



SPU Second Interim Presentation

March 2019

Rhonda Brown, Chief Business Officer

2018 - 2019 Second 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.

Changes from 1st Interim:

- ❖ COLA
- ❖ STRS Rates
- ❖ New One-time Grants
- ❖ Revenues
- ❖ Expenditures



Changes Since First Interim

No significant changes in factors for the 2018-19 fiscal year. However, the proposed State Budget will affect multiyear projection factors.

COLA (Projected)

1st Interim

- 2019-20: 2.15%
- 2020-21: 2.35%

2nd Interim

- 2019-20: 3.46%
- 2020-21: 2.86%


STRS (Proposed Buydown)

- 2019-20: 18.13%
- 2020-21: 19.10%

- 2019-20: 17.10%
- 2020-21: 18.10%

These proposals provide more revenue and lessen the impact of expenditure increases for schools in their multiyear forecast, however these proposals are not final and will be revised in May.

What changed from First Interim to Second Interim

	2018-2019 1st Interim	2018-2019 2nd Interim
Revenues	\$6,146,180	\$6,193,759
Revenue Limit Sources	\$4,671,445	\$4,651,445
Federal Revenues	\$311,060	\$313,596
Other State Revenues	\$485,784	\$542,995
Other Local Revenues	\$677,891	\$685,763
Total Revenue Adjustment	\$47,579 (increase) <i>One Time Low-Performing Block Grant, One Time Classified Professional Development Grant, Donations (VAPA, Red Barn Art, Sage Garden)</i>	

Other changes from 1st Interim to 2nd Interim



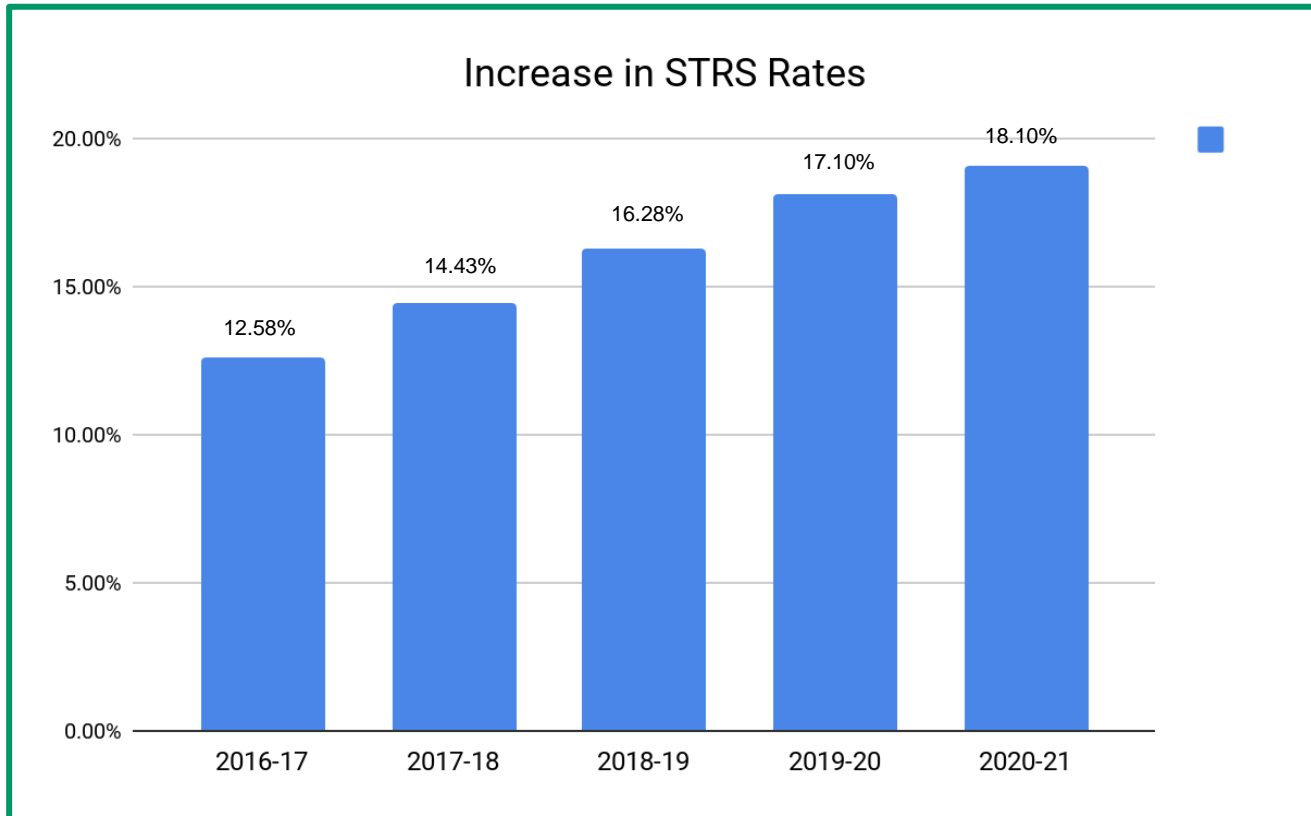
Certificated Salaries	\$23,204 (increase)
Classified Salaries	\$321 (increase)
Employee Benefits	\$365 (increase)
Books and Supplies	\$1,214 (decrease)
Services & Other Operating Expenses	\$26,244 (increase)
Capital Outlay	\$10,000 (increase)
Other Outgo	No change
Transfer Out	No change
Total Expenditure Adjustments	\$58,920 (increase) <i>Low-Performing Block Grant, Classified Professional Development Grant, Trustee Area, Firewall and donated funds-VAPA, Red Barn Arts, Sage Garden</i>

