

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT BOARD OF TRUSTEES WORKSHOP

MINUTES

THURSDAY, SEPTEMBER 20, 2012
5:00 PM

DISTRICT OFFICE BOARD ROOM
710 ENCINITAS BLVD., ENCINITAS, CA. 92024

The Governing Board of the San Dieguito Union High School District held a Board Workshop on Thursday, September 20, 2012, at the above location.

ATTENDANCE

BOARD OF TRUSTEES

All Trustees present

DISTRICT ADMINISTRATION

Eric Dill, Associate Superintendent, Business

Terry King, Associate Superintendent, Human Resources (Superintendent Designee)

Rick Schmitt, Associate Superintendent, Educational Services

Delores Perley, Director, Finance

Bob Croft, President, San Dieguito Faculty Association

Duncan Brown, Vice President, San Dieguito Faculty Association

Joann Schultz, Executive Assistant, Business Services

Becky Banning, Executive Assistant to the Superintendent / Recording Secretary
(Superintendent Ken Noah was not present at this meeting.)

APPROVED IN PUBLIC MEETING OF THE
BOARD OF TRUSTEES OF THE SAN DIEGUITO
UNION HIGH SCHOOL DISTRICT 10-4-12

Becky Banning
BECKY BANNING RECORDING SECRETARY
BOARD OF TRUSTEES

1. CALL TO ORDER

President Dalessandro called to order at 5:00 PM.

INFORMATION ITEMS

2. BUDGET UPDATE

Associate Superintendent Eric Dill presented the update. A copy of the presentation is attached. Immediately following the presentation, President Dalessandro called for public comments; none presented.

3. ADJOURNMENT

The meeting was adjourned at 5:48 PM.

