

BUDGET ADVISORY COMMITTEE BUDGET OVERVIEW



October 18, 2017
Nova to Unified School District

Goals and Priorities

- GOAL#1 *Student Success*
- GOAL#2 *Staff Support*
- GOAL#3 *Community Involvement*

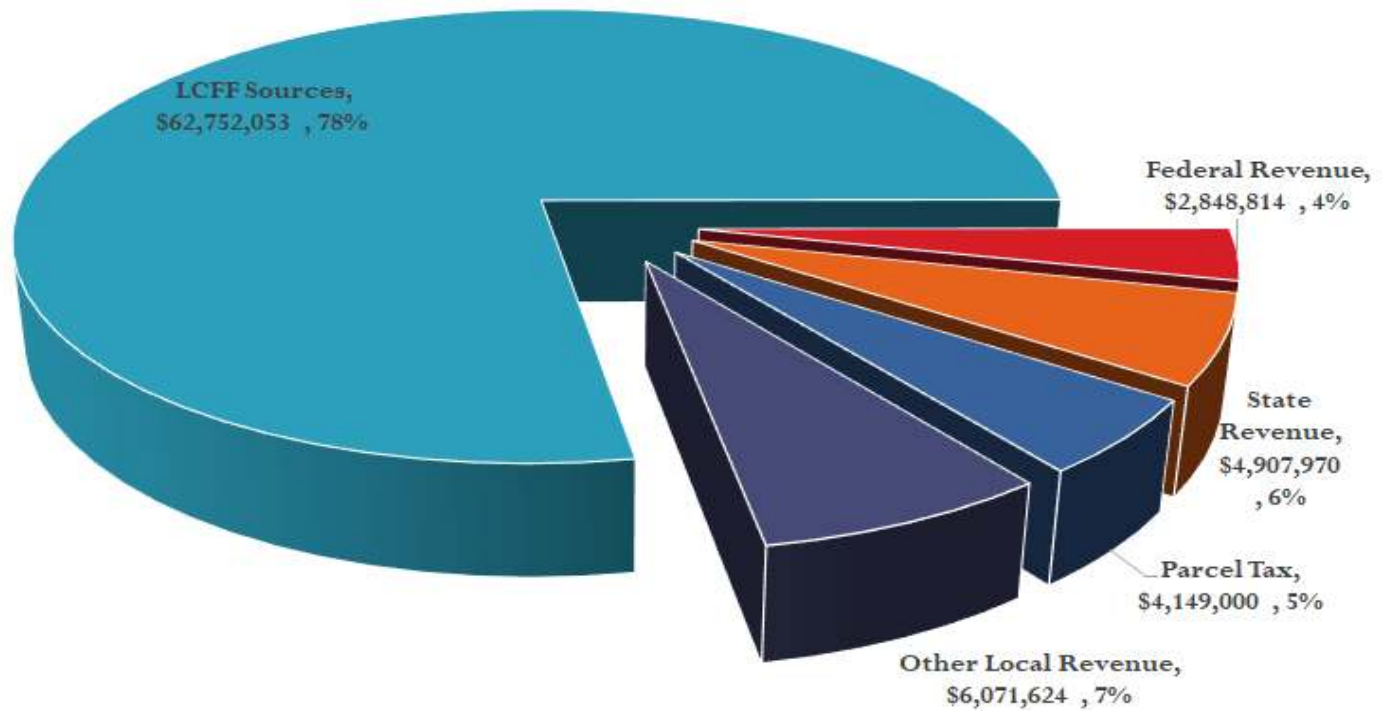


2017-2018 Budget Themes

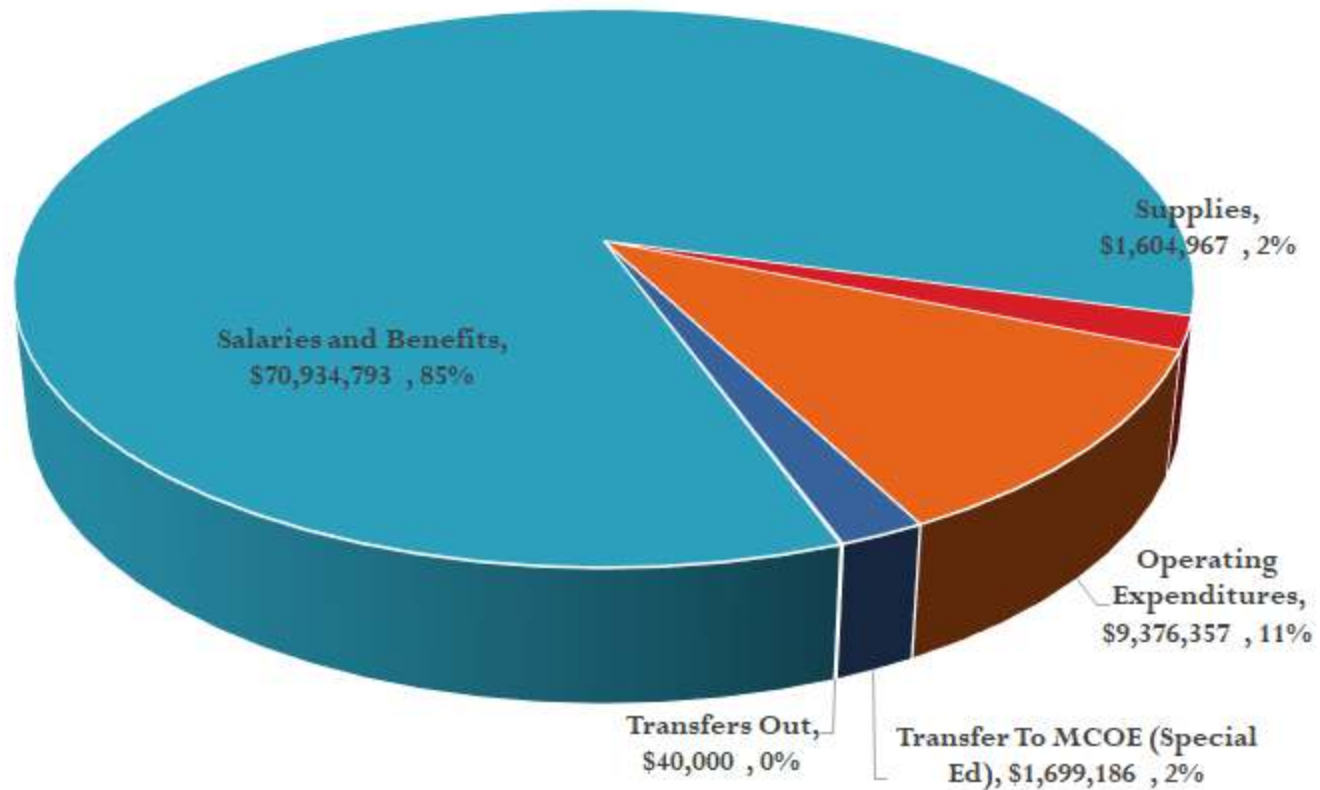
- Investments in Student Learning
 - Attract & Retain Staff (Salary/ H&W Benefits/ PERS & SIRS)
 - Increased Services to Unduplicated Pupils (LCAP)
 - Maintaining Lower Class Size
 - Equity Imperative
 - PBL Training
 - 1:World Technology Program
 - Dual Immersion Program Implementation
- Budget Constraints
 - Slowing Increases in State Income
 - Declining Enrollment
 - SIRS & PERS Increases
- Actions Moving Forward
 - Budget Advisory Committee
 - Budget Solutions



2017-2018 Adopted Budget - Revenue



2017-2018 Adopted Budget - Expenditures



2017-2018 Adopted General Fund Budget

	2017-2018 Adopted Budget
