

## REVENUE ASSUMPTIONS

2022-23 LOCAL CONTROL FUNDING FORMULA (LCFF) CALCULATION					6/2/2022
<b>BASE GRANT</b>					
	TK-3	4-6	7-8	9-12	<b>TOTAL</b>
	2,247.43	1,913.47	1,390.91	2,965.16	8,516.97
2022-23 BASE	8,093	8,215	8,458	9,802	
2022-23 6.56% COLA	8,624	8,754	9,013	10,445	
	19,381,613	16,750,333	12,536,056	30,971,129	<b>79,639,131</b>
<b>AUGMENTATION GRANTS:</b>					
CSR AUGMENTATION: BASE GRANT X 10.4%					<b>2,015,688</b>
CTE AUGMENTATION 9-12 BASE GRANT X 2.6%					<b>805,249</b>
<b>SUPPLEMENTAL AND CONCENTRATION GRANTS:</b>					
TOTAL ENROLLMENT (3-YEAR AVERAGE)					9,805
TOTAL UNDUPLICATED PUPIL COUNT (3-YEAR AVERAGE)					2,490
					25.39%
<b>SUPPLEMENT ADD-ON 20% OF BASE GRANT X % OF ELIGIBLE ENROLLMENT</b>					<b>4,187,620</b>
<b>TRANSPORTATION AND TIIG GRANT</b>					
2012-13 TRANSPORTATION					<b>820,273</b>
2012-13 TARGETED INSTRUCTIONAL IMPROVEMENT BLOCK GRANT					<b>429,757</b>
<b>TOTAL 2022-23 LCFF ENTITLEMENT</b>					<b>87,897,719</b>
<b>MINIMUM STATE AID / 2012-13 CATEGORICAL PROGRAMS</b>					<b>8,585,843</b>
<b>TOTAL FUNDING LESS: 2012-13 MINIMUM/CATEGORICAL</b>					<b>79,311,876</b>
<b>LOCAL REVENUE / PROPERTY TAXES</b>					<b>102,336,545</b>
<b>Amount of Property Tax Over LCFF Funding (Basic Aid when negative)</b>					<b>(23,024,669)</b>

### Note Outside of Calculation:

<b>EDUCATION PROTECTION ACCOUNT</b>	2,000,000
<b>TRANSFER TO CHARTER SCHOOL</b>	-287,000

Enrollment for 2022-23 has declined and is projected to be 8,713.

The Lottery allocation will be \$228 per annual ADA, of which \$163 is for Unrestricted General Fund expenditures and the remaining \$65 is Proposition 20 – Mandated for Instructional Materials.

Reflects a 6.56% COLA for the District LCAP Supplemental Grant.

Reflects a 6.56% COLA Special Education Funding. The projected Special Education AB 602 revenue is \$7,704,690 and \$2,893,193 for Federal IDEA programs.

Mandated Block Grant revenue is \$410,000.

The Measure “R” parcel tax of \$471.93 per parcel is estimated to generate \$13,881,013 after processing the senior exemptions.

Santa Monica-Malibu Education Foundation contribution is \$2.0 million dollars.

Malibu Fundraising Entity (yet to be named) will be making contribution of approximately \$357,543 the 2022-23 year.

The estimated revenue from Prop Y & GSH is projected to increase to \$17.2 million dollars from the City of Santa Monica. This projection reflects a return to growth in sales transactions as the Covid-19 pandemic approaches an endemic status. This projection mirrors the City’s financial estimates per the advisement of the District’s Financial Oversight Committee.

The District will receive \$10,348,982 from the Joint Use Agreement with the City of Santa Monica.

The District is projected to receive approximately \$246,827 from the Joint Use Agreement funding with the City of Malibu dependent on use of facilities from the City of Malibu – it is unlikely that the full amount will materialize based on current use history.

The combined lease revenue is \$2,050,000 which is from the Hilton Hotel (formerly the DoubleTree Hotel), Madison Site, 9<sup>th</sup> & Colorado, and 16<sup>th</sup> Street properties.

