



2017-2018 PROPOSED BUDGET

REGULAR BOARD MEETING

JUNE 28, 2017

Presentation



- Vision and Mission Statement
- Budget Development
- First Read vs. Proposed Budget Adoption
 - Revenue, Expenditure and Ending Fund Balance
- Local Reserves Requirement
- General Fund Summary
 - 2017-2018 Revenue and Expenditure
 - Facilities and Technology
- Multi-Year Projection
- Looking Ahead
- Other Funds

VISION AND MISSION STATEMENT

Vision



*Unrelenting pursuit of the extraordinary
school experience.*

Mission



*To ignite genius and empower students to
advance the world.*

Budget Development



- Budget determinations have been made in accordance with the District Design 2022 and Local Control Accountability Plan (LCAP)
- Maintain a fiscally sound reserve balance for a community funded school district (Basic Aid) and a continued commitment to proactive fiscal planning
- Communicate the budget to all stakeholders

FIRST READ
versus
PROPOSED BUDGET
ADOPTION

Revenue



	2017-2018 First Read	2017-2018 Proposed Budget	Difference
LCFF Sources	47,678,011	47,678,011	-
Federal Revenues	1,083,136	1,115,836	32,700
Other State Revenues	3,621,935	4,246,015	624,080
Other Local Revenues	3,411,232	3,411,232	-
Other Finance Sources	70,000	70,000	-
Total Revenues	55,864,314	56,521,094	656,780

Expenditures



	2017-2018 First Read	2017-2018 Proposed Budget	Difference
Certificated Salaries	28,456,703	28,492,005	35,302
Classified Salaries	7,828,573	7,861,127	32,554
Employee Benefits	12,730,467	12,747,336	16,869
Books & Supplies	1,415,597	1,371,097	(44,500)
Operating Expenses	4,763,079	4,753,979	(9,100)
Capital Outlay	70,000	70,000	-
Other Outgo	360,772	360,772	-
Total Expenditures	55,625,191	55,656,316	31,125

Revenue and Expenditures



- Revenue:

- 7% increase in property taxes above 2016-2017 estimated actuals
- One-time mandate funding at \$145/ADA
- State STRS “on-behalf” contribution of \$2,251,408 offset in expenditures
- Deferred Maintenance Contribution to Fund 14

- Expenditures:

- Salaries and Benefits:
 - ✦ 278.0 FTE Certificated staff, 153.4 FTE Classified staff, and 23.7 FTE Administration
- Materials & Supplies/Op. Expense/Capital Outlay/Other Outgo:
 - ✦ Chromebooks refresh, large screen monitors, capital lease payments

Ending Fund Balance



	2017-2018 First Read	2017-2018 Proposed Budget	Difference
Net Increase (Decrease)	239,123	864,778	625,655
Beginning Fund Balance	11,009,658	11,009,696	38
Ending Fund Balance	11,248,781	11,874,474	625,693
<i>Components of Ending Fund Balance:</i>			
Revolving Cash	25,000	25,000	-
Reserve for STRS, PERS, OPEB	1,211,246	1,207,259	(3,987)
One-time Mandate Funding	-	624,080	624,080
Reserve for Economic Uncertainty	1,668,756	1,669,689	933
Unassigned/Unappropriated	8,343,779	8,348,446	4,667
<i>Total Ending Fund Balance</i>	11,248,781	11,874,474	625,693
<i>Reserve %</i>	20.2%	21.3%	1.1%

