

Enrollment for 2020-21 is projected to be 10,018.

The Lottery allocation will be \$207 per annual ADA, of which \$153 is for Unrestricted General Fund expenditures and the remaining \$54 is Proposition 20 – Mandated for Instructional Materials.

Reflects a suspended 2.31% COLA for Special Education Funding, the projected Special Education AB 602 revenue is \$5,239,153 and \$2,319,688 for Federal IDEA programs.

Mandated Block Grant revenue is \$372,727.

The Measure “R” parcel tax of \$435.06 per parcel is estimated to generate \$12,488,576 after processing the senior exemptions.

Santa Monica-Malibu Education Foundation contribution is \$2 million dollars.

Malibu Fundraising Entity (yet to be named) contribution of \$165 thousand dollars.

The estimated revenue from Prop Y & GSH is projected to significantly decrease to \$12,537,500 from the City of Santa Monica. This projection reflects approximately a 14% decrease due to the Covid-19 pandemic as well as the current climate of civil unrest. This projection mirrors the City’s financial estimates per the advisement of the District’s Financial Oversight Committee.

The District will receive \$9,799,171 from the Joint Use Agreement with the City of Santa Monica.

The District will receive approximately \$340,000 from the Joint Use Agreement funding with the City of Malibu.

The combined lease revenue is \$2,450,000 which is from the DoubleTree Hotel, Madison Site, 9th & Colorado and 16th Street properties.

The projected revenue of Federal programs:

Resource ‘3010’	Title I:	\$ 1,079,203
Resource ‘4035’	Title II:	\$ 209,853
Resource ‘4203’	Title III:	\$ 90,898
Resource ‘5640’	Medi-Cal:	\$ 200,000

EXPENDITURE ASSUMPTIONS

Teaching Staff Ratios:

TK-Grade 3	24
Grade 4-5	30
Grade 4-5 (Title I schools)	27
Grade 6-8	34
Grade 6-8 (JAMS)	33
Grade 9-12	35

Site Administrative Staffing Ratios:

Principals: 1.0 FTE per site

Assistant Principals: 0.00 FTE for school enrollment less than 450 students
0.50 FTE for school enrollment between 450 and 700 students
1.00 FTE for school enrollment greater than 700 students

Santa Monica High: 1.00 FTE Principal
5.00 FTE House Principals

Malibu 2.00 FTE Principals
1.00 FTE Assistant Principal

JAMS, Lincoln: 1.00 FTE Principal
2.00 FTE Assistant Principal

Olympic: 1.00 FTE Principal (0.50 General Fund & 0.50 Adult Ed)

PBL High School: 1.00 FTE Principal (share with SMASH)

Sr. Office Specialist Ratio: 0.50 FTE for school enrollment less than 400 students
1.00 FTE for school enrollment between 400 and 550 students
1.50 FTE for school enrollment between 551 and 700 students
2.00 FTE for school enrollment greater than 700

Full-Time Equivalent (FTE) Changes:

Certificated: The FTE change of teaching positions reflect changes of projected enrollment

(2.9) FTE T-K – 7 Elementary/Middle School Teaching Services (Multiple Subject)
(2.0) FTE Secondary English Language Arts Teaching Services
(2.0) FTE Secondary Math Teaching Services
(2.0) FTE Middle School & Secondary Science Teaching Services
(0.40) FTE Social Studies Teaching Services
(0.40) FTE Secondary Foreign Language Teaching Services (Spanish)
(1.0) FTE Secondary Physical Education Teaching Services
(1.0) FTE Visual & Performing Arts Teaching Services
(1.0) FTE Secondary Counseling Services
(0.50) FTE Reading Teacher Services
(0.60) FTE Instructional Coach Services
(1.60) FTE School Psychologist Services, Special Education
(3.60) FTE Classroom Teacher Services, Special Education
(1.0) FTE Director of Human Resources (two-year hiring freeze)
(1.0) FTE Director of Curriculum & Instruction (two-year hiring freeze)

Classified:

