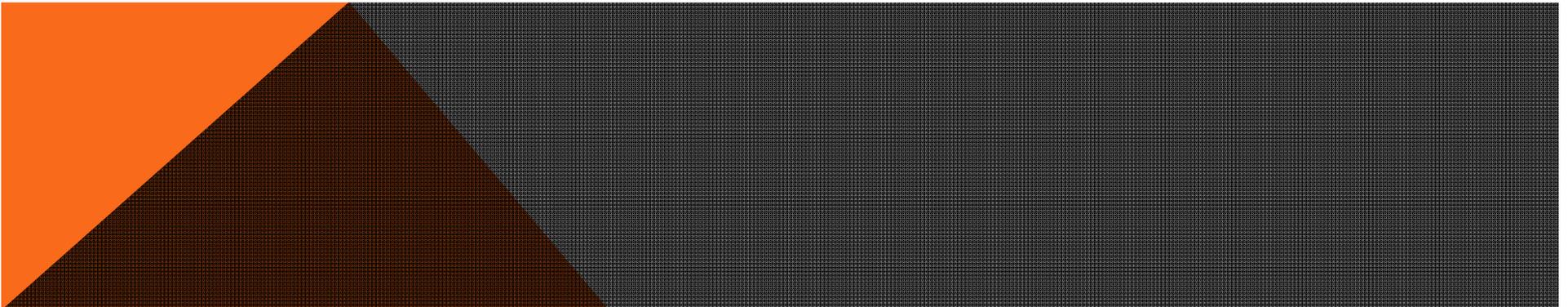


2017-18
SECOND INTERIM REPORT
BEVERLY HILLS UNIFIED SCHOOL DISTRICT

Angeli Villaflor
Director of Fiscal Services

- Budget Overview
- What Changed
- Unrestricted Budget
- 2018-19 Projections



2017-18 Second Interim MYP \$0m cuts

GENERAL FUND	Adopted 2017-18	1st Interim 2017-18	2nd Interim 2017-18	Projected Budget 2018-19	Projected Budget 2019-20
REVENUE:					
REVENUE LIMIT	47,777,665.00	47,810,689.00	47,811,747.00	49,971,754.00	52,239,767.22
FEDERAL	1,704,455.00	1,664,181.00	1,618,114.00	1,576,652.00	1,576,652.00
STATE	1,258,147.00	1,830,934.00	1,885,876.00	2,297,650.67	1,045,659.78
_ LOCAL	13,502,919.00	14,709,407.00	15,234,339.00	14,232,499.00	14,732,499.00
TOTAL REVENUE	\$ 64,243,186.00	\$ 66,015,211.00	\$ 66,550,076.00	\$ 68,078,555.67	\$ 69,594,578.00
EXPENDITURE					
CERTIFICATED SALARY	30,289,167.00	31,187,532.00	30,815,251.00	32,140,447.48	33,438,310.48
CLASSIFIED SALARY	9,460,350.00	9,561,298.00	9,497,133.00	9,913,963.62	10,255,185.86
EMPLOYEE BENEFITS	14,096,558.66	15,026,742.60	15,200,356.44	16,889,860.78	18,199,863.84
BOOK & SUPPLIES	1,987,684.00	1,971,129.00	1,990,761.61	1,967,071.00	1,989,359.00
SERVICES/OPERATING EXP	11,928,347.00	11,784,714.00	12,219,681.76	10,922,692.41	10,907,898.05
CAPITAL OUTLAY	-	-	-	-	-
OTHER OUTGO	98,454.00	98,454.00	98,454.00	98,454.00	98,454.00
INDIRECT COSTS	-	-	-	-	-
TOTAL EXPENDITURES	\$ 67,860,560.66	\$ 69,629,869.60	\$ 69,821,637.81	\$ 71,932,489.29	\$ 74,889,071.23
OTHER FINANCING SOURCES					
TRANSFERS OUT/USEST	(457,972.00)	(457,972.00)	(250,912.00)	(276,455.74)	(303,972.65)
TRANSFERS IN/USES	893,031.64	-	-	1,496,023.86	5,598,465.87
CONTRIBUTIONS	-	-	-	-	-
TOTAL FINANCE SOURCES	\$ 435,059.64	\$ (457,972.00)	\$ (250,912.00)	\$ 1,219,568.12	\$ 5,294,493.22
Net Change Fund Balance	\$ (3,182,315.02)	\$ (4,072,630.60)	\$ (3,522,473.81)	\$ (2,634,365.50)	\$ (0.01)
Beginning Balance	\$ 5,401,955.00	\$ 7,128,782.63	\$ 7,128,782.63	\$ 3,606,308.82	\$ 971,943.32
Ending Fund Balance	\$ 2,219,639.98	\$ 3,056,152.03	\$ 3,606,308.82	\$ 971,943.32	\$ 971,943.31
Restricted Fund Balance	169,994.00	439,433.44	971,943.32	971,943.32	971,943.32
NonSpendable					
Reserve 3%	2,049,645.98	2,102,635.25	2,102,176.49	2,166,268.35	2,255,791.32
Fund 17 balance @ 0.5% interest less contribution to GF	\$ 9,384,925.69	\$ 10,329,347.12	\$ 10,362,957.33	\$ 8,918,748.26	\$ 3,364,876.13
		15%	15%	12%	4%

WHAT CHANGED...

