

SAN MATEO UNION HIGH SCHOOL DISTRICT



February 25, 2010
2010 -11
Budget Work Study

Budget Discussion

1. At the request of the Board of Trustees, key information is provided herein
2. Work study Goals
3. Nine specific items are included:
 1. Projected State revenue decrease to SMUHSD
 2. Roll over budget assumptions
 3. Roll over budget multi-year projections
 4. Roll over budget multi-year deficits
 5. Deficits-best case, mid range, austere
 6. Options to Balance
 7. Considerations
 8. Status Personnel
 9. Timelines
4. Closing Remarks

Work Study Goals

- To engage in open and transparent dialog
- Focus developing District Budget using short-term and long-term solutions
- Present current financial projections
- Obtain feedback and direction

District Basic Aid State Repayment

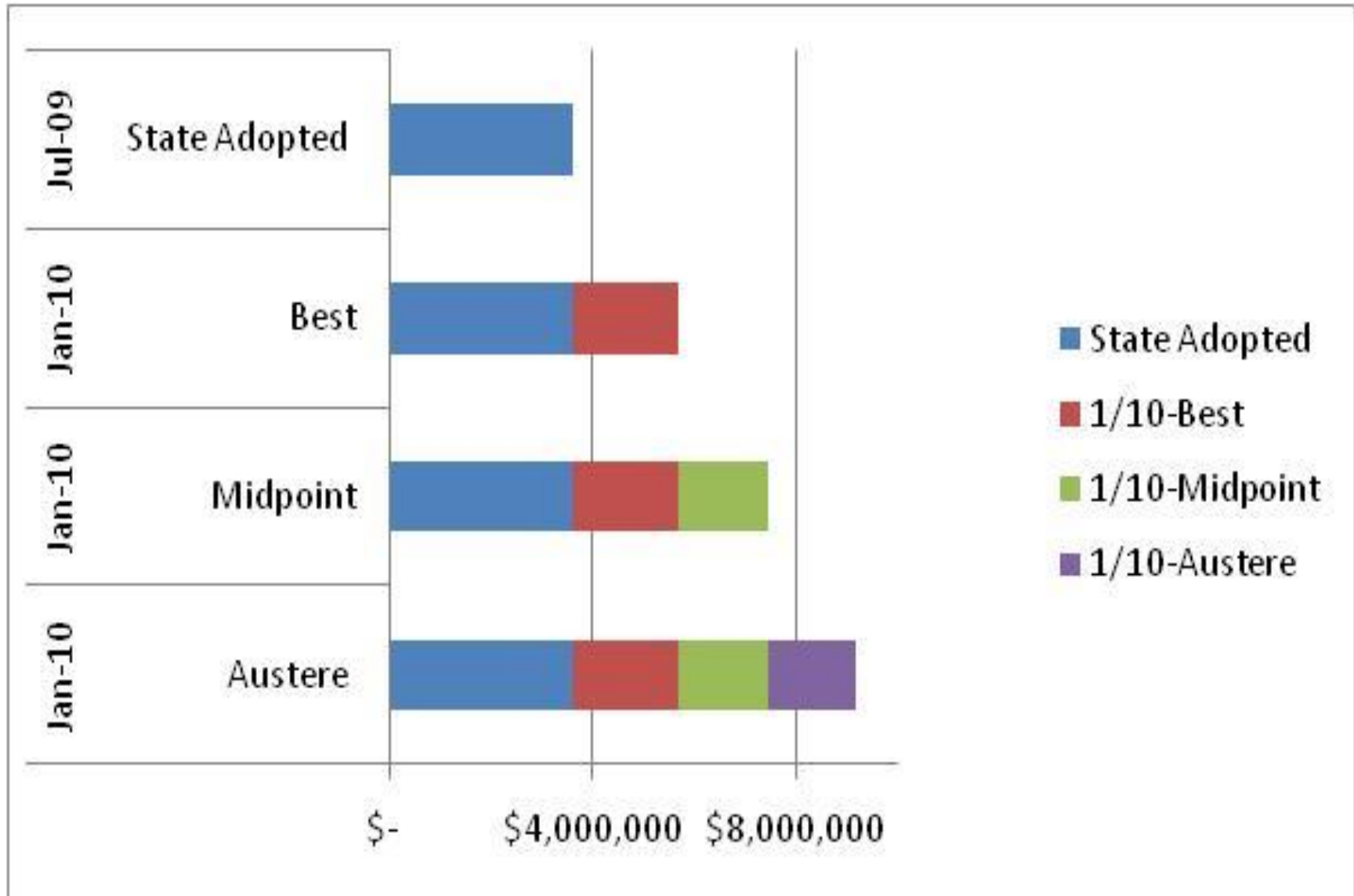
- July 27, 2009 2010 District Fair Share Repayment to State **\$3.6M**

