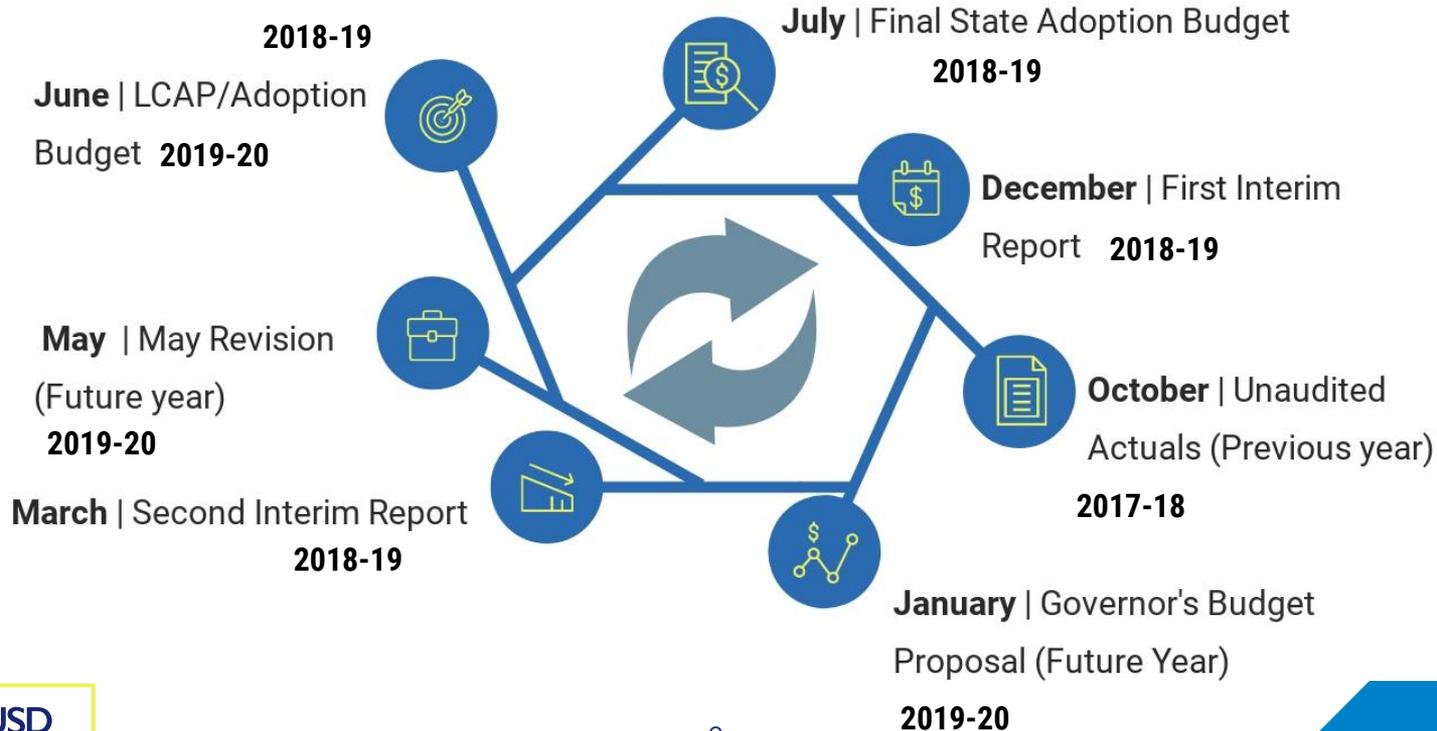


# Second Interim Budget Fiscal Year 2018-2019

March 21, 2019

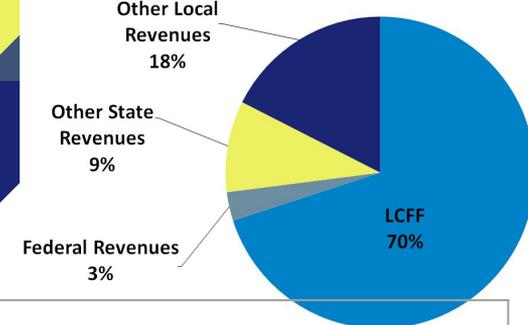
# Budget Reporting Cycle



# Second Interim Overview

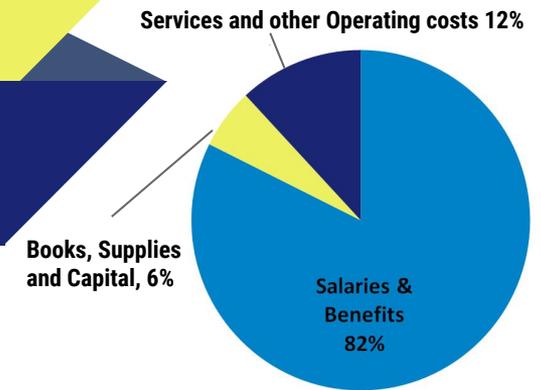
- Comparisons to First Interim Report
- Multi-Year Projections
- Considerations and Fiscal Sustainability

