

Martinez Unified School District Adopted Budget



MISSION:

Martinez USD operates as a Professional Learning Community that effectively uses data to inform and guide instruction. We value a well-balanced educational experience that strives to meet the needs of the whole child – intellectually, socially, emotionally and physically. Together we will ensure diverse paths to support **all students** to be college and career ready, equipped to compete and contribute in a global society.

Governing Board of Education

Bobbi Horack	Board President
Jonathan T. Wright	Board Vice President
Deidre M. Siguenza	Board Clerk
Kathi McLaughlin	Board Member
John L. Fuller	Board Member



District Administration

CJ Cammack	Superintendent
Helen Rossi	Assistant Superintendent Personnel
Diane Deshler	Chief Business Official

– June 26, 2016

921 Susana Street, Martinez, CA 94553 (925) 335-5800



2016-17 Estimated Actuals & 2017-18 Adopted Budget

- 2016-17 Estimated Actuals is the estimated budget for the fiscal year as of June 1, 2017.
- The process of “closing the books” continues through June, July and mid-August.
- The Unaudited Actuals are presented to the Board in September.
- The 2017-18 Adopted Budget is presented in June prior to the Governor’s 2017-18 State Budget Adoption.

MUSD LCAP GOALS

College and
Career Readiness
for All Students

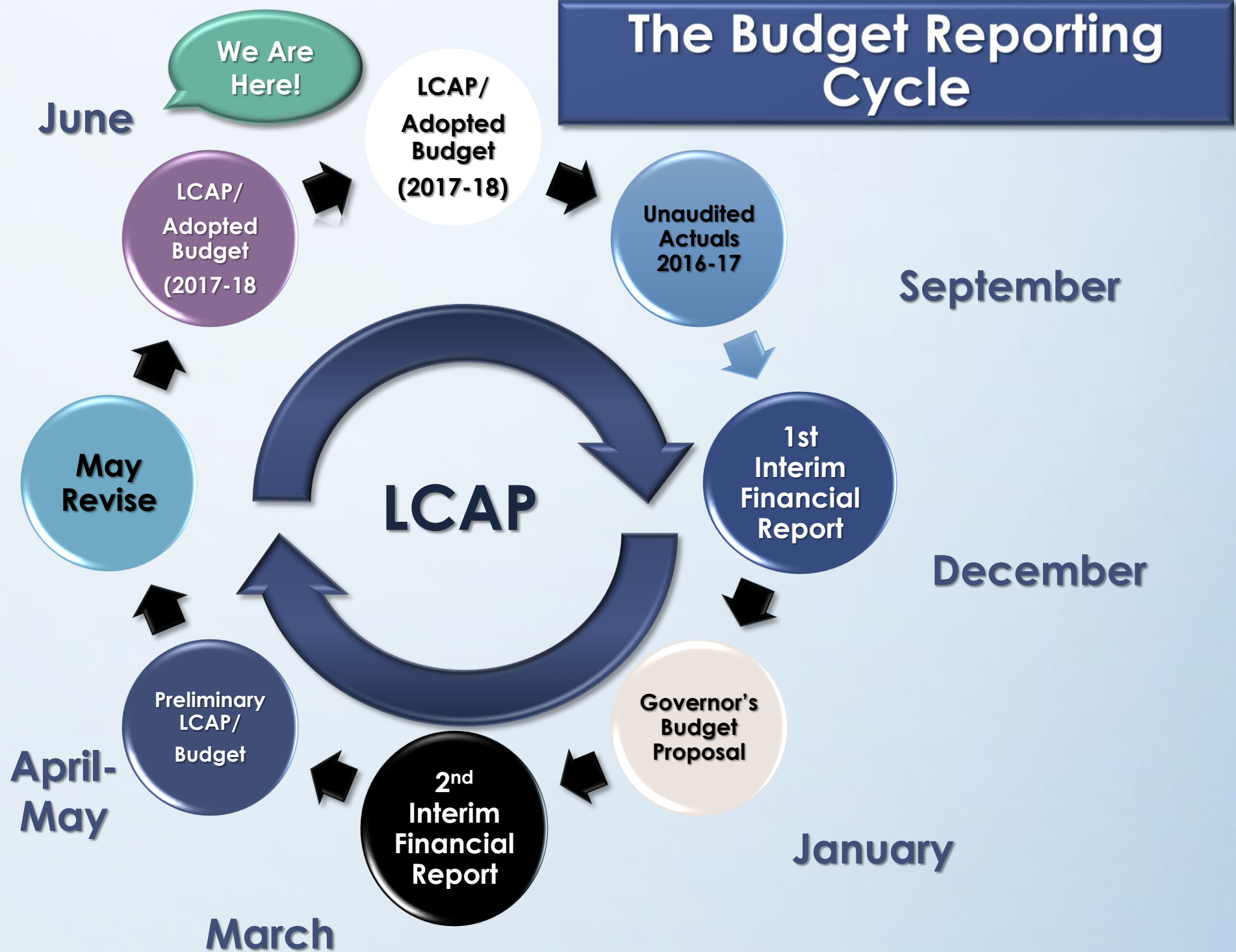
Technology
Integration for
Transformative
Teaching and
Learning

