

Indian Diggings Elementary School District



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2017-18

May 12, 2017

Budget Timeline

❏ Legally required to adopt a budget by July 1, 2017

- ❏ This is a summary of the budget proposed for adoption
- ❏ Documents in official SACS (Standardized Account Code Structure)

❏ Financial Cycle for 2017-18

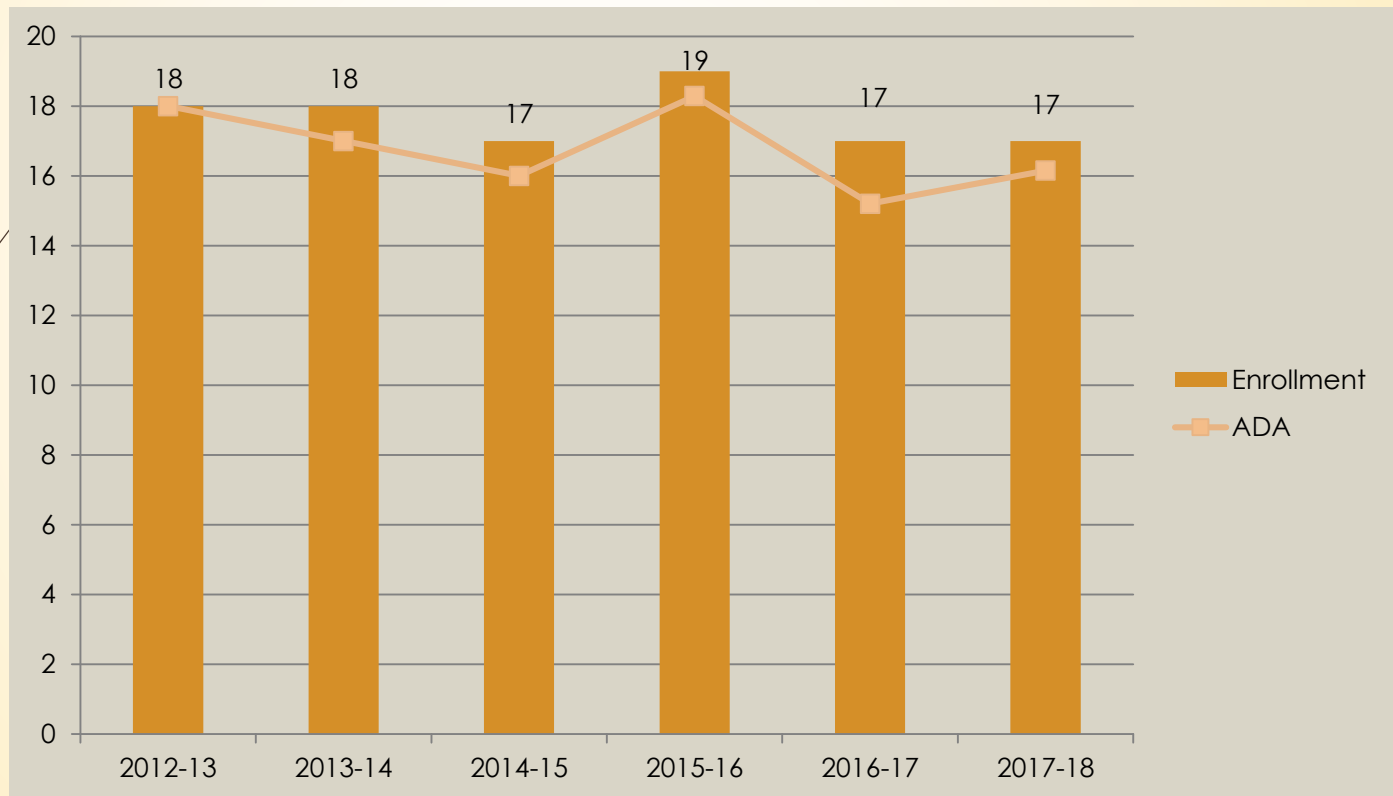
- ❏ If material changes due to state budget, revise budget 45 days later
- ❏ First Interim Budget – December 2017
- ❏ Second Interim Budget – March 2018
- ❏ Final Actual Financial Report – September 2018
- ❏ Audit Report – December 2018

