

# South San Francisco Unified School District

## Budget Proposal Presentation

FY 2021-2022

Ted O, Assistant Superintendent, Business Services

June 24, 2021

# Presentation Agenda

- Overview
- Budget Assumptions
- Projected Revenues and Expenditures
- Multi-Year Projection Assumptions
- Multi-Year Projection
- Ending Fund Balances
- One-time Federal & State Stimulus Funds
- New Positions Added With Stimulus Funds
- Other District Funds
- Looking Ahead

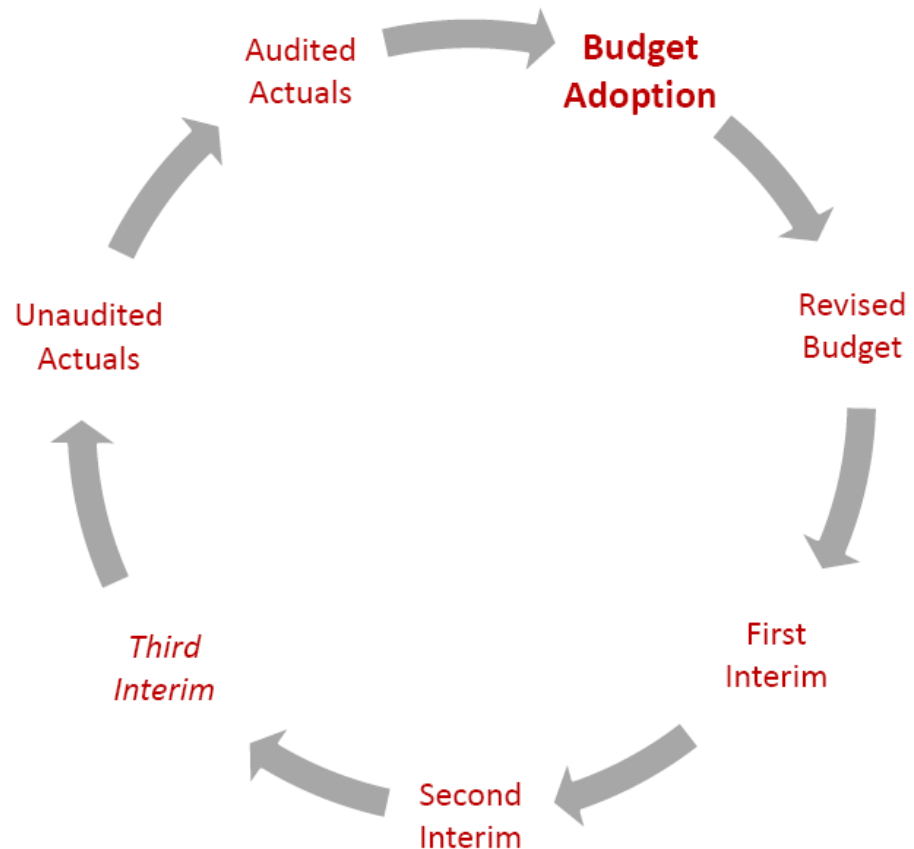
# Education Code Reporting Requirements

- Education Code Section 42127 (a)(1) states that:  
*“On or before July 1 of each year, the governing board of each school district shall hold a public hearing on the budget to be adopted for the subsequent fiscal year. The budget to be adopted shall be prepared in accordance with Section 42126. The agenda for that hearing shall be posted at least 72 hours prior to the public hearing and shall include the location where the budget will be available for public inspection.”*
- Then, the budget is adopted and filed with the County Office of Education (COE), which approves or disapproves the budget

