

Davis Joint Unified School District  
First Interim Budget  
Fiscal Year 2017-2018



# Budget Considerations

- DJUSD has a strong tradition of academic excellence and fiscal responsibility.
- While State funding has increased, it's not enough to pay for all the services we'd like to have for our students and families at this time.
- The Board and administration are committed to invest returning dollars strategically and wisely towards the future of our district.

# First Interim Budget Summary

- In summary, the First Interim Budget met expectations for all funds
- The Total General Fund ending balance of \$9.1 million is lower than the prior budget by \$2.9 million, mostly due to program carryover spending from prior year actuals
- The three year deferred maintenance program funds will be fully expended by the end of this year
- All variances, favorable or unfavorable will be reviewed and analyzed for future budget projections

# General Fund Budget Overview

- The District's funding is on a projected upward trend.
- The District's current "positive" budget certification is based upon:
  - Projected growth in LCFF revenue
  - Projected increase in local special education funding (SELPA)
  - Maintaining our existing level of programming and staff costs and spending down fund balance to cover budget deficits
  - The General Fund Budget deficit for the current year is up slightly from final staffing costs for salary placements, benefit costs, and collective bargaining
  - The District will need to continue the plan to use projected increases in State LCFF revenue to meet the future needs and costs of the district for student programs including staffing costs

# First Interim Overview

- School districts are required to file two interim reports during each fiscal year on the status of the District's financial health.
- These reports must include a certification of whether or not the district is able to meet its financial obligations.
- A positive certification is assigned when the district can meet its financial obligations for the current and two subsequent fiscal years.

# Our Budget Focus

- Revenue Projections
- Position Control
- Budget Carryover
- Focus on General Operating Fund

# Budget Revision Assumptions

## General Fund

2017-2018

- Final State Budget Act Assumptions
  - Local Control Funding Formula
  - One-Time Mandated Costs payment
- Projected Paid ADA of 7,735 based upon current year Projected P2
  - Actual DJUSD Enrollment of 8,037
  - Estimated funded ADA up 39 from 2017 Actuals
- Position Control – Stipends, Final Staffing levels and Salary Schedule Placements, Benefits

**DAVIS JOINT UNIFIED SCHOOL DISTRICT  
FIRST INTERIM GENERAL FUND SUMMARY**

Description	←----- 2017-18 BUDGET-----→		
	UNRESTRICTED	RESTRICTED	TOTAL
REVENUES	\$77,072,353	\$11,913,304	\$88,985,657
EXPENDITURES	\$63,282,567	\$29,391,474	\$92,674,041
OTHER FINANCING SOURCES/USES	(\$15,909,827)	\$15,797,086	(\$112,741)
<b>NET INCR. (DECR.) IN FUND BALANCE</b>	<b>(\$2,120,041)</b>	<b>(\$1,681,084)</b>	<b>(\$3,801,125)</b>
BEGINNING FUND BALANCE JULY 1ST	\$10,391,741	\$2,505,237	\$12,896,978
<b>ENDING FUND BALANCE JUNE 30TH</b> <i>RESERVE %</i>	<b>\$8,271,700</b> <b>8.9%</b>	\$824,153	\$9,095,853
<b><u>COMPONENTS OF ENDING BALANCE</u></b>			
Revolving Cash/Stores	\$47,500		\$47,500
Legally Restricted Balances	\$0	\$824,153	\$824,153
Designated for Economic Uncertainties	\$6,624,200		\$6,624,200
<i>Designated for Economic Uncertainties %</i>	<b>7.1%</b>		
<b><u>Other Assignments:</u></b>			
One-Time State Discretionary Funds	\$1,100,000		\$1,100,000
<i>Total Other Assignments %</i>	<b>1.2%</b>		
Unassigned/Unappropriated Amount	\$500,000	\$0	\$500,000
<i>Total Unassigned %</i>	<b>0.5%</b>		