Budget Goals

- To support district's Local Control Accountability Plan (LCAP)
 - Increase student achievement
 - Increase enrichment activities
 - Keep safe, well-maintained facilities

- To continue to provide exceptional educational services to our students

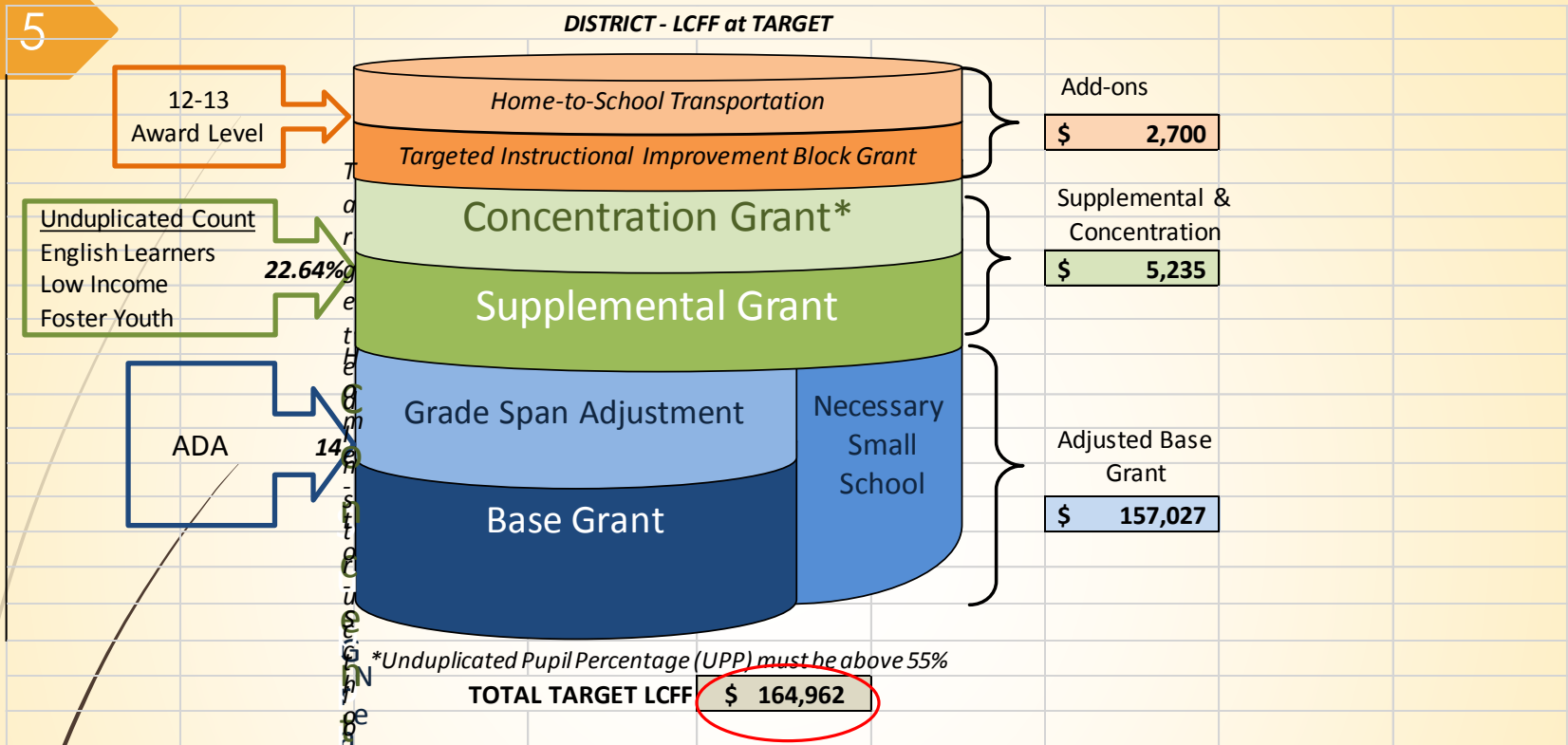
Indian Diggings Enrollment History



Projected

How it Works for Our District

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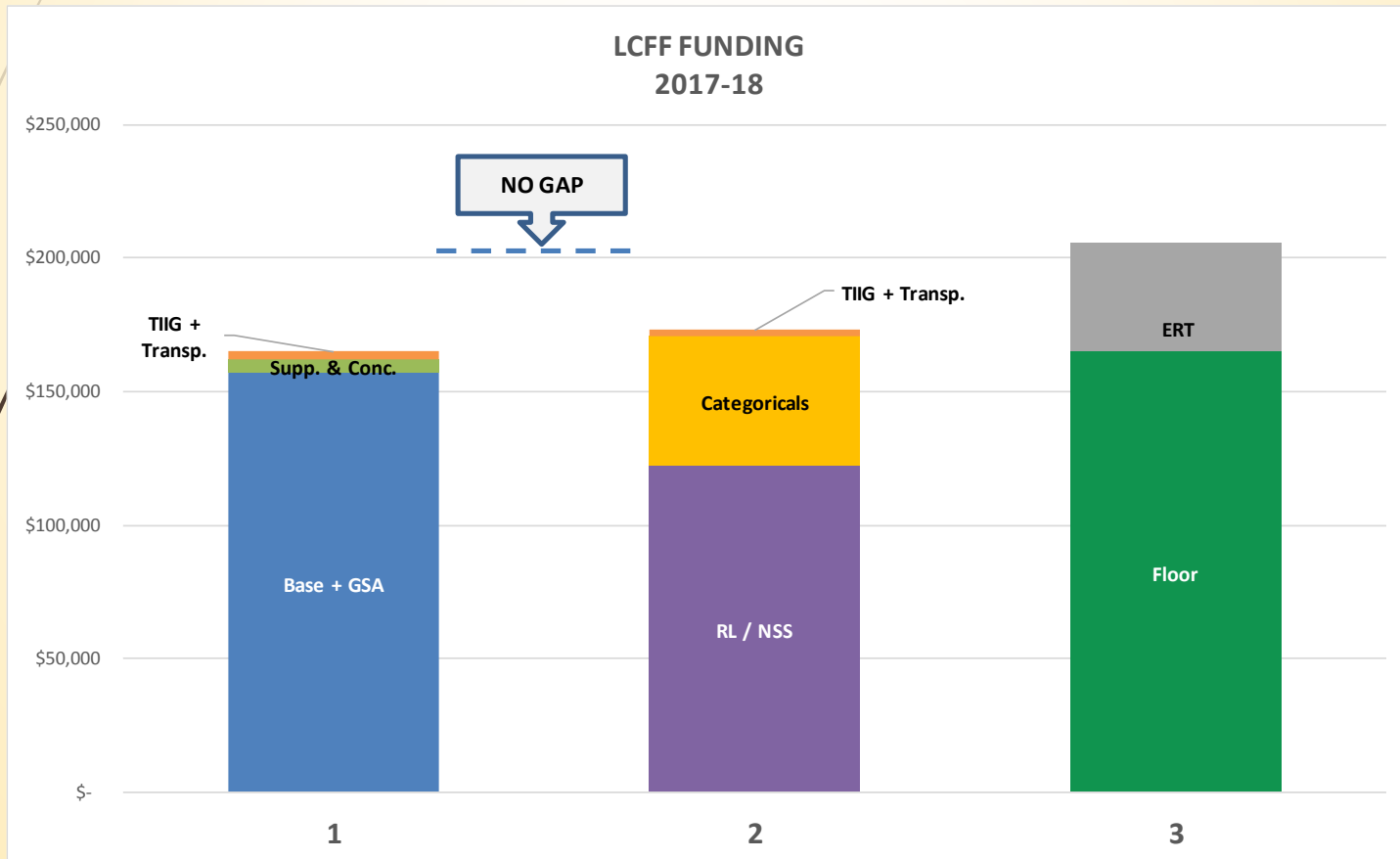


Simplified LCFF Calculation 2017-18	Non-charter	Charter	Total	
Funded ADA	18	-	18	
LCFF Target	\$ 163,000	\$ -		
Portion not funded (Gap)	-	\$ -		
Funded LCFF	\$ 163,000	\$ -		
Percentage not funded	0%	0%		
LCFF	\$ 163,000	\$ -	\$ 163,000	
Other adjustments	33,000	-	33,000	
TOTAL LCFF	\$ 196,000	\$ -	\$ 196,000	% split
Property Taxes	73,000	-	73,000	37%
State Aid	123,000	-	123,000	63%

