

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: June 6, 2011

BOARD MEETING DATE: June 16, 2011

PREPARED BY: Delores Perley, Director of Finance
Eric R. Dill, Assoc Supt., Business Services

SUBMITTED BY: Ken Noah
Superintendent

SUBJECT: ADOPTION OF 2011-12 DISTRICT BUDGET/
GENERAL FUND

EXECUTIVE SUMMARY

The 2011-2012 Annual Budget is presented for adoption. As we informed the Board of Trustees, current estimates have been included since June 2, 2011 meeting, resulting in minor changes overall.

General Fund

Revenue

The Board will notice an overall decrease in revenue from 2010-11 to 2011-12. The primary reasons for this are:

- Loss of one-time Federal stimulus funds
- Gifts & Donations in Local Income are booked as revenue is received

There are increases in some areas:

- Property Tax revenue shows a slight increase as we begin to see property values level off, although funding remains lower than 4 years ago
- Tier III revenue has increased due to a cap on the "Fair Share" reduction. The reduction is limited to the amount of excess taxes

Encroachment

Encroachment into the unrestricted general fund is up for the following reasons:

- The loss of one-time IDEA stimulus funds.
- Step Increases and increases in benefit costs in Special Education, Home-to-School Transportation, Special Education Transportation, and Routine Restricted Maintenance

Expenditures

Considerable progress has been made to reduce expenditures. It is difficult to make a direct comparison between unrestricted and restricted expenses between 2010-11 and 2011-12 due to the shifting of expenses from restricted Federal Stimulus funds to the unrestricted General Fund.

- Staffing reductions have offset the cost of step, column, and longevity increases.
- Benefit costs continue to rise, specifically in health insurance, unemployment insurance, and PERS contribution rates.
- Books and supplies savings derive from cuts to site and department budgets as well as the removal of donation carryover until the amounts are determined at year end.
- Services and operating expenses are down due to cuts to department budgets and additional solar-related utility savings.
- Capital Outlay was slightly higher in 2010-11 due to use of one-time Federal stimulus / IDEA funds specifically directed at capital purchases.
- Restricted programs with carry-over balances will have a commensurate increase in expenditures posted and included in the Fall Revision Budget Report. This amount is currently estimated at \$1M.

Fund Balance Reserves

Despite the progress made in reducing expenditures, the loss of revenue reflected in the budget has resulted in an increased deficit. The District will need to use its General Fund reserves to cover this gap.

The Proposed Budget meets and exceeds the 4.5% Board recommended reserve and maintains the Basic Aid Reserve.

Multi-Year Projection

This summary of the unrestricted portion of the Multi Year Projection (MYP) is included for your review and consideration.

Unrestricted Only	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>
Total Revenue	70,939,555	73,998,790	76,114,479
Total Expenditures (Includes Est. Unspent)	75,501,273	77,148,710	77,457,044
Difference + or (-)	(4,561,718)	(3,149,920)	(1,342,565)
Beginning Balance	12,486,648	7,924,930	4,775,010
Ending Balance	7,924,930	4,775,010	3,432,445
Reserve @ 3%			
General Fund Only	Met	Met	Met
General Fund & SpecResv	Met	Met	Met

Assumptions include:

2011-12

- District continues as Basic Aid
- Slight acceleration in property tax growth (.5%)
- COLA's and deficits as projected by School Services of California
- Certificated and classified staffing reduced
- Step and column costs reduced; benefits costs increased
- Slight increase in Tier III funds from prior year
- Elimination of one-time stimulus funding
- Increases to encroachment

2012-13 & 2013-14

- District continues as Basic Aid
- Property tax increases as California Consumer Price Index increases
- Average Daily Attendance relatively flat
- COLA's and deficits as projected by School Services of California
- Continued reduction in funding for Basic Aid "Fair Share"
- Site formula budgets to remain static
- Reduction in Mental Health expenses as funding is provided and/or costs are reduced
- Use of Basic Aid Reserve to cover deficits

With the above assumptions, the District projects that it will be able to meet its financial obligations for the next three years.

Special Funds

The proposed budgets for all 2011-12 special funds of the district are presented to the Board for approval. All special funds are unchanged from the tentative budgets presented to the Board on June 2, 2011.

Special funds for the district are as follows:

Adult Education Fund	(11-00)
Cafeteria Fund.....	(13-00)
Deferred Maintenance.....	(14-00)
Pupil Transportation Equipment Fund	(15-00)
Special Reserve Fund Other than Capital Outlay	(17-42)
Other Building Fund.....	(21-09)
Capital Facilities Funds	(25-18 & 25-19)
County School Facilities Fund	(35-00)
Special Reserve Fund for Capital Outlay Projects.....	(40-00)
Capital Project Fund (for Mello Roos Projects).....	(49-00)
Self Insurance Funds.....	(67-16, 67-17 & 67-30)

Supporting Documentation

Documents included for this agenda item include:

- Budget Spreadsheet for “General Fund Revenue & Expenditures – 2011-12 Proposed Budget”
- Multi-Year Projection for General Fund Revenue and Expenditures
- Cashflow Projection for the General Fund
- Special Funds – Overview; a brief description of each fund
- Special Funds – Balance Summary; summary spreadsheet for the proposed Special Funds Budget
- Printouts from the Standardized Account Code Structure (SACS)
State requirements dictate certain documents be included as backup to the budget adoption agenda item. Included in this backup is a certification page which includes a summary of Criteria and Standards Review. Each standard is determined to be “Met” or “Not Met” or answered “Yes/No”. Where standards are not met, explanations are provided for the discrepancies. Most of the standards which have not been met are due to revenue & expense variances related to the new solar projects and with district-wide expenditure reductions. Printouts from the Standardized Account Code Structure (SACS) software are included, as required.

RECOMMENDATION:

- A. It is recommended that the Board conduct a public hearing to take testimony and discuss the 2011-2012 Annual Budget / General Fund & Special Funds.
- B. Following the public hearing, it is recommended that the Board adopt the proposed 2011-2012 Annual Budget / General Fund & Special Funds, as shown in the attached supplements.

FUNDING SOURCE:

Not applicable.

