

**LA CAÑADA UNIFIED SCHOOL DISTRICT  
BUSINESS SERVICES MEMORANDUM**

June 20, 2017

**TO:** Wendy K. Sinnette, Superintendent

**FROM:** Mark Evans Chief Business and Operations Officer  
Gretchen Bergstrom, Director of Fiscal Services

**SUBJECT:** Second Reading: Report of Estimated Revenue and Expenditures for 2016-17 and Review of the District's Proposed Budget for 2017-18

**Introduction**

The June budget adoption is considered a "place holder" budget because by necessity it is primarily based on estimates and assumptions versus actual data. The 2016-17 data is "projected actuals", this means the numbers are currently estimates since the year has not yet closed. The 2017-18 State Budget has not been finalized, therefore the State revenues, programs changes, and State retirement costs are not finalized.

However, the June budget adoption is important to not only meet the State requirement but also to provide a general overview as to the fiscal health of the district. In general, the 2017-18 June budget for La Cañada Unified School District reflects challenges of flat enrollment and the need to continually make expenditure reductions due to the increasing contributions to the State retirement systems.

Once the Legislature approves and the Governor signs the 2017-18 State Budget, it is likely that staff will need to present a subsequent budgetary update to the Governing Board in either July or August.

**May Revise**

The Governor's "May Revise" of his January Budget Proposal was released on May 12, 2017. In recent "Fiscal Reports" received from School Services of California, Inc. (SSC), the following is a summary of the Proposition 98 (K-12) portion of the Proposed Budget for 2017-18 that will have an impact on funding for the La Cañada Unified School District.

The Governor's May Revision acknowledges a slowing economy with weakened revenues in 2016-17. However, the Governor has raised revenue forecasts for 2017-18 from the January projections. Prop 98 funding is not significantly impacted. The current year saw a decline in funding and the 2017-18 budget year is anticipated to have a small increase. The one-time revenues that were proposed have been increased over the January Proposal, but the Governor proposed paying these in May 2019.

The Cost of Living Allowance (COLA) has increased from 0% in 16-17 to 1.56% in 17-18. This means the base grant will increase slightly.

One of the main premises of the Local Control Funding Formula (LCFF) when it was introduced was to restore the prerecession purchasing power to the 2007-08 levels by 2020-21. Due to increased costs in CalSTRS and CalPERS, special education and other nondiscretionary spending, the actual purchasing power will not be fully restored.

## **Local Control Funding Formula**

The May Revise increases the LCFF funding level proposed by the Governor in January. The new revenue will fund the cost of the COLA and close some of the remaining GAP in purchasing power. This will bring statewide school funding to 97% of 2007-08 amounts – adjusted for inflation. This reflects statewide dollars. The new formula for LCFF impacts districts differently, and LCUSD receives minimal amounts of the dollars above the base grant. Most of the gap has been closed, and schools are within 3% of inflation adjusted funding as compared to 2007-08 levels. With the gap becoming smaller, the percentage funded becomes larger. This gives the appearance of large increases, however the reality of the dollars is that the actual amount is decreasing. The weaker revenue forecasts present challenges for the State in keeping funding at pace with the annual COLA. The cost-of-living adjustment (COLA) is now 1.56% (up from the January estimate of 1.48%).

Ongoing revenues are distributed based on LCFF formula, and one-time revenues are traditionally dispersed evenly across all districts based on Average Daily attendance.

## **Retirement Systems**

A major impact on the budget are the increased rates the State is mandating for the California Retirement Systems, California State Teachers' Retirement System (CalSTRS) and the California Public Employees' Retirement System (CalPERS). These are pension plans controlled by the State. The pension reform legislation recognized the unfunded liability and proposed a long-term plan to address it. This plan over time, increases the State, the Employer and Employee contributions to address this liability. Employer contributions are proposed to increase as follows:

### **CalSTRS**

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Employer	8.25%	8.88%	10.73%	12.58%	14.43%	16.28%	18.13%	19.10%

### **CalPERS**

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Employer	11.44%	11.77%	11.85%	13.89%	15.53%	18.1%	20.8%	23.8%

These increases are significantly outpacing the COLA and consuming the purchasing power that the GAP funding is working to restore.

## **Budgetary Overview**

This agenda item provides the following budgetary information:

- An overview of the 2016-17 Estimated Actuals and 2017-18 Budget Financial Report and multi-year projections through 2019-2020 (Page 4).