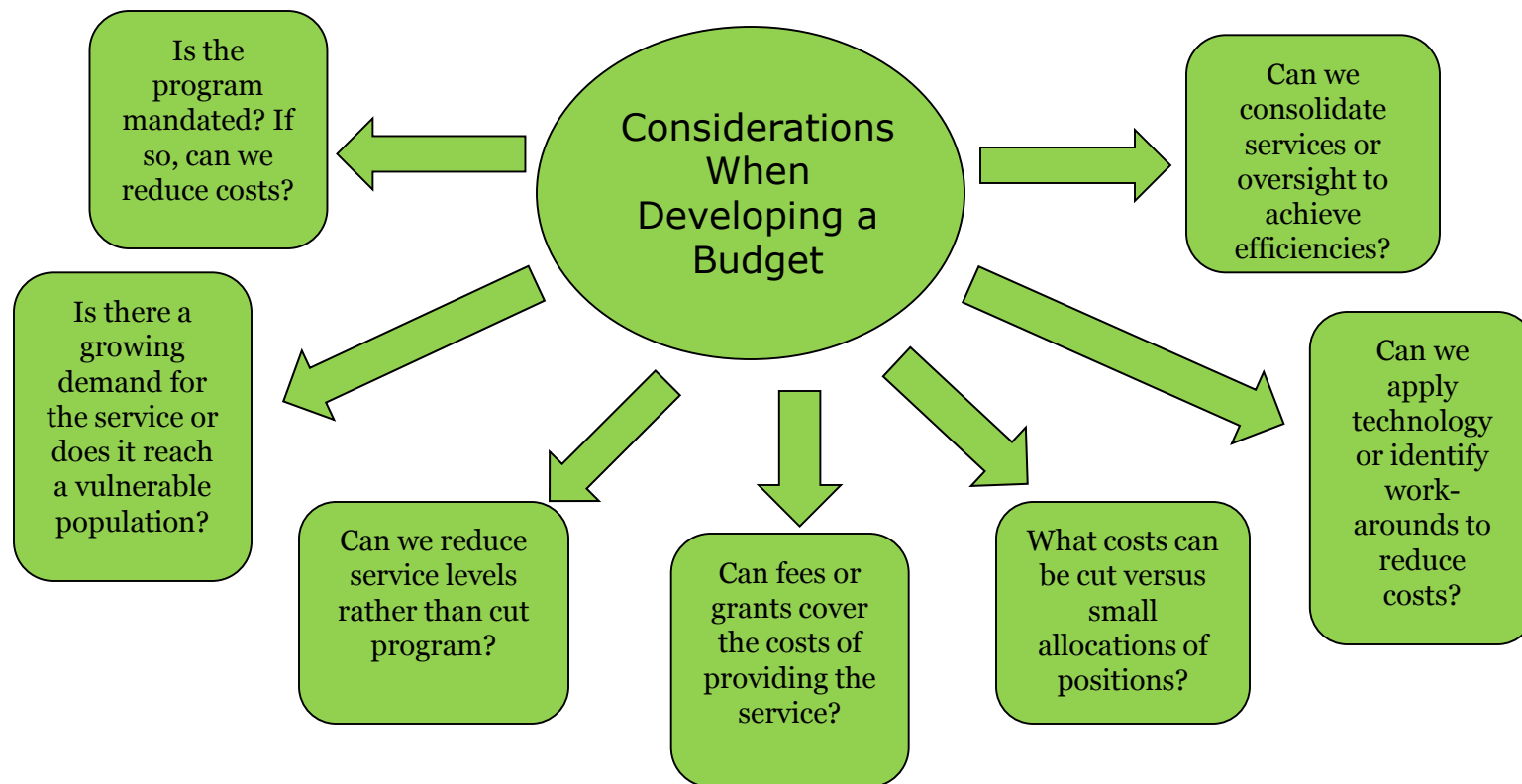
# The Annual Budget Cycle

At each period, we:

- Update budget
- Certify District's financial condition
- Present summary to Board of Education
- Submit copies to County Office of Education and State

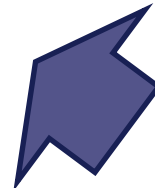
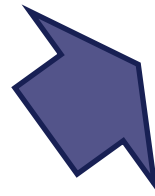
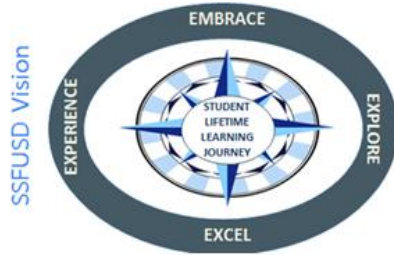


# Considerations When Developing a Budget



# LCAP Goals/Actions in Budget

- Under the Local Control Accountability Plan (LCAP), districts are required to put aside funds to provide additional support for the unduplicated students in the district.
- The unduplicated students include English Learners, Students on Free and Reduced-Price Meals, and Foster Youth/Homeless.
- For 2021-22, the District has budgeted \$6,691,445 as LCAP-Supplement Funds to support these students.
- The LCAP is made up of three goals and multiple actions within each goal.



### LCAP GOAL 1

#### Academic Achievement

The district will provide a high quality curricular program for students that will raise student proficiency on the California Common Core State Standards as measured by overall academic achievement on state assessments, CA Dashboard results, interim assessment data and ELPAC/Reclassification data.

### LCAP GOAL 2

#### Professional Development

Identified classified staff, certificated and administrative staff will participate in professional development to create capacity and expertise in curriculum program implementation based on the development of scope and sequence as measured by walkthrough observations and other evidence (artifacts and student work).

