West Contra Costa Unified School District
December 9, 2015

2015-16
First Interim Report

Guiding Budget Development

- Local Contracts with employee unions
  - United Teachers of Richmond
  - Local 1
  -

Budget Development Factors

- Student Enrollment Generates…
  - Staffing Plans
  - Revenues
  - Per Pupil Allocations
- Subset of Student Enrollment
  - Unduplicated Student Count
  - Special Education Population

2015-16 1st Interim

- Executive Summary
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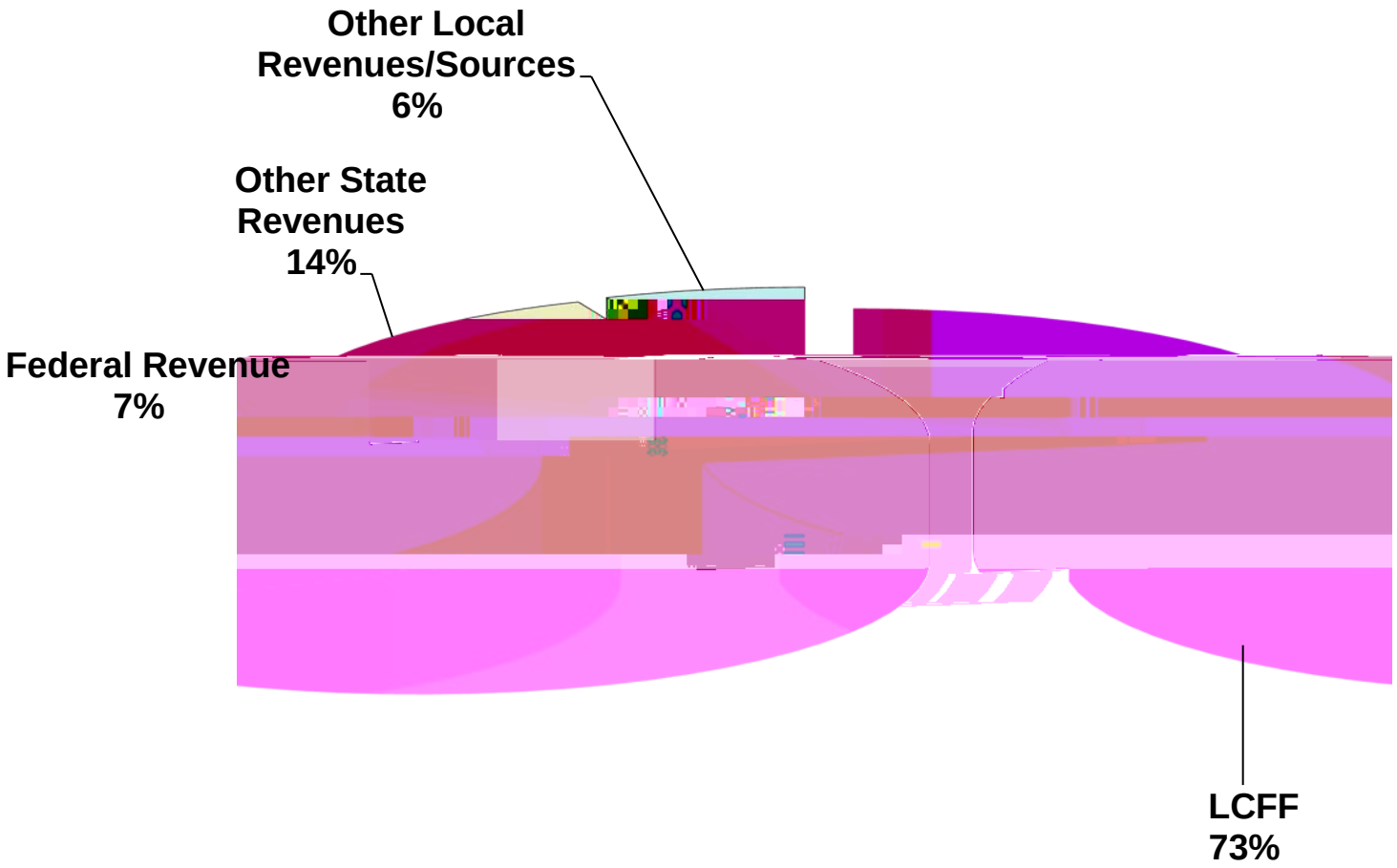
Revenues

