

San Mateo County Office of Education

Budget Assumptions – Next 2-Year Projections for Interim Reports

District: Millbrae School District

Fiscal Year: 10/11

GENERAL FUND REVENUES

Revenue Limit

- Explain any significant changes from Adopted Budget or First Interim report in average daily attendance (ADA) or enrollment projections, including the methodology or basis used for the projections (e.g., cohort survival, actual count, etc.).

FY 2011-12	FY 2012-13
2011-2012 Multi Year Projections were developed using grade level cohort projections. Non Public School ADA and ADA for students in county special day classes reflect 2010-2011 estimated P2 ADA.	2012-2013 Multi Year projections were developed using 2011/12 estimated P2 ADA. Non Public School ADA and ADA for students in county special day classes reflect 2010-2011 estimated P2 ADA.

- Explain other significant changes in the revenue limit calculation that are non ADA-related.

FY 2011-12	FY 2012-13
Revenue Limit Projections are based on SSC's January Dartboard Projections of 1.67% COLA and 19.608% Deficit. In addition, the Revenue Limit includes School Services proposed reduction of \$ 330.00 per ADA necessary to offset a loss in revenue if the tax election fails.	Revenue Limit Projections are based on SSC's January Dartboard Projections of 1.80% COLA and 19.608% Deficit. In addition, the Revenue Limit includes School Services proposed reduction of \$ 330.00 per ADA necessary to offset a loss in revenue if the tax election fails.

Identify the estimated COLA, equalization (if applicable), and other major components of the revenue limit calculation.

FY 2011-12	FY 2012-13
Revenue Limit Projections are based on SSC's January Dartboard Projections of 1.67% COLA and 19.608% Deficit. In addition, the Revenue Limit includes School Services proposed reduction of \$ 330.00 per ADA necessary to offset a loss in revenue if the tax election fails.	Revenue Limit Projections are based on SSC's January Dartboard Projections of 1.80% COLA and 19.608% Deficit. In addition, the Revenue Limit includes School Services proposed reduction of \$ 330.00 per ADA necessary to offset a loss in revenue if the tax election fails.

Federal Revenues

- Explain any significant increases or decreases from the Adopted Budget or First Interim.

FY 2011-12	FY 2012-13
10/11 2 nd Interim Federal Revenue includes one time Federal Jobs Funding along with prior year carryover of ARRA and Title I ARRA Federal Stimulus Funding. 2011/12 Projections do not include ongoing funding from these sources.	10/11 2 nd Interim Federal Revenue includes one time Federal Jobs Funding along with prior year carryover of ARRA and Title I ARRA Federal Stimulus Funding. 2012/13 Projections do not include ongoing funding from these sources.

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District: Millbrae School District

Fiscal Year: 10/11

Lottery Revenues

- Indicate the per ADA funding rate used for Unrestricted and Restricted lottery revenue projections.

FY 2011-12	FY 2012-13
Lottery Revenues for 2011/12 are estimated at \$111.00 per estimated annual ADA for Non Prop 20 Funding and \$17.50 per estimated annual ADA for Prop 20 Funding as per School Services January Dartboard Projections.	Lottery Revenues for 2012/13 are estimated at \$110.00 per estimated annual ADA for Non Prop 20 Funding and \$17.50 per estimated annual ADA for Prop 20 Funding as per School Services January Dartboard Projections.

Categorical Program Revenues

- Explain any significant changes from the Adopted Budget or First Interim.

FY 2011-12	FY 2012-13
2011/12 Projections continue to reflect the allowable categorical flexibility for Tier III Categorical programs. Revenue projections are budgeted with a zero cola for 2011/12.	2012/13 Projections continue to reflect the allowable categorical flexibility for Tier III Categorical programs. Revenue projections are budgeted with a zero cola for 2012/13. Projections for 2012/13 have been revised to reflect continued flexibility for class size reduction funding for an additional two years.

New Tax and Revenue Anticipation Notes (TRANS)

- For any new TRANS, identify the issue amount, costs, repayment schedule, and arbitrage.

FY 2011-12	FY 2012-13
At this point, the District is not planning on issuing a TRANS for the 2011/12 school year. The District will revisit and issue a TRANS in 2011/12 if necessary.	At this point, the District is not planning on issuing a TRANS for the 2012/13 school year. The District will revisit and issue a TRANS in 2012/13 if necessary.

Other significant changes in revenues

- Explain any significant change from Adopted Budget or First Interim in other local revenues such as leases, rentals, etc.

FY 2011-12	FY 2012-13
Local revenues for 11/12 do not include local site donations or local grants as they are not budgeted until known or received.	Local revenues for 12/13 do not include local site donations or local grants as they are not budgeted until known or received.

One-time Revenues

- Explain any significant changes from Adopted Budget or First Interim in one-time revenues.

FY 2011-12	FY 2012-13
The District continues to include revenue from the Millbrae Education Foundation for fiscal year 2011/12. Local grants and local donations are not included in fiscal year 2011/12 as they are not budgeted until known or received.	The District continues to include revenue from the Millbrae Education Foundation for fiscal year 2012/13. Local grants and local donations are not included in fiscal year 2012/13 as they are not budgeted until known or received.

