

**SAN MARINO UNIFIED SCHOOL DISTRICT  
BUSINESS SERVICES**

To: Dr. Alex Cherniss, Superintendent

Submitted by: Julie Boucher, Assistant Superintendent, Business Services

Prepared by: Vangie Lingat, Director of Accounting

Date: March 8, 2016

**Subject: 2015-16 SECOND INTERIM FINANCIAL REPORT AND LONG RANGE FINANCIAL PROJECTIONS FOR 2016-17 AND 2017-18 FISCAL YEARS**

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The 2015-16 Second Interim Financial Report and the Long Range Financial Projections (“Second Interim”) are presented to the Board of Education for approval. It is recommended that the Board of Education approve a “Positive Certification,” declaring that the District will be able to meet its financial obligations for the 2015-16 fiscal year as well as the subsequent two fiscal years (2016-17 and 2017-18) based on the District’s financial assumptions.

AB 1200 Reporting Requirements

The District is required under AB 1200 (Chapter 1213/1991) and Education Code Section 35035 to submit two interim financial reports each fiscal year to the Los Angeles County Office of Education and to the California Department of Education (CDE). These laws require county offices and CDE to closely monitor and review school district budgets and financial projections.

Development of Financial Reports

The Second Interim was developed based on the the Los Angeles County Office of Education’s Assumptions for fiscal years 2015-16 through 2017-18. The information presented includes actual and projected financial information for the General Fund as of January 31, 2016.

Under the Local Control Funding Formula (LCFF), implemented in 2013-14, state funding formulas for K-12 Education were adjusted significantly. State funding was reallocated with additional funding allocated to school districts with high levels of students who qualify for free and reduced lunch, English language learners, and foster youth. The goal of the LCFF is to provide for more flexibility at the local level, transparency of the financial reporting process, and alignment of a school district’s goals, actions and services with its budget.

Revenue Assumptions

Student Enrollment/Average Daily Attendance

Projected total student enrollment for 2015-16 is projected at 3,138. For budgeting purposes, the District’s projected P2 average daily attendance is 3,073.92.

### Statutory COLA's

The term "COLA" or Cost-of-Living Allowance, no longer holds the significance that it did previously. The projected statutory COLAs are now added to the target base grants. School districts are only receiving a portion of their "target" funding, which is referred to as "Gap Funding." Gap Funding is the amount of new funding received over the prior year.

### Hold Harmless Provisions – LCFF Funding

The District's Local Control Funding is based on its "Hold Harmless" revenue calculation of prior year funding and average daily attendance.

### Gap Funding

The District's projected Gap Funding for 2015-16, equal to \$2,435,575, was allocated based on Board-approved budget items for 2015-16 and salary and benefit agreements with the San Marino Teachers Association and California School Employees Association Chapter #120.

### Augmentation Grants/Grade Span Adjustments

The District receives funding in support of lower class sizes (24:1) in grades TK-3 as well as funding for grades 9–12 to support supplemental high school level programs and support. These funds represent funding received previously for K-3 CSR, Grade 9 CSR, and other high school categorical funding. The District's elementary schools' average class size (per school site) is below the grade span threshold of 24:1.

### Supplemental Grant and Proportionality

Under the LCFF Funding formula, the District is receiving a pro-rata share of its entitled Supplemental Grant allocation. Supplemental Grant revenue is based on the District's "Unduplicated Count" students. The Unduplicated Count is a composite of those students who qualify for free and reduced priced meals, English language learners, and foster youth. The District currently has 502 students in this category.

Under the LCFF funding laws, the District must demonstrate quantitatively and qualitatively that it plans to improve services for its Unduplicated Count students. The District committed an additional \$197,768 of its Gap Funding in 2015-16, for a total of \$492,881 to help serve and support these students. The additional funding is referred to as "Proportionality Funding."

### One-Time Discretionary Grant Funding

The District has received \$1,621,754 in One-Time Discretionary Funding for 2015-16. The funds are being used to fund the District's increase in CalSTRS and CalPERS employer contributions, the District's share of health benefit increases, and other staffing and program enhancements. As part of the program requirements, District staff must present and confer with the District's bargaining units on the expenditure plan and then present the plan to the Board of Education for approval. The District has met with SMTA and a meeting with CSEA Chapter #120 is being planned. Once the meetings are completed, the expenditure plan will be presented to the Board of Education for review and approval.

### Educator Effectiveness Grant

As part of 2015-16 State Budget trailer bill legislation, funding was allocated for certificated staff professional development. It is projected that the District will receive \$270,691. The funds are being used to offset the costs of two of the certificated professional development days,

instructional workshops, and technology training for certificated staff. This program has the same requirements as the One-Time Discretionary Funding.

#### Other State Revenues

The District will continue to receive other state revenues for various programs, including Unrestricted and Restricted Lottery, Mandated Block Grant, Special Education Mental Health Funding. It is projected that the District will receive a total of \$875,496 in other state revenues in 2015-16.

#### Federal Funding

The District will continue to receive federal funding for Title I, and Teacher Quality Improvement, and Special Education. It is projected that the District will receive \$823,477 in federal funding in 2015-16.

#### San Marino Schools Foundation Contributions

The District is extremely fortunate to receive contributions and revenues from its local community. The San Marino Schools Foundation is a significant part of the District's local funding. The funding helps to employ 32 teaching positions to maintain lower class sizes across all grade levels. It is projected that the District will receive \$2,129,111 in contributions from the San Marino Schools Foundation in 2015-16, and \$2 million in each of the future years.

#### Parcel Tax Revenues

The District has two parcel taxes, Measure R and Measure E. Measure R was renewed in 2013 with a six-year term and Measure E was renewed in 2015, also for a six year term. Measure R is currently \$335.94 per parcel and Measure E is \$865.68 per parcel. It is projected that the District will receive \$5,435,263 in parcel tax revenues in 2015-16. Proceeds received from the parcel tax are used to preserve core academic and instructional programs and support services. The District publishes an annual accountability report of parcel tax expenditures.

#### ROP Funding

It is projected that the District will receive \$154,856 in 2015-16 for this program. No additional revenues are anticipated or projected in future years.

#### Other Local Donations and Reimbursements

Additionally, the District receives donations and reimbursements from parents, PTA's/PTSA, school-connected organizations, parents and community members as well as revenues for use of its facilities from local community athletic groups, the Chinese Club of San Marino and the City of San Marino. The District is projecting to receive \$2,588,240 in other local donations and reimbursements in the 2015-16 year.

### **Expenditure Assumptions**

#### Certificated and Classified Salaries

Certificated and classified salaries are based on the negotiated salary and benefit agreements with the San Marino Teachers Association and CSEA Chapter #120. Adjustments for additional positions, and step and column adjustments are included in the Second Interim.

### Health Benefits

The 2015-16 Budget includes a transfer of \$176,542 from the Health Benefits Fund, District contributions totaling \$416,466, and increased employee co-pays for major medical insurance.

After accounting for any realized savings held in the Health Benefits Fund, the District contributes 90% of employee-only costs and 70% of two-party and family costs. The District also provides two options for dental insurance, vision, life insurance for benefit-eligible employees and an employee assistance program for all employees.

In 2016-17, the District's contribution for health benefits is projected to increase by \$469,330.

### Pension Benefits

Employers share of pension contributions for CalSTRS and CalPERS will continue to increase over the next six years. The District's contributions increased by \$311,882 in 2015-16 and are projected to increase by \$408,597 in 2016-17, and by \$594,995 in 2017-18. The increase in employer contributions for pension obligations is concerning. In total, the District's increase in CalSTRS and CalPERS obligations, automatic increases in step and column costs and the District's share of health benefits contributions will exceed the new Gap Funding.

Table 1: CalSTRS and CalPERS Employer Rates:

Employer Contributions	CalSTRS	CalPERS
2015-16*	8.88%	11.771%
2016-17	10.73%	11.847%
2017-18	12.58%	13.05%
2017-18	14.43%	16.60%
2018-19	16.28%	18.20%
2019-20	18.13%	19.90%
2020-21	19.10%	20.40%

\*Actual Rates

### Other Statutory Benefits

The other statutory benefits, including Medicare, OASDI, State Unemployment Insurance, and Workers Compensation have been included in the salary and benefit projections. The District received a one-time distribution of \$500,187 from its Workers Compensation JPA, which helped fund the majority of the District's workers compensation premiums for 2015-16.

### Books and Supplies, Services and Equipment Costs

Instructional and non-instructional supplies, textbooks, operating services and equipment accounts are reflective of allocated amounts. School sites receive funding for general school site allocations, state adopted instructional materials, funding to support their Single Plans for Student Achievement (SPSA), and Targeted Instructional Improvement Grant (TIIG). Each of the school sites develop their budget plans for their SPSA and TIIG allocations in cooperation with their School Site Councils and the Board approves the plans. Throughout the year, schools also receive donations from PTA's/PTSA, parents, and the community to support their instructional programs.

### Other Financing Sources/Uses

Included in the projections for 2015-16 is a transfer of \$15,500 of facilities use fees to the Capital Projects Fund, and a transfer in of \$176,542 from the Health Benefits Fund. Additionally, a transfer in from the Cash Flow Fund to the General Fund of \$1.7 million is included in the projections in 2015-16. For the projected years, transfers of \$2.5 million for 2016-17, and \$2.4 million for 2017-18 are included in the Second Interim. The funds will be used to offset the loss of one-time state funding, automatic step and column adjustments, and increased contributions for CalSTRS, CalPERS and health benefits.

### Indirect Support

The District collects indirect costs from state and federal categorical programs to offset General Fund operational costs. The current approved rate for the 2015-16 year is 10.51%. This results in an offset of \$56,113 to Unrestricted General Fund expenditures.

### Ending Balance Assumptions

#### Reserve for Economic Uncertainties

It is projected that the District will maintain a 3% reserve for economic uncertainties in 2015-16 and in future years.

#### Assigned Funds

As part of the Ending Balance, various sources of funding have been assigned for specific purposes, including Proposition 39 energy projects, special education mental health, and restricted school site donations.

### Future Year Projections

Despite the Governor's commitment to K-12 Education and the new LCFF Funding formula, state funding for K-12 Education is still below the national average. The District is fortunate for the generous contributions received from the San Marino Schools Foundation and its parcel taxes to support its high quality educational programs and services.

According to the Legislative Analyst's Office, state revenues have exceeded projections and projected Proposition 98 revenues are anticipated to grow by approximately \$2.3 billion in 2016-17. That being said, the Governor has already stated that he plans to allocate the majority of projected additional state funding to the "Rainy Day" Fund, and continue the implementation of the LCFF. More information will be forthcoming in May when the Governor presents his May Revise Report.

### Other Funds

As part of the Second Interim Financial Report, information and projections for each of the District's "Other Funds" are provided.

### Food Services Fund 13.0

The District's food services program is self-supporting. The Food Services Fund covers costs associated with the program including food services salaries and benefits, food and supplies, repairs, equipment replacement. The projected ending balance in the fund for 2015-16 is \$22,025.

### **Deferred Maintenance Fund 14.0**

The Deferred Maintenance Fund supports major maintenance and repairs throughout the District. The projected ending balance in the fund for 2015-16 is \$416,555.

### **Health Benefits Fund 17.0**

The Second Interim includes a transfer of \$176,542 from the Health Benefits Fund to the General Fund to offset premium increases in 2015-16. The projected ending balance for 2015-16 is \$1,539.

### **Cash Flow Fund 17.2**

Included in the projections for 2016-17 and 2017-18 are transfers out from the Cash Flow Fund to the General Fund to support the District's general programs and services. The projected ending balance in the fund for 2015-16 is \$5,688,806.

### **Capital Facilities Fund 25.0**

The Capital Facilities Fund accounts for income and expenditures associated with the collection of developer fees. Developer Fee revenues are projected at \$100,000 in 2015-16. These funds are restricted for capital needs associated with enrollment growth and program expansion. The projected ending balance in the fund for 2015-16 is \$908,837.

