



Pleasanton Unified School District

2021/22 Unaudited Actuals

Board of Trustees Meeting

September 8, 2022



Presentation Summary

- Key Findings
- Review 2021/22 Unaudited Actuals Revenue
- Review 2021/22 Unaudited Actuals Expenditures
- 2021/22 Variance Reports
- Comparison between 2020/21 and 2021/22
- All Funds Report
- Components of the Ending Fund Balance
- Next Steps
- Appendix



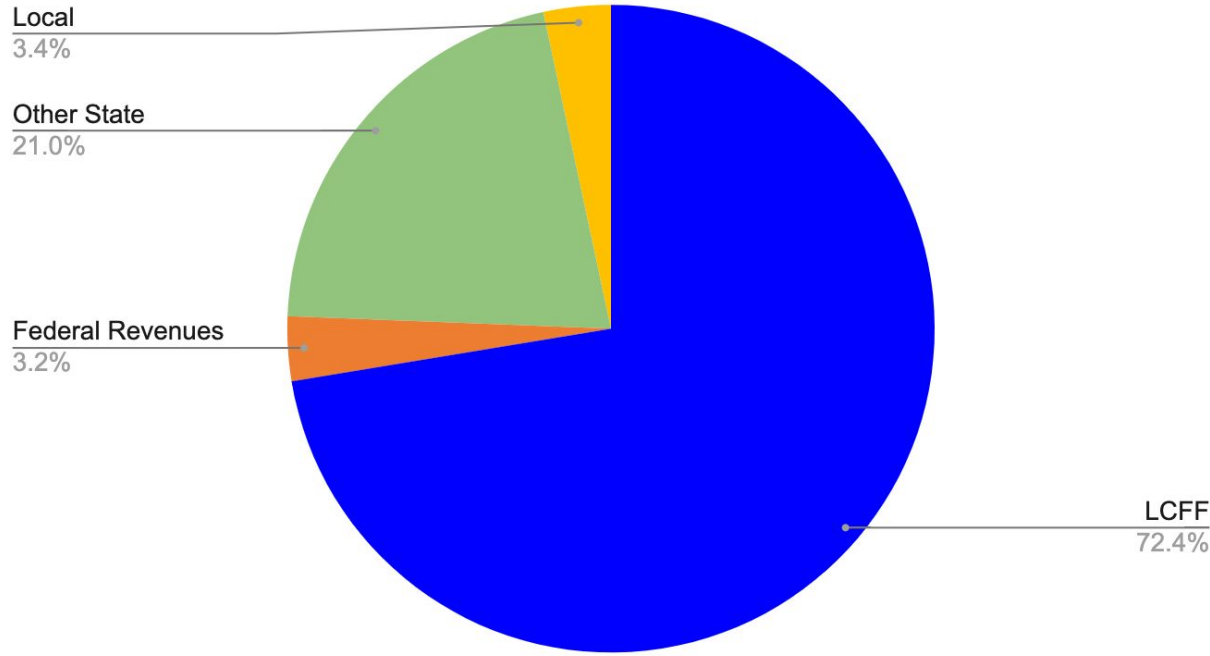
Key Finding

- Ending Fund Balance stands at \$27.89M which includes \$11.47M in restricted funds
- Total reserves is at 6.94% of total expenditures
- Restricted fund carryover from 21/22 is \$5.07M
- Received \$6.8M in one-time funds in 2021/22
- Utilized one-time COVID pandemic relief funds to support learning loss, independent study (PVA) options, social and emotional needs. student and staff safety
- Expenditure growth exceeded revenue increases in 2021/22
- Deficit spending of \$2.559M mainly driven by unrestricted expenditures
- Staffing and Benefits expenditures grew 13.72% from 2020/21 as a result of increased compensation, increased sub costs, and new positions funded by pandemic funds