LC FF So urc e s	\$62,752,053
O the r Re ve nue s	\$17,977,408
Total Re ve nue s	\$80,729,461
Sa la rie s & Be ne fits	\$70,934,793
O the r Exp e nd iture s	\$12,694,810
Total Exp e nd iture s	\$83,629,602
Exc e ss of Re ve nue s over Exp e nd iture s	(\$2,900,141)
Transfe rs Out	\$40,000
Ne t Inc re a se / De c re a se in Fund Ba la nc e	(\$2,940,141)
Be g inning Fund Ba la nc e	\$12,392,217
Ending Fund Ba la nc e	\$9,452,075

Key Budget Assumptions Enrollment & ADA	2017-2018
Change in Enrollment (NUSD)	(64)
Change in Funded ADA	(95.99)
Increase in LCFF Entitlement per ADA from 2016-17	2.50%
2017-18 Net Increase in LCFF Funding (due to decline in ADA)	1.18%
2016-2017 LCFF Entitlement Per ADA	\$8,351
2017-2018 LCFF Entitlement Per ADA	\$8,560
Certified Step/Column Increase Classified Step Increase	1.5% 2%
SIRS Rates (Increase of 1.85%)	14.43%
PERS Rates (Increase of 1.64%)	15.531%
Certified/Classified Step & Column Increase	1.50%/ 2%

