

Hillsborough City School District

2016-17 SECOND INTERIM BUDGET



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Introduction

- Economic Outlook
- Proposition 98 and Education
- CalPERS and CalSTRS

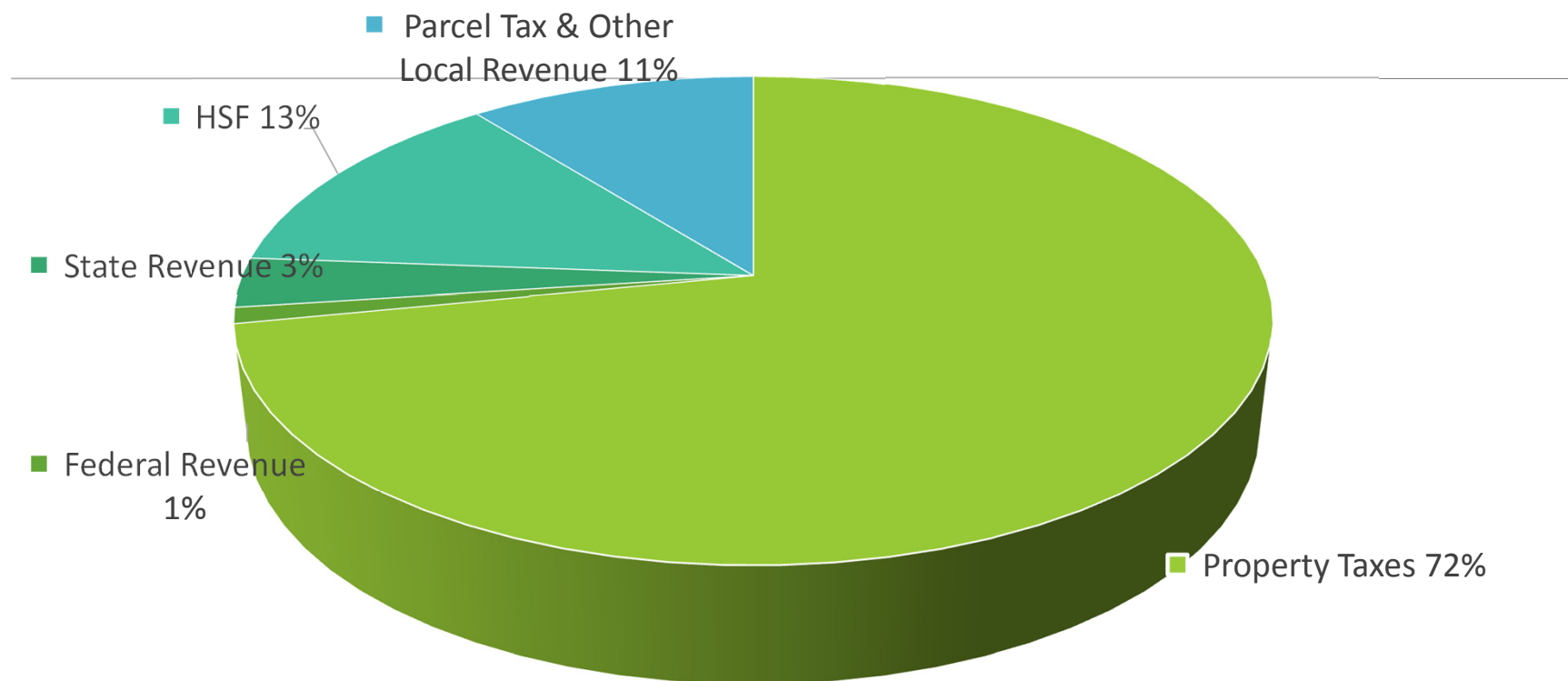
Revision to 1st Interim Budget

- Property tax for 2017-18 is projected from 4.75% to 5.24%, 2018-19 from 4.5% to 5.0%
- 2017-18 one-time revenue \$48/ADA, a revenue increase of \$69,129
- 2016-17 salary increase
- Reduction of 6.0 Certificate FTE due to declining enrollment

