

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

September 15, 2015

**TO:** Wendy K. Sinnette, Superintendent

**FROM:** Mark Evans, Chief Business and Operations Officer

**SUBJECT:** Approve Summary of Revenue and Expenditures for 2014-2015 (Unaudited), Needed Revisions to the Adopted Budget, Budget Transfer for Deferred Maintenance, and Review of Current Budgetary Projections for 2014-15 and Future Years

**Background**

California Education Code §42100 requires the Governing Board of each school district to provide the County Office of Education (on or before September 15) a report of all revenue and expenditures for the preceding fiscal year. Although the prior fiscal year formally ended on June 30, final accounting tabulations are not generally completed by the District and LACOE until the end of August. It is noted that all data contained in the attached report are subject to final audit by the District's Independent Auditor (Vavrinek, Trine, Day & Co., LLP).

**General Fund Ending Balance 2014-15**

The General Fund ending balance (inclusive of the reserve for Economic Uncertainties, revolving cash, warehouse inventory, school site and district carryover funds, legally restricted and other designated reserves, etc.) is currently estimated at \$5,356,299. This amount includes the following:

*"Legally Restricted Reserves"*

- \$356,485 in Restricted Lottery, State Mental Health funding, Ongoing & Major Maintenance Account, and California Clean Energy Jobs Act (Prop 39).

*"Other Designated Reserves"*

- \$158,056 in Carryover Funds (Donations / PTA /etc.)

*"Other Reserves"*

- \$4,773,534 Reserve for Economic Uncertainties
- \$ 6,000 Revolving Cash Fund
- \$ 62,224 Warehouse / Stores Inventory/Prepaid Expense

**District Budget for 2015-16 and Multi-Year Projection Scenarios**

The Governing Board, at its meeting on June 10, 2015, adopted the District's Budget for 2015-16.

### **Summary**

This agenda item provides the following information:

- District Budgetary Assumptions (Page 3) to be approved on September 15, 2015.
- Enrollment Assumptions (Page 4) which is consistent with the District's Revised Budget.
- An overview of Revenues and Expenditures (Unaudited) for 2014-15, the 2015-16 Budget as adopted by the Governing Board on June 10, 2015 (based on LCFF), current revisions to that budget, and revised multi-year budgetary projections (Pages 5) which reflect the current funding model; Local Control Funding Formula.
- 2014-15 All Fund Ending Balance Summary (Page 6)

### **Recommendation**

It is recommended that the Governing Board approve the summary of District revenues and expenditures for 2014-15 (Unaudited). It is also recommended that the Governing Board approve cash transfers from the General Fund 01.0 to Deferred Maintenance Fund 14.0 in the amount of \$550,000, to the Special Reserve Field Replacement Fund 40.4 in the amount of \$830,000, to the Post Employment Benefit Fund 20.0 in the amount of \$125,000 as stated in the budget overview, and \$3,937 to the Lease Interruption Fund 17.1.

### **RECOMMEND APPROVAL:**

  
\_\_\_\_\_  
Wendy K. Sinnette, Superintendent

R17-15-16  
Bd Mtg: 9-15-2015

La Canada Unified School District  
Business Services  
Budgetary Assumptions 2014-15 through 2017-18  
September 15, 2015

