

# **Larkspur-Corte Madera School District**

2018-2019 Budget Adoption

Board Meeting June 4 and 5, 2018

# Agenda

- State budget update
- Proposed Budget for 2018-19
- Multi year projections (MYP)
- Challenges

# State Budget Update

- May Revision proposed by Governor May 10<sup>th</sup> Includes:
  - Fully Funding the Local Control Funding Formula
  - One-time revenue still being discussed at the state level; there will be 18-19 funds but the amount is still not determined:
    - District has included in the current proposed budget adoption, based on currently estimated funds to be \$344/ADA (approx. \$512,512)
  - Projects slowing economic growth
    - If a recession were to hit California, estimated decrease in revenue is estimated to be approximately \$20 Billion
  - Projected flat enrollment statewide
    - District projecting relatively flat enrollment

# Larkspur-Corte Madera School District

## Revenue Detail

### 2018-2019

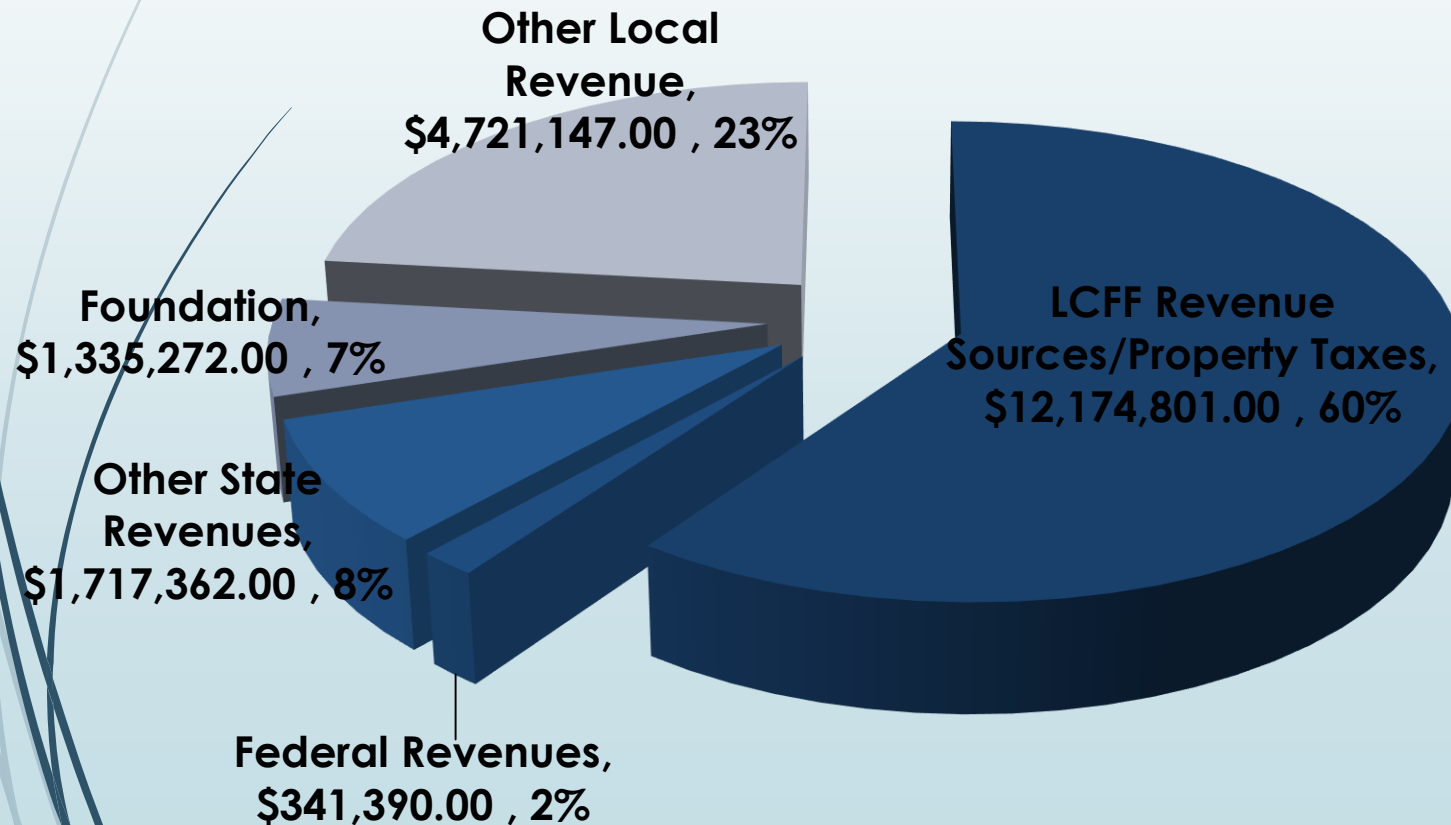
	2018-2019	2017-2018
■ LCFF Sources/Property Tax	\$12,174,801	\$11,734,774
■ Federal Revenues	\$ 341,390	\$ 411,426
■ Other State Revenues	\$ 1,717,362	\$ 1,472,130
■ Other Local Income	\$ 6,056,419	\$ 5,806,938
■ Total Revenues	\$20,289,972	\$19,425,268

