

2013-14 FIRST INTERIM

(FINANCIAL INFORMATION AS OF OCTOBER 31, 2013)

DECEMBER 10, 2013

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TONIGHT'S GOAL

- 1. 2013-14 First Interim Report**
- 2. Major Changes Since Budget Adoption**
- 3. LCAP and Next Steps**

2013-14 FIRST INTERIM BUDGET

- The District's 2013-14 Adopted Budget did not include all revenue from the Local Control Funding Formula (LCFF)
- The adopted budget included a structural deficit of **\$43 million** that needed to be addressed for the 2014-15 school year and a minimum 2% reserve



WHERE HAVE WE BEEN

- **Prior to 2012-13**
 - ARRA Funds used to bridge gaps
 - Flexible Use of Tier III (Categorical Funds)
 - Spending down of reserves to maintain programs
- **2012-13 Budget Adjustments**
 - Prop 30 – New Revenue offsetting Revenue Limit Reductions
 - Tier III Funds Used
- **2013-14 LCFF passed**
 - New ON-GOING REVENUE
 - Common Core Block Grant
 - Flexible usage of supplemental/concentration grants

MAJOR CHANGES FOR FIRST INTERIM

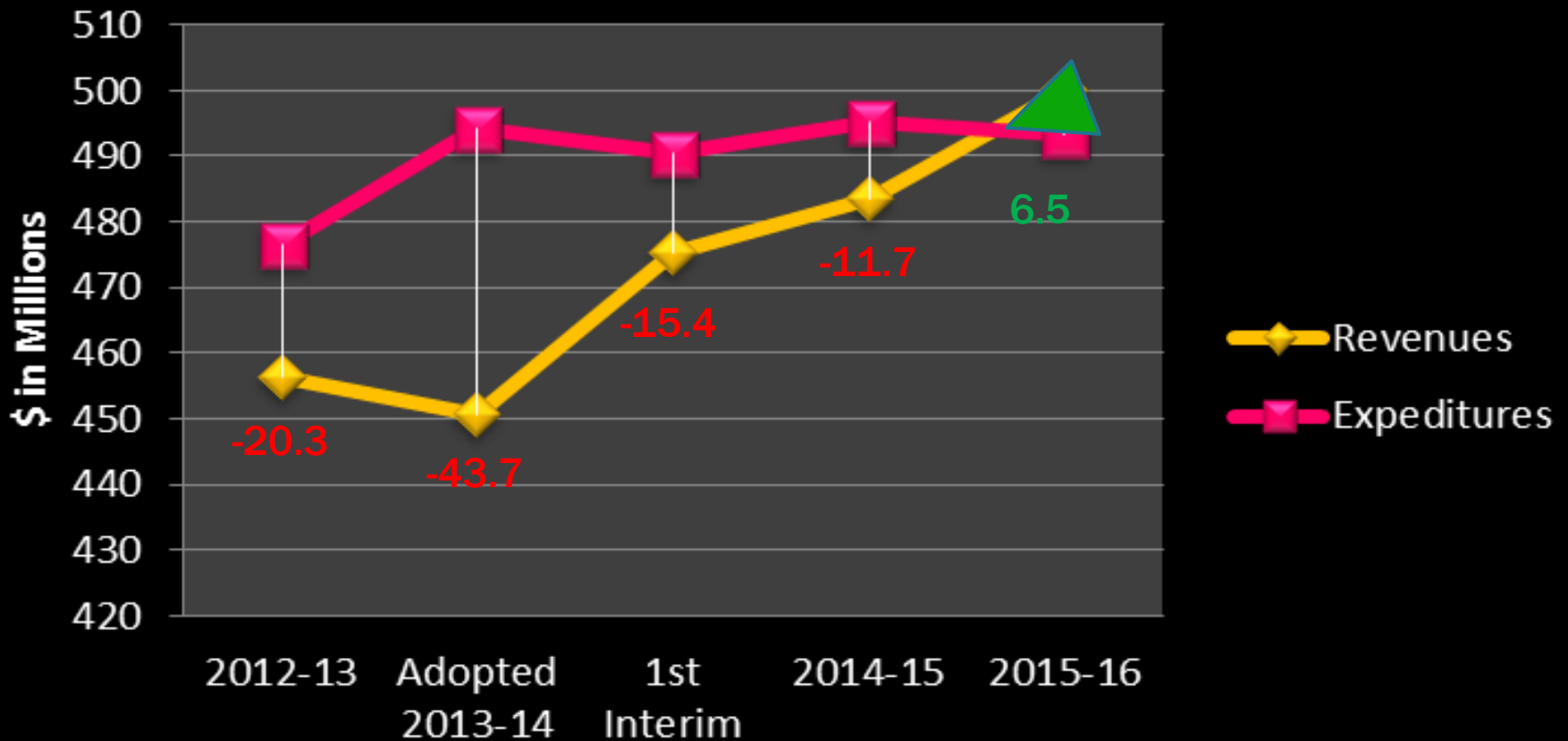
- **LCFF revenue has been added**
 - Approximately half of the new LCFF funding was incorporated into the adopted budget
 - An additional \$12.7 million in revenue is being incorporated at First Interim
- **Enrollment adjustments due to preliminary CBEDS**
 - Flat enrollment for the current year, and lesser decline predicted in future years
- **Ongoing Health and Welfare costs adjusted based upon the effectiveness of the Health Benefits Authority (HBA)**