Amy Herman
Amy Herman, Board Clerk

10 / 4 / 2012
Date

Ken Noah
Ken Noah, Superintendent

10 / 4 / 2012
Date

Budget Update

September 20, 2012

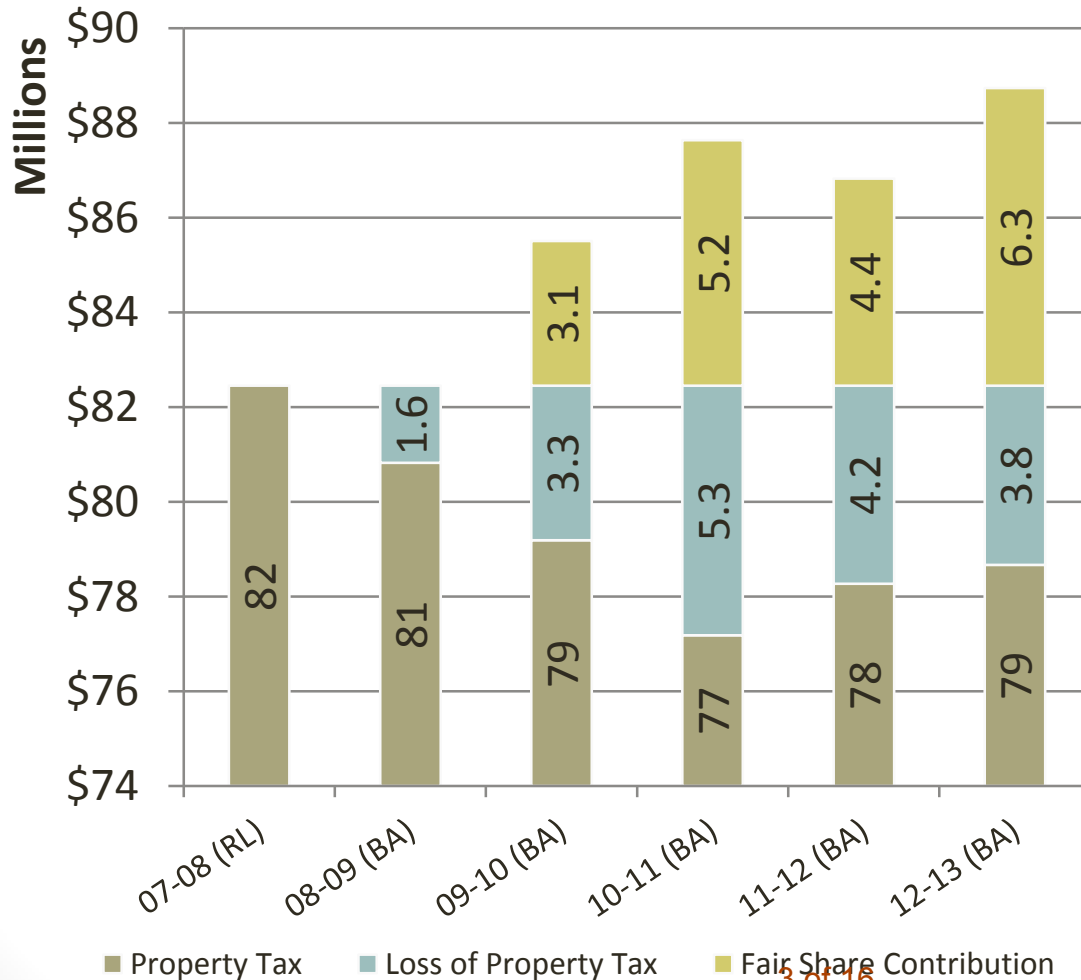
SDUHSD Board Workshop

5:00 p.m.

Table of Contents

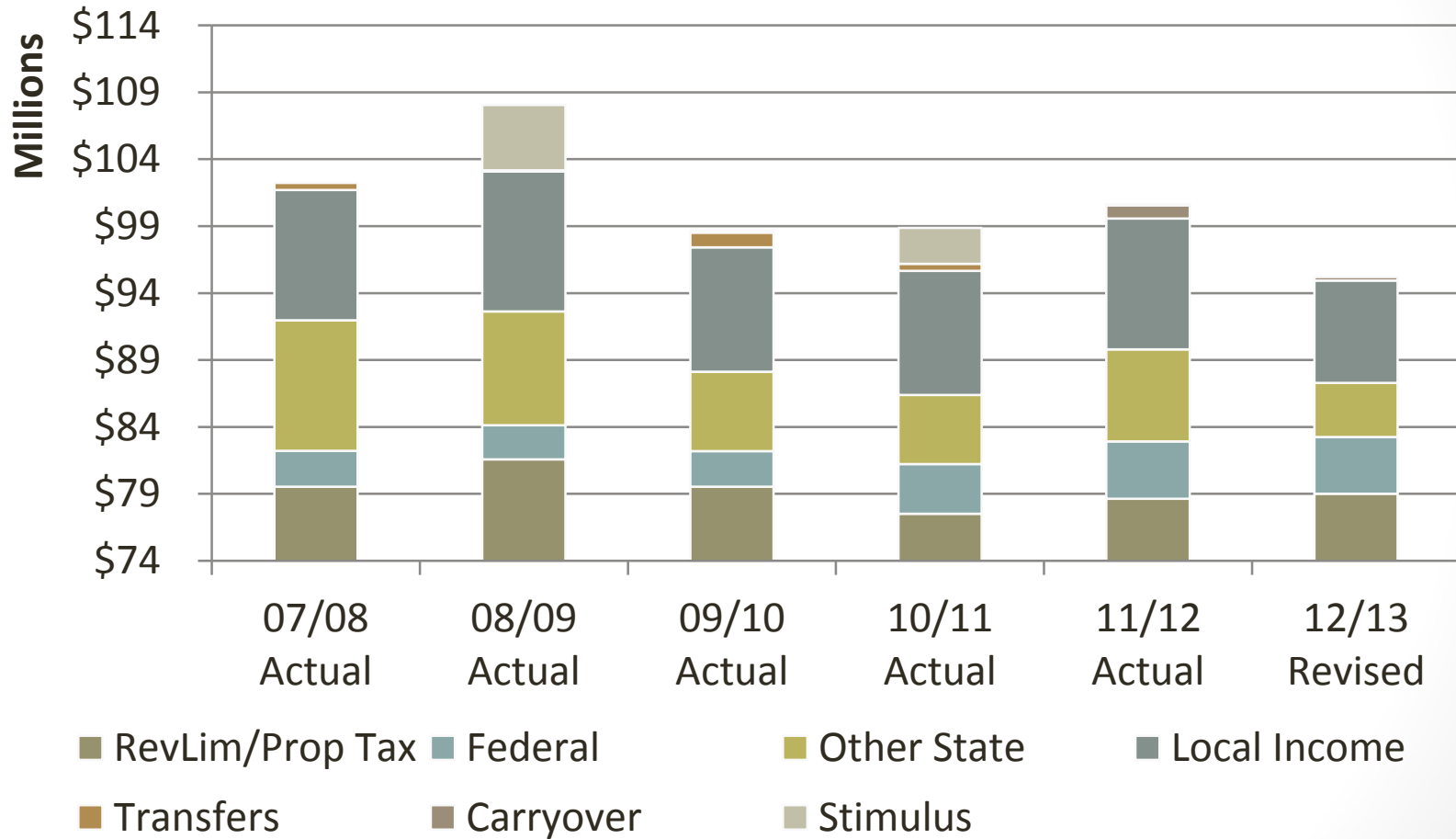
- History
- Where are we now?
- Possible Outcomes
- Next Steps
- Closing

