



Plumas Lake Elementary School District

2019-20 Unaudited Actuals

September 10, 2020

Each student will reach his/her fullest potential as we strive for District excellence through sound leadership, effective communication, accountability, and investment in our staff.

Financial Reporting Cycle



Budget development is a continuous process

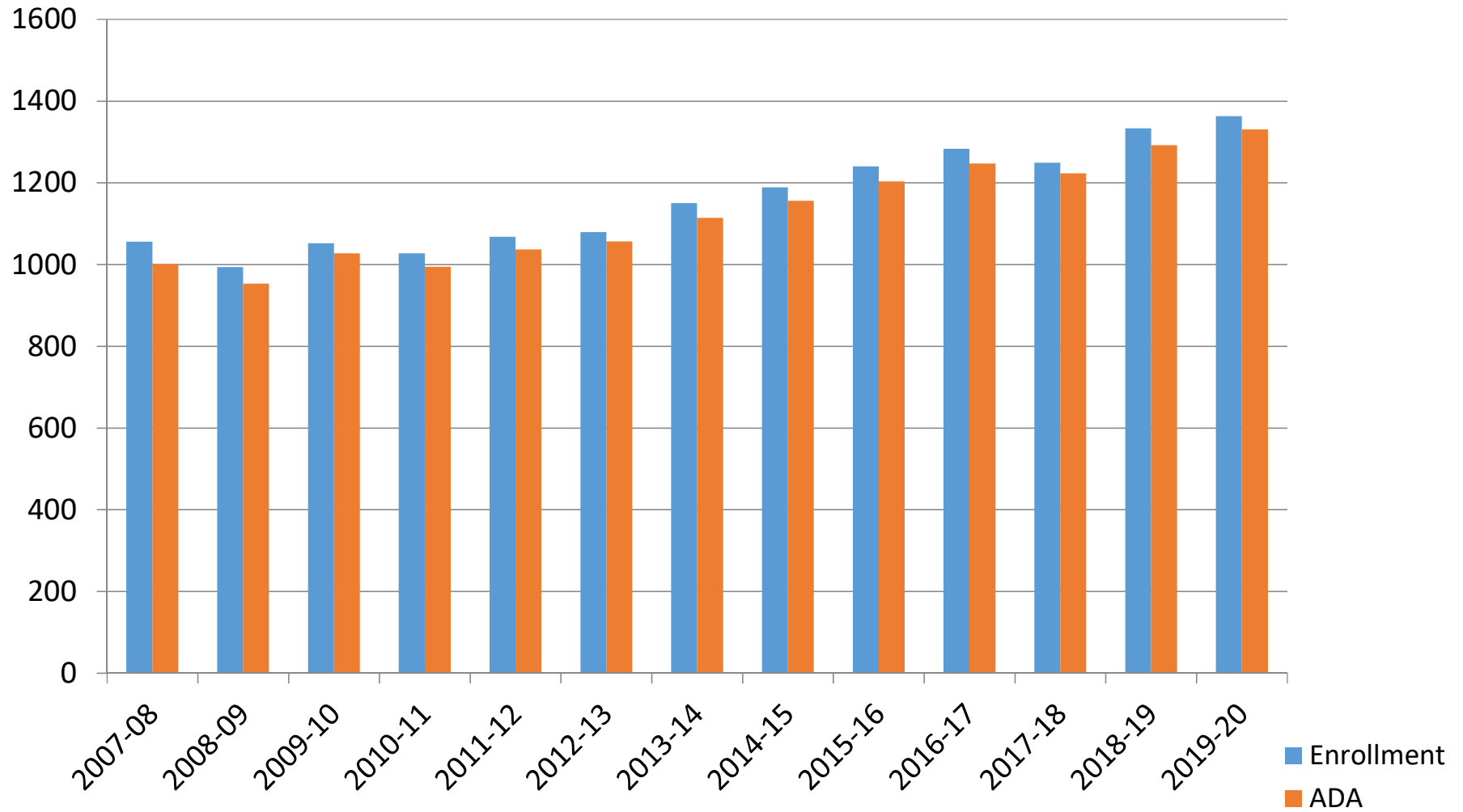
- Budget Timeline:
 - Governor released his 2019-20 Budget Proposal in January 2019
 - Governor released the May Revise in May 2019, which was based on updated revenue and expenditure data
 - Legislature met the constitutional deadline and passed the 2019-20 budget on June 15
- Assumptions used to develop the budget were based on the information in the May Revise
- Governor had until end of the month of June to either sign or veto the budget bill
 - We did not get budget details until late June 2020, which was after we passed the District's budget
- Districts are required to file two interim reports on the status of the LEAS's financial health during the year
 - This is an opportunity to make adjustments to the assumptions, revenue, and expenditures. Reports are due:
 - First Interim – Due December 15, 2019
 - Second Interim – Due March 15, 2020
- Annual financial reporting:
 - Budget Adoption – Due July 1, 2019
 - First Interim – Due December 15, 2019
 - Second Interim – Due March 15, 2020
 - ***Unaudited Actuals – Due September 15, 2020***