2013-14 ENDING FUND BALANCE AND MULTI-YEAR PROJECTION

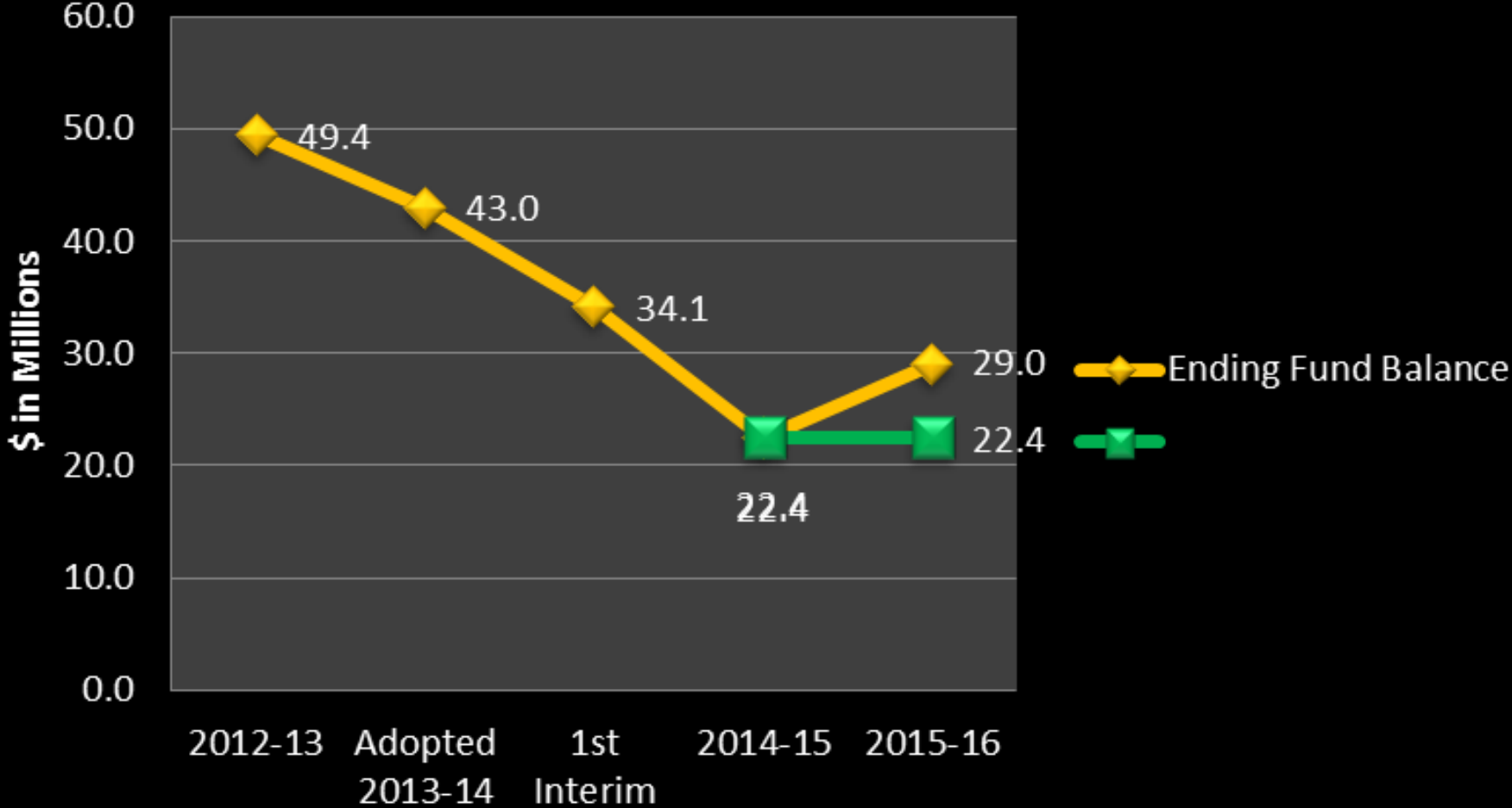
- Due to LCFF funding, the 2013-14 ending fund balance will increase by approximately \$7.7 million (one-time)
- The structural deficit for 2014-15 is reduced to **\$11.7 million**
- The multi-year projection incorporates the additional ongoing LCFF funding
 - This additional funding will be verified after the Governor's January Budget Proposal
 - The current projection of ongoing revenue received in 2014-15 would eliminate the structural deficit of \$43 million

