

2016-17 Second Interim Financial Report

March 16, 2017
Agenda Item No. 10.4

Presented By
Gerardo Castillo, CPA, Chief Business Officer
Gloria Chung, Director of Fiscal Services



Overview

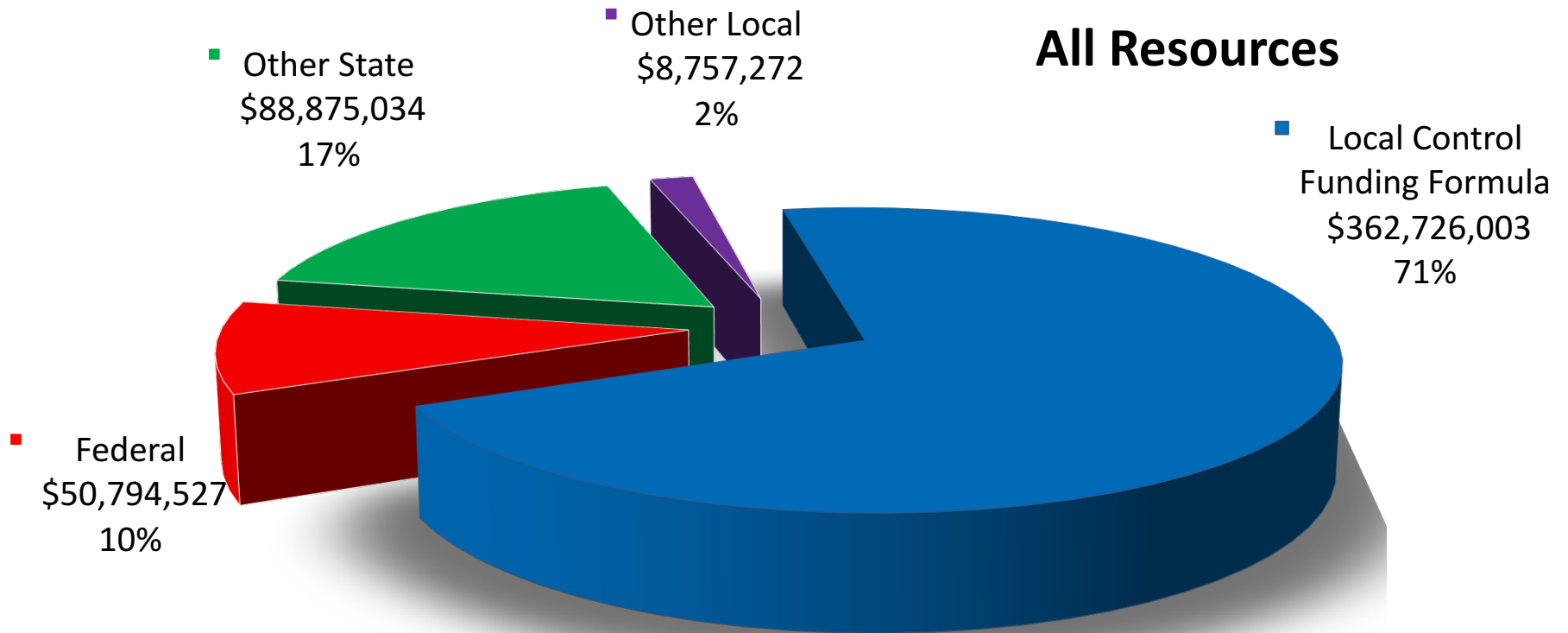
- Education Code Section 42130
- Second Interim Summary
- Enrollment Analysis
- Increases in Pension Costs
- Multi-Year Forecast
- Fund Balance
- Fiscal Condition
- Next Steps



Ed Code Section 42130

- Education Code Section 42130 requires report
- Provides “early warning system”
- District certifies Positive, Qualified or Negative
- Positive certification submitted
 - District will meet its financial obligations for current and two subsequent fiscal years

