



2013-2014 SECOND INTERIM BUDGET

**SPECIAL BOARD MEETING
MARCH 5, 2014**

Presentation



- First Interim vs. Second Interim
 - Revenue and Expenditure Variances
- Multi-year Projections
- Potential Change/Looking Ahead

FIRST INTERIM
vs.
SECOND INTERIM

Revenue



	Adopted Budget	Carryover	Budget Adjustments	First Interim	Second Interim	Difference
LCFF/Revenue Limit Sources	35,397,236	-	1,167,951	36,565,187	36,806,696	241,509
Federal Revenues	891,871	27,237	60,778	979,886	910,146	(69,740)
Other State Revenues	2,155,686	-	(23,388)	2,132,298	2,132,298	-
Other Local Revenues	3,246,120	-	545,130	3,791,250	3,896,079	104,829
Other Finance Sources	70,000	-	-	70,000	70,000	-
Total Revenues	41,760,913	27,237	1,750,471	43,538,621	43,815,219	276,598

Revenue Variances



- LCFF/Revenue Limit:
 - Increase in Property Taxes offset by change in accounting for Deferred Maintenance Program
- Federal Revenues:
 - Adjustment to Special Education IDEA funds
- Other Local Revenues:
 - Increase due to site fundraising budgeted when received

Expenditures



	Adopted Budget	Carryover	Budget Adjustments	First Interim	Second Interim	Difference
Certificated Salaries	22,964,178	40,000	734,959	23,739,137	23,668,528	(70,609)
Classified Salaries	6,263,399	-	117,450	6,380,849	6,359,136	(21,713)
Employee Benefits	6,899,171	-	4,398	6,903,569	6,916,623	13,054
Books & Supplies	929,913	286,081	487,401	1,703,395	1,803,199	99,804
Operating Expenses	4,124,122	126,825	17,177	4,268,124	4,451,293	183,169
Capital Outlay	567,744	-	189,165	756,909	743,342	(13,567)
Other Outgo	281,743	-	142,234	423,977	288,851	(135,126)
Total Expenditures	42,030,270	452,906	1,692,784	44,175,960	44,230,972	55,012

Expenditure Variance



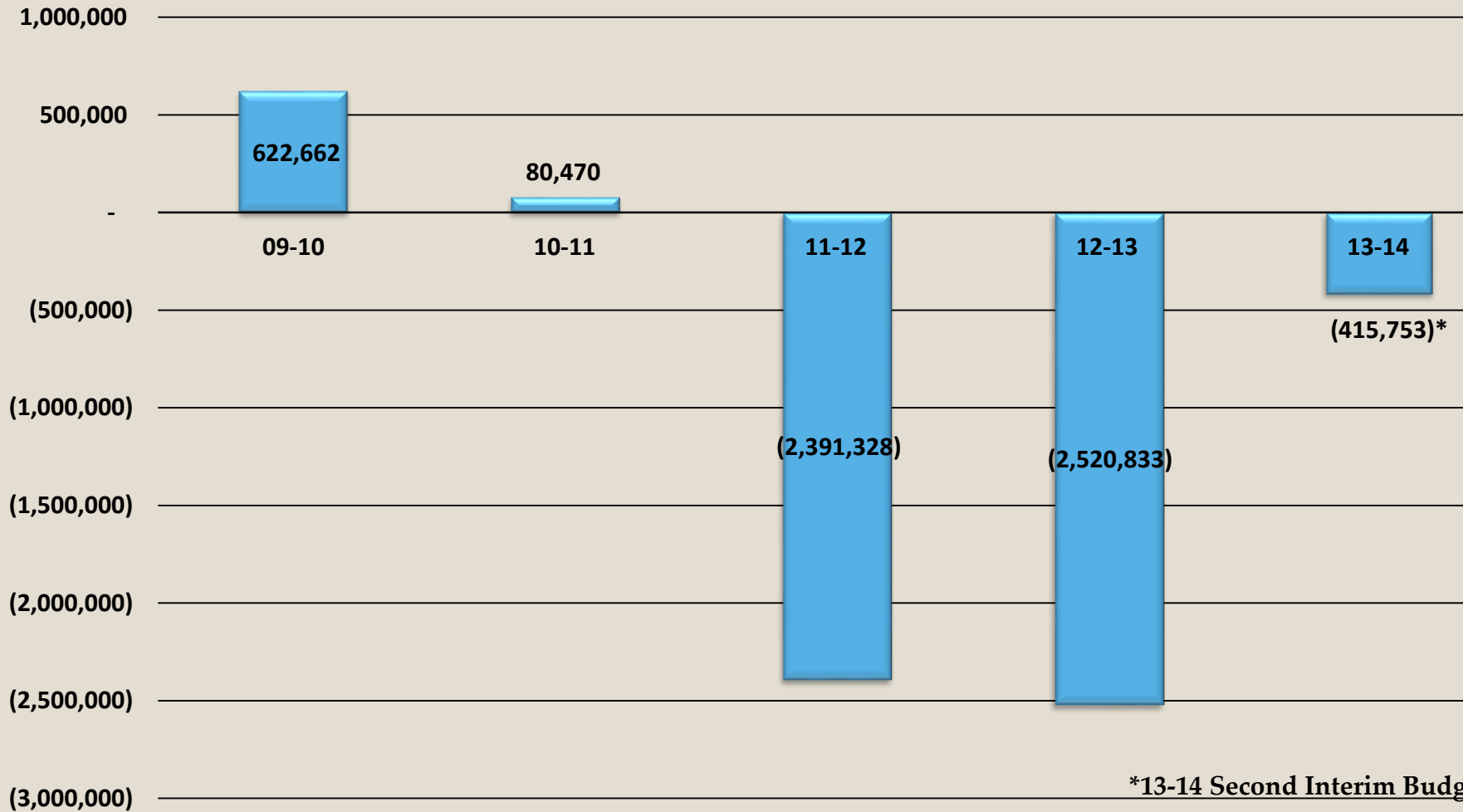
- Salaries and Benefits:
 - Reallocation to Operating Expenses
- Books and Supplies:
 - Increase for Chromebooks and Fundraising
- Operating Expenditures:
 - Reallocation from Salary and Benefits and Fundraising
- Other Outgo:
 - Change in accounting for Deferred Maintenance Program

