

# San Pasqual Union School District

1<sup>st</sup> Interim Presentation

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December 15, 2020



# The Budget Cycle

A District's budget is a document that is constantly updated to reflect the changes that take place over the course of the school year. The District presents budgets to the Board of Education on a periodic basis that reflect those changes. By law, the District must publish four versions of the budget that reflect the view of the financial condition of the District at the time each is published.

- ▶ Budget - July
- ▶ First Interim - December
- ▶ Second Interim - March
- ▶ Unaudited Actuals - September

# Significant Changes Since Budget Adoption

- ▶ No ADA collected in 2020-21 for apportionment purposes
- ▶ Extended deadline for GEER funds to September 30, 2022
- ▶ Extended deadline for LLMF State General Fund from December 30, 2020 to June 30, 2021
- ▶ Expanded eligible expenditures for LLM funds to address health & safety
- ▶ LLM and ESSER funds excluded from expenditures for the purpose of Routine Restricted Maintenance Account (RRMA) calculation
- ▶ Lottery Instructional Material Funds (Resource 6300) - definition of instructional materials to include laptop computers and other devices that provide internet access

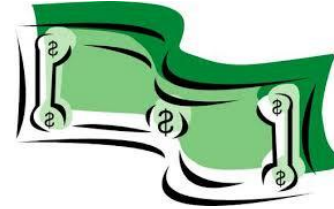
# 2020-21 First Interim Report

## Certifies District's Ability to Meet Financial Obligations

Positive Certification - The District is able to meet its financial obligations for the current year and two subsequent years.

| Planning Factor                     | 2020-21 | 2021-22 | 2022-23 |
|-------------------------------------|---------|---------|---------|
| COLA                                | 0%      | 0%      | 0%      |
| Average Step in Column-Certificated | 1.85%   | 1.85%   | 1.85%   |
| Average Step in Column-Classified   | 1.50%   | 1.50%   | 1.50%   |
| STRS                                | 16.15%  | 15.92%  | 18.40%  |
| PERS                                | 20.70%  | 22.84%  | 25.90%  |
| Lottery-Unrestricted per ADA        | \$150   | \$150   | \$150   |
| Lottery-Prop 20 per ADA             | \$49    | \$49    | \$49    |
| Mandated Block Grant per ADA        | \$32.18 | \$32.18 | \$32.18 |