Funding 2017-18

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- ▶ We are funded at target
- ▶ No additional LCFF funding, other than ERT and COLA to be expected



Restricted Funding

- ❖ Programs funded for special purposes or categories of students
 - ❖ During the year assume expenditures of all available funding
 - ❖ At year-end it is normal to have unspent balances
 - ❖ U = Unearned Revenue, Revenue not earned until grant award is spent
 - ❖ F = Fund Balance, balances restricted in ending balance for use next year

Federal Restricted Budget 2017-18

Federal Grant Awards	Sp-Ed Basic Grt Ent	Title II	REAP
	U	U	U
	3310	4035	5810
Prior Year Carryover	-	-	-
Current Year Award	-	723	19,369
Current Year Contributions	-	-	-
Expenditures/Other	-	722	19,369
Unused Grant Award	-	1	-

State Restricted Programs

Budget 2017-18

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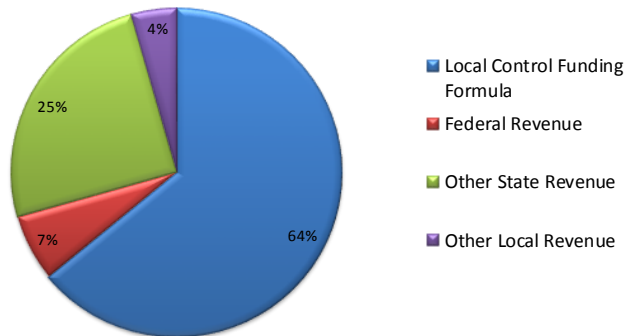
State Programs	Lott IMF	SPED	SPEDMH
	F	F	F
	6300	6500	6512
Prior Year Carryover	1,112	-	622
Current Year Award	1,114	-	3,453
Current Year Contributions	-	-	-
Expenditures/Other	1,114	-	3,453
Unused Grant Award	1,112	-	622

2017-18 Budget–Revenue Summary

Comparison 17-18 Budget to 16-17 Estimated Actuals

	2016-17 June Estimate			2017-18 Budget Adoption			Unrestricted Variance	Restricted Variance	Total Variance
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total			
Revenue Detail									
Local Control Funding Formula	195,880	-	195,880	205,684	-	205,684	9,804	-	9,804
Federal Revenue	-	20,031	20,031	-	20,092	20,092	-	61	61
Other State Revenue	7,642	68,681	76,323	3,718	70,148	73,866	(3,924)	1,467	(2,457)
Other Local Revenue	8,100	5,475	13,575	1,600	3,453	5,053	(6,500)	(2,022)	(8,522)
Total Revenue	211,622	94,187	305,809	211,002	93,693	304,695	(620)	(494)	(1,114)
Adjust for ONE TIME Income			-			-	-	-	-
Ongoing Total Revenue	211,622	94,187	305,809	211,002	93,693	304,695	(620)	(494)	(1,114)

**Estimated Income
2017-18 Budget Adoption**



**Unrestricted and Restricted Income
Major Variance Detail:**

REVENUE:	Unrestricted	Restricted	Total
LCFF - ERT and COLA decrease	9,804		9,804
One-Time Outstanding Mandated Cost Claims	(3,924)		(3,924)
One-Time Run for the Gold Grant	(6,500)		(6,500)
REAP		61	61
Educator Effectiveness / STRS On-Behalf		1,467	1,467
Other Local		(2,022)	(2,022)
	\$ (620)	\$ (494)	\$ (1,114)

