



2016-17 SECOND INTERIM BUDGET REPORT

MARCH 14, 2017

Tina Douglas, Assistant Superintendent, Business Services

Second Interim Budget Report

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- Reports actual financial data through January 31, 2017, with projections for the remainder of the year
- First glance at the 2017/18 budget, incorporating assumptions from the Governor's Proposed Budget
- California Department of Education (CDE) released the results of school districts' First Interim reporting certification of their financial condition:

Fiscal Year	Negative	Qualified
2016-17	3	31
2015-16	4	16

Major Changes – Revenue

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Major Changes from 16/17 First Interim	\$ (in millions)
GAP Funding Projection from 54.18% to 55.28% (DOF Projection) (NOTE: Will not be certified by CDE until June 2017)	\$1.8 million
Title I, McKinney Vento, Positive School Climate (new grant)	\$0.7 million
One-time funds for Outstanding Mandate Claims and College Readiness Block Grant	\$12.8 million
VAPA Professional Learning Community (new grant), CA Endowment (new grant), other Local income	\$0.7 million

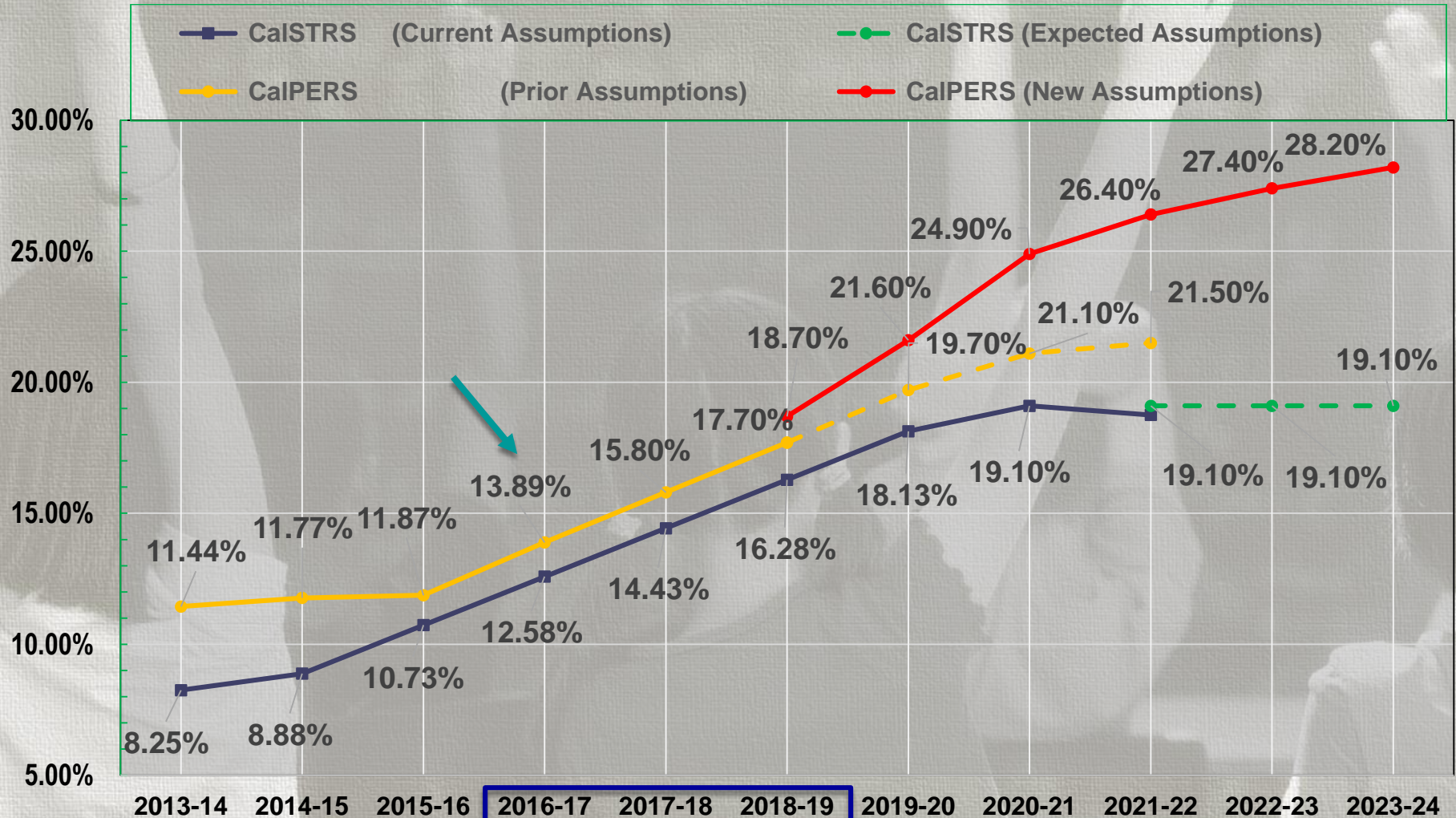
Major Changes – Expenditures

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Major Changes from 16/17 First Interim	\$ (in millions)
Certificated Salaries	(\$0.9 million)
Classified Salaries	(\$3.5 million)
Employee Benefits	(\$1.5 million)
Books and Supplies	(\$1.4 million)
Services and Other Operating	\$2.6 million
Interfund Transfers Out	\$11.3 million
<ul style="list-style-type: none">• One-time funds for mandate claims• CSI payments for QZAB Solar Energy	

