

Moraga School District

June 5, 2018



2018-19

Adopted Budget-Public Hearing

Governing Board:

Richard Severy, President
Joe Rosenbaum, Vice-President
Jon Nickens, Board Member
Jim Obsitnik, Board Member
Heather O'Donnell, Board Member

District Staff:

Bruce Burns, Superintendent
Daniela Parasidis, Chief Business Official



2018-19 Financial Timeline

- June 5, 2018- Public Hearing for 2018-19 Budget
- June 12, 2018 – Adopt 2018-19 Budget
- June 30, 2018 – State adopts budget
- August 15, 2018 – 45-day Budget Revision
- December 15, 2018 – 1st Interim (As of October 31st)
- March 15, 2019 – 2nd Interim (As of January 31st)
- June 30, 2019-Estimated Actuals
- September 18, 2019-Unaudited Actuals



2018-19 Adopted Budget

- Review 2017-18 Estimated Actuals
 - Final revision and review of the 2017-18 budget
 - Provides a better estimate of how the year will end
- Review 2018-19 Adopted Budget
 - First look at the 2018-19 budget
- Review Multi-year Projection for 2019-20 and 2020-21



2017-18 Schedule of Changes- Revenues

	Estimated Actuals	2nd Interim	Change	Explanation
	2017-18	2017-18		
REVENUES				
LCFF Sources	14,269,410	14,244,731	24,679	Increase in SpEd Property Tax Allocation
Federal	399,956	402,210	(2,254)	Reduction in Federal funding for Special Education
State	1,694,395	1,694,395	-	
Local	5,556,947	5,540,910	16,037	Increase in Interest Income and Facility Use Fees with reductions to revenues received for Site Fieldtrips based on actual trips taken and SpEd SELPA Apportionment
TOTAL REVENUES:	21,920,708	21,882,246	38,462	

Refer to Section 2 in Board Packet: 2017-18 Schedule of Changes



2017-18 Schedule of Changes- Expenditures

EXPENDITURES	Estimated Actuals	2nd Interim	Change	Explanation
Certificated Salaries	9,205,038	9,220,032	(14,994)	Estimates for PLC time, Substitute Costs for F&P Assessments, and Noon Duty reduced based on actuals to date. This reduction is partially off-set by increases due to salary increases for Certificated Management.
Classified Salaries	3,436,701	3,396,401	40,300	Estimates include salary increases for Classified Management and Confidential staff, additional cost to cover Secretary duties at Los Perales with an off-setting reduction for elementary noon duty aides based on actuals to date.
Benefits	5,169,705	5,063,941	105,764	Estimates include Supplemental Employee Retirement Plan (SERP) for 4 retirees as well as changes to health benefit coverage
Books & Supplies	916,485	1,020,180	(103,695)	Reductions to budgets based on actuals to date
Contracts & Services	3,237,595	3,270,570	(32,975)	Reductions to budgets based on actuals to date
Capital Outlay	60,374	103,593	(43,219)	Estimates are reduced based on Technology plan to purchase equipment next year and includes an increase for district vehicle purchases
Other Outgo	115,558	96,558	19,000	Increase for student newly placed in County Office of Education program.
Indirect Support Costs	(55,874)	(55,874)	-	
Transfers Out	18,995	18,995	-	
TOTAL EXPENDITURES:	22,104,577	22,134,396	(29,819)	
Excess (Deficiency) of Revenues over Expenditures	(183,869)	(252,150)	68,281	



2017-18 Schedule of Changes- Fund Balance

FUND BALANCE, RESERVES	Estimated Actuals	2nd Interim	Change
Beginning Balance	5,463,702	5,463,702	-
Ending Balance	5,279,833	5,211,552	68,281
RESERVES:			
Nonspendable:			
<i>Revolving Cash</i>	28,400	28,400	-
<i>Prepaid Expenditures</i>	-	-	-
Restricted:			
<i>Legally Designated (restricted programs)</i>	646,749	534,402	112,347
Assigned:			
<i>Textbooks</i>	600,200	625,000	(24,800)
<i>Curriculum and Instruction</i>	65,325	30,000	35,325
<i>Technology Replacement/Upgrades</i>	625,315	559,571	65,744
Unassigned:			
<i>Designated for Economic Uncertainties</i>	663,137	664,032	(895)
Unassigned Fund Balance	2,650,707	2,770,147	(119,440)



