



Evergreen
School District

Budget & Committed Fund Updates

Board Meeting
February 11, 2016

2016-17 Governor's Budget

Implementation of the Local Control Funding Formula (LCFF) target remains ahead of schedule

- An increase in the gap funding percentage for 2016-17
- Reaching to 95% of the targeted funding levels
- The LCFF base grant targets are adjusted for 0.47% cost-of-living adjustments (COLA) in 2016-17
- More one-time money for education
 - Estimated at \$214 per Average Daily Attendance (approximately \$2.5 M for Evergreen)

2016-17 LCFF Target Funding Factors

- The K-12 COLA is 0.47% for 2016-17; and is applied to the LCFF base grants for each grade span

Grade Span	2015-16 Base Grant per ADA	0.47% COLA	2016-17 Base Grant per ADA
K-3	\$7,083	\$33	\$7,116
4-6	\$7,189	\$34	\$7,223
7-8	\$7,403	\$35	\$7,438

2016-17 LCFF Target Funding Factors

- Grade span adjustment is applied as percentage increases against the adjusted base grant, also receiving 0.47% COLA in 2016-17
 - Grade K-3 – 10.4% increase for smaller average class enrollments

Grade Span	2016-17 Base Grant per ADA	Grade Span Adjustment	2016-17 Adjusted Grants
K-3 (10.4%)	\$7,116	\$740	\$7,856
4-6	\$7,223	Target	\$7,223
7-8	\$7,438	--	\$7,438

Major Revenue Assumptions

	1st Interim Projection	January 2016 Projection	Difference	1st Interim Projection	January 2016 DOF Projection	Difference	1st Interim Projection	January 2016 Projection	Difference
	COLA			Funding GAP			District Enrollment		
2015-16	1.02%	1.02%	0.00%	51.52%	51.97%	0.45%	12,265	12,265	0
2016-17	1.60%	0.47%	-1.13%	35.55%	49.08%	13.53%	11,920	11,854	(66)
2017-18	2.48%	2.13%	-0.35%	35.11%	45.34%	10.23%	11,630	11,468	(162)
	District ADA			LCFF Funded ADA (Include County ADA)			District LCFF Per ADA		
2015-16	11,921	11,921	0	12,609	12,609	0	7,539	7,546	7
2016-17	11,586	11,516	(70)	12,034	12,034	0	7,860	7,924	64
2017-18	11,304	11,142	(162)	11,698	11,635	(63)	8,127	8,180	53
	LCFF Supplemental Grant Funding			LCFF Base Grant Funding			Total LCFF Revenue		
2015-16	\$7,059,165	\$7,059,165	\$0	\$88,004,250	\$88,079,775	\$75,525	\$95,063,415	\$95,138,940	\$75,525
2016-17	\$7,418,659	\$7,512,007	\$93,348	\$87,169,998	\$87,840,926	\$670,928	\$94,588,657	\$95,352,933	\$764,276
2017-18	\$7,632,951	\$7,673,874	\$40,923	\$87,441,764	\$87,492,776	\$51,012	\$95,074,715	\$95,166,650	\$91,935
	Discretionary One Time Funding								
2015-16	\$6,613,856	\$6,613,856	\$0						
2016-17	\$0	\$2,551,094	\$2,551,094						
2017-18	\$0	\$0	\$0						

Major Expenditure Assumptions

- Reduction of Teachers due to declined enrollments
 - 2016-17 reduce 35 teachers
 - 2017-18 reduce 15 teachers
- Health cost increase in 2016-17 and 2017-18 = 5.12%
- \$0.97M step/column salary increase for all groups
- 5 retirements in future years
- Salary level status quo in future years (subject to negotiations)
- 4% cost increase for contract services and utility costs
- Met supplemental dollars spending requirements

Major Expenditure Assumptions

- STRS rate increases in future years
 - 2015-16=10.73%; 2016-17=12.58%; 2017-18=14.43%
- PERS rate increase in future years
 - 2015-16=12.6%; 2016-17=15%; 2017-18=16.6% I

