

# Hillsborough City School District

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2016-17 FIRST INTERIM BUDGET



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# Revision to Adopted Budget on 9/7/16

- Property tax from projected 6% to 7.81%, a revenue increase of \$257,935.40
- One-time revenue from \$237/ADA to \$214/ADA, a revenue decrease of \$33,609.90
- Interfund transfer to OPEB from \$213,753 to \$35,000, a decrease of interfund transfer out of \$178,753
- Interfund transfer from Fund 40 from \$44,500 to \$80,000, an increase of interfund transfer in of \$35,000

# Changes from Approved Budget to 1<sup>st</sup> Interim

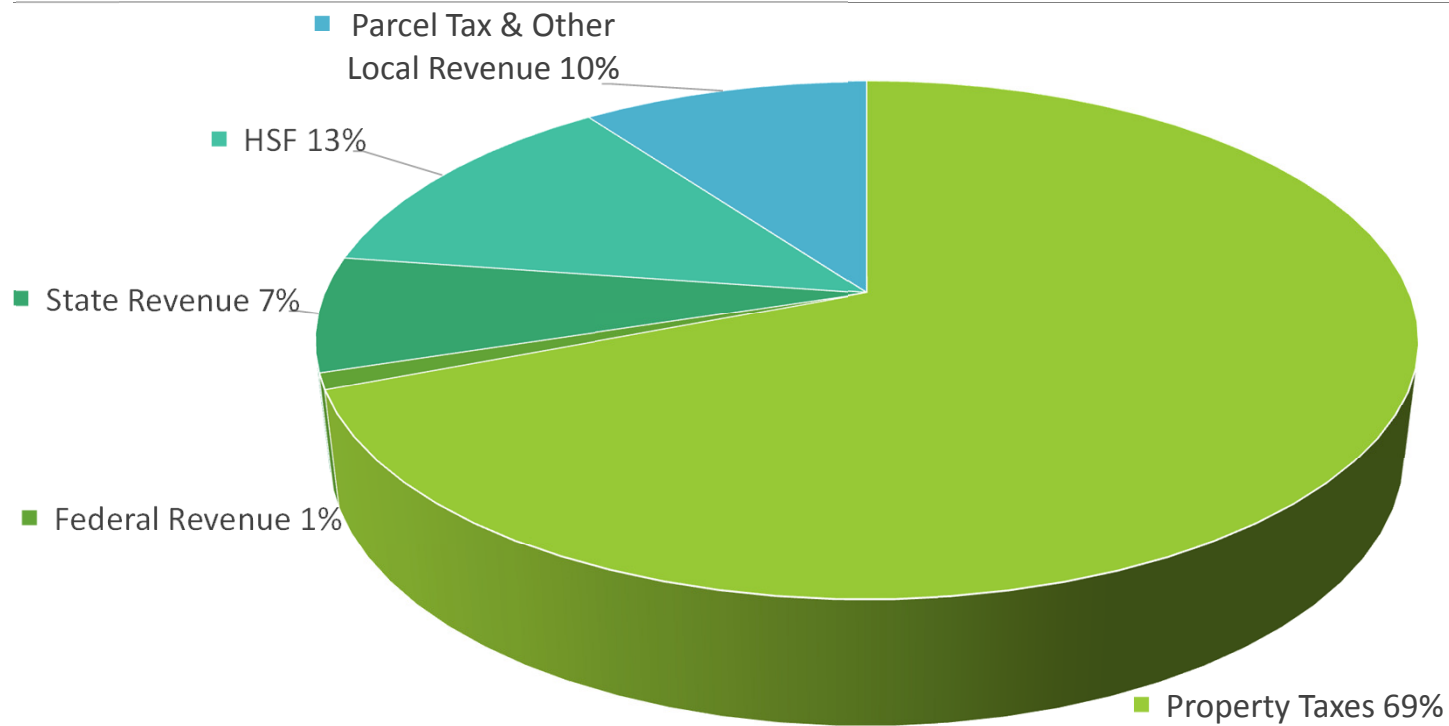
|                           | Approved             | 1st Interim          | Changes             |
|---------------------------|----------------------|----------------------|---------------------|
| <b>Income</b>             |                      |                      |                     |
| LCFF/Property Taxes       | 18,851,492.24        | 18,990,260.43        | 138,768.19          |
| Federal Revenue           | 294,036.39           | 277,640.24           | (16,396.15)         |
| State Revenue             | 1,865,283.26         | 1,979,035.07         | 113,751.81          |
| Local Revenue             | 6,412,538.00         | 6,237,904.00         | (174,634.00)        |
| Other Sources             | -                    | -                    | -                   |
| <b>Total Income</b>       | <b>27,423,349.89</b> | <b>27,484,839.74</b> | <b>61,489.85</b>    |
| <b>Expenses</b>           |                      |                      |                     |
| Certificated              | 13,772,053.81        | 13,931,372.19        | 159,318.38          |
| Classified                | 2,959,027.89         | 3,220,106.21         | 261,078.32          |
| Benefits                  | 5,270,384.55         | 5,300,006.77         | 29,622.22           |
| Books & Supplies          | 2,037,723.41         | 1,539,520.92         | (498,202.49)        |
| Services                  | 3,601,469.18         | 3,435,689.17         | (165,780.01)        |
| Capital Outlay            | -                    | -                    | -                   |
| Other Outgo               | 159,783.00           | 159,783.00           | -                   |
| Other Uses                | -                    | -                    | -                   |
| <b>Total Expenditures</b> | <b>27,800,441.84</b> | <b>27,586,478.26</b> | <b>(213,963.58)</b> |
| <b>Income-Expense</b>     | <b>(377,091.95)</b>  | <b>(101,638.52)</b>  | <b>275,453.43</b>   |