Local Reserves Requirement



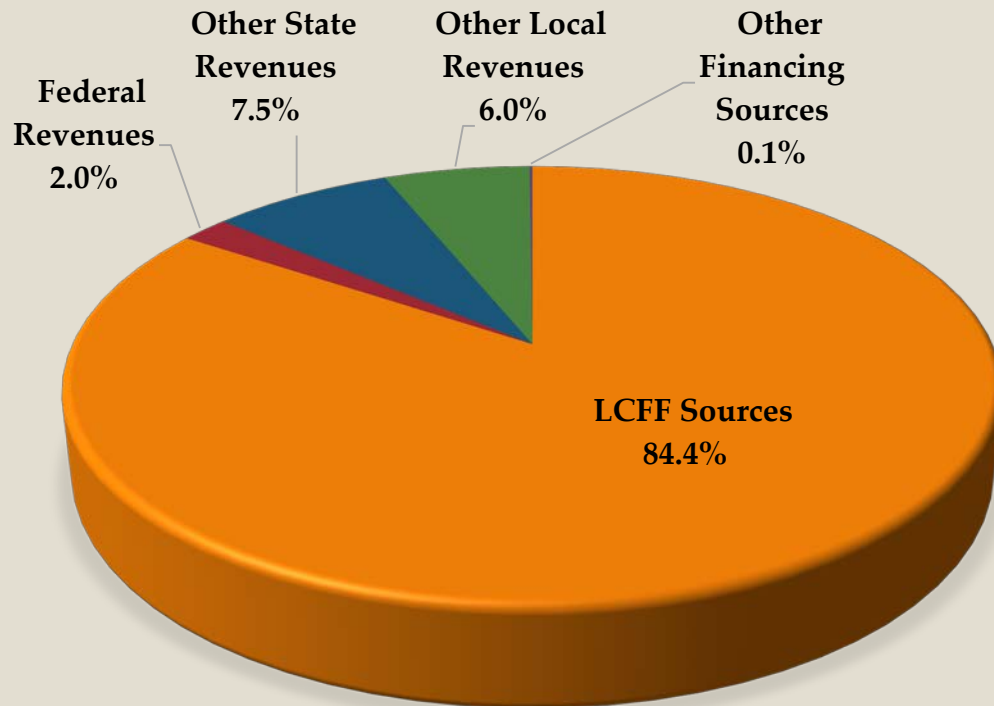
Proposed 2017-2018 Ending Fund Balances:

Total Ending Fund Balance:	\$11,874,474
Less Revolving Cash	\$ 25,000
Less Minimum 3% Reserve for Economic Uncertainties:	<u>\$ 1,669,689</u>
Remaining Balance to Substantiate Need:	\$10,179,785

\$ 1,207,259	Reserve for STRS, PERS, OPEB Future Obligations
\$ 624,080	One-time Mandate Reimbursement
<u>\$ 8,348,446</u>	Fund Balance Policy requiring reserves of at least 15%
\$10,179,785	Total Need Supported by Excess Fund Balances

