



SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT

SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT

Preliminary General Fund Budget for 2015-16

Board of Education Presentation

Janece L. Maez, Chief Financial Officer

June 11, 2015

Agenda Item D.02.



Preliminary Budget

- We will review:

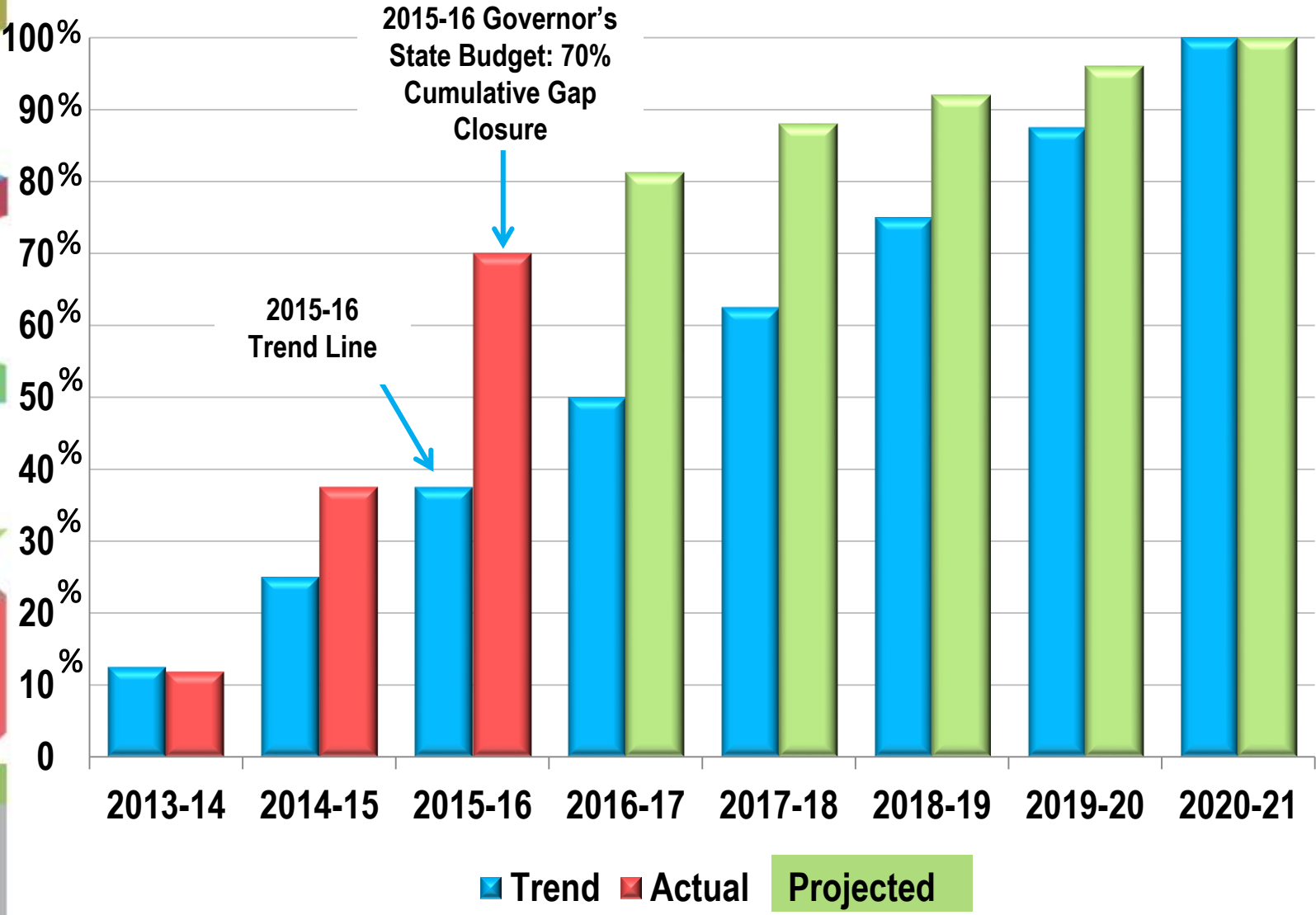
- Impact of May Revise
- Progress towards full implementation of LCFF
- Current budget assumptions
- Staffing changes for 2015-16
- Updated multiyear projections



