP). SB 98 provided LEAs with an ADA hold-harmless provision for the 2020-21 fiscal year. The bill stipulates that the state will not fund any growth experienced during the fiscal year, meaning that the ADA for an LEA is locked in at 2019-20 whether or not their ADA declines or grows. Student enrollment for 2020-21 was reported at 28,091, the same levels as 2019-20. The P-2 average daily attendance (ADA) remained at the same level as 2019-20.

## Five Year & ADA History

Fiscal Year	October CalPADS Enrollment	Change
2016-17	27,572	1.32%
2017-18	27,548	-0.09%
2018-19	27,786	0.86%
2019-20	28,091	1.10%
2020-21	28,091	0.00%



Fiscal Year	P-2 ADA*	Change
2016-17	26,331.06	0.97%
2017-18	26,291.20	-0.15%
2018-19	26,484.88	0.74%
2019-20	26,782.05	1.12%
2020-21	26,782.05	0.00%
*Excludes County / Charter ADA		



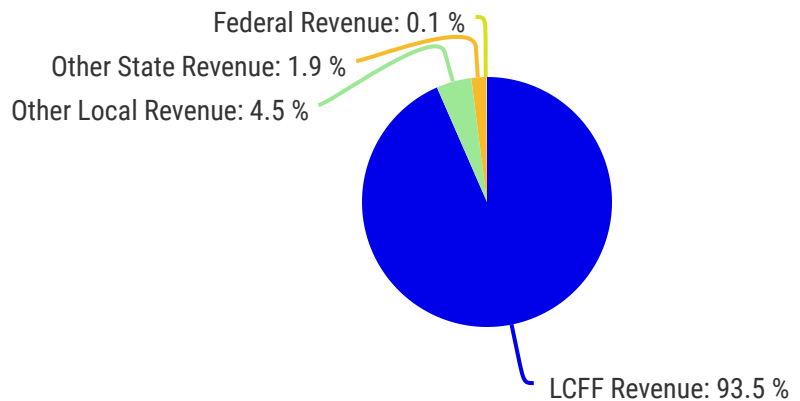
# Unrestricted General Fund

## Revenues

In the 2020-21 Unaudited Actuals report, Visalia Unified School District's total unrestricted general fund revenues are reported at \$317,680,101 at year end. This is \$6.3 million more than what was projected in the District's Second Interim report approved on March 9, 2021.

**\$317,680,101**

### 2020-21 General Fund Unrestricted Revenue



### Local Control Funding Formula (LCFF)

**\$296,879,551**

LCFF revenues totaled \$296,879,551 which represents full funding of 100% of the LCFF target. LCFF makes up 93.5% of total unrestricted general fund revenues. LCFF revenues are made up of local property taxes, Proposition 30 Education Protection Act receipts, and State Aid. Local property taxes make up \$49,109,779 of the total LCFF allocation, Prop 30 revenues make up \$101,697,501, and the remaining \$147,860,917 is State Aid. A \$1,788,646 reduction was applied to total LCFF revenues for prior year adjustments to revenue limit and in-lieu tax transfers to charter schools.

### Federal Revenue

Federal revenues totaled \$250,356 in 2020-21. This is for E-rate reimbursements.

### Other State Revenue

**\$6,118,072**

Other State revenues in the unrestricted general fund totaled \$6,118,072 for the year ending June 30, 2021. This is a 29.76% decrease from what was recorded in the unrestricted general fund in 2019-20. This was due to a decrease in grant funds for the Special Ed Preschool Early Intervention Grant.

### Local Revenue

**\$14,432,122**

Local revenues totaled \$14,432,122 in 2020-21. This was an increase of 27.86% from the prior year. The increase is due to monies received for the East Union textbook fire and grant funds received for the purchase of electric buses.