Attachments

General Fund Revenue & Expenditures - 2011-2012 Proposed Budget

	2010-11 Spring Revision			2011-2012 Proposed Budget			Change
	UNRESTRICTED	RESTRICTED	TOTAL	UNRESTRICTED	RESTRICTED	TOTAL	
PROJECTED INCOME							
Revenue Limit / Property Tax	75,976,104	1,572,181	77,548,285	76,473,115	1,468,012	77,941,127	392,842
Federal Income	727,343	6,631,404	7,358,747	744,649	2,970,222	3,714,871	(3,643,876)
Other State Income	3,053,226	1,685,501	4,738,727	4,160,328	1,564,625	5,724,953	986,226
Local Income	2,330,260	5,728,149	8,058,409	1,540,100	5,752,798	7,292,898	(765,511)
Transfers	458,573	67,200	525,773	0	0	0	(525,773)
Encroachment	(10,945,927)	10,945,927	0	(11,978,637)	11,978,637	0	0
TOTAL PROJECTED INCOME	71,599,579	26,630,362	98,229,941	70,939,555	23,734,294	94,673,849	(3,556,092)
PROJECTED EXPENDITURES							
Certificated Salaries	39,206,121	9,581,236	48,787,357	40,775,658	7,771,043	48,546,701	(240,656)
Classified Salaries	10,083,639	5,901,682	15,985,321	9,757,230	6,076,174	15,833,404	(151,917)
Benefits	14,172,662	4,646,238	18,818,900	15,040,142	4,728,849	19,768,991	950,091
Books & Supplies	3,447,064	2,590,660	6,037,724	1,899,649	1,193,234	3,092,883	(2,944,841)
Services & Operating Expenses	7,108,209	3,746,578	10,854,787	6,727,540	3,637,343	10,364,883	(489,904)
Capital Outlay	126,319	83,920	210,239	111,100	0	111,100	(99,139)
Other Outgo	1,136,612	423,037	1,559,649	1,189,954	326,285	1,516,239	(43,410)
Categorical	0	0	0	0	0	0	0
TOTAL PROJECTED EXPENDITURES	75,280,626	26,973,351	102,253,977	75,501,273	23,732,928	99,234,201	(3,019,776)
Estimated Unspent	0	0	0	0	0	0	0
Expenditures (over/under) Revenue	(3,681,047)	(342,989)	(4,024,036)	(4,561,718)	1,366	(4,560,352)	(536,316)
FUND BALANCE, RESERVES:							
Beginning Balance - July 1	16,167,695	359,476	16,527,171	12,486,648	16,487	12,503,135	(4,024,036)
Audit Adjustment	0	0	0			0	0
Adjusted Beginning Balance	16,167,695	359,476	16,527,171	12,486,648	16,487	12,503,135	(4,024,036)
Projected Ending Balance - June 30	12,486,648	16,487	12,503,135	7,924,930	17,853	7,942,783	(4,560,352)
COMPONENTS OF THE ENDING BALANCE:							
Nonspendable:							
Revolving Cash Fund 9130	50,000		50,000	50,000		50,000	0
Stores Inventory 9320	1,144		1,144	1,144		1,144	0
Restricted:							
Reserve for categorical programs		16,487	16,487		17,853	17,853	1,366
Assigned:							
Basic Aid Reserve (3.0%)	3,067,619		3,067,619	2,977,026		2,977,026	(90,593)
Other Commitments	275,000		275,000	275,000		275,000	0
Unassigned:							
Recommended Min Reserve (4.5%)	4,601,429		4,601,429	4,465,539		4,465,539	(135,890)
Total Components	7,995,192	16,487	8,011,679	7,768,709	17,853	7,786,562	(225,117)
RESERVE FOR ECONOMIC UNCERTAINTIES	4,491,456 4.39%	0 0.00%	4,491,456 4.39%	156,221 0.16%	0 0.00%	156,221 0.16%	(4,335,235) -4.24%

REVENUE LIMIT SOURCES

Object	Resource	2010-11 Spring Revision			2011-2012 Proposed Budget			Change
		UNRESTRICTED	RESTRICTED	TOTAL	UNRESTRICTED	RESTRICTED	TOTAL	
8011	STATE AID	(38,534)		(38,534)	(22,848)		(22,848)	15,686
8021	HOMEOWNERS' EXEMPTION	764,117		764,117	767,938		767,938	3,821
8041	SECURED TAXES	72,794,680		72,794,680	73,158,653		73,158,653	363,973
8041	SECURED TAXES (Prev. SERAF)	0		0	966,789		966,789	966,789
8042	UNSECURED TAXES	2,692,203		2,692,203	2,705,664		2,705,664	13,461
8043	PRIOR YEAR TAXES	(1,990)		(1,990)	(1,990)		(1,990)	0
8046	SUPPL ED REV AUGMENT FUNDS(SERAF)	961,979		961,979	0		0	(961,979)
8047	COMMUNITY REDEVELOPMENT FUNDS	11,675		11,675	11,675		11,675	0
8082	OTHER TAXES	500		500	500		500	0
8089	50% RECAPTURE, OTHER TAXES	(250)		(250)	(250)		(250)	0
8091	SPECIAL ED ADA	(1,200,000)	1,200,000	0	(1,100,000)	1,100,000	0	0
8096	XFER TO CHT SCH INLIEU PROP TX	(8,276)	0	(8,276)	(13,016)		(13,016)	(4,740)
8097	SPECIAL ED EXCESS TAX		372,181	372,181		368,012	368,012	(4,169)
	TOTAL-REVENUE LIMIT SOURCES	75,976,104	1,572,181	77,548,285	76,473,115	1,468,012	77,941,127	392,842

