



**ELK GROVE UNIFIED SCHOOL DISTRICT**  
Finance & School Support

# **2019-20 UNAUDITED ACTUALS & 2020-21 BUDGET UPDATE**

Board of Education Meeting  
September 15, 2020

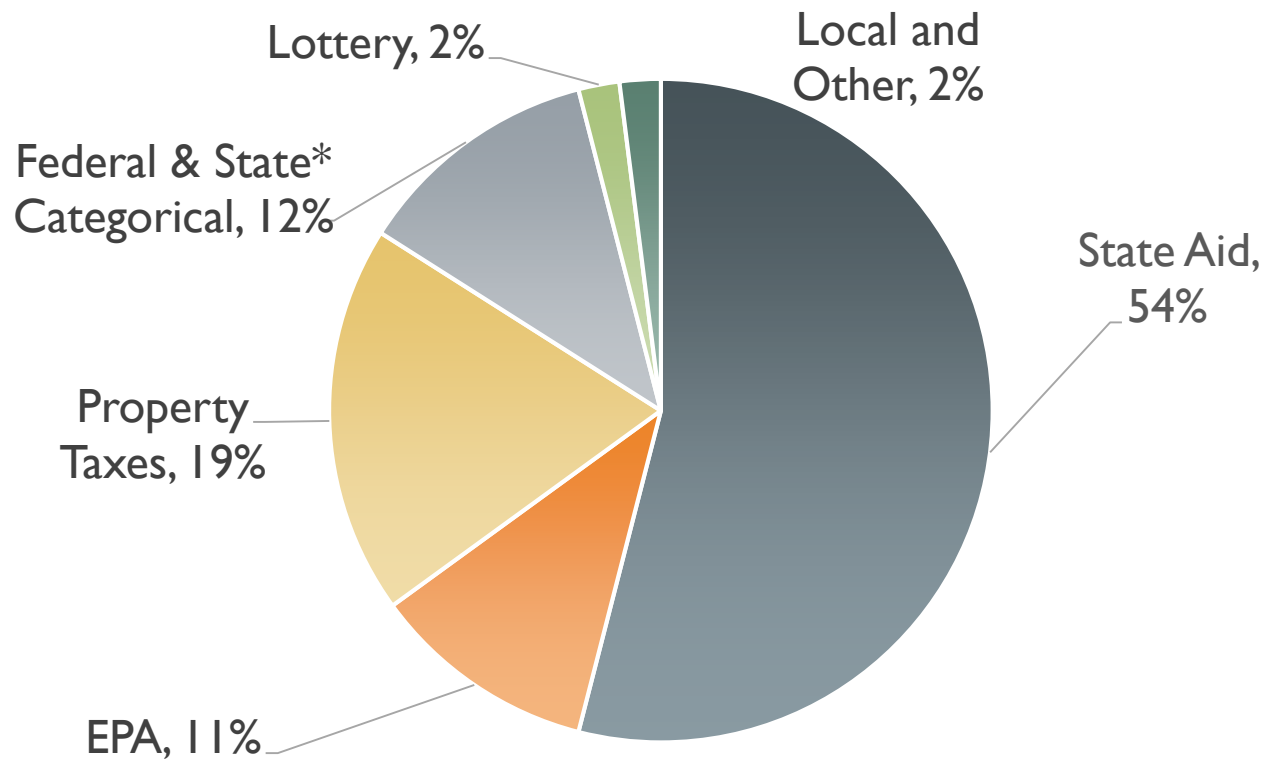
PRESENTED BY:  
SHANNON HAYES, CHIEF FINANCIAL OFFICER

# PRESENTATION OVERVIEW

- 2019-20 Unaudited Actuals Revenue & Expenditure Charts
- 2019-20 Education Protection Account Expenditures
- 2020-21 Changes from Estimated Actuals
- 2020-21 Budget Update
- Next Steps