Ending Fund Balance



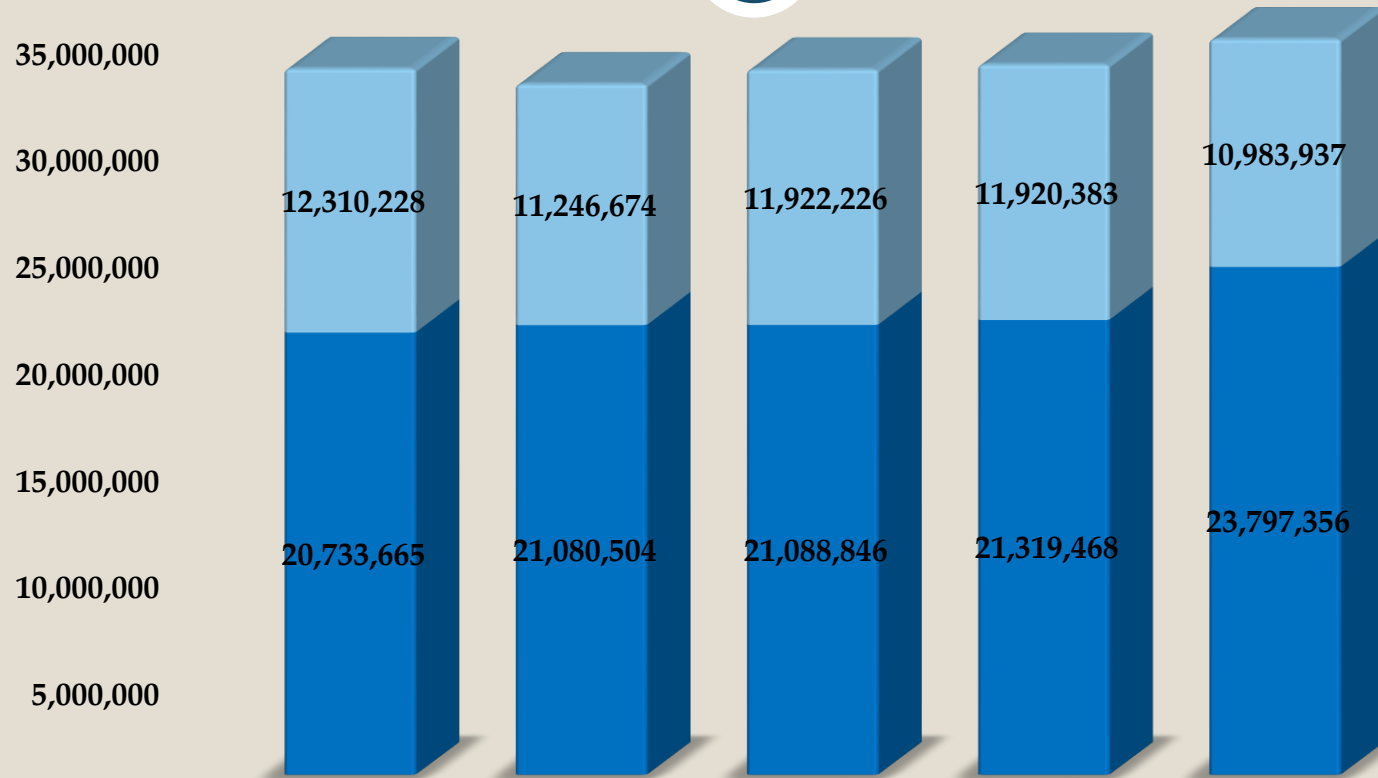
	Adopted Budget	Carryover	Budget Adjustments	First Interim	Second Interim	Difference
E. Net Increase (Decrease)	(269,357)	(425,669)	57,687	(637,339)	(415,753)	221,586
F. Fund Balance						
Beginning Fund Balance (adjusted to actual)	10,501,753			10,501,753	10,501,753	-
Ending Fund Balance	10,232,396			9,864,414	10,086,000	221,586
Components of the Ending Fund Balance						-
a) Nonspendable:						-
Revolving Cash	25,000			25,000	25,000	-
Prepaid Expenditures	200,718			200,718	200,718	-
b) Restricted	3,876			-	-	-
c) Committed	-			-	-	-
d) Assigned	-			-	-	-
e) Unassigned/Unappropriated:						-
Reserve for Economic Uncertainty (3% minimum required)	1,260,908			1,325,279	1,326,929	1,650
Unassigned/Unappropriated	8,741,894			8,313,417	8,533,353	219,936
Note: Board Approved 15% Reserve	6,469,815	6,304,541		6,626,394	6,634,646	

