



East Side Union High School District



OPEN AND ACCOUNTABLE

FY 2015-16 Second Interim Update – Budget Advisory Committee

Presented by: Marcus Battle,
Associate Superintendent for Business Services and
Karen Poon, Director of Finance

February 29, 2016

Key Impacts For ESUHSD Based on the Governor's Budget Proposal

- **FY 2015 – 16** – Changes since 1st Interim: Gap % increase from 51.52% to 51.97%; ADA increase from 22,726 to 22,761
- **COLA** for FY 2016-17 was projected at 0.470% and has been projected downward from 1.60%, this will result in a reduction of \$883k in projected revenues; FY 2017 – 18 COLA decreased from 2.48% to 2.13% resulting in an reduction of \$1.7 mil;
- **Local Control Funding Gap** changed for FY 2016 -17 from 35.55% to 49.08% resulting in a revenue increase of \$2.4 mil. on-going; for FY 2017 – 18 the Gap % increased from 35.11% to 45.34% resulting in an increase in revenues of \$3.0 mil;
- **LCFF/Supplemental Proportionality Funding (Incl. EIA)** – Estimated at \$14.8 mil. for FY 2015-16, \$17.3 mil. for FY 2016-17, and \$18.7 mil. for FY 2017-18;

**EAST SIDE UNION HIGH
SCHOOL DISTRICT -
BUDGET UPDATE FOR
SECOND INTERIM**

FY 15-16 ESUHSD Enrollment Update

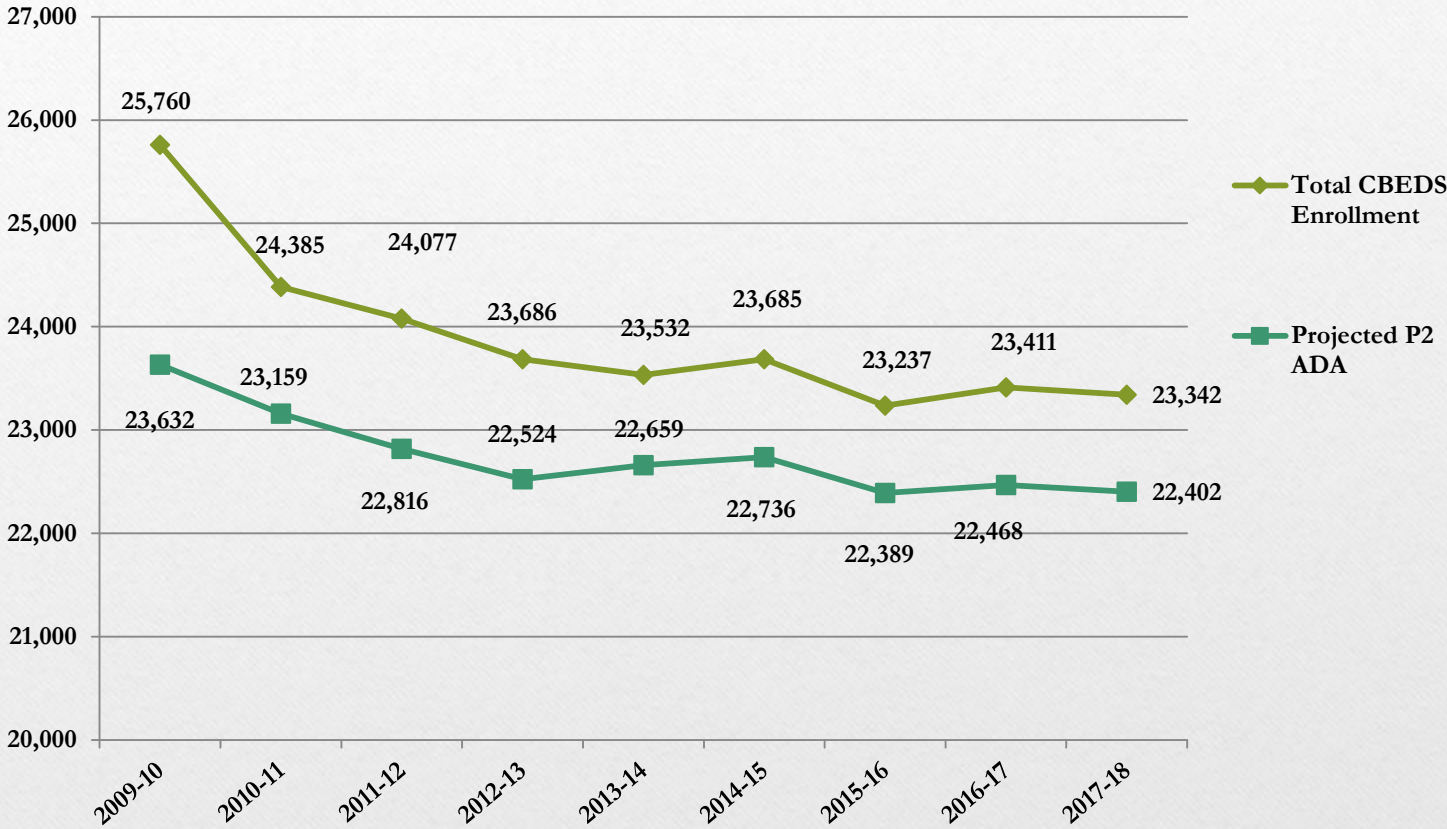


- Oct. 2015 CBEDS Enrollment Count 23,237
 - Year to Date as of Feb 2016 22,962 down 275
 - FY 15-16 Funded ADA – 22,761 (Up 35 ADA)
- 2016/17 Budgeted Enrollment – 23,411
 - FY 2016-17 estimated Funded ADA 22,468 (Up 2 ADA since 1st Interim)

Projected ADA Funding Changes:

- FY 2015-16 \$328,335 – est. gain of 35 ADA
- FY 2016-17 \$19,588 – est. gain of 2 ADA

