



PARAMOUNT UNIFIED SCHOOL DISTRICT

GREAT THINGS ARE HAPPENING IN PARAMOUNT SCHOOLS



2017-18 Estimated Actuals & 2018-19 Adopted Budget

Dr. Ruth Pérez, Superintendent
Ruben Frutos, Assistant Superintendent of Business Services
Patricia Tu, Director of Fiscal Services

June 25, 2018
Action Item: 4.1-A



Focus Areas

2017-18 Estimated Actuals

- Continued decline in Enrollment and Attendance (ADA)
- Restricted fund expenses
- Fund Balance remains healthy

2018-19 Adopted Budget

- New funding closes the gap from 2017-18 funding levels
 - 100% gap closure in six years
 - 100% of the targeted funding levels in 2018-19
- 2.71% COLA and additional LCFF funding in 2018-19, for a total increase of 3.00% on the LCFF base grant targets



LCFF at Full Implementation – What’s Ahead

- Base grant funding will be equalized across all districts
- Supplemental & concentration grant funding will be determined by the District’s Unduplicated Pupil Percentage
- Annual growth in LCFF funding will be determined by (1) the change in LEA’s ADA, and (2) the statutory COLA
- The Minimum Proportionality Percentage (MPP) requirement becomes more stringent



State Revenues Up in May, But Below Year-to-Date Forecast

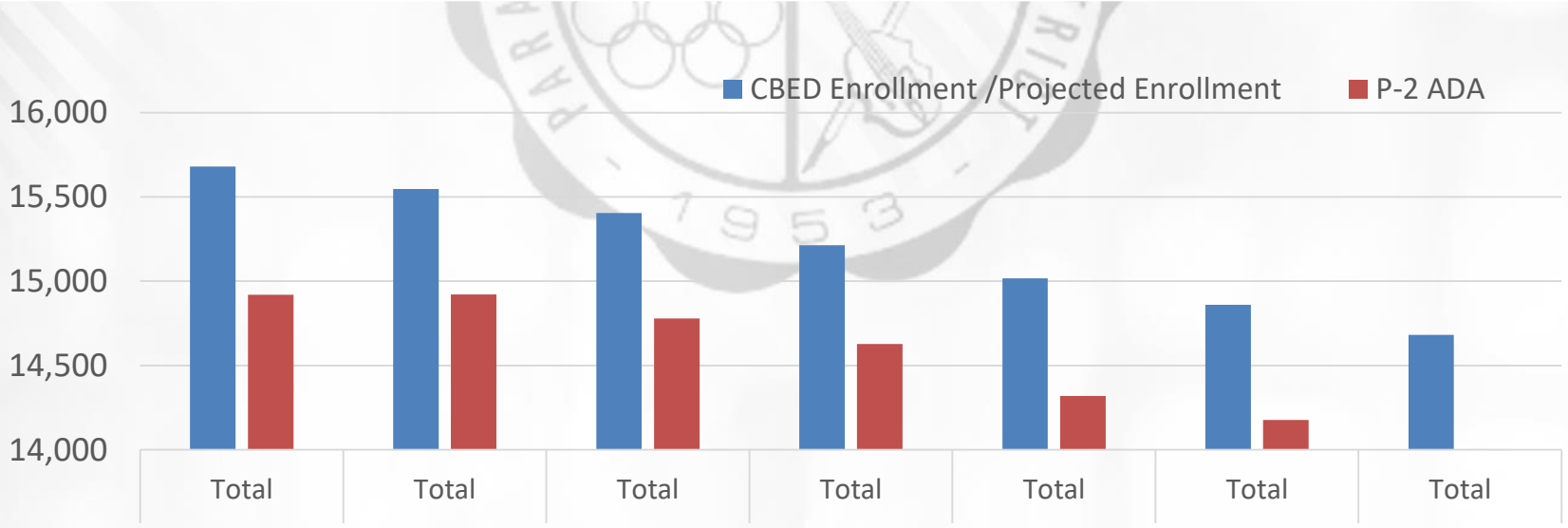
According to the Department of Finance's (DOF) June *Finance Bulletin*, preliminary General Fund revenues for May were \$27 million above the 2018-19 May Revision forecast of \$7.903 billion. However, while personal income tax revenues continue to exceed expectations, sales and use tax, corporation tax, and other General Fund revenues are underperforming, resulting in year-to-date revenues falling \$65 million below the forecast of \$116.729 billion.

