



Budget Advisory & Parcel Tax Oversight Committee (BAC/PTO) FY 2020-2021

Presented by:
Dr. Conny Santa Cruz
Chief Business Official
Denice LaCroix
Supervisor of Business
December 14, 2020

“Inspiring our community with opportunities to learn and thrive, we are committed to a shared purpose that guarantees each student a strong academic foundation while ensuring equity through access and opportunity for all.”

Warm Welcome

Budget Advisory & Parcel
Tax Oversight Committee
FY 2020-2021

A G E N D A:

- ❖ Introductions (5:30 PM -10 Mins)
- ❖ Presentation (5:40 PM - 30 Mins)
 - Relevance
 - Purpose
 - Reporting on Measure N - Parcel Tax
 - Review Budget Cycle
 - Overview of 1st Interim Report
- ❖ Comments | Next Steps | Optimistic Close (6:10PM - 20 Mins)



Introductions

Budget Advisory & Parcel
Tax Oversight Committee
FY 2020-2021

Community Members	Governing Board Members	District Administration
Karen Chin, Parent	Lynne Ferrario, Trustee	Debbie French, Superintendent
Whitney Broussard, Parent	D.Don. Revelo, Trustee	Dr. Conny Santa Cruz, Chief Business Official
Usha Ranji, Parent		Denice LaCroix, Supervisor of Business Services
Katherine Statton, Parent		Frank Lagomarsino, Technology Specialist
Jon Yan, Parent		

Ground Rules - Expectations

1. Start and end on time
2. One person talks at a time (no side conversations)
3. Address issues, not people (individuals)
4. Confidentiality of discussions
5. Stay on task, keep to items on the "floor" at time of discussion
6. No implied agreements
7. Represent needs of entire District, K-8 (not a specific grade or program)
8. Recommendations are advisory





Overview

- ❖ Relevance
- ❖ Purpose
- ❖ Measure N - Parcel Tax
- ❖ Budget Cycle
- ❖ 1st Interim Report
- ❖ Comments | Next Steps |
Optimistic Close



Measure N Parcel Tax

To maintain high-quality education in Millbrae schools, on February 6, 2018, the Millbrae School District Board of Trustees voted to place a local parcel tax measure on the June 5, 2018 ballot to provide locally-controlled funding that could not be taken away by the State.

Measure N was approved reflecting a cost of \$97 per parcel and generating approximately \$700,000 per year, for five years, for our schools.



Measure N Parcel Tax

The ballot language required the District to convene an independent citizens' oversight committee composed of various school and community stakeholders. The committee will be charged with reviewing expenditure reports and ensuring Measure N funds are spent as stipulated by the Measure.

Measure N – Intended use of proceeds:

- Maintain 21st century, hands-on science labs, technology, engineering and math instruction
- Attract and retain qualified teachers
- Strengthen reading and writing programs
- Restore art and music programs
- Provide classroom computers and instructional technology

Accountability

FISCAL ACCOUNTABILITY WOULD BE MANDATORY

1. All funds would be locally controlled, stay here in our Millbrae schools and could not be taken away by the State.
2. None of the money could be used to increase administrator salaries or benefits.
3. An independent citizens' oversight committee and audits would ensure that all funds are spent properly.
4. Senior citizen homeowners would be eligible for an exemption from the cost of the measure.



Purpose

Budget Advisory Committee



Parcel Tax Oversight Committee

The goal of the committee is to *inform* stakeholders on how the District's budget works, budget assumptions, LCFF and LCAP process, and provide a forum to answer questions.

To *aid the Board* in fulfilling its fiduciary duties to review expenditures of Measure N revenue to ensure its use in accordance with the voter approved tax ballot measure.

