

## **Miller Creek School District**

### Frequently Asked Questions

#### District Budget and the 2024-25 Spending Reduction Plan

### **What is the Miller Creek School District (MCSD) Budget? How are we funded and what are our expenditures?**

The operating budget of the District fluctuates year to year based on enrollment. There are several components to revenue and expenditures shown on the pie charts below. Generally, when enrollment increases so do revenues. Similarly, in years where fewer students enroll, revenues decrease. We have very little control over public funds the District receives since they are allocated by local, state, and federal formulas. The majority of the District budget is staff wages, salaries and benefits. This includes teachers, administrators, classroom and office assistants, custodians, and tech specialists, as an example. Monies that don't pay for staff support instructional materials and supplies, professional development, facilities needs, and other non-staffing support for learning programs and schools. The District provides updated budget reports quarterly to the Board to keep them apprised of revenue and expenditures. In June of each year a budget is adopted for the upcoming school year that supports the District's Local Control Accountability Plan.

### **What is a spending reduction plan?**

A spending reduction plan is created when District revenues are not sufficient to cover the cost of the current or subsequent years programs and needs. Usually, this is due to a decrease in state funding caused by enrollment decline or other mitigating factors - ie. the elimination of one time monies to support through the pandemic crisis.

### **Why is the District faced with this budget issue?**

The District has been working on making adjustments to the budget over the past two years in order to accommodate a budget that does not include Covid one-time funds and to respond to enrollment fluctuations. Cuts were made last June to the current year's budget and were mostly in centralized services. Coupled with a state and local declining enrollment environment, the District projected a need to further reduce the budget by at least 1.2 million dollars to offset deficit spending. The District is required to maintain a healthy reserve. Deficit spending is for unanticipated needs (as during the pandemic) but it is not a fiscally sound strategy. Fiscal solvency is a board priority.

### **How did the decision about what to cut get made?**

The District's budget shortfall of 1.2 million required thoughtful decisions aligned with student priorities spelled out in the Local Control Accountability Plan (LCAP). Rather than cutting programs established or enhanced over the past few years using one-time COVID funding and "resetting the budget" back to 2019, the District sought to take a deeper look at every available option to continue some of these highly impactful innovations in our schools, including school counseling services and educational intervention specialists. The superintendent established a Budget-LCAP Advisory Committee comprised of community, staff, and parent members, and charged the group with identifying budget priorities and potential reductions. The committee's

charge was to make recommendations to the superintendent and school board. The Committee's priorities and budget cut recommendations were presented to the Board at its regular March meeting. Our fiscal monitors at the Marin County Office of Education asked that a specific plan be developed and submitted by the end of March so that our second interim budget reports could be positively certified. Receiving these committee recommendations and public input, the board approved the spending reduction plan for the 2024-2025 and 2025-2026 school years ([Board Report on Spending Plan](#)). The process of identifying and recommending the program reductions was difficult and not taken lightly. The Budget-LCAP committee will meet again prior to the end of the school year and ongoing next year to review and continue to prioritize District goals and programs that serve students.

### **What areas, programs, or staff in the budget are being reduced in order to balance the Budget?**

The areas identified for reduction are as follows: ( link to deck from Special Board meeting)

- *Reduce Health program staff (1.5 FTE) \$100,000*  
This program was increased in response to the pandemic with COVID funds . We no longer receive funds for this program and will revert back to the pre-pandemic levels. We will continue to have Health services through our full time District Nurse and health specialist who will oversee health-related activities.
  
- *Eliminate/reduce outside contracts and professional agreements \$179,000*  
Outside contracts to be reduced or eliminated include:
  - Administrative contracts in Human Resources and Business Departments -\$80,000,000
  - Private security- \$59,000
  - Reduce contract with outside agency to provide mental health services -\$40,000  
The mental health needs of students increased significantly after COVID and the District built a comprehensive school counseling program at each elementary school that includes full-time counselors. These positions will remain while outside contracts will be adjusted to supplement where required.
  
- *Reduce Centralized Services in District Maintenance and Operations staffing (1.0 FTE) \$100,000*  
This will not impact site custodial services.
  
- Restructure Instructional & Intervention Staff based on equity formula- \$300,000  
The District received federal funds to address student learning loss in response to the crisis. These funds were used to provide additional instructional services for students. A requirement of receiving these funds was that they be fully expended by the end of the year.

The data collected that measures student progress is showing strong success of the program. The services will continue at a reduced level using an equity-focused formula that provides the support to the neediest students.

Additionally, students with academic needs will continue to receive differentiated

assistance within classrooms.

- *Eliminate current TK-2 music program (1.0 FTE)- \$110,000*  
The District values its music education. The music program for TK-2 will be restructured to provide access to community programs that bring music activities to students. Starting in grade 3 all students participate in the choral and instrumental music program provided by credentialed music teachers.
- *Restructure Transitional Kindergarten Program- \$200,000*  
Miller Creek is keeping its TK program for the 2024-2025 school year; however, the program's instructional minutes will be adjusted to meet minimum state requirements. The Budget-LCAP Advisory Committee recommended the District consider eliminating or reducing the TK program due to budget constraints including that TK is not yet fully funded by the state. The Board has a commitment to maintaining our values in support of early education and thus approved continuing the program at a reduced day. The District is working with community partners to support family needs with extended childcare. Many school districts throughout the state have eliminated or reduced their TK programs.

### **What are the impacts of declining enrollment?**

Part of the identified \$1.2 million dollar spending reduction plan is an adjustment to the number of classes needed based on District enrollment projections and contractual obligations. Student enrollment in the District will decline by approximately 80-100 students in the 2024-25 school year. Reduced staffing equates to approximately \$290,000. Enrollment and funding will be closely monitored in order to maintain contractual class sizes, and other services provided based on enrollment formulas.

### **Can I apply to a full-day TK program in another district?**

Families can apply for an interdistrict transfer to another district at any time. Each district has a policy that is followed when making decisions about adding enrollment to their district.

### **Is the District Office overstaffed? Where are the cuts to central administrative services?**

The District office is staffed at a ratio similar to other districts. Reductions have been made to centralized services over the last two years, which have been described above. District staff are continuing to examine the budget for efficiencies in administration.

### **If the District budget picture improves will programs that were reduced be reinstated?**

The Budget-LCAP Advisory Committee will continue to meet and make recommendations regarding strategic priorities.

### **Is the District looking to make additional cuts?**

The District is currently studying three areas identified by the Budget-LCAP Advisory Committee including the District's transportation program, special education delivery models, and central administrative organization.

### **Is the District working on strategies to increase revenue?**

Yes, the District is always working to maximize revenue through collaboration, grants, and partnerships.

### **What does Can Do! fund?**

Can Do! plays a critical role in providing local funding so that our schools can offer enrichment and wellness programs and services. Each year the District and Can Do! meet to determine the contribution Can Do! will make to the District budget and the programs Can Do! funds will support. State funding, including local property taxes, only covers the basics. Miller Creek School District has the lowest per pupil funding among Marin County Districts. In addition to Can Do! donations, our community generates additional local revenue through the parcel tax as well as lease revenues from District owned properties. We rely on Can Do! and HSC to enrich our basic educational program.

### **How can I help or become more involved?**

Parents can continue to volunteer, raise funds through HSC activities, and directly donate to Can Do!

For more information:

[Links to Budget-LCAP Advisory Committee](#)

[Budget Newsletter](#)

[Budget Information Website](#)