

# Preliminary General Fund Budget for 2017-18

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Associate Superintendent, Business Services

June 1, 2017- Item D.02

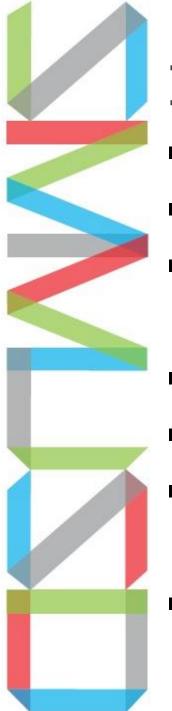


### We will review:

- Current budget assumptions
- Updated multiyear projections
- Next Steps



# **Budget Assumptions**



### LCFF - By the Numbers

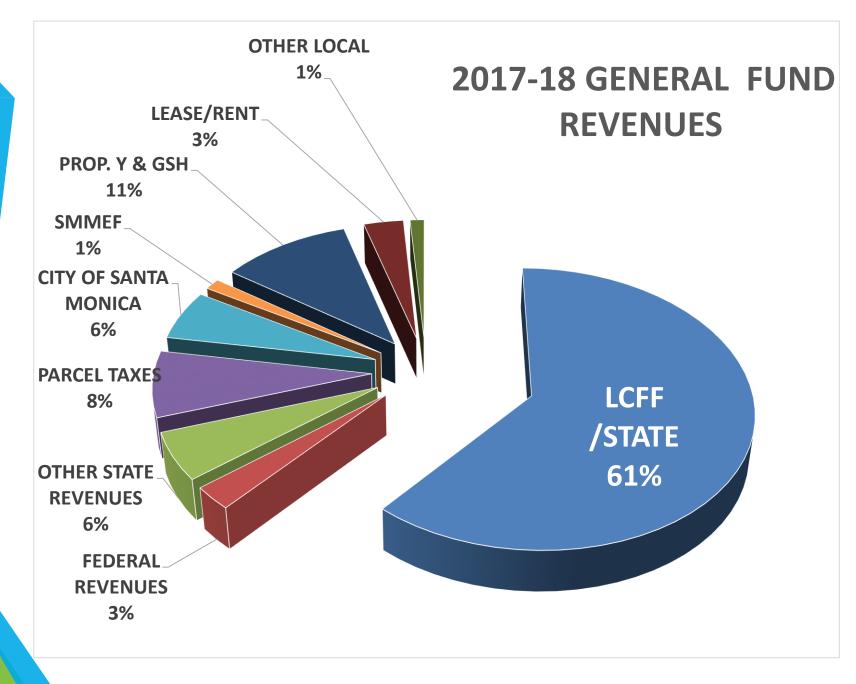
- SMMUSD Enrollment 11,273
- SMMUSD ADA 10,768
- Unduplicated Count (ELL, F/R, Foster) 27.71%
- Cost of Living Adjustment (COLA) 1.56%
- Projected LCFF Gap Closure 43.97%
- Total LCFF funding \$94,200,253 (\$6,800,252 above SMMUSD entitlement)
- Included in the LCFF funding is the Supplemental LCAP funding of \$4,425,900

#### **UNRESTRICTED GENERAL FUND - REVENUE ASSUMPTIONS**

Factor	2016-17	2017-18	2018-19	2019-20
Statutory COLA	0.00%	1.56%	2.15%	2.35%
LCFF Base Funding				
K-3 + 10.4% CSR	\$ 7,820	\$ 7,941	\$ 8,112	\$ 8,303
4-6	\$ 7,189	\$ 7,301	\$ 7,458	\$ 7,508
7-8	\$ 7,403	\$ 7,518	\$ 7,680	\$ 7,860
9-12 + 2.6% CTE	\$ 8,801	\$ 8,939	\$ 9,130	\$ 9,345
Average LCFF Funding per student	\$ 8,192	\$ 8,574	\$ 8,673	\$ 8,878
Local Property Tax % Increase	5%	5%	5%	5%
% Gap Closure	55.03%	43.97%	71.53%	73.51%
Minimum State Aid	\$ 8,585,843	\$ 8,585,843	\$ 8,585,843	\$ 8,585,843
Enrollment Projection	11,006	10,768	10,768	10,768
P2 ADA Projection	10,481	10,253	10,253	10,253
Funded ADA	10,708	10,481	10,253	10,253
City of Santa Monica - Master Facility Agreement	\$ 8,812,824	\$ 9,000,000	\$ 9,200,000	\$ 9,384,000
Measure R Parcel Tax	\$11,651,225	\$ 11,965,808	\$ 12,205,124	\$ 12,449,227
City of SM / Prop Y	\$ 8,000,000	\$ 8,200,000	\$ 8,400,000	\$ 8,600,000
City of SM / Measure GSH	\$ 600,000	\$ 8,200,000	\$ 8,400,000	\$ 8,600,000
SMMEF	\$ 2,030,276	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000

### SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT 2017-18 PRELIMINARY BUDGET GENERAL FUND REVENUES

PROJECTED BEGINNING BALANCE	\$ 26,129,362
LCFF /STATE	\$ 94,200,253
FEDERAL REVENUES	\$ 4,227,280
OTHER STATE REVENUES	\$ 8,668,908
PARCEL TAXES	\$ 11,965,808
CITY OF SANTA MONICA	\$ 9,000,000
SMMEF	\$ 2,000,000
PROP. Y & GSH	\$ 16,400,000
LEASE / RENT	\$ 5,000,000
OTHER LOCAL	\$ 1,766,700
TOTAL REVENUES	\$ 153,228,949
TOTAL AVAILABLE FUNDS	\$ 179,358,311



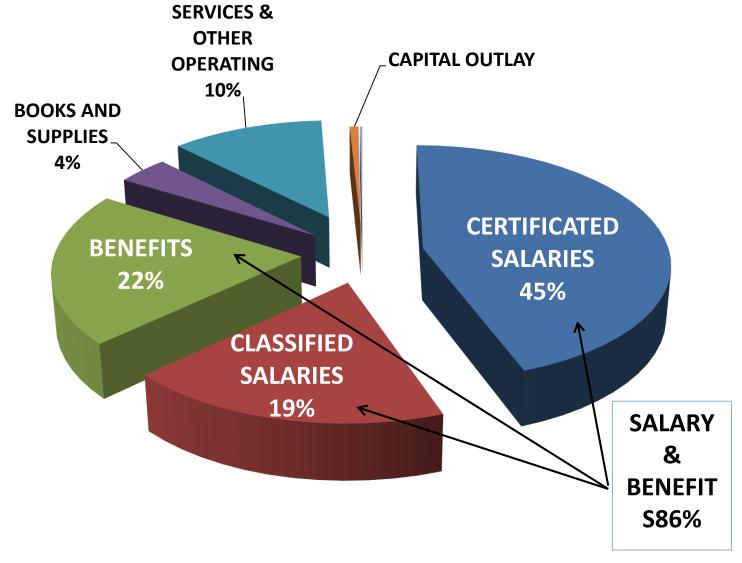
#### **UNRESTRICTED GENERAL FUND - EXPENDITURE ASSUMPTIONS**

Factor	2016-17	2017-18	2018-19	2019-20
Salary Increase	2%	0%	0%	0%
Step & Column Increases	1.50%	1.50%	1.50%	1.50%
STRS Rate	12.58%	14.43%	16.28%	18.13%
PERS Rate	13.888%	15.531%	18.10%	20.80%
Health/Welfare - Annualized	7%	7%	7%	7%
Workers' Compensation	3.80%	4.00%	4.00%	4.00%
Other Postemployment Benefits	1.25%	1.25%	1.25%	1.25%
Indirect Cost Rate	5.66%	5.66%	5.66%	5.66%
Interest Rate	0.70%	0.70%	0.70%	0.70%
Ongoing Maintenance	3%	3%	3%	3%
Reserve for Uncertainties	3%	3%	3%	3%

# SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT 2017-18 PRELIMINARY BUDGET GENERAL FUND EXPENDITURES

PROJECTED EXPENDITURES:	
CERTIFICATED SALARIES	\$ 66,202,485
CLASSIFIED SALARIES	\$ 29,587,843
EMPLOYEE BENEFITS	\$ 38,276,015
BOOKS AND SUPPLIES	\$ 4,998,033
SERVICES & OTHER OPERATING COSTS	\$ 14,484,613
CAPITAL OUTLAY	\$ 830,481
OTHER OUTGO	\$ 996,311
TOTAL EXPENDITURES:	\$ 155,375,781
PROJECTED FUND BALANCE	\$ 23,982,530

### **2017-18 GENERAL FUND EXPENDITURES**





# Multi-Year Projections

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

UNINESTRICTED GEN	ILIXAL I UND	MOLII-I LAIN	FIGURE	
	2016-17	2017-18	2018-19	2019-20
		PROJECTED		PROJECTED
Description	ACTUALS	BUDGET	BUDGET	BUDGET
Property Tax	80,793,830	83,997,852	87,447,745	91,070,132
Education Protection Account (EPA)	2,130,414	2,130,414	2,000,000	2,000,000
LCFF Transfer to Fund 14	(250,000)	(250,000)	(250,000)	(250,000)
LCFF Transfer to County Specialized Secondary School	(110,500)	(112,000)	(112,000)	(112,000)
Occordary Corloca	(110,000)	(112,000)	(112,000)	(112,000)
Pr. Year LCFF Adjustment	_	(151,856)		
LCFF State Aid	4,801,013	1,785,591	-	-
Minimum State Aid	3,784,830	6,800,252	8,585,843	8,585,843
Subtotal LCFF Funding	91,149,587	94,200,253	97,671,588	101,293,975