Historical Enrollment and Average Daily Attendance



	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19	19-20
Enrollment	1068	1079	1150	1189	1240	1283	1249	1333	1363
Enrollment Change over Prior Year	3.99%	1.03%	6.58%	3.39%	4.29%	3.47%	-2.65%	6.7%	2.25%
ADA	1036.89	1056.68	1113.78	1155.80	1203.66	1247.22	1223	1291.97	1330.71
ADA Change over Prior Year	4.26%	1.91%	5.4%	3.77%	4.14%	3.62%	-1.94%	5.6%	2.88%

Historical Enrollment and Average Daily Attendance



Budget Assumptions



	2019-20 Budget Development	2019-20 First Interim	2019-20 Second Interim	2019-20 Unaudited Actuals
Statutory COLA	3.26%	3.26%	3.26%	3.26%
Estimated LCFF Entitlement per ADA	\$9,244	\$9,234	\$9,227	\$9,235
Enrollment (includes county)	1333	1363	1363	1363
Unduplicated Count (includes county)	516	530	527	527 (3 Yr avg-39.09%)
Average Daily Attendance (ADA) includes Extended School Year and County Funded ADA	1273.2 K-8 + 9.20 NPS & ESY + 8.63 County = 1291.03	1305 K-8 + 9.20 NPS & ESY + 9.57 County = 1324.77	1318 K-8 + 1.71 NPS/ESY + 7.24 County = 1326.95	1321.47 K-8 + 1.08 NPS/ESY + 9.20 County = 1330.71
Lottery Base	\$146	\$151	\$151	\$149
Lottery Prop 20	\$48	\$53	\$53	\$48
STRS	17.10%	17.10%	17.10%	17.10%
PERS	19.721%	19.721%	19.721%	19.721%

Budget Assumptions (continued)

- Proposition 55 approved by voters on November 8, 2016 extended the provisions of Prop 30 (approved November 6, 2012) for twelve years:
 - The Schools and Local Public Safety Protection Act of 2012 funding through the Education Protection Account (EPA):
 - Not additional funding, LCFF/State Aid is decreased by this amount
 - District received approximately \$1.3 million for 2019-20
 - Funding is used for certificated instructional salaries and benefits
- Salary increases:
 - Two-percent raise for Certificated, Admin/Management/Confidential bargaining units with a retro to July 2019
 - Two-percent stipend in 2019-20 for classified staff not participating in the Classified Employees Summer Assistance Program

Categorical Programs

One-time Funds

- **California Sums Initiative – \$31,108**
 - Trained staff in restorative practices
 - Purchased curriculum and other student incentives, such as attendance incentives
- **Classified Employees Professional Development Funds - \$4,611**
 - Trained classified employees in restorative practices
- **Classified School Employees Summer Assistance Program – \$32,500**
 - Classified employees received a check matching their summer deferrals – 26 employees participated
 - State match funds provided to pay classified employees during the summer recess
 - District will get reimbursed by the CDE for salaries
- **COVID-19 Response Funds - \$22,948**
 - Distance Learning expenditures included:
 - Planning
 - Technology
 - Thermometers
 - Other supplies as needed



Budget Assumptions (continued)



Reserves

- Set aside six percent for economic uncertainty (approved June 18, 2015)
 - District standard is three percent
- Commit funds for one Certificate of Participation (COP) Debt Service Payment (approved June 16, 2011)

Direct and Indirect Costs

- Categorical Programs 7.20 percent
- Cafeteria Fund 5.12 percent
- Fund 25 – 3 percent direct costs