GENERAL FUND SUMMARY

2017-2018 Revenue Summary

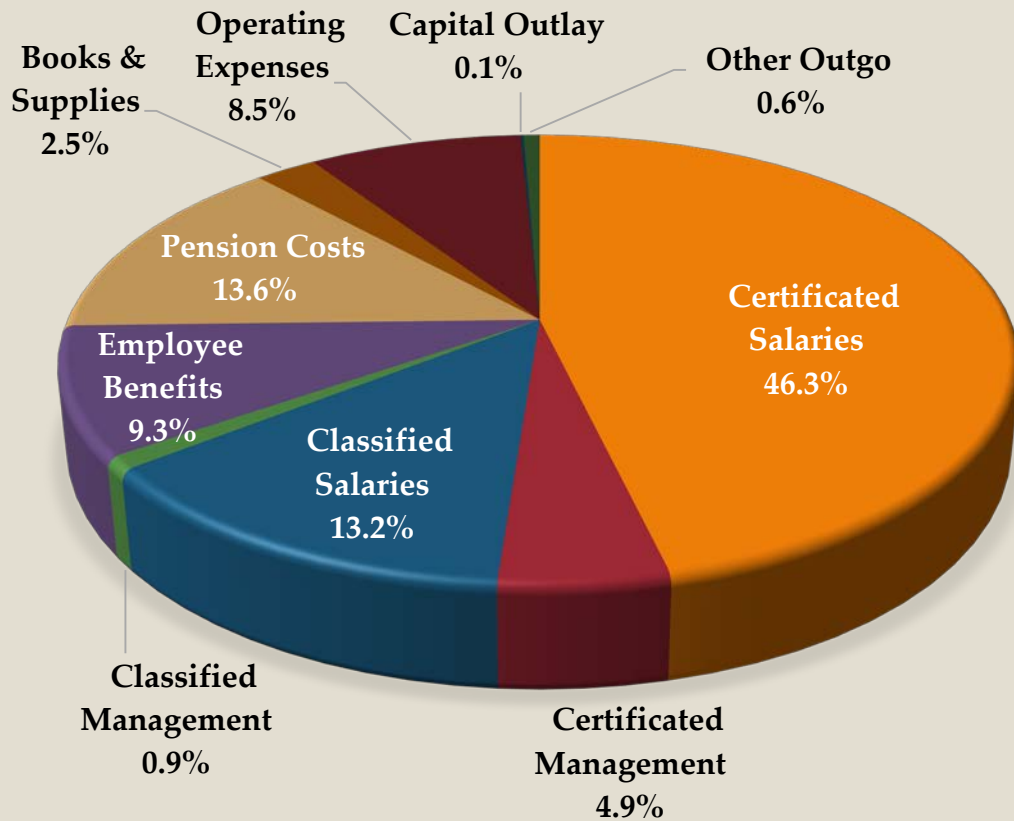


LCFF Sources	47,678,011
Federal Revenues	1,115,836
Other State Revenues*	4,246,015
Other Local Revenues	3,411,232
Other Financing Sources	70,000
Total Rev. & Other Sources	56,521,094

*Other State Revenues includes:

- One-time mandate funding of \$624,080
- State STRS "on-behalf" contribution of \$2,251,408

2017-2018 Expenditure Summary



Certificated Salaries	25,760,052
Certificated Management	2,731,953
Classified Salaries	7,347,301
Classified Management	513,826
Employee Benefits	5,157,320
Pension Costs*	7,590,016
Books & Supplies	1,371,097
Operating Expenses	4,753,979
Capital Outlay	70,000
Other Outgo	360,772
Total Exp. & Other Outgo	55,656,316

Total Salary and Benefits* = 88.2%

*Pension costs includes State STRS "on-behalf" contribution of \$2,251,408

Facilities Expenditures



- Districtwide (all schools)
\$615,000
 - Landscaping
 - Exterior LED Lighting
 - Electrical
 - Plumbing, Sewer, drains and Backflow
 - HVAC
 - Carpet Cleaning
 - Doors and Locks
 - Fencing
 - Playgrounds
 - Fire Services
 - Painting
 - Emergency Repairs
 - Emergency Food/Water Replace
- Ashley Falls School
 - Slurry Seal
- Carmel Del Mar School
 - Book Bag Hooks
 - Roof Repairs
- Del Mar Heights School
 - Portables-Roof Repair
- Del Mar Hills Academy
 - Innovation/Science Center
 - Slurry Seal
- Sage Canyon
 - Playground Drainage
 - Book Bag Hooks

Technology Expenditures



Districtwide \$699,000

- Audio Visual Equipment (large screen monitors)
- Device Refresh (Chromebooks)
- Apple computer/iPad leases payments
- Technology Infrastructure:
 - Wireless access points
 - District phone server replacement
 - Switch replacement at Del Mar Hills Academy and Carmel Del Mar School (Fund 40)

MULTI-YEAR PROJECTION

Multi-Year Projection Assumptions



- Property Tax Projection:
 - 2018-19 4% Increase
 - 2019-20 4% Increase
- Average Daily Attendance Projections:
 - 2018-19 4,443
 - 2019-20 4,400
- Salary: Step and Column – 2% annually
- Benefits: Annual increases in Employer STRS and PERS contributions