- January 8, 2010 Governor Present Budgets Proposal- \$19.8 B shortfall
 - Additional Fair Share Contribution-**Best Case** \$3.60M
\$2.10M
\$5.70M

 - Additional Fair Share Contribution-**Mid Point** \$3.60M
\$2.10M
\$1.75M
\$7.45M

 - Additional Fair Share Contribution-**Austere** \$3.60M
\$2.10M
\$1.75M
\$1.75M
\$9.20M

District Basic Aid Repayment to State



Budget Adjustments-September 28, 2006

Program/Position	FTE	Amount
Accounting Asst 1	5.0	\$ 154,826.67
Administrative Manager	2.0	\$ 95,155.00
Assessment Software		\$ 41,000.00
Campus Aides	1.8	\$ 49,050.00
CSM-concurrent enrollment		\$ 350,000.00
District Block grant		\$ 140,000.00
District Office Supplies		\$ 46,925.00
District Outreach Coordinators	3.0	\$ 91,500.00
District Vehicles		\$ 20,000.00
ELD/Transition 9		\$ 60,667.00
Food Service Assistant	0.1	\$ 4,000.00
Inst. Aide II	4.7	\$ 153,681.00
Inst. Aide II	1.5	\$ 26,300.00
Inst. Aide SPED	3.2	\$ 97,143.00
Library online services		\$ 60,000.00
Library Services	2.0	\$ 104,395.00
Maint & Operations	11.0	\$ 331,604.43
Office Assistant I/Site Level	5.2	\$ 128,132.48
Office Support/DO	2.0	\$ 84,000.00

Program/Position	FTE	Amount
Reduce Cert. Staff	6.0	\$ 313,186.50
Reduce Cert. Staff - SPED	4.4	\$ 222,737.00
Reduce Conferences		\$ 17,833.00
Reduce Construction Consultant		\$ 12,500.00
Reduce Overtime		\$ 225,000.00
School Resource Officer (SRO)		\$ 47,500.00
Security Patrol		\$ 25,000.00
Sojourn Field Trip		\$ 30,000.00
Substitute Teachers		\$ 33,340.00
Superintendent (salary rollback)		\$ 5,717.00
Technology Support	2.0	\$ 175,000.00
Transportation		\$ 210,000.00
Warehouse	1.0	\$ 30,000.00
Close Warehouse		\$ 44,000.00
Total	54.9	\$ 3,430,193.08

Budget Adjustments-February 28, 2009

Program/Position	FTE	Amount	1X	Program/Position	FTE	Amount	1X
Deferred Main. Contribution	0.0	\$ 475,000.00	\$ 475,000.00	Sp Ed mandated cost reimb	0.0	\$ 122,000.00	\$ 122,000.00
Reduce seven-period day	5.8	\$ 504,000.00		Increase Crestmoor tenant fees	0.0	\$ 25,000.00	
Eliminate certificated overstaffing	5.0	\$ 450,000.00		Remove open positions in CECC (DO)	1.0	\$ 50,000.00	
Eliminate small learning comm. Cert. staff	1.0	\$ 90,000.00		Charge utility & supply exps to facilities use	0.0	\$ 285,000.00	
Restructure Pen HS	1.0	\$ 121,368.00		Reallocate State cateforical grants for unrestr purposes	0.0	580,000.00	\$ 580,000.00
Eliminate word processing coordinator (DO)	1.0	\$ 60,000.00		Reduce site supply budget	0.0	28,305.00	
Eliminate office asst II (DO)	1.0	\$ 50,000.00		Reduce school furniture budget to \$1000 per school site	0.0	23,000.00	\$ 23,000.00
Streamline summer handbook	0.0	\$ 10,000.00		No salary increase for any empl. unless duties increase	0.0	-	
Eliminate SM County probation contract	0.0	\$ 45,000.00		Implement standard brunch time of 10 min	0.0	65,000.00	
Restructure Home-to-School trans model	0.0	\$ 132,500.00		Sweep 07-08 State categorical carry-over balances	0.0	280,000.00	\$ 280,000.00
Reduce athletic budget	0.0	\$ 50,000.00		Federal Stimulus Sp Ed	0.0	400,000.00	\$ 400,000.00
Reduce plant managers	1.5	\$ 148,318.50		Restructure Summer School (10-11)	0.0	268,000.00	
Eliminate BTSA encroachment	0.0	\$ 88,000.00		Total	18.3	4,746,491.50	\$ 1,880,000.00
Eliminate Director of Curriculum Services	1.0	\$ 155,000.00					
Eliminate PAR encroachment	0.0	\$ 37,000.00					
Workability program transportation	0.0	\$ 85,000.00					
Workability program Cert. salary (DO)	0.0	\$ 119,000.00					