2018 School Services of California, Inc. - For Publication Date: June 29, 2018 - No. 13



Enrollment & Average Daily Attendance (ADA)

	2014-15 Total	2015-16 Total	2016-17 Total	2017-18 Total	2018-19 Total	2019-20 Total	2020-21 Total
CBED Enrollment /Projected Enrollment	15,681	15,547	15,405	15,213	15,017	14,860	14,681
P-2 ADA	14,919	14,921	14,779	14,628	14,320	14,177	14,005





Multi-Year Budget Analysis - TOTAL

COMBINED	2013-14	2014-15	2015-16	2016-17	2017-18	5 Yr Change
Revenues	134,118,522	151,846,522	184,550,359	185,270,819	186,819,052	
		13.22%	21.54%	0.39%	0.84%	35.98%
Salaries	80,326,261	89,039,214	97,570,088	105,492,133	108,239,979	
		10.85%	9.58%	8.12%	2.60%	31.15%
Benefits	26,210,817	29,411,845	33,821,284	36,912,544	40,069,653	
		12.21%	14.99%	9.14%	8.55%	44.90%
Services	16,865,890	17,305,236	18,710,663	19,715,908	22,548,183	
		2.60%	8.12%	5.37%	14.37%	30.46%
Expenditures	128,928,803	143,301,915	161,441,719	175,017,164	182,126,749	
		11.15%	12.66%	8.41%	4.06%	36.28%



Multi-Year Budget Analysis - Unrestricted

UNRESTRICTED	2013-14	2014-15	2015-16	2016-17	2017-18	5 Yr Change
Revenues	110,873,088	130,076,843	162,635,395	164,010,538	166,428,973	
		17.32%	25.03%	0.85%	1.47%	44.67%
Salaries	59,521,111	67,316,044	77,104,360	82,275,943	84,988,948	
		13.10%	14.54%	6.71%	3.30%	37.64%
Benefits	19,806,054	22,605,140	27,072,353	29,291,524	31,654,473	
		14.13%	19.76%	8.20%	8.07%	50.16%
Services	10,775,571	10,950,759	12,273,223	14,049,072	14,650,984	
		1.63%	12.08%	14.47%	4.28%	32.46%
Expenditures	91,353,812	103,748,278	124,763,024	134,942,838	138,728,894	
		13.57%	20.26%	8.16%	2.81%	44.79%



Multi-Year Budget Analysis - Restricted

RESTRICTED	2013-14	2014-15	2015-16	2016-17	2017-18	5 Yr Change
Revenues	23,245,434	21,769,679	21,914,965	21,260,281	20,390,079	
		-6.35%	0.67%	-2.99%	-4.09%	-12.76%
Salaries	20,805,151	21,723,169	20,465,728	23,216,190	23,251,031	
		4.41%	-5.79%	13.44%	0.15%	12.21%
Benefits	6,404,762	6,806,705	6,748,931	7,621,020	8,415,180	
		6.28%	-0.85%	12.92%	10.42%	28.77%
Services	6,090,319	6,354,477	6,437,440	5,666,837	7,897,199	
		4.34%	1.31%	-11.97%	39.36%	33.03%
Expenditures	37,574,991	39,553,637	36,678,695	40,074,327	43,397,855	
		5.27%	-7.27%	9.26%	8.29%	15.55%



