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STANDARD OF EXCELLENCE

2013-2014 Budget



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Assumptions

- The State budget is based upon the successful passage of the Governor's proposed Local Control Funding Formula (LCFF). It is proposed to be phased in yearly with full implementation by 2020.
- The District's proposed 2013-2014 budget is built, based on the calculations of the Revenue Limits method, as recommended by the Los Angeles County Office of Education, even though the State budget proposes complete elimination of Revenue Limits for fiscal year 2013-2014.
- The Revenue Limit (R.L.) per Average Daily Attendance (ADA) will be \$6,845, an increase of 1.5%, or \$128.56 per ADA. A deficit factor of 22.272% or \$1,526/ ADA, will be applied, bringing the funding rate to \$5,320 per ADA. The District will receive only 78% of the entitled dollars under the State funding formula. The deficit funding will be \$20,267,876 in 13-14.
- Federal Sequestration has been applied to all federal programs, at the rate of 5.9% of the current year's funding.
- Unrestricted lottery income will be \$124.00 per ADA. The restricted portion will be funded at the rate of \$30 per ADA.

Assumptions

Fixed charges for payroll are as follows:

STRS	8.250%
PERS	11.417%
Social Security	6.200%
Medicare	1.450%
Workers' Compensation	3.000%
Post Employment Benefits	2.000%
Unemployment	1.100%
PERS Reduction	1.603%

Health Insurance contribution per eligible employee will be \$12,058.

Assumptions

- **School Instructional Support Services (SISS) funding formula remains unchanged.**
- **Contribution of \$4,471,126 to the Restricted Maintenance Account.**
- **Interest rate earned from the county pool will be approximately 2.10%.**
- **Salaries for all employees are based on the current salary schedules. Staffing in accordance with current policies and practices. New teachers' salaries are budgeted at column III, step 5.**

Considerations

FEDERAL

- Without an agreement to reduce the deficit spending by 1.2 trillion over the next decade, the Federal Government has imposed a sequestration of 5.9% to all federal programs, starting with 13-14 school year. This is a cut of \$400,000 to the District.

STATE

- Governor Brown proposed a new funding method called Local Control Funding Formula (LCFF) with very restrictive accountability provisions. Legislators have proposed a different version of the LCFF. If approved, this new funding method will replace the Revenue Limit method and most categorical programs.
- Deferrals to next year will be \$20 million.
- California adopted the Common Core State Standards in 2010 and will provide funding at the rate of \$170 per ADA. District must develop a plan to spend this money over 2 years.
- With the implementation of LCFF, the Class Size Reduction program will allow no more than 24 pupils per classroom, with stiff penalties for non compliance. Target class size will be phased in over an 8 year period.

Considerations

DISTRICT

- The District prepared the budget using the method of Zero Based Budgeting. Total needs have been identified and prioritized in accordance with school educational plans and the District's goals and objectives.
- Cost of health insurance: Average increase of 10%, due to the implementation of the Federal Affordable Care Act
- Program Encroachments such as Special Education and Restricted Maintenance, will total \$13 million.

Projected Revenue

REVENUE LIMIT	70,805,550
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FEDERAL INCOME

MEDI-CAL BILLING	270,208
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SPECIAL EDUCATION	2,541,901
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TITLE I, BASIC GRANTS	2,453,914
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TITLE II, TEACHER QUALITY	407,112
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TITLE III, IMMIGRANT PROGRAMS	301,545
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TRANSITION PARTNERSHIP	87,627
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TOTAL FEDERAL INCOME	6,062,307
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Projected Revenue