Budget Adjustments-Other

Budget Advisory Committee

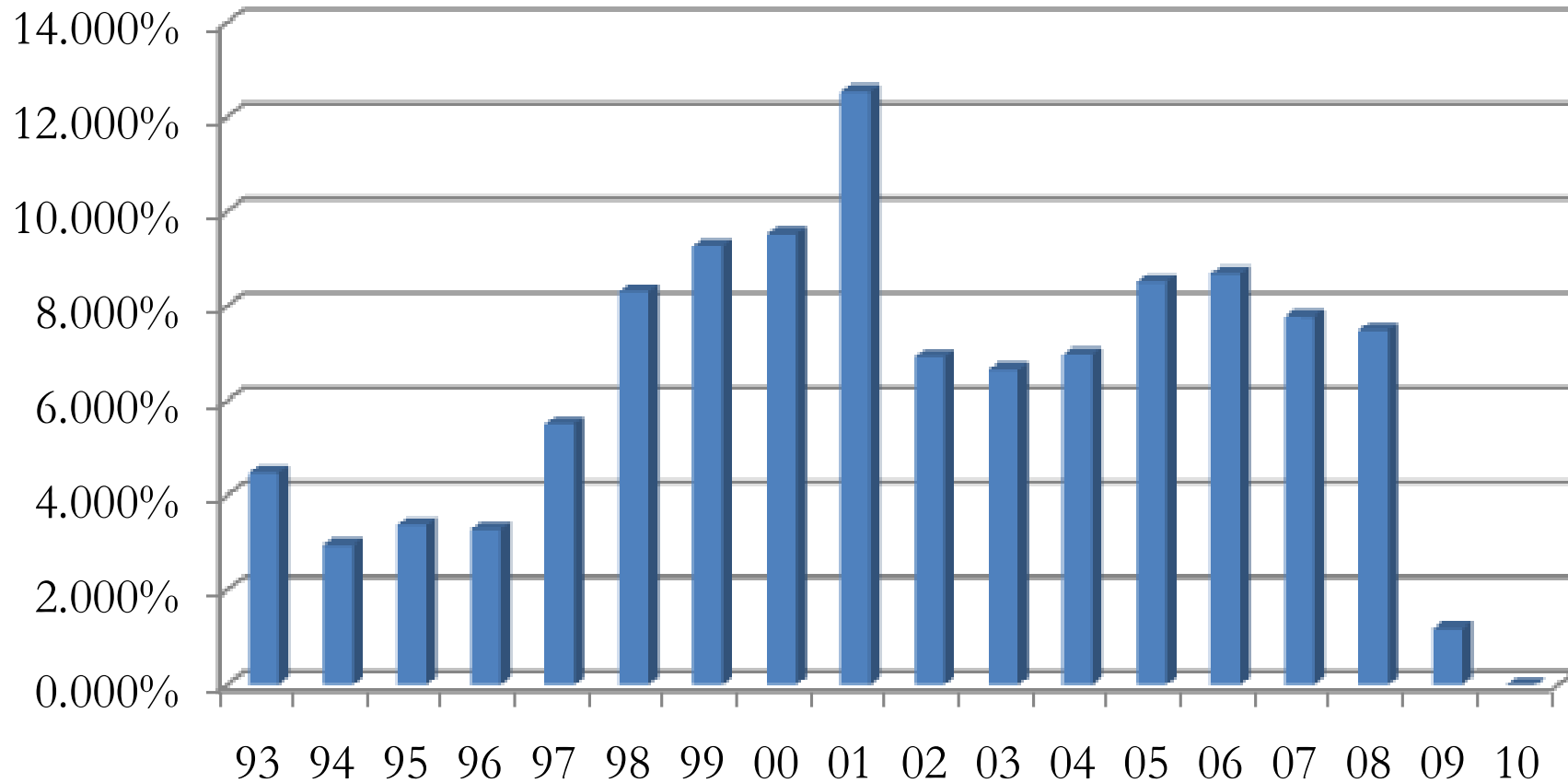
Program/Position	FTE	Amount
Facilities-use reduced encroachment		1,500,000.00
Restructured Home-to-School Transp		1,200,000.00
Eliminated external transp. contract		1,350,000.00
Eliminated overtime		1,175,000.00
		5,225,000.00