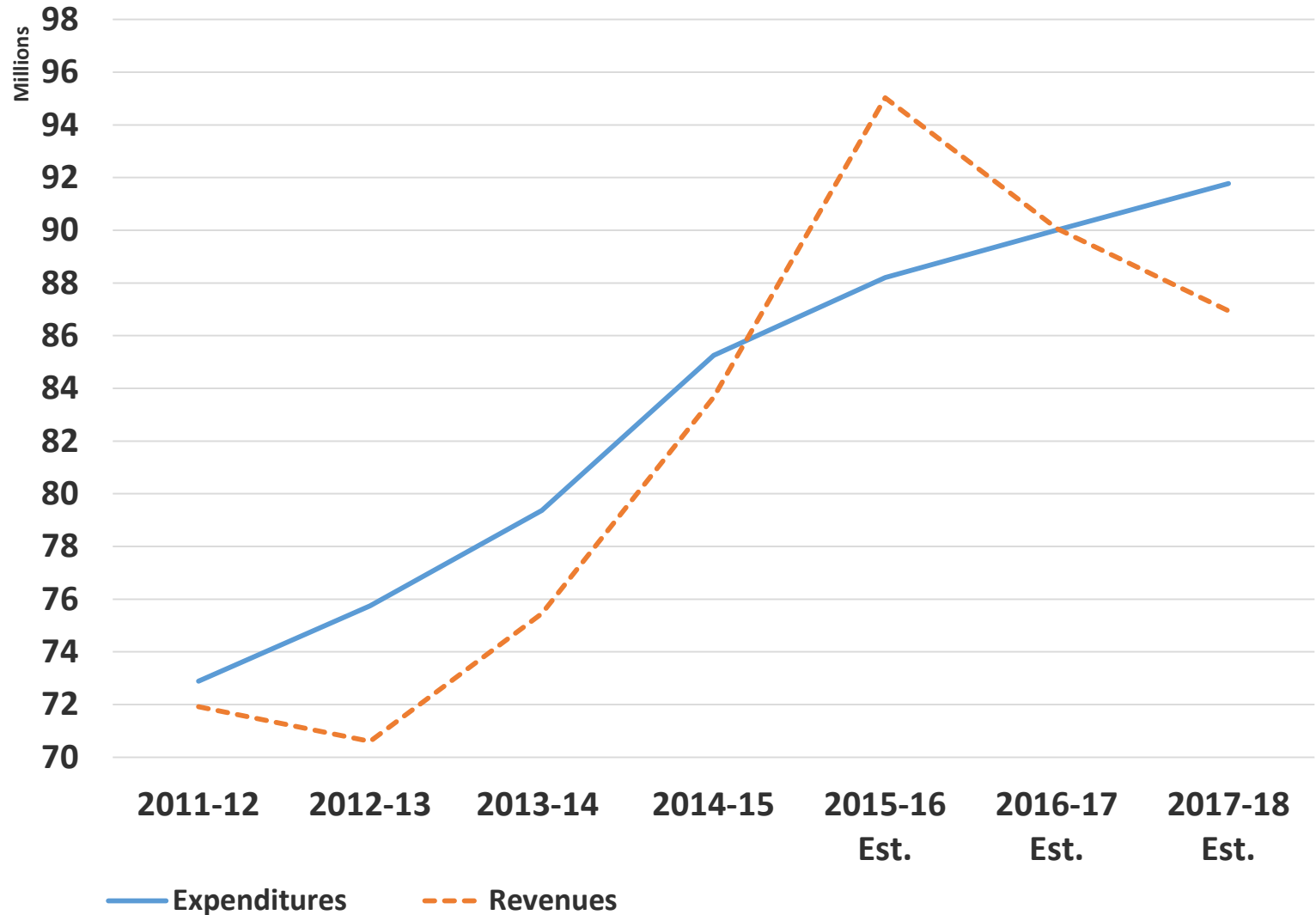
Years	STRS Rate	\$ Increase From Prior Year	PERS Rate	\$ Increase From Prior Year
2015-16	10.73%	1,145,004	11.847%	19,146
2016-17	12.58%	1,590,806	13.05%	124,946
2017-18	14.43%	1,557,500	16.60%	366,577

