



**2019-2020**  
**FIRST INTERIM BUDGET**

**REGULAR BOARD MEETING**  
**DECEMBER 18, 2019**

# Presentation



- Adopted Budget vs. First Interim
  - Revenue and Expenditure Variances
- General Fund Summary
  - 2019-2020 Revenues and Expenditures
- Multi-Year Projection
- Looking Ahead

**ADOPTED BUDGET  
VS.  
FIRST INTERIM**

# Revenue



	Adopted Budget	Carryover	Budget Adjustments	First Interim
LCFF Sources	53,164,241	-	-	53,164,241
Federal Revenues	1,273,877	157,364	(33,337)	1,397,904
Other State Revenues	3,503,338	-	764,867	4,268,205
Other Local Revenues	3,582,800	-	525,109	4,107,909
Other Finance Sources/Transfers In	70,000	-	102,578	172,578
Total Revenues	61,594,256	157,364	1,359,217	63,110,837

# Revenue Variances



- Other State Revenues:
  - Increase due to one-time unrestricted funding for Preschool students and prior year lottery revenue
- Federal Revenues:
  - Increase for carryover programs
- Other Local Revenues:
  - Increase for sale of Apple Equipment
  - Increase in Interest Revenue
  - Increase due to site fundraising budgeted when received
  - Intra SELPA MOU tuition
  - DMSEF actual contribution higher than budgeted
- Transfers In:
  - Increase for reimbursable Measure MM expenditures

# Expenditures



	Adopted Budget	Carryover	Budget Adjustments	First Interim
Certificated Salaries	30,707,222	105,626	248,727	31,061,575
Classified Salaries	8,412,814	-	148,865	8,561,679
Employee Benefits	14,653,282	-	532,982	15,186,264
Books & Supplies	1,613,470	182,278	409,219	2,204,967
Operating Expenses	5,380,982	76,084	106,474	5,563,540
Capital Outlay	110,820	-	81,091	191,911
Other Outgo/ Transfer Out	715,666	-	(18,171)	697,495
Total Expenditures	61,594,256	363,988	1,509,187	63,467,431

# Expenditure Variance



- Salaries and Benefits:
  - Salary and benefits adjustments based upon expenditures through October 31, 2019
  - Includes three Spanish Teachers
  - Includes \$500,000 OPEB Trust Contribution assigned at Unaudited Actuals
  
- Books and Supplies:
  - Wonders Curriculum purchase for Special Education Program
  - Carryover & current year: fundraising and school site improvement

# Expenditure Variance



- Operating Expenses:
  - Increase for Solar Consultant
  - Current year and carryover balances for fundraising
  - Increase in Restricted Maintenance expenses due to overall increase in budget
- Capital Outlay and Other Outgo:
  - Reallocation for HVAC replacement at Sage Canyon
  - Adjustment for intra SELPA MOU tuition