\*NOTE: Approved budget is also called Board Approved Operating Budget; it is the adopted budget with board approved budget revisions made on 9/7/2016.

# Changes in Revenues

|                     |                  |  |
|---------------------|------------------|--|
| LCFF/Property Taxes | 138,768.19       | Property taxes + \$86,490; EPA + \$9,796 per Q1 Apportionment; Sp Ed Prop Taxes Transfers + \$42,482 due to 14-15 SELPA High Cost Pool Distribution. |
| Federal Revenue     | (16,396.15)      | Sp Ed Federal Grants - \$16,396 due to ADA decline   |
| State Revenue       | 113,751.81       | Unrestricted Lottery + \$43,626; Sp Ed 14-15 Extraordinary Cost Pool distribution + \$62,159; Restricted Lottery + \$6,580.74; TUPE + \$2,624.91     |
| Local Revenue       | (174,634.00)     | Outdoor Ed - \$58,963, Student Council -\$18,631; Sp Ed MOU -\$175,295; Parcel Tax +\$73,125   |
| <b>Total Income</b> | <b>61,489.85</b> |  |

# General Fund Revenue Sources



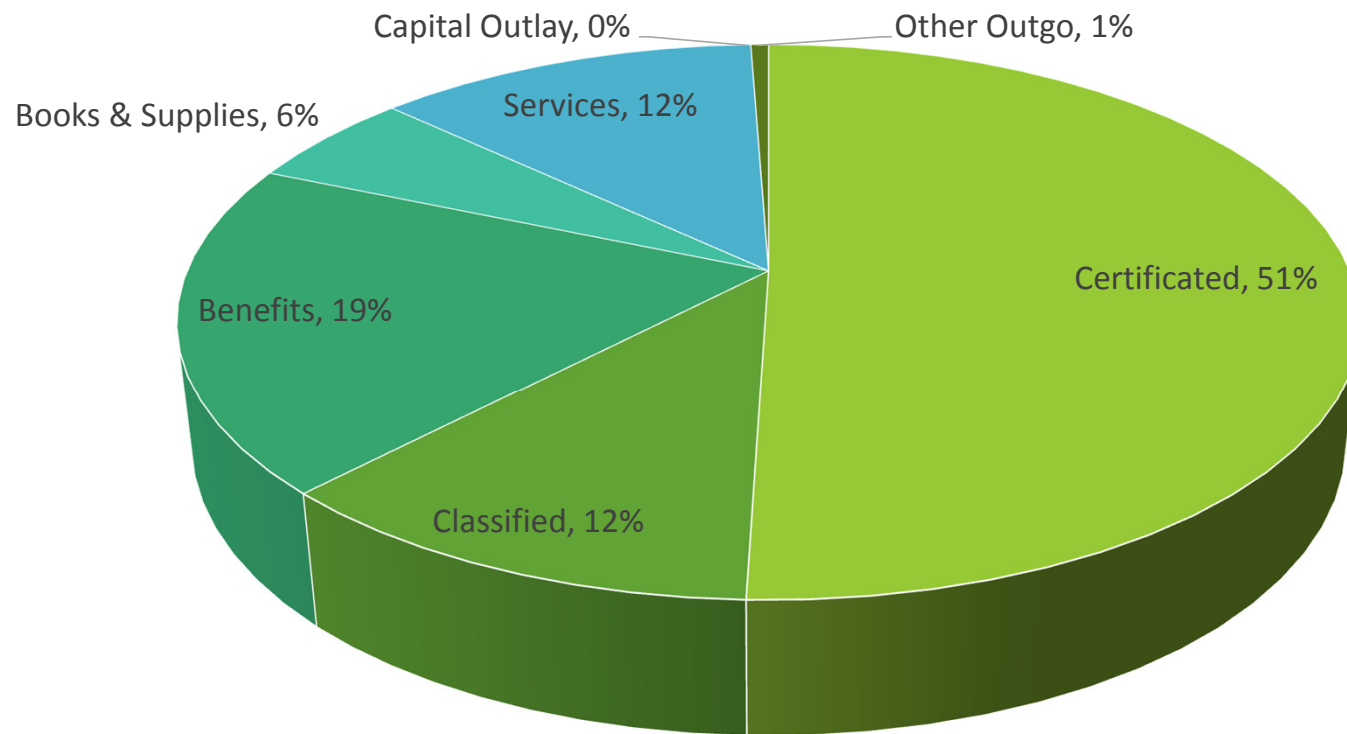


# Changes in Expenditures

|                           |                     |   |
|---------------------------|---------------------|---|
| Certificated              | 159,318.38          | Teacher additional pay + \$51,430, sub teacher pay +74,374, Position Pay increase per Position Control  |
| Classified                | 261,078.32          | Two Occupational Therapists + \$191,775, Increase in Additional Time Pay, Substitute Cost, Position Pay per Position Control                      |
| Benefits                  | 29,622.22           |   |
| Books & Supplies          | (498,202.49)        | Release \$550,000 for ELA adoption  |
| Services                  | (165,780.01)        | Property & Liability Insurance Premium - \$14,494, Outdoor Ed -\$65,775; Sp Ed Services -\$78,1229.50 due to fewer MOU and reduced Federal Grants |
