

**2020/21
FINAL BUDGET
EXECUTIVE SUMMARY**

Attached, for Board review and approval, are the final 2020/21 budget revisions for all funds. The purpose of the revisions is to account for changes since the Second Interim Report approved on March 9, 2021. Additionally, on June 15, 2021, Resolution No. 945 was approved which authorized the District to revise the 2020/21 budget after the end of the fiscal year.

GENERAL FUND

REVENUES:

LCFF (Local Control Funding Formula) revenues increase \$1,601,610 to reflect an increase in property taxes for the Special Education Local Plan Area (SELPA) and an increase in LCFF based on the final yearend calculation.

Federal revenues increase \$56,218,105 to account for new and updated award notifications from various programs. The increase is mainly due to the ESSER II grant of \$54.3 million, Title I updated allocation of \$1.3 million and Medi-Cal Billing Program of \$316 thousand. There are increases in expenditures to go with the revenue increases.

State revenues increase \$23,427,010 to reflect new and updated award notifications from various programs. The increase is mainly due to the In-Person Instructional (IPI) grant of \$10.9 million, Expanded Learning Opportunity (ELO) grant of \$9.3 million, Expanded Learning Opportunity – Para (ELO-Para) grant of \$1.8 million, Lottery allocations of \$900 thousand and STRS On-behalf contributions of \$600 thousand. There are increases in expenditures to go with the revenue changes.

Local revenues increase by \$8,539,090 to account for new and updated funding sources. The largest increases include E-rate funding for Dark Fiber project of \$6.6 million, SMAQMD for electric busses of \$1.5 million and insurance claims of \$350 thousand. There are increases in expenditures to go with the revenue increases.

Transfers In from other funds increase by \$13,000.

EXPENDITURES:

Expenditures increase to reflect changes based on the new Federal, State and Local awards. The last increase of \$35 million for Transfers to other funds is \$5 million for retiree health benefits and \$30 million to facility funds for Board approved projects.

FUND BALANCE:

We established ending fund balance reserves for cash, stores inventory and economic uncertainties.

STUDENT ACTIVITY SPECIAL REVENUE FUND

The revenue and expenditure budgets are established for the Associated Student Body (ASB) funds per Governmental Accounting Standards Board (GASB) Statement 84.

ADULT EDUCATION FUND

Revenues decrease by \$446,756. The significant decrease is for unearned Federal grants that will carryover as revenue into the next year. Expenditures decrease by \$726,508; over half is from the federal grants and the other is a reduction to the Adult Education Block Grant (State) program budget to reflect actual needs for the year. We also adjusted budgets between object codes to better reflect actual expenditures.

CHILD DEVELOPMENT FUND

Federal and State grant revenues decrease \$2 million along with expenditures for unearned revenue that will carryover as revenue into the next year. We also adjusted budgets between object codes to better reflect actual expenditures.

CAFETERIA FUND

Revenues increase by \$237,534. The significant changes are \$124 thousand decrease for unearned Federal grants that will be carryover as revenue in the next year, \$625 increase for the COVID \$0.75 increase and a decrease of \$261 thousand for breakfast/lunch meal reimbursements. Expenditures decrease \$3.3 million to better reflect actual expenditures which includes \$208 thousand covered by ESSER II funds in the General Fund. The ending fund balance increases \$3.5 million due to the decrease in expenditures.

SPECIAL RESERVE POST-EMPLOYMENT BENEFITS FUND

Interfund Transfers In increase \$5 million to support retiree health liability.

DEFERRED MAINTENANCE FUND

Revenues decrease \$810,313; less supplemental/concentration funds are needed from the General fund for facilities. Expenditures decrease \$9.5 million, which then assigns ending fund balance for projects for next year. We also adjusted expenditures within object codes to reflect year end actuals.

BUILDING FUND

There are no changes to this fund since Second Interim.

CAPITAL FACILITIES FUND/DEVELOPER FEES

Revenues increase \$4,996,111 to reflect actuals for community redevelopment funds. Expenditures increase \$8.9 million to budget for funds available for the construction of Northlake school. We adjusted expenditures within object codes to reflect year end actuals.

COUNTY SCHOOL FACILITIES FUND

Revenues increase \$8.7 million for state school facilities funding received. Expenditures decrease \$367 thousand for a finished project. The ending fund balance increases to be used for future facility board approved modernization projects.

SPECIAL RESERVE CAPITAL OUTLAY FUND

Revenues increase almost \$30 million for one-time interfund transfer in for facility projects. Expenditures decreased \$6.6 million for projects that will now be funded through another source. We also adjusted expenditures within object codes to reflect year end actuals.