



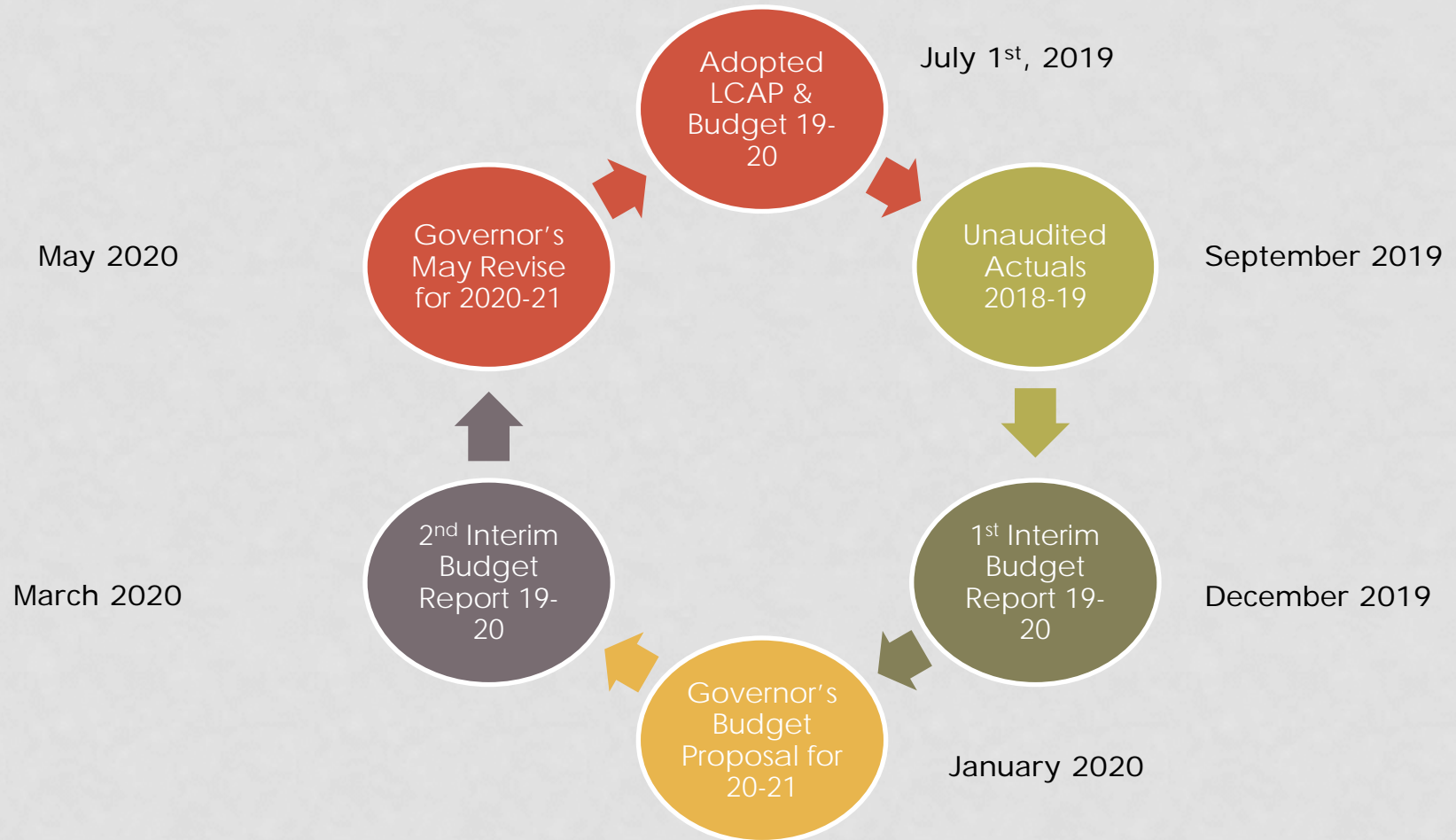
WHEATLAND UNION HIGH SCHOOL DISTRICT

2019-20 FIRST INTERIM REPORT

Presented to the Board
of Education on
December 16, 2019



FINANCIAL REPORTING CYCLE



CHANGES SINCE BUDGET

- Revenues
 - \$75K increase in LCFF funding due to additional ADA
 - \$45K increase in local miscellaneous funding and special education funding
- Expenditures Increases
 - \$10K for Band uniforms
 - \$12K for textbooks and curriculum
 - \$141K in classified staffing due to hiring of additional instructional aides and transportation staff to meet student needs
 - \$56K in employee benefits due to additional staffing

CHALLENGES

- Continued increase in STRS and PERS costs
 - 20/21: \$40.5K STRS Increase and \$43K PERS Increase
 - 21/22: (\$1.8K) STRS Decrease and \$25K PERS Increase
- Step and Column Costs
 - 20/21: \$39K increase in Certificated salaries, \$15K increase in Classified salaries
 - 21/22: \$41K increase in Certificated salaries, \$13K increase in classified salaries
- Increase in Special Education Costs
 - Additional instructional aides hired to meet Special Education student needs
 - Budget increased for school psychologist and mental health counseling services