| <b>Total Expenditures</b> | <b>(213,963.58)</b> |   |

# General Fund Expenditures

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# Changes from Approved Budget to 1<sup>st</sup> Interim

|                           | Changes             | Notes  |
|---------------------------|---------------------|--|
| LCFF/Property Taxes       | 138,768.19          | Property taxes + \$86,490; EPA + \$9,796 per Q1 Apportionment; Sp Ed Prop Taxes Transfers + \$42,482 due to 14-15 SELPA High Cost Pool Distribution. |
| Federal Revenue           | (16,396.15)         | Sp Ed Federal Grants - \$16,396 due to ADA decline   |
| State Revenue             | 113,751.81          | Unrestricted Lottery + \$43,626; Sp Ed 14-15 Extraordinary Cost Pool distribution + \$62,159; Restricted Lottery + \$6,580.74; TUPE + \$2,624.91     |
| Local Revenue             | (174,634.00)        | Outdoor Ed - \$58,963, Student Council -\$18,631; Sp Ed MOU - \$175,295; Parcel Tax +\$73,125  |
| <b>Total Income</b>       | <b>61,489.85</b>    |  |
| <b>Expenses</b>           |                     |  |
| Certificated              | 159,318.38          | Teacher additional pay + \$51,430, sub teacher pay +74,374, Position Pay increase per Position Control   |
| Classified                | 261,078.32          | Two Occupational Therapists + \$191,775, Increase in Additional Time Pay, Substitute Cost, Position Pay per Position Control                         |
| Benefits                  | 29,622.22           |  |
| Books & Supplies          | (498,202.49)        | Release \$550,000 for ELA adoption   |
| Services                  | (165,780.01)        | Property & Liability Insurance Premium - \$14,494, Outdoor Ed - \$65,775; Sp Ed Services -\$78,1229.50 due to fewer MOU and reduced Federal Grants   |
| <b>Total Expenditures</b> | <b>(213,963.58)</b> |  |
| <b>Income-Expense</b>     | <b>275,453.43</b>   |  |

