

Milpitas Unified School District

2016-17 Second Interim



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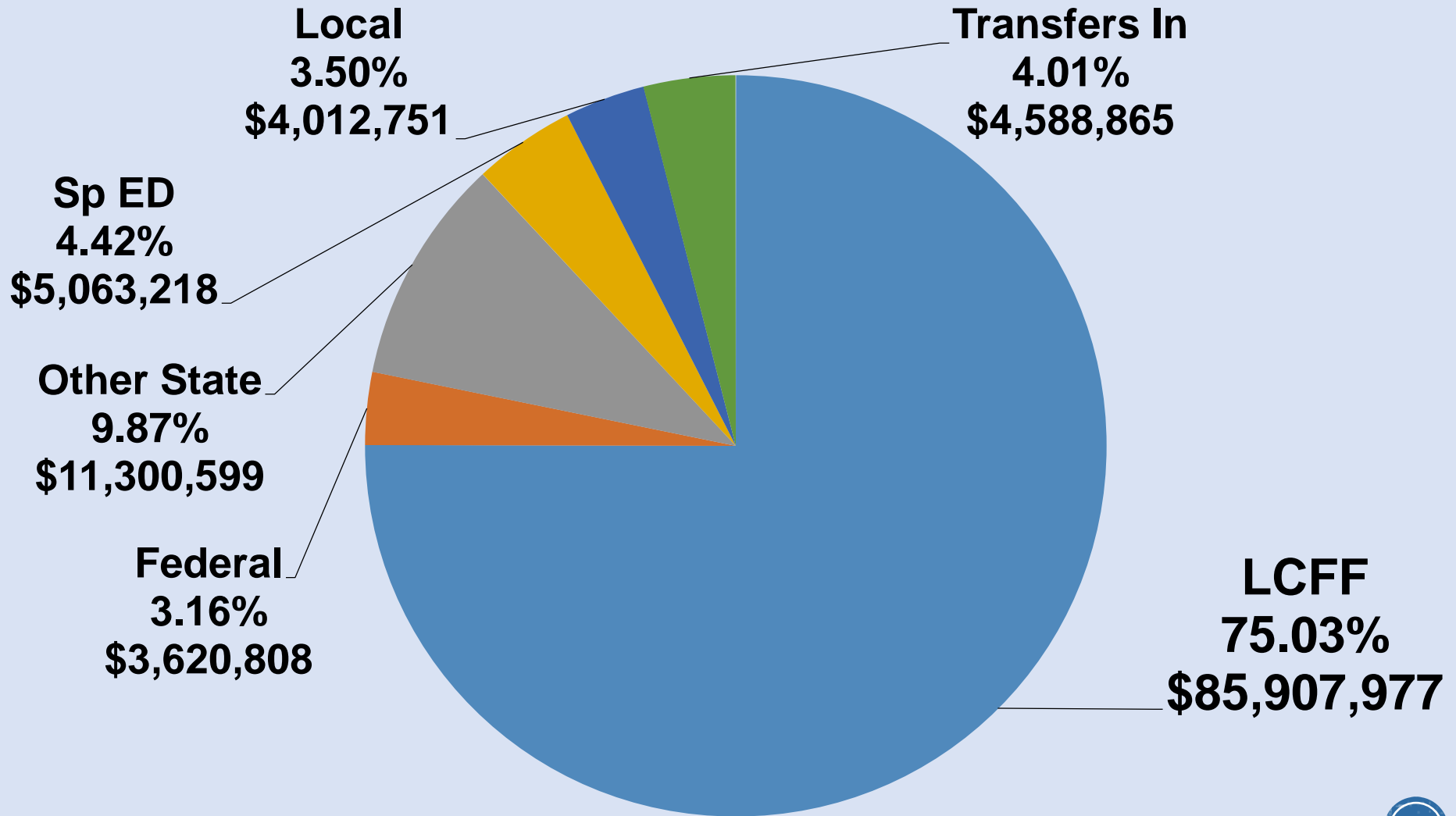
Overview

- 2nd Major Budget Update in 16-17
- Use Actual Data as of 01/31/17
- Financial Certification
 - ✓ Positive
 - ❖ Qualify
 - ❖ Negative

Major Changes-Revenue

- **LCFF Recalculation: \$557K**
- **Add Spec Ed Funding: \$190K**
- **Federal Prog: <\$66K>**
- **State Revenue: \$959K**
 - **Grants: \$429K**
 - **1X Funding: \$530K**