PLANNING FACTORS



	2018-19 Unaudited Actuals	2019-20 Budget Development	2019-20 First Interim
Statutory COLA	2.71%	3.26%	3.26%
GAP funding	100%	100%	100%
Enrollment - (includes county)	799 – Actual 784 – District 15 - County	851– Projected 845 – District 6 – County	884 – Projected 876 – District 8 – County
Unduplicated count	356	375	382
ADA (inc. county)	749.91	792.71	800.28
Funded ADA	749.91	792.71	800.28
Lottery	\$151	\$151	\$153
Prop 20	\$53	\$53	\$54
STRS	16.28%	16.70%	17.10%
PERS	18.062%	20.733%	19.721%
Mandated Claims / Discretionary Funds	\$134,519 \$184 x 731	\$0	\$0

REVENUE SOURCES – GENERAL FUND



Revenue Source	2018-19 Unaudited Actuals	2019-20 Budget Development	2019-20 First Interim	Notes
Local Control Funding	\$7,830,160	\$8,452,588	\$8,527,744	Increase in ADA
Federal Revenue	\$403,784	\$339,891	\$344,396	
Other State Revenue	\$1,397,296	\$648,064	\$658,027	Decrease in one-time discretionary funds
Other Local Revenue	\$339,048	\$313,866	\$359,811	Increase in local miscellaneous revenue and local SPED revenue
Total Revenue	\$9,970,291	\$9,754,409	\$9,889,978	

EXPENDITURES – GENERAL FUND



	2018-19 Unaudited Actuals	2019-20 Budget Development	2019-20 First Interim	Notes
Certificated Staff Salaries	\$3,761,435	\$3,951,666	\$3,829,000	Staffing changes, Decrease in Overages
Classified Salaries	\$1,359,232	\$1,394,659	\$1,535,736	Increase in instructional aides, transportation staffing
Employee Benefits	\$2,403,928	\$2,091,297	\$2,147,801	Increase in STRS, PERS, Health & Welfare

EXPENDITURES – GENERAL FUND



	2018-19 Unaudited Actuals	2019-20 Budget Development	2019-20 First Interim	Notes –
Books and Supplies	\$792,645	\$742,460	\$812,108	Increase in classroom furniture, technology and curriculum
Services/Op Expenditures	\$1,070,198	\$1,077,743	\$1,101,863	SPED Consulting Services Increased
Capital Outlay	\$82,543	\$150,602	\$152,704	CTEIG Grant, Reel Mower
Other Outgoing	\$369,935	\$240,670	\$259,099	Slight increase in county SPED estimated costs
Indirect Costs	(\$7,811)	(\$7,811)	(\$7,811)	Cafeteria Indirect Transfer
Interfund Transfers Out	\$52,576	\$52,576	\$52,576	Qualified Zone Academy Bond Payment
Total Expenditures	\$9,884,684	\$9,693,862	\$9,883,076	

GENERAL FUND ACTIVITY AND RESERVES



Category	2018-19 Unaudited Actuals	2019-20 Budget Development	2019-20 First Interim
Beginning Balance	\$1,136,932	\$941,219	\$1,194,964
Audit Adjustment	(\$27,574)		(\$68,133)
Revenue	\$9,970,291	\$9,754,409	\$9,889,978
Expenditures	\$9,884,684	\$9,693,862	\$9,883,076
Net Increase/Decrease	\$85,606	\$60,547	\$6,902
Total Assigned & Unassigned Ending Fund Balance	\$1,194,964	\$1,001,766	\$1,133,733
Reserved for Economic Uncertainty-Standard 4%	\$393,286	\$387,755	\$395,400
Revolving Cash	\$500	\$500	\$500
Restricted Funds	\$184,225	\$112,400	\$108,149
Assignments – Stabilization Fund	\$391,286	\$165,432	\$180,000
Total Assigned and Unassigned Above Minimum Reserve Requirements	\$801,678	\$614,011	\$738,333
Fund Balance as percentage of expenditures*	12.1%	10.33%	11.47%

*For 2019-20 Budget, 2 months of salaries and benefits 1,252,089 or 12.67% of expenditures. The District's external auditor and YCOE recommend maintaining 2 months of all expenditures in the fund balance, which is equivalent to 16.67% for the budget year.

RESERVE REQUIREMENTS

- Per *California Education Code Section 42127 (a)(2)(B)* commencing with budgets adopted for the 2017-18 fiscal year, the governing Board of a school district that proposes to adopt a budget that includes a combined assigned and unassigned ending fund balance in excess of the minimum recommended reserve for economic uncertainties shall, at a public hearing provide:
 - The minimum recommended reserves for economic uncertainties for each fiscal year identified in the budget
 - The combined assigned and unassigned ending fund balance in excess of the minimum reserve for economic uncertainties for each fiscal year identified in the budget; and
 - A statement of reasons that substantiate the need for assigned and unassigned ending fund balance in excess of the minimum recommend reserve for economic uncertainties
- District's standard reserve level is four percent
- District has set aside one time purchases including technology upgrades and maintenance campus vehicle replacement
- District has established the following Assignments within the fund reserves:
 - Technology - \$80,000 for ongoing technology replacement and upgrades
 - Curriculum - \$50,000 for curriculum and textbook adoption
 - Transportation - \$50,000 for the replacement of vehicles within the District's van and bus fleet.

