

2017-18 2nd Interim Financial Report

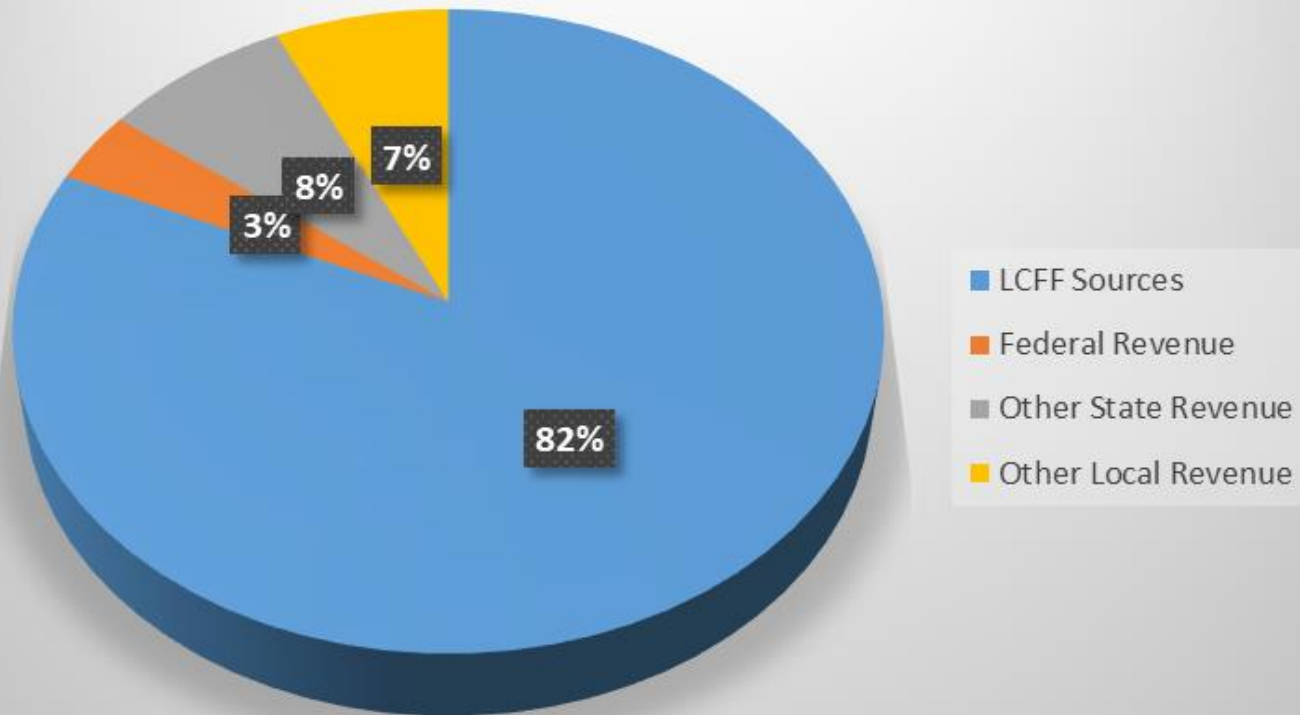
PRESENTED: MARCH 22, 2018



Overview of 2nd Interim

- Review of Revenue Sources
- Changes from 1st Interim: Revenue
- Review of Expenditure Sources
- Changes from 1st Interim: Expenditures
- Multi Year Projection (MYP)
- Key Focus Areas
- The Path Forward