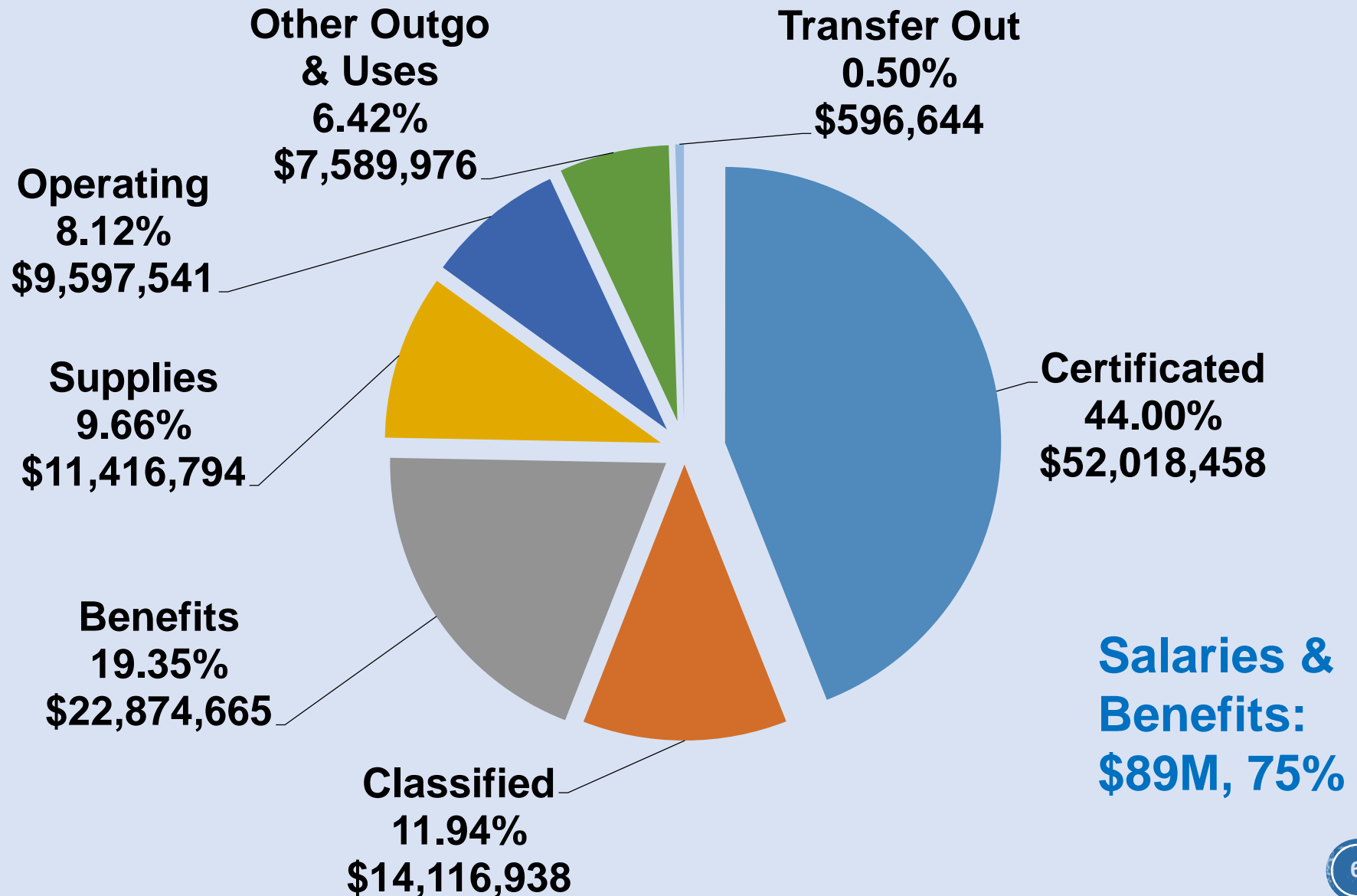
2016-17 Revenue - \$114,494,218



Major Changes- Expenditures

- **Cost of 2% + 1%: \$2.17 M**
- **\$100 H&W Cap Increase: \$150K (6 months)**
- **Budget Adjustments:**
 - Salaries and Benefits: <\$600K>**
 - Utilities and Operations: <\$317K>**
 - Pass through Metro ED: <\$284K>**
 - Contributions to CDC: \$123K**

2016-17 Expenditure-\$118,211,016



2nd Interim Overview

General Fund Summary	2nd Interim	1st Interim	Difference
Beginning Fund Balance	\$12,980,077	\$12,980,077	\$0
LCFF Revenue/Property Tax	\$85,907,977	\$85,230,141	\$677,836
Federal Revenue	\$3,620,808	\$3,686,514	(\$65,706)
State Revenue	\$11,300,599	\$10,340,936	\$959,663
Local	\$9,075,969	\$8,975,948	\$100,021
Transfer In	\$4,588,865	\$4,588,865	\$0
Total Revenue	\$114,494,218	\$112,822,404	\$1,671,814
Salaries & Benefits	\$89,010,061	\$87,769,723	\$1,240,338
Supplies & Operations	\$28,604,311	\$28,723,635	(\$119,324)
Transfer Out	\$596,644	\$473,397	\$123,247
Total Expenditure	\$118,211,016	\$116,966,755	\$1,244,261
Ending Fund Balance	\$9,263,279	\$8,835,726	\$427,553

