

Berkeley Unified School District

2018-19 Unaudited Actuals





Overview – Unrestricted General Fund

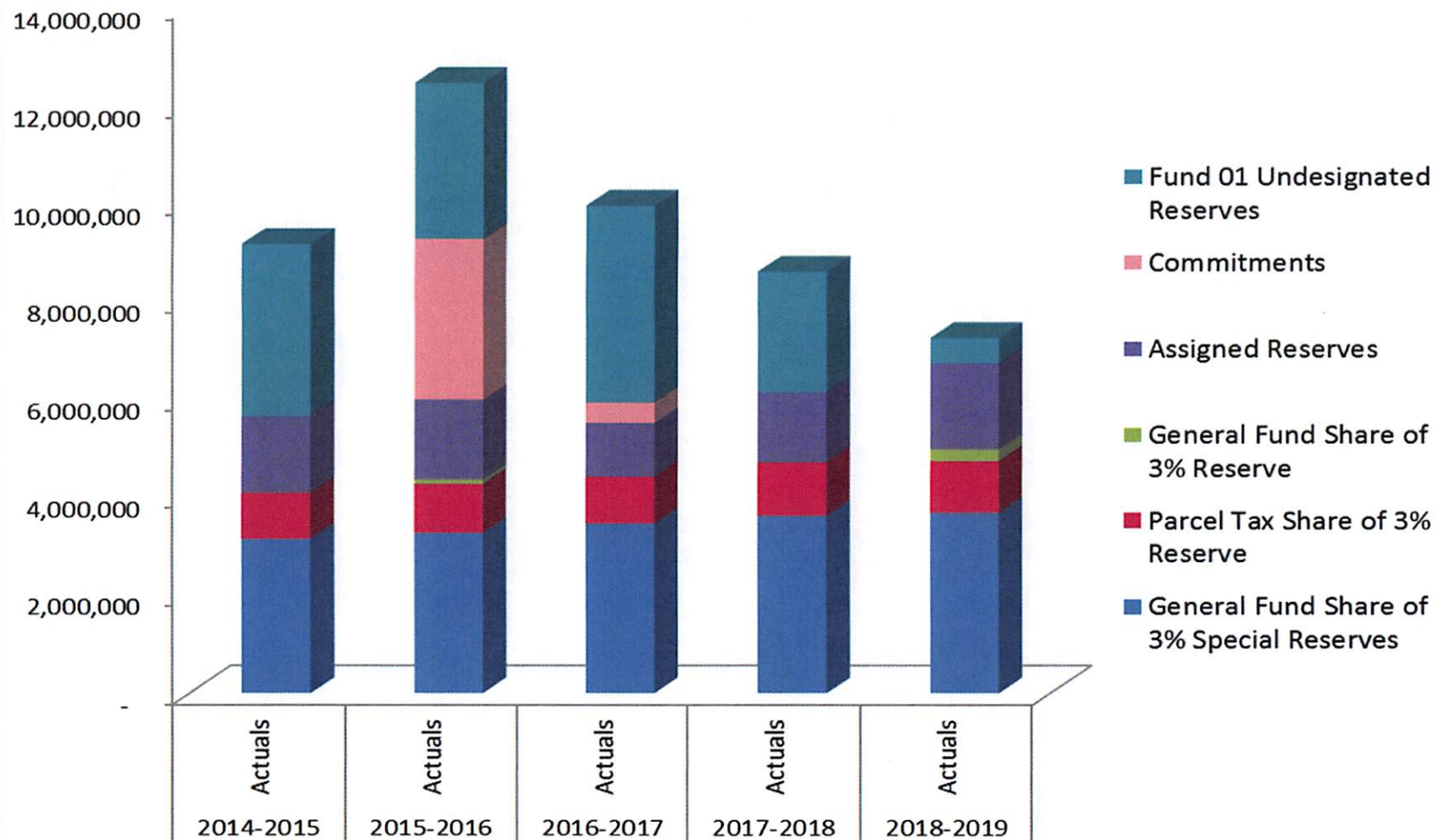
- **Met the 3% State required reserve**

	Estimated Actuals	Unaudited Actuals	Variance
Deficit Spending	1,658,666	1,603,072	55,594
Ending Fund Balance (FB)	2,233,751	2,289,344	55,594
Undesignated FB	797,083	523,929	(273,154)