FEDERAL INCOME

Object	Resource		2010-11 Spring Revision			2011-2012 Proposed Budget			Change
			UNRESTRICTED	RESTRICTED	TOTAL	UNRESTRICTED	RESTRICTED	TOTAL	
8290 006	0000 012		718,233		718,233	736,649		736,649	18,416
8290-000	0000-024		9,110		9,110	8,000		8,000	
8290 000	3010 000			541,183	541,183		488,603	488,603	(52,580)
8290 001	3010 000	D		61,931	61,931		0	0	(61,931)
8290 002	3010 000	P		99,517	99,517		0	0	(99,517)
8290 000	3011 000			0	0		0	0	0
8290 001	3011 000	D		1,113	1,113		0	0	(1,113)
8290 002	3011 000	P		110,118	110,118		0	0	(110,118)
8290 000	3200 000			643,684	643,684		0	0	(643,684)
8290 000	3205 000			2,413,491	2,413,491		0	0	(2,413,491)
8181 000	3310 000			1,795,135	1,795,135		1,806,127	1,806,127	10,992
8181 000	3311 000			103,487	103,487		103,487	103,487	0
8181 002	3313 000	P		116,965	116,965		0	0	(116,965)
8181 002	3314 000	P		57,720	57,720		0	0	(57,720)
8290 000	3410 000			196,416	196,416		196,416	196,416	0
8290 000	3550 001			89,542	89,542		89,542	89,542	0
8290 000	3550 002			6,711	6,711		6,711	6,711	0
8290 000	4035 000			224,668	224,668		183,019	183,019	(41,649)
8290 002	4035 000	P		12,072	12,072		0	0	(12,072)
8290 002	4036 000	P		1,962	1,962		0	0	(1,962)
8290 000	4045 000			4,292	4,292		4,292	4,292	0
8290 002	4045 000			4,434	4,434		0	0	(4,434)
8290 000	4047-000	D		9,969	9,969		0	0	(9,969)
8290 001	4110 000	D		126	126		0	0	(126)
8290 002	4110 000	P		64	64		0	0	(64)
8290 000	4201 000			41,475	41,475		41,325	41,325	(150)
8290 001	4201 000	D		0	0		0	0	0
8290 002	4201 000	P		24,477	24,477		0	0	(24,477)
8290 000	4203 000			69,372	69,372		50,700	50,700	(18,672)
8290 002	4203 000	P		1,480	1,480		0	0	(1,480)
			727,343	6,631,404	7,358,747	744,649	2,970,222	3,714,871	(3,643,876)

P PRIOR YEAR
D DEFERRED

OTHER STATE INCOME

Object	Resource	09-10 FLEX RES/ CODE		2010-11 Spring Revision			2011-2012 Proposed Budget			Change
				UNRESTRICTED	RESTRICTED	TOTAL	UNRESTRICTED	RESTRICTED	TOTAL	
8590 000	0000 000		HOURLY PROGRAMS	0		0	610,351		610,351	610,351
8590 005	0000 000		BASIC AID FAIR SHARE	0		0	(4,368,491)		(4,368,491)	(4,368,491)
8590 007	0000 000		ROP TIER III	217,054		217,054	99,116		99,116	(117,938)
8590 006	0000 012		CA SOLAR INITIATIVE REBATE	388,364		388,364	929,353		929,353	540,989
8590 000	0000 024		AP FEE REIMB PROG	0		0	6,000		6,000	6,000
8550 000	0425 000		MANDATED COST REIMBURSEMENT	433,886		433,886	0		0	(433,886)
8590 000	0426 000		SPED MANDATED COST BUYOUT (10/11 - 10 of 10y	43,260		43,260	0		0	(43,260)
8590 000	0800 000		CATEGORICAL FLEXIBILITY	632,994		632,994	0		0	(632,994)
8590 000	0900 XXX		CATEGORICAL FLEXIBILITY	0		0	5,551,999		5,551,999	5,551,999
8560 000	1100 000		LOTTERY	1,320,000		1,320,000	1,332,000		1,332,000	12,000
8560-002	1100 000		LOTTERY	17,668		17,668	0		0	(17,668)
8590 000	6286 000		ENGLISH LANGUAGE LEARNER		0	0		0	0	0
8560 000	6300 000		LOTTERY INSTRUCTIONAL MATERIALS		156,000	156,000		210,000	210,000	54,000
8560 002	6300 000	P	LOTTERY INSTRUCTIONAL MATERIALS		12,020	12,020		0	0	(12,020)
8590 002	6378 000		CAL HEALTH SCIENCE CAP BLDG PRJ		3,905	3,905		0	0	(3,905)
8590 000	6378-000	P	CAL HEALTH SCIENCE CAP BLDG PRJ		0	0		0	0	0
8590 000	6405 000	0921 000	SCHOOL SAFETY & VIOLENCE PREVENTION		0	0		0	0	0
8590 000	6500 000		SPECIAL ED CAHSEE		0	0		0	0	0
8590 000	6500 000		SPECIAL EDUCATION		62,887	62,887		62,780	62,780	(107)
8590 000	6520 000		SPED PROJ WORKABILITY		292,190	292,190		292,190	292,190	0
8590 000	6530 000		SPED LOW INCIDENCE		1,521	1,521		1,521	1,521	0
8590 000	6535 000		SPED PERSONNEL STAFF DEV		4,372	4,372		4,372	4,372	0
8590 001	6660 000	D	TUPE/TOBACCO USE PREVENTION ED.		2,532	2,532		0	0	(2,532)
8590 001	6670 005	D	TUPE 9-12 STOP IV		752	752		0	0	(752)
8590 002	6670 005	P	TUPE 9-12 STOP IV		1,064	1,064		0	0	(1,064)
8590 000	6690-000	D	TUPE 6-12 GRANT		224,152	224,152		71,643	71,643	(152,509)
8590 000	6760 000	0922 000	ARTS & MUSIC BLOCK GRANT		0	0		0	0	0
8590 000	7080 000	0924 000	SUPPLEMENTAL SCHOOL COUNSELING PGRM		0	0		0	0	0
8311 000	7090-000		ECONOMIC IMPACT AID		381,848	381,848		381,848	381,848	0
8311 000	7140 000	0926 000	GIFTED AND TALENTED (GATE)		0	0		0	0	0
8590 000	7156 000	0927 000	INSTRUCTIONAL MATERIAL BLOCK GRANT - AB1781		0	0		0	0	0
8311 000	7230 000		TRANSPORTATION - Home to School		482,856	482,856		481,086	481,086	(1,770)
8311 000	7240 000		TRANSPORTATION-Special Education		59,402	59,402		59,185	59,185	(217)
			TOTAL OTHER STATE REVENUE	3,053,226	1,685,501	4,738,727	4,160,328	1,564,625	5,724,953	986,226

