

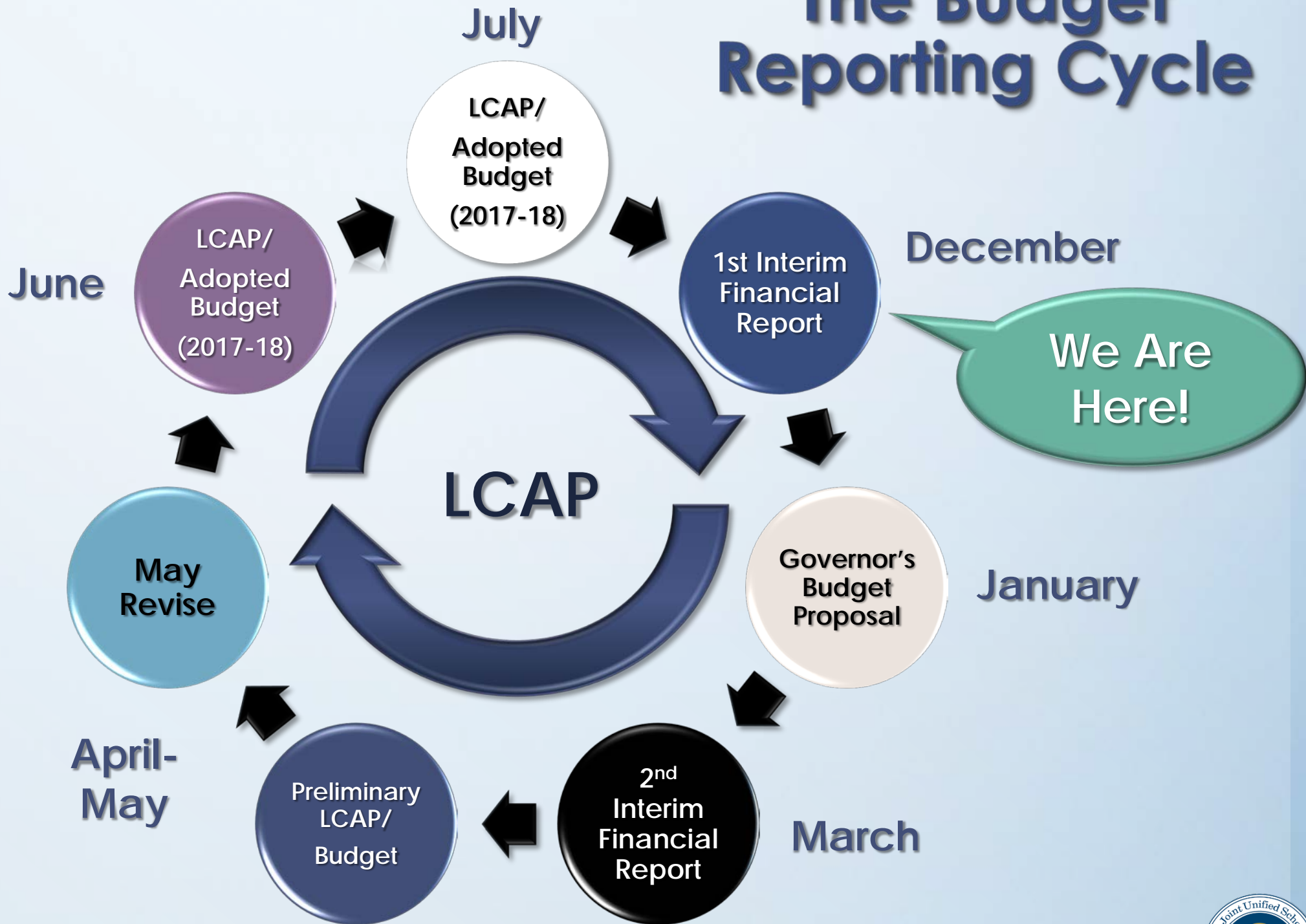


Marysville Joint Unified School District

First Interim Budget Update

December 12, 2017