Summary of Governor's 2018-19 Budget Proposal for Education-May 2018

- Higher Revenue Forecast as compared to what was proposed in January mainly due to increased personal income and corporate taxes
- One-time revenue increases

Factors	January Proposal	May Proposal	Difference
COLA	2.51%	3.00%*	0.49%
LCFF GAP Funding %	100%	100%	0%
One-time Funding	\$295/ADA	\$344/ADA	\$49/ADA

*Statutory COLA for 2018-19 is 2.71%, however COLA for purposes of calculating the LCFF is 3%



2018-19 Revenue Sources

- State Revenue (73%):
 - Local Control Funding Formula (LCFF)
 - Enrollment: 1,825
 - Projected Funded ADA: 1,792.13
 - LCFF GAP funding rate: 100%
 - Cost-of-living Adjustment (COLA): 3%
 - State Lottery: \$348,000
 - SpEd Mental Health: \$109,000
 - One-time Funds: \$344/ADA or \$616,000



2018-19 Revenue Sources

- Local Revenue (25%):
 - MEF: \$1.6 million
 - Parcel Tax Revenue: \$2.9 million
 - Moraga Sports Alliance: \$4,000
 - After School Sports Program: \$55,000
 - Facility Use Fees: \$125,000
 - School Fieldtrips: \$190,000
 - Special Ed: \$650,000
 - Local Donations ARE NOT included in projections as they are recorded when they are received

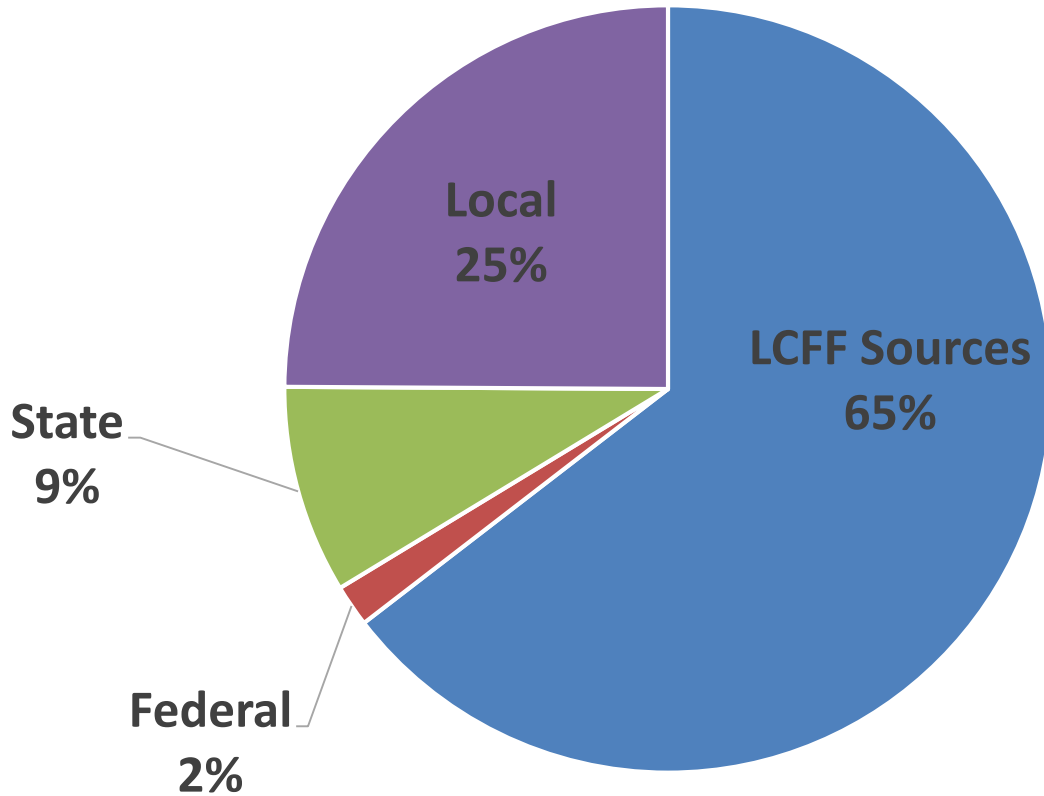


2018-19 Revenue Sources

- Federal Revenue (2%):
 - Special Education
 - Local Assistance IDEA: \$314,000
 - Pre-K IDEA: \$8,000
 - Mental Health: \$20,000
 - Title I Low-Income : \$38,000
 - Title II Teacher Quality: \$19,700