# Revenue changes from Adopted Budget to First Interim



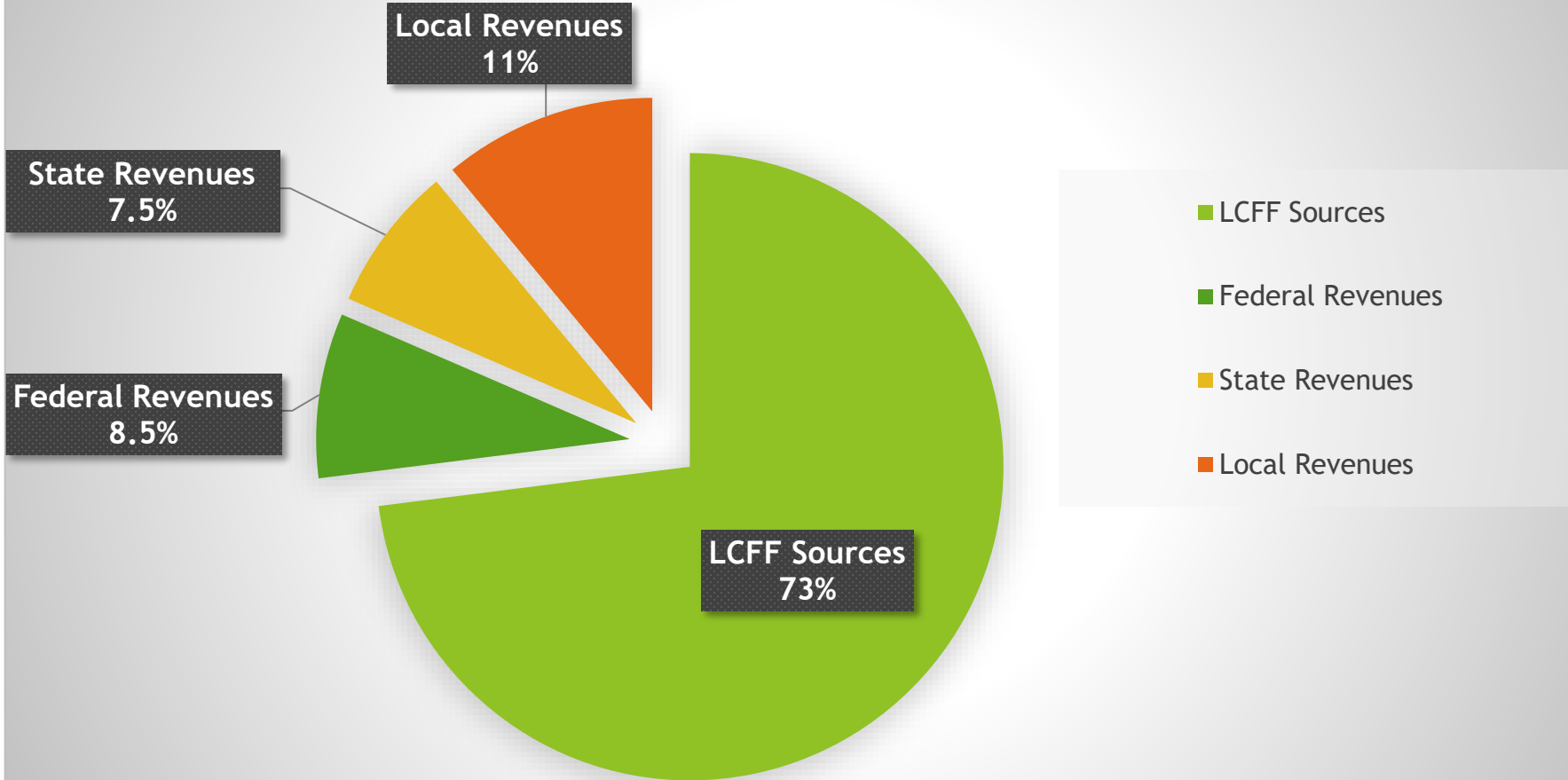
|                 | 2020-21<br>45 Day Budget | 2020-21<br>1 <sup>st</sup> Interim |
|-----------------|--------------------------|------------------------------------|
| LCFF Revenue    | \$4,581,100              | \$4,567,139                        |
| Federal Revenue | \$507,181                | \$531,229                          |
| State Revenue   | \$479,832                | \$473,828                          |
| Local Revenue   | \$645,804                | \$690,471                          |
| Total           | \$6,213,917              | \$6,262,667                        |

# Revenue Changes



|                  |  |
|------------------|--|
| LCFF             | (\$13,961) <i>LCFF</i>   |
| Federal Revenues | \$24,048 <i>Reduction-Title I<br/>Increase-Title II &amp; SRSA Grant, c/o Title I &amp; II</i> |
| State Revenues   | (\$6,004) <i>Reduction-Lottery, Special Ed Mental Health<br/>Increase-c/o Tupe</i>             |
| Local Revenues   | \$44,667 <i>Increase-Special Education<br/>Donations-Garden &amp; Foundation</i>               |

# General Fund Revenues



| REVENUE SOURCE                | BUDGET             |
|-------------------------------|--------------------|
| Local Control Funding Sources | \$4,567,139        |
| Federal Revenues              | \$531,229          |
| State Revenues                | \$473,828          |
| Local Revenues                | \$690,471          |
| <b>Total</b>                  | <b>\$6,262,667</b> |