- District Budgetary Assumptions (Page 5)
- Revised Enrollment Projections (Page 6)
- 2016-2017 All Fund Summary (Page 7)
- School Services of California, Inc. Financial Projection Dartboard, 2016-17 through 2020-21, (Page 8)
- Budget Development Calendar: The calendar of events associated with the development of the District's 2016-17 (Page 9)

Special Note: The budget recommendation for the Governing Board includes a cash transfer of \$65,000 from the Field Fund (40.4) to the Cafeteria Fund (13.0) in the 2017-18 budget year. This is to offset expenses beyond revenues.

### **Recommendation**

It is recommended, that the Governing Board approve the 2017-18 Budget.

Estimated Actuals 16-17 Budget 17-18 - Second Reading  
June 20, 2017

GENERAL (Combined)		Estimated Actuals 16-17 Budget 2017-18															
		0.00%		0.00%		0.00%		0.00%		0.00%		1.56%		2.15%		2.35%	
		COLA = 1.02%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%	
		Unaudited		Revised		First		Second		Estimated		Projected		Projected		Projected	
		Actuals		Budget		Interim		Interim		Actuals		Budget		Budget		Budget	
		2016-17		2016-17		2016-17		2016-17		2016-17		2017-18		2018-19		2019-20	
<b>REVENUE</b>																	
LCFF	29,522,148	31,224,229	31,393,964	31,393,964	32,142,036	32,142,036	32,142,036	32,142,036	32,142,036	32,142,036	32,142,036	32,142,036	32,142,036	32,142,036	32,142,036	32,142,036	32,142,036
Federal	892,201	874,388	874,388	891,366	891,366	891,366	891,366	891,366	891,366	891,366	891,366	891,366	891,366	891,366	891,366	891,366	891,366
Other State	5,631,837	4,105,085	4,342,348	4,380,376	4,588,734	4,588,734	4,588,734	4,588,734	4,588,734	4,588,734	4,588,734	4,588,734	4,588,734	4,588,734	4,588,734	4,588,734	4,588,734
Other Local	8,568,347	8,083,817	8,083,817	8,135,054	8,195,309	8,195,309	8,195,309	8,195,309	8,195,309	8,195,309	8,195,309	8,195,309	8,195,309	8,195,309	8,195,309	8,195,309	8,195,309
<b>Total Revenue</b>	<b>44,614,533</b>	<b>44,287,519</b>	<b>44,287,519</b>	<b>44,773,504</b>	<b>45,078,009</b>	<b>45,078,009</b>	<b>45,078,009</b>	<b>45,078,009</b>	<b>45,078,009</b>	<b>45,078,009</b>	<b>45,078,009</b>	<b>45,078,009</b>	<b>45,078,009</b>	<b>45,078,009</b>	<b>45,078,009</b>	<b>45,078,009</b>	<b>45,078,009</b>
<b>EXPENDITURES</b>																	
Certificated	20,014,493	20,001,045	20,001,045	19,867,733	19,867,718	19,867,718	19,867,718	19,867,718	19,867,718	19,867,718	19,867,718	19,867,718	19,867,718	19,867,718	19,867,718	19,867,718	19,867,718
Classified	7,414,548	7,578,627	7,578,627	7,876,989	7,882,200	7,882,200	7,882,200	7,882,200	7,882,200	7,882,200	7,882,200	7,882,200	7,882,200	7,882,200	7,882,200	7,882,200	7,882,200