D	DEFERRED
P	PRIOR YEAR

LOCAL INCOME

Object	Resource		2010-11 Spring Revision			2011-2012 Proposed Budget			Change
			UNRESTRICTED	RESTRICTED	TOTAL	UNRESTRICTED	RESTRICTED	TOTAL	
8689 050	0000 300	TRANSP FEES-ATHL-TP	115,000		115,000	115,000		115,000	0
8689 100	0000 300	TRANSP FEES-ATHL-LCC	135,000		135,000	125,000		125,000	(10,000)
8689 130	0000 300	TRANSP FEES-ATHL-SDA	50,000		50,000	20,000		20,000	(30,000)
8689 140	0000 300	TRANSP FEES-ATHL-CCA	31,200		31,200	35,000		35,000	3,800
8650 XXX	0000 634/5	M & O FIELD USE	169,924		169,924	100,000		100,000	(69,924)
8699 000	0100 030	22ND AGR DIST NON COOP	84,610		84,610	84,610		84,610	0
8677 004	0100 038	INT/AGY PRIVATE CONTRACTOR	70,000		70,000	50,796		50,796	(19,204)
8689 001	0100 039	OTHER PARKING FINES FEES	10,000		10,000			0	(10,000)
8660 XXX	0100 040	INTEREST	480,000		480,000	400,000		400,000	(80,000)
8631 000	0100 046	SALE OF EQUIPMENT & SUPPLIES	13,894		13,894	10,000		10,000	(3,894)
8631 001	0100 046	SALE OF EQUIPMENT & SUPPLIES	10,200		10,200	0		0	(10,200)
8689 014	0100 047	STUDENT PARKING FEES-CCA	15,000		15,000	14,000		14,000	(1,000)
8689 010	0100 048	STUDENT PARKING FEES-LCC	24,000		24,000	22,000		22,000	(2,000)
8689 013	0100 049	STUDENT PARKING FEES-SDA	13,000		13,000	10,000		10,000	(3,000)
8689 005	0100 050	STUDENT PARKING FEES-TP	29,446		29,446	28,000		28,000	(1,446)
8677 014	0100 051	ADMIN DEV FEES RSF/SB	1,500		1,500	1,500		1,500	0
8650 000	0100 XXX	LEASES AND RENTALS - SITE USE	189,484		189,484	119,194		119,194	(70,290)
8650 001	0100 302	BLDG/FIELD USE DIST WIDE	0		0			0	0
8792 000	6500 000	SPECIAL EDUCATION		3,653,750	3,653,750		3,620,658	3,620,658	(33,092)
8792 003	6500 000	NCCSE SURPLUS DISTRIBUTION		37,893	37,893		0	0	(37,893)
8677 010	6500 004	COASTAL LEARNING ACADEMY		75,000	75,000		100,000	100,000	25,000
8677 000	6500 007	SP ED, NCCSE		125,000	125,000		100,000	100,000	(25,000)
8675 001	7230 002	TRANSPORT.SERVICES PARENT PAY		530,000	530,000		500,000	500,000	(30,000)
8677 005	7230 009	INT/AG REV - OTHER TRANSP		8,000	8,000		8,000	8,000	0
8677 012	7230 009	I/A TRASPORTATION HTS			0		0	0	0
8677 012	7240 002	SP ED, TRANSPORTATION		20,000	20,000		20,000	20,000	0
8699 000	9010 009	SB70 CAREER DEV - 7TH/8TH GRADES		17,869	17,869		16,375	16,375	(1,494)
8677 000	9025 XXX	ROP COUNTY OFFICE		1,254,070	1,254,070		1,486,881	1,486,881	232,811
8677 007	9025 XXX	INT/AG. REV. - ROP TIER III		0	0		(99,116)	(99,116)	(99,116)
8699 XXX	XXXX XXX	OTHER LOCAL INCOME	888,002	6,567	894,569	405,000	0	405,000	(489,569)
		TOTAL LOCAL REVENUE	2,330,260	5,728,149	8,058,409	1,540,100	5,752,798	7,292,898	(765,511)
8919 019	0100 085	TRANSFER FROM CAP. FAC. 25-19	0		0			0	0
8919 011	6285 000	TRANSFER FROM AD ED 11-00 FLEXIBILITY TRANSFER	0		0			0	0
8919 015	7230 000	I/F TRANSFER IN FR TRANSP EQUIP	0	67,200	67,200			0	(67,200)
8919 016	0000 000	I/TRANSF SELF INS FD	458,573		458,573			0	(458,573)
		SUBTOTAL TRANSFERS	458,573	67,200	525,773	0	0	0	(525,773)
8980 000	0000 000	UNRESTRICTED CONTRIBUTIONS	(10,945,927)	0	(10,945,927)	(11,978,637)	0	(11,978,637)	(1,032,710)
8980 000	3550 003	DISTRICT MATCH - PERKINS	0	0	0	0	0	0	0
8980 000	6500 000	CONTRIBUTION TO SPEC. ED. FOR ENCROACHMENT	0	5,064,527	5,064,527	0	5,710,258	5,710,258	645,731
8980 000	6500 009	MENTAL HEALTH SERVICES	0	1,100,000	1,100,000	0	1,100,000	1,100,000	0
8980 000	6520 000	SPEC PROJ. WORKABILITY I LEA	0		0	0	0	0	0
8980 000	7230 000	CONTRIBUTION TO H-T-S TRANSPORTATION	0	43,628	43,628	0	208,387	208,387	164,759
8980 000	7240 000	CONTRIBUTION TO SP. ED. TRANSP. FOR ENCROACH.	0	2,523,603	2,523,603	0	2,688,650	2,688,650	165,047
8980 000	8150 000	CONTRIBUTION TO ROUTINE REPAIR FOR ENCROACH.	0	2,205,048	2,205,048	0	2,271,342	2,271,342	66,294
8980 000	9010 XXX	OTHER LOCAL INCOME	0	9,121	9,121	0	0	0	(9,121)
		SUBTOTAL ENCROACHMENT	(10,945,927)	10,945,927	0	(11,978,637)	11,978,637	0	0
		TOTAL TRANSFERS	(10,487,354)	11,013,127	525,773	(11,978,637)	11,978,637	0	(525,773)
		TOTAL ALL REVENUE W/O TEMP TRSFRS	71,599,579	26,630,362	98,229,941	70,939,555	23,734,294	94,673,849	(3,556,092)
		OTHER I/F TRANSFERS IN-TEMP			0			0	0
		TOTAL REVENUE WITH ALL TRANSFERS	71,599,579	26,630,362	98,229,941	70,939,555	23,734,294	94,673,849	(3,556,092)