January Budget vs. May Revision

ITEM	January Budget	May Revision
LCFF Gap Funding Percentage	32.19%	53.08%
Proposition 98 Minimum Funding Guarantee 2014-15 2015-16	\$63.2 billion \$65.7 billion	\$66.3 billion \$68.4 billion
2015-16 COLA	1.58%	1.02%
One-time Discretionary Funds for 2015-16	\$1.1 billion \$180 per ADA	\$3.5 billion \$601 per ADA

Progress Toward LCFF Implementation





SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT

Budget Assumptions



2015-16 LCFF - By the Numbers

- SMMUSD Enrollment - 11,273
- SMMUSD ADA - 10,795
- Unduplicated Count (ELL, F/R, Foster) - 29.18%
- Cost of Living Adjustment (COLA) - 1.02%
- Projected LCFF Gap Closure - 53.08%
- Total LCFF funding - \$84,407,805
- Included in the LCFF dollars is the Supplemental LCAP funding of \$3,608,049

UNRESTRICTED GENERAL FUND - REVENUE ASSUMPTIONS

Factor	2014-15	2015-16	2016-17	2017-18
Statutory COLA	0.85%	1.02%	1.60%	2.48%
LCFF FUNDING BASE				
K-3 + 10.4% CSR	\$ 7,740	\$ 7,820	\$ 7,944	\$ 8,141
4-6	\$ 7,116	\$ 7,189	\$ 7,304	\$ 7,485
7-8	\$ 7,328	\$ 7,403	\$ 7,521	\$ 7,708
9-12 + 2.6% CTE	\$ 8,712	\$ 8,801	\$ 8,942	\$ 9,152
Average LCFF Funding per ADA	\$ 7,067	\$ 7,819	\$ 8,134	\$ 8,399
% of Gap Funding/DOF	29.97%	53.08%	37.40%	36.70%
Enrollment Projection	11,295	11,173	11,173	11,173
P2 ADA Projection	10,795	10,678	10,678	10,678
Funding ADA	10,857	10,795	10,678	10,678
Federal Revenues	0%	0%	0%	0%
City of Santa Monica - Master Facility	\$ 8,448,303	\$ 8,617,269	\$ 8,789,614	\$ 8,965,407
Parcel Tax	\$ 11,269,493	\$ 11,292,032	\$ 11,404,952	\$ 11,519,002
City of SM - Prop Y	\$ 7,400,000	\$ 7,500,000	\$ 7,600,000	\$ 7,700,000
SMMEF Funding	\$ 3,203,730	\$ 2,200,000	\$ 2,500,000	\$ 2,500,000



