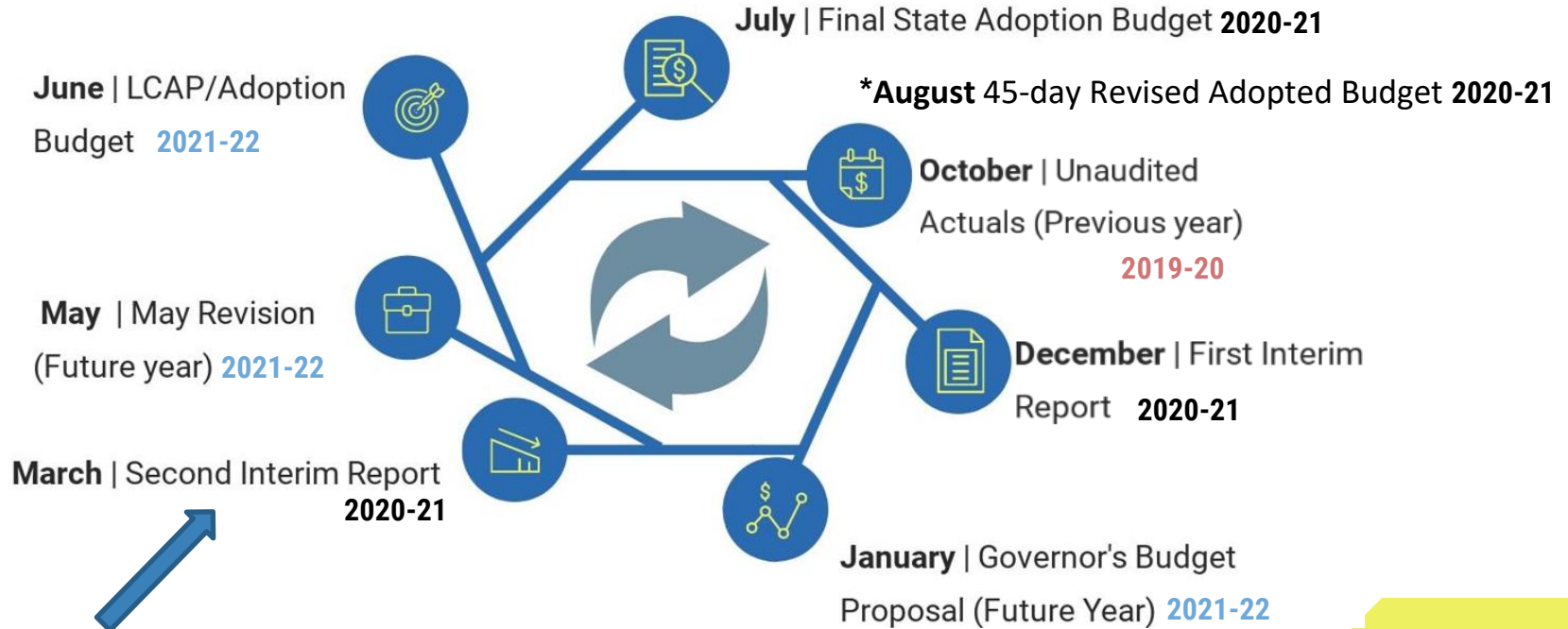


# Second Interim Budget Fiscal Year 2020-2021

March 18, 2021

# Reporting Cycle 2020-2021

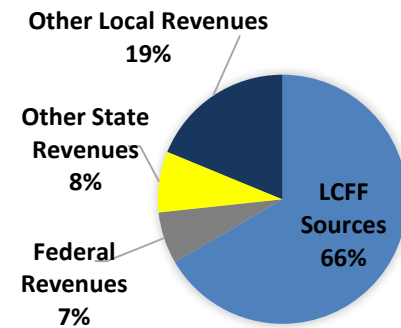


\*Additional for 2020-21 Fiscal Year

# Second Interim Overview

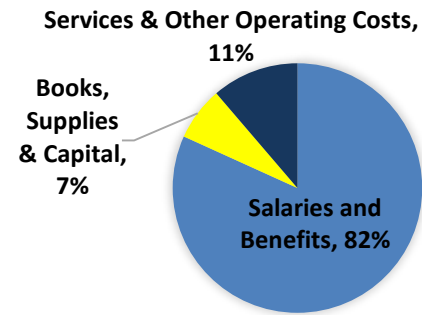
- Comparisons to First Interim Report (December)
- Multi-Year Projections
- Cash Flow Projection
- Considerations for Fiscal Sustainability