2016-17 Estimated Revenues General Fund All Resources



Total Revenue
\$511,152,836

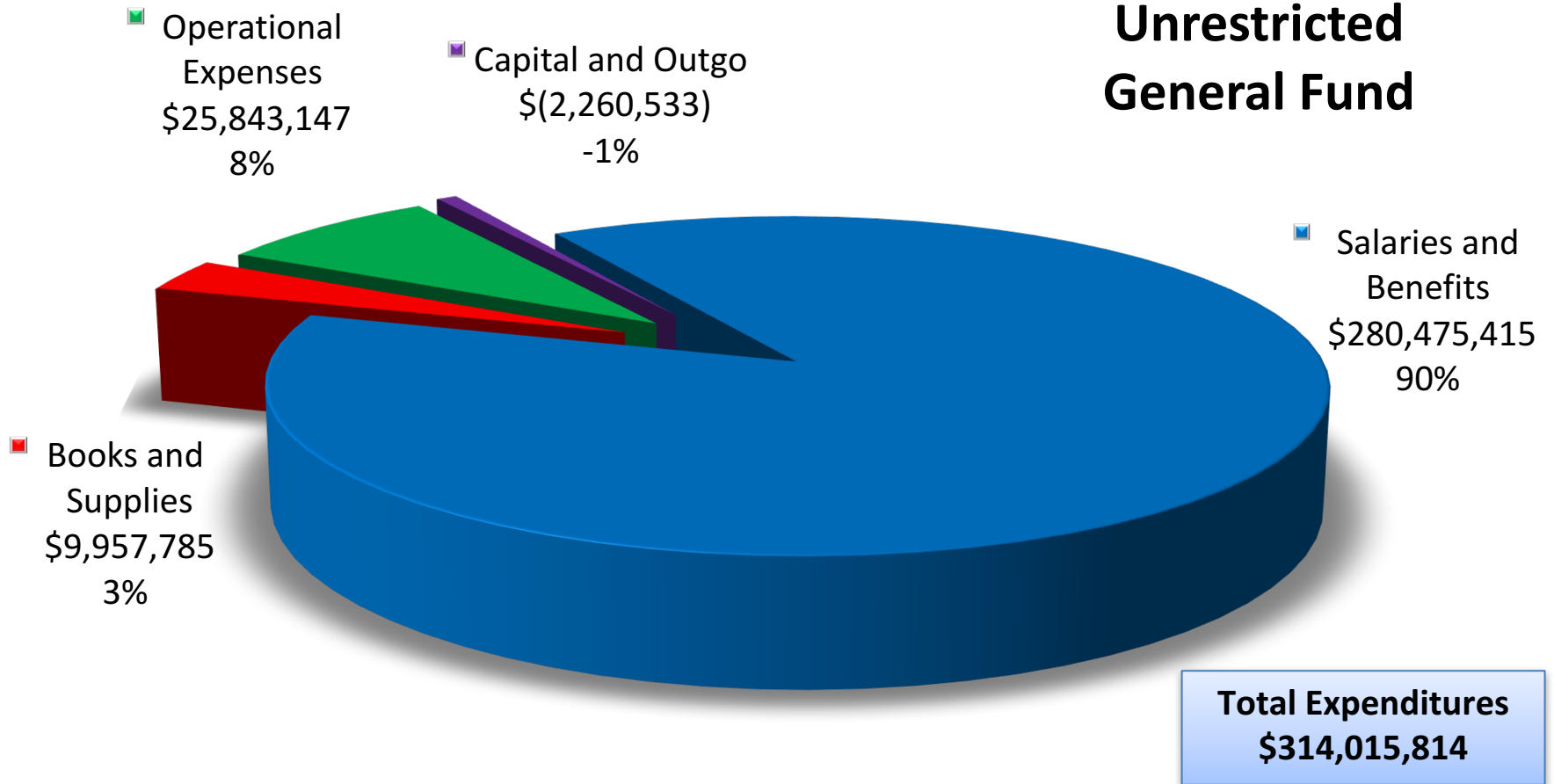
General Fund Revenue Changes at Second Interim

General Fund Revenue - Reconciled To 2nd Interim - January 31st For FY 2016-17

General Fund	Adopted Budget	First Interim	Second Interim	Difference (2 nd – 1 st)
LCFF Sources	\$ 365,331,921	\$ 364,090,020	\$ 362,726,003	\$ (1,364,017)
Federal Revenue*	\$ 45,535,813	\$ 46,885,192	\$ 50,794,527	\$ 3,909,335
Other State Revenue*	\$ 74,263,554	\$ 88,845,034	\$ 88,875,034	\$ 30,000
Other Local	\$ 5,901,083	\$ 7,124,897	\$ 8,757,272	\$ 1,632,375
Total Anticipated Revenues	\$ 491,032,371	\$ 506,945,143	\$ 511,152,836	\$ 4,207,693

*Includes additional \$3.3 million SIG grant in Federal Revenue and \$11 million Emergency Repair and \$2.5 million CTE Incentive grant in Other State Revenue

