



## 2019-20 Unaudited Actuals September 9, 2021

- Los Gatos Union School District

# Agenda

- ▶ General Fund Revenue
- ▶ Revenue: Education Protection Account Summary
- ▶ Revenue Highlights
- ▶ General Fund Expenses
- ▶ Expense Highlights
- ▶ Schedule of Contributions
- ▶ General Fund Activity Summary
- ▶ General Fund Balance & Reserves
- ▶ Stimulus Funding Plan
- ▶ Other Fund Balances
- ▶ Next Steps
- ▶ Questions

# 20-21 Unaudited Actuals General Fund Revenue

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<b>TOTAL REVENUE</b>	<b>\$48,750,161</b>
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## **LCFF SOURCES**

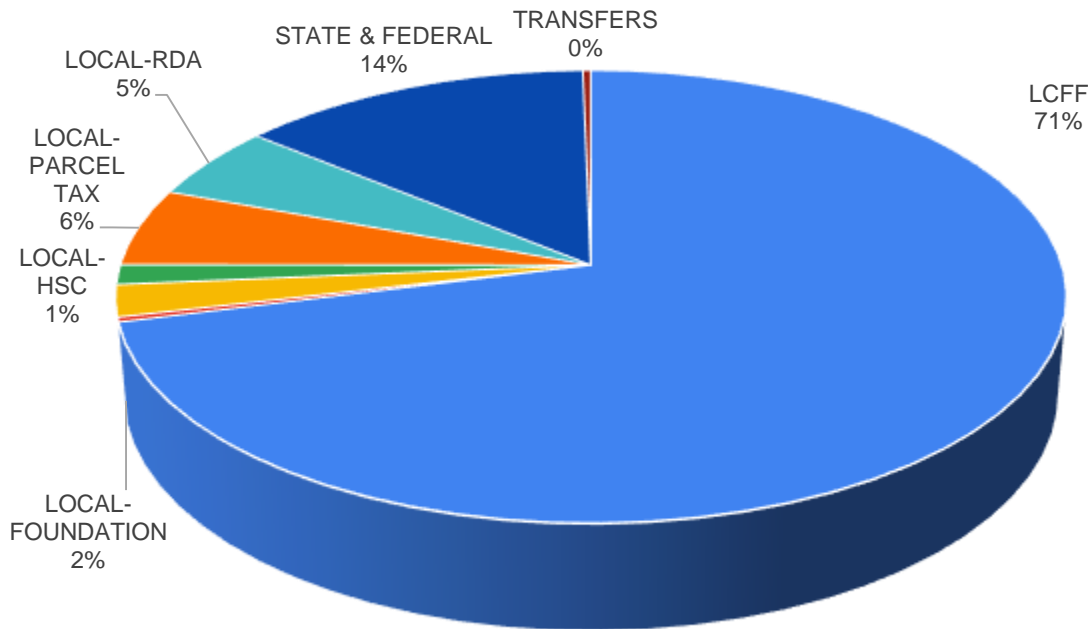
Property Taxes	30,852,789
Community Redevelop Funds	2,069,858
Education Protection Acct	578,866
Minimum State Aide	121,495
LCFF Transfers SPED	988,825

## **RESTRICTED REVENUE**

Federal Funds	1,399,021
Other State Revenue	5,316,327
Other Local Revenue	2,115,949
Parcel Tax	2,717,622
Redevelopment Agency Funds	2,589,408

# 20-21 General Fund Revenue

20-21 Unaudited Actuals Revenue



***LCFF— Property Taxes, Education Protection Account & Minimum State Aid***

***Federal — District must follow specific grant guidelines (Title II, Title III, etc.)***

***Other State — State funds not part of LCFF (Lottery, Special Education, STRS on-behalf, etc.)***

***Local — Funds received from local sources (HSC, LGEF, interest, County, donations, fees)***

## ► 2020-21 Education Protection Account (EPA)

- K-14 general purpose funds must be utilized for instructional purposes

Education Protection Account (EPA) Budget 2020-21 Fiscal Year	
BEGINNING BALANCE	\$ -
EPA REVENUE	\$ 576,866
EPA EXPENDITURES	
Certificated Teacher Salaries	\$ 442,806
Certificated Teacher Benefits	\$ 134,060
TOTAL EXPENDITURES	\$ 576,866
ENDING BALANCE	\$ -