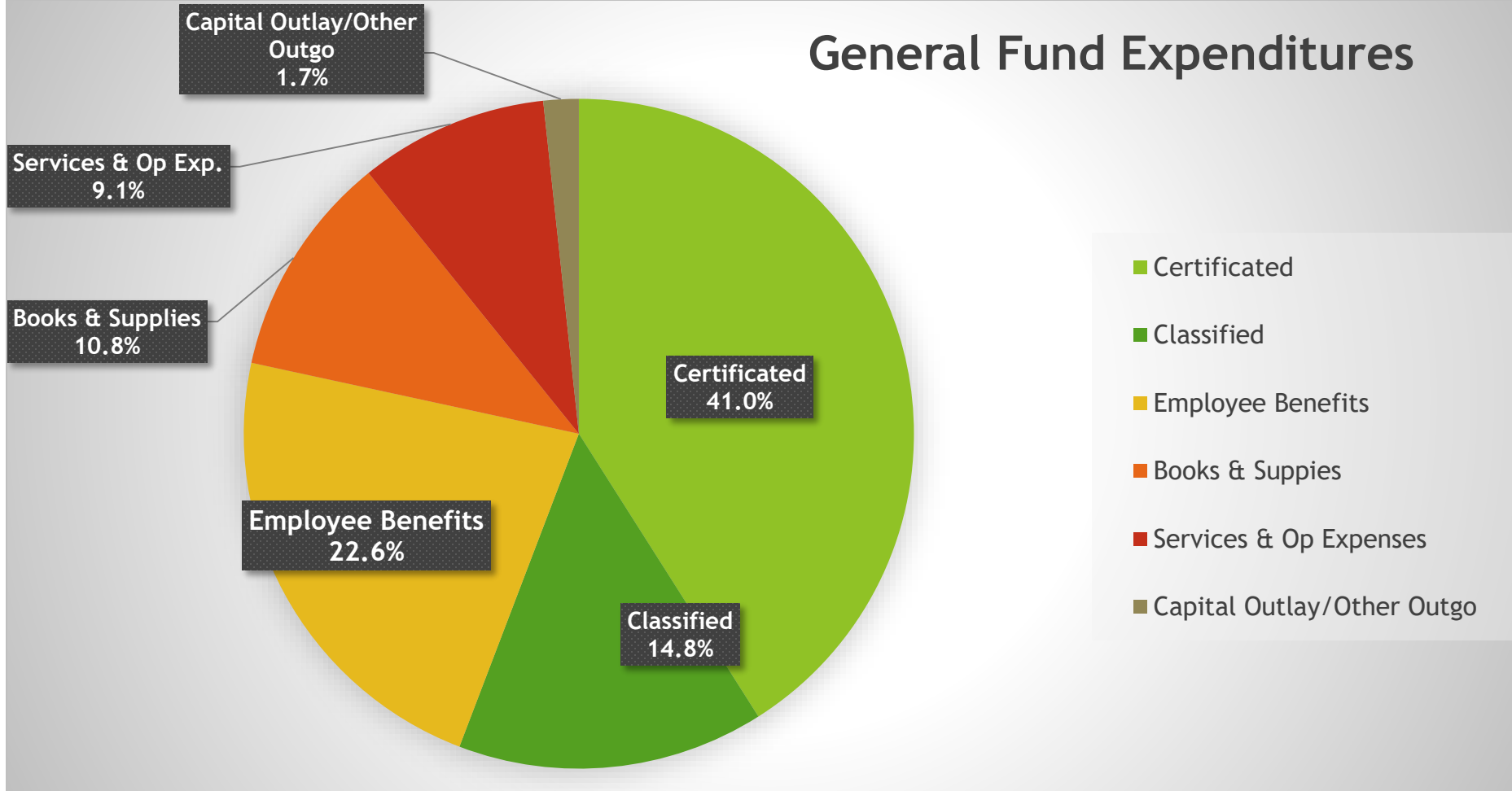
# Expenditure changes from Adopted Budget to First Interim



|                                       |   |
|---------------------------------------|---|
| Certificated Salaries                 | (\$35,340) <i>New hires &amp; retirement of staff</i>                                   |
| Classified Salaries                   | \$9,027 <i>Additional custodial</i>   |
| Benefits                              | \$29,036 <i>Retirement incentive, additional staff member adding benefits</i>           |
| Books and Supplies                    | \$141,780 <i>Carryover-Title 1, Title II, Special Ed &amp; donations<br/>SRSA Grant</i> |
| Services and Other Operating Expenses | (\$14,843) <i>Psychologist to provide consulting services</i>                           |