Safe and Supportive
Schools

Efficient Operations
and Sound Fiscal
Management



The Budget Reporting Cycle



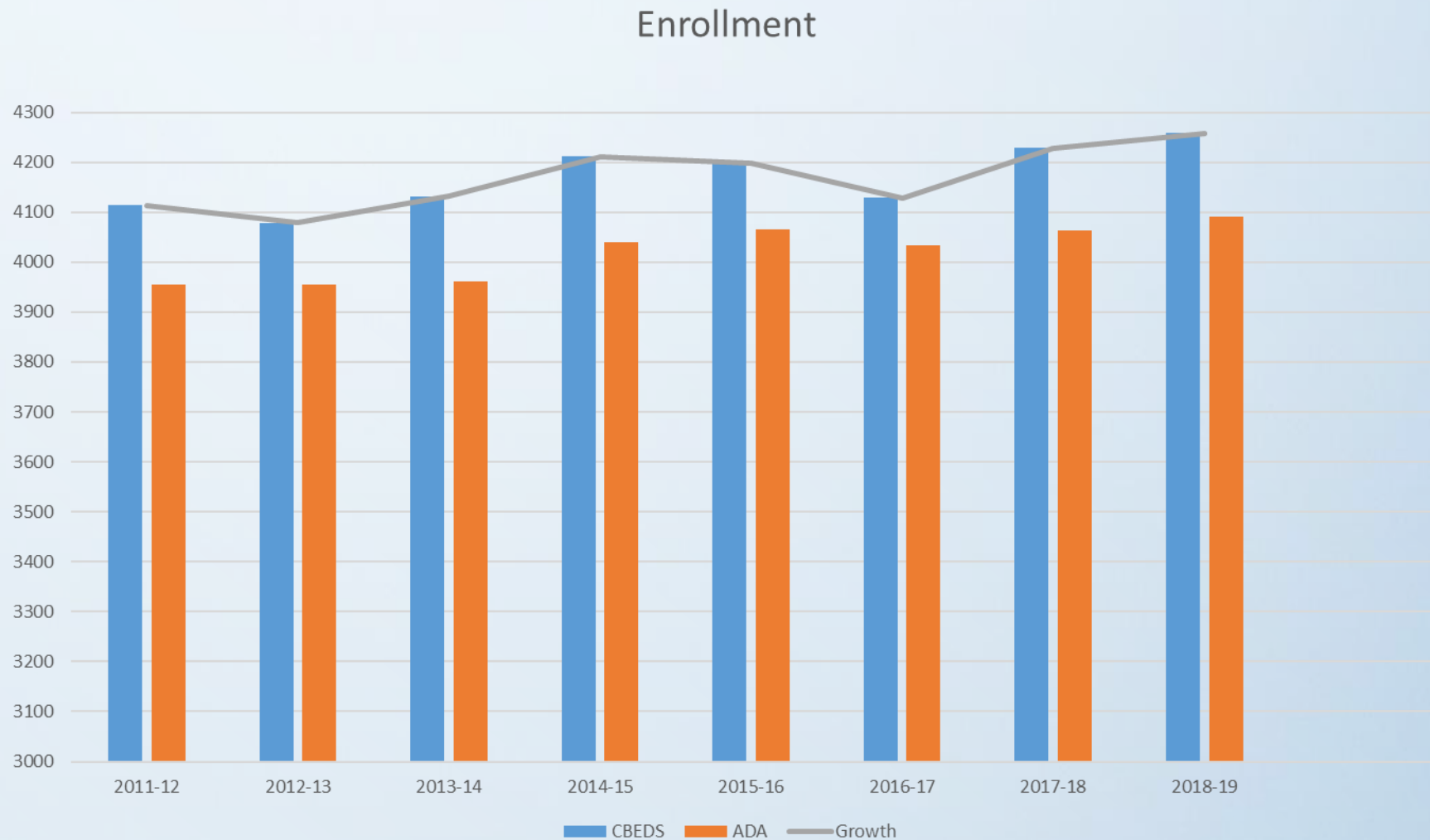
2017-2018 Budget



Enrollment History and Projections

• <u>Year</u>	<u>CBEDS</u>	<u>Change</u>
• 2011-12	4114	65
• 2012-13	4079	(35)
• 2013-14	4132	53
• 2014-15	4211	79
• 2015-16	4199	(12)
• 2016-17	4143	(56)
• 2017-18	4148	5
• 2018-19	4163	15

