

SAN MARINO UNIFIED SCHOOL DISTRICT
BOARD OF EDUCATION MEETING

DATE: October 22, 2019

TO: Board of Education

FROM: Dr. Jeff Wilson, Superintendent

SUBJECT: Budget Adjustment Report #2

PRESENTED BY: Julie Boucher, Assistant Superintendent, Business Services

It is recommended that the Board of Education approve the 2019-20 Budget Adjustment Report #2.

Background

Based on the Expenditure Review Team's work to-date, and its line-item review of the District Budget, budget adjustments in the 2019-20 fiscal year have been identified.

Presentation

Attached are two documents:

- 1) Budget Adjustment Report - For the Unrestricted and Restricted General Fund, Cafeteria Fund, Deferred Maintenance Fund, Health Benefits Fund, Cash Flow Fund, Capital Facilities (Developer Fees) Fund, and the Capital Project Fund.
- 2) Budget Adjustment Report Detail - A detailed listing of the specific budget reduction/savings and other budget adjustments included in the Unrestricted Budget.

Savings have been identified based on open and unfilled classified positions, supplies and materials, operating services, and equipment accounts. In some categories and accounts, prior-year expenditures were less than current budget allocations and savings were realized. In other categories and accounts, such as teacher substitute costs, extra duty stipends and special education tuition and services various costs increased and the budgets were adjusted.

Based on unforeseen cost increases due to non-public school tuition, outside agency services and support and settlement of special education claims, costs for special education services have increased by \$576,000 since the Adopted Budget.

ERT is conducting an in-depth review and analysis of the District's special education program, services and budgets. This is a top priority for the ERT and the Superintendent's Executive Team.

Resources: 2019-20 Line Item Budget
 2018-19 Unaudited Actuals Financial Report
 Special Education Contracts and Agreements

Prepared by: Julie Boucher, Assistant Superintendent Business Services

SAN MARINO UNIFIED SCHOOL DISTRICT
Fund 01.0 Unrestricted General Fund
RESOURCE (00000.0-19999.0)

	Adopted Budget	Technical Adjustment	Budget Adjustment	Proposed Budget	Notes
	As of	BA003	BA004	As of	
	7/1/19	10/22/19	10/22/19	10/22/19	
Revenues					
Local Control Funding Formula	26,304,803			26,304,803	
Federal Revenue				-	
Other State Revenue	597,663			597,663	
Other Local Revenue	8,747,312		(284,106)	8,463,206	Decrease in Parcel Tax Revenues
Total Revenues	35,649,778	-	(284,106)	35,365,672	
Expenditures					
Certificated Salaries	14,790,398		12,642	14,803,040	
Classified Salaries	5,506,691		(101,123)	5,405,568	
Employee Benefits	6,903,368		(83,725)	6,819,643	
Supplies	821,873		(79,263)	742,610	
Operating Services	2,250,659		(20,595)	2,230,064	
Capital Outlay/Equipment	310,000		(206,075)	103,925	
Other Outgo	70,000			70,000	
Indirect Support	(95,704)		(2,494)	(98,198)	
Debt Service	412,775			412,775	
Total Expenditures	30,970,060	-	(480,633)	30,489,427	
Other Financing Sources Uses					
Transfer In: Cash Flow Fund	1,306,850		11,893	1,318,743	
Transfer In: Deferred Maintenance Fund	300,000		(300,000)	-	
Transfer In: Health and Welfare Fund	9,909		54	9,963	
Transfer Out: Capital Projects Fund	(15,500)		15,500	-	
Contribution to Special Education	(4,457,222)		(576,241)	(5,033,463)	Special Education Contribution
Contribution to Routine Restricted Maintenance	(1,747,700)		103,931	(1,643,769)	Maintenance Contribution
Total Other Sources/Uses	(4,603,663)	-	(744,863)	(5,348,526)	
Net Increase/Decrease in Fund Balance	76,055	-	(548,336)	(472,281)	
FUND BALANCE					
Beginning Balance July 1, 2019	1,540,610	880,536		2,421,146	Beginning Balance Adjustment
Projected Ending Balance June 30, 2020	1,616,665	880,536	(548,336)	1,948,865	
Components of Ending Fund Balance:					
Revolving Fund	100,000			100,000	
Stores	7,804	(4,665)		3,139	
Assigned for Carryover	66,374	788,251	(356,515)	498,110	
Assigned for Carryover School Sites	145,353		(145,353)	-	
Assigned for Economic Uncertainties	1,297,134	96,950	(46,468)	1,347,616	
Unassigned/Unappropriated Amount				-	

