



2020-21 Third Interim Budget

Presented to CUSD Board of Trustees
and Superintendent Campbell

May 18, 2021

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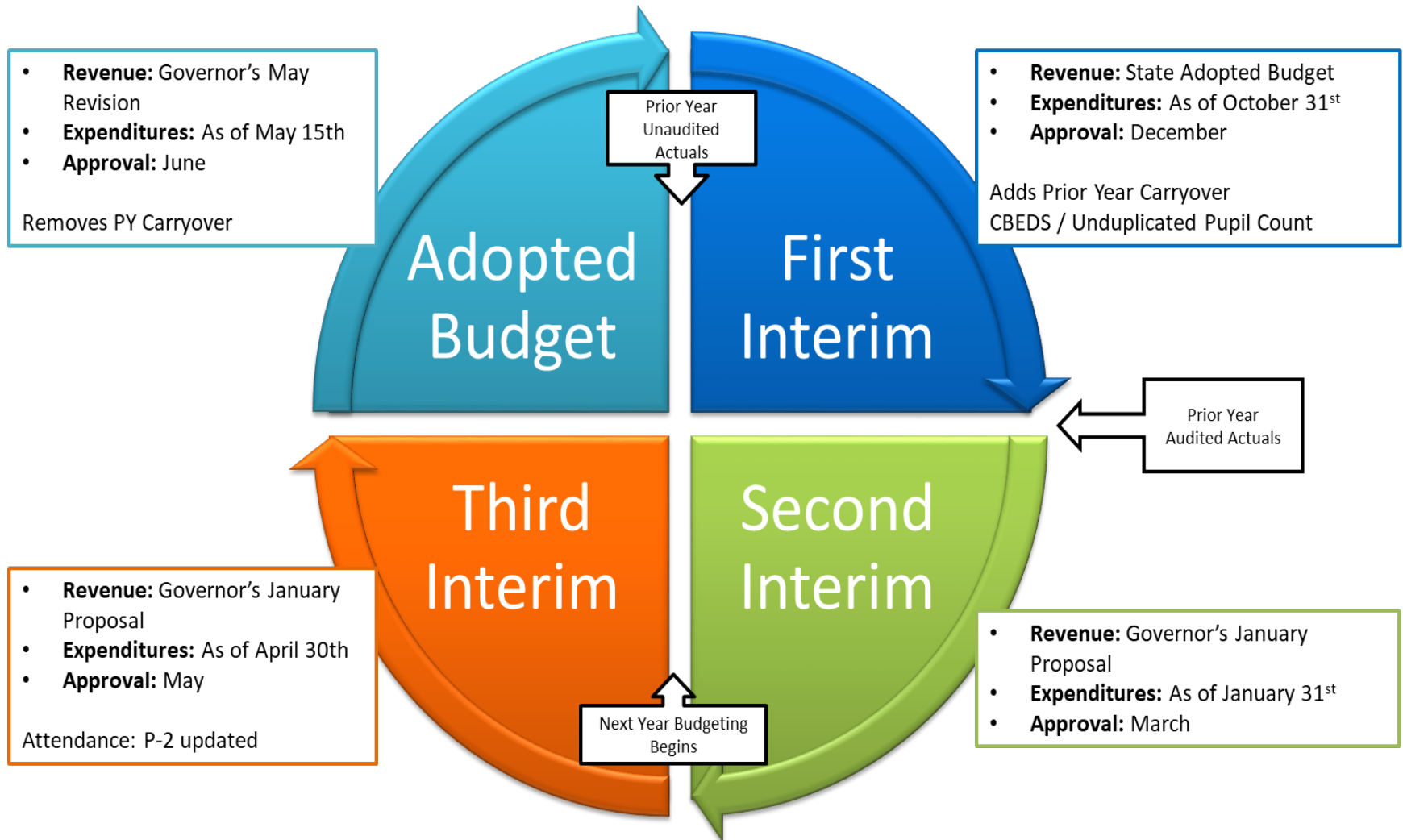
Objectives



- 2020-21 Third Interim Budget Report
 - ✓ Actual activity through April 30, 2021
 - ✓ Projected financial activity through June 30, 2021

