



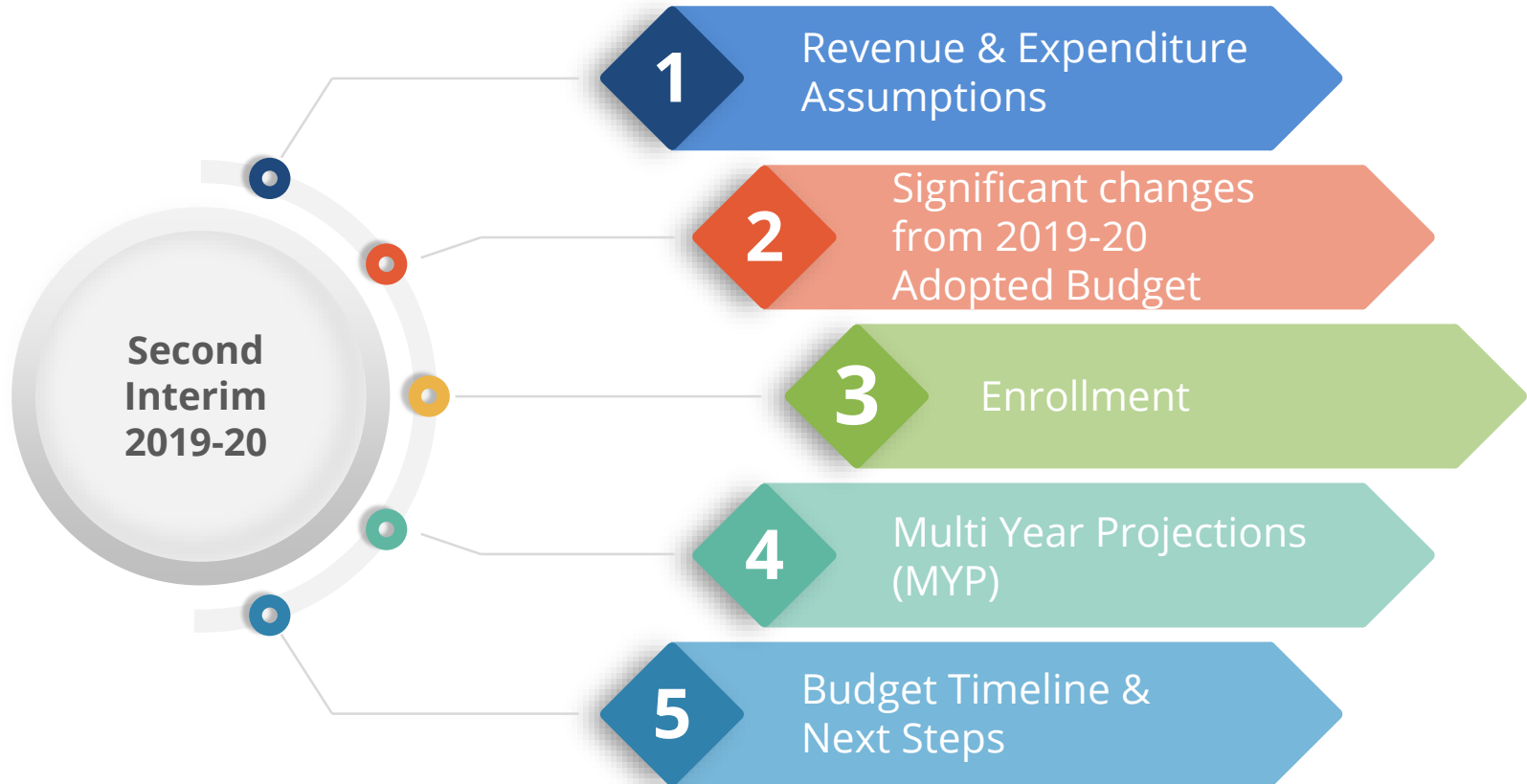
# SECOND INTERIM 2019-20

**Presented by: Hitesh Haria**

**Associate Superintendent of Business Services**

**March 11, 2020**

# AGENDA



# REVENUE ASSUMPTIONS 2019-20



- Average Daily Attendance (ADA) is estimated at 10,767.
  - *Due to declining enrollment the funded ADA will be based on the prior year ADA of 10,789.*
- The District's estimated unduplicated pupil percentage for supplemental & concentration funding is estimated to be 76%.
  - *The percentage will be revised based on actual data.*
- Lottery revenue is estimated to be \$153 per ADA for unrestricted purposes and \$54 per ADA for restricted purposes.
- Mandated Cost Block Grant is \$32.18 for K-8 ADA and \$61.94 for 9-12 ADA.