San Mateo County Office of Education
Budget Assumptions – Next 2-Year Projections for Interim Reports

District: Millbrae School District

Fiscal Year: 10/11

GENERAL FUND EXPENDITURES

Certificated and classified salaries

- Describe the current status of negotiations with the collective bargaining groups.

FY 2011-12	FY 2012-13
Negotiations have been settled with the certificated union for continued salary concessions for fiscal year 2011/12. Negotiations have not been settled with the classified unit for fiscal year 2011/12.	Negotiations have not been settled with the collective bargaining groups for fiscal year 2012/13.

- Identify unsettled salary increases included in the interim report, if any.

FY 2011-12	FY 2012-13
N/A	N/A

- Identify assumptions used regarding the costs of step and column increases, attrition, and finalized collective bargaining agreements.

FY 2011-12	FY 2012-13
The District's 2011/12 projections include step increases, but do not include any potential savings due to attrition. The District will include savings once any future retirements are known.	The District's 2012/13 projections include step increases, but do not include any potential savings due to attrition. The District will include savings once any future retirements are known.

- Describe the costs associated with other staffing changes and class size adjustments.

FY 2011-12	FY 2012-13
As of 2 nd Interim, fiscal year 11/12 & 12/13 continue class size staffing for K-3 at 28:1 due to the continued flexibility allowance for class size reduction funding.	As of 2 nd Interim, fiscal year 11/12 & 12/13 continue class size staffing for K-3 at 28:1 due to the continued flexibility allowance for class size reduction funding.

San Mateo County Office of Education
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District: Millbrae School District

Fiscal Year: 10/11

Employee benefits

- Identify the rates used in projecting benefits for STRS, PERS, Social Security, Medicare, Unemployment Insurance, and Workers' Compensation.

FY 2011-12	FY 2012-13
2011/12 Fringe Benefit Rates are based on San Mateo County Office of Educations 2010/11 Employer Rates: STRS (.0825), PERS-Employer Share (.10707), PERS-Employee Share (.07) Oasdi (.062), Medicare (.0145), Unemployment (.0072), Workers Compensation (.026515) and Pers Reduction (.02313)	2012/13 Fringe Benefit Rates are based on San Mateo County Office of Educations 2010/11 Employer Rates: STRS (.0825), PERS-Employer Share (.10707), PERS-Employee Share (.07) Oasdi (.062), Medicare (.0145), Unemployment (.0072), Workers Compensation (.026515) and Pers Reduction (.02313)

- Identify unsettled increases in benefits included in the interim report, if any.

FY 2011-12	FY 2012-13
N/A	N/A

- Identify assumptions used regarding the component costs of the health and welfare benefit packages, identifying self-funded portions and explaining any applicable caps.

FY 2011-12	FY 2012-13
The District Provides Health & Welfare Benefit Coverage per unit, based on single, double or family coverage up to the District Cap (per unit). Monthly Certificated Cap (\$475, \$575, \$675) Monthly CSEA Cap (\$437.50, \$537.50, \$637.50) Monthly Admin/Confidential Cap (\$400.00, \$500.00, \$600.00) Maint/Oper Monthly Cap(\$457.50, \$581.50, \$641.50) prorated at the employees FTE.	The District Provides Health & Welfare Benefit Coverage per unit, based on single, double or family coverage up to the District Cap (per unit). Monthly Certificated Cap (\$475, \$575, \$675) Monthly CSEA Cap (\$437.50, \$537.50, \$637.50) Monthly Admin/Confidential Cap (\$400.00, \$500.00, \$600.00) Maint/Oper Monthly Cap(\$457.50, \$581.50, \$641.50) prorated at the employees FTE.

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District: Millbrae School District

Fiscal Year: 10/11

Retirement packages

- Briefly summarize district policy, the number of retirees covered, the costs of the current benefits, the assumptions used to project, and the object and fund in which these costs are recorded.

FY 2011-12	FY 2012-13
Eligible employees may select retiree health and welfare benefits at their current district contribution cap (prorated at the employees FTE) for a maximum of five (5) years or the rate of \$347.00 per month prorated at the employees FTE for a maximum of 10 years. Note: The District has applied for a waiver to use sale of surplus property proceeds, which was approved to partially fund OPEB for 2010/11 and future years. The District has transferred the approved amount of \$3,137,430 to Fund 17; of this amount \$2,737,430 is designated to partially fund OPEB. The District will need to set up a trust to account for the annual OPEB contribution before the District can recognize the future savings in General Fund.	Eligible employees may select retiree health and welfare benefits at their current district contribution cap (prorated at the employees FTE) for a maximum of five (5) years or the rate of \$347.00 per month prorated at the employees FTE for a maximum of 10 years. Note: The District has applied for a waiver to use sale of surplus property proceeds, which was approved to partially fund OPEB for 2010/11 and future years. The District has transferred the approved amount of \$3,137,430 to Fund 17; of this amount \$2,737,430 is designated to partially fund OPEB. The District will need to set up a trust to account for the annual OPEB contribution before the District can recognize the future savings in General Fund.