2016-17 Expenditures Unrestricted General Fund





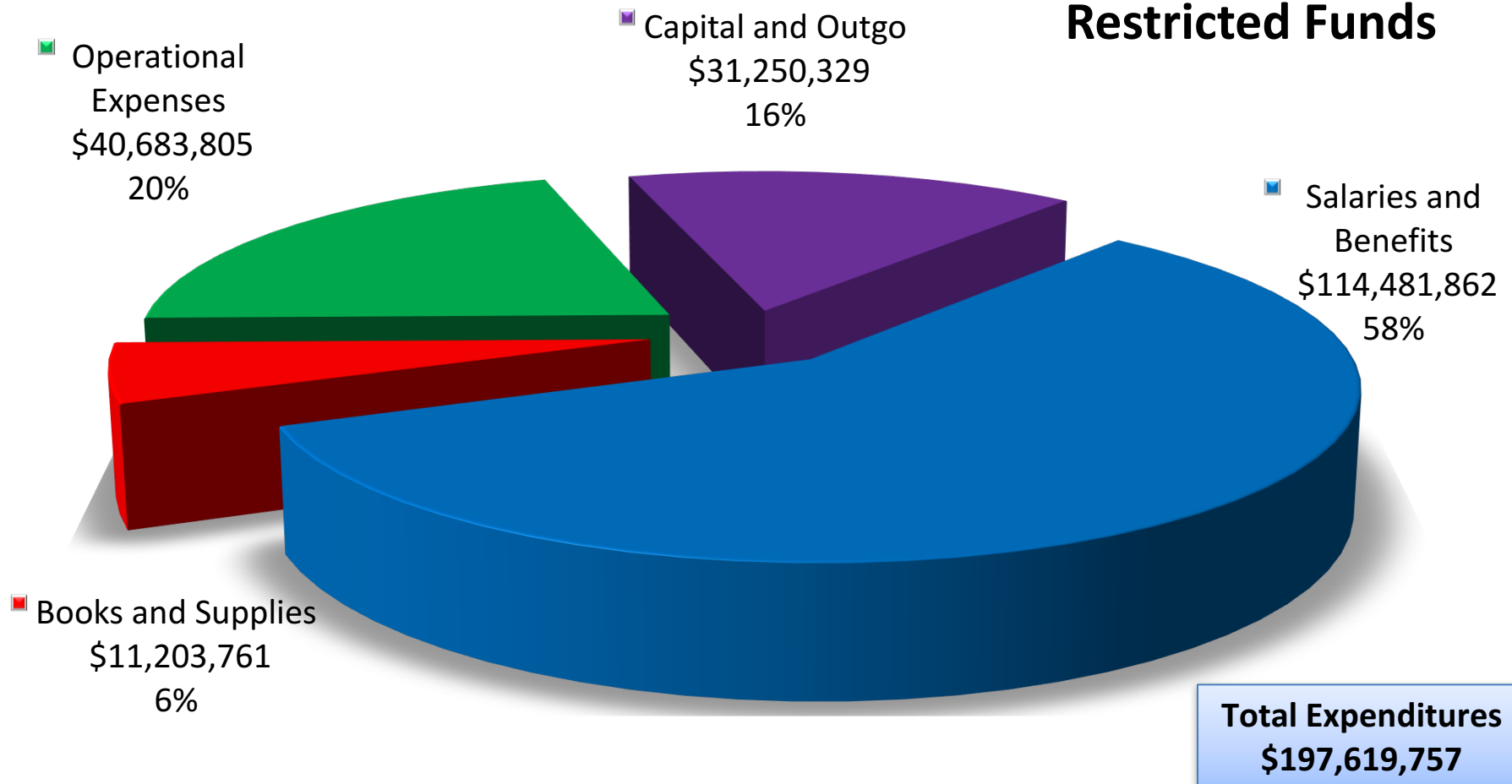
Unrestricted Expenditure Changes at Second Interim

Unrestricted Expenditures - Reconciled To 2nd Interim - January 31st For FY 2016-17

General Fund Unrestricted	Adopted Budget	First Interim	Second Interim	Difference (2nd – 1st)
Salaries and Benefits*	\$ 284,736,295	\$ 283,300,024	\$ 280,475,415	\$ (2,824,609)
Books and Supplies	\$ 9,954,350	\$ 10,461,660	\$ 9,957,785	\$ (503,875)
Services	\$ 25,069,035	\$ 25,500,815	\$ 25,843,147	\$ 342,332
Capital Outlay/Other Outgo	\$ (2,423,800)	\$ (2,181,109)	\$ (2,260,533)	\$ (79,424)
Total Budgeted Expenditures	\$ 317,335,880	\$ 317,081,390	\$ 314,015,814	\$ (3,065,575)
<i>Contributions</i>	\$ 63,418,638	\$ 64,527,146	\$ 64,527,146	\$ 0