The Budget Reporting Cycle



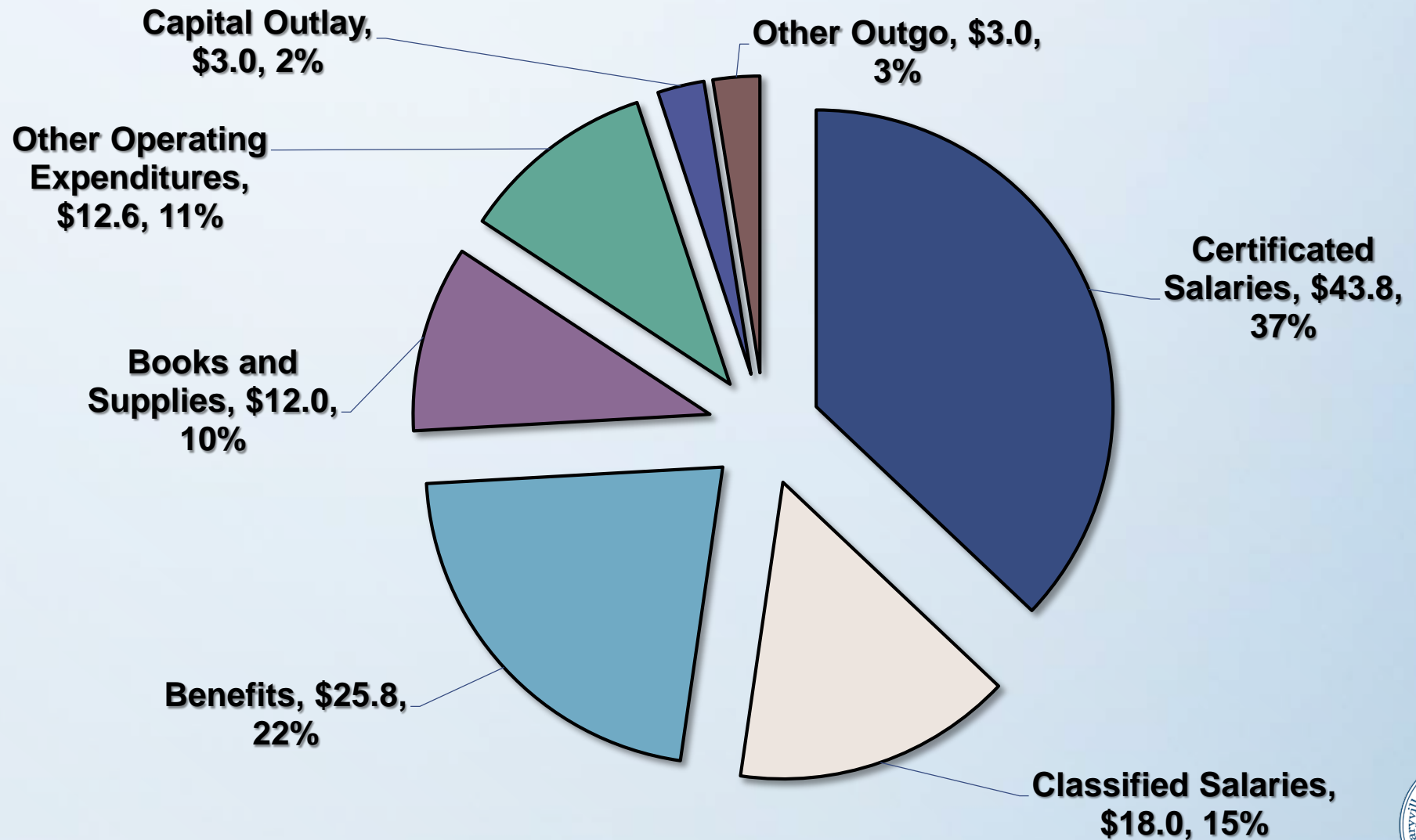
First Interim compared to Adopted Budget - Total Revenue (Unrestricted)

