

**LA CAÑADA UNIFIED SCHOOL DISTRICT
BUSINESS SERVICES MEMORANDUM**

June 5, 2018

TO: Wendy K. Sinnette, Superintendent

FROM: Mark Evans Assistant Superintendent of Business & Admin. Services
Gretchen Bergstrom, Director of Fiscal Services

SUBJECT: First Reading: Report of Estimated Revenue and Expenditures for 2017-18 and Review of the District's Proposed Budget for 2018-19

Introduction

The June budget adoption is considered a "place holder" budget because by necessity it is primarily based on estimates and assumptions versus actual data. The 2017-18 data is "projected actuals", the numbers are currently estimates since the year has not yet closed. The 2018-19 State Budget has not been finalized, therefore the State revenues, program changes and other factors are not finalized. The budget is built off the Governor's May Revision.

However, the June budget adoption is important to not only meet the State requirement but also to provide a general overview as to the fiscal health of the district. In general, the 2018-19 June budget for La Cañada Unified School District reflects challenges of routine increases in operational costs and growing contributions to the State retirement systems.

May Revise

On May 11, 2018, Governor Jerry Brown released his final State Budget proposal of his four terms as Governor. In recent "Fiscal Reports" received from School Services of California, Inc. (SSC), the following is a summary of the Proposition 98 (K-12) portion of the Proposed Budget for 2018-19 that will have an impact on funding for the La Cañada Unified School District.

Current year revenue collections through April are higher than the January forecast. The Governor's May Revision is a positive, but cautious, fiscal picture. Governor Brown's proposal combines both long-term and one-time investments while setting aside funds for a rainy day. Prop 98 funding is not significantly impacted. The one-time revenues that were proposed have increased from \$295 per ADA to \$344 per ADA. These may change in the final adopted version of the budget.

The Cost of Living Allowance (COLA) has increased from 1.56% in 17-18 to 2.71% in 18-19. The LCFF base grant will increase by 3%.

One of the main premises of the Local Control Funding Formula (LCFF) when it was introduced was to restore the prerecession purchasing power to the 2007-08. Due to increased costs in CalSTRS and CalPERS and other nondiscretionary spending, the purchasing power has not been fully restored.

Local Control Funding Formula

The May Revise increases the LCFF funding level proposed by the Governor in January. The new revenue will fund the cost of the COLA and close the remaining GAP. This will bring statewide school funding to 100% of 2007-08 amounts – adjusted for inflation. This reflects statewide dollars. The new formula for LCFF impacts districts differently, and LCUSD receives minimal amounts of the dollars above the base grant. The gap has been closed, and schools are within 3% of inflation adjusted funding as compared to 2007-08 levels.

Ongoing revenues are distributed based on LCFF formula, and one-time revenues are traditionally dispersed evenly across all districts based on Average Daily attendance.

Retirement Systems

A major impact on the budget are the increased rates the State is mandating for the California Retirement Systems, California State Teachers' Retirement System (CalSTRS) and the California Public Employees' Retirement System (CalPERS). These are pension plans controlled by the State. The pension reform legislation recognized the unfunded liability and proposed a long-term plan to address it. This plan over time, increases the State, the Employer and Employee contributions to address this liability. Employer contributions are proposed to increase as follows:

CalSTRS

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Employer	8.25%	8.88%	10.73%	12.58%	14.43%	16.28%	18.13%	19.10%

CalPERS

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Employer	11.44%	11.77%	11.85%	13.89%	15.531%	18.062%	20.8%	23.5%

These increases are significantly outpacing the COLA and consuming the purchasing power that is built from 2007-08 funding.

Budgetary Overview

This agenda item provides the following budgetary information:

- An overview of the 2017-18 Estimated Actuals and 2018-19 Budget Financial Report and multi-year projections through 2020-2021 (Page 4)
- Revised Enrollment Projections (Page 5)
- District Budgetary Assumptions (Page 6)
- 2017-2018 All Fund Summary (Page 7)
- School Services of California, Inc. Financial Projection Dartboard, 2017-18 through 2021-22 (Page 8)
- Budget Development Calendar: The calendar of events associated with the development of the District's 2017-18 (Page 9)

Special Note: The budget recommendation for the Governing Board includes a cash transfer of \$60,000 from the Special Reserve Capital Outlay (40.0) to the Cafeteria Fund (13.0) in the 2018-19 budget year. This is to offset expenses beyond revenues.