2018-19 % of Total Revenue





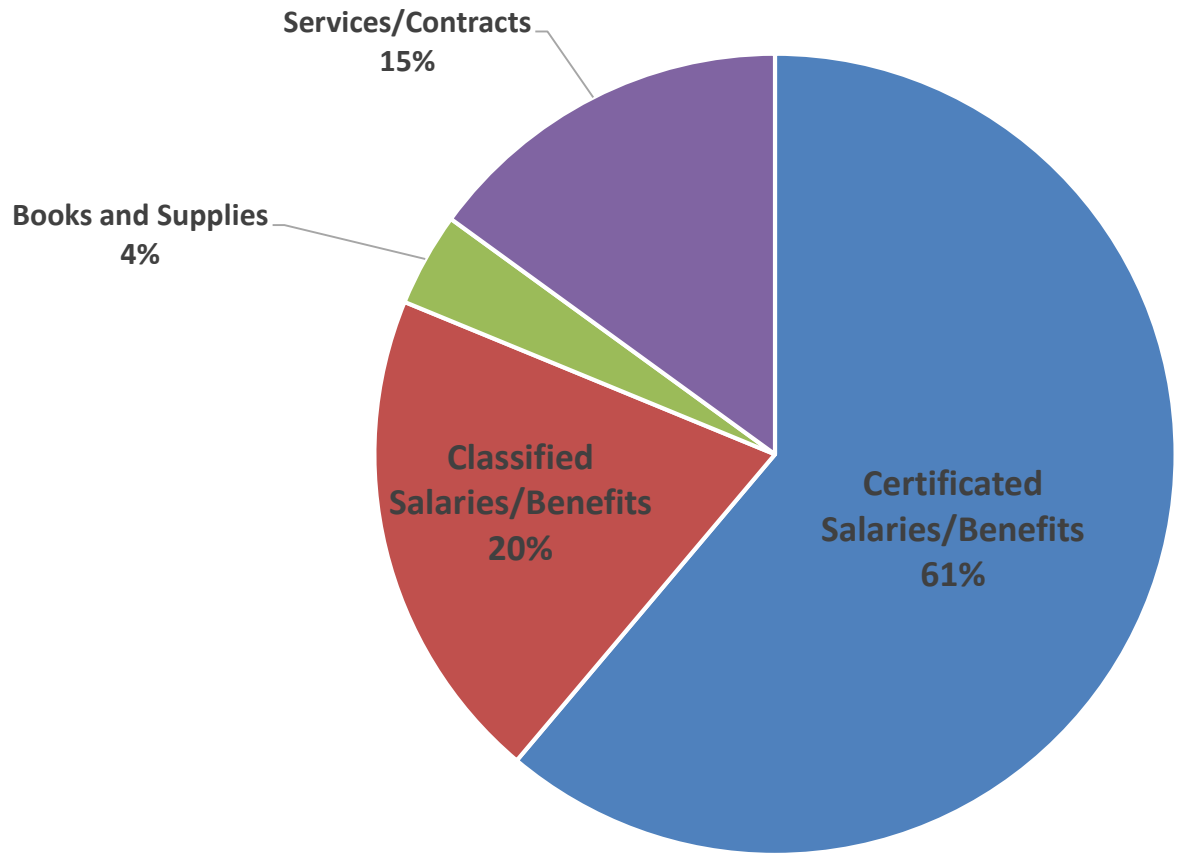
2018-19 Expenditure Factors

- Certificated/Classified Salaries
 - Step Increases
 - 2018-19 increased salary schedules per bargaining agreements
 - Additional Elementary Counselor
 - Additional day for the Director of Technology
- Updated health benefit costs
 - Projected increase of 5% to health premiums
- STRS Employer Contribution Rate: 16.28%
- PERS Employer Contribution Rate: 18.062%
- Updated Workers Compensation Rate 1.9616%
- NGSS and French Textbook Adoptions
- Technology Replacement/Upgrade