LCFF Transfers

- Transfer one percent of total expenditures to Deferred Maintenance Fund (approved February 18, 2015)

On-Behalf Contributions



- Governmental Accounting Standards Board (GASB) statements No. 68 and subsequent GASB No. 85 amended the reporting requirements for governmental pension plans:
 - Local educational agencies (LEAs) are required to record the state's contribution to the California State Teachers' Retirement System (CalSTRS)
 - Appropriations are for the 2019-20 fiscal year and are on behalf of LEAs with the intent to reduce future year employer contributions
 - District's CalPERS On-Behalf Contribution: \$339,870
 - District's CalSTRS On-Behalf Contribution: \$726,198



Recap of 2019-20



Rich Standards-Based Learning Environment

- Art, Music, and PE specialists at the K-5 sites
- Continued enrichment programs at Middle School – Art, Band, Spanish and STEM
- After School Enrichment, Intervention and Homework Club
- Summer Enrichment Program Year 2
- Extended Summer Library hours
- Online Support – A-Z Learning, Lexia, Matific, and Ten Marks
- Small class sizes
- Saturday Enrichment classes

Professional Development

- Academic Writing, ELD, and Reading Comprehension trainings with Heidi Koski
- New teacher trainings for Year 1 and Year 2 teachers
- Math trainings with SCOE
- Pro-Act Training for SPED staff



Recap of 2019-20



Technology

- IT Equipment – VMWare Servers - \$61,266
- UPS Battery Backup - \$10,689 (ERate)
- 10 GB Brocade Ports - \$28,960 (ERate)
- Ruckus Access Points - \$18,860 (ERate)
- Chromebooks (246) - \$63,822
- iPads, Macbooks - \$21,871
- Smart TV's (12) - \$25,336



Specialized and Support Services

- | | |
|---------------------------------------|----------------------------------|
| • Behavior Specialist | Health Clerk |
| • LVN (contracted) | Library Clerks |
| • Nurse (contracted) | School Counselors |
| • Occupational Therapist (contracted) | Student Services Director |
| • Speech Language Pathologists | School Psychologist (contracted) |





Revenue Sources



Revenue Source	2019-20 Budget Development	2019-20 First Interim	2019-20 Second Interim	2019-20 Unaudited Actuals	Notes
LCFF Sources	\$11,797,364	\$12,091,504	\$12,100,600	\$12,149,984	+49K-Based on certified P2
Federal Revenue	\$364,872	\$473,637	\$393,020	\$463,821	+70K-Increase in Title I, II, & III
Other State Revenue	\$426,649	\$619,893	\$649,826	\$1,699,852	+\$1M-Increase due to on-behalf contributions
Other Local Revenue	\$782,608	\$792,904	\$856,603	\$1,163,226	+\$307K-Increase due to bus grants, CSESAP and COVID 19 funding that were added at 20-21 Budget Dev
Interfund Transfers In	\$22,600	\$22,600	\$22,600	\$15,862	(\$6.7K) – CFD Admin costs below budget
Total Revenue	\$13,394,093	\$14,000,538	\$14,022,649	\$15,492,746	+\$1.47M increase in revenue

Expenditures



Description	2019-20 Budget Development	2019-20 First Interim	2019-20 Second Interim	2019-20 Unaudited Actuals	Notes
Certificated Staff	\$6,286,664	\$6,416,608	\$6,516,273	\$6,435,703	+63K—Savings due to COVID-19 closures (subs/extra)
Classified Salaries	\$1,904,901	\$1,959,001	\$2,017,369	\$2,003,441	\$14K-Savings due to COVID-19 closures
Employee Benefits	\$2,859,263	\$2,906,734	\$2,926,243	\$3,913,481	(\$987K) -Increase due to STRS/PERS on-behalf
Books and Supplies	\$578,943	\$623,737	\$659,246	\$537,764	\$121K-Savings due to closures
Services/Op Expenses	\$1,377,628	\$1,541,455	\$1,547,549	\$1,344,361	\$203K-Savings due to closures
Capital Outlay	\$71,984	\$186,726	\$277,133	\$580,828	(\$304K) -Increase due to bus purchases (revised at 20-21 Budget Dev)
Other Outgo	\$540,889	\$530,466	\$519,744	\$445,881	\$74K-Savings in excess costs
Transfers Out	\$2,400	\$5,334	\$15,338	\$6,658	\$8.7K-Transfer to Fund 13
Total Expenditures	\$13,622,672	\$14,170,061	\$14,478,895	\$15,268,117	+\$789K

