



2019-20 2nd Interim Budget Report

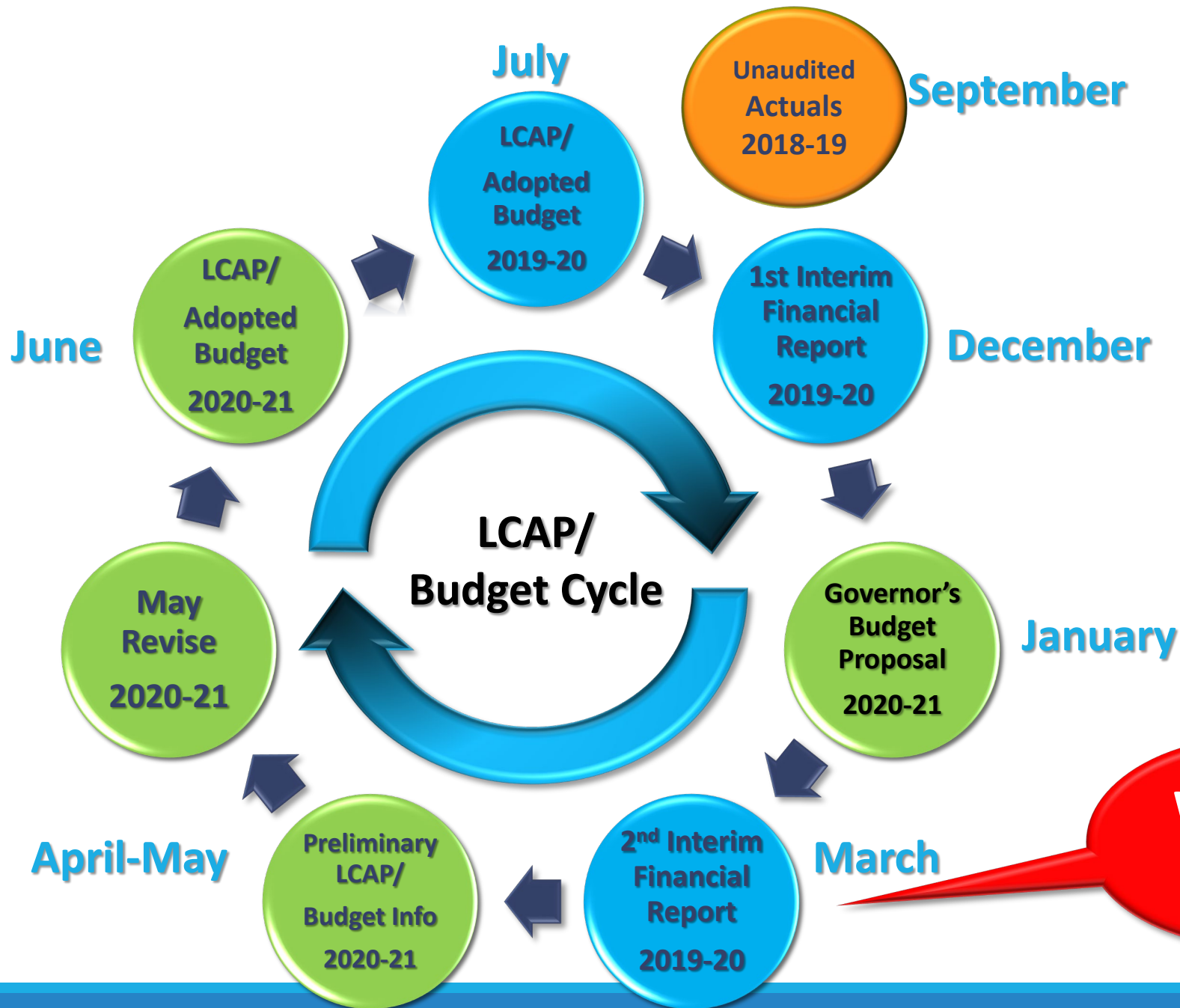
PRESENTED TO BOARD OF TRUSTEES ON MARCH 10, 2020



Agenda

- Acknowledgements
- Budget/LCAP Reporting Cycle
- 2nd Interim Budget Assumptions
- General Fund – Summary
- Multi-year Projection
- What's On the Horizon?
- Other Funds – Estimated Ending Fund Balances
- Next Steps

