

# LCFF ADVISORY COMMITTEE MEETING

MAY 2, 2017

# **REVIEW OF 2016-17 BUDGET**

AS PRESENTED IN THE SECOND INTERIM REPORT

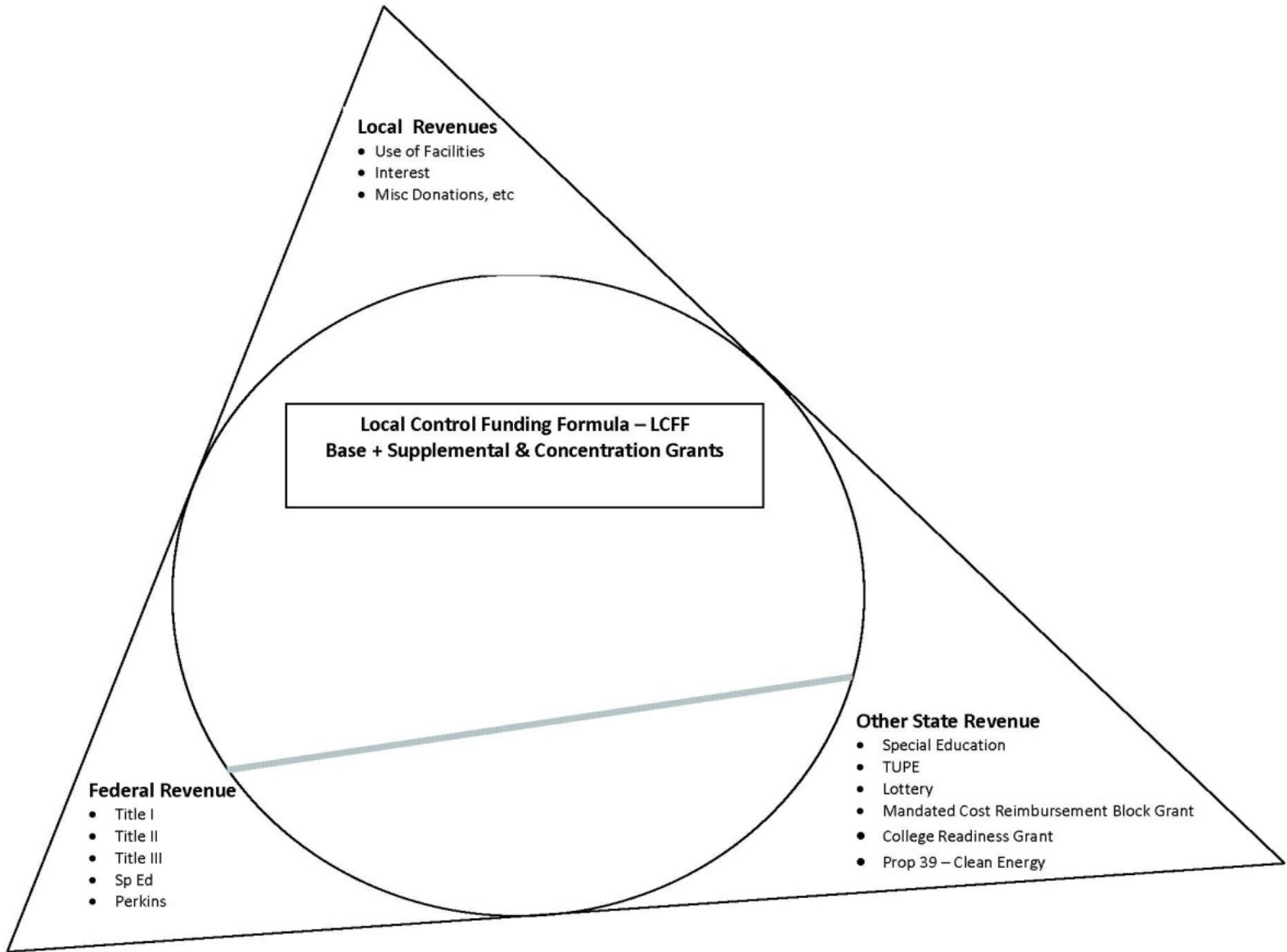
# 2016-17 Proposed Budget Fund Revenue

	Second Interim Projection
LCFF Revenue	\$52,677,642
Federal Revenue	\$2,043,643
State Revenue	\$3,557,147
Local Revenue	\$4,678,617
<b>Total</b>	<b>\$62,957,049</b>