The projected revenue of Federal programs:

Resource ‘3010’	Title I:	\$ 984,725
Resource ‘4035’	Title II:	\$ 209,220
Resource ‘4203’	Title III:	\$ 91,476
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

3.0	FTE	Executive Directors – Malibu Pathway, Elementary Pathway, Secondary Pathway
(2.0)	FTE	Classroom Teachers, Franklin (attrition)
(2.0)	FTE	Classroom Teachers, Grant (attrition)
(1.0)	FTE	Classroom Teachers, Muir (attrition)
(2.0)	FTE	Classroom Teachers, Rogers (attrition)
(4.0)	FTE	Classroom Teachers, Roosevelt (attrition)
(2.0)	FTE	Classroom Teachers, Webster (attrition)
(0.80)	FTE	Classroom Teachers, John Adams Middle School (attrition)
(0.60)	FTE	Classroom Teachers, Lincoln Middle School (attrition)
(0.80)	FTE	Classroom Teachers, Malibu Middle School (attrition)
(0.80)	FTE	Classroom Teachers, Malibu High School (attrition)
(2.20)	FTE	Classroom Teachers, Santa Monica High School (attrition)

### **Classified:**

1.0	FTE	Speech & Language Pathologist Assistant, Special Education
1.0	FTE	Licensed Vocation Nurse (LVN), Special Education
(1.0)	FTE	Skilled Maintenance Worker, Maintenance
1.0	FTE	Information Technology/Low Voltage Technician, Maintenance
1.0	FTE	Payroll Specialist, Fiscal Services (1-year term)
(1.0)	FTE	Student Information System (SIS) Analyst, Education Services
1.0	FTE	System Analyst, Education Services
3.0	FTE	Health Office Specialists, Health Services

1.0	FTE	Custodian, Maintenance & Operations
0.375	FTE	Custodian, Olympic High School
0.750	FTE	Clerical, Santa Monica High School
0.350	FTE	Athletic Trainer, Santa Monica High School
0.375	FTE	Custodian, Lincoln Middle School
0.375	FTE	Custodian, John Adams Middle School
0.750	FTE	Campus Monitor, John Adams Middle School
0.250	FTE	Physical Activity Specialist, John Muir
0.500	FTE	Physical Activity Specialist, McKinley
0.375	FTE	Custodian, Malibu Elementary
0.250	FTE	Physical Activity Specialist, Grant
(0.190)	FTE	Physical Activity Specialist, Edison

### **Salary:**

1.5% step and column increase for certificated employees  
1.5% step and column increase for classified employees

### **Statutory Benefits:**

19.10%	STRS employer contribution rate
25.37%	PERS employer contribution rate
6.20%	OASDI contribution rate
1.45%	Medicare contribution rate
0.50%	SUI contribution.
4.03%	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 2022 calendar year. CalPERS health benefit rates have not been announced for 2022. Adjustments to these rates will be completed when official notification is received and incorporated in to the 2022-23 Second Interim.

Additionally, the Second Interim Budget will be adjusted to reflect four (4) months of the old actual rates that occurred from August thru November and the remaining six (6) months of December thru May 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 is scheduled to receive approximately \$2,000,000 in 2022-23 and will use all funds to support Certificated Teacher Salaries. It is highly likely that these funds will have a modest cash deferral percentage attached to them per the Governor's May Revise Budget. A final decision on state deferrals will be in the adopted budget for the State and District.

### ***LCAP Supplemental Grant***

\$4,187,620 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 outlined in the District's Fiscal Stabilization Plan – this program is annually funded by Unrestricted General Fund (GSH/YY expenditure).

