

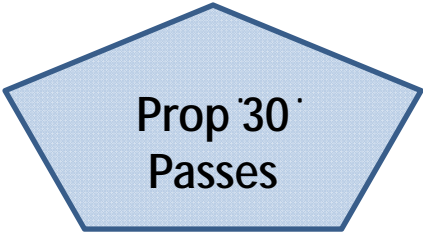
West Contra Costa
Unified School District
October 24, 2012



Budget Update
Actuarial Study

Multi Year Projection Budget Adoption Unrestricted General Fund

(In thousands)



Prop '30'
Passes

	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>
Revenues	\$166,638	\$169,817	\$166,852
Expenses	172,820	176,645	179,359
Deficit Spending	(\$6,182)	(\$6,828)	(\$12,507)
Special Reserve Transfer	2,800	3,800	6,800
Beginning Fund Balance	23,376	19,994	16,966
Use of Fund Balance	(3,382)	(3,028)	(5,707)
Ending Fund Balance	19,994	16,966	11,259
Required Reserve	8,002	7,931	7,751
Stores & Revolving Cash	300	300	300
Balance	\$11,692	\$8,735	\$3,208

Updated with Unaudited Fund Balance Increase

Fund Balance

- Because of the cuts and reductions the District has made we have maintained solvency and been able to plan for the ongoing economic crisis
- Board set aside \$13.5 million to help offset cuts and save jobs
- **This plan works unless Proposition 30 fails**

Risks to the State Budget

- The State Budget is balanced only if revenues are increased by the November election
- Education funding is the “hot button” for voters to approve taxes
- Mid Year Triggers are once again threatened

\$441 \$461 per pupil cut if taxes do not pass in November

= \$12 + million cut

Without the Proposition 30

Revenues	\$166,638	\$169,817	\$166,852
Mid Year Trigger ongoing	(\$12,000)	(\$12,000)	(\$12,000)
Expenses	172,820	176,645	179,359
Deficit Spending	(\$18,182)	(\$18,828)	(\$24,507)
Special Reserve Transfer	13,500	-	-
Beginning Fund Balance	23,376	18,694	(134)
Use of Fund Balance	(4,682)	(18,828)	(24,507)
Ending Fund Balance	18,694	(134)	(24,641)
Required Reserve	8,002	7,981	7,751
Stores & Revolving Cash	300	300	300
Balance	\$10,392	(\$8,415)	(\$32,692)

Special Reserve Summary

Special Reserve Fund '17	Adopted Budget & Multi Year Projection	Mid Year Trigger Projection
Estimated Balance June 30, 2012	\$ 13,500,000	\$ 13,500,000
2012 13	\$ (2,800,000)	\$ (2,800,000)
2012 13 Additional Transfer Due to "trigger"		\$ (10,700,000)
2013 14	\$ (3,800,000)	
2014 15	\$ (6,800,000)	
Special Reserve Fund Balance Projection June 2015:	\$ 100,000	\$



Actuarial Study

- In 2004 The Governmental Accounting Standard Board adopted issued “Statement 45” – this is known as GASB 45
- Requires all government entities to account for post employment benefits on an accrual basis
 - This means that as employees work and earn the right to future benefits the District must book them in their financial statement

Actuarial Study

- In 2004 the District liability for Post

Actuarial Study

- Over the course of the next 25 years the pay as you go costs will be less under the new benefit program than they would have been
- However, post retirement benefit costs are still a major component of the budget \$19 million per year
- Retiree benefits increase each year because of the obligation to those who had retired prior to the changes

Next Steps

- First Interim Report is prepared for the December 2012 board meeting
- Budget Development for 2013 14 will be underway
- November Election is a key factor
- Actuarial Study and Financial Reports are on our website

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