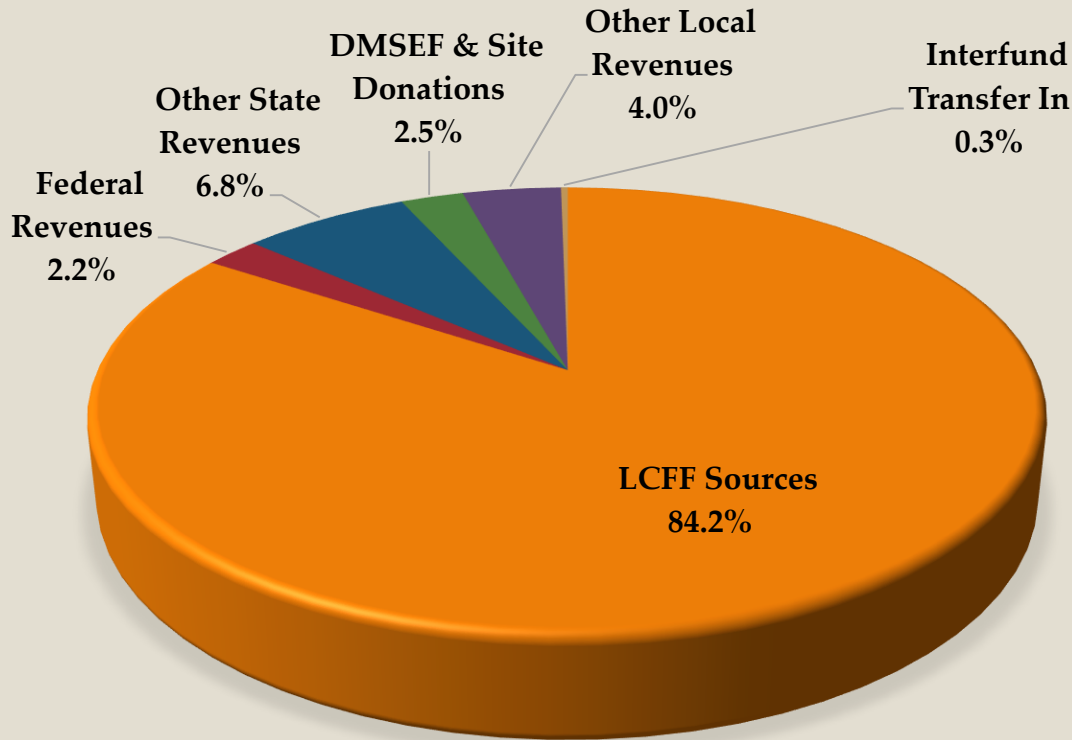
# Ending Fund Balance



	First Interim
Beginning Fund Balance	13,921,442
Net Increase (Decrease)	(356,594)
Ending Fund Balance	13,564,848
<b><i>Components of Ending Fund Balance:</i></b>	
Revolving Cash	25,000
Restricted:	347,571
Assigned:	
Minimum Reserve 15%	9,520,115
Science Curriculum Adoption	750,000
3% Reserve for Economic Uncertainties	1,904,023
Unassigned/Unappropriated	1,018,139
Unrestricted Reserve Percentage	20.8%

# **GENERAL FUND SUMMARY**

# 2019-2020 Revenue Summary

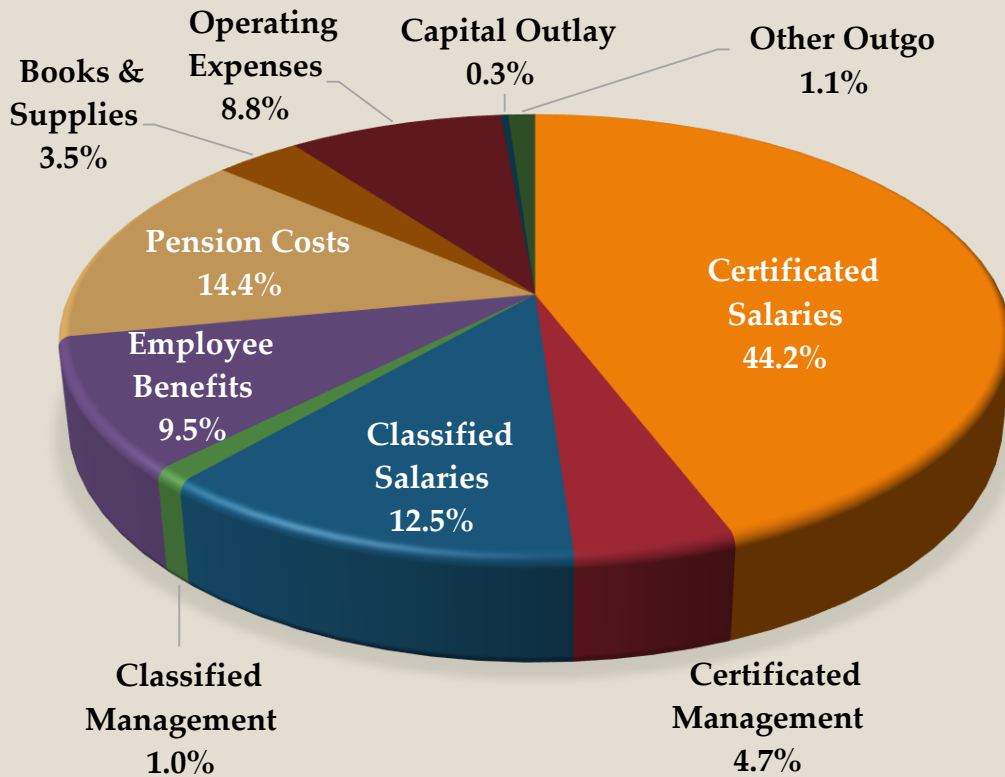


LCFF Sources	53,164,241
Federal Revenues	1,397,904
Other State Revenues	4,268,205
Other Local Revenues	2,507,885
DMSEF & Site Donations	1,600,024
Other Financing Sources	172,578
<b>Total Revenue &amp; Other Financing Sources</b>	<b>63,110,837</b>