- Local Control Funding Formula
  - Based upon average daily attendance (ADA)
  - Usa96(t)01(e)2(d( )-5S)n Con 5

Revenues

- New Funding
  - One-time Mandated Discretionary Funds
    - $529 per ADA
    - $14.6 million
  - Educator Effectiveness: $2.3 million
  - CPT Grant: $864k

2015616 %


Other Local Revenues/Sources 6%
Other State Revenues 14%
Federal Revenue 7%
LCFF 73%

Local Control Funding Formula

- 2015-16 **target** vs Phase in entitlement calculation

Summary of Funding	**2015-16**	**2016-17**	**2017-18**
Target	$ 273,922,348	$ 274,839,516	$ 273,766,902
Total Phase-In Entitlement	$ 244,807,771	$ 253,842,379	$ 256,975,856
Base/TIIG/Transportation	$ 207,484,601	$ 213,119,975	$ 214,469,568
Supplemental/Concentration	$ 37,323,170	$ 40,722,404	$ 42,506,288
Total Funding	$ 244,807,771	$ 253,842,379	$ 256,975,856
Estimated Percent toward Target	**89%**	**92%**	**94%**

This funding level assumes the State will fund the target "gap"
2015-16 51.52% - 2016-17 35.55% - 2017-18 35.11%

How far away is our target?

- The LCFF has an 8 year implementation plan
- The 2015-16 Funding Target as of 1st Interim is $273.9 million
- The 2015-16 Estimated Funding $244.8 million
  - **The Funding "Gap" is $29 million**
- Each year the LCFF base grants are adjusted, but not necessarily funded. That will be a decision of the State Legislature based upon funds available.
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Multi Year Projection

- 2017-18 Assumptions
- Funded ADA: 26,275
- LCFF Gap Funding Rate: 35.11%
- District Unduplicated Count: 74.60%
- Estimated Supplies Increase: California CPI 2.8%
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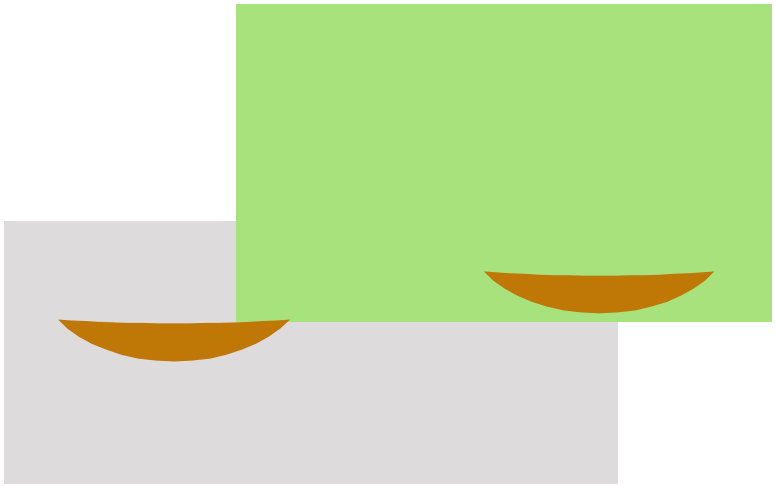
Multi Year Projection
Unrestricted General Fund

