



**MCSD Budget-LCAP
Advisory Committee**

Committee Resource: REVENUE GENERATION REPORT

The MCSD Budget-LCAP Advisory Committee was created to recommend to the Board of Education steps to align the District's budget with program priorities. This work is of paramount importance given that District costs are projected to exceed revenue given the loss of one-time COVID money and other factors.

The Committee will (1) review programs and services in place to support Board adopted goals; (2) understand the District's budget and education funding sources; (3) discuss, deliberate, and arrive at a consensus regarding recommendations that are aligned with district priorities while ensuring fiscal stability.

DISTRICT FUNDING

The process for funding a public school district in California is not simple. All districts rely on revenue from three primary sources: federal, state, and local. Some funding sources have specific restrictions, which means the ability to be flexible with district revenue is limited. For school districts, California's Local Control Funding Formula (LCFF) creates base and supplemental grant funding entitlements. Under current state law, districts can augment the local funding of their schools in just a few ways, most notably private donations, grant awards, parcel taxes, bond measures, and facilities use and lease revenue.

PARCEL TAX

For nearly 30 years, Miller Creek School District has relied on locally-controlled parcel tax funding to maintain class sizes, retain teachers, and offer challenging and enriching educational programs to all students. In May 2018, voters in the community passed a ballot measure to renew the existing per parcel tax of \$352 and add an additional \$118 per parcel. The measure included an annual 3% inflator increase to help funding keep pace with inflation and the cost of providing instruction.

Funds from this measure are used to support core academic programs, including math, science, technology, reading, and writing, maintain music programs and electives, and maintain library services and materials.

Fiscal safeguards are required to ensure funds from the parcel tax renewal measure are spent as promised to the voters. By law, no funds received from a parcel tax can be taken by the state. An optional exemption for senior citizens is available. The Miller Creek parcel tax automatically expires in 2030 and can not be extended without voter approval.

Can Parcel Tax funding be used to fund public employee pensions?

No. Funds from the parcel tax renewal measure may only be used to fund the specific programs and services identified in the measure. School districts do not set retirement benefits for their employees—they are set at the state level. Any increases in contributions to state teacher and school employee retirement systems will have to be funded from other sources.

Parcel Tax Revenue History

Year	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Tax Revenue	\$2,544,000	\$2,619,000	\$2,693,000	\$2,798,000	\$2,873,000	\$3,032,000
Certificated FTE	21.8	20.9	21.9	21.5	20.5	22.1
Classified FTE	3.9	3.9	3.5	8.2	7.3	8.6

LEASE REVENUE

The District owns several pieces of property that are no longer active school sites that are leased out to long term tenants. Revenue from the leases is recorded and accounted for in Fund 40. Funds are periodically moved from Fund 40 to the General Fund. The amount of the deposits on record from the leases remains in Fund 40, along with some balance to address necessary repairs and maintenance on aging facilities. The Mark Day School manages the maintenance and improvements to the Don Timoteo property. A small annual increase based on the CPI-U is included in each lease agreement. There are no unused properties.

<i>Don Timoteo Campus</i> Lease Term: 6/30/2028	<i>Old Lucas Valley Campus</i> Lease Term: 6/30/2025	<i>Nova Albion Campus</i> Lease Term: 6/30/2025	<i>Santa Margarita Campus</i> Lease Term: 6/30/2024	<i>School Sites</i> Lease Term: 6/30/2027
-Mark Day School	-Marin Waldorf	-Miss Nicky's Preschool	-Ice Cream and Shoe; CreArt; Gan Israel; Santa Margarita Children's Center; Bright Stars Preschool; Book Exchange Marin County Office of Ed:: Lease Term: 6/30/2027	-City of San Rafael -Recreation Reimagine

Lease Revenue History

<i>Year</i>	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
<i>Lease Revenue</i>	\$1,597,000	\$1,615,000	\$1,719,000	\$1,723,000	\$1,838,000	\$1,904,000
<i>Transfer to General Fund</i>	\$1,145,000	\$1,045,000	\$1,170,000	\$1,121,000	\$1,300,000	\$1,300,000
<i>Fund Balance</i>	\$546,000	\$804,000	\$1,090,000	\$1,222,000	\$768,000	\$600,000

CAN DO! FOUNDATION DONATION

The Can Do! Education Foundation is a school connected, community funded, non-profit organization that has at its core the goal to partner with families, teachers, and local businesses to fill state funding gaps and provide financial resources to offer an enriched, well-rounded education for all students in the Miller Creek School District. Can Do! has been raising vital funds for the four schools of the Miller Creek School District for over 30 years.

Foundation Donation History

<i>Year</i>	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
<i>Donation</i>	\$747,000	\$473,000	\$329,000	\$588,000	\$675,000	\$628,000
<i>Enrollment</i>	1989	2026	1815	1771	1827	1818

FACILITIES USE FEES

Our school facilities and grounds are a vital community resource. The Board authorizes the use of school facilities by district residents and community groups for purposes specified in the Civic Center Act to the extent that such use does not interfere with school activities or other school-related uses. Direct costs can be charged for community use of each school facility or grounds and shall be calculated in accordance with 5 CCR 14038. Any funds collected as capital direct costs shall be deposited into a special fund to be used only for capital maintenance, repair, restoration, and refurbishment of school facilities and grounds. Fees have remained unchanged for the years shown in the table below.

Facilities Use Fees History

<i>Year</i>	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
<i>Fees Collected</i>	\$130,000	\$93,000	\$173,000	\$142,000	\$146,000	\$140,000