**DAVIS JOINT UNIFIED SCHOOL DISTRICT  
FIRST INTERIM GENERAL FUND UNRESTRICTED SUMMARY**

Description	<----- 2017-18 BUDGET----->		
	BOARD APPROVED BUDGET	FIRST INTERIM BUDGET	DIFFERENCE
REVENUES	\$75,564,113	\$77,072,353	\$1,508,240
EXPENDITURES	\$60,961,348	\$63,282,567	(\$2,321,219)
OTHER FINANCING SOURCES/USES	(\$15,569,942)	(\$15,909,827)	(\$339,885)
<b>NET INCR. (DECR.) IN FUND BALANCE</b>	<b>(\$967,177)</b>	<b>(\$2,120,041)</b>	<b>(\$1,152,864)</b>
BEGINNING FUND BALANCE JULY 1ST	\$10,391,741	\$10,391,741	\$0
<b>ENDING FUND BALANCE JUNE 30TH</b>	<b>\$9,424,564</b>	<b>\$8,271,700</b>	<b>(\$1,152,864)</b>
<i>RESERVE %</i>	<i>11.1%</i>	<i>8.9%</i>	<i>-2.2%</i>
<b>COMPONENTS OF ENDING BALANCE</b>			
Revolving Cash/Stores	\$47,500	\$47,500	\$0
Designated for Economic Uncertainties	\$6,811,611	\$6,624,200	(\$187,411)
<i>Designated for Economic Uncertainties %</i>	<i>8.0%</i>	<i>7.1%</i>	<i>-0.9%</i>
<b>Other Assignments:</b>			
One-Time State Discretionary Funds	\$0	\$1,100,000	\$1,100,000
Carryover/Commitments	\$74,053	\$0	(\$74,053)
Classified Intern Program	\$147,341	\$0	(\$147,341)
LCFF Supplemental Grant Funding	\$287,232	\$0	(\$287,232)
Board Approved ELA Adoption	\$1,412,768	\$0	(\$1,412,768)
<i>Total Other Assignments %</i>	<i>2.3%</i>	<i>1.2%</i>	<i>-1.1%</i>
Unassigned/Unappropriated Amount	\$644,059	\$500,000	(\$144,059)
<i>Total Unassigned %</i>	<i>0.8%</i>	<i>0.5%</i>	<i>-0.2%</i>
<b>Operating Deficit - / Surplus +</b>	<b>(\$1,000,000)</b>	<b>(\$1,300,000)</b>	<b>(\$300,000)</b>

# Unrestricted Differences +Favorable / - Unfavorable

## ➤ Revenue +\$1,508,240

- LCFF Revenue +\$350k
  - Higher ADA
- Other State Revenues +\$1,060k
  - One-Time Mandated Costs payment
- Other Local Revenues +\$98k
  - Other Lease and Interest

# Unrestricted Differences

## +Favorable / - Unfavorable

### ➤ Expenditures -\$2,321,219

- Salaries & Benefits -\$677k
  - Salary placements and benefit costs
  - Collective bargaining
- Supplies, Services and Capital -\$1,769k
  - Curriculum Adoption Purchase from prior year
  - Program Carryover & Utilities
- Other outgo/Indirect Costs +\$125k

### ➤ Other Financing -\$339,885

- Transfers out to other funds +\$43k
- Restricted Maintenance Contribution -\$303k
- Special Education Contribution -\$76k

# Unrestricted Risks and Opportunities

## ➤ Risks

- Attendance rate (decreased ADA)
- Special Education costs
- Technology

## ➤ Opportunities

- Under spending
- Increased revenues

**DAVIS JOINT UNIFIED SCHOOL DISTRICT  
FIRST INTERIM GENERAL FUND RESTRICTED SUMMARY**

Description	<----- 2017-18 BUDGET ----->		
	BOARD APPROVED BUDGET	FIRST INTERIM BUDGET	DIFFERENCE
REVENUES	\$8,651,704	\$11,913,304	\$3,261,600
EXPENDITURES	\$24,027,651	\$29,391,474	(\$5,363,823)
OTHER FINANCING SOURCES/USES	\$15,413,806	\$15,797,086	\$383,280
<b>NET INCR. (DECR.) IN FUND BALANCE</b>	<b>\$37,859</b>	<b>(\$1,681,084)</b>	<b>(\$1,718,943)</b>
BEGINNING FUND BALANCE JULY 1ST	\$2,505,237	\$2,505,237	\$0
ENDING FUND BALANCE JUNE 30TH	\$2,543,096	\$824,153	(\$1,718,943)
<b><u>COMPONENTS OF ENDING BALANCE</u></b>			
Legally Restricted Balances	\$2,543,096	\$824,153	(\$1,718,943)
Unassigned/Unappropriated Amount	\$0	\$0	\$0

<b><u>RESTRICTED BALANCE DETAIL</u></b>			
<i>California Energy Jobs Act</i>	\$820,322	\$0	(\$820,322)
<i>Lottery Instructional Materials</i>	\$38,087	\$0	(\$38,087)
<i>College Readiness Block Grant</i>	\$50,000	\$25,000	(\$25,000)
<i>Donations and Grants</i>	\$1,634,687	\$799,153	(\$835,534)
<b>TOTAL LEGALLY RESTRICTED BALANCES</b>	<b>\$2,543,096</b>	<b>\$824,153</b>	<b>(\$1,718,943)</b>

# Restricted Differences

## +Favorable / - Unfavorable

### ➤ Revenue +\$3,261,600

- Federal Revenue +\$335k
  - Title I
  - Deferred Revenue
- Other State Revenue +\$2,015k
  - Pension Accounting - Expense offset
  - State One-Time Categorical Grants (deferred revenue)
- Other Local +\$912k
  - Local Grants & Donations increase (+)
  - Special Education (SELPA) (+)

