



NORTH MONTEREY COUNTY UNIFIED SCHOOL DISTRICT

2014-15 SECOND INTERIM REPORT

MARCH 12, 2015

SECOND INTERIM 2014-15

- The District will file a positive certification for this reporting period.
 - In so doing, the District certifies that all funds are projected to end with ...
 - A positive ending fund balance
 - A positive ending cash balance
- ... for the current and subsequent two years



SECOND INTERIM 2014-15



HIGHLIGHTS OF CHANGES

SECOND INTERIM 2014-15

UNRESTRICTED AT A GLANCE

Description	1 st Interim	2 nd Interim	Difference
Total Revenue	\$36,694,000	\$37,058,000	+\$364,000
Total Expense	\$29,857,000	\$30,254,000	+\$397,000
Total Other Financing	(\$6,587,000)	(\$6,534,000)	(\$53,000)
Incr/(Decr) to Fund Balance	\$251,000	\$271,000	+\$20,000
Estimated Ending Fund Bal	\$3,954,871	\$3,974,594	+\$19,723

SECOND INTERIM 2014-15 UNRESTRICTED REVENUE

Some of the items that contributed to this change are:

- LCFF changed due to MCOE In Lieu Charter shift,
refined P-2 ADA assumption (\$27,000)**
- Other State increased due to one time Mandated
cost payment and prior year Lottery payment \$304,000**
- Other Local increased for transportation billing to
outside agencies and delinquent tax collection \$88,000**

SECOND INTERIM 2014-15 UNRESTRICTED EXPENSE



Some of the items that contributed to this change are:

- **Salaries & Benefits declined due to unfilled vacancies and related statutory taxes** **(\$305,000)**
- **Books & Supplies incr for instructional materials to be purchased from S&C*** **\$285,000**
- **Other Services increased net:** **\$303,000**
 - Costs for transportation vendors \$220,000
 - Software license - Student IDs \$ 80,000
- **Capital Outlay incr for vehicle replacement:** **\$20,000**

*S&C is Supplemental/Concentration Grant

SECOND INTERIM 2014-15 UNRESTRICTED EXPENSE



Some of the items that contributed to this change are:

- **Other Outgo captures MCOE SpEd program \$92,000**
 - NMCUSD students that attend COE operated programs
 - Prior to LCFF, this transaction was recorded as a transfer from Revenue Limit (Rsc 0000) to Special Ed revenue (Rsc 6500)
 - The amount of revenue generated by ADA is \$91,598 and is recorded in the LCFF Revenue section of the financial statements
 - The program cost transfer to MCOE is \$91,704 and is recorded in the Other Outgo section of the financial statements
 - Net cost to the District is \$106.00

SECOND INTERIM 2014-15

COMPONENTS OF UNRESTRICTED

ENDING FUND BALANCE

Projected Unrestricted Ending Fund Balance: \$3,974,594

The remaining fund balance is needed to support the following items:

- 3% Reserve for Economic Uncertainties \$1,387,000
- Projected 1516 Deficit Spending \$ 951,000
- Projected 1617 Deficit Spending \$1,450,000
- Revolving cash \$ 5,000

This leaves a remaining unassigned balance of: \$181,480

SECOND INTERIM 2014-15 RESTRICTED HIGHLIGHTS

Description	1 st Interim	2 nd Interim	Difference
Total Revenue	\$8,008,000	\$8,543,000	+\$535,000
Total Expense	\$14,807,000	\$15,150,000	+\$343,000
Total Other Financing	\$5,804,000	\$5,752,000	(\$52,000)
Incr/(Decr) to Fund Balance	(\$995,000)	(\$855,000)	\$140,000
Estimated Ending Fund Bal	\$ - 0 -	\$ - 0 -	\$ - 0 -

SECOND INTERIM 2014-15 RESTRICTED REVENUE

Some of the items that contributed to this change are:

- **Federal revenue incr to match entitlement letters** **\$418,000**
 - (Title I, SIG, Special Education Rsc 3310)
- **Other Local increased for Science Camp donations
and Special Education Rsc 6500** **\$134,000**
- **Other State decr to match entitlement letters** **(\$ 16,000)**

SECOND INTERIM 2014-15 RESTRICTED EXPENSE

Some of the items that contributed to this change are:

- Salaries & Benefits incr due to re-alignment of budgets
in Title I and Migrant Ed \$168,000**
- Books & Supplies incr to balance to new revenue \$ 93,000**
- Services & Other incr for two new Special Ed
vendors and additional certificated prof development \$195,000**
- Other Outgo decreased for reduction of services for
Special Ed at MPUSD (\$114,000)**

