

West Contra Costa Unified School District April 10, 2013



Budget Update

Budget Topics

- Status of Local Control Funding Formula (LCFF)
- Preliminary Estimates if January Proposal moves forward
- Changes in Unrestricted General Fund under LCFF
- Preliminary Budget Assumptions work
- Proposition 39 -November 2012- overview

**Multi Year Projection Budget Second Interim
Unrestricted**

Local Control Funding Formula

- LCFF This is our new acronym!
- State Categorical Programs are rolled in
 - EIA
 - All Tier III Programs (including Adult Ed.)
 - Class Size Reduction
- Some are not
 - Special Education
 - After School Programs

LCFF

Governors Proposal Estimate



Political Climate

- Will regions of the State with Districts that will not see any increases during the roll out support this change?
- Will the State Legislature pass the bills necessary to fund the LCFF?
- Will Class Size Reduction in grades K-6 be a bargaining chip?
- Adult Education has been in question

Special Reserve 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 during the Great Recession
- Board set aside \$13.5 million to help offset cuts and save jobs

Special Reserve Summary

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



What If?

- What if LCFF fails?
- District must build a contingency plan to close the budget deficit if no new funding is provided.

Federal Sequestration

- Categorical Funding
 - Title I and Title II Allocations
 - Special Education general fund implications
- Free and Reduced Lunch
- Bond Subsidy
- Other non school local impact

Proposition 39

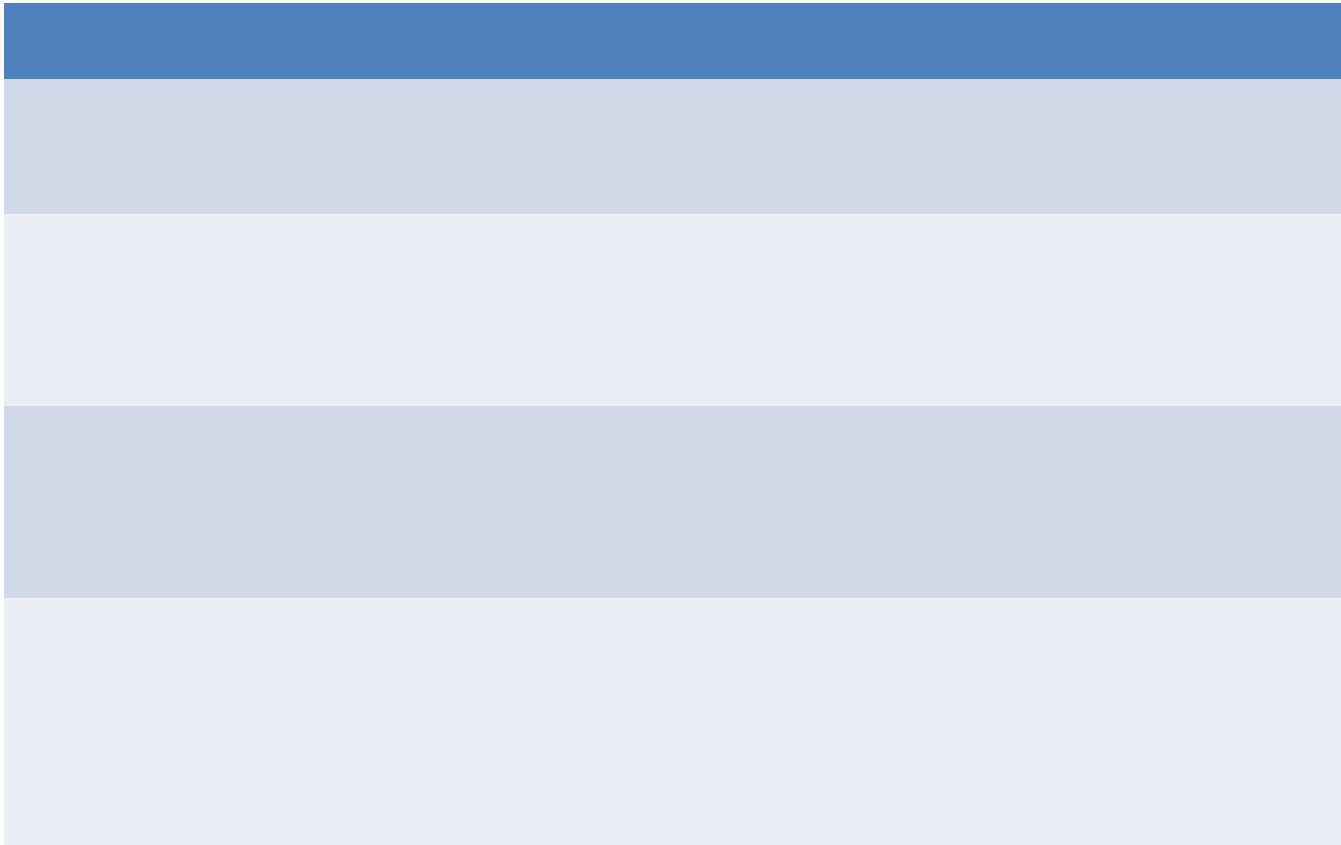
- November 2012 California voters passed Prop 39
 - Changes income tax for business
 - Anticipates increased revenue for the State
 - Creates Clean Energy Job Creation Fund
- Clean Energy Job Creation Fund
 - Funding projects that create jobs in California, improving energy efficiency and expanding clean energy projects in public schools

Proposition 39

- Three legislative proposals to disburse anticipated funds
 - AB39– Assembly Member Nancy Skinner
 - SB39– Senator Kevin DeLeon
 - Governors Proposal
- Also a proposal circulating from PG&E, and other utility providers within the State

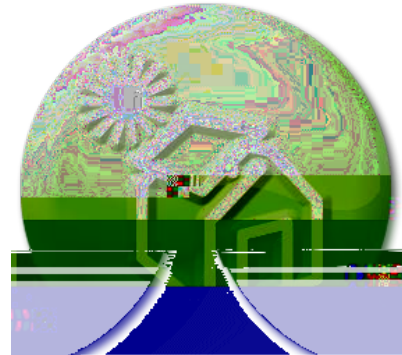
Proposition 39

- Each of the proposals may provide options for the District



Proposition 39

- The District has joined a coalition
- School Energy Coalition
 - Advocate on behalf of schools
 - Provide testimony regarding use of funds
 - Provides information on energy issues facing schools



Next Steps

- April 24th – Budget Update/Preliminary Budget Assumptions for the 2013-14 Budget
- May 20th “May Revise” Workshop
- June 12th – Preliminary Budget
- June 26th – Budget Adoption
- Financial Reports are on our website

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