### **Capital Projects and Improvement Fund 40.0**

The Capital Projects and Improvement Fund represents restricted donations for capital improvements. In 2015-16, the District received \$2,235,010 from its Property and Liability JPA. These funds have been designated for the Barth Athletic Complex Project at Huntington Middle School. The projected ending balance in the funds for 2015-16 is \$1.5 million.

### **Bond Interest and Redemption Fund 51.0**

The Bond Interest and Redemption Fund represents non-District funds. It accounts for the proceeds from tax revenues and payment of principal and interest to bondholders associated with the District's issuance of General Obligation Bonds in 1996, 1998, and 2000, and the 2001 refunding of the 1996 issuance. The fund is managed by the Los Angeles County Treasurer's Office. The projected ending balance in the fund for 2015-16 is \$4,050,338.

### **Next Steps – Future Year Planning**

The District is planning accordingly for 2016-17 and beyond based on current state and local revenue and expenditure assumptions. As more information is received, updates will be provided to the Board of Education.

**LOS ANGELES COUNTY OFFICE OF EDUCATION**  
**Division of Business Advisory Services**

**COUNTY OFFICE 2015-16 SECOND INTERIM**  
**ASSUMPTIONS AND RECOMMENDATIONS**

**Local Control Funding Formula (LCFF)**

The LCFF establishes a base with supplemental and concentration add-ons for English Learners (EL), free and reduced-price meal eligible students and foster youth students, and provides additional funding for K-3 Class Size Reduction (CSR), Grades 9-12, Home-to-School (HTS) Transportation and the Targeted Instructional Improvement Grant (TIIG).

The Base Grant rates for 2015-16 and proposed Base Grant rates for 2016-17 are as follows:

<u>Grade Level</u>	<u>Base Grant per ADA</u>	<u>COLA 1.02%</u>	<u>2015-16 Base Grant</u>	<u>2016-17 COLA 0.47%</u>	<u>Base Grant per ADA</u>
K-3	\$7,011	\$72	\$7,083	\$33	\$7,116
4-6	\$7,116	\$73	\$7,189	\$34	\$7,223
7-8	\$7,328	\$75	\$7,403	\$35	\$7,438
9-12	\$8,491	\$87	\$8,578	\$40	\$8,618

**COLAs and Gap Funding Amounts**

The Base Grant rates are increased annually by the statutory COLA. The statutory COLA for 2015-16 is 1.02 percent. The estimated COLA for 2016-17 is 0.47 percent, and 2.13 percent for 2017-18. The *COLA affects only the calculation of the LCFF Target, and does not describe the net increase in funding for each district.*

The Governor proposes \$2.825 billion to increase LCFF funding in 2016-17. This would further implement the LCFF and would fund each district's Gap by about 49.08 percent. The Department of Finance projects that enough additional funds will be provided to fund the Gap by 45.34 percent in 2017-18 and by 6.15 percent in 2018-19. The 2015-16 Gap has been slightly increased from 51.52 percent to 51.97 percent. This does not mean that each district will receive increases equal to these amounts, but that each district's Gap (the difference between their minimum State funding and their Target amounts) would be funded by those percentages.

Based on our calculations, the increases of the districts' LCFF revenues from 2015-16 to 2016-17 range from just above 3 percent to 7.4 percent per ADA. This range indicates that each district must understand the unique impact of the LCFF funding on their district.

The Governor and the Administration continue to anticipate the transition to fully fund LCFF will take eight years, with full funding in 2020-21. Until then, increases in funding will be as the State budget appropriates funding for that purpose. There is no statutory guaranteed increase in any year until full implementation is reached. Expiration of some temporary tax increases in 2016 and 2018, and uncertainty regarding the continued recovery of the State's economy,

results in uncertainty regarding future years' increases in LCFF funding. Therefore, **we continue to recommend that districts projecting an increase in LCFF revenues in 2016-17 and beyond also assign, reserve or otherwise set-aside the projected increase. If districts budget this increased revenue and associated expenditure, they must have a contingency or alternative plan in place should these funds fail to materialize.**

### **Maintenance of Effort (MOE)**

#### Regional Occupational Centers/Programs (ROC/P)

The Budget Act continues to treat ROC/Ps as part of the LCFF base for districts and county offices. While the grade 9-12 augmentation is not specifically identified as a Career Technical Education (CTE) grant, it represents the funding allocated to these programs in prior years. After the MOE period expired on June 30, 2015, current law does not require lead agencies and county offices to continue to forward these funds to districts.

Federal CTE funds, including Perkins funding, are not part of LCFF and continue to be subject to all existing compliance and reporting requirements.

#### Home-to-School Transportation and TIIG Grant

Under the LCFF and the MOE requirement, districts will receive the same amount in an LCFF add-on for the Home-to-School (HTS) Transportation Grant and Targeted Instructional Improvement Grant (TIIG) as they received from these programs in 2012-13. These amounts are fixed at the 2012-13 amounts for all future years' calculations.

#### Adult Education

The Proposed Budget again provides \$500 million in funding for the Adult Education Block Grant Program dedicated to funding adult education programs in 2016-17. These funds will supplant the funding (which was certified by the SSPI in July 2015) school districts may have been allocating for Adult Education programs in the past year(s) and are capped at \$375 million. In 2015-16, funding was provided directly to K-12 school districts in the amount equal to their 2014-15 MOE expenditures. Future allocations will be distributed per the direction of the local allocation committees. For 2016-17 and beyond, the amounts allocated to each consortium will be based on:

- The amount apportioned in the preceding year
- The region's share of the state-wide need for adult education
- The consortium's effectiveness in meeting the needs of adults

Additional information on the Adult Education Consortium can be found at:

<http://ab86.cccco.edu/Home.aspx>



### **California Career Technical Education Incentive Grant**

The Proposed Budget continues to provide the second year of “bridge funding,” of \$300 million for 2016-17 for the transitional California Career Technical Education Incentive Grant (CTEIG) Program. The local match ratio requirement increases each year from 1:1 in 2015-16, 1.5:1 in 2016-17 and 2:1 in 2017-18. The expectation is that LEAs will use LCFF and the 9-12 grade span adjustment (GSA) funds to support the program beginning 2018-19. Any CTE programs should be included in your LCAP. LEAs who planned to apply for the CTEIG should have completed Part I of the Application by November 30, 2015.

Upon completion of the CTEIG Application Part I, grantee eligibility will be verified and a user name and password will be sent to the CTEIG administrator as identified in the application. Part I of the application must have been submitted via the Program Grant Management System webpage at:

<http://www3.cde.ca.gov/pgms/logon.aspx>

### **LCFF Revenue Projections**

The County Office LCFF revenue runs are used to validate district budget revenue projections. *It is strongly recommended that districts update and utilize these County Office LCFF revenue runs to project estimated revenues for 2015-16 Second Interim Reports and multi-year projections. Our review will compare the districts' projections against that data.*

### **Education Protection Account (EPA)**

Proposition 30 provided for these temporary tax increases to fund education.

- Temporary increase in the State sales tax of 0.25 percent through December 31, 2016
- Temporary increase in the income tax rate for the State's wealthiest taxpayers of up to 3.0 percent through December 31, 2018

It is projected these tax increases will generate over \$8.0 billion per year through 2018 and is estimated at \$8.4 billion for 2015-16. The EPA was established as the vehicle to collect and disburse funds generated by the temporary tax increases. School districts, charter schools, county offices of education and community colleges will receive revenues from the EPA on a quarterly basis. The CDE calculated the estimated EPA entitlements using a factor of 25.07815510 percent based on the 2014-15 statewide total of revenue limits, charter school block grant funding, and 2014-15 P-2 local revenue data, adjusted to exclude one-time RDA Asset Liquidation funds.

EPA funds should be accounted for in Resource Code 1400 - Education Protection Account, and Object Code 8012 - Education Protection Account Entitlement. Districts may not use EPA funds for administrative costs. The Governing Board will make the spending determination of these funds in an open session of a public meeting. In addition, each agency must annually publish on its website an accounting of how much money was received from the EPA and how that money was spent. A complete list of function codes prohibited for EPA expenditures can be found on the CDE's website at:

[www.cde.ca.gov/fg/ac/ac/sacsfaq.asp](http://www.cde.ca.gov/fg/ac/ac/sacsfaq.asp)

Similar to local property taxes, districts' State Aid is reduced by one dollar for each dollar received from the EPA. The EPA is a third LCFF revenue component with local property tax revenue and State Aid.

While each quarterly payment will be adjusted for actual receipts, districts should anticipate 2015-16 EPA revenues in equal quarterly payments. The CDE has released specific 2015-16 EPA estimates with the Advance Apportionment posted at:

[www.cde.ca.gov/fg/aa/pa/pa1516.asp](http://www.cde.ca.gov/fg/aa/pa/pa1516.asp)

## **CALPADS**

The Fall 1 certification deadline was December 18, 2015. The Fall 1 amendments window closes on February 16, 2016. Additional functionality has been added to CALPADS, including identification of foster youth enrolled in LEAs based on a state-wide match and a certification report of County Offices of Education (COEs) for students funded through the COE. CALPADS data have become critical to funding, accountability and assessment functions. The unduplicated count of disadvantaged students reported in *CALPADS feeds the supplemental and concentration grant portions of the LCFF. Therefore, Districts should ensure this data is up-to-date and accurate.*

## **K-3 Grade Span Adjustment (GSA)**

The former K-3 CSR program became a 10.4 percent K-3 GSA augmentation to the LCFF base grant to support lowering class sizes in grades kindergarten through three. Unless there is a collectively bargained alternative ratio in place, districts must ensure all school site average class enrollment ratios meet the target ratio of 24:1 (rounded to the nearest half or whole integer), or that they are making progress to close the K-3 class size gap in proportion to progress toward closing the LCFF gap, as a condition of apportionment. **Districts should plan to reduce class sizes in grades K-3 by 51.97 percent of the difference between the current year class size and the school site average target of 24 students per class. Districts that fail to meet the above requirements at each school site will lose 100 percent of this additional funding in that fiscal year, estimated to be \$380 per ADA for all ADA generated in grades TK-3.** The K-3 GSA requirement has been included in the 2014-15 Audit Guide.

## **Preschool/Early Childhood Education**

The Governor's Budget proposes a \$1.6 billion Early Education Block Grant, by consolidating the Proposition 98 funding from the State Preschool Program, TK, and the Preschool Quality Rating and Improvement Grant. The to-be-determined block grant funding formula intends to mirror the core tenets of the LCFF, ensuring that funds would be provided equitably to schools with higher percentages of disadvantaged students. Similar to the LCFF, it is proposed that no LEA would receive less funding under the Block Grant than was received under prior funding models. Program details should be available by the May Revision, after the Administration seeks input from stakeholders.

### **Expanded Transitional Kindergarten (ETK)**

Assembly Bill (AB) 104 (Chapter 13/Statutes 2015) allows for a school district or charter school to, at any time during the school year, admit a student to TK who will have his or her 5<sup>th</sup> birthday after December 2nd but during the same school year.

School Services of California's has developed a new ETK Cost-Benefits [Calculator](#) (available to members and non-members) that will help your district or charter evaluate the impact of the potential expansion. The calculator may be found at this website:

<http://www.sscal.com/tk/>

### **Local Control and Accountability Plan (LCAP)**

We recommend that districts continue monitoring progress towards meeting the goals and expenditure plans against their submitted LCAP, and make necessary adjustments and/or amendments as required. The CCSESA LCAP Approval Manual will be revised to reflect the changes adopted by the SBE in the coming months. In the meantime, you can find the proposed permanent regulations and LCAP template on the SBE website at:

<http://www.cde.ca.gov/be/>

### **CASH FLOW PROJECTIONS**

There are no longer any inter- or intra- year deferrals. The Principal Apportionment Payment Schedule reverts back to the traditional "5-5-9" payment schedule.

