

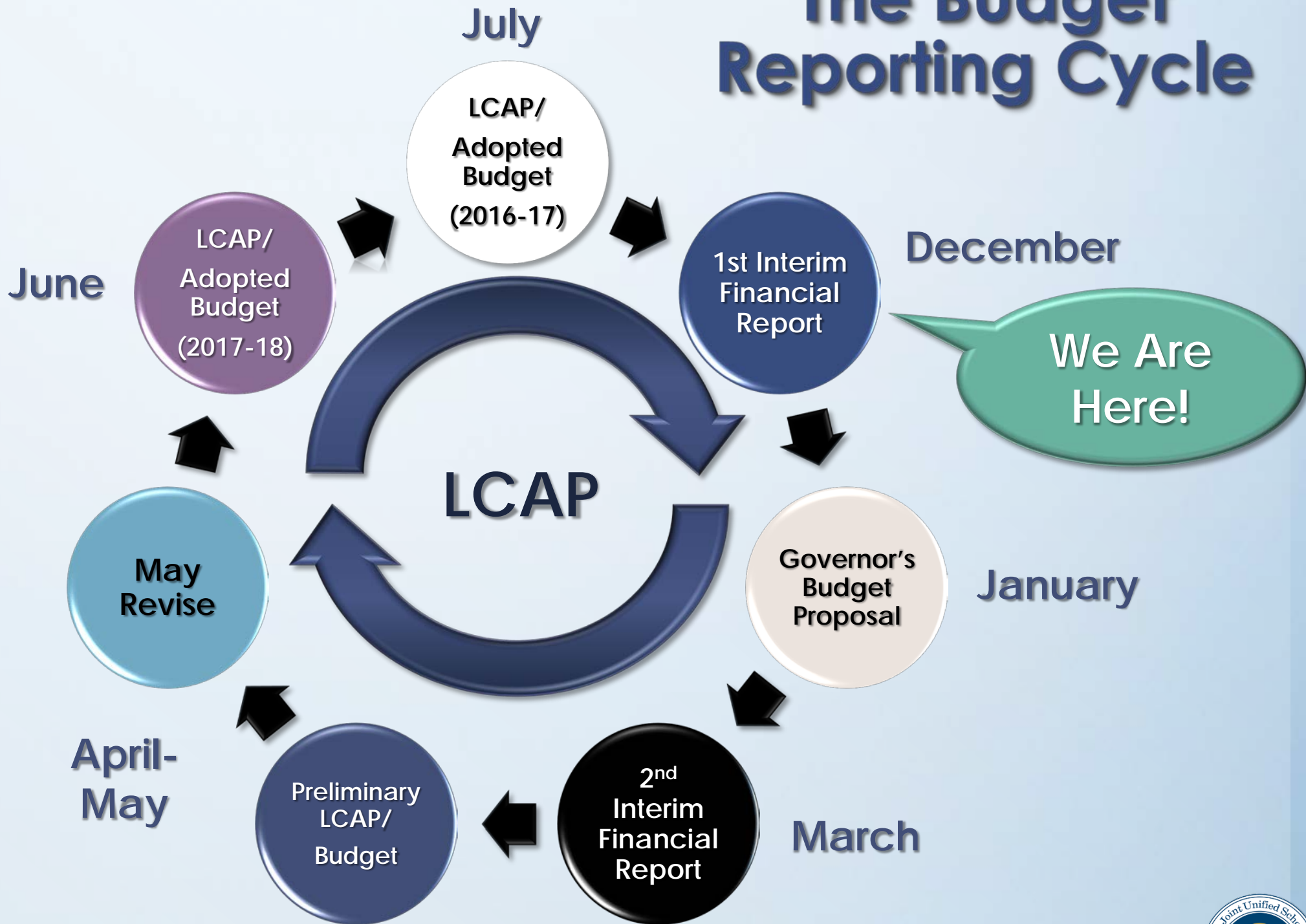


Marysville Joint Unified School District

First Interim Budget Update

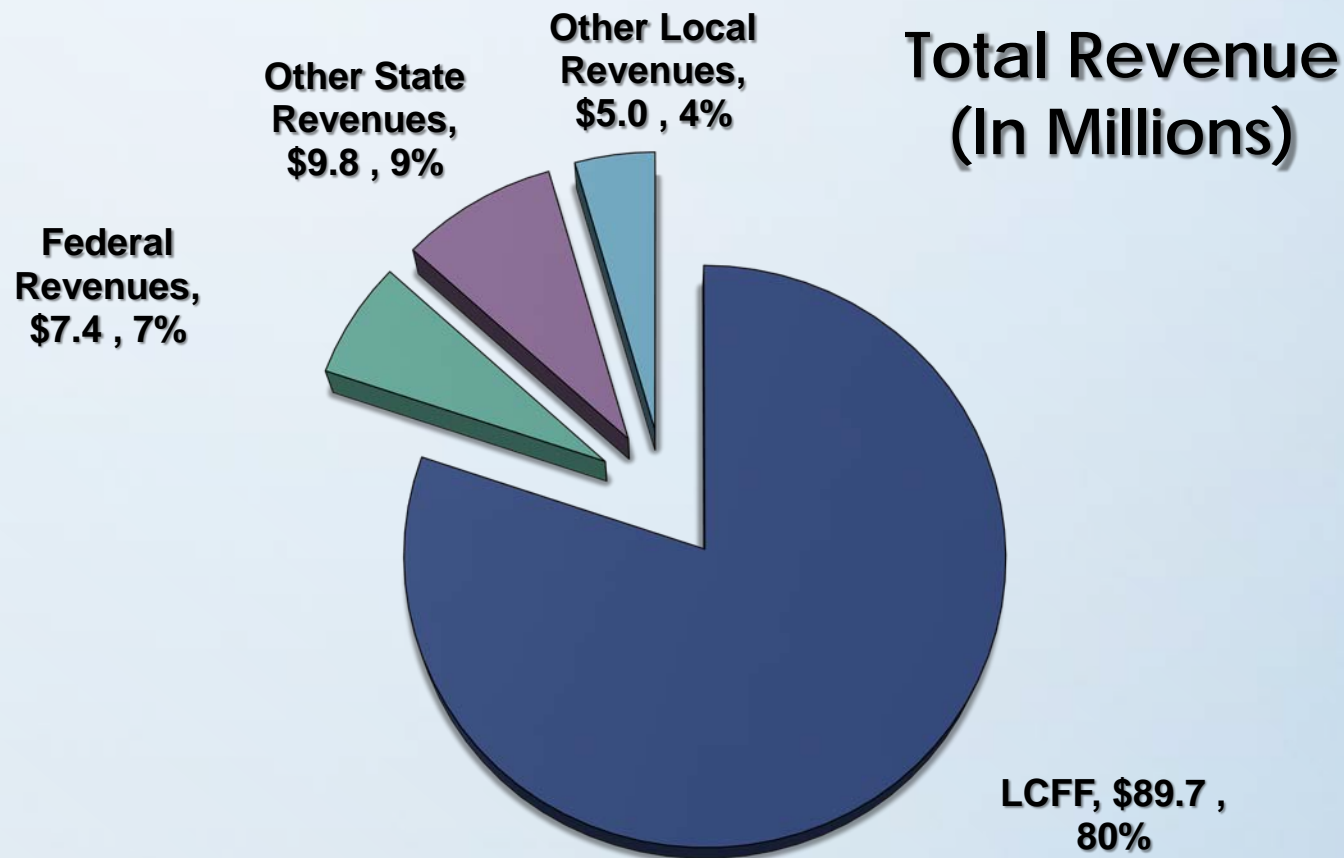
December 13, 2016

The Budget Reporting Cycle



Revenue Update

	Estimate 2016-17	Estimate 2017-18	Estimate 2018-19
LCFF Gap Funding Percentage	54.18%	72.99%	35.11%
Annual COLA	0.00%	1.11%	2.42%