- 2020-21 Third Interim Budget Report includes:
 - ✓ Detailed Budget for General Fund
 - ✓ Estimated Cash Flow
 - ✓ Enrollment Trends
 - ✓ Multiyear Projection for General Fund, Child Development & Cafeteria Funds

Budget / Fiscal Cycle

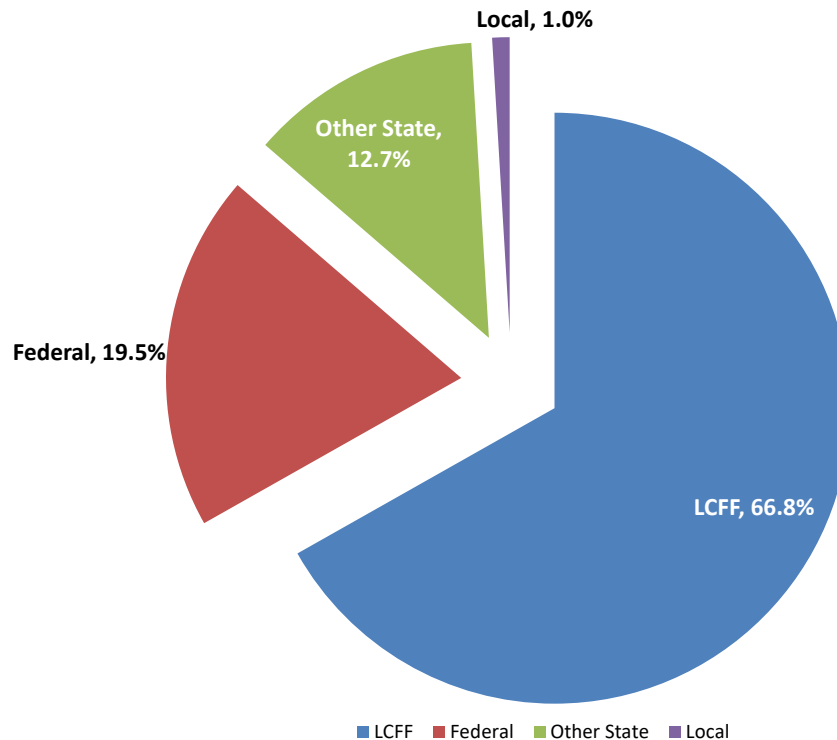


General Fund Revenue

Changes between Second and Third Interim



Description	2020-21 2nd Interim			2020-21 3rd Interim			Change between 2nd & 3rd Interim		
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Total
LCFF Revenue	27,179,293	-	27,179,293	27,179,293	-	27,179,293	-	-	-
Federal Revenue	-	4,964,874	4,964,874	-	7,930,133	7,930,133	-	2,965,259	2,965,259
State Revenue	316,403	2,069,752	2,386,155	316,403	4,862,592	5,178,995	-	2,792,840	2,792,840
Local Revenue	355,760	6,923	362,683	355,760	30,566	386,326	-	23,643	23,643
TOTAL REVENUES	27,851,456	7,041,549	34,893,005	27,851,456	12,823,291	40,674,747	-	5,781,742	5,781,742



LCFF – 66.8% of CUSD’s funds are provided through the LCFF calculations (Property Tax, State Aid & EPA)

Federal – District must follow specific grant guidelines for expending these funds (Title I, Title II, COVID-19, etc.)

Other State – State funds not part of LCFF (Lottery, Mandate Block Grant, COVID-19, etc.)

