



# 2014-2015 REVISED BUDGET

July 31, 2014

**DRAFT**

**V.2**

## Executive Summary

- Governor Brown signed the State Budget on June 25, 2014.
- The District has 45 days from signing to incorporate changes to the District's budget and share the changes with the public.
- The District reported the changes at Budget Adoption, but had not incorporated them into the budget at that time.
- This report package provides the revised budget that incorporates the final changes as adopted by the Governor.
- Changes are:
  - Increase in LCFF Funding – “gap” funding was increased from 28.06% to **29.56%**
  - Decrease in required contribution to STRS from 9.50% included in budget to 8.88%.
- **Net impact is additional resources of \$2.5 million.**
- Only Fund 1, the General Fund, is provided. The impact on other funds is not substantive as it is only to the extent they have certificated employees (STRS decrease).

## Executive Summary – Changes to Multi Year Projections

- The State has also adjusted its estimate of future year LCFF funding.
  - Gap funding in 2015-16 has been reduced from 30.39% to 20.68%, resulting in estimated additional funds going from \$23.0 million to \$15.3 million, **a reduction of \$7.7 million.**
  - Gap funded in 2016-17 increased from 19.50% to 25.48%, resulting in estimated additional funds going from \$11.8 million to \$16.9 million, **an increase of \$5.2 million.**
  - Net impact over next two years is **\$2.5 million less** than projected in Adopted Budget.
- Multiyear projections will be updated for the First Interim Report with the most current information available at that time.

## UNRESTRICTED GENERAL FUND – 2014-15 Revised Budget based on State Budget

Unrestricted General Fund		2014-15 Revised Budget	2014-15 Adopted Budget	Diff
LCFF Revenues		\$ 284,277,906	\$ 282,694,111	\$ 1,583,795
Other State & Federal Revenue		9,075,477	9,075,477	-
Local Revenue		26,207,225	26,207,225	-
Transfer-In & Sources		734,067	734,067	-
<b>Total Revenues &amp; Sources</b>	<b>a</b>	<b>320,294,675</b>	<b>318,710,880</b>	<b>1,583,795</b>
Salaries,Supplies,Services & Equipment		268,691,392	269,582,396	(891,004)
Other Outgo (Pass Throughs / Debt Service)		8,351,091	8,351,091	-
Indirect Cost (Expense Offset)		(3,779,733)	(3,779,733)	-
Contributions & Transfers Out		38,354,270	38,354,270	-
<b>Total Expenses &amp; Uses</b>	<b>b</b>	<b>311,617,020</b>	<b>312,508,024</b>	<b>(891,004)</b>
				-
<b>Change in Fund Balance</b>	<b>a-b=c</b>	<b>\$ 8,677,655</b>	<b>\$ 6,202,856</b>	<b>\$ 2,474,799</b>
				-
Beginning Fund Balance	<b>d</b>	14,095,544	14,095,544	-
				-
<b>Ending Fund Balance</b>	<b>c+d=e</b>	<b>\$ 22,773,199</b>	<b>\$ 20,298,400</b>	<b>\$ 2,474,799</b>

**UNRESTRICTED GENERAL FUND – 2014-15 Revised Budget (FUND BALANCE DETAILS)**

Unrestricted General Fund	2014-15 Revised Budget	2014-15 Adopted Budget	Diff
<b>Ending Fund Balance</b>	<b>\$ 22,773,199</b>	<b>\$ 20,298,400</b>	<b>\$ 2,474,799</b>
<b>Components of the Ending Fund Balance:</b>			
Reserve for Economic Uncertainty	8,242,171	8,281,171	(39,000)
<b>Designated for the Following:</b>			
Audit & Audit Findings (ONE-TIME)	4,808,115	4,769,115	39,000
Set Aside for Ongoing Items (ON-GOING)	8,677,655	6,202,856	2,474,799
Early Retirement Pgm Approved 2011-12 (ONE-TIME)	895,258	895,258	-
Revolving Cash (ONE-TIME)	150,000	150,000	-
<b>Total Ending Fund Balance</b>	<b>\$ 22,773,199</b>	<b>\$ 20,298,400</b>	<b>\$ 2,474,799</b>
Reserve for Economic Uncertainty is the 2% minimum required for OUSD per State Dept. of Ed, however the Board policy requires 3%. Staff has been directed by the board to lower this reserve to the 2% required by the State and designate the difference to Audit and Audit Findings			