- NOTE: Total new revenues from prior year were \$864,704 mainly from the fully funded LCFF (\$440,027), SPARK (\$205,043) and Local State One-Time Funding (\$245,232). Slight decrease in federal revenues within special education programs (\$70,036).

# Larkspur-Corte Madera School District

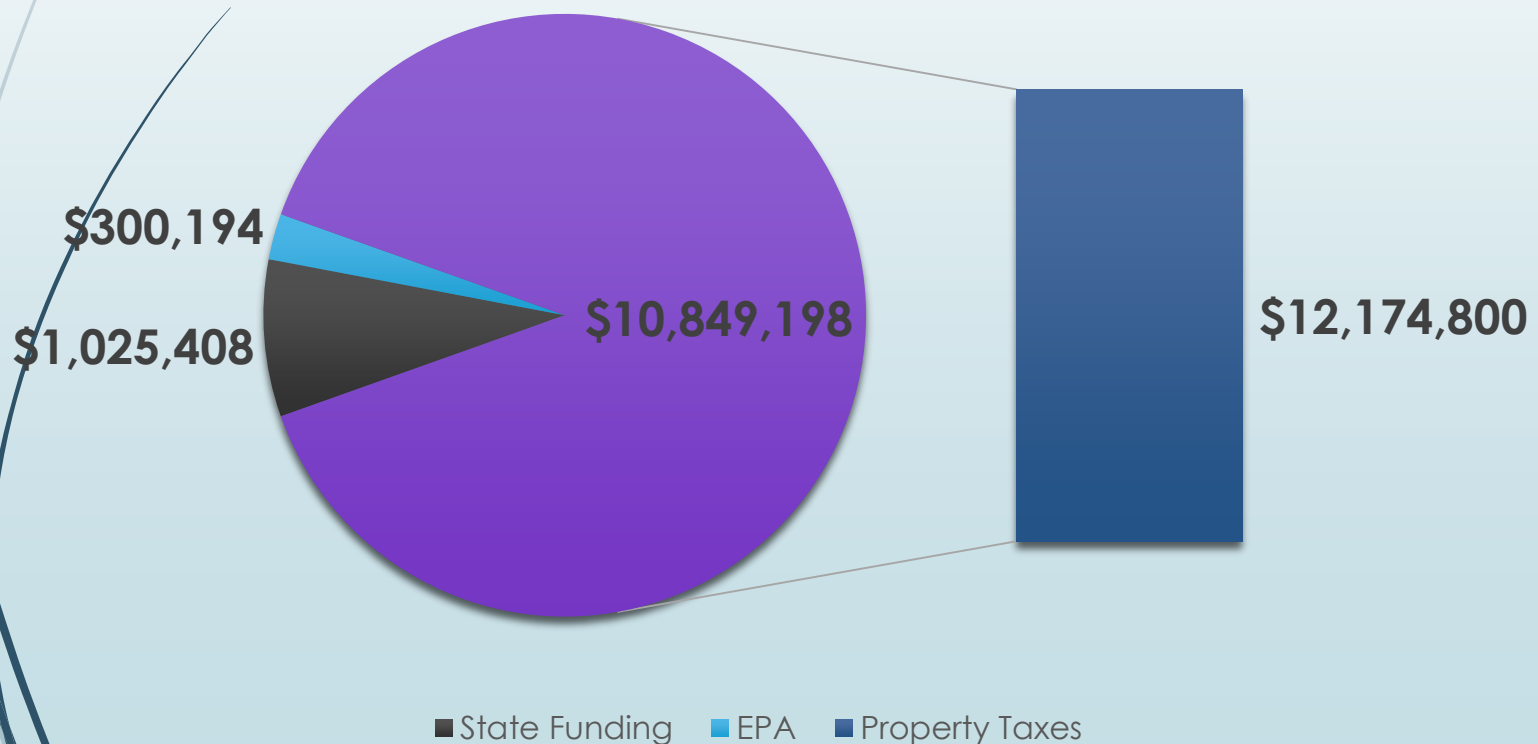