(In Millions)	Adopted Budget FY 17-18	1 st Interim FY 17-18	Variance
LCFF Sources	\$93.5	\$93.4	(\$0.1)
Federal Revenue	\$-	\$-	\$-
Other State Revenue	\$1.6	\$3.0	\$1.4
Other Local Revenue	\$0.5	\$0.9	\$0.4
TOTAL REVENUE	\$95.6	\$97.3	\$1.7



Expenditures Update

Total Expenditures (In Millions)



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

(In \$ Millions)	Adopted Budget FY 17-18	1 st Interim FY 17-18	Variance
Certificated Salaries	\$36.7	\$36.9	\$0.2
Classified Salaries	11.3	12.4	1.1
Employee Benefits	16.8	17.7	0.9
Books and Supplies	4.8	7.5	2.7
Services/Other Operating Expenses	7.9	8.9	1.0
Capital Outlay	0.4	2.5	2.1
Other Outgo	0.3	0.1	(0.2)
TOTAL EXPENDITURES	\$78.2	\$86	\$7.8



Significant Variances Impact on Budget Surplus (Unrestricted)

	(In Millions)
Adopted Budget Unrestricted Ending Fund Balance	\$4.8
<u>Ongoing</u> Adjustments:	
LESS: Decrease in LCFF funds, 5% salary and benefit increase (AMACE, CSEA#648 & Classified) and increase in FTE (6.0 bus drivers and .5 FTE attendance clerk)	(1.3)
Adjusted Ending Fund Balance after Ongoing Adjustments	\$3.5
<u>One-Time</u> Adjustments:	
ADD: One-time mandated costs and other state and local revenue	1.4
LESS: Facilities capital projects (LHS/EDG/MHS), equipment purchases (buses, AED Units, YGS & Kynoch classroom furniture), and carryovers (LCAP, Targeted, Lottery, Technology)	(6.6)
First Interim Adjusted Ending Fund Balance	\$(1.7)

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	332,327		332,327
Restricted		3,407,548	3,407,548
Assignments			0
Economic Uncertainty	3,571,000		3,571,000
Unassigned/ Unappropriated	18,934,395		18,934,395
Total-Fund Balance	\$22,867,722	\$3,407,548	\$26,275,270



Multi-Year Projection (MYP) – Unrestricted

(In \$ Millions)	1 st Interim FY 17-18	Projection FY 18-19	Projection FY 19-20
Beginning Balance – July 1	\$24.5	\$22.9	\$25.4
Revenue	97.3	99.2	101.9
Expenditures	(86.0)	(83.5)	(85.9)
Transfers In/Out	(12.9)	(13.2)	(13.9)
Total Exp. & Transfers Out	\$(98.9)	\$(96.7)	\$(99.8)
Surplus/(Deficit Spending)	\$(1.7)	\$2.6	\$2.1
Ending Balance	\$22.9	\$25.4	\$27.5



Looking Forward

- Current year deficit driven by one-time spending, primarily in Facilities, and increased site allocations
- Current projections show surplus in the coming years, BUT:
 - While State revenues are again above forecast, this can change rapidly
 - Payments for COPs (\$2.8M) and increased PERS/STRS (\$4.2M by 20-21) will present a structural deficit if not addressed
- Governor's last budget proposal will be presented in January; expect assaults on LCFF as increased costs impact low-UPP districts



THANK YOU
Questions?



Back Up Info:

Multi-Year Projection (MYP) Assumptions for First Interim

	2017-18	2018-19	2019-20
Average Daily Attendance (ADA)	9,094	9,094	9,094
Statutory COLA	1.56%	2.15%	2.35%
Step and Column	2.00%	2.00%	2.00%
LCFF Gap Funding (SSC)	43.19%	66.12%	64.92%
STRS Employer Rates	14.43%	16.28%	18.13%
PERS Employer Rates	15.531%	18.1%	20.8%
Lottery Revenue – Unrestricted	\$146/ADA	\$146ADA	\$146/ADA
Lottery Revenue – Restricted	\$48/ADA	\$48/ADA	\$48/ADA
California Consumer Price Index (CPI)	3.42%	3.35%	3.02%
One-Time Discretionary Funding	\$147ADA	\$0/ADA	\$0/ADA