2021/22 Unaudited Actuals Revenues

2021/22 Unaudited Actuals Revenue Sources



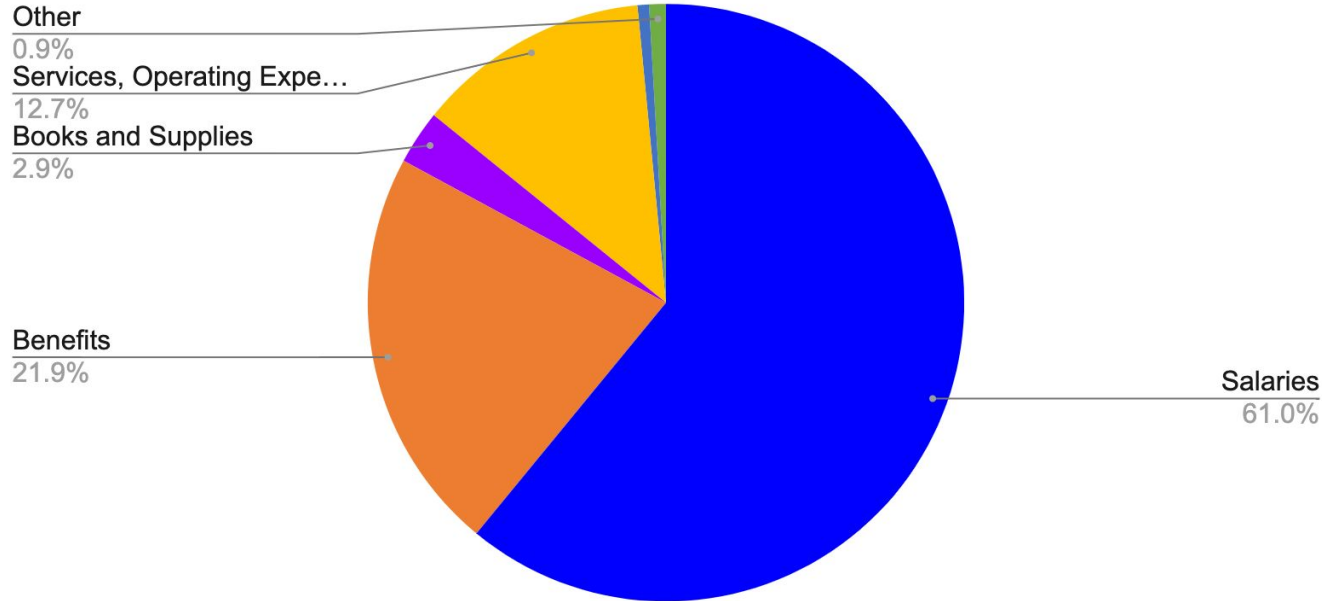
Total Revenues:
\$196,107,328

- LCFF revenues grew by 4.49%
- 5.07% COLA for 2021/22
- LCFF revenue based on 2019/20 ADA (hold harmless)
- Enrollments has declined 752 students since 2019/20 (CBED)
- Includes \$6.8M of one-time funding



2021/22 Unaudited Actuals Expenditures

2021/22 Unaudited Actuals Expenditures



Total Expenditures:
\$199,001,285

- **Salaries and Benefits** represents 82.9% of total expenditures
- Includes increased compensation for both 2020/21 and 2021/22
- Includes increased restricted expenditures from pandemic related funding
- More regular operational cost with the return of full in-person learning

PLEASANTON UNIFIED SCHOOL DISTRICT

Variance Report - 2021/2022



Unrestricted & Restricted General Fund	Original Budget	45-Day Budget	First Interim	Second Interim	Estimated Actuals	Unaudited Actuals	Increase / (Decrease)	Percentage
BEGINNING FUND BALANCE	\$30,445,446	\$30,445,446	\$30,445,446	\$30,445,446	\$30,445,446	\$30,445,446	\$ -	0.00%
REVENUE								
LCFF Sources/Property Taxes	142,000,763	142,000,763	142,015,433	142,042,286	142,094,556	141,965,796	(128,760)	-0.09%
Federal Revenues (1)	3,300,353	3,300,353	5,866,935	7,792,201	7,506,944	6,319,707	(1,187,237)	-18.79%
Other State Revenue (2)	32,910,138	34,379,579	39,378,862	38,116,787	39,735,592	41,235,346	1,499,754	3.64%
Other Local Revenue (2)	2,067,059	2,067,059	3,122,698	4,224,228	5,135,069	6,586,478	1,451,409	22.04%
TOTAL REVENUE	\$180,278,313	\$181,747,754	\$190,383,928	\$192,175,502	\$194,472,161	\$196,107,328	1,635,167	0.83%
EXPENDITURES								
Certificated Salaries (3)	93,596,784	93,596,784	95,889,112	95,904,903	96,125,956	96,632,321	506,365	0.52%
Classified Salaries (3)	22,021,335	24,118,135	24,656,429	23,985,425	23,970,288	24,684,161	713,873	2.89%
Employee Benefits (3)	39,861,996	39,713,964	43,861,391	42,522,102	43,457,869	43,622,364	164,495	0.38%
Books and Supplies (4)	5,658,509	5,658,509	10,540,591	8,699,473	8,953,263	5,795,720	(3,157,543)	-54.48%
Services, Operating Expenses (4)	22,647,774	22,647,774	24,609,630	26,140,135	27,787,388	25,221,168	(2,566,220)	-10.17%
Capital Outlay	688,500	688,500	1,593,871	1,579,596	1,572,319	1,241,588	(330,731)	-26.64%
Other Outgo	1,513,102	1,513,102	1,565,627	1,567,527	1,828,299	1,954,115	125,816	6.44%
Direct Support/Indirect Costs	-168,256	-168,256	(168,177)	-168,177	-168,177	-150,152	18,025	-12.00%
TOTAL EXPENDITURES	185,819,744	187,768,512	202,548,474	200,230,984	203,527,205	199,001,286	(4,525,919)	-2.27%
OTHER FINANCING SOURCES								
Transfers In	531,000	531,000	531,000	568,807	568,807	616,572	47,765	7.75%
Contributions	-	-	-	-	-	-	-	-
Transfers Out and Other Uses	200,000	200,000	201,000	35,807	35,807	(282,313)	(318,120)	112.68%
INCOME minus EXPENSES & TRANSFERS	(5,210,431)	(5,689,758)	(11,834,546)	(7,522,482)	(8,522,044)	(2,559,699)	5,962,345	
ENDING FUND BALANCE	\$25,235,015	\$24,755,688	\$18,610,900	\$22,922,964	\$21,923,402	\$27,885,746	5,962,345	21.38%

