

SAUSALITO MARIN CITY SCHOOL DISTRICT

2012-2013 First Interim ~ General Fund

KEY BUDGET ASSUMPTIONS

The revised budget assumptions are based on the most recent information since adoption of the State Budget Act. The updates and common message points used in the First Interim Report come from School Services of California, Education Coalition, Legislative Analyst's Office, Department of Finance, County of Marin and the Marin County Office of Education.

REVENUES: 2012-2013 = \$ 5,623,848

1. Revenue Limit Sources/Property Taxes = \$ 3,270,491 (this number reflects the revenues after WCA in lieu)

- Property taxes estimated at 1.8% growth based on the J-29 (P1) estimates from the County of Marin.
- Revenue limit deficit factor of 22.272% for 2012-2013, 2013-2014 and 2014-2015.
- Declining enrollment based on CBEDS (20%). ADA estimates at 94% of enrollment per trend analysis.

2. Federal Revenue = \$309,327

- Carryover budgeted and no increases for COLA or growth budgeted.
- No ARRA-IDEA, ARRA-SFSF or Federal Jobs monies budgeted as these were one-time only.
- Title I, Title II, Title III monies budgeted flat until more information about the Federal budget is known (possibility of cuts to each of these programs being proposed). Currently there are cuts to all of these programs.

3. State Revenue = \$ 780,449

- COLA of 0% applied to all categorical programs.
- Projected Basic Aid "Fair Share" reduction to categorical programs at approximately \$913.24 per student, lesser of 9.57% P2 Revenue Limit calculation before deficit or excess property tax (\$109,589).
- All categorical program balances available under prior year Tier 2 and 3 Sweep and/or Flexibility options remain shifted to unrestricted general fund.
- Home to School Transportation funding included at 2011-2012 funding level (\$455 total revenue).

4. Local Revenues = \$1,091,544

- Special Education AB 602 revenue – (transfer from SELPA-Special Education Local Plan Area) revised to reflect 0% COLA, budgeted flat.
- Rent increase on leased properties based on minimum set forth in current lease agreements.
- Marin Community Foundation VAPA grant, Pre-K to 3 grant and Transforming School Grant (TSG) reduced from prior year allocation (2011-2012). Reduction in the three Marin Community Foundation grants by 20% for 2012 - 2013 and an ongoing reduction of 20% per year thru 2014-2015 (until the grants are phased out).

EXPENDITURES: 2012-2013 = \$ 5,820,800

1. Salaries & Benefits = \$3,289,421

- Certificated salaries include the following staffing by formula:
 - ✓ 15 FTE Certificated
 - ✓ 3 FTE Administration (District)
- Classified salaries include the following staffing by formula:
 - ✓ 13.23 FTE Classified support staff including maintenance, custodial, clerical, campus support, paraprofessionals
 - ✓ 2.0 FTE Confidential (district office)
 - ✓ 2.0 FTE Classified Management

- Statutory benefits (employer costs):
 - ✓ STRS rate 8.25%
 - ✓ Social Security rate 6.2%
 - ✓ Medicare rate 1.45%
 - ✓ SUI rate 1.61 % per EDD
 - ✓ PERS rate 11.4 per CDE
 - ✓ Worker's Compensation rate 2.215%
 - Certificated Total = 13.525%
 - Classified Total = 22.875%

2. Books/Supplies = \$ 299,643

- Book/Supplies (\$131,526 were one-time expenses funded by grants)

3. Services/Operating Expenditures = \$ 1,692,794

- Marin County Office of Education support/contracts (Psychologist, Nurse, Superintendent, Aries, CalPads, Technology, QSS, Payroll, Accounts Payable, Special Ed Director)
- Operational Expenditures for all sites; utilities, gas, sewer, trash, internet, communications, etc.
- Funds allocated toward professional development for staff: International Baccalaureate program, curriculum/staff development, Summer Arts Institute, National Equity Project, Restorative Justice, etc.

4. Capital Outlay, Other Out-go and Other Financing Sources/Uses = \$ 539,089

- Deferred Maintenance contribution of \$100,000 (2012-2013 one-time contribution) to address ongoing major repair needs district wide.
- Contribution toward the Cafeteria fund
- District wide repairs
- Debt payments on COP's, Bonds, financing, etc.
- Supplemental to WCA

5. Reserves = \$603,066

- Designated for Economic Uncertainties remains at 5% (state requirement/law) of adopted budget operating expenditures (\$301,533).
- Maintained Board Designated reserve for Economic Uncertainties per Board Policy of 5% (\$301533).

2012-2013 to 2014-2015 General Fund ~ MYP Factors

REVENUES

1. Property taxes estimated with a 1% growth from prior year.
2. Revenue limit deficit factor of 22.272% for 2013-2014 and 24.272% for 2014-2015.
3. Federal Revenue budgeted flat from 2012-2013.
4. State Categorical program Revenues budgeted with 0% COLA per SSC dashboard. Includes flexibility options for ongoing Tier 3 programs and estimate of ongoing "Fair Share" reduction for Basic Aid districts (9.57% 2012-2013 & 8.92% 2013- 2014 & 2014-2015).
5. Marin Community Foundation grants for 2012-2013 to 2014-2015 with 20% reductions annually in grant amounts (reduction for 2012-2013; \$259,789 & 2013-2014; \$136,151 & 2014-2015; \$95,713).

EXPENDITURES

1. *Salaries & Benefits*

- 2013-2014 Staffing
 1. Reductions include 1 administrator and administrative support, and implementation of formula staffing.
 2. 1.0 FTE Certificated reduction due to declining enrollment
 3. Reduction in classified staff due to decrease in enrollment.
 - ✓ Projected step and column adjustments included in salary projections.
 - ✓ Benefits updated to include effects of step and column increases.
- 2014-2015 Staffing
 1. 2.0 FTE Certificated reduction reflects declining enrollment
 2. Classified staffing (dependent on student enrollment)
 - ✓ Projected step and column adjustments included in salary projections.
 - ✓ Benefits updated to include effects of step and column increases.

2. *Non-Salary accounts*

Unrestricted/Restricted:

- Decrease in books and supplies of \$193,471 from 2012-2013 to 2013-2014 (of which \$131,526 were one-time expenses). An additional decrease of \$ 40,000 from 2013-2014 to 2014-2015.
- Decrease in services and other operating expenditures of \$346,164 from 2012-2013 to 2013-2014 (one-time expenses, elimination of services no longer needed and redirection of contracted services to direct-hire expenditures (For example: Counselor contract) and additional decrease of \$ 187,301 from 2013-2014 to 2014-2015.
- Decrease in other outgo expenditures of \$128,000 from 2012-2013 to 2013-2014 and an additional decrease of \$100,000 from 2013-2014 to 2014-2015.

RESERVES

1. Designated for Economic Uncertainties remains at 5% of adopted budget operating expenditures.
2. Maintained Board Designated reserve for Economic Uncertainties per Board Policy of 5%.
3. 20% of TIIG allocation in anticipation of the implementation of weighted student formula being implemented in 2013-2014.

NOTE: The Weighted Student Formula has is being reviewed and is expected to be part of the 2013 -2014 budget. If WSF in its current form is implemented, the financial implication could be a loss of approximately \$475,000 and the school district will have to make additional cuts to ongoing expenditures.