MULTI-YEAR OUTLOOK STRUCTURAL DEFICIT

Structural Deficit



MULTI-YEAR OUTLOOK



MULTI-YEAR BUDGET PROJECTION

Combined General Fund			
<i>\$ in Millions</i>	2013-14	2014-15	2015-16
Beginning Fund Balance	\$ 49.4	\$ 34.1	\$ 22.4
Revenues	\$ 475.2	\$ 483.6	\$ 500.0
Expenditures	\$ 490.5	\$ 495.3	\$ 493.4
Net Increase/ (Decrease)	\$ (15.4)	\$ (11.7)	\$ 6.6
Projected Ending Fund Balance	\$ 34.1	\$ 22.4	\$ 29.0
Required Budget Reductions	\$ -	\$ -	\$ -

NEXT STEPS – SECOND INTERIM

- **The Governor's January Budget Proposal will be released January 10, 2014**
 - **2014-15 revenue projections will be adjusted based on the Governor's budget proposal**
 - **Multi-year expenditure projections will be adjusted based on staffing needs as well as other Board priorities**
- **LCAP Task Force is working to bring a plan to the Board for priorities and approval**

SAUSD LCAP TASK FORCE PROCESS

- **The Committee is charged with adapting all current District plans into the LCAP**
 - Subgroups, including school and central office staff, as well as parents will work on the 8 components of the LCAP
- **The LCAP will then be presented for input to a wide variety of stakeholder groups prior to approval by the Board of Education**
 - Stakeholder Surveys
 - Public Community Forums
 - Board of Education updates
 - Posting on Website
 - DAC/DELAC and Continuous Improvement Team (CIT)
- **A tentative calendar has been developed to ensure adoption of the LCAP prior to July 1, 2014**

SAUSD LCAP COMMITTEE MEETING CALENDAR

TENTATIVE DRAFT

F	S	W	Date	Activity
Committee of the Whole				
X			November 20, 2013	Initial Kick off meeting of full committee – Board Room
X			January 21, 2014	Full Committee review of consolidated plans and next steps 8:00 – 10:00 a.m. District Office Training Room
X			March 5, 2014	Full Committee Review draft plan and SBE template 2:00 – 4:00 p.m. Board Room
X			April 30, 2014	Full committee finalizing components of plans 2:00 – 4:00 p.m. District Office Training Room
Sub-Committee Meetings (Working Groups)				
		X	November 21-December 14	Subcommittee meet to review existing plans and scope of work
		X	January 23 - February 15	Subcommittee meet to finalize draft revision of plans
		X	March 6-15	Subcommittee meet to revise draft of plans
Sub-Committee Chairs (only)				
	X		December 18, 2013	First meeting of all Subcommittee chairs 2:00-4:00 p.m. Conference Room C107
	X		February 18, 2014	Subcommittee chairs meet to finalize draft of revised plans 8:00 – 10:00 a.m. Conference Room C107
	X		April 1, 2014	Subcommittee chairs meet to finalize plan drafts 8:00 – 10:00 a.m. Conference Room C107
Public Meetings/Forums				
			December 1 - 14	First Parent Involvement Committee Public Input Forum
			January 23 - February 10	Second Parent Involvement Committee Public Input Forum
			March 6-22	Third Parent Involvement Committee Public Input Forum
			March 25, 2014	Presentation to Board on LCAP development
			April 22, 2014	Presentation to Board on LCAP development
			May 1 - May 21	Community presentations to DAC/DELAC, Continuous Improvement Team, CAC, and other forums of draft plan
			May 27, 2014	Public Hearing at Board Meeting on LCAP
			June 10, 2014	Board Adoption of LCAP
			June 24, 2014	Board Adoption of 2014-15 Budget
			May 1 - May 21	Community presentations to DAC/DELAC, Continuous Improvement Team, CAC, and other forums of draft plan 12

NEXT STEPS - BUDGET

Date	Event or Activity
January 2014	Governor's January Budget Proposal
March 2014	LCAP update to Board and Second Interim Report
May 2014	LCAP update to Board and Third Interim Report
June 2014	LCAP and Budget adoption by Board