### LCAP GOAL 3

#### Student, Parent & Community Engagement

Improve parent school engagement through an increase in participation in site and district parent groups such as SSC, PTSA, DELAC, ELAC, AAPAC as well as in other parent meetings as measured by attendance sign in sheets.

### District Priorities

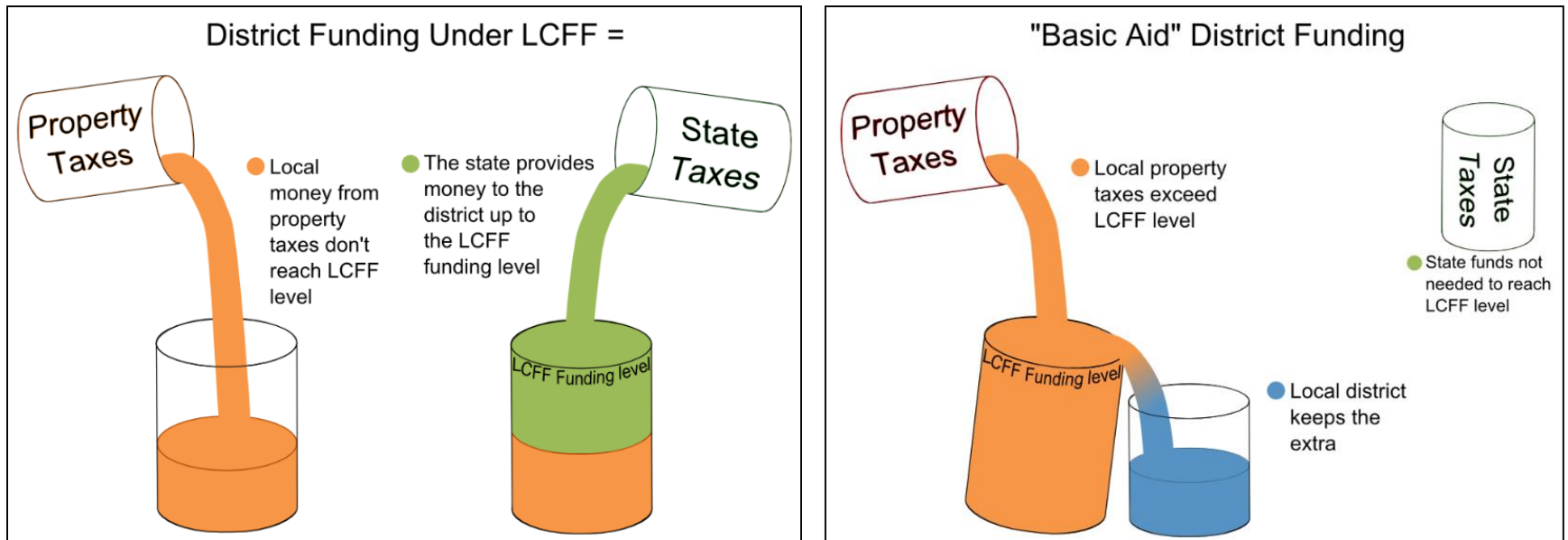


Improve Curriculum, Instruction & Assessment

Bolster Professional Learning and Collaboration

Strengthen Leadership Capacity

# Funding for School District - LCFF vs. Basic Aid



# 2021-22 SSFUSD Budget Assumptions

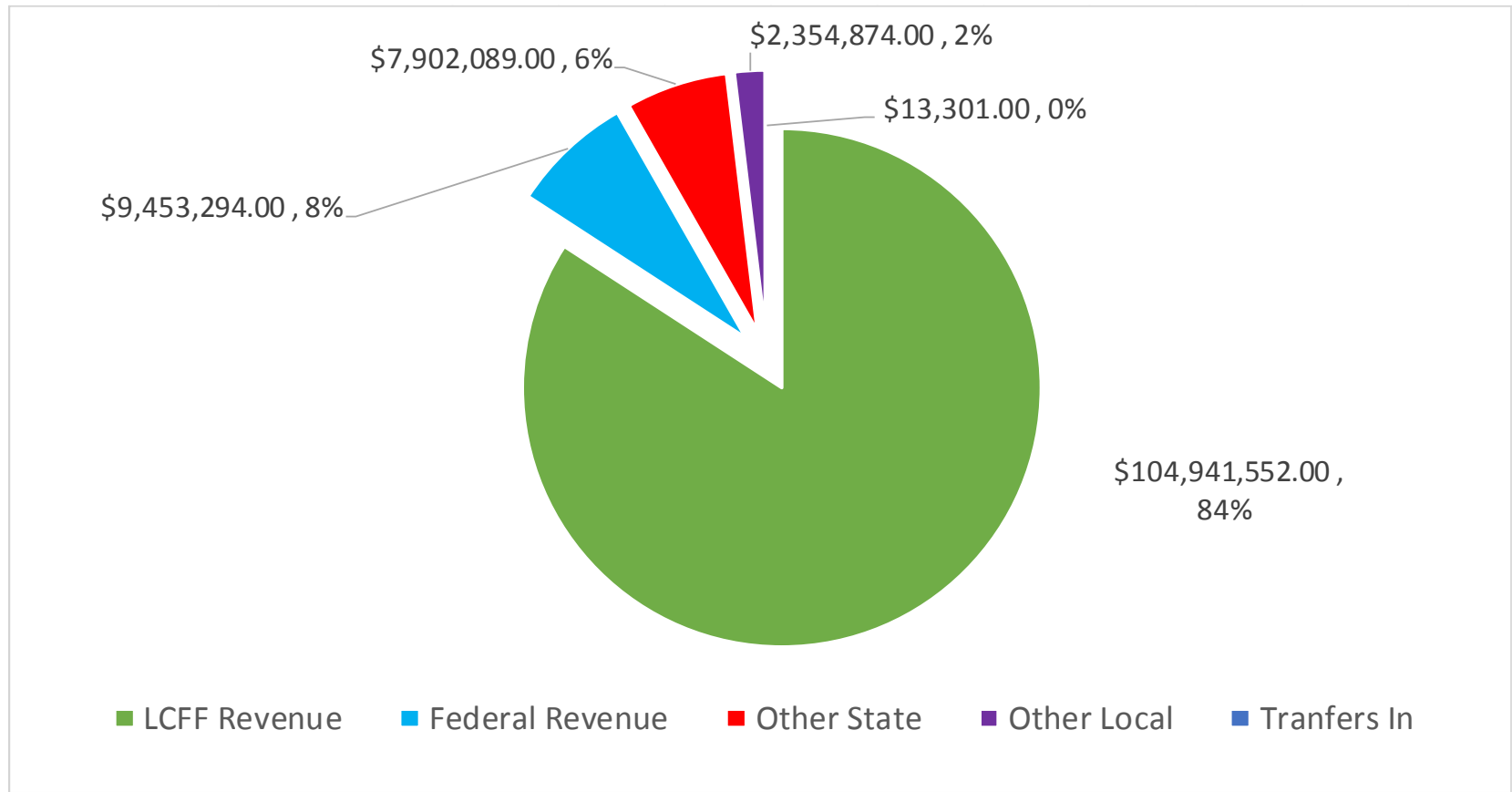
- Projected reduction in property tax
- Projected reduction in on-going RDA revenue
- District will remain Community Funded/Basic Aid
- Estimated Step & Column cost included
- Enrollment/ADA declining
- LCAP Goals/Actions are included in the budget
- Continue Deferred Maintenance transfer
- Maintain contribution to Routine Restricted Maintenance
- Estimated STRS/PERS increase included
- Contribution to Special Education and transportation
- Gifts and donations are budgeted when received
- Program carryovers not budgeted until books are closed