## Revenue Detail

### 2018-2019



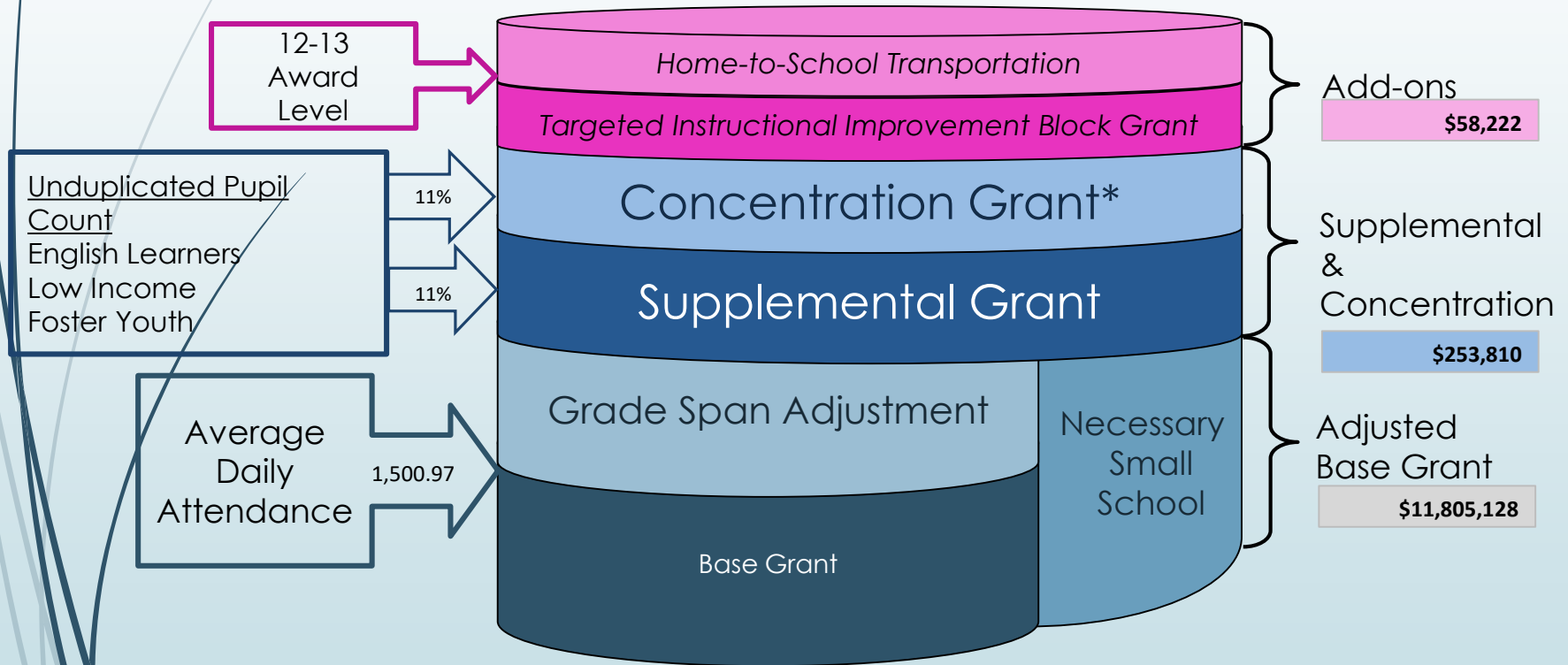
# Larkspur-Corte Madera School District Revenue Detail 2018-2019

## LCFF Revenue Sources/Property Taxes Breakdown



# Components of LCFF Target Entitlement 2018-2019

TOTAL TARGET LCFF: \$12,117,160



\*Unduplicated Pupil Percentage must be above 55% to receive Concentration Grant funding