SAN MARINO UNIFIED SCHOOL DISTRICT
Fund 01.0 Restricted General Fund
RESOURCE (20000.0-99999.0)

	Adopted Budget	Technical Adjustment	Budget Adjustment	Proposed Budget	Notes
	As of	BA005	BA006	As of	
	7/1/19	10/22/19	10/22/19	10/22/19	
Revenues					
Federal Revenue	1,024,743		(1,096)	1,023,647	
Other State Revenue	1,805,004		22,024	1,827,028	
Other Local Revenue	3,217,565		667,229	3,884,794	Additional PTA and School Donations
Total Revenues	6,047,312		688,157	6,735,469	
Expenditures					
Certificated Salaries	3,030,208		(83,635)	2,946,573	
Classified Salaries	2,908,976		32,685	2,941,661	
Employee Benefits	3,792,445		(66,793)	3,725,652	
Supplies	549,919		980,583	1,530,502	
Operating Services	1,799,982		1,209,991	3,009,973	Outdoor Education and Special Education Agreements
Capital Outlay/Equipment	-		66,708	66,708	Chromebooks
Other Outgo	75,000		36,856	111,856	Tuition Excess Costs
Indirect Support	95,704		2,494	98,198	
Total Expenditures	12,252,234		2,178,889	14,431,123	
Other Financing Sources Uses					
Contribution from Unrestricted General Fund	-			-	
Contribution to Special Education	4,457,222		576,241	5,033,463	
Contribution to Routine Restricted Maintenance	1,747,700		(103,931)	1,643,769	Special Education Contribution
Total Other Sources/Uses	6,204,922		472,310	6,677,232	
Net Increase/Decrease in Fund Balance	-		(1,018,422)	(1,018,422)	
FUND BALANCE					
Beginning Balance July 1, 2019	102,521	1,128,456		1,230,977	Beginning Balance Adjustment
Projected Ending Balance June 30, 2020	102,521	1,128,456	(1,018,422)	212,555	
Components of Ending Fund Balance:					
Assigned for Carryover - School Sites	102,521	1,128,456	(1,018,422)	212,555	

SAN MARINO UNIFIED SCHOOL DISTRICT
Fund 01.0 Unrestricted / Restricted General Fund
RESOURCE (00000.0-99999.0)

	Adopted Budget	Technical Adjustment	Budget Adjustment	Proposed Budget	Notes
	As of	As of	As of	As of	
	7/1/19	10/22/19	10/22/19	10/22/19	
Revenues					
Local Control Funding Formula	26,304,803	-	-	26,304,803	
Federal Revenue	1,024,743	-	(1,096)	1,023,647	
Other State Revenue	2,402,667	-	22,024	2,424,691	
Other Local Revenue	11,964,877	-	383,123	12,348,000	Decrease in Parcel Tax Revenues and Additional PTA and School Donations
Total Revenues	41,697,090	-	404,051	42,101,141	
Expenditures					
Certificated Salaries	17,820,606	-	(70,993)	17,749,613	
Classified Salaries	8,415,667	-	(68,438)	8,347,229	
Employee Benefits	10,695,813	-	(150,518)	10,545,295	
Supplies	1,371,792	-	901,320	2,273,112	
Operating Services	4,050,641	-	1,189,396	5,240,037	Outdoor Education and Special Education Agreements
Capital Outlay/Equipment	310,000	-	(139,367)	170,633	Chromebooks
Other Outgo	145,000	-	36,856	181,856	Tuition Excess Costs
Indirect Support	-	-	-	-	
Debt Service	412,775	-	-	412,775	
Total Expenditures	43,222,294	-	1,698,256	44,920,550	
Other Financing Sources Uses					
Transfer In: Capital Projects Fund	-	-	-	-	
Transfer In: Cash Flow Fund	1,306,850	-	11,893	1,318,743	
Transfer In: Deferred Maintenance	300,000	-	(300,000)	-	
Transfer In: Health and Welfare Fund	9,909	-	54	9,963	
Transfer Out: Capital Projects Fund	(15,500)	-	15,500	-	
Contribution to Special Education	-	-	-	-	
Contribution to Routine Restricted Maintenance	-	-	-	-	
Total Other Sources/Uses	1,601,259	-	(272,553)	1,328,706	
Net Increase/Decrease in Fund Balance	76,055	-	(1,566,758)	(1,490,703)	
FUND BALANCE					
Beginning Balance July 1, 2019	1,643,131	2,008,992	-	3,652,123	Beginning Balance Adjustments
Projected Ending Balance June 30, 2020	1,719,186	2,008,992	(1,566,758)	2,161,420	
Components of Ending Fund Balance:					
Revolving Fund	100,000	-	-	100,000	
Stores	7,804	(4,665)	-	3,139	
Assigned for Carryover	66,374	788,251	(356,515)	498,110	
Assigned for Carryover - School Sites	247,874	1,128,456	(1,163,775)	212,555	
Assigned for Economic Uncertainties	1,297,134	96,950	(46,468)	1,347,616	