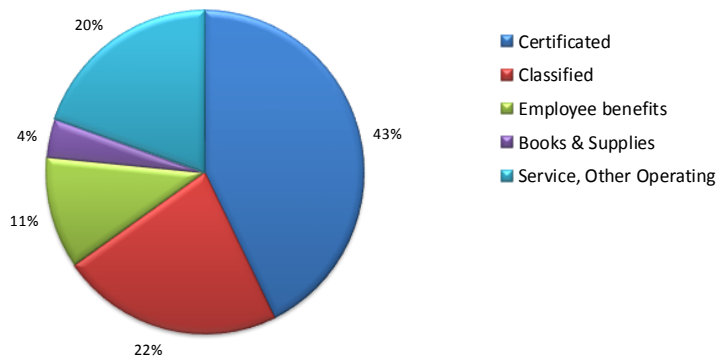
2017-18 Budget – Expenditure Summary

Comparison 17-18 Budget to 16-17 Estimated Actuals

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	2016-17 June Estimate			2017-18 Budget Adoption			Unrestricted Variance	Restricted Variance	Total Variance
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total			
Expenditure Detail							-	-	
Certificated	99,051	6,856	105,907	100,642	1,500	102,142	1,591	(5,356)	(3,765)
Classified	49,517	6,104	55,621	44,549	5,808	50,357	(4,968)	(296)	(5,264)
Employee benefits	19,130	8,703	27,833	20,177	8,072	28,249	1,047	(631)	416
Books & Supplies	6,662	2,914	9,576	3,662	4,687	8,349	(3,000)	1,773	(1,227)
Service, Other Operating	34,821	13,782	48,603	33,107	14,395	47,502	(1,714)	613	(1,101)
Capital Outlay (Prop39)	-	68,272	68,272	-	68,272	68,272	-	-	-
Other Outgo	-	-	-	-	-	-	-	-	-
Direct Support/Indirect	(1,192)	1,192	-	(958)	958	-	234	(234)	-
Total Expenditures	207,989	107,823	315,812	201,179	103,692	304,871	(6,810)	(4,131)	(10,941)
<i>Adjust for ONE TIME Expenditures</i>		10,000			10,000		-	-	-
Ongoing Total Expenditures	207,989	117,823	325,812	201,179	113,692	314,871	(6,810)	(4,131)	(10,941)

**Estimated Expenditures
2017-18 Budget Adoption**



**Unrestricted and Restricted Expenditures
Major Variance Detail:**

EXPENDITURES:	Unrestricted	Restricted	Total
Certificated Salaries	1,591	(5,356)	(3,765)
Classified Salaries	(4,968)	(296)	(5,264)
Employee Benefits (STRS on Behalf)	1,047	(631)	416
Books & Supplies	(3,000)	1,773	(1,227)
Services, Other Operating	(1,714)	613	(1,101)
Direct Support/Indirect	234	(234)	-
	\$ (6,810)	\$ (4,131)	\$ (10,941)

2017-18 Budget - General Fund

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	<u>2016-17 June Estimate</u>			<u>2017-18 Budget Adoption</u>			Unrestricted Variance	Restricted Variance	Total Variance
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total			
Revenue Detail									
Local Control Funding Formula	195,880	-	195,880	205,684	-	205,684	9,804	-	9,804
Federal Revenue	-	20,031	20,031	-	20,092	20,092	-	61	61
Other State Revenue	7,642	68,681	76,323	3,718	70,148	73,866	(3,924)	1,467	(2,457)
Other Local Revenue	8,100	5,475	13,575	1,600	3,453	5,053	(6,500)	(2,022)	(8,522)
Total Revenue	211,622	94,187	305,809	211,002	93,693	304,695	(620)	(494)	(1,114)
<i>Adjust for ONE TIME Income</i>			-			-	-	-	-
Ongoing Total Revenue	211,622	94,187	305,809	211,002	93,693	304,695	(620)	(494)	(1,114)
Expenditure Detail									
Certificated	99,051	6,856	105,907	100,642	1,500	102,142	1,591	(5,356)	(3,765)
Classified	49,517	6,104	55,621	44,549	5,808	50,357	(4,968)	(296)	(5,264)
Employee benefits	19,130	8,703	27,833	20,177	8,072	28,249	1,047	(631)	416
Books & Supplies	6,662	2,914	9,576	3,662	4,687	8,349	(3,000)	1,773	(1,227)
Service, Other Operating	34,821	13,782	48,603	33,107	14,395	47,502	(1,714)	613	(1,101)
Capital Outlay (Prop39)	-	68,272	68,272	-	68,272	68,272	-	-	-
Other Outgo	-	-	-	-	-	-	-	-	-
Direct Support/Indirect	(1,192)	1,192	-	(958)	958	-	234	(234)	-
Total Expenditures	207,989	107,823	315,812	201,179	103,692	304,871	(6,810)	(4,131)	(10,941)
<i>Adjust for ONE TIME Expenditures</i>		10,000			10,000		-	-	-
Ongoing Total Expenditures	207,989	117,823	325,812	201,179	113,692	314,871	(6,810)	(4,131)	(10,941)
Excess/(Deficiency)	3,633	(13,636)	(10,003)	9,823	(9,999)	(176)	6,190	3,637	9,827
<i>Adjust for ONE TIME items</i>			-			-	-	-	-
Ongoing Excess/(Deficiency)	3,633	(13,636)	(10,003)	9,823	(9,999)	(176)	6,190	3,637	9,827
Other Financing Sources/uses									
Transfers In			-			-	-	-	-
Transfers Out			-			-	-	-	-
Other Sources			-			-	-	-	-
Other Uses			-			-	-	-	-
Contributions	(12,680)	12,680	-	(10,000)	10,000	-	2,680	(2,680)	-
Total Other Sources/Uses	(12,680)	12,680	-	(10,000)	10,000	-	2,680	(2,680)	-
Net Inc/Dcr to Fund Balance	(9,047)	(956)	(10,003)	(177)	1	(176)	8,870	957	9,827
<i>Adjust for ONE TIME items</i>		10,000	10,000		10,000	10,000	-	-	-
Ongoing Excess/(Deficiency)	(9,047)	(10,956)	(20,003)	(177)	(9,999)	(10,176)	8,870	957	9,827
Beginning Balance	196,458	3,201	199,659	187,411	2,245	189,656	(9,047)	(956)	(10,003)
<i>Audit Adjustment</i>							-	-	-
Restated Beginning Balance							-	-	-
Ending Balance	187,411	2,245	189,656	187,234	2,246	189,480	(177)	1	(176)