# 2021-22 Proposed Budget

## General Fund Projected Revenues

<b>REVENUES</b>	<b>2021-22</b>	<b>PERCENTAGE</b>
<b>LCFF Revenue</b>	<b>\$104,941,552</b>	<b>84.18%</b>
<b>Federal Revenue</b>	<b>\$9,453,294</b>	<b>7.58%</b>
<b>Other State</b>	<b>\$7,902,089</b>	<b>6.34%</b>
<b>Other Local</b>	<b>\$2,354,874</b>	<b>1.89%</b>
<b>Transfers In</b>	<b>\$13,301</b>	<b>0.01%</b>
<b>TOTAL</b>	<b>\$124,665,110</b>	<b>100%</b>

# 2021-22 Revenues (Proposed)



# Revenues: LCFF Sources

- State Aid
- Education Protection Account (EPA)
- Tax Relief Subventions
- Secured Tax Rolls
- Unsecured Tax Rolls
- Prior Year Taxes
- Community Redevelopment Funds (RDA)

# Revenues: Federal Sources

- Special Education Entitlement
- Special Education Discretionary
- Interagency Contracts
- Title I, II, III and IV
- Migrant Education
- Medical Administrative Activities (MAA)
- One-time Federal Stimulus Funds
- All other federal revenue

# Revenues: Other State

- Special Education
- Mandated Costs Reimbursements
- Lottery
- Career Technical Education (CTE)
- One-time State Stimulus Funds
- All other state revenues