Benefits	7,894,906	8,081,952	8,081,952	8,036,129	8,169,060	8,169,060	8,169,060	8,169,060	8,169,060	8,169,060	8,169,060	8,169,060	8,169,060	8,169,060	8,169,060	8,169,060	8,169,060
Supplies	1,821,465	2,227,858	2,371,454	2,380,732	2,308,508	2,450,811	2,450,811	2,450,811	2,450,811	2,450,811	2,450,811	2,450,811	2,450,811	2,450,811	2,450,811	2,450,811	2,450,811
Services	5,468,813	5,727,991	5,727,991	6,054,978	6,372,813	6,372,813	6,372,813	6,372,813	6,372,813	6,372,813	6,372,813	6,372,813	6,372,813	6,372,813	6,372,813	6,372,813	6,372,813
Capital Outlay	74,349	40,000	106,216	228,616	388,933	388,933	388,933	388,933	388,933	388,933	388,933	388,933	388,933	388,933	388,933	388,933	388,933
Other Outgo	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Direct / Indirect	-40,240	-41,566	-41,566	-41,566	-41,566	-41,566	-41,566	-41,566	-41,566	-41,566	-41,566	-41,566	-41,566	-41,566	-41,566	-41,566	-41,566
<b>Total Expense</b>	<b>42,663,334</b>	<b>43,630,907</b>	<b>43,630,907</b>	<b>44,428,591</b>	<b>44,975,866</b>	<b>44,975,866</b>	<b>44,975,866</b>	<b>44,975,866</b>	<b>44,975,866</b>	<b>44,975,866</b>	<b>44,975,866</b>	<b>44,975,866</b>	<b>44,975,866</b>	<b>44,975,866</b>	<b>44,975,866</b>	<b>44,975,866</b>	<b>44,975,866</b>
<b>DIFFERENCE</b>	<b>1,951,199</b>	<b>656,612</b>	<b>656,612</b>	<b>344,813</b>	<b>102,143</b>	<b>43,494</b>	<b>43,494</b>	<b>43,494</b>	<b>43,494</b>	<b>43,494</b>	<b>43,494</b>	<b>43,494</b>	<b>43,494</b>	<b>43,494</b>	<b>43,494</b>	<b>43,494</b>	<b>43,494</b>
<b>OTHER SOURCES/USES</b>																	
Transfer Out Fund 14	-572,127	-441,448	-441,448	-441,448	-450,809	-450,809	-450,809	-450,809	-450,809	-450,809	-450,809	-450,809	-450,809	-450,809	-450,809	-450,809	-450,809
Transfer Out Fund 20	-125,000	-125,000	-125,000	-125,000	-125,000	-125,000	-125,000	-125,000	-125,000	-125,000	-125,000	-125,000	-125,000	-125,000	-125,000	-125,000	-125,000
Transfer Out Fund 40	-830,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfer Out Fund 13	-120,000	-48,045	-48,045	-48,045	-48,045	-48,045	-48,045	-48,045	-48,045	-48,045	-48,045	-48,045	-48,045	-48,045	-48,045	-48,045	-48,045
Transfer In/(Out)	14,388	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000
Cont to Rest Maint	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cont to Restricted	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Other SIU</b>	<b>-1,632,739</b>	<b>-598,493</b>	<b>-598,493</b>	<b>-598,493</b>	<b>-607,854</b>	<b>-607,854</b>	<b>-607,854</b>	<b>-607,854</b>	<b>-607,854</b>	<b>-607,854</b>	<b>-607,854</b>	<b>-607,854</b>	<b>-607,854</b>	<b>-607,854</b>	<b>-607,854</b>	<b>-607,854</b>	<b>-607,854</b>
