



Second Interim Report

March 11, 2014

- Review of Current Year (recap 1st Interim)
- 2014-15 New Revenue vs New Expense
- Projections for 2014 – 15 and 2015 – 16
- Summary & Recommendation

Recap of First Interim Report

Fall 2013

- SBCSS disapproved budget
- Modified 2014-15 budget projections/estimates to achieve 3% minimum reserve
 - Flat enrollment trend
 - **Applied 10% (\$1,384,000) of Gap funding for 2014-15**
- SBCSS approved Qualified First Interim Financial Report

First Interim Report (November 19, 2013)			
	2013-14	2014-15	2015-16
Beginning Balance	\$8,336,826	\$4,026,192	\$2,728,773
Revenue	\$65,481,127	\$65,175,345	\$66,602,855
Expense	\$69,791,761	\$66,472,764	\$67,045,661
Revenue - Expense	-\$4,310,634	-\$1,297,419	-\$442,806
Ending Balance	\$4,026,192	\$2,728,773	\$2,285,967
Designations			
Warehouse Inventory	\$54,507	\$50,000	\$50,000
Revolving Checking Acct	\$50,000	\$50,000	\$50,000
Accrued Vacation	\$213,495	\$213,495	\$213,495
Restricted/Site Carryover	\$335,205	\$386,182	\$316,174
Sub-total	\$653,207	\$699,677	\$629,669
Available Reserve	\$3,372,985	\$2,029,096	\$1,656,298
3% of Operating Expense	\$2,093,753	\$1,994,183	\$2,011,370
Yes/No - Meet 3% minimum?	Yes	Yes	No
Amount Needed to Meet 3%	0	0	\$355,072

New Revenue & Expense

28.05% Gap Funding (\$4,832,102)

	Total
<u>Net Revenue</u>	¥\$4,609,102
<i>Less 10% of Gap already committed</i>	<i>(\$1,384,000)</i>
Available Amount	\$3,225,102
<u>Expense</u>	
LCAP	
Step/Column – Range/step Adv	\$448,000
6 th Grade Configuration	
Benefit Cost	
25:1 K-3 CSR	
Major Facility Repair	
Textbooks	
Library/Media Position	
Increase in EU	
<i>Unspent</i>	\$2,777,102

¥ -.5% ADA \$223,000

- Carryover - \$1,824,000
- Return to Other Funds - \$1,070,000
- Augmentation from Beginning Balance - \$1,280,000

Current Year and Out

Assigned Reserve	\$306,016
Schools Carryover	\$496,000
Restricted	\$2,839,175
Economic Uncertainty (EU)	\$2,194,172
Borrowed from Other Funds	\$1,070,000
Augment 2013-14 Budget	\$1,280,000

	2013-14	€201	
Beginning Balance	\$8,336,826	\$3,879,456	\$5,383,277
Revenue	\$65,246,020	\$67,538,652	\$67,820,113
Expense	\$69,703,390	\$66,034,831	\$67,305,083
Revenue - Expense	-\$4,457,370	\$1,503,820	\$515,030
Ending Balance	\$3,879,456	\$5,383,277	\$5,898,307

Designations

- \$1,500,000 less carryover
- \$1,800,000 spent for CC

Warehouse Inventory	\$54,507	\$50,000	\$50,000
Revolving Checking Acct	\$50,000	\$50,000	\$50,000
Accrued Vacation	\$213,495	\$213,692	\$2,141,562
Restricted/Site Carryover	\$188,469	\$223,585	\$160,655
Unspent LCFF		\$2,777,000	\$1,427,090
Sub-total	\$506,455	\$3,314,277	\$3,829,307
Available Reserve	\$3,372,985	\$2,069,000	\$2,069,000
3% of Operating Expense	\$2,091,000	\$1,981,000	\$2,019,000
Yes/No - Meet 3% minimum?	Yes	Yes	Yes
Amount Needed to Meet 3%	0	0	0

€ 28.05% Gap Funding (18.05% additional Gap Funding from First Interim), -.5% ADA, \$448,000 step/column

¥ Assumes 2014-15 ADA, 2.12% COLA, additional LCFF funding not spent, step/column,

Summary

- ❑ YCJUSD meets minimum reserve for economic uncertainty

2013-14

Yes, excess carries into 2014-15

2014-15

Yes, but requires 10% advance. Unspent LCFF distorts reserve level and carries into 2015-16.

2015-16

- Yes, if some of additional funds are unspent or receive additional Gap Funding.
- No, if ALL new funds are spent and no additional Gap Funding.

- ❑ Structural deficit of approximately \$1,300,000 persists
- ❑ District's Positive certification status precarious

Summary & Recommendation

Transitional Period

- Opportunity for revenue to catch up to expense, reduce structural deficit and balance budget
- Projections reliant upon stabilization of enrollment & sustainability of LCFF
- Improve student achievement and provide relevant educational services



Recommendation: Approve Positive Second Interim Report