

Del Mar Union School District Budget Solutions 2013-2014

Regular Board Meeting March 20, 2013

Rationale

- * District currently operating with structural deficit
- * Deficit spent \$2.4m in 2011/2012
- * The Second Interim Budget continues to project a deficit of \$4.5m in 2012/2013
- * Board and District have been strategic in deficit spending to maintain quality programs
- * Continued deficit spending will draw reserve well below levels recommended for Basic Aid Districts
- * Board has established a minimum reserve of 15% to address economic uncertainties.
- * Governor's proposed Local Control Funding Formula projects a reduction in overall funding for DMUSD, as a result of categorical funding changes, which are now expected to continue for the long-term.

Local Control Funding Formula

Fiscal Effects:

- * On a statewide basis, funding levels are projected to grow by approximately \$2,700 per-student over the first five years of implementation, but the projection for DMUSD is a loss of approximately \$850 per-student.
- * Districts will receive substantial additional funding (supplemental funding and concentration grants) based on the number of English learners, students eligible for free and reduced lunch, and foster youth they serve. DMUSD will not benefit from this funding.
- * Approximately 230 districts/charter schools (including DMUSD) are estimated to receive little or no additional funding as a result of the formula, with the only assurance that these districts will not receive less than they did in 2012-2013. (Note: This would mean there will not be a reinstatement of the annual reduction of \$2.5million to DMUSD. This reduction is anticipated to be ongoing.)
- * Basic aid districts will continue to retain local property tax revenues; their funding will only increase as property taxes increase.

Estimated Projections from the Formula Proposal

District Name	Full Implementation per ADA Formula	Change from Base in 2011-12
Carlsbad Unified	\$ 8,819	+\$2,447
Escondido Union	\$10,863	+\$4,860
San Diego Unified	\$11,039	+\$4,243
Vista Unified	\$10,427	+\$3,963
San Dieguito Union High	\$ 8,974	+\$1,982
Encinitas Union	\$ 8,287	+\$914
Cardiff	\$ 8,518	Ongoing Fair Share Reduction
Rancho Santa Fe	\$12,298	Ongoing Fair Share Reduction
Solana Beach	\$11,320	Ongoing Fair Share Reduction
Del Mar Union	\$8,612	Ongoing Fair Share Reduction

Note: Data from the Department of Finance LCFF Funding Estimate

Budget Decision-Making Timeline

- * First Interim Budget December 12, 2012
- * Budget Informational Meetings January/February 2013
- * Superintendent presents proposed budget solutions and recommendations to Board February 27, 2013
- * Budget Town Hall Forum March 11, 2013
- * Second Interim Budget March 11, 2013
- * Superintendent Final Recommendations for Budget Solutions for the 2013/2014 budget March 20, 2013
- * Continued negotiations with DMCTA March 27, 2013
- * Governor's May Revise May 10, 2013 (First Read of 2013/2014 Budget)
- * Revised 2012/2013 Property Tax Revenue Projection as of May 10, 2013
- * Final 2013/2014 Budget approval June 26, 2013

Communication Community Outreach

Significant efforts made to communicate budget information and potential solutions.

- * District website with Budget Link
- * All-call notifications
- * Meetings publicized in local newspaper
- * Outreach to community organizations
- * Informational meetings district wide
- * Town Hall Meeting

Superintendent and staff have reviewed and considered participant feedback from town hall meeting, as well as all community outreach input received throughout this process

Recommended Budget Solutions (not subject to negotiations)

Solutions	Savings	Note
Reduce Teacher on Special Assignment: 20% BTSA- 80% Classroom	\$57,600	To continue support for the 2 nd year BTSA teachers and complete work on report cards, literacy and math initiatives.
Assistant Principal	\$110,700	Continue hiring freeze
Reduce Special Education Aide I (3 positions)	\$69,000	These positions are a result of attrition
Reduce Special Education Program Specialist (19 days)	\$12,000	Special Education Department Restructuring
Reduce Substitute Days for Staff Development	\$25,000	This reduction is part of the restructuring of the Professional Development Program
***5 Furlough Days for Classified and Management Staff	\$202,000	This is contingent upon Certificated negotiations
Site Administrative Assistant Retirement & District Office Attrition	\$53,800	These positions are a result of attrition

Recommended Budget Solutions (not subject to negotiations) cont.

Solutions	Savings	Note
Library Media Specialist Allocate hours based upon sections (45 minutes per section)	\$61,000	Restructuring and realignment of school allocations according to sections/classes, will create equity among school sites
Health Aide Technician Allocate hours based upon enrollment: Over 500 Students= 25 hours/week Under 500 Students= 20 hours/week	\$27,638	Restructuring and realignment of school allocations according to enrollment, will create equity among school sites
Eliminate Instructional Aide ELL (8 positions)	\$101,400	This reduction is part of restructuring the delivery mode for English Language Learners
Eliminate Utility Worker (4 Positions)	\$271,000	The elimination of these positions is part of the restructuring of the Maintenance & Operations Department. The Department emphasis will shift to cleaning. Maintenance work will be contracted out on an as needed basis. A Maintenance Worker III position will be added pending Board approval
Eliminate Maintenance Worker (1 Position)	\$74,000	
Eliminate Custodial Services Supervisor (1 Position)	\$92,000	

Recommended Budget Solutions (not subject to negotiations) cont.

Solutions	Savings	Note
Truck Repair, Gasoline, Insurance and Sale of Trucks	\$33,000	Overhead costs associated with Maintenance and Operations positions
Eliminate Computer Technician Supervisor (1 Position)	\$101,000	The elimination of this position is part of the restructuring of the Technology Department. The restructuring plan will be presented at an upcoming Board meeting
Projected 2012-2013 expenditure reduction savings including hiring and spending freeze	\$305,000	This includes custodial, department budgets, professional services, and legal services
Total	\$1,596,138	

Note: Restructuring of district departments will potentially include the addition of select new positions, with the priority of increasing department efficiencies resulting in overall cost effectiveness.

Potential Budget Solutions (subject to negotiations)

The DMCTA and DMUSD are in the process of negotiating budget solutions which in combination amount to approximately \$1,000,000. In addition, we are in the process of developing restoration language to accompany any potential agreement.

Potential Budget Solutions (subject to negotiations) continued

The following potential budget solutions were discussed at the last bargaining session:

Main Options:	Savings
Class Size (K-3) 22:1	\$550,000
Furlough Days – Five Days	\$682,500

Other Options:	Savings
Upper Grade Comp and Conference Days	\$28,800
Restructure ESC-120 minutes planning time for all grade levels	\$216,000
Suspend Class Size Overage Payment	\$142,000
Shared Assignment Out of Contract 21 hours pay	\$19,000

These concepts are still subject to negotiations and could be changed or modified. The verbal commitment between DMCTA and the District is that there will be a savings of approximately \$1,000,000 in items subject to negotiations.

Recommendation

- * Superintendent recommends approval of final budget solutions not subject to negotiations.
- * All Furlough Days (including Classified and Management) are contingent upon negotiations with DMCTA.