Multi-Year Projection



DESCRIPTION	FY 2017-18 Current (Base Year)	FY 2018-19 First Projected Year	FY 2019-20 Second Projected Year
Revenues			
Revenue Limit Sources	47,678,011	49,502,022	51,398,993
Federal Revenues	1,115,836	1,115,836	1,115,836
Other State Revenues	4,246,015	3,464,597	3,461,256
Other Local Revenues	3,411,232	3,448,052	3,449,233
Transfers In	70,000	70,000	70,000
Total Revenues	56,521,094	57,600,504	59,495,318
Expenditures			
Certificated Salaries	28,492,005	29,061,845	29,643,082
Classified Salaries	7,861,127	8,018,350	8,178,717
Employee Benefits	12,747,336	13,699,693	14,696,485
Books & Supplies (includes Chromebooks, iPads, Audio Visual Equipment)	1,371,097	1,365,469	1,362,454
Services, Other Operating Exp (includes Facility Maintenance Projects)	4,753,979	4,703,979	4,703,979
Capital Outlay (depreciating assets over \$5,000)	70,000	70,000	70,000
Other Outgo - exclude Direct Sup.	109,000	109,000	109,000
Debt Service	251,772	251,772	251,772
Total Expenditures:	55,656,316	57,280,108	59,015,488

Multi-Year Projection Continued



DESCRIPTION	FY 2017-18 Current (Base Year)	FY 2018-19 First Projected Year	FY 2019-20 Second Projected Year
Net Increase (Decrease) In Fund Balance	864,778	320,400	479,830
Beginning Balance as of July 1	11,009,696	11,874,474	12,194,873
Ending Balance	11,874,474	12,194,873	12,674,703
Revolving Cash	25,000	25,000	25,000
Assigned:			
STRS, PERS, OPEB Future Obligations	1,207,259	1,235,375	1,402,834
One-Time Mandate Funding	624,080	624,080	624,080
Reserve for Economic Uncertainties	1,669,689	1,718,403	1,770,465
Unassigned/unappropriated Amount	8,348,445	8,592,015	8,852,325
Total Ending Fund Balance	11,874,474	12,194,873	12,674,703
Reserve %	21%	21%	21%

LOOKING AHEAD

Looking Ahead



- 2016-2017 Carryover after Unaudited Actuals
- Continue to monitor enrollment projections and staffing needs
- One-time mandate funding
 - May be deferred until May 2019
 - Next generation science standards curriculum
- Beginning fiscal year 2020-2021, 3% contribution requirement towards Restricted Maintenance Account
- Prioritize projects as identified in revised Facility Master Plan (FMP)

OTHER FUNDS

Fund 13 Cafeteria Fund



Total Revenues	\$ 1,053,585
Total Expenditures	<u>\$ 1,053,585</u>
Net Increase/Decrease in Fund Balance	\$ -
Beginning Fund Balance	\$ 7,736
Ending Fund Balance	\$ 7,736

Fund 14 Deferred Maintenance



Total Revenues	\$ 135,926
Total Expenditures	<u>\$ -</u>
Net Increase in Fund Balance	\$ 135,926
Beginning Fund Balance	\$ 118,942
Ending Fund Balance	\$ 254,868

Fund 25 Capital Facilities Fund



Total Revenues	\$ 22,000
Total Expenditures	<u>\$ 48,600</u>
Net Decrease in Fund Balance	(\$ 26,600)
Beginning Fund Balance	\$ 439,269
Ending Fund Balance	\$ 412,669

Fund 40 Special Reserve for Capital Outlay



Total Revenues	\$ 4,000
Total Expenditures	<u>\$ 127,297</u>
Net Decrease in Fund Balance	(\$ 123,297)
Beginning Fund Balance	\$ 587,820
Ending Fund Balance	\$ 464,523

Fund 49 CFD 95-1 & CFD 99-1 Combined



Total Revenues	\$ 3,872,000
Total Expenditures	<u>\$ 1,688,561</u>
Net Increase in Fund Balance	\$ 2,183,439
Beginning Fund Balance	\$11,688,019
Ending Fund Balance	\$13,871,458

Fund 63 Enterprise Fund



Total Revenues	\$ 4,486,000
Total Expenditures	<u>\$ 4,486,000</u>
Net Increase/Decrease in Fund Balance	\$ -
Beginning Fund Balance*	\$ 1,412,464
Ending Fund Balance*	\$ 1,412,464

*Net of Prior Year Audit Adjustment for Pension and OPEB Liability

Fund 73 Trust Fund



Total Revenues	\$ 150
Total Expenditures	<u>\$ -</u>
Net Increase in Fund Balance	\$ 150
Beginning Fund Balance	\$ 32,161
Ending Fund Balance	\$ 32,311

QUESTIONS?