### ***Formula Budget (School Site Allocations)***

Total formula budget has increased from \$1,092,505 to \$1,177,054. The calculation allocation has increased by \$180,685 to account for increases in the Santa Monica High School Athletic Allocation, the Malibu High School Athletic Allocation, and the Olympic High School Opportunity & Independent Study allocations effective the 2022-23 year:

K-5     \$ 93.30 per pupil  
6-8     \$ 96.79 per pupil  
9-12    \$ 71.38 per pupil

### ***Stretch Grant Budget (School Site Allocations) – Funded by General Fund***

Total Stretch Grant budget was \$650,000 as of the 2022-23 Adopted Budget with increased annual rates below:

K-5     \$133.58 per pupil  
6-8     \$ 66.79 per pupil  
9-12    \$ 33.39 per pupil

### ***Summer School***

The total Summer School budget is \$746,706 (\$338,854 funded by LCAP Supplemental Grant). This is an overall decrease of \$4,831 from last year's total of \$751,537.

### ***Equipment Purchase and Replacement***

\$223,000 was budgeted in 2021-22 for School Bus #2; however, due to supply chain issues, it is possible that this item will not be paid for until 2022-23 – it is likely the Purchase Order will be rolled into the new year.

In 2022-23 Van #63 is scheduled to be replaced for approximately \$71,500 and on schedule for replacement.

### ***Transportation***

\$1,048,467 for Regular Ed Transportation (decrease of 689,178 from prior year)  
\$1,600,194 for Special Ed Transportation (increase of 81,199 from prior year)  
\$ 492,818 for Transportation Building Rent & Associated Utilities (decrease of 4% from prior year)

### ***Ongoing Maintenance Program***

\$6,719,909 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 to continue the annual \$1.2 million contribution that began in 2019-20 for 5 years; however, this transfer sunsets in the year 2024-25 which will require the Fund to reduce expenditures in order to remain solvent.
\$200,000	Transfer to Child Development Fund (Fund 12) from LCAP Supplement.
\$900,000	Transfer to Cafeteria Fund (Fund 13) from General Fund.
\$1,000,000	Transfer to Deferred Maintenance (Fund 14) from General Fund.

The General Indirect Rate changed from 7.75% to 7.56% in 2022-23.

The Food Services Indirect Rate changed from 5.48% to 5.35% in 2022-23.

## **RESERVE**

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

- 2022-23
- 2023-24
- 2024-25

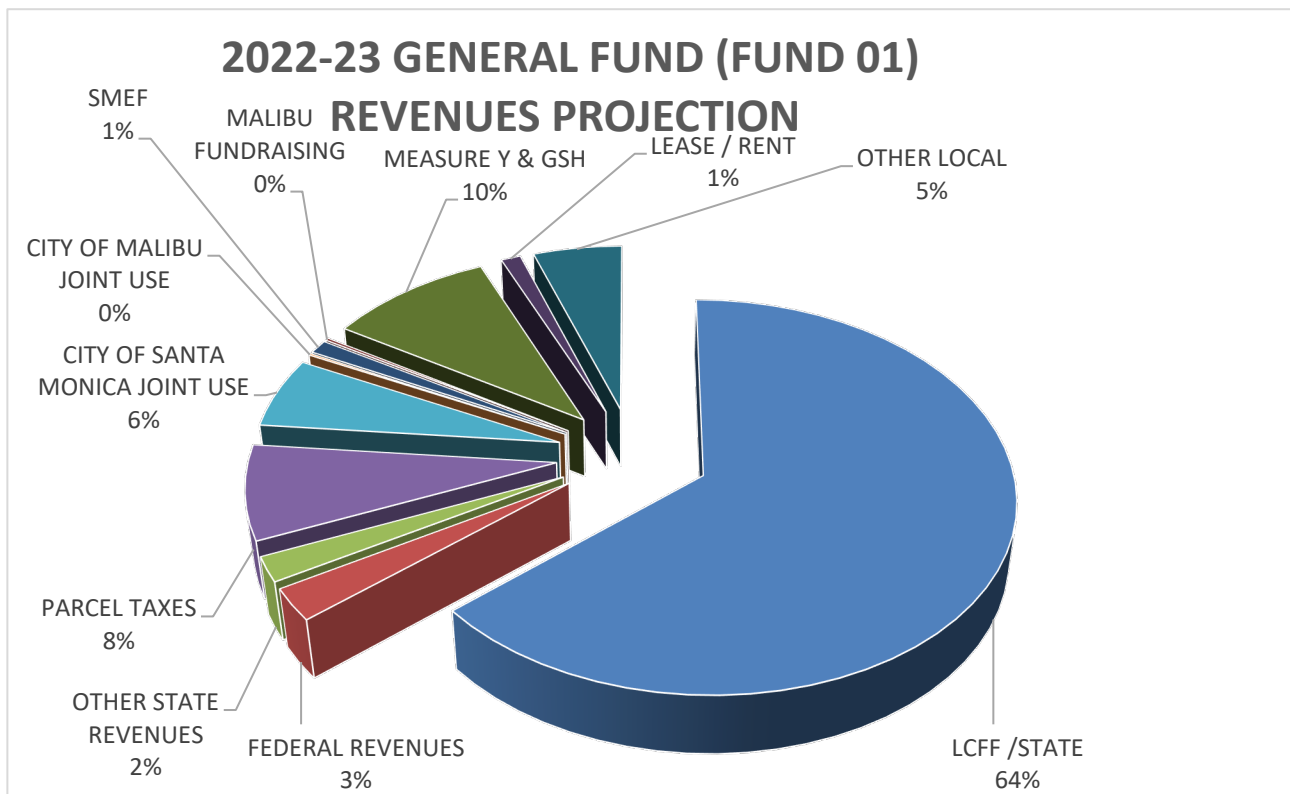
The following documents include:

- General Fund Revenue/Expenditure Summary
- Unrestricted & Restricted General Fund Revenue/Expenditure Summary
- Major Categorical Estimated Actuals to Preliminary Budget
- Components of Ending Fund Balance
- Multi-year Assumptions & Projections
- Preliminary Site & Department Budgets

**SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT  
2022-23 PRELIMINARY BUDGET  
COMBINED RESTRICTED & UNRESTRICTED GENERAL FUND**

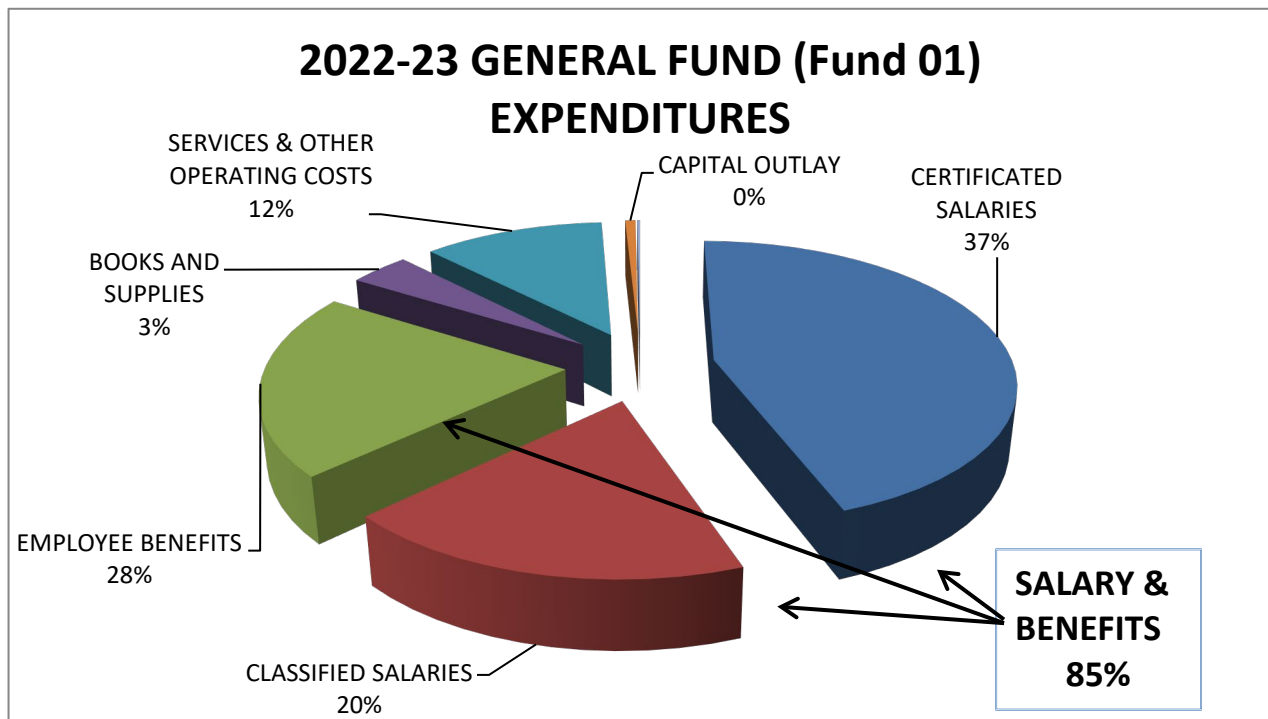
**REVENUES**

<b>BEGINNING BALANCE</b>	<b>\$</b>	<b>43,843,759</b>
LCFF /STATE	\$	112,635,388
FEDERAL REVENUES	\$	4,721,945
OTHER STATE REVENUES	\$	3,650,839
PARCEL TAXES	\$	13,881,013
CITY OF SANTA MONICA JOINT USE	\$	10,348,982
CITY OF MALIBU JOINT USE	\$	246,827
SMEF	\$	2,000,000
MALIBU FUNDRAISING	\$	357,543
MEASURE Y & GSH	\$	17,200,000
LEASE / RENT	\$	2,050,000
OTHER LOCAL	\$	9,268,160
<b>TOTAL REVENUES</b>	<b>\$</b>	<b>176,360,697</b>
<b>TOTAL AVAILABLE FUNDS</b>	<b>\$</b>	<b>220,204,456</b>



### COMBINTED RESTRICTED & UNRESTRICTED GENERAL FUND

PROJECTED EXPENDITURES:		
CERTIFICATED SALARIES	\$	64,754,832
CLASSIFIED SALARIES	\$	34,002,221
EMPLOYEE BENEFITS	\$	48,899,902
BOOKS AND SUPPLIES	\$	4,558,824
SERVICES & OTHER OPERATING COSTS	\$	21,487,446
CAPITAL OUTLAY	\$	357,686
OTHER OUTGO	\$	(614,711)
<b>TOTAL EXPENDITURES:</b>	<b>\$</b>	<b>173,446,200</b>
TRANSFERS IN	\$	-