No changes from First Interim

# EXPENDITURE ASSUMPTIONS 2019-20



- Step and Column increases at 1.75% for all staff
- CSEA Salary agreement for 2018/19 and 2019/20
  - 1.5% 2018-19 & “Me too” clause
    - (0.75% July 1, 2018 & 0.5% January 1, 2019)
  - 1% July 1, 2019
  - 1% January 1, 2020
- PEA, PASA & CAPS Salary agreement for 2018-19
  - 2.25% July 1, 2018
  - 0.5% January 1, 2019
- STRS Rate 17.10%
- PERS Rate 19.71%

No changes from First Interim

\* Negotiations with PEA for 2019-20 still on-going and not factored into the second interim

# SUMMARY SECOND INTERIM



Description	2019-20 Second Interim Budget		
	Unrestricted	Restricted	Combined
<b>TOTAL REVENUES</b>	79,912,120	68,229,333	148,141,453
<b>TOTAL EXPENDITURES</b>	86,740,164	69,411,465	156,151,628
<b>Net Increase (Decrease)</b>	<b>(6,828,043)</b>	<b>(1,182,132)</b>	<b>(8,010,175)</b>
<b>FUND BALANCE</b>			
Estimated Beginning Balance	17,080,820	3,024,708	20,105,528
<b>Estimated Ending Balance</b>	<b>10,252,776</b>	<b>1,842,576</b>	<b>12,095,353</b>

# FUND BALANCE - DETAILS



FUND BALANCE 2019-20	DETAILS	TOTALS	COMMENTS
<b>Estimated Ending Balance</b>			
Nonspendable		25,000	Revolving bank account
Committed		2,321,803	Amount due to reductions approved by Board on February 12, 2020. Applied to ongoing reduction.
<b>Restricted</b>		1,842,576	Reserve in various restricted programs detailed below
	<i>Restricted Lottery</i>	1,049,647	
	<i>Classified EE PD Grant</i>	64,528	
	<i>Low-Performing Block Grant</i>	498,079	
	<i>Other Restricted</i>	230,322	
<b>Assigned</b>		3,221,424	Reserve in various unrestricted programs detailed below
	<i>Parcel Tax</i>	1,120,237	Arts, Music, and Athletics
	<i>Unrestricted Lottery</i>	2,013,425	Includes carryover to be applied to high school ELA adoption & secondary novel updates
	<i>Stale Warrant Reserve</i>	87,762	For accounts payable and payroll warrants that have been stale-dated
Unassigned - REU @ 3%		4,684,549	State required 3%
Unassigned - Other		-	
<b>Total - Est. Fund Balance</b>		<b>12,095,353</b>	