<b>FUND CHANGE</b>	<b>318,461</b>	<b>58,120</b>	<b>58,120</b>	<b>(253,679)</b>	<b>(505,710)</b>	<b>(505,710)</b>	<b>(505,710)</b>	<b>(505,710)</b>	<b>(505,710)</b>	<b>(505,710)</b>	<b>(505,710)</b>	<b>(505,710)</b>	<b>(505,710)</b>	<b>(505,710)</b>	<b>(505,710)</b>	<b>(505,710)</b>	<b>(505,710)</b>
Adjust	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
BEG. BAL. 7/1	5,356,300	5,074,464	5,074,464	5,674,760	5,674,760	5,674,760	5,674,760	5,674,760	5,674,760	5,674,760	5,674,760	5,674,760	5,674,760	5,674,760	5,674,760	5,674,760	5,674,760
END. BAL. 6/30	5,674,760	5,132,583	5,132,583	5,421,180	5,169,049	5,169,049	5,169,049	5,169,049	5,169,049	5,169,049	5,169,049	5,169,049	5,169,049	5,169,049	5,169,049	5,169,049	5,169,049
Revolving Cash	6,000	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500
Stores/Prepays	154,948	7,500	46,905	57,051	57,051	57,051	57,051	57,051	57,051	57,051	57,051	57,051	57,051	57,051	57,051	57,051	57,051
Legally Restricted	463,012	497,777	451,400	333,190	306,003	306,003	306,003	306,003	306,003	306,003	306,003	306,003	306,003	306,003	306,003	306,003	306,003
Committed Funds/PERS/STRS	490,000	490,000	490,000	490,000	490,000	490,000	490,000	490,000	490,000	490,000	490,000	490,000	490,000	490,000	490,000	490,000	490,000
Assigned Funds/LCFF Gap	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Assigned Funds/Donations	198,949	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Assigned Funds/Textbooks	295,636	960,951	960,951	930,284	918,628	918,628	918,628	918,628	918,628	918,628	918,628	918,628	918,628	918,628	918,628	918,628	918,628
Economic Uncertainty	4,066,215	3,167,855	3,833,241	3,602,155	3,388,867	3,388,867	3,388,867	3,388,867	3,388,867	3,388,867	3,388,867	3,388,867	3,388,867	3,388,867	3,388,867	3,388,867	3,388,867
Undesignated	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unappropriated	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Reserve at 3.5%:</b>	<b>OK</b>	<b>OK</b>	<b>OK</b>	<b>OK</b>	<b>OK</b>	<b>OK</b>	<b>OK</b>	<b>OK</b>	<b>OK</b>	<b>OK</b>	<b>OK</b>	<b>OK</b>	<b>OK</b>	<b>OK</b>	<b>OK</b>	<b>OK</b>	<b>OK</b>
<b>3.50%</b>	<b>1,550,363</b>	<b>1,548,029</b>	<b>1,555,372</b>	<b>1,575,946</b>	<b>1,595,430</b>	<b>1,595,430</b>	<b>1,595,430</b>	<b>1,595,430</b>	<b>1,595,430</b>	<b>1,595,430</b>	<b>1,595,430</b>	<b>1,595,430</b>	<b>1,595,430</b>	<b>1,595,430</b>	<b>1,595,430</b>	<b>1,595,430</b>	<b>1,595,430</b>
<b>3.00%</b>	<b>1,326,882</b>	<b>1,326,882</b>	<b>1,333,176</b>	<b>1,350,813</b>	<b>1,367,512</b>	<b>1,367,512</b>	<b>1,367,512</b>	<b>1,367,512</b>	<b>1,367,512</b>	<b>1,367,512</b>	<b>1,367,512</b>	<b>1,367,512</b>	<b>1,367,512</b>	<b>1,367,512</b>	<b>1,367,512</b>	<b>1,367,512</b>	<b>1,367,512</b>