# FINANCIAL REVENUE DATA

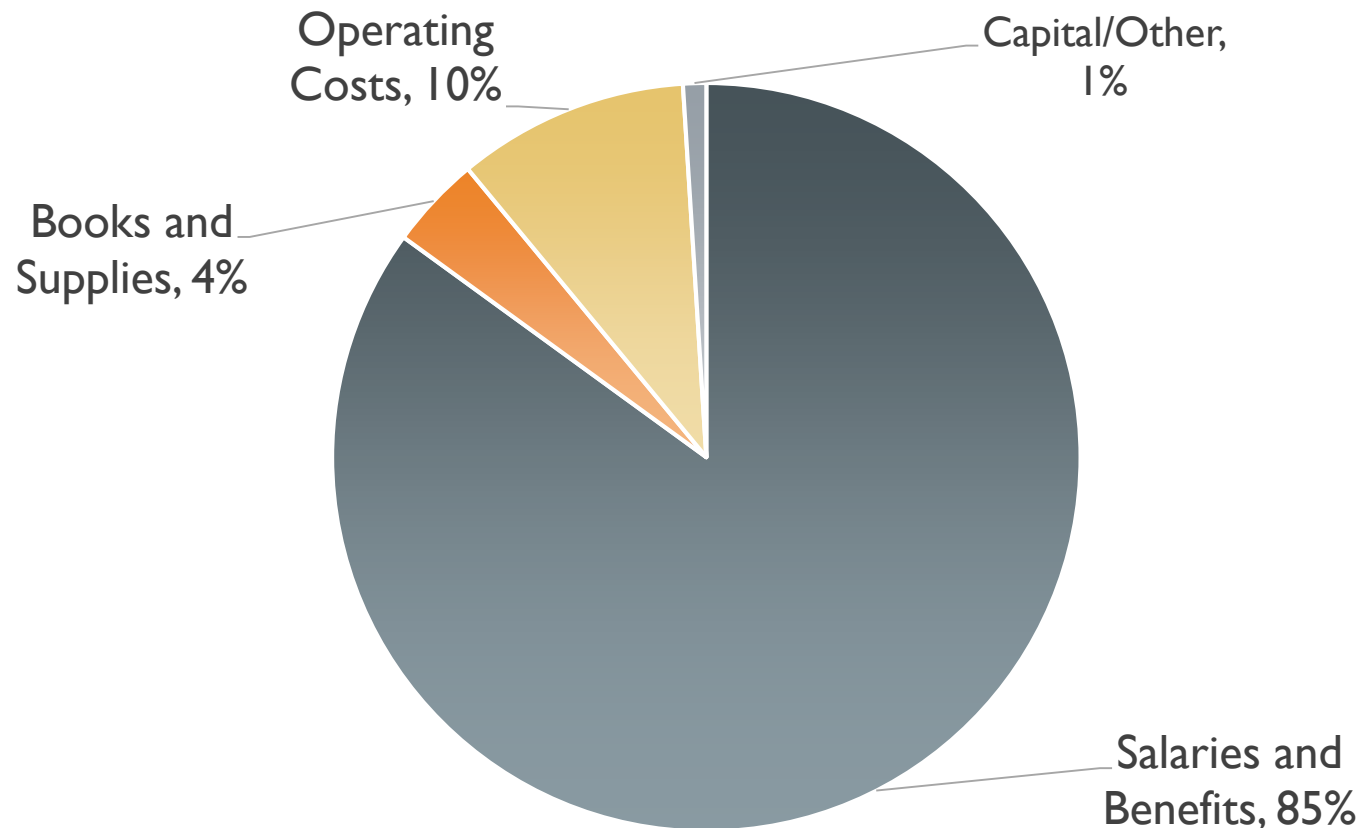
## TOTAL GENERAL FUND (Unrestricted & Restricted) 2019-20 Revenue Resources