(3.0) FTE Lead Custodians
(1.0) FTE Print Shop Reprographics Operator
(1.0) FTE Management in Maintenance & Operations
(1.0) FTE Assistant Director of Fiscal Services (two-year hiring freeze)
1.0 FTE Risk Manager
(1.0) FTE Senior Office Specialist, Special Education
(2.0) FTE Speech & Language Pathologist Assistants, Special Education
(8.0) FTE Paraeducators, Special Education

Salary:

1.5% step and column increase for certificated employees

1.5% step and column increase for classified employees

Statutory Benefits:

16.15%	STRS employer contribution rate – adjusted downward at the Governors May Revise due to rates being “bought down” by \$2.3 billion payment from the State of California. Rate is a 2.25% decrease from the Governors January Budget which was previously planned for 18.40%
22.840%	PERS employer contribution rate – adjusted downward at the Governors May Revise due to rates being “bought down” by \$2.3 billion payment from the State of California. Rate is a 1.98% decrease from the Governors January Budget which was previously planned for 22.680%
6.20%	OASDI contribution rate
1.45%	Medicare contribution rate
0.05%	SUI contribution
4.22%	Workers’ Compensation contribution
1.25%	Other Postemployment Benefit

Health & Welfare:

The premium for District-paid employee health benefits is budgeted for a 5% increase in 2021 calendar year. CalPERS health benefit rates have not been announced for 2021. Adjustments to these rates will be completed when official notification is received and incorporated in to the 2020-21 Second Interim. Additionally, the Second Interim Budget will be adjusted to reflect three (3) months of the old actual rates that occurred from October thru December and the remaining seven (7) months of January thru July will be budgeted with the new calendar year rates. This standard budgeting practice will sure-up the budget line item in the Health & Welfare category to mitigate an over or under budget projection in this category.

OTHER PROGRAMS

Educational Protection Act (EPA)

After passage of Proposition 30, the Schools and Local Public Safety Protection Act of 2012, the District received funds through a new Education Protection Account to help stabilize school budgets and restore educational opportunities that were decimated by revenue shortfalls brought by the Great Recessions.

EPA funds are one of the three components that make up the LCFF funds in the district. The District was scheduled to receive roughly \$2 million in the current year but will now receive approximately \$1.8 million in 2019-20 and 2020-21 respectively; this decrease equates to a 10% reduction due to the fiscal impacts of Covid-19. All funds support Certificated Teacher Salaries.

Per School Services of California, all Districts are subject to a significant drop in the EPA funding for 2019–20, which means some Districts may have already received, in the First three quarters of this Fiscal Year, more EPA funds than their estimated entitlements for the year, and may not receive a fourth quarter payment.

The California Department of Education and the Department of Finance are currently investigating the options for recapturing overpayments of EPA funds to Districts, which may include suspending or reducing future quarterly payments.

For this reason, School Services of California is recommending that Districts plan on receiving no EPA payment in June 2020 until the details and the timing for each District's adjustment are determined. This may also have an adverse effect on EPA funding for the 2020-21 Fiscal Year.

LCAP Supplemental Grant

\$3,926,759 is budgeted to support the LCAP plan that will be approved by the Board.

Technology Refresh

\$1,000,000 suspension and postponement of this program as outlines in the District's Fiscal Stabilization Plan – this program is annually funded by Unrestricted General Fund (GSH/YY expenditure) that has endured a significant decrease for both the 2019-20 and 2020-21 years.

Formula Budget (School Site Allocations)

Total formula budget is \$978,660. The calculation allocation is based on (same as 2019-20):

K-5 \$ 77.75 per pupil
6-8 \$ 80.66 per pupil
9-12 \$ 59.48 per pupil

Summer School

Total Summer School budget is \$734,606 (\$305,245 funded by LCAP Supplemental Grant). This is an overall decrease of \$336,929 from last year's total of 1,071,535. This decrease is reduced summer offerings due to Covid-19.

Equipment Purchase and Replacement

\$225,000 budget for School Bus #2 replacement.