La Canada Unified School District  
Business Office  
Budgetary Assumptions 2015-16 through 2019-20  
June 6, 2017

	2015-16	2016-17	2017-18	2018-19	2019-20
Enrollment*	4092	4132	4132 est	4130 est	4130 est
Enrollment increase/decline from prior year*	44	40	0	0	0
FTE loss related to Enrollment Decline/Other*	-2.0 FTE	0	0	0	0
Educational Foundation adjustments FTE Reductions	n/a	n/a	n/a	-6.0 FTE	n/a
LCFF CSR (K-3) 20:1	n/a	n/a	n/a	n/a	n/a
LCFF Gr 4-6 CSR	n/a	n/a	n/a	+6.0 FTE	n/a
ROP funding from LACOE	\$136,429	\$0	\$0	\$0	\$0
ADA to Enrollment factor est.*	97.46%	97.80%	97.73%	97.73%	97.73%
Governing Board/Other Elections	\$0	\$0	\$100,000	\$0	\$0
Employee Salary Compensation					
Classified	4.00%	TBD	TBD	TBD	TBD
Certificated (schedule squared and 4.25% one time)	4.25%	TBD	TBD	TBD	TBD
Increases in salary costs					
Step and Column Increase Estimated	1.5% Cert \$252,640 1.0% Class \$44,507	1.75% Cert \$348,635 1.0% Class \$77,890	1.75% Cert \$342,666 1.0% Class \$77,120	1.75% Cert \$328,574 1.0% Class \$77,588	1.75% Cert \$333,916 1.0% Class \$78,363
STRS Employer rate projection estimate* increase over last year	10.73% \$ 355,935	12.58% \$ 343,316	14.43% \$ 376,561	16.28% \$ 347,350	18.13% \$ 352,997
increase from 14-15 contribution	\$ 529,496	\$ 872,839	\$ 1,249,400	\$ 1,656,723	\$ 2,009,720
PERS Employer rate projection estimate* increase over last year	11.85% \$ 59,051	13.88% \$ 171,569	15.53% \$ 139,693	18.10% \$ 205,002	20.80% \$ 217,525
increase from 14-15 contribution	\$ 116,752	\$ 230,620	\$ 370,313	\$ 575,315	\$ 792,840
Cost of 1% increase (salary and benefits)*					
Certificated		\$ 227,681	\$ 228,875	TBD	TBD
Classified		\$ 94,357	\$ 97,621	TBD	TBD
H & W Increase	1.02%	0.00%	1.56%	2.15%	2.35%
Supplemental Grant*	\$343,579	\$420,376	\$486,557	\$474,137	\$431,464
Technology infrastructure/equipment/support	\$450,000	\$450,000	\$450,000	\$450,000	\$450,000
Routine Restricted Maintenance Contribution	3.0%	3.0%	3.0%	3.0%	3.0%
Utility Increase (under review)	-14.0% -\$178,201	8.00% \$96,050	0.00% \$0	5.00% \$68,115	5.00% \$71,521
Unrestricted Capital Outlay*	\$75,000	\$50,000	\$50,000	\$50,000	\$50,000
Special Education Increase Contribution (under review)	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000
GASB 45 (Post employment benefits contribution)	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000
Reserve level	3.50%	3.50%	3.50%	3.50%	3.50%
Projected Lease Income (under review)*	\$1,897,992	\$1,922,783	\$1,980,446	\$2,039,860	\$2,101,055
Fund 17 Lease Interruption Contingency	\$1,825,000	\$1,825,000	\$1,825,000	\$1,825,000	\$1,825,000
Mandated Block Grant	\$152,582	\$150,648	\$150,648	\$150,648	\$150,648
One Time Prior Year Mandate*	\$2,097,797	\$855,663	\$0	\$0	\$0
Parcel Tax Revenue	\$2,579,850	\$2,585,250	\$2,585,250	\$2,585,250	\$2,585,250
Educational Foundation Revenue*	\$2.0 M	\$2.0 M	\$2.0 M est	\$1.5 M est	\$1.5 M est
Transfer to Fund 40 (planned capital projects)	\$830,000	\$0	\$0	\$0	\$0
Deferred Maintenance Contribution (includes LCFF)	\$572,127	\$450,809	\$335,000	\$335,000	\$335,000
Educator Effectiveness Program	\$324,322	\$0	\$0	\$0	\$0.00
Lottery	\$140.00	\$144.00	\$144.00	\$144.00	\$144.00
Lottery Proposition 20	\$41.00	\$45.00	\$45.00	\$45.00	\$45.00
Annual Budgetary Savings in Unrestricted General Fund (under review)*	\$ 333,443	TBD	TBD	TBD	TBD

\*Changes reflected after March 1, 2017

**CBEDS to P2 ADA Projections**

	A	B	C	D (C-B)	E (C-A)	F (C/A)
	CBEDS	P1 ADA	P2 ADA		Difference	%Difference
2017-18	4132	4060	4041 est	-19	-91	0.9773 est.
2016-17	4132	4060	4041	-19	-91	0.9780
2015-16	4092	4007	3988	-19	-104	0.9746
2014-15	4048	3991	3963	-28	-85	0.9791
2013-14	4043	3960	3957	-3	-86	0.9787
2012-13	4123	4037	4025	-12	-98	0.9761
			Average:	-16	-93	0.9773

2017-18	4132	<b>4038</b>	0.9773	(under review)
seniors out	-362			
others in	95			
NPS 13	2			
TK/K in	265			
2018-19	4130	<b>4036</b>	0.9773	(under review)
seniors out	-353			
others in	88			
NPS 13	0			
TK/K in	265			
2019-20	4130	<b>4036</b>	0.9773	(under review)
seniors out	-340			
others in	75			
NPS 13	0			
TK/K in	265			
2020-21	4130	4036	0.9773	(under review)

\* includes NPS

seniors out per Enrollment report 4/19/17  
NPS per CDE Report Feb.2017

Projected ADA	2016-17	2017-18	2018-19	2019-20	2020-2021
ADA	4041	4038	4036	4036	4036
Increase/Decline from Prior Yr		-19	0	0	0
Funded ADA		4038	4036	4036	4036