Revenue History

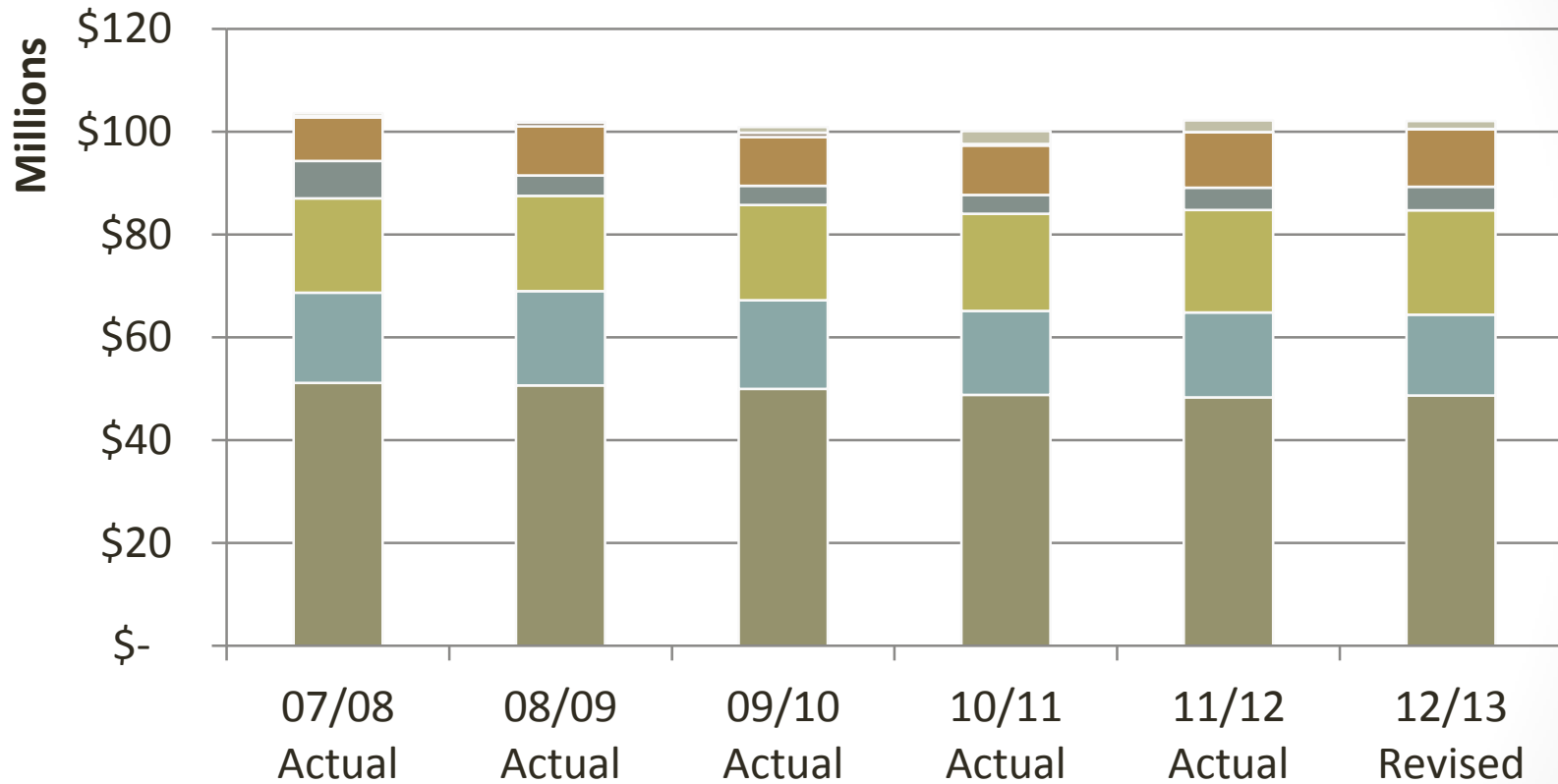


- Loss of Property Tax and Categorical Funding through the Fair Share Contribution has amounted to over \$37M in lost funding since our peak year

