



Fiscal Year 2019 - 2020

Second Interim

March 18, 2020



2019 - 2020 Second Interim Overview

- Second Interim through January 31, 2020
- Major changes to revenue and expenditures
- Multi-year projection
 - Positive Certification



Budget Reporting Process

- 2019 - 2020 Original Budget Adopted- June 21, 2019
- 2018 - 2019 Unaudited Actuals- September 18, 2019
- 2019 - 2020 First Interim Report – December 18, 2019
- 2018 - 2019 Final Annual Audit January 2020
- **2019 – 2020 Second Interim Report – March 2020**
- 2020 - 2021 Local Control Accountability Plan- June 2020
- 2020 - 2021 Original Budget adopted by July 1
- 2019 - 2020 Unaudited Actuals Report - (September 2020)
- Final Annual Audit (December 2020)



Major Changes Since Budget Adoption

- Governor's January Budget Proposal
- Refining Budget and Cleanup
- Mid-Year Changes



Revenue Changes Since Budget Adoption

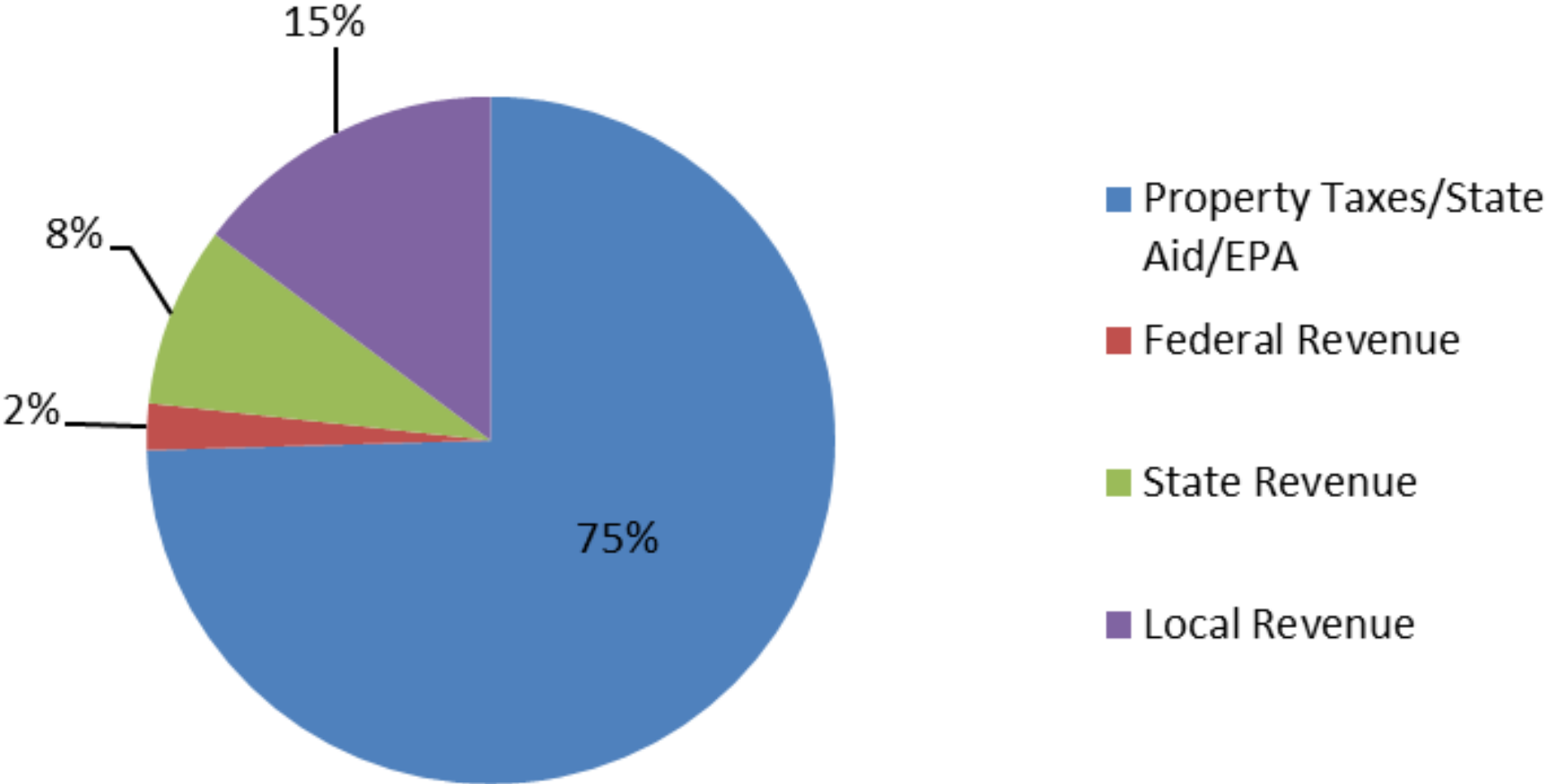
- Overall Revenue Increased by Over \$1.39 Million
 - First Interim
 - Property Taxes/RDA Increase \$60K
 - One-Time Special Ed Preschool
 - Charter School In-Lieu Increase of \$47K
 - Medi-Cal Administrative Activities (MAA) Increase of \$140K
 - Local Revenue and Grants
 - DROPS
 - Washoe Tuition Increase of \$73K
 - Measure AA Decrease of \$78K
 - Second Interim
 - \$87K Increase in Special Education
 - Additional \$21K in Washoe Tuition
 - Additional \$20K in MAA
 - Additional \$45K in Grants and Donations