### **ONE-TIME FUNDS**

#### **Educator Effectiveness Program**

The Enacted Budget provides \$490 million in new funding for the Educator Effectiveness Program, estimated at \$1,466 per certificated full-time equivalent (FTE) staff as certified in CALPADS. **This is a change from the previous guidance from a total per certificated headcount.** These funds are restricted and should be accounted for in Object Code 6264. These funds should be targeted at support and mentoring, including beginning teacher support and professional development and identified support for teachers and administrators. School Districts, COEs, Charter Schools and Special Schools are eligible for this funding. Funds will be apportioned in December 2015 and March 2016.

LEAs must explain how these funds will be used at a public meeting and then adopt a plan at a subsequent meeting. In addition, LEAs have three years to expend the funds and must report expenditures of these funds to the CDE by July 1, 2018. The Final Expenditure Report template may be found at:

<http://www.cde.gov/fg/aa/ca/educatoreffectiveness.asp>

### **One-Time Discretionary Funds (Mandated Cost Reimbursement)**

The Enacted Budget included \$3.2 billion in one-time funds to pay down a portion of the debt owed to LEAs for mandated cost reimbursement. The funds may be used for any purpose as determined by the district's Governing Board. Distributing the mandate reimbursement is on a per ADA basis, estimated at \$529 per ADA. These funds will be apportioned **whether or not the LEA had any prior year claims**. However, consistent with last year's enacted budget, any funds received will offset state obligations for any LEA with outstanding mandate reimbursements. **Districts that used the \$601 per ADA estimate provided in the May Revision when preparing their budget should have already made this budget adjustment.**

The Proposed Budget included \$1.28 billion in one-time funds continuing to pay down a portion of the debt owed to LEAs for mandated cost reimbursement. The funds may be used for any purpose as determined by the district's Governing Board. The distribution of the mandate reimbursement is on a per ADA basis, estimated at \$214 per ADA. These funds will be apportioned **whether or not the LEA had any prior year claims**, and consistent with last year funds received, will offset state obligations for any LEA with outstanding mandate. The DOF estimates that there is \$1.6 billion obligation left in the mandate backlog.

### **Contingent Assumptions**

Districts **should not** include revenue sources in their Second Interim Report projection of a contingent or speculative nature. Examples of speculative revenue would be the **continuing of one-time funds in future years, pre-election bond or parcel tax proceeds and non-contractual donations from foundations or cities**. Districts are also cautioned against including cost savings pending negotiations in their financial projections, including furlough days, salary and/or benefit rollbacks, freeze on step and column. Districts that elect to include these contingent cost savings/revenues should adopt an alternate plan to address the budget shortfalls that may occur if these actions do not take place. Districts are reminded to keep all options open when preparing for the remainder of 2015-16, 2016-17 and 2017-18.

### **Cash Management Planning**

Districts should ensure they have Board resolutions to authorize inter-fund and County Treasurer borrowing, and that the borrowing caps are appropriately set (i.e., are high enough to meet identified cash needs). For additional information regarding cash borrowing, please refer to Informational Bulletin No. 4111, dated May 27, 2015, issued by the Division of School Financial Services, which is available on our website:

[www.lacoe.edu/Bulletins.aspx](http://www.lacoe.edu/Bulletins.aspx)

### **RESERVE REQUIREMENTS**

**Districts with cash management challenges make it even more imperative to consider reserve levels greater than the minimums required within the State's Criteria and Standards.** Reserves are especially critical to have sufficient cash to meet payroll and other obligations.

County offices continue to reinforce the need for reserves over the minimum reserve requirements. The experience of the most recent recession has clearly demonstrated these minimum levels cannot protect educational programs from severe disruption in an economic downturn. The typical 3.0 percent reserve minimum represents less than two weeks of payroll for many districts. Many LEAs have established reserve policies calling for higher than minimum reserves, recognizing their duty to maintain fiscal solvency. The adequacy of a reserve level should be assessed based on the LEA’s own specific circumstances.

**Retirement - CalSTRS Rates**

AB 1469 increases the contribution rates that employers, employees and the state pay to support the State Teachers Retirement System. The rate for employers is **10.73 percent** for 2015-16 and **12.58 percent** in 2016-17. Employer rates will continue to increase until 2020-21 and are expected to bring the underfunded retirement system to full funding in 30 years.

**CalSTRS Rates**

	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
Employer	10.73%	12.58%	14.43%	16.28%	18.13%	19.10%

**Retirement - CalPERS Rates**

The CalPERS adjustment to district revenue limits was eliminated with the implementation of the LCFF. Therefore, any increases in the CalPERS contribution rate have a direct impact on the local agency budget. The rate for employers is **11.847 percent** for 2015-16 and **13.05 percent** in 2016-17.

Districts are advised to use the rates below when submitting their Second Interim reports and multi-year projections.

**CalPERS Rates**

	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
Employer	11.847%	13.05%	16.60%	18.20%	19.90%	20.40%

**Government Accounting Standards Board (GASB) 68**

Effective June 30, 2015, LEAs must record their share of CalSTRS and CalPERS pension liabilities on their financial statements. This is required in the budget to recognize revenue and expenditures recorded at year-end close. The CDE established restricted Resource 7690, STRS On-Behalf Pension Contributions, to account for the receipt and expenditure of the financial assistance represented by the state’s contribution. Within Resource 7690, revenue should equal expenditures.

**Based on the estimated CalSTRS and CalPERS contribution of 16.28 and 18.20 percent respectively, we strongly recommend LEAs plan accordingly for the increased expenses for the upcoming 2016-17 budget submission, especially in the out years.**

### **Mandated Block Grant (MBG)**

The 2016-17 Proposed Budget provides \$219.5 million for the MBG. The rates continue to be separated into grade span-specific rates, with grades 9-12 receiving higher amounts based on the inclusion of Graduation Requirement mandate. See the table below for the per ADA rates.

<b>Grade Span</b>	<b>School District Rates</b>	<b>Charter School Rates</b>
K-8	\$28	\$14
9-12	\$56	\$42

We recommended that school districts continue to adhere to all mandate requirements, and districts that opt out of the MBG should continue to budget revenue on a cash basis. LEAs that opted into the MBG can budget this revenue. Funds are typically received in November. Districts that do not opt to receive funding through the MBG would continue to collect data and submit for reimbursement.

A complete list of programs covered under the block grant can be found on the Mandate Block Grant Request for Application webpage at:

<http://www.cde.ca.gov/fg/fo/r14/mandatebg15rfa.asp>

### **Proposition 39: California Clean Energy Jobs Act**

The California Clean Energy Jobs Act was approved by voters in 2012. For years 2013-14 through 2017-18, the measure requires half of the increased revenues, up to \$550 million per year, be used to support energy efficient projects. The Proposed Budget provides \$365.4 million, an increase of \$52 million from 2015-16, bringing the four year total to \$1.339 billion, with only \$550.4 million in approved plans to date.

Additional information may be found at the Proposition 39 website available at:

[www.energy.ca.gov/efficiency/proposition39/index.html](http://www.energy.ca.gov/efficiency/proposition39/index.html)

LEAs should not commit the anticipated funds until they are familiar with the final guidelines and the criteria to enable them to apply for and collect the funds.

### **Charter Schools**

Similar to districts, charters will receive a LCFE base rate for each of the four grade spans and augmentation funding for the K-3 GSA for class size reductions and 9-12 CTE. However, charter schools **are not** subject to the 24:1 class size requirement as a condition of apportionment. In addition, supplemental and concentration grant percentages will be limited to the percentage associated with the school district where the charter school physically resides.

## CATEGORICAL PROGRAMS

### Flexibility Provisions

With implementing LCFF, many of the flexibility provisions became permanent, but others are still set to expire. The following is a list of the former flexibility provisions and their current status.

### Deferred Maintenance

Deferred Maintenance no longer exists as a separate program and is now a permanent part of the LCFF base grant. However, districts are still required to appropriately maintain their facilities. The responsibility for maintaining district facilities is one of the state priorities that should be included in the district's LCAP. In addition, the *Williams Act* facility requirements will continue. **We recommend that districts set aside funds in a separate resource for deferred maintenance that is not available for other general fund purposes.**

### Routine Restricted Maintenance

As specified in AB 104, there is a gradual increase in the required contribution for the Routine Restricted Maintenance (RRM) to 3 percent. For 2015-16 and 2016-17, the RRM contribution is the lesser of 3 percent of the total General Fund expenditures or the amount deposited in 2014-15. For 2017-18, 2018-19 and 2019-20, the RRM contribution is the greater of (1) the lesser of 3 percent of the total General Fund expenditures or the current amount deposited in 2014-15 or (2) 2 percent of the total General Fund expenditures. In 2020-21 and beyond, at full LCFF implementation, the minimum RRM contribution is 3 percent of the total General Fund expenditures.

### Lottery

Based on the projected sales for 2015-16 of \$6.0 billion, LEAs should use \$140 per ADA unrestricted and \$41 per ADA restricted, for instructional material purchase, for 2015-16, 2016-17 and 2017-18. Also, no additional lottery funding is provided for Adult Education and ROC/P's ADA beginning in 2015-16.

### Special Education

In 2015-16, Special Education was funded outside the LCFF, with funding for ADA growth and a 1.02 percent cost of living adjustment (COLA). The statewide target rate was recomputed for the first time since the AB 602 funding formula was implemented in the 1998-99 school year. Based on this new recomputed rate, SELPAs with growth are expected to receive an estimated \$527.30 per ADA and an estimated COLA of \$5.38 per ADA.

The 2016-17 Proposed Budget contains an increase to \$5.02 billion for Special Education, \$3.18 billion in State funds, \$1.21 billion in Federal funds and \$627 million in Local funds. Funding for Special Education includes a 0.47 percent funded COLA, or \$2.50 per ADA, and a slight decrease in ADA. The Governor's proposal continues to fund Special Education outside of the LCFF.

### **Extraordinary Costs**

SELPA's with single placement extraordinary costs are eligible to submit for costs exceeding the threshold under EC Section 56836.21. The current threshold is \$74,385.27. If claims exceed the appropriation, the reimbursements will be prorated.

Claims are filed using the CDE-issued Revenue Software. Claims for 2014-15 should have been filed by November 30, 2015. Claims for 2015-16 must be filed by November 30, 2016, to ensure funding. As a reminder, these claims require submittal to and certification by the County Office before submittal to the CDE.

### **Healthy Workplaces, Healthy Families Act of 2014**

AB 1522 (Chapter 317/Statutes 2014) was approved on September 10, 2014. The bill provides that an employee who, on or after July 1, 2015, works in California for 30 or more days within a year from the commencement of employment is entitled to paid sick days for prescribed purposes, to be accrued at no less than one hour for every 30 hours worked. An employee may use accrued sick days beginning on the 90th day of employment. This bill authorizes an employer to limit an employee's use of paid sick days to 24 hours or three days in each year of employment.

### **Reporting Requirements of the Affordable Care Act**

Because of the Affordable Care Act (ACA) of 2010, the IRS has introduced the Form 1095-C and the Form 1094-C. Employers with 50 or more full-time equivalent employees must complete these forms to comply with ACA requirements in 2015. The 1095-C is the form covering Employer-Provided Health Insurance Offer and Coverage. The 1094-C is the transmittal form containing all the aggregate employee data from the 1095-C.

Employers with 50 or more full-time employees must file the Form 1095-C for every full-time employee for the 2015 tax reporting year. Similar to the W-2, the IRS requires the 1095-C be **furnished to each full-time employee by March 31, 2016 (extended from January 31, 2016)**. This form must be completed for all employees who were full-time for any month of the calendar year 2015.

Districts must file the Form 1095-C and 1094-C with the IRS **no later than May 31, 2016, or by June 30, 2016, if filed electronically (extended from February 29, 2016 or March 31, 2016)**. Districts must file the forms electronically if you file over 250 information returns.