Transportation

\$1,382,469 for Regular Ed Transportation (increase of 186,566 from prior year)
\$1,512,908 for Special Ed Transportation (decrease of 203,195 from prior year)
\$ 453,500 for Transportation Building Rent & Associated Utilities (increase of 13.96% from prior year)

Ongoing Maintenance Program

\$5,852,676 is budgeted for Ongoing Maintenance Program which represents 3% of total General Fund budget.

TRANSFERS

\$1,000,000 Transfer to Child Development Fund (Fund 12) from General Fund
\$200,000 Transfer to Child Development Fund (Fund 12) from LCAP Supplement
\$900,000 Transfer to Cafeteria Fund (Fund 13)
\$1,000,000 Transfer to Deferred Maintenance (Fund 14)

The General Indirect Rate changed from 5.49% to 6.26% in 2020-21.

The Food Services Indirect Rate changed from 5.12 to 5.00% in 2020-21.

RESERVE

The District Budget reflects the State required 3% reserve of General Fund Expenditures for Economic Uncertainties in the following years:

- 2020-21
- 2021-22
- 2022-23

The following documents include the General Fund Revenue / Expenditure Summary, the Unrestricted General Fund Revenue / Expenditure Summary, Multi-year Projections, and Preliminary Site Budgets.

2020-21 LCFF CALCULATION					4/30/2020
BASE GRANT					
	TK-3	4-6	7-8	9-12	TOTAL
	2,840.26	2,093.07	1,657.22	3,092.66	9,683.21
2020-21 BASE	7,702	7,818	8,050	9,329	
2020-21 Less 10%	7,002	7,107	7,318	8,481	
	19,886,984	14,876,019	12,127,837	26,228,568	73,119,409
AUGMENTATION GRANTS:					
CSR AUGMENTATION: BASE GRANT X 10.4%					1,880,224
CTE AUGMENTATION 9-12 BASE GRANT X 2.6%					619,948
SUPPLEMENTAL AND CONCENTRATION GRANTS:					
TOTAL ENROLLMENT (3-YEAR AVERAGE)					10,692
TOTAL UNDUPLICATED PUPIL COUNT (3-YEAR AVERAGE)					3,054
					28.56%
SUPPLEMENT ADD-ON 20% OF BASE GRANT X % OF ELIGIBLE ENROLLMENT					3,926,759
TRANSPORTATION AND TIIG GRANT					
2012-13 TRANSPORTATION					745,703
2012-13 TIIG					390,688
TOTAL 2019-20 LCFF ENTITLEMENT					80,682,731
MINIMUM STATE AID / 2012-13 CATEGORICAL PROGRAMS					7,805,312
TOTAL FUNDING LESS: 2012-13 MINIMUM/CATEGORICAL					72,877,419
LOCAL REVENUE / PROPERTY TAXES					94,216,821
Amount of Property Tax Over LCFF Funding (Basic Aid when negative)					(21,339,402)