General Fund

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Components of Ending Fund Balance

	<u>2016-17 June Estimate</u>			<u>2017-18 Budget Adoption</u>			<i>Unrestricted Variance</i>	<i>Restricted Variance</i>	<i>Total Variance</i>
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total			
Components of Ending Fund Balance									
Revolving Cash	250		250	250		250	-	-	-
Stores			-			-	-	-	-
Prepaid Expend.			-			-	-	-	-
Reserve for Economic Uncertainty	66,000		66,000	66,000		66,000	-	-	-
Restricted		2,245	2,245		2,246	2,246	-	1	1
Assigned - LCFF Uncertainty Reserve	-		-	-		-	-	-	-
Unassigned / Unappropriated	121,161		121,161	120,984		120,984	(177)	-	(177)
Total	187,411	2,245	189,656	187,234	2,246	189,480	(177)	1	(176)

Budget Summary

- District is estimating deficit spending approximately \$10,000 for 2017-18



BUDGET SUMMARY			
	2017-18 Budget Adoption		
	Unrestricted	Restricted	Total
Total Revenue	211,002	93,693	304,695
Total Expenditures	201,179	103,692	304,871
<i>Excess/(Deficiency)</i>	9,823	(9,999)	(176)
Transfers In	-	-	-
Contributions	(10,000)	10,000	-
Net Inc/Dcr to Fund Balance	(177)	1	(176)
<i>Adjust for ONE TIME items</i>	-	10,000	10,000
Ongoing Excess/(Deficiency)	(177)	10,001	9,824
Beginning Balance	187,411	2,245	189,656
Ending Balance	187,234	2,246	189,480

- ❖ One-time discretionary funds are not included at this time

Summary of Other Funds

Other Funds	CHLDNUTR FD 13	DEFMAINT FD 14	DEVELOPER FEES FD 25	SCHOOL FACILITIES FD 35
Prior Year Carryover	-	1	18	0
Current Year Award	-	-	-	-
Current Year Contributions	-	1	-	3
Expenditures/Other	-	-	-	-
Unused Grant Award	-	2	18	3

Multi-Year Projections:



Assumptions

❑ 2018-19

- ❑ Funding based on 2017-18 estimated ADA 15.21
- ❑ **LCFF Funding**, COLA 2.40%
- ❑ Unduplicated enrollment (NSLP) 29.41%
- ❑ 2.36% increase to payroll/benefits, 1.85% increase to STRS employer rate
- ❑ Other expenditures increased by COLA rate
- ❑ District meets Minimum Reserve Requirements