MULTI-YEAR PROJECTIONS

	2019-20 First Interim	2020-21 Projections	2021-22 Projections
Statutory COLA	3.26%	3.00%	2.80%
GAP funding	-	-	-
Enrollment (includes county)	884– Projected 876– District 8 – County	884– Projected 876– District 8 – County	884– Projected 876– District 8 – County
Unduplicated count	382	382	382
ADA (includes county)	800.28	800.28	800.28
Lottery	\$153 \$54	\$153 \$54	\$153 \$54
STRS	17.10%	18.40%	18.10%
PERS	19.721%	22.70%	24.60%

MULTI-YEAR PROJECTIONS

Category	2019-20 First Interim	2020-21 Projection	2021-22 Projection
Beginning Fund Balance	\$1,126,831	\$1,133,733	\$1,222,502
Revenue	\$9,889,978	\$9,721,063	\$9,962,145
Expenditures	\$9,883,076	\$9,632,294	\$9,820,252
Net Increase (Decrease) in Fund Balance	\$6,902	\$88,769	\$141,893
Ending Fund Balance	\$1,133,733	\$1,222,502	\$1,364,395
Reserved for Economic Uncertainty- 4%	\$395,400	\$385,300	\$392,850
Revolving Fund	\$500	\$500	\$500
Restricted	\$108,149	\$44,849	\$38,057
Assignments	\$180,000	\$180,000	\$180,000
Total Assigned and Unassigned Ending Fund Balance Above the Minimum Reserve	\$738,333	\$837,202	\$971,545
Fund Balance as Percentage of Expenditures	11.47%	12.69%	13.89%

FUND 13 - CAFETERIA FUND

Category	2018-19 Unaudited Actuals	2019-20 Budget Development	2019-20 First Interim
Beginning Balance	\$62,563	\$50,139	\$73,612
Revenue	\$271,332	\$270,700	\$286,450
Expenditures	\$260,284	\$308,086	\$329,470
Net Increase (Decrease) in Fund Balance	\$11,048	(\$37,386)	(\$43,020)
Transfer In (From General Fund)	\$0	\$0	\$0
Ending Balance	\$73,612	\$12,753	\$30,006

FUND 21 - GO BOND FUND FUND 22 - BRIDGE FINANCING

Category	2018-19 Unaudited Actuals	2019-20 Budget Development	2019-20 First Interim	Notes
Beginning Balance	\$2,975,983	\$2,904,643	\$3,253,298	
Revenue	\$192,760	\$5,000	\$12,000	
Financing Sources	\$1,800,000	\$0	\$0	
Expenditures	\$1,680,082	\$2,904,643	\$3,265,298	Includes classroom renovation, architect/consultant fees, stadium bleachers, athletic fields
Other Uses	\$0	\$0	\$0	
Net Increase (Decrease) in Fund Balance	\$312,677	(\$2,904,643)	(\$3,253,298)	
Ending Fund Balance	\$3,288,661	\$0	\$0	

OTHER FUNDS – FIRST INTERIM

Description	Fund 14 Deferred Maintenance Fund	Fund 25 Developer Fee Fund	Fund 40 Reserve Fund for Capital Outlay	Fund 51 Bond Interest & Redemption	Fund 56 Debt Service Fund	Fund 73 Scholarship Fund
Beginning Balance	\$21,846	\$881,997	\$825,476	\$662,011	\$234,392	\$100,642
Revenue	\$310	\$459,000	\$3,000	\$411,900	\$3,000	\$4,500
Expenditures	\$22,156	\$655,485	\$0	\$411,900	\$81,642	\$5,000
Inter-fund Transfers In	\$0	\$0	\$52,576	\$0	\$0	\$0
Net Increase (Decrease)	(\$21,846)	(\$196,485)	\$55,276	\$0	(\$78,642)	(\$500)
Ending Fund Balance	\$0	\$685,512	\$881,052	\$662,011	\$155,750	\$100,142

SUMMARY & CERTIFICATION

- Budget projections for the General Fund show a:
 - Net increase in fund balance of \$6,902 in 2018-19
 - Reserves of \$1,133,733 at the end of 2019-20
 - \$395,400 for Reserve for Economic Uncertainties
 - \$108,149 of reserves are restricted funds for specific programs
 - \$180,000 of reserves are Assigned for technology, curriculum and transportation
- Based on multi-year projections and the current assumptions, staff recommend the Board approve of the 2019-20 First Interim with a **positive certification and the budget adjustments within.**