# 2016-17 Proposed Budget

## General Fund Expenditures

	Second Interim Projection
Certificated Salaries	\$27,788,868
Classified Salaries	\$10,585,227
Employee Benefits	\$15,493,742
Books and Supplies	\$1,767,529
Services/Operating Exp	\$6,070,315
Capital Outlay	\$102,958
Transfers Out/Other Outgo	\$1,082,874
<b>Total</b>	<b>\$62,891,513</b>



**Local Revenues**

- Use of Facilities
- Interest
- Misc Donations, etc

**Local Control Funding Formula – LCFF  
Base + Supplemental & Concentration Grants**

**Federal Revenue**

- Title I
- Title II
- Title III
- Sp Ed
- Perkins

**Other State Revenue**

- Special Education
- TUPE
- Lottery
- Mandated Cost Reimbursement Block Grant
- College Readiness Grant
- Prop 39 – Clean Energy

The image features a background split diagonally from the top-left to the bottom-right. The upper-left portion is white, the lower-left portion is a medium blue, and the entire lower-right portion is a vibrant red. The text 'MUSD FUNDS' is centered in the white area, oriented diagonally to match the background split.

**MUSD FUNDS**

# MUSD Funds

□ General Fund –	010
□ Adult Education Fund –	110
□ Child Development Fund –	120
□ Cafeteria Special Revenue Fund –	130
□ Deferred Maintenance Fund –	140
□ Bond Fund –	214
□ Capital Facilities Fund –	251/251

# General Fund 010

- The districts' main operating fund
- Major Revenue Source:
  - ▣ LCFF - \$52.6M *projected*
- In addition to LCFF revenue, we also received onetime money –
  - ▣ Mandated \$1.3M *projected*
  - ▣ Block Grant \$234K *projected*
  - ▣ Lottery \$928K *projected*
- Expenditures:
  - ▣ Money in this fund is used to finance the ordinary operations of the district. It is available for any legally authorized purposes.



# Adult Ed. Fund 110

- The Adult Education Fund is used to account for federal, state, and local revenues for our adult education program.
- Main Revenues Sources:
  - ▣ Adult Education Block Entitlement - \$286K *projected*
  - ▣ Local revenue for adult fees – 46K *projected*
- Expenditures
  - ▣ Money in this fund shall be expended for adult education purposes only.

# Child Development Fund 120

- The Child Development Fund is used to account for federal, state, and local revenue to operate our Pre-School program.
- Main Revenue Source:
  - ▣ State Grant - \$646K *projected*
  - ▣ Parent fees - \$44K *projected*
- Expenditures
  - ▣ Money in this fund may only be used for expenditures for the operation of child development programs.

# Cafeteria Rev Fund 130

- The Cafeteria Special Revenue Fund is used to account for federal, state, and local resources to operate our Child Nutrition Program.
- Main Revenue Source:
  - Federal reimbursements for the national lunch programs - \$979K *projected*
  - State reimbursements for the national lunch program - \$72K *projected*
  - Daily Sales - \$560K *projected*
- Expenditures:
  - Money in this fund shall be used only for those expenditures for the operation of Moorpark's food service program