La Canada Unified School District  
Estimated Actuals 16-17  
All Funds

ALL FUNDS  
16-17 Estimated Actuals

	GENERAL (Unrestricted)	GENERAL (Restricted)	GENERAL (Combined)	CAFETERIA [13]	DEFERRED MAINTENANCE [14]	LEASE INTERUPTION [17.1]	GASB 45 [20]	DEV FEE [25.0]	FACILITIES [40.0]	STADIUM FIELD [40.1]	SEWER CONNECT [40.2]	FIELD AGREEMENT [40.3]	FIELD REPLACEMENT [40.4]	SPECIAL RESERVE TOTAL [40]	SUMMARY (All Funds)
REVENUE	41,407,248	3,788,243	45,195,491	666,233	2,943	16,000	5,019	267,170	233,350	10,802	2,492	22,765	4,906	274,315	46,427,171
EXPENDITURES	34,757,300	10,394,695	45,151,995	768,526	453,352	0	0	0	269,197	0	0	0	584,800	853,997	47,227,870
DIFFERENCE	6,649,948	-6,606,452	43,496	-102,293	-450,409	16,000	5,019	267,170	-35,847	10,802	2,492	22,765	-579,894	-579,682	-800,699
Transfer Out Fund 14	-450,809	0	-450,809	0	0	0	0	0	0	0	0	0	0	0	-450,809
Transfer Out Fund 20	-125,000	0	-125,000	0	0	0	0	0	0	0	0	0	0	0	-125,000
Transfer Out Fund 40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfer Out Fund 13	-48,045	0	-48,045	0	0	0	0	0	0	0	0	0	0	0	-48,045
Transfer In Fund 17	16,000	0	16,000	0	0	0	0	0	0	0	0	0	0	0	16,000
Transfer In/Out	-1,329,005	1,329,005	0	113,045	450,809	-16,000	125,000	0	0	0	0	0	-65,000	-65,000	607,854
Cont to Rest Maint	-4,954,019	4,954,019	0	0	0	0	0	0	0	0	0	0	0	0	0
Cont to Restricted	-240,930	-323,428	-564,357	10,752	400	0	130,019	267,170	-35,847	10,802	2,492	22,765	-644,894	-644,682	-800,698
FUND CHANGE	5,211,748	463,012	5,674,760	16,587	536,743	1,825,000	645,691	313,553	425,975	103,632	320,630	4,065	797,902	1,652,204	10,664,538
BEG. BAL. 7/1	4,970,818	139,584	5,110,402	27,339	537,143	1,825,000	775,710	560,723	390,128	114,434	323,122	26,830	153,008	1,007,522	9,863,839
Revolving Cash	8,500	0	8,500	400	0	0	0	0	0	0	0	0	0	0	8,900
Stores/Prepays	57,051	0	57,051	0	0	0	0	0	0	0	0	0	0	0	57,051
Legally Restricted	0	139,584	139,584	26,939	0	1,500,000	0	0	0	0	0	0	0	0	166,523
Committed Funds Capital Reser	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,500,000
Committed Funds PERS/STRS	490,000	0	490,000	0	537,143	325,000	775,710	560,723	390,128	114,434	323,122	26,830	153,008	1,007,522	490,000
Assigned Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3,226,098
Assigned Funds/Donations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Assigned Funds/Textbooks	918,628	0	918,628	0	0	0	0	0	0	0	0	0	0	0	918,628
Economic Uncertainty	3,496,639	0	3,496,639	0	0	0	0	0	0	0	0	0	0	0	3,496,639
Undesignated	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unappropriated	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

# SSC School District and Charter School Financial Projection Dartboard 2017-18 May Revision

This version of SSC's Financial Projection Dartboard is based on the 2017-18 May Revision. We have updated the Local Control Funding Formula (LCFF) factors. We have also updated the cost-of-living adjustment (COLA), Consumer Price Index (CPI), and ten-year T-bill planning factors per the latest economic forecasts. We rely on various state agencies and outside sources in developing these factors, but we assume responsibility for them with the understanding that they are general guidelines.