	2014-15	2015-16	2016-17	2017-18
Enrollment	4048	4110 est	4020 est	3940 est
Enrollment increase/decline from prior year	5	62	-90	-80
FTE loss related to Enrollment Decline/Other	0	-2.0 FTE	-2.0 FTE	-2.0 FTE
Educational Foundation additional FTE				
K-3 CSR	-11.8 FTE	n/a	n/a	n/a
Gr 4-6 CSR	+5.0 FTE	n/a	-5.0 FTE	
K Aides/Custodians Classified	+7.75 FTE	n/a	-7.75 FTE	
Other certificated	+1.8 FTE	n/a	-1.8 FTE	
LCFF CSR (K-3) 20:1	+11.8 FTE	n/a	n/a	n/a
LCFF Gr 4-6 CSR		n/a	+5.0 FTE	
ROP funding from LACOE	\$354,560	\$136,429	\$0	\$0
ADA to Enrollment factor est.	97.91%	97.43%	97.43%	97.43%
Governing Board/Other Elections	\$0	\$100,000	\$0	\$100,000
Employee Salary Compensation	4%	TBD	TBD	TBD
H & W Increase	0.85%	1.02%	1.60%	2.48%
Step and Column Increase Estimated	1.5% Cert \$264,414 1.0% Class \$55,350	1.5% Cert \$276,599 1.0% Class \$55,903	1.5% Cert \$276,806 1.0% Class \$56,462	1.5% Cert \$276,806 1.0% Class \$56,462
Program Expansion (supplemental grant)	\$217,482	\$337,232	\$379,280	\$407,519
Technology infrastructure	\$150,000	\$150,000	\$150,000	\$150,000
Technology equipment and support	\$350,000	\$300,000	\$300,000	\$300,000
Routine Restricted Maintenance Contribution	3.0%	3.0%	3.0%	3.0%
Deferred Maintenance Contribution (includes LCFF)	\$675,000	\$550,000	\$487,890	\$512,285
Utility Increase (under review)	6.0% \$76,469	6.0% \$81,056	6.00% \$85,920	6.00% \$85,920
Capital Outlay	\$207,208	\$50,000	\$50,000	\$50,000
Special Education Increase Contribution (under review)	n/a	\$125,000	\$125,000	\$125,000
GASB 45 (Post employment benefits contribution)	\$125,000	\$125,000	\$125,000	\$125,000
STRS Employer rate projection	8.88% \$ 153,425	10.73% \$ 247,519	12.58% \$ 324,279	14.43% \$ 323,722
PERS Employer rate projection	11.771% \$ 77,742	12.60% \$ 46,376	15.00% \$ 125,069	16.60% \$ 87,483
Reserve level	3.50%	3.50%	3.50%	3.50%
Projected Lease Income (under review)	\$1,862,251	\$1,885,402	\$1,941,762	\$1,941,762
Fund 17 Lease Interruption Contingency	\$1,825,000	\$1,825,000	\$1,825,000	\$1,825,000
Mandated Cost Income	\$418,092	\$152,582	\$152,582	\$152,582
Parcel Tax Revenue	\$2,597,400	\$2,579,850	\$2,579,850	\$2,579,850
Educational Foundation Revenue	\$2.1 M	\$2.0 M est	\$1.1 M est	\$1.1 M est
Transfer to Fund 40 (planned capital projects)	\$350,000	\$830,000	\$100,000	\$100,000
Common Core State funding	TBD	TBD	TBD	TBD
Local Control Accountability Plan/Other	\$258,201	\$262,074	\$266,005	\$266,005
Lottery Non-Proposition 20	\$128.00	\$140.00	\$140.00	\$140.00
Lottery Proposition 20	\$34.00	\$41.00	\$41.00	\$41.00
Projected Annual Budgetary Savings in Unrestricted General Fund (under review)*	\$ 510,206	TBD	TBD	TBD
Note: possible one time funding per Governor's approved budget		\$2,100,581 es	n/a n/a	n/a n/a

\*Changes reflected after August 11, 2015

La Canada Unified School District  
Projected Average Daily Attendance  
September 15, 2015

**CBEDS to P2 ADA Projections**

	A	B	C	D (C-B)	E (C-A)	F (C/A)
	CBEDS*	P1 ADA	P2 ADA		Difference	%Difference
2014-15	4048	3991	3963	-28	-85	-0.9791
2013-14	4043	3960	3957	-3	-86	-0.9787
2012-13	4123	4037	4025	-12	-98	-0.9761
2011-12	4070	3980	3966	-14	-104	-0.9744
2010-11	4022	3930	3903	-27	-119	-0.9704
2009-10	4013	3880	3880	0	-133	-0.9669
			Average:	-14	-104	-0.9743

2013-14	**	4043	3957	0.9787	
	seniors out	-371			
	others in	141			
	NPS 11	-2			
	K in	237			
2014-15	***	4048	3963	0.9791	
	seniors out	-363			
	others in	156			
	NPS 17	6			
	K in	263			
2015-16		4110	4004	0.9743	(under review)
	seniors out	-344			
	others in	35			
	NPS 11	-6			
	K in	225			
2016-17		4020	3917	0.9743	(under review)
	seniors out	-342			
	others in	35			
	NPS 13	2			
	K in	225			
2017-18		3940	3839	0.9743	(under review)

\* includes NPS

\*\* includes 13 NPS

\*\*\* includes 11 NPS

seniors out per Enrollment report 7/14/2015

NPS per Sp Ed report 7/27/15

	2013-14	2014-15	2015-16	2016-17	2017-18
<b>Projected ADA</b>					
ADA	3957	3963	4004	3917	3839
Increase/Dcline from Prior Yr		6	41	-88	-78
Funded ADA		3963	4004	4004	3917
*under review					

