



# Marysville Joint Unified School District

*First Interim Budget*  
*December 10, 2013*

## KEY FACTS

## Local Control Funding Formula-(LCFF)

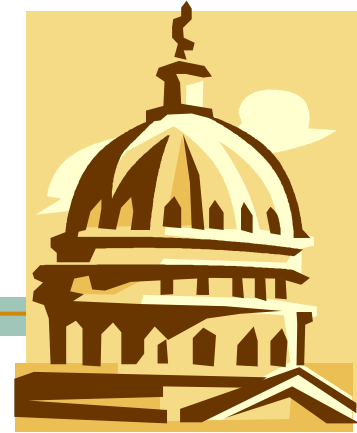
<u>Grades</u>	<u>ADA</u>
TK-3	3275.79
4-6	2065.49
7-8	1158.82
9-12	2257.75

<b>Total LCFF State Aid 2013/14(obj.8010-8099)</b>	<b>\$59,300,749</b>
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<b>Additional State Aid per LCFF is excess of amount in the Adopted Budget</b>	<b>\$1,682,669</b>
<b>October Enrollment (without charter)</b>	<b>9,117</b>

**Lottery: \$124.00/\$30.00**

Unrestricted Revenue:	\$61,931,705
Restricted Revenue:	<u>\$17,851,956</u>
Total Revenue:	\$79,783,661 <sup>2</sup>



## ■ State Budget

- At the June 4, 2013 meeting the Board of Trustees directed staff to prepare the 2013/14 Adopted Budget using the lesser of current law (Revenue Limit) and the Governors proposed LCFF funding model. Based on staff projections, current law was used for the 2013/14 Adopted Budget.
- For First Interim the District Budget is based on the LCFF Funding Model using the FCMAT Model.

# Budget Year Current Assumptions

- **The 2013-14 First Interim Budget reflects all current year estimated revenues and expenditures, with the following additional comments:**
  - Budgeted salaries and benefits are adjusted for step and column movements, and known retirements/resignations.
  - Categorical programs have been adjusted to reflect the LCFF funding model
  - 3% Reserve for Economic Uncertainty maintained in 2013-2014.
  - ADA is being closely monitored.
  - Utilities and other operating costs have been adjusted to reflect current spending patterns.

***Throughout the budget process, numbers will continue to be adjusted for changes in anticipated funding and expenditures. Board goals, including maintaining fiscal solvency, will serve as the driving force in allocating resources.***

# Summary of the Proposed 2013/14 -General Fund Adopted Budget

	2013/14 First Interim	2013/14 Adopted
Revolving Cash	\$ 30,000	\$ 30,000
Stores	273,484	425,000
Restricted Balances	668,470	1,965,774
Economic Uncertainties 3%	2,445,278	2,314,355
Other Assignments	1,100,701	1,100,701
Unassigned/Unappropriated	<u>4,787,184</u>	<u>3,279,143</u>
<b>Total Estimated Ending General Fund Balance</b>	<b>\$9,305,117</b>	<b>\$9,114,973</b>

NOTE: The “Designated for Economic Uncertainties” is currently maintained at the State minimum of 3% in 2013/14.

# Net Projected Increase/Decrease to the General Fund 2013-14

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## 2013-14 Adopted Budget

≈Restricted	\$ (557)
≈Unrestricted	<u>(1,915,175)</u>
	\$ (1,915,732)

## 2013-14 First Interim Budget

≈Restricted	\$(1,297,859)
≈Unrestricted	<u>(427,728)</u>

## 2013-14 Second Interim Budget

\$ (1,725,587)

≈Restricted	TBD
≈Unrestricted	

## 2013-14 Third Interim Budget

≈Restricted	
≈Unrestricted	TBD

## 2013-14 Unaudited Actuals

≈Restricted	
≈Unrestricted	TBD

# 2013/14 Adopted Budget Comparison to 2013/14 First Interim - Unrestricted

## Changes in Revenue:

### **LCFF/ Revenue Limit: 8010-8099**

Enactment of Local Control Funding Formula	\$12,789,654
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### **Other State Revenue 8300-8599**

Mandated Block Grant	\$(105,795)
Eliminated State Categoricals (LCFF)	\$(7,173,570)
Indian Ed.( from Unrestricted to Restricted)	\$(88,175)
	\$(7,367,540)

### **Contributions**

Increase Contributions to Special Ed	\$(22,343)
Home to School Transportation	\$(1,268,038)
Special Ed Transportation	\$(188,724)
	\$(1,479,105)

<b>Net Increase to Revenue Projections:</b>	<b>\$3,943,009</b>
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# 2013/14 Adopted Budget Comparison to 2013/14 First Interim Cont...

