

# SAUSALITO MARIN CITY SCHOOL DISTRICT 2013-2014 Second Interim Budget ~ General Fund

## KEY BUDGET ASSUMPTIONS

The following Budget Assumptions is based on the Governor's Workshop (attended by staff in January, 2014) and the Marin County Office of Education Common Message.

### REVENUES: 2013-2014

#### 1. *Revenue Limit Sources LCFF/Property Taxes = \$ 4,062,116*

- Property taxes estimated at 2.86% growth applied to 2013-2014 from 2012-2013 based on the County of Marin and J-29 (P2) estimates from the County of Marin. Property taxes increase estimated at 1.5% for 2014-2015 & 2015-2016.
- LCFF funding based on the 2012-2013 categorical programs apportionment with a "Basic Aid Fair Share: of 8.92%.
  1. Projected Basic Aid "Fair Share" reduction to categorical programs at approximately \$628 per student, lesser of 8.92% P2 Revenue Limit calculation before deficit or excess property tax (\$77,430).
  2. All categorical program balances available under prior year Tier 2 and 3 Sweep and/or Flexibility options remain shifted to unrestricted general fund.

#### 2. *Federal Revenue = \$318,541*

- No 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 with a slight reduction (5.2%) until more information about the State and Federal budget is known (possibility of state funding the difference in the federal reductions).

#### 3. *State Revenue = \$ 308,373*

- No COLA 0%: District funding exceeds the Local Control Funding Formula (LCFF) target amount (hold harmless) budgeted under the LCFF/Revenue object code now.

#### 4. *Local Revenues = \$1,073,269*

- Special Education AB 602 revenue – (transfer from SELPA-Special Education Local Plan Area) revised to reflect 0% COLA, budgeted flat.
- Pre-K to 3 Grant reduced by 20% from prior year allocation (2012-2013).
- VAPA grant reduced by 20% from prior year allocation (2012-2013).
- TSG grant reduced by 20% from prior year allocation (2012-2013).

### EXPENDITURES: 2013-2014

#### 1. *Salaries & Benefits = \$3,374,103*

- Certificated salaries include the following staffing by formula:
  - ✓ 14 FTE Certificated
    - 9 FTE K-8 Teachers, 1 FTE Counselor, 2 FTE Special Ed. Teachers (1 FTE for WCA), 1 FTE Spanish/Coord., .5 FTE Art, .5 FTE P.E. and .4 FTE Music
  - ✓ 2.4 FTE Certificated Administration
    - .4 FTE Superintendent, 1 FTE Principal, 1 FTE V. Principal
  - ✓ .8 FTE Certificated Other Support Administration ~ District wide (Special Ed. Director/Psychologist/Nurse shared services)
- Classified salaries include the following staffing by formula:

- ✓ 11.44 FTE Classified support staff including
  - 3.375 Maintenance/Custodial (1.8 FTE for WCA), 1 FTE Clerical, 2.69 FTE Regular Paraprofessionals, .7813 FTE Bilingual Paraprofessional, 2.41 Special Ed. Paraprofessional (.8125 FTE for WCA), 1.1875 FTE Cafeteria
- ✓ 1.0 FTE Confidential (District Office)
- ✓ 2.0 FTE Classified Management
- ✓ .4 FTE Technology (shared /contracted)

- Statutory benefits (employer costs):
  - ✓ STRS rate 8.25%
  - ✓ Social Security rate 6.2%
  - ✓ Medicare rate 1.45%
  - ✓ SUI rate .05 % per EDD
  - ✓ PERS rate 11.442 per CDE
  - ✓ Worker's Compensation rate 2.323%
    - Certificated Total = 12.323%
    - Classified Total = 21.465%

**2. Other: Books/Supplies, Services/Operating Expenditures, Other Out-go and Other Financing Sources/Uses = \$2,812,558**

- Marin County Office of Education support/contracts (Aries, CalPads, Technology, QSS, Payroll, Accounts Payable)
- Operational Expenditures; utilities, gas, sewer, trash, legal, etc.
- Deferred Maintenance contribution of \$50,000 (2013-2014 only, one-time contribution) to address ongoing major repair needs district wide.
- Funds allocated toward professional development for staff: International Baccalaureate program, curriculum/staff development, Summer Arts Institute, Restorative Justice, etc.
- Decrease in books/supplies from 2012-2013 (includes onetime expenses/carryover and elimination in services no longer needed).
- Decrease in services and operating expenditures from 2012-2013 (includes onetime expenses/carry over and eliminations in services no longer needed/reductions in costs associated with grants); some shift of responsibility to site administration.