**2019 - 2020 Adopted Budget and First and Second Interim Revisions
Unrestricted and Restricted Revenues**

Revenue	2019 - 2020 Adopted Budget	2019 - 2020 First Interim	2019 - 2020 Second Interim	Increase/ (Decrease) From Budget Adoption
Property Taxes/State Aid/EPA	\$ 53,025,866	\$ 53,054,913	\$ 53,064,200	\$ 38,334
Federal Revenue	\$ 1,405,281	\$ 1,513,409	\$ 1,559,905	\$ 154,624
State Revenue	\$ 5,396,888	\$ 6,046,126	\$ 6,046,126	\$ 649,238
Local Revenue	\$ 9,958,220	\$ 10,330,625	\$ 10,515,263	\$ 557,043
Total Revenue	\$ 69,786,255	\$ 70,945,073	\$ 71,185,494	\$ 1,399,239

2019 - 2020 Total Revenue Summary





Expenditure Changes Since Adoption

- Overall Expenditures Increased by \$2.27 M
 - Certificated Staffing increased \$178K
 - Added Positions
 - Vacancy Savings
 - Added Sub Cost
 - COVID-19 Preparation
 - Classified Salaries Increased by \$236K
 - Added Positions
 - Vacancy Savings
 - Added Sub Cost
 - COVID-19 Preparation
 - Benefits Decreased by \$22K
 - Savings for Payroll Liabilities and H&W



Expenditure Changes Since Adoption

- Materials and Supplies Increased \$611K
 - Carryover Funds, Donations and Grants
 - Accounting Re-classifications
 - \$125K for Additional ELA Adoption
 - Cleaning Supplies

- Professional Services Increased \$640K
 - \$228K ELA and Other Instructional Licenses
 - \$140K for Non-Public School Placement
 - \$55K County Mental Health Services
 - \$30K in Insurance Increases
 - \$38K Increase in Technology Licenses
 - \$45K Increase in Routine Maintenance Contribution
 - \$78K Increase in Utilities