CERTIFICATED SALARIES

Object	Resource		2010-11 Spring Revision			2011-2012 Proposed Budget			Change
			UNRESTRICTED	RESTRICTED	TOTAL	UNRESTRICTED	RESTRICTED	TOTAL	
1100 000		TEACHERS' SALARIES	32,291,110	8,248,588	40,539,698	33,647,690	7,052,952	40,700,642	160,944
1100 033		EL STIPEND	500,000	0	500,000	500,000	0	500,000	0
1200 000		PUPIL SUPPORT: LIBRARIANS GUIDANCE, WELFARE & ATTEND. PHYSICAL & MENTAL HEALTH	2,326,725	720,988	3,047,713	2,749,557	110,901	2,860,458	(187,255)
1300 000		SUPERVISORS, ADMIN: SUPERINTENDENTS ADMINISTRATORS	3,648,421	427,531	4,075,952	3,544,619	439,556	3,984,175	(91,777)
1900 000		OTHER CERTIFICATED	439,865	184,129	623,994	333,792	167,634	501,426	(122,568)
		TOTAL-OBJECT CODE 1000	39,206,121	9,581,236	48,787,357	40,775,658	7,771,043	48,546,701	(240,656)

CLASSIFIED SALARIES

Object	Resource		2010-11 Spring Revision			2011-2012 Proposed Budget			Change
			UNRESTRICTED	RESTRICTED	TOTAL	UNRESTRICTED	RESTRICTED	TOTAL	
2100 000		INSTRUCTIONAL AIDES	779,000	1,845,266	2,624,266	756,989	1,907,665	2,664,654	40,388
2200 000		CLASSIFIED SUPPORT: MAINTENANCE & OPERATIONS INSTR. MEDIA / LIBRARY TRANSPORTATION	3,178,840	3,429,784	6,608,624	3,073,670	3,551,101	6,624,771	16,147
2300 000		SUPERVISORS AND ADMINISTRATORS' SALARIES	823,029	308,894	1,131,923	854,563	310,740	1,165,303	33,380
2400 000		CLERICAL & OFFICE PERSONNEL	4,937,374	291,846	5,229,220	4,735,688	280,106	5,015,794	(213,426)
2900 000		OTHER CLASSIFIED	365,396	25,892	391,288	336,320	26,562	362,882	(28,406)
		TOTAL-OBJECT CODE 2000	10,083,639	5,901,682	15,985,321	9,757,230	6,076,174	15,833,404	(151,917)

EMPLOYEE BENEFITS

Object	Resource		2010-11 Spring Revision			2011-2012 Proposed Budget			Change
			UNRESTRICTED	RESTRICTED	TOTAL	UNRESTRICTED	RESTRICTED	TOTAL	
3100 000		STATE TEACHERS' RETIREMENT SYS	3,484,810	779,816	4,264,626	3,605,419	637,686	4,243,105	(21,521)
3200 000		PUBLIC EMPLOYEE RETIREMENT SYS	1,075,158	593,115	1,668,273	1,079,345	609,749	1,689,094	20,821
3311/2 000		SOCIAL SECURITY	662,546	375,013	1,037,559	644,714	381,974	1,026,688	(10,871)
3321/2 000		MEDICARE	706,612	208,513	915,125	698,990	192,821	891,811	(23,314)
3400 000		INC PROTCT+CERT DNTAL+LIFE	458,020	126,684	584,704	446,360	113,053	559,413	(25,291)
3500 000		UNEMPLOYMENT INSURANCE	357,611	111,608	469,219	815,810	223,045	1,038,855	569,636
3600 000		WORKERS' COMPENSATION	832,512	223,594	1,056,106	751,907	172,613	924,520	(131,586)
3700 000		RETIREE BENEFITS (H & W)	478,938	140,576	619,514	487,962	120,612	608,574	(10,940)
3800 000		PERS REDUCTION	0	0	0	0	0	0	0
3900 000		FLEX ACCOUNTS	6,116,455	2,087,319	8,203,774	6,509,635	2,277,296	8,786,931	583,157
		TOTAL-OBJECT CODE 3000	14,172,662	4,646,238	18,818,900	15,040,142	4,728,849	19,768,991	950,091

BOOKS AND SUPPLIES

Object	Resource		2010-11 Spring Revision			2011-2012 Proposed Budget			Change
			UNRESTRICTED	RESTRICTED	TOTAL	UNRESTRICTED	RESTRICTED	TOTAL	
4100 000		TEXTBOOKS (7-8 + 9-12)	335,000	0	335,000	100,000	210,000	310,000	(25,000)
4200 000		BOOKS OTHER THAN TEXTBOOKS	1,255	39,845	41,100	1,900	1,700	3,600	(37,500)
4300 000		MATERIALS & SUPPLIES LOTTERY INSTRUCTIONAL MTRLS SCIENCE LAB MATERIALS OTHER SUPPLIES PUPIL TRANSPORTATION SUPPLIES GIFTS & DONATIONS	2,593,498	1,572,435	4,165,933	1,443,442	770,821	2,214,263	(1,951,670)
4300 999		ESTIMATED UNSPENT	0	845,244	845,244	0	131,713	131,713	(713,531)
4400 000		NON-CAPITALIZED EQUIPMENT MAT/SUP/EQUIP TECH	517,311	133,136	650,447	354,307	79,000	433,307	(217,140)
		TOTAL-OBJECT CODE 4000	3,447,064	2,590,660	6,037,724	1,899,649	1,193,234	3,092,883	(2,944,841)

SERVICES AND OPERATING EXPENSES

Object	Resource		2010-11 Spring Revision			2011-2012 Proposed Budget			Change
			UNRESTRICTED	RESTRICTED	TOTAL	UNRESTRICTED	RESTRICTED	TOTAL	
5100 000		SUBAGREEMENT FOR SERVICES	210,314	695,000	905,314	230,500	635,000	865,500	(39,814)
5200 000		TRAVEL/CONFERENCES/INSERVICE TRNG	136,479	69,093	205,572	133,715	47,165	180,880	(24,692)
5300 000		DISTRICT DUES & MEMBERSHIP	46,170	3,450	49,620	67,045	3,450	70,495	20,875
5400 000		INSURANCE	555,000	0	555,000	560,000	0	560,000	5,000
5500 000		UTILITIES	2,335,172	2,500	2,337,672	2,085,652	2,500	2,088,152	(249,520)
5600 000		RENTALS, LEASES & REPAIRS	836,873	133,646	970,519	782,673	137,600	920,273	(50,246)
5700 000		INTER-PROGRAM SERVICES	384,615	(404,815)	(20,200)	330,621	(343,321)	(12,700)	7,500
5800 000		PROF./CONSULTING & OTHER SERVICES & OPERATING EXPENSES, INSTRUCTIONAL CONSULT. & LECT.	2,257,986	3,209,764	5,467,750	2,078,384	3,124,679	5,203,063	(264,687)
5900 000		COMMUNICATIONS: VOICE, DATA & POSTAGE	345,600	37,940	383,540	458,950	30,270	489,220	105,680
		TOTAL-OBJECT CODE 5000	7,108,209	3,746,578	10,854,787	6,727,540	3,637,343	10,364,883	(489,904)

