

2017-2018 Budget Recommendations

Presented By: Budget/Finance Committee
Palisades Charter High School



Budget Assumptions Factors for 17/18

UPDATED BUDGET ASSUMPTION GUIDELINES (AS OF MAY 2017) PROJECTIONS FOR FISCAL YEARS 2017-18 THROUGH 2020-21

The guidelines below are provided to assist you with projections for fiscal years 2017-18, 2018-19, 2019-20 and 2020-21.

LCFF REVENUE	2017-18	2018-19	2019-20	2020-21
Statutory COLA / Net Funded COLA	1.56%	2.15%	2.35%	2.57%
Gap Funding ¹	43.97%	71.53%	73.51%	100.00%
SPECIAL EDUCATION AND CATEGORICAL PROGRAMS	2017-18	2018-19	2019-20	2020-21
COLA for Special Ed and Other Categorical Programs Outside of LCFF (on state and local share only)	1.56%	2.15%	2.35%	2.57%
LOTTERY REVENUE	2017-18	2018-19	2019-20	2020-21
Unrestricted	\$144.00/ADA	\$144.00/ADA	\$144.00/ADA	\$144.00/ADA
Restricted for Instructional Materials	<u>45.00/ADA</u>	<u>45.00/ADA</u>	<u>45.00/ADA</u>	<u>45.00/ADA</u>
Total Lottery Revenue	\$189.00/ADA	\$189.00/ADA	\$189.00/ADA	\$189.00/ADA
OTHER FACTORS	2017-18	2018-19	2019-20	2020-21
CalSTRS Employer Rates	14.43%	16.28%	18.13%	19.10%
CalPERS Employer Rates	15.531%	18.10%	20.80%	23.80%
Interest Rate for 10-year Treasuries	2.67%	2.90%	3.05%	3.00%
California Consumer Price Index (CPI)	3.11%	3.19%	2.86%	2.97%
Other Expenses (4000s – 6000s)	2017-18+CPI	2018-19+CPI	2019-20+CPI	2020-21+CPI

¹ There is no statutory requirement to provide Gap funding in any year; when projecting LCFF increases in the “out years” it is recommended that districts assign, reserve or otherwise set-aside any projected increase in LCFF revenues as a result of Gap funding or at least have a contingency plan in place if anticipated revenues do not materialize.

Budget Assumptions

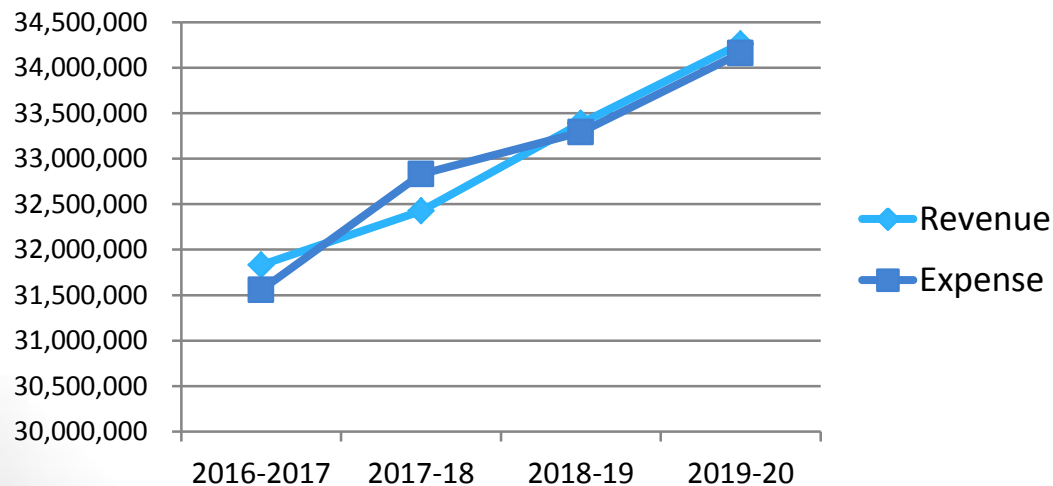
- Total 2017-2018 Projected Enrollment: 2,973
- 2017-2018 Projected ADA Level: 2,854
- LCFF funding per ADA: \$9,212
- Unduplicated Count of Free/Reduced/EL: 30.38%
- Total received per unduplicated: \$1,723



Multi-Year Projection

	2016-17	2017-18	2018-19	2019-20
Revenues	\$31,831,140	\$32,425,780	\$33,388,813	\$34,261,099
Expenditures	\$31,555,923	\$32,831,390	\$33,291,456	\$34,159,574
Cash Balance	\$275,217	(\$405,610)	\$97,357	\$101,524
Depreciation	\$541,650	\$574,000	\$574,000	\$574,000
Fund Balance (Financial Reporting Basis)	\$650,160	\$3,390	(\$476,643)	(\$472,476)

Comparison of Revenue vs. Expense



Note:

Proposed one-time \$\$ for 18/19 proposed but not funded/guaranteed (\$480K)

Budget Snapshot

Original Requests

- Total Revenue: \$32,380,904
- Total Expenses: \$32,894,791
- Over/Under: **(\$513,887)**

Expense Category Overview:

- Salaries/Benefits: \$26,457,177
- Books/Supplies: \$925,532
- Services/Other Operating: \$4,670,821
- Capital Outlay: \$1,224,200

Budget/Finance Recommendation

- Total Revenue: \$32,425,780
- Total Expenses: \$32,422,390
- Over/Under: **3,390**

Expense Category Overview:

- Salaries/Benefits: \$26,179,402
- Books/Supplies: \$852,859
- Services/Other Operating: \$4,524,869
- Capital Outlay: \$983,000



Additions/Reductions to budget made by Budget/Finance & Admin:

- Addition of ADA via Temsecal enrollment (\$45K)
- Reduction in consulting (\$40K)
- Contribute \$60K in lifetime health benefits for 16/17 & decrease contribution in 17/18 by the same amount
- Reduction in auxiliaries (\$60K)
- Reduce level of subscriptions by (\$13K)
- Move expense for Security Cameras & MDF Generators out of 17/18 to 16/17 (\$140K)

Reductions recommended by Budget/Finance committee

Original Request

- Textbooks: \$223,609
- IMA: \$434,711
- Subscriptions: \$218,066
- Professional Services:
\$2,224,249
- Additional Salaries: \$219,154
- Department Tech: \$1,009,000

**Total Original Expenses:
\$4,453,789**

Budget/Finance Recommended

- Textbooks: \$186,578
- IMA: \$227,611
- Subscriptions: \$205,066
- Professional Services:
\$2,103,451
- Additional Salaries: \$161,154
- Department Tech: \$550,000

**Total Recommended
Expenses:
\$3,433,860**

Total Reductions: \$1,019,929