# Unrestricted General Fund

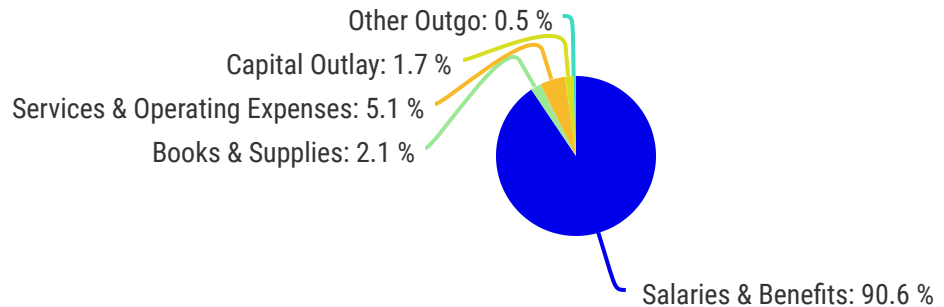
## Expenditures

Expenditures in the unrestricted general fund for the year ending June 30, 2021 totaled \$247,755,294.

Unrestricted expenditures decreased \$15.4 million from the prior year. The decrease is related reduced staffing costs related to negotiations; costs associated with books, supplies, and other operating expenses.

**\$247,755,294**

### 2020-21 Expenditures



### Salaries & Benefits

**\$224,438,952**

Salaries and benefits, as a percentage of total general fund expenditures totaled 90.6% in 2020-21. Unrestricted general fund certificated salaries total \$122,181,862, down 2.60% from 2019-20. Employee benefits totaled \$65,212,868 a 5.47% decrease from 2019-20. The decrease is mostly attributed to reduced staffing costs related to labor negotiations.

### Other Outgo/Indirect Costs

**\$1,327,652**

Included in the Other Outgo category are debt payments and indirect costs. Expenses charged to this category totaled \$3,318,356.

Indirect costs, a negative expense or credit to the unrestricted general fund totaled -\$1,990,704. Indirect charges cover expenses incurred by restricted programs for support services and activities such as utilities, technology, purchasing, payroll, accounting, and human resources.

### Books & Supplies, Services, & Operating Expenses

**\$17,873,432**

Unrestricted general fund books and supplies decreased 54.90% from the prior year and totaled \$5,176,161. The decrease was primarily contributed to new costs for Denton and one time site equipment replacement. Services and operating expenses accounted for \$12,697,271 and included utilities (except electricity), insurance, consultants, repairs, and travel. Expenses in this category showed a 10.73% decrease from the prior year.

### Capital Outlay

**\$4,115,258**

Capital Outlay in the unrestricted general fund totaled \$4,115,258. Capital outlay expenditures were for equipment, construction projects, and vehicles for various school sites and district departments



# Other Financing Sources

The Other Financing Sources/Uses category consists of transfer in or out of the general fund, contributions to restricted resources, and capital lease revenues. In 2020-21, transfers to other funds from the unrestricted portion of the general fund totaled \$19,443,661.

Contributions to restricted resources are also reported in the Other Financing Sources/Uses category. In 2020-21, \$49,602,804 was transferred out of the unrestricted general fund as contributions to restricted programs, including Special Education, Routine Maintenance, and Transportation.

Contributions were made to Transportation as required by the State in order for the district to maintain its current level of transportation apportionment funding. The contributions to the transportation accounts were offset by revenues received for transportation contracts with other districts.

## Fund Balance and Cash

Revenues minus expenditures plus other sources/uses results in a net increase of \$1,926,507 to the unrestricted general fund ending balance for the year ending June 30, 2021. This brings the unrestricted ending balance to \$68,649,344.

The unrestricted general fund balance includes \$44,795,761 as a reserve for economic uncertainty. This reserve is set by a Governing Board Policy at 15% of combined general fund expenses and transfers out. The remaining \$23,853,583 is assigned for various future uses including pension reserve, reserve for declining enrollment, and carryover balances.

The unrestricted general fund ending balance has been assigned for the purposes listed below:

Ending Fund Balance Components & Reserve	
11.5% Reserve for Economic Uncertainties	\$44,795,761
Stores/Revolving Cash/Pre-paid expenses	\$1,941,497
Pension Reserve	\$7,011,000
Reserve for Declining Enrollment	\$1,500,000
Carryover - Site Donations	\$626,020
Carryover - Site Discretionary	\$911,777
LCAP Balances Carryover	\$8,482,667
LCAP Reserve	\$2,590,970
LCAP Site Carryover	\$579,722