General Fund Activity and Reserves



Category	2019-20 Budget	2019-20 First Interim	2019-20 Second Interim	2019-20 Unaudited Actuals
Beginning Balance	\$3,508,545	\$3,749,736	\$3,749,736	\$3,749,736
Revenue	\$13,394,093	\$14,000,538	\$14,022,649	\$15,492,746
Expenditures	\$13,622,672	\$14,170,061	\$14,478,895	\$15,268,117
Net Increase/Decrease	(\$228,579)	(\$169,523)	(\$456,246)	\$224,629
Total Assigned and Unassigned Ending Fund Balance	\$3,279,966	\$3,580,213	\$3,293,490	\$3,974,366
Reserved for Economic Uncertainty 6%	\$781,427	\$850,204	\$868,734	\$916,087
Revolving Cash	\$5,100	\$5,100	\$5,100	\$5,100
Restricted Funds and Prepays	\$358,469 \$47,455	\$384,500 \$40,638	\$275,557 \$44,631	\$321,191 \$65,656
Set Aside COP Debt Service Payment-Committed	\$408,412	\$412,213	\$412,213	\$412,213
Total Unassigned above the minimum reserve requirement	\$1,679,103	\$1,887,558	\$1,687,256	\$2,254,119

Reserves and Ending Fund Balance



- *Education Code* Section 42127(a)(2)(B) requires a statement of the reasons that substantiate the need for assigned and unassigned ending fund balances in excess of the minimum reserve standard for economic uncertainty:
 - Board took action on June 18, 2015 to increase the reserves for economic uncertainty to six percent
 - Standard is three percent for districts with ADA of 1001-30,000
 - Board took action on June 16, 2011 to commit funds in the General Fund reserves for one COP payment
 - District has upcoming expenditures as we continue to implement California State Standards , focus on 21st Century Skills and provide enrichment opportunities:
 - Adopt new curriculum for Next Generation Science Standards and History/Social Sciences
 - Refresh technology and continue to update infrastructure to meet current needs
 - Art and Music enrichment programs for K-5 students
 - District established a Major Equipment Repairs/Replacement Fund within the General Fund and contributed \$50,000 in start-up funds and ½ percent of General Fund expenditures for the 2018-19 school year
 - District has established a stabilization fund
 - LCFF is now fully implemented for the second year
 - Future Cost of Living Adjustments (COLA) could be zero or with a deficit factor as was the case at May Revise for the 2020-21 school year
 - Average COLA last five years has been 1.71 percent while cost of step increases for salaries increase an average of 2.0%
 - STRS and PERS Employer contributions continue to rise
 - COVID-19 has created much uncertainty for the state and national economies
 - State is relying on cash deferrals for the 2020-21 school year
 - Uncertainty for what the future holds as far as the State budget is concerned



General Fund Activity and Reserves



Description	2019-20 Budget	2019-20 First Interim	2019-20 Second Interim	2019-20 Unaudited Actuals
Total Unassigned above the minimum reserve requirement	\$1,679,103	\$1,887,558	\$1,687,256	\$2,254,119
Art and Music Program K-5	\$160,000	\$160,000	\$160,000	\$160,000
Technology Refresh Plan	\$100,000	\$100,000	\$100,000	\$100,000
Curriculum Adoptions – Science & Social Studies	\$300,000	\$300,000	\$300,000	\$300,000
Stabilization Fund	\$1,119,103	\$1,327,558	\$1,127,256	\$1,694,119



Solar Project Savings



	2015-16	2016-17	2017-18	2018-19	2019-20
PG&E Payments	\$237,830	\$230,251	\$55,331	\$50,720	\$55,929
CREB Interest	\$0	\$35,109	\$72,411	\$69,780	\$66,966
CREB Principal	\$0	\$0	\$78,000	\$83,000	\$89,000
IRS Reimbursement-Interest	\$0	(\$26,797)	(\$55,356)	(\$53,545)	(\$51,578)
Net Cost of CREB	\$0	\$8,312	\$95,055	\$99,235	\$104,388
Total Energy Costs for Electricity (PG&E + CREB payments)	\$237,830	\$238,563	\$150,386	\$149,955	\$160,317
Savings from 2016-17 (PG&E costs)			(36.96%)	(37.14%)	(32.8%)