## Revenues: Other Local

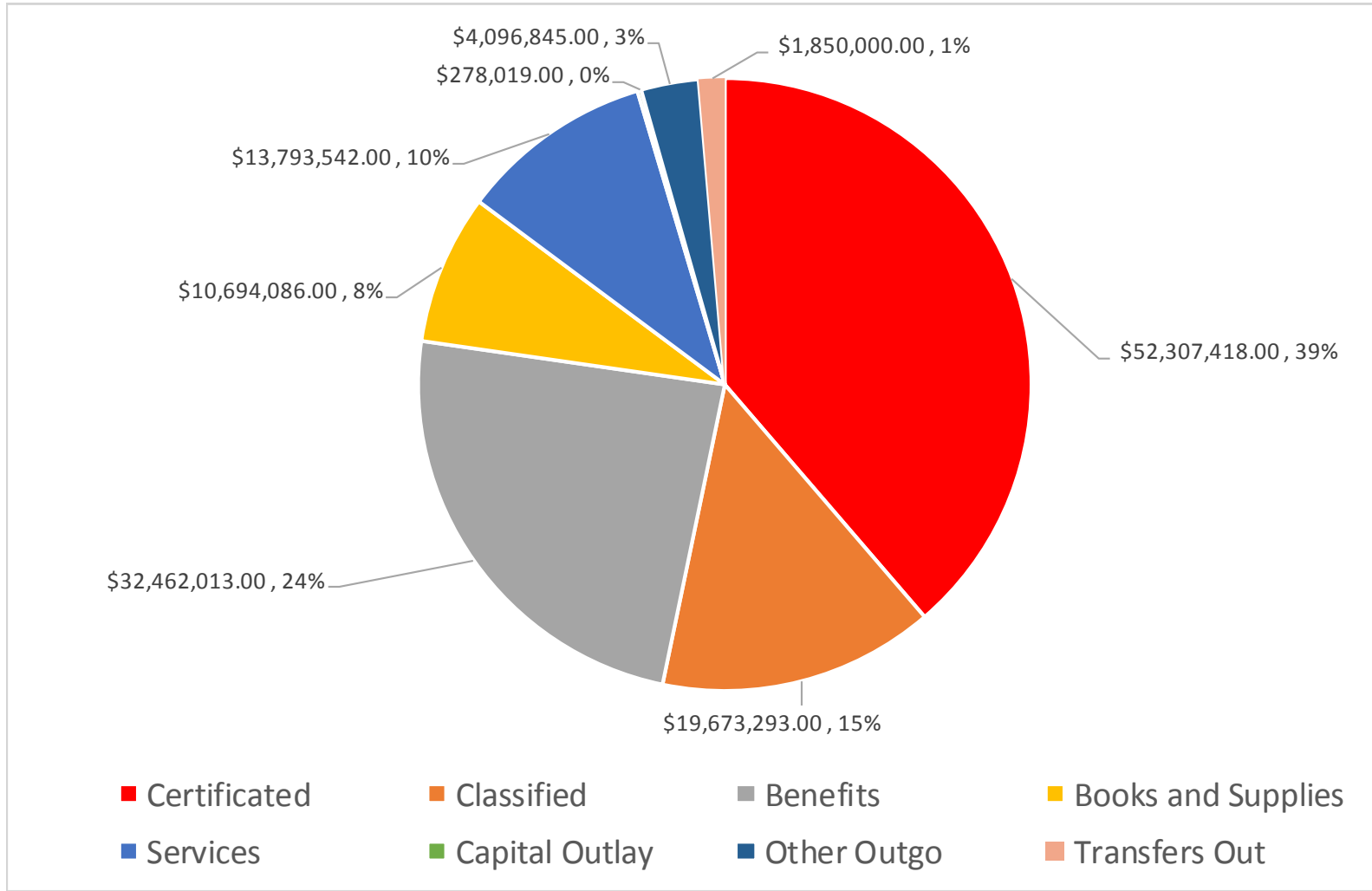
- Community Redevelopment Funds not subject to LCFF deduction.
- Lease and Rentals
- Interest
- Interagency Services
- Tuition
- Gifts and Donations
- All other local revenue

