

# 2016-2017 Second Interim Budget Report



March 7, 2017

Joy Ramiro, Director of Finance

# Agenda



- 2016-2017 Second Interim Budget Report
- 2017-2018 Projected Budget
- 2018-2019 Projected Budget
- Budget Reduction Considerations for 2017-2018
- Next Steps
- Request Board Approval

# 2016-2017 Second Interim Budget Report



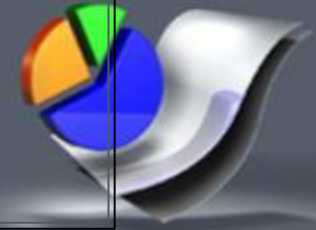
- AB 1200 (Assembly Bill) requires school districts to submit Interim Financial Reports annually
  - ❑ First Interim as of October 31
  - ❑ Second Interim as of January 31
- Education Code Sections 42130 and 42131 require that Interim Reports be submitted to the Governing Board on the SACS form (Standardized Accounting Code Structure)
- School districts are required to submit financial data on the Combined General Fund for the current year and the next two fiscal years.

# 2016-2017 Second Interim Budget Combined General Fund



Description	Budget as of January 2017	Second Interim Budget	Variance
(A) Total Revenues	\$353,685,391	\$353,685,391	\$0
(B) Total Expenditures <i>(details next slide)</i>	<u>\$371,170,662</u>	<u>\$369,070,662</u>	<u>(\$2,100,000)</u>
(C) Excess Revenue Over Expenditures	(\$17,485,271)	(\$15,385,271)	\$2,100,000
(D) Other Financing Sources/Uses <i>(details next slide)</i>	<u>\$11,012,627</u>	<u>\$13,512,627</u>	<u>\$2,500,000</u>
<b>(E) Net Increase/Decrease</b>	<b>(\$6,472,644)</b>	<b>(\$1,872,644)</b>	<b>\$4,600,000</b>

# 2016-2017 Second Interim Budget Combined General Fund



## Decrease in Expenditures:

Site Safety Projects	\$600,000
Special Education Program	\$250,000
Transportation Program	\$250,000
Routine Restricted Maintenance Account (RRMA)	\$250,000
Projected Sites Expenditures ( Carryover)	<u>\$750,000</u>
<b>Total Decrease in Projected Expenditures</b>	<b>\$2,100,000</b>

## Increase in Transfer In:

CFD reimbursements – sites technology projects	\$1,500,000
Transfer In – Self Insurance Fund	<u>\$1,000,000</u>
<b>Total Increase in Projected Transfer In</b>	<b>\$2,500,000</b>
<b>Projected Net Increase in General Fund Balance</b>	<b><u>\$4,600,000</u></b>

# 2016-2017 Second Interim Budget Combined General Fund



	Budget as of January 2017			Second Interim Budget		
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined
<b>Beginning Balance</b>	\$53,695,112	\$5,523,362	\$59,218,474	\$53,695,112	\$5,523,362	\$59,218,474
<b>Net Increase/ Decrease</b>	<b>(\$4,349,282)</b>	(\$2,123,362)	(\$6,472,644)	<b>\$250,718</b>	(\$2,123,362)	(\$1,872,644)
<b>Projected Ending Balance</b>	\$49,345,830	\$3,400,000	\$52,745,829	\$53,945,830	\$3,400,000	\$57,345,829

# 2016-2017 Second Interim Budget Combined General Fund Reserves



Description	Budget as of January 2017	Second Interim Budget	Variance
Non Spendable	\$382,500	\$382,500	
Restricted	\$3,400,000	\$3,400,000	
Carryover Reserves	\$9,500,000	\$10,250,000	\$750,000
<b>Unassigned &amp; Unappropriated :</b>			
Economic Uncertainties at 2%	\$7,452,896	\$7,410,896	(\$42,000)
One-Time Discretionary Funding	\$23,428,723	\$23,428,723	
Reserve to Balance 2017-18 Budget	\$8,581,710	\$12,473,710	\$3,892,000
<b>Total Components of Ending Balance</b>	<b>\$52,745,829</b>	<b>\$57,345,829</b>	<b>\$4,600,000</b>

# Projected Budget Combined General Fund



## 2017-2018

(A) Revenue	\$345,282,098
(B) Expenditures	<u>368,833,186</u>
Proposed Reductions for 2017-2018	(5,000,000)
Expenditures <u>after</u> cuts	<u>363,833,186</u>
(C) Excess of Revenues Over Expenditures	(18,551,088)
(D) Other Financing Sources/Uses	<u>(259,402)</u>
(E) Net Increase/Decrease (Deficit)	(18,810,490)
(F) Projected Beginning Balance	<u>57,345,829</u>
<b>Projected Ending Balance</b>	<b><u>\$38,535,339</u></b>



# Projected Budget Combined General Fund



## 2018-2019

	SSC	DOF
(A) Revenue	\$350,326,843	\$353,899,452
(B) Expenditures <u>before</u> cuts	<u>382,332,765</u>	<u>382,589,334</u>
Proposed Reductions for 2017-2018	(5,000,000)	(5,000,000)
Proposed Reductions for 2018-2019	(8,000,000)	(5,000,000)
Expenditures <u>after</u> cuts	<u>369,332,765</u>	<u>372,589,334</u>
(C) Excess of Revenue over Expenditures	(19,005,922)	(\$18,689,882)
(D) Other Financing Sources/Uses	<u>2,107,139</u>	<u>2,107,139</u>
(E) Net Increase/Decrease (Deficit)	(16,898,783)	(16,582,743)
(F) Projected Beginning Balance	<u>38,535,339</u>	<u>38,535,339</u>
<b>Projected Ending Balance</b>	<b><u>\$21,636,556</u></b>	<b><u>\$21,952,596</u></b>

# Budget Reduction Considerations for 2017-2018



Budget Standard based on 2015-16 funding	\$778,576
Suspend adoption of textbooks (Restricted and Unrestricted)	\$2,000,000
Department Budget Reductions – 10%	\$1,369,370
Conference Expense	\$400,000
Professional Services and Other Contracts	\$500,000
<b>TOTAL:</b>	<b>\$5,047,946</b>

# Next Steps



**March – April  
2017**

**District Budget Development Meetings  
for 2017-2018**

**May 2017**

**Governor's Revised 2017-2018 Budget**

**May 30, 2017**

**Public Hearing LCAP and Proposed Budget**

**June 26, 2017**

**2017-2018 District budget and LCAP Report  
presented for adoption by the Board of  
Education**

# BOARD APPROVAL



- *Certify that Poway Unified School District will be able to meet its financial obligations for the current fiscal year and subsequent two fiscal years*
- *Authorize adjustments to the budget*



# Questions and/or Comments from the Governing Board