TRANSFERS OUT	\$	3,100,000
CONTRIBUTION (SPED & REST ROUT MAINT)	\$	(31,764,151)
<b>PROJECTED FUND BALANCE:</b>	<b>\$</b>	<b>43,658,256</b>



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

**FUND 01: UNRESTRICTED GENERAL FUND**

	<b>2021-22 ESTIMATED ACTUALS</b>	<b>2022-23 PROPOSED BUDGET</b>	<b>CHANGES</b>
<b>BEGINNING BALANCE</b>	31,577,901	37,342,615	5,764,714
<b>REVENUES</b>			-
LCFF SOURCES	110,333,005	112,635,388	2,302,383
FEDERAL REVENUE	200,000	200,000	-
OTHER STATE REVENUE	1,924,710	1,867,482	(57,228)
LOCAL REVENUES	45,949,996	47,009,365	1,059,369
LOCAL GENERAL FUND CONTRIBUTION	(30,965,603)	(31,764,151)	(798,548)
<b>TOTAL REVENUES</b>	<b>127,442,108</b>	<b>129,948,084</b>	<b>2,505,976</b>
<b>EXPENDITURES</b>			
CERTIFICATED SALARIES	50,006,917	51,685,692	1,678,775
CLASSIFIED SALARIES	18,596,754	21,448,173	2,851,419
EMPLOYEE BENEFITS	31,489,474	35,377,790	3,888,316
BOOKS AND SUPPLIES	2,081,358	2,102,758	21,400
SERVICES & OTHER OPERATING COSTS	17,160,152	15,132,591	(2,027,561)
CAPITAL OUTLAY	665,627	322,686	(342,941)
OTHER OUTGO	(1,522,888)	(1,386,570)	136,318
<b>TOTAL EXPENDITURES</b>	<b>118,477,394</b>	<b>124,683,120</b>	<b>6,205,726</b>
NET INCREASE (DECREASE)	8,964,714	5,264,964	(3,699,750)
TRANSFERS OUT	3,200,000	3,100,000	(100,000)
<b>PROJECTED FUND BALANCE</b>	<b>37,342,615</b>	<b>39,507,579</b>	<b>2,164,964</b>