Measure N Parcel Tax Revenue

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Revenue:		2019-20
Parcels		7,393
Less: Exemptions		(731)
Remaining Parcels		6,662
Amount Per Parcel		\$97.00
Parcel Tax Revenue		\$646,214.00
Less: Admin Fee (\$1.42/Parcel)		-\$9460.04
Total Parcel Tax Revenue Available		\$636,753.96

Measure N Parcel Tax Expenditures

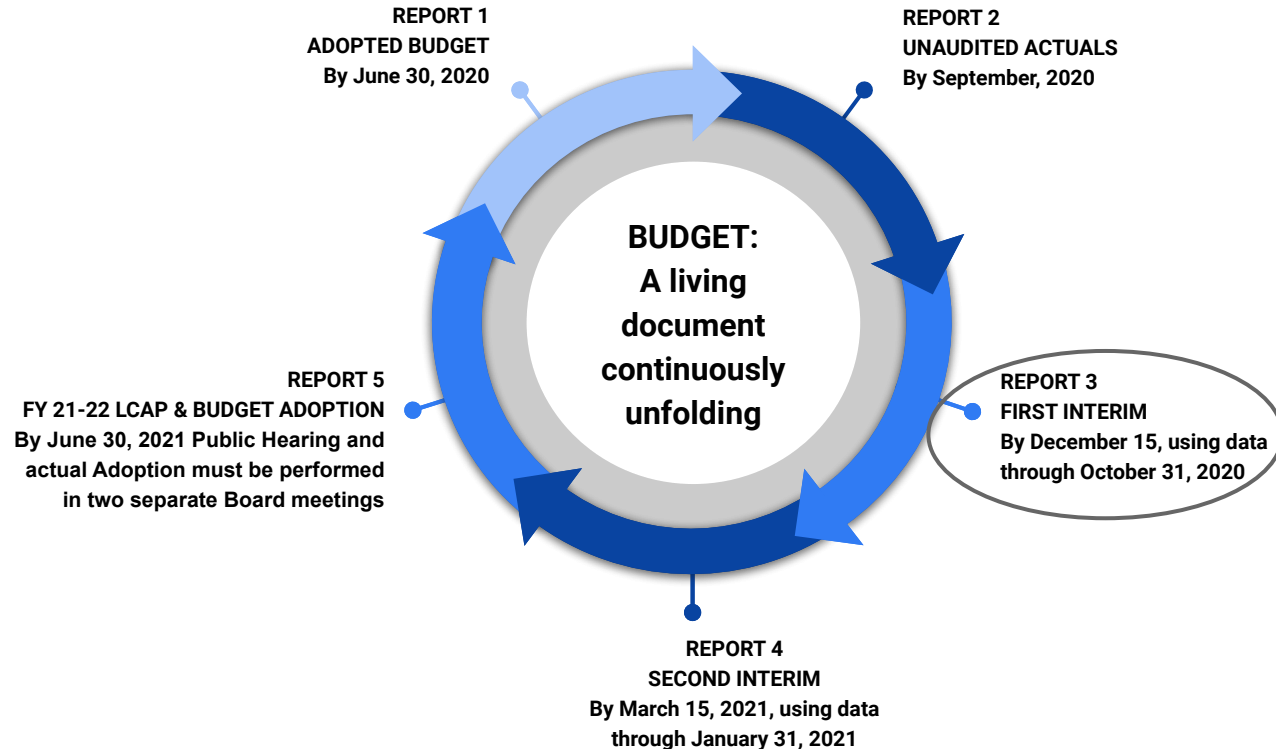
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Expenses:	2019-20
Maintain 21st century, hands on science labs, technology, engineering and math instruction	\$128,667.39
Restore art and music programs	\$81,182.53
Attract and retain qualified teachers	\$228,373.89
Strengthen reading and writing programs	\$198,530.15
Total Parcel Tax Expenditures	\$636,753.96



FY 2020-21 Reporting Calendar

Budget Advisory & Parcel
Tax Oversight Committee
FY 2020-2021



FY 2020-21 1st Interim Report

Budget Advisory & Parcel
Tax Oversight Committee
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1

Positive Certification

The district, based on current projections, **will be able** to meet its financial obligations for the current and subsequent two fiscal years

2

Qualified Certification

The district, based on current projections, **may not be able** to meet its financial obligations for the current and subsequent two fiscal years.