2017-18 State Budget Proposals

- **The Governor's Budget Assumes Low Growth**
- **Neither the DOF nor the LAO is Forecasting a Recession in 2017-18**
- **Passage of Prop 55 will Help Education**
- **Uncertainty at the Federal Level**

MYP Factors

- ❖ **Step, Column, and Longevity: \$1.0M**
- ❖ **No Salary Improvement is Included**
- ❖ **Health & Welfare is Capped at Current Rate**
- ❖ **No Changes in ADA Projection**
- ❖ **No New Positions are Added**

LCFF Factors

Assumptions	2017-18	2018-19
ADA	10,109.54	10,109.54
COLA	1.480%	2.400%
EL, LI %	44.93%	41.56%
LCFF Funding Factor	23.67%	40.00%
LCFF Growth Funding	933K	\$1.8M

Benefit Projections

	15-16	16-17	17-18	18-19	19-20	20-21
STRS (Certificated)	10.73%	12.58%	14.43%	16.28%	18.13%	19.10%
PERS (Classified)	11.85%	13.888%	15.80%	18.70%	21.60%	24.90%
Social Security (Classified)	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%
Medicare	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%
Unemployment Insurance	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%
Worker's Comp	2.95%	1.9826%	2.14%	2.31%	2.43%	2.55%
Total Certificated	15.18%	16.06%	18.07%	20.09%	22.06%	23.15%
Total Classified	22.50%	23.57%	25.64%	28.71%	31.73%	35.15%

MYP SUMMARY

	Actual 2015-16	2nd Interim 2016-17	Projection Y1 2017-18	Projection Y2 2018-19
Total Beginning Balance	\$7,934,976	\$12,980,077	\$9,263,278	\$4,333,758
LCFF Sources/ Excess Property Tax	82,048,736	85,907,977	86,533,025	88,366,956
Federal Revenues	3,705,614	3,620,808	3,367,825	3,367,825
State Revenues	13,858,909	11,300,599	8,753,388	8,268,156
Other Local Revenues	8,889,550	9,075,969	9,075,969	9,075,969
TOTAL REVENUES	\$108,502,809	\$109,905,353	\$107,730,207	\$109,078,906
Certificated Salaries	49,694,109	52,018,458	52,698,458	53,628,458
Classified Salaries	13,110,021	14,116,938	14,036,938	14,186,938
Benefits	20,666,481	22,874,666	25,620,975	27,417,487
Books, Supplies, Services, Utilities	20,429,454	28,604,311	21,800,894	22,420,222
TOTAL EXPENDITURES	\$103,900,065	\$117,614,373	\$114,157,265	\$117,653,105
Excess (Deficiency) of Revenues over Expenditures Before	\$4,602,744	(\$7,709,020)	(\$6,427,058)	(\$8,574,199)
Transfers In Other Funds	-	-	-	-
Building	0	1,450,000	1,450,000	1,450,000
Special Reserve	1,020,965	3,138,865	644,182	7,756,113
Total Transfer In from Other Funds	1,020,965	4,588,865	2,094,182	9,206,113
Transfers Out to Other Funds	(578,609)	(596,644)	(596,644)	(596,644)
Total Excess include transfers out/c	5,045,100	(3,716,799)	(4,929,520)	35,270
Ending Balance	\$12,980,077	\$9,263,278	\$4,333,758	\$4,369,028

Strategic & Building Fund Summary

	2015-16	2016-17	2017-18	2018-19
<u>Special Reserve/Strategic Fund</u>				
Beginning Fund Balance	7,719,742	9,250,784	9,351,784	8,817,602
Transfer in and Interest Revenue	1,531,042	101,000	110,000	50,000
Transfers to General Fund	-	-	(644,182)	(7,756,113)
<i>Projected Ending Fund Balance</i>	9,250,784	9,351,784	8,817,602	1,111,489
RDA Settlement Transfer In	7,159,830	6,138,865	3,000,000	3,000,000
Trans	(1,020,965)	(3,138,865)	-	-
RDA Settlement Balance	6,138,865	3,000,000	3,000,000	3,000,000
Transfer In from GF- for Solar Inverter	150,000	-	-	-
Solar Inverter Replacement Balance	150,000	150,000	150,000	150,000
<u>Building Fund</u>				
Beginning Fund Balance	5,361,747	6,682,049	6,829,993	5,126,212
Projected Revenues	4,347,901	2,598,219	2,598,219	2,598,219
Projected Expenditures	(1,277,599)	(700,275)	(2,552,000)	(1,100,000)
Transfer to Deferred Maintenance Fund	(300,000)	(300,000)	(300,000)	(300,000)
Transfers to General Fund	(1,450,000)	(1,450,000)	(1,450,000)	(1,450,000)
<i>Projected Ending Fund Balance</i>	6,682,049	6,829,993	5,126,212	4,874,431

Questions