**FUND 01: RESTRICTED GENERAL FUND**

	<b>2021-22 ESTIMATED ACTUALS</b>	<b>2022-23 PROPOSED BUDGET</b>	<b>CHANGES</b>
<b>BEGINNING BALANCE</b>	8,322,631	6,501,144	
<b>REVENUES</b>			
FEDERAL REVENUE	13,204,261	4,521,945	(8,682,316)
OTHER STATE REVENUE	8,509,092	1,783,357	(6,725,735)
LOCAL REVENUES	9,659,063	8,343,160	(1,315,903)
LOCAL GENERAL FUND CONTRIBUTION	30,965,603	31,764,151	798,548
<b>TOTAL REVENUES</b>	<b>62,338,019</b>	<b>46,412,613</b>	<b>(15,925,406)</b>
<b>EXPENDITURES</b>			
CERTIFICATED SALARIES	18,260,861	13,069,140	(5,191,721)
CLASSIFIED SALARIES	13,103,726	12,554,048	(549,678)
EMPLOYEE BENEFITS	14,058,537	13,522,112	(536,425)
BOOKS AND SUPPLIES	6,859,285	2,456,066	(4,403,219)
SERVICES & OTHER OPERATING COSTS	10,841,664	6,354,855	(4,486,809)
CAPITAL OUTLAY	96,475	35,000	(61,475)
OTHER OUTGO	938,958	771,859	(167,099)
<b>TOTAL EXPENDITURES</b>	<b>64,159,506</b>	<b>48,763,080</b>	<b>(15,396,426)</b>
NET INCREASE (DECREASE)	(1,821,487)	(2,350,467)	
<b>PROJECTED FUND BALANCE</b>	<b>6,501,144</b>	<b>4,150,677</b>	

**SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT****2022-23 MAJOR CATEGORICAL PROGRAMS**

	<b>2021-22 ESTIMATED ACTUALS</b>	<b>2022-23 PROPOSED BUDGET</b>	<b>CHANGES</b>
<b>FEDERAL PROGRAMS</b>			
TITLE I :BASIC	1,841,277	984,725	(856,552)
TITLE II :TEACHER QUALITY	360,503	209,220	(151,283)
TITLE III : LIMITED ENGLISH PROFICIENT (LEP)	187,983	91,476	(96,507)
MEDICAL REIMBURSEMENT	144,722	200,000	55,278
SP ED: IDEA ENTITLEMENT	2,325,345	2,325,345	-
SP ED: IDEA "C' EARLY INTERVENTION	59,099	59,099	-
<b>TOTAL FEDERAL REVENUES:</b>	<b>4,918,929</b>	<b>3,869,865</b>	<b>(1,049,064)</b>
<b>STATE PROGRAMS</b>			
SP ED : AB602	6,819,142	7,704,690	885,548
SP ED : MENTAL HEALTH	33,400	33,400	-
SP ED : PROJECT WORKABILITY	62,430	62,430	-
LOTTERY - INSTRUCTIONAL MATERIALS	1,161,376	1,146,909	(14,467)
CAREER TECHNICAL ED. INCENTIVE GRANT	912,035	540,618	(371,417)
<b>TOTAL STATE REVENUES:</b>	<b>8,988,383</b>	<b>9,488,047</b>	<b>499,664</b>

**SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT****LOCAL GENERAL FUND CONTRIBUTION (LGFC)**

	<b>2021-22 ESTIMATED ACTUALS</b>	<b>2022-23 PROPOSED BUDGET</b>	<b>CHANGE</b>
SPECIAL EDUCATION	24,856,432	25,044,242	187,810
ONGOING MAINTENANCE PROGRAM	6,109,171	6,719,909	610,738
<b>TOTAL CONTRIBUTION:</b>	<b>30,965,603</b>	<b>31,764,151</b>	<b>798,548</b>