SECOND INTERIM 2014-15

MULTI YR ASSUMPTIONS

Item	2015-16	2016-17	Total 2 Yr Impact
ADA-Used cohort survival method	4239.77	4271.59	N/A
Unduplicated Pupil Count %	83.01%	82.93%	N/A
Federal sequestration	0.554%	0.554%	N/A
Routine Restricted Maintenance**	3.0%	3.0%	N/A
Incr FTE for 24:1 & growth	\$420,000	\$300,000	\$720,000
Incr FTE for LCAP priorities	\$1,708,187	\$74,000	\$1,782,187
ACA Compliance	\$738,498	\$738,498	\$1,476,996
Increased STRS and PERS	\$422,801	\$560,523	\$983,324
S&C Non-Employee Exp	\$811,769	\$1,511,238	Non cumulative
Deferred Maint Transfer to Fund 14	\$500,000	\$500,000	\$500,000
Adult Ed Transfer to Fund 11*	\$ -0-	\$ -0-	\$ -0-
ROP Maint of Effort Requirement	\$579,522	\$579,522	\$579,522

* Adult Ed program MOE ends in 2015-16. District assumed associated costs of the Adult Ed program would be eliminated as the program shifts to Community College.

**Flexibility ends after 14-15 and full 3% must be set aside

SECOND INTERIM 2014-15

MYP UNRESTRICTED

	2014-15	2015-16	2016-17
Total Revenue	\$37,058,000	\$39,612,000	\$41,511,000
Less Encroachments	<u>(\$5,752,000)</u>	<u>(\$6,190,000)</u>	<u>(\$6,594,000)</u>
Net Revenue	\$31,307,000	\$33,422,000	\$34,916,000
Total Expenses	<u>\$31,036,000</u>	<u>\$34,373,000</u>	<u>\$36,366,000</u>
Net Incr/(Decr) to Fund Balance	\$271,000	(\$951,000)	(\$1,450,000)
Beginning Balance	\$3,703,899	\$3,974,593	\$3,023,351
Est Ending Balance	\$3,974,593	\$3,023,341	\$1,573,480

The value of a 3% reserve is:

\$1,387,000

\$1,418,000

\$1,490,000

Net Balance Third Year:

\$83,480

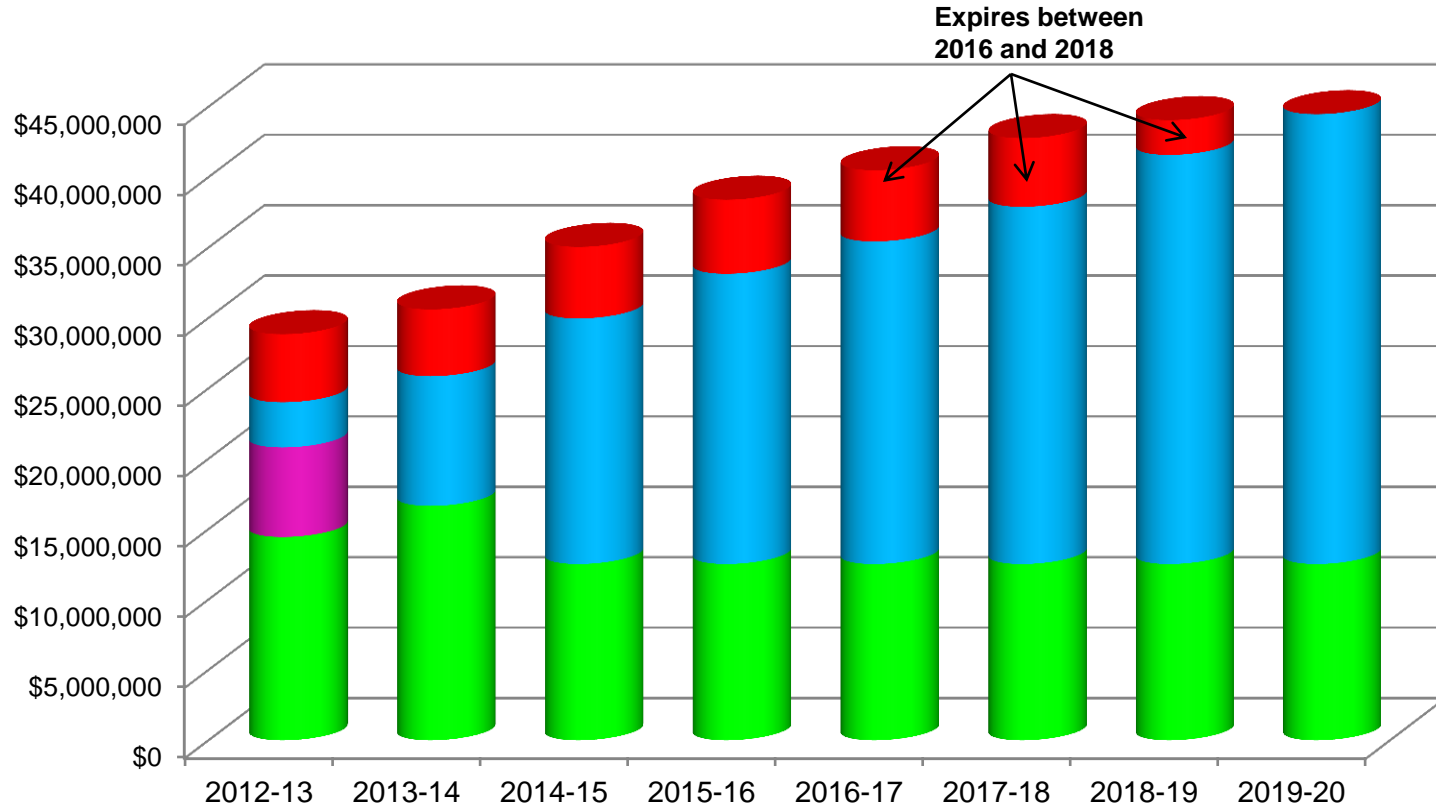
SECOND INTERIM 2014-15

LCFF MYP & COMPONENTS

	Actuals 2013-14	Projected 2 nd Interim 2014-15	Projected 2 nd Interim 2015-16	Projected 2 nd Interim 2016-17
Est Base Grant	N/A	\$29,819,611	\$31,067,464	\$32,049,517
Est S&C*	N/A	\$ 3,733,987	\$ 5,842,752	\$ 6,959,554
Subtotal	\$29,188,035	\$33,563,598	\$36,910,216	\$39,009,071
Plus Transp & TIIG	\$ 1,484,475	\$ 1,484,475	\$ 1,484,475	\$ 1,484,475
Less Tfr to Charter	(\$ 68,794)	\$ -0-	\$ -0-	\$ -0-
Est Total LCFF	\$30,604,716	\$35,048,073	\$38,394,691	\$40,493,546
ADA	4,169.88	4,244.12	4,244.12	4,271.59
Unduplicated %	82.48%	83.09%	83.01%	82.93%