CAPITAL OUTLAY

Object	Resource		2010-11 Spring Revision			2011-2012 Proposed Budget			Change
			UNRESTRICTED	RESTRICTED	TOTAL	UNRESTRICTED	RESTRICTED	TOTAL	
6100 000		SITES & IMPROVEMENT OF SITE	0	0	0	0	0	0	0
6200 000		IMPROVEMENT	0	0	0	0	0	0	0
6400 000		EQUIPMENT	15,668	7,000	22,668	8,500	0	8,500	(14,168)
6500 000		EQUIPMENT REPLACEMENT	110,651	76,920	187,571	102,600	0	102,600	(84,971)
		TOTAL-OBJECT CODE 6000	126,319	83,920	210,239	111,100	0	111,100	(99,139)

OTHER OUTGO

Object	Resource		2010-11 Spring Revision			2011-2012 Proposed Budget			Change
			UNRESTRICTED	RESTRICTED	TOTAL	UNRESTRICTED	RESTRICTED	TOTAL	
7130 000	XXXX-XXX	STATE SPECIAL SCHOOLS	10,000	0	10,000	0	0	0	(10,000)
7130 000	6500 001	STATE SPECIAL SCHOOLS	0	0	0	0	0	0	0
7142 000	6500 001	OTHER TUITION & SPEC. ED EXCESS COS	0	25,000	25,000	0	15,000	15,000	(10,000)
7142-002	6500-005	ADULT TRANSITION SH PROGRAM	0	30,000	30,000	0	30,000	30,000	0
7142 001	9010 002	SP. ED. EXCESS COST/CO OFC	0	9,121	9,121	0	0	0	(9,121)
7310 001	XXXX XXX	DIRECT SUPPORT/INDIRECT COSTS	(330,916)	330,916	0	(278,285)	278,285	0	0
7350 011	XXXX XXX	ADULT ED INDIRECT - FUND 11-00	(38,044)	0	(38,044)	(33,543)	0	(33,543)	4,501
7350 013	XXXX XXX	FOOD SERVICE INDIRECT FD 13-00	(135,651)	0	(135,651)	(146,045)	0	(146,045)	(10,394)
7438 000	XXXX XXX	SOLAR PROJ DEBT SVC INT	819,623	0	819,623	840,639	0	840,639	21,016
7439 000	XXXX XXX	SOLAR PROJ OTH DEBT SVC PRINC.	770,000	0	770,000	765,588	0	765,588	(4,412)
7615 014	8150 000	TRSF FROM GEN TO DEF. MAINT. FUND 14	0	0	0	0	0	0	0
7619 015	XXXX XXX	TRSF FROM GEN TO FUND 15-00	21,600	28,000	49,600	21,600	3,000	24,600	(25,000)
7619 030	0000 800	INTERFD-TRSF-TO DED. INS.	20,000	0	20,000	20,000	0	20,000	0
		TOTAL-OBJECT CODE 7000	1,136,612	423,037	1,559,649	1,189,954	326,285	1,516,239	(43,410)
		TOTAL-ALL EXPENDITURES	75,280,626	26,973,351	102,253,977	75,501,273	23,732,928	99,234,201	0
		GRAND TOTAL-ALL EXPENDITURES	75,280,626	26,973,351	102,253,977	75,501,273	23,732,928	99,234,201	0

San Dieguito Union High School District
 Business Services Division
 Finance Department

2011-2012
 Proposed Budget
Summary of Changes

Income:	<u>Spring Revision</u>	<u>Tentative</u>	<u>Summary of Changes</u>		
Revenue Limit	77,548,285	77,941,127	392,842	*	\$392K Property Taxes
Federal	7,358,747	3,714,871	(3,643,876)	*	<\$2.4M> Education Jobs Fund
				*	<\$644K> ARRA SFSF
				*	<\$117K> ARRA IDEA
				*	<\$110K> ARRA NCLB
Other State	4,738,727	5,724,953	986,226	*	\$938K Categorical Flexibility
				*	\$541K CA Solar Initiative Rebate
				*	<\$434K> Mandated Cost Reimbursement
Local	8,058,409	7,292,898	(765,511)	*	\$133K ROP
				*	<\$505K> College Testing, Donations Carryover
				*	<\$140K> Field Use Rentals
				*	<\$80K> Interest
				*	<\$66K> Transportation Fees (Athletic & Parent Pay)
				*	<\$38K> NCCSE Surplus Distribution
Transfers	525,773	0	(525,773)	*	<\$459K> Insurance Waiver Distribution
				*	<\$67K> Transfer from Transportation Equipment Fund
Encroachment	(10,945,927)	(11,978,637)	(1,032,710)	*	\$646K Special Ed Contribution
				*	\$164K Home-to-School Transportation Contribution
				*	\$165K Special Ed Transportation Contribution
				*	\$66K RRM Contribution
Total	98,229,941	94,673,849	(3,556,092)		

San Dieguito Union High School District
 Business Services Division
 Finance Department

2011-2012
 Proposed Budget
Summary of Changes

Expenditures:

	<u>Spring Revision</u>	<u>Tentative</u>	<u>Summary of Changes</u>	
Certificated Salaries	48,787,357	48,546,701	(240,656)	* <9.6> FTE <11.5> Unrestricted 1.84 Restricted
Classified Salaries	15,985,321	15,833,404	(151,917)	* <6.1> FTE <5.87> Unrestricted < .23> Restricted
Benefits	18,818,900	19,768,991	950,091	* \$580K Unemployment Insurance Rate Increase * \$567K Health & Welfare Increase * \$33K PERS Rate Increase * <\$143K> Worker's Compensation Rate Decrease
Books & Supplies	6,037,724	3,092,883	(2,944,841)	* <\$1.4M> Materials & Supplies * <\$505K> College Testing, Donations Carryover * <\$714K> Estimated Unspent * <\$217K> Non-Capitalized Equipment
Services & Operating Expenses	10,854,787	10,364,883	(489,904)	* <\$189K> Utility Savings from Solar * <\$265K> Professional Consulting & Other Operating Expenses
Capital Outlay	210,239	111,100	(99,139)	* <\$85K> Equipment Replacements <\$14K> Equipment
Other Outgo	1,559,649	1,516,239	(43,410)	*
Total	102,253,977	99,234,201	(3,019,776)	

EXHIBIT A

*SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
BUSINESS DIVISION/FINANCE DEPARTMENT*

SPECIAL FUNDS - OVERVIEW

Information relative to special funds, other than the General Fund, gives a brief description of the activities of the fund, specific projects, and financial trends.

