



Marysville Joint Unified School District

FY 2019-2020 Budget Proposal

June 18, 2019

Purpose

1. To solicit the Board's Approval of a "Positive Certification" for the 2019-2020 fiscal year
2. To inform the Board and public of our current fiscal position and future issues



FY 2018-2019 *ESTIMATED* ACTUALS

Description	2018-19 Estimated Actuals		
	Unrestricted	Restricted	Combined
REVENUES			
General Purpose Revenue	100,954,386	0	100,954,386
Federal Revenue	16,454	9,037,372	9,053,826
State Revenue	3,414,730	8,156,917	11,571,647
Local Revenue	866,783	3,750,487	4,617,270
Total Revenues	105,252,353	20,944,777	126,197,129
EXPENDITURES			
Certificated Salaries	38,282,683	6,861,667	45,144,350
Classified Salaries	12,923,473	5,651,941	18,575,414
Benefits	19,363,064	8,306,977	27,670,041
Books and Supplies	6,292,407	3,435,242	9,727,649
Other Services & Oper. Expenses	8,945,425	6,759,160	15,704,585
Capital Outlay	3,008,891	2,172,549	5,181,440
Other Outgo 7xxx	3,422,957	3,300,300	6,723,257
Transfer of Indirect 73xx	(1,986,516)	760,759	(1,225,757)
Total Expenditures	90,252,384	37,248,595	127,500,979
Excess / (Deficiency)	14,999,969	(16,303,818)	(1,303,850)
OTHER SOURCES/USES			
Transfers In	0	0	0
Transfers Out	(1,959,732)	0	(1,959,732)
Net Other Sources (Uses)	0	0	0
Contributions to Restricted	(14,056,356)	14,056,356	(0)
Total Financing Sources/Uses	(16,016,088)	14,056,356	(1,959,732)
Net Increase (Decrease)	(1,016,119)	(2,247,462)	(3,263,582)



Fund Balance

	2018-19 Estimated Actuals		
	Unrestricted	Restricted	Combined
Beginning Balance	28,743,844	5,031,291	33,775,134
Ending Balance	27,727,724	2,783,828	30,511,553