Unaudited Actuals History

Fiscal year	Revenue	Expenditures	Net Increase (Decrease)
2007-08	\$8,351,037	\$8,457,205	(\$106,167)
2008-09	\$8,286,587	\$7,479,047	\$807,540
2009-10	\$7,613,887	\$7,492,142	\$121,744
2010-11	\$7,909,122	\$7,540,982	\$368,140
2011-12	\$7,921,468	\$7,810,954	\$110,514
2012-13	\$8,047,271	\$8,268,008	(\$220,737)
2013-14	\$9,040,069	\$8,630,321	\$409,748
2014-15	\$9,643,780	\$9,901,311	(\$257,531)
2015-16	\$11,913,843	\$11,122,220	\$791,623
2016-17	\$12,407,064	\$12,990,309	(\$583,245)
2017-18	\$12,472,320	\$12,504,210	(\$31,890)
2018-19	\$14,105,200	\$13,603,681	\$501,519
2019-20	\$15,492,746	\$15,268,117	\$224,629

Fund 13 – Summary of Unaudited Actuals

Description	2019-20 Budget	2019-20 First Interim	2019-20 Second Interim	2019-20 Unaudited Actuals	Notes
Beginning Fund Balance	\$823	\$571	\$571	\$571	
Revenue	\$630,100	\$633,000	\$633,300	\$668,552	+\$35K Increase in NSLP reimbursements
Expenditures	\$625,068	\$638,225	\$648,709	\$654,971	(\$15.7K) Increase in PERS for the on-behalf contribution
Transfers In	\$2,400	\$5,334	\$15,338	\$6,658	\$3,723 – Uncollectable debt \$2,936 – Reduced price breakfast
Net Increase (Decrease) in Fund Balance	\$7,432	\$109	(\$71)	\$20,240	
Ending Fund Balance	\$8,255	\$680	\$500	\$20,811	

Fund 14 – Summary of Unaudited Actuals



	2015-16	2016-17	2017-18	2018-19	2019-20
Beginning Fund Balance	\$286,540	\$348,790	\$345,512	\$517,905	\$615,035
Revenue					
Interest	\$1,903	\$1,839	\$2,714	\$7,974	\$10,853
LCFF Transfer from General Fund	\$108,341	\$125,682	\$117,848	\$129,254	\$141,953
Total Revenue	\$110,244	\$127,521	\$120,562	\$137,228	\$152,807
Total Expenditures	\$47,994	\$130,799	\$54,170	\$40,097	\$35,323
Transfer In (From Fund 01)			\$106,000		
Net Increase/(Decrease) in Fund Balance	\$62,250	(\$3,278)	\$172,392	\$97,130	\$117,484
Ending Fund Balance	\$348,790	\$345,512	\$517,905	\$615,035	\$732,519

2019-20 projects: Rio-Carpet replacements; Cobblestone-Blacktop repair; DO-Asphalt & bathroom floors

Fund 25 – Summary of Unaudited Actuals



	2015-16	2016-17	2017-18	2018-19	2019-20
Beginning Fund Balance	\$186,829	\$303,138	\$307,750	\$520,745	\$1,434,698
Revenue					
Interest	\$1,319	\$2,441	\$3,004	\$11,164	\$37,909
Developer Fees	\$591,913	\$595,060	\$738,501	\$1,619,912	\$2,380,729
	70 lots	49 lots	84 lots	138 lots	224 lots
Total Revenue	\$593,232	\$597,501	\$741,505	\$1,631,076	\$2,418,637
Expenditures					
Direct Costs – to Fund 01	\$17,757	\$17,852	\$22,155	\$48,597	\$71,422
Professional/Consulting	\$68,366	\$15,163	\$18,629	\$17,527	\$52,220
Debt Service – Interest	\$365,800	\$359,875	\$353,725	\$346,000	\$336,700
Debt Service-Principal	\$195,000	\$200,000	\$210,000	\$305,000	\$315,000
Total Expenditures	\$646,923	\$592,890	\$604,509	\$717,124	\$775,342
Transfer In (From Fund 52)	\$170,000		\$76,000		\$242,526
Net Increase/(Decrease) in Fund Balance	\$116,309	\$4,611	\$212,996	\$913,952	\$1,885,821
Ending Fund Balance	\$303,138	\$307,750	\$520,745	\$1,434,698	\$3,320,519