# 20-21 Unaudited Actuals Revenue Highlights

- ▶ Average Daily Attendance (ADA). Actual District ADA is 2631; a decrease of 136 ADA from 2019-20. This primarily reduces Federal, State and SPED revenue.
- ▶ Property taxes received during the fiscal year were \$30.9M; an increase of approximately \$1.2M or 3.9% from 2019-20. Additionally received Redevelopment Agency one-time funding of \$1.44M.
- ▶ Other State income increased over prior year by \$1.6M related to stimulus funding for Extended Learning, In Person Instruction and Learning Loss Mitigation.
- ▶ Other local income was \$447K lower than prior year. This is primarily from HSC savings due to lower classroom supplies and other professional service expenses.

# 20-21 Unaudited Actuals General Fund Expenses

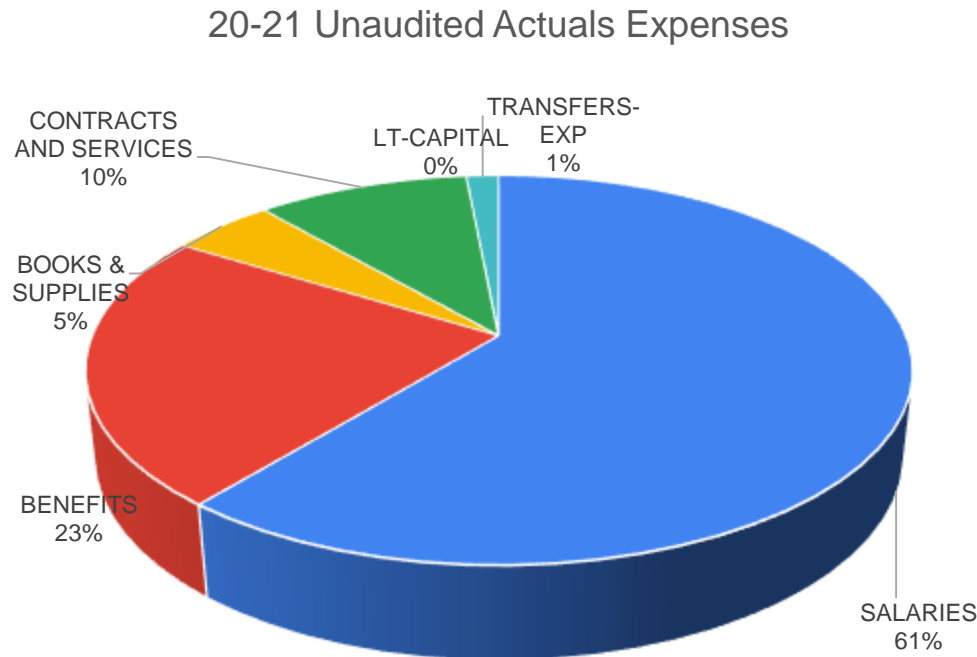
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<b>TOTAL EXPENSES</b>	<b>\$ 44,959,886</b>
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Certificated Salaries	\$ 21,718,774
Classified Salaries	\$ 5,663,530
Employee Benefits	\$ 10,259,429
Books and Supplies	\$ 2,177,799
Services	\$ 4,456,993
Capital	\$ -0-
Transfers	\$ 15,155

# 20-21 Unaudited Actuals General Fund Expenditures



***Salaries & Benefits–***  
*Includes negotiated salary increases and 16.15% District and State contributions to Pensions*