**PITTSBURG UNIFIED SCHOOL DISTRICT**

**2019-20 Second Interim Budget**

**Multi-Year Financial Projection**

Description	2019-20 First Interim Budget			2019-20 Second Interim Budget			Variance		
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined
<b>REVENUES</b>									
General Purpose Revenue	118,026,108.00	2,891,498.00	120,917,606.00	118,017,587.00	2,891,498.00	120,909,085.00	(8,521.00)	-	(8,521.00)
Federal Revenue	76,402.85	8,843,952.17	8,920,355.02	76,402.85	8,908,784.89	8,985,187.74	-	64,832.72	64,832.72
State Revenue	2,978,221.00	9,904,688.48	12,882,909.48	2,941,044.00	10,075,017.53	13,016,061.53	(37,177.00)	170,329.05	133,152.05
Local Revenue	1,971,983.41	3,169,529.91	5,141,513.32	2,004,710.01	3,226,409.07	5,231,119.08	32,726.60	56,879.16	89,605.76
Contributions	(45,177,623.43)	45,177,623.43	-	(43,127,623.43)	43,127,623.43	-	2,050,000.00	(2,050,000.00)	-
<b>TOTAL REVENUES</b>	<b>77,875,091.83</b>	<b>69,987,291.99</b>	<b>147,862,383.82</b>	<b>79,912,120.43</b>	<b>68,229,332.92</b>	<b>148,141,453.35</b>	<b>2,037,028.60</b>	<b>(1,757,959.07)</b>	<b>279,069.53</b>
<b>EXPENDITURES</b>									
Certificated Salaries	43,057,622.00	17,105,150.19	60,162,772.19	42,887,333.00	15,911,381.19	58,798,714.19	(170,289.00)	(1,193,769.00)	(1,364,058.00)
Classified Salaries	10,630,575.00	11,693,212.31	22,323,787.31	10,748,194.00	11,406,403.96	22,154,597.96	117,619.00	(286,808.35)	(169,189.35)
Benefits	21,824,946.56	17,825,494.64	39,650,441.20	21,561,821.80	17,395,585.28	38,957,407.08	(263,124.76)	(429,909.36)	(693,034.12)
Books and Supplies	3,894,243.24	6,266,970.99	10,161,214.23	3,857,042.00	6,333,477.39	10,190,519.39	(37,201.24)	66,506.40	29,305.16
Other Services & Oper. Exp	7,652,771.94	13,757,348.62	21,410,120.56	7,770,780.94	14,656,513.68	22,427,294.62	118,009.00	899,165.06	A 1,017,174.06
Capital Outlay	85,145.85	389,563.06	474,708.91	94,345.85	589,998.12	684,343.97	9,200.00	200,435.06	B 209,635.06
Other Outgo	355,221.00	3,082,610.00	3,437,831.00	355,221.00	2,937,163.00	3,292,384.00	-	(145,447.00)	(145,447.00)
Transfer of Indirect Costs	(534,575.00)	180,942.00	(353,633.00)	(534,575.00)	180,942.00	(353,633.00)	-	-	-
Other Adjustments	-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>86,965,950.59</b>	<b>70,301,291.81</b>	<b>157,267,242.40</b>	<b>86,740,163.59</b>	<b>69,411,464.62</b>	<b>156,151,628.21</b>	<b>(225,787.00)</b>	<b>(889,827.19)</b>	<b>(1,115,614.19)</b>
<b>Net Increase (Decrease)</b>	<b>(9,090,858.76)</b>	<b>(313,999.82)</b>	<b>(9,404,858.58)</b>	<b>(6,828,043.16)</b>	<b>(1,182,131.70)</b>	<b>(8,010,174.86)</b>	<b>2,262,816.00</b>	<b>(868,131.88)</b>	<b>1,394,684.12</b>
<b>FUND BALANCE, RESERVES</b>									
Estimated Beginning Balance	17,080,819.62	3,024,708.02	20,105,527.64	17,080,819.62	3,024,708.02	20,105,527.64			
<b>Estimated Ending Balance</b>	<b>7,989,960.86</b>	<b>2,710,708.20</b>	<b>10,700,669.06</b>	<b>10,252,776.46</b>	<b>1,842,576.32</b>	<b>12,095,352.78</b>			
Nonspendable	25,000.00	-	25,000.00	25,000.00	-	25,000.00			
Committed	-	-	-	2,321,803.45	-	2,321,803.45			
Restricted	-	2,710,708.20	2,710,708.20	-	1,842,576.32	1,842,576.32			
Assigned	3,237,076.00	-	3,237,076.00	3,221,424.16	-	3,221,424.16			
Unassigned - REU @ 3%	4,718,017.27	-	4,718,017.27	4,684,548.85	-	4,684,548.85			
Unassigned - Other	9,867.59	(0.00)	9,867.59	-	-	-			
<b>Total - Est. Fund Balance</b>	<b>7,989,960.86</b>	<b>2,710,708.20</b>	<b>10,700,669.06</b>	<b>10,252,776.46</b>	<b>1,842,576.32</b>	<b>12,095,352.78</b>	-	-	-