* Includes adjustment for attrition savings

2016-17 Expenditures Restricted Funds

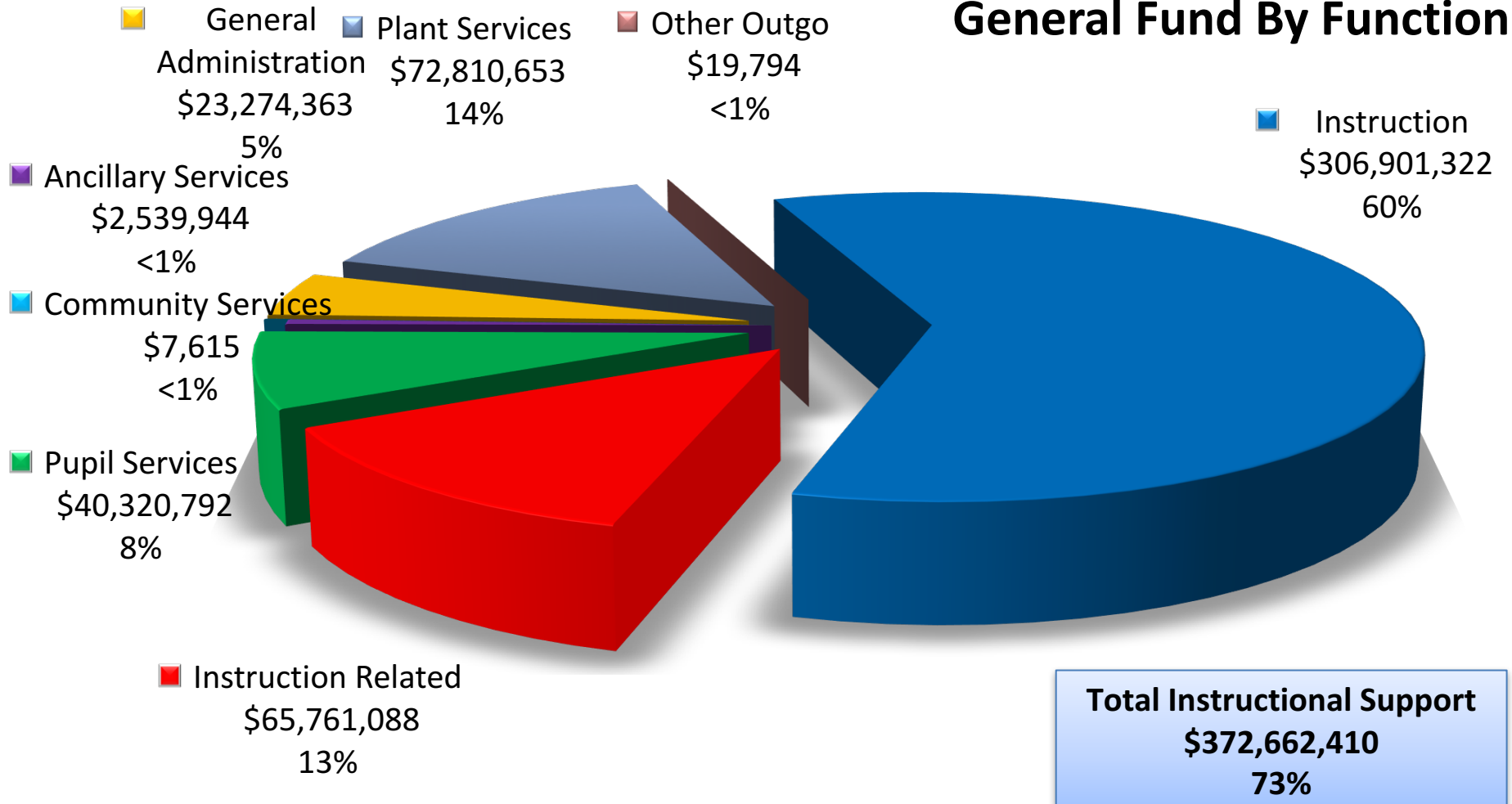


Restricted Expenditure Changes at Second Interim

Restricted Expenditures - Reconciled To 1st Interim - January 31st For FY 2016-17				
General Fund Restricted	Adopted Budget	First Interim	Second Interim	Difference (2 nd – 1 st)
Salaries and Benefits*	\$ 109,967,872	\$ 114,168,338	\$ 114,481,862	\$ 313,524
Books and Supplies	\$ 10,214,225	\$ 12,535,848	\$ 11,203,761	\$ (1,332,087)
Services	\$ 37,814,365	\$ 38,705,757	\$ 40,683,805	\$ 1,978,048
Capital Outlay/Other Outgo	\$ 17,884,275	\$ 31,167,094	\$ 31,250,329	\$ 83,235
Total Budgeted Expenditures	\$ 175,880,737	\$ 196,577,037	\$ 197,619,757	\$ 1,042,720

