

Santa Rosa City Schools 2018-19 Budget

June 27, 2018

Discussion

- Budget Calendar
- Budget Assumptions - FY 2018-19
- General Fund Revenues and Expenditures
- Contributions to Restricted Programs
- Multi-Year Projections
- Other Funds
- Next Steps

Budget Calendar

August/September 2018	45 Day Revision based on Governor's Budget
September 2018	2017-18 Unaudited Actuals
December 2018	First Interim Report
January 2019	Governor's Proposed Budget 2019-20
March 2019	Second Interim Report
May 2019	Third Interim Report (If Necessary)
May 2019	Governor's May Revise for 2019-20
June 2019	Budget Adoption for 2019-20

Budget Assumptions for 2018-19

- Enrollment Projection: 14,725
- Funded ADA: 14,151.51
- LCFF COLA: 2.71% with an additional increase of 0.99% = 3.7%
- CalPERS: Employer Contribution increase of 2.53%
- CalSTRS: Employer Contribution increase of 1.85%
- State Categorical Programs (SPED & CNS): COLA of 2.71%
- Discretionary Funds (One-Time): \$168 per ADA - Assigned to Ending Fund Balance
- Lottery Funds: \$194 per ADA; \$48 per ADA must be spend on Instructional Materials
- Fiscal Stabilization Plan

Key Changes Since May Revise

- Budget Conference Committee
 - Approved agreement between Administration, the Senate, and the Assembly
 - Increase in LCFF COLA to 3.48%
 - Reduction in One-Time Discretionary Funds to approximately \$168/ADA
 - *Note: The ongoing LCFF funding increase exceeds the amount of lost one-time dollars after three years*
- Budget Trailer Bill, AB 1808 (Released on June 12, 2018)
 - Sets 2018-19 LCFF Base Rate at 3.7%

Proposed General Fund Revenues and Expenditures

	2018-19 Budget		
	Unrestricted	Restricted	Total Fund
REVENUES			
LCFF Sources	\$ 140,486,243.00	\$ 3,772,099.00	\$ 144,258,342.00
Federal Revenue	\$ 135,000.00	\$ 8,493,519.00	\$ 8,628,519.00
Other State Revenue	\$ 4,938,886.00	\$ 7,013,980.00	\$ 11,952,866.00
Other Local Revenue	\$ 3,581,025.00	\$ 6,254,874.00	\$ 9,835,899.00
TOTAL REVENUES	\$ 149,141,154.00	\$ 25,534,472.00	\$ 174,675,626.00
EXPENDITURES			
Certificated Salaries	\$ 60,868,299.00	\$ 15,007,444.00	\$ 75,875,743.00
Classified Salaries	\$ 16,845,099.00	\$ 6,055,576.00	\$ 22,900,675.00
Employee Benefits	\$ 22,705,962.00	\$ 10,132,031.00	\$ 32,837,993.00
Books and Supplies	\$ 3,929,940.00	\$ 2,382,364.00	\$ 6,312,304.00
Services and Other Operating Expenditures	\$ 18,178,945.00	\$ 22,069,094.00	\$ 40,248,039.00
Capital Outlay	\$ -	\$ 20,000.00	\$ 20,000.00
Other Outgo (excluding Transfers of Indirect Costs)	\$ 173,970.00	\$ -	\$ 173,970.00
Other Outgo - Transfers of Indirect Costs	\$ (1,150,921.00)	\$ 423,687.00	\$ (727,234.00)
TOTAL EXPENDITURES	\$ 121,551,294.00	\$ 56,090,196.00	\$ 177,641,490.00
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES	\$ 27,589,860.00	\$ (30,555,724.00)	\$ (2,965,864.00)