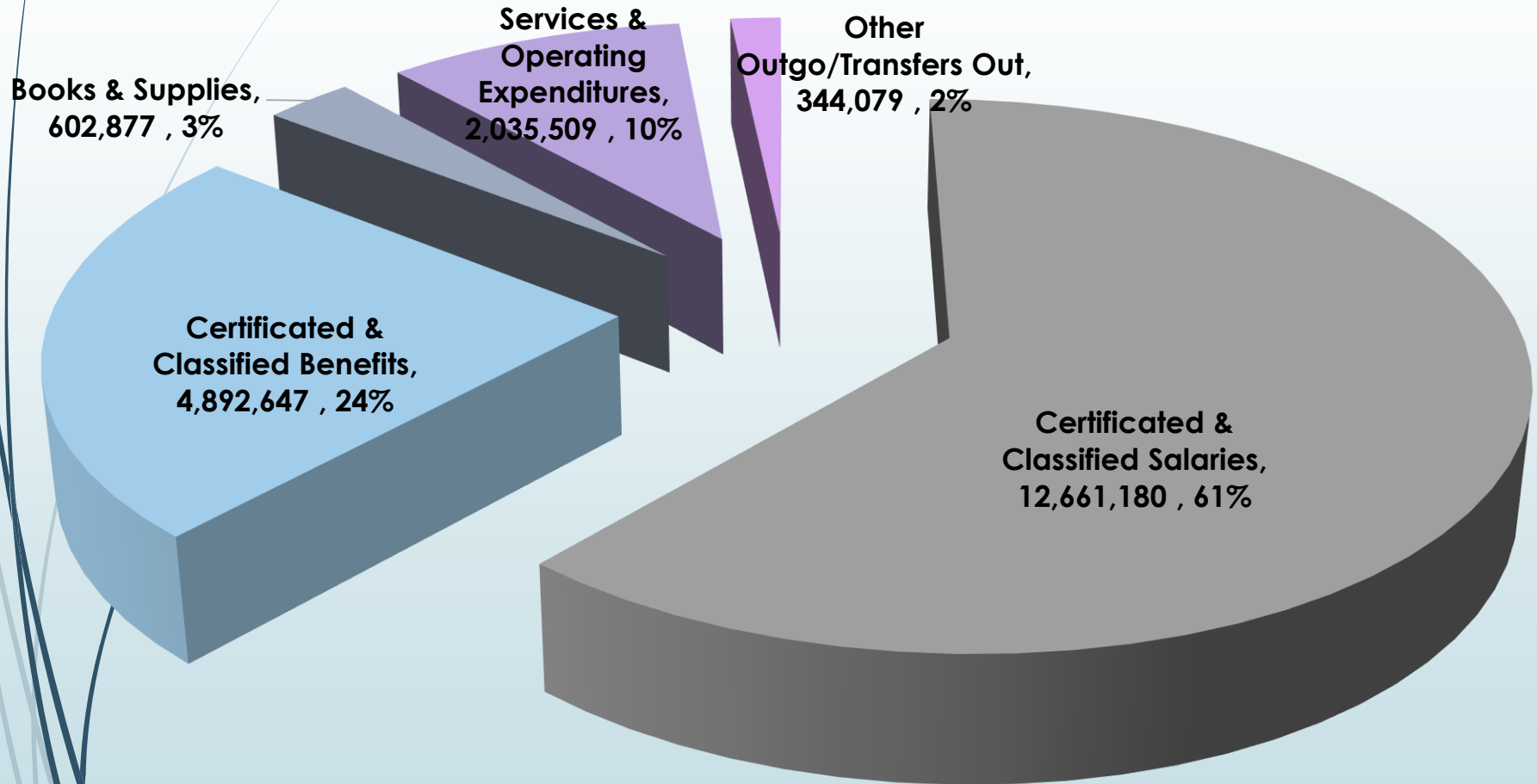
# Larkspur-Corte Madera School District 2018-2019