PARAMOUNT UNIFIED SCHOOL DISTRICT

PREPARING STUDENTS FOR COLLEGE AND CAREERS

Multi-Year Budget Analysis - Comparative

UNRESTRICTED	2013-14	2014-15	2015-16	2016-17	2017-18
Revenues	110,873,088	130,076,843	162,635,395	164,010,538	166,428,973
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PREPARING STUDENTS FOR COLLEGE AND CAREERS

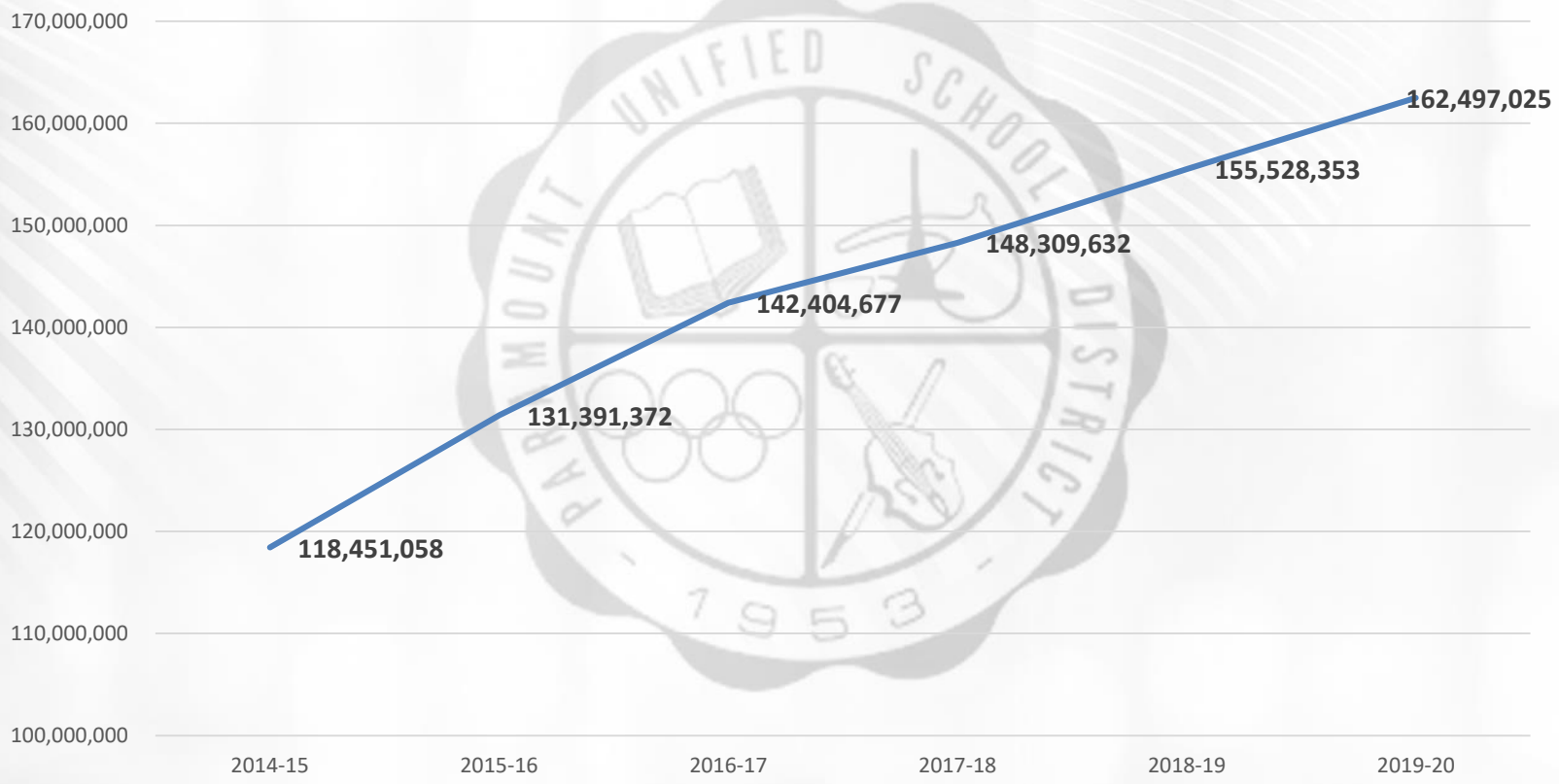
Budget and Multi-Year Projection

	2018-19	2019-20	2020-21
Revenues:			
LCFF	155,457,771	159,884,225	160,966,558
Federal Revenue	11,128,180	11,128,180	11,128,180
Other State Revenue	14,929,619	10,894,853	9,759,387
Other Local Revenue	2,313,062	2,393,062	2,393,062
Total Revenue	193,096,250	191,946,597	194,906,119
Beginning Fund Balance	52,615,666	38,933,055	23,849,225
Total Revenue Balance	245,711,916	230,879,652	218,755,344
Expenditures:			
Certificated Salaries	80,008,986	81,468,773	82,957,755
Classified Salaries	21,929,600	22,272,883	22,624,961
Employee Benefits	40,090,902	40,811,163	41,625,352
Books & Supplies	15,232,462	15,279,836	15,050,406
Services and Other Operating Exp.	21,806,545	21,361,665	20,807,055
Capital Outlay	5,382,667	3,561,243	2,061,243
Other Outgo	1,550,831	1,582,831	1,582,831
Total Expenditures	206,778,861	207,030,427	206,524,316
Ending Fund Balance	38,933,055	23,849,225	12,231,028



