Jefferson School District

2015-16 1st Interim Assumptions
November 10, 2015

2015-16 One Time Funds

- District's allocation for 2015-16 one time funds has been confirmed
  - $1,241,122 for outstanding claims for reimbursement of state-mandated local program costs for any fiscal year
  - Funds may be used for any one-time purpose as determined by the governing board

2015-16 One Time Funds (cont.)

- In our district, Mandate Funds are in Resource 0070
  - One-time funds have been saved and the balance of the resource has been reserved off our ending fund balance
  - In 2014-15, we received $157,659 in one-time funds for old mandate claims
    - Planned some projects at all sites and those are still in process

2015-16 One Time Funds (cont.)

- For 2015-16 funds, Administrative Team has started some preliminary brain-storming of ideas for use of one time funds
- We will continue to work through our lists in Cabinet
- Possible board workshop topic in early 2016 to finalize our plans

Budget Challenges

- While there are positive changes in State revenue (both ongoing and one time), our district is encountering challenges to consider
- Enrollment continues to decline
- 1st Interim will reflect a decrease to our projected ADA across all three years compared to where we were at budget

Changes to ADA & Enrollment

Enrollment	
October, 2014	2,429
May, 2015	2,416
October, 2015	2,334

	At Budget (June, 2015)	At 1st Interim (Dec., 2015)
2015-16	2,358.40	2,358.40
2016-17	2,329.32	2,288.75
2017-18	2,299.32	2,228.75

Changes to ADA & Enrollment

- 2014-15 had a drop in enrollment from where we started in September compared to end of year
- 2015-16 enrollment is down 95 from same time in 2014-15
- In consultation with COE, our ADA projections were adjusted to reflect a further drop in enrollment and corresponding drop in ADA for each year

Preliminary Other Assumptions

- Routine Repair & Maintenance
  - We contributed 2% in 2014-15 and budgeted 3% in 2015-16
    - AB104 provides for a gradual increase to 3%, allowing districts to stay at their 2014-15 amount through 2019-20
  - Propose reducing RRM contribution to 2% at 1st Interim and remain at 2% through 2017-18 on the Multi-Year Projection
    - Provides opportunity for general fund savings and still provides flexibility to increase if needed (for specific identified projects) and then return to 2% in subsequent years

Other Assumptions (continued)

- Reflect increased PERS rates
  - 2015-16 = 11.847%
  - 2016-17 = 13.05%
  - 2017-18 = 16.60%

- Increased STRS rates
  - 2015-16 = 10.73%
  - 2016-17 = 12.58%
  - 2017-18 = 14.43%

Other Assumptions (continued)

- Set up 2015-16 budget for STRS On-Behalf
  - Resource 7690 was updated for 2014-15 year-end; these are required year-end conversion entries
  - Need to budget revenue and corresponding expenses in Resource 7690 for 2015-16 year
  - Revenue entry with corresponding expense entries in Resource 7690.
    - No impact to the district's bottom line since the revenue and expenses balance to zero

Next Steps

- 2015-16 1st Interim and Assumption documents presented at December 8, 2015 board meeting
- Continue working on ideas for one-time funds
- Schedule board workshop in early 2016?