Recommendation

It is recommended, that the Governing Board review the 2017-18 Estimated Actuals and 2018-19 Budget, First Reading, using the assumptions outlined on pages 4 through Page 9.

Attachment A

**La Canada Unified School District
2017-18 Estimated Actuals & 2018-19 Budget
General Fund - Fund #01.0**

	2013-14 Audited Actuals	2014-15 Audited Actuals	2015-16 Audited Actuals	2016-17 Audited Actuals	2017-18 Budget	2017-18 First Interim	2017-18 Second Interim	2017-18 Estimated Actuals	2018-19 Budget	2019-20 Projected Budget	2020-21 Projected Budget
Revenues											
LCFF Revenue	24,845,776	26,744,529	29,522,148	31,471,218	32,142,036	32,334,613	32,364,938	32,294,877	34,265,874	35,147,084	36,075,801
Federal Revenue	892,324	894,848	892,201	901,419	882,845	854,782	859,966	874,428	886,541	886,541	886,541
Other State Revenue	3,995,572	3,510,389	5,631,837	4,715,681	4,003,810	4,624,149	4,616,313	4,483,831	4,619,371	3,284,423	3,346,385
Local Revenue	7,109,825	8,867,666	8,568,347	8,593,795	8,446,615	8,624,917	8,763,774	8,837,246	8,575,978	7,970,728	8,035,746
Total Revenues	36,843,497	40,017,431	44,614,533	45,682,113	45,475,306	46,438,461	46,604,991	46,490,292	48,347,764	47,288,776	48,344,473
Expenditures											
Certificated Salaries	17,398,128	18,753,098	20,014,493	19,963,732	19,839,223	20,186,039	20,172,543	20,415,352	20,822,011	20,625,997	20,980,360
Classified Salaries	5,625,328	6,676,341	7,414,549	7,737,536	8,007,619	8,143,645	8,120,828	7,859,956	8,183,830	8,286,128	8,389,704
Employee Benefits	6,509,089	7,347,639	7,894,906	7,980,582	8,759,624	8,646,366	8,610,917	8,677,439	9,476,029	10,100,447	10,684,387
Books & Supplies	1,577,724	1,958,606	1,821,465	2,143,249	2,336,244	2,688,894	2,684,698	2,809,401	2,264,053	2,164,053	2,164,053
Contracted Services	5,624,847	5,587,232	5,468,813	5,666,937	6,484,683	6,949,306	6,965,709	6,515,534	6,347,852	6,430,502	6,533,852
Capital Outlay	0	119,631	74,349	289,126	611,960	600,291	713,558	870,538	272,056	90,000	90,000
Other Outgo	13,325	14,393	15,000	17,127	16,963	17,127	17,127	19,234	0	0	0
Direct Support / Indirect Support	(32,819)	(33,982)	(40,240)	(37,128)	(42,115)	(39,344)	(39,344)	(37,854)	(43,000)	(43,000)	(43,000)
Total Expenditures	36,715,623	40,422,959	42,863,334	43,761,161	46,014,202	47,192,324	47,246,036	47,129,600	47,322,831	47,654,127	48,799,356
Difference	127,874	(405,527)	1,951,199	1,920,952	(538,895)	(753,863)	(641,045)	(639,308)	1,024,933	(365,351)	(454,883)
Other Financing Sources/Uses											
Interfund Transfers In	0	0	14,388	20,076	16,000	20,000	20,000	20,000	20,000	20,000	20,000
Interfund Transfers Out Fund 14	(1,017,811)	(1,181,713)	(1,647,127)	(614,493)	(335,000)	(335,000)	(335,000)	(335,000)	(335,000)	(335,000)	(335,000)
Interfund Transfers Out Fund 20	0	0	0	0	0	0	0	0	0	0	0
Contributions From Unrestricted Funds	(1,017,811)	(1,181,713)	(1,632,739)	(594,417)	(444,000)	(440,000)	(440,000)	(440,000)	(440,000)	(440,000)	(440,000)
Total Other Financing Sources/Uses	(889,937)	(1,587,240)	318,460	1,326,535	(982,895)	(1,193,863)	(1,081,045)	(1,079,308)	584,933	(805,351)	(894,883)
Net Increase (Decrease) in Fund Balance	7,833,476	6,943,539	5,356,299	5,674,760	7,001,294	7,001,294	7,001,294	7,001,294	5,921,986	6,506,919	5,701,568
Beginning Balance	(889,937)	(1,587,240)	318,460	1,326,535	(982,895)	(1,193,863)	(1,081,045)	(1,079,308)	584,933	(805,351)	(894,883)
Net Increase/Decrease in Fund Balance	6,943,539	5,356,299	5,674,760	7,001,294	6,018,399	5,807,431	5,920,249	5,921,986	6,506,919	5,701,568	4,806,685
Ending Fund Balance	6,054,442	6,943,539	6,943,539	6,943,539	6,943,539	6,943,539	6,943,539	6,943,539	6,943,539	6,943,539	6,943,539
Components of Ending Fund Balance											
Revolving Cash	6,000	6,000	6,000	6,030	8,500	8,500	8,500	8,500	8,500	8,500	8,500
Stores/Prepays	46,849	62,224	154,948	60,175	365,530	7,500	7,500	7,500	7,500	7,500	7,500
Committed Funds - PERS/STRS	0	0	490,000	490,000	490,000	490,000	490,000	490,000	490,000	490,000	490,000
Legally Restricted	835,405	356,485	463,013	431,410	358,030	364,742	365,865	298,013	116,325	0	0
Assigned Funds - LCFF Gap	0	0	0	0	0	0	0	0	0	0	0
Assigned Funds - Donations	0	0	0	324,788	0	0	0	0	0	0	0
Assigned Funds - Textbooks	307,570	158,056	494,585	1,011,519	530,805	582,110	574,266	527,206	687,806	514,890	636,662
Assigned Funds - CTE Grant	0	0	0	0	0	0	0	0	0	0	0
Assigned Funds - one-time \$	0	0	0	391,480	0	0	0	0	0	0	0
Economic Uncertainties	0	4,773,534	4,066,214	4,285,892	4,284,383	4,354,580	4,454,119	4,590,767	4,399,460	3,883,350	2,866,695
Undesignated	5,747,715	0	0	0	1,151	0	0	0	797,328	797,328	797,328
Total Components of Ending Fund Balance	6,943,539	6,943,539	6,943,539	6,943,539	6,943,539	6,943,539	6,943,539	6,943,539	6,943,539	6,943,539	6,943,539
Reserve at 3.5%	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK
	1,320,670	1,456,163	1,550,363	1,552,445	1,626,037	1,667,131	1,669,011	1,664,936	1,671,699	1,683,294	1,723,377
	1,132,003	1,248,140	1,328,882	1,330,667	1,393,746	1,428,970	1,430,581	1,427,088	1,432,885	1,442,824	1,477,181

