

**Sierra-Plumas Joint Unified School District
2012-2013 Budget Narrative**

Presented June 12, 2012

Student Attendance/Enrollment

Attendance:	2010/2011 P2	2011/2012 P2	2012/2013 Proj	2013/2014 Proj	2014/2015 Proj
Downieville Elementary	24.97	28.39	21.96	22.88	20.13
Downieville Jr. High	5.91	5.03	8.14	7.23	7.23
Downieville Sr. High	20.85	19.50	19.28	17.45	15.61
Loyalton Elementary	176.05	171.30	146.71	151.24	147.62
Loyalton Middle	51.89	49.71	51.54	48.73	46.86
Loyalton High	112.82	107.73	105.61	93.57	96.35
Sierra Pass – Continuation	1.34	1.15	.49	.50	.50
District Total	393.83	382.81	353.73	341.60	334.30
Enrollment:	CBEDS	CBEDS	CBEDS	CBEDS	CBEDS
Downieville Elementary	28	27	24	25	22
Downieville Jr. Sr. High	30	27	30	27	25
Loyalton Elementary	187	176	162	167	163
Loyalton Middle	56	49	55	52	50
Loyalton High	120	112	114	101	104
Sierra Pass – Continuation	3	0	1	1	1
District Total	424	391	386	373	365

Enrollment is CBEDS (California Basic Education Data System) day in October of each year. This is a day designated by the State when all schools report the number of students enrolled (but not necessarily in attendance). Enrollment fluctuates throughout the year but this CBEDS enrollment is a standard measurement. Projected, based CBEDS enrollment for 2013/14 & 2014/2015 is expected to decrease, for the several families tend to move out of the area each winter due to weather. However, the economy is also affected enrollment.

Attendance is the average number of students attending school divided by the number of school days. If a student attends 9 days out of 10 then the student would generate .90 Average Daily Attendance (ADA). Attendance is the basis for Revenue Limit funding, with an allowance for necessary small school (NSS) formula funding. ADA is reported three times a year. Revenue Limit funding for SPJUSD is based on P2, July 1st through the school month ending on or before April 15th. The District's attendance is funded on both NSS formula and ADA. Projected ADA for 2012-13 is 353.73. The Governor has proposed major school finance reform, known as Weighted Student Formula (WSF).

This Weighted Student Formula (WSF) model would reflect the following elements;

- This funding formula would replace revenue limits and most state categorical programs.

- The model would eliminate most categorical program requirements allowing total flexibility in use of the funds. However accountability requirements would be implemented at a future date.
- The May Revision language indicates that the model would be phased in over a seven year period with a “hold harmless” provision for 2012-13 only.
- The formula would be based on the following three components – a base grant, a supplemental grant and a concentration grant. It will be calculated as follows:
 - The “base grant” for 2012-13 will be \$5,421 per average daily attendance (ADA) adjusted per grade levels as follows:
- Phase in of the new funding formula will be as follows:
 - 2012-13 ---5% (also contains “hold harmless”)
 - 2013-14---10%
 - 2014-15---20%
 - 2015-16---40%
 - 2016-17---60%
 - 2017-18---80%
 - 2018-19---100%

General Fund:

The projected unrestricted ending fund balance (page 2, F.2) is \$3,243,918, a decrease of \$547,742.

Revenue Limit Revenue

Revenue Limit calculations used a 3.24% COLA and a deficit factor of 22.272%, for an unfunded revenue limit of (\$825,646). The funded amount per ADA is 5,517.69. Note the funded revenue limit per ADA in 2007-08 was \$6,176.32.

The chart below compares revenue for 2011-2012 & 2012-2013 budgets.

Description	2011-2012 budget	2012-2013 budget	Increase/(decrease)
Revenue limit	\$2,900,115	\$2,911,194	\$11,079
Federal	922,973	146,602	(776,371)
Other State	1,200,027	1,057,085	(142,942)
Other Local	296,934	187,650	(109,284)
Total	\$5,320,049	\$4,302,531	(\$1,017,518)

General Fund Expenditures:

Unrestricted expenditures decreased by \$30,968 (General Fund, Unrestricted, Page 9) from the Board Approved Operating Budget.

The chart below compares expenditures for 2011-2012 & 2012-2013 budgets.

Description	2011-2012 budget	2012-2013 budget	Increase/(decrease)
Certificated	\$1,832,238	\$1,760,246	(\$71,992)
Classified	703,466	747,469	(44,003)
Benefits	1,307,069	1,195,463	(111,606)
Books & Supplies	154,307	102,683	(51,624)
Services & Operating	1,677,939	1,397,478	(280,461)
Capital Outlay	21,000	190,742	169,742
Other Outgo	43,093	35,594	(7,499)
Total	\$5,739,112	\$5,429,675	(\$309,437)

Multiyear Projections:

Factor	2011-12	2012-13	2013-14	2014-15	2015-16
Statutory COLA	2.24%	3.24%	2.5%	2.7%	2.8%
Rev Lim Deficit	20.602%	22.272%	22.272%	22.272%	22.272%
Indirect Cost Rate	11.35%	13.37%			
Workman Comp (of \$100 payroll)	5.4401%	5.469%			
PERS	10.923%	11.417%	13.02%	13.02%	13.02%
STRS	8.25%	8.25%	8.25%	8.25%	8.25%
UI	1.61%	1.11%			

Net Increase (Decrease) in Fund Balance:

The District is projecting a decrease to ending fund balance for the 2011/12 through 2014/2015. See table below.

Fiscal Year	2011-2012 budget
2011-12	(\$ 547,742)
2012-13	(\$1,205,425)
2013-14	(\$2,043,412)
2014-15	(\$2,076,124)

Projected Ending Fund Balance:

2011-12	\$3,243,918
2012-13	\$2,038,493
2013-14	(\$4,910)
2014-15	(\$2,081,043)

Other Commits

- Forest Reserve revenue is eliminated.
- Transportation revenue is eliminated starting fiscal year 2013-14. However, if transportation funding is reinstated beyond 2012-13, it is projected to be included in the WSF as an “add-on” and fully flexible.
- Nonprop20 Lottery: \$118 per ADA and Prop20: \$23.75 per ADA
- Class Size Reduction and Economic Aide are included in the multi-year as restricted revenue. The May Revised proposes to include both programs into Tier III flexibility starting with fiscal year 2012-2013.
- A positive cash flow is projected to be positive for fiscal year 2012-13.
- Reserve requirement is met for fiscal year 2012-2013 only.
- Necessary Small Schools ADA is teetering between levels and may drop below the current funded formula. NSS formula is proposed to continue even if the WSF is implemented.
- All bargaining units agree to no salary increase.
- Administration-Classified Management, Confidential & Classified Units agree to health and welfare cap of \$\$13,840.50.
- Transitional Kindergarten, if mandated, will be implemented with no affect on the budget.
- Board approved a School Closure Advisory Committee.
- Financial & Facility Hardship application submitted to Office of Public Schools Construction to replace Loyalton High School roof.