- **\$1.8 million assigned**
 - **\$0.1 million for revolving cash**
 - **\$1.0 million for LCAP Board Policy Reserve**
 - **\$0.4 million for LCAP carryover 2018-19**
 - **\$0.2 million for State required reserve**



Unrestricted General Fund Balances Trend





LCAP Supplemental Designation

■ Unspent LCAP balances

2014-15	\$ 254,617
2015-16	\$ 372,846
2016-17	\$ 501,603
2017-18	\$ 196,344
2018-19	<u>\$ 81,617</u>
	<u>\$1,407,027</u>

LCAP Assignments

\$1,000,000	Board Policy LCAP Reserve
\$ 407,027	LCAP Carryover



Explanation of Significant Variances

- Revenues Exceeded Projections by \$.8 million mainly due to a 33 student increase in ADA at the P-2 measurement period
- Expenditures exceeded budget by \$.2 million mainly due to additional 1% negotiated raise for classified staff, and indirect cost under budget due to reduced expenditures in restricted funds
- Increased participation in the Universal Breakfast Program resulted in a \$100,000 reduction in contribution from the General Fund to the Cafeteria Fund
- BSEP contributed an additional \$200,000 for their share of classroom teachers paid during 2018-19



Special Education

- Increase in 2018-19 contribution primarily due to increases in Hourly Instructional Aides, Mental Health Services, Non-Public Agencies/Schools, Settlements, and Legal Costs
- Costs exceeded budget by \$.8 million
- Additional \$2.4 million contributed over prior year
- Challenging to accurately forecast costs – increase costs reported on as-incurred basis



Special Education Trend

	Contribution	Change	NPA, NPS Settlements	Change
2017-18 Y/E	18,482,407		7,226,130	
2018-19 Adopted	17,685,401	(797,006)	6,446,120	(780,010)
2018-19 First Interim	18,185,401	500,000	6,941,120	495,000
2018-19 Second Interim	18,985,401	800,000	7,681,067	739,947
2018-19 Estimated Actuals	20,075,401	1,090,000	8,731,067	* 1,050,000
2018-19 Unaudited Actuals	20,917,667	842,266	9,435,261	* 704,194
* Includes increase in salaries , benefits and legal				



Other Funds

- **Adult Education Fund – Fund 11**
 - Ending fund balance is \$1.1 million. The General Fund contributed \$60,000 for the older adults program. It is subject to a Maintenance of Effort (MOE) like Special Education
- **Child Development Fund – Fund 12**
 - Ending fund balance is \$32,178 with no contribution from the General Fund
- **Cafeteria Fund – Fund 13**
 - Due to increased participation in the Universal Breakfast Program, required contribution from the General Fund was \$100,000 less than budgeted. Write-off for meals was \$90,000 which was an increase of \$20,000 over prior year, Ending fund balance is \$142,667.



Other Considerations/Next Steps

- Increase in STRS/PERS costs continue to absorb a substantial amount of increase in revenue which is increasing the structural deficit
- Increase in Contribution to Special Education continues to absorb a substantial amount of increase in revenue which is increasing the structural deficit
- Renewed Cost Containment Efforts – Districtwide and Special Education
- Board Policy Subcommittee and Non-BUSD After-School Transportation
- First Interim reporting for the period ended October 31, 2019, to the Board December 11, 2019



ACKNOWLEDGEMENTS – FISCAL TEAM

- Antonette West CPA, MBA, - Fiscal Director
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- Vivian Ferguson – Executive Assistant



QUESTIONS ?

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