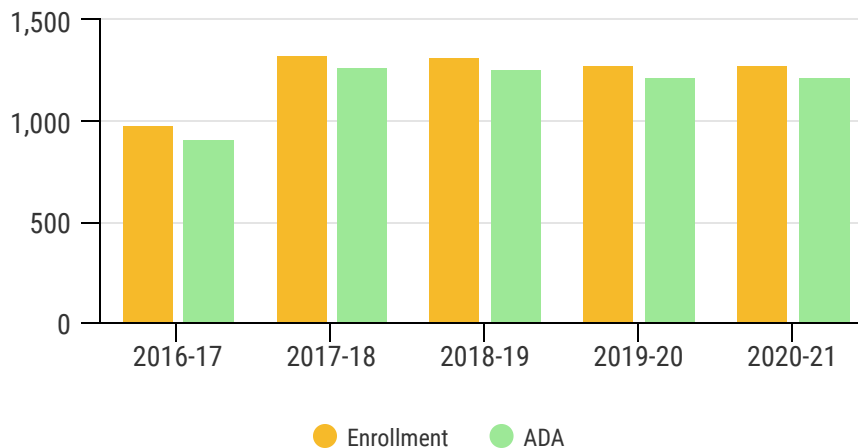
# Charter Schools

Expenses and revenues for Visalia Unified charter schools are reported within general fund unrestricted. Revenues are based on average daily attendance and other factors and come from the state under the Local Control Funding Formula (LCFF), just as District revenues. State and local funding for special education and lottery revenue for charter students are also reported in the general fund.

The District operated Charter Home School Academy, Global Learning Charter, Visalia Charter Independent and Online School, and Visalia Technical Early College High School.

## Enrollment and ADA

In 2020-21, there was a combined enrollment of 1,284 for the District's four charter schools. SB 98 provided LEAs with an ADA hold-harmless provision for the 2020-21 fiscal year. The bill stipulates that the state will not fund any growth experienced during the fiscal year, meaning that the ADA for an LEA is locked in whether or not their ADA declines or grows.



## Fund Balance and Cash

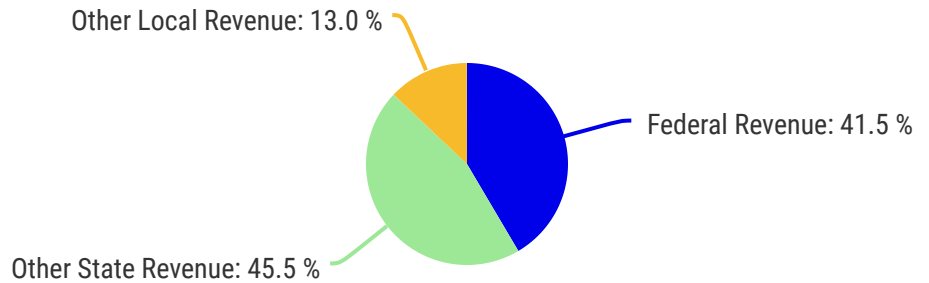
The funding for LCFF is based on charter school P-2 ADA and grade level base grants. For the 2020-21 fiscal year, Charter revenues totaled \$15,963,522 with expenditures totaling \$13,560,398.

# Restricted General Fund

## Revenues

Revenues in the restricted general fund for 2020-21 totaled \$96,510,152. Revenues are comprised of \$40,066,465 in federal revenues; \$43,944,828 from state revenues; and \$12,498,858 in local revenue.

### 2020-21 General Fund Restricted Revenue



# \$96,510,152

### Federal Revenue

# \$40,066,465

2020-21 federal revenues at year end totaled \$40,066,465, 110.79% more than the total reported in this category in 2019-20. Included in the federal revenues category are Title I, Title II, and other Title programs, Special Education federal local assistance funds and LEA Medi-Cal reimbursements. The increase in federal revenues are due to receiving the ESSER, ESSER II, and Coronavirus Relief Funds.

### Other State Revenue

# \$43,944,828

The total amount received in the other state revenues category for 2020-21 was \$43,944,828. This is a 92.15% increase from what was received in the prior year. The difference represents increases in funding for In-Person Instruction Grant, Expanded Learning Opportunities (ELO), Career Tech Ed Incentive Grant, and mandated cost reimbursements.