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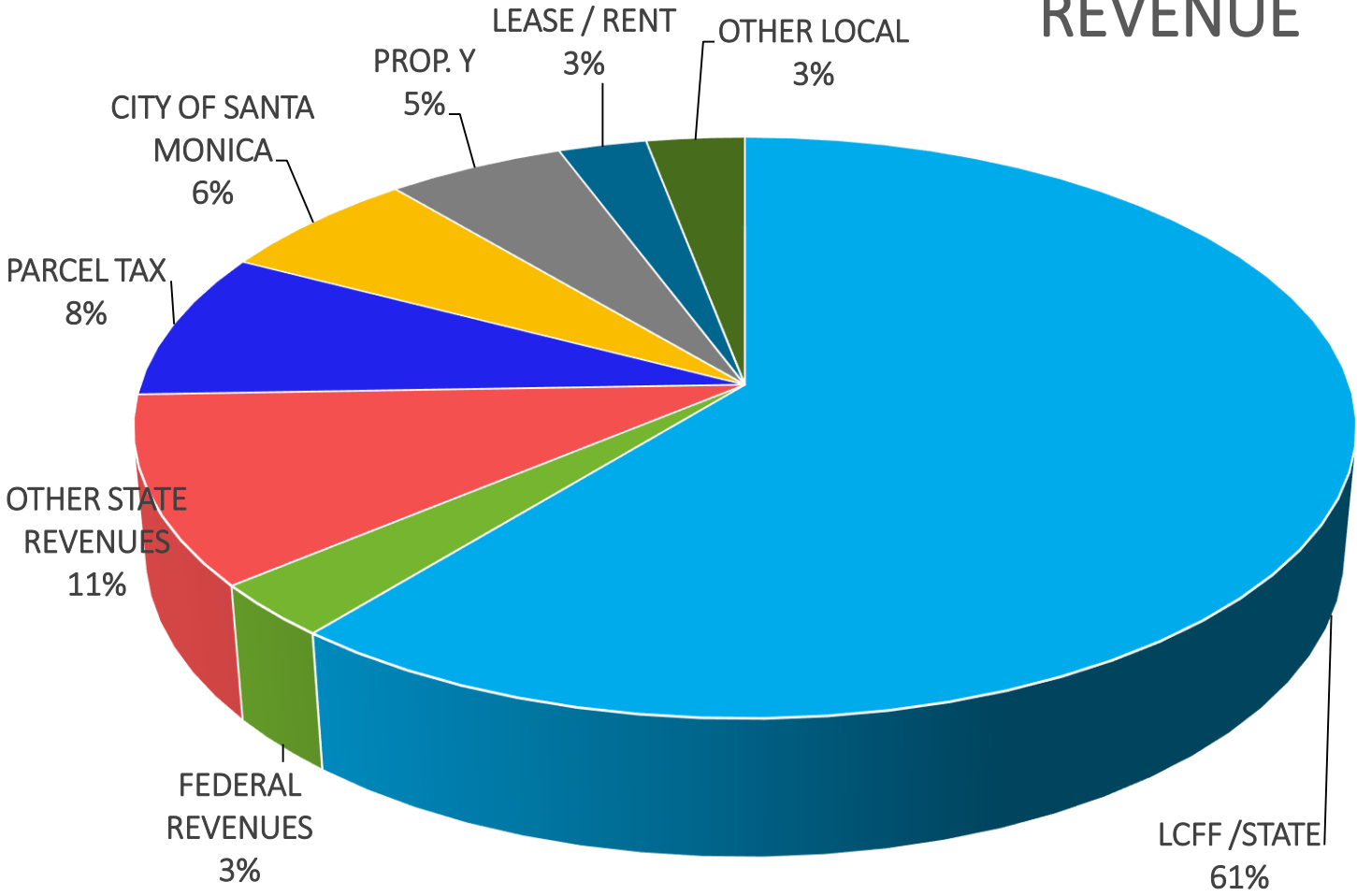
2015-16 PRELIMINARY BUDGET

GENERAL FUND (Combined)

REVENUES

PROJECTED BEGINNING BALANCE	\$	25,124,111
LCFF /STATE	\$	84,073,805
FEDERAL REVENUES	\$	4,198,061
OTHER STATE REVENUES	\$	14,524,791
PARCEL TAXES	\$	11,292,032
CITY OF SANTA MONICA	\$	8,617,269
PROP Y	\$	7,500,000
LEASE / RENT	\$	3,715,000
OTHER LOCAL	\$	4,136,638
TOTAL REVENUES	\$	138,057,596
TOTAL AVAILABLE FUNDS	\$	163,181,707