2018-19
2019-20
2020-21





2nd Interim Budget Assumptions

- Average Daily Attendance:
 - 1st Interim 9,227 2nd Interim 9,137 Decrease of 90
- Unduplicated Pupil Percentage: 81.33% No change
- Lottery Revenue:
\$153/ADA Unrestricted and \$54/ADA Restricted
- Mandated Cost Claims Reimbursement:
\$32.18 for TK-8 and \$61.94 for 9-12 ADA
- Both state and federal restricted programs are self funded except for Special Education and Routing Restricted Maintenance which require contributions from the unrestricted side of the budget to the restricted side of the budget to balance.

General Fund Summary 1st to 2nd Interim



Description	First Interim			Second Interim			Variance (A)		
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined
REVENUES									
General Purpose Revenue	104,055,086	0	104,055,086	101,728,530	0	101,728,530	(2,326,556)	0	(2,326,556)
Federal Revenue	13,424	9,023,227	9,036,651	13,424	9,047,869	9,061,294	0	24,642	24,642
State Revenue	2,824,466	7,751,807	10,576,273	2,861,980	8,043,416	10,905,396	37,514	291,609	329,123
Local Revenue	1,099,790	3,741,786	4,841,576	1,731,176	4,072,175	5,803,351	631,386	330,389	961,775
Total Revenues	107,992,766	20,516,819	128,509,586	106,335,110	21,163,460	127,498,570	(1,657,656)	646,640	(1,011,015)
EXPENDITURES									
Certificated Salaries	42,151,603	7,849,640	50,001,243	41,847,363	7,511,180	49,358,544	(304,240)	(338,459)	(642,699)
Classified Salaries	14,240,227	6,466,888	20,707,115	14,273,253	6,495,487	20,768,740	33,026	28,599	61,625
Benefits	22,526,107	9,781,801	32,307,908	22,407,119	9,578,988	31,986,108	(118,988)	(202,812)	(321,800)
Books and Supplies	6,034,930	3,809,342	9,844,272	5,839,516	3,743,335	9,582,851	(195,414)	(66,007)	(261,422)
Other Services & Oper. Expenses	8,981,225	4,117,210	13,098,435	9,029,507	4,207,839	13,237,346	48,282	90,629	138,911
Capital Outlay	2,353,964	543,627	2,897,591	3,296,427	559,970	3,856,397	942,463	16,343	958,806
Other Outgo 7xxx	1,345,408	3,623,717	4,969,125	193,691	3,623,717	3,817,408	(1,151,717)	0	(1,151,717)
Transfer of Indirect 73xx	(2,035,252)	763,897	(1,271,355)	(1,863,458)	763,333	(1,100,125)	171,794	(564)	171,231
Total Expenditures	95,598,213	36,956,122	132,554,335	95,023,419	36,483,850	131,507,269	(574,794)	(472,272)	(1,047,066)
Excess / (Deficiency)	12,394,554	(16,439,302)	(4,044,749)	11,311,692	(15,320,390)	(4,008,698)	(1,082,862)	1,118,913	36,051
OTHER SOURCES/USES									
Transfers In	0	0	0	0	0	0	0	0	0
Transfers Out	(2,000,000)	(123,084)	(2,123,084)	(2,000,000)	(129,133)	(2,129,133)	0	(6,049)	(6,049)
Net Other Sources (Uses)	0	0	0	0	0	0	0	0	0
Contributions to Restricted	(15,934,734)	15,934,734	0	(15,094,155)	15,094,155	0	840,579	(840,579)	0
Total Financing Sources/Uses	(17,934,734)	15,811,650	(2,123,084)	(17,094,155)	14,965,022	(2,129,133)	840,579	(846,628)	(6,049)
Net Increase (Decrease)	(5,540,180)	(627,652)	(6,167,833)	(5,782,463)	(355,368)	(6,137,831)	(242,283)	272,284	30,002

Removed YCOE students from LCFF and lowered projected ADA, MJUSD estimated LCFF decrease = **(\$886K)**

Adjusted for staff position vacancies, and benefits associated with vacancies

Budgeted for facilities projects

LCFF Transfer of YCOE students per AB 2235

Multi-Year Projection (MYP)