Revenue History

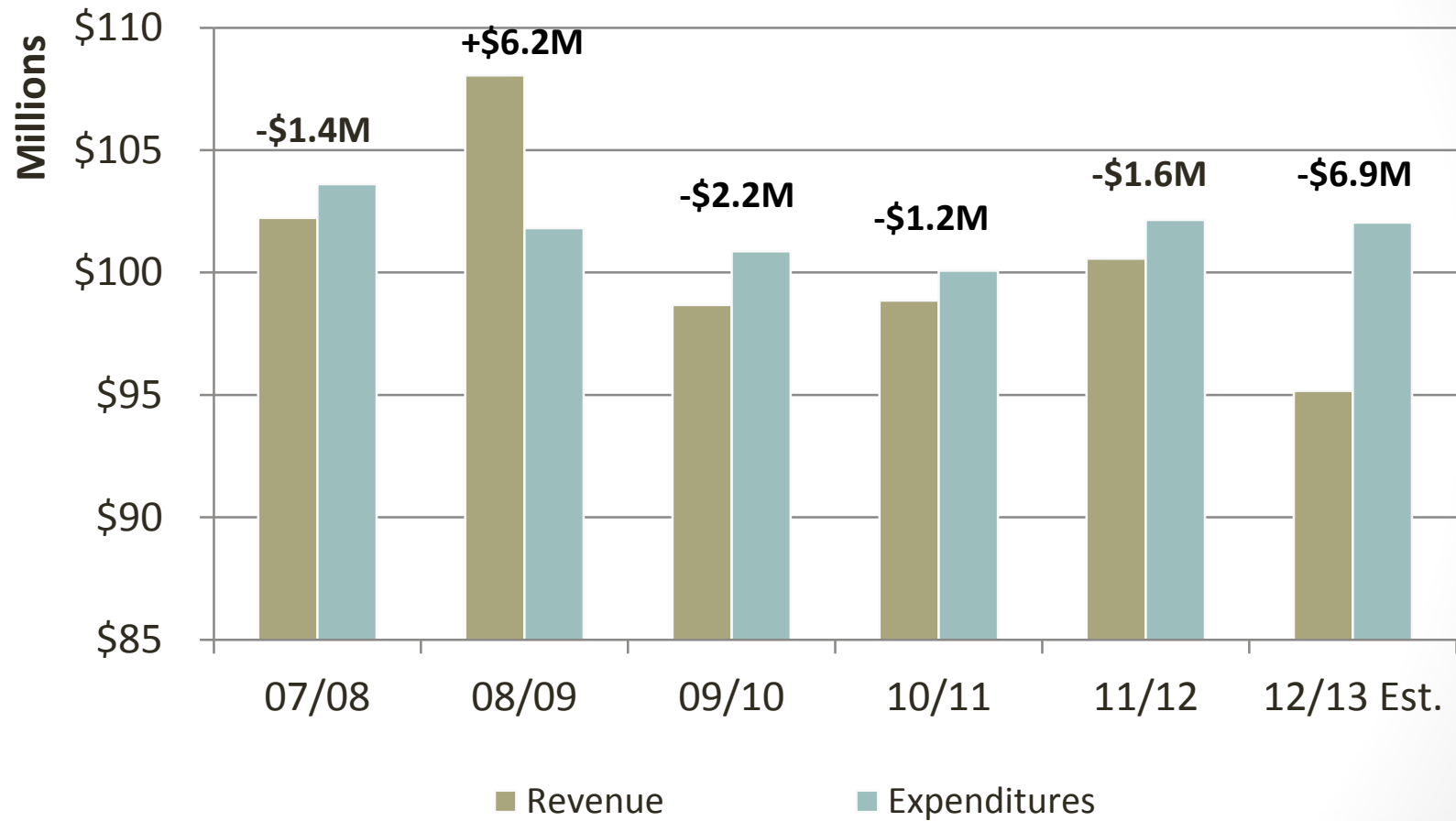


Expenditure History

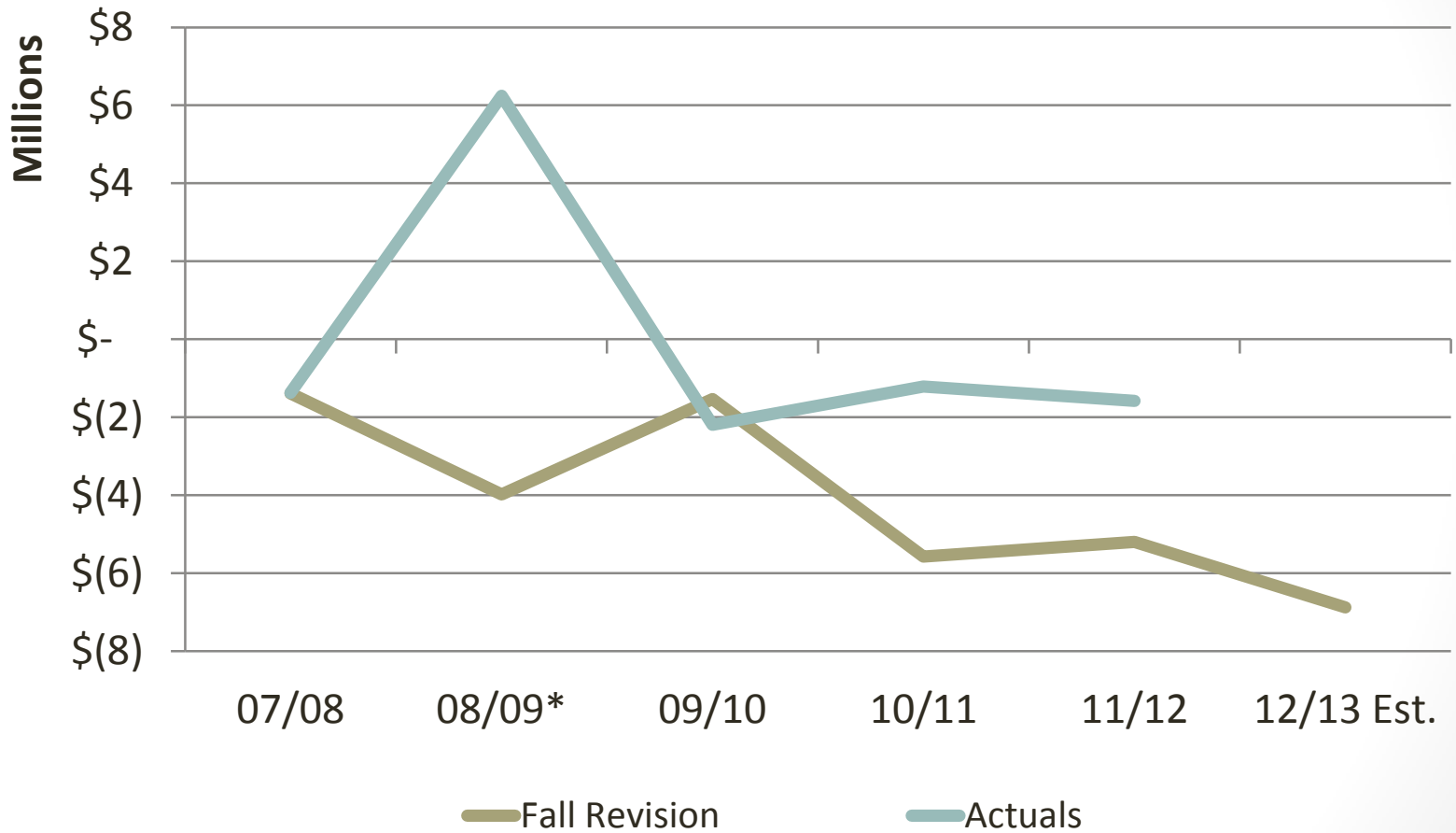


- Certificated Salaries
- Classified Salaries
- Benefits
- Books and Supplies
- Services and Operating Exp.
- Capital Outlay
- Other Outgo