For additional information regarding the IRS Forms 1095-C and 1094-C please refer to Informational Bulletin No. 4233, dated November 6, 2015, issued by the Division of School Financial Services, which is available on our website:

[www.lacoe.edu/Bulletins.aspx](http://www.lacoe.edu/Bulletins.aspx)



**UPDATED ASSUMPTION GUIDELINES FOR SECOND INTERIM  
PROJECTIONS FOR FISCAL YEARS 2015-16 THROUGH 2018-19**

Assumptions must be submitted to support data for the 2015-16 and two subsequent years. The guidelines stated below are provided to assist you with projections for fiscal years 2016-17, 2017-18, and 2018-19.

<b>LCFF REVENUE</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
Statutory COLA / Net Funded COLA	1.02%	0.47%	2.13%	2.65%
Gap Funding <sup>1</sup>	51.97%	49.08%	45.34%	6.15%
<b>SPECIAL EDUCATION AND CATEGORICAL PROGRAMS</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
COLA for Special Ed and Other Categorical Programs Outside of LCFF (on state and local share only)	1.02%	0.47%	2.13%	2.65%
<b>LOTTERY REVENUE<sup>2</sup></b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
Unrestricted	\$140.00/ADA	\$140.00/ADA	\$140.00/ADA	\$140.00/ADA
Restricted for Instructional Materials	<u>41.00/ADA</u>	<u>41.00/ADA</u>	<u>41.00/ADA</u>	<u>41.00/ADA</u>
Total Lottery Revenue	\$181.00/ADA	\$181.00/ADA	\$181.00/ADA	\$181.00/ADA
<b>OTHER FACTORS</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
CalSTRS Employer Rates	10.73%	12.58%	14.43%	16.28%
CalPERS Employer Rates	11.847%	13.05%	16.60%	18.20%
Interest Rate for 10-year Treasuries	2.21%	2.40%	2.75%	2.80%
California Consumer Price Index (CPI)	1.90%	2.22%	2.52%	2.62%
Other Expenses (4000s – 6000s)	2014-15+CPI	2015-16+CPI	2016-17+CPI	2017-18+CPI

<sup>1</sup> There is no statutory requirement to provide Gap funding in any year, when projecting LCF increases in the “out years it is recommended that districts assign, reserve or otherwise set-aside any projected increase in LCFF revenues as a result of Gap funding or at least have a contingency plan in place if anticipated revenues do not materialize

<sup>2</sup> Lottery funding is based on actual ADA (e.g., excluding excused absences), multiplied by a statewide excused absence rate of 1.04446. For 2009-10 through 2014-15, 2007-08 ADA is used for Adult Education and ROC/Ps. **No additional lottery funding provided for Adult Education and ROC/P’s ADA beginning in 2015-16.**

**San Marino Unified School District  
2016-17 POTENTIAL BUDGET REDUCTIONS**

	A	B	C	D	E	F	G	H	I	J	K
1	Site	Action	Positions	FTE	Salary Cost 1xxx	Statutory Benefits 3xxx	Health Benefits 34xx	Materials 4xxx	Op. Svcs 5xxx	Equipment 6xxx	Total
2	Elementary	Adjust class sizes and offerings based on loss of one-time funding and enrollment levels	Teachers	5.00	\$300,000	\$48,240	\$60,000				\$408,240
3	Middle School	Adjust class sizes and offerings based on loss of one-time funding and enrollment levels	Teachers	3.00	\$180,000	\$28,944	\$36,000				\$244,944
4	High School	Adjust class sizes and offerings based on loss of one-time funding and enrollment levels	Teachers	2.00	\$120,000	\$19,296	\$24,000				\$163,296
5		<b>TOTAL</b>		<b>10.00</b>	<b>\$600,000</b>	<b>\$96,480</b>	<b>\$120,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$816,480</b>
6	Various	Reduce book and supplies, operating services and equipment budgets		N/A	N/A	N/A	N/A	\$90,000	\$300,000	\$850,000	\$1,240,000
7		<b>TOTAL</b>		<b>10.00</b>	<b>\$600,000</b>	<b>\$96,480</b>	<b>\$120,000</b>	<b>\$90,000</b>	<b>\$300,000</b>	<b>\$850,000</b>	<b>\$2,056,480</b>

**SAN MARINO UNIFIED SCHOOL DISTRICT  
2015-16 LINE ITEM BUDGET SUMMARY and LONG RANGE FINANCIAL PROJECTION - Second Interim**

*Line Item Detail  
Bd Mtg 03-08-16*

	A	L	M	N	O	P	Q	R	S	T	U	V	W	X
		Unaudited Actuals 2014-15	Unrestricted	Special Education	Restricted	Second Interim Projections 2015-16	Unrestricted	Special Education	Restricted	Projected 2016-17	Unrestricted	Special Education	Restricted	Projected 2017-18
1														
2														
3	Projected P2 Average Daily Attendance (ADA)	3,054.86	2,974.25	80.61		3,054.86	2,974.25	80.61		3,054.86	2,974.25	80.61		3,054.86
4	Plus Annual Non-Public School (NPS) ADA	9.27		9.27		9.27		9.27		9.27		9.27		9.27
5	Plus Los Angeles County ADA	9.79	9.79			9.79	9.79			9.79	9.79			9.79
6	<b>Total Projected ADA</b>	<b>3,073.92</b>	<b>2,984.04</b>	<b>89.88</b>	<b>-</b>	<b>3,073.92</b>	<b>2,984.04</b>	<b>89.88</b>	<b>-</b>	<b>3,073.92</b>	<b>2,984.04</b>	<b>89.88</b>	<b>-</b>	<b>3,073.92</b>
7														
8	<b>CBEDS Enrollment Projection</b>													
			SMUSD	NPS			SMUSD	NPS			SMUSD	NPS		
9	Grades K - 3	727	772	1		773	772	1		773	772	1		773
10	Grades 4 - 6	693	632	1		633	632	1		633	632	1		633
11	Grades 7 - 8	528	523	1		524	523	1		524	523	1		524
12	Grades 9 - 12	1,194	1,200	6		1,206	1,200	6		1,206	1,200	6		1,206
13	<b>Total CBEDS Enrollment Projection</b>	<b>3,142</b>	<b>3,127</b>	<b>9</b>	<b>-</b>	<b>3,136</b>	<b>3,127</b>	<b>9</b>	<b>-</b>	<b>3,136</b>	<b>3,127</b>	<b>9</b>	<b>-</b>	<b>3,136</b>
14														
15	Unduplicated ELL, Free/Reduced & Foster Youth Count	467	502			502	502			502	502			502
16	<b>Percent over CBEDS</b>	<b>14.86%</b>	<b>16.01%</b>			<b>16.01%</b>	<b>16.01%</b>			<b>16.01%</b>	<b>16.01%</b>			<b>16.01%</b>
17														
18	<b>Projected Funded Average Daily Attendance (ADA)</b>		Proj. P2 ADA - Regular	Proj. P2 ADA - Special Ed	Proj. NPS/ County ADA - Annual		Proj. P2 ADA - Regular	Proj. P2 ADA - Special Ed	Proj. NPS/ County ADA - Annual		Proj. P2 ADA - Regular	Proj. P2 ADA - Special Ed	Proj. NPS/ County ADA - Annual	
19	Grades K - 3	707.34	686.99	19.22	1.11	707.32	686.99	19.22	1.11	707.32	686.99	19.22	1.11	707.32
20	Grades 4 - 6	677.31	651.88	24.43	0.97	677.28	651.88	24.43	0.97	677.28	651.88	24.43	0.97	677.28
21	Grades 7 - 8	515.29	498.86	15.47	0.93	515.26	498.86	15.47	0.93	515.26	498.86	15.47	0.93	515.26
22	Grades 9 - 12	1,174.42	1,136.52	21.49	16.05	1,174.06	1,136.52	21.49	16.05	1,174.06	1,136.52	21.49	16.05	1,174.06
23	<b>Total Funded ADA Projection</b>	<b>3,074.36</b>	<b>2,974.25</b>	<b>80.61</b>	<b>19.06</b>	<b>3,073.92</b>	<b>2,974.25</b>	<b>80.61</b>	<b>19.06</b>	<b>3,073.92</b>	<b>2,974.25</b>	<b>80.61</b>	<b>19.06</b>	<b>3,073.92</b>
24														
25	Projected COLA	0.850%	1.020%			1.020%	0.470%			0.470%	2.130%			2.130%
26														
27	<b>Projected Base Grant</b>		PY Base	COLA			PY Base	COLA			PY Base	COLA		
28	Grades K - 3	7,011.00	7,011.00	72.00		7,083.00	7,083.00	33.00		7,116.00	7,116.00	178.00		7,294.00
29	Grades 4 - 6	7,116.00	7,116.00	73.00		7,189.00	7,189.00	34.00		7,223.00	7,223.00	181.00		7,404.00
30	Grades 7 - 8	7,328.00	7,328.00	75.00		7,403.00	7,403.00	35.00		7,438.00	7,438.00	187.00		7,625.00
31	Grades 9 - 12	8,491.00	8,491.00	87.00		8,578.00	8,578.00	40.00		8,618.00	8,618.00	216.00		8,834.00
32														
33	<b>TARGET BASE GRANT</b>													
34	Grades K - 3	4,959,161	5,009,948			5,009,948	5,033,289			5,033,289	5,159,192			5,159,192
35	Grades 4 - 6	4,819,738	4,868,966			4,868,966	4,891,993			4,891,993	5,014,581			5,014,581
36	Grades 7 - 8	3,776,045	3,814,470			3,814,470	3,832,504			3,832,504	3,928,858			3,928,858
37	Grades 9 - 12	9,972,000	10,071,087			10,071,087	10,118,049			10,118,049	10,371,646			10,371,646
38	<b>TARGET - Base Grant</b>	<b>23,526,944</b>	<b>23,764,471</b>			<b>23,764,471</b>	<b>23,875,835</b>			<b>23,875,835</b>	<b>24,474,277</b>			<b>24,474,277</b>
39														
40	<b>TARGET GRADE SPAN ADJUSTMENTS</b>													
41	K - 3 Augmentation (Target Base Grant x 10.4%) (\$729)	515,753	521,035			521,035	523,417			523,417	542,514			542,514
42	9 - 12 Augmentation (Target Base Grant x 2.60%) (\$221)	259,272	261,848			261,848	262,989			262,989	272,382			272,382
43	<b>TARGET - Augmentation Grants</b>	<b>775,025</b>	<b>782,883</b>			<b>782,883</b>	<b>786,406</b>			<b>786,406</b>	<b>814,896</b>			<b>814,896</b>
44														
45	<b>TARGET SUPPLEMENTAL GRANT</b>													
46	Target Base + Target Augmentation Grant x 20%	4,860,394	4,909,471			4,909,471	4,932,448			4,932,448	5,057,835			5,057,835
47	Unduplicated Count Percentage - Average	14.86%	15.24%			15.24%	15.63%			15.63%	16.01%			16.01%
48	<b>TARGET - Supplemental Grant</b>	<b>722,255</b>	<b>748,203</b>			<b>748,203</b>	<b>770,942</b>			<b>770,942</b>	<b>809,759</b>			<b>809,759</b>
49														
50	<b>TARGET TRANSPORTATION &amp; TIIG GRANTS</b>													
51	Transportation Grant	27,727	27,727			27,727	27,727			27,727	27,727			27,727
52	TIIG Grant	161,924	161,924			161,924	161,924			161,924	161,924			161,924
53	<b>TARGET - Transportation/TIIG Grants</b>	<b>189,651</b>	<b>189,651</b>			<b>189,651</b>	<b>189,651</b>			<b>189,651</b>	<b>189,651</b>			<b>189,651</b>
54	<b>TARGET - LCFF FUNDING</b>	<b>25,213,875</b>	<b>25,485,208</b>			<b>25,485,208</b>	<b>25,622,834</b>			<b>25,622,834</b>	<b>26,288,583</b>			<b>26,288,583</b>
55														

**SAN MARINO UNIFIED SCHOOL DISTRICT  
2015-16 LINE ITEM BUDGET SUMMARY and LONG RANGE FINANCIAL PROJECTION - Second Interim**