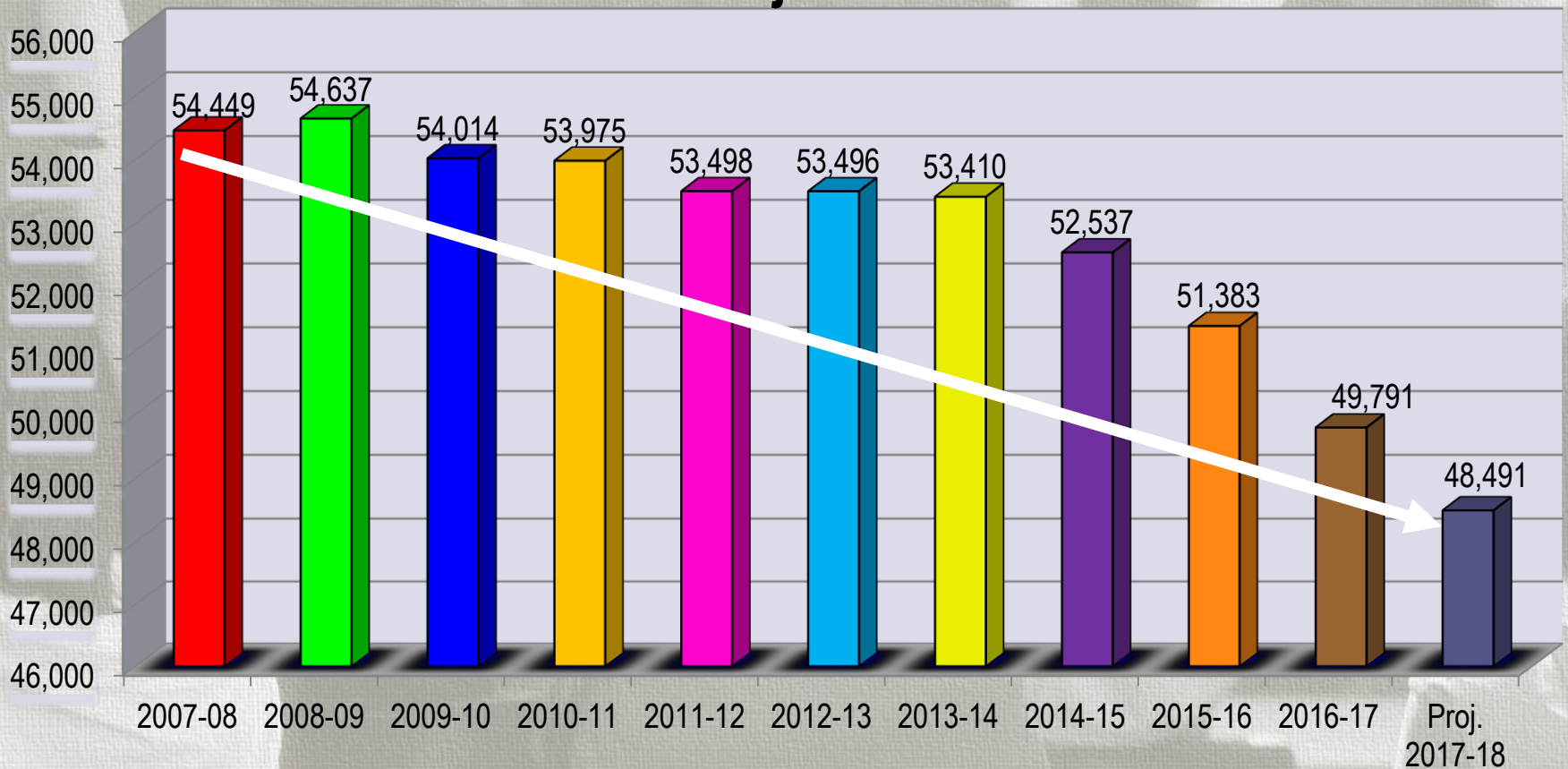
2016-17 MULTI-YEAR PROJECTIONS

CalSTRS and CalPERS Contribution Rates



ENROLLMENT DECLINES

SAUSD Historical & Projected Student Enrollment



MULTI-YEAR PROJECTION ASSUMPTIONS

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2nd Interim Unrestricted Budget Assumptions	2016-17	2017-18	2018-19
Projected Enrollment Decline	(1,592)	(1,300)	(1,300)
Staffing Reduction due to Decline		(\$9.5M)	(\$5.4M)
Statutory COLA - % Increase	0.00%	1.48%	2.40%
Statutory COLA – Dollar Increase		\$1.8M	\$4.3M
Unduplicated Pupil Percent	94.04%	93.83%	93.66%
LCFF GAP Funding Rate	55.28%	23.67%	34.42%
STRS increase	\$5.1M	\$4.9M	\$4.8M
PERS increase	\$1.7M	\$1.6M	\$2.5M
Health & Welfare increase		\$2.1M	\$2.7M

MULTI-YEAR GENERAL FUND

2nd Interim Budget	2016-17	2017-18	2018-19
Revenue	\$673,588,813	\$635,804,807	\$631,675,130
Expenditures	\$644,017,466	\$621,942,135	\$618,938,269
Other Financing Sources/Uses	(\$24,213,795)	(\$6,032,925)	(\$5,428,639)
Net Increase/(Decrease)	\$5,357,552	\$7,829,747	\$7,308,222
Beginning Balance	\$85,669,927	\$91,027,479	\$98,857,226
(Deficit Spending)/Surplus	\$5,357,552	\$7,829,747	\$7,308,222
Ending Balance	\$91,027,479	\$98,857,226	\$106,165,448
Components of Ending Balance:			
Non Spendable	\$1,190,000	\$1,190,000	\$1,190,000
Restricted Balance	\$12,997,783	\$7,830,410	\$4,293,322
Committed Balance	\$15,000,000	\$12,063,590	\$6,193,318
Other Assignments	\$48,475,071	\$65,213,725	\$82,001,470
Economic Uncertainties	\$13,364,625	\$12,559,501	\$12,487,338

COMPONENTS OF ENDING FUND BALANCE OTHER ASSIGNMENTS

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Description	2016-17 Projected	2017-18 Projected	2018-19 Projected
Civic Center	\$261,702	\$261,702	\$261,702