Enrollment History and Projections



Revenue, General Fund

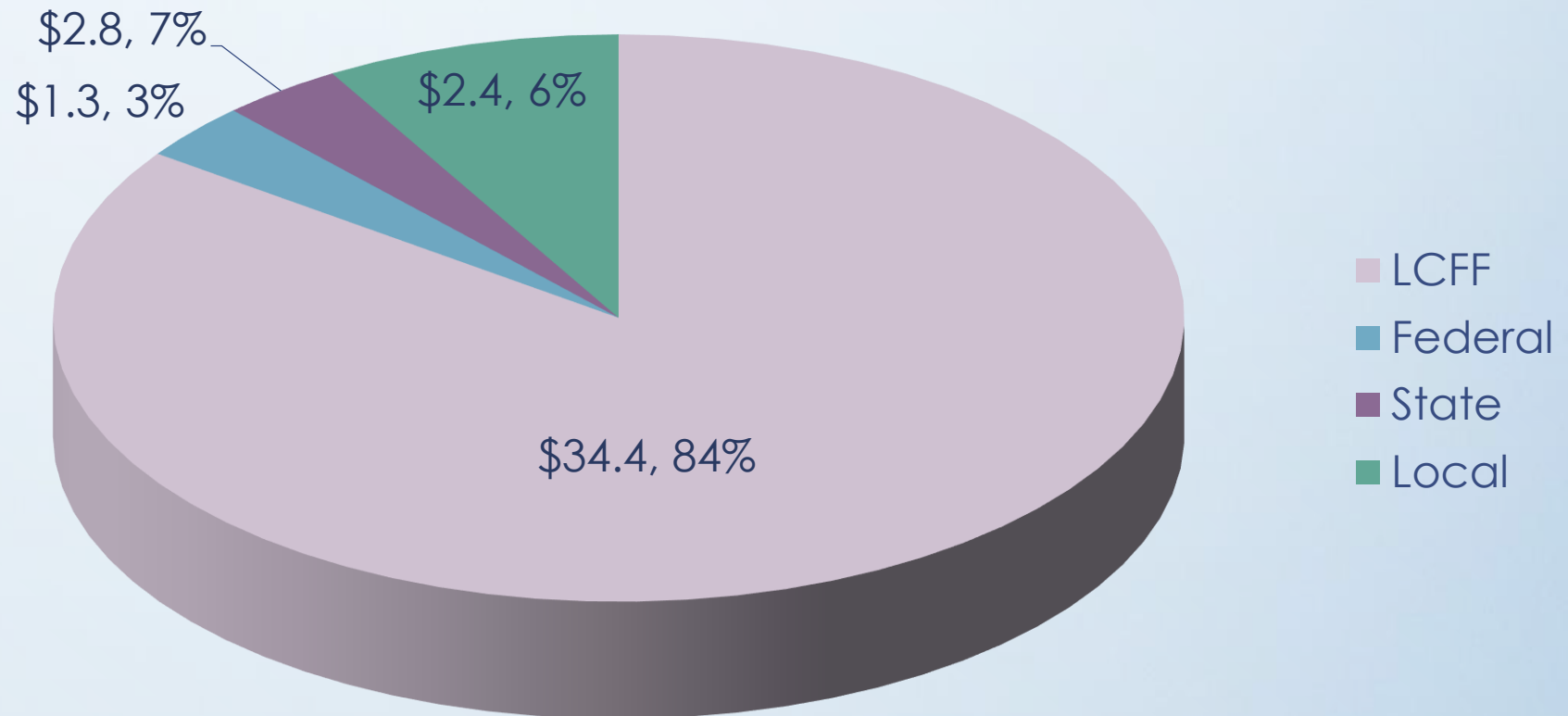
Revenues: Adopted Budget Projections (Unrestricted/Restricted)	2016-17 Estimated Actuals	2017-18 Adopted Budget
LCFF Sources	34,088,666	34,416,637
Federal Revenue	1,644,386	1,394,551
Other State Revenue	3,547,913	2,888,751
Other Local Revenue	3,485,475	2,423,203
Total Revenues	42,766,440	41,120,143