	2015-16	2016-17	2017-18
Revenues	$210,239	$204,339	$206,288
Expenses	191,841	202,422	209,277
Excess/(Deficit) Spending	$18,398	$1,917	($2,989)
Beginning Fund Balance	22,803	41,201	43,118
Use/Increase of Fund Balance	18,398	1,917	(2,989)
Ending Fund Balance	41,201	43,118	40,129
Required Reserve	9,790	10,121	10,382
Assigned Reserve	5,474	586	586
Stores & Revolving Cash	300	300	300
Balance	$25,637	$32,111	$28,861

Chart in Thousands

Structural Deficit

- Defined as having ongoing programs and financial commitments for a given year that exceed that particular year's revenue
- Ending Fund Balance or Special Reserve Funds can be used to address the deficit



Structural Deficit

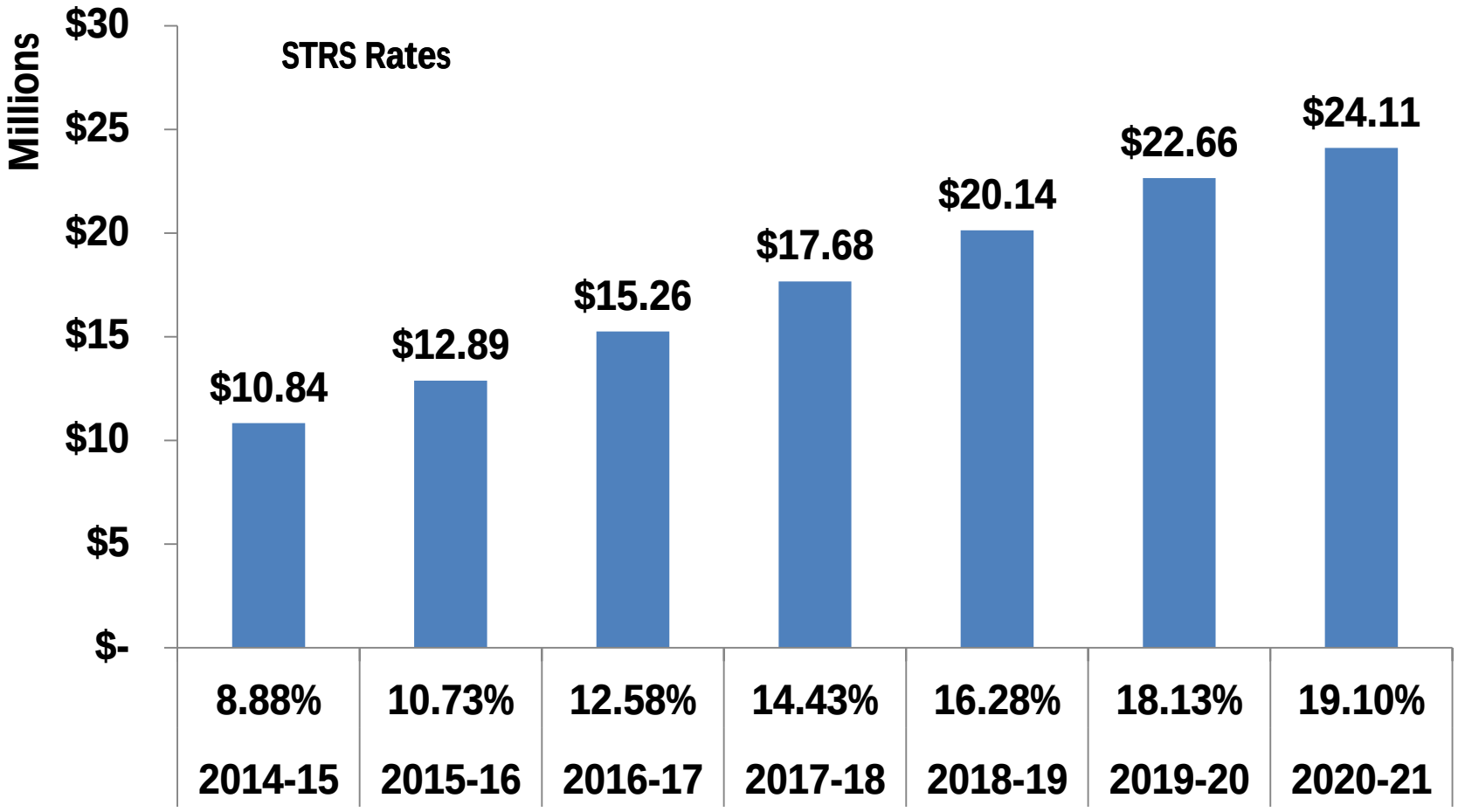
- The Board needs to be aware of the use of one-time funds and prepare plans for reducing commitments as one-time funds are depleted