Year-to-Year Comparison of Salary & Benefits

PUSD Salaries & Benefits

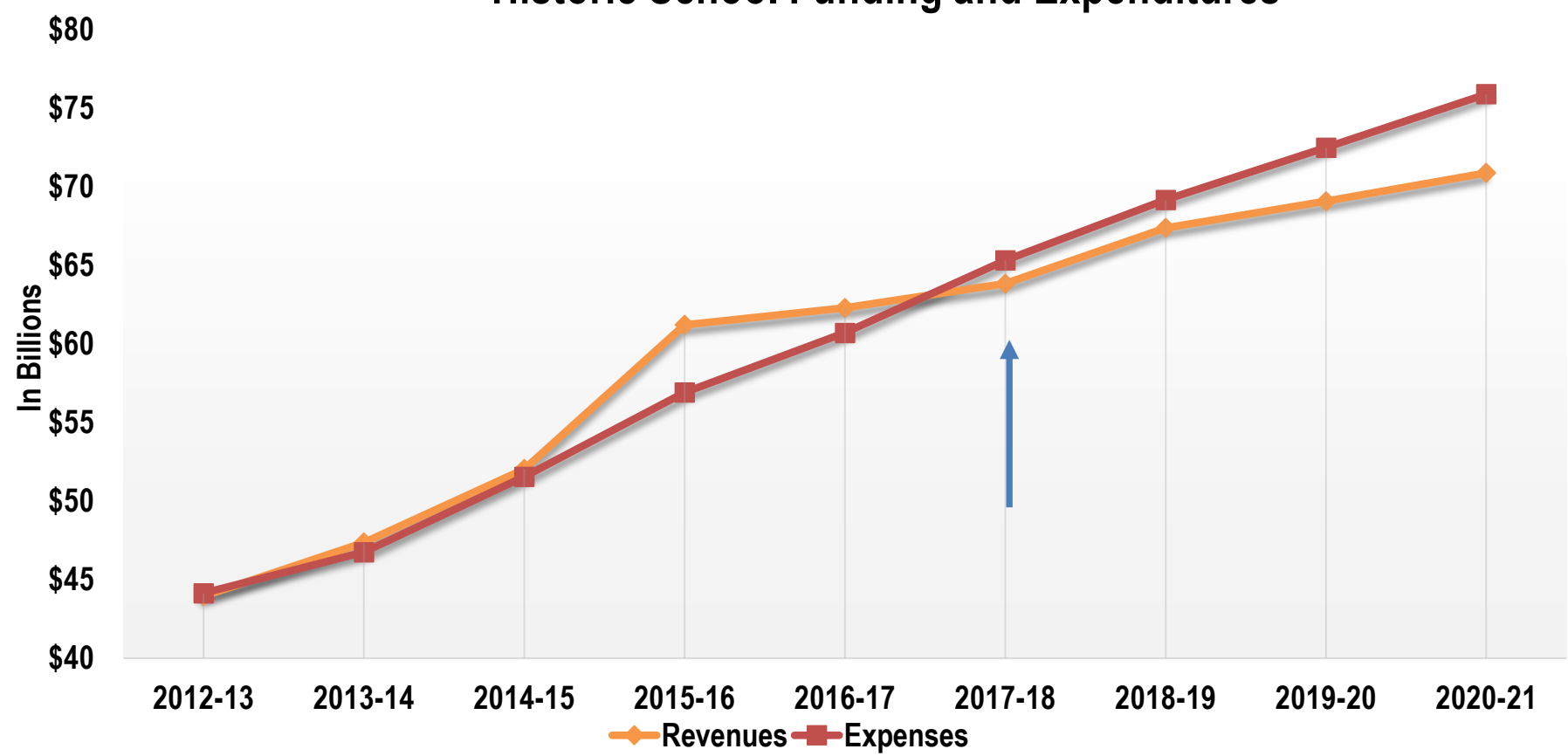


PUSD Salaries & Benefits	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Percent Change		10.92%	8.38%	4.15%	4.87%	4.48%



CA School Agency State Revenues vs. Expenditure Trends

Historic School Funding and Expenditures





Funding Analysis – Expenses

	2014-15	2015-16	2016-17	Variance 14-15 & 16-17