Expenditure Changes Since Adoption

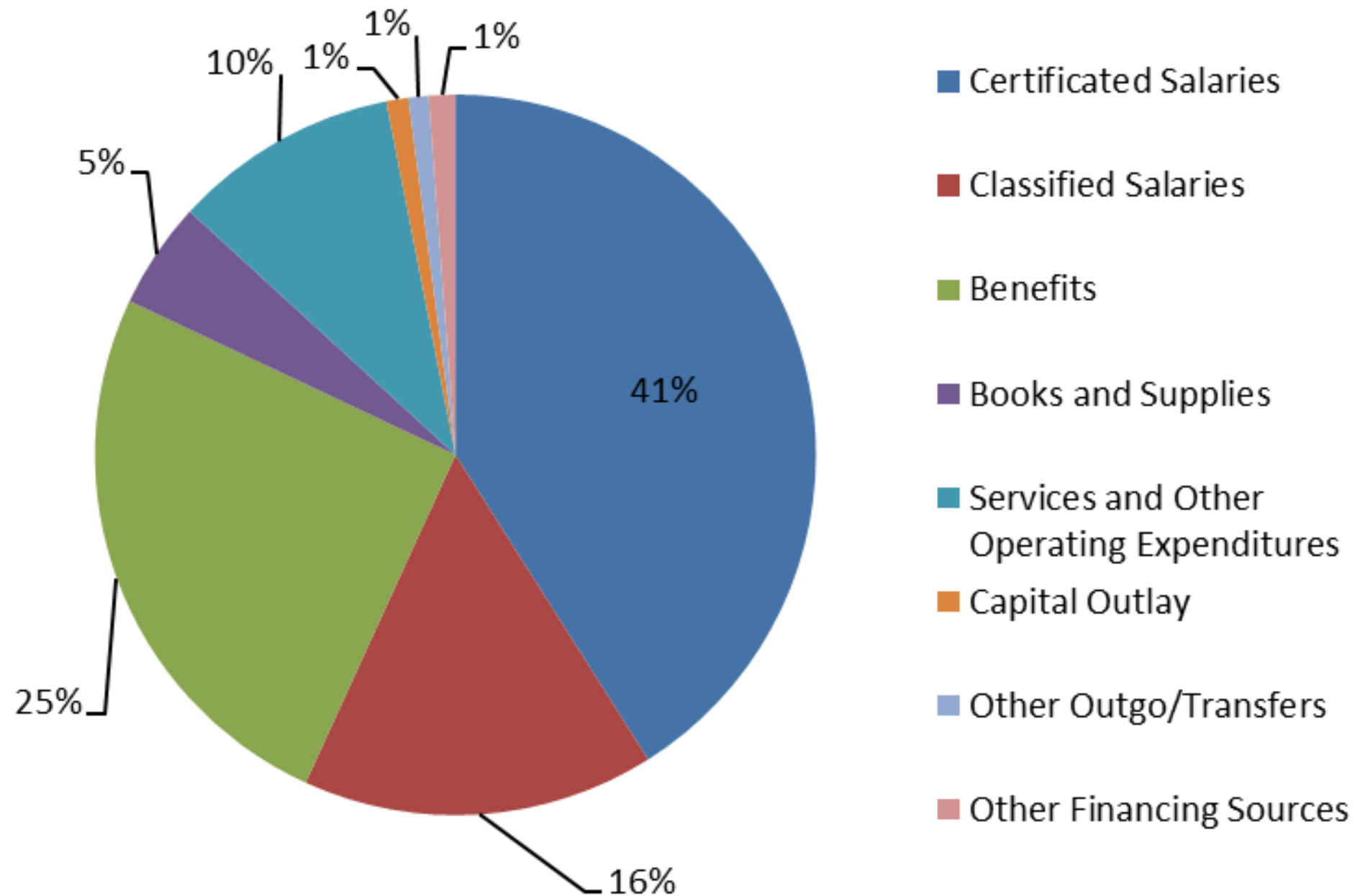
- Capital Outlay Increased \$602K
 - \$172K Increase for DROPS
 - \$177K Proposition 39 Projects
 - \$171K for Network Switch Replacement
 - \$45K Increase for Storage Network Devices
 - \$68K Increase for Essential Snow Removal Equipment



**2019 - 2020 Adopted Budget and First and Second Interim Revisions
Unrestricted and Restricted Expenditures**

Expenditures	2019 - 2020 Adopted Budget	2019 - 2020 First Interim	2019 - 2020 Second Interim	Increase/ (Decrease) From Budget Adoption
Certificated Salaries	\$ 29,367,612	\$ 29,507,675	\$ 29,545,576	\$ 177,964
Classified Salaries	\$ 11,144,554	\$ 11,285,483	\$ 11,381,168	\$ 236,614
Benefits	\$ 18,167,781	\$ 18,301,017	\$ 18,145,651	\$ (22,130)
Books and Supplies	\$ 2,836,194	\$ 3,325,130	\$ 3,447,164	\$ 610,970
Services and Other Operating Expenditure	\$ 6,644,670	\$ 6,960,363	\$ 7,284,212	\$ 639,542
Capital Outlay	\$ 106,800	\$ 612,913	\$ 709,373	\$ 602,573
Other Outgo	\$ 706,761	\$ 706,761	\$ 721,276	\$ 14,515
Transfers of Indirect Cost	\$ (84,695)	\$ (84,695)	\$ (70,189)	\$ 14,506
Other Financing Sources	\$ 863,344	\$ 855,839	\$ 857,818	\$ (5,526)
Contributions	\$ -	\$ -	\$ -	\$ -
Total Revenue	\$ 69,753,021	\$ 71,470,486	\$ 72,022,049	\$ 2,269,028