Proposed General Fund Revenues and Expenditures

EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES	\$ 22,128,141.47	\$ (30,584,741.78)	\$ (8,456,600.31)	\$ 27,589,860.00	\$ (30,555,724.00)	\$ (2,965,864.00)
OTHER FINANCING SOURCES/USES			\$ -			\$ -
Interfund Transfers:			\$ -			\$ -
Transfers In	\$ 733,000.00	\$ -	\$ 733,000.00	\$ 733,000.00	\$ -	\$ 733,000.00
Transfers Out	\$ 70,000.00	\$ 138,790.00	\$ 208,790.00	\$ 70,000.00	\$ 138,790.00	\$ 208,790.00
Contributions	\$ (29,257,481.71)	\$ 29,131,816.71	\$ (125,665.00)	\$ (31,192,360.00)	\$ 31,192,360.00	\$ -
TOTAL, OTHER FINANCING SOURCES/USES	\$ (28,594,481.71)	\$ 28,993,026.71	\$ 398,545.00	\$ (30,529,360.00)	\$ 31,053,570.00	\$ 524,210.00
NET INCREASE (DECREASE) IN FUND BALANCE	\$ (6,466,340.24)	\$ (1,591,715.07)	\$ (8,058,055.31)	\$ (2,939,500.00)	\$ 497,846.00	\$ (2,441,654.00)
FUND BALANCE, RESERVES						
Beginning Fund Balance	\$ 20,433,791.45	\$ 2,429,541.24	\$ 22,863,332.69	\$ 13,967,451.21	\$ 837,826.17	\$ 14,805,277.38
Ending Balance	\$ 13,967,451.21	\$ 837,826.17	\$ 14,805,277.38	\$ 11,027,951.21	\$ 1,335,672.17	\$ 12,363,623.38
Components of Ending Balance						
Restricted	\$ -	\$ 837,826.17	\$ 837,826.17	\$ -	\$ 1,335,672.17	\$ 1,335,672.17
Reserve for Economic Uncertainty	\$ 5,486,792.00	\$ -	\$ 5,486,792.00	\$ 5,329,245.00	\$ -	\$ 5,329,245.00
Unassigned/Unappropriated Amount	\$ 8,480,659.21	\$ -	\$ 8,480,659.21	\$ 5,698,706.21	\$ -	\$ 5,698,706.21

Contributions to Restricted Programs

Program	Contribution included in Proposed Budget	Change from 2017-18 Estimated Actuals
Special Education	\$25,852,360	+6.77%
Routine Restricted Maintenance	\$5,340,000	+8.18%
<i>Total</i>	<i>\$31,192,360</i>	<i>+7.07%</i>

2018/19 Budget Multi Year Projection (MYP)

REVENUES	2018-2019	2019-20	2020-21
LCFF Sources	144,258,342	145,820,909	146,232,805
Remaining Revenues	30,417,284	28,380,563	28,380,563
Total Revenues	174,675,626	174,201,472	174,613,368
EXPENDITURES			
Salaries & Benefits	131,614,411	134,607,336	136,778,245
Books/Supplies & Outlay	6,332,304	6,332,304	6,332,304
Services & Operating Expenses	40,248,039	40,248,039	40,248,039
Other Outgo & Indirect Costs	-553,264	-553,263	-553,263
	Future Spending Reductions	-2,414,113	-7,577,959
Total Expenditures	177,641,490	178,220,303	175,227,366
Operating Net Increase/Decrease	-2,965,864	-4,018,831	-613,998
Transfers In and Other Sources	733,000	733,000	733,000
Transfers Out and Other Uses	208,790	208,790	208,790
Current Year Increase/Decrease In Fund Balance	-2,441,654	-3,494,621	-89,788
Beginning Balance	14,805,277	12,363,623	8,869,002
Ending Balance	12,363,623	8,869,002	8,779,214
Components of Ending Balance	2018-2019	2019-20	2019-20
Restricted Ending Balance (only can be spent on federal or state mandates, or per donor requirements)	1,335,672	1,335,672	1,335,672
Reserve for Economic Uncertainty	5,329,245	5,346,609	5,256,821
2018-19 one-time discretionary funds	2,186,721	2,186,721	2,186,721
Unassigned/Unappropriated Ending Balance	3,511,985	0	0

Chart of Funds

Operating Funds

Fund	Description
01	General Fund
09	Charter Schools
12	Child Development
13	Cafeteria
17	Reserve for Non-Capital Outlay
67	Self-Insurance

Capital Funds

Fund	Description
14	Deferred Maintenance
21	Building Fund
25	Capital Facilities
35	County Schools Facilities
40	Special Reserve for Capital Outlay

Fund of Interest - “9” Charter Schools

Fund 09 Charter Schools Special Reserve Fund

Total Revenues	\$ 12,832,184
Total Expenses	\$ 10,867,821
Net Increase in Fund Balance	\$ 1,370,153
Beginning Fund Balance	\$ 2,133,565
Ending Fund Balance	\$ 3,503,718

Fund of Interest - “13” Cafeteria

Fund 13 Cafeteria Special Reserve Fund	
Total Revenues	\$ 6,594,938
Total Expenses	\$ 6,594,938
Net Increase in Fund Balance	\$ -
Beginning Fund Balance	\$ 521,297
Ending Fund Balance	\$ 521,297

Next Steps (Through December 2018)

- ★ August/Sept. 2018: 45 Day Budget Revision Approval; State Budget Update
 - ★ September 2018: Budget Advisory Committee Meeting
 - ★ September 26, 2018: 2017-18 Unaudited Actuals
 - ★ October 2018: Budget Advisory Committee Meeting
 - ★ December 2018: Budget Advisory Committee Meeting
 - ★ December 19, 2018: 2018-19 First Interim Report
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- ★ Board Study Session - Budget: TBD