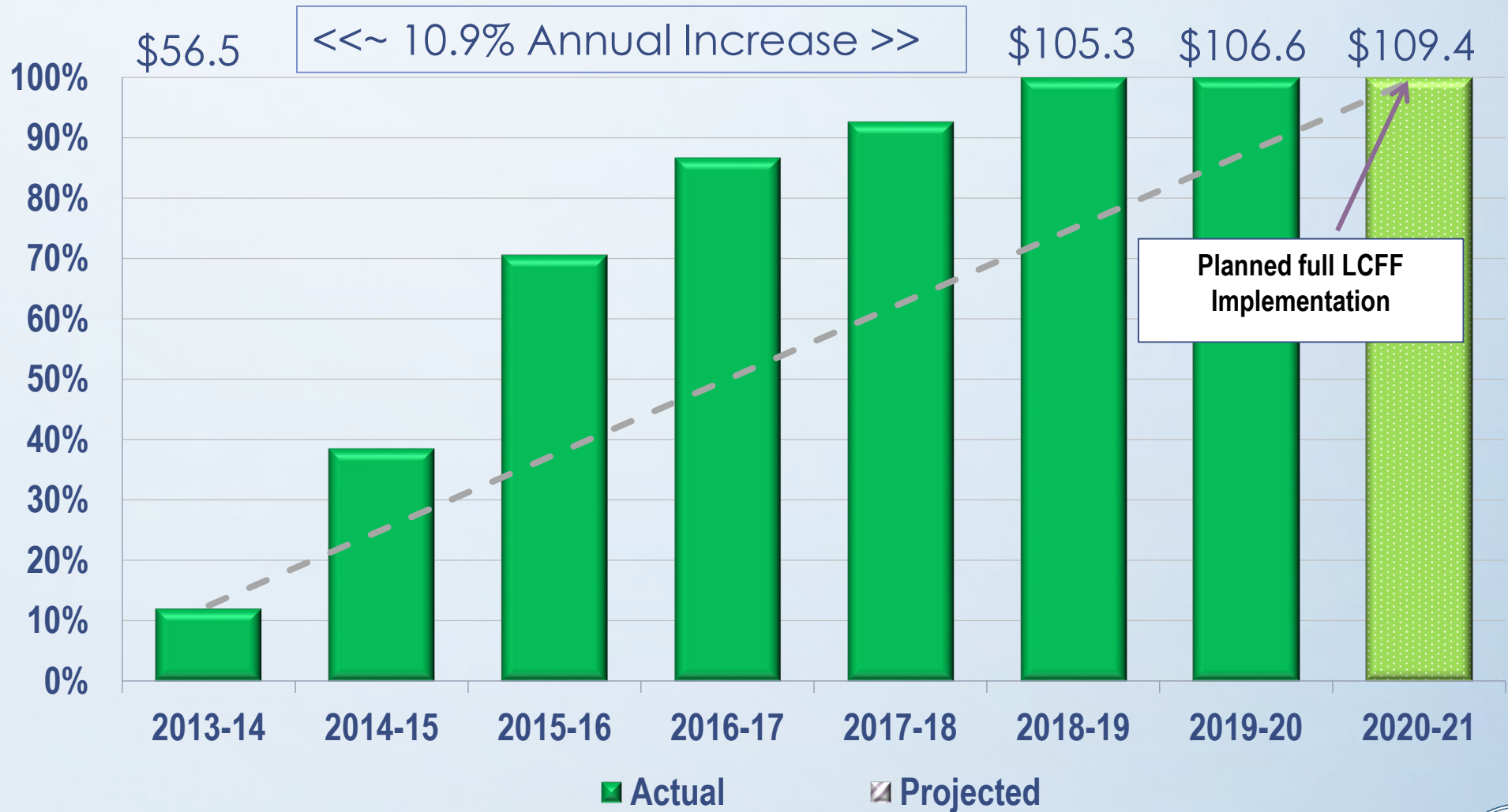
*\$1.96M added to Fund 17

MJUSD has \$29.6M in Unrestricted Reserve

- Will decrease by ~\$3M at proposed negotiation settlement
- Includes \$10M in one-time receipts
- OPEB windfall
- Accelerated LCFF implementation



Changing times...



Progress Toward LCFF Implementation



General Fund Multi-Year Projection

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Description	2019-20 Projected Budget			2020-21 Projected Budget			2021-22 Projected Budget		
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined
REVENUES									
LCFF Revenue (A)	104,043,111	0	104,043,111	106,956,052	0	106,956,052	109,769,847	0	109,769,847
Federal Revenue (B)	1,000	0	1,000	1,000	0	1,000	1,000	0	1,000
State Revenue (C)	1,785,700	6,210,747	7,996,447	1,785,700	6,210,747	7,996,447	1,785,700	6,210,747	7,996,447
Local Revenue (D)	710,089	3,760,807	4,470,896	710,089	3,760,807	4,470,896	710,089	3,760,807	4,470,896
Total Revenues	106,539,900	16,917,103	123,457,003	109,452,841	16,917,103	126,369,944	112,266,636	16,917,103	129,183,739
EXPENDITURES									
Certificated Salaries (E)	40,258,654	7,386,879	47,645,533	41,063,854	7,534,579	48,598,433	41,885,154	7,685,279	49,570,433
Classified Salaries (E)	13,516,817	5,116,816	18,633,633	13,719,617	6,265,399	19,985,016	13,925,417	6,359,399	20,284,816
Benefits (F)	20,937,603	8,740,941	29,678,544	22,304,403	9,374,041	31,678,444	24,677,803	9,624,341	34,302,144
Books and Supplies (G)	5,058,394	1,779,213	6,837,607	5,058,394	1,799,213	6,857,607	5,244,330	1,799,213	7,043,543
Other Services & Oper. Exp (G)	8,805,381	3,846,369	12,651,750	9,083,631	3,846,369	12,930,000	9,360,682	3,846,369	13,207,051
Capital Outlay	1,569,971	272,624	1,842,595	1,569,971	272,624	1,842,595	1,569,971	272,624	1,842,595
Other Outgo 7xxx (G)	1,345,408	3,623,717	4,969,125	1,345,408	3,623,717	4,969,125	1,345,408	3,623,717	4,969,125
Transfer of Indirect 73xx (H)	(1,770,137)	577,836	(1,192,301)	(1,770,137)	577,836	(1,192,301)	(1,770,137)	577,836	(1,192,301)
Total Expenditures	89,722,091	32,420,378	122,142,469	92,344,986	33,293,778	125,828,764	96,238,628	33,788,778	130,027,406
Excess / (Deficiency)	16,817,809	(15,503,275)	1,314,534	16,917,855	(16,376,675)	51,180	16,028,008	(16,871,675)	(843,667)
OTHER SOURCES/USES									
Transfers In	0	0	0	0	0	0	0	0	0
Transfers Out (I)	(2,000,000)	(89,599)	(2,089,599)	(2,000,000)	(89,599)	(2,089,599)	(2,000,000)	(89,599)	(2,089,599)
Net Other Sources (Uses)	0	0	0	0	0	0	0	0	0
Contributions to Restricted (J)	(15,628,734)	15,628,734	0	(16,466,274)	16,466,274	0	(16,961,274)	16,961,274	0
Total Financing Sources/Uses	(17,628,734)	15,539,135	(2,089,599)	(18,466,274)	16,376,675	(2,089,599)	(18,961,274)	16,871,675	(2,089,599)
Net Increase (Decrease)	(810,925)	35,860	(775,065)	(1,548,419)	0	(1,548,419)	(2,933,266)	0	(2,933,266)
FUND BALANCE, RESERVES									
Beginning Balance	27,727,724	2,783,829	30,511,553	26,916,799	2,819,689	29,736,488	25,368,380	2,819,689	28,188,069
Ending Balance	26,916,799	2,819,689	29,736,488	25,368,380	2,819,689	28,188,069	22,435,113	2,819,689	25,254,802
Nonspendable	239,647	0	239,647	239,647	0	239,647	239,647	0	239,647
Restricted	0	2,819,689	2,819,689	0	2,819,689	2,819,689	0	2,819,689	2,819,689
Committed	1,785,549	0	1,785,549	855,549	0	855,549	0	0	0
Assigned	4,337,364	0	4,337,364	4,337,364	0	4,337,364	4,337,364	0	4,337,364
Unassigned - REU @ 3%	3,942,000	0	3,942,000	4,052,000	0	4,052,000	4,178,000	0	4,178,000
Unassigned - Other	16,612,239	0	16,612,239	15,883,820	0	15,883,820	13,680,103	0	13,680,103
Total - Fund Balance	26,916,799	2,819,689	29,736,488	25,368,380	2,819,689	28,188,069	22,435,113	2,819,689	25,254,802