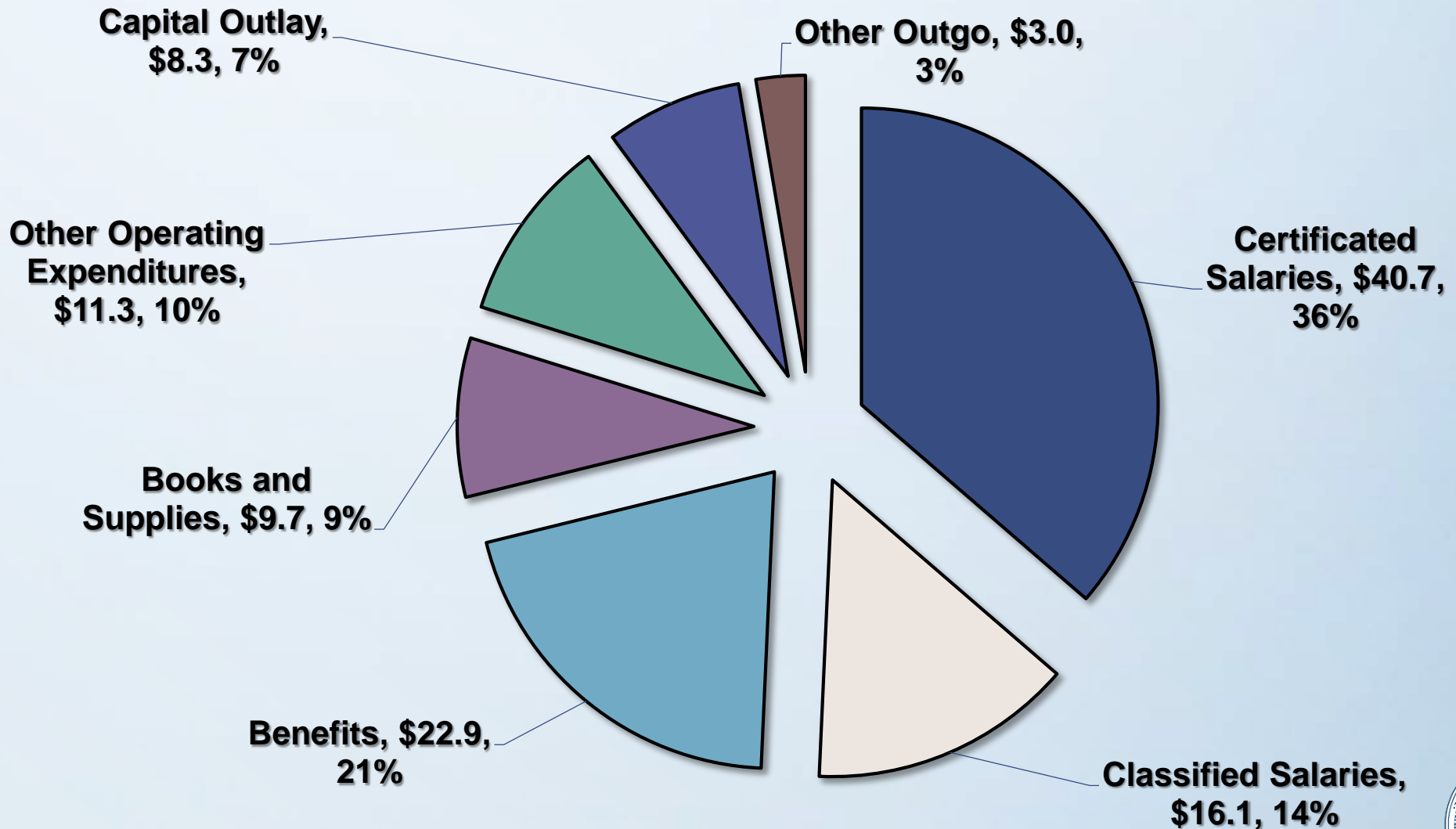
First Interim compared to Adopted Budget - Total Revenue (Unrestricted)

(In Millions)	Adopted Budget FY 16-17	1 st Interim FY 16-17	Variance
LCFF Sources	\$89.7	\$89.7	\$-
Federal Revenue	\$-	\$-	\$-
Other State Revenue	\$3.6	\$3.7	\$0.1
Other Local Revenue	\$0.5	\$1.4	\$0.9
TOTAL REVENUE	\$93.9	\$94.9	\$1.0



Expenditures Update

Total Expenditures (In Millions)



Adopted Budget compared to First Interim - Total Expenditures (Unrestricted)

(In \$ Millions)	Adopted Budget FY 16-17	1 st Interim FY 16-17	Variance
Certificated Salaries	\$34.7	\$33.7	\$(1.0)
Classified Salaries	\$11.2	\$11.4	\$0.2
Employee Benefits	\$15.4	\$15.8	\$0.4
Books and Supplies	\$4.8	\$6.1	\$1.3
Services/Other Operating Expenses	\$7.9	\$7.9	\$0.1
Capital Outlay	\$2.3	\$7.5	\$5.2
Other Outgo	\$0.6	\$0.2	\$(0.4)
TOTAL EXPENDITURES	\$76.8	\$82.5	\$5.8



Significant Variances Impact on Budget Surplus (Unrestricted)