2015-16 GENERAL FUND REVENUE



UNRESTRICTED GENERAL FUND - EXPENDITURE ASSUMPTIONS

Factor	2014-15	2015-16	2016-17	2017-18
Salary Increase – Certificated/Classified	0%	0%	0%	0%
Step & Column Increases	1.50%	1.50%	1.50%	1.50%
STRS Rate	8.88%	10.73%	12.58%	14.43%
PERS Rate	11.771%	11.847%	13.05%	16.60%
Health/Welfare - Annualized	3%	7%	7%	7%
Workers' Compensation	3.00%	3.40%	3.40%	3.40%
Other Postemployment Benefits	1.25%	1.25%	1.25%	1.25%
Indirect Cost Rate	5.73%	6.28%	6.00%	6.00%
Interest Rate	0.70%	0.70%	0.70%	0.70%
Ongoing Maintenance	3%	3%	3%	3%
Reserve for Economic Uncertainties	3%	3%	3%	3%

Staffing Changes – General Fund

Positions	Full Time Equivalents
Teachers – including ROP	12.0
Teachers – Special Education	2.0
Teachers on Special Assignment	2.0
Mental Health Counselor	.8
Para educators	(3.75)
Certified Occupational Therapist Asst.	(1.0)
Occupational Therapist	1.0
Senior Office Specialist	1.0
Elementary Library Coordinator	.375
Custodians	6.35
Psychologist	1.0
Executive Director Facilities	1.0
Construction Supervisor	1.0

Employee Benefits

Benefit Type	Certificated	Classified
STRS / PERS (Retirement)	10.73% (Expected to be 19.1% in 2020-21)	11.847% (Expected to be 20.4% in 2020-21)
Social Security (OASDI)	N/A	6.2%
Medicare	1.45%	1.45%
SUI	.05%	.05%
Workers Compensation	3.4% (3.0% 2014-15)	3.4% (3.0% 2014-15)
Other Post Employment Benefits (OPEB)	1.25%	1.25%
TOTAL	16.88%	24.197%
Health and Welfare (Prorated)	\$13,000	\$13,000



Textbooks

- 2013-14 Budget - \$335,552
- 2014-15 Budget - \$1.3 million using \$300,000 from Lottery carryover
- 2015-16 thru 2017-18 Budget - \$800,000 (initial \$1.3M)
- One time funds of \$500,000 to be used to maintain adoption schedule

Subject	TK – 12 Textbook Adoption Costs 2013-14 through 2020-21
Math	1,730,205
English Language Arts – ELA	1,690,965
Science - NGSS	1,648,941
History	1,620,408
World Languages	518,667
Other	339,113
Total	7,548,299



Textbook Schedule

2013-14 and 2014-15

- ES, MS and HS Math

2015-16

- MS and HS ELA

2016-17

- ES ELA, MS NGSS

2017-18

- HS NGSS

2018-19

- ES NGSS, MS History

2019-20

- ES and HS History

2020-21

- World Languages and Other



Site Supply Allocations

- Based on student enrollment
- Used to purchase supplies for: Classrooms, Offices, Health
- Sites determine the distribution and use of funds
- Starting 2015-16, custodial supplies will be centrally purchased - \$300,000 allocation in Operations – no reduction to site formula calculations

Grade Level	Formula	Restricted Lottery
K – 5	77.75	12.00
6 – 8	80.66	14.00
9 - 12	59.48	14.00



