

2017-18 Savings Targets

(in \$Millions)

| | |
|--|---------------|
| Replenish Projected 2017-18 Reserve for Economic Uncertainty to 2% | \$1.2 |
| Contingency for 2017-18 Potential Spending Overages | \$13.0 |
| Replenish Unrestricted Fund Balance toward Board Policy Target | \$0.0 |
| Replenish Fund 67 Fund Balance toward target | \$0.0 |
| Total Savings | \$14.2 |

Fund 67 Replenishment

Recommended 2017-18 Savings

Targets

| | (in \$Millions) | Percentage of Estimated Claims | Savings |
|---|-----------------|--------------------------------|---------|
| Estimated Cost of all outstanding claims | 40 | 100% | \$33.2 |
| Target Fund Balance (70% of claims) | 28 | 70% | \$21.2 |
| 2016-17 Beginning Fund Balance | 14.7 | 37% | \$7.9 |
| 2016-17 Ending Fund Balance in \$Millions | 6.8 | 17% | |

2017-18 Projected Revenue & Expenditures

| | |
|---|---------------|
| 2017-18 Projected Revenue based on payroll reduction | \$18.3 |
| 2017-18 Projected Revenue based on dental premium deducti | \$4.7 |
| Projected Revenue (10-25-17) | \$23.0 |
| 2017-18 Projected Expenditures | \$22.0 |
| 2017-18 Projected Revenue minus Expenditures | \$1.0 |



ngs required to reach target level in X years

| 2 | 3 | 4 | 5 | 10 |
|---------------|---------------|--------------|--------------|--------------|
| \$16.6 | \$11.1 | \$8.3 | \$6.6 | \$3.3 |
| \$10.6 | \$7.1 | \$5.3 | \$4.2 | \$2.1 |
| \$4.0 | \$2.6 | \$2.0 | \$1.6 | \$0.8 |



Fund 67 Rate Calculator

| Current Rate | Revenue Generated |
|--------------|-------------------|
| 6.00% | \$ 18,300,000 |

| | |
|-------|--------------|
| 0.25% | \$ 762,500 |
| 0.50% | \$ 1,525,000 |
| 0.75% | \$ 2,287,500 |
| 1.00% | \$ 3,050,000 |

| Rate | Revenue | Increase from current |
|-------|---------------|-----------------------|
| 6.00% | \$ 18,300,000 | \$ - |
| 6.25% | \$ 19,062,500 | \$ 762,500 |
| 6.50% | \$ 19,825,000 | \$ 1,525,000 |
| 6.75% | \$ 20,587,500 | \$ 2,287,500 |
| 7.00% | \$ 21,350,000 | \$ 3,050,000 |
| 7.25% | \$ 22,112,500 | \$ 3,812,500 |
| 7.50% | \$ 22,875,000 | \$ 4,575,000 |
| 7.75% | \$ 23,637,500 | \$ 5,337,500 |
| 8.00% | \$ 24,400,000 | \$ 6,100,000 |
| 8.25% | \$ 25,162,500 | \$ 6,862,500 |
| 8.50% | \$ 25,925,000 | \$ 7,625,000 |
| 8.75% | \$ 26,687,500 | \$ 8,387,500 |
| 9.00% | \$ 27,450,000 | \$ 9,150,000 |
| 9.25% | \$ 28,212,500 | \$ 9,912,500 |
| 9.50% | \$ 28,975,000 | \$ 10,675,000 |
| 9.75% | \$ 29,737,500 | \$ 11,437,500 |

Components of 2017-18 Contingency Requested

Total Contingency in \$Millions
\$13.0

HISTORICAL TRENDS TO INFORM CONTINGENCY*

Programs for Exception Children

| | |
|--|-------|
| Average Increase in Contribution (\$Millions - 2013-14 to 2016-17) | \$5.1 |
| Budgeted Increase in Contribution 2017-18 | \$0.8 |

| | |
|---|--------------|
| Additional Contingency to cover average increase | \$4.3 |
|---|--------------|

Cafeteria Fund

| | |
|--|-------|
| Average Contribution in \$Millions (2013-14 through 2016-17) | \$1.9 |
| Budgeted Contribution in 2017-18 | \$1.5 |

| | |
|---|--------------|
| Additional Contingency to cover average contribution | \$0.4 |
|---|--------------|

Audit Findings

| | |
|---|-------|
| Average audit findings in \$Millions (2013 to 2017) | \$1.0 |
|---|-------|

| | |
|---|--------------|
| Additional Contingency to cover audit findings | \$1.0 |
|---|--------------|

Third Interim vs Unaudited Actuals Spending

| | |
|--|---------|
| 2016-17 Third Interim spending in \$Millions (1000s through 5000s) | \$334.5 |
| 2016-17 Unaudited actuals spending in \$Millions (1000s through 5000s) | \$342.4 |

| | |
|---|--------------|
| Additional Contingency to cover recent spending patterns | \$7.9 |
|---|--------------|

| | |
|--------------|---------------|
| Total | \$13.6 |
|--------------|---------------|

* There is some overlap among items and we do not expect total amount of things that could go wrong to go wrong

Reserves Replenishment

Recommended 2017-18 Savings

Targets

| | (in \$Millions) | Savings required to reach | | |
|---|-----------------|---------------------------|--------|--------|
| | | 1 | 2 | 3 |
| Board Policy Target Fund Balance (3 months operating) | \$ 150.0 | \$140.7 | \$70.4 | \$46.9 |
| 3% Undesignated Reserve | \$ 15.6 | \$6.3 | \$3.2 | \$2.1 |
| 4% Undesignated Reserve | \$ 20.8 | \$11.5 | \$5.8 | \$3.8 |
| 5% Undesignated Reserve | \$ 26.0 | \$16.7 | \$8.4 | \$5.6 |
| 2017-18 Projected Ending Fund Balance (Revised 10/2017) | \$ 9.3 | | | |

Background

| | |
|---|----------|
| Estimated General Fund Expenditures | \$ 520.0 |
| Monthly operating during K-12 school year | \$ 50.0 |

| Percent | \$Millions |
|---------|------------|
| 1% | 5.2 |
| 2% | 10.4 |
| 3% | 15.6 |
| 4% | 20.8 |
| 5% | 26 |
| 6% | 31.2 |
| 7% | 36.4 |
| 8% | 41.6 |
| 9% | 46.8 |
| 10% | 52 |

[LAO Report on School District Reserves](#)



| ch target level in X years | | |
|----------------------------|--------|--------|
| 4 | 5 | 10 |
| \$35.2 | \$28.1 | \$14.1 |
| \$1.6 | \$1.3 | \$0.6 |
| \$2.9 | \$2.3 | \$1.2 |
| \$4.2 | \$3.3 | \$1.7 |