❑ 2019-20

- ❑ Funding based on 2018-19 estimated ADA 15.21
- ❑ **LCFF Funding**, COLA 2.53%
- ❑ Unduplicated enrollment (NSLP) 29.41%
- ❑ 2.36% increase to payroll/benefits, 1.85% increase to STRS employer rate
- ❑ Other expenditures increased by COLA rate
- ❑ District meets Minimum Reserve Requirements

Multi-Year Projections

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MULTI-YEAR PROJECTIONS									
COLA	1.56%			2.40%			2.53%		
EPA%	23.00%			21.00%			21.00%		
LCFF GAP%	23.67%			53.85%			68.94%		
UNDUP ENR%	22.64%			29.41%			29.41%		
	2017-18 BUDGET			2018-19 BUDGET			2019-20 BUDGET LCFF		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
Total Revenue	211,002	93,693	304,695	224,644	28,657	253,301	193,523	28,657	222,180
Total Expenditures	201,179	103,692	304,871	206,409	41,036	247,445	213,139	47,987	261,126
Reductions Required									
Excess/(Deficiency)	9,823	(9,999)	(176)	18,235	(12,379)	5,856	(19,616)	(19,330)	(38,946)
Transfers In	-	-	-	-	-	-	-	-	-
Contributions	(10,000)	10,000	-	(11,000)	11,000	-	(19,000)	19,000	-
Net Inc/Dcr to Fund Balance	(177)	1	(176)	7,235	(1,379)	5,856	(38,616)	(330)	(38,946)
Adjust for ONE TIME items									
Ongoing Excess/(Deficiency)	(177)	1	(176)	7,235	(1,379)	5,856	(38,616)	(330)	(38,946)
Beginning Balance	187,411	2,245	189,656	187,234	2,246	189,480	194,469	867	195,336
Ending Balance	187,234	2,246	189,480	194,469	867	195,336	155,853	537	156,390
	ADA =	16.15		ADA =	16.15		ADA =	16.15	
Effective Fund Balance %			62.15%			78.94%			59.89%

In 2019-20 reductions will be needed to meet minimum reserve if the district loses its NSS status. Currently the district is funded under NSS.

Why is it important for Indian Diggings to maintain a Reserve?

- A reserve is a safety net that allows a DISTRICT to meet its obligations as unplanned changes in revenues and expenditures occur.
- If reserves have to be used, it is important to remember that they are one-time funds.
 - Once reserves are used, they are not replenished except by purposeful action by the Board of Trustees.
- Most financial turbulence that a district encounters tends to be ongoing in nature.
- Reserves can help carry the district through a year of financial problems—long enough for the district to make budget cuts to solve its ongoing financial issues.
- If budget cuts are not made, reserves would continue to be used by default, and eventually the reserves will be depleted.

Multi-Year Projections

- ▶ In order to be funded as a Necessary Small School, a minimum of 5 resident students must be enrolled
 - ▶ *The school must meet the qualifications set forth in EC 42283 in order to receive NSS funding; the distance requirements in 42283(a)(1) and 42283(a)(2) specifically state the students must reside in the district.*
- ▶ The district is currently projected to meet this qualification, with more than 5 resident students enrolled in 2017-18, funding will be at the NSS calculations.

NSS vs. LCFF Funding in 2017-18

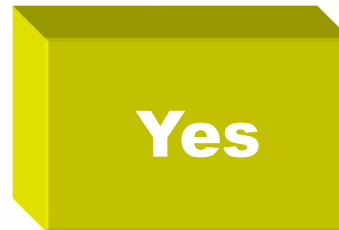
NSS Revenue	\$ 205,540.00
LCFF Revenue	\$ 163,991.00
Difference	\$ (41,549.00)

NSS vs. LCFF Funding in 2018-19

NSS Revenue	\$ 219,181.00
LCFF Revenue	\$ 176,632.00
Difference	\$ (42,549.00)

Fiscal Status

- ❑ Is the district fiscally solvent in the current budget year and next two years?



- ❑ 2017-18 shows deficit spending as a result of expenditure on a large facilities project
- ❑ MYP shows no deficit spending in 2018-19.

Questions?

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