Change in Ending Fund Balance



*13-14 Second Interim Budget

Property Tax Revenue

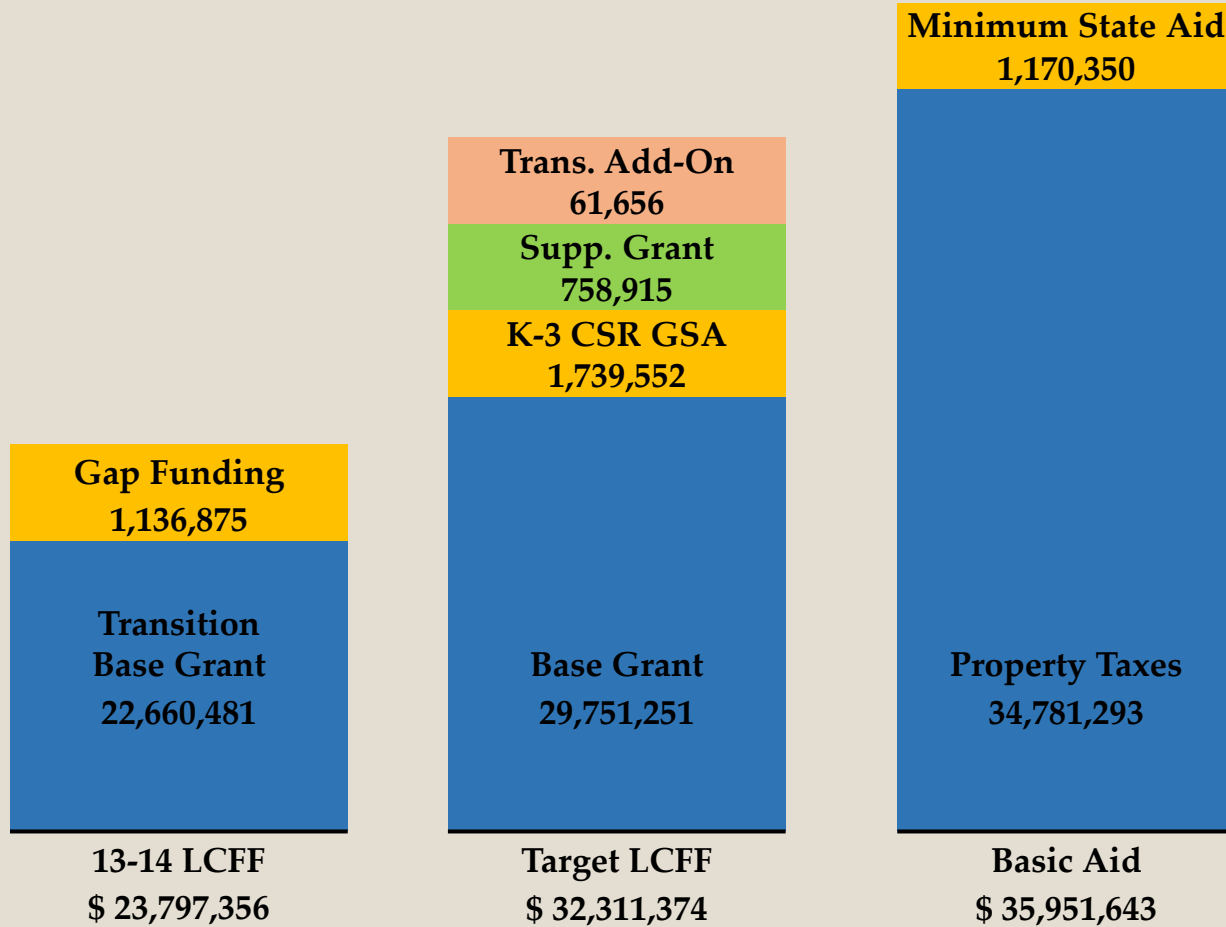


	09-10	10-11	11-12	12-13*	13-14*
Property Tax Total	33,043,893	32,327,178	33,011,072	33,239,851	34,781,293

■ LCFF/Revenue Limit ■ Basic Aid

*13-14 LCFF Transition with Estimated Property Taxes

LCFF vs. Basic Aid



MULTI-YEAR PROJECTIONS

Multi-Year Projection



- Based upon the School Services of California Dartboard
- Property Tax Projection:
 - 2014-15 2% Increase
 - 2015-16 2% Increase
- Average Daily Attendance Projections:
 - 2014-15 4,255
 - 2015-16 4,314
- Salary: Step and Column – 2% annually
- Services: Estimated increase of 15% for districtwide electricity bills due to rate increases
- Capital Outlay: SDCOE Enterprise Resource Planning system acquisition beginning in 2014-15.
- Assumes 2013-14 budget reduction amount of approximately \$2.0 million continue into 2014-15 and 2015-16

Multi-Year Projection



DESCRIPTION	FY 2013-14 Current (Base Year)	FY 2014-15 First Projected Year	FY 2015-16 Second Projected Year
Revenues			
Revenue Limit Sources	36,806,696	37,500,605	38,219,481
Federal Revenues	910,146	882,908	882,908
Other State Revenues	2,132,298	1,216,928	1,220,487
Other Local Revenues	3,896,079	3,339,696	3,340,650
Transfers In	70,000	70,000	70,000
Total Revenues	43,815,219	43,010,138	43,733,526
Expenditures			
Certificated Salaries	23,668,528	23,299,899	23,765,897
Classified Salaries	6,359,136	6,486,318	6,616,045
Employee Benefits	6,916,623	6,922,115	7,070,000