- 2015-16 through 2017-18, the District shows revenue growth due to LCFF and one-time funding that will close the deficit using the current assumptions and expense levels

Future Funding Estimates

- There is a higher level of volatility and risk in this funding model as years progress
  - Student Demographic Changes
  - Legislative Support must continue over time
  - Economic Stability and Growth
- A decline in unduplicated count in a given year has greater impact as our funding model improves for example:
  - 6% decline = 15-16 $1 million reduction in revenues

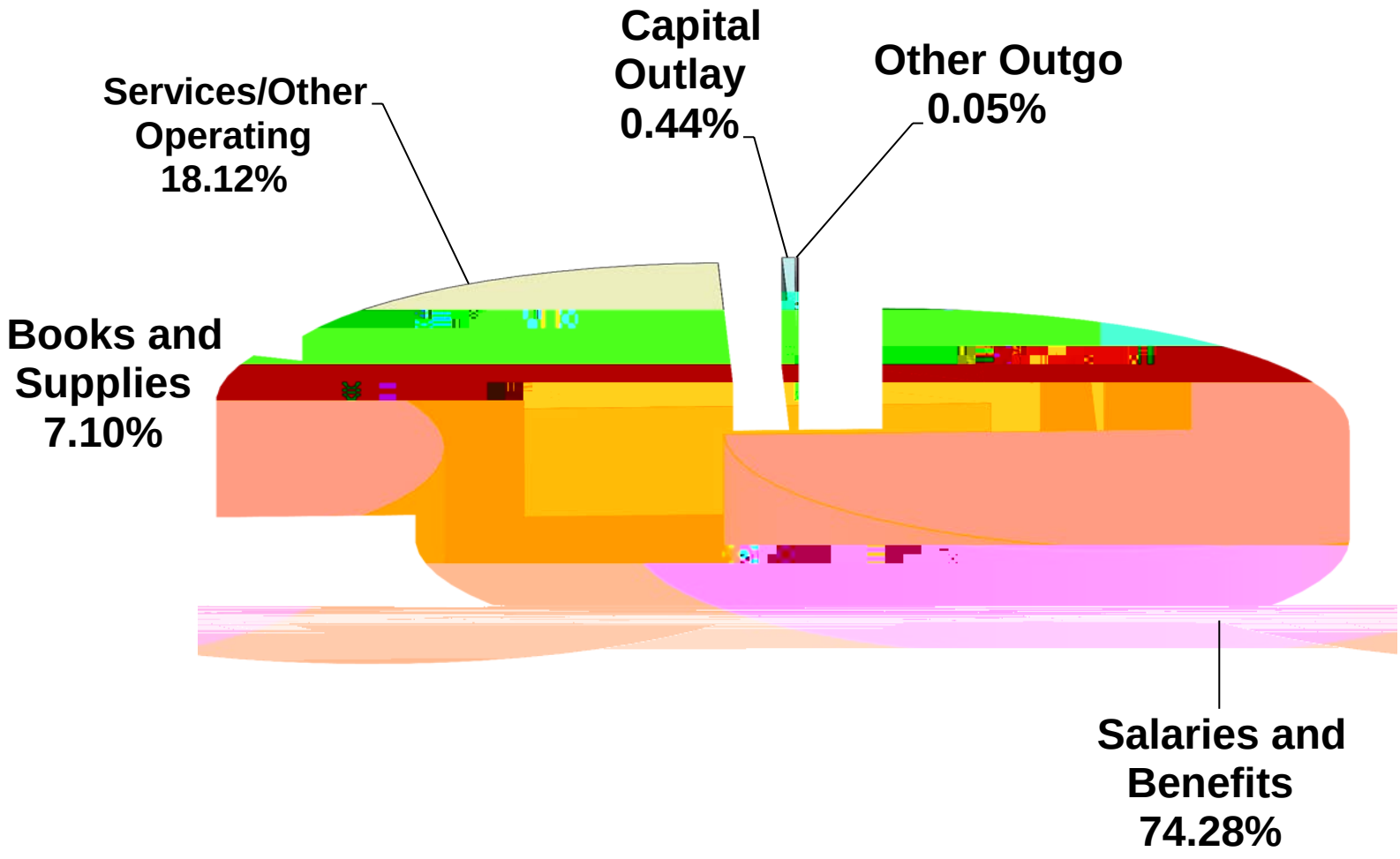
STRS Multi Year Rates



Budget Areas by Object

- Grouping Budget
  - Classifies expenses by type
    - Salaries
    - Benefits
    - Supplies
    - Contracted Services
    - Capital Outlay

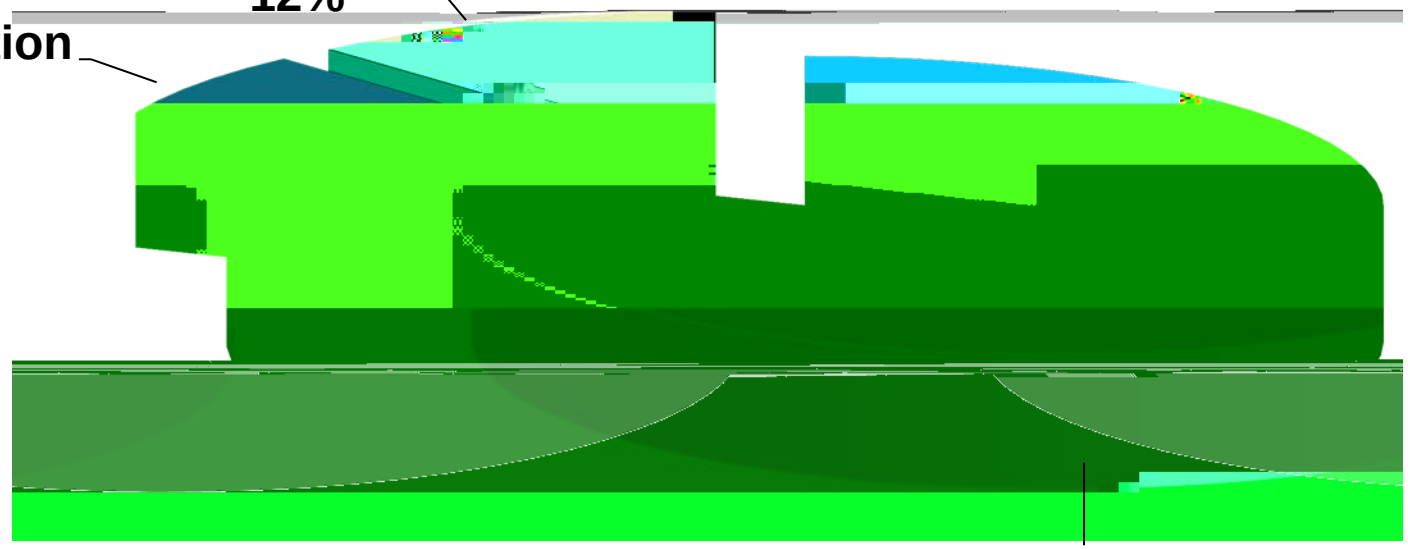
2015-16 FIRST INTERIM
TOTAL GENERAL FUND
EXPENDITURES & OTHER USES by OBJECT
$326,320,247