General Fund Update

	as 2/1/2016	2013-14 ACTUAL	2014-15 ACTUAL	2015-16 BUDGET	2016-17 BUDGET	2017-18 BUDGET
SUMMARY						
TOTAL REVENUES		96,293,209	103,340,085	119,535,778	114,961,378	112,796,224
TOTAL EXPENDITURES		99,061,983	105,007,151	112,390,764	114,747,253	117,476,156
SURPLUS/(DEFICIT)		(2,768,775)	(1,667,065)	7,145,014	214,125	(4,679,932)
BEGINNING BALANCE						
UNRESTRICTED		15,860,129	11,946,220	10,356,533	17,180,123	17,234,452
RESTRICTED		2,527,286	3,672,420	3,595,042	3,916,467	4,076,263
ENDING BALANCE		15,618,641	13,951,575	21,096,589	21,310,715	16,630,783
COMPONENTS OF ENDING BALANCE						
A) NONSPENDABLE						
1 REVOLVING CASH		15,000	15,000	15,000	15,000	15,000
2 STORES		46,767	49,504	46,767	46,767	46,767
3 PREPAID EXPENDITURES		1,192,232	1,360,418	1,192,232	1,192,232	1,192,232
B) RESTRICTED						
MAIN. RESERVES		58,121	299,508	309,351	278,825	256,414
RESTRICTED		3,614,300	3,295,534	3,607,116	3,797,438	3,968,441
C) COMMITTED						
STABILIZATION ARRANGEMENTS		0	0	0	0	0
OTHER COMMITMENTS		0	0	3,000,000	3,000,000	3,000,000
D) ASSIGNED						
OTHER ASSIGNMENTS		0	24,746	0	0	0
E) UNASSIGNED/UNAPPROPRIATED						
RESERVE FOR ECO. UNCERTAINTIES		2,971,860	3,150,215	3,371,723	3,442,418	3,524,285
UNASSIGNED/UNAPPROPRIATED		7,720,362	5,756,651	9,554,401	9,538,035	4,627,645
		15,618,640	13,951,575	21,096,589	21,310,715	16,630,783
UNRESTRICTED (DEFICIT)/SURPLUS		(3,913,909)	(1,589,687)	6,823,590	54,329	(4,828,524)
% of AVAILABLE RESERVE		10.79%	8.48%	11.50%	11.31%	6.94%

General Fund Unrestricted Expenditure and Revenue

AS 2-1-2016



Committed Fund

- Board approved set aside \$3 M as committed funds
 - Instructional Material Adoptions
 - Technology needs
- Instructional material annual revenue is about \$450,000
- Instructional material reoccurring expenses is about \$600,000

Instructional Materials								
Subject	Grade	Publisher/Series	Adoption Year	Initial Cost	2015-16	2016-17	2017-18	2018-19
Language Ars	Grade K-6	MacMillan-McGraw-Hill Treasures	2010	\$2,097,000 6-year all inclusive purchase teacher and student edition (2010-2016)	Pilot/Adoption Cycle	Expeditionary Learning GR 3-8 \$1,247,000	Expeditionary Learning GR 3-8 \$340,000	Expeditionary Learning GR 3-8 \$340,000
						Benchmark Advance GR K-6 \$2,685,000	6-year all inclusive (2016-2022)	6-year all inclusive (2016-2022)
	Grade 7-8	McDougal-Littell				Collections GR 6-8 \$1,780,000	8-year all inclusive (2016-2024)	8-year all inclusive (2016-2024)
Social Studies	Kindergarten	Pearson/Scott Foresman	2006	\$49,000*	no reoccurring	no reoccurring	Pilot/Adoption Cycle	TBD
	Grade 1-6	Houghton-Mifflin-Harcourt	2006	500,000*	no reoccurring	no reoccurring		TBD
	Grade 7-8	McDougal-Littell	2006	\$225,000	\$2,200	\$2,200		TBD
Science	Kindergarten	Pearson/Scott Foresman	2007	\$79,500*	no reoccurring	no reoccurring	no reoccurring	Pilot/Adoption Cycle
	Grade 1-5	MacMillan-McGraw-Hill	2007	\$282,500*	no reoccurring	no reoccurring	no reoccurring	
	Grade 6-8	Holt, Rhinehart, Winston	2007	\$350,200	\$32,000	\$32,000	\$32,000	
Mathematics	Grades K-3	Engage NY	2015	\$370,000	\$280,000	\$280,000	\$280,000	\$280,000
	Grade 4-5	Math Learning Center Bridges	2015	\$37,000	\$325,500	\$325,500	\$325,500	\$325,500
	Grade 6-8	College Preparatory Mathematics	2015	\$556,700	\$11,000	\$11,000	\$11,000	\$11,000
	Grade 8	Math Vision Project	2015	\$7,400	\$7,300	\$7,300	\$7,300	\$7,300
Instructional Materials Reoccurring Costs (Excluding Technology)						\$658,000	\$655,800**	\$623,800**
Ongoing Revenue (via Lottery Fund - Instructional Materials)						\$1,700,000	\$450,000	\$450,000
Technology								
Technology (maintain)	Largest Grade Level	Site Selected Devices	2013-14 School Year	\$1,100,000	no reoccurring	no reoccurring	\$1,100,000***	no reoccurring
Tecnology (growth)	Select Sites	Site Selected Devices	2016-17 School Year	N/A	N/A	\$600,000	\$300,000	no reoccurring
* Approximation based on select P.O.s								
** Does not include ELA/ELD, Social Studies, Science adoption options								
*** Assumes maintaining current technology rather than increasing device:student ratio								

Next Steps

- State level

- Budget committee hearings
- Next update – May Revision

- Local level

- Second Interim Report due by March 16, 2016 for school districts. Evergreen School District scheduled for Board approval on March 10, 2016.
- 2016-17 budget study session on March 10, 2016