■ PROJECTIONS indicate a downward trend as costs rise faster than COLA

■ Could get better, or worse, based on:

■ Economy

■ Legislative action

■ Enrollment

■ Employment agreements

■ CoPs become payable in 22-23 at \$2.8m annually

Assumptions

- STRS Rates INCREASED

Description	2017-18 Actual	2018-19 Actual	2019-20 Projected	2020-21 Projected	2021-22 Projected	2022-23 Projected	2023-24 Projected	2024-25 Projected
Statutory Rates	14.43%	16.28%	18.13%	19.10%	19.10%	20.25% (Max.)	20.25% (Max.)	20.25% (Max.)
Proposed Rates	14.43%	16.28%	16.70%	18.10%	17.80%	17.80%	20.25% (Max.)	20.25% (Max.)

- ... as did PERS

Description	2017-18 Actual	2018-19 Actual	2019-20 Projected	2020-21 Projected	2021-22 Projected	2022-23 Projected
Rates @ 18-19 2nd Interim	15.531%	18.062%	20.70%	23.40%	24.50%	25.00%
Rates @ 19-20 Proposed	15.531%	18.062%	20.73%	23.60%	24.90%	25.70%

Fund Summaries

Illustrated below is a summary of each Fund's fund balance and corresponding change.

FUND	2018-19	Est. Net Change	2019-20
GENERAL (UNRESTRICTED & RESTRICTED)	\$30,511,553	(\$775,065)	\$29,736,488
CHARTER SCHOOLS	\$924,947	\$356,305	\$1,281,252
CHILD DEVELOPMENT	\$397,969	\$9,900	\$407,869
CAFETERIA FUND	\$1,165,499	\$27,245	\$1,192,744
DEFERRED MAINTENANCE	\$1,377,273	\$834,500	\$2,211,773
SPECIAL RESERVES	\$1,934,000	\$2,004,000	\$3,938,000
BUILDING FUND	\$11,830,368	\$90,000	\$11,920,368
CAPITAL FACILITIES	\$2,909,797	\$803,655	\$3,713,452
COUNTY SCHOOL FACILITIES	\$149,708	\$2,000	\$151,708
BOND INTEREST & REDEMPTION	\$4,605,282	\$0	\$4,605,282
BLENDED COMPONENT DEBT SERVICE	\$2,367,481	\$0	\$2,367,481
SCHOLARSHIP TRUST FUND	\$1,140,823	\$0	\$1,140,823
TOTAL	\$59,314,700	\$3,352,540	\$62,667,240



SUMMARY

- MJUSD is financially healthy, although the development of a deficit bears some consideration
- The implementation of LCFF is complete, leaving COLA-only increases for future years...(Unless...?)
- There are risks for the economy as a whole, somewhat mitigated by the State's Rainy Day Fund





THANK YOU
Questions?