East Side Union High School District Enrollment / ADA Projections



2015-16 Budget Assumptions Salaries and Other Expenses



- Board Approved and District Recommended Updates and Changes to Fiscal Assumptions Since Budget Adoption Incl. SSC Dartboard;

Key Fiscal Assumptions (Changes/Adjustments Highlighted)

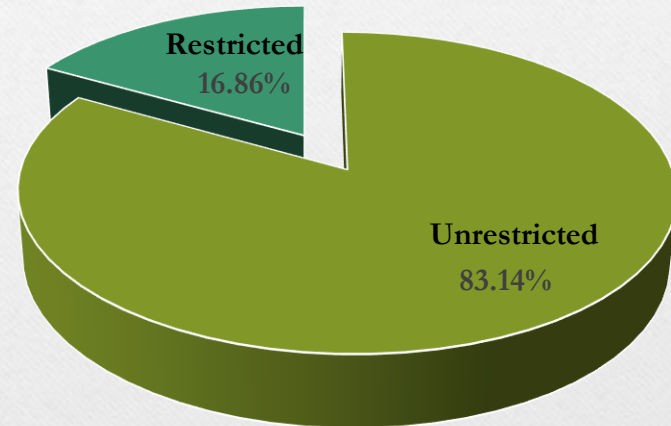
- Statutory COLA – 1.020%
- LCFF Target Base - \$8,578
- **LCFF Unduplicated Count – 53.68%**
- LCFF Gap Funding Rate – 51.97%
- **Salaries Increases - Negotiations settled for FY 15-16 @ 4.25%**
- Certificated Step and Column – Unchanged at 1.5%
- Classified Step and Column – Unchanged at 2%
- STRS – 10.73%
- PERS – 11.847%
- Workers' Comp – 1.8815%
- Health and Welfare – 5%

2015-16 Second Interim Revenues

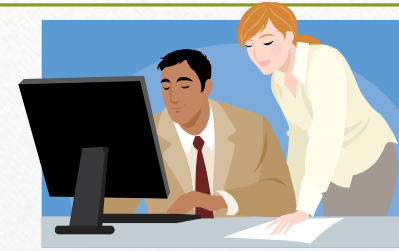


Total Revenues - \$ 260 Mil.

- **Unrestricted – \$235 Mil.**
 - **Restricted - \$25 Mil.**
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- **Projected Revenues Increased \$1.8 Mil. since First Interim**



The 2015-16 Second Interim Budget reflects...



- Board Approved and District Recommended Updates and Changes Since First Interim (Revenues);
 - **\$1.8 mil in Revenue Increases**
 - **\$535k LCFF** – Increase due to projection ADA up by 34.33, including a slight increase in the GAP% 0.45%; Unduplicated count increased slightly by 0.38%;
 - **(\$217k) Federal** – Title I decrease \$429k and other minor adjustment;
 - **\$1.1 mil Other State** – Increase Prop 39 Clean Air and other minor adjustment;
 - **\$394k Local** – Sp Ed COE revenues decrease by \$108k and other local revenues increase by \$421k;