Fund Balance: Reserves and Designations 2017-2018 Adopted General Fund Budget

Components of Ending Fund Balance:

Legally Restricted General Fund	\$ 2,437,469
Revolving Cash	\$ 1,400
Stores	\$ 66,286
Prepaid Expenses	\$ 88,280
Economic Uncertainties – 3%	\$ 2,510,088
Designations (Assigned)	
LCFF GAP Funding Uncertainty	\$ 2,698,284
Declining Enrollment	\$ 1,520,268
Laptop Refresh	\$ 130,000
Total Designations	\$ 4,348,552
Undesignated	\$ 0
Projected Ending Fund Balance, June 2018	\$ 9,452,075

Other Funds

- Adult Education
- Food Services
- Deferred Maintenance
- Special Reserve Fund – STRS/ PERS
- Facilities
- Measure G Bond
- Developer Fees
- Special Reserve – Hamilton Facilities
- Self Insurance Fund (P&L Insurance)

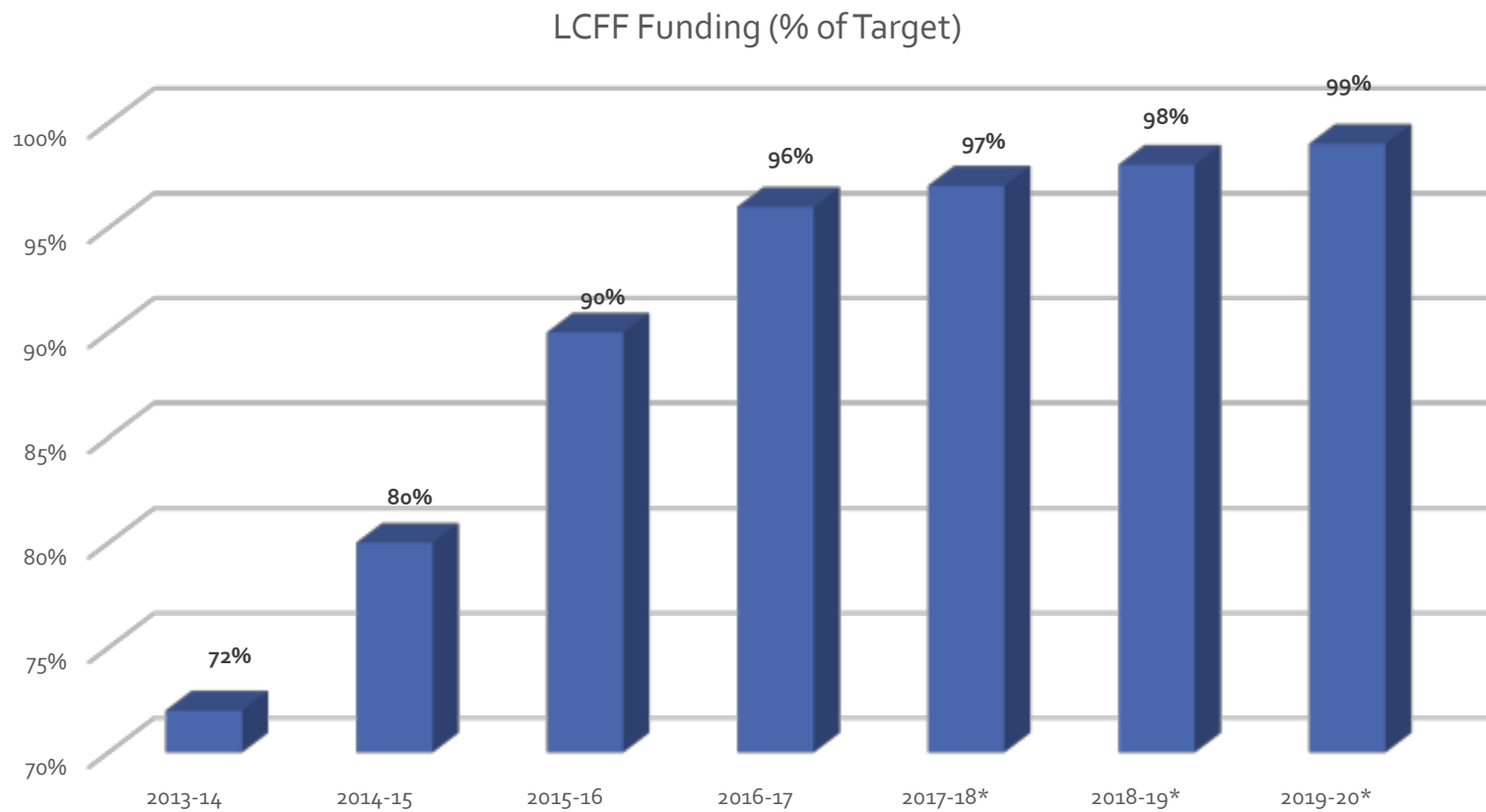
Other Funds

	Adult Ed. Fund 11	Cafeteria Fund 13 FANS	Deferred Maint. Fund 14	Special Reserve Fund 17	Building Fund 21	Bond Fund 22*	Capital Facilities Fund 25	Special Reserve Fund 40	Self Insurance Fund 67
Revenue	\$194,179	\$1,967,209	\$268,269	\$4,777	\$43,868	\$51,066,893	\$102,378	\$4,986	\$2,116
Expenditure	\$142,375	\$2,031,284	\$2,814	\$0	\$1,978,783	\$921,974	\$98,097	\$31,191	\$130,924
Excess Over Expenditures	\$51,805	(\$64,076)	\$265,455	\$4,777	(\$1,934,915)	\$50,144,919	\$4,281	(\$26,205)	(\$128,808)
Transfers In/Out	\$0	\$125,123	\$0	\$1,000,000	\$395,629	\$0	\$0	\$0	\$100,000
Net Change	\$51,805	\$61,048	\$265,455	\$1,004,777	(\$1,539,286)	\$50,144,919	\$4,281	(\$26,205)	(\$28,808)
Beginning Fund Balance	\$244,122	\$156,001	\$1,216,567	\$1,000,085	\$3,389,146	\$0	\$248,476	\$1,038,414	\$270,051
Ending Fund Balance	\$295,927	\$217,049	\$1,482,022	\$2,004,862	\$1,849,860	\$50,144,919	\$252,757	\$1,012,209	\$241,243