2019 - 2020 Total Expenditure Summary





Second Interim Unrestricted Fund Balance

- Deficit Spending of \$784,837
 - Some Due to ELA Adoption (Instructional Materials Reserve)
- Second Interim REU at \$6,680,289
- \$6,777,520 at Budget Adoption
- 9.28% REU



**2019 - 2020 TTUSD Adopted Budget and Second Interim
Components of Ending Fund Balance**

Fund Balance	2019 - 2020 Original Budget	2019 - 2020 Second Interim
Restricted	\$ 1,310,073	\$ 1,302,390
Unrestricted		
Reserve for Economic Uncertainty and Basic Aid	\$ 6,777,520	\$ 6,680,289
Reserve for Cash, Stores and Prepaid Expense	\$ 60,000	\$ 60,000
Designated (Inst. Materials Reserve, MAA, Bus and Tech Reserves)	\$ 2,046,148	\$ 1,764,110
Undesignated	\$ -	\$ -
Unrestricted Subtotal	<u>\$ 8,883,668</u>	<u>\$ 8,504,399</u>
 Total Ending Balance	 \$ 10,193,741	 \$ 9,806,789
 Reserve for Economic Uncertainty and Basic Aid	 9.72%	 9.28%



Multi-Year Projections

- Assumptions
 - 3.5% Increase to Property Tax in 2020 -2021 and 3.25% in Out Years
 - Measure AA Parcel Tax!
 - Annual Increase to Charter Obligation \$47,013 in 2021 - 2022
 - No One-Time Funding after 2019 - 2020
 - EPA Funding in Out Years
 - No Additional Staffing in Out Years
 - Does Not Include Salary Increases
 - Measure AA Relatively Flat Funding
 - No SWP Funding after 2020 - 2021



TAHOE TRUCKEE
UNIFIED SCHOOL DISTRICT

Multi-Year Projections

- Assumptions (cont.)
 - **Ongoing Reductions of \$750,000!**
 - STRS Rates of 18.4% in 2020 – 2021 and 18.1% in 2021 - 2022
 - PERS Rates of 22.8% in 2020 - 2021 and 24.9% in 2021 - 2022
 - \$125K in Attrition Savings in 2020 -2021 and Out Years.
 - Step and Column at 1.5%
 - Continuing Contributions to Measure AA
 - E-Rate Category 2 Equipment Purchase in Out Years.
 - Adoption of Instructional Materials in Out Years