Attachment B

CBEDS to P2 ADA Projections

	A	B	C	D (C-B)	E (C-A) Difference	F (C/A) %Difference
	CBEDS	P1 ADA	P2 ADA			
2018-19	4157	4085	4056 est	-29	-101	0.9772 est
2017-18	4157	4085	4056	-29	-101	0.9757
2016-17	4132	4060	4041	-19	-91	0.9780
2015-16	4092	4007	3988	-19	-104	0.9746
2014-15	4048	3991	3963	-28	-85	0.9791
2013-14	4043	3960	3957	-3	-86	0.9787
			Average:	-14	-73	0.9772

2018-19	4157		4062	0.9772	(under review)
seniors out	-354				
others in	114				
NPS 9	0				
TK/K in	240				
2019-20	4157		4062	0.9772	(under review)
seniors out	-347				
others in	102				
NPS 9	0				
TK/K in	245				
2020-21	4157		4062	0.9772	(under review)
seniors out	-341				
others in	89				
NPS 9	0				
TK/K in	252				
2021-2022	4157		4062	0.9772	(under review)

* includes NPS

seniors out per Enrollment report Sept 2017
NPS per CDE Report Oct.2017

Projected ADA	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
ADA	4041	4056	4062	4062	4062	4062
Increase/Decline from Prior Yr		22	0	0	0	0
Funded ADA		4063	4062	4062	4062	4062

