

2020-2021 First Interim Report

San Mateo-Foster City School District

BOARD OF TRUSTEES

DECEMBER 14, 2020



FIRST INTERIM OVERVIEW

- What is First Interim?
- Review of Revenue
- Review of Expenditures
- Multi-Year Projections
- Next Steps

What Is First Interim

Review and make necessary changes that have occurred in the budget since Budget Adoption in June

- Incorporate recent information into the budget
- General changes at First Interim
- Addition of prior year carryover
- Adjusting revenue based on current information
- Revising salary expenditures based on actual vs. projected costs
- Adjusting other expenditure accounts to reflect actual and projected expenses through June 30, 2021

First Interim Financial Highlights

- State Budget adopted on June 26, 2020, after SMFCSD Board approved district budget on June 18, 2020
- SMFCSD Board provided with 45 day update summarizing changes to District Budget of \$7,190,758 increase in funding
 - Esser Funds: \$785,323
 - Learning Loss Mitigation Funds (LLMF) based on SWD: \$2,150,310
 - Learning Loss Mitigation Funds based on LCFF: \$1,545,104
 - Learning Loss Mitigation Funds based on Supp: \$2,086,418
 - Special Ed (AB602) Increase: \$623,603
- Funds with Expiration Date of December 2020: \$4,421,133
- Expenditures aligned with funds

First Interim Financial Highlights

- Pandemic results in dramatic decrease in participation/funding for Annex and Preschool programs
 - District anticipates depletion of reserves of Annex and Preschool programs to continue to serve high needs students
 - District redirects expenditures from Annex and Preschool to Supplemental and Learning Loss Mitigation funding
- District anticipates \$350,000 deficit in Child Nutrition program. Child Nutrition reserves will cover the loss. -confirm
- Transportation imposed restrictions may result in the possible addition of bus drivers.
- If expenditures hold at projected rates, District will deficit spend beginning in 21-22. Further review will be conducted to make certain it is not a structural deficit.

First Interim Financial Highlights

- 19-20 Unaudited Actuals completed, and prior year carryover identified. Board informed of carryover and revenue adjustments at September 24, 2020 Board meeting equaling a positive \$12 Million.
- SACS file will be updated for Fund 63 at 2nd Interim
- Budget Planning for any remaining CARES Act funding, Supplemental Funding, and Lottery Funds will be updated at 2nd Interim
 - Issues to Be Addressed
 - Permanent Subs
 - Preschool Deficit
 - Additional Bus Drivers
 - Newton, YMCA Contracts
 - Other

Cares Act – Portion of LLMF Expenditures with Dec 30 Expiration

◦ EPPE/Air Purifiers/Cleaning Supplies:	\$258,867
◦ Distance Learning PD:	\$528,089
◦ Fall Reopening Planning:	\$67,815
◦ Software:	\$1,087,979
◦ Chromebooks/Hotspots/Doc Cameras:	\$1,470,413
◦ Printshop:	\$28,938
◦ Translation Services:	\$20,000
◦ Tech Support:	\$68,000
◦ Consultants:	\$25,000
◦ Permanent Subs:	\$111,465
◦ Learning Hus Staff:	\$634,340
◦ Timecards for employees:	<u>\$50,514</u>
◦ Total	\$4.351.420

First Interim Revenue Update

	Adopted Budget	First Interim	Variance Adopted Budget & First Interim	Reason for Revision
<i>Information Through</i>	7/1/2020	10/31/2020		
<i>Board Approval</i>	6/18/2020	12/14/2020		
LCFF Sources (Property Taxes)	\$ 121,073,451	\$123,823,226	\$2,749,775	Updated LCFF, Property Taxes
Federal Revenue	\$ 3,590,314	\$10,229,424	\$6,639,110	CARES Act funding
Other State Revenue	\$ 9,589,630	\$10,819,274	\$1,229,644	Deferred Revenue and Grants
Other Local Revenue	\$ 16,104,837	\$16,461,667	\$356,830	
Interfund Transfers In	\$ 848,173	\$ 848,173	\$0	
Total Revenue	\$ 151,206,405	\$162,181,764	\$10,975,359	