# La Canada Unified School District

## Unaudited Actuals 2014-15 and Multiyear Projections

September 15, 2015

4.0% sal inc all 14-15, 0.5% sal inc all 17-18  
SSC GAP%

GENERAL (Combined)									
Unaudited		COLA:	0.85%	1.02%	1.02%	1.60%	1.60%	2.48%	
Actuals		Unaudited	Original	Revised	Projected	Projected	Projected	Projected	
2014-15		Actuals	Budget	Budget	Budget	Budget	Budget	Budget	
REVENUE	2014-15	2015-16	2015-16	2015-16	2016-17	2017-18	2017-18	2017-18	
LFFF	26,744,529	29,563,246	29,788,370	30,180,345	30,789,040	30,789,040	30,789,040	30,789,040	
Federal	894,848	906,382	906,382	906,382	906,382	906,382	906,382	906,382	
Other State	3,510,369	5,366,134	5,242,715	3,142,134	3,142,134	3,142,134	3,142,134	3,142,134	
Other Local	8,867,666	8,329,171	8,515,050	7,479,475	7,480,329	7,480,329	7,480,329	7,480,329	
Total Revenue	40,017,431	44,164,933	44,452,517	41,708,336	42,317,885	42,317,885	42,317,885	42,317,885	
EXPENDITURES									
Certificated	18,753,098	18,454,268	18,454,268	17,881,501	18,020,080	18,020,080	18,020,080	18,020,080	
Classified	6,676,341	6,714,704	6,714,704	6,769,751	6,873,681	6,873,681	6,873,681	6,873,681	
Benefits	7,347,839	7,724,451	7,724,451	8,123,981	8,744,636	8,744,636	8,744,636	8,744,636	
Supplies	1,958,606	1,576,040	1,576,040	1,696,756	1,696,756	1,696,756	1,696,756	1,696,756	
Services	5,587,232	6,459,483	6,375,608	6,239,310	6,145,250	6,145,250	6,145,250	6,145,250	
Capital Outlay	119,631	50,000	50,000	50,000	50,000	50,000	50,000	50,000	
Other Outgo	14,393	15,000	15,000	0	0	0	0	0	
Direct / Indirect	-33,982	-42,000	-42,000	-27,000	-27,000	-27,000	-27,000	-27,000	
Total Expense	40,422,959	40,951,947	40,868,072	40,734,300	41,503,404	41,503,404	41,503,404	41,503,404	
DIFFERENCE	-405,527	3,212,986	3,584,445	974,036	814,481	814,481	814,481	814,481	
OTHER SOURCES/USES									
Transfer Out Fund 14	-675,000	-550,000	-550,000	-487,890	-512,285	-512,285	-512,285	-512,285	
Transfer Out Fund 20	-125,000	-125,000	-125,000	-125,000	-125,000	-125,000	-125,000	-125,000	
Transfer Out Fund 40	-350,000	-830,000	-830,000	-100,000	-100,000	-100,000	-100,000	-100,000	
Transfer In/(Out)	-31,713	16,000	16,000	16,000	16,000	16,000	16,000	16,000	
Cont to Rest Maint	0	0	0	0	0	0	0	0	
Cont to Restricted	0	0	0	0	0	0	0	0	
Total Other S/U	-1,181,713	-1,489,000	-1,489,000	-696,890	-721,285	-721,285	-721,285	-721,285	
FUND CHANGE	(1,587,239)	1,723,987	2,095,448	277,147	93,197	93,197	93,197	93,197	
Adjust	0	0	0	0	0	0	0	0	
BEG. BAL. 7/1	6,943,539	4,737,755	5,356,239	7,451,744	7,728,890	7,728,890	7,728,890	7,728,890	
END. BAL. 6/30	5,356,299	6,461,742	7,451,744	7,728,890	7,822,087	7,822,087	7,822,087	7,822,087	
Revolving Cash	6,000	8,500	8,500	8,500	8,500	8,500	8,500	8,500	
Stores/Prepays	62,224	7,500	7,500	7,500	7,500	7,500	7,500	7,500	
Legally Restricted	356,484	244,806	353,144	258,510	202,512	202,512	202,512	202,512	
Assigned Funds/LCFF Gap	158,056	0	0	391,976	504,399	504,399	504,399	504,399	
Economic Uncertainty	4,773,534	6,200,935	7,082,601	7,062,405	7,099,175	7,099,175	7,099,175	7,099,175	
Undesignated	0	0	0	0	0	0	0	0	
Unappropriated	0	0	0	0	0	0	0	0	
Reserve at 3.5%:	OK	OK	OK	OK	OK	OK	OK	OK	
3.50%	1,456,163	1,485,433	1,482,498	1,450,092	1,477,864	1,477,864	1,477,864	1,477,864	

La Cañada Unified School District

2014-15 Fund Balance Summary (all Funds)

Fund #	Fund/Account	Balance
01.0	General Fund "Legally" Restricted Reserve	\$356,485
01.0	General Fund Designated Funds	226,280
01.0	General Fund "Reserve for Economic Uncertainties", Revolving Cash and Warehouse/Stores	4,773,534
13.0	Cafeteria Fund	30,163
14.0	Deferred Maintenance Fund	296,499
17.0	Special Reserve (Non-Capital Projects) – Mandated Costs	0
17.1	Special Reserve fund (Non-Capital Projects) – Lease Interruption	1,825,000
20.0	Post Employment Benefits Fund	516,251
21.2	Building Fund	217
25.0	Capital Facilities Fund (Developer Fees)	277,600
40.0	Special Reserve Fund (Capital Projects)	327,234
40.1	Stadium Facility Fund	90,902
40.2	Special Reserve Fund (Sewer Connection)	318,122
40.3	Field Agreement Fund	134,932
40.4	Field Replacement Fund	753,662