A. Special Ed. Contract costs – costs moved from Salaries – No additional costs

B. Auto grant

# GENERAL FUND EXPENDITURES



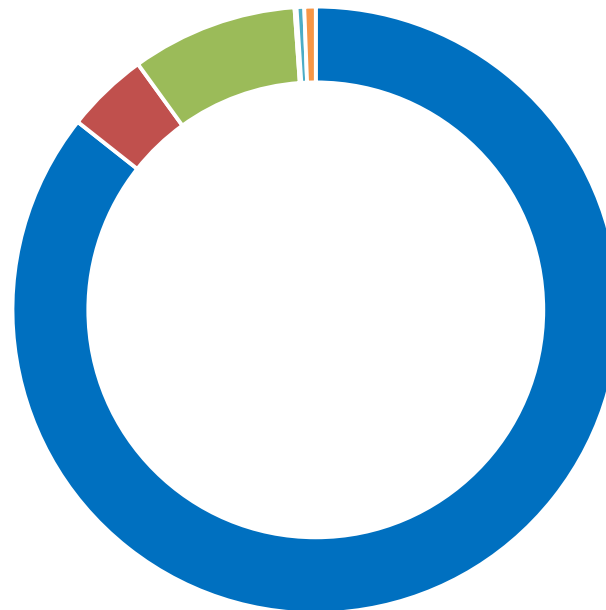
Description	Unrestricted	Restricted	Combined
<b>EXPENDITURES</b>			
Certificated Salaries	42,887,333	15,911,381	58,798,714
Classified Salaries	10,748,194	11,406,404	22,154,598
Benefits	21,561,822	17,395,585	38,957,407
Books and Supplies	3,857,042	6,333,477	10,190,519
Other Services & Oper. Exp	7,770,781	14,656,514	22,427,295
Capital Outlay	94,346	589,998	684,344
Other Outgo	355,221	2,937,163	3,292,384
Transfer of Indirect Costs	(534,575)	180,942	(353,633)
Other Adjustments	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>86,740,164</b>	<b>69,411,465</b>	<b>156,151,628</b>



