



Evergreen
School District

First Interim Report

Board Meeting
December 10, 2015

Interim Report

- Assembly Bill (AB) 1200 requirements
- Two reports to the governing board
 - Financial and budgetary status ended as October 31 and January 31
- Approved by Board no later than 45 days after the close of report period
- Reviewed by county office of education

Certification of Financial Condition

- Based on current assumptions
- Positive certification for 2015-16 First Interim report
 - Will meet its financial obligations for the current fiscal year 2015-16 and subsequent two years

2015-16 LCFF Assumptions

Item	2015-16	2016-17	2017-18
LCFF Gap Funding Percentage	51.52%	35.55%	35.11%
COLA	1.02%	1.60%	2.48%
District Enrollment	12,265	11,920	11,630
Average Daily Attendance (ADA)	11,921	11,586	11,304
LCFF Funded ADA Include County ADA	12,609	12,034	11,698
LCFF Per ADA (Average)	\$7,539	\$7,860	\$8,127
Supplemental grant funding	\$7.06 M	\$7.42 M	\$7.63 M

Major Other Revenue Assumptions

- One time discretionary funds \$530 per ADA in 2015-16 \$6.6M
- Educator Effectiveness one time fund \$868,110
- Revenue contribution to Routine Restricted Maintenance Account (RRMA) at 2.4% of general fund expenditures
- Transfer of all GASB 45 funds \$1.7 M to General Fund in 2017-18

Major Expenditure Assumptions

- Declined enrollment based on demographer's December 2014 enrollment projection report
 - 2016-17 reduce 345 students; reduce 20 teachers
 - 2017-18 reduce 290 students; reduce 18 teachers
- \$1.2 M step/column salary increases for all groups
- \$191,748 savings from 5 teacher retirements annually in future years
- \$211,088 savings from leaves/resignations
- 3% salary increase for all groups in 2015-16, and salary levels status quo for future years (subject to negotiation)
- Health benefits with 0% cost increase in 2015-16; 5.12% cost increase projected in 2016-17 & 2017-18

Major Expenditure Assumptions

- Proportionality requirement met, spend supplemental grant for students in need. Expenditures budgeted under Supplemental grant 1590, 1591, 1592, 1593, 1594, 1595 and 1596
 - 2015-16 \$7,059,165
 - 2016-17 \$7,418,659
 - 2017-18 \$7,632,951
- Increase retirement contributions for STRS and PERS