# 1<sup>st</sup> Interim Multi-Year Projections

|                     | 15-16 Actuals | 16-17 Projected Budget | 17-18 Projected Budget | 18-19 Projected Budget |
|---------------------|---------------|------------------------|------------------------|------------------------|
| Revenues            | 26,350,368    | 27,484,840             | 27,707,811             | 28,411,149             |
| Expenditures        | 25,994,821    | 27,586,478             | 28,297,252             | 28,913,588             |
| Surplus (Deficit)   | 355,547       | -101,639               | -589,441               | -502,440               |
| Total Transfers     | 30,000        | 45,000                 | 45,000                 | 45,000                 |
| End Bal Gain (Loss) | 385,547       | -56,639                | -544,441               | -457,440               |
| Beginning Balance   | 4,041,980     | 4,427,526              | 4,370,888              | 3,826,447              |
| Ending Balance      | 4,427,526     | 4,370,888              | 3,826,447              | 3,369,007              |

# 2016-17 First Interim Budget at a Glance

|                                |                     | Cafeteria        | Deferred         | Special           | Special             | Capital           | Special Reserve   |                      |
|--------------------------------|---------------------|------------------|------------------|-------------------|---------------------|-------------------|-------------------|----------------------|
|                                | General             | Special Revenue  | Maintenance      | Reserve           | Reserve             | Facilities        | Capital Outlay    | Total                |
| Description                    | Fund 01             | Fund 13          | Fund 14          | Fund 17           | Fund 20 (OPEB)      | Fund 25           | Fund 40           |                      |
| <b>Beginning Fund Balances</b> | <b>4,427,526.49</b> | <b>10,665.26</b> | <b>14,177.03</b> | <b>539,975.50</b> | <b>1,061,684.00</b> | <b>81,374.32</b>  | <b>105,702.31</b> | <b>6,241,105</b>     |
| <u>Sources of Funds</u>        |                     |                  |                  |                   |                     |                   |                   |                      |
| Revenues                       | 27,484,839.74       | 3,400.00         |                  | 4,000.00          | 4,000.00            | 43,717.70         | 101,336.96        | <b>27,641,294.40</b> |
| Transfers In                   | 80,000.00           |                  |                  |                   | 35,000.00           |                   |                   | <b>115,000.00</b>    |
| Other Sources                  |                     |                  |                  |                   |                     |                   |                   | -                    |
| Total Sources of Funds         | 27,564,839.74       | 3,400.00         | -                | 4,000.00          | 39,000.00           | 43,717.70         | 101,336.96        | <b>27,756,294.40</b> |
| <u>Uses of Funds</u>           |                     |                  |                  |                   |                     |                   |                   |                      |
| Expenditures                   | 27,586,478.26       | 3,200.00         | 8,690.46         |                   |                     | 4,700.00          | 4,432.40          | <b>27,607,501.12</b> |
| Transfers Out                  | 35,000.00           |                  |                  |                   |                     |                   | 80,000.00         | <b>115,000.00</b>    |
| Other Uses                     |                     |                  |                  |                   |                     |                   |                   | -                    |
| Total Uses of Funds            | 27,621,478.26       | 3,200.00         | 8,690.46         | -                 | -                   | 4,700.00          | 84,432.40         | <b>27,722,501.12</b> |
| Net Sources (Uses) of Funds    | (56,638.52)         | 200.00           | (8,690.46)       | 4,000.00          | 39,000.00           | 39,017.70         | 16,904.56         | <b>33,793.28</b>     |
| <b>Ending Fund Balance</b>     | <b>4,370,887.97</b> | <b>10,865.26</b> | <b>5,486.57</b>  | <b>543,975.50</b> | <b>1,100,684.00</b> | <b>120,392.02</b> | <b>122,606.87</b> | <b>6,274,898.19</b>  |