# Restricted Differences

## +Favorable / - Unfavorable

- Expenditures -\$5,363,823
  - Salaries & Benefits -\$1,841k
    - Pension Accounting – Revenue Offset
    - Salary placements and benefit costs
  - Supplies, Services and Capital -\$3,469k
    - Clean Energy Projects
    - Instructional Materials
    - CTE Grant
    - Carryover spending from local donations
  - Indirect Costs and Other Outgo -\$54k
- Other Financing +\$383,280
  - Restricted Maintenance Contribution (+\$303k)
  - Special Education Contribution (+\$76k)

# Restricted Risks and Opportunities

## ➤ Risks

- Special Education revenue & expense
  - Increased students and service levels

## ➤ Opportunities

- Staffing and service levels
- Under spending of expenditures
- Revenue increases

# Multi-Year Projections





# Multiyear Projections (MYP)

- Multiyear Projections are required by AB 1200 (Chapter 1213/1991) and AB 2758 (Chapter 52/2004)
- Multiyear financial planning is a sound business practice that all well-run organizations do regardless of any legal requirements
- Recognize that MYPs are projections, not forecasts
  - Projections are expected to change as various factors change – they are not predictions
  - Projections are the mathematical result of today's decisions based on a given set of assumptions
  - Forecasts are predictions of the future – there is a higher implied reliability factor than for projections
- Projections will change any time the underlying factors change – therefore, plan to adjust as conditions change

# District First Interim December

- Key Assumptions (Next Year 2018-19)
  - LCFF Revenue, +\$2,300,000
  - Local Special Education (SELPA), +\$700,000
    - Decreases required General Fund contribution to fund special education program
    - Significantly reduces structural budget deficit
    - Structural budget deficit eliminated in 2019-20
  - Cost increases
    - Increased pension costs (STRS/PERS)
    - Net Step and Column (Salary placement changes)
    - Inflation and program costs
  - LCFF/LCAP Supplemental program spending requirements

# Multiyear Projections

## General Fund

Key Assumptions	2017-18	2018-19	2019-20
Enrollment (Non-Charter)	8,037	8,037	8,037
<i>Change in Enrollment</i>	<i>50</i>	<i>-</i>	<i>-</i>
Average Daily Attendance (ADA)	7,735	7,735	7,735
<i>Change in ADA</i>	<i>39</i>	<i>-</i>	<i>-</i>
Total LCFF Funding per ADA (RATE)	<b>\$8,280</b>	<b>\$8,574</b>	<b>\$8,806</b>
PROJECTED COLA %	1.56%	2.15%	2.35%
PROJECTED LCFF GAP FUNDING %	43.19%	66.12%	64.92%
PROJECTED LCFF GROWTH % (RATE)	2.33%	3.56%	2.70%
<b>TOTAL LCFF REVENUE</b>	<b>\$64,038,748</b>	<b>\$66,318,705</b>	<b>\$68,109,715</b>
<b>LCFF FUNDING CHANGE</b>	<b>\$1,768,786</b>	<b>\$2,279,957</b>	<b>\$1,791,010</b>
<b>PARCEL TAX REVENUE</b>	<b>\$9,647,820</b>	<b>\$9,947,820</b>	<b>\$10,197,820</b>
Projected Step & Column Increases		<b>\$1,062,000</b>	<b>\$1,062,000</b>
Pension Contribution Increase STRS	<b>\$760,000</b>	<b>\$770,000</b>	<b>\$770,000</b>
Pension Contribution Increase PERS	<b>\$280,000</b>	<b>\$440,000</b>	<b>\$470,000</b>
<b>TOTAL UNRESTRICTED RESERVE %</b>	<b>8.9%</b>	<b>9.0%</b>	<b>9.2%</b>
<b>RESERVE FOR ECONOMIC UNCERTAINTIES %</b>	<b>7.1%</b>	<b>7.1%</b>	<b>7.4%</b>
<b>RESERVE FOR OTHER ASSIGNMENTS %</b>	<b>1.2%</b>	<b>1.2%</b>	<b>1.2%</b>

# District 2018-19 Projected LCFF Growth

<b>+ 2018-19 LCFF Revenue Increase:</b>	<b>\$2,300,000</b>
<b>Less expenditures increases:</b>	
<b>Increased pension costs:</b>	<b>\$1,200,000</b>
<b>Net step and column:</b>	<b>\$600,000</b>
<b>Net Other cost increases:</b>	<b>\$100,000</b>
<b>LCAP Supplemental Services:</b>	<b>\$200,000</b>
<b>Teacher staffing for class loading:</b>	<b>TBD</b>
<b>Deficit spending reduction:</b>	<b>\$100,000</b>
<b>Collective Bargaining:</b>	<b>\$100,000</b>
<b>Other program increases:</b>	<b>TBD</b>
<b>Total Projected Increases</b>	<b>\$2,300,000</b>