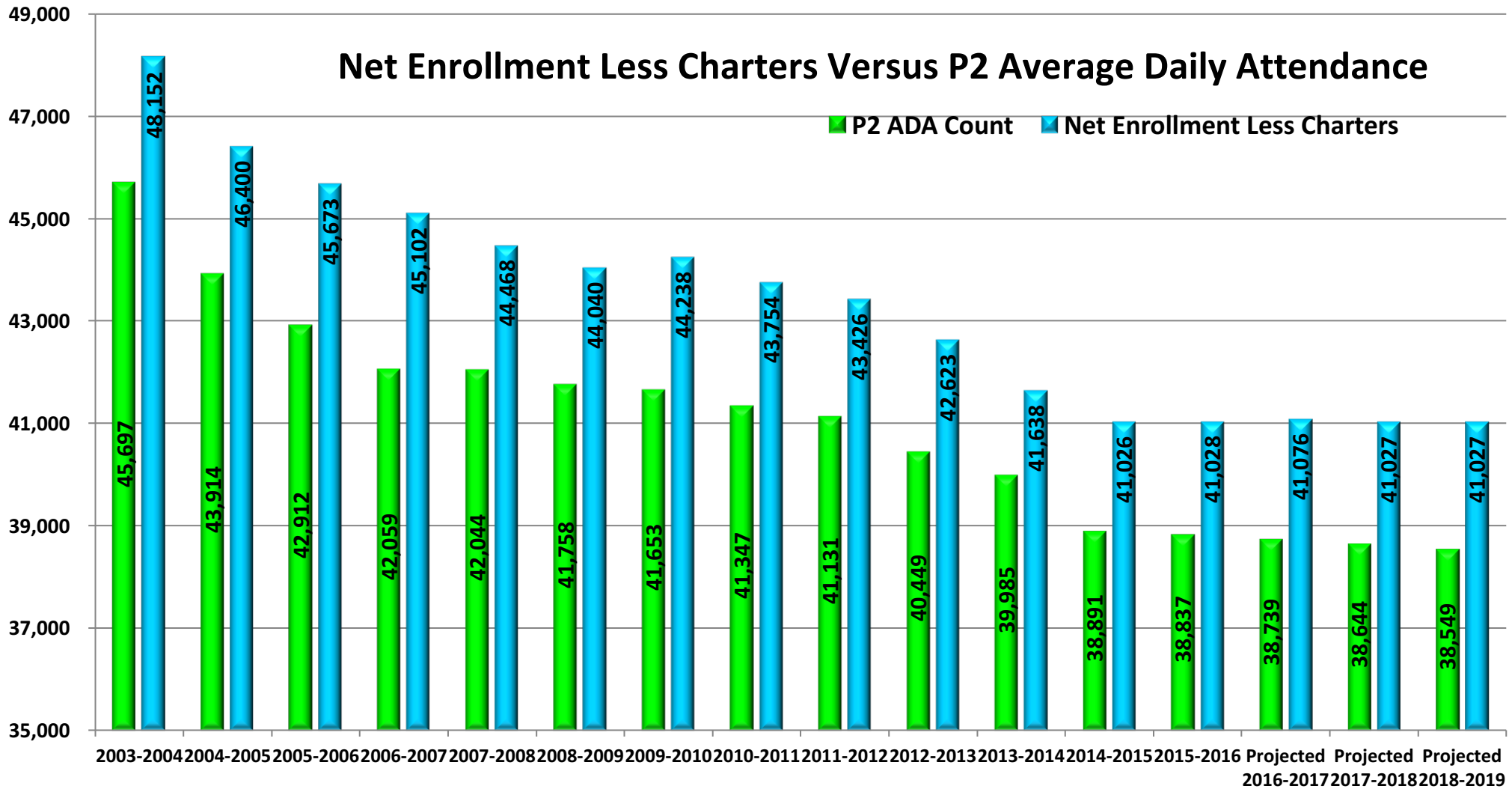
* Includes carryover of restricted funds