Other

Program/Position	FTE	Amount
Revised enrollment and staffing procedures	0.00	\$ -
Health Benefit Committee restructured medical plan	0.00	\$ 1,000,000.00
Renegotiated pest control contract	0.00	\$ 76,600.00
		\$ 1,076,600.00

Secured Property Tax Growth From Prior Year

San Mateo County Secured Tax Growth



District Property Tax

- Secured property taxes \$ 80,334,636
- 1% increase or decrease \$ 803,346
- Current outstanding property appeals \$171,154,747

2010-11 Roll Over Budget: Revenues Assumptions

Revenues Sources:

2010-11

2011-12

Revenue Limit Sources

➤ Secured	No increase	2%
➤ Unsecured	0%	0%
➤ HOPTR	0%	0%
➤ Property Tax Refund Payment	(\$1,500,000)	(\$1,500,000)
➤ Basic Aid Repayment to State	(\$5,700,000)	(\$5,700,000)

Federal Revenues

➤ ARRA	None	None
➤ Categorical	0%	0%

State Revenues

➤ Special Education	(.38%)	(.38%)
➤ Categorical programs	(.38%)	(.38%)
➤ Lottery		
➤ Restricted	\$ 13.00 per ADA	\$ 13.00 per ADA
➤ Unrestricted	\$110.00 per ADA	\$110.00 per ADA

Local

➤ Interest	1%	1%
➤ Facilities Use	No change	No change

2010-11 Roll Over Budget: Expenditures Assumptions

<u>Expenditures:</u>	<u>2010-11</u>	<u>2011-12</u>
Enrollment	8,513	8,513
Certificated Staffing		
○ FTE		
❖ Management	26.6	26.6
❖ Teachers	345.6	345.6
❖ Special Education	66.9	66.9
❖ Counselors	24.1	24.1
❖ Library	3.0	3.0
❖ Nurse	1.0	1.0
❖ Psychologists	3.0	3.0
❖ Other	<u>2.8</u>	<u>2.8</u>
❖ Total Certificated FTE	473.0	473.0
○ Step and Column Movement	Included	Included
Classified Staffing		
○ FTE		
❖ Management	11.3	11.3
❖ Support staff	<u>283.9</u>	<u>289.9</u>
Total Classified FTE	295.2	295.2
○ Step Movement	Included	Included

2010-11 Roll Over Budget: Expenditures Assumptions

<u>Employee Benefits</u>	<u>2010-11</u>	<u>2011-12</u>
○ STRS	8.25%	9.25%
○ PERS	10.2%	11.6%
○ Medicare	1.45%	1.45%
○ OASDI	6.2%	6.2%
○ State Unemployment Insurance	1.0%	1.0%
○ Workers Compensation	2.5%	2.5%
○ District contribution medical premium		
❖ Single	\$ 6,207.00	\$ 6,207.00
❖ 2 Party	\$13,034.40	\$ 13,034.40
❖ Family	\$18,620.24	\$ 18,620.24
○ District contribution dental premium		
❖ Single	\$ 698.88	\$ 698.88
❖ 2 Party	\$ 1,284.72	\$ 1,284.72
❖ Family	\$ 1,915.32	\$ 1,915.32
○ District contribution vision premium		
❖ Single	\$ 120.72	\$ 120.72
❖ 2 Party	\$ 250.08	\$ 250.08
❖ Family	\$ 355.08	\$ 355.08
○ Retiree Benefits	\$600,000	\$600,000

