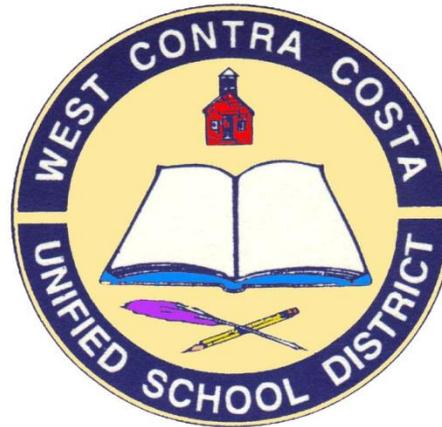


# West Contra Costa Unified School District December 12, 2012



## 2012-13 First Interim Financial Report

# First Interim 2012-13

- Period Ending October 31, 2012
- 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
- Positive Certification

# Multi Year Projection First Interim Report Unrestricted General Fund

	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>
<b>Revenues</b>	\$167,452	\$169,813	\$166,021
<b>Expenses</b>	174,371	176,359	177,243
<b>Deficit Spending</b>	(\$6,919)	(\$6,546)	(\$11,222)
<b>Special Reserve Transfer</b>	2,879	3,782	6,841
<b>Beginning Fund Balance</b>	23,376	19,336	16,572
<b>Use of Fund Balance</b>	(4,040)	(2,764)	(4,381)
<b>Ending Fund Balance</b>	19,336	16,572	12,191
<b>Required Reserve</b>	8,594	8,251	8,302
<b>Stores &amp; Revolving Cash</b>	300	300	300
<b>Balance</b>	\$10,442	\$8,021	\$3,589

Chart in Thousands

# Special Reserve Summary

<b>Special Reserve Fund - 17</b>	<b>Adopted Budget &amp; Multi Year Projection</b>
<b>Balance June 30, 2012</b>	\$ 13,502,827
2012-13 - Transfer Estimate	\$ (2,879,684)
2013-14 - Transfer Estimate	\$ (3,781,735)
2014-15 - Transfer Estimate	\$ (6,841,408)
<b>Special Reserve Fund Balance Projection June 2015:</b>	\$ -



# Multi Year Projection

- 2012-13 – Current Budget
  - Will meet 3% reserve
  - Use of Special Reserve fund \$2.8 million
- Assumptions
  - Cost of Living Increase of 3.24% on Revenues
    - Less State Deficit Factor of 22.272% for State Revenue Limit Per Pupil
- Adjustments to budget since June
  - Staffing adjustments
  - One time adjustments for teachers professional development days

# Multi Year Projection

- 2013-14
  - Will meet 3% reserve
  - Use of Special Reserve fund \$3.8 million
- Assumptions
  - Cost of Living Increase of 2%
    - Less State Deficit Factor of 22.272% for State Revenue Limit Per Pupil
  - Estimated Supplies and Services increase CPI 2.3%
  - Step and Column adjustment for all employees 1%
  - Retiree Health Benefits Increase 5%

# Multi Year Projection

- 2014-15
  - Will meet 3% reserve
  - Use of Special Reserve fund \$6.8 million
- Assumptions
  - Cost of Living Increase of 2.3%
    - Less State Deficit Factor of 22.272% for State Revenue Limit Per Pupil
  - Estimated Supplies and Services increase 1%
  - Step and Column adjustment for all employees .50%
  - Retiree Health Benefits Increase 5%
  - Elimination of Class Size Reduction Flex

# Post Retirement Health

- Retiree Benefits continue to take a large portion of the budget, and the District is absorbing the increased cost of health plans for the majority of retirees
  - The District is operating on a “Pay as you go” basis
  - The Multi Year Projection includes an estimate of an increase to benefit premiums of 5%

# Post Retirement Health

- Retiree Benefits constitute the greater number of participants in the District's benefits program
- As of October 2012 a total of 4198 employees or retirees participated in the benefits program.
  - 2329 are retiree participants
  - 66 of the retiree participants are in the new maximum contribution plan adopted as of June 2010

# Parcel Tax Extension

- The Multi Year Projection which was adopted with the budget did not include parcel tax revenues and expenses for 2014-15
- We are now able to plan for those services to students into the future
- Libraries, Athletics, Counseling and more...

# State Outlook

- Legislative Analyst Office report indicates the economy is on the rebound
  - Effect is slower for our funding, but improvement is indicated



# Federal Outlook

- What about the “Fiscal Cliff”?
- Federal Funding is at risk
- Title I
- Certain Special Education Funds
- District receives over \$25 million per year
- 10% cuts are threatened
- Federal Policy Makers indicated cuts would come effective July 1, 2013



# Cash Flow

- Proposition 30 has improved the cash flow for the District
- Staff will be monitoring the cash flow during the first few months of 2013
- If borrowing is necessary the Board will be alerted as to the options available

# Update to SACS Report

- We are requesting that the Board update the projections for:
  - Bond Fund – Fund/Form 21
  - County Schools Facility Fund – Fund/Form 35
- Construction and finance budget columns must remain the same as our system indicated as of October 31, 2012
- Projections are updated

# Update to SACS Report



- The updated projections for:
  - Bond Fund – Fund/Form 21
- A reduction in the amount we expect to expend between now and June 2013
- A transfer in to the Bond Fund 21 from the County Schools Facility Fund 35 for reimbursements received from the State

# Update to SACS Report

- The updated projections for:
  - County Schools Facility Fund 35
- An increase in the amount we expect to receive from the State for construction and modernization projects
- A transfer in to the Bond Fund 21 from the County Schools Facility Fund for reimbursements received from the State

# Next Steps



## Governor's January Budget Analysis January – Sacramento

- Staff will update the Board at each meeting
- Financial reports available on the web  
<http://www.wccusd.net/>