Second Interim Changes to 2017-18FY

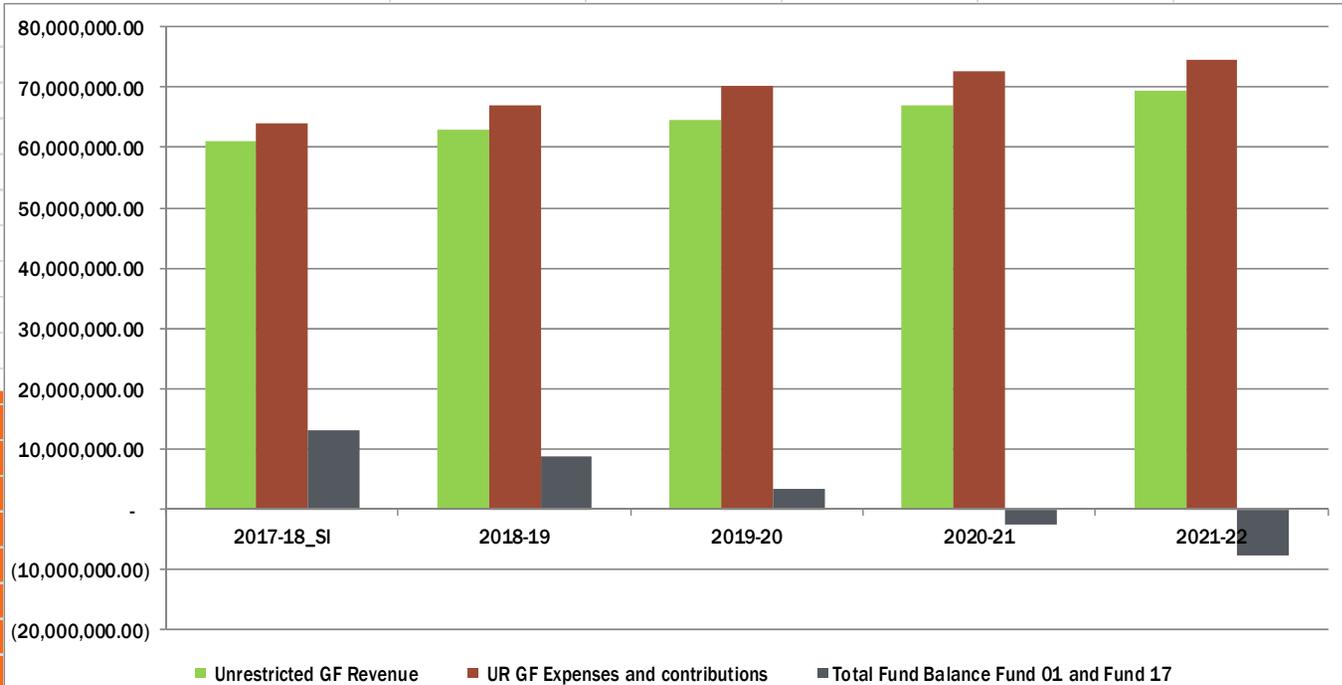
GENERAL FUND	1st Interim 2017-18	2nd Interim 2017-18	Variance	Comment
REVENUE:				
REVENUE LIMIT	47,810,689.00	47,811,747.00	1,058.00	property Tax projections based on LACOE Estimates
FEDERAL	1,664,181.00	1,618,114.00	(46,067.00)	based on CDE Preliminary Allocation projections
STATE	1,830,934.00	1,885,876.00	54,942.00	changes to State Revenue rates
_ LOCAL	14,709,407.00	15,234,339.00	524,932.00	reimbursement for Oil Well Maintenance
TOTAL REVENUE	\$ 66,015,211.00	\$ 66,550,076.00	\$ 534,865.00	
EXPENDITURE				
CERTIFICATED SALARY	31,187,532.00	30,815,251.00	(372,281.00)	Reallocated to current expenses
CLASSIFIED SALARY	9,561,298.00	9,497,133.00	(64,165.00)	Reallocated to current expenses
EMPLOYEE BENEFITS	15,026,742.60	15,200,356.44	173,613.84	Reallocated to current expenses
BOOK & SUPPLIES	1,971,129.00	1,990,761.61	19,632.61	Reallocated to current expenses
SERVICES/OPERATING EXP	11,784,714.00	12,219,681.76	434,967.76	increase cost of Oil Well Maintenance
CAPITAL OUTLAY	-	-	-	
OTHER OUTGO	98,454.00	98,454.00	-	
INDIRECT COSTS	-	-	-	
TOTAL EXPENDITURES	\$ 69,629,869.60	\$ 69,821,637.81	\$ 191,768.21	
OTHER FINANCING SOURCES				
TRANSFERS OUT/USEST	(457,972.00)	(250,912.00)	207,060.00	Reduce transfesr to Food Services
TRANSFERS IN/USES	-	-	-	
CONTRIBUTIONS	-	-	-	
TOTAL FINANCE SOURCES	\$ (457,972.00)	\$ (250,912.00)	\$ 207,060.00	
Net Change Fund Balance	\$ (4,072,630.60)	\$ (3,522,473.81)	\$ 550,156.79	Revenue + Expenditures - Total Finance Sources
Beginning Balance	\$ 7,128,782.63	\$ 7,128,782.63		
Ending Fund Balance	\$3,056,152.03	\$3,606,308.82	\$550,156.79	
Restricted Fund Balance	439,433.44	971,943.32	532,509.88	Restricted Budget Change
Unrestricted Fund Balance	\$ 514,083.34	\$ 532,189.01	\$ 17,646.91	Unrestricted Budget Change