2018-19 MYP Projections

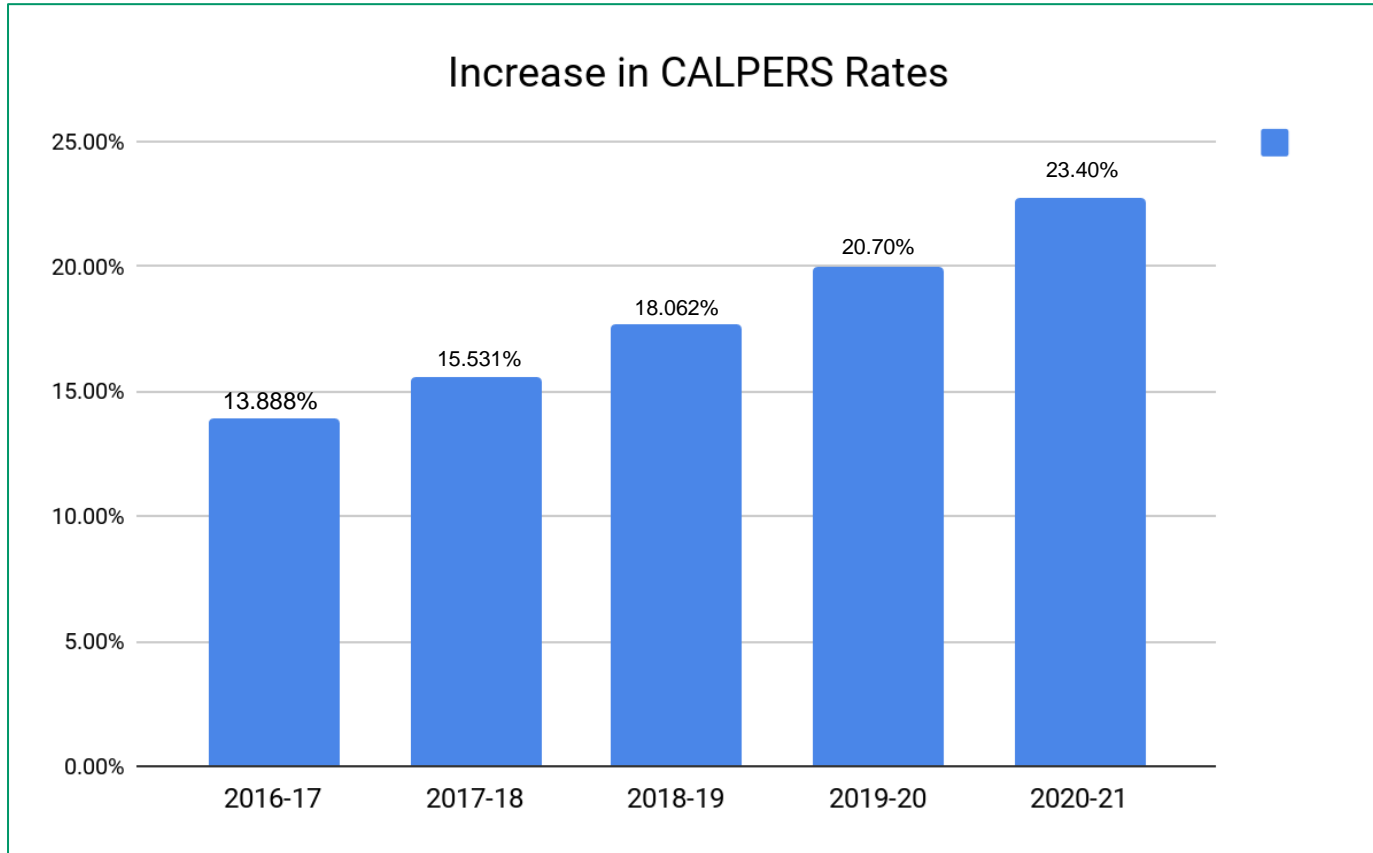


School Year	2018-2019 (1st Interim)	2018-2019 (2nd Interim)
Beginning Balance	\$1,073,336	\$1,073,336
Revenue	\$6,146,180	\$6,193,759
Certificated Salaries	\$2,755,055	\$2,778,259
Classified Salaries	\$886,080	\$886,401
Employee Benefits	\$1,308,353	\$1,308,718
Books & Supplies	\$532,149	\$530,935
Services	\$575,271	\$601,515
Capital Outgo/Other Outgo	\$80,186	\$90,186
Total Expenditures	\$6,137,094	\$6,196,014
Ending Balance	\$1,082,422	\$1,071,081

State Teachers Retirement System (STRS) (Proposed Buydown)



California Public Employers Retirement System (CALPERS)



Facilities Update

District continues to prioritize facility repairs and preventative maintenance.

Major Expenditure in 2018-19

- Water Leak Detection/Repair (As of 03/12/19) \$16,757.50
- Increase Water Cost (As of 02/01/19) \$8,700.00
- Cafeteria Freezer Compressor \$9,809.31
- Alarm System \$10,162.64
- Firewall \$18,842.96