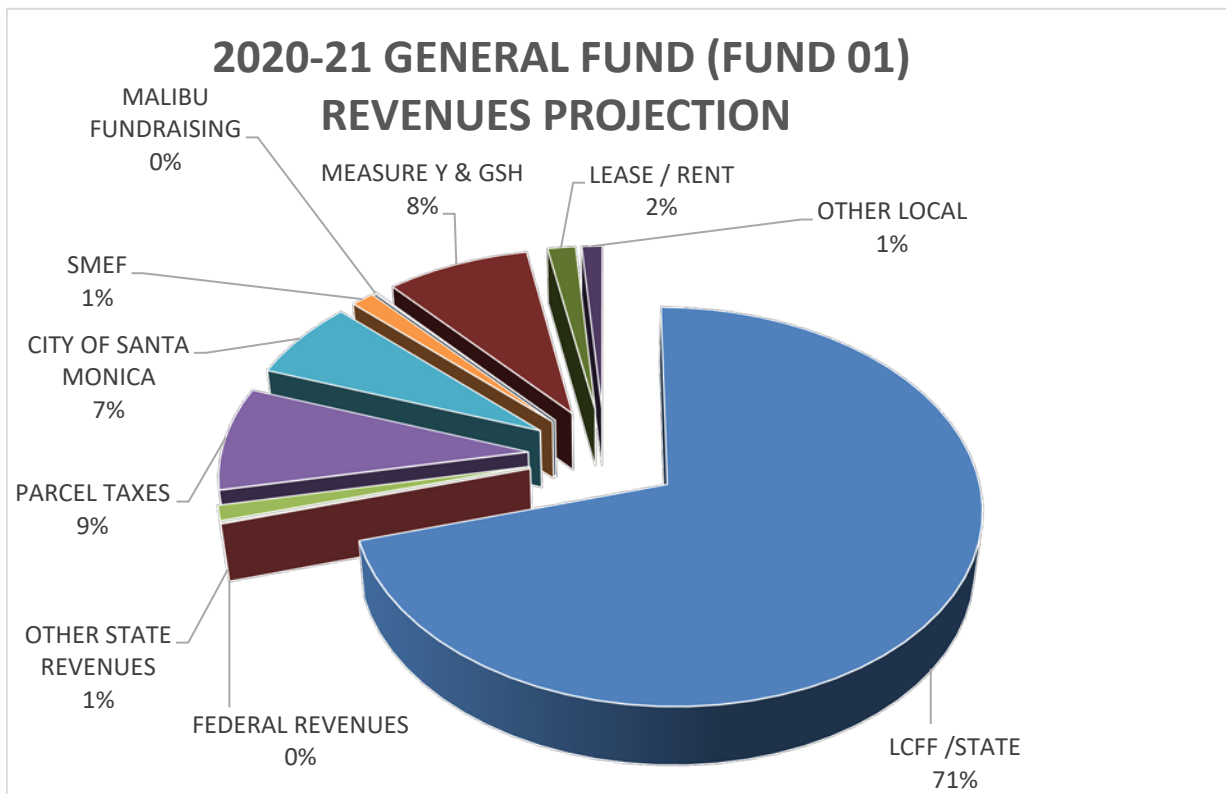
Note Outside of Calculation:

