

**"Empowering
Students for
Success"**



Capistrano Unified School District

2013-2014 Fiscal Year Budget

June 26, 2013

State Budget

- Legislature has approved a 2013-2014 budget.
 - First time in almost 30 years the legislature has approved a budget before the statutory deadline.
- Governor has until the end of the month to sign budget and provide any line-item vetoes.
- Within 45 days of the Governor's signature each district shall make available for public review any revisions in revenues and expenditures that it has made to its budget to reflect the funding made available by the Budget Act (E.C. 42127[i][4]).



Local Control Funding Formula

- The phase in period for LCFF would be 8 years rather than 7 years
- Increases the 2021 base grant target by \$537 as compared to the May Revise
- Lowers the supplemental grant level from 35% to 20%.
 - With the base grant increasing the supplemental grant is little changed in actual dollars.
- The concentration grant does not take effect until a district is at 55% rather than 50%
- Concentration grant increased to 50% of base rather than 35% (CUSD will not receive a concentration grant)
- Increasing the one-time Common Core Implementation funding 25% to \$1.25 billion

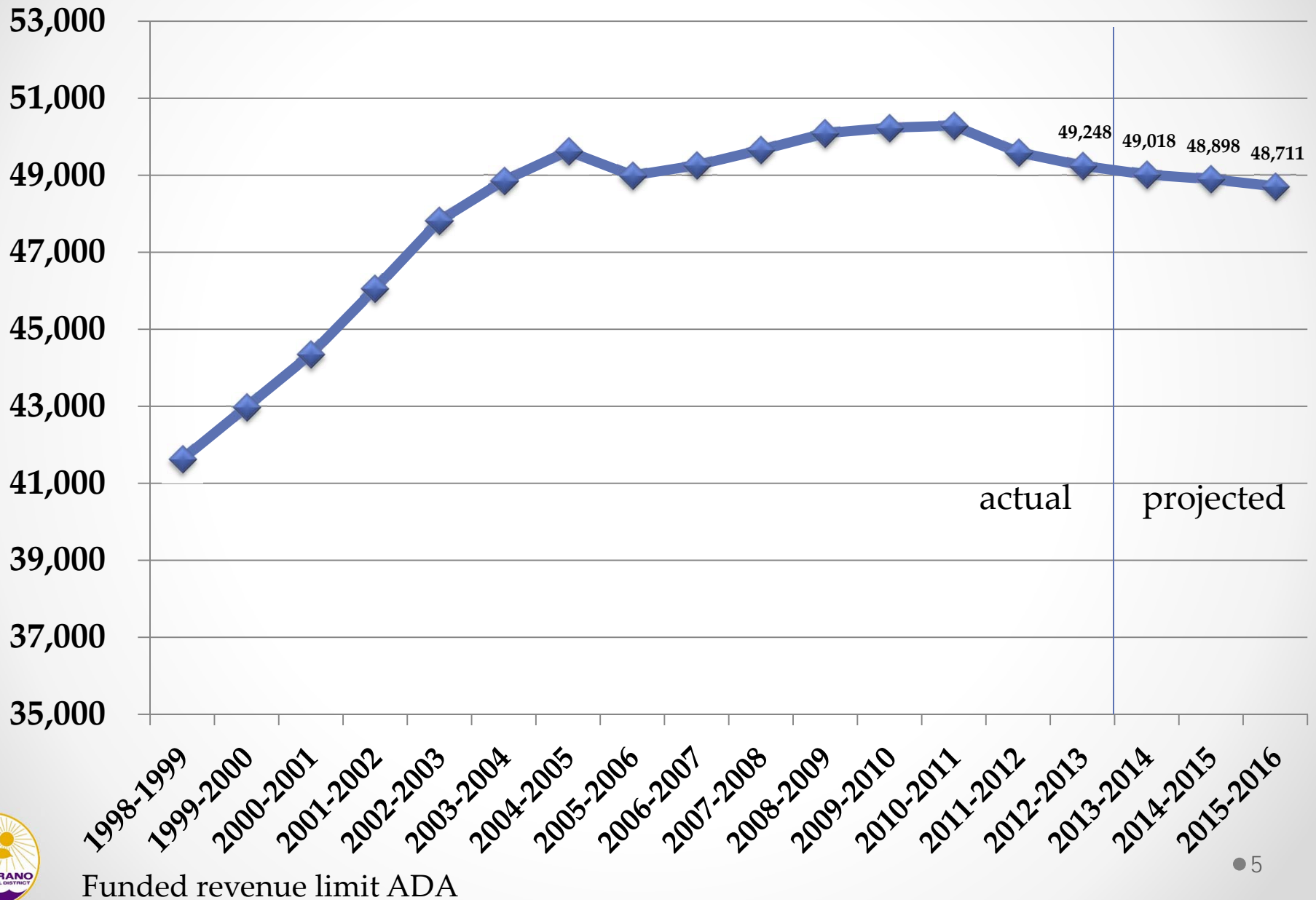


District Budget

- First time since 2007-2008 additional funding is expected.
- This 2013-2014 budget still represents a COLA only budget until the impact of the final state budget for CUSD is calculated.
- Assumes negotiated reductions of \$16.8 to maintain required state reserve.
- Preliminary State budget information indicates district would receive about \$8 million more in ongoing funding compared to a COLA only budget.
- District will continue to maintain a conservative outlook on multi-year projections.
- Orange County Department of Education will conditionally approve District's budget pending agreements with associations in July 2013.
- A revised District budget based on the final signed State budget and negotiated reductions will be brought to the Board for approval in July 2013.