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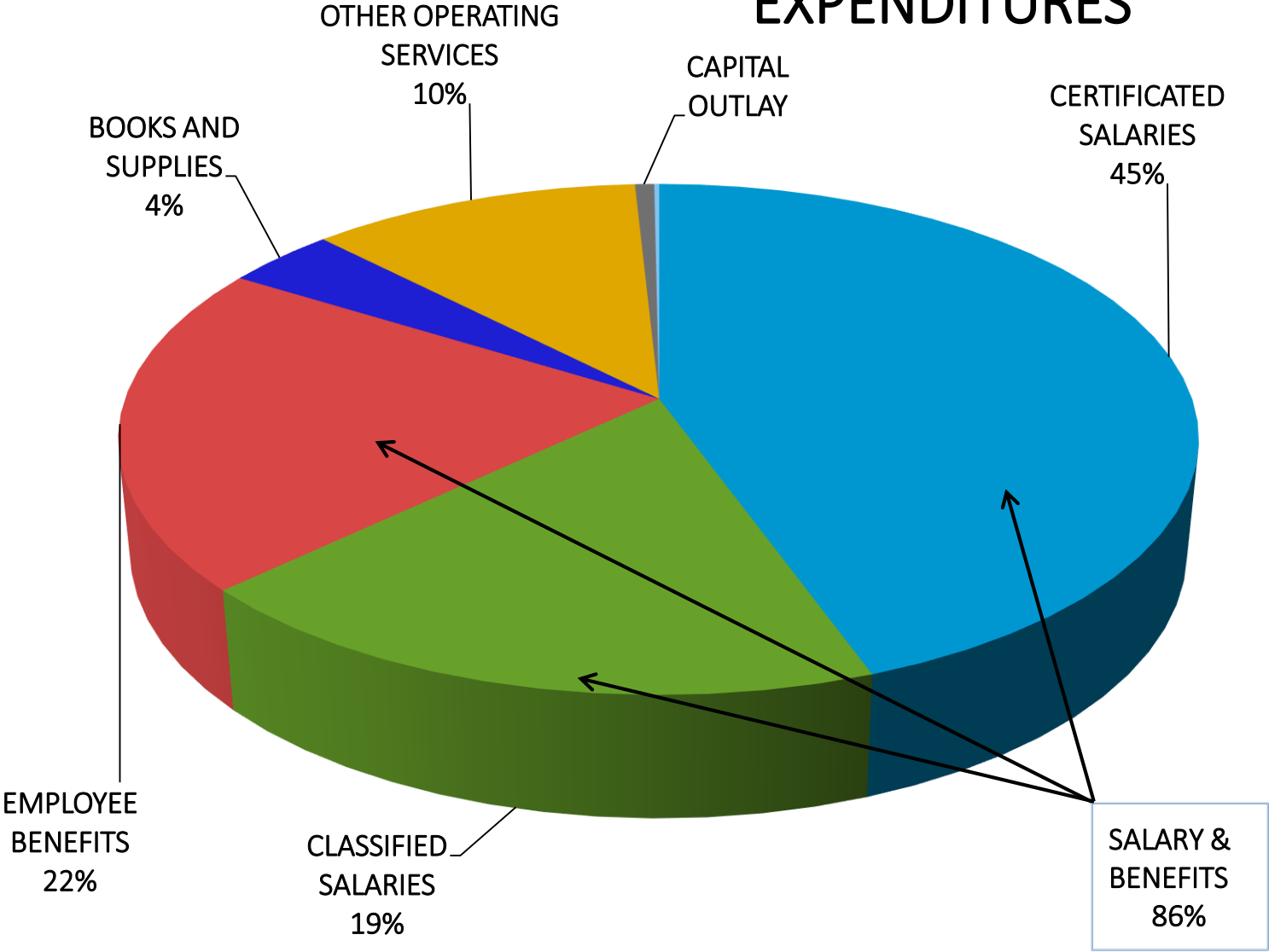
2015-16 PRELIMINARY BUDGET

GENERAL FUND (Combined)

PROJECTED EXPENDITURES:

CERTIFICATED SALARIES	\$	60,667,645
CLASSIFIED SALARIES	\$	26,547,926
EMPLOYEE BENEFITS	\$	30,851,043
BOOKS AND SUPPLIES	\$	3,743,577
SERVICES & OTHER OPERATING COSTS	\$	14,004,061
CAPITAL OUTLAY	\$	1,092,737
OTHER OUTGO	\$	(145,926)
TOTAL EXPENDITURES:	\$	136,761,063
PROJECTED FUND BALANCE:	\$	26,420,644

