

Moraga School District

March 9, 2021



2020-21

2nd Interim Budget Report

Governing Board:

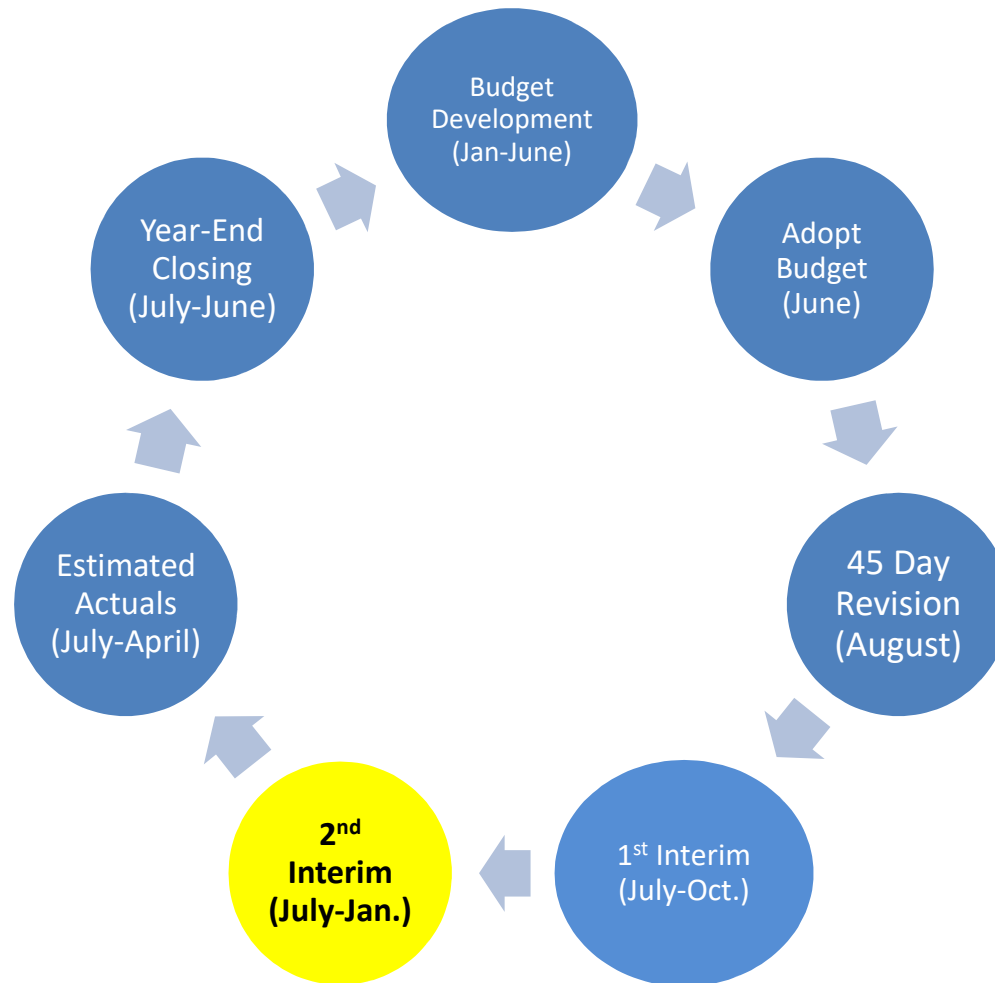
Janelle Chng, President
Richard Severy, Vice-President
Heather Davis, Board Member
Larry Jacobs, Board Member
Jon Nickens, Board Member

District Staff:

