



SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT

SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT

2016-17 Adopted Budget

Board of Education Presentation

Janece L. Maez, Chief Financial Officer

June 29, 2016

Agenda Item A.38.



Adopted Budget

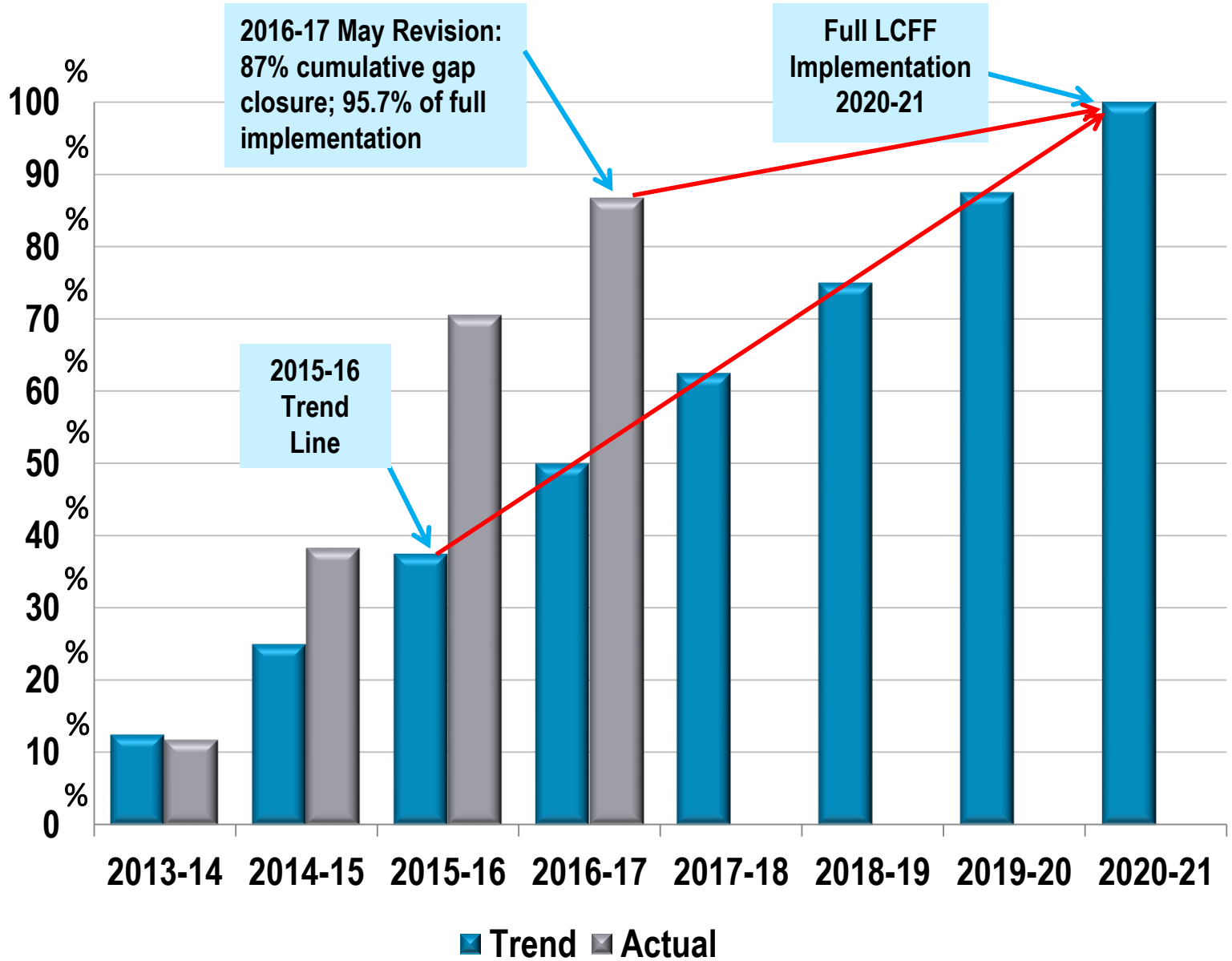
- We will review:

- Changes since January 2016
- Progress towards full implementation of LCFF
- Current budget assumptions
- Updated multi-year projections
- Reduction plan