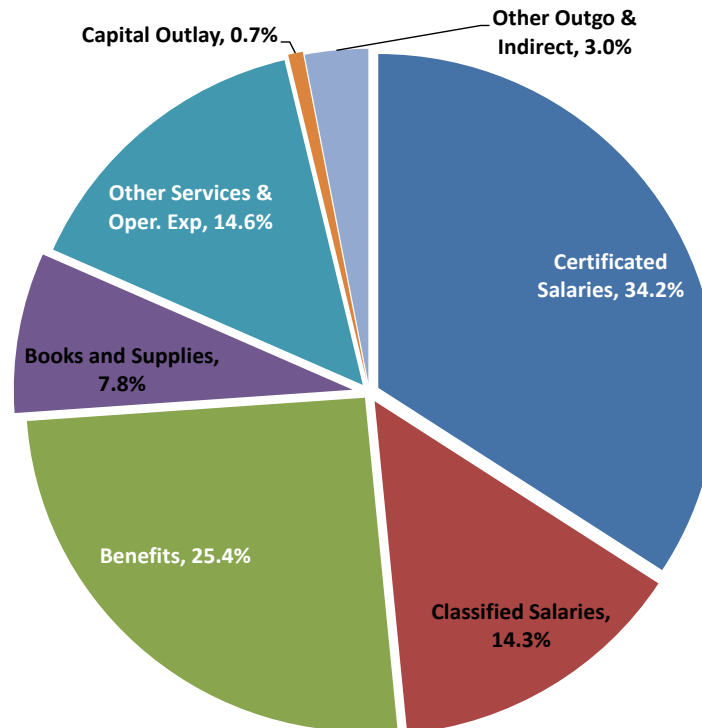
Local – Fund received from local sources or pass-through grants (interest, rentals/fees, donations, etc.)

General Fund Expenditures

Changes between Second and Third Interim



Description	2020-21 2nd Interim Budget			2020-21 3rd Interim Budget			Change between 2nd & 3rd Interim		
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Total
Certificated Salaries	8,703,700	2,267,110	10,970,810	8,459,840	2,871,465	11,331,305	(243,860)	604,355	360,495
Classified Salaries	2,711,099	2,051,249	4,762,348	2,689,147	2,042,453	4,731,600	(21,952)	(8,796)	(30,748)
Benefits	5,060,843	3,173,778	8,234,621	5,009,600	3,416,172	8,425,772	(51,243)	242,394	191,151
Books and Supplies	502,919	2,082,838	2,585,757	461,025	2,109,475	2,570,500	(41,894)	26,637	(15,257)
Services, Other Operating	2,189,450	2,849,201	5,038,651	2,083,530	2,769,451	4,852,981	(105,920)	(79,750)	(185,670)
Capital Outlay	20,156	199,640	219,796	20,156	212,690	232,846	-	13,050	13,050
Other Outgo	525,890	608,342	1,134,232	469,830	608,342	1,078,172	(56,060)	-	(56,060)
Indirect/Interprogram Costs	(270,198)	202,445	(67,753)	(321,872)	242,277	(79,595)	(51,674)	39,832	(11,842)
Transfers Out/Other Uses	132,576	300,000	432,576	1,504,487	300,000	1,804,487	1,371,911	-	1,371,911
TOTAL EXPENDITURES	19,576,435	13,734,603	33,311,038	20,375,743	14,572,325	34,948,068	799,308	837,722	1,637,030



74% of total projected expenditures are dedicated to employees

General Fund Summary



Description	2020-21 2nd Interim			2020-21 3rd Interim			Changes between 2nd & 3rd		
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined
Total Revenues	27,851,456	7,041,548	34,893,005	27,851,456	12,823,281	40,674,737	-	5,781,733	5,781,733
Total Expenditures	19,443,860	13,434,601	32,878,462	18,871,256	14,272,323	33,143,579	(572,604)	837,722	265,117
Total Financing Sources/Uses	(7,035,768)	6,603,192	(432,576)	(8,395,944)	6,591,457	(1,804,487)	(1,360,176)	(11,735)	(1,371,911)
Net Surplus / (Deficit)	1,371,828	210,139	1,581,967	584,256	5,142,415	5,726,671	(787,571)	4,932,276	4,144,705
FUND BALANCE, RESERVES									
Beginning Balance	3,071,564	355,016	3,426,580	3,071,564	(30,044)	3,041,520	-	-	
Ending Balance	4,443,391	565,155	5,008,546	3,655,820	5,112,371	8,768,191	(787,571)	4,547,216	3,759,645
Nonspendable (Revolving Cash)	20,000	-	20,000	20,000	-	20,000	-	-	-
Restricted	-	180,451	180,451	-	5,091,666	5,091,666	-	4,911,215	4,911,215
Assigned	255,187	-	255,187	255,187	-	255,187	-	-	-
Reserve for Economic Uncertainty	4,168,205	-	4,168,205	994,307	-	994,307	(3,173,898)	-	(3,173,898)
Unassigned - Other	-	(356)	(356)	2,386,326	20,705	2,407,031	2,386,326	21,061	2,407,387
Total - Fund Balance	\$4,443,392	\$180,095	\$4,623,487	\$3,655,820	\$5,112,371	\$8,768,191	(\$787,571)	\$4,932,276	\$4,144,704