STATE INCOME

AFTER SCHOOL EDUCATION AND SAFETY	884,025
CALIFORNIA PARTNERSHIP ACADEMY	72,900
CLASS SIZE REDUCTION INCENTIVE	1,963,143
COMMUNITY DAY PROGRAM	214,259
COMMON CORE GRANT	2,210,000
HOURLY PROGRAMS	1,210,390
PROGRAMS SUBJECT TO FLEXIBILITY TRANSFER	10,093,243
SPECIAL EDUCATION, TRANSPORTATION	239,053
SPECIAL EDUCATION, WORKABILITY	108,490
SPECIAL EDUCATION, STAFF DEVELOPMENT	5,665
SPECIAL EDUCATION	5,168,829
SPECIAL EDUCATION, MENTAL HEALTH	774,356
STATE LOTTERY, RESTRICTED	354,449
STATE LOTTERY, UNRESTRICTED	,874,136
TOTAL STATE REVENUE	25,172,938

Projected Revenue

LOCAL INCOME

INTEREST	75,000
OTHER PROGRAMS	753,482
TOTAL LOCAL INCOME	828,482

TOTAL INCOME

102,869,277

Projected Expenditures

CERTIFICATED SALARIES

1100	TEACHER	46,010,525
1200	CERTIFICATED PUPIL SUPPORT	3,074,106
1300	CERTIFICATED SUPERVISOR & ADMINISTRATIVE	3,810,822
1900	OTHER CERTIFICATED	662,119
	TOTAL CERTIFICATED SALARIES1	53,557,572

CLASSIFIED SALARIES

2100	INSTRUCTIONAL ASSISTANT	3,375,936
2200	CLASSIFIED SUPPORT	6,276,881
2300	CLASSIFIED SUPERVISOR & ADMINISTRATIVE	1,385,330
2400	CLERICAL, TECHNICAL AND OFFICE	4,650,774
2900	OTHER CLASSIFIED	349,862
	TOTAL CLASSIFIED SALARIES	16,038,784

Projected Expenditures

EMPLOYEES' BENEFITS

3100	STRS	4,415,698
3200	PERS	1,817,244
3300	OASDI/ MEDICARE	2,686,892
3400	HEALTH & WELFARE	11,783,516
3500	UNEMPLOYMENT INSURANCE	764,424
3600	WORKERS COMPENSATION	2,085,517
3700	OTHER POST EMPLOYMENT BENEFIT	1,389,861
3800	PERS REDUCTION	255,806
	TOTAL EMPLOYEES' BENEFITS	25,198,959

Projected Expenditures

BOOKS & SUPPLIES

4100	APPROVED TEXTBOOKS	411,049
4200	BOOKS AND OTHER REFERENCE MATERIALS	152,195
4300	MATERIALS & SUPPLIES	3,106,186
4400	NON-CAPITALIZED EQUIPMENT	458,347
	TOTAL BOOKS AND SUPPLIES	4,127,777

SERVICES, OTHER OPERATING EXPENSES

5100	COST INCURRED OVER \$25,000 EACH	1,133,200
5200	TRAVEL & CONFERENCES	306,050
5300	DUES & MEMBERSHIPS	9,575
5400	INSURANCE	1,271,833
5500	OPERATION & HOUSEKEEPING SERVICES	2,098,450
5600	RENTALS, LEASES & REPAIRS	379,346
5700	DIRECT COSTS FOR TRANSFER OF SERVICES	109,537
5800	PROFESSIONAL/ CONSULTING SERVICES	6,819,597
5900	COMMUNICATIONS	475,348
	TOTAL SERVICES/OPERATING EXPENSES	12,632,936

Projected Expenditures

CAPITAL OUTLAY

6400	EQUIPMENT	1,385,082
6500	EQUIPMENT REPLACEMENT	355,375
	TOTAL CAPITAL OUTLAY	1,740,457

OTHER OUTGO

7100	REIMBURSEMENT DUE TO OVERCHARGE	(1,454,950)
7300	DIRECT SUPPORT/ INDIRECT COSTS	(189,164)
7400	LONG TERM DEBT PAYMENT	725,565
	TOTAL OTHER OUTGO	(918,549)

TOTAL EXPENSES	112,377,936
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Income over Expenditures

TOTAL INCOME

102,869,277

TOTAL EXPENSES

112,377,936

Projected Deficit Spending

(9,508,659)