# Core Challenge

## 1. Structural Deficit



# Multiyear Projections

## General Fund – Unrestricted: Before SELPA

Description	2017-18	2018-19	2019-20
REVENUES	\$77,072,353	\$78,503,806	\$80,386,368
EXPENDITURES	\$63,282,567	\$63,399,144	\$64,989,844
OTHER FINANCING SOURCES/USES	(\$15,909,827)	(\$15,911,494)	(\$15,986,978)
<b>NET INCR. (DECR.) IN FUND BALANCE</b>	<b>(\$2,120,041)</b>	<b>(\$806,832)</b>	<b>(\$590,454)</b>
BEGINNING FUND BALANCE JULY 1ST	\$10,391,741	\$8,271,700	\$7,464,868
ENDING FUND BALANCE JUNE 30TH	\$8,271,700	\$7,464,868	\$6,874,414
<i>RESERVE %</i>	<i>8.9%</i>	<i>8.2%</i>	<i>7.5%</i>
<b>COMPONENTS OF ENDING BALANCE</b>			
Revolving Cash/Stores/Prepaid	\$47,500	\$47,500	\$47,500
Designated for Economic Uncertainties \$	\$6,624,200	\$5,817,368	\$5,226,914
<i>Designated for Economic Uncertainties %</i>	<i>7.1%</i>	<i>6.4%</i>	<i>5.7%</i>
<b>Other Assignments</b>			
One-Time State Discretionary Funds	\$1,100,000	\$1,100,000	\$1,100,000
<i>Total Other Assignments %</i>	<i>1.2%</i>	<i>1.2%</i>	<i>1.2%</i>
Unassigned Amount	\$500,000	\$500,000	\$500,000
<i>Unassigned/Unappropriated %</i>	<i>0.5%</i>	<i>0.5%</i>	<i>0.5%</i>
<b>Operating Deficit - / Surplus +</b>	<b>(\$1,300,000)</b>	<b>(\$800,000)</b>	<b>(\$600,000)</b>

# Multiyear Projections

## SELPA Local Revenue Change

	2017-18	2018-19	2019-20
<b>RESTRICTED SELPA LOCAL REVENUE</b>	<b>\$2,719,292</b>	<b>\$3,419,292</b>	<b>\$3,619,292</b>
<i>NEGOTIATED ANNUAL INCREASE</i>		<i>\$700,000</i>	<i>\$200,000</i>
<i>CUMMULATIVE INCREASE</i>		<i>\$700,000</i>	<i>\$900,000</i>
<b>UNRESTRICTED OTHER FINANCING SOURCES/USES:</b>			
<b>BEFORE SELPA REVENUE CHANGE</b>	<b>(\$15,909,827)</b>	<b>(\$15,911,494)</b>	<b>(\$15,986,978)</b>
<b>AFTER SELPA REVENUE CHANGE</b>	<b>(\$15,909,827)</b>	<b>(\$15,211,494)</b>	<b>(\$15,086,978)</b>
<i>UNRESTRICTED BUDGET DEFICIT REDUCTION</i>	<i>\$0</i>	<i>\$700,000</i>	<i>\$900,000</i>

# Multiyear Projections

## General Fund – Unrestricted: After SELPA

Description	2017-18	2018-19	2019-20
REVENUES	\$77,072,353	\$78,503,806	\$80,386,368
EXPENDITURES	\$63,282,567	\$63,399,144	\$64,989,844
OTHER FINANCING SOURCES/USES	(\$15,909,827)	(\$15,211,494)	(\$15,086,978)
<b>NET INCR. (DECR.) IN FUND BALANCE</b>	<b>(\$2,120,041)</b>	<b>(\$106,832)</b>	<b>\$309,546</b>
BEGINNING FUND BALANCE JULY 1ST	\$10,391,741	\$8,271,700	\$8,164,868
<b>ENDING FUND BALANCE JUNE 30TH</b>	<b>\$8,271,700</b>	<b>\$8,164,868</b>	<b>\$8,474,414</b>
<i>RESERVE %</i>	<i>8.9%</i>	<i>9.0%</i>	<i>9.2%</i>
<b>COMPONENTS OF ENDING BALANCE</b>			
Revolving Cash/Stores/Prepaid	\$47,500	\$47,500	\$47,500
Reserve for Economic Uncertainties	\$6,624,200	\$6,517,368	\$6,826,914
<i>Reserve for Economic Uncertainties %</i>	<i>7.1%</i>	<i>7.1%</i>	<i>7.4%</i>
<b>Other Assignments:</b>			
One-Time State Discretionary Funds	\$1,100,000	\$1,100,000	\$1,100,000
<i>Total Other Assignments %</i>	<i>1.2%</i>	<i>1.2%</i>	<i>1.2%</i>
Unassigned/Unappropriated Amount	\$500,000	\$500,000	\$500,000
<i>Unassigned/Unappropriated %</i>	<i>0.5%</i>	<i>0.5%</i>	<i>0.5%</i>
<b>Operating Deficit - / Surplus +</b>	<b>(\$1,300,000)</b>	<b>(\$100,000)</b>	<b>\$300,000</b>