# General Fund Expenditures



| EXPENDITURE TYPE       | BUDGET             |
|------------------------|--------------------|
| Certificated           | \$2,599,588        |
| Classified             | \$940,533          |
| Employee Benefits      | \$1,435,765        |
| Books & Supplies       | \$685,423          |
| Services & Op Expenses | \$575,021          |
| Capital Outlay         | \$0                |
| Other Outgo            | \$106,097          |
| <b>Total</b>           | <b>\$6,342,427</b> |

**San Pasqual Union School District  
2020-21 Unaudited Actuals  
General Fund / Combined**

| DESCRIPTION   | Unrestricted     | Restricted                                       | Combined         |
|---|------------------|--|------------------|
| <b>A. BEGINNING BALANCE</b>                                 | <b>1,526,635</b> | <b>287,422</b>                                   | <b>1,814,057</b> |
| LCFF Sources  | 4,533,739        | 33,400   | 4,567,139        |
| Federal Revenues  |                  | 531,229  | 531,229          |
| State Revenues  | 101,776          | 372,052  | 473,828          |
| Other Local Revenues  | 105,602          | 584,869  | 690,471          |
| <b>TOTAL REVENUES</b>                                       | <b>4,741,117</b> | <b>1,521,550</b>                                 | <b>6,262,667</b> |
| <b>TOTAL AVAILABLE REVENUES</b>                             | <b>6,267,752</b> | <b>1,808,972</b>                                 | <b>8,076,724</b> |
| <b>B. EXPENDITURES</b>                                      |                  |  |                  |
| Certificated Salaries                                       | 2,219,968        | 379,620  | 2,599,588        |
| Classified Salaries   | 644,682          | 295,851  | 940,533          |
| Employee Benefits   | 966,825          | 468,940  | 1,435,765        |
| Books and Supplies  | 164,068          | 521,355  | 685,423          |
| Services and Other Operating                                | 479,580          | 95,441   | 575,021          |
| Capital Outlay  | 35,000           | 0  | 35,000           |
| Other Outgo   | 0                | 71,097   | 71,097           |
| Other Outgo - Transfer of Indirect Costs                    | -2,864           | 2,864  | 0                |
| <b>TOTAL EXPENDITURES</b>                                   | <b>4,507,259</b> | <b>1,835,168</b>                                 | <b>6,342,427</b> |
| <b>D. OTHER FINANCING SOURCES/USES</b>                      |                  |  |                  |
| Transfer Out  |                  |  | 0                |
| Contributions   | (204,433)        | 204,433  | 0                |
| <b>TOTAL OTHER FINANCING SOURCES/USES</b>                   | <b>(204,433)</b> | <b>204,433</b>                                   | <b>0</b>         |
| <b>E. NET INCREASE (DECREASE)</b>                           | <b>29,425</b>    | <b>(109,185)</b>                                 | <b>(79,760)</b>  |
| <b>F. ENDING BALANCE</b>                                    | <b>1,556,060</b> | <b>178,237</b>                                   | <b>1,734,297</b> |
| <b>G. COMPONENTS OF ENDING FUND BALANCE</b>                 |                  |  |                  |
| Revolving Cash  | 1,000            |  | 1,000            |
| <i>* Restricted</i>   |                  | 178,237  | 178,237          |
| <i>* Other Assignments</i>                                  | 950,000          |  | 950,000          |
| <i>* Economic Uncertainties (4%)</i>                        | 253,697          |  | 253,697          |
| <b>* UNAPPROPRIATED BALANCE</b>                             | <b>351,363</b>   | <b>0</b>   | <b>351,363</b>   |
| <i>* Restricted</i>   |                  | <b>* UNAPPROPRIATED BALANCE</b>                  |                  |
| Special Education \$138,236                                 |                  | <i>* Technology/Infrastructure</i>               |                  |
| Other Restricted Local \$40,001                             |                  | <i>* Technology/Equipment</i>                    |                  |
|   |                  | <i>* Legal Fees</i>                              |                  |
| <i>* Other Assignments</i>                                  |                  | <i>* Payroll - STRS &amp; PERS rate increase</i> |                  |
| Declining Enrollment \$200,000                              |                  | <i>Hourly rate increase (\$15.00 Eff. 01/21)</i> |                  |
| Cash Flow \$350,000   |                  | <i>* Step and Column</i>                         |                  |
| Campus Safety Projects (Security & Alarm Systems) \$100,000 |                  | <i>*Special Education Interdistrict Transfer</i> |                  |
| Curriculum/Textbook Adoption (NGSS,History) \$100,000       |                  |  |                  |
| HVAC Replacement \$200,000                                  |                  |  |                  |