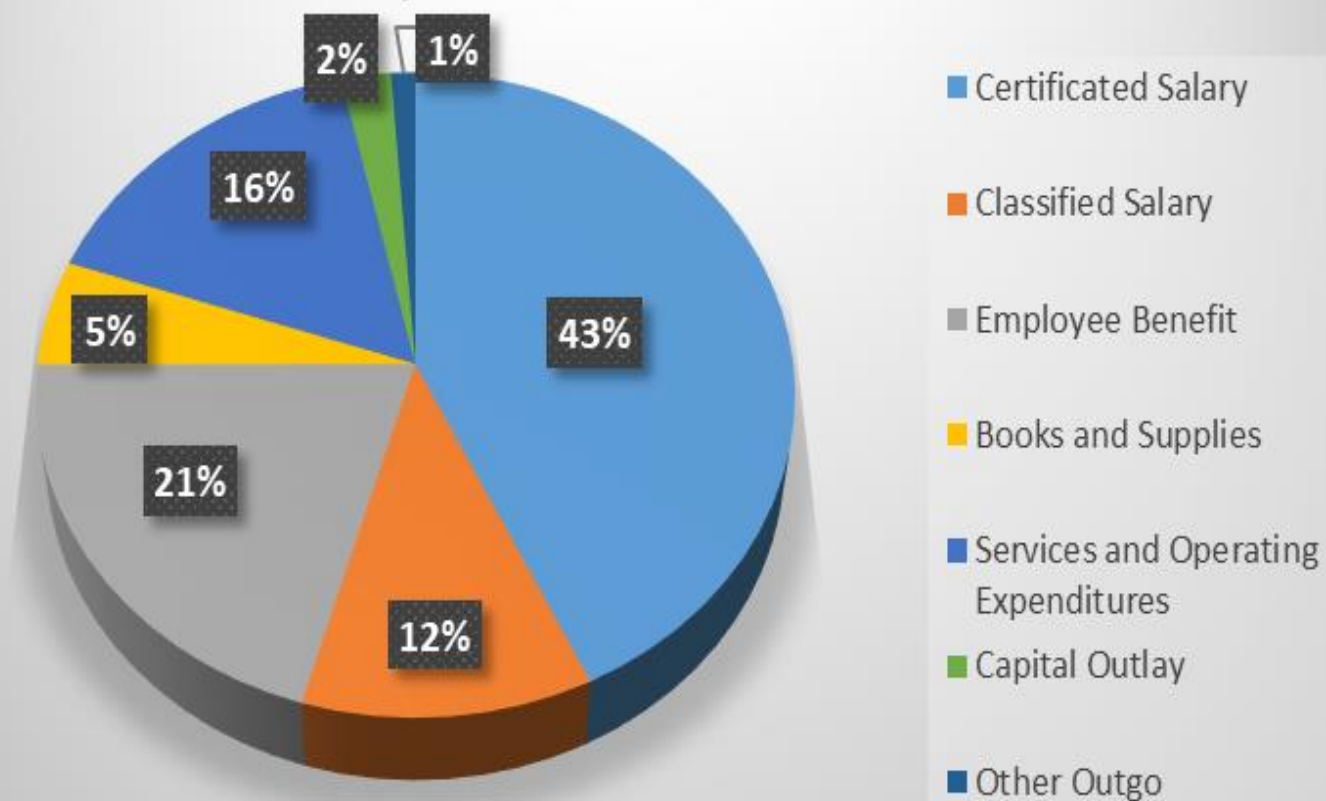
Revenue Sources



Revenue Summary

| | Adopted Budget | 1st Interim | 2nd Interim | Variance 1st Interim & 2nd Interim |
|-----------------------------|-----------------------|-----------------------|-----------------------|--|
| <i>Information through:</i> | 7/1/2017 | 10/31/2017 | 1/31/2018 | |
| LCFF Sources (Basic Aid) | 98,454,028 | 106,806,779 | 106,806,779 | 0 |
| Federal Revenue | 3,897,881 | 4,662,911 | 4,715,660 | 52,749 |
| Other State Revenue | 8,167,840 | 10,001,784 | 10,059,252 | 57,468 |
| Other Local Revenue | 5,075,983 | 8,299,002 | 9,230,389 | 931,387 |
| Interfund Transfers In | 750,000 | 750,000 | 760,000 | 10,000 |
| Total Revenue | \$ 116,345,732 | \$ 130,520,476 | \$ 131,572,080 | \$ 1,051,604 |

Expenditure Sources



Expenditure Summary

| | Adopted Budget | 1st Interim | 2nd Interim | Variance 1st Interim & 2nd Interim |
|-----------------------------|------------------------|------------------------|------------------------|--|
| <i>Information through:</i> | 7/1/2017 | 10/31/2017 | 1/31/2018 | |
| Expenditure Detail | | | | |
| Certificated Salaries | 56,102,144 | 54,940,950 | 61,409,146 | 6,468,196 |
| Classified Salaries | 14,423,386 | 15,121,669 | 16,192,152 | 1,070,483 |
| Employee Benefits | 27,750,754 | 27,629,533 | 29,323,691 | 1,694,158 |
| Books & Supplies | 2,848,417 | 7,493,130 | 7,571,419 | 78,289 |
| Service, Other Operating | 18,143,425 | 21,385,113 | 23,195,548 | 1,810,435 |
| Capital Outlay | 10,000 | 3,314,245 | 3,325,344 | 11,099 |
| Other Outgo | 1,510,160 | 1,872,472 | 1,872,472 | 0 |
| Direct Support/Indirect | (239,506) | (252,350) | (252,350) | 0 |
| Interfund Transfers Out | 9,659,286 | 10,903,573 | 10,903,573 | 0 |
| Total Expenditures | \$ 130,208,066 | \$ 142,408,335 | \$ 153,540,995 | 11,132,660 |
| | | | | |
| Excess/(Deficiency) | \$ (13,862,334) | \$ (11,887,859) | \$ (21,968,915) | \$ (10,081,056) |