2015-16 GENERAL FUND EXPENDITURES





SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT

Multi-Year Projections

**SANTA MONICA-MALIBU USD
MULTI-YEAR PROJECTION
UNRESTRICTED GENERAL FUND**

Description	2014-15 WORKING BUDGET	2015-16 PROJECTED BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED BUDGET
Property Tax	66,321,013	66,321,013	66,321,013	66,321,013
Education Protection Account (EPA)	2,171,400	2,159,000	2,159,000	2,135,600
LCFF Transfer to Fund 11 & Fund 14	(437,628)	(250,000)	(250,000)	(250,000)
LCFF Transfer to County Specialized Secondary School	(84,000)	(84,000)	(84,000)	(84,000)
LCFF State Aid	8,585,843	15,927,792	18,373,302	21,223,092
Subtotal LCFF Funding	76,556,628	84,073,805	86,519,315	89,345,705
Prior Year LCFF Adjustment	6,420,240			
Other Federal	201,237	13,000	13,000	13,000
Lottery	1,449,000	1,413,403	1,413,403	1,413,403
Mandated Reimbursement Block Grant	1,128,916	6,814,826	397,348	397,348
Other State Revenue	10,000	8,000	8,000	8,000
Measure R – Parcel Tax	11,269,493	11,292,032	11,404,952	11,519,002
Prop Y / City of SM	7,400,000	7,500,000	7,600,000	7,700,000
Joint Use Agreement/ City of SM	8,448,303	8,617,269	8,789,614	8,965,407
All Other Local Income	3,433,605	3,762,380	3,390,000	3,390,000
SMMEF Donation	3,203,730	2,200,000	2,500,000	2,500,000
Others /Proceed from Capital Lease	137,119	-		
Local General Fund Contribution	(21,125,009)	(23,116,213)	(23,500,000)	(24,000,000)
TOTAL REVENUE	98,533,263	102,578,501	98,535,633	101,251,865

**SANTA MONICA-MALIBU USD
MULTI-YEAR PROJECTION
UNRESTRICTED GENERAL FUND**

Description	2014-15 WORKING BUDGET	2015-16 PROJECTED BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED BUDGET
Certificated Salary	47,233,417	49,073,554	49,148,714	49,725,945
Classified	16,461,872	17,217,832	17,476,099	17,738,240
Benefits	22,196,671	23,222,199	25,074,773	27,192,474
Supplies/Books	2,616,291	2,651,456	2,700,000	2,700,000
Other Operational Costs	8,811,368	9,068,335	9,000,000	9,000,000
Capital Outlay	470,322	672,200	313,000	212,500
Debt Services	53,400	53,400	53,400	53,400
Indirect	(1,084,837)	(1,161,544)	(900,000)	(900,000)
Interfund Transfer to FUND 12	170,119	185,494	110,000	110,000
Interfund Transfer to FUND 13	260,000	130,000	130,000	130,000
LCAP increase above 2015-16			536,880	800,988
TOTAL EXPENDITURE	97,188,623	101,112,926	103,642,866	106,763,547

**SANTA MONICA-MALIBU USD
MULTI-YEAR PROJECTION
UNRESTRICTED GENERAL FUND**

Description	2014-15 WORKING BUDGET	2015-16 PROJECTED BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED BUDGET
Increase (Decrease) Fund Balance	1,344,640	1,465,575	(5,107,233)	(5,511,682)
Beginning Fund Balance	21,775,362	23,120,002	24,585,577	19,478,344
Ending Fund Balance	23,120,002	24,585,577	19,478,344	13,966,662
Reserve - Revolving cash, Store	100,000	100,000	100,000	100,000
Reserve - Deficit Spending in 16-17		5,107,233		
Reserve - Deficit Spending in 17-18		5,511,682	5,511,682	
Reserve - 50% of GAP Funding in 16-17			1,633,647	1,633,647
Reserve - 50% of GAP Funding in 17-18				1,413,195
One time Funds		6,142,626	5,829,626	5,617,126
3% Contingency Reserve	4,082,056	4,102,832	4,202,928	4,325,053
Unappropriated Balance	18,937,946	3,621,204	2,200,461	877,641



Next Steps

- Continue to monitor the State budget process
- Prepare final budget documents for the Public Hearing on June 24th and Board adoption on June 29th
- Prepare any necessary budget revisions for Board approval within the legal timelines (45 day revision) after final State Budget adoption

Questions