# Second Interim Compared to First Interim Total Revenues (Unrestricted and Restricted)



	Unrestricted Variance 2020-21	Restricted Variance 2020-21	Total Variance	Reason(s)
LCFF	\$54,080	\$5,760	\$59,840	Increase in final Unduplicated Pupil count supplemental funding and Yolo COE allocation
Federal Revenues	\$0	\$0	\$0	Does not yet include estimated ESSER II funding
Other State Revenues	\$0	\$0	\$0	Does not yet include anticipated AB/SB 86 in-person instruction and expanded learning grants
Other Local Revenues	\$0	\$382,761	\$382,761	Increase for CTE and Healthy Davis Together UCD grants, decrease for Special Education local revenue
<b>Total Revenues</b>	<b>\$54,080</b>	<b>\$388,521</b>	<b>\$442,601</b>	

# Second Interim Compared to First Interim Total Expenditures (Unrestricted and Restricted)



	Unrestricted Variance 2020-21	Restricted Variance 2020-21	Total Variance	Reason(s)
Salaries and Benefits	\$388,700	-\$1,001,796	-\$613,097	Reduced extra duty assignments, increased Special Education and COVID extra duty costs
Books, Supplies and Capital	\$147,557	-\$1,051,465	-\$903,907	Reduction in classroom supplies and equipment, adjusted COVID budgets between supplies and services, increase for air purifiers
Services, Other Operating and Other Outgo	\$104,340	\$724,050	\$828,389	Reduction in travel, conferences and utilities, adjusted COVID budgets between supplies and services
<b>Total Expenditures</b>	<b>\$640,596</b>	<b>-\$1,329,211</b>	<b>-\$688,615</b>	

# COVID Funding

	Awarded	ESSER II	AB/SB 86	
Federal	\$4,176,678	\$2,416,433	-	
State	\$728,761	-	\$7,000,000	estimated
Total	\$4,905,439	\$2,416,433	\$7,000,000	

# COVID Funding Expenditures

Category	Amount
Addressing learning loss	\$1,295,409
Providing pupil diagnostic assessments	\$149,969
Providing additional instructional materials or supports	\$264,326
Providing devices for connectivity	\$1,012,013
Providing health, counseling, or mental health services	\$139,786
Professional development to support students in distance-learning contexts	\$1,353,615
Access to school breakfast and lunch programs	\$45,830
Personal protective equipment, supplies to sanitize and clean facilities	\$467,024
<b>Total</b>	<b>\$4,727,972</b>

# Multi-Year Projection (MYP) Assumptions Second Interim (2020-2023)

- Enrollment adjusted based on demographic analysis (2021-2023)\*
- LCFF COLA reinstated for next two fiscal years\*
- Parcel Tax Rate adjusted for inflation
- Continued employee cost increases (pensions, step and column)
- Adjustment for 2020-2021 COVID related impacts\*
- LCFF supplemental program spending requirements\*
- Budget reductions to maintain minimum required 3% reserve\*

\* changed since December First Interim Report



# Second Interim Multi-Year Projection (Unrestricted)

	2020-21	2021-22	2022-23
<b>Beginning Balance July 1</b>	<b>\$6,199,999</b>	<b>\$6,206,258</b>	<b>\$7,067,025</b>
+Revenues	\$85,224,315	\$87,610,385	\$85,560,719
-Expenditures	\$66,014,622	\$68,243,212	\$70,518,858
+Other Financing Sources/Uses	(\$19,203,434)	(\$18,506,406)	(\$18,933,538)
<b>= Surplus/(Deficit) Spending</b>	<b>\$6,259</b>	<b>\$860,767</b>	<b>(\$3,891,677)</b>
<b>Ending Balance June 30</b>	<b>\$6,206,258</b>	<b>\$7,067,025</b>	<b>\$3,175,348</b>
<b><i>Ending Balance %</i></b>	<b><i>5.8%</i></b>	<b><i>7.0%</i></b>	<b><i>3.1%</i></b>

