

Santa Monica-Malibu Unified School District**Special Meeting**
06/23/2022 05:00 PM
District Office and Zoom**Printed : 6/22/2022 12:58 PM PT**

ITEM : II.vi.b. 2021-22 Fourth Budget Revisions (15 min) **Recommended Motion**

It is recommended that the Board of Education approve the 2021-22 Fourth Budget Revisions related to revenue adjustments.

Rationale**RDA**

The County Auditor-Controller Office released the "June 1, 2022, Redevelopment Property Tax Trust Fund (RPTTF) Distribution" which shows the District will receive \$4,466,807 above the annual projected budget of \$15,000,000 in RDA (Redevelopment Agency) Funds.

This amount was previously reported as \$5,000,000 in the 2021-22 Third Budget Revision as well as the 2021-22 Estimated Actuals that accompanied the 2022-23 Preliminary Budget. This adjustment will decrease the RDA funds by \$533,193 based on actuals received for a total of \$4,466,807 more in RDA funds than the annual projected amount of \$15,000,000.

With this additional amount of RDA funds, the District has received a total of \$19,466,807 in RDA funds for 2021-22.

Measure GSH/Y

As of this Fourth Budget Revision, the District is projecting an increase of \$530,540 in Measure GSH/Y Sales & Use Transaction Tax. With one remaining payment to be received for the fiscal year from the City of Santa Monica, this adjustment is reconciling the projected annual total to approximately \$17.6 million as compared to the original Adopted Budget projection of \$14.2 million.

Lease & Rental Revenue

The District is making a final entry to reconcile the lease revenue the District receives from its agreements with the Santa Monica College Madison property, the Hilton Hotel, and the 16th Street property. This has resulted in an increase of \$257,508.

From the total amount of increase, \$89,937 is attributed to a one-time Cost of Living Adjustment (COLA) for the Madison property per the agreement to the current year only.

Local General Fund Contribution (LGFC)

In order to maintain the 3% required minimum match from the General Fund for Routine Restricted Maintenance Account (RRMA) funds, an additional LGFC of \$362,795 was made to Resource 81500. The District continues to meet and slightly exceed the 3% match as needs arise for routine maintenance obligations for Fund 14. (This paragraph was added on 6/20/22.)

Lease & Rental Expense

The District is making a final entry to reconcile the lease expenses the District pays for its agreements for the Education Services Suite, the Santa Monica Education Foundation Suite, the Transportation Bus Barn, the Hilton Hotel, as well as the associated CAM (Common Area Maintenance) costs for all agreements. This has resulted in an increase of \$72,631 to the Fourth Budget Revision.

Utilities

The District is making a final entry to reconcile the utility budget per actual expenses to-date as well as estimated expenses through the end of June. This has resulted in an increase to utility costs of \$331,631 for the Fourth Budget Revision.

Food Services Interfund Transfer

Due to an increased reimbursement rate for both Federal and State meal programs for the Food Services department, Food Services revenue has substantially increased for this current year only. Thus, the annual interfund transfer from the Unrestricted General Fund 01 to the Food Services Fund 13 is not needed as the department revenue currently exceeds that of the department expenses – this eliminates the need for an interfund transfer to bridge any gap between revenue and expenses.

Therefore, the net effect of these transfers as well as other salary and non-salary adjustments reflect a projected budget increase to the Ending Fund Balance of \$441,572 for the year ending June 30, 2022. (This paragraph was updated on 6/20/22.)

This transfer ratification is intended to accomplish the formal/final shifting of funds to recognize the accounting transactions since the previously-approved activities in the Third Budget Revision.

- Fund 01 – Unrestricted General Fund
- Fund 13 – Cafeteria Special Revenue Fund

Comments

Staff anticipates this item will require a total of 15 minutes, with 10 minutes for the staff report and 5 minutes for board questions/comments.

NOTE: The item was updated on 6/20/22.

Supporting Documents

[062322 2021-22 Fourth Budget Revision Multi-Year Projection \(MYP\)](#)