### Local Revenue

# \$12,498,858

Local revenues totaled \$12,498,858, which is 30.97% more than the prior year. Local revenues are received for pass-thru grants for Special Education, Preschool programs, and various local and private grants.

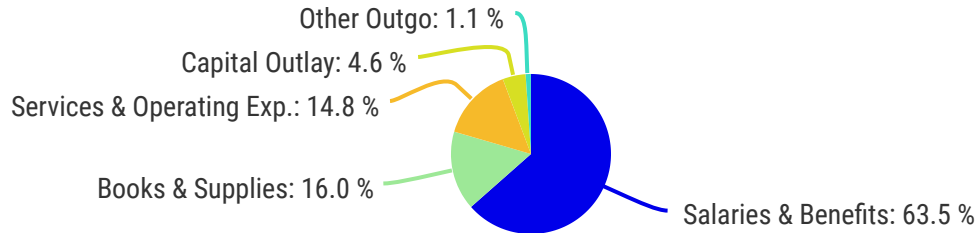
# Restricted General Fund

## Expenditures

Expenditures for the restricted general fund totaled \$121,498,744, which is approximately 33.57% more than what was spent in 2019-20. These increases are due to the expenditures related to ESSER, In-Person Instruction Grants, and Expanded Learning Opportunities Grants.

**\$121,498,744**

### 2020-21 Expenditures



#### Salaries & Benefits

**\$77,154,614**

#### Books & Supplies, Services, & Operating Expenses

**\$37,395,887**

Books and supplies totaled \$19,452,219, an increase of 227.16% from 2019-20 expenses in this category. The increase is due to expenditures related to improving workplace safety and ventilation, expanded learning opportunities, and infrastructure for technology.

Costs in the services and operating expenses category totaled \$17,943,668.

#### Capital Outlay

**\$5,638,446**

Capital Outlay in the restricted general fund totaled \$5,638,446. Capital outlay expenditures were for purchases of equipment and construction projects.

#### Other Outgo/Indirect Costs

**\$1,309,798**

Costs accounted for in the Other Outgo category totaled \$1,309,798 for indirect costs.

#### Other Financing Sources/Uses

Both expenses and revenues are reported in this category. Transfers out totaled \$1,878,828.

In 2020-21, contributions in the amount of \$49,602,804 were transferred out of the unrestricted general fund as contributions to restricted programs, including Special Education, Routine Maintenance, and the Electric Utility resource.

#### Fund Balance & Cash

The restricted general fund's ending balance increased by \$22,735,383, ending the year at \$46,277,328. The ending balance in the restricted general fund is legally restricted and can only be used for the purposes intended by the funding agency.

# District Funds

## General Fund (Unrestricted and Restricted)

The General Fund is the chief operating fund of the district and is made up of both Unrestricted and Restricted funds. All transactions except those required or permitted by law to be reported in another fund are accounted for in this fund.

Unrestricted General Fund consists of revenues to run the basic educational program, offset by the cost of the basic program. Restricted General Fund consists of revenue received for specific and limited purposes, offset by the cost of those specific programs. In some cases revenue not spent on a restricted program must be returned to the funding source. In other cases, unspent restricted funds are carried forward to the following year to be spent for the same specific purpose. Restricted projects or activities within the general fund must be identified and reported separately from unrestricted projects or activities.

General Fund financial information, separated into both unrestricted and restricted categories for the year ending June 30, 2021 can be found in the SACS forms available on the Districts website. Total combined revenues were \$414,190,253. Total General Fund expenses and other uses for 2020-21 were \$348,979,714. The ending balance for the combined general fund on June 30, 2021 was \$114,926,673, of which \$114,716,743, was restricted, reserved for economic uncertainty or reserved for cash, stores, and pre-paid expenses. The remaining \$209,930 was assigned as the unrestricted carry-over balances and other reserves.