Revenue, General Fund

- Revenue decreased by \$1,646,297.
- **Federal Revenue** for 2017-18 is reduced by 249,835 due to carryover in Title II and III money in 2016-17.
- **Other State Revenue** for 2017-18 is reduced by \$659,162 due in part due to no one time funding budgeted.
- **Other Local Revenue** for 2017-18 is reduced by \$1,062,272. \$440,000 is due to the end of solar rebates (unrestricted) and \$622,000 is due to DGI Grant funding end, insurance reimbursement revenues and donations in 2016-17.

Recap of Revenue Sources

Total Revenues (in Millions)



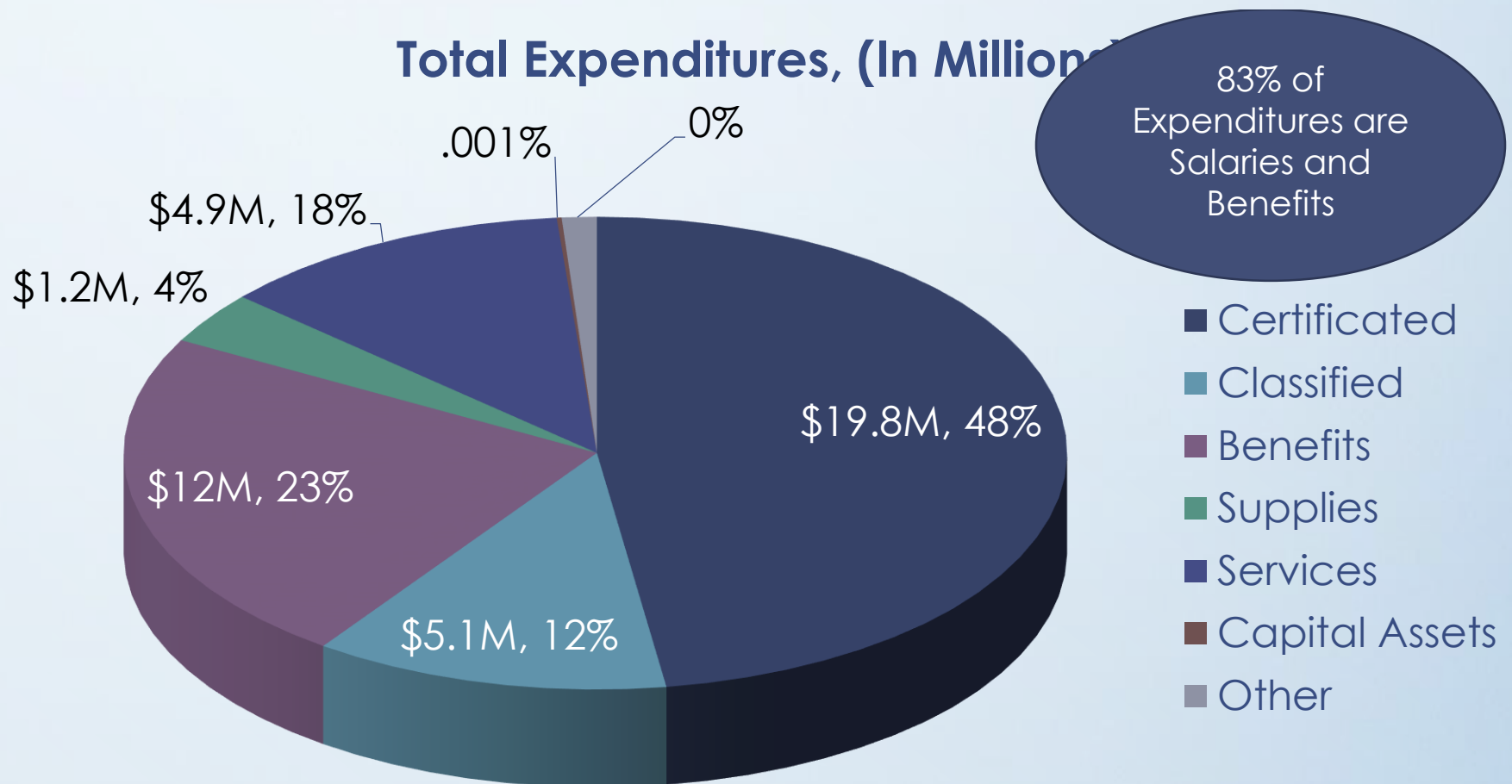
Expenditures, General Fund

Expenditures: Adopted Budget Projections (Unrestricted/Restricted)	2016-17 Estimated Actuals	2017-18 Adopted Budget
Certificated Salaries	20,168,845	19,808,464
Classified Salaries	5,172,717	5,119,287
Employee Benefits	10,941,164	12,068,178
Books and Supplies	1,589,303	1,202,913
Services & Other Operating Expenses	5,523,955	4,944,442
Capital Outlay	61,968	9,940
Other Outgo	476,380	476,948
Other Outgo – Indirect Costs	0	0
Total Expenditures	43,934,352	43,621,174

Expenditures, General Fund

- Reductions in certificated and classified salaries were included in the budget reduction plans adopted by the Board on March 13, May 8 and May 22.