LCFF ENTITLEMENT FACTORS				
Entitlement Factors per ADA	K-3	4-6	7-8	9-12
2016-17 Base Grants	\$7,083	\$7,189	\$7,403	\$8,578
COLA at 1.56%	\$110	\$112	\$115	\$134
2017-18 Base Grants	\$7,193	\$7,301	\$7,518	\$8,712

Entitlement Factors per ADA	K-3	4-6	7-8	9-12
2017-18 Base Grants	\$7,193	\$7,301	\$7,518	\$8,712
Grade Span Adjustment Factors	10.4%	-	-	2.6%
Grade Span Adjustment Amounts	\$748	-	-	\$227
2017-18 Adjusted Base Grants	\$7,941	\$7,301	\$7,518	\$8,939
Supplemental Grants (% Adj. Base)	20%	20%	20%	20%
Concentration Grants	50%	50%	50%	50%
Concentration Grant Threshold	55%	55%	55%	55%

LCFF DARTBOARD FACTORS					
Factor	2016-17	2017-18	2018-19	2019-20	2020-21
LCFF Planning Factors	SSC Simulator	SSC Simulator	SSC Simulator <sup>2</sup>	SSC Simulator <sup>2</sup>	SSC Simulator <sup>2</sup>
SSC Gap Funding Percentage	55.03%	43.97%	39.03%	41.51%	44.07%
Department of Finance Gap Funding Percentage	55.03%	43.97%	71.53%	73.51%	100.00%
Gap Funding Percentage <sup>1</sup> (May Revise)	54.84%	43.97%	-	-	-

PLANNING FACTORS					
Factor	2016-17	2017-18	2018-19	2019-20	2020-21
Statutory COLA	0.00%	1.56%	2.15%	2.35%	2.57%
COLA on state and local share only of Special Education, Child Nutrition, Foster Youth, Preschool, American Indian Education Centers/American Indian Early Childhood Education	0.00%	1.56%	2.15%	2.35%	2.57%
California CPI	2.50%	3.11%	3.19%	2.86%	2.97%
Interest Rate for Ten-Year Treasuries	2.20%	2.67%	2.90%	3.05%	3.00%
California Lottery	Unrestricted per ADA	\$144	\$144	\$144	\$144
	Restricted per ADA	\$45	\$45	\$45	\$45
Mandate Block Grant (District)	Grades K-8 per ADA	\$28.42	\$28.42	\$28.42	\$28.42
	Grades 9-12 per ADA	\$56	\$56	\$56	\$56
Mandate Block Grant (Charter)	Grades K-8 per ADA	\$14.21	\$14.21	\$14.21	\$14.21
	Grades 9-12 per ADA	\$42	\$42	\$42	\$42
One-Time Discretionary Funds per ADA	\$214	\$170 <sup>3</sup>	-	-	-
CalPERS Employer Rate (projected)	13.888%	15.531%	18.1%	20.8%	23.8%
CalSTRS Employer Rate (statutory)	12.58%	14.43%	16.28%	18.13%	19.10%

RESERVES		
State Reserve Requirement	District ADA Range	Reserve Plan
The greater of 5% or \$66,000	0 to 300	SSC recommends one year's increment of planned revenue growth
The greater of 4% or \$66,000	301 to 1,000	
3%	1,001 to 30,000	
2%	30,001 to 400,000	
1%	400,001 and higher	

<sup>1</sup> Either this percentage or the final State Budget gap percentage can be used for calculating movement toward class sizes of 24:1 at grades transitional kindergarten-3.

<sup>2</sup> For the forecast years, the total dollar amount needed to fund the statutory COLA is applied to the SSC LCFF Simulator.

<sup>3</sup> Amount is not eligible for receipt until May 2019, and LEAs should exclude from their budget and multiyear projection.



**LA CAÑADA UNIFIED SCHOOL DISTRICT  
BUDGET DEVELOPMENT CALENDAR 2016-17**

Dec. 6, 2016	The 2015-16 District Audit is presented to the Governing Board
February 15, 2017	Second Interim Financial Report (2016-17), for the period ending January 31, 2017, presented to the Governing Board- First Reading
March 14, 2017	Second Interim Financial Report (2016-17), for the period ending January 31, 2017 presented to the Governing Board- Second Reading
April 15, 2017	Budget Development activities for 2017-18 continue, and a budgetary update is presented to the Governing Board
May 2017	Budget Development activities for 2017-18 continue
June 6, 2017	Proposed District Budget (2017-18) presented to the Governing Board
June 14 to June 20, 2017	Proposed District Budget (2017-18) placed on display for public review
June 20, 2017	The Governing Board conducts a public hearing and approves the District Budget for 2017-18
June 30, 2017	Business Services files the District Budget (2017-18) with the Los Angeles County Office of Education