*\*Excludes \$44M STRS On Behalf Pension Contribution*

# FINANCIAL EXPENDITURE DATA

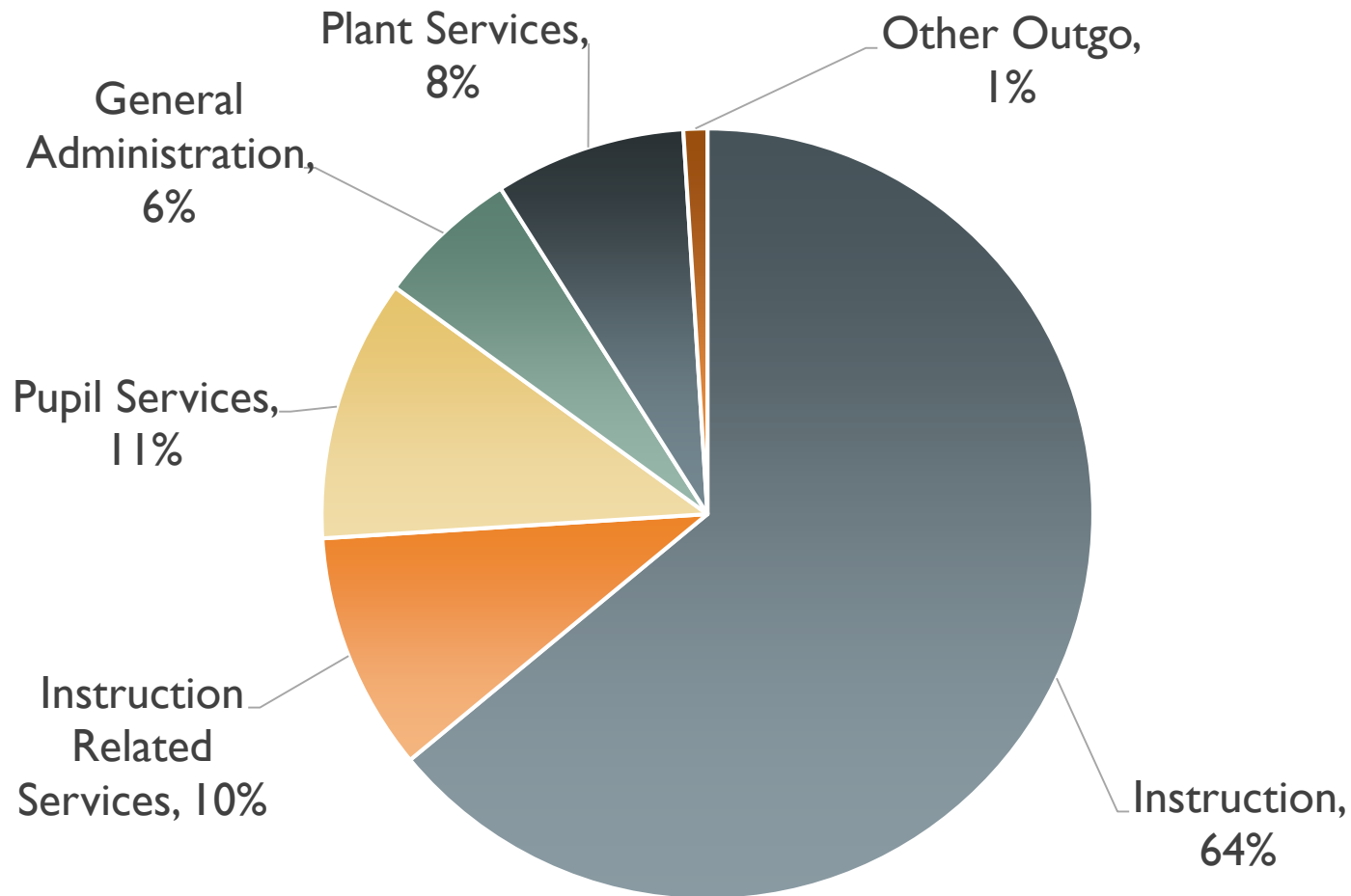
## TOTAL GENERAL FUND (Unrestricted & Restricted) 2019-20 Expenditures