2016-17 Expenditures General Fund By Function

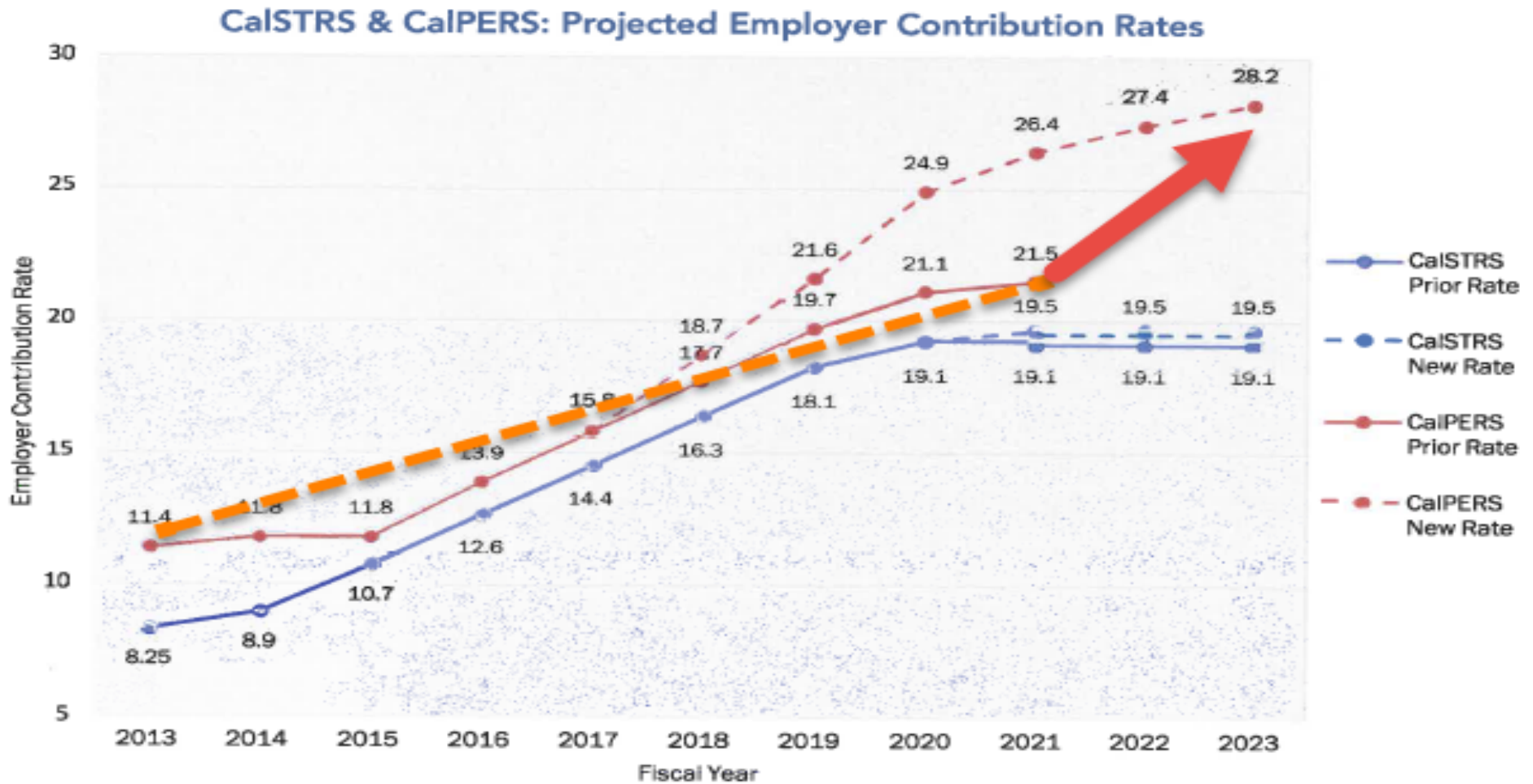


Enrollment ADA Analysis

Net Enrollment Less Charters Versus P2 Average Daily Attendance



Increasing Pension Costs



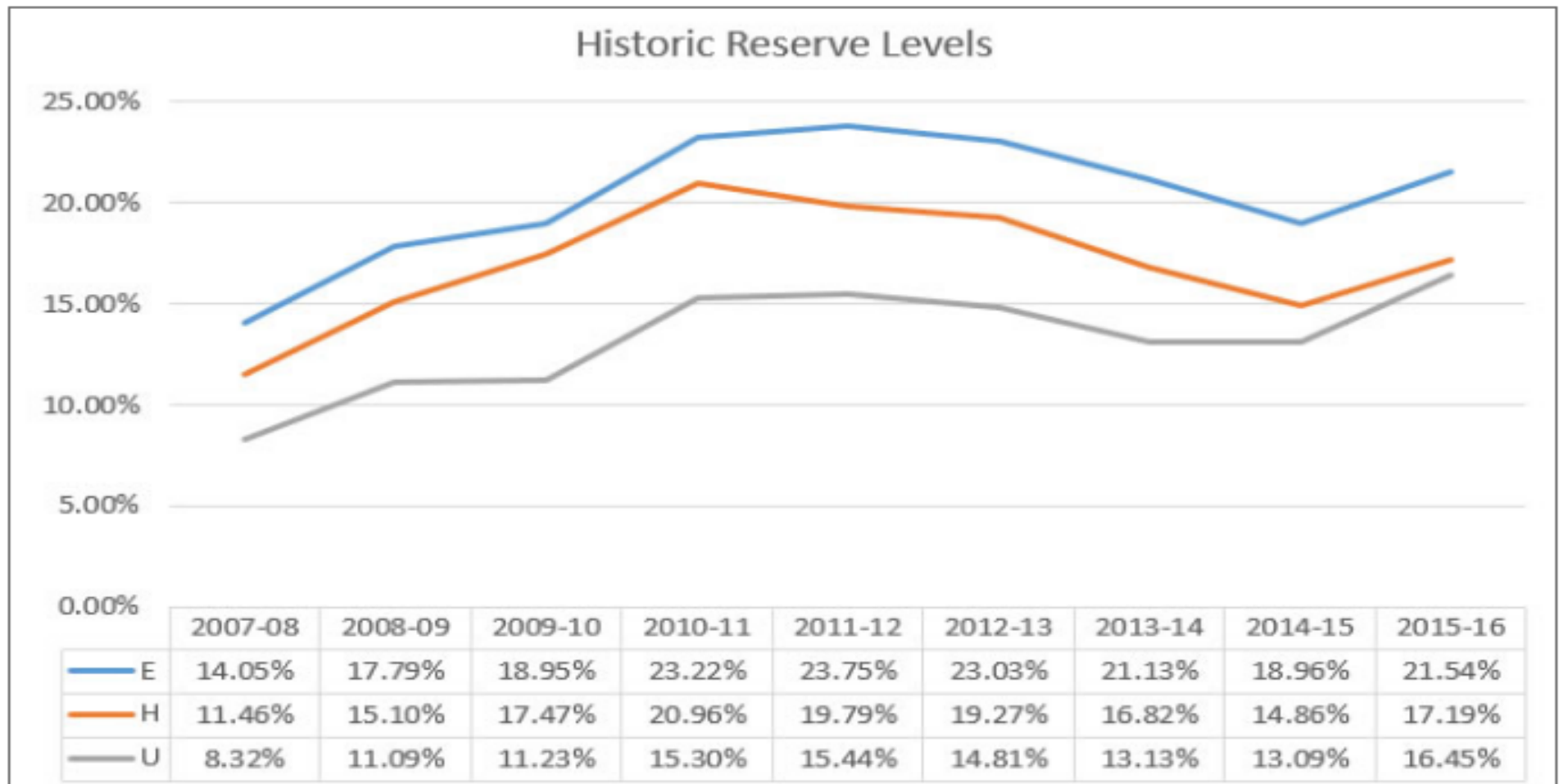
Unrestricted Multi-Year Forecast

Multi-Year Forecast Unrestricted - Reconciled To 2nd Interim - January 31st For FY 2016-17

Unrestricted Description	FY 2016-17	FY 2017-18	FY 2018-19
Revenues and Other Sources	\$ 317,523,730	\$ 310,709,122	\$ 313,560,616
Budgeted Expenditures and Transfers Out*	\$ 314,797,230	\$ 319,843,914	\$ 328,537,467
Net Change Fund Balance	\$ 2,726,501	\$ (9,134,792)	\$ (14,976,851)
Anticipated Ending Fund Balance	\$ 71,095,740	\$ 61,960,948	\$ 46,984,097
Reserve For Economic Uncertainties	\$20,013,133	\$20,013,133	\$20,013,133
Total Anticipated Unappropriated Balance	\$ -	\$ -	\$ -