*S&C is Supplemental/Concentration Grant

SECOND INTERIM 2014-15 FUNDING SOURCES OF LCFF



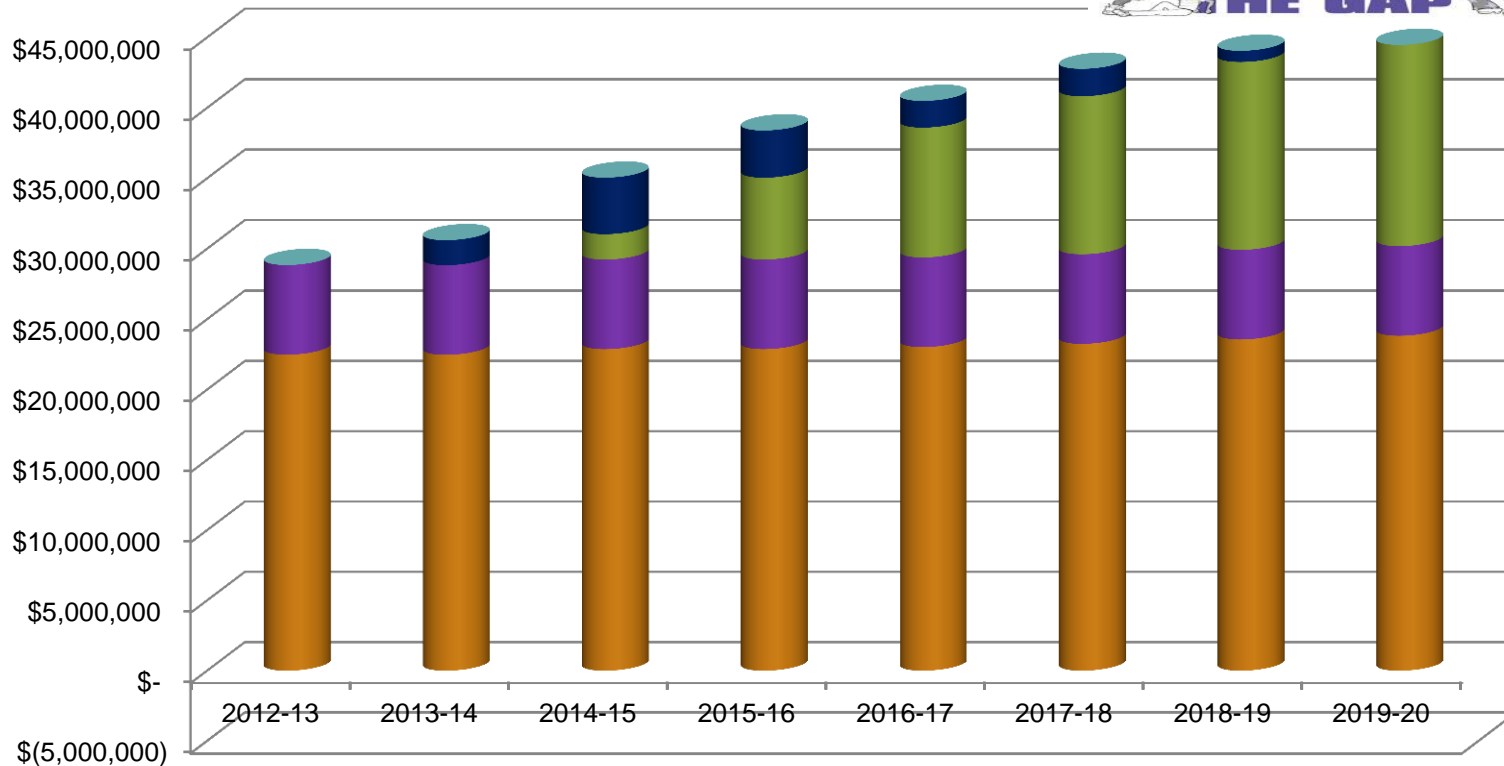
- 8021 to 8048 - Property Taxes net of in-lieu
- 8311 & 8590 - Categoricals
- 8012 - EPA

- 8096 - Charter's In-Lieu Taxes
- 8011 - State Aid

EPA Expires between 2016 and 2018

SECOND INTERIM 2014-15

SUMMARY OF BASE & GAP FUNDING



- 2012-13 Base entitlement
- 2012-13 Categoricals as adjusted
- py LCFF gap funding * cy ADA
- GAP funding - current year
- Economic Recovery Payment
- Minimum State Aid

SECOND INTERIM 2014-15

OTHER FUNDS

	Fund 11 Adult Ed	Fund 12 Child Dev	Fund 13 Cafeteria	Fund 14 Deferred Mtc
Revenue	\$70,000	\$1,575,000	\$2,259,000	\$ -0-
Expense	\$356,000	\$1,747,000	\$2,795,000	\$500,000
Transfers In(Out)	\$311,000	\$22,000	\$ -0-	\$450,000
Incr(Decr) FB	\$25,000	(\$150,000)	(\$536,000)	(\$50,000)
Beg Balance	\$235,633	\$353,433	\$1,786,055	\$587,036
Proj End Balance	\$260,942	\$203,080	\$1,250,223	\$537,477

SECOND INTERIM 2014-15

OTHER FUNDS

	Fund 21 Building	Fund 25 Capital Facilities	Fund 56 Debt Service	Fund 67 Self Insurance
Revenue	\$50,000	\$38,000	\$39,000	\$73,000
Expense	\$5,540,000	\$18,000	\$1,023,000	\$72,000
Transfers In(Out)	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Incr(Decr) FB	(\$5,490,000)	\$20,000	(\$984,000)	\$1,000
Beg Balance	\$14,671,551	\$121,547	\$8,315,191	\$242,362
Proj End Balance	\$9,181,695	\$141,547	\$7,331,823	\$243,362

SECOND INTERIM 2014-15

NEXT STEPS

- **Continue work on 2015-16 Adopted Budget**
 - LCAP stakeholder meetings, resulting in budget alignment
 - Receive budgets from all sites and departments
 - Governor's May Revise
 - Refine 2015-16 budget assumptions
 - Approve revisions to the LCAP in June and adopt the 2015-16 budget
- **Start preparations for year end close 2014-15**
 - Ensure sites and departments submit final PO's
 - Analyze and align expenses with budgets
 - Refine final 2014-15 budgets, which are used to support the 2015-16 Adopted Budget (estimated beginning balance)