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

Description	2016-17 ESTIMATED ACTUALS	2017-18 PROJECTED BUDGET	2018-19 PROJECTED BUDGET	2019-20 PROJECTED BUDGET
Other Federal	49,969	13,000	10,000	10,000
Lottery	1,600,000	1,600,000	1,600,000	1,600,000
Mandated Block Grant	2,680,282	381,418	380,000	380,000
Other State Revenue	8,374	23,600	23,600	23,600
Measure R - Parcel Tax	11,651,225	11,965,808	12,205,124	12,449,227
Prop Y / City of SM	8,000,000	8,200,000	8,400,000	8,600,000
Prop GSH / City of SM	600,000	8,200,000	8,400,000	8,600,000
Joint Use Agreement/ City of SM	8,812,824	9,000,000	9,200,000	9,400,000
All Other Local Income	3,797,603	4,163,000	3,540,000	3,550,000
SMMEF Donation	2,030,276	2,000,000	2,000,000	2,000,000
Local General Fund Contribution	(26,454,473)	(27,317,568)	(27,863,919)	(28,421,198)
TOTAL REVENUE	103,925,667	112,429,511	115,566,392	119,485,604

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

	2016-17	2017-18	2018-19	2019-20
	ESTIMATED	PROJECTED	PROJECTED	PROJECTED
Description	ACTUALS	BUDGET	BUDGET	BUDGET
Certificated Salary	53,573,967	53,125,663	53,922,548	54,731,386
Classified	18,327,017	18,615,548	18,894,781	19,178,203
Benefits	25,959,572	28,373,611	30,911,930	33,569,756
STRS	6,633,373	7,595,606	8,778,591	9,922,800
PERS	2,376,021	2,699,616	3,180,559	3,709,832
SOCIAL SECURITY & MEDICARE	2,223,131	2,254,062	2,227,328	2,260,738
HEALTH AND WELFARE	10,951,390	11,923,146	12,757,766	13,650,810
SUI	40,033	40,795	41,409	41,955
WORKERS COMP	2,730,983	2,868,782	2,912,693	2,956,384
OPEB	898,365	890,912	910,217	923,870
CASH IN -LIEU	106,276	100,692	103,368	103,368
Supplies/Books	3,479,780	3,376,897	3,400,000	3,400,000
Other Operational Costs	9,837,843	9,906,263	9,800,000	9,800,000
Capital Outlay	1,008,431	615,481	500,000	500,000
Debt Services	53,389	98,000	98,000	98,000
Indirect	(1,089,908)	(1,046,043)	(1,000,000)	(1,000,000)
Transfer Out to FUND 12	475,769	542,223	550,000	550,000
Transfer Out to FUND 13	484,586	900,000	900,000	900,000
Transfer Out to FUND 14	600,000			
LCAP increase above prior year			44,521	79,236
TOTAL EXPENDITURE	112,710,446	114,507,643	118,021,780	121,806,581

#### SANTA MONICA-MALIBU USD

#### UNRESTRICTED GENERAL FUND MULTI-YEAR PROJECTION

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	2016-17	2017-18	2018-19	2019-20
	ESTIMATED	PROJECTED	PROJECTED	PROJECTED
Description	ACTUALS	BUDGET	BUDGET	BUDGET
Increase (Decrease) Fund				
Balance	(8,784,779)	(2,078,132)	(2,455,388)	(2,320,977)
Beginning Fund Balance	32,609,848	23,825,070	21,746,939	19,291,550
Ending Fund Balance	23,825,070	21,746,939	19,291,550	16,970,573
Reserve - Revolving cash, Store	130,000	130,000	130,000	130,000
Reserve - Deficiting Spending in 17-18	2,078,132			
Reserve - Deficiting Spending in 18-19	2,455,388	2,455,388		
Reserve - Deficiting Spending in 19-20	2,320,977	2,320,977	2,320,977	
3% Contingency Reserve	4,881,181	4,900,000	4,950,000	5,000,000
Unappropriated Balance	11,959,391	11,940,573	11,890,573	11,840,573

#### Without GSH Revenue

#### **SANTA MONICA-MALIBU USD**

#### **UNRESTRICTED GENERAL FUND MULTI-YEAR PROJECTION**

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	2016-17	2017-18	2018-19	2019-20
	ESTIMATED	PROJECTED	PROJECTED	PROJECTED
Description	ACTUALS	BUDGET	BUDGET	BUDGET
Increase (Decrease) Fund				
Balance	(8,784,779)	(10,278,132)	(10,855,388)	(10,920,977)
Beginning Fund Balance	32,609,848	23,825,070	13,546,939	2,691,550
Ending Fund Balance	23,825,070	13,546,939	2,691,550	(8,229,427)
Reserve - Revolving cash, Store	130,000	130,000	130,000	130,000
Reserve - Deficiting Spending in 17-18	-	-	-	-
Reserve - Deficiting Spending in 18-19	_	-		
Reserve - Deficiting Spending in 19-20	_	_	-	-
3% Contingency Reserve	4,881,181	4,900,000	4,950,000	5,000,000
Unappropriated Balance	18,813,889	8,516,939	(2,388,450)	(13,359,427)



### Next Steps

- Continue to monitor the State budget process
- Prepare final budget documents for the Public Hearing on June 22, 2017 and Board adoption on June 29, 2017
- Prepare any necessary budget revisions for Board approval within the legal timelines (45-day revision) after final State Budget adoption