January Budget vs. May Revision

Item	January Budget	May Revision
LCFF Gap Funding	49.08% or \$2.8 billion	54.84% or \$2.9 billion
Proposition 98 Minimum Funding Guarantee		
2014-15	\$66.7 billion	\$67.2 billion
2015-16	\$69.2 billion	\$69.1 billion
2016-17	\$71.6 billion	\$71.9 billion
2016-17 COLA	0.47%	0.00%
One-Time Discretionary Funds for 2016-17	\$1.2 billion \$214 per ADA	\$1.4 billion \$237 per ADA

Progress Toward LCFF Implementation





SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT

Budget Assumptions



2016-17 LCFF - By the Numbers

- SMMUSD Enrollment - 11,003
- SMMUSD ADA – 10,690
- Unduplicated Count (ELL, F/R, Foster) - 29.03%
- Cost of Living Adjustment (COLA) – 0.00%
- Projected LCFF Gap Closure – 54.84%
- Total LCFF funding - \$87,579,352
- Included in the LCFF dollars is the Supplemental LCAP funding of \$4,308,529

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

Factor	2016-17	2017-18	2018-19
Statutory COLA	0.00%	1.11%	2.42%
LCFF FUNDING BASE			
K-3 + 10.4% CSR	\$ 7,820	\$ 7,987	\$ 8,180
4-6	\$ 7,189	\$ 7,269	\$ 7,445
7-8	\$ 7,403	\$ 7,485	\$ 7,666
9-12 + 2.6% CTE	\$ 8,801	\$ 8,899	\$ 9,114
AVERAGE LCFF FUNDING PER ADA	\$ 8,371	\$ 8,492	\$ 8,601
% OF LOCAL PROPERTY TAXES INCREASE	5%	5%	5%
% OF GAP FUNDING /DOF	54.84%	73.96%	41.22%
Enrollment Projection*	11,003	11,003	11,003
P2 ADA Projection	10,462	10,462	10,462
FUNDING ADA	10,690	10,462	10,462
Federal Revenues	0%	0%	0%
City of Santa Monica Master Facility Agreement	\$ 8,800,000	\$ 9,000,000	\$ 9,200,000
Parcel Tax – Measure R	\$ 11,563,041	\$11,794,302	\$ 12,030,188
City of SM /Prop Y	\$ 8,000,000	\$ 8,200,000	\$ 8,400,000
SMMEF	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000
Salary Increase	2%	0%	0%
Step & Column Incr.	1.50%	1.50%	1.50%
STRS Rate	12.58%	14.43%	16.28%
PERS Rate	13.88%	15.50%	17.10%
Health/Welfare - Annualized	7%	7%	7%
Workers' Compensation	3.80%	3.80%	3.80%
Other Postemployment Benefits	1.25%	1.25%	1.25%
Reserve for Uncertainties	3%	3%	3%

SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT

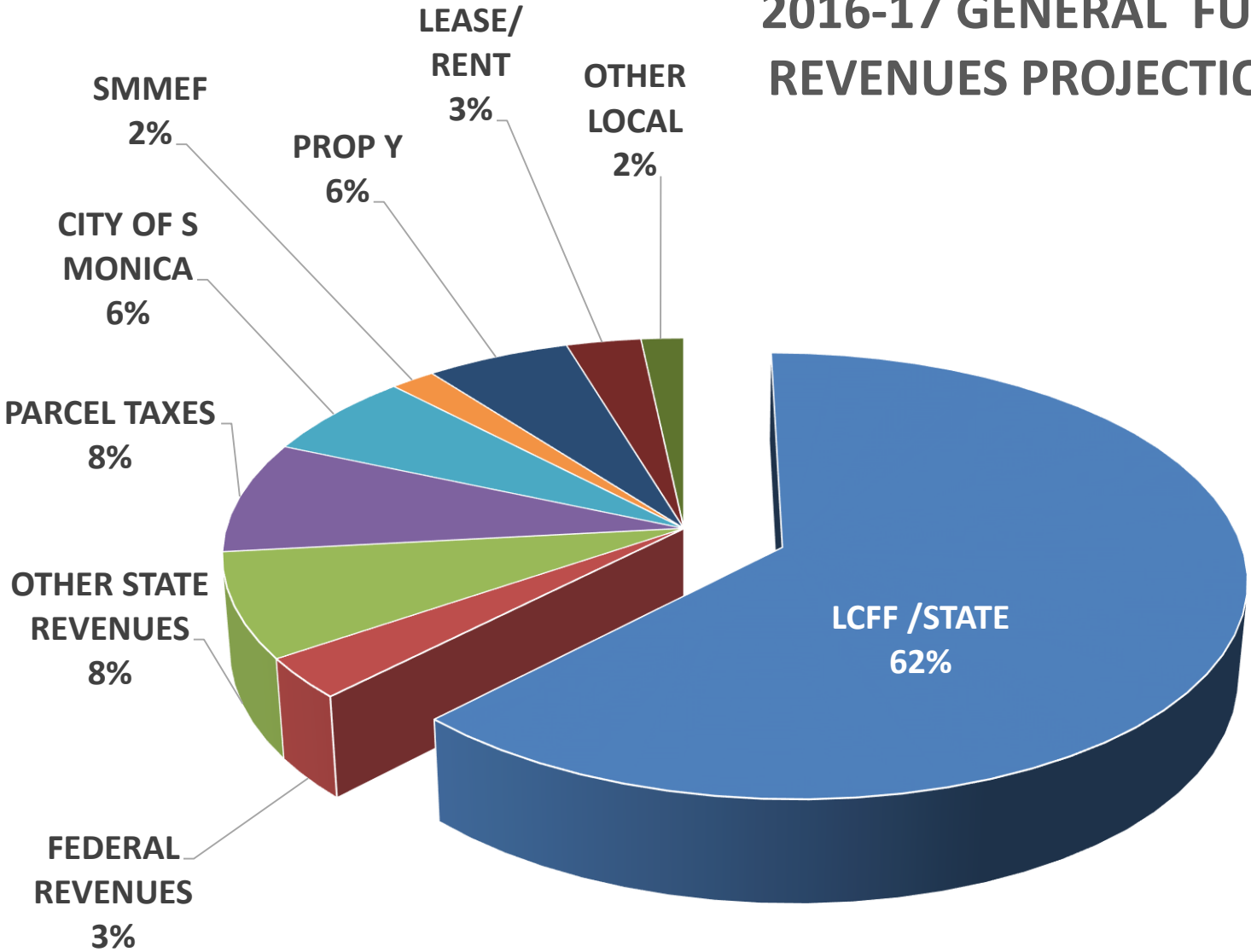
2016-17 PROPOSED BUDGET

GENERAL FUND

REVENUES

PROJECTED BEGINNING BALANCE	\$	31,358,468
LCFF /STATE	\$	87,245,352
FEDERAL REVENUES	\$	4,489,318
OTHER STATE REVENUES	\$	10,974,993
PARCEL TAXES	\$	11,563,041
CITY OF SANTA MONICA	\$	8,800,000
SMMEF	\$	2,500,000
PROP Y	\$	8,000,000
LEASE / RENT	\$	4,132,878
OTHER LOCAL	\$	2,126,513
TOTAL REVENUES	\$	139,832,095
TOTAL AVAILABLE FUNDS	\$	171,190,563

2016-17 GENERAL FUND REVENUES PROJECTION





Staffing Changes – General Fund

Positions	Full Time Equivalents
Teachers	(1.8)
Communication Specialist	.5
Accounting Assistant – Facility Use	.5
Sr. Office Specialist – Facility Use	1.0
Literacy and Language Interventionist	1.0
Technical Theater Supervisor – Facility Use	1.0

Employee Benefits

Benefit Type	Certificated	Classified
STRS / PERS (Retirement)	12.58% (Expected to be 19.1% in 2020-21)	13.888% (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	3.8%	3.8%
Other Post Employment Benefits (OPEB)	1.25%	1.25%
TOTAL	16.88%	24.197%
Health and Welfare (Prorated)	\$13,910	\$13,910



Textbooks

- 2013-14 Budget - \$335,552
- 2014-15 Budget - \$1.3 million using \$300,000 from Lottery carryover
- 2015-16 through 2017-18 Budget - \$800,000 (initial \$1.3M)

