

2015-2016 Proposed Budget

	2014-15 2nd Interim (March 2015)	2014-15 June Update (June 2015)	2015-16 Proposed Budget
Revenues			
Taxes	4,809,146	4,802,193	4,864,983
LCFF/EPA	785,277	784,543	781,389
Federal Revenue	444,881	463,900	357,894
State Revenue	227,513	225,880	331,662
Local Revenue	558,335	610,908	522,981
Transfers In	93,129	93,129	85,085
Total Revenues	6,918,281	6,980,554	6,943,994
Expenses			
Cert Salaries	2,322,744	2,311,804	2,478,854
Class Salaries	1,481,098	1,460,237	1,501,892
Emp Benefits	1,696,183	1,636,705	1,809,098
Books/Supplies	460,029	522,227	404,809
Services & Operations	777,809	808,464	776,057
Capital Outlay	14,679	14,679	211,465
Other Outgo	6,855	6,855	6,855
Transfers Out	243,808	265,065	280,748
Total Expenses	7,003,205	7,026,037	7,469,779
Excess/(Deficit)	(84,924)	(45,483)	(525,784)
Beginning Fund Balance	2,146,837	2,146,837	2,101,354
Ending Fund Balance	2,061,913	2,101,354	1,575,570

Revenue: 2014-15 2nd Interim to June Update (Total +0.91%)
 Taxes: +0.2% (P-2 Mendocino & Sonoma tax update)
 Charter cash-in-lieu cost: +3.6% (LCFF calculator update)
 LCFF: +0.09% (slight EPA decrease)
 Federal: +4.3% (1 add'l quarter of MAA \$)
 State & Local: +6.5% (Microsoft settlement \$)
 Total: +0.91%

Revenue: 14-15 June Update to 15-16 Proposed (Total: -0.4%)
 Taxes: +1.9% estimated increase
 LCFF/EPA: -4.1% (LCFF calculator update)
 Charter cash-in-lieu cost: +6.9% (LCFF calculator update)
 Federal: -22.8% (less Impact Aid budgeted; no MAA \$ budgeted)
 State: +46.8% (less Mandated Cost \$; plus Prop39 planning \$)
 - note: Prop39 planning funds is dependent on plan approval, which is estimated to occur in the 15-16 fiscal year (for planning funds).
 Local: -14.4% (less 1x funds ie. Microsoft settlement \$)

Expenses: 14-15 2nd Interim to June Update (Total: +0.33%)
 Salaries: -0.8% (net of employee changes; leaves)
 Benefits: -3.5% (in tandem with salary changes; OPEB adj.s)
 Bks/Supplies: +13.5% (net of add'l computers; maint. & transportation exp.s; fuel savings)
 Svcs/Ops: +3.9% (net of add'l conference exp.s; Charter reciprocal trsfr cost; utility & communications savings)
 Trsfrs Out: +8.7% (roof, bus, cafeteria bldg & equip set asides)

Expenses: 14-15 June Update to 15-16 Proposed (Total: +6.3%)
 Salaries: +5.5% (ELD tchr; full-time Counselor, HS Princ., added Spanish, added PE, summer school)
 Benefits: +10.5% (in tandem w/ salary changes; STRS 10.73%, PERS 11.85%, WC 4.65% rate increases; H&W \$14,120)
 Bks/Supplies: -22.5% (less 1x costs ie. locks, lockers, Art rm)
 Svcs/Ops: -9.85% (less 1x costs ie. weight rm move, ATC move)
 CapOutlay: Prop39-related projects; old Cafeteria tables

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2015-2016 Proposed Budget & Multi-Year Projections

	Proposed Budget	Multi-Year	
	2015-16	2016-17	2017-18
Taxes	4,864,983	4,973,323	5,083,829
LCFF/EPA	781,389	781,389	781,389
Federal Revenue	357,894	357,894	357,894
State Revenue	331,662	428,441	428,441
Local Revenue	522,981	522,981	522,981
Transfers In	85,085	85,085	85,085
Total Revenues	6,943,994	7,149,113	7,259,620
Expenses			
Cert Salaries	2,478,854	2,507,416	2,539,714
Class Salaries	1,501,892	1,524,018	1,545,989
Emp Benefits	1,809,098	1,868,929	1,936,972
Books/Supplies	404,809	404,809	404,809
Services & Ops	776,057	776,057	776,057
Capital Outlay	211,465	190,552	230,552
Other Outgo	6,855	6,855	6,855
Transfers Out	280,748	289,108	295,192
Total Expenses	7,469,779	7,567,745	7,736,140
Excess/(Deficit)	(525,784)	(418,631)	(476,520)
Beginning Fund Balance	2,101,354	1,575,570	1,156,938
Ending Fund Balance	1,575,570	1,156,938	680,418