**San Pasqual Union Elementary  
Multi-Year Projections Summary Report  
2020-21 1st Interim**

| DESCRIPTION  | OBJECT CODE                                    | FY 2020-21          |                    |                    | FY 2021-22           |                       |                      | FY 2022-23            |                    |                    |                    |
|--|--|---------------------|--------------------|--------------------|----------------------|-----------------------|----------------------|-----------------------|--------------------|--------------------|--------------------|
|  |  | Current (Base Year) |                    |                    | First Projected Year |                       |                      | Second Projected Year |                    |                    |                    |
|  |  | Unrestricted        | Restricted         | Combined           | Unrestricted         | Restricted            | Combined             | Unrestricted          | Restricted         | Combined           |                    |
| <b>A</b>   | <b>Beginning Balance as of July 1</b>          | \$1,526,635         | \$287,422          | \$1,814,057        | \$1,556,060          | \$178,237             | \$1,734,297          | \$1,568,580           | \$134,483          | \$1,703,063        |                    |
| <b>B</b>   | <b>Revenues</b>                                |                     |                    |                    |                      |                       |                      |                       |                    |                    |                    |
| 1  | Revenue Limit Sources                          | 8010-8099           | 4,533,739          | 33,400             | 4,567,139            | 4,531,545             | 33,400               | 4,564,945             | 4,262,935          | 33,400             | 4,296,335          |
| 2  | Federal Revenues                               | 8100-8299           | 0                  | 531,229            | 531,229              | 0                     | 230,885              | 230,885               | 0                  | 219,863            | 219,863            |
| 3  | Other State Revenues                           | 8300-8599           | 101,776            | 372,052            | 473,828              | 99,880                | 329,692              | 429,572               | 95,266             | 328,185            | 423,451            |
| 4  | Other Local Revenues                           | 8600-8799           | 105,602            | 584,869            | 690,471              | 105,602               | 559,869              | 665,471               | 105,602            | 559,869            | 665,471            |
| 5  | <b>Total Revenues</b>                          |                     | <b>4,741,117</b>   | <b>1,521,550</b>   | <b>6,262,667</b>     | <b>4,737,027</b>      | <b>1,153,846</b>     | <b>5,890,873</b>      | <b>4,463,803</b>   | <b>1,141,317</b>   | <b>5,605,120</b>   |
|  | <b>Beginning Balance &amp; Revenue (A+B5)</b>  |                     | <b>\$6,267,752</b> | <b>\$1,808,972</b> | <b>\$8,076,724</b>   | <b>\$6,293,086</b>    | <b>\$1,332,083</b>   | <b>\$7,625,170</b>    | <b>\$6,032,383</b> | <b>\$1,275,800</b> | <b>\$7,308,183</b> |
| <b>C</b>   | <b>Expenditures</b>                            |                     |                    |                    |                      |                       |                      |                       |                    |                    |                    |
| 1  | Certificated Salaries                          | 1000-1999           | 2,219,968          | 379,620            | 2,599,588            | 2,257,440             | 356,479              | 2,613,919             | 2,295,605          | 360,024            | 2,655,629          |
| 2  | Classified Salaries                            | 2000-2999           | 644,682            | 295,851            | 940,533              | 655,590               | 299,528              | 955,118               | 666,748            | 303,290            | 970,037            |
| 3  | Employee Benefits                              | 3000-3999           | 966,825            | 468,940            | 1,435,765            | 919,885               | 471,606              | 1,391,490             | 1,009,308          | 490,893            | 1,500,201          |
| 4  | Books & Supplies                               | 4000-4999           | 164,068            | 521,355            | 685,423              | 166,677               | 108,999              | 275,675               | 160,299            | 104,828            | 265,127            |
| 5  | Services, Other Operating Exp                  | 5000-5999           | 479,580            | 95,441             | 575,021              | 487,835               | 90,285               | 578,119               | 497,698            | 91,973             | 589,671            |
| 6  | Capital Outlay                                 | 6000-6999           | 0                  | 0                  | 0                    | 0                     | 0                    | 0                     | 0                  | 0                  | 0                  |
| 7  | Other Outgo - exclude Direct Sup.              | 7100-7299           | 35,000             | 71,097             | 106,097              | 35,557                | 72,227               | 107,784               | 36,221             | 73,578             | 109,800            |
| 8  | Debt Service                                   | 7400-7499           | 0                  | 0                  | 0                    | 0                     | 0                    | 0                     | 0                  | 0                  | 0                  |
| 9  | Direct Support/Indirect Costs                  | 7300-7399           | (2,864)            | 2,864              | 0                    | (2,910)               | 2,910                | 0                     | (2,964)            | 2,964              | 0                  |
| 10   | CSR Reduction (for info only)                  | 1000-7999           | 0                  | 0                  | 0                    | 0                     | 0                    | 0                     | 0                  | 0                  | 0                  |
| 11   | Projected Budget Reduction                     |                     | 0                  | 0                  | 0                    | 0                     | 0                    | 0                     | 0                  | 0                  | 0                  |