EDUCATION PROTECTION ACCOUNT	1,818,182
TRANSFER TO CHARTER SCHOOL	-38,000

**SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT
2020-21 PRELIMINARY BUDGET
UNRESTRICTED GENERAL FUND**

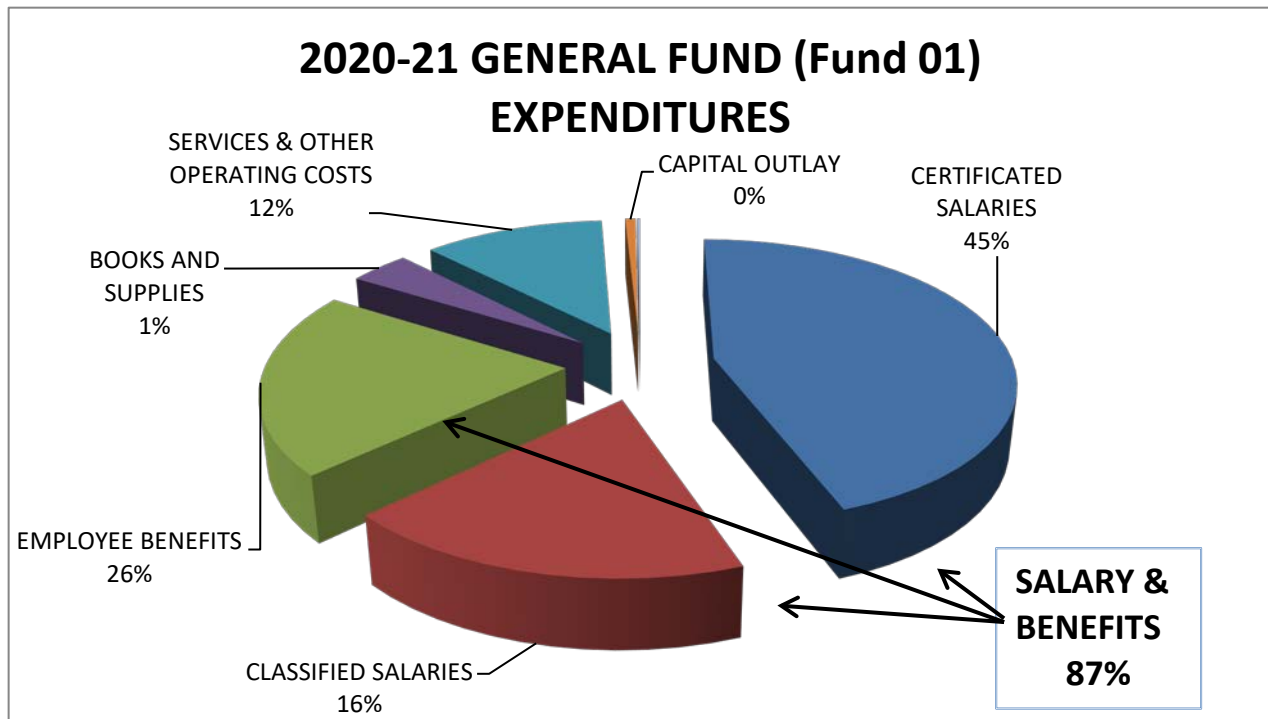
REVENUES

PROJECTED BEGINNING BALANCE	\$	14,921,591
LCFF /STATE	\$	103,802,315
FEDERAL REVENUES	\$	100,000
OTHER STATE REVENUES	\$	1,832,272
PARCEL TAXES	\$	12,698,211
CITY OF SANTA MONICA	\$	9,799,171
SMEF	\$	2,000,000
MALIBU FUNDRAISING	\$	165,000
MEASURE Y & GSH	\$	12,537,500
LEASE / RENT	\$	2,450,000
OTHER LOCAL	\$	1,785,000
TOTAL REVENUES	\$	147,169,469
TOTAL AVAILABLE FUNDS	\$	162,091,060



UNRESTRICTED GENERAL FUND

PROJECTED EXPENDITURES:		
CERTIFICATED SALARIES	\$	54,128,097
CLASSIFIED SALARIES	\$	19,879,252
EMPLOYEE BENEFITS	\$	31,864,685
BOOKS AND SUPPLIES	\$	1,719,709
SERVICES & OTHER OPERATING COSTS	\$	14,735,152
CAPITAL OUTLAY	\$	225,000
OTHER OUTGO	\$	(991,885)
TOTAL EXPENDITURES:	\$	121,560,010
TRANSFERS OUT	\$	3,100,000
CONTRIBUTION (SPED & REST ROUT MAINT)	\$	(31,783,596)
PROJECTED FUND BALANCE:	\$	5,647,454



**SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT
SUMMARY BUDGET OF GENERAL FUND**

FUND 01: UNRESTRICTED GENERAL FUND

	2019-20 ESTIMATED ACTUALS	2020-21 PROPOSED BUDGET	CHANGES
BEGINNING BALANCE	22,439,368	14,921,593	(7,517,775)
REVENUES			-
LCFF SOURCES	102,201,587	103,802,315	1,600,728
FEDERAL REVENUE	264,377	100,000	(164,377)
OTHER STATE REVENUE	2,238,275	1,832,272	(406,003)
LOCAL REVENUES	42,999,415	41,434,882	(1,564,533)
LOCAL GENERAL FUND CONTRIBUTION	(30,011,558)	(31,783,596)	(1,772,038)
TOTAL REVENUES	117,692,096	115,385,873	(2,306,223)
EXPENDITURES			
CERTIFICATED SALARIES	53,908,237	54,128,097	219,860
CLASSIFIED SALARIES	18,620,897	19,879,252	1,258,355
EMPLOYEE BENEFITS	30,036,276	31,864,685	1,828,409
BOOKS AND SUPPLIES	4,945,194	1,719,709	(3,225,485)
SERVICES & OTHER OPERATING COSTS	15,309,748	14,735,152	(574,596)
CAPITAL OUTLAY	408,221	225,000	(183,221)
OTHER OUTGO	(568,702)	(991,885)	(423,183)
TOTAL EXPENDITURES	122,659,871	121,560,010	(1,099,861)
NET INCREASE (DECREASE)	(4,967,775)	(6,174,137)	(1,206,362)
TRANSFERS OUT	2,550,000	3,100,000	550,000
PROJECTED FUND BALANCE	14,921,593	5,647,456	(9,274,137)