2010-11 Roll Over Budget: Expenditures Assumptions

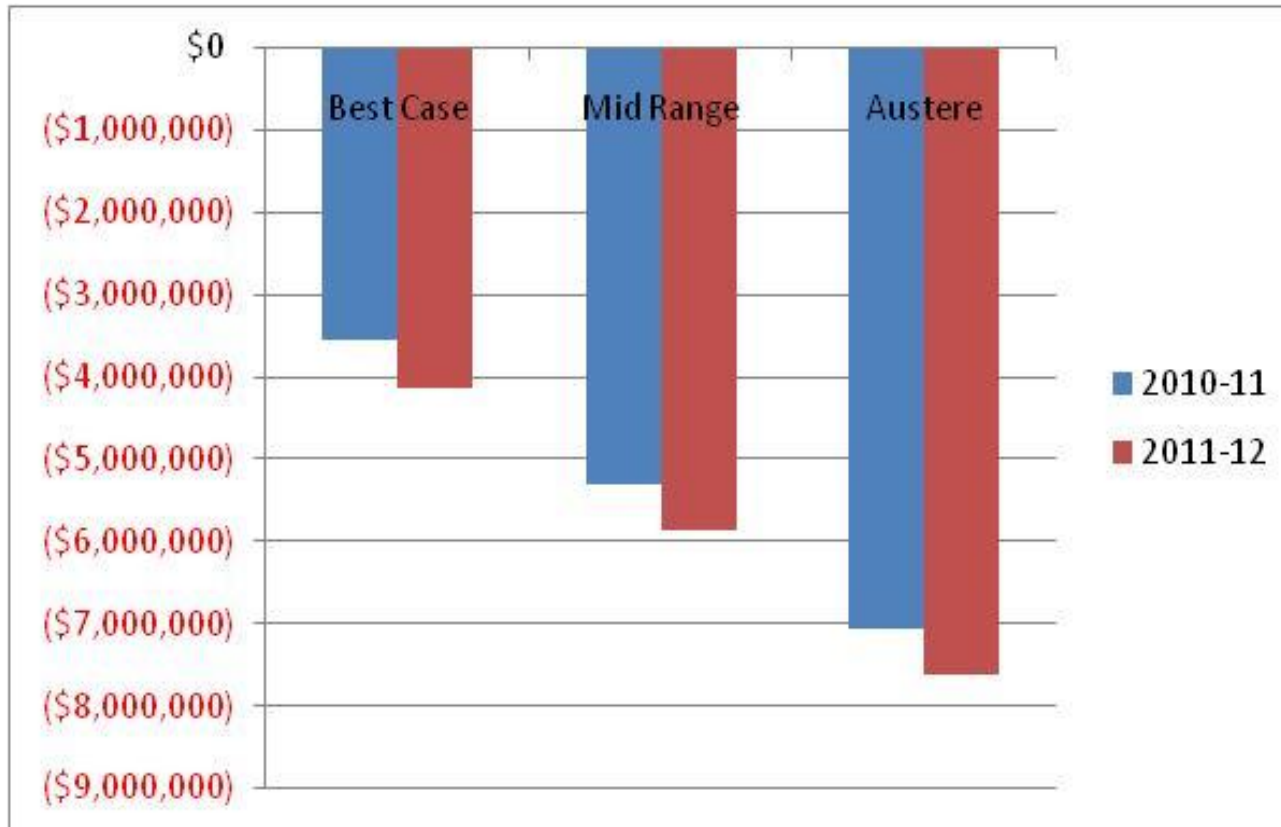
<u>Expenditures:</u>	<u>2010-11</u>	<u>2011-12</u>
Supplies		
○ Textbook	\$ 400,000	\$ 475,000
Services and Other Expenses		
○ Gas	\$ 572,500	\$ 601,000
○ Electric	\$1,635,000	\$1,715,000
○ Phone	\$ 375,000	\$ 375,000
○ Cell	\$ 20,000	\$ 20,000
○ Water	\$ 462,000	\$ 485,000
○ Sewer	\$ 174,800	\$ 184,000
○ Special Education – NPS/unfunded	\$5,275,000	\$5,500,000
○ Property Liability	\$ 407,000	\$ 428,000
○ Legal	\$ 235,000	\$ 235,000
Equipment	\$0	\$0
Transfer for Special Education (County unfunded costs)	8%	8%