3

Negative Certification

The district, based on current projections, **will be unable** to meet its financial obligations for the current and subsequent two fiscal years

FY 2020-21 1st Interim_Revenues

General Fund Revenues: \$28,201,032

(Unrestricted \$17,852,001; Restricted \$10,349,031)

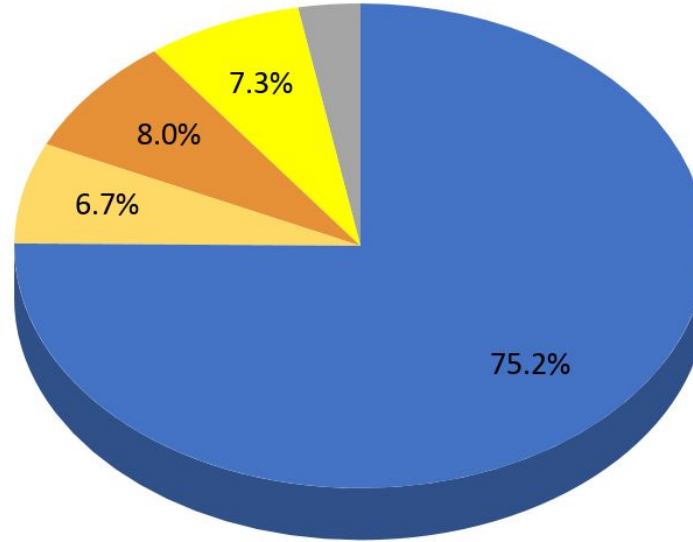
Revenues		Unrestricted	Restricted	Total
LCFF Sources	8010-8099	\$19,904,097.00	\$1,290,337.00	\$21,194,434.00
Federal Revenue	8100-8299	\$0.00	\$1,898,369.00	\$1,898,369.00
Other State Revenue	8300-8599	\$411,854.00	\$1,830,617.00	\$2,242,471.00
Other Local Revenue	8600-8799	\$552,983.00	\$1,496,780.00	\$2,049,763.00
Transfers In	8900-8929	\$815,995.00	\$0.00	\$815,995.00
Contributions		-\$3,832,928.00	\$3,832,928.00	\$0.00
Total Revenues		\$17,852,001.00	\$10,349,031.00	\$28,201,032.00

Budget Advisory & Parcel
Tax Oversight Committee
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FY 2020-21 1st Interim Revenues

Unrestricted + Restricted



● LCFF Sources ● Federal revenues ● State Revenues ● Local Revenue ● Transfers In

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FY 2020-2021



FY 2020-21 1st Interim_Expenditures

General Fund Expenditures: \$27,891,866
(Unrestricted \$17,673,153; Restricted \$10,218,713)