First Interim Expenses Update

	Adopted Budget	First Interim	Variance Adopted Budget & First Interim	Reason for Revision
<i>Information Through</i>	7/1/2020	10/31/2020		
<i>Board Approval</i>	6/18/2020	12/14/2020		
Certificated Salaries	\$ 70,940,203	\$71,610,475	\$670,272	Additional Positions
Classified Salaries	\$ 17,621,587	\$18,423,608	\$802,021	Additional Positions
Employee Benefits	\$ 35,810,931	\$36,534,811	\$723,880	H&W Increases
Books & Supplies	\$ 5,288,554	\$9,482,304	\$4,193,750	Covid Expenses
Services, Other Operating	\$ 26,348,509	\$30,426,312	\$4,077,803	Covid Expenses
Capital Outlay	\$ 10,000	\$176,604	\$166,604	
Other Outgo	\$ 1,224,736	\$1,224,736	\$0	
Direct Support/Indirect	\$ (248,518)	-\$248,518	\$0	
Interfund Transfers Out	\$ 1,072,667	\$1,072,667	\$0	
Total Expenditures	\$ 158,068,669	\$168,702,999	\$10,634,330	

Multi Year Projection Revenue

MYP - General Fund First Interim 2020-2021	First Interim 2020-2021	Projected 2021-2022	Projected 2022-2023
LCFF	\$123,823,226	\$126,997,947	\$130,153,933
Federal Revenues	\$10,229,424	\$4,513,740	\$4,513,740
State Income	\$10,819,274	\$9,377,230	\$9,330,520
Local Income	\$16,461,666	\$15,804,290	\$16,001,490
Other Financing	\$848,173	\$848,173	\$848,173
Total Income	\$162,181,763	\$157,541,380	\$160,847,856

Multi Year Projection Expenses

MYP - General Fund First Interim 2020-2021	First Interim 2020-2021	Projected 2021-2022	Projected 2022-2023
Certificated	\$71,610,474	\$70,816,189	\$71,869,529
Classified	\$18,423,608	\$18,775,520	\$19,059,050
Benefits	\$36,534,811	\$37,168,955	\$39,797,945
Books/Supplies	\$9,482,304	\$10,001,100	\$10,066,060
Services	\$30,426,312	\$24,946,980	\$25,142,670
Capital Outlay	\$176,603	\$176,604	\$176,610
Other Outgo	\$1,224,736	\$1,224,736	\$1,224,736
Indirect	-\$248,518	-\$248,513	-\$248,513
Transfers Out	\$1,072,667	\$1,072,667	\$1,072,667
Total Expenditures	\$168,702,997	\$163,934,238	\$168,160,754

Multi Year Projection – Ending Fund Balance

A	B	C	D
MYP - General Fund First Interim 2020-2021	First Interim 2020-2021	Projected 2021-2022	Projected 2022-2023
Beg Balance	\$51,807,778	\$45,286,543	\$38,853,680
Ending Fund Balance	\$45,286,543	\$38,853,680	\$31,540,773
<i>Components of Fund Balance</i>			
<i>Revolving Cash</i>	\$35,000	\$35,000	\$35,000
<i>Restricted</i>	\$13,438,006	\$8,898,463	\$3,570,660
<i>Stabilization Arrangement 3%</i>	\$5,061,090	\$4,918,027	\$5,044,823
<i>Assigned</i>	\$21,691,357	\$20,084,163	\$17,845,467
<i>Reserve for Economic Uncertainties</i>	\$5,061,090	\$4,918,027	\$5,044,823
<i>Total</i>	\$45,286,543	\$38,853,680	\$31,540,773

Assigned Ending Fund Balance

MYP - General Fund First Interim 2020-2021	First Interim 2020-2021	Projected 2021-2022	Projected 2022-2023
Assigned Ending Fund Balance			
Non Spendable	\$35,000	\$35,000	\$35,000
Vacation	\$500,000	\$500,000	\$500,000
Payroll One Month	\$10,437,700	\$8,795,506	\$6,556,810
Set Aside for Mold Insurance	\$291,595	\$291,595	\$291,595
Set Aside for P/L insurance deduction	\$500,000	\$500,000	\$500,000
Delays from prior year due to Covid	\$9,962,062	\$9,962,062	\$9,962,062
Total	\$21,726,357	\$20,084,163	\$17,845,467

The Cycle Continues

- District will update all funds at 2nd Interim
- Governor's Budget Workshop in January 2021
- 2020-21 Second Interim Report in March

Comments / Questions?