1 Revenue is recongized when funds are spent

2 Revenue is recongized when funds are received

3 Final payouts of salaries and wages including overtime, vacation, and pandemic related expenses.

4 Reduction in expense is upsent program funds, some of which will carryover

Unrestricted General Fund - 2021/22		Original Budget	45-Day Budget	First Interim	Second Interim	Estimated Actuals	Unaudited Actuals	Increase / (Decrease)	Percentage
BEGINNING FUND BALANCE		15,442,049	20,409,068	20,409,068	20,409,068	20,409,068	20,409,068		0.00%
REVENUE									
	LCFF Sources/Property Taxes	141,014,362	141,014,362	141,021,726	141,010,335	141,062,605	141,123,962	61,357	0.04%
	Federal Revenues	-	-	-	-		-	-	
	Other State Revenue	5,919,607	6,192,593	6,578,048	6,587,532	6,587,532	6,608,322	20,790	0.31%
	Other Local Revenue	869,761	869,761	893,351	866,635	1,140,747	1,389,869	249,122	17.92%
TOTAL REVENUE		147,803,730	148,076,716	148,493,125	148,464,502	148,790,884	149,122,153	331,269	0.22%
EXPENDITURES									
	Certificated Salaries	73,138,081	73,138,081	75,890,728	74,902,869	75,195,850	75,198,455	2,605	0.00%
	Classified Salaries	12,436,246	14,113,646	13,725,941	13,584,042	13,737,192	13,983,058	245,866	1.76%
	Employee Benefits	23,537,579	23,469,771	24,461,167	23,619,546	23,717,675	24,061,469	343,794	1.43%
	Books and Supplies	2,779,061	2,779,061	2,763,685	2,673,934	2,733,223	2,153,888	(579,335)	-26.90%
	Services, Operating Expenses	11,098,086	11,098,086	11,286,326	11,015,066	11,735,223	11,399,946	(335,277)	-2.94%
	Capital Outlay	185,500	185,500	153,689	130,555	112,956	54,304	(58,652)	-108.01%
	Other Outgo	1,313,102	1,313,102	1,365,627	1,367,527	1,367,527	1,377,366	9,839	0.71%
	Transfers of Indirect Costs	(1,638,393)	(1,638,393)	(1,722,352)	(1,763,997)	(1,833,609)	(2,510,010)	(676,401)	26.95%
TOTAL EXPENDITURES		122,849,262	124,458,854	127,924,811	125,529,542	126,766,037	125,718,476	(1,047,561)	-0.83%
OTHER FINANCING SOURCES									
	Transfers In/Out	531,000	531,000	531,000	534,000	561,593	574,737	13,144	2.29%
	Other Sources/Uses			-	-			-	
	Contributions	(26,819,822)	(25,909,822)	(27,190,764)	(26,972,405)	(27,452,405)	(27,967,972)	(515,567)	1.84%
	Categorical Programs							-	
	Special Education	(21,440,326)	(20,820,911)	(21,369,685)	(21,513,326)	(21,611,326)	(22,381,075)	(769,749)	3.44%
	Restricted Routine Repair	(5,379,496)	(5,088,911)	(5,821,079)	(5,821,079)	(5,821,079)	(5,586,898)	234,181	-4.19%
	Transfers Out and Other Uses	200,000	200,000	200,000	-			-	0.00%
TOTAL - OTHER FINANCING		(26,488,822)	(25,578,822)	(26,859,764)	(26,438,405)	(26,890,812)	(27,393,235)	(502,423)	1.83%
INCOME <i>minus</i> EXPENSES & TRANSFERS		(1,534,354)	(1,960,960)	(6,291,450)	(3,503,445)	(4,865,965)	(3,989,558)	876,407	
ENDING FUND BALANCE		13,907,695	18,448,108	14,117,618	16,905,623	15,543,103	16,419,510	876,407	5.34%