	(In Millions)
Adopted Budget Unrestricted Ending Fund Balance	\$5.82
<u>Ongoing</u> Adjustments:	
ADD: Increase in LCFF funds, increase of indirect costs from restricted programs, and salary & benefits adjustment	\$0.81
LESS: Increase in benefits	\$(0.23)
Adjusted Ending Fund Balance after Ongoing Adjustments	\$6.40
<u>One-Time</u> Adjustments:	
ADD: OPSC Hardship funds rec'd, Increase in misc. revenue (lottery, mandated costs, etc.), and LHS Quad project savings	\$1.30
LESS: Facilities capital projects (LHS/EDG/ARB), equipment purchases (buses, MHS lockers, YGS cafeteria furniture), and carryovers (LCAP, Targeted, Lottery, AFJROTC)	\$(7.0)
First Interim Adjusted Ending Fund Balance	\$0.65

Note: Restricted Balances primarily due to anticipated carryover and recategorizing funds



Components of Ending Fund Balance

Ending Fund Balance = One-Time Money!

Description	Unrestricted	Restricted	Total
Revolving Cash	\$30,000		\$30,000
Est. Ending Inventory	268,636		268,636
Restricted		2,141,949	2,141,949
Assignments	4,324,941		4,324,941
Economic Uncertainty	3,388,000		3,388,000
Unassigned/ Unappropriated	12,500,202		12,500,202
Total-Fund Balance	\$20,511,779	\$2,141,949	\$22,653,728



Multi-Year Projection (MYP) Assumptions for First Interim

	2016-17	2017-18	2018-19
Average Daily Attendance (ADA)	9,004	9,004	9,004
Statutory COLA	0.00%	1.11%	2.42%
Step and Column	2.00%	2.00%	2.00%
LCFF Gap Funding (SSC)	54.18%	72.99%	35.11%
STRS Employer Rates	12.58%	14.43%	16.28%
PERS Employer Rates	13.888%	15.5%	17.1%
Lottery Revenue – Unrestricted	\$144.00/ADA	\$144.00/ADA	\$144.00/ADA
Lottery Revenue – Restricted	\$45.00/ADA	\$45.00/ADA	\$45.00/ADA
California Consumer Price Index (CPI)	2.26%	2.39%	2.46%
One-Time Discretionary Funding	\$214/ADA	\$0/ADA	\$0/ADA