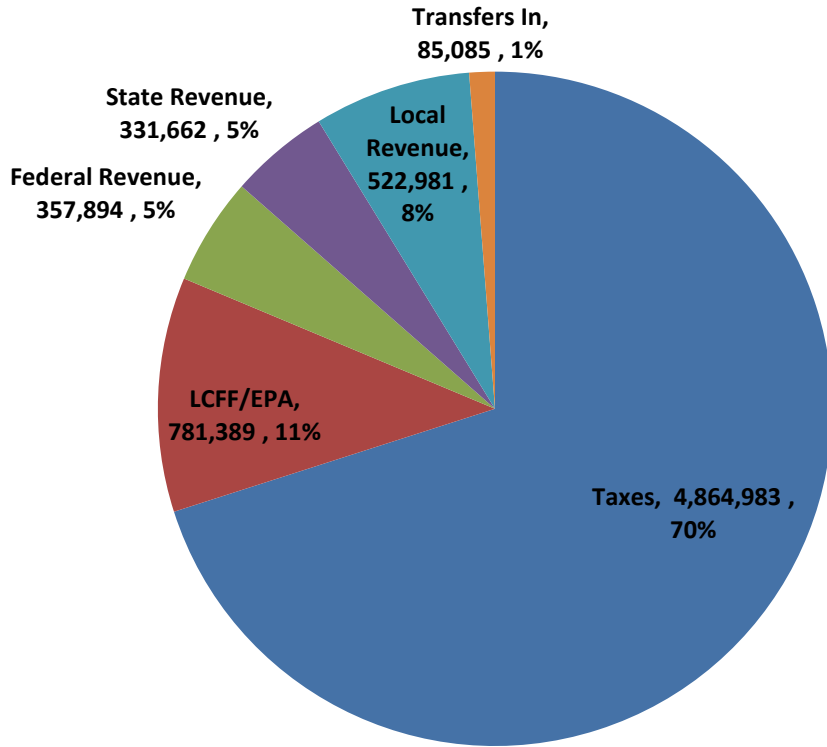
Multi-Year Assumptions:

- Taxes: +2% & updated State Charter cash-in-lieu calculator
- LCFF/EPA: – Flat
- Federal: – Flat
- State: – Plus projected remaining Prop39 funds, which is still undergoing approval
- Local: - Flat
- Transfers In: Flat

- Salaries: + step increase (~2%)
- Benefits: in tandem with salary increases plus future STRS & PERS rate increases
- Books/Supplies: Flat
- Service/Ops: Flat
- Capital Outlay: Estimated Prop39 related projects; AE painting; HS windows
- Transfers Out: Salary/benefit changes in other funds (ie. Preschool & Cafeteria)

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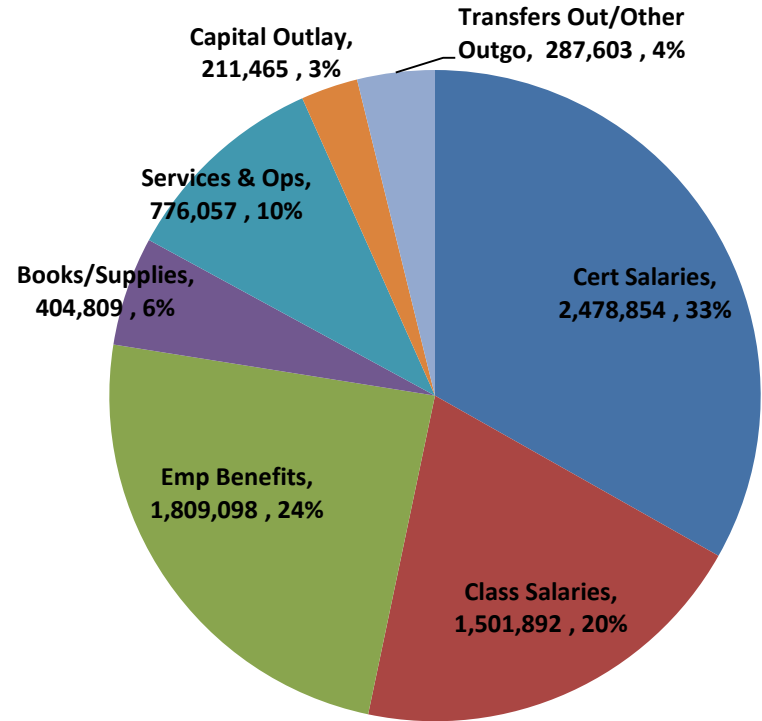
2015-2016 Projected Revenues