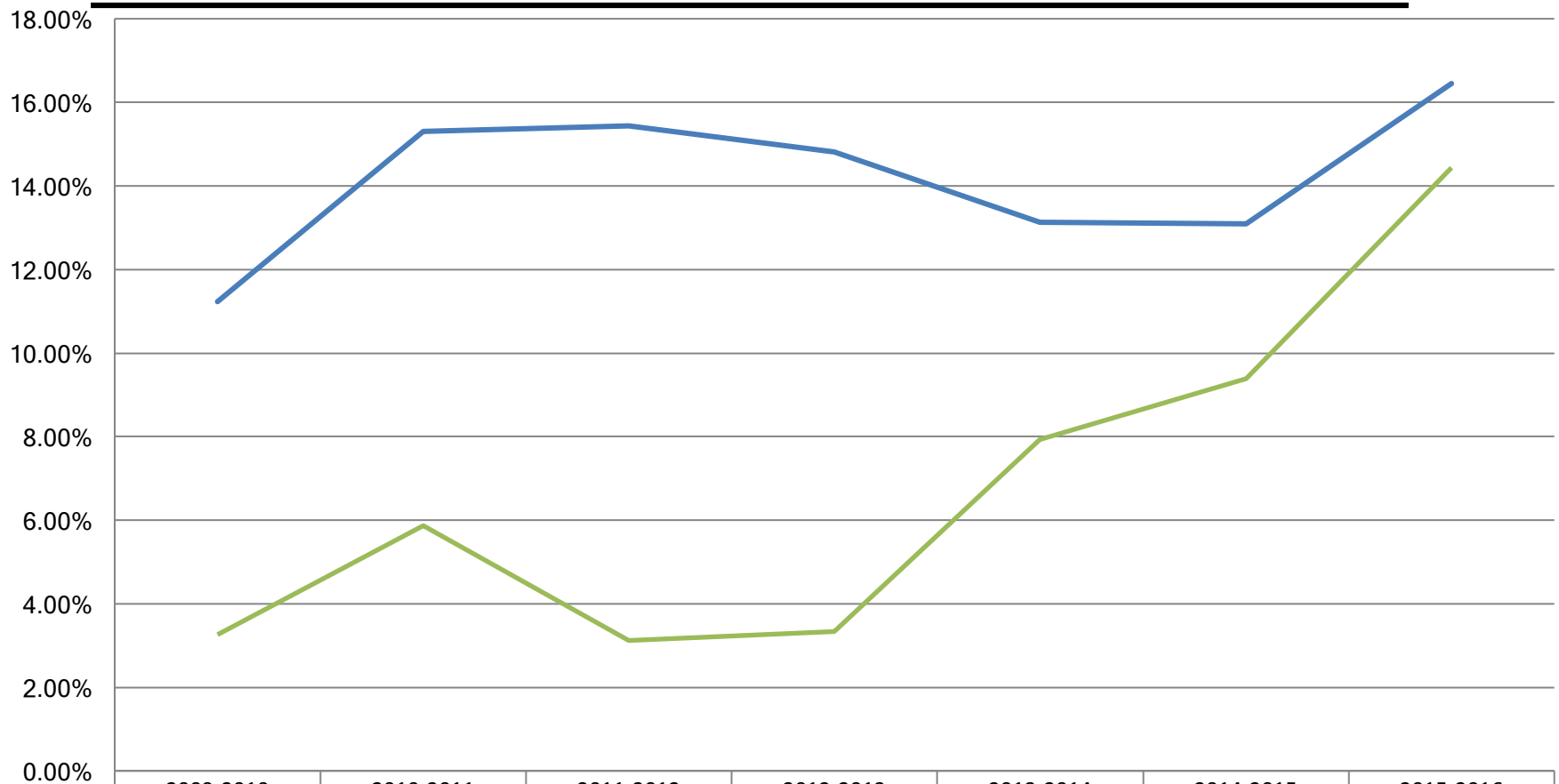
* Includes contributions of \$1.5 million to maintain Child Development programs and \$.230 million parent participation preschool

Statewide Historic Reserve Levels*



* Schools Services of California publication. E = Elementary SD, H = High School District, U= Unified School District

Unrestricted General Fund Average Unified School District Reserves vs. SCUSD



	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Unified District	11.23%	15.30%	15.44%	14.81%	13.13%	13.09%	16.45%
SCUSD	3.25%	5.86%	3.12%	3.33%	7.93%	9.39%	14.44%

Fiscal Condition

SCUSD is certifying the 2016-17 Second Interim as **Positive**, with the understanding of the fiduciary responsibility to maintain fiscal solvency for the current and two subsequent years.



Thank You

Questions?