- Benefits increased by \$1,127,014 due to increases in STRS, PERS, health and welfare costs, step and column increases, Medicare costs, FICA, unemployment insurance, and workers compensation.
- Books and supplies costs were reduced by \$386,390.
- Services and other operating expenses were reduced by \$579,553.
- Capital outlay was reduced by \$52,028.






Recap of Expenditures



Fund Balance

Fund Balance: Adopted Budget Projections (Unrestricted/Restricted)	2016-17 Estimated Actuals	2017-18 Adopted Budget
Net Increase or (Decrease) in Fund Balance	(1,437,912)	(2,482,830)
Beginning Fund Balance	7,594,441	6,156,529
Ending Fund Balance	6,156,529	5,059,197
Restricted/Assigned 3% Required Reserve	723,884	430,207
Requirement Met? Unassigned/Unappropriated	YES	YES
Total Reserve	9.39%	7.62%

Recap of Budget Assumptions

	2016-17	2017-18	2018-19	2019-20
Enrollment	4143	4148	4163	4163
Unduplicated Pupil Population (UPP)	30.83%	28.86% 	26.64%	26.89%
COLA	0.00%	1.56%	2.15%	2.35%
LCFF Gap Funding	55.28%	43.97%	71.53%	73.51%
CalSTRS Rates	12.58%	14.43% 	16.28%	18.31% 
CalPERS Rates	13.888%	15.531% 	18.10%	20.80% 
Lottery - Unrestricted	\$144	\$144	\$144	\$144
Lottery – Prop 20	\$45	\$45	\$45	\$45
One time Funding	\$214	\$0	\$0	\$0