Bruce Burns, Superintendent
Daniela Parasidis, Chief Business Official



2020-21 Financial Review Timeline



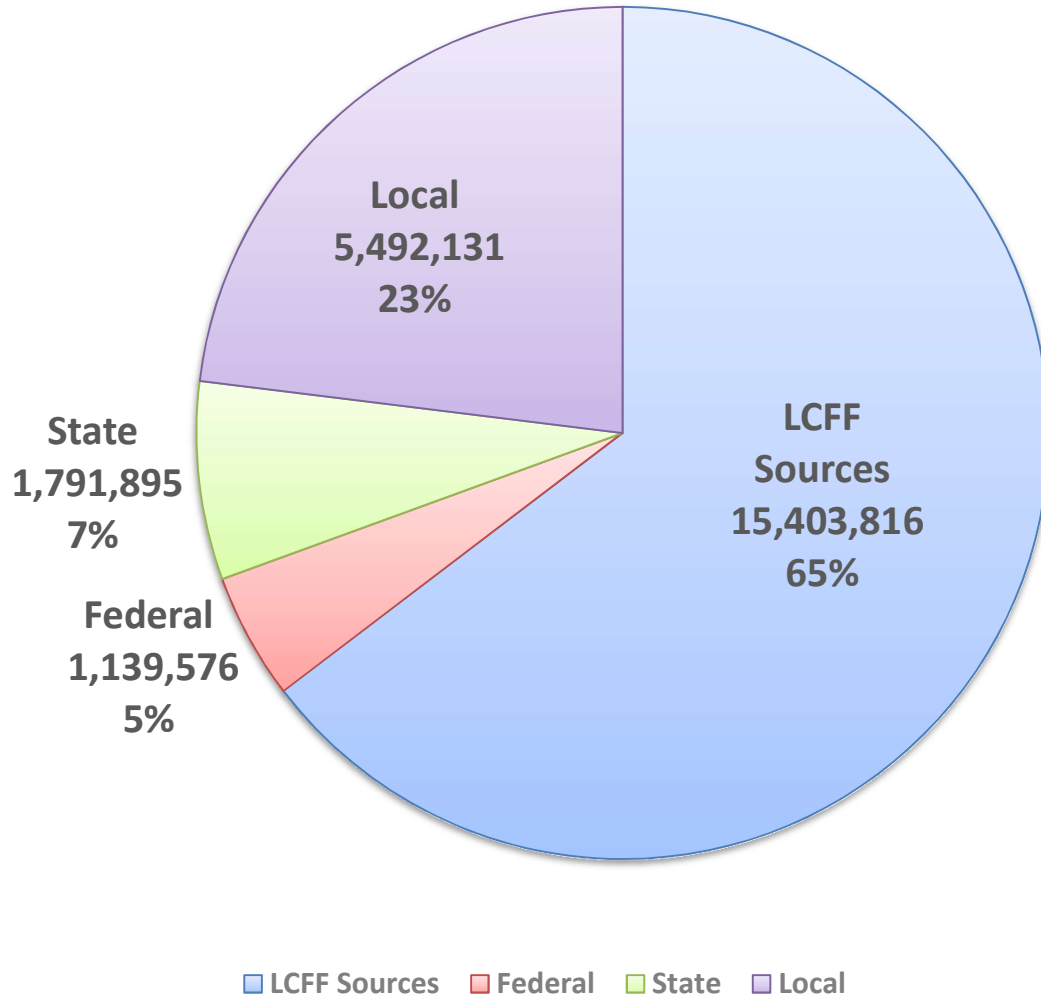


What's New??

- State
 - COLA of 3.84% in 2021-22
 - Repay Cash Deferrals
 - Pension Relief
 - AB86 Reopen Schools and Expand Learning (*not included in assumptions*)
- Federal
 - ESSER II Funds
- Locally
 - Updated Enrollment Projections for 2021-22
 - Energy Efficiency Project Approved
 - Proposed reduction in MEF Funding
 - Schools are open!