# Def. Maintenance Fund 140

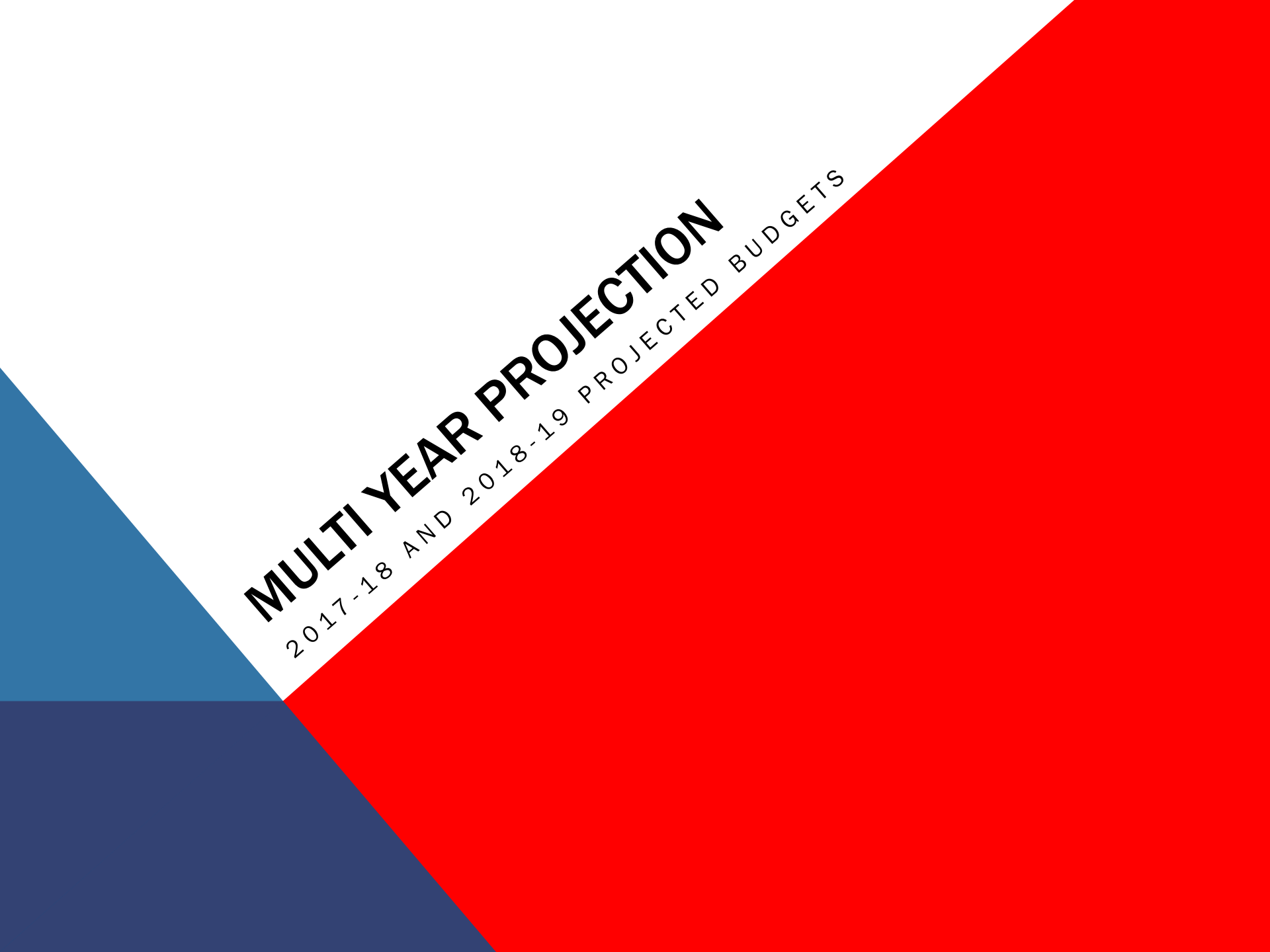
- The Deferred Maintenance Fund was used to account for state apportionments and the districts contribution for deferred maintenance.
- Main Revenue Source
  - Since the inception of LCFF deferred maintenance revenue are incorporated in the general fund.
  - Expenditures:
  - Money in this fund may be expended only for the following purposes:
    - Major repair or replacement of plumbing, heating, air-conditioning, electrical, roofing, and floor systems
    - Exterior and interior painting of school buildings, including a facility that a county office of education is authorized to use pursuant to *Education Code* sections 17280–17317
    - The inspection, sampling, and analysis of building materials to determine the presence of asbestos-containing materials
    - The encapsulation or removal of materials containing asbestos
    - The inspection, identification, sampling, and analysis of building materials to determine the presence of material containing lead