*Line Item Detail  
Bd Mtg 03-08-16*

	A	L	M	N	O	P	Q	R	S	T	U	V	W	X
		Unaudited Actuals 2014-15	Unrestricted	Special Education	Restricted	Second Interim Projections 2015-16	Unrestricted	Special Education	Restricted	Projected 2016-17	Unrestricted	Special Education	Restricted	Projected 2017-18
1														
2														
56	<b>HOLD HARMLESS CALCULATION</b>													
57	Prior-Prior Year Revenue Limit/LCFF Funding per ADA	5,300.62	5,561.40			5,561.40	6,181.30			6,181.30	6,963.72			6,963.72
58	Prior Year Gap Funding	260.78	619.90			619.90	782.42			782.42	386.24			386.24
59	Hold Harmless Revenue Limit per ADA	5,561.40	6,181.30			6,181.30	6,963.72			6,963.72	7,349.96			7,349.96
60	Current Year Funded ADA	3,074.36	3,073.92			3,073.92	3,073.92			3,073.92	3,073.92			3,073.92
61	<b>Hold Harmless Revenue Limit/LCFF Funding</b>	<b>17,097,753</b>	<b>19,000,822</b>			<b>19,000,822</b>	<b>21,405,918</b>			<b>21,405,918</b>	<b>22,593,189</b>			<b>22,593,189</b>
62														
63	<b>GAP FUNDING</b>													
64	TARGET - LCFF FUNDING	25,213,875	25,485,208			25,485,208	25,622,834			25,622,834	26,288,583			26,288,583
65	Hold Harmless - Revenue Limit/LCFF Funding	(17,097,753)	(19,000,822)			(19,000,822)	(21,405,918)			(21,405,918)	(22,593,189)			(22,593,189)
66	Hold Harmless - Categorical Funding	(1,797,885)	(1,797,885)			(1,797,885)	(1,797,885)			(1,797,885)	(1,797,885)			(1,797,885)
67	<b>Difference</b>	<b>6,318,237</b>	<b>4,686,501</b>			<b>4,686,501</b>	<b>2,419,031</b>			<b>2,419,031</b>	<b>1,897,509</b>			<b>1,897,509</b>
68	GAP Funding Percentage	30.16%	51.97%			51.97%	49.08%			49.08%	45.34%			45.34%
69	<b>GAP FUNDING</b>	<b>1,905,580</b>	<b>2,435,575</b>			<b>2,435,575</b>	<b>1,187,260</b>			<b>1,187,260</b>	<b>860,331</b>			<b>860,331</b>
70														
71	<b>LCFF Funding</b>													
72	Hold Harmless - PY Funded RL/ADA x CY ADA	17,097,753	19,000,822			19,000,822	21,405,918			21,405,918	22,593,189			22,593,189
73	Hold Harmless - 12/13 Categorical Programs	1,797,885	1,797,885			1,797,885	1,797,885			1,797,885	1,797,885			1,797,885
74	GAP Funding (Target LCFF less Hold Harmless x %)	1,905,580	2,435,575			2,435,575	1,187,260			1,187,260	860,331			860,331
75	<b>TOTAL LCFF FUNDING</b>	<b>20,801,218</b>	<b>23,234,282</b>			<b>23,234,282</b>	<b>24,391,063</b>			<b>24,391,063</b>	<b>25,251,405</b>			<b>25,251,405</b>
76														
77	<b>Informational Only</b>													
78	Property Taxes	10,977,620	11,979,357			11,979,357	11,979,357			11,979,357	11,979,357			11,979,357
79	EPA (Educational Protection Act)	4,361,653	4,086,155			4,086,155	4,086,155			4,086,155	-			-
80	State Aid	5,461,945	7,168,770			7,168,770	8,325,551			8,325,551	13,272,048			13,272,048
81	<b>Total Funded Revenue Limit/LCFF</b>	<b>20,801,218</b>	<b>23,234,282</b>			<b>23,234,282</b>	<b>24,391,063</b>			<b>24,391,063</b>	<b>25,251,405</b>			<b>25,251,405</b>
82														
83	<b>LCAP Proportionality Percentage Calculation (Informational Only)</b>													
84	Current Year LCFF Funding	20,801,218				23,234,282				24,391,063				25,251,405
85	Transportation and TIIG Funding	189,651				189,651				189,651				189,651
86	Supplemental Concentration Grant at Target	722,255				748,203				770,942				809,759
87	Prior Year Funds spent on Unduplicated Students	110,654				295,113				530,584				648,552
88	Difference	611,601				453,090				240,358				161,207
89	<b>Funded portion of Increase in Supplemental Grant</b>	<b>184,459</b>				<b>235,471</b>				<b>117,968</b>				<b>73,091</b>
90	<b>Total Funding for Unduplicated Students</b>	<b>295,113</b>				<b>530,584</b>				<b>648,552</b>				<b>721,643</b>
91	Current Year Funding Available for all Students	20,316,454				22,514,047				23,552,860				24,340,111
92	<b>Proportionality Percentage for Unduplicated Students</b>	<b>1.45%</b>				<b>2.36%</b>				<b>2.75%</b>				<b>2.96%</b>
93														
94	<b>Projected Federal Income</b>													
95	Title I	163,022				159,399				159,399				159,399
96	Title I - PY Carryover	64,315				-				-				-
97	Special Ed - Local Assistance	508,009			501,397	501,397		501,397		501,397		501,397		501,397
98	Special Ed - Federal Preschool	6,319			6,319	6,319		6,319		6,319		6,319		6,319
99	Special Ed - Preschool Local Entitlement	17,446			17,446	17,446		17,446		17,446		17,446		17,446
100	Special Ed - Mental Health Funding	33,130			34,302	34,302		34,302		34,302		34,302		34,302
101	Special Ed - Preschool Staff Development	74			94	94		94		94		94		94
102	Title II - Teacher Quality	61,443				61,119			61,119	61,119			61,119	61,119
103	Title III - Immigrant Education Program	23,930				7,089				-				-
104	Title III - Limited English Proficiency Program	21,268				36,312			36,312	36,312			36,312	36,312
105	<b>TOTAL PROJECTED FEDERAL REVENUE</b>	<b>898,956</b>			<b>559,558</b>	<b>263,919</b>		<b>559,558</b>	<b>256,830</b>	<b>816,388</b>		<b>559,558</b>	<b>256,830</b>	<b>816,388</b>
106														

**SAN MARINO UNIFIED SCHOOL DISTRICT  
2015-16 LINE ITEM BUDGET SUMMARY and LONG RANGE FINANCIAL PROJECTION - Second Interim**

*Line Item Detail  
Bd Mtg 03-08-16*

	A	L	M	N	O	P	Q	R	S	T	U	V	W	X
		Unaudited Actuals 2014-15	Unrestricted	Special Education	Restricted	Second Interim Projections 2015-16	Unrestricted	Special Education	Restricted	Projected 2016-17	Unrestricted	Special Education	Restricted	Projected 2017-18
1														
2														
107	<b>Projected Other State Revenue</b>													
108	Lottery Revenue	542,262	438,673		128,469	567,142	438,673		128,469	567,142	438,673		128,469	567,142
109	Mandate Block Grant	322,149	119,193			119,193	119,193			119,193	119,193			119,193
110	Misc. State Income	2,068	9,952			9,952				-				-
111	Discretionary One-Time Funding	-	1,621,754	-		1,621,754		-		-		-		-
112	Prop 39 - Clean Energy Act	-				-				-				-
113	Educator Effectiveness Grant (one-time)	-			270,691	270,691				-				-
114	Special Ed - State Preschool Grant	-				-				-				-
115	Special Ed - Mental Health Funding	175,540		179,209		179,209		179,209		179,209	179,209			179,209
116	<b>TOTAL PROJECTED OTHER STATE REVENUE</b>	<b>1,042,019</b>	<b>2,189,572</b>	<b>179,209</b>	<b>399,160</b>	<b>2,767,941</b>	<b>557,866</b>	<b>179,209</b>	<b>128,469</b>	<b>865,544</b>	<b>557,866</b>	<b>179,209</b>	<b>128,469</b>	<b>865,544</b>
117														
118	<b>Projected Other Local Revenue</b>													
119	Special Education - Master Plan	1,597,079		1,621,083		1,621,083		1,621,083		1,621,083		1,621,083		1,621,083
120	SELPA Reimbursement (Regional Programs)	888,884		850,000		850,000		850,000		850,000		850,000		850,000
122	<b>Subtotal - Special Education Funds</b>	<b>2,485,963</b>	<b>-</b>	<b>2,471,083</b>	<b>-</b>	<b>2,471,083</b>	<b>-</b>	<b>2,471,083</b>	<b>-</b>	<b>2,471,083</b>	<b>-</b>	<b>2,471,083</b>	<b>-</b>	<b>2,471,083</b>
123														
124	ROP Classroom Allocation	251,250	154,856			154,856		-		-				-
125	ROP Counselor Allocation	51,762	-			-		-		-				-
126	ROP Lottery Allocation	15,629	-			-		-		-				-
127	ROP Support Allocation	68,498	-			-		-		-				-
128	<b>Subtotal - ROP Funds</b>	<b>387,139</b>	<b>154,856</b>	<b>-</b>	<b>-</b>	<b>154,856</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
129														
130	Parcel Tax Revenue - Measure E (2021)	3,953,572	3,912,783			3,912,783	4,000,000			4,000,000	4,075,000			4,075,000
131	Parcel Tax Revenue - Measure R (2019)	1,541,261	1,522,480			1,522,480	1,625,000			1,625,000	1,675,000			1,675,000
132	<b>Subtotal - Parcel Tax Funds</b>	<b>5,494,833</b>	<b>5,435,263</b>	<b>-</b>	<b>-</b>	<b>5,435,263</b>	<b>5,625,000</b>	<b>-</b>	<b>-</b>	<b>5,625,000</b>	<b>5,750,000</b>	<b>-</b>	<b>-</b>	<b>5,750,000</b>
133														
134	SMSF Annual Campaign	1,000,000	1,000,000			1,000,000	1,000,000			1,000,000	1,000,000			1,000,000
135	SMSF Excess Funds	1,507,289	1,129,111			1,129,111	1,000,000			1,000,000	1,000,000			1,000,000
136	<b>Subtotal - SMSF Funds</b>	<b>2,507,289</b>	<b>2,129,111</b>	<b>-</b>	<b>-</b>	<b>2,129,111</b>	<b>2,000,000</b>	<b>-</b>	<b>-</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>-</b>	<b>-</b>	<b>2,000,000</b>
137														
138	Misc. Local Income - Donations	533,545	57,979		268,000	325,979				-				-
139	Misc. Local Income - W/C JPA Distribution	1,122,265	500,187			500,187				-	9,727			9,727
140	Misc. Local Income - GASB 45 PARS Distribution	-	32,889			32,889	29,913			29,913	9,727			9,727
141	Misc. Local Income - PT Affiliates	120,000				-				-				-
142	Misc. Local Income - ASB Transfers	694,208			341,561	341,561				-				-
143	Reimbursements - Curriculum Lab	12,593			15,000	15,000			15,000	15,000			15,000	15,000
145	Reimbursements - Talent Bank	115,427			87,661	87,661			87,661	87,661			87,661	87,661
146	Reimbursements - PTA Council (Curr Lab)	16,702			17,215	17,215			17,215	17,215			17,215	17,215
147	Reimbursements - SMSF Elementary Music	109,851			41,352	41,352			41,352	41,352			41,352	41,352
148	Reimbursements - Carver PTA	217,312			345,104	345,104			345,104	345,104			345,104	345,104
149	Reimbursements - Carver Enrichment	8,047				-				-				-
150	Reimbursements - Valentine PTA	258,765			307,877	307,877			307,877	307,877			307,877	307,877
151	Reimbursements - Huntington PTA	76,390			195,116	195,116			195,116	195,116			195,116	195,116
152	Reimbursements - Huntington ASB	3,868			380	380			380	380			380	380
153	Reimbursements - SMHS PTA	88,804			28,950	28,950			28,950	28,950			28,950	28,950
154	Reimbursements - SMHS ASB	22,041				-				-				-
155	Reimbursements - SMSF Major Gifts	-			13,969	13,969				-				-
156	<b>Subtotal - Donations, Reimbursements &amp; Distributions</b>	<b>3,399,818</b>	<b>591,055</b>	<b>-</b>	<b>1,662,185</b>	<b>2,253,240</b>	<b>29,913</b>	<b>-</b>	<b>1,038,655</b>	<b>1,068,568</b>	<b>19,454</b>	<b>-</b>	<b>1,038,655</b>	<b>1,058,109</b>
157														
158	Use of Facilities Rental Income	278,595	300,000			300,000	350,000			350,000	350,000			350,000
159	Interest Earnings	34,354	35,000			35,000	35,000			35,000	35,000			35,000
160	<b>Subtotal - Miscellaneous Income</b>	<b>312,949</b>	<b>335,000</b>	<b>-</b>	<b>-</b>	<b>335,000</b>	<b>385,000</b>	<b>-</b>	<b>-</b>	<b>385,000</b>	<b>385,000</b>	<b>-</b>	<b>-</b>	<b>385,000</b>
161	<b>TOTAL PROJECTED OTHER LOCAL REVENUE</b>	<b>14,587,991</b>	<b>8,645,285</b>	<b>2,471,083</b>	<b>1,662,185</b>	<b>12,778,553</b>	<b>8,039,913</b>	<b>2,471,083</b>	<b>1,038,655</b>	<b>11,549,651</b>	<b>8,154,454</b>	<b>2,471,083</b>	<b>1,038,655</b>	<b>11,664,192</b>
162	<b>TOTAL PROJECTED REVENUE</b>	<b>37,330,184</b>	<b>34,069,139</b>	<b>3,209,850</b>	<b>2,325,264</b>	<b>39,604,253</b>	<b>32,988,842</b>	<b>3,209,850</b>	<b>1,423,954</b>	<b>37,622,646</b>	<b>33,963,725</b>	<b>3,209,850</b>	<b>1,423,954</b>	<b>38,597,529</b>
163														