Effect of Future COP Payments



Description	2019-20 Projected Budget			2020-21 Projected Budget			2021-22 Projected Budget			2022-23 Projected Budget			2023-24 Projected Budget		
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined
REVENUES															
Total Revenues	106,335,110	21,163,460	127,498,570	107,797,383	18,869,693	126,667,076	110,701,760	18,843,578	129,545,338	113,701,073	18,843,578	132,544,651	113,701,073	18,817,463	132,518,536
EXPENDITURES															
Total Expenditures	95,023,419	36,483,850	131,507,269	94,332,044	34,922,101	129,254,145	96,957,903	35,651,284	132,609,187	102,410,746	36,395,664	138,806,410	105,125,346	37,155,559	142,280,905
Excess / (Deficiency)	11,311,692	(15,320,390)	(4,008,698)	13,465,339	(16,052,408)	(2,587,069)	13,743,857	(16,807,706)	(3,063,849)	11,290,327	(17,552,086)	(6,261,759)	8,575,727	(18,338,096)	(9,762,369)
OTHER SOURCES/USES															
Transfers In	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transfers Out (J)	(2,000,000)	(129,133)	(2,129,133)	(2,000,000)	(129,133)	(2,129,133)	(2,000,000)	(129,133)	(2,129,133)	0	(129,133)	(129,133)	0	(129,133)	(129,133)
Net Other Sources (Uses)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Contributions to Restricted (K)	(15,094,155)	15,094,155	0	(16,181,541)	16,181,541	0	(16,936,839)	16,936,839	0	(17,681,219)	17,681,219	0	(18,467,229)	18,467,229	0
Total Financing Sources/Uses	(17,094,155)	14,965,022	(2,129,133)	(18,181,541)	16,052,408	(2,129,133)	(18,936,839)	16,807,706	(2,129,133)	(17,681,219)	17,552,086	(129,133)	(18,467,229)	18,338,096	(129,133)
Net Increase (Decrease)	(5,782,463)	(355,368)	(6,137,831)	(4,716,202)	0	(4,716,202)	(5,192,982)	0	(5,192,982)	(6,390,892)	0	(6,390,892)	(9,891,502)	0	(9,891,502)
FUND BALANCE, RESERVES															
Beginning Balance	30,166,782	4,415,947	34,582,729	24,384,319	4,060,579	28,444,898	19,668,117	4,060,579	23,728,696	14,475,135	4,060,579	18,535,714	8,084,243	4,060,579	12,144,822
Ending Balance	24,384,319	4,060,579	28,444,898	19,668,117	4,060,579	23,728,696	14,475,135	4,060,579	18,535,714	8,084,243	4,060,579	12,144,822	(1,807,259)	4,060,579	2,253,320
Nonspendable	350,425	0	350,425	350,425	0	350,425	350,425	0	350,425	350,425	0	350,425	350,425	0	350,425
Restricted	0	4,060,579	4,060,579	0	4,060,579	4,060,579	0	4,060,579	4,060,579	0	4,060,579	4,060,579	0	4,060,579	4,060,579
Committed (L)	1,785,549	0	1,785,549	855,549	0	855,549	0	0	0	0	0	0	0	0	0
Assigned (L)	4,530,041	0	4,530,041	4,530,041	0	4,530,041	4,530,041	0	4,530,041	4,530,041	0	4,530,041	4,530,041	0	4,530,041
Unassigned - REU @ 3%	4,010,000	0	4,010,000	3,942,000	0	3,942,000	4,043,000	0	4,043,000	4,169,000	0	4,169,000	4,273,000	0	4,273,000
Unassigned - Other	13,708,304	0	13,708,304	9,990,102	0	9,990,102	5,551,669	0	5,551,669	(965,223)	0	(965,223)	(10,960,725)	0	(10,960,725)
Total - Fund Balance	24,384,319	4,060,579	28,444,898	19,668,117	4,060,579	23,728,696	14,475,135	4,060,579	18,535,714	8,084,243	4,060,579	12,144,822	(1,807,259)	4,060,579	2,253,320
Add Fund 17 Reserve Balance	4,968,328		4,968,328	6,968,328		6,968,328	8,968,328		8,968,328	8,968,328		8,968,328	8,968,328		8,968,328
TOTAL General Fund + Fund 17	29,352,647		33,413,226	26,636,445		30,697,024	23,443,463		27,504,042	17,052,571		21,113,150	7,161,069		11,221,648



