

Status Report: Current Budget 2016-2017

Will McCoy • 02.28.2017



Overview

Deficit Spending

Needs to be addressed in Multi-Year Projection (MYP)

Areas to Explore

- Define “one-time” expenses and remove from budget (Completed)
- Consider changes for 2017-2018 and beyond that will have positive budgetary impact

Quick Information

Budget Facts

2% Excess Property Tax-

Whenever the Property Tax rate is above 2%, the MOU calls for the District to share that excess with WCA (Impact through 2016-2017, MOU is silent on the share moving forward to 2017-2018 and beyond)

Current Challenges

Legal Bills

“One-time” but considerable and ongoing until the Attorney General investigation has concluded

Unbudgeted Increases

- Several contracted services for enrichment classes (art, music, P.E.)
- Math and Science teachers
- Field Trips

Status Report: Multi-year Budget Projection

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Overview

Deficit Spending

Needs to be addressed in Multi-Year Projection (MYP)

Areas to Explore

- Administrative Reconfiguration
- Renegotiation of Memorandum Of Understanding (MOU) with Willow Creek Academy (WCA)
- Deferred Maintenance Transfer
- Food Service General Fund Contribution
- Other (?)

Possible Savings Area 1: Administrative Reconfiguration

Pro

- Savings of roughly \$75,000 per year in administrator salaries
- Removes the penalty that the District receives from the state for exceeding the ratio of administrators to certificated staff members

Con

- Need to plan how to manage additional admin workload
- Reduces a positive point of contact that the students at the school have at the school

Possible Savings Area 2: Renegotiation of the MOU with WCA

Pro

- Possible long-term savings for the District
 - Utilities
 - Special Education
 - Facilities costs (Out of district students)
 - Operational costs

Con

- Current MOU has been approved through 2018-2019
- Dependent upon successful negotiations with WCA

Possible Savings Area 3: Deferred Maintenance Transfer

Pro

- Increased unrestricted fund availability

Con

- Reduced budget for unforeseen facilities repairs.

Possible Savings Area 4: Food Services

Pro

- Possible area of savings. Currently contribute \$ 47,000
- Development of more efficient process for the district's participation in the National School Lunch Program.
- Working closely with food program service vendor to review expenses.

Con

- This is a special program that is unique to our District.

Possible Savings Area 5: Other

Pro

- The creation of a Budget Advisory Committee will help us explore the entire budget in-depth and provide additional recommendations to the Board for consideration in tandem with the LCAP Process
- Look at Return On Investment (ROI) from existing expenditures

Con

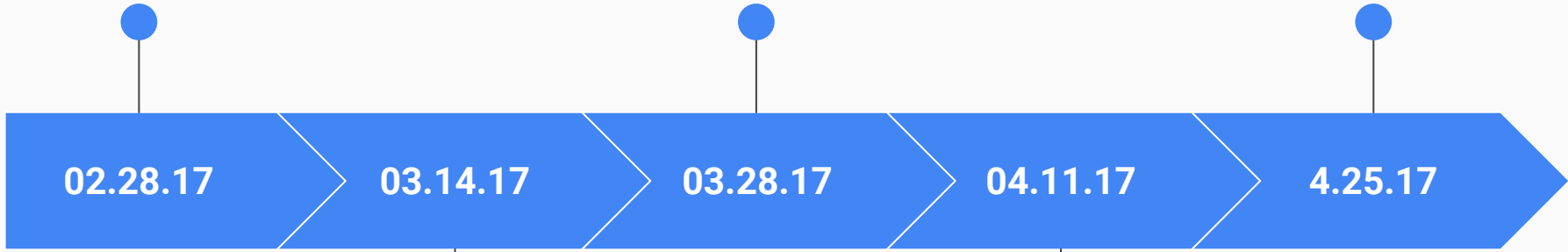
- This is never a fast process, and often many pieces need to be negotiated.
- Systems currently do not support efficient budgeting

Schedule

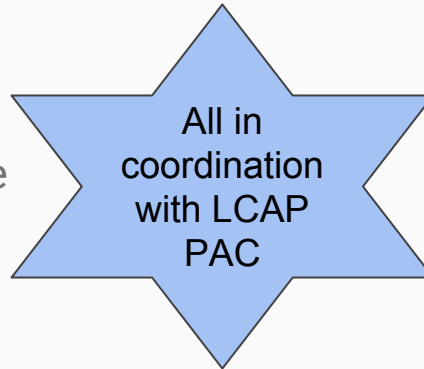
Formation of the Budget Advisory Committee

Board Update by the Budget Advisory Committee

BAC Recommendations to the Board of Trustees



Board Update by the Budget Advisory Committee



Board Update by the Budget Advisory Committee

Next steps

Assignment 1

Select Committee Members and begin analysis of current budget.

Assignment 2

Analysis of current contracts, MOUs, and expenditures that create budgetary distress.

Assignment 3

Evaluate options and make recommendations.

By our next Board Meeting (3/14/17)

1. Select Budget Advisory Committee Members
2. Meet to review current budget status and fiscal stress points