2015-16 Second Interim Project Expenses

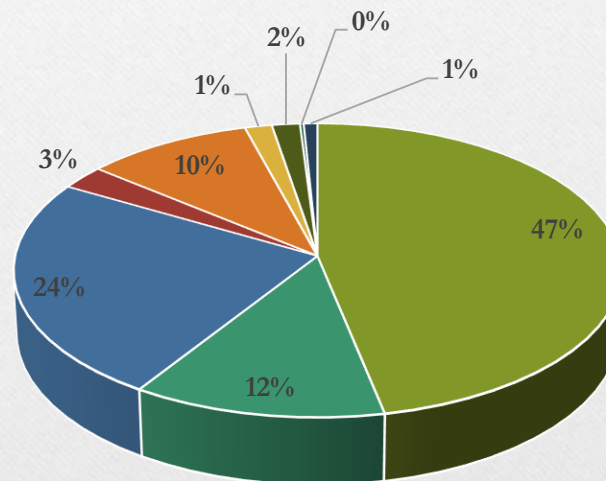


Total Expenses -
\$ 255.8 Mil.

- Unrestricted – \$192.3 Mil.
- Restricted - \$63.6 Mil.

➤ Projected Expenses Increased \$2.86 Mil. Since First Interim

Expense Distribution by % of Budget



- Certificated Salaries
- Classified Salaries
- Employee Benefits
- Books & Supplies
- Operation & Contracted Services
- Capital Outlay
- Other Outgo & ROC/P Transfer
- Direct Support/Indirect Costs
- Debt Services

The 2015-16 Second Interim Budget reflects...



- Board Approved and District Recommended Updates and Changes to Expenses Since Budget Adoption;
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- **\$2.86 mil. in Expenditure Increases (Key Highlights)**
 - **(\$44k) Decrease** – Minor adjustment to Certificated & Classified Salaries, and Benefits;
 - **(\$108k) Decrease** – Minor adjustment to Books and Supplies;
 - **\$2.9 mil Increase** – Mainly for Increase Capital Facilities for Prop 39 Clean Energy Job Acts Grant;
 - **\$284k Increase** – Due to increase of consortium transfer for Behavioral Health Program;
 - All Other Expense Categories remained relatively unchanged;

2015-16 Second Interim - Projected Ending Fund Balance

Categories	2015/16 First Interim	2015/16 Second Interim	Variance
Revenues	\$258,585,366	\$260,372,084	\$1,786,718
Expenditures	\$252,960,549	\$255,817,339	\$2,856,790
Excess (Deficiency) of Revenues over Expenditures	\$5,624,817	\$4,554,745	(\$1,070,072)
Other Sources/Uses Net Increase (Decrease) in Fund Balance	(\$1,138,484)	(\$1,238,350)	\$99,866
Beginning Balance	\$34,127,924	\$34,127,924	\$ 0
Ending Balance Before Reserve	\$38,614,257	\$37,444,319	(\$1,169,938)
Reserve and Store	\$7,960,856	\$8,050,856	\$90,000
Ending Balance Plus General Res.	\$46,575,113	\$45,495,175	(\$1,079,938)

Projected Ending Fund Balance Decreased by \$1.1 mil. since First Interim

2015-16 Second Interim Projected Fund Balance Components

Components	Unrestricted	Restricted	Combined
Ending Balance	\$43,276,149	\$2,219,026	\$45,495,175
Revolving Cash	\$2,500	\$0	\$2,500
Stores	\$162,057	\$0	\$162,057
Legally Restricted (Categorical Balance)	\$0	\$2,219,026	\$2,219,026
Economic Uncertainty – General Res. (Fund 17)	\$7,886,299	\$0	\$7,886,299
Site Carryover (est.)	\$500,000	\$0	\$500,000
Designated Reserves – Fiscal Uncertainty/Budget Balancing	\$34,725,293	\$0	\$34,725,293

Unrestricted Reserves total 16.42% of General Fund

Multi-Year Budget Assumptions



- Based on SSC Dartboard;
- BASC LCFF Calculator;
- Enrollment and ADA Projections;
- Step and Column Adjustments;
- All Board Approved Budget Changes and Adjustments;
- Negotiated Settlements;
- Benefit Adjustments;
- Health & Welfare Costs;

**Multi-Year Projected Ending Fund Balances
(FY 2015/16 through 2017-18)**

Components	Base Year FY 2015 - 16	FY 2016 - 17	FY 2017 - 18
Revenues	\$260,372,084	\$255,946,552	\$252,849,787
Expenses	\$255,817,339	\$268,766,334	\$267,654,516
Excess/(Deficit)	\$4,554,745	(\$12,819,782)	(\$14,804,730)
Net Increase(Decrease) after Transfers in/out	\$3,316,395	(\$14,118,132)	(\$15,773,079)
Beginning Balance	\$34,127,924	\$37,444,319	\$23,326,187
Ending Balance plus Gen. Reserve	\$45,495,175	\$31,785,906	\$16,095,779
Stores & Rev. Cash	\$164,557	\$164,557	\$164,557
Legally Restricted (Categorical)	\$2,219,026	\$1,158,157	\$520,284
Economic Uncertainty - Statutory Reserve (Fund 17)	\$7,886,299	\$8,295,162	\$8,378,114
Designated Reserves – Budget Balancing and Site Carryover (\$500k)	\$35,225,293	\$22,168,029	\$7,032,824
General Reserve %	16.42%	11.05%	5.62%