Certificated Salaries	69,557,741	76,141,344	81,685,415	17.44%
Classified Salaries	19,481,473	21,428,744	23,806,718	22.20%
Employee Benefits	29,411,845	33,821,284	36,912,544	25.50%

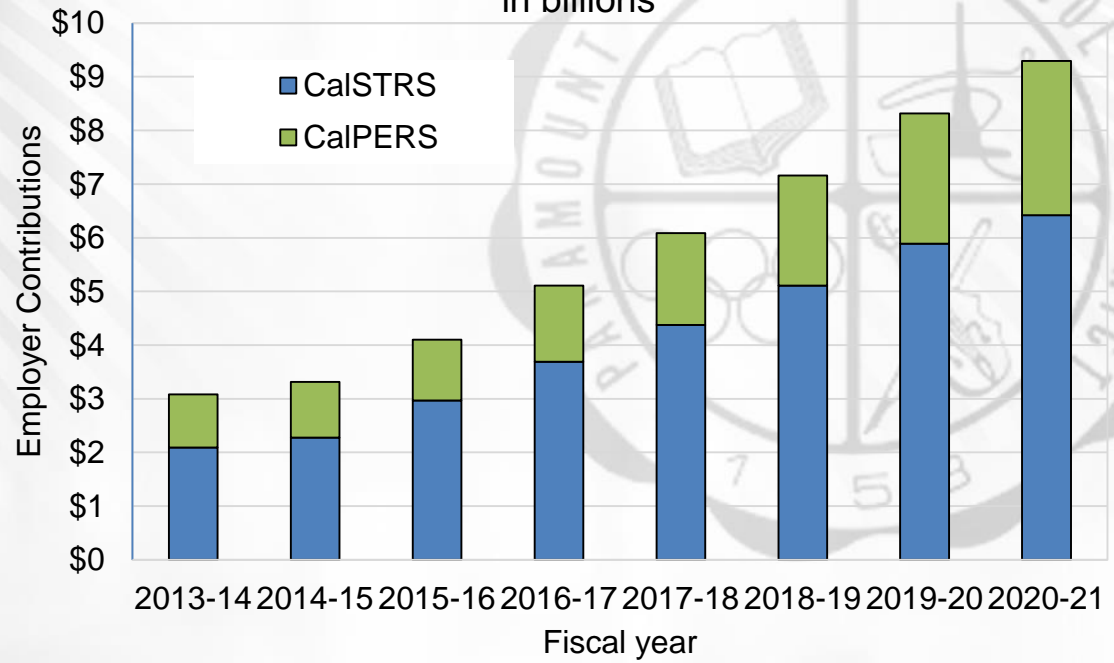
Factor	2017-18	2018-19	2019-20	2020-21
Statutory COLA	1.56%	3.00%*	2.57%	2.67%
SSC Gap Funding Percentage	45.17%	100.00%	-	-
DOF Gap Funding Percentage	45.17%	100.00%	-	-