# GENERAL FUND EXPENDITURES



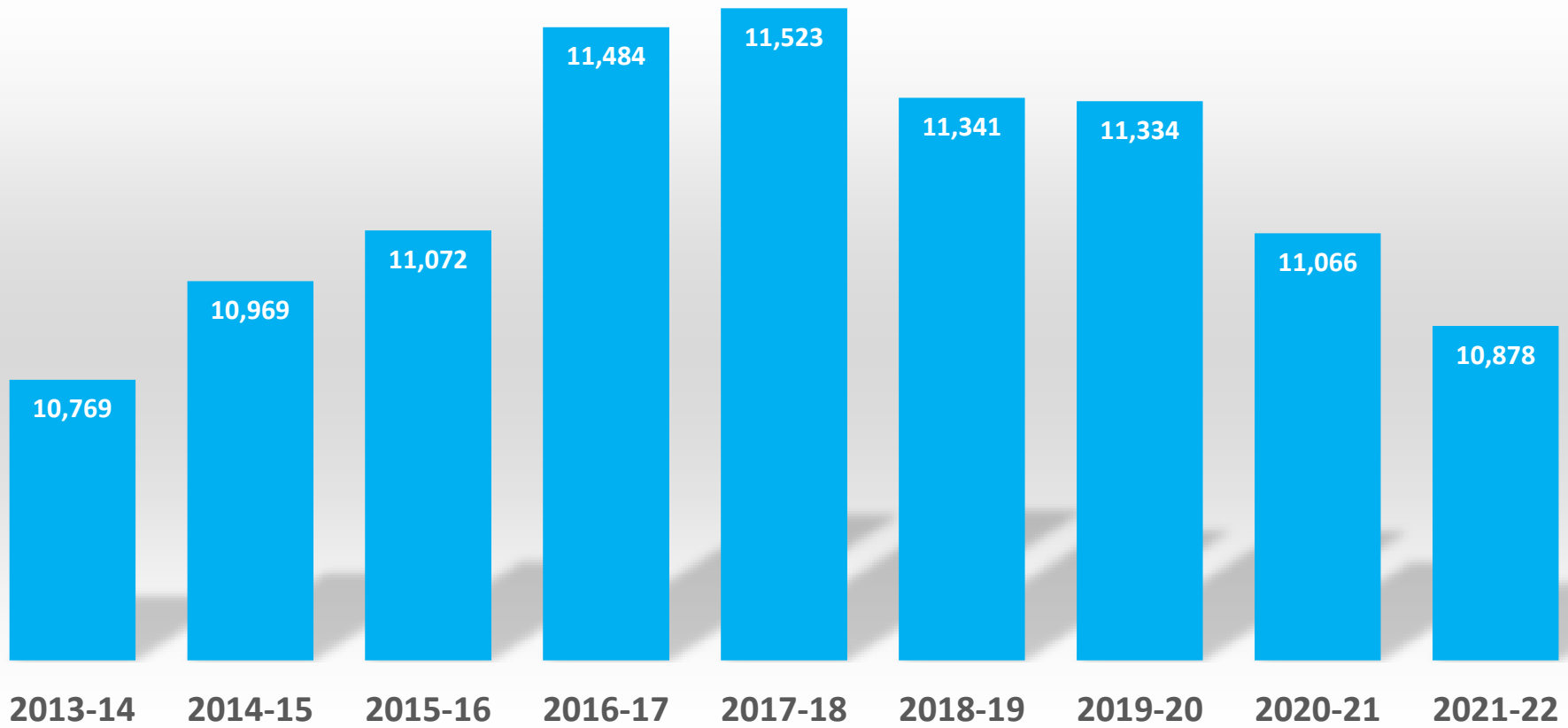
Unrestricted General Fund



- Salaries and Benefits
- Books and Supplies
- Other Services & Oper. Exp
- Capital Outlay
- Other Outgo
- Transfer of Indirect Costs

*As Illustrated above, salaries and benefits comprise approximately 87% of the District's unrestricted budget and 77% of the total General Fund budget.*

# ENROLLMENT



# MYP REVENUE ASSUMPTIONS



## Declining Enrollment

11,334 in 2019-20 (7 students)

11,066 in 2020-21 (268 students)

10,878 in 2021-22 (188 students)

## COLA

Cost of Living Adjustment (COLA)	2019-20	2020-21	2021-22	2022-23
2020-21 Governors Budget (Jan)	3.26%	2.29%	2.71%	2.82%
2019-20 Adopted Budget	3.26%	3.00%	2.80%	3.16%
<b>Change</b>	<b>0.00%</b>	<b>-0.71%</b>	<b>-0.09%</b>	<b>-0.34%</b>

Change in COLA has a \$ (1,776,622) impact over 2 years

# MYP EXPENDITURE ASSUMPTIONS



Step and Column increases:  
1.75% for all staff

STRS increases:

	2018-19	2019-20	2020-21	2021-22	2022-23
<b>STRS Rate</b>	16.28%	17.10%	18.40%	18.100%	18.100%
<b>Rate Variance</b>		0.82%	1.30%	-0.30%	0.00%

PERS increases:

	2018-19	2019-20	2020-21	2021-22	2022-23
<b>PERS Rate</b>	18.06%	19.72%	22.80%	24.90%	25.90%
<b>Rate Variance</b>		1.66%	3.08%	2.10%	1.00%

# REDUCTIONS – IMPACT ON MYP



	2019-20	2020-21	2021-22	MYP Effect
<b>BOE Feb 12, 2020</b>				
LCAP Non-Personnel	\$ 2,100,000	\$ 2,100,000	\$ 2,100,000	\$ 6,300,000
<b>BOE Feb 26, 2020</b>				
Non-Personnel		\$ 1,810,000	\$ 1,810,000	\$ 3,620,000
Personnel		\$ 1,780,000	\$ 1,780,000	\$ 3,560,000
		\$ 3,590,000	\$ 3,590,000	\$ 7,180,000
<b>TOTAL MYP EFFECT</b>	\$ 2,100,000	\$ 5,690,000	\$ 5,690,000	\$ 13,480,000

Target MYP      \$ 15,900,000

<b>2021-22</b>	<b>\$ (2,420,000)</b>
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# MYP SUMMARY