Attachment C

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Enrollment*	4092	4132	4157	4157 est	4157 est	4157 est
Enrollment increase(decline) from prior year*	44	40	25	0	0	0
FTE loss related to Enrollment Decline/Other*	-2.0 FTE	0	0	0	0	0
Educational Foundation adjustments FTE Reductions	n/a	n/a	n/a	-6.0 FTE	n/a	n/a
LCFF CSR (K-3) 20:1	n/a	n/a	n/a	n/a	n/a	n/a
LCFF Gr 4-6 CSR	n/a	n/a	n/a	+6.0 FTE	n/a	n/a
ROP funding from LACOE	\$136,429	\$0	\$0	\$0	\$0	\$0
ADA to Enrollment factor est.*	97.46%	97.80%	97.57%	97.72%	97.72%	97.72%
Governing Board/Other Elections	\$0	\$0	\$100,000	\$0	\$0	\$100,000
Employee Salary Compensation						
Classified 1.25% + longevity changes as of 7/1/18	4.00%	1.00%	2.50%	TBD	TBD	TBD
Certificated 2.0% as of 7/1/17		0.55%	2.00%			
Certificated 2.0% as of 7/1/18	4.25%	1.00%	2.00%	TBD	TBD	TBD
Increases in salary costs						
Step and Column Increase Estimated	1.5% Cert \$252,640	1.75% Cert \$348,635	1.75% Cert \$342,666	1.75% Cert \$347,224	1.75% Cert \$347,224	1.75% Cert \$353,300
	1.0% Class \$44,507	1.0% Class \$77,890	1.0% Class \$77,120	1.25% Class \$102,298	1.25% Class \$102,298	1.25% Class \$103,577
STRS Employer rate projection estimate*	10.73%	12.58%	14.43%	16.28%	18.13%	19.10%
increase over previous year	\$355,935	\$379,619	\$449,018	\$360,647	\$381,581	\$203,509
increase from 14-15 contribution	\$529,496	\$909,115	\$1,358,133	\$1,718,780	\$2,100,361	\$2,303,870
PERS Employer rate projection estimate*	11.85%	13.88%	15.53%	18.10%	20.80%	23.50%
increase over previous year	\$59,051	\$133,896	\$134,531	\$205,002	\$226,874	\$226,522
increase from 14-15 contribution	\$116,752	\$250,648	\$385,179	\$590,181	\$817,055	\$1,043,577
Cost of 1% increase (salary and benefits)*						
Certificated	\$ 227,068	\$ 236,515	\$ 244,740	TBD	TBD	TBD
Classified	\$ 92,764	\$ 95,448	\$ 101,672	TBD	TBD	TBD
H & W Increase	1.02%	0.00%	1.56%	2.71%	2.57%	2.67%
Supplemental Grant*	\$343,579	\$420,376	\$495,833	\$519,188	\$563,177	\$578,072
Technology infrastructure/equipment/support	\$450,000	\$450,000	\$450,000	\$450,000	\$450,000	\$450,000
Routine Restricted Maintenance Contribution	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Utility Increase (under review)	-9.0% -\$82,727	-6.00% -\$54,547	2.00% \$14,850	2.00% \$20,000	5.00% \$66,965	5.00% \$70,313
Unrestricted Capital Outlay*	\$75,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Special Education Increase Contribution (under review)	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000
GASB 45 (Post employment benefits contribution)	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000
Reserve level	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Projected Lease Income (under review)*	\$1,897,992	\$1,922,763	\$2,042,857	\$2,104,143	\$2,167,267	\$2,232,285
Fund 17 Lease Interruption Contingency	\$1,825,000	\$1,825,000	\$1,825,000	\$1,825,000	\$1,825,000	\$1,825,000
Mandated Block Grant	\$152,582	\$150,648	\$160,356	\$160,356	\$164,589	\$164,589
One Time Prior Year Mandate*	\$2,097,797	\$855,663	\$595,351	\$1,397,328	\$0	\$0
Parcel Tax Revenue	\$2,579,850	\$2,585,250	\$2,582,100	\$2,582,100	\$2,582,100	\$2,582,100
Educational Foundation Revenue*	\$2.0 M	\$2.0 M	\$2.0 M	\$2.0 M	\$1.5 M est	\$1.5 M est
Transfer to Fund 40 (planned capital projects)	\$830,000	\$0	\$0	\$0	\$0	\$0
Deferred Maintenance Contribution (includes LCFF)	\$572,127	\$450,809	\$335,000	\$335,000	\$335,000	\$335,000
Educator Effectiveness Program	\$324,322	\$0	\$0	\$0	\$0.00	\$0.00
Lottery per ADA	\$140.00	\$144.00	\$146.00	\$146.00	\$146.00	\$146.00
Lottery Proposition 20 per ADA	\$41.00	\$45.00	\$48.00	\$48.00	\$48.00	\$48.00