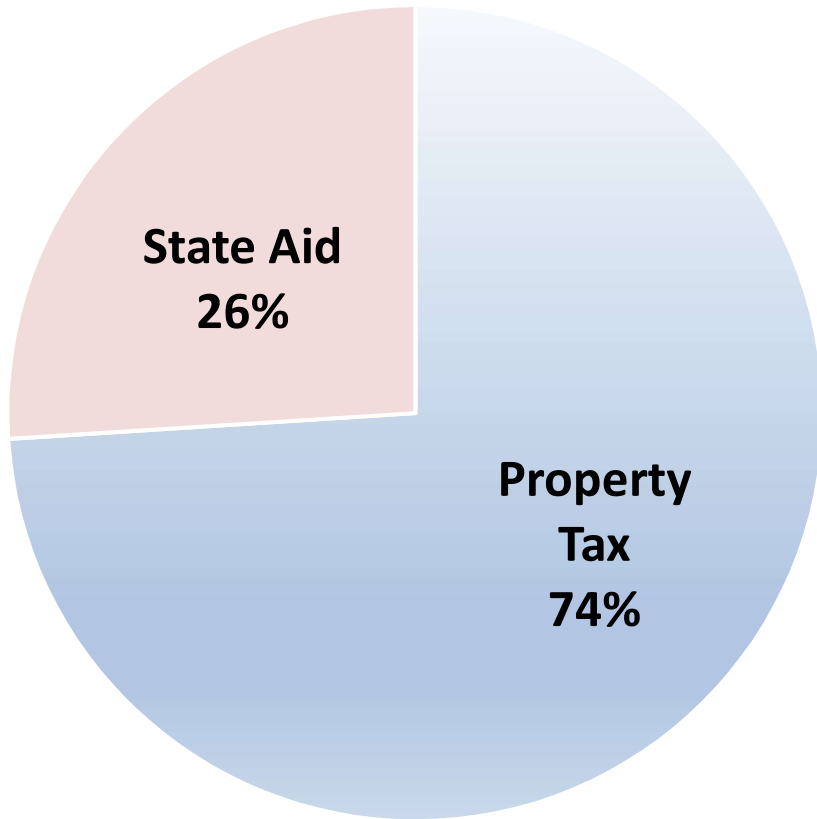


Current Year Revenue





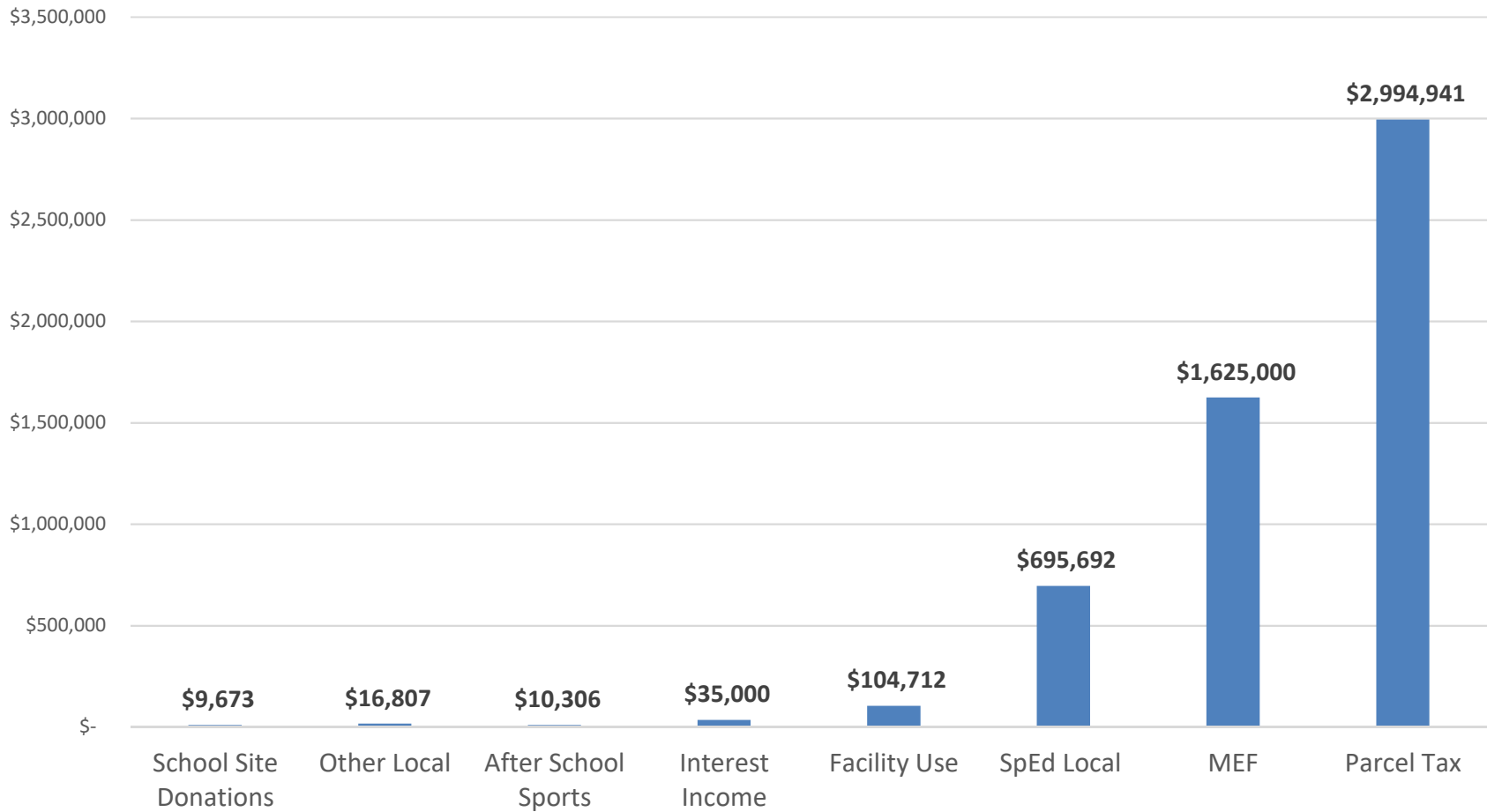
LCFF Revenue = 65%



Funded ADA	1,808.08
COLA	0%
LCFF Revenue	\$14,955,924



Local Revenue Sources = 23%





Other State Revenue = 7%

- State Learning Loss Mitigation (CARES): \$128k*
- State Lottery: \$385k
- SpEd Mental Health: \$115k
- Classified Employee Summer Assistance: \$66k
- Mandated Block Grant: \$58k
- STRS On Behalf: \$1.04m

Federal Revenue Sources = 5%

- Federal Learning Loss Mitigation (CARES): \$735k*
- Special Education: \$353k
- Title I Supplemental Support: \$25k
- Title II Professional Development: \$17k
- Title IV Student Support: \$10k

