2013 – 14 Adopted Budget



June 25, 2013



Thelma Meléndez de Santa Ana, Ph.D., Superintendent



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Today's Agenda



- Budget Assumptions
- Multi-Year Projection (MYP) and Ending Fund Balance
- Next Steps
- State Budget Update







Budget Development Assumptions



- 1.565% COLA and deficit reduction to 18.997% (School Services of California Dartboard).
 - The Governor's LCFF Proposal is NOT included in the SAUSD proposed adoption budget for 2013-14
- Common Core Block grant of approximately \$9 million
 - Funds to implement Common Core, focused on technology and instructional materials. Will require a plan for expenditures and must be expended over two years
- Loss of Special Education funding due to **Federal Sequestration** is backfilled by the State as identified in the Governor's proposal
- SIG and ROP Grant Funding are both expiring in 2013-14.
- 21st Century and ASES funding has been reduced







detting to the Core

School Services of California, Inc.'s Financial Dartboard – REVISED 5/20/13



	Factor	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
	Statutory COLA (applies to K-12 and COE Revenue Limit)	3.24%	1.565%	1.80%	2.20%	2.50%	2.70%
	K-12 Revenue Limit Deficit %	22.272%	18.997%	18.997%	18.997%	18.997%	18.997%
	COE Revenue Limit Deficit %	22.549%	19.233%	19.233%	19.233%	19.233%	19.233%
	COLA for Special Education, Child Nutrition, American Indian Education Centers/Early Childhood Education programs (on state and local share only)	0.00%	1.565%	1.80%	2.20%	2.50%	2.70%
0	Other state categorical program COLA (including Adult Education						
	and ROC/P) Tier I Tier II Tier III	0.00% 0.00% 0.00%	1.565% 1.565% 1.565%	1.80% 1.80% 1.80%	2.20% 2.20% 2.20%	2.50% 2.50% 2.50%	2.70% 2.70% 2.70%

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2013-14 Budget Profile



- Assuming these budget factors:
 - -The District maintains a structural deficit of over \$40 million going into the 2014-15 school year
 - -The District will be adopting the 2013-14 budget with only a 2% statutory reserve



Review of July 1 Budget MYP



	MULTI-YEAR PROJECTIONS			
	@ July 1 Budget	2013-14	2014-15	2015-16
	REVENUE	\$335,241,296	\$329,477,835	\$335,492,955
	EXPENDITURES	\$303,386,541	\$319,372,573	\$317,376,481
	OTHER FINANCING SOURCES/USES	(\$52,102,599)	(\$54,610,249)	(\$55,822,724)
	NET INCREASE/DECREASE (DEFICIT SPENDING)	(\$20,247,844)	(\$44,504,987)	(\$37,706,250)
1	BEGINNING BALANCE	\$39,769,987	\$19,522,143	(\$24,982,844)
)	DEFICIT SPENDING	(\$20,247,844)	(\$44,504,987)	(\$37,706,250)
	ENDING BALANCE	\$19,522,143	(\$24,982,844)	(\$62,689,094)
1	COMPONENTS OF ENDING BALANCE:			
)	NON SPENDABLE	\$1,150,000	\$1,150,000	\$1,150,000
	OTHER DESIGNATED	\$8,777,828	\$0	\$0
	ECONOMIC UNCERTAINTIES	\$9,594,315	\$9,887,619	\$9,815,430
	PROP 30	\$0	\$0	\$0
1	COLA PER SSC DARTBOARD	\$0	\$6,993,140	\$8,717,832
1	TOTAL	\$19,522,143	\$18,030,759	\$19,683,262
	SHORTFALL	\$0	(\$43,013,603)	(\$82,372,356)



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Getting to the Core

Projected Ending Fund Balances (All Other Funds)

Fund (all \$s in 000's)	2012-13 Estimated Actuals	2013-14 Adopted	Difference
Fund 11 - Adult Education	\$0	\$0	\$0
Fund 12 – Child Development	\$65	\$69	\$4
Fund 13 – Cafeteria	\$17,545	\$27,326	\$9,781
Fund 14 – Deferred Maintenance	\$0	\$0	\$0
Fund 17 – Special Reserve	\$0	\$0	\$0
Fund 21 – Building	\$15,328	\$15,308	(\$20)
Fund 25 – Capital Facilities	\$0	\$0	\$0
Fund 35 – School Facilities	\$15,354	\$4,147	(\$11,207)
Fund 40 – Special Reserve/Capital Outlay	\$20,221	\$0	(\$20,221)
Fund 49 – Capital Projects (COP)	\$1,082	\$1,080	(\$2)
Fund 51 – Bond Interest & Redemption	\$15,473	\$16,459	\$986
Fund 56 – Debt Service	\$8,158	\$8,829	\$671
Fund 67 – Self-Insurance	\$7,857	\$7,566	(\$291)

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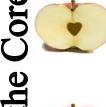
Summary-Next Steps



 June 25th - Public Hearing and Adoption of 2013-14 Budget



 September 2013 - Identification of Potential Budget reductions for 2014-15





Local Control Funding Formula



• Elements of the <u>proposed</u> formula

- A base grant target equal to the undeficited statewide average base
 revenue limit per ADA \$6,816 (includes the 1.565% statutory COLA)
- Differential (weighted) adjustments for early primary, primary, middle, and high school grade spans; added funding for K-3 Class-Size
 Reduction (CSR) and 9-12 Career Technical Education (CTE)
- 20% Supplemental Grants for Pupils eligible for free and reducedprice meals and Foster youth
- 50% Concentration Grants for qualified English Learner population
- The new accountability provisions may make the LCFF more restrictive and limit the ability of LCFF funds to mitigate the structural deficit in SAUSD







Getting to

Two Different Funding Formulas

Where every dollar spent would go toward school funding



Supplemental Funding



Gov. Brown's May Revision Proposal

























Proposed Compromise





















Sources: California Department of Finance, California Department of Education Infographic by John C. Osborn, EdSource: http://www.edsource.org/today

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Funding The Core



New SAUSD interactive budget website

 More information and resources concerning school funding

www.sausd.us/fundingthecore

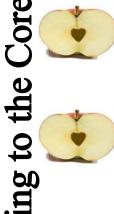








Questions?





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