*\*Excludes \$44M STRS On Behalf Pension Contribution*

# FINANCIAL EXPENDITURE DATA

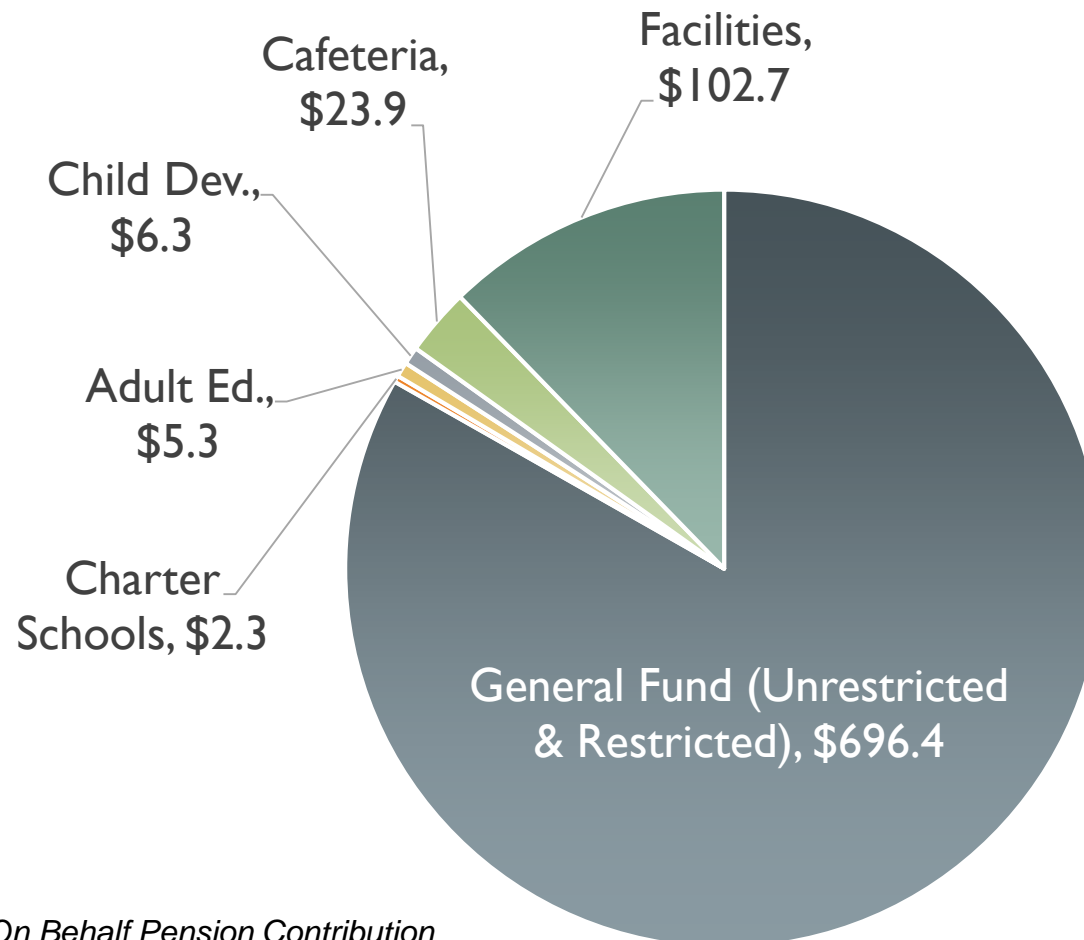
## TOTAL GENERAL FUND (Unrestricted & Restricted) 2019-20 Expenditures by Function



*\*Excludes \$44M STRS On Behalf Pension Contribution*

# FINANCIAL EXPENDITURE DATA

## 2019-20 EXPENDITURES BY FUND (\$836.9 Million)



*\*Excludes \$44M STRS On Behalf Pension Contribution*

# EDUCATION PROTECTION ACCOUNT (EPA) 2019-20 EXPENDITURES

- In accordance with the implementation of Proposition 55 Districts are required to expend Education Protection Account (EPA) funds on instructional and instruction related expenditures
- Elk Grove has allocated a portion of classroom teacher salaries and benefits for grades TK through 4 to satisfy this requirement as approved by the Board as a part of the Adopted Budget Process
- Detailed revenue and expenditure information will be uploaded to the District's website upon approval of the 2019-20 Unaudited Actuals as required by Ed. Code
- For fiscal year 2019-20 the amount of EPA expended was \$75M