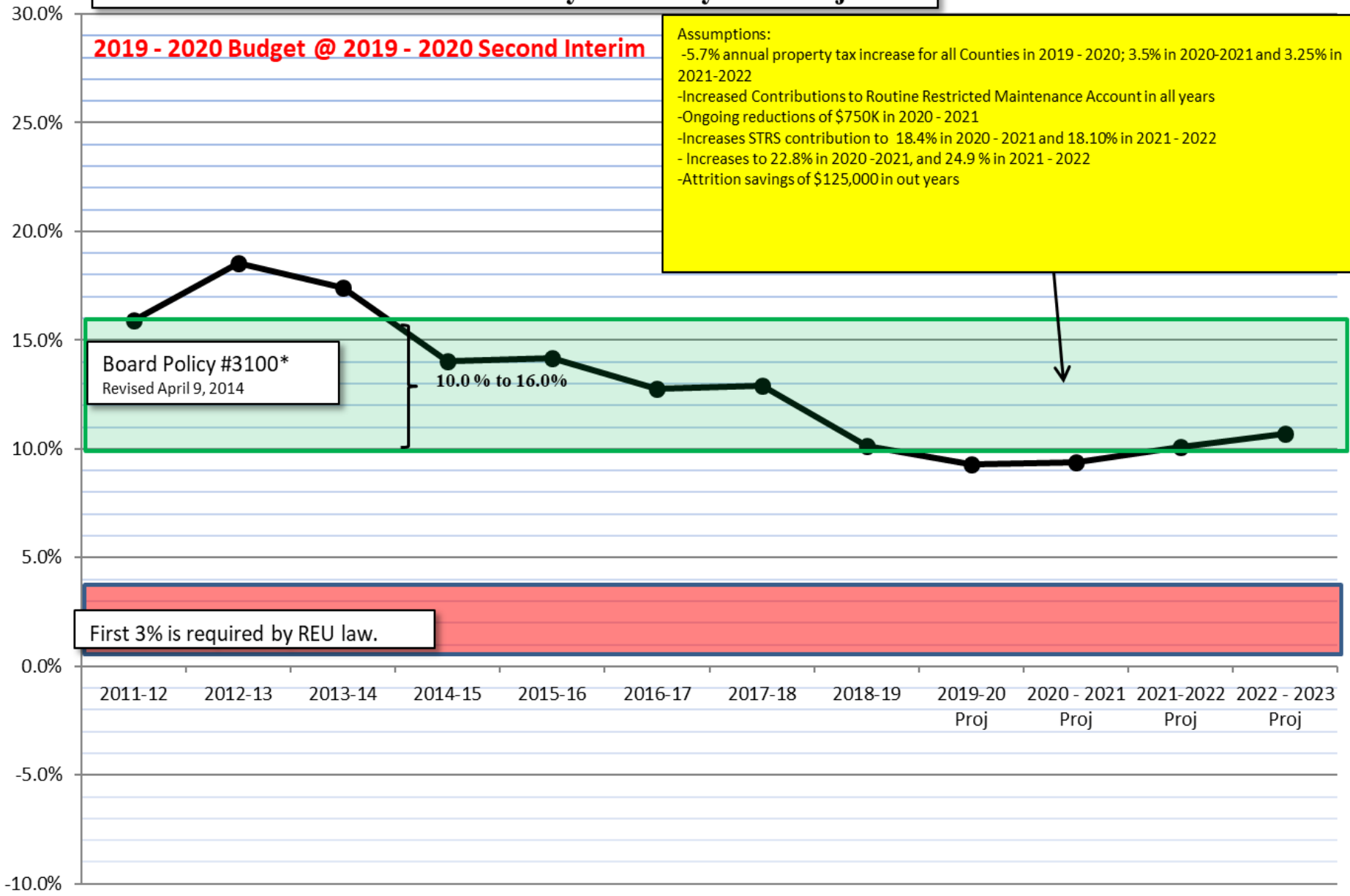


**2018 - 19 TTUSD Proposed Budget
Multi-Year Projection Ending Fund Balances**

Fund Balance	2019 - 2020 Projected	2020 - 2021 Projected	2021 - 2022 Projected
Restricted	\$ 1,302,390	\$ 1,053,415	\$ 1,389,403
Unrestricted			
Reserve for Economic Uncertainty and Basic Aid	\$ 6,680,289	\$ 6,688,131	\$ 7,276,399
Reserve for Cash, Stores and Prepaid Expense	\$ 60,000	\$ 60,000	\$ 60,000
Designated (Inst. Materials Reserve, MAA, Bus and Tech Reserves)	\$ 1,764,110	\$ 1,739,110	\$ 1,379,392
Undesignated	\$ -	\$ -	\$ -
Unrestricted Subtotal	\$ 8,504,399	\$ 8,487,241	\$ 8,715,791
Total Ending Balance	\$ 9,806,789	\$ 9,540,656	\$ 10,105,194
Reserve for Economic Uncertainty and Basic Aid	9.28%	9.39%	10.08%

Tahoe Truckee Unified School District Reserve for Economic Uncertainty: History and Projection

FY20@ 2019 - 2020 Second Interim



Note: Every 1% = approx. \$714,000

March 18, 2020



What's Coming?

- Governor's May Revise Budget
 - Monitor Potential Additional Funding
 - Special Education
- COVID-19 Additional Costs
- Budget and LCAP Development



Questions?