Budget by Function

- Grouping Budget Areas
  - Activity Based - Function
    - Instruction & Instruction Related
    - General
    - Plant Maintenance & Operations

2015-16 1st INTERIM TOTAL GENERAL FUND
EXPENDITURES BY FUNCTION
$326,320,247



Fund Review

- Review of Budget Fund Schedules
  - Schedule 2
    - Adult Ed, Child Development, Cafeteria, Deferred Maintenance, Special Reserve
  - Schedule 3
    - Building, Capital Facility, County School Facility, Special Reserve for Capital Outlay
  - All funds are estimated to have positive ending fund and cash balances for 15-16, moving into the 2016-17 budget year

General Fund Budget
by
District Goal Concept

- All Unrestricted Expenditures by the State

Goal 1

Goal 3

Increase parent and community engagement, involvement, and satisfaction.

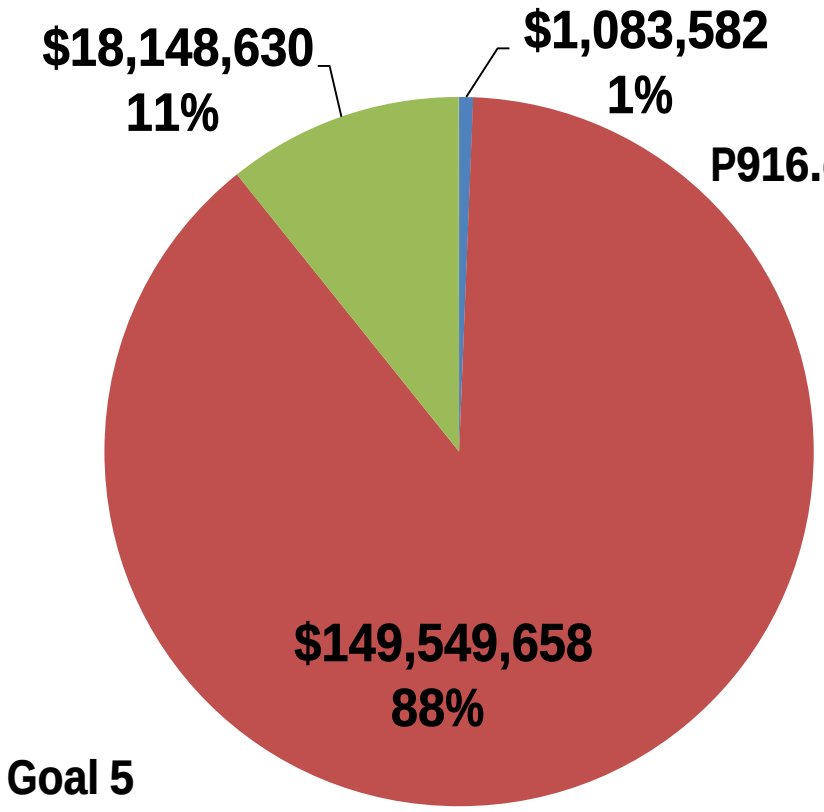