# Bond Fund 214

- The Bond Fund is used to account for proceeds from the sale of bonds.
- Main Revenue Source
  - ▣ Proceeds from the sale of bonds and interest - \$6K  
*projected*
- Expenditures:
  - ▣ Capital outlay and the repayment of State School Building Aid out of proceeds from the sale of bonds

# Capital Facilities Fund 251/252

- The Capital Facilities Fund is used to account for money received from development both residential and business.
- Main Revenue Source
  - Residential and Business Developer Fee - \$991K *projected*
- Expenditures:
  - Money in this fund is restricted to the purposes specified in Government Code sections 65970–65981 or Government Code Section 65995 et seq., or to the items specified in agreements with the developer (Government Code Section 66006). Costs of justifying and adopting fees may be paid from Fund 25 (Education Code Section 17620). Administrative costs of collecting fees may be reimbursed from Fund 25 within the limitations of Education Code Section 17620. Eligible expenditures incurred in another fund may be reimbursed to that fund by means of an interfund transfer of direct costs

The background features a diagonal split from the top-left to the bottom-right. The upper-left portion is white, while the lower-right portion is a vibrant red. In the bottom-left corner, there are two overlapping blue shapes: a medium blue triangle and a darker blue rectangle.

# **MULTI YEAR PROJECTION**

2017-18 AND 2018-19 PROJECTED BUDGETS

# 2016-17 Second Interim Multiyear Projections (MYP)

	2016-17	2017-18	2018-19
Beginning Balance	\$4,220,289	\$4,285,825	\$2,900,641
Total Revenue	\$62,957,049	\$61,392,568	\$61,404,954
Budget Adjustments Needed	\$0	\$(316,000)	\$(3,464,151)
Total Expenditures	\$62,891,513	\$62,777,752	\$61,404,954
Surplus/deficit	\$65,536	\$(1,385,184)	\$0
Ending Balance	<b>\$4,285,825</b>	<b>\$2,900,641</b>	<b>\$2,900,641</b>
Meet 3% Reserve?	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>





**BUDGET SAVINGS**

# Budget Savings

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- PARS
- COPS
- Redevelopment Fund
- Eliminating Food Services Contribution



# **BUDGET CHALLENGES**

# Budget Challenges

- State Funding
  - ▣ Reduction of Gap
  - ▣ Potential Loss of One-Time Money
- Declining Enrollment
  - ▣ Budgeted a loss of 100 students

- Benefits

- ▣ STRS/PERS

16-17	17-18	18-19	19-20
S - 12.58%	S - 14.43%	S - 16.28%	S - 18.13%
P - 13.88%	P - 15.8%	P - 18.7%	P - 21.6%

- ▣ Medical Benefits
  - New Teacher Training
    - ▣ Replacement of Retired Teachers

# Budget Challenges – Cont.

- Special Education
  - ▣ Average of 22k per student to educate
  - ▣ Non-public Schools up to 100k
  - ▣ Contacted Services
    - Para-educators, Speech and Language, School Psychologists
- School Safety
  - ▣ Visitor Monitor and Security
- Transportation
  - ▣ Aging Fleet
  - ▣ Need of Positions – Mechanic & Driver

# Budget Challenges – Cont.

- Technology
  - District Website – Replace
  - Equipment Replacement
- Maintenance and Operations
  - Football Field Turf Replacement
  - Aging Infrastructure (plumbing, utility lines, ruff, etc.)
  - Staffing
    - Custodial Supervisor and Custodian



**GROUP ACTIVITY**

# Group Activity

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In your small group, discuss the following:

1. Input and ideas about the current budget challenges as presented
2. Questions you may have or data you may need about the challenges/budget

Select one team member to share the thoughts of your group....