Changes from 1st Interim to 2nd Interim

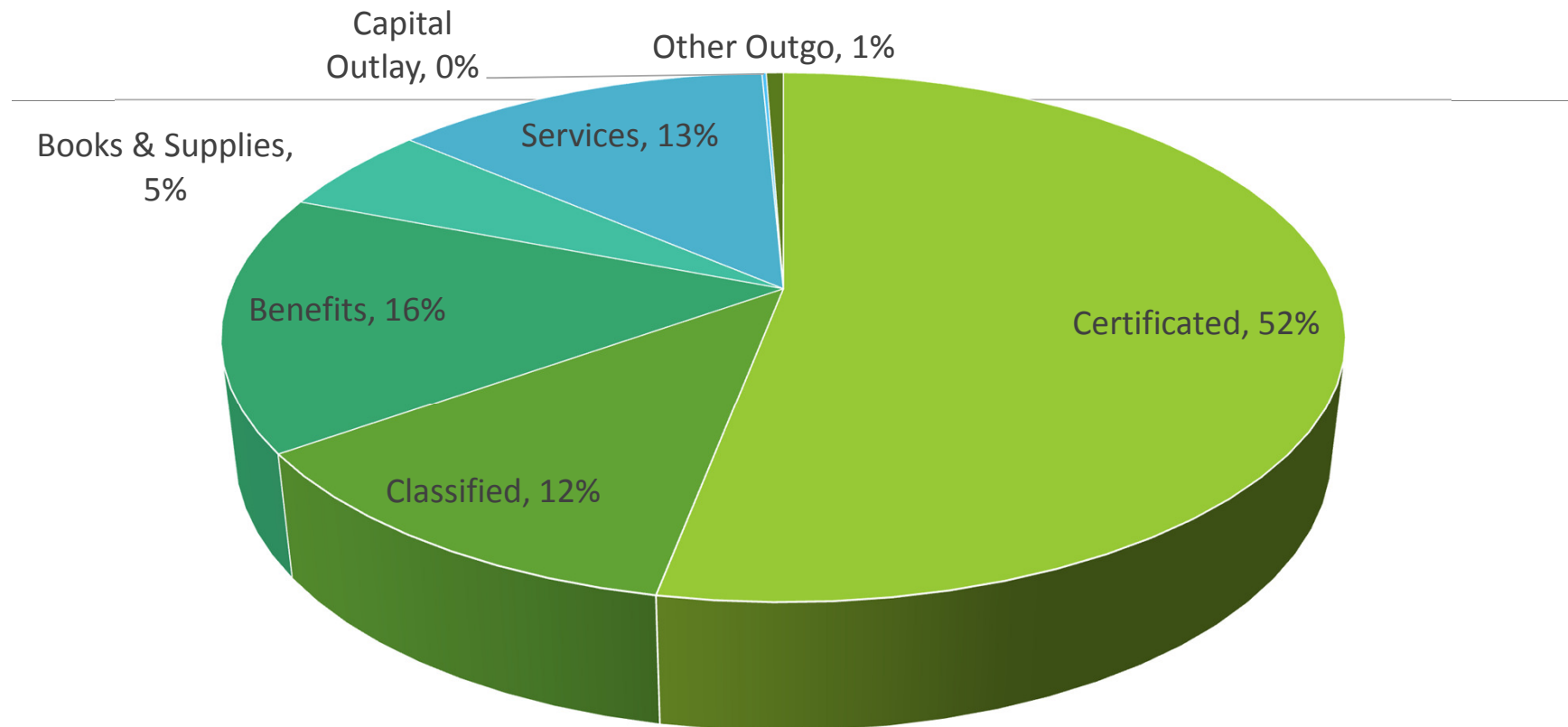
Income	Changes	Notes
LCFF/Property Taxes	-	
Federal Revenue	-	
State Revenue	-	
Local Revenue	50,436.28	Site, Fund a Need, Student/Parent Group
Total Income	50,436.28	
Expenses		
Certificated	488,662.27	Salary Increase
Classified	84,134.15	Salary Increase
Benefits	92,333.27	Salary Increase
Books & Supplies	(69,781.36)	\$39,819.76 Moved to Capital Outlay
Services	93,711.60	Sp Ed Services Cost Increase
Capital Outlay	39,819.76	\$39,819.76 Moved from Supplies
Other Outgo	-	
Total Expenditures	728,879.69	
Income less Expenses	(678,443.41)	

General Fund Revenue Sources



Note: This chart does not include \$1,115,504 STRS on Behalf in-and-out Budgetary-Only amount.

General Fund Expenditures



Note: This chart does not include \$1,115,504 STRS on Behalf in-and-out Budgetary-Only amount.

2016-17 2nd Interim Multi-Year Projections

	15-16 Actuals	16-17 Projected Budget	17-18 Projected Budget	18-19 Projected Budget
Revenues	26,350,368	27,535,276	27,951,890	28,668,159
Expenditures	25,994,821	28,315,358	27,951,796	28,479,004
Surplus (Deficit)	355,547	-780,082	94	189,155
Total Transfers	30,000	45,000	45,000	45,000
End Bal Gain (Loss)	385,547	-735,082	45,095	234,155
Beginning Balance	4,041,980	4,427,526	3,692,445	3,737,539
Ending Balance	4,427,526	3,692,445	3,737,539	3,971,694