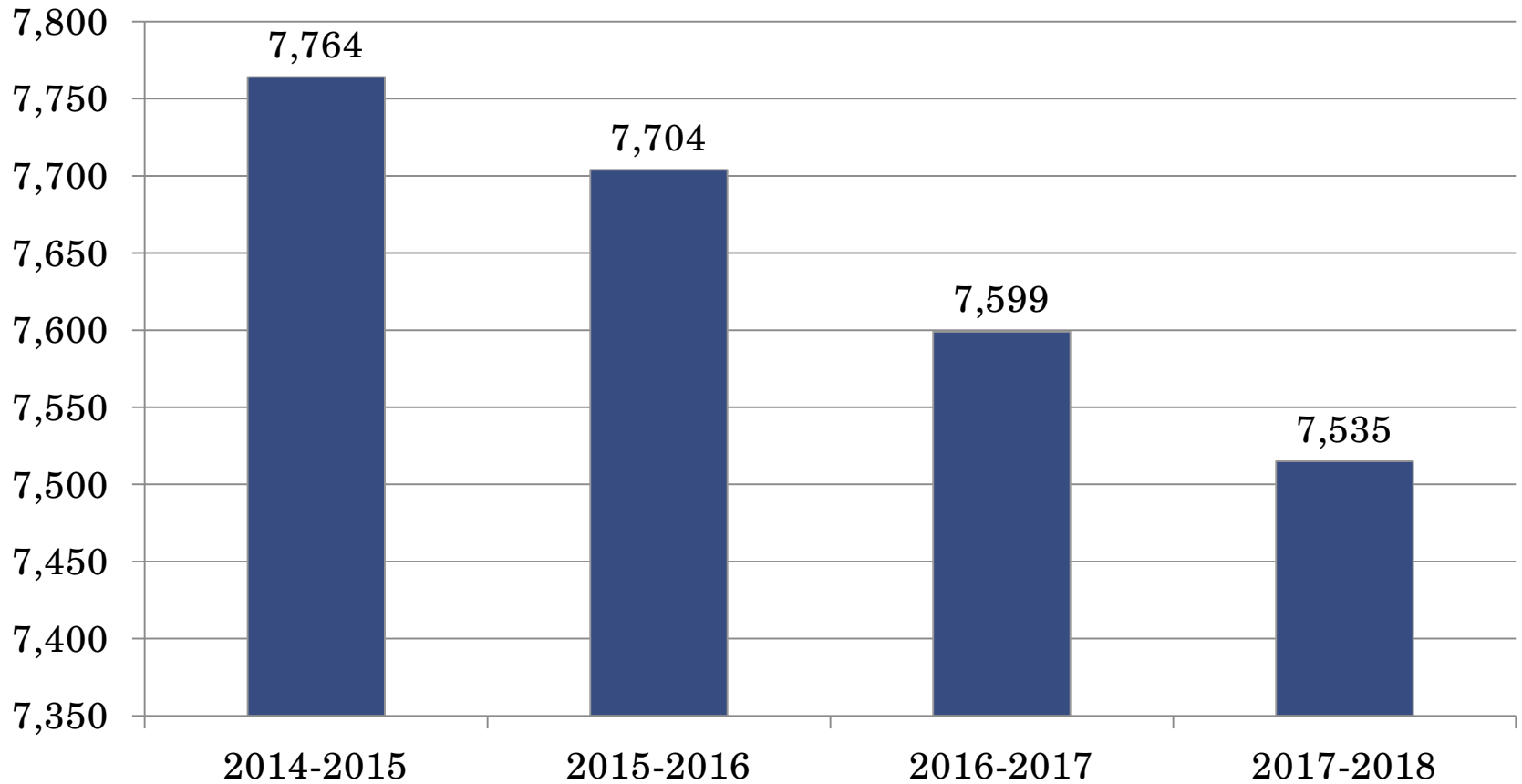
Overall Budget Themes

- Slowing State Revenue
- Declining Enrollment
- Increases in State Pension Rates (STRS/ PERS)

