

# Multi-Year Fiscal Planning

## August 24, 2016

Steven J. Eichman, Assistant Superintendent Business Services

Carolyn Bischof, Executive Director Fiscal Services



# The Multi-year Projected Budgets for 2016-19

- Addressing the structural deficit
- Maintaining fiscal sustainability
- Ensuring a 3% reserve as mandated by law
- Fiscal recovery plan
  - Must be included in the 1<sup>st</sup> interim report (December 2016)

# Key Factors Affecting Fiscal Health

- Unaudited actuals (September 14)
  - No impact on structural deficit
  - 2015-16 ending balance = 2016-17 beginning balance
- Step and Column increases
- Declining new funding

<b>Unfunded Obligations</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
<i>These figures are based on current staffing levels.</i>				
<b>PERS</b>	\$ 2,436,687	\$ 2,786,687	\$ 3,164,687	\$ 3,553,687
<b>STRS</b>	\$13,064,501	\$14,164,501	\$15,264,501	\$16,664,501
<b>Totals</b>	<b>\$15,501,188</b>	<b>\$16,951,188</b>	<b>\$18,429,188</b>	<b>\$20,218,188</b>

# Multi-year projection

	2016-17	2017-18	2018-19
Amounts are expressed in millions			
Beginning Fund Balance	\$20.18	\$9.86	\$6.31
Plus Revenue	166.97	167.11	169.82
Less Expenditures	<u>169.58</u>	<u>170.43</u>	<u>174.40</u>
Excess (Deficiency)	(2.61)	(3.32)	(4.58)
Transfers between Funds/One-Time Expenses*	(7.71)	(.23)	(.23)
Net Increase (Decrease)	<u>(10.32)</u>	<u>(3.55)</u>	<u>(4.81)</u>
Projected Ending Balance	\$9.86	\$6.31	\$1.5
Reserve % (includes assigned & restricted) 3% minimum is mandated by the State	5.56%	3.70%	.86%
*One-time money from the State – earmarked for instructional materials			

# Roadmap to Fiscal Sustainability of SRCS

- Increase Revenue

  - Increase Average Daily Attendance (ADA)

- Reduce Expenditures

  - Special Education services

  - Transportation services

- Restore Reserve for Economic Uncertainty to 3%  
minimum

# Developing the Fiscal Recovery Plan Process

- Create an Ad Hoc Fiscal Recovery Plan committee
- Membership
  - Site Administrators
  - Teachers
  - Classified staff
  - District Administration
- Role of committee
  - Inclusive and transparent
  - Identification of potential areas for revenue increases and/or expenditure reductions
  - Review revenues/expenditures (adherence to budget)
  - Document progress
  - Report findings and recommendations to Board

# Fiscal Recovery Worksheet

	A	B	C	D	E	F	G	H
1	Item Category/#	Program Name	Budget Action	Additional 2016-17 Proposed Budget Reductions	Additional 2017-18 Proposed Budget Reductions	Additional 2018-19 Proposed Budget reductions	Impact	Total 3 Year Savings (through 2018-19)
2	<b>A. Revenue Enhancements</b>							
3	A-1							
4	A-2							
5	Revenue Enhancements Totals			\$0	\$0	\$0		\$0
6								
7	<b>B. Certificated Staff</b>							
8	B-1							
9	B-2							
10	Certificated Staff Totals			\$0	\$0	\$0		\$0
11								
12	<b>C. Classified Staff</b>							
13	C-1							
14	C-2							
15	Classified Staff Totals			\$0	\$0	\$0		\$0
16								
17	<b>D. Special Education</b>							
18	D-1							
19	D-2							
20	Special Education Totals			\$0	\$0	\$0		\$0
21								
22	<b>E. Transportation</b>							
23	E-1							
24	E-2							
25	Transportation Totals			\$0	\$0	\$0		\$0

# Fiscal Recovery Worksheet Purpose

- List ideas for potential increases and reductions
- Identify priorities based on the goals of the District and the LCAP
- Thorough review of each item to determine:

Feasibility

Budget implications

Programmatic impact

# Fiscal Recovery Plan Timeline

August 29 <sup>th</sup> – September 2 <sup>nd</sup>	Identification of committee members
Week of September 5 <sup>th</sup> and 19 <sup>th</sup>	First meeting & second meetings
Week of October 3 <sup>rd</sup> and 17 <sup>th</sup>	Third & fourth meetings
Week of October 31 <sup>st</sup>	Review of draft plan
November 9 <sup>th</sup>	Presentation of draft Plan to Board
December 14 <sup>th</sup>	Present 1 <sup>st</sup> interim to Board