# General Fund Reserves

|                                   | 2015-16       | 2016-17       | 2017-18       | 2018-19       |
|-----------------------------------|---------------|---------------|---------------|---------------|
|                                   | Actuals       | Projected     | Projected     | Projected     |
| 6% for Economic Uncertainty       | 1,562,689     | 1,657,289     | 1,699,935     | 1,736,915     |
| Unappropriated Ending Balance     | 2,245,001     | 2,293,547     | 1,900,646     | 1,406,226     |
| Total Expenditures+ Transfers Out | 26,044,821    | 27,621,478    | 28,332,252    | 28,948,588    |
| <b>GF Reserve</b>                 | <b>14.62%</b> | <b>14.30%</b> | <b>12.71%</b> | <b>9.93%</b>  |
| Add Fund 17 Balance               | 543,976       | 543,976       | 543,976       | 543,976       |
| <b>Reserve with Fund 17</b>       | <b>16.71%</b> | <b>16.27%</b> | <b>14.63%</b> | <b>12.74%</b> |

# Average Daily Attendance (ADA)

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- ❑ 2014-15 P-2: 1,540.88
- ❑ 2015-16 P-2: 1,461.30
- ❑ 2015-16 P-Annual: 1,462.52
- ❑ 16-17 CALPADS Enrollment: 1,483
- ❑ Projected 16-17 ADA: 1457

# CalSTRS & CalPERS

## Employer Contribution Rates

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|         | CalSTRS | CalPERS |
|---------|---------|---------|
| 2015-16 | 10.73%  | 11.85%  |
| 2016-17 | 12.58%  | 13.89%  |
| 2017-18 | 14.43%  | 16.60%  |
| 2018-19 | 16.28%  | 18.20%  |
| 2019-20 | 18.13%  | 19.90%  |
| 2020-21 | 19.10%  | 20.40%  |

# CalSTRS Employer Rate Increase Cost 2015-16 through 2020-21

| Year    | STRS Rate | Rate Increase<br>per Year | 14-15 STRS<br>Creditable<br>Earnings | STRS Cost<br>Increase per<br>Year |
|---------|-----------|---------------------------|--------------------------------------|-----------------------------------|
| 2015-16 | 10.73%    |                           |                                      |                                   |
| 2016-17 | 12.58%    | 1.85%                     | 13,003,883.83                        | 240,571.85                        |
| 2017-18 | 14.43%    | 1.85%                     | 13,003,883.83                        | 481,143.70                        |
| 2018-19 | 16.28%    | 1.85%                     | 13,003,883.83                        | 721,715.55                        |
| 2019-20 | 18.13%    | 1.85%                     | 13,003,883.83                        | 962,287.40                        |
| 2020-21 | 19.10%    | 0.97%                     | 13,003,883.83                        | 1,088,425.08                      |
|         |           |                           | Total                                | 3,494,143.59                      |



# PERS Employer Rate Increase Cost 2015-16 through 2020-21

| Year    | PERS Rate | Rate Incr per Year | 14-15 PERS Creditable Earnings | PERS Cost Increase per Year |
|---------|-----------|--------------------|--------------------------------|-----------------------------|
| 2015-16 | 11.85%    |                    |                                |                             |
| 2016-17 | 13.89%    | 2.04%              | 2,809,325.40                   | 57,338.33                   |
| 2017-18 | 16.60%    | 2.71%              | 2,809,325.40                   | 133,527.24                  |
| 2018-19 | 18.20%    | 1.60%              | 2,809,325.40                   | 178,476.44                  |
| 2019-20 | 19.90%    | 1.70%              | 2,809,325.40                   | 226,234.97                  |
| 2020-21 | 20.40%    | 0.50%              | 2,809,325.40                   | <u>240,281.60</u>           |
|         |           |                    | Total                          | 835,858.59                  |

## STRS & PERS Employer Rate Increase Combined Cost 2015-16 through 2020-21

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| Year                | Combined Cost<br>Increase per Year |
|---------------------|------------------------------------|
| 2016-17             | 297,910.18                         |
| 2017-18             | 614,670.94                         |
| 2018-19             | 900,192.00                         |
| 2019-20             | 1,188,522.38                       |
| 2020-21             | <u>1,328,706.68</u>                |
| 15.68% of GF Budget | 4,330,002.17                       |

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# Questions?