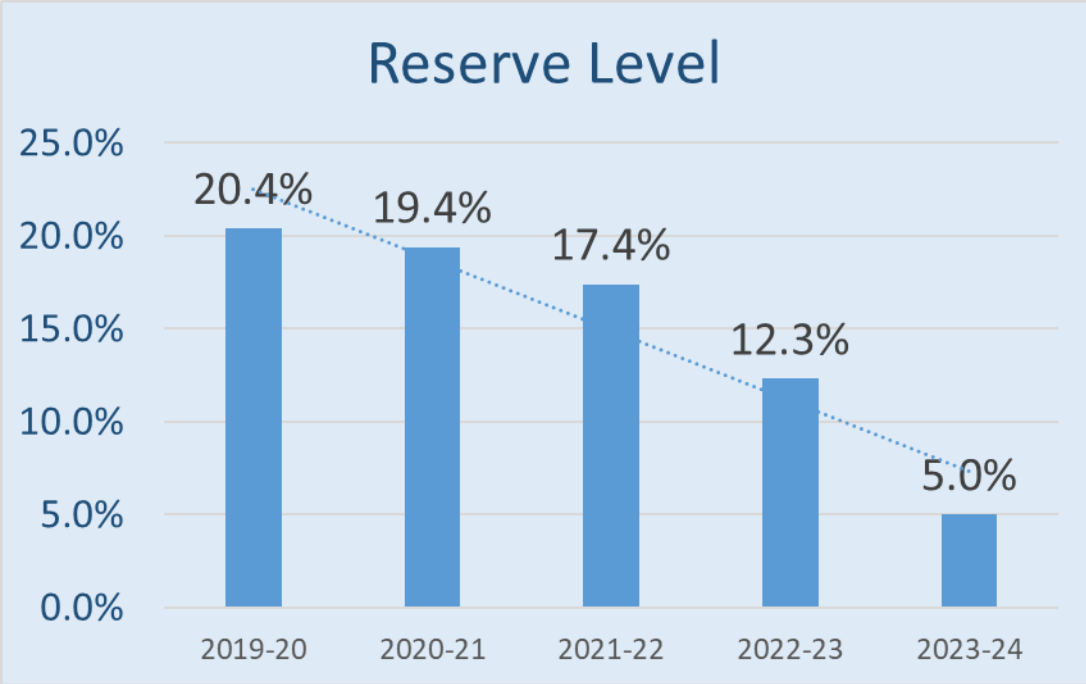
Multi-Year Projection (MYP) – FUND BALANCE

	2019-20 Projected Budget			2020-21 Projected Budget			2021-22 Projected Budget			2022-23 Projected Budget			2023-24 Projected Budget		
FUND BALANCE, RESERVES	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined
Beginning Balance	30,166,782	4,415,947	34,582,729	24,384,319	4,060,579	28,444,898	19,668,117	4,060,579	23,728,696	14,475,135	4,060,579	18,535,714	8,084,243	4,060,579	12,144,822
Ending Balance	24,384,319	4,060,579	28,444,898	19,668,117	4,060,579	23,728,696	14,475,135	4,060,579	18,535,714	8,084,243	4,060,579	12,144,822	(1,807,259)	4,060,579	2,253,320
Nonspendable	350,425	0	350,425	350,425	0	350,425	350,425	0	350,425	350,425	0	350,425	350,425	0	350,425
Restricted	0	4,060,579	4,060,579	0	4,060,579	4,060,579	0	4,060,579	4,060,579	0	4,060,579	4,060,579	0	4,060,579	4,060,579
Committed (L)	1,785,549	0	1,785,549	855,549	0	855,549	0	0	0	0	0	0	0	0	0
Assigned (L)	4,530,041	0	4,530,041	4,530,041	0	4,530,041	4,530,041	0	4,530,041	4,530,041	0	4,530,041	4,530,041	0	4,530,041
Unassigned - REU @ 3%	4,010,000	0	4,010,000	3,942,000	0	3,942,000	4,043,000	0	4,043,000	4,169,000	0	4,169,000	4,273,000	0	4,273,000
Unassigned - Other	13,708,304	0	13,708,304	9,990,102	0	9,990,102	5,551,669	0	5,551,669	(965,223)	0	(965,223)	(10,960,725)	0	(10,960,725)
Total - Fund Balance	24,384,319	4,060,579	28,444,898	19,668,117	4,060,579	23,728,696	14,475,135	4,060,579	18,535,714	8,084,243	4,060,579	12,144,822	(1,807,259)	4,060,579	2,253,320
Add Fund 17 Reserve Balance	4,968,328		4,968,328	6,968,328		6,968,328	8,968,328		8,968,328	8,968,328		8,968,328	8,968,328		8,968,328
TOTAL General Fund + Fund 17	29,352,647		33,413,226	26,636,445		30,697,024	23,443,463		27,504,042	17,052,571		21,113,150	7,161,069		11,221,648
Reserve as % of Combined Unrestricted General Fund + Fund 17 (less Nonspendable & Committed balances)	20.4%			19.4%			17.4%			12.3%			5.0%		