Slowing State Funding

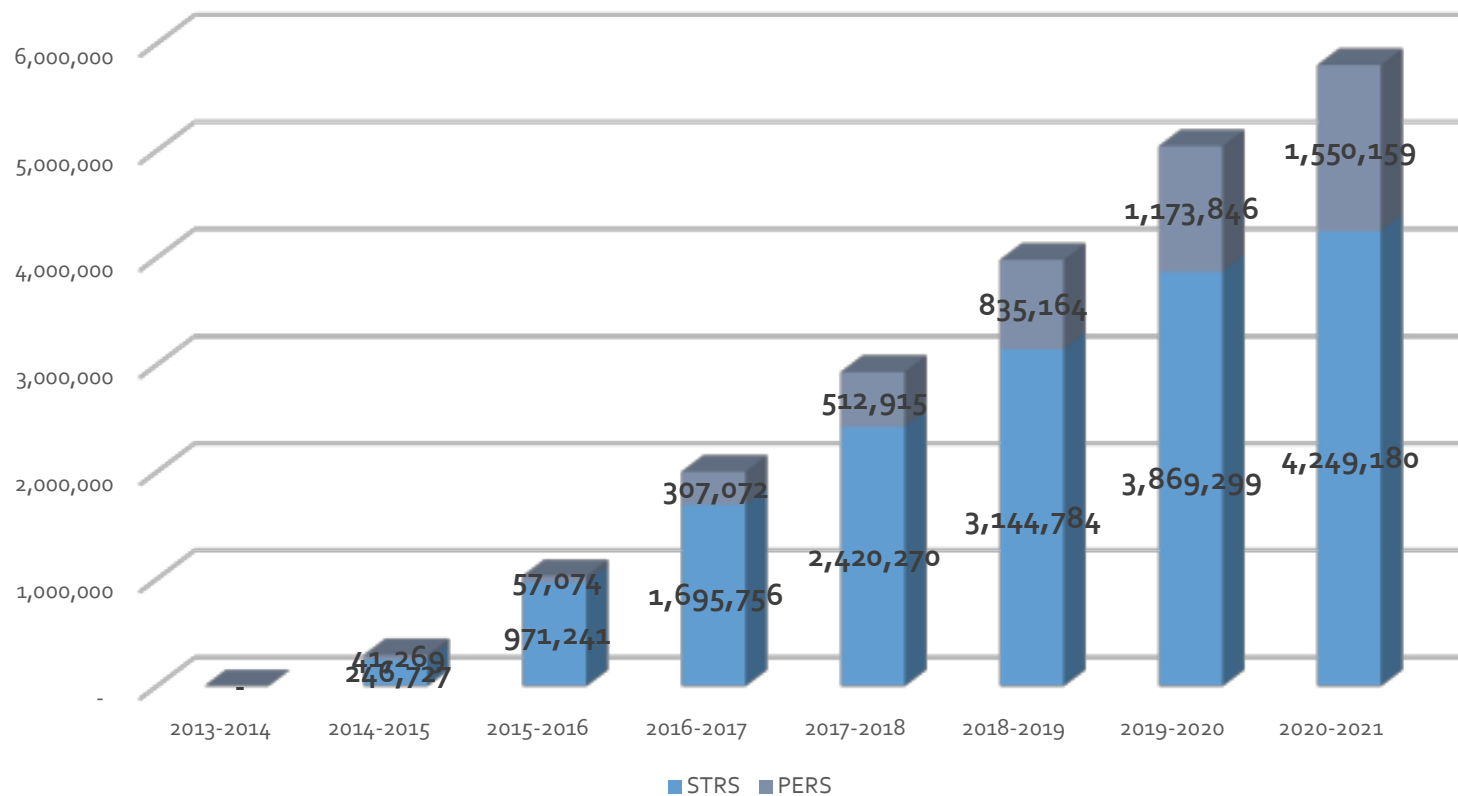


Declining Enrollment



* 2017-2018 Enrollment Per Projection

Annual Impact of State Pension (STRS/ PERS) Rate Increases



STRS/ PERS Rate Increases and Projected Out Year Costs

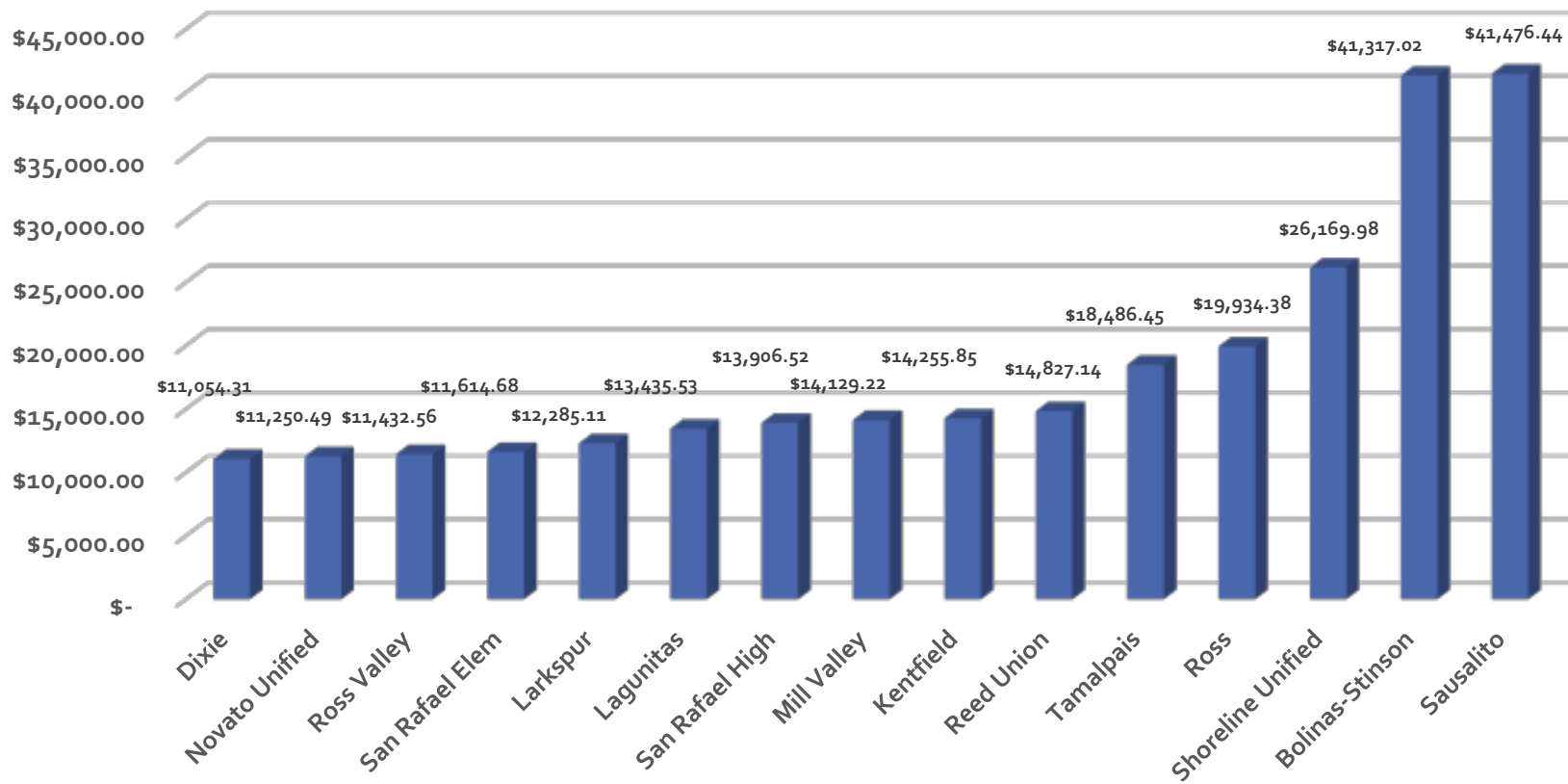
YEAR	CalSTRS Rate	Annual Increase*	CalPERS Rate **	Annual Increase*	TOTAL Cost of Increase
2013-2014	8.25%	\$0	11.44%	\$0	\$0
2014-2015	8.88%	\$246,727	11.77%	\$41,269	\$287,996
2015-2016	10.73%	\$724,514	11.90%	\$15,805	\$740,320
2016-2017	12.58%	\$724,514	13.89%	\$249,997	\$974,512
2017-2018	14.43%	\$724,514	15.53%	\$205,843	\$930,358
2018-2019	16.28%	\$724,514	18.10%	\$322,249	\$1,046,764
2019-2020	18.13%	\$724,514	20.80%	\$338,682	\$1,063,196
2020-2021	19.10%	\$379,881	23.80%	\$376,313	\$756,194
Cost Over 7 Years		\$4,249,180		\$1,550,159	\$5,799,339