Comparison

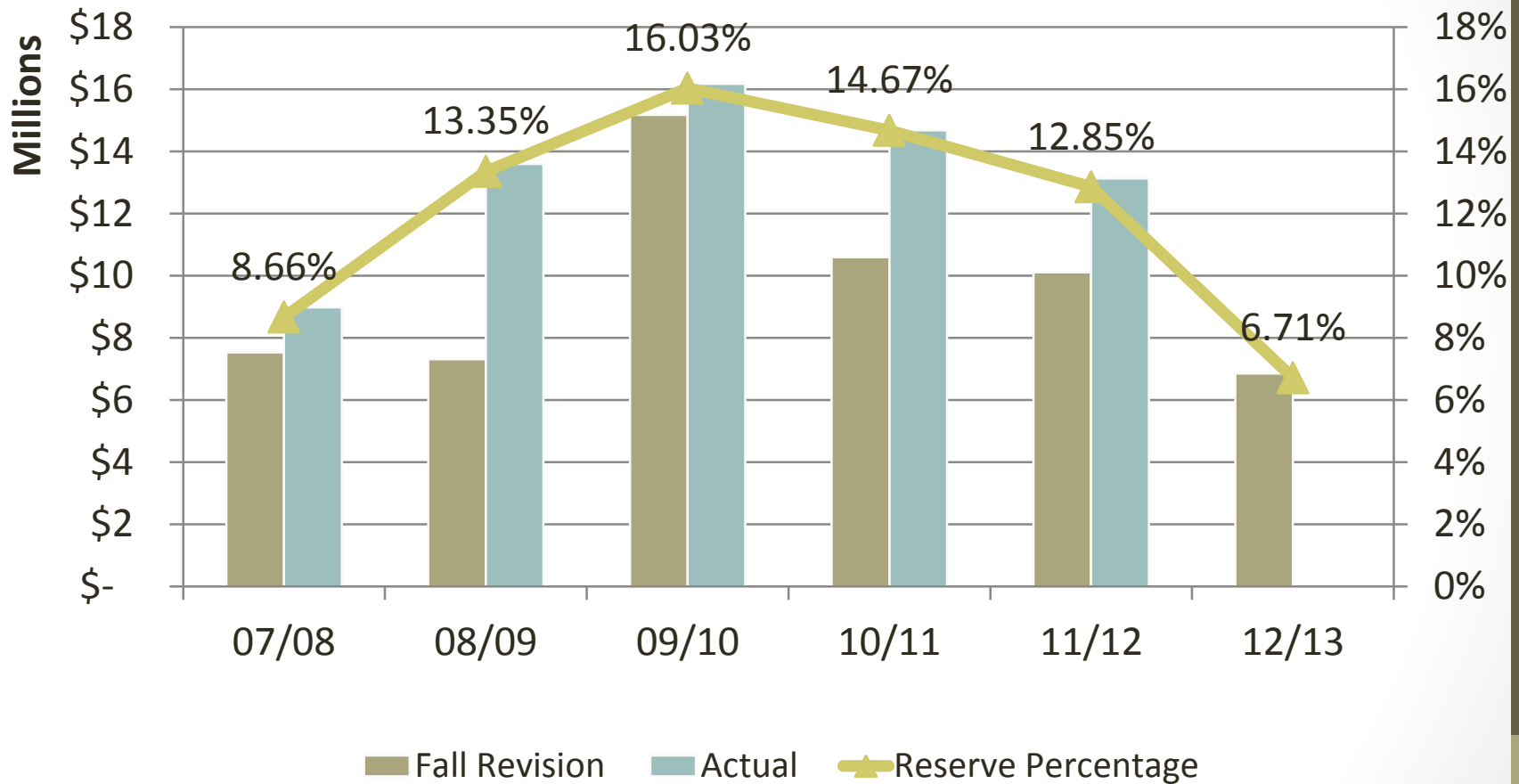


Fall Revisions vs. Actuals



*Stimulus Funding received, not spent until 09/10

Unrestricted General Fund Ending Balance History ITEM 2



2012-13 Fall Revision Preview

- 2011-12 carry-over amounts will be added into the budget
 - Donations \$723K
 - Categorical Programs \$860K
 - These amounts will increase the expenditure budget
- Mandated Block Grant
 - No new audit requirements
 - No need to file 2012-13 claims on mandates included in the block grant
 - Mandated claim process used for remaining mandates
 - Funding received in 2012-13 @ \$28 per ADA = \$336K
- Salaries and Benefits reduced
 - Classified layoffs approved June 21, 2012
 - Additional Special Education staffing needed