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

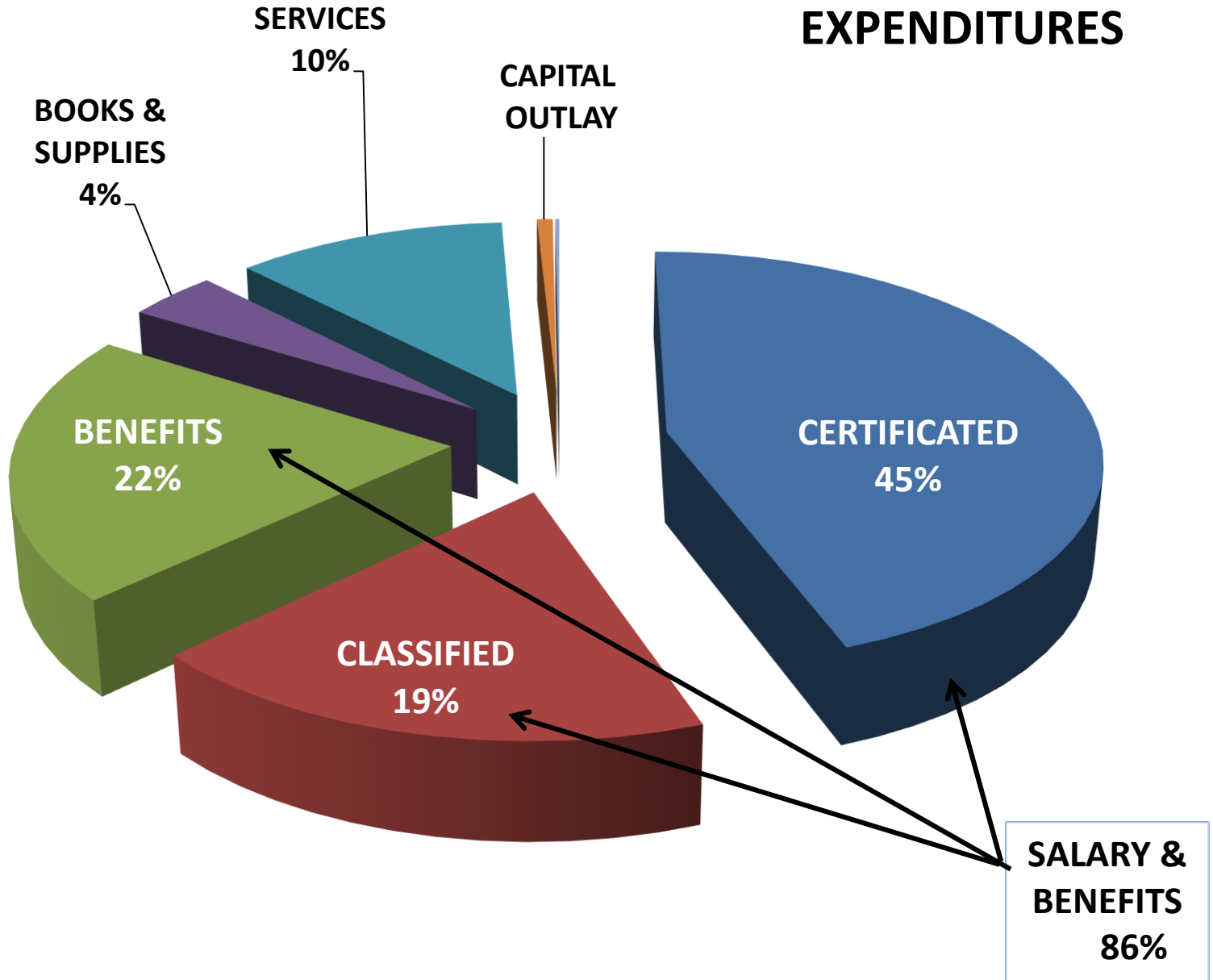
- Based on student enrollment
- No increase in 2016-17
- Used to purchase supplies for: Classrooms, Offices, Health
- Sites determine the distribution and use of funds
- Starting 2015-16, custodial supplies were centrally purchased - \$300,000 allocation in Operations – no reduction to site formula calculations