SAN MARINO UNIFIED SCHOOL DISTRICT
Fund 13.0 - Cafeteria Fund

	Adopted Budget	Technical Adjustment	Budget Adjustment	Proposed Budget	Notes
	As of 7/1/19	BA007 10/22/19	BA008 10/22/19	As of 10/22/19	
Revenues					
Federal Revenue	95,000			95,000	
Other State Revenue	5,500			5,500	
Other Local Revenue	750,000			750,000	
Total Revenues	850,500		-	850,500	
Expenditures					
Certificated Salaries	-			-	
Classified Salaries	448,105		(11,136)	(11,136)	
Employee Benefits	151,455		3,963	3,963	
Supplies	314,000		(15,000)	(15,000)	
Operating Services	(25,400)		15,950	15,950	Software Licensing
Total Expenditures	888,160		(6,223)	(6,223)	
Other Financing Sources Uses					
Transfer In	-			-	
Transfer Out	-			-	
Total Other Sources/Uses	-		-	-	
Net Increase/Decrease in Fund Balance	(37,660)		6,223	(31,437)	
FUND BALANCE					
Beginning Balance July 1, 2019	71,331	(21,107)		50,224	Beginning Balance Adjustment
Projected Ending Balance June 30, 2020	33,671	(21,107)	6,223	18,787	
Components of Ending Fund Balance:					
Food Services Revolving Fund	612			612	
Stores	11,464		6,284	17,748	
Assigned for Food Svc Operations	21,595	(21,107)	(61)	427	

**SAN MARINO UNIFIED SCHOOL DISTRICT
Fund 14.0 - Deferred Maintenance**

	Adopted Budget	Technical Adjustment	Budget Adjustment	Proposed Budget	Notes
	As of	BA009	BA010	As of	
	7/1/19	10/22/19	10/22/19	10/22/19	
Revenues					
Revenue Limit Sources				-	
Federal Revenue				-	
Other State Revenue				-	
Other Local Revenue	500			500	
Total Revenues	500		-	500	
Expenditures					
Certificated Salaries				-	
Classified Salaries				-	
Employee Benefits				-	
Supplies				-	
Operating Services	4,964			4,964	
Capital Outlay/Equipment			51,026	51,026	Tennis Court Restoration and Football Field Lighting
Total Expenditures	4,964		51,026	55,990	
Other Financing Sources Uses					
Transfer In Fund 01.0					
Transfer Out	(300,000)		300,000	-	
Total Other Sources/Uses	(300,000)		300,000	-	
Net Increase/Decrease in Fund Balance	(304,464)		248,974	(55,490)	
FUND BALANCE					
Beginning Balance July 1, 2019	304,464	159,306		463,770	Beginning Balance Adjustment
Projected Ending Balance June 30, 2020	-	159,306	248,974	408,280	
Components of Ending Fund Balance:					
Assigned for Deferred Maintenance Projects	-	159,306	248,974	408,280	

SAN MARINO UNIFIED SCHOOL DISTRICT
Fund 17.0 - Health and Welfare Reserve Fund

	Adopted Budget	Technical Adjustment	Proposed Budget	Notes
	As of 7/1/19	BA011 10/22/19	As of 10/22/19	
Revenues				
Revenue Limit Sources	-		-	
Federal Revenue	-		-	
Other State Revenue	-		-	
Other Local Revenue	50		50	
Total Revenues	50	-	50	
Expenditures				
Certificated Salaries	-		-	
Classified Salaries	-		-	
Employee Benefits	-		-	
Supplies	-		-	
Operating Services	-		-	
Capital Outlay/Equipment	-		-	
Other Outgo	-		-	
Indirect Support	-		-	
Total Expenditures	-	-	-	
Other Financing Sources Uses				
Transfer In Fund 01.0			-	
Transfer Out to Fund 01.0	(9,909)	(54)	(9,963)	
Total Other Sources/Uses	(9,909)	(54)	(9,963)	
Net Increase/Decrease in Fund Balance	(9,859)	(54)	(9,913)	
FUND BALANCE				
Beginning Balance July 1, 2019	9,859	54	9,913	Beginning Balance Adjustment
Projected Ending Balance June 30, 2020	-	-	-	
Components of Ending Fund Balance:				
Assigned for Health and Welfare Increases	-	-	-	