*Changes reflected after July 1, 2017

La Canada Unified School District
 Estimated Actuals 2017-18
 All Funds

Attachment D

ALL FUNDS
 17-18 Estimated Actuals

	GENERAL (unrestricted)	GENERAL (restricted)	GENERAL (Committed)	CAFETERIA(13)	DEFERRED MAINTENANCE (14)	LEASE INTERRUPTION (17.1)	GAS&S-46 (20)	BOND (21.1)	DEV FEE (24.0)	FACILITIES (40.0)	STADIUM FIELD (40.1)	SEWER CONNECTION (40.2)	Fund Agreement Fund (40.3)	Fund Replacement Fund (40.4)	SPECIAL RESERVE TOTAL (40)	SUMMARY (All Funds)
REVENUE	42,425,299	4,064,993	46,490,292	739,500	6,025	0	8,551	29,680,500	236,655	274,416	7,235	3,563	36,497	2,169	323,880	77,485,403
EXPENDITURES	36,695,818	10,433,783	47,129,601	807,249	505,194	20,059	0	878,745	122,172	194,358	0	28,600	0	20,000	242,958	49,705,978
DIFFERENCE	5,729,481	-6,368,790	-639,309	-67,749	-499,169	-20,059	8,551	28,801,755	114,483	80,058	7,235	-25,037	36,497	-17,831	80,922	27,779,425
Transfer Out Fund 14	-335,000	0	-335,000	0	0	0	0	0	0	0	0	0	0	0	0	-335,000
Transfer Out Fund 20	-125,000	0	-125,000	0	0	0	0	0	0	0	0	0	0	0	0	-125,000
Transfer Out Fund 40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfer Out Fund 13	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfer In Fund 17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfer In/Out	20,000	0	0	71,000	335,000	20,059	125,000	0	0	0	0	0	0	-71,000	-71,000	480,059
Cont to Rest Maint	-1,350,000	1,350,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cont to Restricted	-4,875,247	4,875,247	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FUND CHANGE	-935,766	-143,543	-1,079,308	3,251	-164,169	0	133,551	28,801,755	114,483	80,058	7,235	-25,037	36,497	-88,831	9,922	27,819,485
BEG. BAL. 7/1	6,559,739	441,555	7,001,294	25,068	652,665	1,825,000	777,798	0	669,536	470,596	113,520	324,157	32,912	196,134	1,137,319	12,088,680
END. BAL. 6/30	5,623,973	298,012	5,921,985	28,319	488,496	1,825,000	911,349	28,801,755	764,019	550,654	120,755	299,120	69,409	107,303	1,147,241	39,908,164
Revolving Cash	8,500	0	8,500	400	0	0	0	0	0	0	0	0	0	0	0	8,900
Stores/Prepays	7,500	0	7,500	0	0	0	0	0	0	0	0	0	0	0	0	7,500
Legally Restricted	0	298,013	298,013	27,919	0	0	0	0	0	0	0	0	0	0	0	325,932
Committed Funds Capital Reserve	0	0	0	0	0	1,500,000	0	0	0	0	0	0	0	0	0	1,500,000
Committed Funds PERS/STRS	490,000	0	490,000	0	488,496	325,000	911,349	28,801,755	764,019	550,654	120,755	299,120	69,409	107,303	1,147,241	490,000
Assigned Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Assigned Funds/Donations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Assigned Funds/Textbooks	527,206	0	527,206	0	0	0	0	0	0	0	0	0	0	0	0	527,206
Economic Uncertainty	4,590,767	0	4,590,766	0	0	0	0	0	0	0	0	0	0	0	0	4,590,766
Undesignated	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unappropriated	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

SSC School District and Charter School Financial Projection Dashboard 2018-19 May Revision

This version of SSC's Financial Projection Dashboard is based on the 2018-19 May Revision. We have updated the Local Control Funding Formula (LCFF) factors. We have also updated the cost-of-living adjustment (COLA), Consumer Price Index (CPI), and ten-year T-bill planning factors per the latest economic forecasts. We rely on various state agencies and outside sources in developing these factors, but we assume responsibility for them with the understanding that they are general guidelines.