**SAN MARINO UNIFIED SCHOOL DISTRICT  
2015-16 LINE ITEM BUDGET SUMMARY and LONG RANGE FINANCIAL PROJECTION - Second Interim**

*Line Item Detail  
Bd Mtg 03-08-16*

	A	L	M	N	O	P	Q	R	S	T	U	V	W	X
		Unaudited Actuals 2014-15	Unrestricted	Special Education	Restricted	Second Interim Projections 2015-16	Unrestricted	Special Education	Restricted	Projected 2016-17	Unrestricted	Special Education	Restricted	Projected 2017-18
1														
2														
164	<b>Projected Expenditures</b>													
165	Certificated Salaries	16,283,774	14,648,616	2,348,431	372,199	17,369,246	14,648,616	2,348,431	365,110	17,362,157	14,278,616	2,378,431	365,110	17,022,157
166	Certificated Step/Column	-	-	-	-	-	230,000	30,000	-	260,000	230,000	30,000	-	260,000
167	Certificated Adjustments	-	-	-	-	-	(600,000)	-	-	(600,000)	-	-	-	-
168	Classified Salaries	8,039,749	5,571,238	1,912,447	1,167,475	8,651,160	5,571,238	1,895,029	1,153,506	8,619,773	5,691,238	1,925,029	1,163,506	8,779,773
169	Classified Step/Column	-	-	-	-	-	120,000	30,000	10,000	160,000	120,000	30,000	10,000	160,000
170	Classified Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-
171	Employee Benefits	6,582,040	5,789,406	1,410,879	427,466	7,627,751	6,101,288	1,410,879	427,466	7,939,633	6,822,735	1,420,879	429,466	8,673,080
172	Employee Benefits related to Step/Column	-	-	-	-	-	60,000	10,000	2,000	72,000	60,000	10,000	2,000	72,000
173	Employee Benefit Adjustments	-	-	-	-	-	(216,480)	-	-	(216,480)	-	-	-	-
174	Increase in STRS/PERS Rates	-	311,882	-	-	311,882	408,597	-	-	408,597	594,995	-	-	594,995
175	Increase in Health & Welfare Cost (District Share)	-	-	-	-	-	469,330	-	-	469,330	TBD	-	-	-
176	Book and Supplies	2,237,362	1,315,351	28,591	1,120,472	2,464,414	975,424	28,591	503,017	1,507,032	975,424	28,591	503,017	1,507,032
177	Operating Services	5,123,795	2,902,528	665,607	1,103,507	4,671,642	2,402,528	665,607	604,348	3,672,483	2,402,528	665,607	604,348	3,672,483
178	Equipment	3,762,914	1,273,704	-	600,045	1,873,749	423,704	-	12,714	436,418	-	-	12,714	12,714
179	Other Outgo	242,816	15,500	75,000	-	90,500	-	75,000	-	75,000	-	75,000	-	75,000
180	Indirect Support	-	(56,113)	21,210	34,903	-	(56,113)	21,210	34,903	-	(56,113)	21,210	34,903	-
181	<b>TOTAL EXPENDITURES</b>	<b>42,272,450</b>	<b>31,772,112</b>	<b>6,462,165</b>	<b>4,826,067</b>	<b>43,060,344</b>	<b>30,538,132</b>	<b>6,514,747</b>	<b>3,113,064</b>	<b>40,165,943</b>	<b>31,119,423</b>	<b>6,584,747</b>	<b>3,125,064</b>	<b>40,829,234</b>
182														
183	<b>Excess/(Deficiency) of Revenue over Expenditures</b>	<b>(4,942,266)</b>	<b>2,297,027</b>	<b>(3,252,315)</b>	<b>(2,500,803)</b>	<b>(3,456,091)</b>	<b>2,450,710</b>	<b>(3,304,897)</b>	<b>(1,689,110)</b>	<b>(2,543,297)</b>	<b>2,844,302</b>	<b>(3,374,897)</b>	<b>(1,701,110)</b>	<b>(2,231,705)</b>
184														
185	<b>Other Financing Sources/Uses</b>													
186	Transfer in from Health & Welfare Fund	522,290	176,542	-	-	176,542	-	-	-	-	-	-	-	-
187	Transfer to Health & Welfare Fund	(2,680)	(168,823)	-	-	(168,823)	-	-	-	-	-	-	-	-
188	Transfer in from Capital Projects Fund	173,415	-	-	-	-	-	-	-	-	-	-	-	-
189	Transfer in from Cash Flow Fund	-	795,000	-	-	795,000	2,538,000	-	-	2,538,000	2,423,996	-	-	2,423,996
190	Transfer in from Cash Flow Fund	-	905,000	-	-	905,000	-	-	-	-	-	-	-	-
191	Transfer to Capital Projects Fund	(15,125)	(15,500)	-	-	(15,500)	(15,500)	-	-	(15,500)	(15,500)	-	-	(15,500)
192	Transfer to Deferred Maintenance Fund	-	-	-	-	-	-	-	-	-	-	-	-	-
193	Contribution to Special Education	-	(3,234,897)	3,234,897	-	-	(3,304,897)	3,304,897	-	-	(3,374,897)	3,374,897	-	-
194	Contribution to Maintenance & Operations	-	(1,677,110)	-	1,677,110	-	(1,689,110)	1,689,110	-	-	(1,701,110)	1,701,110	-	-
195	<b>TOTAL OTHER SOURCES/(USES)</b>	<b>677,900</b>	<b>(3,219,788)</b>	<b>3,234,897</b>	<b>1,677,110</b>	<b>1,692,219</b>	<b>(2,471,507)</b>	<b>3,304,897</b>	<b>1,689,110</b>	<b>2,522,500</b>	<b>(2,667,511)</b>	<b>3,374,897</b>	<b>1,701,110</b>	<b>2,408,496</b>
196														
197	<b>Net Increase/(Decrease) in Fund Balance</b>	<b>(4,264,366)</b>	<b>(922,761)</b>	<b>(17,418)</b>	<b>(823,693)</b>	<b>(1,763,872)</b>	<b>(20,797)</b>	<b>-</b>	<b>-</b>	<b>(20,797)</b>	<b>176,791</b>	<b>-</b>	<b>-</b>	<b>176,791</b>
198														
199	<b>Projected Beginning Balance July 1</b>	<b>7,982,059</b>	<b>2,426,569</b>	<b>139,964</b>	<b>1,151,160</b>	<b>3,717,693</b>	<b>1,503,808</b>	<b>122,546</b>	<b>327,467</b>	<b>1,953,821</b>	<b>1,483,011</b>	<b>122,546</b>	<b>327,467</b>	<b>1,933,024</b>
200	<b>Restatement</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
201														
202	<b>Projected Ending Balance June 30</b>	<b>3,717,693</b>	<b>1,503,808</b>	<b>122,546</b>	<b>327,467</b>	<b>1,953,821</b>	<b>1,483,011</b>	<b>122,546</b>	<b>327,467</b>	<b>1,933,024</b>	<b>1,659,802</b>	<b>122,546</b>	<b>327,467</b>	<b>2,109,815</b>
203														
204	<b>Components of Ending Fund Balance</b>													
205	<b>Designated for Economic Uncertainties Percentage</b>	<b>4.00%</b>	<b>3.00%</b>			<b>3.00%</b>	<b>3.00%</b>			<b>3.00%</b>	<b>3.00%</b>			<b>3.00%</b>
206	Designated for Economic Uncertainties - 5%	1,705,158	1,313,034	-	-	1,313,034	1,224,324	-	-	1,224,324	1,248,114	-	-	1,248,114
207	Assigned for Carryover - School Site Donations	1,504,053	-	-	245,433	245,433	-	-	245,433	245,433	-	-	245,433	245,433
208	Assigned for Carryover - Mental Health Program	139,964	-	122,546	-	122,546	-	122,546	-	122,546	-	122,546	-	122,546
209	Assigned for Carryover - Prop 39 Clean Air Act	82,034	-	-	82,034	82,034	-	-	82,034	82,034	-	-	82,034	82,034
210	Assigned for Carryover - Common Core Program	-	-	-	-	-	-	-	-	-	-	-	-	-
211	Assigned for Carryover - Future Year	-	-	-	-	-	-	-	-	-	-	-	-	-
212	Assigned for Carryover - Zillgitt Donation	-	88,113	-	-	88,113	38,058	-	-	38,058	-	-	-	-
213	Assigned Balance - H&W Transfer	168,823	-	-	-	-	-	-	-	-	-	-	-	-
214	Assigned Balance - GAP Funding 13/14	-	-	-	-	-	-	-	-	-	-	-	-	-
215	Assigned Balance - Supplemental Grant	-	-	-	-	-	117,968	-	-	117,968	309,027	-	-	309,027
216	Revolving Fund	100,000	100,000	-	-	100,000	100,000	-	-	100,000	100,000	-	-	100,000
217	Talent Bank Revolving Fund	15,000	-	-	-	-	-	-	-	-	-	-	-	-
218	Warehouse Stores	2,661	2,661	-	-	2,661	2,661	-	-	2,661	2,661	-	-	2,661
220	<b>Unappropriated Amount</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**SAN MARINO UNIFIED SCHOOL DISTRICT  
2015-16 LINE ITEM BUDGET SUMMARY and  
LONG RANGE FINANCIAL PROJECTION - Second Interim**