2009-10 through 2011-12: Roll Over Budget

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>
Revenues:			
• Revenue Limit	\$ 93,185,598	\$89,030,123	\$ 90,646,586
• Federal	\$ 5,301,001	\$ 2,628,076	\$ 2,430,081
• State	\$ 4,676,186	\$ 4,635,038	\$ 4,635,038
• Local	<u>\$ 5,036,899</u>	<u>\$ 3,559,961</u>	<u>\$ 3,478,445</u>
Total Revenues	\$108,199,685	\$99,853,197	\$101,190,149
Expenditures:			
• Certificated Salaries	\$ 45,458,274	\$45,832,803	\$ 46,298,338
• Classified Salaries	\$ 15,039,198	\$14,852,602	\$ 14,945,995
• Employee Benefits	\$ 19,137,251	\$19,828,242	\$ 20,590,960
• Books and Supplies	\$ 6,707,472	\$ 3,400,201	\$ 3,249,002
• Services	\$ 12,247,059	\$10,382,908	\$ 10,914,326
• Capital Outlay	\$ 330,000	\$ 0	\$ 0
• Other Outgo	<u>\$ 9,136,631</u>	<u>\$ 9,111,138</u>	<u>\$ 9,320,569</u>
Total Expenditures	\$108,055,885	\$103,407,894	\$105,319,190
Surplus/Deficit	\$ 143,800	(\$3,554,697)	(\$4,129,041)

Based on State Repayment Projected Deficit Conditions

	<u>2010-11</u>	<u>2011-12</u>
Best Case	(\$3,554,697)	(\$4,129,041)
Mid Range	(\$5,304,697)	(\$5,879,041)
Austere	(\$7,054,697)	(\$7,629,041)



Long Term Solutions vs. Short Term Solutions

Long Term Solutions:

- Eliminate deficit with new on going revenue streams or expenditure reductions
- Parcel tax
- Fee based summer school
- Fee based sports program
- 2011-12 PGE electric bill reduction

Short Term Solution:

- Utilize one-time revenues to bridge short fall until long term solutions achieved
- Temporary revenue streams
 - California Solar Initiative PGE PBI's
 - Ending balance
- Temporarily expenditures reductions
 - Textbooks
 - Professional development

Ending Balance

2009-10 Projected General Fund Ending Balance (One Time)		
Designated Amounts		
Cash		\$ 15,000.00
Stores		\$ 60,000.00
Genentech Litigation		\$ 1,000,000.00
Prepaid Expense		\$ 3,135,364.00
Basic Aid Reserve	8.748%	\$ 9,482,749.00
Other Components of Ending Balance		
Available one-time purpose funds (1st Interim Report)		\$ 635,841.51
State Contingency Reserve-(\$20B) (1st Interim Report)		\$ 1,000,000.00
Other General Fund Considerations		
Contra Account current balance		\$ 650,000.00
Fund 40-Capital Projects		
Available one time monies		\$ 1,721,000.00

Options to Balance Budget

Item Description	FTE	Revenues	Expenditures
Substitute Staffing Options	0.00	\$ -	\$ -
Prep Period Staffing	0.00	\$ -	TBD
Institute furlough days	768.00	\$ -	\$ 1,125,000.00
Charge fee to participate in sports program	0.00	\$ 160,000.00	\$ -
Mandatory winter and spring break shut downs	0.00	0	\$ 12,500.00
Reduce 1 day from Administrator work calendar	40.00	0	\$ 24,172.80
Reduce Administrative Assistant work calendar	11.00	0	\$ 125,000.00
Reduce School Data Analysts work calendar	7.00	0	\$ 66,111.00
Reduce Classified staff by 1 position	1.00	0	\$ 45,000.00
Expand PHS Assistant Principal responsibilities	1.00	0	\$ 18,206.00
Reduce or eliminate Career Center Advisor	1.00	0	\$ 45,000.00
Regular Summer School	0.00	\$ 673,920.00	\$ -
Offer fee based APEX SAT and ACT prep classes	0.00	TBD	TBD
Offer fee based drivers education classes	0.00	TBD	TBD
Offer Traffic School Class Credits	0.00	TBD	TBD
Further reduce home to school transportation encroachment	0.00	\$ 40,000.00	\$ -
Reassess one-to-one instructional aides	0.00	\$ -	TBD
Energy Audit	0.00	\$ -	\$ 20,000.00
Reassess special education transportation	0.00	\$ -	TBD
Authorize overtime for life safety only	0.00	\$ -	\$ 8,500.00
GATE	0.00	\$ -	\$ 60,000.00
Reduce classified substitute budget	0.00	\$ -	\$ 8,500.00
Regular Summer School	0.00	\$ -	\$ 648,165.00
Postpone textbook adoption	0.00	\$ -	\$ 350,000.00
Professional Development	0.00	\$ -	\$ 229,000.00
State Fair Share Contribution	0.00	\$ 916,241.00	\$ -
Supply budgets (site and DO)	0.00	\$ -	\$ 52,000.00
Categorically funded secondary school Counselors (1802)	6.50	\$ -	\$ 675,000.00
Library resources	0.00	\$ -	\$ 10,000.00
Arts Music Block Grant	0.00	\$ -	\$ 74,000.00