Revenue	2019-20 Audited Actuals	2020-21 Adopted Budget	2020-21 Unaudited Actuals
LCFF	\$296,826,237	\$273,376,077	\$296,879,551
Federal	\$19,008,188	\$28,202,126	\$40,316,822
Other State	\$30,808,891	\$29,734,654	\$50,062,900
Local	\$19,953,911	\$11,993,510	\$26,930,980
<b>Total Revenues</b>	<b>\$366,597,227</b>	<b>\$343,306,367</b>	<b>\$414,190,253</b>

Expenditures	2019-20 Audited Actuals	2020-21 Adopted Budget	2020-21 Unaudited Actuals
Certificated Salaries	\$145,579,641	\$146,965,917	\$150,145,568
Classified Salaries	\$49,971,410	\$51,182,302	\$51,987,821
Employee Benefits	\$100,904,616	\$105,096,501	\$99,460,177
Books/Supplies	\$17,422,355	\$12,093,237	\$24,628,380
Services/Operating Expenses	\$26,499,196	\$20,645,697	\$30,640,938
Capital Outlay	\$10,980,022	\$1,800,621	\$9,753,704
Other Outgo/Indirect Costs	\$2,822,649	\$2,330,105	\$2,637,450
<b>Total Expenditures</b>	<b>\$354,179,889</b>	<b>\$340,114,380</b>	<b>\$369,254,039</b>

# Special Revenue Funds

Special revenue funds are used to account for the proceeds from specific revenue sources that are restricted to the financing of particular activities.

## **Student Activity Special Revenue Fund 080**

The Governmental Accounting Standards Board (GASB) issued Statement 84, Fiduciary Activities in January 2017. The Student Activity Special Revenue Fund is used to account for those student body activities that do not meet the fiduciary activity criteria pursuant to GASB 84 but are determined to be governmental activities.

## **Adult Education Fund 110**

The Adult Education Fund is used to account separately for federal, state, and local revenues for the adult education program. State revenues for adult education programs fell under the flexibility provisions enacted with the 2008-09 state budget, the revenue related to these programs is received in the District's general fund. Adult education expenses for 2020-21 were \$5,857,897 and revenues were \$6,543,139. The ending fund balance as of June 30, 2021 was \$7,832,760.

## **Child Development Fund 121**

The Child Development Fund is used to account separately for many of the federal, state, and local revenues to operate child development programs. Visalia Unified School District reports revenues and expenditures related to the State Preschool program and a serve account in Fund 121. In 2020-21, Fund 121 expenses totaled \$3,519,741 and revenues were \$4,039,268. The ending fund balance in Fund 121 as of June 30, 2021 was \$636,598.

## **Cafeteria Fund 130**

The Cafeteria Fund 130 is used to account for federal, state, and local revenues to operate the nutrition services program which provides meals and snacks to district students. Visalia Unified School District participates in the National School Lunch Program (NSLP) and as such, receives reimbursements for meals served to eligible needy students from both state and federal sources. In addition, fees are collected for meals from students whose families do not qualify for free or reduced meals. For the 2020-21 school year, Visalia Unified operated under a United States Department of Agriculture (USDA) Waiver that authorized school districts to serve meals under the Seamless Summer Option (SSO) of the National School Lunch Program. Under SSO, all children under the age of 18 are provided school meals at no cost. Total revenue recorded in Fund 130 for 2020-21 was \$10,470,051 and expenses amounted to \$9,368,161. The ending fund balance in Fund 130 as of June 30, 2021 was \$3,775,361.

## **Special Reserve for Other Post-Employment Benefits Fund 200**

The Special Reserve for Other Post-Employment Benefits Fund 200 is used to account for amounts the district has earmarked for the future cost of postemployment benefits but has not contributed irrevocably to a separate trust for its postemployment benefit plan. A total of \$2,246,300 is reported as a transfer into Fund 200 and \$26,399,477 was the ending balance on June 30, 2021.

# Capital Project Funds

Capital Project funds are used to account for revenues and expenditures related to the acquisition and/or construction of all major governmental fixed assets. The District maintains four capital projects funds.

## **Building Fund 210**

Building Fund 210 is used to account separately for proceeds from the sale of Visalia Unified's voter approved bonds and expenditures from this fund are most commonly made for capital outlay. In November 2012, voters approved Measure E to fund facility improvements at all of school sites over 10 years old and to build a new middle school. With the approval of Measure E, \$60.1 million was approved.