*Based Upon 2017-18 Proposed Budget Certificated and Classified Salary Projections

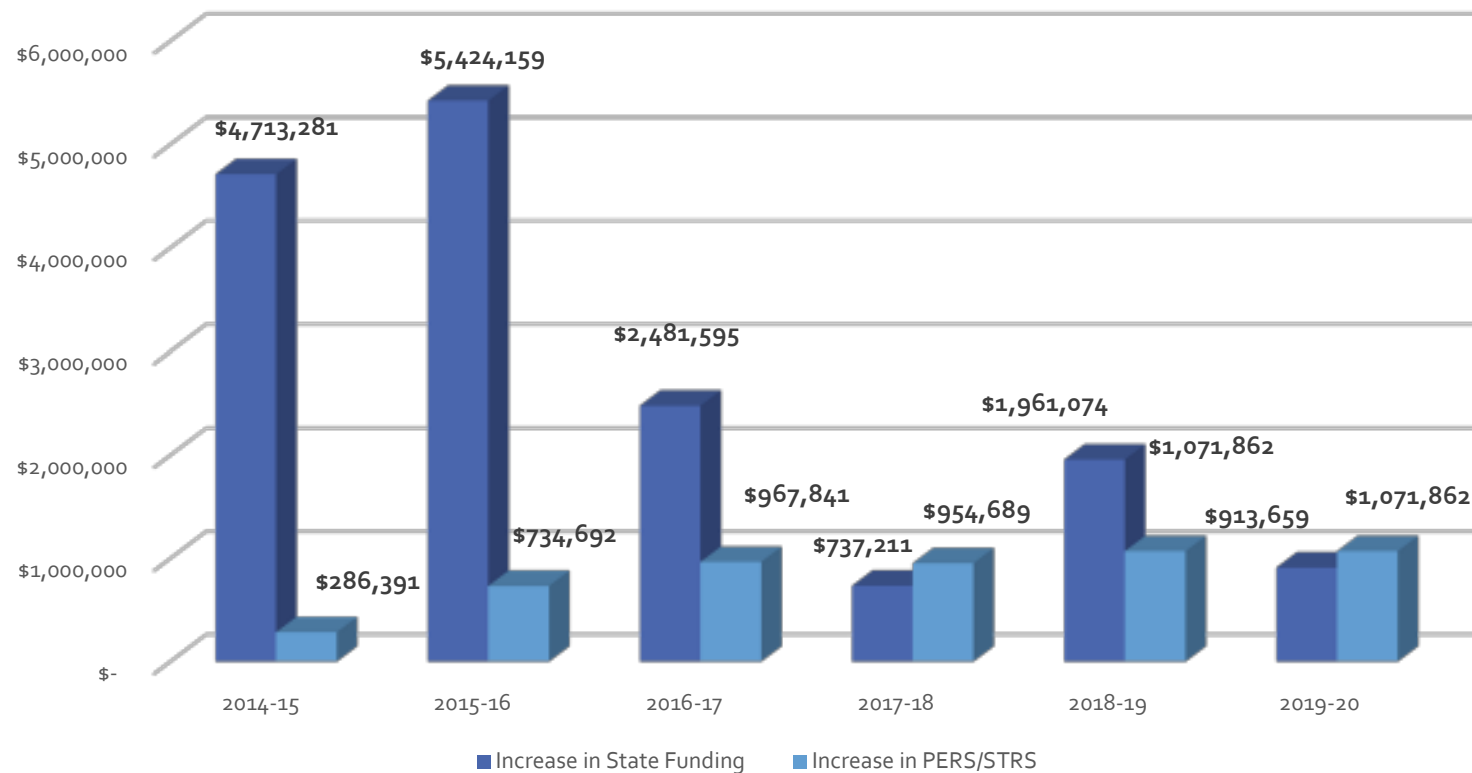
**Projected

Per Student Revenues in Marin County Districts

2015-16 General Fund Revenue Per Student – Marin County



Increase in State Funding vs. Increase in Pension Contributions



Multi-Year Projection Budget Assumptions	2018-2019	2019-2020
Change in Enrollment (NUSD)	(112)	0
Funded Change in ADA	(51.51)	(107.60)
Increase in LCFF Entitlement per ADA/ Prior Year	3.84%	2.92%
Net Increase LCFF Funding (due to decline in ADA)	3.11%	1.41%
Changes in Teacher Staffing / Declining Enrollment	(3 FTE)	(0 FTE)
STRS Rates (Increases of 1.85% Per Year)	16.28%	18.13%
PERS Rates (Projected)	18.10%	20.80%
Routine Repair Maintenance Account	2.50%	3.00%

Multi-Year Projection Combined General Fund

	<u>2017-2018</u>	<u>2018-2019</u>	<u>2019-2020</u>
LC FF Sources	\$62,752,053	\$64,713,127	\$65,626,786
Other Revenue	\$17,977,408	\$17,977,408	\$17,977,408
Total Revenues	\$80,729,461	\$82,690,535	\$83,604,194
Salaries and Benefits	\$70,934,793	\$72,715,607	\$74,861,961
Other Expenditures	\$12,694,810	\$12,789,543	\$12,903,187
Total Expenditures	\$83,629,602	\$85,505,150	\$87,765,148
Excess of Revenues over Expenditures	\$2,900,141)	(\$2,814,615)	(\$4,160,954)
Total Sources/ Uses	<u>(\$40,000)</u>	<u>(\$40,000)</u>	<u>\$1,960,000</u>
Net Increase/Decrease in Fund Balance	<u>(\$2,940,141)</u>	<u>(\$2,854,615)</u>	<u>(\$2,200,954)</u>