Multi-Year Projection (MYP) – FUND BALANCE

FUND BALANCE, RESERVES	2019-20 Projected Budget			2020-21 Projected Budget			2021-22 Projected Budget			2022-23 Projected Budget			2023-24 Projected Budget		
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined
TOTAL General Fund + Fund 17	29,352,647		33,413,226	26,636,445		30,697,024	23,443,463		27,504,042	17,052,571		21,113,150	7,161,069		11,221,648
Reserve as % of Combined Unrestricted General Fund + Fund 17 (less Nonspendable & Committed balances)	20.4%			19.4%			17.4%			12.3%			5.0%		



The MYP is based on the information known at this time. The projection will change as the underlying assumptions used to develop the MYP change, i.e. enrollment, COLA, etc.

The Yuba County Office of Education and the California Department of Education both use the MYP as an indication of the financial stability of the District.

A projection is not a forecast which predicts what will occur, but it is a budget monitoring tool to gauge the future financial health of the district.



Other Funds

Estimated Ending Fund Balances

FUND	2018-19	Est. Net Change	2019-20
GENERAL (UNRESTRICTED & RESTRICTED)	\$34,582,729	(\$6,137,831)	\$28,444,898
CHARTER SCHOOL	\$1,065,177	(\$141,192)	\$923,985
CHILD DEVELOPMENT	\$415,752	\$6,666	\$422,418
CAFETERIA FUND	\$1,144,912	(\$36,787)	\$1,108,125
DEFERRED MAINTENANCE	\$1,792,134	(\$815,957)	\$976,177
SPECIAL RESERVES	\$2,962,179	\$2,006,149	\$4,968,328
BUILDING FUND	\$12,623,677	(\$596,725)	\$12,026,952
CAPITAL FACILITIES	\$4,801,989	(\$2,199,030)	\$2,602,959
COUNTY SCHOOL FACILITIES	\$150,928	\$2,000	\$152,928
BOND INTEREST & REDEMPTION	\$4,885,370	\$0	\$4,885,370
BLENDED COMPONENT DEBT SERVICE	\$2,971,105	\$0	\$2,971,105
SCHOLARSHIP TRUST FUND	\$1,156,222	\$422	\$1,156,644
TOTAL	\$68,552,174	(\$7,912,285)	\$60,639,889

All Other Funds of the District are estimated to maintain positive fund balances through 2019-20.



What's On The Horizon?

- Pension costs continue to increase each year.
- Special Education costs continue to increase each year more than revenue – however, there is more funding from the state anticipated.
- The Certificates of Participation (COP) payments begin in 2023, resulting in declining district reserves.
- The full effect of the Coronavirus is not yet known.



Next Steps

Administration recommends the following:

- Board approve the 2nd Interim Budget Report with a **POSITIVE** certification.
- Request Fiscal Department to analyze budget for potential budget savings for 2020-21 budget year. Bring back recommendations to Board for final approval in May 2020.
- April, May and June – Prepare Estimated Actuals for 2019-20 and Budget Development for 2020-21.

Thank you

Questions?