2012-13 Fall Revision Preview

	2011-2012 Unaudited Actuals	2012-2013 Adopted Budget	2012-2013 Fall Revision	Difference
Property Tax	78,639,155	79,004,420	79,004,420	0
Federal Income	5,138,675	4,251,389	4,472,868	221,479
State Income	7,015,366	3,623,118	4,084,697	461,579
Local Income	9,775,993	7,568,435	7,601,791	33,356
Transfers	0	0	0	0
Total Revenue	100,569,189	94,447,362	95,163,776	716,414
Certificated Salaries	48,286,100	48,499,536	48,690,824	191,288
Classified Salaries	16,545,130	15,965,452	15,672,801	(292,651)
Benefits	19,888,140	20,375,494	20,343,217	(32,277)
Books & Supplies	4,364,314	2,962,375	4,552,765	1,590,390
Services & Operating Exp.	10,754,027	11,131,621	11,218,034	86,413
Capital Outlay	52,893	16,500	16,500	0
Other Outgo	2,262,296	1,548,097	1,548,097	0
Total Expenditures	102,152,900	100,499,075	102,042,238	1,543,163
Expenditures (over/under) Revenue	(1,583,711)	10 of 16 (6,051,713)	(6,878,462)	(826,749)

Possible Outcomes

- Proposition 30
 - If Prop 30 passes, school funding is essentially flat
 - Trigger cuts not implemented
 - Fair Share Contribution not increased in 13/14
 - If Prop 30 fails, trigger cuts of ~\$471/ADA implemented
 - Trigger cuts would reduce the Revenue Limit at mid-year and going forward
 - \$5.6 million to SDUHSD
 - Polling is above 50%, but weak
- Proposition 38
 - PTSA / Munger initiative would provide additional funds to schools
 - Does not appear likely to pass

Fair Share Contribution

- Assumptions at budget adoption included no change to the Fair Share Contribution
- District is budgeted to contribute back to the state an amount equal to its excess property tax from its state categorical funding
- 2012-13 Budget Act placed Fair Share formula in statute

Fair Share Contribution & Trigger Cuts

ITEM 2

- Section of the Budget Act addressing the Trigger Cuts refers to basic aid districts also suffering the trigger cuts in the current year
 - No language in the bill explaining how the funding would be taken from basic aid districts in the current year
 - CDE has suggested that basic aid districts could pay their Fair Share out of Special Ed funding allocated through the SELPA
- (SF)² has taken a wait-and-see position on the election outcome and trigger cut levels, if implemented, before taking a stand

Current Year

- 2012-13 Target
 - Reduce current year expenditures by \$1 million
 - Reduce site and department budgets to 2011-12 levels
 - Reduce encroachment in Special Education and Adult Education
 - Shift capital debt service to bond funding as planned if successful
 - Review staffing levels

Planning for 2013-14

- Continued planning for expenditure reductions
 - Staffing
 - Retirement savings
 - Review staffing levels and efficiencies
 - Reduce encroachment
 - Special Education
 - Continue to work toward mutually beneficial outcomes
 - Open Seaside Prep
 - Transportation
 - Align Middle School bell schedules
 - Increase bus pas fee by \$75
 - Review athletic transportation costs and revenue
 - Eliminate Adult Education encroachment
 - Review graduation credit requirements
 - Reduce paper and printing costs through effective use of technology
 - Shift remaining capital debt service to bond funding as planned if successful

Closing

- Each budget revision is a snapshot in time based on credible assumptions
- November 6th election will affect budget outlook
- First Interim budget will incorporate changes
 - Budget adjustments
 - Effects of Election
- Planning for 2013-14 continues