- Taxes
- LCFF/EPA
- Federal Revenue
- State Revenue
- Local Revenue
- Transfers In

Projected Revenues = \$6,943,994

2015-2016 Projected Expenditures



- Cert Salaries
- Emp Benefits
- Services & Ops
- Transfers Out/Other Outgo
- Class Salaries
- Books/Supplies
- Capital Outlay

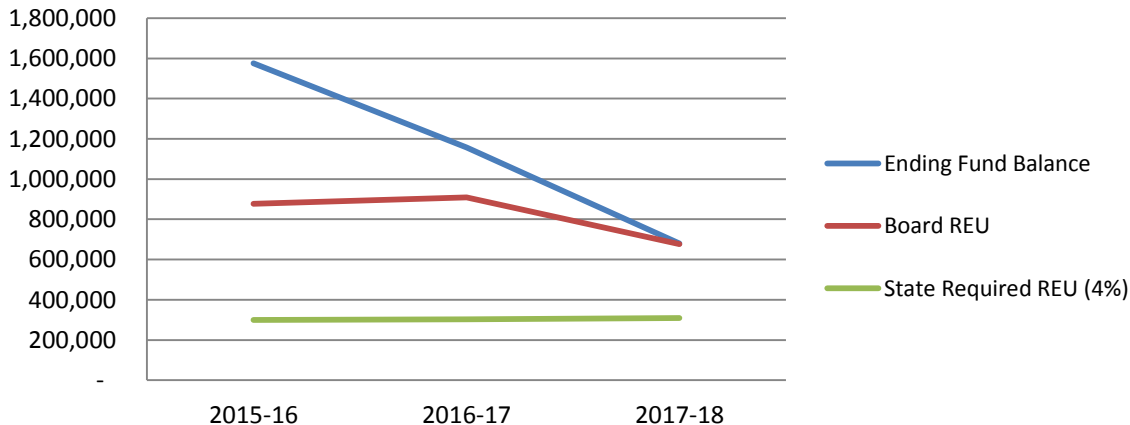
Projected Expenditures = \$7,469,779

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2015-16 Proposed Components of Ending Fund Balance

	Estimated	Proposed	Multi-Year	
	2014-15	2015-16	2016-17	2017-18
Revolving Cash	3,150	3,150	3,150	3,150
Board REU	784,003	877,021	908,129	677,269
Legal Reserve	175,000	87,500	87,500	-
Facility Reserve	99,965	99,965	99,965	-
Restricted	56,618	115,156	-	-
Other Assignment	2,618	2,118	-	-
Unassigned	980,000	390,659	58,194	(0)
Ending Fund Balance	2,101,354	1,575,570	1,156,938	680,418
Board REU (%age)	11.16%	11.74%	12.00%	8.75%
State Required REU (4%)	281,041	298,791	302,710	309,446

Projected Ending Fund Balance



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2015-16 Budget Adoption Reserves

Substantiation of need for reserves greater than the state required minimum reserve for economic uncertainty

District: Point Arena Schools

CDS #: 23-76349

The governing board of a school district that proposes to adopt a budget that includes a combined assigned and unassigned ending fund balance in excess of the minimum recommended reserve for economic uncertainties, shall, at the Budget Adoption public hearing, provide:

The minimum recommended reserve for economic uncertainties;

The combined assigned and unassigned ending fund balances that are in excess of the minimum recommended reserve for economic uncertainties for each fiscal year identified in the budget; and

A statement of reasons to substantiate the need for reserves that are higher than the minimum recommended reserve.

		2015-16	2016-17	2017-18
Total General Fund Expenditures & Other Uses		\$ 7,469,779	\$ 7,567,745	\$ 7,736,140
Minimum Reserve requirement	4%	\$ 298,791	\$ 302,710	\$ 309,446
General Fund Combined Ending Fund Balance		\$ 1,575,570	\$ 1,156,938	\$ 680,418
Special Reserve Fund Ending Fund Balance		\$ -	\$ -	\$ -
Components of ending balance:				
Nonspendable (revolving, prepaid, etc.)		\$ 3,150	\$ 3,150	\$ 3,150
Restricted		\$ 115,156	\$ -	\$ -
Committed		\$ -	\$ -	\$ -
Assigned		\$ 189,583	\$ 187,465	\$ -
Reserve for economic uncertainties		\$ 877,021	\$ 908,129	\$ 677,268
Unassigned and Unappropriated		\$ 390,660	\$ 58,194	\$ -
Subtotal Assigned, Unassigned & Unappropriated		\$ 1,457,264	\$ 1,153,788	\$ 677,268
Total Components of ending balance		\$ 1,575,570	\$ 1,156,938	\$ 680,418
		TRUE	TRUE	TRUE
Assigned & Unassigned balances above the minimum reserve requirement		\$ 1,158,473	\$ 851,078	\$ 367,822