**SAN MARINO UNIFIED SCHOOL DISTRICT
Fund 17.2 - Cash Flow Fund**

	Adopted Budget	Technical Adjustment	Proposed Budget	Notes
	As of 7/1/19	BA012 10/22/19	As of 10/22/19	
Revenues				
Revenue Limit Sources			-	
Federal Revenue			-	
Other State Revenue			-	
Other Local Revenue	5,000		5,000	Interest
Total Revenues	5,000	-	5,000	
Expenditures				
Certificated Salaries			-	
Classified Salaries			-	
Employee Benefits			-	
Supplies			-	
Operating Services			-	
Capital Outlay/Equipment			-	
Other Outgo			-	
Indirect Support			-	
Total Expenditures	-	-	-	
Other Financing Sources Uses				
Transfer In Fund 01.0			-	
Transfer Out to Fund 01.0	(1,306,850)	(11,893)	(1,318,743)	
Total Other Sources/Uses	(1,306,850)	(11,893)	(1,318,743)	
Net Increase/Decrease in Fund Balance	(1,301,850)	(11,893)	(1,313,743)	
FUND BALANCE				
Beginning Balance July 1, 2019	1,301,850	11,893	1,313,743	Beginning Balance Adjustment
Projected Ending Balance June 30, 2020	-	-	-	
Components of Ending Fund Balance:				
Assigned for Cash Flow	-	-	-	

**SAN MARINO UNIFIED SCHOOL DISTRICT
Fund 25.0 - Capital Facilities Fund**

	Adopted Budget	Technical Adjustment	Proposed Budget	Notes
	As of 7/1/19	BA012 10/22/19	As of 10/22/19	
Revenues				
Revenue Limit Sources			-	
Federal Revenue			-	
Other State Revenue			-	
Other Local Revenue	155,000		155,000	
Total Revenues	155,000		155,000	
Expenditures				
Certificated Salaries			-	
Classified Salaries			-	
Employee Benefits			-	
Supplies			-	
Operating Services			-	
Capital Outlay/Equipment	161,325	202,763	364,088	
Other Outgo			-	
Indirect Support			-	
Total Expenditures	161,325	202,763	364,088	
Other Financing Sources Uses				
Transfer In Fund 01.0			-	
Transfer Out to Fund 01.0			-	
Total Other Sources/Uses		-	-	
Net Increase/Decrease in Fund Balance	(6,325)	(202,763)	(209,088)	
FUND BALANCE				
Beginning Balance July 1, 2019	6,325	202,763	209,088	Beginning Balance Adjustment
Projected Ending Balance June 30, 2020	-	-	-	
Components of Ending Fund Balance:				
Assigned for Capital Projects	-	-	-	

**SAN MARINO UNIFIED SCHOOL DISTRICT
Fund 40.0 - Capital Projects Fund**

	Approved Budget	Budget Adjustment	Proposed Budget	Notes
	As of	BA013	As of	
	8/27/19	10/22/19	10/22/19	
Revenues				
Revenue Limit Sources	-		-	
Federal Revenue	-		-	
Other State Revenue	-		-	
Other Local Revenue	5,000	35,422	40,422	SCE Savings by Design and Alumni Tile Donations
Total Revenues	5,000	35,422	40,422	
Expenditures				
Certificated Salaries	-		-	
Classified Salaries	-		-	
Employee Benefits	-		-	
Supplies	20,700	(12,205)	8,495	Barth Athletics Complex
Operating Services	29,025	9,977	39,002	Barth Athletics Complex
Capital Outlay/Equipment	2,760,065	106,089	2,866,154	Barth Athletics Complex
Other Outgo	-		-	
Indirect Support	-		-	
Total Expenditures	2,809,790	103,861	2,913,651	
Other Financing Sources Uses				
Transfer In	15,500	(15,500)	-	Titan Field Maintenance
Transfer Out	-		-	
Total Other Sources/Uses	15,500	(15,500)	-	
Net Increase/Decrease in Fund Balance	(2,789,290)	(83,939)	(2,873,229)	
FUND BALANCE				
Beginning Balance July 1, 2019	2,932,253		2,932,253	
Projected Ending Balance June 30, 2020	142,963	(83,939)	59,024	
Components of Ending Fund Balance:				
Assigned for Alumni Tile Project	80,963	(68,439)	12,524	
Assigned for Titan Field Major Maintenance	62,000	(15,500)	46,500	