Adult Education Fund, 11-00

The Adult Education Fund is used to account separately for federal and local revenues related to adult education programs. San Dieguito Adult Education provides a wealth of educational and recreational programs for the community, including high school diploma classes, English as a second language, programs for senior citizens, a host of cultural and personal enrichment courses, and recreation activities. State aid to Adult Education has been eliminated as of 2009-10 as part of the Fair Share proposal which reduces categorical funding to Basic Aid districts.

Cafeteria Fund, 13-00

School lunch nutrition standards have caused increased expenses and decreased revenue for the last few years. As a result, menus, staffing and productivity are constantly evaluated to ensure the district is providing wholesome, nutritious meals that are attractive to its customers and can be sold at a reasonable price. Nutrition Services continues to hone its marketing efforts and will further enhance technology to provide faster meal service. Managing the challenges of open campuses and single lunch periods continues.

Deferred Maintenance Fund, 14-00

Contributions to this program were eliminated in 2009-10 under the Fair Share proposal. Program requirements are waived until 2014-15. The declining balance is attributable to the district maintaining the aggressive 5 year plan, mostly at the older campuses. Because deferred maintenance needs are ongoing, the costs of some necessary projects have been shifted to the General Fund.

Pupil Transportation Equipment Fund, 15-00

This fund was created for the purpose of accounting separately for income and expenses related to the acquisition of pupil transportation equipment.

Special Reserve Other Than Capital Outlay, 17-42

The purpose of this fund is to reserve one-time revenues to contribute to GASB 45 (OPEB) obligations. This fund can also be used by the district to meet unrestricted reserve requirements.

Building Fund, 21-09

This fund is used to account for income due from prior construction projects. This fund is used for various construction projects. The balance will diminish until funds are depleted.

Capital Facilities, 25-18

Used for developer fees generated by agreements before 1987, this is a dwindling resource fund.

Capital Facilities, 25-19

Used for developer fees collected after 1987 and before many of the currently established Mello-Roos districts were formed. The use of these funds is limited to capital expenditures related to enrollment growth.

County School Facilities Fund, 35-00

This fund is used exclusively to account for income from the state for construction of school facilities.

Special Reserve for Capital Projects, 40-00

This fund is being used by the TPHS Foundation for architectural expenses relating to the Visual Performing Arts Center at TPHS. This fund balance will decline until all funds are depleted.

Self-Insurance Fund, 67-16

This fund is used as an escrow account for funds generated as a result of participation in the insurance waiver program for certificated staff. The balance in this fund grows until a distribution is agreed upon between the district and the San Dieguito Faculty Association.

Other Post Employment Benefits Fund, 67-17

This fund is used as an escrow account to fund the annual "pay-as-you-go" amount for Other Post Employment Benefits (OPEB). The General Fund makes contributions to this fund and then premiums are paid from this account. Assets do not count toward the unfunded OPEB liability as the funds are not held in a special trust. The negative ending fund balance reflects the accumulated unfunded liability for OPEB.

Deductible Insurance Loss Fund, 67-30

This fund is used to pay deductible amounts on insurance claims and to pay for repairs and reimbursements when claims are not made to insurance providers.

EXHIBIT B

Special Funds - Balance Summary
2010-11 Estimated / 2011-12 Proposed

	Adult Ed. Fund 11-00 10-11 Est.	Adult Ed. Fund 11-00 11-12 Prop.		Cafeteria Fund 13-00 10-11 Est.	Cafeteria Fund 13-00 11-12 Prop.		Defer. Maint. Fund 14-00 10-11 Est.	Defer. Maint. Fund 14-00 11-12 Prop.
INCOME	995,426	918,265		3,070,800	3,074,500		163	100
EXPENDITURES	1,007,659	870,424		3,172,552	3,193,788		76,875	-
Expenditures (over)/under Revenue	(12,233)	47,841		(101,752)	(119,288)		(76,712)	100
FUND BALANCE, RESERVES: Beginning Balance - July 1	13,553	1,320		769,631	667,879		100,912	24,200
Ending Balance - June 30 Reserve for economic uncertainty	1,320	49,161		667,879	548,591		24,200	24,300

The Adult Education Fund is used to account separately for federal and local revenues and expenditures for adult education programs.

The Cafeteria Fund is used to account separately for federal, state, and local revenue and expenditures to operate the food service program.

The Deferred Maintenance Fund was used to separately account for state apportionments and district contributions and expenditures for deferred maintenance purposes. As of 2009-10, these funds are now unrestricted. The deferred maintenance fund will be used until funds are depleted.

EXHIBIT B

**Special Funds - Balance Summary
2010-11 Estimated / 2011-12 Proposed**

	Bus Replacement Fund 15-00 10-11 Est.	Bus Replacement Fund 15-00 11-12 Prop.		Sp. Res. w/o Cap. Out. Fund 17-42 10-11 Est.	Sp. Res. w/o Cap. Out. Fund 17-42 11-12 Prop.		Building Fund 21-09 10-11 Est.	Building Fund 21-09 11-12 Prop.
INCOME	49,600	24,700		65,000	20,000		90,000	2,500
EXPENDITURES	67,200	-		-	-		-	80,000
Expenditures (over)/under Revenue	(17,600)	24,700		65,000	20,000		90,000	(77,500)
FUND BALANCE, RESERVES: Beginning Balance - July 1	45,254	27,654		2,410,738	2,475,738		150,812	240,812
Ending Balance - June 30 Reserve for economic uncertainty	27,654	52,354		2,475,738	2,495,738		240,812	163,312

This fund was created for the purpose of accounting separately for income and expenses related to the acquisition of pupil transportation equipment.