2018-19

% of Total Expenditures





Multi-Year Projection

- **Based on Governor's May Budget Proposal**
 - Continues to offer a combination of One-time funding and On-going funding in hopes of not overcommitting on-going funds that may need to be reduced during poor economic times*
 - Continues to build State reserves*
- **Assumes the same staffing allocation as 2018-19**
- **Includes current textbook adoption spending plan**
- **Includes current technology replacement/upgrade plan**



2019-20 Multi-Year Projection

Governor's Budget Proposal

- LCFF GAP Percentage: 100%
- Cost of Living Adjustment: 2.57%
- Consumer Price Index: 3.36%
- CalPERS Rate: 20.80% (increase of 2.74% from 18.062%)
- CalSTRS Rate: 18.13% (increase of 1.85% from 16.28%)

District Assumptions

- Funded ADA: 1,785.16
- Certificated Step/Column Increase: 1%
- Classified Step/Column Increase: 1%
- Health Benefit Increase: 5%
- Reserve for Economic Uncertainty Minimum: at least 4%
- Routine Restricted Maintenance: 3%
- History/Social Science Textbook Adoptions
- Technology Replacement/Upgrade



2020-21 Multi-Year Projection

Governor's Budget Proposal

- LCFF GAP Percentage: 100%
- Cost of Living Adjustment: 2.67%
- Consumer Price Index: 3.23%
- CalPERS Rate: 23.50% (increase of 2.70% from 20.80%)
- CalSTRS Rate: 19.10% (increase of 0.97% from 18.13%)

District Assumptions

- Funded ADA: 1,775.25
- Certificated Step/Column Increase: 1%
- Classified Step/Column Increase: 1%
- Health Benefit Increase: 5%
- Reserve for Economic Uncertainty Minimum: at least 4%
- Routine Restricted Maintenance: 3%
- Reduction of Parcel Tax Measure B Revenue: (\$1 million)

