

# West Contra Costa

# Second Interim 2009-10

- Period Ending January 31, 2009
- Updated Information for all funds
- Latest Information from the State
- Utilizing the budget assumptions published by School Services of California as recommended by the County Office
- Governor's January Budget Proposal for 2010-11

# Multi Year Projection - First Interim Report

## Unrestricted General Fund

### January 31, 2010

|                        | <u>2009-10</u> | <u>2010-11</u>   | <u>2011-12</u>   |
|------------------------|----------------|------------------|------------------|
| Revenues               | \$160,361      | \$160,459        | \$161,894        |
| Expenses               | 167,440        | 169,902          | 176,001          |
| Deficit Spending       | (7,079)        | (9,443)          | (14,107)         |
| Beginning Fund Balance | 20,049         | 12,970           | 3,527            |
| Ending Fund Balance    | 12,970         | <del>3,527</del> | <del>3,527</del> |

# Multi Year Projection

## Second Interim

- 2009-10
  - \$7.0 million projected deficit - unrestricted
  - Will meet 3% reserve
- 2010-11
  - \$9.4 million projected deficit – unrestricted
  - Unable to meet 3% reserve
- 2011-12
  - \$14.1 million projected deficit – unrestricted
  - Unable to meet a 3% reserve

# Multi Year Projection

- Making progress on lowering the deficit spending in 09-10
- Deficit in 10-11
  - Federal Stimulus is not being passed through
  - Governor's Budget has deficit and \$201 per pupil ongoing cuts
  - Budget reductions are needed
- 2011-12 deficit will improve when action is taken on 2010-11 budget reductions

# Threats to Current Budget

- State Economic Crisis
- Legislative Analysts Report
- Cash Deferrals will require constant monitoring of program expenses for ability to pay

# Local Outlook

# Budget Planning 2010-11

|   |    |           |
|---|----|-----------|
| Deficit   | \$ | 9,443,450 |
| K-3 Class Size Reduction  | \$ | 1,000,000 |
| Def Maint State funds   | \$ | 1,000,000 |
| Implement Teacher Contract 32:1 &<br>Revise Staffing model for Alternative<br>Education | \$ | 2,720,500 |
| Adult Ed State funds  | \$ | 1,000,000 |
| Summer School to Title I  | \$ | 1,000,000 |
| Sub Total   | \$ | 6,720,500 |
| Deficit left to tackle  | \$ | 2,722,950 |



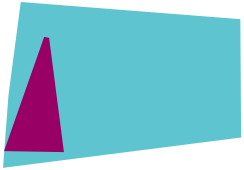
# Multi Year Projection - First Interim Report

## Unrestricted General Fund

### With 2010-11 Budget Reduction Recommendations

|                           | <u>2009-10</u> | <u>2010-11</u> | <u>2011-12</u> |
|---------------------------|----------------|----------------|----------------|
| Revenues                  | \$160,361      | \$159,912      | \$161,348      |
| Expenses                  | 167,440        | 162,635        | 168,661        |
| Deficit Spending          | (7,079)        | (2,723)        | (7,313)        |
| Beginning Fund Balance    | 20,049         | 12,970         | 10,247         |
| Ending Fund Balance       | 12,970         | 10,247         | 2,934          |
| Required Reserve          | 9,005          | 3,932          | 4,035          |
| Special Reserve set aside |                | 4,000          | 4,000          |
| Stores & Revolving Cash   | 300            | 300            | 300            |
| Remaining Balance         | \$3,665        | \$6,015        | (\$1,401)      |





# Debt Considerations

- Eliminate or Reduce Debt
  - Examine Debt Information - tonight
  - Examine property information – future meetings
    - Demographics
    - Property value & potential use
    - Cost of maintaining vacant property
- No debt service payment reduction in budget based upon Board direction in January

# Long Term Debt

## February 2010

- I-Bank Loan
  - Principal \$10.6 million
  - Final Payment 2018
  - Interest if not paid early \$745,630
- Certificates of Participation 9.224 297.67 Tm 00E

# Long Term Debt

## February 2010

- IBM
  - Settlement amount \$4.1 million remaining
  - Final payment 2015
- Voluntary Integration Audit
  - Settlement amount \$1.8 million
  - Final payment 2012
- Total Outstanding \$ 27 million