**Components of Ending Fund Balances****2021-22**

<b>Fund 01: Unrestricted General Fund</b>	
Unrestricted General Fund Balance	\$ 31,577,901
Current Year Deficit/Surplus Spending	5,764,714
Fund Balance that Requires Explanation	37,342,615
<b>Reasons for Assigned and Unassigned Ending Fund Balances</b>	
<b>*State Recommended 17% Minimum Level for Unified Districts</b>	
	37,342,615
Less: 3% Reserve for Economic Uncertainties	(5,581,578)
Reserve for Revolving Cash & Prepaid	(162,767)
Reserve for 22-23 Deficit Spending	-
Reserve for 23-24 Deficit Spending	-
^Reserve for up to 2 months General Fund Expenditures	31,598,270
<b>Unappropriated Balance</b>	<b>-</b>

\*current reserve is at 20.01% (down 0.04% from 20.05% @ Third Budget Revision 4/30/2022)

\*2019-20 Statewide Average Reserve for Unified State-Aid Districts is 18.82%

\*Basic Aid Districts should be 25%

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

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

<b>Factor</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>
Statutory COLA	6.56%	5.38%	4.02%
<b>LCFF FUNDING BASE</b>			
K-3 + 10.4% CSR	\$ 9,520	\$ 10,032	\$ 10,436
4-6	\$ 8,753	\$ 9,224	\$ 9,595
7-8	\$ 9,013	\$ 9,498	\$ 9,880
9-12 + 2.6% CTE	\$ 10,717	\$ 11,294	\$ 11,748
<b>% of Local Property Taxes Increase</b>	<b>5%</b>	<b>5%</b>	<b>5%</b>
<b>% of GAP Funding</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>
<b>MINIMUM STATE AID</b>	<b>\$ 8,585,843</b>	<b>\$ 8,585,843</b>	<b>\$ 8,585,843</b>
Enrollment Projection*	8,913	8,622	8,622
P2 ADA Projection	8,467	8,191	8,191
FUNDING ADA	9,531	9,362	9,362
Lottery - Unrestricted /ADA	\$ 163.00	\$ 163.00	\$ 163.00
Lottery - Restricted /ADA	\$ 65.00	\$ 65.00	\$ 65.00
Mandated Block Grant : K-8 /ADA	\$ 34.94	\$ 36.82	\$ 37.98
Mandated Block Grant : 9-12 /ADA	\$ 67.31	\$ 70.93	\$ 73.16
City of Santa Monica/Joint Use Agrmnt	\$ 10,348,982	\$ 10,555,962	\$ 10,767,081
City of Malibu/Joint Use Agrmnt	\$ 246,827	\$ 246,827	\$ 246,827
Measure "R" / Parcel Tax	\$ 13,881,013	\$ 14,019,823	\$ 14,160,021
City of SM /Meas. Y & GSH / Sales Tax	\$ 17,200,000	\$ 17,200,000	\$ 17,598,654
Santa Monica Education Foundation	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Malibu Fundraising	\$ 337,543	\$ 337,543	\$ 337,543
Salary Increase	0%	0%	0%
Step & Column Incr.	1.50%	1.50%	1.50%
<b>STRS Rate</b>	<b>19.10%</b>	<b>19.10%</b>	<b>19.10%</b>
<b>PERS Rate</b>	<b>25.37%</b>	<b>25.20%</b>	<b>24.60%</b>
Health/Welfare - Annualized	5%	5%	5%
Workers' Compensation	4.03%	4.03%	4.03%
Other Postemployment Benefits	1.25%	1.25%	1.25%
Indirect Cost Rate	7.75%	7.75%	7.75%
Quarterly Interest Rate Distribution	0.56%	0.56%	0.56%
Ongoing Maintenance	3%	3%	3%
Reserve for Uncertainties	3%	3%	3%