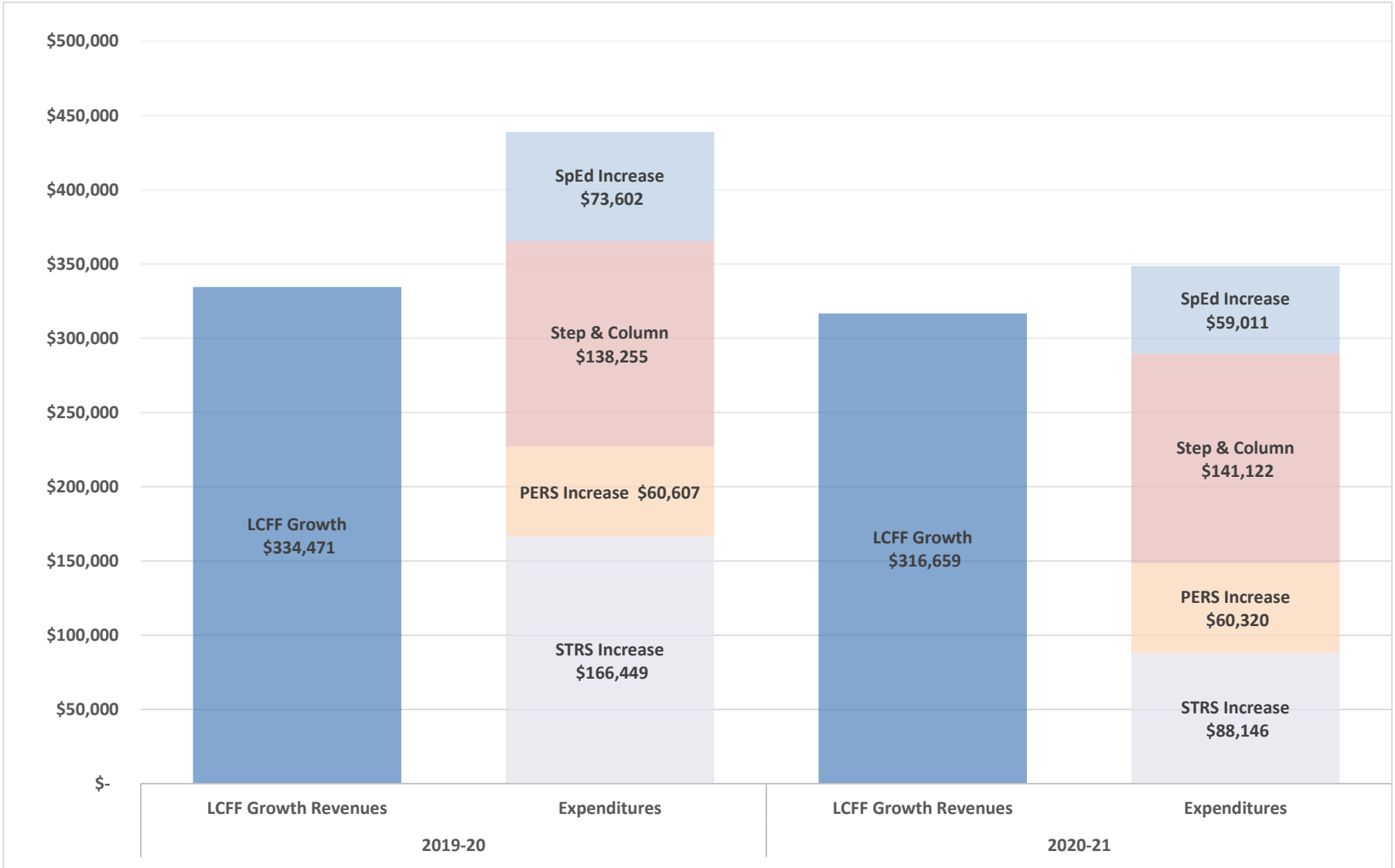


Local Control Funding Formula (LCFF Funding)

	2018-19	2019-20	2020-21
LCFF Funding	\$ 14,240,779	\$14,575,250	\$14,891,909
Annual Increase in \$\$	\$ 414,007	\$ 334,471	\$ 316,659
Annual Increase in %	3%	2.35%	2.17%



New Revenue vs. Natural Increases





Multi-Year Projection

	2017-18	2018-19	2019-20	2020-21
Total Revenues:	21,920,708	22,721,681	22,450,326	21,777,584
Total Expenditures:	22,104,577	23,061,328	23,178,411	23,034,383
Net Increase (Decrease) to Fund Balance:	(183,869)	(339,647)	(728,085)	(1,256,799)
FUND BALANCE RESERVES:				
Beginning Balance	5,463,702	5,279,833	4,940,186	4,212,101
Net Increase (Decrease) to Fund Balance:	(183,869)	(339,647)	(728,085)	(1,256,799)
ENDING FUND BALANCE:	5,279,833	4,940,186	4,212,101	2,955,302
COMPONENTS OF THE ENDING FUND BALANCE				
NONSPENDABLE: Revolving Cash	28,400	28,400	28,400	28,400
RESTRICTED: Categorical Programs	646,749	186,473	186,473	186,473
ASSIGNED:				
Textbook Implementation	600,200	350,000	0	0
Curriculum & Instruction Professional Development	65,325	100,000	100,000	100,000
Technology Replacement/Upgrade	625,315	834,729	516,493	516,493
UNASSIGNED AVAILABLE RESERVES:				
**3% Required Reserve	663,137	691,840	695,352	691,031
**Undesignated Fund Balance:	2,650,707	2,748,744	2,685,383	1,432,905
TOTAL AVAILABLE RESERVES AS A PERCENTAGE:				
**TOTAL AVAILABLE GENERAL FUND RESERVES	15%	14.92%	14.59%	9.22%
ADD FUND 17 RESERVES	4%	3.94%	3.92%	3.95%
TOTAL AVAILABLE RESERVES	19.10%	18.86%	18.51%	13.17%



Other Funds

- The district administers 7 other funds:
 - Child Care Fund
 - Cafeteria Fund
 - Special Reserve Fund
 - Building Fund
 - Capital Facilities Fund
 - Capital Projects Reserve Fund
 - Bond Fund

- All are projected to have positive fund balances



Questions?