# Second Interim Multi-Year Projection (Restricted)

	2020-21	2021-22	2022-23
<b>Beginning Balance July 1</b>	<b>\$3,534,793</b>	<b>\$1,107,684</b>	<b>\$697,430</b>
+Revenues	\$19,815,795	\$13,542,590	\$13,242,590
-Expenditures	\$40,197,804	\$32,411,620	\$32,485,964
+Other Financing Sources/Uses	\$17,954,900	\$18,458,777	\$18,885,909
<b>= Surplus/(Deficit) Spending</b>	<b>(\$2,427,109)</b>	<b>(\$410,253)</b>	<b>(\$357,465)</b>
<b>Ending Balance June 30</b>	<b>\$1,107,684</b>	<b>\$697,430</b>	<b>\$339,965</b>

# Multi-Year Projection

## First Interim Budget with 2022-23 Reductions

DJUSD First Interim 2020-21	2019-20	2020-21	2021-22	2022-23
LCFF COLA	3.26%	0.00%	0.00%	0.00%
LCFF Revenue Growth	\$1,800,000	(\$200,000)	(\$600,000)	(\$3,700,000)
Budget Reductions to Maintain 3% Reserve		\$0	\$0	(\$6,300,000)
Operating Deficit/Surplus	\$400,000	(\$300,000)	(\$1,800,000)	(\$1,100,000)
Reserve %	6.1%	5.5%	4.0%	3.1%
<i>Reserve for Economic Uncertainties %</i>	3.0%	3.0%	3.0%	3.0%
<i>Reserve for Economic Uncertainties \$</i>	\$3,000,000	\$3,200,000	\$3,100,000	\$2,900,000
<i>Available Reserve Dollar Value above 3%</i>	\$3,096,000	\$2,600,000	\$1,000,000	\$0

# Multi-Year Projection

## Second Interim Budget with 2022-23 Reductions

DJUSD Second Interim 2020-21	2019-20	2020-21	2021-22	2022-23
LCFF COLA	3.26%	0.00%	3.84%	1.28%
LCFF Revenue Growth	\$1,800,000	(\$100,000)	\$2,100,000	(\$2,200,000)
Budget Reductions to Maintain 3% Reserve		\$0	\$0	(\$100,000)
Operating Deficit/Surplus	\$400,000	\$0	\$900,000	(\$3,900,000)
Reserve %	6.1%	5.7%	7.0%	3.1%
<i>Reserve for Economic Uncertainties %</i>	3.0%	3.0%	3.0%	3.0%
<i>Reserve for Economic Uncertainties \$</i>	\$3,000,000	\$3,200,000	\$3,000,000	\$3,100,000
<i>Available Reserve Dollar Value above 3%</i>	\$3,096,000	\$2,900,000	\$4,000,000	\$0

# Cash Flow Projection

- An important analysis used to manage our ability to meet our obligations
- Cash inflows do not align with cash outflows
- Declining fund balances place additional pressure on cash flow
- State required cash deferrals increase the need for short-term borrowing to maintain positive month end cash balances by fund
- Future-year deferrals could be significantly reduced but are still included pending enactment of the 2021-2022 State Budget

# Considerations for Fiscal Sustainability

- DJUSD depends highly upon State funding
- Declining enrollment and deficit spending can lead to fiscal distress if not addressed
- Future cuts will be needed to maintain reserve level
- Increasing contributions required for certain programs from the unrestricted General Fund
- Long-term fiscal effects from the pandemic are still unknown

# Acknowledgments

The 2020-21 Second Interim Budget represents the time and effort of our District team.

These budget revisions include extra efforts by school site staff, department staff, and other program staff during an increasingly demanding time.

# Questions?