Godinez Rental Fees	\$33,144	\$33,144	\$33,144
WASC	\$1,144	\$1,144	\$1,144
Library Incentives	\$500,000	\$500,000	\$500,000
15-16 One-Time (E-Rate/SBAC)	\$4,717,846	\$4,717,846	\$4,717,846
Instructional Materials/Adoption	\$7,461,158	\$8,961,158	\$10,461,158
CTE	\$39,853	\$39,853	\$39,853
One-Time Intersession	\$147,776	\$147,776	\$147,776
Walker/Roosevelt Joint Use	\$50,000	\$50,000	\$50,000
One-Time Enterprise Resource Planning System (ERP)	\$7,000,000	\$7,000,000	\$7,000,000
Remodeling of District Facilities	\$500,000	\$500,000	\$500,000
Athletic Equipment	\$128,000	\$128,000	\$128,000

COMPONENTS OF ENDING FUND BALANCE OTHER ASSIGNMENTS (Continued)

Description	2016-17 Projected	2017-18 Projected	2018-19 Projected
Synthetic Turf	\$3,180,953	\$4,650,326	\$6,150,326
ALA Expansion	\$786,367	\$786,367	\$786,367
One-Time Post-Employment Benefits	\$3,000,000	\$3,000,000	\$3,000,000
Early Education Pilot Programs	\$1,500,000	\$1,500,000	\$1,500,000
Declining Enrollment	\$19,167,128	\$32,936,409	\$46,724,154
TOTAL OTHER ASSIGNMENTS	\$48,475,071	\$65,213,725	\$82,001,470

POSITIVE CERTIFICATION

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- ❖ We will be able to meet our financial obligations in the current and subsequent two fiscal years
- ❖ Not without a reduction of programs and staff.
- ❖ At the March 7, 2017 Board meeting, the Board took action to notify employees that could be affected by a potential reduction.

NEXT STEPS – LCAP AND BUDGET

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March 2017

- Second Interim Report

April 2017

- Board Budget Study Session

May 2017

- Governor's May Revision Released
- LCAP Update to the Board

June 2017

- LCAP and Budget Adoption

THANK YOU