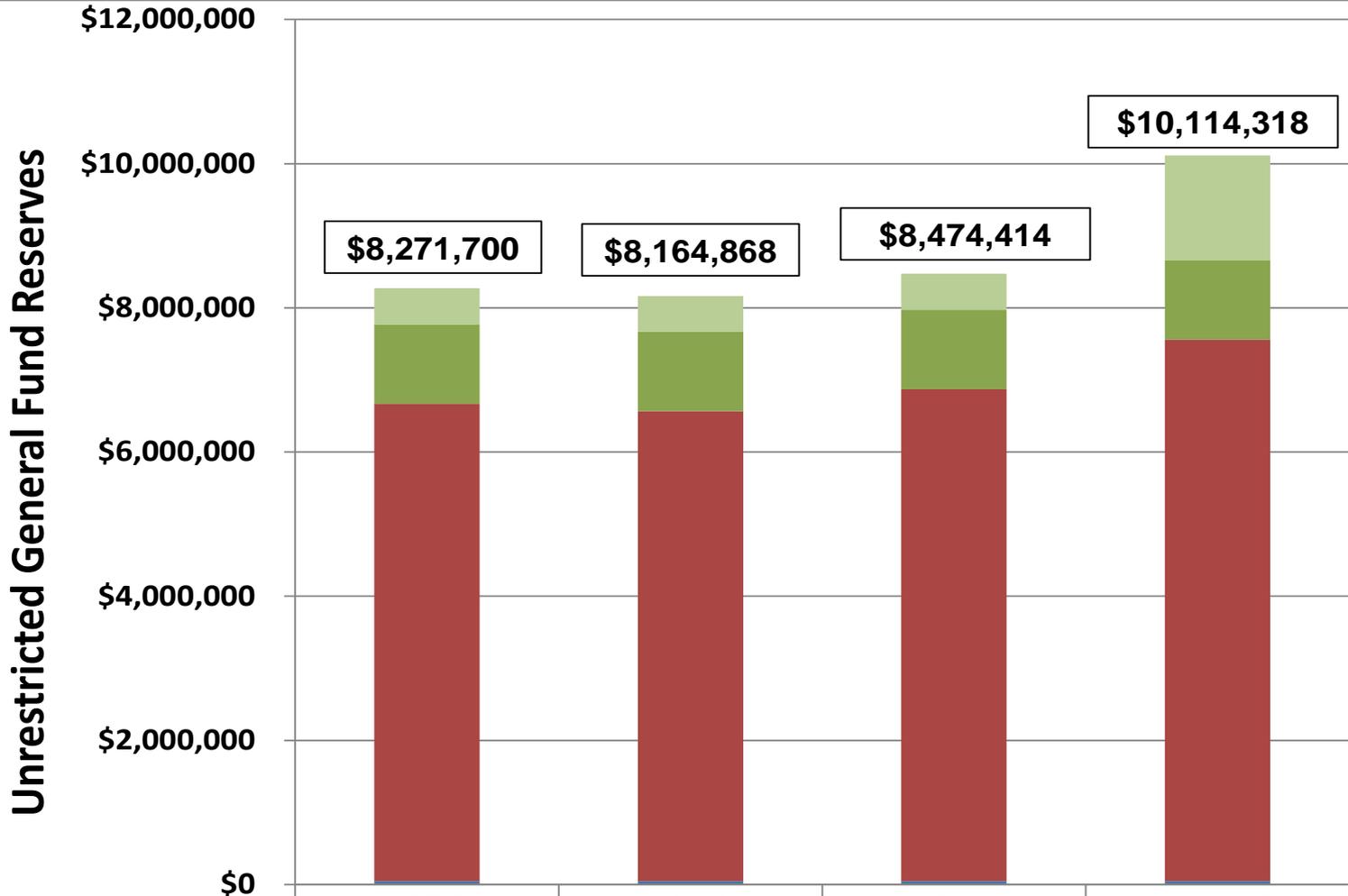
# Reserves Analysis



# Reserve Components

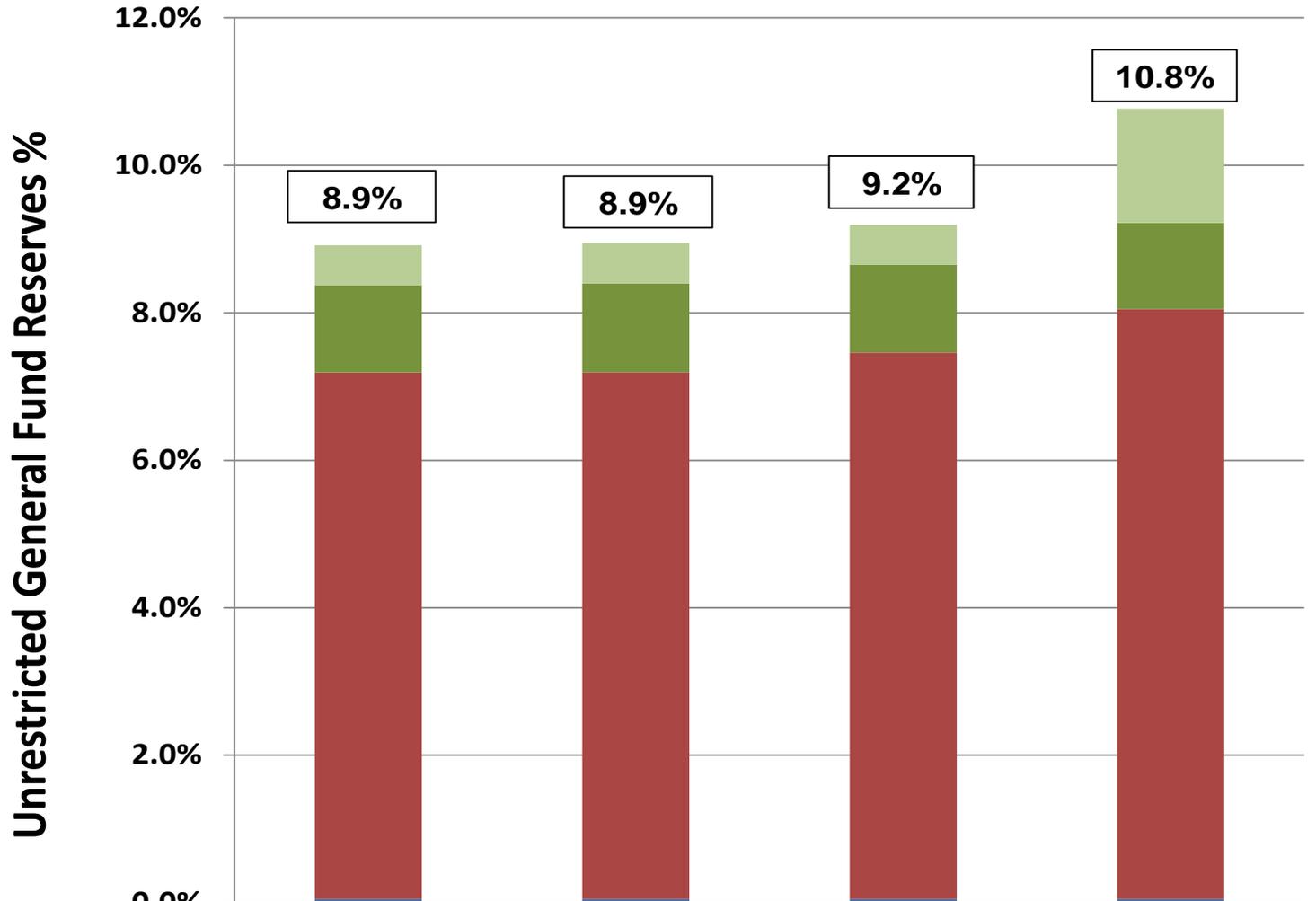
- State required minimum reserve for Economic Uncertainties - 3%
  - Not for use as a spending reserve, supposed to support an adequate reserve level for unknown events
  - Not considered adequate for the defined purpose by FCMAT (Fiscal Crisis Mgmt. Assistance Team)
  - Use of this reserve puts district into fiscal oversight by County Office of Education
- Non-Spendable
  - Revolving Cash, Inventory, Pre-paid expenditures
- Restricted
  - Restricted use by funding source (Not included in reserve calculation %)
- Committed
  - Committed for a specific purpose by board vote
- Assigned
  - Assigned for a specific purpose as part of the budgeting process
  - Uses include setting aside for future year expenditures/liabilities;
  - Contingencies above the 3% minimum;
  - Risk from future revenue sources
- Unassigned/Unappropriated

# First Interim Unrestricted Reserves



	2017-18	2018-19	2019-20	2020-21
Unassigned/Unappropriated	\$500,000	\$500,000	\$500,000	\$1,454,297
One-Time State Discretionary Funds	\$1,100,000	\$1,100,000	\$1,100,000	\$1,100,000
Reserve for Economic Uncertainties	\$6,624,200	\$6,517,368	\$6,826,914	\$7,512,521
Revolving Cash/Stores/Prepaid	\$47,500	\$47,500	\$47,500	\$47,500