Bd Mtg 03-08-16

	A	L	P	T	X
		Unaudited Actuals 2014-15	Second Interim Projections 2015-16	Projected 2016-17	Projected 2017-18
1					
2					
3	Projected P2 Average Daily Attendance (ADA)	3,054.86	3,054.86	3,054.86	3,054.86
4	Plus Annual Non-Public School (NPS) ADA	9.27	9.27	9.27	9.27
5	Plus Los Angeles County ADA	9.79	9.79	9.79	9.79
6	<b>Total Projected ADA</b>	<b>3,073.92</b>	<b>3,073.92</b>	<b>3,073.92</b>	<b>3,073.92</b>
7					
8	<b><u>CBEDS Enrollment Projection</u></b>				
9	Grades K - 3	727	773	773	773
10	Grades 4 - 6	693	633	633	633
11	Grades 7 - 8	528	524	524	524
12	Grades 9 - 12	1,194	1,206	1,206	1,206
13	<b>Total CBEDS Enrollment Projection</b>	<b>3,142</b>	<b>3,136</b>	<b>3,136</b>	<b>3,136</b>
14					
15	Unduplicated ELL, Free/Reduced & Foster Youth Count	467	502	502	502
16	<b>Percent over CBEDS</b>	<b>14.86%</b>	<b>16.01%</b>	<b>16.01%</b>	<b>16.01%</b>
17					
18	<b><u>Projected Funded Average Daily Attendance (ADA)</u></b>				
19	Grades K - 3	707.34	707.32	707.32	707.32
20	Grades 4 - 6	677.31	677.28	677.28	677.28
21	Grades 7 - 8	515.29	515.26	515.26	515.26
22	Grades 9 - 12	1,174.42	1,174.06	1,174.06	1,174.06
23	<b>Total Funded ADA Projection</b>	<b>3,074.36</b>	<b>3,073.92</b>	<b>3,073.92</b>	<b>3,073.92</b>
24					
25	Projected COLA	<b>0.850%</b>	<b>1.020%</b>	<b>0.470%</b>	<b>2.130%</b>
26					
27	<b><u>Projected Base Grant</u></b>				
28	Grades K - 3	7,011.00	7,083.00	7,116.00	7,294.00
29	Grades 4 - 6	7,116.00	7,189.00	7,223.00	7,404.00
30	Grades 7 - 8	7,328.00	7,403.00	7,438.00	7,625.00
31	Grades 9 - 12	8,491.00	8,578.00	8,618.00	8,834.00
32					
33	<b>TARGET BASE GRANT</b>				
34	Grades K - 3	4,959,161	5,009,948	5,033,289	5,159,192
35	Grades 4 - 6	4,819,738	4,868,966	4,891,993	5,014,581
36	Grades 7 - 8	3,776,045	3,814,470	3,832,504	3,928,858
37	Grades 9 - 12	9,972,000	10,071,087	10,118,049	10,371,646
38	<b>TARGET - Base Grant</b>	<b>23,526,944</b>	<b>23,764,471</b>	<b>23,875,835</b>	<b>24,474,277</b>
39					
40	<b>TARGET GRADE SPAN ADJUSTMENTS</b>				
41	K - 3 Augmentation (Target Base Grant x 10.4%) (\$729)	515,753	521,035	523,417	542,514
42	9 - 12 Augmentation (Target Base Grant x 2.60%) (\$221)	259,272	261,848	262,989	272,382
43	<b>TARGET - Augmentation Grants</b>	<b>775,025</b>	<b>782,883</b>	<b>786,406</b>	<b>814,896</b>
44					
45	<b>TARGET SUPPLEMENTAL GRANT</b>				
46	Target Base + Target Augmentation Grant x 20%	4,860,394	4,909,471	4,932,448	5,057,835
47	Unduplicated Count Percentage - Average	14.86%	15.24%	15.63%	16.01%
48	<b>TARGET - Supplemental Grant</b>	<b>722,255</b>	<b>748,203</b>	<b>770,942</b>	<b>809,759</b>
49					
50	<b>TARGET TRANSPORTATION &amp; TIIG GRANTS</b>				
51	Transportation Grant	27,727	27,727	27,727	27,727
52	TIIG Grant	161,924	161,924	161,924	161,924
53	<b>TARGET - Transportation/TIIG Grants</b>	<b>189,651</b>	<b>189,651</b>	<b>189,651</b>	<b>189,651</b>
54	<b>TARGET - LCFF FUNDING</b>	<b>25,213,875</b>	<b>25,485,208</b>	<b>25,622,834</b>	<b>26,288,583</b>
55					

**SAN MARINO UNIFIED SCHOOL DISTRICT  
2015-16 LINE ITEM BUDGET SUMMARY and  
LONG RANGE FINANCIAL PROJECTION - Second Interim**

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	A	L	P	T	X
		Unaudited Actuals 2014-15	Second Interim Projections 2015-16	Projected 2016-17	Projected 2017-18
1					
2					
56	<b>HOLD HARMLESS CALCULATION</b>				
57	Prior-Prior Year Revenue Limit/LCFF Funding per ADA	5,300.62	5,561.40	6,181.30	6,963.72
58	Prior Year Gap Funding	260.78	619.90	782.42	386.24
59	Hold Harmless Revenue Limit per ADA	<b>5,561.40</b>	<b>6,181.30</b>	<b>6,963.72</b>	<b>7,349.96</b>
60	Current Year Funded ADA	3,074.36	3,073.92	3,073.92	3,073.92
61	<b>Hold Harmless Revenue Limit/LCFF Funding</b>	<b>17,097,753</b>	<b>19,000,822</b>	<b>21,405,918</b>	<b>22,593,189</b>
62					
63	<b>GAP FUNDING</b>				
64	TARGET - LCFF FUNDING	25,213,875	25,485,208	25,622,834	26,288,583
65	Hold Harmless - Revenue Limit/LCFF Funding	(17,097,753)	(19,000,822)	(21,405,918)	(22,593,189)
66	Hold Harmless - Categorical Funding	(1,797,885)	(1,797,885)	(1,797,885)	(1,797,885)
67	<b>Difference</b>	<b>6,318,237</b>	<b>4,686,501</b>	<b>2,419,031</b>	<b>1,897,509</b>
68	GAP Funding Percentage	30.16%	51.97%	49.08%	45.34%
69	<b>GAP FUNDING</b>	<b>1,905,580</b>	<b>2,435,575</b>	<b>1,187,260</b>	<b>860,331</b>
70					
71	<b>LCFF Funding</b>				
72	Hold Harmless - PY Funded RL/ADA x CY ADA	17,097,753	19,000,822	21,405,918	22,593,189
73	Hold Harmless - 12/13 Categorical Programs	1,797,885	1,797,885	1,797,885	1,797,885
74	GAP Funding (Target LCFF less Hold Harmless x %)	1,905,580	2,435,575	1,187,260	860,331
75	<b>TOTAL LCFF FUNDING</b>	<b>20,801,218</b>	<b>23,234,282</b>	<b>24,391,063</b>	<b>25,251,405</b>
76					
77	<b>Informational Only</b>				
78	Property Taxes	10,977,620	11,979,357	11,979,357	11,979,357
79	EPA (Educational Protection Act)	4,361,653	4,086,155	4,086,155	-
80	State Aid	5,461,945	7,168,770	8,325,551	13,272,048
81	<b>Total Funded Revenue Limit/LCFF</b>	<b>20,801,218</b>	<b>23,234,282</b>	<b>24,391,063</b>	<b>25,251,405</b>
82					
83	<b>LCAP Proportionality Percentage Calculation (Informational Only)</b>				
84	Current Year LCFF Funding	20,801,218	23,234,282	24,391,063	25,251,405
85	Transportation and TIIG Funding	189,651	189,651	189,651	189,651
86	Supplemental Concentration Grant at Target	722,255	748,203	770,942	809,759
87	Prior Year Funds spent on Unduplicated Students	110,654	295,113	530,584	648,552
88	Difference	611,601	453,090	240,358	161,207
89	<b>Funded portion of Increase in Supplemental Grant</b>	<b>184,459</b>	<b>235,471</b>	<b>117,968</b>	<b>73,091</b>
90	<b>Total Funding for Unduplicated Students</b>	<b>295,113</b>	<b>530,584</b>	<b>648,552</b>	<b>721,643</b>
91	Current Year Funding Available for all Students	20,316,454	22,514,047	23,552,860	24,340,111
92	<b>Proportionality Percentage for Unduplicated Students</b>	<b>1.45%</b>	<b>2.36%</b>	<b>2.75%</b>	<b>2.96%</b>
93					
94	<b>Projected Federal Income</b>				
95	Title I	163,022	159,399	159,399	159,399
96	Title I - PY Carryover	64,315	-	-	-
97	Special Ed - Local Assistance	508,009	501,397	501,397	501,397
98	Special Ed - Federal Preschool	6,319	6,319	6,319	6,319
99	Special Ed - Preschool Local Entitlement	17,446	17,446	17,446	17,446
100	Special Ed - Mental Health Funding	33,130	34,302	34,302	34,302
101	Special Ed - Preschool Staff Development	74	94	94	94
102	Title II - Teacher Quality	61,443	61,119	61,119	61,119
103	Title III - Immigrant Education Program	23,930	7,089	-	-
104	Title III - Limited English Proficiency Program	21,268	36,312	36,312	36,312
105	<b>TOTAL PROJECTED FEDERAL REVENUE</b>	<b>898,956</b>	<b>823,477</b>	<b>816,388</b>	<b>816,388</b>
106					



**SAN MARINO UNIFIED SCHOOL DISTRICT  
2015-16 LINE ITEM BUDGET SUMMARY and  
LONG RANGE FINANCIAL PROJECTION - Second Interim**

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	A	L	P	T	X
		Unaudited Actuals 2014-15	Second Interim Projections 2015-16	Projected 2016-17	Projected 2017-18
1					
2					
107	<b>Projected Other State Revenue</b>				
108	Lottery Revenue	542,262	567,142	567,142	567,142
109	Mandate Block Grant	322,149	119,193	119,193	119,193
110	Misc. State Income	2,068	9,952	-	-
111	Discretionary One-Time Funding	-	1,621,754	-	-
112	Prop 39 - Clean Energy Act	-	-	-	-
113	Educator Effectiveness Grant (one-time)	-	270,691	-	-
114	Special Ed - State Preschool Grant	-	-	-	-
115	Special Ed - Mental Health Funding	175,540	179,209	179,209	179,209
116	<b>TOTAL PROJECTED OTHER STATE REVENUE</b>	<b>1,042,019</b>	<b>2,767,941</b>	<b>865,544</b>	<b>865,544</b>
117					
118	<b>Projected Other Local Revenue</b>				
119	Special Education - Master Plan	1,597,079	1,621,083	1,621,083	1,621,083
120	SELPA Reimbursement (Regional Programs)	888,884	850,000	850,000	850,000
122	<b>Subtotal - Special Education Funds</b>	<b>2,485,963</b>	<b>2,471,083</b>	<b>2,471,083</b>	<b>2,471,083</b>
123					
124	ROP Classroom Allocation	251,250	154,856	-	-
125	ROP Counselor Allocation	51,762	-	-	-
126	ROP Lottery Allocation	15,629	-	-	-
127	ROP Support Allocation	68,498	-	-	-
128	<b>Subtotal - ROP Funds</b>	<b>387,139</b>	<b>154,856</b>	<b>-</b>	<b>-</b>
129					
130	Parcel Tax Revenue - Measure E (2021)	3,953,572	3,912,783	4,000,000	4,075,000
131	Parcel Tax Revenue - Measure R (2019)	1,541,261	1,522,480	1,625,000	1,675,000
132	<b>Subtotal - Parcel Tax Funds</b>	<b>5,494,833</b>	<b>5,435,263</b>	<b>5,625,000</b>	<b>5,750,000</b>
133					
134	SMSF Annual Campaign	1,000,000	1,000,000	1,000,000	1,000,000
135	SMSF Excess Funds	1,507,289	1,129,111	1,000,000	1,000,000
136	<b>Subtotal - SMSF Funds</b>	<b>2,507,289</b>	<b>2,129,111</b>	<b>2,000,000</b>	<b>2,000,000</b>
137					
138	Misc. Local Income - Donations	533,545	325,979	-	-
139	Misc. Local Income - W/C JPA Distribution	1,122,265	500,187	-	9,727
140	Misc. Local Income - GASB 45 PARS Distribution	-	32,889	29,913	9,727
141	Misc. Local Income - PT Affiliates	120,000	-	-	-
142	Misc. Local Income - ASB Transfers	694,208	341,561	-	-
143	Reimbursements - Curriculum Lab	12,593	15,000	15,000	15,000
145	Reimbursements - Talent Bank	115,427	87,661	87,661	87,661
146	Reimbursements - PTA Council (Curr Lab)	16,702	17,215	17,215	17,215
147	Reimbursements - SMSF Elementary Music	109,851	41,352	41,352	41,352
148	Reimbursements - Carver PTA	217,312	345,104	345,104	345,104
149	Reimbursements - Carver Enrichment	8,047	-	-	-
150	Reimbursements - Valentine PTA	258,765	307,877	307,877	307,877
151	Reimbursements - Huntington PTA	76,390	195,116	195,116	195,116
152	Reimbursements - Huntington ASB	3,868	380	380	380
153	Reimbursements - SMHS PTA	88,804	28,950	28,950	28,950
154	Reimbursements - SMHS ASB	22,041	-	-	-
155	Reimbursements - SMSF Major Gifts	-	13,969	-	-
156	<b>Subtotal - Donations, Reimbursements &amp; Distributions</b>	<b>3,399,818</b>	<b>2,253,240</b>	<b>1,068,568</b>	<b>1,058,109</b>
157					
158	Use of Facilities Rental Income	278,595	300,000	350,000	350,000
159	Interest Earnings	34,354	35,000	35,000	35,000
160	<b>Subtotal - Miscellaneous Income</b>	<b>312,949</b>	<b>335,000</b>	<b>385,000</b>	<b>385,000</b>
161	<b>TOTAL PROJECTED OTHER LOCAL REVENUE</b>	<b>14,587,991</b>	<b>12,778,553</b>	<b>11,549,651</b>	<b>11,664,192</b>
162	<b>TOTAL PROJECTED REVENUE</b>	<b>37,330,184</b>	<b>39,604,253</b>	<b>37,622,646</b>	<b>38,597,529</b>
163					