Combined Assigned and Unassigned Fund Balances

2019-20

Fund 01: Unrestricted General Fund		
Unrestricted General Fund Balance	\$	22,439,368
Current Year Deficit Spending		(7,517,776)
Fund Balance that Requires Explanation		14,921,592
Reasons for Assigned and Unassigned Ending Fund Balances		
*Below State Recommended 17% Minimum Level for Unified Districts		
		14,921,592
Less: 3% Reserve for Economic Uncertainties		(5,294,739)
Reserve for Revolving Cash & Prepaid		(251,984)
Reserve for 20-21 Deficit Spending		(9,274,137)
Reserve for 21-22 Deficit Spending		-
Reserve for 21-22 Deficit Spending		-
^Reserve for up to 2 months General Fund Expenditures		100,732
Unappropriated Balance		-

*current reserve is at 8.49% (down 0.17% from 8.66% @ Third Budget Revision 4/30/20)

*2017-18 Statewide Average Reserve for Unified Districts is 16.98%

^A 2-month reserve would be approximately \$26.8M

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

Factor	2019-20	2020-21	2021-22	2022-23
Statutory COLA	3.26%	-10.00%	0.00%	0.00%
LCFF FUNDING BASE				
K-3 + 10.4% CSR	\$ 8,503	\$ 7,653	\$ 7,653	\$ 7,653
4-6	\$ 7,818	\$ 7,036	\$ 7,036	\$ 7,036
7-8	\$ 8,050	\$ 7,245	\$ 7,245	\$ 7,245
9-12 + 2.6% CTE	\$ 9,572	\$ 8,615	\$ 8,615	\$ 8,615
% of Local Prperty Taxes Increase	5%	5%	5%	5%
% of GAP Funding	100.00%	100.00%	100.00%	100.00%
MINIMUM STATE AID	\$ 8,585,843	\$ 7,805,312	\$ 7,805,312	\$ 8,585,843
Enrollment Projection*	10,298	10,018	10,018	10,018
P2 ADA Projection	9,783	9,783	9,518	9,518
FUNDING ADA	10,095	9,683	9,683	9,518
Federal Revenues	0%	0%	0%	0%
Lottery - Unrestricted /ADA	\$ 153.00	\$ 153.00	\$ 153.00	\$ 153.00
Lottery - Restricted /ADA	\$ 54.00	\$ 54.00	\$ 54.00	\$ 54.00
Mandated Block Grant : K-8 /ADA	\$ 32.18	\$ 32.18	\$ 32.18	\$ 32.18
Mandated Block Grant : 9-12 /ADA	\$ 61.94	\$ 61.94	\$ 61.94	\$ 61.94
City of Santa Monica/Joint Use Agrmnt	\$ 9,554,280	\$ 9,799,171	\$ 995,154	\$ 10,195,057
Measure "R" / Parcel Tax	\$ 12,449,227	\$ 12,698,211	\$ 12,952,175	\$ 13,211,219
City of SM /Meas. Y & GSH / Sales Tax	\$ 13,553,168	\$ 12,537,500	\$ 10,997,807	\$ 12,097,588
Santa Monica Education Foundation	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Malibu Fundraising	\$ -	\$ 165,000	\$ 165,000	\$ 165,000
Salary Increase	2.25%	0%	0%	0%
Step & Column Incr.	1.50%	1.50%	1.50%	1.50%
STRS Rate	17.10%	16.15%	16.02%	18.10%
PERS Rate	19.721%	20.70%	22.84%	25.50%
Health/Welfare - Annualized	5%	5%	5%	5%
Workers' Compensation	4.22%	4.22%	4.22%	4.22%
Other Postemployment Benefits	1.25%	1.25%	1.25%	1.25%
Indirect Cost Rate	5.49%	6.26%	6.26%	6.26%
Interest Rate	1.79%	1.79%	1.79%	1.79%
Ongoing Maintenance	3%	3%	3%	3%
Reserve for Uncertainties	3%	3%	3%	3%