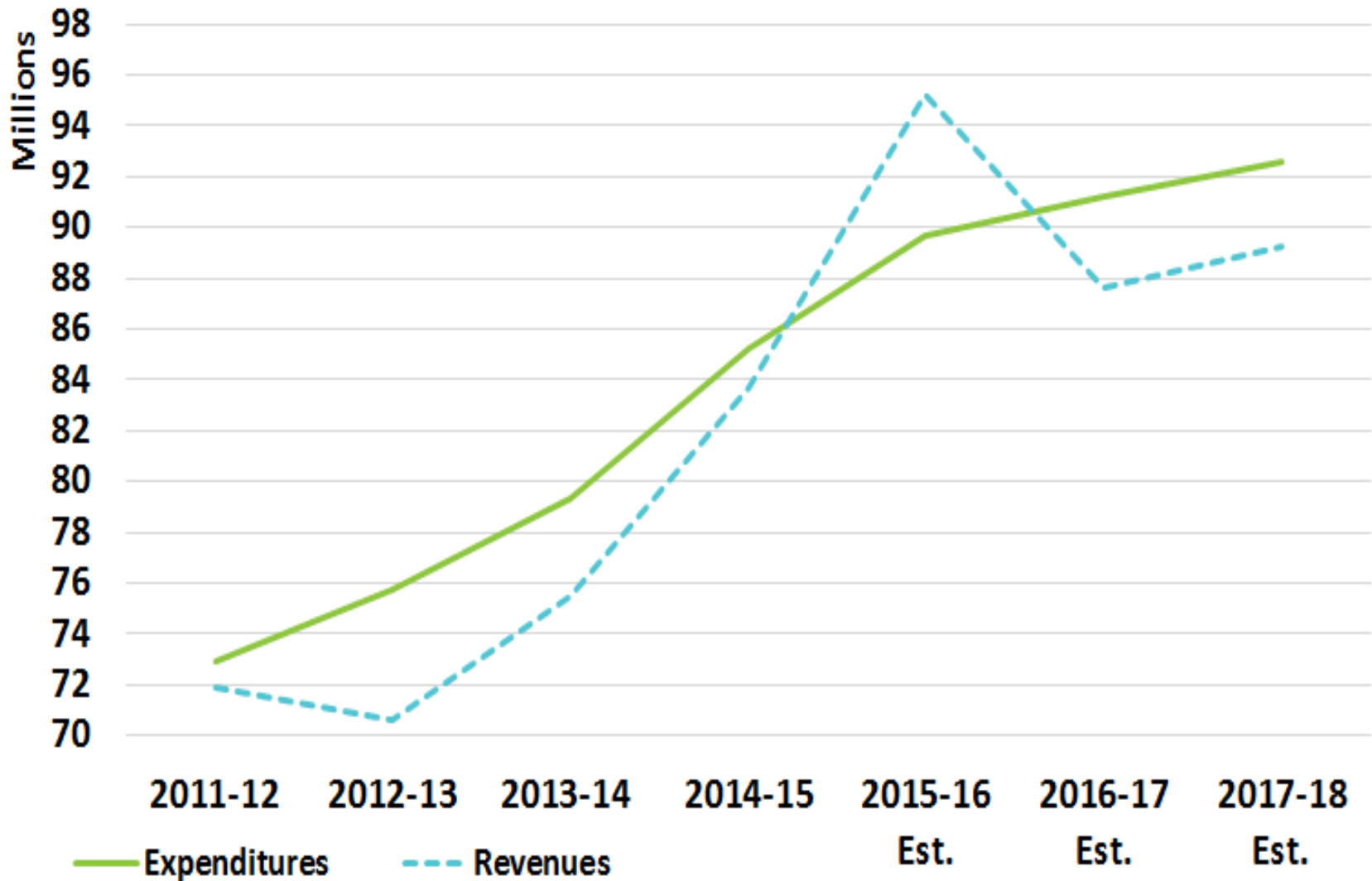
Years	STRS Rate	\$ increase from 2014-15	PERS rate	\$ increase from 2014-15
2014-15	8.88%		11.77%	
2015-16	10.73%	\$1,145,004	11.847%	\$19,146
2016-17	12.58%	\$2,703,880	13.05%	\$139,656
2017-18	14.43%	\$4,262,756	16.60%	\$495,276
3 year total		\$8,111,640		\$654,078