- Reallocation of Expenses mainly from Restricted Programs
- 2017-18 Net change to Unrestricted is \$17,646.50
- Increased cost to Oil Well Maintenance offset by reimbursement

UNRESTRICTED BUDGET SUMMARY

	2017-18_SI	2018-19	2019-20	2020-21	2021-22
Unrestricted GF Revenue	61,094,240.00	62,918,493.67	64,585,074.00	66,966,487.56	69,466,971.80
UR GF Expenses and contributions	63,963,603.61	67,048,883.03	70,183,539.87	72,767,406.23	74,558,862.05
Unrestricted GF Net Change	(2,869,363.61)	(4,130,389.36)	(5,598,465.87)	(5,800,918.67)	(5,091,890.25)
Unrestricted Beginning FB	5,503,729.11	2,634,365.50	-	-	0.00
Transfer from Fund 17	-	1,496,023.86	5,598,465.87	5,800,918.67	5,091,890.25
GF Unrestricted Ending Fund Balance	2,634,365.50	-	-	0.00	0.00
Fund 17 Fund Balance	10,362,957.00	8,918,747.93	3,364,875.79	(2,419,218.50)	(7,523,204.84)
Total Fund Balance Fund 01 and Fund 17	\$ 12,997,322.50	\$ 8,918,747.93	\$ 3,364,875.79	\$ (2,419,218.50)	\$ (7,523,204.84)

- Fund 17 EFB \$10,362,957
- Deficit spending continues
- Transfer from Fund 17 in 2018-19
- 4% Total General Fund Reserve by 2019-20



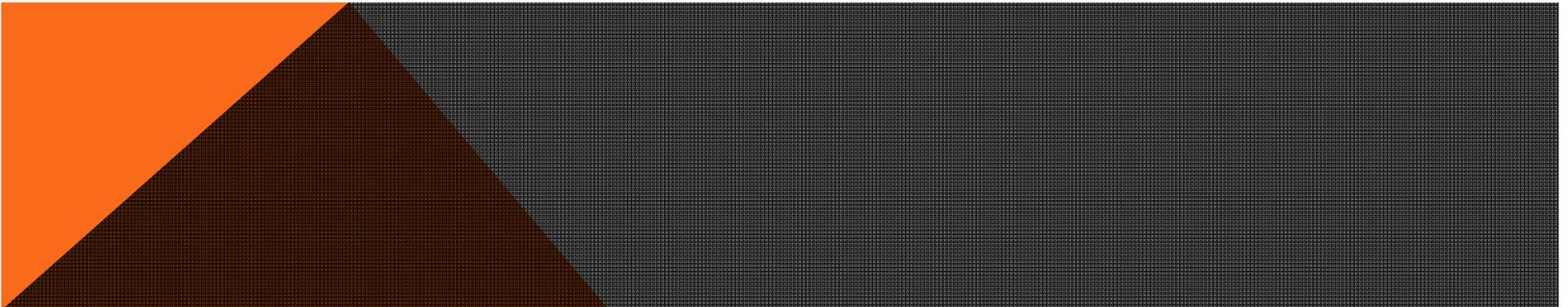
2018-19 PROJECTIONS

What is included:

- One-time State Discretionary Funding at \$295/ADA approx. \$1.1 million
- \$0 cuts – Prior reports projected a \$5m cut to Certificated, this is not projected in the Second Interim
- Reduction in Local Revenue from apportionment transfers

What is not included:

- Unknowns (staffing changes, pending legal obligations, etc.)