Multi Year Projection

| Description | 2nd Interim 2017-18 | 2018-19 | 2019-20 |
|--|------------------------|-----------------------|-----------------------|
| Revenue Balances | | | |
| Revenue Limit Sources (8010 to 8099) | 106,806,779 | 105,735,972 | 110,029,630 |
| Federal Revenue (8100 to 8299) | 4,715,660 | 3,988,195 | 3,988,195 |
| Other State Revenue (8300 to 8599) | 10,059,252 | 8,357,447 | 8,362,390 |
| Other Local Revenue (8600 to 8799) | 9,230,389 | 5,502,070 | 5,624,733 |
| Interfund Transfers In (8900 to 8929) | 760,000 | 760,000 | 760,000 |
| Total Revenue Balances | \$ 131,572,080 | \$ 124,343,684 | \$ 128,764,948 |
| Expenditure Balances | | | |
| Certificated Salary (1000 to 1999) | 61,409,146 | 58,956,308 | 59,990,867 |
| Classified Salary (2000 to 2999) | 16,192,152 | 15,057,791 | 15,317,682 |
| Employee Benefit (3000 to 3999) | 29,323,691 | 29,128,516 | 30,903,294 |
| Books and Supplies (4000 to 4999) | 7,571,419 | 2,387,819 | 2,371,485 |
| Services and Operating Expenditures (5000 to 5999) | 23,195,548 | 20,865,967 | 20,833,746 |
| Capital Outlay (6000 to 6999) | 3,325,344 | 10,000 | 10,000 |
| Other Outgo (7100 to 7499) | 1,620,122 | 1,620,122 | 1,620,122 |
| Interfund Transfers Out (7600 to 7629) | 10,903,573 | 859,286 | 859,286 |
| Total Expenditure Balances | \$ 153,540,995 | \$ 128,885,809 | \$ 131,906,482 |
| Total General Fund | \$ (21,968,915) | \$ (4,542,125) | \$ (3,141,534) |

Key Focus Areas

Verify unduplicated pupil counts

Closely monitor ADA and enrollment

Adjust LCFF gap-closure funding

Rate of property tax growth due to assessed valuation increases

STRS/PERS rate changes

Operational cost increases exceed COLA increases

Political landscape – State and Federal



The Path Forward

March 22, 2018

Present 2017-18 Final Second Interim Report
for Board of Trustees approval

March and April

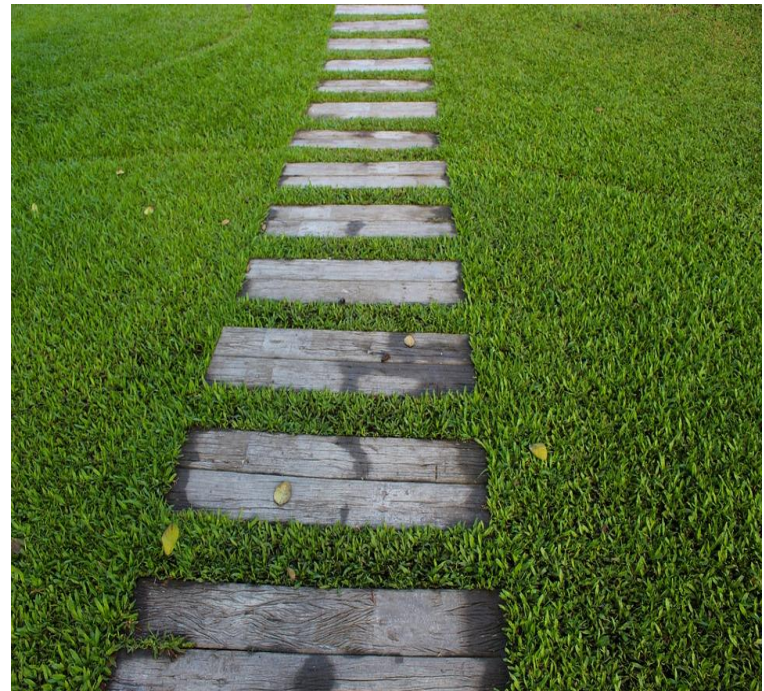
Continue development of 2018-19 Budget
Assumptions

May

Budget Study Session
Approve Budget Assumptions
Governor's May Revise 2018-19 state budget

June

2018-19 LCAP and Budget Public Hearing
2018-19 LCAP and Budget Adoption



Board Questions & Comments