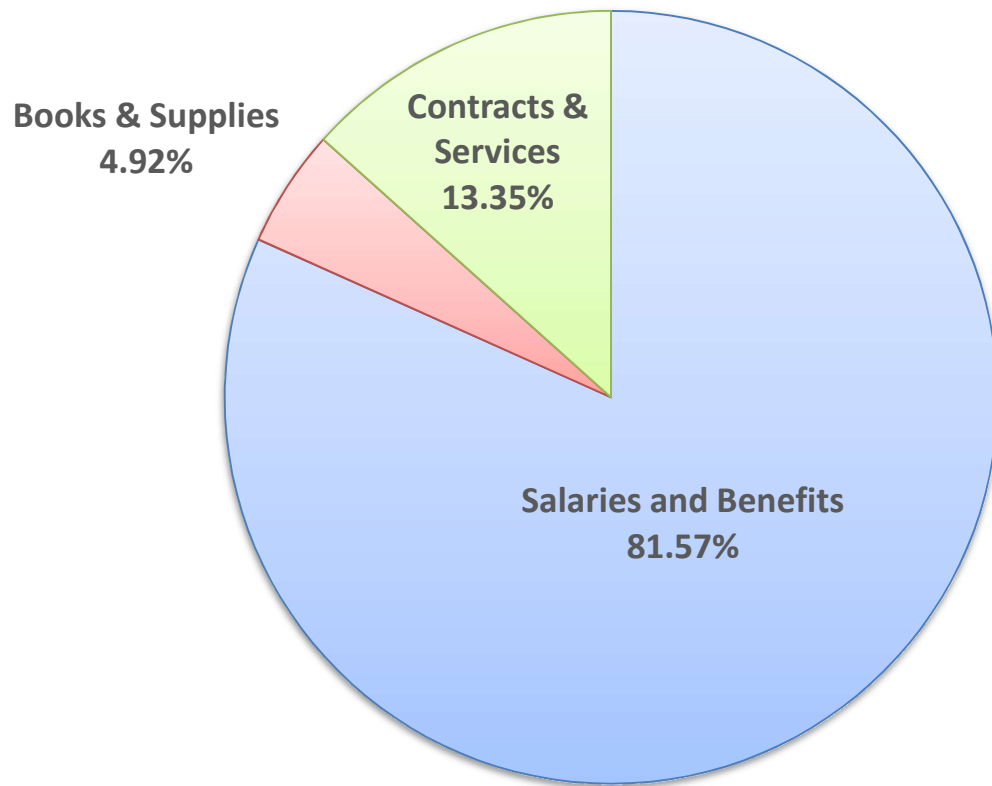


Current Year Expenditure Adjustments

- Updated personnel costs
 - *New Hires and staffing changes*
 - *Reduced Substitute Costs*
- Updated employee benefit costs
 - *New hire benefit choices*
 - *Supplemental Employee Retirement Plan (SERP)*
- Updated materials/supplies and contracted services
 - *DL 2.0 and Hybrid Learning Expenses*
 - *Safely Reopening Schools*
 - *Maintenance Equipment*



Current Year Expenditures





Schedule of Changes-Revenues

	1st Interim	2nd Interim	Change	Explanation
LCFF Sources	15,403,816	15,403,816	-	
Federal	1,055,692	1,139,576	83,884	One-time Federal School Emergency Relief (ESSER) II Funds
State	1,791,895	1,791,895	-	
Local	5,455,658	5,492,131	36,473	Increase of \$54k due to Orinda's share of the Early Intervention Program (EIP) and an increase of Parcel Tax Revenue of \$17k offset by a reduction in interest earning of \$35k
TOTAL REVENUES:	23,707,061	23,827,418	120,357	



Revenues by \$120,357



Schedule of Changes-Expenditures

	1st Interim	2nd Interim	Change	Explanation
Certificated Salaries	9,912,828	9,804,837	(107,991)	Savings due to attrition at LP and reduction in teacher substitute costs
Classified Salaries	3,625,158	3,622,980	(2,178)	Increase of \$13k for new EIP Aide offset by approx. \$15k in savings from attrition and unfilled positions.
Benefits	6,284,307	6,283,888	(419)	Any savings attributable to the reduction in salaries was off-set by an increase in projected Supplemental Employee Retirement Plan (SERP) expenses.
Books & Supplies	1,283,537	1,189,897	(93,640)	\$86k transferred to contracted services for increased assessments and \$7k transferred to capital outlay for M&O equipment
Contracts & Services	3,174,345	3,225,503	51,158	Increase due to \$76k in assessments offset by a decrease of \$23k transferred to capital outlay for the JM tent and M&O equipment, \$2k in misc. transfers
Capital Outlay	4,000	41,601	37,601	Increase due to M&O purchase of district lawn mower and utility cart and tent for JM outdoor classroom
Indirect Support Costs	(25,000)	(25,000)	-	
Transfers Out	22,795	22,795	-	
TOTAL EXPENDITURES:	24,281,970	24,166,501	(115,469)	

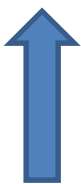


Expenses by \$115,469



Schedule of Changes-Fund Balance

	1st Interim	2nd Interim	Change
Excess (Deficiency) of Revenues over Expenditures	(574,909)	(339,083)	235,826
FUND BALANCE, RESERVES			
Beginning Balance	5,903,247	5,903,247	-
Ending Balance	5,328,338	5,564,164	235,826
RESERVES:			
<u>Nonspendable:</u>			
<i>Revolving Cash</i>	25,000	25,000	-
<i>Prepaid Expenditures</i>	-		-
<u>Restricted:</u>			
<i>Legally Designated (restricted programs)</i>	255,435	296,989	41,554
<u>Assigned:</u>			
<i>Textbooks</i>	-	-	-
<i>Curriculum & Instruction</i>	60,770	105,575	44,805
<i>Technology Replacement/Upgrades</i>	271,667	271,667	-
<u>Unassigned:</u>			
<i>Designated for Economic Uncertainties</i>	728,459	724,995	(3,464)
Unassigned Fund Balance	3,987,007	4,139,938	152,931