## **Changes in Expenditures**

### ***Certificated Salaries 1000-1999***

Increase to Psychologist FTE	\$23,665
MHS/LHS/K-3/TK Certificated Salaries	\$(661,000)
Title II CSR to Unrestricted	\$344,735
Targeted Allocation(formally EIA)	\$316,010
Athletics	\$28,094
Misc. adjustments to Certificated salaries	\$(114,611)
Subtotal	\$(63,107)

### ***Classified Salaries 2000-2999***

Technology- Increase FTE 's	\$53,575
Health Clerical	\$(61,722)
TK Instructional Assistants	\$(52,625)
Grounds- Increase FTE's	\$40,000
Custodial Replacement Savings	\$(84,583)
Targeted Allocation Salaries(formally EIA)	\$175,497
Site Discretionary	\$7,434
Subtotal	\$ 77,576

### ***Employee Benefits 3000-3999***

Targeted Allocation (formally EIA)	\$171,872
Retirees	\$(80,243)
Athletics	\$5,300



# 2013/14 Unaudited Budget Comparison to 2013/14 First Interim Cont.....

## **Employee Benefits 3000-3999 Cont.**

PERS Reduction(eliminated through LCFF)	\$ (24,571)
PERS	\$67,009
Health/Welfare Adjustments	\$166,342
Subtotal	\$305,709

## **Materials & Supplies 4000-4999**

Site Discretionary(carryover)	\$322,317
Athletics	\$20,000
Targeted Allocation (formally EIA)	\$1,542,818
Psychological Services	\$11,800
Technology (moved to 4000)	\$ 82,965
Misc. Budget Alignments	\$715
Subtotal	\$1,980,615

## **Services & Other Operating Exp 5000-5999**

Utilities-Water	\$43,000
Technology	\$(82,965)
Test Administration	\$ 26,278
Targeted Allocation(formely EIA)	\$159,373
Health	\$(44,800)
Athletics	\$47,000
Ella Classroom/Parking Lot	\$25,000
Misc. Budget alignments	\$4,556
Subtotal	\$177,442

# 2013/14 Unaudited Budget Comparison to 2013/14

## First Interim Cont.....

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### **Capitol Outlay 6000-6999**

Moved Gang Mower expense to object 7400 ( 3 year pay)	\$(19,312)
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### **Other Outgo/Indirect Costs 7300-7399**

Adjustments to Indirect Costs	\$(22,672)
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Gang Mower (from 6000's)	\$19,312
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Subtotal	\$(3,360)
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<b>Increase in Expenditures</b>	<b>\$2,455,568</b>
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<b>2012-2013 Adopted Budget Decrease in Fund Balance</b>	<b>\$(1,915,175)</b>
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<b>1<sup>st</sup> Interim Projected Decrease in Fund Balance</b>	<b><u>\$(427,728)</u></b>
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<b>Net Increase in Ending Fund Balance</b>	<b>\$1,487,447</b>
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# LISTING OF CATEGORICAL PROGRAMS WITH RESTRICTED BALANCES

The District has received categorical funding in several programs not subject to deferred revenue. This results in a “Restricted Balance” and has the effect of reducing expenditures in the current year and increasing expenditures in subsequent year(s).

<u>Resource</u>	<u>Description</u>	<u>2012-13</u>	<u>2013-14</u>
5640	Medi-Cal Billing Option	\$191,783	\$38,635
6010	After School Education and Safety(ASES)	440	4,900
6286	English Language Acquisition	30,948	30,947
6300	Lottery – Instructional Materials	442,020	442,020
6512	Mental Health Services	232,191	-----
7090	Economic Impact Aid (EIA)	465,677	-----
7091	EIA: Limited English Proficiency (LEP)	277,807	-----
7400	Quality Education Investment Act	776	775
9010	Other Local	324,687	151,189
TOTAL		\$1,966,329	\$668,469