# 2021-22 Proposed Budget

## General Fund Projected Expenditures

<b>EXPENDITURES</b>	<b>2021-2022</b>	<b>PERCENTAGE</b>
<b>Certificated Salaries</b>	<b>\$52,307,418</b>	<b>38.70%</b>
<b>Classified Salaries</b>	<b>\$19,673,293</b>	<b>14.56%</b>
<b>Benefits</b>	<b>\$32,462,013</b>	<b>24.02%</b>
<b>Books &amp; Supplies</b>	<b>\$10,694,086</b>	<b>7.91%</b>
<b>Services</b>	<b>\$13,793,542</b>	<b>10.20%</b>
<b>Capital Outlay</b>	<b>\$278,019</b>	<b>0.21%</b>
<b>Other Outgo</b>	<b>\$4,096,845</b>	<b>3.03%</b>
<b>Transfers Out</b>	<b>\$1,850,000</b>	<b>1.37%</b>
<b>TOTAL</b>	<b>\$135,155,216</b>	<b>100%</b>

# 2021-22 Expenditures (Proposed)



# Expenditure Classifications

- **Certificated Salaries**
  - **Certificated salaries are salaries that require a credential or permit. Examples include but are not all inclusive:**
    - **Teachers, Nurses, Counselors, Administration and Psychologists.**

# Expenditure Classifications

- **Classified Salaries**
  - Classified salaries are salaries that do not require a credential or permit. Examples include but are not all inclusive:
    - Paraeducators, Administrative Assistants, Accounting staff, Payroll staff, Cafeteria Workers, Facilities and Maintenance staff, Custodians and Technicians (HR, PR, IT, etc.).

# Expenditure Classifications

- **Employee Benefits**
  - This classification is used to account for contributions to employee retirement plans, health and welfare benefits, state unemployment insurance, social security, Medicare, workers compensation insurance and other post-employment benefits associated with certificated and classified personnel.

# Expenditure Classifications

- Books and Supplies
  - Expenditures for the purchase of instructional materials, books, equipment (under \$5,000) reference materials, paper, pencils and operational materials are recorded in this category.

# Expenditure Classifications

- **Services and Other Operating Expenditures**
  - This classification is used to record expenditures for services such as rents, leases, repairs, software licenses, maintenance contracts, agreements, dues, travel, insurance, utilities and legal expenses.

# Expenditure Classifications

- Capital Outlay
  - Expenditures for the purchase and/or replacement of sites, buildings, and capitalized equipment are recorded here.

# Expenditure Classifications

- Other Outgo
  - This classification is used to account for tuition payments and excess costs to non-public schools as well as transfers to County Offices and outside educational agencies.

# Expenditure Classifications

- **Interfund Transfers-Out**
  - This classification is used to account for any contribution from the General Fund (restricted or unrestricted) to other funds maintained by the District.

# 2022-23 & 2023-24 MYP Assumptions

- Projected no increase in property tax
- Projected no increase on-going RDA revenue
- Estimated STRS/PERS increase included
- Estimated Step & Column costs included
- Enrollment/ADA continue to decrease
- Discontinues Deferred Maintenance transfer
- Maintains Adult Education transfer
- Contributions to Special Ed and Transportation
- Maintains contributions to Routine Restricted Maintenance program

# Multi Year Projections Assumptions

	<b>STRS</b>	<b>PERS</b>	<b>SUI</b>	<b>COLA</b>	<b>Lottery</b>	<b>Mandated Block Grant</b>	<b>ADA</b>
<b>20-21</b>	16.15%	20.70%	0.05%	0.00%	\$199	\$94.12	7,931.75
<b>21-22</b>	16.92%	22.91%	1.23%	5.07%	\$199	\$95.96	7,773.12
<b>22-23</b>	19.10%	26.10%	0.20%	2.48%	\$199	\$95.96	7,617.65
<b>23-24</b>	19.10%	27.10%	0.20%	3.11%	\$199	\$95.96	7,465.30