Fund Balance of \$235,826
 Unrestricted: \$149,467
 Restricted: \$86,359



Multi-Year Projection

GOVERNOR'S ASSUMPTIONS:	2020-21	2021-22	2022-23
Cost-of-Living Adjustment	0.00%	3.84%	1.28%
Consumer Price Index	1.44%	1.57%	1.82%
CalPERS Employer Rate	20.70%	23.00%	26.30%
CalSTRS Employer Rate	16.15%	15.92%	18.00%
Classified Driven Benefits	30.27%	32.57%	35.87%
Certificated Driven Benefits	19.52%	19.29%	21.37%
DISTRICT'S ASSUMPTIONS:	2020-21	2021-22	2022-23
Enrollment	1761	1681	1681
Funded ADA	1808.08	1807.00	1642.06
Step & Column Increase	1.00%	1.00%	1.00%
Health Benefits Rates	5.00%	5.00%	5.00%
Reserve for Economic Uncertainty	4.00%	4.00%	4.00%
Routine Restricted Maintenance	3.00%	3.00%	3.00%
MEF Contributions	\$1.625m	\$1.45m	\$1.45m
Energy Efficiency Project	\$0	\$224k	\$105k
Reduction in workforce due to decline in enrollment and funding	n/a	4.8 teachers	4.8 teachers