# 2020-21 UNAUDITED ACTUALS

## UNRESTRICTED GENERAL FUND

	ADOPTED	45 DAY REVISE	1ST INTERIM	2ND INTERIM	PROJECTED YEAR END	UNAUDITED ACTUALS
Revenue	\$ 602,988,550	\$ 602,988,550	\$ 608,338,406	\$ 608,983,657	\$ 613,349,839	\$ 612,135,402
Contributions/Transfers	(115,264,590)	(109,856,937)	(114,883,125)	(112,984,234)	(113,656,621)	(110,235,708)
Salary and Benefits	(458,161,766)	(457,558,814)	(458,458,033)	(459,939,654)	(448,324,703)	(452,447,384)
Supplies and Operating	(51,055,903)	(51,055,903)	(58,547,150)	(58,369,682)	(49,911,375)	(52,774,945)
Indirect and Transfers	8,870,296	8,851,096	9,658,432	9,595,616	6,854,674	7,105,898
<b><i>SURPLUS/(DEFICIT)</i></b>	<b><i>\$ (12,623,413)</i></b>	<b><i>\$ (6,632,008)</i></b>	<b><i>\$ (13,891,470)</i></b>	<b><i>\$ (12,714,297)</i></b>	<b><i>\$ 8,311,814</i></b>	<b><i>\$ 3,783,263</i></b>
Estimated Beginning Fund Balance	71,379,554	71,379,554	86,789,312	86,789,312	86,789,312	86,789,312
<b>Ending Fund Balance</b>	<b>58,756,141</b>	<b>64,747,546</b>	<b>72,897,842</b>	<b>74,075,015</b>	<b>95,101,126</b>	<b>90,572,575</b>
Contingency 2% Reserve	15,322,116	15,322,116	15,891,834	15,891,834	15,891,834	16,090,724
Instructional Materials/Adoptions	6,177,295	6,177,295	6,756,553	6,756,553	6,756,553	-
Arbinger Training (8 hours)	1,947,568	1,947,568	1,844,798	1,625,618	1,625,618	-
<b><i>UNDESIGNATED BALANCE</i></b>	<b><i>\$ 35,309,162</i></b>	<b><i>\$ 41,300,567</i></b>	<b><i>\$ 48,404,657</i></b>	<b><i>\$ 49,801,010</i></b>	<b><i>\$ 70,827,121</i></b>	<b><i>\$ 74,481,851</i></b>



# CHANGE IN 2019-20 UNRESTRICTED GENERAL FUND OPERATIONS

## 2019-20 Revenue Variances

2018-19 LCFF Revenue Based on Revised ADA	(\$1.4)m
Additional MediCal Prior Year Revenue	\$0.6 m
Decrease in Lottery Revenue & Interest	(\$0.2)m
Contributions (RRM/Special Education/Workers' Comp)	<u>\$3.2 m</u>
Total	\$2.2 m

## 2019-20 Expenditure Variances

Balance of Salaries and Benefits	(\$4.1)m
Balance of Supplies	\$2.2 m
Utilities Costs, Services, Capital Outlay & Indirect	<u>(\$4.8)m</u>
Total	(\$6.7)m

<u>Net Change</u>	<u>(\$4.5)m</u>	-0.61%
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# DESIGNATED RESERVE DETAILS

## 2019-20 UNRESTRICTED GENERAL FUND BALANCE

Change in Unrestricted General Fund Operations		(\$4.5)m	
<i><u>Designated Carryover Reserves:</u></i>			
Transportation Van Pool Reserve	\$0.1 m		
Site Shared Energy Savings	(\$0.1)m		
Purchase Order Carryover	<u>(\$0.2)m</u>		
Adjusted Change to Unrestricted General Fund Balance		<u>(\$0.2)m</u>	
Adjusted Reserve for Future Funding Priorities		<u>(\$4.7)m</u>	-0.64%