# First Interim Unrestricted Reserves

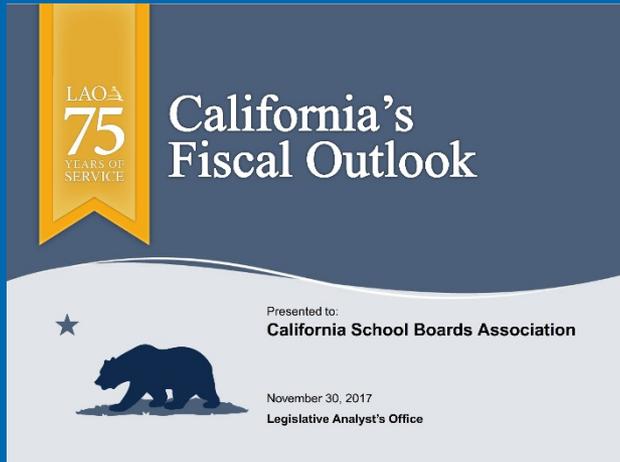


	2017-18	2018-19	2019-20	2020-21
Unassigned/Unappropriated	0.5%	0.5%	0.5%	1.6%
One-Time State Discretionary Funds	1.2%	1.2%	1.2%	1.2%
Reserve for Economic Uncertainties	7.1%	7.1%	7.4%	8.0%
Revolving Cash/Stores/Prepaid	0.1%	0.1%	0.1%	0.1%

# What-If Scenarios

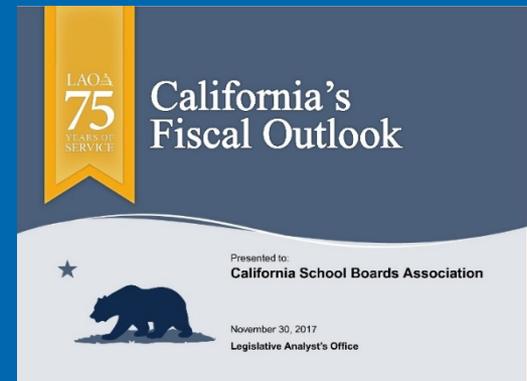


# What-If Scenarios



- Legislative Analyst's Office Budget Report
  - Base Plan
    - Strong growth
    - LCFF growth acceleration
    - Lower inflation
  - Recession Scenario
    - Drop in Prop 98 K-12 funding starting 2019-20

# Multiyear Projections General Fund – Unrestricted: LAO Growth



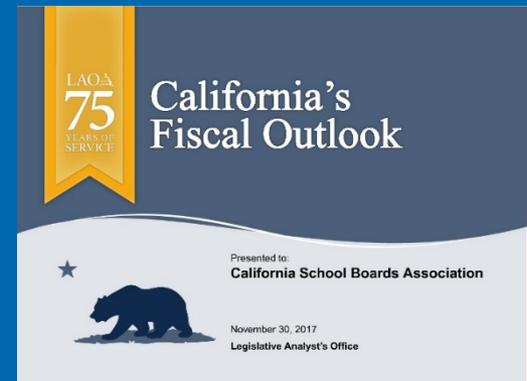
Description	2018-19	2019-20	2020-21
<b>CURRENT DEPARTMENT OF FINANCE PROJECTIONS</b>			
LCFF GAP Funding Percent	66.12%	64.92%	100.00%
Change in LCFF Revenue	\$2,300,000	\$1,800,000	\$2,800,000
<b>LAO GROWTH PROJECTIONS</b>			
LCFF GAP Funding Percent	100.00%	100.00%	100.00%
Change in LCFF Revenue	\$3,200,000	\$600,000	\$700,000
<b>ANNUAL DIFFERENCE</b>	\$900,000	(\$1,200,000)	(\$2,100,000)
<b>CUMULATIVE DIFFERENCE</b>	\$900,000	(\$300,000)	(\$2,400,000)

# Multiyear Projections

## General Fund – Unrestricted: LAO Growth

Description	2017-18	2018-19	2019-20	2020-21
REVENUES	\$77,072,353	\$79,403,806	\$80,086,368	\$81,065,257
EXPENDITURES	\$63,282,567	\$63,399,144	\$64,989,844	\$66,638,642
OTHER FINANCING SOURCES/USES	(\$15,909,827)	(\$15,211,494)	(\$15,086,978)	(\$15,186,711)
<b>NET INCR. (DECR.) IN FUND BALANCE</b>	<b>(\$2,120,041)</b>	<b>\$793,168</b>	<b>\$9,546</b>	<b>(\$760,096)</b>
BEGINNING FUND BALANCE JULY 1ST	\$10,391,741	\$8,271,700	\$9,064,868	\$9,074,414
ENDING FUND BALANCE JUNE 30TH	\$8,271,700	\$9,064,868	\$9,074,414	\$8,314,318
<i>RESERVE %</i>	<i>8.9%</i>	<i>9.9%</i>	<i>9.8%</i>	<i>8.9%</i>
<b>COMPONENTS OF ENDING BALANCE</b>				
Revolving Cash/Stores/Prepaid	\$47,500	\$47,500	\$47,500	\$47,500
Designated for Economic Uncertainties \$	\$6,624,200	\$7,300,016	\$7,373,937	\$6,666,818
<i>Designated for Economic Uncertainties %</i>	<i>7.1%</i>	<i>8.0%</i>	<i>8.0%</i>	<i>7.1%</i>
<b>Other Assignments</b>				
One-Time State Discretionary Funds	\$1,100,000	\$1,100,000	\$1,100,000	\$1,100,000
<i>Total Other Assignments %</i>	<i>1.2%</i>	<i>1.2%</i>	<i>1.2%</i>	<i>1.2%</i>
Unassigned Amount	\$500,000	\$617,352	\$552,977	\$500,000
<i>Unassigned/Unappropriated %</i>	<i>0.5%</i>	<i>0.7%</i>	<i>0.6%</i>	<i>0.5%</i>
<b>Operating Deficit - / Surplus +</b>	<b>(\$1,300,000)</b>	<b>\$800,000</b>	<b>\$0</b>	<b>(\$800,000)</b>