# 2013-14 First Interim

## Restricted Programs Contributions (Deficits)

\$ 3,308,298 \_\_\_\_\_ **Special Education**

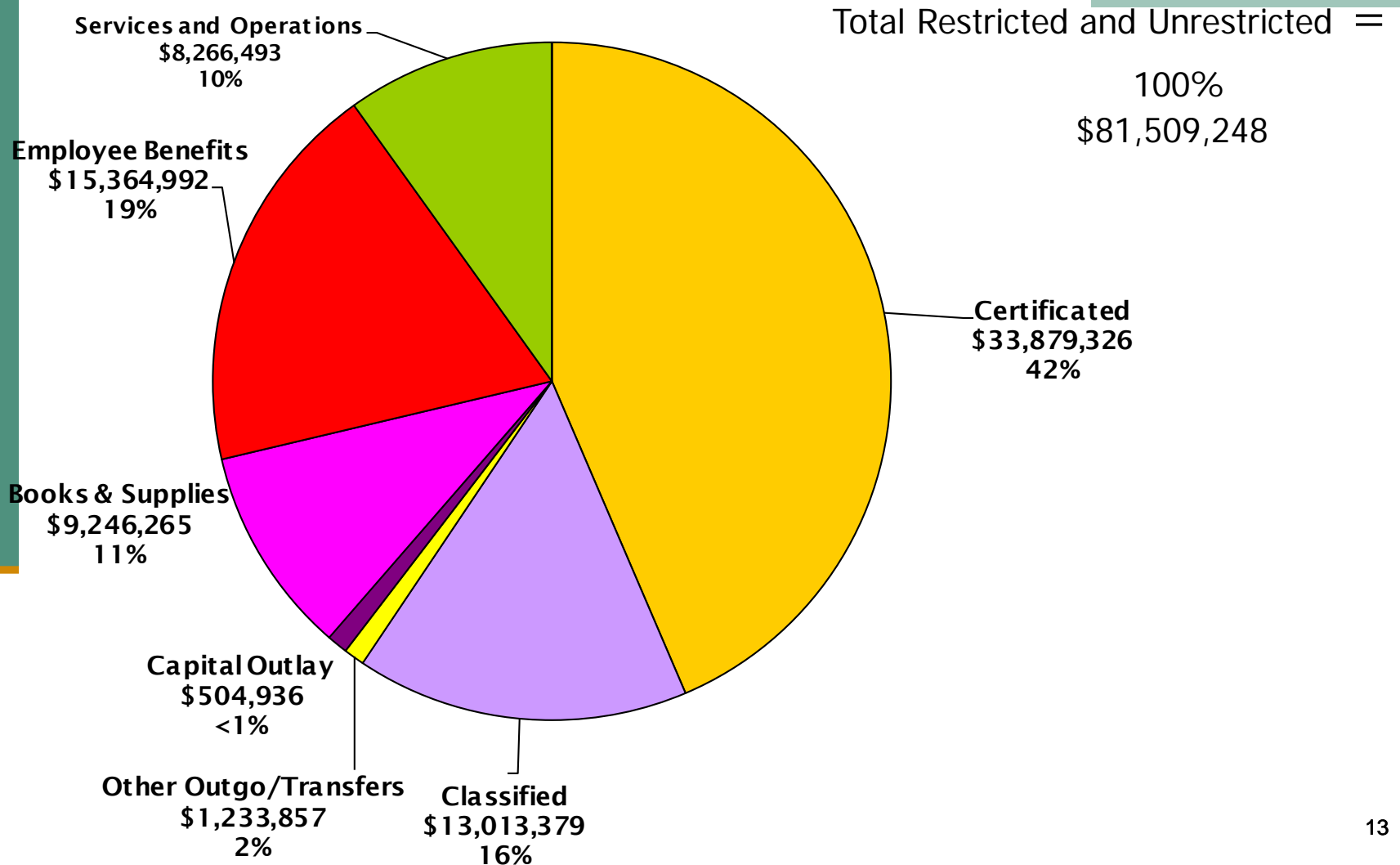
2,946,490 \_\_\_\_\_ **Home to School Transportation**

1,236,234 \_\_\_\_\_ **Special Education Transportation**

1,861,295 \_\_\_\_\_ **Routine Restricted Maintenance**

**TOTAL = \$ 9,352,317**

# How We Spend our Money- 2013-2014 First Interim



## Multi Year Projection – 2013/14 – 2015/16 as of 12/10/13

<b>Unrestricted Only</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>
Net Increase (Decrease)*	\$(427,728)	(\$158,330)	\$536,357
Estimated Undesignated/Unapportioned Fund Bal.	\$5,287,184	\$5,709,132	\$6,720,145
Estimated year end budget Savings	<u>\$500,000</u>	<u>\$500,000</u>	<u>\$500,000</u>
Adjusted net increase/decrease	\$72,272	\$341,670	\$1,036,357
<b><i>Increase/Decrease:</i></b>			
Certificated Salaries		1.43%	1.47%
Classified Salaries		4.01%	2.50%
Employee Benefits		0.50%	0.50%
Step and Column Cost (Salaries Only)	Included	* \$668,657	\$592,874

Note: This assumes there is no further restoration of prior reductions and changes.

\* Includes \$100k for full year increase to Classified Salary for 2013-14.