Detail of 2015-16 Reserve

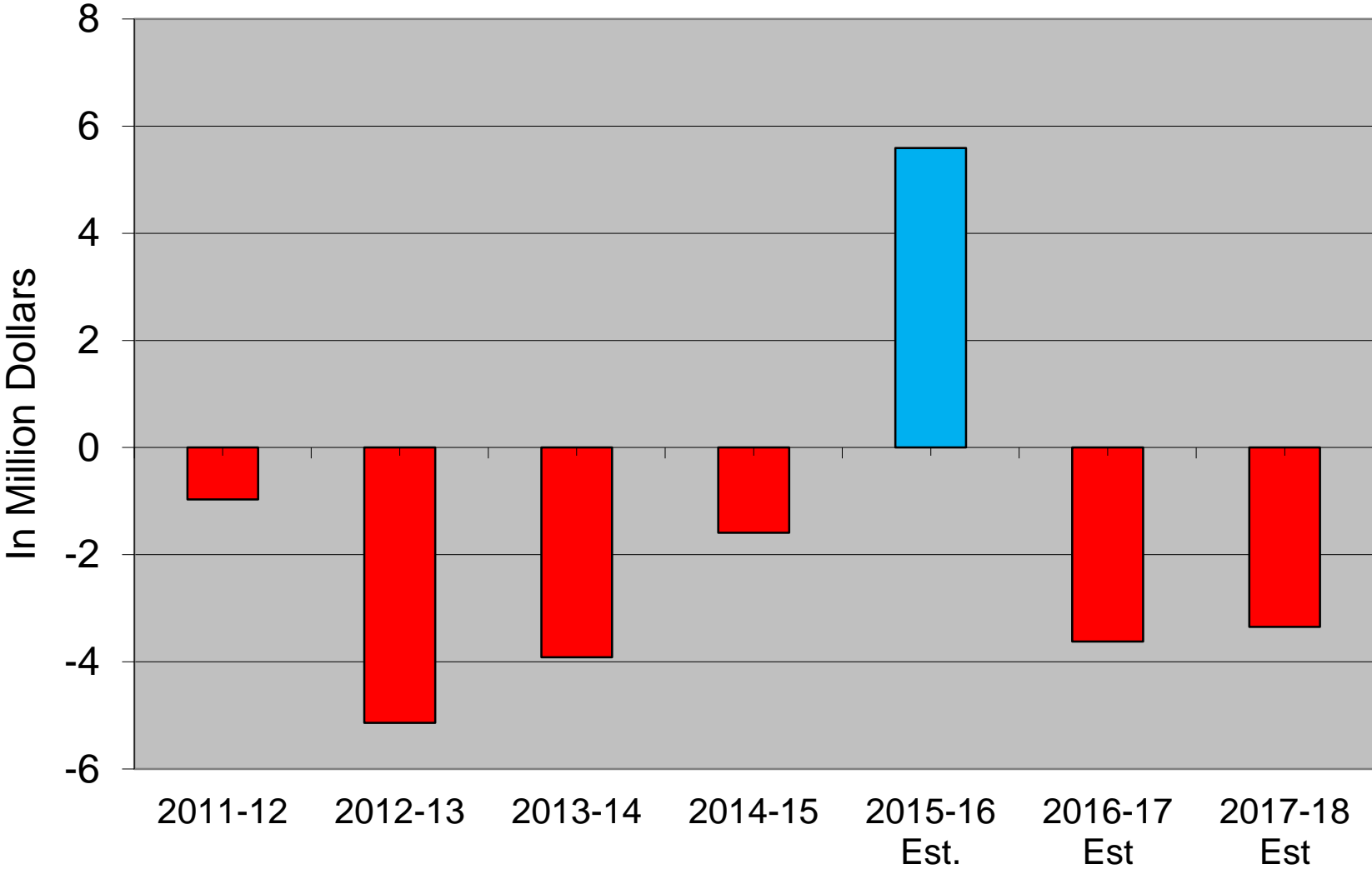
- Board approved set aside \$3M as committed funds to pay for instructional material adoptions - language arts and science textbook adoptions - and technology
- 3% required minimum reserve is \$3,405,814
- The amount in excess of minimum reserve is \$8,285,890 is needed for the following:
 - PERS/STRS contribution rate increase
 - Projected future enrollment decline
 - District on-going structural deficit spending
 - Maintain 3 years projected minimum 3% reserve requirement

11/16/2015	2013-14 <u>ACTUAL</u>	2014-15 <u>ACTUAL</u>	2015-16 <u>BUDGET</u>	2016-17 <u>BUDGET</u>	2017-18 <u>BUDGET</u>
SUMMARY					
TOTAL REVENUES	\$96,293,209	\$103,340,085	\$119,435,366	\$111,556,429	\$114,308,626
TOTAL EXPENDITURES	99,061,983	105,007,151	113,527,135	114,996,243	117,272,862
SURPLUS/(DEFICIT)	(\$2,768,775)	(\$1,667,065)	\$5,908,231	(\$3,439,814)	(\$2,964,236)
BEGINNING BALANCE					
UNRESTRICTED	\$15,860,129	\$11,946,220	\$10,356,533	\$15,945,703	\$12,324,160
RESTRICTED	\$2,527,286	\$3,672,420	\$3,595,042	\$3,914,104	\$4,095,833
ENDING BALANCE	\$15,618,641	\$13,951,575	\$19,859,806	\$16,419,993	\$13,455,757
COMPONENTS OF ENDING BALANCE					
A) NONSPENDABLE					
1 REVOLVING CASH	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
2 STORES	46,767	49,504	46,767	46,767	46,767
3 PREPAID EXPENDITURES	1,192,232	1,360,418	1,192,232	1,192,232	1,192,232
B) RESTRICTED					
MAIN RESERVES	58,121	299,508	309,351	307,412	519,754
RESTRICTED	3,614,300	3,295,534	3,604,753	3,788,421	3,956,770
C) COMMITTED					
STABILIZATION ARRANGEMENTS	0	0	0	0	0
OTHER COMMITMENTS	0	0	3,000,000	3,000,000	3,000,000
D) ASSIGNED					
OTHER ASSIGNMENTS	0	24,746	0	0	0
E) UNASSIGNED/UNAPPROPRIATED					
RESERVE FOR ECO. UNCERTAINTIES	2,971,860	3,150,215	3,405,814	3,449,887	3,518,186
UNASSIGNED/UNAPPROPRIATED	7,720,362	5,756,651	8,285,890	4,620,274	1,207,048
	\$15,618,640	\$13,951,575	\$19,859,806	\$16,419,993	\$13,455,757
UNRESTRICTED (DEFICIT)/SURPLUS	(\$3,913,909)	(\$1,589,687)	\$5,589,170	(\$3,621,543)	(\$3,344,927)
% of AVAILABLE RESERVE	10.79%	8.48%	10.30%	7.02%	4.03%