Other State Revenues includes:

- One-time funding for Special Education Preschool of \$630,698
- State STRS "on-behalf" contribution of \$2,251,408

# 2019-2020 Expenditure Summary



Certificated Salaries	28,055,617
Certificated Management	3,005,958
Classified Salaries	7,901,294
Classified Management	660,385
Employee Benefits	6,037,884
Pension Costs*	9,148,380
Books & Supplies	2,204,967
Operating Expenses	5,563,540
Capital Outlay	191,911
Other Outgo/Transfer Out	697,495
<b>Total Expenditures &amp; Other Outgo</b>	<b>63,467,431</b>

**\*Total Salary and Benefits = 86.3%**

\*Pension costs include State STRS "on-behalf" contribution of \$2,251,408

# **MULTI-YEAR PROJECTION**

# Multi-Year Projection



- Based upon the School Services of California Dartboard
- Property Tax Projection:
  - 2020-21 4.5% Increase
  - 2021-22 4.0% Increase
- Average Daily Attendance Projections:
  - 2020-21 4,017
  - 2021-22 4,017
- Salary: Step and Column 2% Increase Annually
- Benefits: Annual Increase in Employer STRS and PERS Contributions

# Multi-Year Projection



DESCRIPTION	FY 2019-20 Current (Base Year)	FY 2020-21 First Projected Year	FY 2021-22 Second Projected Year
Revenues			
LCFF Sources	53,164,241	55,432,332	57,561,963
Federal Revenues	1,397,904	1,240,540	1,240,540
Other State Revenues	4,268,205	3,517,224	3,525,646
Other Local Revenues	4,107,909	3,710,167	3,711,413
Transfers In/Other Sources	172,578	-	(3,020)
Total Revenues:	63,110,837	63,900,263	66,036,542
Expenditures			
Certificated Salaries	31,061,575	31,509,248	32,139,433
Classified Salaries	8,561,679	8,732,913	8,907,571
Employee Benefits	15,186,264	15,602,030	15,933,839
Books & Supplies	2,204,967	1,459,311	1,503,382
Services, Other Operating Expense	5,563,540	5,415,598	5,503,045
Capital Outlay	191,911	169,262	174,373
Other Outgo/Transfer Out	697,495	998,086	1,598,673
Total Expenditures:	63,467,431	63,886,448	65,760,316

# Multi-Year Projection



DESCRIPTION	FY 2019-2020 Current (Base Year)	FY 2020-21 First Projected Year	FY 2021-22 Second Projected Year
Beginning Balance as of July 1	13,921,442	13,564,848	13,578,663
Net Increase (Decrease) In Fund Balance	(356,594)	13,815	276,226
Ending Balance	13,564,848	13,578,663	13,854,889
Revolving Cash	25,000	25,000	25,000
Restricted	347,571	347,571	347,571
Assignments:			
- Minimum Reserve 15%	9,520,115	9,582,967	9,864,047
- Science Curriculum Adoption	750,000	750,000	750,000
Reserve for Economic Uncertainties	1,904,023	1,916,593	1,972,809
Unassigned/Unappropriated Amount	1,018,139	956,533	895,462
<i>Total Unrestricted Fund Balance</i>	13,192,277	13,206,093	13,482,318
<i>Unrestricted Reserve Percentage</i>	20.8%	20.7%	20.5%



# Looking Ahead



- Enrollment projection and staffing needs
- STRS/PERS annual increases
- DMSEF contribution
- Continue to prioritize projects as identified in Facilities Master Plan
- Continue reserving for annual operations of Pacific Highlands Ranch School #9
- OPEB Trust

**Questions?**