Recap of Budget Assumptions

	2016-17	2017-18	2018-19	2019-20
Lottery Unrestricted per ADA	\$144	\$144	\$144	\$144
Lottery Restricted per ADA	\$45	\$45	\$45	\$45
Routine Repair & Maintenance	3%	3%	3%	3%
Step & Column	1.50%	1.50%	1.50%	1.50%
Health & Welfare Increase	5.0%	5.0%	5.0%	5.0%
Workers Compensation	1.84%	1.84%	1.84%	1.84%
FICA	6.20%	6.20%	6.20%	6.20%
Unemployment Insurance	0.05%	0.05%	0.05%	0.05%

Recap of Budget Assumptions

- Fund 20 – Special Reserve Fund for Postemployment Benefits
- This fund functions effectively as an extension of the general fund per the California School Accounting Manual (CSAM) approved by the California State Board of Education (SBE).
- At Second Interim, Fund 20 ending fund balance was \$641,135.61
- 2017-18 Budget – Interfund transfer from Fund 20 to Fund 01 of \$188,200 for estimated costs of postemployment benefits
- 2018-19 and 2019-20 interfund transfers are included in the multiyear projections

Recap of Budget Assumptions

- Fund 40 – Special Reserve Fund for Capital Outlay Projects
- Fund 17 – Special Reserve Fund for Other Than Capital Outlay Projects
- This fund is used primarily to provide for the accumulation of general fund moneys for general operating purposes other than capital outlay per the California School Accounting Manual (CSAM) approved by the California State Board of Education (SBE).
- 2017-18 Budget – Temporary interfund transfer from Fund 40 to Fund 17 of \$1,385,500
- This will allow 2019-20 budget in multiyear projections to meet 3% reserve.
- 2016-17 ending fund balance for Fund 40 is estimated at \$1,973,014.67. Temporary transfer would reduce ending fund balance to \$587,514.67.
- Resolution for temporary interfund transfer at June 26 Board Meeting