2019-20 Budget Adjustments - Unrestricted General Fund - Bd Mtg 10-22-19

Line #	Site(s)/Dept.	Position(s)/Item	Description	FTE	Total	Notes
1	Accounting	Accounts Payable Technician	Vacant position	-1.00	-\$60,775	Restructured with current staffing
2	District	Legal Fees	Reduce legal fees		-\$110,000	Based on an evaluation of legal fees and projected costs. Subject to change.
3	District	School Site Allocations	School sites budget adjustments		\$124,929	Allocation of school site carry-over.
4	District	Salaries & Benefits	Salary and benefit savings due to attrition		-\$53,431	Various District positions
5	District	Services and Equipment	Emergency maintenance repairs only		-\$95,900	Reduce major maintenance needs to only emergency items. Use limited deferred maintenance funding for maintenance needs.
6	District	Certificated Substitutes	Additional costs		\$60,100	Based on analysis of prior year expenditures and current budget. Further analysis underway.
7	District	Coaching Stipends	Additional costs		\$130,457	Based on analysis of prior year expenditures and current budget. Further analysis underway.
8	District	Supplies and Operating Services	Reduce supplies and operating services budgets		-\$94,400	
9	District	Transfers In	Adjust transfers from H&W Fund (17.0); Cash Flow Fund (17.2); and transfer in from Deferred Maintenance (14.0)		\$272,553	Fund 17.0: \$54 Fund 17.2: \$11,893 Fund 14.0: -\$300,000
10	District	Local Revenues/Parcel Taxes	Parcel tax revenue projections lower than current budget and adjustment in local revenues		\$284,106	Due to increase in parcel tax senior exemptions. Restructure staffing hours to eliminate overtime. Reduce major maintenance needs to only emergency items. Use limited deferred maintenance funding for maintenance needs.
11	District	M&O Overtime, Supplies, Services and Equipment	Eliminate overtime; Reduce supplies, services and equipment budgets		-\$103,931	

2019-20 Budget Adjustments - Unrestricted General Fund - Bd Mtg 10-22-19

Line #	Site(s)/Dept.	Position(s)/Item	Description	FTE	Total	Notes
12	District	Special Education	Increase in contribution to Special Education due to non-public school costs, mandated or legally required educational services and settlements		\$576,241	Analysis of special education program, services and budget planned in the current year. Further review for possible reduction in increased costs underway.
13	Elem	Kindergarten Aides	Vacant Position(s)	-0.96	-\$28,205	Restructured with current staffing
14	HMS	Instructional Aide - PE	Vacant Position	-0.25	-\$10,070	Restructured with current staffing
15	M&O	Monitoring Services	Reconfigure/restructure services		-\$22,000	SMPD support and response
16	Grounds	Grounds Worker	Vacant Position	-1.00	-\$58,719	Restructured with current staffing
17	Custodial	Custodial Overtime, Supplies, Services and Equipment	Eliminate overtime; Reduce supplies, services and equipment budgets		-\$65,296	Restructure staffing hours to eliminate overtime. Reduce major maintenance needs to only emergency items. Use limited deferred maintenance funding for maintenance needs.
18	Grounds	Grounds Overtime, Supplies, Services and Equipment	Eliminate overtime; Reduce supplies, services and equipment budgets		-\$27,581	Restructure staffing hours to eliminate overtime. Reduce major maintenance needs to only emergency items. Use limited deferred maintenance funding for maintenance needs.
19	Schools	Supplies, Services and Equipment	Funds carried over from 2018-19		\$145,353	Unrestricted General Fund
20	SMHS	Library Media Specialist	Vacant Position	-1.00	-\$44,839	Restructured with current staffing
21	Summer School	Teachers and Instructional Aides Salaries and Benefits	Eliminate District-sponsored classes in June 2020. PTAffiliates to offer optional course offerings		-\$65,100	Restructure program and staffing
22	Technology	Licenses/Subscriptions	Eliminate/reduce licenses/subscriptions other than those critical for systems operations and schools to fund costs of licenses/subscriptions for their systems		-\$205,156	Savings due to streamlining of various licenses and subscriptions

2019-20 Budget Adjustments - Unrestricted General Fund - Bd Mtg 10-22-19

Line #	Site(s)/Dept.	Position(s)/Item	Description	FTE	Total	Notes
23	TOTAL			-4.21	\$548,336	