Restricted General Fund - 2021/22	Original Budget	45-Day Budget	First Interim	Second Interim	Estimated Actuals	Unaudited Actuals	Increase / (Decrease)	Percentage
BEGINNING FUND BALANCE	\$6,639,842	\$10,036,380	\$10,036,380	\$10,036,380	\$10,036,380	\$10,036,378		0.00%
REVENUE								
LCFF Sources/Property Taxes	986,401	986,401	993,707	1,031,951	1,031,951	841,834	(190,117)	-22.58%
Federal Revenues	3,300,353	3,300,353	5,866,935	7,792,201	7,506,944	6,319,707	(1,187,237)	-18.79%
Other State Revenue	26,990,531	28,186,986	32,800,814	31,529,255	33,148,060	34,627,025	1,478,965	4.27%
Other Local Revenue	1,197,298	1,197,298	2,229,347	3,357,593	3,994,322	5,196,609	1,202,287	23.14%
TOTAL REVENUE	32,474,583	33,671,038	41,890,803	43,711,000	45,681,277	46,985,175	1,303,898	2.78%
EXPENDITURES								
Certificated Salaries	20,458,703	20,458,703	19,998,384	21,002,034	20,930,106	21,433,866	503,760	2.35%
Classified Salaries	9,585,089	10,004,489	10,930,488	10,401,383	10,233,096	10,701,104	468,008	4.37%
Employee Benefits	16,324,417	16,244,193	19,400,224	18,902,556	19,740,194	19,560,894	(179,300)	-0.92%
Books and Supplies	2,879,448	2,879,448	7,776,906	6,025,539	6,220,040	3,641,832	(2,578,208)	-70.79%
Services, Operating Expenses	11,549,688	11,549,688	13,323,304	15,125,069	16,052,165	13,821,222	(2,230,943)	-16.14%
Capital Outlay	503,000	503,000	1,440,182	1,449,041	1,459,363	1,187,285	(272,078)	-22.92%
Other Outgo	200,000	200,000	200,000	200,000	460,772	576,749	115,977	20.11%
Direct Support/Indirect Costs	1,470,137	1,470,137	1,554,175	1,595,820	1,665,432	2,359,858	694,426	29.43%
TOTAL EXPENDITURES	62,970,482	63,309,658	74,623,663	74,701,442	76,761,168	73,282,810	(3,478,358)	-4.75%
OTHER FINANCING SOURCES								
Transfers In				34,807	27,086	41,835	14,749	35.26%
Contributions	26,819,822	25,909,822	27,190,765	26,972,405	27,452,405	27,967,972	515,567	1.84%
Categorical Programs*							-	
Special Education	21,440,326	20,820,911	21,369,685	21,513,326	21,611,326	22,381,075	769,749	3.44%
Restricted Routine Repair	5,379,496	5,088,911	5,821,079	5,821,079	5,821,079	5,586,896	(234,183)	-4.19%
Transfers Out and Other Uses	-		1,000	(35,807)	(42,835)	(282,313)	(239,478)	84.83%
INCOME minus EXPENSES & TRANSFERS	(3,676,077)	(3,728,798)	(5,543,095)	(4,019,037)	(3,643,235)	1,429,859	5,073,094	
ENDING FUND BALANCE	2,963,765	6,307,582	4,493,285	6,017,343	6,393,145	11,466,237	5,073,092	44.24%