- Identify the costs associated with a golden handshake or other retirement package, including multi-year costs included in the interim report.

FY 2011-12	FY 2012-13
N/A	N/A

Other significant expenditures (Objects 4000 through 7000)

- Explain any significant changes from Adopted Budget or First Interim in one-time expenses, such as spending carryover balances, one-time capital outlay, or facilities improvements.

	FY 2012-13
No significant changes from 1 st Interim	No significant changes from 1 st Interim

San Mateo County Office of Education

Budget Assumptions – Next 2-Year Projections for Interim Reports

District: Millbrae School District

Fiscal Year: 10/11

- Describe all major obligations including COPs, lease-purchases, and/or bond repayments.

FY 2011-12	FY 2012-13
During the 2008/09 School Year, the District issued a new COP. Ongoing income from the City of Millbrae for the licensing agreement is used to pay the annual debt service payment for the entire life of the COP. In addition, during the 2008/09 School Year, the District issued 12,000,000 in General Obligation Bonds as per the election of 2008. The District is currently in the process of issuing the remaining 18,000,000 of the approved 30,000,000 in General Obligation Bonds.	During the 2008/09 School Year, the District issued a new COP. Ongoing income from the City of Millbrae for the licensing agreement is used to pay the annual debt service payment for the entire life of the COP. In addition, during the 2008/09 School Year, the District issued 12,000,000 in General Obligation Bonds as per the election of 2008. The District is currently in the process of issuing the remaining 18,000,000 of the approved 30,000,000 in General Obligation Bonds.

- Identify amounts due in the budget year and the basic terms of the obligations.

FY 2011-12	FY 2012-13
The District's budget includes annual COP debt service payment of \$120,000 that will be paid from annual revenue from the license agreement with the City of Millbrae. Property taxes are levied to pay principal and interest on the Bonds.	The District's budget includes annual COP debt service payment of \$120,000 that will be paid from annual revenue from the license agreement with the City of Millbrae. Property taxes are levied to pay principal and interest on the Bonds.

- Explain the purpose of any major transfers between funds.

FY 2011-12	FY 2012-13
The 2011/12 Budget includes a transfer in from Special Reserve Fund (Fund 40) to General Fund. The District has set up an interfund transfer to General Fund for interest and rental income earned in the Special Reserve Fund.	The 2012/13 Budget includes a transfer in from Special Reserve Fund (Fund 40) to General Fund. The District has set up an interfund transfer to General Fund for interest and rental income earned in the Special Reserve Fund.

Components of ending fund balance

- Explain any material changes from Adopted Budget or First Interim in the component amounts.

FY 2011-12	FY 2012-13
As of 2 nd Interim, fiscal year 11/12 ending fund balance continues to reflect required 3% Reserve Designated for Economic	As of 2 nd Interim, fiscal year 12/13 ending fund balance continues to reflect required 3% Reserve Designated for Economic

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Fiscal Year: 10/11

Uncertainties as well as Reserve for Revolving Cash.	Uncertainties as well as Reserve for Revolving Cash.

- Explain the designated components of the ending fund balances.

FY 2011-12	FY 2012-13
As of 2 nd Interim fiscal year 11/12 continues to reflect required 3% Reserve Designated for Economic Uncertainties as well as Reserve for Revolving Cash.	As of 2 nd Interim fiscal year 12/13 continues to reflect required 3% Reserve Designated for Economic Uncertainties as well as Reserve for Revolving Cash.

Net change in fund balance – General Fund

- Explain any significant budgeted unrestricted deficits. Description should detail the causes and explain whether the deficits are ongoing or one-time. If ongoing, an explanation should be provided on how and when the deficits will be eliminated.

FY 2011-12	FY 2012-13
The District will be utilizing ending fund balance reserves from fiscal year 10/11 to help offset a portion of the shortfall in fiscal year 11/12 if the tax election fails.	The District will be utilizing ending fund balance reserves from fiscal year 10/11 to help offset a portion of the shortfall in fiscal year 11/12 if the tax election fails, and will not have additional reserves to offset any budget cuts for fiscal year 2012/13.

OTHER FUNDS

Significant changes in revenues, expenditures, or transfers

- Explain any material differences in the other funds from Adopted Budget or First Interim report in revenues, expenditures, or transfers.

Fund# _____ N/A _____

FY 2011-12	FY 2012-13
N/A	

Fund# _____

FY 2011-12	FY 2012-13

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Fiscal Year: 10/11

Fund# _____

FY 2011-12	FY 2012-13

Fund# _____

FY 2011-12	FY 2012-13

Fund# _____

FY 2011-12	FY 2012-13

Fund# _____

FY 2011-12	FY 2012-13

Fund# _____

FY 2011-12	FY 2012-13

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Budget Assumptions – Next 2-Year Projections for Interim Reports

District: Millbrae School District

Fiscal Year: 10/11

Fund# _____

FY 2011-12	FY 2012-13