Measure A is a General Obligation Bond that was approved by voters in November 2018. In July 2020, \$35 million was issued in voter approved bonds for Measure A. This will include upgrades to campuses across the District to replace leaking roofs, provide modern science labs and technology, prevent overcrowding, increase safety/security at all schools, provide equal access for students, and improve access for children with disabilities. Total revenue and contributions recorded in Fund 210 for 2020-21 was \$501,852 and expenses amounted to \$2,593,165. The ending balance in Fund 210 as of June 30, 2021 was \$31,860,522.

## **Capital Facilities Fund 250**

Capital Facilities Fund 250 is used to account separately for monies received from developers. Fees are received from individual homeowners building or remodeling single family dwellings and from large scale developers, often in the form of Community Facilities District bonds (CFDs) and interest. Developer fee revenues in this fund have dropped dramatically from their peak in 2005-06 when fees collected reached \$12,546,321. Fee collections reached a low in 2011-12 when just \$1,987,721 in fees were recorded. For 2020-21, developer fees payments totaled \$6,902,807 a 44.81% increase from the amount received in the prior year. Total revenue in Fund 250 for the 2020-21 year was \$7,699,831 and expenses totaled \$1,468,644. The fund ended the year with a balance of \$7,178,232.

## **State School Facilities Fund 350**

State School Facilities Fund 350 is used to receive apportionments from the State School Facilities Fund for new school facility construction, modernization projects, and facility hardship grants. Typical expenditures from this fund are for site acquisition, site improvements, buildings, furniture, and fixtures that will be capitalized as part of a construction project. There revenue recorded in Fund 350 for 2020-21 was \$26,070,280 and expenses amounted to \$2,561,118. The ending balance in Fund 350 as of June 30, 2021 was \$574,347.

## **Special Reserve for Capital Outlay Fund 400**

Special Reserve for Capital Outlay Fund 400 is used primarily to account for the accumulation of resources for capital outlay purposes. Principal revenues in this fund are derived from rental and lease income, interest, transfers in from other funds, and proceeds from the sale or lease-purchase of land and buildings. The Board approved the sale of Certificates of Participation (COP) to generate \$59.87 million in cash to advance fund Measure E projects that would otherwise be delayed up to 5 years or more due to the timing of State reimbursements from Prop 51. Expenditures totaled \$10,518,054. Revenues totaled \$157,739. The ending balance in Fund 400 as of June 30, 2021 was \$12,420,707.

# Debt Service Funds

Debt service funds are established to account for the accumulation of resources for the repayment of long term debt. The district maintains two debt service funds.

## **Bond Interest and Redemption Fund 511**

The Bond Interest and Redemption Fund 511 is used to account for the collection of tax receipts, premium payments, and accrued interest from the sale of bonds. This fund was established after the passage of Measure G in 1998. In 2010, these bonds were refinanced at a lower interest rate resulting in interest savings.

## **Bond Interest and Redemption Fund 514**

This fund was established after the passage of Measure E in 2012. All transactions within fund 511 and 514 are managed solely by the Tulare County Office of Education and the Assessor's Office. Revenues in these funds are comprised of ad valorem taxes paid by property owners within the VUSD boundaries.

In 2020-21, Fund 511, 514, and 516 expenses totaled \$4,087,706 and revenues were \$7,580,584. The ending fund balance in these funds as of June 30, 2021 was \$13,524,756.

## **Certificates of Participation Fund 561**

Fund 561 was established to account for the Certificates of Participation originally issued in 1996 and refinanced in 2005. Revenues for this fund come from Redevelopment revenues as well as transfers from the General Fund.

# Proprietary Funds

The district maintains one proprietary fund to account for transactions in its self-insurance accounts.

## **Self Insurance Fund 670**

The Self Insurance Fund 670 is used to separate monies received for self-insurance activities from the districts other operating funds. Revenues come from employee payroll deductions and district contributions toward employee health insurance and worker's compensation costs. During the 2020-21 year, \$48,162,826 in revenues from payroll contributions and interest earnings were recorded for both active and retired members. \$46,365,538 in expenditures for claims, premium payments, and other related costs were also recorded. The ending balance in Fund 670 as of June 30, 2021 was \$41,036,272.