2016-17 Second 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	
Beginning Fund Balances	4,427,526.49	10,665.26	14,177.03	539,975.50	1,061,684.00	81,374.32	105,702.31	6,241,105
<u>Sources of Funds</u>								
Revenues	27,535,276.02	3,400.00	44.10	4,000.00	4,650.12	43,717.70	101,336.96	27,692,424.90
Transfers In	80,000.00				35,000.00			115,000.00
Other Sources								-
Total Sources of Funds	27,615,276.02	3,400.00	44.10	4,000.00	39,650.12	43,717.70	101,336.96	27,807,424.90
<u>Uses of Funds</u>								
Expenditures	28,315,357.95	3,200.00	8,690.46			4,700.00	4,432.40	28,336,380.81
Transfers Out	35,000.00						80,000.00	115,000.00
Other Uses								-
Total Uses of Funds	28,350,357.95	3,200.00	8,690.46	-	-	4,700.00	84,432.40	28,451,380.81
Net Sources (Uses) of Funds	(735,081.93)	200.00	(8,646.36)	4,000.00	39,650.12	39,017.70	16,904.56	(643,955.91)
Ending Fund Balance	3,692,444.56	10,865.26	5,530.67	543,975.50	1,101,334.12	120,392.02	122,606.87	5,597,149.00

General Fund Reserves

	2015-16	2016-17	2017-18	2018-19
	Actuals	Projected	Projected	Projected
6% for Economic Uncertainty	1,562,689	1,701,021	1,679,208	1,710,840
Unappropriated Ending Balance	2,245,001	1,571,371	1,832,466	2,030,612
Total Expenditures+ Transfers Out	26,044,821	28,350,358	27,986,796	28,514,005
GF Reserve	14.62%	11.54%	12.55%	13.12%
Add Fund 17 Balance	543,976	543,976	543,976	543,976
Reserve with Fund 17	16.71%	13.46%	14.49%	15.03%

Average Daily Attendance (ADA)

- ❑ 2014-15 P-2: 1,540.88
- ❑ 2015-16 P-2: 1,461.30
- ❑ 2015-16 P-Annual: 1,462.52
- ❑ 2016-17 CALPADS Enrollment: 1,483
- ❑ 2016-17 P-1 ADA: 1,440.19

CalSTRS & CalPERS

Employer Contribution Rates-Updated

	CalSTRS 1/1/17	CalPERS 2/2/17
2016-17	12.58%	13.888%
2017-18	14.43%	15.8%
2018-19	16.28%	18.7%
2019-20	18.13%	21.6%
2020-21	20.1%	24.9%
2021-22	20.25%	26.4%
2022-23	20.25%	27.4%
2023-24	20.25%	28.2%

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

Year	STRS Rate	Rate Increase per Year	15-16 STRS Creditable Earnings	STRS Cost Increase per Year
2015-16	10.73%			
2016-17	12.58%	1.85%	13,808,802.11	255,462.84
2017-18	14.43%	1.85%	13,808,802.11	510,925.68
2018-19	16.28%	1.85%	13,808,802.11	766,388.52
2019-20	18.13%	1.85%	13,808,802.11	1,021,851.36
2020-21	20.10%	1.97%	13,808,802.11	1,293,884.76
2021-22	20.25%	0.15%	13,808,802.11	1,314,597.96
2022-23	20.25%	0.00%	13,808,802.11	1,314,597.96
2023-24	20.25%	0.00%	13,808,802.11	1,314,597.96
			Total	7,792,307.03

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

Year	PERS Rate	Rate Increase per Year	15-16 PERS Creditable Earnings	PERS Cost Increase per Year
2015-16	11.847%			
2016-17	13.888%	2.041%	2,955,704.91	60,325.94
2017-18	15.80%	1.912%	2,955,704.91	116,839.02
2018-19	18.70%	2.900%	2,955,704.91	202,554.46
2019-20	21.60%	2.900%	2,955,704.91	288,269.90
2020-21	24.90%	3.300%	2,955,704.91	385,808.16
2021-22	26.40%	1.500%	2,955,704.91	430,143.74
2022-23	27.40%	1.000%	2,955,704.91	459,700.78
2023-24	28.20%	0.800%	2,955,704.91	483,346.42
			Total	2,426,988.42

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

Year	Combined Cost Increase Per Year
2016-17	315,788.78
2017-18	627,764.69
2018-19	968,942.97
2019-20	1,310,121.26
2020-21	1,679,692.92
2021-22	1,744,741.70
2022-23	1,774,298.75
<u>2023-24</u>	<u>1,797,944.38</u>
Total	10,219,295.45

Total cost equals 57.6% of 16-17 Property Tax revenue (\$17,743,275)
or 37.1% of General Fund Revenue (\$27,535,276)

Questions?