Unassigned Reserve (includes REU)

12.51%

9.73%

All Funds Summary 2020-21

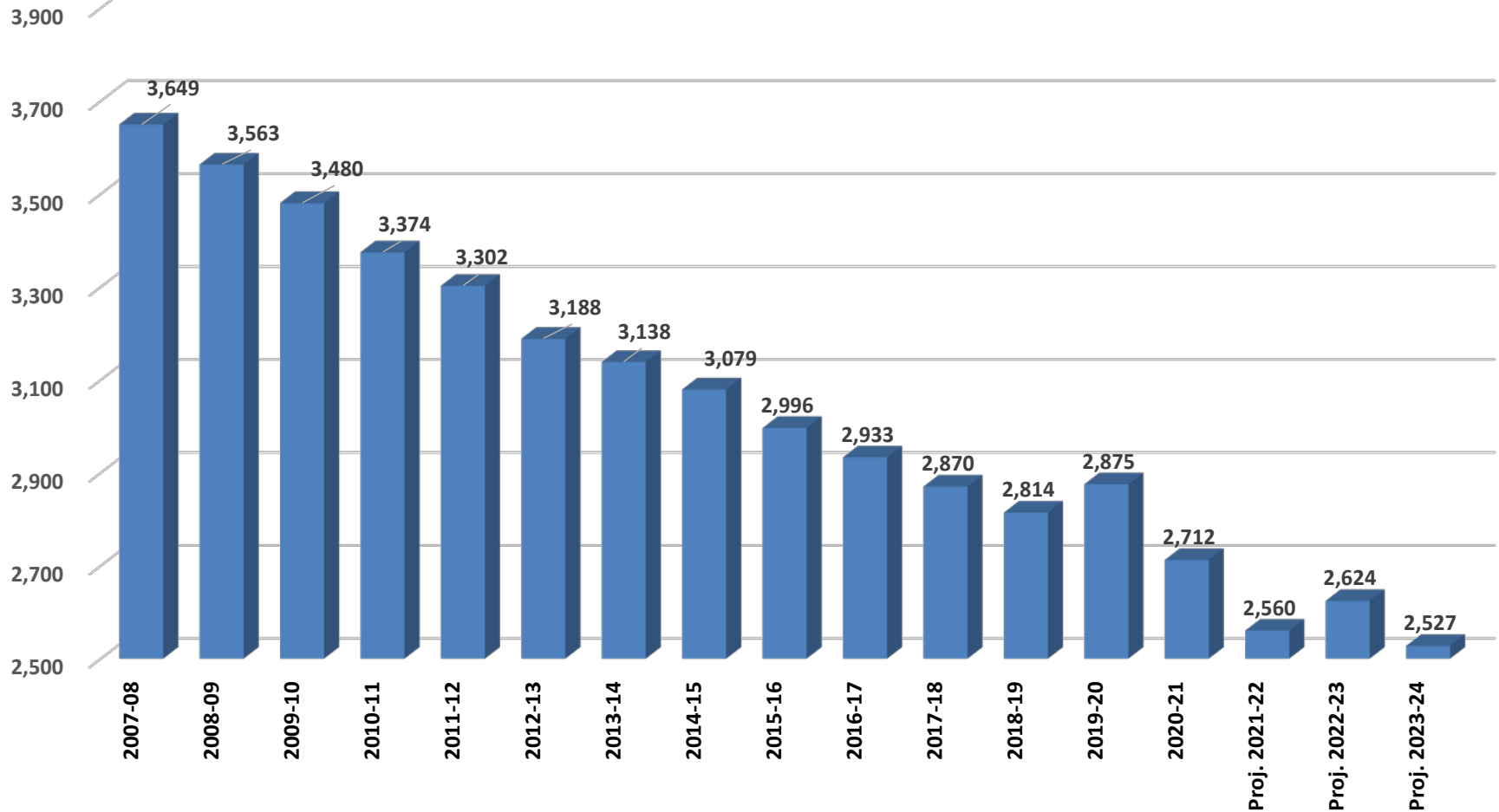


Fund		<u>Unaudited Beginning Fund Balance</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Net Surplus / (Deficit)</u>	<u>Projected Ending Fund Balance</u>
01	General Fund (Unrestricted and Restricted)	3,041,520	40,674,737	34,948,066	5,726,671	8,768,191
12	Child Development	91,244	777,534	865,978	(88,444)	2,800
13	Cafeteria	47,207	1,122,701	1,149,892	(27,191)	20,016
14	Deferred Maintance	-	1,140,204	1,140,204	-	-
25	Developers Fees	-	253,250	253,250	-	-
40	Special Reserve Fund Capital Outlay Projects	-	(74,760)	49,940	(124,700)	(124,700)
51	Bond Interest & Redemption	-	3,101,765	3,101,765	(0)	(0)
52	Debt Service	625,117	-	-	-	625,117
All Funds Total		\$3,805,088	\$46,995,431	\$41,509,095	\$5,486,337	\$9,291,424

Enrollment Trends



CURRENT (April 2021)



Multi-Year Revenue Assumptions



- SSC Projected Rates (Governor's January 2021 Budget Proposal)

Year	2020-21	2021-22	2022-23
LCFF COLA	0%	3.84%	1.28%

- All other State, Federal, and Local revenue will remain flat after removal of Coronavirus Relief Funds.
- Declining Enrollment from year to year.
- Three-year rolling average Unduplicated Pupil Percentage less than 55%.

Multi-Year Expenditure Assumptions



- Projected Step & Column for all employees
- Certificated & Classified Layoffs
- STRS / PERS rate adjustment
- Unemployment Insurance and Workers Compensation adjustments
- CPI & removal of one time Coronavirus Relief Expenses.
- Declining Enrollment from year to year.
- Increased reserve for Capital Outlay.
- No other changes are made.

Summary MYP