LCFF ENTITLEMENT FACTORS				
Entitlement Factors per ADA	K-3	4-6	7-8	9-12
2017-18 Initial Grants	\$7,193	\$7,301	\$7,518	\$8,712
COLA at 3.00%	\$216	\$219	\$226	\$261
2018-19 Base Grants	\$7,409	\$7,520	\$7,744	\$8,973

Entitlement Factors per ADA	K-3	4-6	7-8	9-12
2018-19 Base Grants	\$7,409	\$7,520	\$7,744	\$8,973
Grade Span Adjustment Factors	10.4%	-	-	2.6%
Grade Span Adjustment Amounts	\$771	-	-	\$233
2018-19 Adjusted Base Grants	\$8,180	\$7,520	\$7,744	\$9,206
Supplemental Grants (% Adj. Base)	20%	20%	20%	20%
Concentration Grants	50%	50%	50%	50%
Concentration Grant Threshold	55%	55%	55%	55%

LCFF DASHBOARD FACTORS					
Factors	2017-18	2018-19	2019-20	2020-21	2021-22
SSC Gap Funding Percentage	45.17%	100.00%	-	-	-
Department of Finance Gap Funding Percentage	45.17%	100.00%	-	-	-
Gap Funding Percentage (as of May Revise)	43.97%	100.00%	-	-	-
COLA ¹	1.56%	3.00% ²	2.57%	2.67%	2.90%

PLANNING FACTORS						
Factors		2017-18	2018-19	2019-20	2020-21	2021-22
COLA on state and local share ³		1.56%	2.71%	2.57%	2.67%	2.90%
California CPI		3.37%	3.58%	3.36%	3.23%	2.94%
California Lottery	Unrestricted per ADA	\$146	\$146	\$146	\$146	\$146
	Restricted per ADA	\$48	\$48	\$48	\$48	\$48
Mandate Block Grant (District)	Grades K-8 per ADA	\$30.34	\$31.16	\$31.16	\$31.16	\$31.16
	Grades 9-12 per ADA	\$58.25	\$59.83	\$59.83	\$59.83	\$59.83
Mandate Block Grant (Charter)	Grades K-8 per ADA	\$15.90	\$16.33	\$16.33	\$16.33	\$16.33
	Grades 9-12 per ADA	\$44.04	\$45.23	\$45.23	\$45.23	\$45.23
One-Time Discretionary Funds per ADA		\$147	\$344	-	-	-
Interest Rate for Ten-Year Treasuries		2.59%	3.15%	3.40%	3.50%	3.40%
CalPERS Employer Rate (projected) ⁴		15.531%	18.062%	20.8%	23.5%	24.6%
CalSTRS Employer Rate (statutory)		14.43%	16.28%	18.13%	19.10%	19.10%

RESERVES	
State Reserve Requirement	District ADA Range
The greater of 5% or \$67,000	0 to 300
The greater of 4% or \$67,000	301 to 1,000
3%	1,001 to 30,000
2%	30,001 to 400,000
1%	400,001 and higher

¹Target for LCFF is projected to be achieved in the 2018-19 fiscal year, therefore, any growth in LCFF revenues in future years will be attributable to the application of the COLA to the base grant.

²Includes statutory COLA of 2.71% plus an additional 0.29% represented by an additional \$166 million appropriated above LCFF targets.

³Includes Special Education, Child Nutrition, Foster Youth, American Indian Education Centers/American Indian Early Childhood Education, and Mandate Block Grant.

⁴Rate is final for 2017-18 and 2018-19 fiscal years.

**LA CAÑADA UNIFIED SCHOOL DISTRICT
BUDGET DEVELOPMENT CALENDAR 2017-18**

Dec. 5, 2017	The 2016-17 District Audit is presented to the Governing Board
February 13, 2018	Second Interim Financial Report (2017-18), for the period ending January 31, 2018, presented to the Governing Board- First Reading
March 20, 2018	Second Interim Financial Report (2017-18), for the period ending January 31, 2018 presented to the Governing Board- Second Reading
May 2018	Budget Development activities for 2018-19
June 5, 2018	Proposed District Budget (2018-19) presented to the Governing Board
May 30 to June 5, 2018	Proposed District Budget (2018-19) placed on display for public review
June 26, 2018	The Governing Board conducts a public hearing and approves the District Budget for 2018-19
June 30, 2018	Business Services files the District Budget (2018-19) with the Los Angeles County Office of Education