# Second Interim Compared to First Interim Total Revenues (Unrestricted and Restricted)



(In Thousands)	Unrestricted Variance FY 2018-19	Restricted Variance 2018-19	Total Variance	Reason(s)
LCFF	\$1	-	\$1	
Federal Revenues	-	\$17	\$17	Title I Funding
Other State Revenues	\$312	\$66	\$378	Grants: Classified Employee to Teacher, Classified Professional Development
Other Local Revenues	\$12	\$1,118	\$1,130	Local Solutions grant, local site & program donations
<b>Total Revenues</b>	<b>\$326</b>	<b>\$1,200</b>	<b>\$1,526</b>	

# Second Interim Compared to First Interim Total Expenditures (Unrestricted and Restricted)



(In Thousands)	Unrestricted Variance FY 2018-19	Restricted Variance 2018-19	Total Variance	Reason(s)
Salaries and Benefits	\$296	\$35	\$332	Payroll reconciliation
Books, Supplies and Capital	(\$132)	(\$284)	(\$416)	Chromebook lease, Clean Energy Projects, Local Donations and Grants
Services, Other Operating and Other Outgo	(\$389)	(\$809)	(\$1,198)	Insurance costs, Intern Grant, Local Solutions Grant, Local Donations
<b>Total Expenditures</b>	<b>(\$225)</b>	<b>(\$1,058)</b>	<b>(\$1,282)</b>	

# Multi-Year Projection (MYP) Assumptions for Second Interim (2018-2021)

- Enrollment and Attendance Declining
- LCFF = COLA Increase only (through 2021)
- Parcel Tax Rate will be Adjusted for Inflation
- Continued Cost Increases (pensions, net step and column)
- LCFF Supplemental Program Spending Requirements
- Budget Reductions to Meet 3% Reserve

# MYP Assumptions Since First Interim

- Decreased Enrollment of 66 Students (2018-2021) (-\$500K ongoing)
- Increase in Projected COLA (\$600K ongoing)
- Potential Cost Increase for Insurance (\$300K ongoing)
- Decreased Borrowing Costs (-\$300K ongoing)

# Second Interim Multi-Year Projection (Unrestricted)

(In Millions)	2018-19	2019-20	2020-21
<b>Beginning Balance July 1</b>	<b>\$6.0</b>	<b>\$4.0</b>	<b>\$3.3</b>
+ Revenues	\$82.2	\$82.5	\$84.6
- Expenditures	\$66.7	\$66.1	\$67.4
+ Other Financing Sources/Uses	(\$17.4)	(\$17.1)	(\$17.1)
<b>= Surplus/(Deficit) Spending</b>	<b>(\$2.0)</b>	<b>(\$0.8)</b>	<b>\$0.1</b>
<b>Ending Balance June 30</b>	<b>\$4.0</b>	<b>\$3.3</b>	<b>\$3.3</b>
<b>Ending Balance %</b>	<b>4.0%</b>	<b>3.3%</b>	<b>3.4%</b>

# Second Interim Multi-Year Projection (Restricted)

(In Millions)	2018-19	2019-20	2020-21
<b>Beginning Balance July 1</b>	<b>\$2.3</b>	<b>\$0.9</b>	<b>\$0.3</b>
+ Revenues	\$15.4	\$13.7	\$14.1
- Expenditures	\$33.9	\$31.0	\$30.8
+ Other Financing Sources/Uses	\$17.1	\$16.7	\$16.7
<b>= Surplus/(Deficit) Spending</b>	<b>(\$1.4)</b>	<b>(\$0.6)</b>	<b>\$0.0</b>
<b>Ending Balance June 30</b>	<b>\$0.9</b>	<b>\$0.3</b>	<b>\$0.3</b>

# Considerations and Fiscal Sustainability Indicators

- Recognize Year-to-Year Trends Including Declining Resident Enrollment and Deficit Spending
- Reserve Levels
- General Fund Contributions

# Important Reminders

- DJUSD is highly dependent on increases in State funding
- Reserve levels are currently at the minimum
- Fiscal distress is a common problem in districts with declining enrollment and multiple years of deficit spending

# Acknowledgements

The 2018-19 Second Interim Budget represents the time and effort of our District team. These budget revisions include extra efforts by school site staff, department staff and other program staff.

# Questions?