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

**SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT
2016-17 PROPOSED BUDGET
GENERAL FUND**

PROJECTED EXPENDITURES:	
CERTIFICATED SALARIES	\$ 65,995,828
CLASSIFIED SALARIES	\$ 29,341,776
EMPLOYEE BENEFITS	\$ 35,242,409
BOOKS AND SUPPLIES	\$ 4,794,632
SERVICES & OTHER OPERATING COSTS	\$ 14,384,084
CAPITAL OUTLAY	\$ 655,500
OTHER OUTGO	\$ 65,147
TOTAL EXPENDITURES:	\$ 150,479,376
PROJECTED FUND BALANCE:	\$ 20,711,187

2016-17 GENERAL FUND EXPENDITURES





SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT


Multi-Year Projections

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

Description	2016-17 PROPOSED BUDGET	2017-18 PROJECTED BUDGET	2018-19 PROJECTED BUDGET
Property Tax	73,477,874	77,343,943	81,113,671
Education Protection Account (EPA)	2,151,600	2,151,600	-
LCFF Transfer to Fund 14	(250,000)		
LCFF Transfer to County Specialized Secondary School	(84,000)	(88,000)	(89,000)
LCFF State Aide	11,949,878	9,342,827	8,866,440
Subtotal LCFF Funding	87,245,352	88,750,369	89,891,111
Other Federal	13,000	13,000	13,000
Lottery	1,500,000	1,500,000	1,500,000
Mandated Block Grant	2,933,154	395,000	395,000
Other State Revenue	5,000	5,000	5,000
Parcel Taxes	11,563,041	11,794,302	12,030,188
Prop Y/City of SM	8,000,000	8,200,000	8,400,000
Joint Use Agreement/City of SM	8,800,000	9,000,000	9,200,000
All Other Local Income	4,000,000	4,000,000	4,000,000
SMMEF Donation	2,500,000	2,500,000	2,500,000
Local General Fund Contribution	(25,691,208)	(25,764,726)	(26,300,000)
TOTAL REVENUE	100,868,338	100,392,945	101,634,299

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

Description	2016-17 PROPOSED BUDGET	2017-18 PROJECTED BUDGET	2018-19 PROJECTED BUDGET
Certificated Salary	53,475,766	54,277,902	55,092,071
Classified	18,501,715	18,779,241	19,060,930
Benefits	24,987,867	25,987,382	27,026,876
STRS	989,302	1,004,141	1,019,203
PERS	339,858	272,449	274,477
Supplies/Books	3,501,779	3,000,000	3,000,000
Other Operational Costs	9,116,473	8,700,000	8,700,000
Capital Outlay	590,000	150,000	150,000
Debt Services	53,389	53,396	
Indirect	(1,010,988)	(1,000,000)	(1,000,000)
Transfer Out to Fund 12	413,263	-	-
Transfer Out to Fund 13	130,000	130,000	130,000
REDUCTION PLAN 2017-18		(4,500,000)	(4,500,000)
TOTAL EXPENDITURE	111,088,424	106,854,511	108,953,558



SANTA MONICA-MALIBU USD MULTI-YEAR PROJECTIONS UNRESTRICTED GENERAL FUND

Description	2016-17 PROPOSED BUDGET	2017-18 PROJECTED BUDGET	2018-19 PROJECTED BUDGET
Increase (Decrease) Fund Balance	(10,220,086)	(6,461,567)	(7,319,259)
Beginning Fund Balance	28,590,016	18,369,930	11,908,364
Ending Fund Balance	18,369,930	11,908,364	4,589,105
Reserve - Revolving cash, Store	100,000	100,000	100,000
3% Contingency Reserve	4,514,382	4,389,352	4,473,757
Unappropriated Balance	13,755,548	7,419,012	15,348



Reduction Plan

- The District Budget Committee will begin meeting as soon a school resumes in August.
- The committee comprised of site administrators, certificated and classified staff will examine the budget in detail and make recommendations to the Superintendent by January 2017.
- Recommended reductions will exceed the \$4.5 million in the multi-year projection providing the Board flexibility in choosing reductions to implement.



Areas that will be considered for reduction include, but are not limited to the following:

- District office functions, including maintenance, operations, transportation, food services, purchasing, human resources, fiscal services, pupil services , and educational services
- Special Education
- School size and configuration
- Site administrative services and support
 - ✓ Principals, Asst. Principals, Clerical, Counseling, Nursing, Music, Physical Education
- Site staffing ratios
- Opportunities for energy reductions
- Re-examination of all categorical or supplemental grant uses

Questions