# Multi Year Projection Unrestricted (Before Designations)

<b>GENERAL FUND UNRESTRICTED</b>	<b>Proposed Budget</b>	<b>Projected Budget</b>	<b>Projected Budget</b>
<b>Multi-Year Projections</b>	<b>2021-2022</b>	<b>2022-2023</b>	<b>2023-2024</b>
<b>Revenues &amp; Other Financing Sources</b>			
LCFF/State Aid/Property Tax	\$ 100,295,461	\$ 103,491,501	\$ 105,803,353
Federal Revenues	\$ -	\$ -	\$ -
State Income	\$ 1,587,793	\$ 1,589,269	\$ 1,592,799
Local Income	\$ 1,230,195	\$ 1,230,195	\$ 1,230,195
Transfers in	\$ 13,301	\$ 13,301	\$ 13,301
Other Sources	\$ -	\$ -	\$ -
Contributions	\$ (28,931,710)	\$ (28,931,710)	\$ (28,931,710)
<b>Total</b>	<b>\$ 74,195,040</b>	<b>\$ 77,392,556</b>	<b>\$ 79,707,938</b>
<b>Expenditures &amp; Other Financing Uses</b>			
Certificated Salaries	\$ 41,088,128	\$ 41,704,450	\$ 42,330,017
Classified Salaries	\$ 12,171,240	\$ 12,353,809	\$ 12,539,116
Employee Benefits	\$ 19,494,543	\$ 20,263,075	\$ 20,758,721
Books & Supplies	\$ 2,202,816	\$ 2,202,816	\$ 1,502,816
Services and Operating	\$ 8,543,864	\$ 8,543,865	\$ 8,472,045
Capital Outlay	\$ 148,816	\$ 148,816	\$ 148,816
Other Outgo	\$ (3,236)	\$ 27,647	\$ 32,878
Transfers Out	\$ 850,000.00	\$ 300,000	\$ -
Other Uses	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 84,496,171</b>	<b>\$ 85,544,478</b>	<b>\$ 85,784,409</b>
<b>Net Increase / (Decrease)</b>	<b>\$ (10,301,131)</b>	<b>\$ (8,151,922)</b>	<b>\$ (6,076,471)</b>
Beg. Balance	\$ 31,180,383	\$ 20,879,252	\$ 12,727,330
<b>Ending Fund Balance</b>	<b>\$ 20,879,252</b>	<b>\$ 12,727,330</b>	<b>\$ 6,650,859</b>

# Multi Year Projection Restricted (Before Designations)

<b>GENERAL FUND RESTRICTED</b>	<b>Proposed Budget</b>	<b>Projected Budget</b>	<b>Projected Budget</b>
<b>Multi-Year Projections</b>	<b>2021-2022</b>	<b>2022-2023</b>	<b>2023-2024</b>
<b>Revenues &amp; Other Financing Sources</b>			
LCFF/State Aid/Property Tax	\$ 4,646,091	\$ 4,646,091	\$ 4,646,091
Federal Revenues	\$ 9,453,294	\$ 3,263,009	\$ 3,263,009
State Income	\$ 6,314,296	\$ 6,314,296	\$ 6,314,296
Local Income	\$ 1,124,680	\$ 1,124,680	\$ 1,124,680
Transfers in	\$ -	\$ -	\$ -
Other Sources	\$ -	\$ -	\$ -
Contributions	\$ 28,931,710	\$ 28,931,710	\$ 28,931,710
<b>Total</b>	<b>\$ 50,470,071</b>	<b>\$ 44,279,786</b>	<b>\$ 44,279,786</b>
<b>Expenditures &amp; Other Financing Uses</b>			
Certificated Salaries	\$ 11,219,290	\$ 11,387,579	\$ 11,558,393
Classified Salaries	\$ 7,502,053	\$ 7,614,584	\$ 7,728,803
Employee Benefits	\$ 12,967,470	\$ 13,556,255	\$ 13,756,649
Books & Supplies	\$ 8,491,270	\$ 2,301,229	\$ 2,061,273
Services and Operating	\$ 5,249,677	\$ 4,221,365	\$ 3,981,086
Capital Outlay	\$ 129,203	\$ 129,203	\$ 129,242
Other Outgo	\$ 4,100,082	\$ 4,069,571	\$ 4,064,340
Transfers Out	\$ 1,000,000.00	\$ 1,000,000	\$ 1,000,000
Other Uses	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 50,659,045</b>	<b>\$ 44,279,786</b>	<b>\$ 44,279,786</b>
<b>Net Increase / (Decrease)</b>	<b>\$ (188,974)</b>	<b>\$ -</b>	<b>\$ -</b>
Beg. Balance	\$ 5,587,046	\$ 5,398,072	\$ 5,398,072
<b>Ending Fund Balance</b>	<b>\$ 5,398,072</b>	<b>\$ 5,398,072</b>	<b>\$ 5,398,072</b>

# Multi-year Projection - Projected Ending Fund Balances

The District's projected Ending Fund Balance for both the Unrestricted and Restricted program budgets combined. These amounts are prior to the State required designations and the District designations.