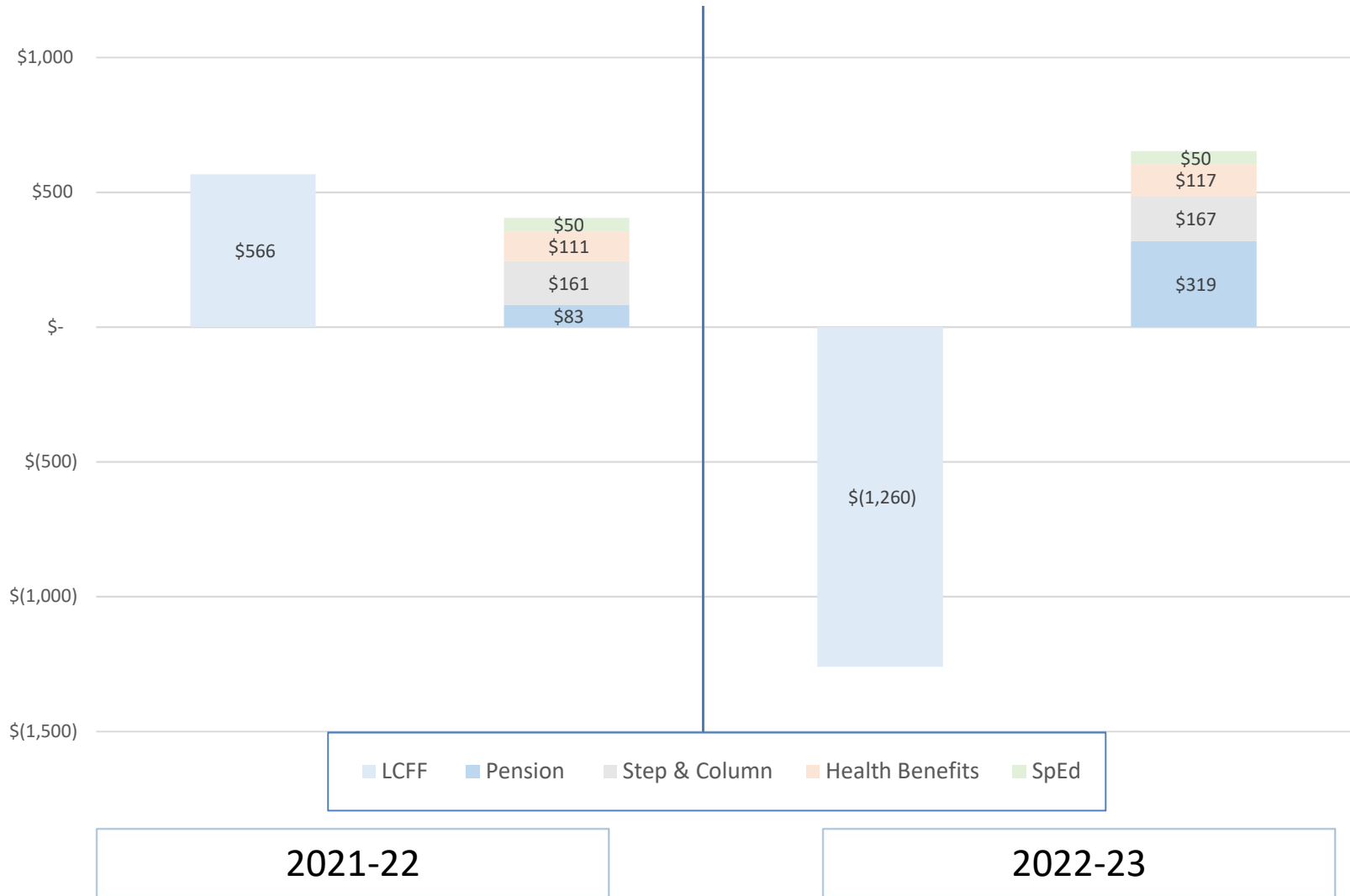


Local Control Funding Formula (LCFF Funding)

	2020-21	2021-22	2022-23
LCFF Funding	\$14,955,924	\$15,522,294	\$14,262,076
\$ Change Per Year	(\$37,689)	\$566,370	(\$1,260,218)
% Change per Year	(0.25%)	3.78%	(8.12%)



New Revenue vs. Natural Increase in Expenses





Multi-Year Projection

	2020-21	2021-22	2022-23
Total Revenues:	23,827,418	23,342,984	22,082,766
Total Expenditures:	24,166,500	23,116,072	23,486,526
Net Increase (Decrease) to Fund Balance:	(339,082)	226,912	(1,403,760)
FUND BALANCE RESERVES:			
Beginning Balance	5,903,248	5,564,166	5,791,078
Net Increase (Decrease) to Fund Balance:	(339,082)	226,912	(1,403,760)
ENDING FUND BALANCE:	5,564,166	5,791,078	4,387,318
COMPONENTS OF THE ENDING FUND BALANCE			
NONSPENDABLE: Revolving Cash	25,000	25,000	25,000
RESTRICTED: Categorical Programs	296,989	253,814	134,838
ASSIGNED:			
Textbook Implementation	0	0	0
Curriculum & Instruction Professional Development	105,575	40,000	25,575
Technology Replacement/Upgrade	271,667	0	0
UNASSIGNED AVAILABLE RESERVES:			
**3% Required Reserve	724,995	693,482	704,596
**Undesignated Fund Balance:	4,139,940	4,778,782	3,497,309
TOTAL AVAILABLE RESERVES AS A PERCENTAGE:			
**TOTAL AVAILABLE GENERAL FUND RESERVES	4,864,935	5,472,264	4,201,905
ADD FUND 17 RESERVES	950,380	950,380	950,380
TOTAL AVAILABLE RESERVES IN DOLLARS:	5,815,315	6,422,644	5,152,285
TOTAL AVAILABLE RESERVES AS A PERCENTAGE:	24.06%	27.78%	21.94%



Other Funds

- The district administers 7 other funds:
 - Child Care Fund
 - Cafeteria Fund
 - Special Reserve Fund
 - Building Fund
 - Capital Facilities Fund
 - Capital Projects Reserve Fund
 - Bond Fund

- All are projected to have positive fund balances



CERTIFICATION OF 2nd INTERIM

Certification on the financial condition of the District can be reported as positive, qualified or negative.

- Positive: District will be able to meet its financial obligations for the current and subsequent two fiscal years.
- Qualified: District may not be able to meet its financial obligations for the current and subsequent two fiscal years.
- Negative: District will not be able to meet its financial obligations for the current and subsequent two fiscal years.



CERTIFICATION

- Positive – District will be able to meet its financial obligations for the current and subsequent two fiscal years.
- Staff recommends the Governing Board approve the District Second Interim Report.