| 12   | <b>Total Expenditures:</b>                     |                     | <b>\$4,507,259</b> | <b>\$1,835,168</b> | <b>\$6,342,427</b>   | <b>\$4,520,073</b>    | <b>\$1,402,033</b>   | <b>\$5,922,107</b>    | <b>\$4,662,915</b> | <b>\$1,427,550</b> | <b>\$6,090,465</b> |
| <b>D</b>   | <b>Interfund Xfers/Other Sources</b>           |                     |                    |                    |                      |                       |                      |                       |                    |                    |                    |
| 1  | Transfers In                                   | 8910-8929           | 0                  | 0                  | 0                    | 0                     | 0                    | 0                     | 0                  | 0                  | 0                  |
| 2  | Transfers Out                                  | 7610-7629           | 0                  | 0                  | 0                    | 0                     | 0                    | 0                     | 0                  | 0                  | 0                  |
| 3  | Sources  | 8930-8979           | 0                  | 0                  | 0                    | 0                     | 0                    | 0                     | 0                  | 0                  | 0                  |
| 4  | Uses   | 7630-7699           | 0                  | 0                  | 0                    | 0                     | 0                    | 0                     | 0                  | 0                  | 0                  |
| 5  | Contributions                                  | 8980-8999           | (204,433)          | 204,433            | 0                    | (204,433)             | 204,433              | 0                     | (204,433)          | 204,433            | 0                  |
| <b>E</b>   | <b>Net Increase (Decrease) In Fund Balance</b> |                     | <b>\$29,425</b>    | <b>(\$109,185)</b> | <b>(\$79,760)</b>    | <b>\$12,520</b>       | <b>(\$43,754)</b>    | <b>(\$31,234)</b>     | <b>(\$403,545)</b> | <b>(\$81,800)</b>  | <b>(\$485,346)</b> |
| <b>F</b>   | <b>Ending Balance</b>                          |                     | <b>\$1,556,060</b> | <b>\$178,237</b>   | <b>\$1,734,297</b>   | <b>\$1,568,580</b>    | <b>\$134,483</b>     | <b>\$1,703,063</b>    | <b>\$1,165,035</b> | <b>\$52,683</b>    | <b>\$1,217,718</b> |
| 1  | Revolving Cash                                 | 9711                | 1,000              | 0                  | 1,000                | 1,000                 | 0                    | 1,000                 | 1,000              | 0                  | 1,000              |
| 2  | Other Reserves                                 | 97xx                | 0                  | 0                  | 0                    | 0                     | 0                    | 0                     | 0                  | 0                  | 0                  |
| 3  | Restricted                                     | 9740                | 0                  | 178,237            | 178,237              | 0                     | 134,483              | 134,483               | 0                  | 52,683             | 52,683             |
| 4  | Stabilization Arrangements                     | 9750                | 0                  | 0                  | 0                    | 0                     | 0                    | 0                     | 0                  | 0                  | 0                  |
| 5  | Other Commitments                              | 9760                | 0                  | 0                  | 0                    | 0                     | 0                    | 0                     | 0                  | 0                  | 0                  |
| 6  | Assigned - Other Assignments                   | 9780                | 950,000            | 0                  | 950,000              | 850,000               | 0                    | 850,000               | 750,000            | 0                  | 750,000            |
| 7  | Reserve for Economic Uncertainties             | 9789                | 253,697            | 0                  | 253,697              | 236,884               | 0                    | 236,884               | 243,619            | 0                  | 243,619            |
| 8  | Unassigned/unappropriated Amount               | 9790                | 351,363            | 0                  | 351,363              | 480,696               | 0                    | 480,696               | 170,416            | 0                  | 170,416            |
| <b>G</b>   | <b>Components of Ending Fund Balance Total</b> |                     | <b>\$1,556,060</b> | <b>\$178,237</b>   | <b>\$1,734,297</b>   | <b>\$1,568,580</b>    | <b>\$134,483</b>     | <b>\$1,703,063</b>    | <b>\$1,165,035</b> | <b>\$52,683</b>    | <b>\$1,217,718</b> |
| <b>4% Calculated Reserve, or \$50,000 (greater of the two)</b> |  |                     |                    |                    |                      |                       |                      |                       |                    |                    |                    |
| Reserve Percentage Level for this district:                    |  |                     | <b>4.00%</b>       |                    |                      | <u>Total Reserves</u> | <u>4% Calculated</u> | <u>Difference*</u>    |                    |                    |                    |
| FY 2020-21 ADA Input Sheet (District):                         |  |                     | <b>540.01</b>      |                    |                      | FY 2020-21 Bud        | \$253,697            | \$253,697             | \$0                |                    |                    |
|  |  |                     |                    |                    |                      | FY 2021-22 Proj       | \$236,884            | \$236,884             | \$0                |                    |                    |
|  |  |                     |                    |                    |                      | FY 2022-23 Proj       | \$243,619            | \$243,619             | \$0                |                    |                    |
| FY 2021-22 Unappropriated Amount is:                           |  |                     | <b>Positive</b>    |                    |                      |                       |                      |                       |                    |                    |                    |
| FY 2022-23 Unappropriated Amount is:                           |  |                     | <b>Positive</b>    |                    |                      |                       |                      |                       |                    |                    |                    |