Description	2020-21 3rd Interim			2021-22 Projected Budget			2022-23 Projected Budget			2023-24 Projected Budget		
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined
Total Revenues	27,851,456	12,823,281	40,674,737	29,019,864	4,011,601	33,031,466	27,995,697	4,011,601	32,007,299	28,113,530	4,011,602	32,125,132
Total Expenditures	18,871,256	14,272,323	33,143,579	20,363,551	10,789,405	31,152,956	21,001,905	10,315,989	31,317,894	21,360,956	10,810,441	32,171,397
Total Financing Sources	(8,395,944)	6,591,457	(1,804,487)	(7,380,117)	6,947,541	(432,576)	(6,865,715)	6,433,139	(432,576)	(7,002,098)	6,569,522	(432,576)
Net Surplus / (Deficit)	584,256	5,142,415	5,726,671	1,276,197	169,737	1,445,934	128,077	128,751	256,828	(249,524)	(229,317)	(478,841)
FUND BALANCE, RESERVES												
Beginning Balance	3,071,564	(30,044)	3,041,520	3,655,820	5,112,371	8,768,191	4,932,017	5,282,108	10,214,125	5,060,094	128,752	5,188,846
Ending Balance	3,655,820	5,112,371	8,768,191	4,932,017	5,282,108	10,214,125	5,060,095	5,410,859	10,470,954	4,810,570	(100,565)	4,710,005
Nonspendable (Revolving)	20,000	-	20,000	20,000	-	20,000	20,000	-	20,000	20,000	-	20,000
Restricted	-	5,091,666	5,091,666	-	-	-	-	128,751	128,751	-	(100,566)	(100,566)
Assigned	255,187	-	255,187	255,187	-	255,187	255,187	-	255,187	255,187	-	255,187
Unassigned - 5% REU	994,307	-	994,307	934,589	-	934,589	939,537	-	939,537	965,142	-	965,142
Unassigned - Other	2,386,326	20,705	2,407,031	3,722,242	-	3,722,242	3,845,371	-	3,845,371	3,570,242	-	3,570,242
Total - Fund Balance	3,655,820	5,112,371	8,768,191	4,932,017	-	4,932,017	5,060,095	128,751	5,188,846	4,810,571	(100,566)	4,710,005

Unassigned Reserve (including 5% REU)