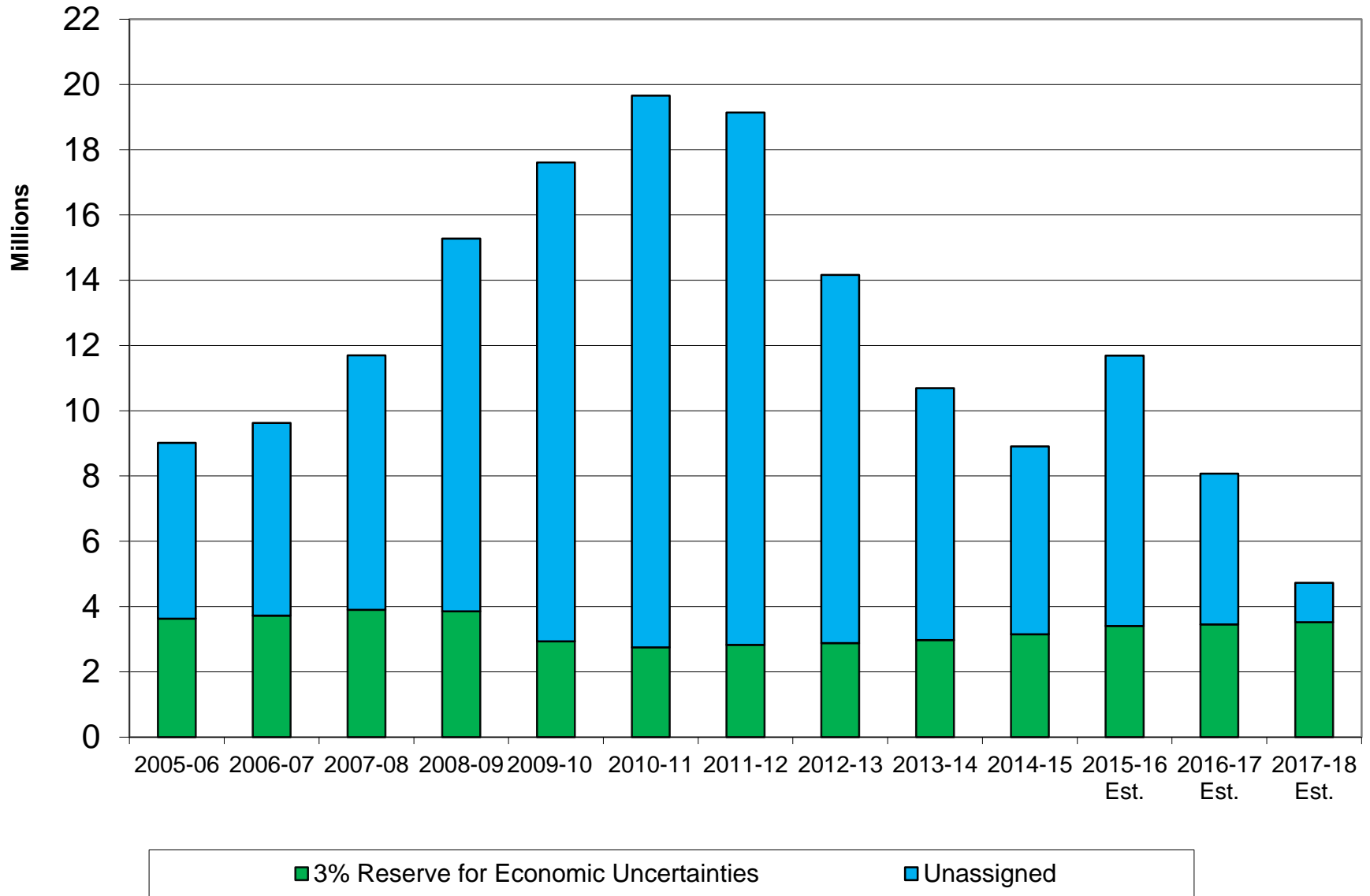
General Fund Unrestricted Expenditure and Revenue



Unrestricted Operating Deficit



General Fund Unrestricted Reserves





Evergreen School District

From strong roots grow bright futures

Questions?