2015-16 Teacher Supplies Allocation

School	2015/16 Science #178 FTEs	2015/16 Visual Art 105/106 FTEs	2015/16 All Other FTEs	Sp Ed FTEs (F05)	\$750 for Science FTEs	\$750 for Visual Art FTEs	\$200 for All Other Subject FTEs	\$200 for Sp Ed FTEs
Andrew Hill	10.80	5.00	57.10	7.00	\$ 8,100	\$ 3,750	\$ 11,420	\$ 1,400
Evergreen Valley	15.60	4.00	72.60	6.20	\$ 11,700	\$ 3,000	\$ 14,520	\$ 1,240
Independence	16.20	4.60	84.40	10.20	\$ 12,150	\$ 3,450	\$ 16,880	\$ 2,040
James Lick	6.00	3.00	33.20	4.60	\$ 4,500	\$ 2,250	\$ 6,640	\$ 920
Mt. Pleasant	8.20	4.20	40.20	8.60	\$ 6,150	\$ 3,150	\$ 8,040	\$ 1,720
Oak Grove	9.60	4.00	50.80	8.60	\$ 7,200	\$ 3,000	\$ 10,160	\$ 1,720
WC Overfelt	8.00	3.00	42.40	6.20	\$ 6,000	\$ 2,250	\$ 8,480	\$ 1,240
Piedmont Hills	11.80	3.20	61.40	8.60	\$ 8,850	\$ 2,400	\$ 12,280	\$ 1,720
Santa Teresa	12.80	6.00	59.40	8.60	\$ 9,600	\$ 4,500	\$ 11,880	\$ 1,720
Silver Creek	12.60	4.60	67.00	6.20	\$ 9,450	\$ 3,450	\$ 13,400	\$ 1,240
Yerba Buena	10.00	2.00	49.20	5.40	\$ 7,500	\$ 1,500	\$ 9,840	\$ 1,080
Sub-total	121.60	43.60	617.70	80.20	\$91,200	\$32,700	\$123,540	\$16,040
Foothill *	2.00	1.00	13.00	1.40	\$ 1,500	\$ 750	\$ 2,600	\$ 280
Apollo	1		7.00		\$ 750	\$ -	\$ 1,400	\$ -
Pegasus	1		5.00		\$ 750	\$ -	\$ 1,000	\$ -
Phoenix	1		3.00		\$ 750	\$ -	\$ 600	\$ -
Accel @ EV	0.40		1.60		\$ 300	\$ -	\$ 320	\$ -
Calero *	1.00	1.00	6.40	10.00	\$ 750	\$ 750	\$ 1,280	\$ 2,000
Sub-total	6.40	2.00	36.00	11.40	\$4,800	\$1,500	\$7,200	\$2,280
Total	128.0	45.6	653.7	91.6	\$96,000	\$34,200	\$130,740	\$18,320

Unrestricted General Fund Site Instructional Budget as of 02/26/2016

Unrestricted General Fund Site Instructional Budget as of 2/26/2016

Site	2015/16 Allocation Instructional Mat'l by Teachers' FTE	Year to Date Expend and Encumbered	Balance as of 2/26/2016
Andrew Hill	24,670	20,826	44,247
James Lick	14,310	5,060	8,480
Mt. Pleasant	19,060	17,409	10,265
W.C. Overfelt	17,970	24,487	18,797
Piedmont Hills	25,250	33,422	67,756
Oak Grove	22,080	10,455	79,363
Silver Creek	27,540	25,507	37,279
Yerba Buena	19,920	8,800	68,740
Independence	34,520	35,095	26,727
Santa Teresa	27,700	15,514	14,666
Evergreen Valley	30,460	20,889	18,190
Calero	4,780	1,231	4,189
Foothill	5,130	2,600	1,230
Apollo	2,150	1,288	2,552
Pegasus	1,750	1,000	797
Phoenix	1,350	1,693	982
Total	278,640	225,278	404,259

*Note: 2/26/2016 Balance may include "Facilities rental income" & Prior year "carryover"

Questions or Comments