**SAN MARINO UNIFIED SCHOOL DISTRICT  
2015-16 LINE ITEM BUDGET SUMMARY and  
LONG RANGE FINANCIAL PROJECTION - Second Interim**

Bd Mtg 03-08-16

	A	L	P	T	X
		Unaudited Actuals 2014-15	Second Interim Projections 2015-16	Projected 2016-17	Projected 2017-18
1					
2					
164	<b>Projected Expenditures</b>				
165	Certificated Salaries	16,283,774	17,369,246	17,362,157	17,022,157
166	Certificated Step/Column	-	-	260,000	260,000
167	Certificated Adjustments	-	-	(600,000)	-
168	Classified Salaries	8,039,749	8,651,160	8,619,773	8,779,773
169	Classified Step/Column	-	-	160,000	160,000
170	Classified Adjustments	-	-	-	-
171	Employee Benefits	6,582,040	7,627,751	7,939,633	8,673,080
172	Employee Benefits related to Step/Column	-	-	72,000	72,000
173	Employee Benefit Adjustments	-	-	(216,480)	-
174	Increase in STRS/PERS Rates	-	311,882	408,597	594,995
175	Increase in Health & Welfare Cost (District Share)	-	-	469,330	-
176	Book and Supplies	2,237,362	2,464,414	1,507,032	1,507,032
177	Operating Services	5,123,795	4,671,642	3,672,483	3,672,483
178	Equipment	3,762,914	1,873,749	436,418	12,714
179	Other Outgo	242,816	90,500	75,000	75,000
180	Indirect Support	-	-	-	-
181	<b>TOTAL EXPENDITURES</b>	<b>42,272,450</b>	<b>43,060,344</b>	<b>40,165,943</b>	<b>40,829,234</b>
182					
183	<b>Excess/(Deficiency) of Revenue over Expenditures</b>	<b>(4,942,266)</b>	<b>(3,456,091)</b>	<b>(2,543,297)</b>	<b>(2,231,705)</b>
184					
185	<b>Other Financing Sources/Uses</b>				
186	Transfer in from Health & Welfare Fund	522,290	176,542	-	-
187	Transfer to Health & Welfare Fund	(2,680)	(168,823)	-	-
188	Transfer in from Capital Projects Fund	173,415	-	-	-
189	Transfer in from Cash Flow Fund	-	795,000	2,538,000	2,423,996
190	Transfer in from Cash Flow Fund	-	905,000	-	-
191	Transfer to Capital Projects Fund	(15,125)	(15,500)	(15,500)	(15,500)
192	Transfer to Deferred Maintenance Fund	-	-	-	-
193	Contribution to Special Education	-	-	-	-
194	Contribution to Maintenance & Operations	-	-	-	-
195	<b>TOTAL OTHER SOURCES/(USES)</b>	<b>677,900</b>	<b>1,692,219</b>	<b>2,522,500</b>	<b>2,408,496</b>
196					
197	<b>Net Increase/(Decrease) in Fund Balance</b>	<b>(4,264,366)</b>	<b>(1,763,872)</b>	<b>(20,797)</b>	<b>176,791</b>
198					
199	<b>Projected Beginning Balance July 1</b>	<b>7,982,059</b>	<b>3,717,693</b>	<b>1,953,821</b>	<b>1,933,024</b>
200	<b>Restatement</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
201					
202	<b>Projected Ending Balance June 30</b>	<b>3,717,693</b>	<b>1,953,821</b>	<b>1,933,024</b>	<b>2,109,815</b>
203					
204	<b>Components of Ending Fund Balance</b>				
205	<b>Designated for Economic Uncertainties Percentage</b>	<b>4.00%</b>	<b>3.00%</b>	<b>3.00%</b>	<b>3.00%</b>
206	Designated for Economic Uncertainties - 5%	1,705,158	1,313,034	1,224,324	1,248,114
207	Assigned for Carryover - School Site Donations	1,504,053	245,433	245,433	245,433
208	Assigned for Carryover - Mental Health Program	139,964	122,546	122,546	122,546
209	Assigned for Carryover - Prop 39 Clean Air Act	82,034	82,034	82,034	82,034
210	Assigned for Carryover - Common Core Program	-	-	-	-
211	Assigned for Carryover - Future Year	-	-	-	-
212	Assigned for Carryover - Zillgitt Donation	-	88,113	38,058	-
213	Assigned Balance - H&W Transfer	168,823	-	-	-
214	Assigned Balance - GAP Funding 13/14	-	-	-	-
215	Assigned Balance - Supplemental Grant	-	-	117,968	309,027
216	Revolving Fund	100,000	100,000	100,000	100,000
217	Talent Bank Revolving Fund	15,000	-	-	-
218	Warehouse Stores	2,661	2,661	2,661	2,661
220	<b>Unappropriated Amount</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

SAN MARINO UNIFIED SCHOOL DISTRICT  
2015-16 Summary by Fund - Second Interim

Bd Mtg: 03-08-16

	Unrestricted	Restricted	Fund 01.0 COMBINED GENERAL FUND	Fund 13.0 Food Services	Fund 14.0 Deferred Maintenance	Fund 17.0 Health & Welfare Reserve	Fund 17.2 Cash Flow	Fund 25.0 Capital Facilities	Fund 40.0 Capital Projects & Impr.	Fund 51.0 Bond Interest & Redemption	Total
											SUMMARY ALL FUNDS
<b>Balance July 1, 2015</b>	<b>2,426,569</b>	<b>1,291,124</b>	<b>3,717,693</b>	<b>26,972</b>	<b>1,968,570</b>	<b>8,258</b>	<b>7,363,806</b>	<b>920,126</b>	<b>145,838</b>	<b>4,062,014</b>	<b>18,213,277</b>
<b>Revenues</b>											
State Revenues (LCFF)	23,234,282	-	23,234,282	-	-	-	-	-	-	-	23,234,282
Federal Revenue	-	823,477	823,477	95,000	-	-	-	-	-	-	918,477
Other State Revenue	2,189,572	578,369	2,767,941	6,000	-	-	-	-	-	-	2,773,941
Other Local Revenue	8,645,285	4,133,268	12,778,553	771,000	10,000	1,000	25,000	103,353	2,246,061	4,307,168	20,242,135
<b>Total Revenues</b>	<b>34,069,139</b>	<b>5,535,114</b>	<b>39,604,253</b>	<b>872,000</b>	<b>10,000</b>	<b>1,000</b>	<b>25,000</b>	<b>103,353</b>	<b>2,246,061</b>	<b>4,307,168</b>	<b>47,168,835</b>
<b>Expenditures</b>											
Certificated Salaries	14,648,616	2,720,630	17,369,246	-	-	-	-	-	-	-	17,369,246
Classified Salaries	5,571,238	3,079,922	8,651,160	461,992	-	-	-	-	-	-	9,113,152
Employee Benefits	6,101,288	1,838,345	7,939,633	124,150	-	-	-	-	-	-	8,063,783
Supplies	1,315,351	1,149,063	2,464,414	323,636	-	-	-	14,022	-	-	2,802,072
Operating Services	2,902,528	1,769,114	4,671,642	(32,831)	136,406	-	-	50,620	537,200	-	5,363,037
Capital Outlay/Equipment	1,273,704	600,045	1,873,749	-	1,425,609	-	-	50,000	370,199	-	3,719,557
Other Outgo	15,500	75,000	90,500	-	-	-	-	-	-	4,318,844	4,409,344
Indirect Support	(56,113)	56,113	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>31,772,112</b>	<b>11,288,232</b>	<b>43,060,344</b>	<b>876,947</b>	<b>1,562,015</b>	<b>-</b>	<b>-</b>	<b>114,642</b>	<b>907,399</b>	<b>4,318,844</b>	<b>50,840,191</b>
<b>Other Financing Sources/Uses</b>	<b>(3,219,788)</b>	<b>4,912,007</b>	<b>1,692,219</b>	<b>-</b>	<b>-</b>	<b>(7,719)</b>	<b>(1,700,000)</b>	<b>-</b>	<b>15,500</b>	<b>-</b>	<b>-</b>
<b>Net Incr/Decr in Fund Balance</b>	<b>(922,761)</b>	<b>(841,111)</b>	<b>(1,763,872)</b>	<b>(4,947)</b>	<b>(1,552,015)</b>	<b>(6,719)</b>	<b>(1,675,000)</b>	<b>(11,289)</b>	<b>1,354,162</b>	<b>(11,676)</b>	<b>(3,671,356)</b>
<b>Projected Balance June 30, 2016</b>	<b>1,503,808</b>	<b>450,013</b>	<b>1,953,821</b>	<b>22,025</b>	<b>416,555</b>	<b>1,539</b>	<b>5,688,806</b>	<b>908,837</b>	<b>1,500,000</b>	<b>4,050,338</b>	<b>14,541,921</b>
<b>Components of Ending Fund Balance:</b>											
Revolving Cash	100,000	-	100,000	612	-	-	-	-	-	-	100,612
Talent Bank	-	-	-	-	-	-	-	-	-	-	-
Stores	2,661	-	2,661	12,977	-	-	-	-	-	-	15,638
Assigned for Food Svc Operations	-	-	-	8,436	-	-	-	-	-	-	8,436
Assigned for Def. Maint. Projects	-	-	-	-	416,555	-	-	-	-	-	416,555
Assigned for H&W Increase	-	-	-	-	-	1,539	-	-	-	-	1,539
Assigned for Cash Flow	-	-	-	-	-	-	5,688,806	-	-	-	5,688,806
Assigned for Capital Projects-Athletic Center	-	-	-	-	-	-	-	-	1,500,000	-	1,500,000
Assigned for Capital Projects-Misc.	-	-	-	-	-	-	-	908,837	-	-	908,837
Assigned for Econ. Uncertainties	1,313,034	-	1,313,034	-	-	-	-	-	-	-	1,313,034
Assigned for Carryover	88,113	450,013	538,126	-	-	-	-	-	-	-	538,126
Assigned for Bond Int. & Redemption	-	-	-	-	-	-	-	-	-	4,050,338	4,050,338
<b>Unappropriated Amount</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>