Fund 52 – Summary of Unaudited Actuals

	2015-16	2016-17	2017-18	2018-19	2019-20
Beginning Fund Balance	\$791,734	\$872,482	\$1,229,500	\$1,525,336	\$1,936,343
Revenue					
Mello Roos – CFD 1	\$517,399	\$529,363	\$533,944	\$552,864	\$590,382
Mello Roos – CFD 2	\$178,794	\$190,489	\$196,624	\$198,233	\$196,782
Interest	\$2,163	\$5,780	\$12,294	\$26,715	\$36,988
Total Revenue	\$698,356	\$725,632	\$742,863	\$777,812	\$824,152
Expenditures					
Debt Service – Interest	\$190,388	\$182,625	\$176,006	\$169,144	\$162,131
Debt Service-Principal	\$242,000	\$172,000	\$181,000	\$185,000	\$189,000
Transfer Out to Fund 01 and Fund 25	\$185,220	\$13,989	\$90,020	\$12,662	\$258,388
Total Expenditures	\$617,608	\$368,614	\$447,026	\$366,806	\$609,519
Net Increase/(Decrease) in Fund Balance	\$80,748	\$357,018	\$295,837	\$411,006	\$214,633
Ending Fund Balance	\$872,482	\$1,229,500	\$1,525,336	\$1,936,343	\$2,150,976

GANN Limit

- The District must establish a revised Gann Limit for the 2019-20 fiscal year and a projected Gann Limit for the 2020-21 fiscal year in accordance with the provisions of the State Constitution.
- Gann Limit is intended to constrain the growth in state and local government spending by linking year-to-year changes in expenditures to changes in inflation and average daily attendance (ADA).
 - Places annual limits on the appropriations of tax proceeds that can be made by the state, school districts, and local governments in California
- The state's software (SACS) calculates the limit:

Fiscal Year	Total appropriations subject to limit
2018-19 Actuals	\$11,444,304
2019-20 Actuals	\$12,237,036
2020-21 Budget	\$12,698,063

Debt Service Balances and Payments

Debt	Fund	Years Remaining June 30, 2020	Unaudited Balance June 30, 2020	2019-20	2020-21	2021-22	2022-23
COP 2012 (CFD Refi)	25	22	\$3,515,000	\$242,738	\$244,813	\$241,688	\$238,375
COP 2012 Refi (COP 2007 Refi)	25	20	\$5,170,000	\$408,963	\$412,213	\$410,238	\$408,113
CFD 1 Refi	52	15	\$3,259,000	\$271,969	\$275,288	\$273,363	\$271,288
CFD 2 Refi	52	15	\$923,000	\$79,163	\$82,494	\$80,731	\$78,969
CREB	01	15	\$1,944,000	\$155,966	\$158,936	\$161,723	\$164,309
Total			\$14,811,000	\$1,158,799	\$1,173,742	\$1,167,741	\$1,161,053

COP = Certificates of Participation
 CFD = Community Facilities District
 CREB = Clean Renewable Energy Bond



Summary

- General Fund has a net increase of \$224,629 in fund balance:
 - Excluding On-Behalf Contributions, revenue was \$404K higher than Second Interim budget:
 - The District received higher than expected funds in Title I, II, III and local revenue (bus grants)
 - Excluding On-Behalf Contributions, expenditures came in \$277K less than Second Interim Budget:
 - Most of the savings were due to COVID-19 school closures
- Cash at the county treasurer as of June 30, 2020:
 - Fund 01 - \$2,604,891
 - Fund 25 - \$3,321,341
 - Fund 52 - \$2,009,179
- Auditors will review the financial data later this month
- Audit Report is due to the State Controller, State Superintendent of Public Instruction and the Yuba County Office of Education by December 15
- Audit Report is due to the Board in January
- Staff recommend approval of the 2019-20 Unaudited Actuals and resolution setting the Gann Limit appropriations

