

Santa Monica Malibu Unified School District

May 19, 2011 Board Presentation
Budget Update
Item No. D. 05

Update - State Budget

- **The May Revise was announced on Monday**
 - Recognizing \$6.6 billion in additional revenue
 - It again proposes “flat” funding for schools
 - Is dependant upon revenue enhancements
 - Is less likely that Prop 98 will be suspended
- **Legislature had approved many of the expenditure reductions proposed by the Governor in January**
- **Risk to school funding still exists**
 - Cuts ranging from \$350 to \$679 per student continue to be a possibility

Scenarios for the SMMUSD Budget

- **May Revise**
 - Flat Funding as proposed by Governor in January
 - Special Education Costs for Mental Health Services shifted to district
- **Scenario A**
 - Loss of \$350/ADA
 - Expenditure Reductions spread over two years
- **Scenario B**
 - Loss of an additional \$300/ADA
 - Total ADA reduction = \$650/ADA
 - Expenditure Reductions spread over two years

SMMUSD - Budget Assumptions

- Expenditures paid from one time SOS and Federal Jobs funds in General Fund
- Current negotiated furlough days end in June 30, 2011
- AB 3632 Mental Health costs estimated at 600,000 in 2010-11 and 1,500,000 in subsequent years
- The proceeds from Prop Y are included in the revenue estimates
- Tier III and CSR flexibility continues through 2013-14
- Reserve for Uncertainties remains at 3%

Santa Monica Malibu Unified School District

Multiyear Projection - Unrestricted General Fund

MAY REVISE

No Reductions to SMMUSD Budget - May 19, 2011

	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>
TOTAL REVENUE	76,292,788	77,595,615	79,448,431
TOTAL EXPENDITURES	81,075,618	81,365,542	83,130,915
INCREASE(DECREASE) FUND BALANCE	<u>(4,782,830)</u>	<u>(3,769,927)</u>	<u>(3,682,484)</u>
BEGINNING BALANCE	15,194,337	10,411,507	6,641,580
ENDING BALANCE	10,411,507	6,641,580	2,959,096

Santa Monica Malibu Unified School District

Multiyear Projection - Unrestricted General Fund

Without Tax Extensions - \$350/ADA Cut to Revenue Limit **A**

No Reductions to SMMUSD Budget - May 19, 2011

	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>
TOTAL REVENUE	72,692,788	73,995,615	75,848,431
TOTAL EXPENDITURES	81,075,618	81,365,542	83,130,915
INCREASE(DECREASE) FUND BALANCE	<u>(8,382,830)</u>	<u>(7,369,927)</u>	<u>(7,282,484)</u>
BEGINNING BALANCE	15,194,337	6,811,507	(558,420)
ENDING BALANCE	6,811,507	(558,420)	(7,840,904)

Santa Monica Malibu Unified School District
Multiyear Projection - Unrestricted General Fund
Without Tax Extensions - \$350/ADA Cut to Revenue Limit
Plus Additional \$300/ADA Cut to Revenue Limit **B**
No Reductions to SMMUSD Budget - May 19, 2011

	2011-12	2012-13	2013-14
TOTAL REVENUE	69,692,788	70,995,615	72,848,431
TOTAL EXPENDITURES	81,075,618	81,365,542	83,130,915
INCREASE(DECREASE) FUND BALANCE	(11,382,830)	(10,369,927)	(10,282,484)
BEGINNING BALANCE	15,194,337	3,811,507	(6,558,420)
ENDING BALANCE	3,811,507	(6,558,420)	(16,840,904)

Prior Year Cuts or Staff Recommendations – Restored or Not Cut in 2010-11
AND
Items Requiring Union Agreement in Future Years

<i>SOS and Federal Jobs Allocations</i>	
Elementary Class Size	1,080,000
Secondary Class Size	368,000
Counselors	285,000
Elementary Music	320,000
Elementary Library Coordinators	180,000
College Counselor	100,000
Reading Specialists	250,000
Professional Development	233,250
<i>Restoration of 2 Nursing Positions</i>	
	160,000
<i>Extend Furloughs</i>	
	2,200,000
<i>Step/Column Freeze</i>	
	800,000
<i>Additional Staff Recommendation from 2010-11 Budget Development</i>	
Samohi Site Administration	180,000
Security Officers	150,000
Nursing Services	80,000
Library Services	225,000
Elementary Music	580,000
Counselors	90,000
Elementary Class Size	520,000
TOTAL	7,801,250