Components of the Ending Fund Balance

Restricted Balances		\$11,466,236
Expanded Learning Opportunities Program	\$896,311	
Educator Effectiveness	\$2,338,175	
Lottery Instructional Material	\$677,854	
Special Education	\$650,769	
Special Education - Dispute Prevention and Resolution	\$115,384	
Special Education - Learning Recovery Grant	\$260,749	
Mental Health Related Services	\$426,274	
Special Education Early Intervention Preschool Grant	\$474,076	
Child Nutrition: Kitchen Infrastructure Upgrade Funds	\$25,000	
Child Nutrition: Food Service Staff Training Funds	\$51,064	
Classified School Employees PD Block Grant	\$2,093	
SB 117 COVID-19 LEA Response Fund	\$4,041	
A-G Access Success Mitigation Grant	\$415,616	
A-G Learning Loss Mitigation Grant	\$61,761	
ELO Grant	\$65,418	
ELO Grant (Paraprofessional)	\$661,310	
Other Restricted State (Ethnic Studies)	\$128,190	
Routine Maintenance Account:	\$2,269,317	
Other Restricted Local	\$1,942,833	
Unrestricted Assigned Fund Balances		\$1,097,485
LCAP	\$469,809	
MAA - Medical Reimbursements	\$479,758	
Technology Plan	\$92,661	
Sites (Facility Use)	\$55,257	
Reserves		\$13,808,821
Economic Uncertainty	\$5,978,619	
AR 3100	\$1,566,040	
Unassigned/Unappropriated	\$6,264,162	
Non-Spendable Cash		\$1,512,885
Total Ending Fund Balance		\$27,885,427



Long list of
State
Restricted
and
Categorical
Programs

6.94% of GF
expenditures,
about one
month of
operating
expenses



Comparison between 20/21 and 21/22

Key Indicators	2020/21	2021/22	% Change
Ending Fund Balance	\$30,445,446	\$27,885,747	-8.41%
Total Reserves	\$11,363,098	\$13,808,821	21.52%
Reserves as % of Total Expenditures	6.39%	6.94%	
Total Revenues	\$185,538,002	\$196,107,328	5.70%
Revenues from LCFF	\$135,866,825	\$141,965,796	4.49%
Other State Revenues	\$33,988,454	\$41,235,346	21.32%
Federal Revenues	\$8,591,116	\$6,319,708	-26.44%
Total Expenditures	\$177,916,163	\$199,001,286	11.85%
Total Salaries and Benefits	\$145,044,319	\$164,938,846	13.72%
Unrestricted Salaries and Benefits	\$105,230,771	\$113,242,982	7.61%
Restricted Salaries and Benefits	\$39,813,547	\$51,695,864	29.84%
Restricted Books and Supplies	\$6,556,380	\$3,641,832	-44.45%
Restricted Services and Operations	\$10,550,473	\$13,821,222	31.00%
Contribution to Special Education	\$18,509,420	\$22,381,075	20.92%



Fund	Description	2020-21	2021-22
01	General Fund (Operating Budget)	\$30,445,446	\$27,885,747
11	Adult Education	\$229,794	\$99,489
13	Cafeteria (Child Nutritional Services)	\$983,169	\$2,920,620
14	Deferred Maintenance	\$113,533	\$114,378
17	Non-capital	\$973,093	\$579,363
17	Non-capital (PSEE)	\$154,788	\$80,686
21	Facility Bond Program (Measure I1)	\$78,379,756	\$104,672,463
25	Capital Facilities (Developer Fees)	\$5,506,918	\$1,648,921
40	Capital	\$5,241,362	\$4,304,553
40	Capital Sycamore	\$7,238,253	\$7,205,646
63	Enterprise (Kids Club, Steam, Horizon)	\$166,011	\$177,464
71	Retiree Benefit	\$6,854,012	\$6,079,347

All Funds Ending Balance

Key:

Blue: funds where revenues come from grants, tuition, reimbursements or sales

Red: facility and maintenance related funds



Next Steps

- Independent financial audit of 2021/22 Unaudited Actuals
- Update 2022/23 Budget based on the Unaudited Actual
- First Interim Report - December 2022 Board Meeting
- Monitor enrollment and ADA for 2022/23 and beyond
- Continue work on planning and budgeting to ensure educational needs are met with fiscal stability



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 2022: Budget update for 2022/23 Adopted Budget
- **September 2022: Unaudited Actuals FY 21/22**
- December 2022: First Interim Report, as of 10/31/22
- January 2023: Audited Financial Statements for FY 21/22
- January 2023: Governor's Budget Proposal for FY 23/24
- March 2023: Second Interim Report, as of 1/31/23
- March-April 2023: Staff Review and prepare for Budget Development
- May 2023: Governor's May Revise Budget Proposal
- June 2023: Estimated Actuals FY 22/23 & Budget Adoption for FY 23/24