Description	2019-20 Second Interim Budget			2020-21 Projected Budget			2021-22 Projected Budget		
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined
<b>REVENUES</b>									
General Purpose Revenue	118,017,587.00	2,891,498.00	120,909,085.00	120,115,093.00	2,891,498.00	123,006,591.00	120,443,147.00	2,891,498.00	123,334,645.00
Federal Revenue	76,402.85	8,908,784.89	8,985,187.74	-	5,635,769.48	5,635,769.48	-	5,635,769.48	5,635,769.48
State Revenue	2,941,044.00	10,075,017.53	13,016,061.53	2,076,087.00	10,075,017.53	12,151,104.53	2,076,087.00	10,075,017.53	12,151,104.53
Local Revenue	2,004,710.01	3,226,409.07	5,231,119.08	2,060,705.60	2,640,457.19	4,701,162.79	2,149,932.60	2,640,457.19	4,790,389.79
Contributions	(43,127,623.43)	43,127,623.43	-	(40,392,701.43)	40,392,701.43	-	(40,587,100.43)	40,587,100.43	-
<b>TOTAL REVENUES</b>	<b>79,912,120.43</b>	<b>68,229,332.92</b>	<b>148,141,453.35</b>	<b>83,859,184.17</b>	<b>61,635,443.63</b>	<b>145,494,627.80</b>	<b>84,082,066.17</b>	<b>61,829,842.63</b>	<b>145,911,908.80</b>
<b>EXPENDITURES</b>									
Certificated Salaries	42,887,333.00	15,911,381.19	58,798,714.19	42,329,128.08	14,365,225.18	56,694,353.26	43,069,888.08	14,673,060.18	57,742,948.26
Classified Salaries	10,748,194.00	11,406,403.96	22,154,597.96	10,706,287.43	10,489,178.27	21,195,465.70	10,893,647.43	10,672,739.27	21,566,386.70
Benefits	21,561,821.80	17,395,585.28	38,957,407.08	22,213,305.80	17,872,500.28	40,085,806.08	22,546,950.80	18,150,343.28	40,697,294.08
Books and Supplies	3,857,042.00	6,333,477.39	10,190,519.39	3,148,707.36	6,323,116.39	6,401,823.75	3,237,934.36	3,253,116.39	6,491,050.75
Other Services & Oper. Exp	7,770,780.94	14,656,513.68	22,427,294.62	7,827,340.94	13,087,657.27	20,914,998.21	7,966,516.94	13,000,158.27	20,966,675.21
Capital Outlay	94,345.85	589,998.12	684,343.97	94,345.85	126,967.12	221,312.97	94,345.85	126,967.12	221,312.97
Other Outgo	355,221.00	2,937,163.00	3,292,384.00	355,221.00	2,937,163.00	3,292,384.00	355,221.00	2,937,163.00	3,292,384.00
Transfer of Indirect Costs	(534,575.00)	180,942.00	(353,633.00)	(534,575.00)	180,942.00	(353,633.00)	(534,575.00)	180,942.00	(353,633.00)
Other Adjustments	-	-	-	-	-	-	<b>(3,243,515.39)</b>	-	<b>(3,243,515.39)</b>
<b>TOTAL EXPENDITURES</b>	<b>86,740,163.59</b>	<b>69,411,464.62</b>	<b>156,151,628.21</b>	<b>86,139,761.46</b>	<b>62,312,749.51</b>	<b>148,452,510.97</b>	<b>84,386,414.07</b>	<b>62,994,489.51</b>	<b>147,380,903.58</b>
<b>Net Increase (Decrease)</b>	<b>(6,828,043.16)</b>	<b>(1,182,131.70)</b>	<b>(8,010,174.86)</b>	<b>(2,280,577.29)</b>	<b>(677,305.88)</b>	<b>(2,957,883.17)</b>	<b>(304,348.00)</b>	<b>(1,164,646.88)</b>	<b>(1,468,994.88)</b>
<b>FUND BALANCE, RESERVES</b>									
Estimated Beginning Balance	17,080,819.62	3,024,708.02	20,105,527.64	10,252,776.46	1,842,576.32	12,095,352.78	7,972,199.17	1,165,270.44	9,137,469.61
Estimated Ending Balance	<b>10,252,776.46</b>	<b>1,842,576.32</b>	<b>12,095,352.78</b>	<b>7,972,199.17</b>	<b>1,165,270.44</b>	<b>9,137,469.61</b>	<b>7,667,851.17</b>	<b>623.56</b>	<b>7,668,474.73</b>
Nonspendable	25,000.00	-	25,000.00	25,000.00	-	25,000.00	25,000.00	-	25,000.00
Committed	2,321,803.45	-	2,321,803.45	272,199.68	-	272,199.68	-	-	-
Restricted	-	1,842,576.32	1,842,576.32	-	1,165,270.44	1,165,270.44	-	623.56	623.56
Assigned	3,221,424.16	-	3,221,424.16	3,221,424.16	-	3,221,424.16	3,221,424.16	-	3,221,424.16
Unassigned - REU @ 3%	4,684,548.85	-	4,684,548.85	4,453,575.33	-	4,453,575.33	4,421,427.11	-	4,421,427.11
Unassigned - Other	-	-	-	-	-	-	-	-	-
<b>Total - Est. Fund Balance</b>	<b>10,252,776.46</b>	<b>1,842,576.32</b>	<b>12,095,352.78</b>	<b>7,972,199.17</b>	<b>1,165,270.44</b>	<b>9,137,469.61</b>	<b>7,667,851.27</b>	<b>623.56</b>	<b>7,668,474.83</b>

Reductions of \$3,243,515 still need to be made to balance the MYP

# BUDGET TIMELINE & NEXT STEPS