***Supplies –*** *Includes teacher supplies, curriculum and maintenance supplies*

***Services –*** *Outside service providers including Special Education providers, utilities and insurance*

***Capital –*** *ongoing routine maintenance and improvements*

**84% of GF expenditures is salary and benefits**



## 20-21 Unaudited Actuals Expense Highlights

- ▶ Salary and Benefits generally increased over prior year. This was based on filling open positions from prior year as well as additional staffing for roving substitutes, hybrid aides, technology and counseling staff. In addition the salary and benefits included negotiated salary adjustments. Benefits included a significant increase in worker compensation mandated by the state.
- ▶ Supplies are under budget by \$384K for the ES Science adoption and classroom supplies. The science adoption is anticipated to occur in 21-22.
- ▶ Service contracts were also below budget by \$1.1M including savings in special education transportation and maintenance contracts.

## 20-21 Required Contributions from Unrestricted General Fund

Resource/Fund	Contribution	Transfer In
Special Education Program	3,990,531	
Total Contributions from Unrestricted	<u>3,990,531</u>	
Cafeteria Fund		110,000
Deferred Maintenance Fund		<u>550,000</u>
Total Interfund Transfers		<u>660,000</u>

# 20-21 Unaudited Variance Actuals to Budget

20-21 Unaudited Actuals to Budget Variance						September 9, 2021
		20-21 Budget	20-21 Unaudited Actuals	21-22 Adopted	Variance 20-21 Budget to Actual	Notes
<b>REVENUE</b>	<b>LCFF</b>	\$34,691,992	\$34,611,833	\$35,621,269	\$80,159	Secured Property Tax
	<b>LOCAL</b>	\$496,433	\$466,751	\$188,425	\$29,682	El Camino grant credited to LGUSD
	<b>LOCAL-FOUNDATION</b>	\$983,000	\$983,000	\$1,112,025	\$0	
	<b>LOCAL-HSC</b>	\$722,538	\$516,884	\$701,008	\$205,654	Lower Grants to match decreased exp
	<b>LOCAL-PARCEL TAX</b>	\$2,750,000	\$2,717,622	\$2,750,000	\$32,378	Annual Exemptions
	<b>LOCAL-RDA</b>	\$2,614,890	\$2,589,408	\$2,589,000	\$25,482	
	<b>STATE &amp; FEDERAL</b>	\$6,837,428	\$6,715,348	\$3,501,156	\$122,080	Deferred Revenue
	<b>TRANSFERS</b>	\$24,956	\$149,314	\$76,383	-\$124,358	Special Education Transfer
<b>REVENUE TOTAL</b>		<b>\$49,121,237</b>	<b>\$48,750,160</b>	<b>\$46,539,266</b>	<b>\$371,077</b>	
<b>EXPENSE</b>	<b>SALARIES</b>	\$27,332,920	\$27,396,216	\$28,258,315	-\$63,296	
	<b>BENEFITS</b>	\$10,412,825	\$10,261,643	\$10,950,157	\$151,182	Unemployment & Medical Benefits
	<b>BOOKS &amp; SUPPLIES</b>	\$2,562,578	\$2,177,799	\$1,889,237	\$384,779	Science Adoption & Class Supplies
	<b>CONTRACTS AND SERVICE</b>	\$5,584,547	\$4,440,550	\$5,584,409	\$1,143,997	SPED contracts & Maintenance contracts
	<b>LT-CAPITAL</b>	\$139,321	\$0	\$139,321	\$139,321	Included in Technology Project-Dev Fee
	<b>TRANSFERS-EXP</b>	\$871,751	\$675,155	\$959,456	\$196,596	One time increase in Fed and State Child Nutrition reimbursement
<b>EXPENSE TOTAL</b>		<b>\$46,903,942</b>	<b>\$44,951,363</b>	<b>\$47,780,895</b>	<b>\$1,952,579</b>	
Beg Balance Reserves		\$12,276,951	\$12,276,951	\$16,075,748		
Net Expenses		\$2,217,295	\$3,798,797	-\$1,241,629	\$1,581,502	One-Time Funding \$700k
Eng Balance Reserves		<b>\$14,494,246</b>	<b>\$16,075,748</b>	<b>\$14,834,119</b>		SPED & Maint Contracts \$521k
						Child Nutrition Transfer \$150k
<b>Restricted Reserves</b>		\$0	\$3,643,541	\$1,800,000	\$3,643,541	
<b>Available Unrestricted Reserves</b>		<b>\$14,494,246</b>	<b>\$12,432,207</b>	<b>\$13,034,119</b>		
Required 3%		<b>\$1,407,118</b>	<b>\$1,348,541</b>	<b>\$1,433,427</b>		
Actual %		<b>30.90%</b>	<b>27.66%</b>	<b>27.28%</b>		

