


EVERGREEN SCHOOL DISTRICT

Enclosure No. 7
Agenda Item 10.1
Date 3/13/14

DATE: March 13, 2014

TO: Katherine Gomez, Superintendent and
The Board of Trustees

FROM: Nelly Yang – Chief Financial Officer 

SUBJECT: Approval of Second Interim Report – Fiscal Year 2013-14

The Second Interim Report reflects a “Positive Certification.” Based on current projections, Evergreen School District will be able to meet its financial obligations for the current fiscal year and subsequent two fiscal years.

The District started the 2013-14 school year with an available reserve of \$14.1 million. Based on the current projections, the District will use \$4.6 million in current year, use \$3.5 million in 2014-15, and have a surplus of \$133,275 in 2015-16.

The major assumptions of this report are:

Revenue Assumptions

- Declining enrollment projection: 2013-14 reduce 193 ADA, 2014-15 reduce 254 ADA, 2015-16 reduce 249 ADA
- LCFF revenue projection based on optimistic DOF revenue projections
- 2013-14 one-time Common Core \$200 per ADA
- Mandated cost \$28 per ADA
- No parcel tax revenue beginning 2014-15
- No transfer of GASB 45 \$1.2 million into General Fund as projected in November 2013

Expenditure Assumptions

- Reduction of students
 - 2013-14 reduce 193 students; add 3.7 FTE teachers
 - 2014-15 reduce 254 students; reduce 10 FTE teachers
 - 2015-16 reduce 249 students; reduce 10 FTE teachers

- Retirement savings
 - 2013-14 \$677,347 savings from 15 retirements
 - 2014-15 \$361,252 savings from 8 retirements
 - 2015-16 \$225,782 savings from 5 retirements
- K-3 class size maintained at 1:24
- ETA multi-year contract costs and savings are included
- CSEA & EAA contract costs and savings are not included
- Health benefits 5.47% increase in each future year
- Home-school transportation at 2013-14 level
- Library 5-day service in 2013-14 only, beginning 2014-15 reduce to 4-day service

RECOMMENDATION:

It is recommended that the Board of Trustees approve the Second Interim Report.

Attachment