Books & Supplies	1,803,199	993,911	994,493
Services, Other Operating Exp	4,451,293	4,517,745	4,539,934
Capital Outlay	743,342	496,165	257,165
Other Outgo - exclude Direct Sup.	135,408	135,408	135,408
Debt Service	164,215	164,215	164,215
Direct Support/Indirect Costs	(10,772)	(10,772)	(10,772)
Total Expenditures:	\$44,230,972	\$43,005,004	\$43,532,385

Multi-Year Projection



DESCRIPTION	FY 2013-14 Current (Base Year)	FY 2014-15 First Projected Year	FY 2015-16 Second Projected Year
Beginning Balance as of July 1	\$10,501,753	\$10,086,000	\$10,091,134
Net Increase (Decrease) In Fund Balance	(\$415,753)	\$5,134	\$201,141
Ending Balance	\$10,156,000	\$10,091,134	\$10,292,275
Revolving Cash	25,000	25,000	25,000
Other Reserves	200,718	200,718	0
Restricted	(1)	0	(0)
Stabilization Arrangements	0	0	0
Other Commitments	0	0	0
Assigned - Other Assignments:	1,500,000	1,500,000	1,500,000
Reserve for Economic Uncertainties	1,326,929	1,290,150	1,305,972
Unassigned/unappropriated Amount	7,033,354	7,075,266	7,461,303
Components of the Ending Fund Balance	\$10,086,000	\$10,091,134	\$10,292,275
Total Reserve Percentage	22.8%	23.5%	23.6%
Note: Board Approved 15% Reserve	6,634,646	6,450,751	6,529,858

Potential Changes in Projected Deficit



- Property Tax Revenue
- Final Special Education allocations
- Carryover from unrestricted/restricted funds

Looking Ahead



- Impact of Facility Master Plan
- Awaiting Governor's May Revision
- Finalization of LCAP
- 2014-2015 Budget First Read in May
- 2014-2015 Proposed Budget and LCAP Adoption in June