The Special Reserve Fund for Other Than Capital Outlay Projects is used primarily to provide for the accumulation of General Fund moneys for general operating purposes. These funds have been reserved toward the unrestricted reserve and to establish an OPEB trust

This Building Fund is used to account for income due from prior construction projects. This fund is used for various construction projects.

EXHIBIT B

Special Funds - Balance Summary
2010-11 Estimated / 2011-12 Proposed

	Cap. Fac. Fund 25-18 10-11 Est.	Cap. Fac. Fund 25-18 11-12 Prop.		Cap. Fac. Fund 25-19 10-11 Est.	Cap. Fac. Fund 25-19 11-12 Prop.		SSF Fund 35-00 10-11 Est.	SSF Fund 35-00 11-12 Prop.
INCOME	17,166	12,000		334,451	330,000		1,861,862	10,000
EXPENDITURES	483,900	357,914		674,013	675,500		6,489,348	-
Expenditures (over)/under Revenue	(466,734)	(345,914)		(339,562)	(345,500)		(4,627,486)	10,000
FUND BALANCE, RESERVES: Beginning Balance - July 1	880,004	413,270		1,112,400	772,838		6,002,823	1,375,337
Ending Balance - June 30 Reserve for economic uncertainty	413,270	67,356		772,838	427,338		1,375,337	1,385,337

Fund 25-18 Consists of developer fees generated by agreements entered into prior to 1987.

The use of these funds is restricted to the cost of construction/reconstruction of facilities as a result of student population growth.

Fund 25-19 consists of developer fees generated from the "per square foot fee" that the state authorized beginning in January 1987.

The use of these funds is restricted to the cost of construction/reconstruction of facilities as a result of student population growth.

The County School Facilities Fund is used to receive apportionments from the State School Facilities Fund for new school facility construction, modernization projects, and facility hardship grants.

EXHIBIT B

Special Funds - Balance Summary
2010-11 Estimated / 2011-12 Proposed

	Spec Res Cap Proj Fund 40-00 10-11 Est.	Spec Res Cap Proj Fund 40-00 11-12 Prop.		Self Ins. Fund 67-16 10-11 Est.	Self Ins. Fund 67-16 11-12 Prop.
INCOME	375,250	-		140,000	141,000
EXPENDITURES	375,000	-		458,573	-
Expenditures (over)/under Revenue	250	-		(318,573)	141,000
FUND BALANCE, RESERVES: Beginning Balance - July 1	25,716	25,966		398,922	80,349
Ending Balance - June 30 Reserve for economic uncertainty	25,966	25,966		80,349	221,349

The Special Reserve Fund for Capital Outlay Projects is used to separately account for donated funds associated with capital projects.

Insurance Premium Reduction Fund, Fund 67-16, is established as a trust account for amounts not spent on insurance premiums for certificated employees who declined health insurance. The balance in this fund grows until a distribution is agreed upon between the district and the San

EXHIBIT B

Special Funds - Balance Summary
2010-11 Estimated / 2011-12 Proposed

	OPEB Fund 67-17 10-11 Est.	OPEB Fund 67-17 11-12 Prop.		Deduct. Ins. Loss Fund 67-30 10-11 Est.	Deduct. Ins. Loss Fund 67-30 11-12 Prop.
INCOME	500,000	551,000		20,000	20,750
EXPENDITURES	675,638	715,782		50,000	50,000
Expenditures (over)/under Revenue	(175,638)	(164,782)		(30,000)	(29,250)
FUND BALANCE, RESERVES: Beginning Balance - July 1	(2,810,332)	(2,985,970)		131,871	101,871
Ending Balance - June 30 Reserve for economic uncertainty	(2,985,970)	(3,150,752)		101,871	72,621

This fund is used as an escrow account to fund the annual "pay-as-you-go" amount for Other Post Employment Benefits (OPEB). The General Fund makes contributions to this fund and then premiums are paid from this account. Assets do not count toward the unfunded OPEB liability as the funds are not held in a special trust.

Deductible Insurance Loss Fund, Fund 67-30, is established to separate moneys used for the purpose of claims, administrative costs, services, deductible insurance amounts, costs of excess insurance, and other related costs.

EXHIBIT C

Site	Description	Estimated Cost	Funding Source
District-Wide	Technology Improvements - 21st Century	\$170,000.00	Fund 25-19 - Capital Facilities
District-Wide	Demographics	\$25,000.00	Fund 25-19 - Capital Facilities
District-Wide	School Facility Consultants	\$30,000.00	Fund 25-19 - Capital Facilities
District-Wide	Administrative Cost to General Fund	\$10,500.00	Fund 25-19 - Capital Facilities
District-Wide	CTE Loan Payment	\$344,000.00	Fund 25-19 - Capital Facilities
EWMS	Drainage Improvements/Tennis Courts/Pull-up Bars	\$15,000.00	Fund 25-19 - Capital Facilities
SDA	Melba Improvements/Drainage	\$15,000.00	Fund 25-19 - Capital Facilities
SDA	Classroom Improvements/Music	\$14,000.00	Fund 25-19 - Capital Facilities
SDA	Classroom Improvements/Drama	\$14,000.00	Fund 25-19 - Capital Facilities
TPHS	Lighting Improvements	\$8,000.00	Fund 25-19 - Capital Facilities
CCA	Sound System at Gym	\$15,000.00	Fund 25-19 - Capital Facilities
CCA	Site Lighting at Nest	\$15,000.00	Fund 25-19 - Capital Facilities
Total 25-19 Capital Facilities Funds		\$675,500.00	

DNO	Carpet/Paint Building "C"	\$20,000.00	Fund 21-09 - Building Fund
SDA	Remove 150's	\$14,000.00	Fund 21-09 - Building Fund
SSHS	Whiteboards	\$1,000.00	Fund 21-09 - Building Fund
SSHS	Computers	\$10,000.00	Fund 21-09 - Building Fund
M&O	Facility Equipment	\$20,000.00	Fund 21-09 - Building Fund
OCMS	Replace Lighting at Media Center	\$15,000.00	Fund 21-09 - Building Fund
Total Deferred Maintenance Funds		\$80,000.00	