ASSUMPTIONS for the 2017-18 Second Interim Report						
	2017-18	18-19	19-20	20-21	21-22	
REVENUE						
Property Tax	6% based on LACOE Estimates	5.0%	5.0%	5.0%	5.0%	
State Aid	1,338,733.00	no change	no change	no change	no change	
EPA	798,638.00	no change	no change	no change	no change	
Federal Funds						
Title I	Carryover and Preliminary Allocations	PY less Carryover	no change	no change	no change	
Title II	Carryover and Preliminary Allocations	PY less Carryover	no change	no change	no change	
Title III -Immigrant	Carryover	0	0	0	0	
Title III - LEP	Carryover and Preliminary Allocations	PY less Carryover	no change	no change	no change	
Perkins	Grant Award Notification	no change	no change	no change	no change	
Spec Ed: IDEA Local Assist	Allocations from SELPA	no change	no change	no change	no change	
Spec Ed: IDEA Preschool	Allocations from SELPA	no change	no change	no change	no change	
Spec Ed: IDEA Local Entit	Allocations from SELPA	no change	no change	no change	no change	
State Funding						
Lottery:Instructional Material	\$45/ADA	\$48/ADA	\$48/ADA	\$48/ADA	\$48/ADA	
Spec Ed: Workability I	Grant Award Notification	No change	No change	No change	No change	
Career Tech Ed Incentive Grant	\$269,976	\$162,500	0	0	0	
Mandatory Block Grant	\$30.34/K-8ADA and \$58.25/9-12ADA	\$31.10/K-8ADA and \$59.71/9-12ADA	No change	No change	No change	
State Lottery Revenue	\$144/ADA	\$146/ADA	\$146/ADA	\$146/ADA	\$146/ADA	
One time Discretionary	\$147/ADA	\$295/ADA	0	0	0	
TUPE grant	LACOE Contract	No change	No change	No change	No change	
Local						
Special Ed transfer from SELPA	preliminary allocation amount	No change reduced by PY oil well reimbursements; +\$500,000 to JPA contract	No change	No change	No change	
JPA	increase anticipated Reimbursement for Oil Well Maintenance	No change	add \$500,000 to JPA contract	No change	No change	
BHEF	Confirmed Commitments	No change	No change	No change	No change	
PTA	Based PY Expenses	No change	No change	No change	No change	
Contributions from the General Fund						
Special Ed	\$7,522,494	Salary and Benefits cost increase	Salary and Benefits cost increase	Salary and Benefits cost increase	Salary and Benefits cost increase	
Food Services	\$457,972	Salary and Benefits cost increase	Salary and Benefits cost increase	Salary and Benefits cost increase	Salary and Benefits cost increase	
RRMA	\$2,234,052	Salary and Benefits cost increase	Salary and Benefits cost increase	Salary and Benefits cost increase	Salary and Benefits cost increase	
CTEIG	\$404,964	increase by \$136,446	increase by \$180,496	No change	No change	
EXPENDITURES						
Certificated Salaries	2.174%	reduce budget by \$100k due to end of K-3 Class size MOU; add 1.4 FTE Technology; 2.991% Salary increase	1.2% step and column; 2.804% Salary Increase	1.2% step and column; 2.816% Salary Increase	1.2% step and column; 2.841% Salary Increase	
Classified Salaries	2.174%	add 1FTE Technology Site Specialist; 2.991% Salary Increase	0.68% step and column; 2.804% Salary Increase	0.68% step and column; 2.816% Salary Increase	0.68% step and column; 2.841% Salary Increase	
Mandatory Benefits %						
STRS	14.43	16.28	18.13	19.1	19.1	
PERS	15.531	17.7	20	22.7	23.7	
OASDAI	6.2	6.2	6.2	6.2	6.2	
MEDI	1.45	1.45	1.45	1.45	1.45	
SUI	0.05	0.05	0.05	0.05	0.05	
WC	5.0	5.0	5.0	5.0	5.0	
OPEB	2.0	2.0	2.0	2.0	2.0	
Health and Welfare	\$8,500	\$8,500	\$8,500	\$8,500	\$8,500	
Materials and Supplies	current budget	3.42% CPI	3.35%	3.02%	3.16%	
Contracted Services	increase Budget for Oil Well Maintenance	reduced to cover increasing Personnel Costs for Restricted Funding	reduced to cover increasing Personnel Costs for Restricted Funding	reduced to cover increasing Personnel Costs for Restricted Funding	reduced to cover increasing Personnel Costs for Restricted Funding	