Statement of Reasons

The District's Fund Balance includes assigned, unassigned and unappropriated components, that in total are greater than the Minimum Recommended Reserve for Economic Uncertainties because:

The proposed 2015-16 Reserve is greater than the 4% minimum including, but not limited to, the following reasons:

- Facility Reserve	\$99,965
- Legal Reserve	\$87,500
- Reserve for Economic Uncertainty (approximately 1.67 month's payroll cost)	\$877,021
- continuous technology replenishment and upgrades	\$53,000
- cycle adoption textbooks and curricula	\$50,000
- large transportation department purchases and repairs	\$144,889
- ongoing maintenance department expenditures (HVAC, floors, painting, etc.)	\$144,889
<i>Total of Substantiated Needs</i>	
	\$1,457,263.64
Remaining Unsubstantiated Balance	
	\$0.00

June 10, 2015 Board Meeting
- LCAP/Budget Hearing

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Other Considerations

- Mandated Cost related funds: potential \$601/ADA based on 2014-15 P-2 ADA equates to approximately \$208k additional funding.
- Unfunded MAA: Owed approximately 9 more quarters of MAA \$, estimate at \$17k/quarter.
- Local Revenue: Typically receive higher than budgeted based on unknown one-time donations/funding at budget adoption.
- Timing of Prop 39 funds and expenses will likely vary due to robust and time-intensive approval process, and prioritization of related projects. Budgeted Prop 39 revenue and expense amounts are based on timing estimates. Some expenses may end up in other categories (ie. Materials/Supplies, Service & Ops) in addition to the current budgeted category, Capital Outlay category.

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Prop 39 Funds Summary Assumptions

REVENUE KEY FACTS:			
A. Total Estimated Amount of Prop 39 funds each district is eligible for:			
Arena Union Elementary	\$	250,000.00	A1
Point Arena Joint Union High School	\$	250,000.00	A2
TOTAL	\$	500,000.00	
B. Of the Total Eligible Amount, the Planning Funds the districts are approved for are as follows (based on 12-13 ADA):			
Arena Union Elementary	\$	106,242.00	B1
Point Arena Joint Union High School	\$	103,422.00	B2
	\$	209,664.00	
C. Planning Funds received to date (received in 2013-14):			
Arena Union Elementary	\$	30,000.00	C1
Point Arena Joint Union High School	\$	30,000.00	C2
	\$	60,000.00	
D. Remaining Planning Funds to be received contingent on application approval (budgeted in 2015-16):			
Arena Union Elementary	\$	76,242.00	D1=B1-C1
Point Arena Joint Union High School	\$	73,422.00	D2=B2-C2
	\$	149,664.00	
E. Remaining Funds (no planning funds) roughly estimated to be received over three years (2016-17 thru 2018-19):			
Arena Union Elementary	\$	143,758.00	E1=A1-B1
Point Arena Joint Union High School	\$	146,578.00	E2=A2-B2
	\$	290,336.00	
F. Divide by three years to obtain average amount budgeted per year in Prop39 funds from 2016-17 thru 2018-19:			
Arena Union Elementary	\$	47,919.33	= E1/3
Point Arena Joint Union High School	\$	48,859.33	= E2/3
	\$	96,778.67	
			per year

EXPENSE KEY FACTS:			
A. Total 2014-15 estimated Prop 39 expenses			
Prop39 Consultant expenses	\$	28,470.53	
B. Total 2015-16 estimated Prop 39 expenses:			
Prop39 Consultant expenses	\$	26,536.50	
Spend remaining HS planning funds on approved projects per Prop 39 plan	\$	73,337.39	
TOTAL estimated Prop39 spending 2014-15 thru 2015-16	\$	128,344.42	F
Remaining projected Prop39 funds based on assumptions:	\$	371,655.58	G1 = A1+A2-F
Divide remaining amount to be spent over an estimated time period of three years (2016-17 thru 2018-19):	\$	123,885.19	= G1/3
			per year
Within Capital Outlay, there are more Prop39-related eligible projects than we are estimated to receive funding for. Based on ClearResult's Option 3, \$225,000 worth of additional expenditures have been budgeted for this purpose:			
	\$	225,000.00	G2
The \$225k has been budgeted as follows, but will be revised as updates occur:			
2015-16	\$	100,000.00	
2016-17	\$	41,666.67	
2017-18	\$	41,666.67	
2018-19	\$	41,666.67	
	\$	225,000.00	

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