Options to Balance Budget

Item Description	FTE	Revenues	Expenditures
Library resources	0.00	\$ -	\$ 43,000.00
Instructional Aides	0.00	\$ -	\$ 170,000.00
Middle College	0.00	\$ -	\$ -
New teachers hired at Step 6 or below	0.00	\$ -	\$ 65,000.00
Parcel tax	0.00	TBD	\$ -
Reallocate expenditures to Building Fund-Measure M	2.00	\$ -	\$ 252,962.00
Engage enrollment detective (bed checker)	1.00	\$ -	\$ -
Conferences	0.00	\$ -	\$ 22,000.00
Mandated Costs contract	0.00	\$ -	\$ 12,000.00
Allow advertising at appropriate venues	0.00	TBD	\$ -
General Fund Legal	0.00	\$ -	\$ 50,000.00
Reduce District and site sub days	0.00		
7th Period Allocation	11.2	\$ -	\$ 1,120,000.00
Raise class size load (28.5 staffing with 175 student contact)	1.00	\$ -	\$ 107,000.00
Eliminate Deans	6.00	\$ -	\$ 642,000.00
Eliminate School Safety Advocates	0.00	\$ -	\$ 325,000.00
Eliminate Resource Officers	0.00	\$ -	\$ 37,000.00
Add Purchasing Agent	0.00	\$ -	\$ -
Total	856.70	\$ -	\$ 6,442,116.80
One-Time Solutions			\$ 1,018,962.00
General Fund less duplication			\$ (1,406,337.80)
Adult Fund		\$ (916,241.00)	

Best Case Scenario Deficit

2010-11
(\$3,554,697)

2011-12
(\$4,129,041)

Short Term Solutions:

• Textbook	\$350,000	\$350,000
• Professional Development	\$229,000	\$229,000
• Reallocating Measure M	\$250,000	\$250,000
• PBI's	\$ 0	\$876,800
• Ending Balance	TBD	TBD

Long Term Solutions

• Solar		\$868,000
• Adult School Revenues	\$998,000	\$998,000
• Negotiated Items	TBD	TBD
• Options List	TBD	TBD

Mid Range Scenario Deficit

2010-11
(\$5,304,697)

2011-12
(\$5,879,041)

Short Term Solutions:

• Textbook	\$350,000	\$350,000
• Professional Development	\$229,000	\$229,000
• Reallocating Measure M	\$250,000	\$250,000
• PBI's	\$ 0	\$876,800
• Ending Balance	TBD	TBD

Long Term Solutions

• Solar		\$868,000
• Adult School Revenues	\$998,000	\$998,000
• Negotiated Items	TBD	TBD
• Options List	TBD	TBD

Austere Scenario Deficit

2010-11
(\$7,054,697)

2011-12
(\$7,629,041)

Short Term Solutions:

• Textbook	\$350,000	\$350,000
• Professional Development	\$229,000	\$229,000
• Reallocating Measure M	\$250,000	\$250,000
• PBI's	\$ 0	\$876,800
• Ending Balance	TBD	TBD

Long Term Solutions

• Solar		\$868,000
• Adult School Revenues	\$998,000	\$998,000
• Negotiated Items	TBD	TBD
• Options List	TBD	TBD

Timeline

- Staff requires direction to finalize plans
- Convene Budget Advisory Committee
- Bring forth recommendations
- State May Revise
- Bring forth final recommendations
- Tentative Budget
- Adopted Budget