**3. Reserves = \$618,666**

- Designated for Economic Uncertainties remains at 10% (5 % state requirement/law & 5% board designated per board policy) of adopted budget operating expenditures.

**2013-2014 to 2015-2016 General Fund ~ MYP Factors**

**REVENUES**

1. Property taxes estimated at 2.86% growth applied to 2013-2014 from 2012-2013 from the County of Marin November 2013 J-29 estimates. Property taxes estimate at 1.5% for 2014-2015 & 2015-2016.
2. COLA 0%: District funding exceeds the Local Control Funding Formula (LCFF) target amount therefore the (hold harmless) receive no COLA.
3. Per the LCFF, local education agencies are to receive minimum state funding of no less than the total received in the 2012-2013 fiscal year (hold harmless) with the 8.92% "Basic Aid Fair Share" reduction.
4. Title I, Title II, Title III monies budgeted with a slight reduction (5%) until more information about the State and Federal budget is known (possibility of state funding the difference in the federal reductions or federal government restoring the funding).
5. Pre-K to 3 Grant reduced by 20% for 2013-14 & 2014-15 from prior year allocation. Elimination of the Marin Community Foundation Pre-K to 3 grant in 2015 – 2016.
6. Elimination of the Marin Community Foundation VAPA Grant in 2014-2015 (end of the 5 year grant).
7. Reduction of 20% in the Transforming School Grant (TSG) for 2014-2015
8. Elimination of the Pre-K to 3 and the TSG in 2015-2016 (end of the 5 year grant).

9. Special Education AB 602 revenue – (transfer from SELPA-Special Education Local Plan Area) revised to reflect 0% COLA, budgeted flat.

## **EXPENDITURES**

### **1. Salaries & Benefits (Unrestricted/Restricted):**

- 2013-2014 Staffing in comparison from 2012-2013
  1. Same as prior year with an .78125 FTE Classified increase (cafeteria program)
- 2014-2015 Staffing
  1. Reductions related to implementation of K – 8 model, elimination of grants and loss in revenues:
    - ✓ 4.0 FTE Certificated and all costs associated program costs
    - ✓ 1.875 FTE Classified and all costs associated with the program costs
  2. Reduction in books/supplies (Example art, music, clubs, field trips etc)
  3. Reduction in operational expenditures (Example professional development, math specialist, year book, sports and field trips)
  4. Projected step and column adjustments included in salary projections.
  5. Benefits updated to include effects of step and column increases.
- 2015-2016 Staffing
  1. Reductions related to implementation of K – 8 model, elimination of grants and loss in revenues:
    - ✓ 1 FTE Certificated and all costs associated program costs
  2. Reduction in books/supplies (Example art, music, clubs, field trips etc)
  3. Reduction in operational expenditures (Example professional development, Reading Partners, Teach for America,
  4. Projected step and column adjustments included in salary projections.
  5. Benefits updated to include effects of step and column increases.

### **2. Non-Salary accounts (Unrestricted/Restricted):**

- Continued contribution toward Deferred Maintenance for 2014-15 & 2015-2016.
- Decrease in books and supplies of \$72,108 for 2014-2015 to 2015-2016 (partially onetime carryover amount and additional reductions).
- Decrease in services and other operating expenditures of \$126,104 for 2014-2015 (partially onetime carryover amount and additional reductions) & \$164,829 for 2015-2016 (elimination of services associated with previously grant funded programs and additional reduction in operational expenditures).
- Decrease in other out-goes of \$136,000 for 2014-2015 & \$ 314,000 for 2015-2016 (reduction in the Supplemental amount due to the increase in In-lieu amount and decreased revenues).
- Increase in Financing for the COP payment in 2014-2015 & 2015-2016

## **RESERVES**

1. Designated for Economic Uncertainties remains at 10% (5 % state requirement/law & 5% board designated per board policy) of adopted budget operating expenditures.

## **NOTE:**

- The LCFF has currently been approved by legislators but the full financial implications are being clarified. LCFF in its current form has financial implication the will vary dependent upon the WCA enrollment, due to the increase in the In-Lieu contribution. The school district will have to make additional cuts to ongoing expenditures and making some hard decisions about the direction of its educational program, facilities, staffing, etc.