# UNRESTRICTED BUDGET SAVINGS

<u>2007-08 Third Interim</u>		\$(836,682)
Actuals		(232,884)
	Difference	<u>\$603,798</u>
<u>2008-09 Third Interim</u>		\$(84,351)
Actuals		3,660
	Difference	<u>\$88,011</u>
<u>2009-10 Third Interim</u>		\$(1,138,535)
Actuals		757,979
	Difference	<u>\$1,896,514</u>
<u>2010-11 Third Interim</u>		\$2,703,149
Actuals		3,118,598
	Difference	<u>\$ 415,449</u>
<u>2011-12 Third Interim</u>		\$(621,589)
Actuals		(151,113)
	Difference	<u>\$470,476</u>
<u>2012-13 Third Interim</u>		\$(1,082,468)
Actuals		<u>\$ (286,422)</u>
	Difference	<u>\$796,046</u>

3 Year Average= \$560,657

6 Year Average= \$711,716

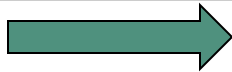
Estimate per Multi Year Projections = \$500,000

9/10/13 Board Meeting-Not Updated

# 2012/13 Third Interim Comparison to 2013/14 Adopted Budget

## Changes in Revenue

### **Revenue Limit: 8010-8099**

Revised Base Revenue Limit per ADA	\$2,286,875
Other Revenue Limit Adjustments	\$(178,638)
	
	\$2,108,237

### **Federal Revenues 8100-8299**

Forest Reserves and other	\$(7,073)
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### **Other Revenue 8300-8599**

Mandated Cost Block Grant	\$154,090
Misc other State Revenue	29,256
	\$183,346

### **Other Local Revenue 8600-8799**

Other Local Revenue	\$27,634
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<b>Total Revenue</b>	<b>\$2,312,144</b>
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6/25/13 Board Meeting-Not Updated



# 2013/14 Adopted Budget-Possible changes due to LCFF and the passage of the 2013/14 State Budget

## On-Going

Potential additional revenue*	\$948,000
Less: Elimination of Flexibility transfer provision for Adult Education* *	<u>\$(541,452)</u>
Net estimated change	\$406,548 =====

## One Time

Common Core- Estimated Total @\$200 X 9525 for 2013/14 and 2014/15 only	\$1,905,000 =====
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\*Calculation as of June 20, 2013. Based on an 80% supplemental/concentration factor.

\*\* Unknown outcome at this time. This may be adjusted based on an analysis of the final 2013/14 state budget.

# POSSIBLE CHANGES DUE TO LCFF AND THE PASSAGE OF THE 2013/14 STATE BUDGET

## On-Going

Potential additional revenue*	\$1,450,000
Effective COLA using SSC LCFF Simulator	6.12%

\*Calculation updated August 12, 2013. Based on an 80% supplemental/concentration factor. LCFF calculation is subject to change based on future CDE guidance.

Note: Supplemental /concentration funds must be spent to support the “targeted” population. CDE to develop relevant guidelines.

**08/13/13 & 9/10/13 Board Meetings-Not Updated**

# UNRESTRICTED DEFICIT SPENDING WITH ADDITIONAL POTENTIAL LCFF FUNDING

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2013/14 Unrestricted Deficit Spending-Adopted Budget	\$(1,915,175)
Less: Potential Additional Revenue from LCFF	\$1,450,000
Add: Site Unrestricted Carryover *	\$(335,000)
Add: Security Camera Project Carryover**	<u>\$(296,000)</u>
Total Revised	\$(1,096,175)
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Potential Unrestricted Deficit Spending Target Levels Subject to Board Direction/Approval:

	Target	Improvement Needed
First Interim	\$(800,000)	\$296,175
Second Interim	\$(400,000)	\$696,175
Year End	0	\$1,096,175

\*\$10,706 in 2011/12, \$334,741 in 2012/13

\*\* \$433,341 less \$137,493 spent thru 6/30/13

**08/13/13 Board Meeting-Updated 9/10/2013**

# 2013-14 FIRST INTERIM BUDGET-UNRESTRICTED DEFICIT SPENDING WITH ADDITIONAL POTENTIAL LCFF FUNDING

2013/14 Unrestricted Deficit Spending-First Interim Budget    \$(427,728)

Potential Unrestricted Deficit Spending Target Levels Subject to Board Direction/Approval:

	Target	Improvement Needed
First Interim	\$(800,000)	N/A
Second Interim	\$(400,000)	\$27,728
Year End	0	\$427,728

Additional State Aid per LCFF in excess of amount in the Adopted Budget (page 2)	\$1,682,669
Adopted Budget- Revised Revenue Limit ( page 19)	<u>\$2,108,237</u>
	\$3,790,906
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## **“BUDGET SAVINGS”**

**Total 2013/14 Expenditures \$81,509,248**

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If 98% accurate-----

Variance can equal \$1,630,185

If 99% accurate-----

Variance can equal \$815,092

If 99.50% accurate-----

Variance can still equal \$407,546

## Next Step

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- The next step after the First Interim is the Governors January 2014 Budget Proposal
- Due January 2014.
- Results: ?