Beginning Fund Balance	<u>\$12,392,217</u>	<u>\$9,452,075</u>	<u>\$6,597,460</u>
Ending Fund Balance	<u>\$9,452,075</u>	<u>\$6,597,460</u>	<u>\$4,396,506</u>

Budget Development Calendar

- Budget Advisory Committee – Fall/ Winter
- Governor's Budget Release – January 2018
- LCFF (State) Funding Estimates – January 2018
- Enrollment Projections Updated – January 2018
- Intent to Separate (Certificated) – February 2018
- Intent to Return (Classified & MGMT) – February 2018
- Budget Advisory Committee Recommendations to Board – February 2018
- Deadline for Certificated Layoffs – March 15, 2018
- 2018-2019 Staffing Needs Determined – March 2018
- Position Control Roll – March 2018
- Deadline for Classified Layoffs – April 30, 2018

Budget Development Calendar

- LCAP Development
 - ❖ LCAP Input - ADCO
 - ❖ LCAP Survey Distributed
 - ❖ Community Meeting
- Governor's May Revise – May 2018
- Draft LCAP to Board – May 2018
- Preliminary LCAP - June 2018
- Preliminary Budget - June 2018
- LCAP Board Adoption – June 2018
- Budget Board Adoption – June 2018
- 45-Day Budget Revision - August 2018

Constraints

- Supplemental Services for EL/ Low Income Students(LCAP)
- Special Education Services (IEP Requirements)
- Parcel Tax Language
- Staffing Levels, Other Requirements (in Employment Contracts)
- Routine Restricted Maintenance Requirement
- State Required Pension Rates (STRS/ PERS)
- State Regulations (Min Days/ Min/ Class Size)
- Minimum Support Services at Sites/ District
- Measure G Funding

QUESTIONS