## Total Expenditure Details

➤ Certificated Salaries	\$ 9,736,264
➤ Classified Salaries	\$ 2,870,396
➤ Employee Benefits	\$ 4,892,647
➤ Books & Supplies	\$ 602,877
➤ Services & Operating Expenses	\$ 2,035,509
➤ Utilities, Insurance, Contracts, Repairs, Special Ed.	
➤ Capital Outlay	\$ 0
➤ Other Outgo/Transfers Out	\$ 344,079
➤ Special Ed.: Transportation (MPTA)/Excess Cost (MCOE)	
➤ Cafeteria	
➤ Total Expenditures	\$20,536,291



# 2018-2019 Total Expenditure



# 2018-19 Expenditures

## Personnel Budgets

- Staffing based upon current staffing formulas (slight reductions in certificated administration)
- Step and Column costs for all employees
- STRS rate increased from 14.43% to 16.26% (increase of \$180k)
- PERS rate increased from 15.53% to 17.7% (increase of \$63k)
- Negotiation increase of 1% on Certificated and 2% on Classified Salary Schedules (Pending approval and ratification)
- Health and Welfare Cap increases of \$1,500 for Certificated and \$1,000 for Classified

# 2018-19 Expenditures

## Non personnel budgets:

- Professional Development in Math, Reading, Science, Robotics and Technology
- Curriculum adoption for Language Arts and continuation in Math
- Utilities, insurance, network and technology contracts, and other operating costs include minimal increases
- Special Education costs based upon current placements, MCOE estimates and historical costs
- Departmental budgets, other operating services and contracts remain relatively flat



# 2018-2019 Budget Adoption Revenue and Expenditure Summary

Total Revenues	\$20,289,972
Total Expenditures	\$20,536,291
Net Increase (Decrease)	\$ - <b>246,319</b>

- **NOTE:** Total new revenues from prior year is \$864,704, an increase of 4.2% to our district budget. Cost of step/columns was approximately 2.25% salary increase, STRS/PERS was approximately 2%.

# MYP Assumptions

- LCFF revenue based upon Department of Finance (DOF) projections
- Parcel tax based upon passed Measure A (5% escalator)
- Lease revenue based upon signed lease agreements
- Step and Column contractual increase
- STRS rate increased
- PERS rate increased

# MYP Assumptions

- Projected Certificated Reductions in 2019-2020
  - 4 Full Time Equivalent (FTE)
- Projected Classified Reductions in 2019-2020
  - 6.6 Full Time Equivalent (FTE)
- Projected District Office Reductions in 2019-2020
  - .7 Full Time Equivalent (FTE)
- Flat enrollment growth projected

# CHALLENGES

- ▶ Minimal revenue increases and flat ADA
- ▶ Continued increase in MCOE special education cost
- ▶ Deferred maintenance/district wide facility needs/technology plan
- ▶ Increase in employer contributions toward STRS & PERS

RETIREMENT GROUP	2018-2019	2019-2020	2020-2021
Employer Contributions STRS	16.28	18.13	19.1
Employer Contributions PERS	18.06	20.00	24.9

- ▶ Possibility of declining enrollment
- ▶ Slowing economy
- ▶ Plan for Multi Year Projection: continue to be cautious and focus on reduction strategies, develop financial projections and contingency plans accordingly
- ▶ Build Reserves: community funded districts are advised to maintain reserves much greater than the state-required minimum



# 2018-2019 Additional Detailed Supporting Documentation



# Property Tax/LCFF Sources Total Revenues

## \$12,174,800

❖ Property Tax Revenues	\$10,849,198
❖ LCFF Principal Apportionment (+)	\$1,025,408
❖ Education Protection Acct (EPA)(+)	\$ 300,194

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TOTAL LCFF SOURCES

\$12,174,800


- ❖ NOTE: District has a 4.4% increase in property taxes from prior year.