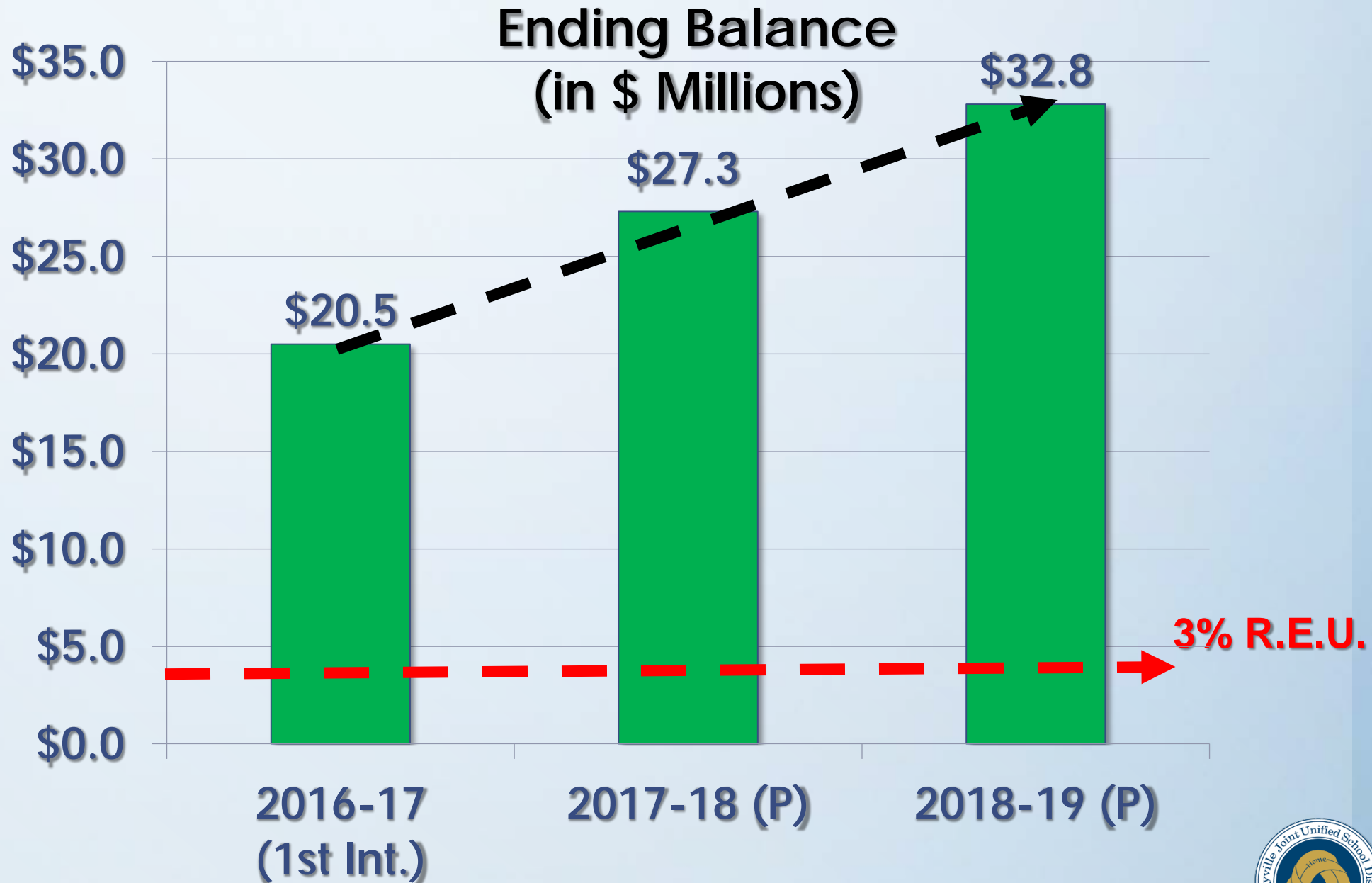


Multi-Year Projection (MYP) – Unrestricted

(In \$ Millions)	1 st Interim FY 16-17	Projection FY 17-18	Projection FY 18-19
Beginning Balance – July 1	\$19.9	\$20.5	\$27.3
Revenue	\$94.9	\$94.4	\$96.0
Expenditures	\$(82.5)	\$(75.2)	\$(77.4)
Transfers In/Out	\$(11.7)	\$(12.5)	\$(13.1)
Total Exp. & Transfers Out	\$(94.2)	\$(87.7)	\$(90.5)
Surplus/(Deficit Spending)	\$0.7	\$6.8	\$5.5
Ending Balance	\$20.5	\$27.3	\$32.8



Multi-Year Projection (MYP) (Unrestricted)



Looking Forward

- Budget shows Surplus of \$0.65 million
 - Down from Adopted Budget Surplus of \$5.82 Million
 - Primarily due to budgeting of one-time dollars
 - \$5.04 Million added for Capital Facilities Improvement Projects
 - \$1.99 Million towards carryovers and equipment
 - Offset by \$0.58 Million increase in revenue
 - Recall \$5.66 Million unrestricted to EFB at unaudited actuals
 - Likely will become deficit before end of year
 - Due to additional budgeting of capital projects (~\$1.27 Million)
 - And budgeting of ongoing expenditures relating to:
 - Operational improvements as needed
 - Negotiated settlements with bargaining units
- Ongoing Surplus is \$6.40 Million
- Build towards 2017-18 LCAP and Adopted Budget
 - Updated 2017-18 Budget Calendar
 - Impact of Prop 55 passing not seen till 2018
 - Possibly see with Governor's 2017-18 State Budget Proposal in January



2016-17 Budget Calendar - Updated

September 2016

- Unaudited Actuals presented to Board
- Distribute LCAP/Adopted Budget fact sheets to stakeholders

October 2016

- Start Stakeholder LCAP/Budget Meetings

November 2016

- Continue Stakeholder LCAP/Budget Meetings

December 2016

- First Interim presented to and approved by the Board
- Continue Stakeholder Budget Meetings

January 2017

- Governor's 2016-17 State Budget Proposal released – update Board
- Continue Stakeholder Budget Meetings

2016-17 Budget Calendar - Updated

February 2017

- Budget Update to Board – Governor's 2017-18 Budget Proposal
- 1st LCAP/Budget Committee Meeting

March 2017

- Second Interim presented to and approved by Board
- 2nd LCAP/Budget Committee Meeting

April 2017

- 3rd LCAP/Budget Committee Meeting
- Draft 2017-18 LCAP
- Site LCAP visits with staff, parents and community

May 2017

- Final revisions made to LCAP
- Governor's May Revise Budget Proposal – update Board

June 2017

- Proposed 2017-18 LCAP and Budget Public Hearing
- 2017-18 LCAP and Budget Adoption by Board
- 2017-18 State Budget Adopted by legislature

THANK YOU
Questions?