# 2020-21 UNRESTRICTED GENERAL FUND MULTI-YEAR BUDGET PROJECTION

ITEM	2020-21 ADOPTED BUDGET	2021-22	2022-23	2023-24	
State Revenue	\$ 604,475,708	\$ 604,476,200	\$ 604,476,724	\$ 604,476,724	
Estimated 2021-22 (0.00%)		(734,263)	(734,263)	(734,263)	
Estimated 2022-23 (0.00%)			-	-	
Estimated 2023-24 (0.00%)				-	
Contributions/Transfers	(107,920,550)	(112,734,094)	(117,002,119)	(121,845,056)	
Salary and Benefits	(449,463,521)	(452,981,512)	(465,917,445)	(475,215,928)	
<b>Recommended Tier II Priorities</b>	<b>(1,072,148)</b>	-	-	-	
Supplies and Operating	(48,646,784)	(46,606,931)	(47,164,764)	(47,610,955)	
Indirect and Transfers	6,721,170	6,594,416	6,784,327	7,483,473	
<b>SURPLUS/(DEFICIT)</b>	<b>\$ 4,093,875</b>	<b>\$ (1,986,184)</b>	<b>\$ (19,557,540)</b>	<b>\$ (33,446,005)</b>	
Estimated Beginning Fund Balance	95,101,126	99,195,001	97,208,817	77,651,277	
<b>Ending Fund Balance</b>	<b>99,195,001</b>	<b>97,208,817</b>	<b>77,651,277</b>	<b>44,205,272</b>	5.78%
Contingency Mandated 2% Reserve	15,186,940	15,386,940	15,686,940	16,086,940	
<b>UNDESIGNATED</b>	<b>\$ 84,008,061</b>	<b>\$ 81,821,877</b>	<b>\$ 61,964,337</b>	<b>\$ 28,118,332</b>	3.68%

# 2020-21 UNRESTRICTED GENERAL FUND MULTI-YEAR BUDGET PROJECTION

ITEM	2020-21 ADOPTED BUDGET WITH UNAUDITED ACTUALS	2021-22	2022-23	2023-24	
State Revenue	\$ 604,475,708	\$ 604,476,200	\$ 604,476,724	\$ 604,476,724	
Estimated 2021-22 (0.00%)		(734,263)	(734,263)	(734,263)	
Estimated 2022-23 (0.00%)			-	-	
Estimated 2023-24 (0.00%)				-	
Contributions/Transfers	(107,920,550)	(112,734,094)	(117,002,119)	(121,845,056)	
Salary and Benefits	(449,463,521)	(452,981,512)	(465,917,445)	(475,215,928)	
<i>Approved 9/1/2020 Tier II Priorities</i>	<b>(1,072,148)</b>	-	-	-	
Supplies and Operating	(48,646,784)	(46,606,931)	(47,164,764)	(47,610,955)	
Indirect and Transfers	6,721,170	6,594,416	6,784,327	7,483,473	
<b>SURPLUS/(DEFICIT)</b>	<b>\$ 4,093,875</b>	<b>\$ (1,986,184)</b>	<b>\$ (19,557,540)</b>	<b>\$ (33,446,005)</b>	
Estimated Beginning Fund Balance	90,572,575	94,666,450	92,680,266	73,122,726	
<b>Ending Fund Balance</b>	<b>94,666,450</b>	<b>92,680,266</b>	<b>73,122,726</b>	<b>39,676,721</b>	5.19%
Contingency Mandated 2% Reserve	15,328,109	15,528,109	15,828,109	16,228,109	
Designated Carryover Reserves	205,298	205,298	205,298	205,298	
<b>UNDESIGNATED</b>	<b>\$ 79,133,043</b>	<b>\$ 76,946,859</b>	<b>\$ 57,089,319</b>	<b>\$ 23,243,314</b>	3.04%

# NEXT STEPS

- |  |               |
|--|---------------|
| ■ 2020-21 1 <sup>st</sup> Interim Report | December 2020 |
| ■ 2019-20 Independent Auditor's Report   | December 2020 |
| ■ 2021-22 Governor's Budget Proposal     | January 2021  |
| ■ 2020-21 2 <sup>nd</sup> Interim Report | March 2021    |