# Cash Flow/Deferrals

As we navigate through unprecedented fiscal challenges, maintaining fiscal solvency continues to be the priority. There is a need to monitor not only fund balance but also actual cash on hand. This budget year is faced with unprecedented dollar amount of deferrals.

The final budget language includes \$12 billion of principal apportionment cash deferral from fiscal year 2020-21 to fiscal year 2021-22:

- ✓ From February 2021 to November 2021 \$1.54 billion
- ✓ From March 2021 to October 2021 \$2.38 billion
- ✓ From April 2021 to September 2021 \$2.38 billion
- ✓ From May 2021 to August 2021 \$2.38 billion
- ✓ From June 2021 to July 2021 \$2.38 billion

# Future Considerations - Reserves

- ▶ County Office continues to reinforce the need for reserves in excess of the minimum reserve for economic uncertainty.
  - ▶ Required reserve for economic uncertainty represents only a few weeks of payroll.
  - ▶ Recommended reserves, at minimum, equal to two months of average general fund operating expenditures, or about 17%.
- ▶ Prudent reserves afford the district and the governing board time to thoughtfully identify and implement budget adjustments over time.
- ▶ Inadequate reserves would force the district to react quickly, often causing significant disruption to student programs and employees.

# Future Considerations (cont.)

District will continue to monitor and plan for the following:

- ▶ HVAC/Facilities
- ▶ Portables (Exceeding Projected Life)
- ▶ Safety-PA & Security Systems
- ▶ Declining Enrollment
- ▶ Cafeteria encroachment
- ▶ Preschool/Kids Club encroachment

Questions?