Total: $2,677,983

Goal 4

Improve student engagement and climate outcomes,

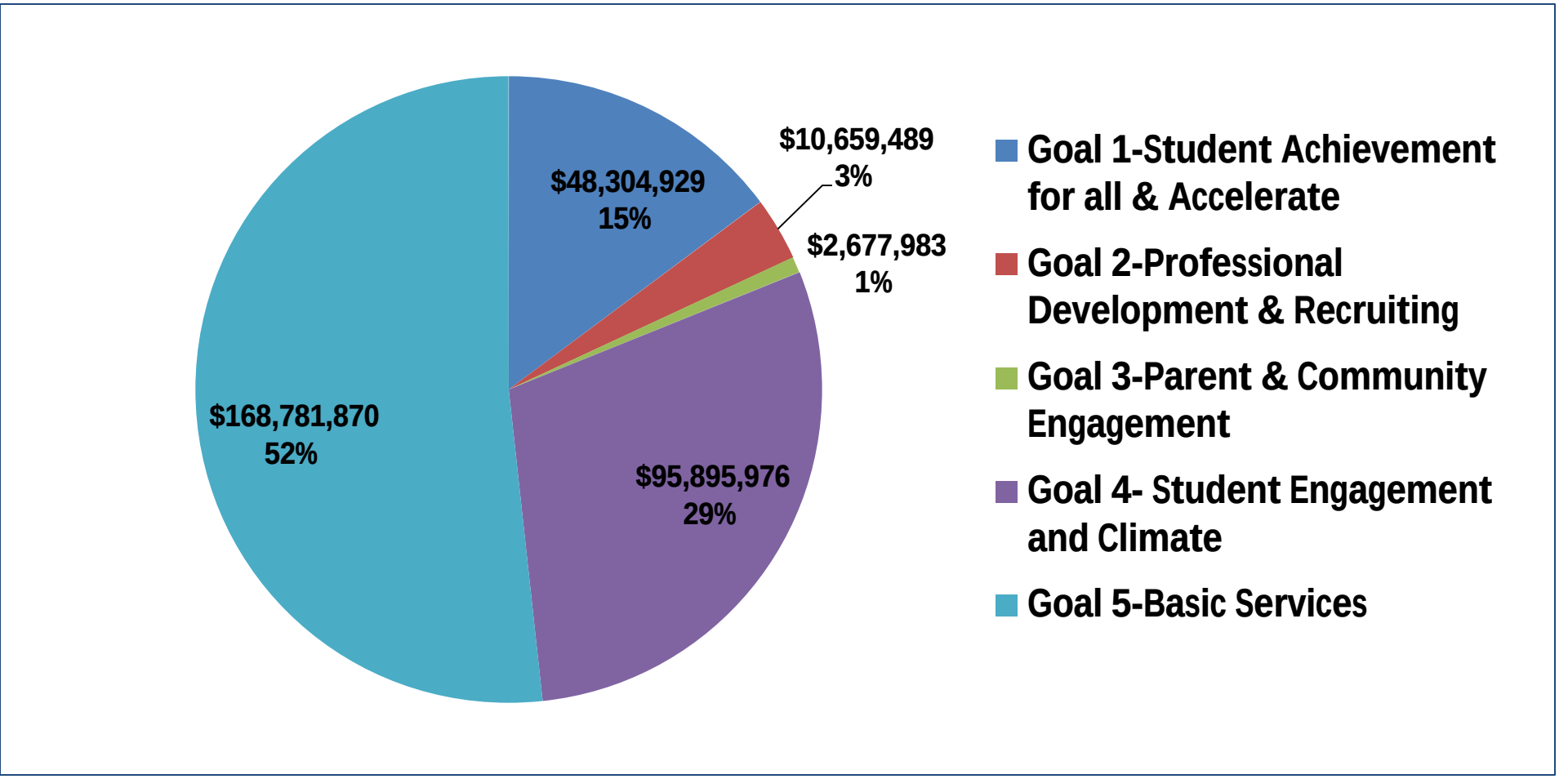
Goal 5

Provide basic services to all students, including facilities, access to materials and technology.



Total: $168,781,870

Total General Fund by Goal



Total: $326,320,247

All Inclusive Budget

- The concept of providing the community with a budget overview that includes all general fund resources has been a board interest
- The information provided in the previous pie graphs can be developed to be interactive using the same web tools that we are using for the LCAP
- When the budget is adopted comprehensive and interactive information can be shared on our website

Work in Progress

- This concept is a work in progress
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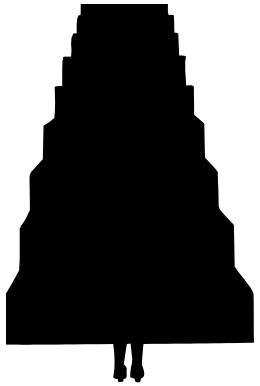
Next Steps