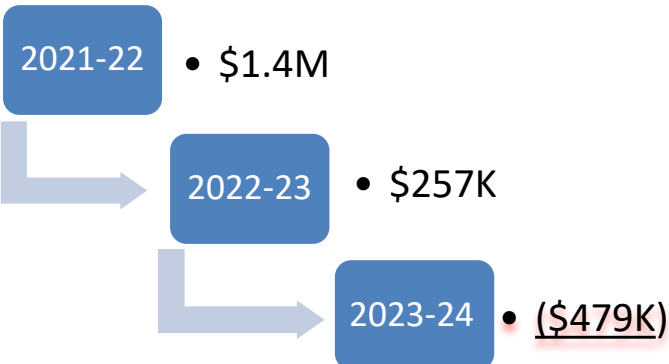
9.73%

14.74%

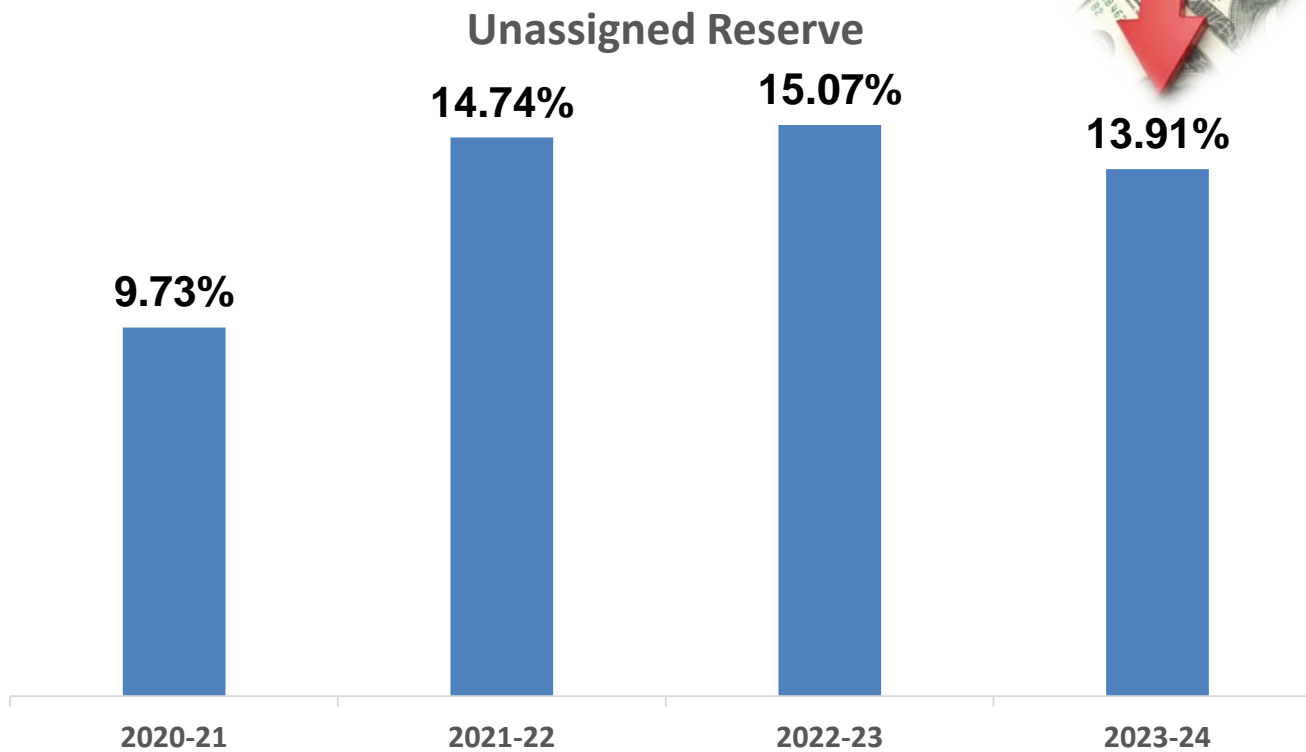
15.07%

13.91%

Net Surplus



MYP Reserves



COVID-19 Funding



- Governor's budget includes \$2.9M for Expanded Learning;
 - ✓ \$895K In Person Instruction
 - ✓ \$108K Homeless Funding
 - ✓ \$1.8M Extended Learning Funds

- Federal ESSER II - CRRSA (2/2021)
 - ✓ \$2.9M Coronavirus Response & Relief
 - ✓ for education, broadband access, child care, meals, facility & operations.