## 20-21 Unaudited Actuals Reserves

▶ Ending Fund Balance		\$ 16,067,331
▶ Restricted		\$ 3,380,299
▶ Lottery/Science Curriculum	\$ 310,423	
▶ Special Education	\$ 39,900	
▶ Other Local & HSC	\$ 735,639	
▶ RDA Routine Maintenance	\$ 297,869	
▶ In-Person Instruction	\$ 466,240	
▶ Expanded Learning Opportunities	\$ 1,364,257	
▶ Expanded Learning-Paraprofessionals	\$ 165,971	
▶ SUBTOTAL UNRESTRICTED RESERVES		\$12,687,032 27.66%
▶ Assigned –Balance due Child Nutrition Accts		\$ 79,911
▶ Committed-Reserve for Parcel Tax Renewal		\$ 2,750,000
▶ Committed-State Required 3% Reserve Economic Uncertainty		\$ 1,438,354
▶ Subtotal Restricted, Committed & Assigned		<u>\$ 7,648,564</u>
▶ TOTAL UNRESTRICTED, UNASSIGNED & UNCOMMITTED RESERVES		\$ 8,418,767

# 2020-2024 One-Time Stimulus Funding

	BUDGET	REVENUE	EXPENSES				TOTAL
<i>IN PERSON INSTRUCTION</i>			20-21	21-22	22-23	23-24	
PPE & SUPPLIES	\$ 50,000			\$ 30,000	\$ 10,000	\$ 10,000	\$ 50,000
CONTRACTED SERVICES	\$ 150,000			\$ 175,000			\$ 175,000
COUNSELOR	\$ 450,000			\$ 160,000	\$ 168,000	\$ 176,400	\$ 504,400
INDEPENDENT STUDY	\$ 30,000			\$ 30,000			\$ 30,000
		\$					
<b><i>SUBTOTAL</i></b>	<b>\$ 680,000</b>	<b>919,411</b>	<b>\$ -</b>	<b>\$ 395,000</b>	<b>\$ 178,000</b>	<b>\$ 186,400</b>	<b>\$ 160,011</b>
<i>EXTENDED LEARNING OPPORTUNITY</i>							
REC SUMMER ACADEMY	\$ 44,000		\$ 11,000	\$ 11,000	\$ 11,000		\$ 33,000
SUMMER SESSION 1 & 2-2022-2024	\$ 555,733		\$ 120,000	\$ 185,244	\$ 185,244		\$ 490,489
SITE INTERVENTION PLANS	\$ 375,000			\$ 125,000	\$ 125,000	\$ 125,000	\$ 375,000
AFTER SCHOOL HOMEWORK PROGRAM	\$ 150,000			\$ 50,000	\$ 50,000	\$ 50,000	\$ 150,000
PARA PROFESSIONALS	\$ 250,000			\$ 100,000	\$ 100,000	\$ 50,000	\$ 250,000
CERTIFICATED TUTOR	\$ 150,000			\$ 50,000	\$ 50,000	\$ 50,000	\$ 150,000
SPECIALISTS	\$ 300,000			\$ 100,000	\$ 100,000	\$ 100,000	\$ 300,000
<b><i>SUBTOTAL</i></b>	<b>\$ 1,824,733</b>	<b>\$ 1,664,187</b>	<b>\$ 131,000</b>	<b>\$ 621,244</b>	<b>\$ 621,244</b>	<b>\$ 375,000</b>	<b>\$ (84,302)</b>
<b><i>TOTAL ONE TIME FUNDING</i></b>	<b>\$ 2,504,733</b>	<b>\$ 2,583,598</b>	<b>\$ 131,000</b>	<b>\$ 1,016,244</b>	<b>\$ 799,244</b>	<b>\$ 561,400</b>	<b>\$ 75,709</b>

