



# Marysville Joint Unified School District

## First Interim Budget Update

Presented to Board of Trustees on

December 14, 2021

By Jennifer Passaglia, Chief Business Official

# Agenda

- ▶ First Interim Review
  - ▶ Budget Cycle
  - ▶ Unrestricted General Fund
  - ▶ Restricted General Fund/COVID Relief Funds
  - ▶ General Fund Summary
  - ▶ Multi-year Projections
- ▶ Next steps







# Unrestricted General Fund **Revenue**

## First Interim compared to Adopted Budget

<b>Revenue</b> (In millions)	<b>Adopted Budget FY 21-22</b>	<b>1<sup>st</sup> Interim FY 21-22</b>	<b>Increase/ (Decrease)</b>
LCFF Sources	\$106.4	\$107.9	\$ 1.4
Federal Revenue	\$ -	\$ -	\$ -
Other State Revenue	\$ 1.8	\$ 1.8	\$ -
Other Local Revenue	\$ 0.4	\$ 0.4	\$ -
<b>TOTAL REVENUE</b>	<b>\$108.6</b>	<b>\$110.1</b>	<b>\$1.4</b>



# Unrestricted General Fund Change in Revenue

**\$1.4 million Net Increase to LCFF**

**Concentration Grant Increase of \$2.8**

- Due to formula adjustment of 50% to 65%
- Must be used to increase # of staff providing direct service to students

**LCFF Base Funding Projections Decrease \$(1.4)**

- Removal of County Office of Education Students (206 Enrollment)



# Unrestricted General Fund **Expenditures** Adopted Budget compared to First Interim

<b>Expenditures</b> (In \$ millions)	<b>Adopted Budget FY 21-22</b>	<b>1<sup>st</sup> Interim FY 21-22</b>	<b>Increase/ (Decrease)</b>
Certificated Salaries	\$42.5	\$42.4	\$(0.1)
Classified Salaries	\$15.9	\$16.3	\$ 0.4
Employee Benefits	\$22.2	\$22.3	\$ 0.1
Books and Supplies	\$5.6	\$8.2	\$2.6
Services/Other Operating Expenses	\$9.2	\$10.4	\$1.2
Capital Outlay	\$1.0	\$2.0	\$1.0
Other Outgo/Contributions	\$14.0	\$13.9	\$(0.1)
<b>TOTAL EXPENDITURES</b>	<b>\$110.4</b>	<b>\$115.5</b>	<b>\$5.1</b>



# Unrestricted General Fund Change in Expenditures

## **\$5.1 million Net Increase to Total Expenditures**

- Unrestricted site discretionary carryover
- Salary and Benefit alignment
- 2% Negotiated salary increase for settled Bargaining Units
- Increase to Special Education costs
- Increase to Routine Restricted Maintenance to meet required 3% maintenance of effort
- Realignment of Indirect Costs from restricted programs



# 2021-22 Restricted General Fund COVID Relief Funds

Funding	Beginning Balance	2021-22	2022-23	2023-24	Ending Balance
GEER	352,000	352,000	0	0	0
ESSER I	1,914,000	1,884,000	0	0	30,000
ESSER II	13,093,000	2,249,000	10,844,000	0	0
ESSER III	29,888,000	5,867,000	14,136,000	2,179,000	7,706,000
ELO Grant - 90%	7,134,000	2,774,000	75,000	75,000	4,210,000
ELO Grant - 10% Para	644,000	158,000	77,000	79,000	330,000
In-Person Instruction	3,900,000	3,900,000	0	0	0
<b>Total</b>	<b>56,925,000</b>	<b>17,184,000</b>	<b>25,132,000</b>	<b>2,333,000</b>	<b>12,276,000</b>

- ▶ Restricted one-time money
- ▶ Cannot be used for ongoing salaries and benefits





# 2021-22 General Fund Summary

GENERAL FUND			
Description	Unrestricted	Restricted	Total
REVENUES & EXPENDITURES			
TOTAL BUDGETED REVENUES	\$ 110,034,195	\$ 82,225,612	\$ 192,259,807
TOTAL BUDGETED EXPENDITURES	99,008,173	72,904,308	171,912,481
EXCESS (DEFICIENCY)	11,026,022	9,321,304	20,347,326
OTHER ESTIMATED SOURCES/USES	(16,487,545)	15,432,408	(1,055,137)
NET INCREASE (DECREASE)	(5,461,523)	24,753,712	19,292,189
ADD: BEGINNING FUND BALANCE	51,922,506	11,066,949	62,989,455
ENDING FUND BALANCE (ESTIMATED)	\$ 46,460,983	\$ 35,820,661	\$ 82,281,644



# Components of 2021-22 Ending Fund Balance

Description	Unrestricted	Restricted	Total
Revolving Cash & Estimated Ending Inventory	810,661		810,661
Restricted		35,820,661	35,820,661
Committed (Other Post-Employment Benefits)	956,933		956,933
Assignments	27,405,677		27,405,677
Economic Uncertainty	5,207,000		5,207,000
Unassigned/ Unappropriated	12,080,712		12,080,712
<b>Total-Fund Balance</b>	<b>\$46,460,983</b>	<b>\$35,820,661</b>	<b>\$82,281,644</b>



# Multi-Year Projection (MYP)

## Unrestricted General Fund

(In \$ millions)	1 <sup>st</sup> Interim FY 21-22	Projection FY 22-23	Projection FY 23-24
Beginning Balance – July 1	\$51.9	\$46.5	\$36.8
Revenue	\$110.1	\$111.8	\$115.0
Expenditures	\$(99.0)	\$(104.2)	\$(105.3)
Transfers In/Out	\$(17.1)	\$(17.3)	\$(17.7)
Total Exp. & Transfers Out	\$(116.1)	\$(121.5)	\$(123.0)
Surplus/(Deficit Spending)	\$(5.5)	\$(9.7)	\$(7.9)
<b>Ending Balance</b>	<b>\$46.5</b>	<b>\$36.8</b>	<b>\$28.9</b>



# Unrestricted General Fund Multi-Year Planning Factors

<i>Planning Factor</i>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>
<b>Dept of Finance Statutory COLA</b>	2.31%	1.70%	2.48%	3.11%
<b>Local Control Funding Formula COLA</b>	0.00%	5.07%	2.48%	3.11%
<b>STRS Employer Rates</b>	16.15%	16.92%	19.10%	19.10%
<b>PERS Employer Rates</b>	20.70%	22.91%	26.10%	27.10%

## Revenue Planning Factors

- ▶ Projected COLA from Department of Finance
- ▶ Local Control Funding COLA

## Expenditure Planning Factors

- ▶ 2% step and column
- ▶ Projected STRS and PERS employer rates





# Next Steps...

- ▶ LCAP and Budget Meetings
- ▶ Governor's Budget Proposal for 2022-23
  - ▶ January 18, 2022
- ▶ Capital Advisors Presentation in February 2022
- ▶ 2<sup>nd</sup> Interim Financial Report presented to Board of Trustees
  - ▶ March 8, 2022 Board Meeting





**THANK YOU**  
**Questions?**