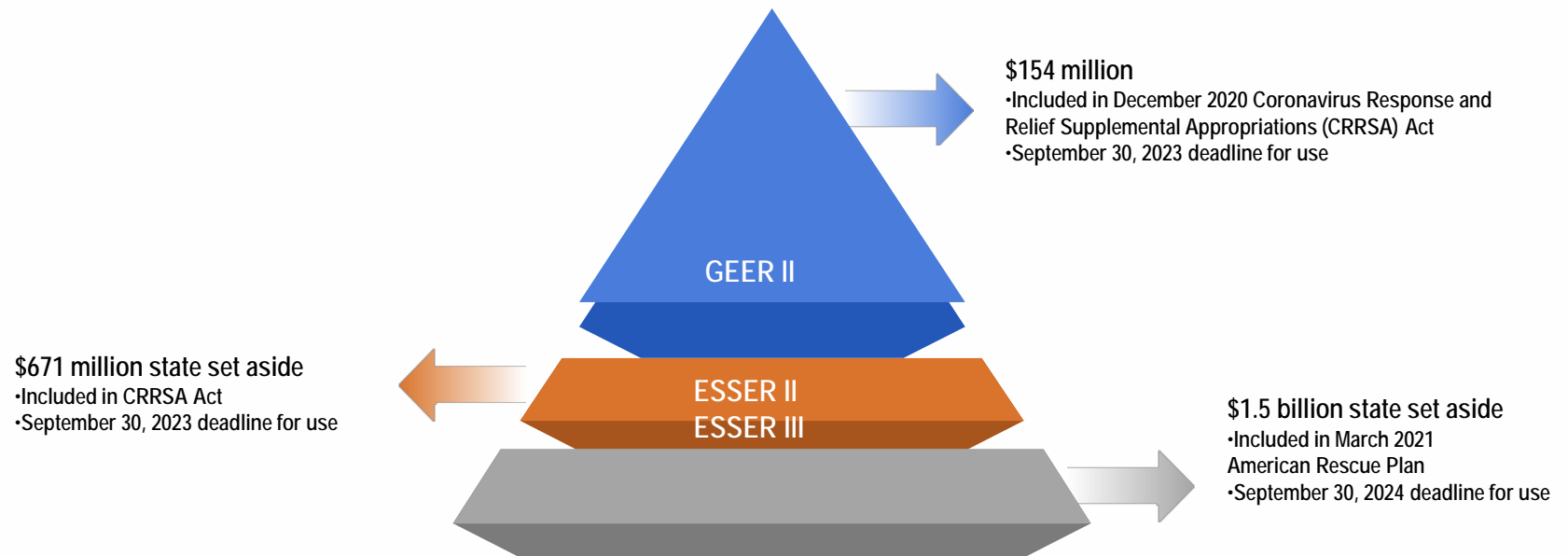
- Federal ARP ESSER – ARP Act (3/2021)
 - ✓ \$6.6M American Rescue Plan Act
 - ✓ Same allowable use as ESSER II

- Governor's budget does not reflect any of this incoming Federal funding.

More COVID-19 Dollars to Come...



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Use of these funds will be determined through the state budget process. Governor Gavin Newsom likely will include his proposal for these funds in the May Revision.

Next Steps!!!



- Continue to make budget reductions in line with declining enrollment
- Continue to monitor cash
- Continue to monitor enrollment and attendance

Regular Budget Timelines

May: Governor's 2021-22 Revisions

June 15th: 2021-22 Proposed Budget Hearing

June 29th: 2021-22 Board Approval

September: 2020-21 Unaudited Actuals



QUESTIONS?

Thank You!!

Impact of COLA



5.07% COLA will Assist with Existing Obligations	
CUSD Increased Expenditures	5.39%
Base Grant	5.07%
Minus cost increase as a percent of CUSD budget	
Step and Column	-1.50%
Health & Welfare Benefit	-0.50%
CalPERS Employer Contribution Change (2021-22)	-2.21%
Unemployment Insurance	-1.18%
Ending COLA	-0.32%