	<b>Estimated</b>	<b>Proposed</b>	<b>Projected</b>	<b>Projected</b>
<b>Unrestricted and Restricted Funds</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>
	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-2024</b>
<b>Revenues</b>	\$ 136,799,139	\$ 124,665,110	\$ 121,672,342	\$ 123,987,724
Total Sources of Funds	\$ 136,799,139	\$ 124,665,110	\$ 121,672,342	\$ 123,987,724
<b>Expenditures</b>	\$ 139,887,176	\$ 135,155,216	\$ 129,824,265	\$ 130,064,195
Total Usage of Funds	\$ 139,887,176	\$ 135,155,216	\$ 129,824,265	\$ 130,064,195
<b>Net Incr/Decr in Fund Balance</b>	\$ (3,088,037)	\$ (10,490,106)	\$ (8,151,923)	\$ (6,076,471)
Beginning Fund Balance	\$ 39,855,467	36,767,430	26,277,324	18,125,401
Projected Ending Fund Balance	\$ 36,767,430	\$ 26,277,324	\$ 18,125,401	\$ 12,048,930

# Ending Fund Balances (Reserves)

GASB Statement No. 54 establishes certain classification that governmental agencies are required to report their fund balances

- Nonspendable
- Restricted
- Committed
- Assigned
- Undesignated/Unassigned

# Ending Fund Balance Designations

GENERAL FUND	Estimated	Proposed	Projected	Projected
Unrestricted and Restricted Funds	Actual	Budget	Budget	Budget
	2020-21	2021-22	2022-23	2023-24
<i>Estimated Actual/Projected Ending Fund Balance</i>	36,767,430	26,277,324	18,125,401	12,048,930
Nonspendable				
Revolving Cash	25,100	25,100	25,100	25,100
Stores	61,309	75,000	75,000	75,000
Prepaid Expenditures	155,319	150,000	150,000	150,000
Restricted	5,587,046	5,398,072	5,398,072	5,398,072
Committed	0	0	0	0
Assigned/Designated				
STRS/PERS Increases: 2024-25	350,000	350,000	350,000	350,000
STRS/PERS Increases: 2025-26	650,000	650,000	650,000	650,000
Property Tax Repayment - Litigation (Est.)	8,500,000	8,500,000	0	0
Staffing - Grounds Keepers (2)	188,000	188,000	376,000	564,000
Staffing - Custodian for Hillside/Children Ctr (1)	85,000	85,000	170,000	255,000
Reduction in Expenditures Needed (on-going)	0	(1,000,000)	(2,000,000)	(3,000,000)
Carryover - 20/21 Site Discretionary Funds	438,000	438,000	438,000	438,000
Carryover - 20/21 LCAP Funds	620,000	620,000	620,000	620,000
Reserve:				
Reserved for Economic Uncertainties	6,132,468	6,757,761	6,491,213	6,503,210
Undesignated Reserve	13,975,188	4,040,391	5,382,017	20,549

# One-time Federal & State Stimulus Funds

<b>One-time Funding</b>	<b>2020-21</b>	<b>2021-22</b>
<b>ESSER *</b>	<b>\$696,476</b>	
<b>GEER *</b>	<b>\$562,594</b>	
<b>Coronavirus Relief *</b>	<b>\$4,366,627</b>	
<b>State General Fund *</b>	<b>\$664,740</b>	
<b>ESSER II</b>	<b>\$2,763,881</b>	
<b>ELO Grant **</b>		<b>\$5,304,286</b>
<b>ESSER III</b>		<b>\$6,190,285 (Est.)</b>
<b>TOTAL</b>	<b>\$9,054,318</b>	<b>\$11,494,571</b>

ESSER – Elementary & Secondary School Emergency Relief

GEER – Governor’s Emergency Education Relief

ELO – Expanded Learning Opportunity

\* All Spent

\*\* Pending Plan for ELO Grant Approved May 27, 2021

## Positions Paid with One-time Federal Stimulus Funds in 2021-22

- The new positions in the next slide are only for fiscal year 2021-22
- They are paid for with one-time Federal stimulus funds
- When this one-time Federal funding goes away, these positions will also go away
- Should additional revenue becomes available, the District will re-evaluate whether to retain some or all of the positions for an additional year

## Positions Paid with One-time Federal Stimulus Funds in 2021-22

- Wellness Counselors (7 new positions) - \$719K
- Teacher on Special Assignment for Socio-emotional (1 new position) - \$103K
- Paraprofessional (Various positions) - \$858K
  - Re-class from LCAP to ELO Grant in 2021-22

# Other District Funds

- Fund 11            Adult Education
- Fund 12            Child Development
- Fund 13            Cafeteria Fund
- Fund 14            Deferred Maintenance
- Fund 17            Special Reserve
- Fund 21            Bond Fund
- Fund 25            Capital Facilities
- Fund 40            Special Reserve Capital Projects
- Fund 73            Trust Fund

# Looking Ahead

- Adoption of the 2021-22 Budget
  - June 24, 2021
- 2020-21 Unaudited Actuals
  - September 2021
- 2021-22 First Interim Report
  - December 2021

Comments / Questions?

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