# 2020-21 Ending Balances-Other Funds

OTHER FUND BALANCES							
OTHER FUNDS	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
<b>Fund 13 Child Nutrition</b>	21,317	18,589	18,589	(3,838)	751	6,861	8,502
Income	537,957	582,298	563,843	570,987	523,247	540,492	614,330
Transfers In	110,000	79,984	126,068	152,000	182,300	187,705	150,000
Expenses	650,685	662,282	712,339	718,441	699,436	673,123	770,078
<b>ENDING BALANCE</b>	<b>18,589</b>	<b>18,589</b>	<b>(3,838)</b>	<b>708</b>	<b>6,861</b>	<b>8,502</b>	<b>40,459</b>
<b>Fund 14 Deferred Maintenance</b>	387,054	833,834	1,366,910	1,037,160	1,495,583	1,978,123	2,543,109
Income			17,152	17,340	7,000	20,185	5,000
Transfers In	550,000	661,048	550,000	550,000	550,000	550,000	550,000
Transfers Out			750,000				
Expenses	103,220	127,972	146,902	108,917	74,760	5,199	100,923
<b>ENDING BALANCE</b>	<b>833,834</b>	<b>1,366,910</b>	<b>1,037,160</b>	<b>1,495,583</b>	<b>1,978,123</b>	<b>2,543,109</b>	<b>2,997,186</b>
<b>Fund 17 Other Reserves (STRS/PERS)</b>	2,210,545	2,226,285	810,218	11,717	16,874	17,205	17,381
Income	15,741	12,296	11,717	5,157	332	176	1000
Transfers Out		1,428,363	810,218	-			
<b>ENDING BALANCE</b>	<b>2,226,285</b>	<b>810,218</b>	<b>11,717</b>	<b>16,874</b>	<b>17,205</b>	<b>17,381</b>	<b>18,381</b>
<b>Fund 25 Developer Fees</b>	1,751,995	1,772	41,249	443,650	690,346	910,306	3,033,086
Income	508,172	276,506	402,402	246,695	219,960	3,147,849	2,701,300
Expenses	2,258,395	237,029	-			1,914,763	3,000,000
<b>ENDING BALANCE</b>	<b>1,772</b>	<b>41,249</b>	<b>443,650</b>	<b>690,346</b>	<b>910,306</b>	<b>3,033,086</b>	<b>2,734,386</b>
<b>Fund 40 Special Capital Reserve</b>	9,569,475	4,735,876	5,273,659	3,474,242	2,908,249	2,965,378	3,000,378
Income	56,952	53,672	69,886	64,105	57,219	30,196	0
Transfers In		1,428,363	750,000				
Expenses	4,890,551	944,252	2,619,303	630,098	0	2,995,574	719,879
<b>ENDING BALANCE</b>	<b>4,735,876</b>	<b>5,273,659</b>	<b>3,474,242</b>	<b>2,908,249</b>	<b>2,965,378</b>	<b>1,560,144</b>	<b>2,275,695</b>
<b>Total</b>	<b>\$ 13,940,385</b>	<b>\$ 7,816,357</b>	<b>\$ 7,510,626</b>	<b>\$ 5,111,759</b>	<b>\$ 5,877,873</b>	<b>\$ 7,162,222</b>	<b>\$ 8,066,107</b>

# Next Steps

- ▶ Staff has finished closing the books
- ▶ The auditors express an opinion (no later than Dec. 15, 2021)
- ▶ “In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2021...”
  - ▶ This is the opinion we want to see!
  - ▶ Currently working with the auditors to finalize
  - ▶ Auditors completed their site work

# Questions