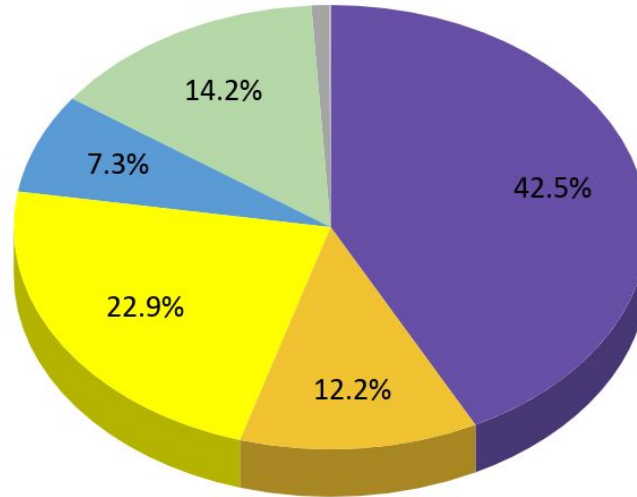
Expenditures		Unrestricted	Restricted	Total Combined
Certificated Salaries	1000-1999	\$9,229,349.00	\$2,626,385.00	\$11,855,734.00
Classified Salaries	2000-2999	\$2,126,135.00	\$1,270,922.00	\$3,397,057.00
Employee Benefits	3000-3999	\$3,916,241.00	\$2,492,475.00	\$6,408,716.00
Books and Supplies	4000-4999	\$976,232.00	\$1,049,777.00	\$2,026,009.00
Services and Other Operating Costs	5000-5999	\$1,412,471.00	\$2,553,833.00	\$3,966,304.00
Capital Outlay	6000-6999	\$0.00	\$0.00	\$0.00
Other Outgo-Transfer of Direct Charges	7100-7299, 7400-7499	\$42,022.00	\$210,024.00	\$252,046.00
Other Outgo - Indirect Charges	7300-7399	-\$49,297.00	\$15,297.00	-\$34,000.00
Transfers Out	7600-7629	\$20,000.00	\$0.00	\$20,000.00
Total Expenditures		\$17,673,153.00	\$10,218,713.00	\$27,891,866.00

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FY 2020-21 1st Interim Expenditures

Unrestricted + Restricted



78%= Salaries & Benefits

Budget Advisory & Parcel
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- Certificated Salaries
- Classified Salaries
- Employee Benefits
- Books & Supplies
- Services & Other Operating
- Transfer of Direct Charges
- Transfers Out



FY 2020-21 1st Interim MYP

Budget Advisory & Parcel
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Unrestricted/Restricted General Fund Ending Fund Balances			
	2020-21	2021-22	2022-23
Total Revenues	\$ 28,201,032.00	\$ 25,717,641.00	\$ 24,491,495.00
Total Expenditures	\$ 27,891,866.00	\$ 25,821,753.00	\$ 26,253,145.00
Net Increase/Decrease	\$ 309,166.00	\$ (104,112.00)	\$ (1,761,650.00)
Beginning Fund Balance- <i>Combined (Restricted & Unrestricted)</i>	\$ 5,089,973.07	\$ 5,399,139.07	\$ 5,295,027.07
Ending Fund Balance- <i>Combined (Restricted & Unrestricted)</i>	\$ 5,399,139.07	\$ 5,295,027.07	\$ 3,533,377.07



General Fund Ending Fund Balance

2020-21 First Interim Ending Fund Balance	Unrestricted	Restricted	Combined
Beginning Balance	\$4,817,784.10	\$272,188.97	\$5,089,973.07
Ending Fund Balance	\$4,996,632.10	\$402,506.97	\$5,399,139.07
Net Increase(Decrease) in Fund Balance	\$178,848.00	\$130,318.00	\$309,166.00
Components of Ending Fund Balance			
Revolving Cash	\$2,500.00		\$2,500.00
Designated Reserve	\$95,490.00		\$95,490.00
Deficit Spending (20/21,21/22 & 22/23)	\$1,865,762.00		\$1,865,762.00
Reserve for Board Policy Reserve (17%) 11.21%	\$2,196,124.10		\$2,196,124.10
Reserve for Economic Uncertainties	\$836,756.00		\$836,756.00
Legally Restricted Carryover		\$402,507.16	\$402,507.16
Undesignated Ending Fund Balance	\$0.00	-\$0.19	-\$0.19

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Next Steps

- ❖ 1st Interim Financial Report - December 2020
 - July 2020 - Oct 2020
- ❖ **2nd Interim Financial Report - March 2021**
 - **Nov 2020 - January 2021**
- ❖ Board Adoption FY 2021-22 Budget & LCAP - June 2021
- ❖ Unaudited Actual Financial Report - September 2021
 - July 2020 - June 2021
- ❖ Audit Report - January 2022

Continue to review expenditures and opportunities to reduce deficit spending.



Questions