# Multiyear Projections General Fund – Unrestricted: LAO Recession



Description	2018-19	2019-20	2020-21
<b>CURRENT DEPARTMENT OF FINANCE PROJECTIONS</b>			
LCFF GAP Funding Percent	66.12%	64.92%	100.00%
Change in LCFF Revenue	\$2,300,000	\$1,800,000	\$2,800,000
<b>LAO RECESSION PROJECTIONS</b>			
LCFF GAP Funding Percent	100.00%	100.00%	100.00%
Change in LCFF Revenue	\$3,200,000	(\$4,300,000)	(\$2,100,000)
<b>ANNUAL DIFFERENCE</b>	\$900,000	(\$6,100,000)	(\$4,900,000)
<b>CUMULATIVE DIFFERENCE</b>	\$900,000	(\$5,200,000)	(\$10,100,000)

# Multiyear Projections

## General Fund – Unrestricted: LAO Recession

Description	2017-18	2018-19	2019-20	2020-21
REVENUES	\$77,072,353	\$79,403,806	\$74,286,368	\$72,465,257
EXPENDITURES	\$63,282,567	\$63,399,144	\$64,989,844	\$66,638,642
OTHER FINANCING SOURCES/USES	(\$15,909,827)	(\$15,211,494)	(\$15,086,978)	(\$15,186,711)
<b>NET INCR. (DECR.) IN FUND BALANCE</b>	<b>(\$2,120,041)</b>	<b>\$793,168</b>	<b>(\$5,790,454)</b>	<b>(\$9,360,096)</b>
BEGINNING FUND BALANCE JULY 1ST	\$10,391,741	\$8,271,700	\$9,064,868	\$3,274,414
<b>ENDING FUND BALANCE JUNE 30TH</b>	<b>\$8,271,700</b>	<b>\$9,064,868</b>	<b>\$3,274,414</b>	<b>(\$6,085,682)</b>
<i>RESERVE %</i>	<i>8.9%</i>	<i>9.9%</i>	<i>3.6%</i>	<i>-6.5%</i>
<b>COMPONENTS OF ENDING BALANCE</b>				
Revolving Cash/Stores/Prepaid	\$47,500	\$47,500	\$47,500	\$47,500
Designated for Economic Uncertainties \$	\$6,624,200	\$7,300,016	\$1,626,914	\$0
<i>Designated for Economic Uncertainties %</i>	<i>7.1%</i>	<i>8.0%</i>	<i>1.8%</i>	<i>0.0%</i>
<b>Other Assignments</b>				
One-Time State Discretionary Funds	\$1,100,000	\$1,100,000	\$1,100,000	\$1,100,000
<i>Total Other Assignments %</i>	<i>1.2%</i>	<i>1.2%</i>	<i>1.2%</i>	<i>1.2%</i>
Unassigned Amount	\$500,000	\$617,352	\$500,000	(\$7,233,182)
<i>Unassigned/Unappropriated %</i>	<i>0.5%</i>	<i>0.7%</i>	<i>0.5%</i>	<i>-7.7%</i>
<b>Operating Deficit - / Surplus +</b>	<b>(\$1,300,000)</b>	<b>\$800,000</b>	<b>(\$5,800,000)</b>	<b>(\$9,400,000)</b>

# Summary Analysis



- DJUSD is highly dependent upon increases in State Funding
- Reserves as reported at First Interim are adequate at this snapshot
- DJUSD must use caution in spending down one-time reserves for on-going activities

# Going Forward

- Governor's January Budget
  - State budget priorities
- Budget process Jan-May
  - Local Control Accountability Plan (LCAP)
  - Enrollment and staffing assumptions
  - Collective Bargaining
  - Budget planning
- Second Interim update March 15<sup>th</sup>
  - January State Budget assumptions
  - Staffing and Enrollment projections
  - Budget allocations
- Governor's May Revise and Approved State Budget
- District Budget Adoption

# Other Funds

- Updated program budgets for updated revenue and expense assumptions
- Monitor cash levels

# Questions