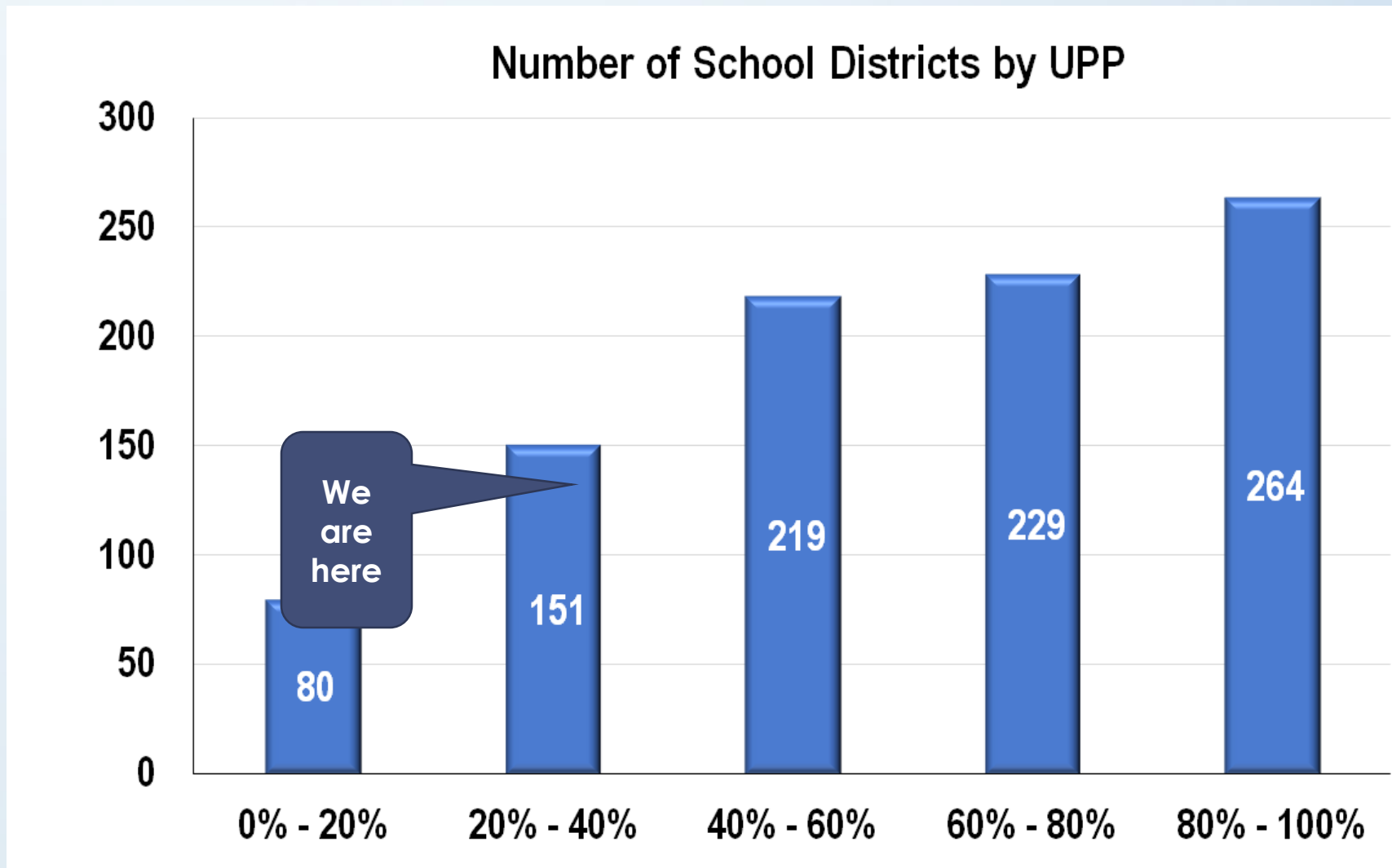
Transitioning to Full Funding LCFF Entitlements

- The LCFF changes the distribution of funding among districts as it is implemented, providing more supplemental funding on behalf of eligible students (ELs, children from low-income families, foster youth)
- Allocations of supplemental funding are proportional to the Unduplicated Pupil Percentage (UPP)



Unduplicated Pupil Percentage (UPP)

Martinez USD = 28.86%



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Other Funds

Fund Name	Fund	Ending Fund Balance 2016-17
Adult Education	11	\$508,623
Cafeteria Fund	13	\$9,995
Deferred Maintenance	14	\$59,411
Special Reserve Fund for Postemployment Benefits	20	\$457,889
Building Fund	21	\$62,560,955
Capital Facilities Fund	25	\$725,694
County School Facilities	35	\$3,840,193
Special Reserve Capital Outlay	40	\$587,514.67
Bond Interest and Redemption Fund	51	\$4,609,030

Challenges for the Future



LCFF has created a significant disparity in funding.

Planning for the end of LCFF implementation

Considerable effort needs to be made to ensure we maintain financial stability.

Economic growth continues but Governor highlights risk of recession

Multi Year Projections

Multi-Year Projections are required by AB1200 and AB2756.

Projections are not forecasts

Projections are a mathematical result of today's decisions based on a given set of assumptions

Projections will change any time the underlying factors change



Multi Year Projections (MYP)

	2017-18	2018-19	2019-20
Revenues	41,120,143	41,503,208	42,539,946
Expenditures	43,621,174	43,346,610	44,613,536
Net Decrease to Fund Balance	(2,482,830)	(1,617,972)	(1,846,219)
Beginning Fund Balance	6,156,529	5,059,197	3,341,225
Ending Fund Balance	5,059,197	3,341,225	1,338,407
Total Reserve	7.62%	4.50%	3.0%

This includes the Fund 20 and Fund 40 interfund transfers.

Challenges for the Future



- Continue to find budget efficiencies and make our dollars stretch

Challenges for the Future



The challenge will be to maintain a balanced budget with the annual cost increases within the revenue that we are receiving.

THANK YOU