**San Pasqual Union Elementary
Multi-Year Projections Summary Report
2018-19 2nd Interim**

DESCRIPTION	OBJECT CODE	FY 2018-19			FY 2019-20			FY 2020-21			
		Current (Base Year)			First Projected Year			Second Projected Year			
		Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	
A	Beginning Balance as of July 1	\$890,260	\$183,076	\$1,073,336	\$965,706	\$105,375	\$1,071,081	\$986,326	\$60,628	\$1,046,954	
B	Revenues										
1	Revenue Limit Sources	8010-8099	4,625,106	26,339	4,651,445	4,799,539	26,339	4,825,878	4,942,360	26,339	4,968,699
2	Federal Revenues	8100-8299	0	313,596	313,596	0	221,625	221,625	0	205,256	205,256
3	Other State Revenues	8300-8599	214,768	328,187	542,955	104,323	268,526	372,849	104,367	271,362	375,729
4	Other Local Revenues	8600-8799	140,906	544,857	685,763	140,906	544,857	685,763	140,906	544,857	685,763
5	Total Revenues		4,980,780	1,212,979	6,193,759	5,044,768	1,061,347	6,106,115	5,187,633	1,047,814	6,235,447
	Beginning Balance & Revenue (A+B5)		\$5,871,040	\$1,396,055	\$7,267,095	\$6,010,474	\$1,166,722	\$7,177,196	\$6,173,960	\$1,108,442	\$7,282,401
C	Expenditures										
1	Certificated Salaries	1000-1999	2,390,689	387,570	2,778,259	2,481,425	351,809	2,833,233	2,553,824	359,342	2,913,166
2	Classified Salaries	2000-2999	628,783	257,618	886,401	644,832	262,907	907,738	661,386	268,317	929,703
3	Employee Benefits	3000-3999	933,100	375,618	1,308,718	995,224	388,932	1,384,156	1,064,914	403,448	1,468,361
4	Books & Supplies	4000-4999	248,302	282,633	530,935	235,798	139,156	374,954	242,990	143,400	386,390
5	Services, Other Operating Exp	5000-5999	509,937	91,578	601,515	514,241	77,893	592,134	530,968	80,269	611,237
6	Capital Outlay	6000-6999	43,331	10,000	53,331	(0)	0	(0)	(0)	0	(0)
7	Other Outgo - exclude Direct Sup.	7100-7299	0	36,855	36,855	0	38,027	38,027	0	39,187	39,187
8	Debt Service	7400-7499	0	0	0	0	0	0	0	0	0
9	Direct Support/Indirect Costs	7300-7399	(4,895)	4,895	0	(3,458)	3,458	0	(2,693)	2,693	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	Total Expenditures:		\$4,749,247	\$1,446,767	\$6,196,014	\$4,868,061	\$1,262,181	\$6,130,242	\$5,051,388	\$1,296,656	\$6,348,044
D	Interfund Xfers/Other Sources										
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	(156,087)	156,087	0	(156,087)	156,087	0	(188,214)	188,214	0
E	Net Increase (Decrease) In Fund Balance		\$75,446	(\$77,701)	(\$2,255)	\$20,620	(\$44,747)	(\$24,127)	(\$51,969)	(\$60,628)	(\$112,597)
F	Ending Balance		\$965,706	\$105,375	\$1,071,081	\$986,326	\$60,628	\$1,046,954	\$934,357	(\$0)	\$934,357
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	105,375	105,375	0	60,628	60,628	0	(0)	(0)
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	560,000	0	560,000	500,000	0	500,000	450,000	0	450,000
7	Reserve for Economic Uncertainties	9789	247,841	0	247,841	245,210	0	245,210	253,922	0	253,922
8	Unassigned/unappropriated Amount	9790	156,865	0	156,865	240,117	0	240,117	229,436	0	229,436
G	Components of Ending Fund Balance Total		\$965,706	\$105,375	\$1,071,081	\$986,326	\$60,628	\$1,046,954	\$934,357	(\$0)	\$934,357

4% Calculated Reserve, or \$50,000 (greater of the two)

	4.00%	Total Reserves	4% Calculated	Difference*
Reserve Percentage Level for this district:	4.00%			
FY 2018-19 ADA Input Sheet (District):	\$63.57	FY 2018-19 Bud	\$247,841	\$247,841
		FY 2019-20 Proj	\$245,210	\$245,210
		FY 2020-21 Proj	\$253,922	\$253,922
FY 2019-20 Unappropriated Amount is:	Positive			
FY 2020-21 Unappropriated Amount is:	Positive			



Challenges Ahead

- ❖ Funding increases will be absorbed by rising costs
- ❖ Increases in cost for:
 - Step & Column
 - Retirement (STRS & PERS)
 - Energy bills
 - Aging Facilities
 - Technology
 - Potential Declining Enrollment

Next Steps

- ★ Budget Development starting now
- ★ Review of Deficit Spending
- ★ Review of Local Control Accountability Plan
- ★ Evaluate impact to the teachers, classrooms and programs
- ★ Obtain an agreement with SPETA that maintains fiscal solvency



Questions