# Federal Total Revenues

## 2018-2019

### \$341,390



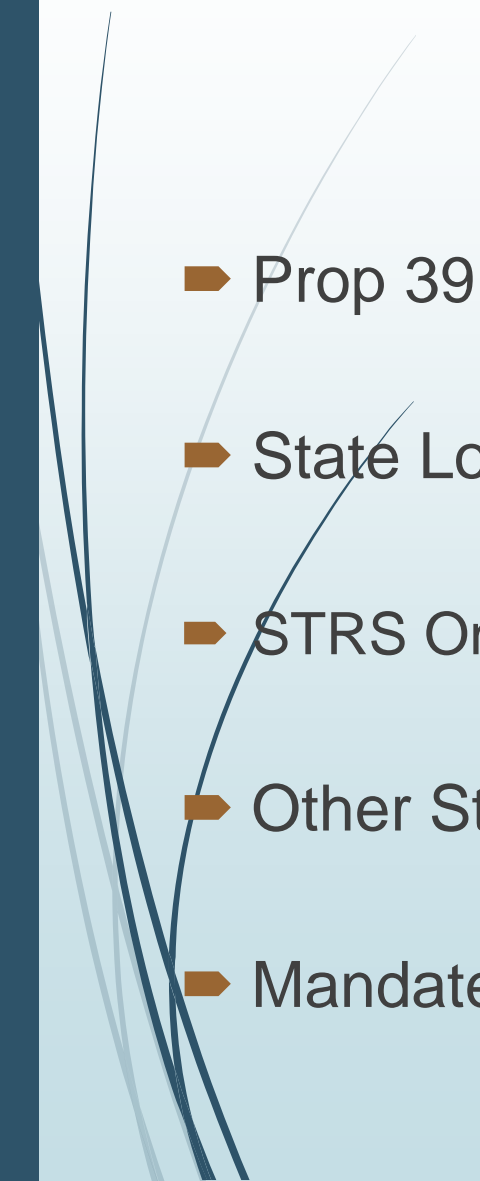
➤ Special Education Entitlement	\$ 239,366
➤ ESSA (Title I; Low-Income)	\$ 73,957
➤ ESSA (Title II; Teacher Quality)	\$ 21,389
➤ ESSA (Title III; Limited English)	\$ 6,678



# State Total Revenues

## 2018-2019

### \$ 1,717,362



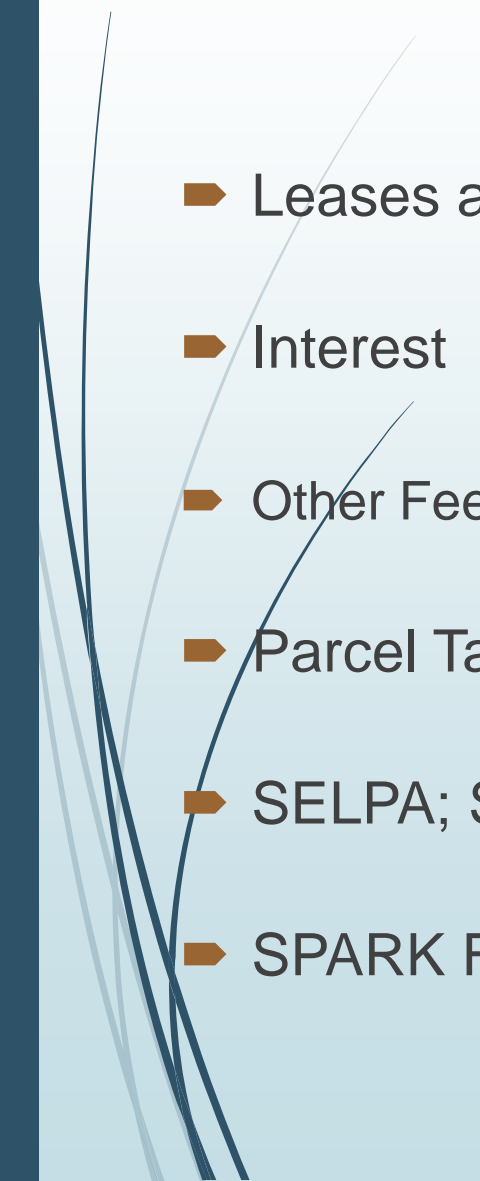
➤ Prop 39	\$ 102,330
➤ State Lottery - Instructional Materials	\$ 289,395
➤ STRS On Behalf	\$ 733,101
➤ Other State Revenues; Mental Health	\$ 33,686
➤ Mandated Cost/One-Time	\$ 558,850



# Other Local Total Revenues

## 2018-2019

### \$ 6,056,419



➤ Leases and Rentals	\$ 597,312
➤ Interest	\$ 5,000
➤ Other Fees and Contracts	\$ 243,800
➤ Parcel Taxes	\$ 3,111,171
➤ SELPA; Special Ed. County Transfer	\$ 763,864
➤ SPARK Foundation	\$ 1,335.272