*Includes statutory COLA of 2.71% plus an additional 0.29% represented by an additional \$166 million appropriated above LCFF targets.



CalSTRS & CalPERS: Employer Contribution Rates

Projected Annual K-12 Employer Contributions
 in billions



Projected K-12 Employer Contributions
 as a percentage of payroll

Fiscal Year	CalSTRS	CalPERS
Current Year	14.43	15.531
2018-19	16.28	18.062*
2019-20	18.13	20.8*
2020-21	19.10	23.5*
2021-22	18.60*	24.6*
2022-23	18.10*	25.3*
2023-24	18.10*	25.8*
2024-25	18.10*	26.0*

* Projected

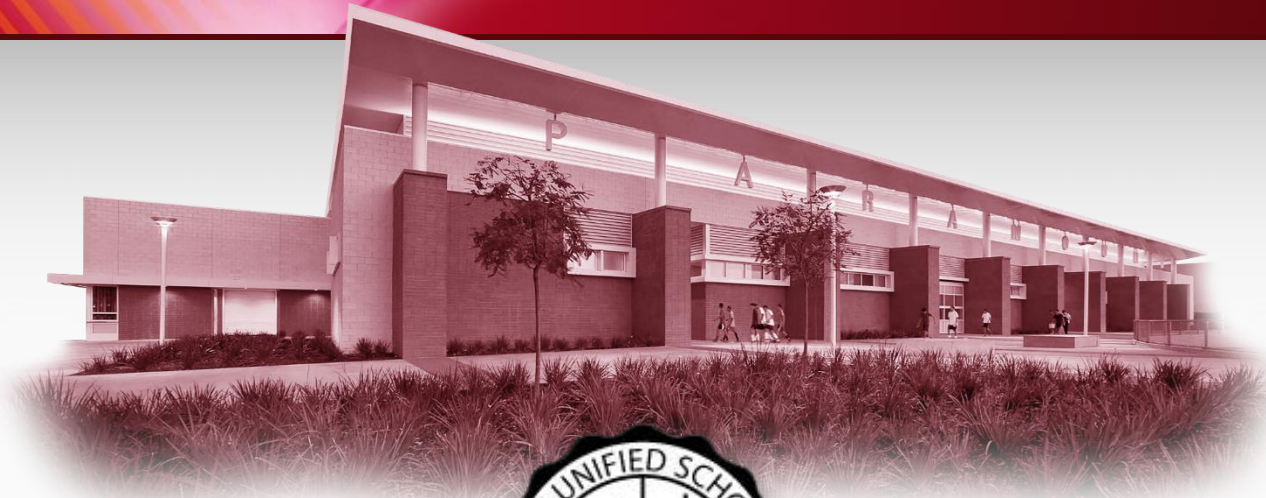


What happens next?

- The 2018-19 State Budget Act is approved
- LEA's have 45 days from the date of budget approval to adjust budgets
- Close the books for 2017-18
- Unaudited Actuals due to LACOE by September 15, 2018



PARAMOUNT UNIFIED SCHOOL DISTRICT



The mission of the Paramount Unified School District is to ensure learning and success for each student by providing a quality education.