Attendance History and Projections



Funded revenue limit ADA

Multi-Year Projection

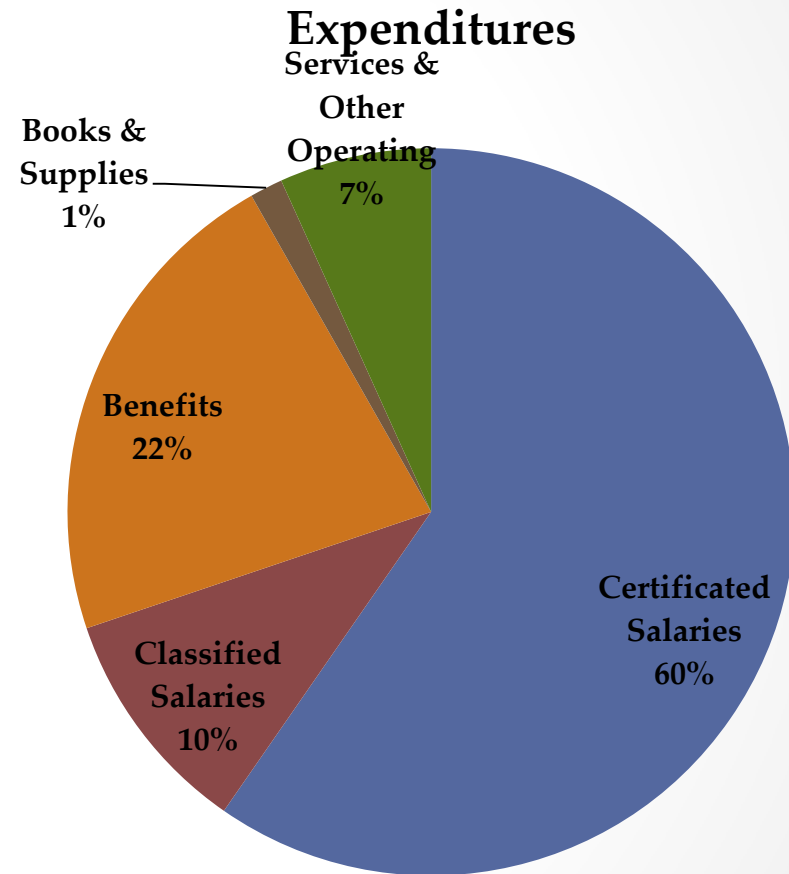
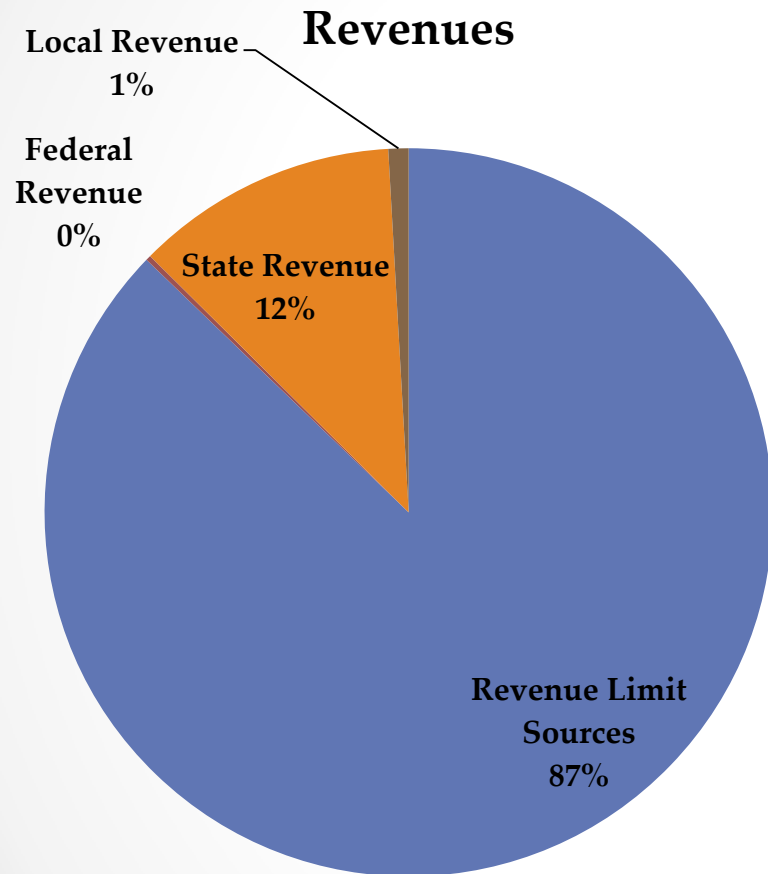
	2013-2014	2014-2015	2015-2016
Projected Revenue	\$291.30	\$295.84	\$301.26
Beginning Balance	12.66	8.98	7.95
Total Available Sources	303.96	304.83	309.21
Projected Expenditures*	244.68	245.83	249.13
Contribution to Restricted Fund	50.30	51.05	51.92
Required Reserves	8.95	7.62	7.62
Available Balance	\$.03	\$.33	\$.54

* - Assumes reductions in each fiscal year

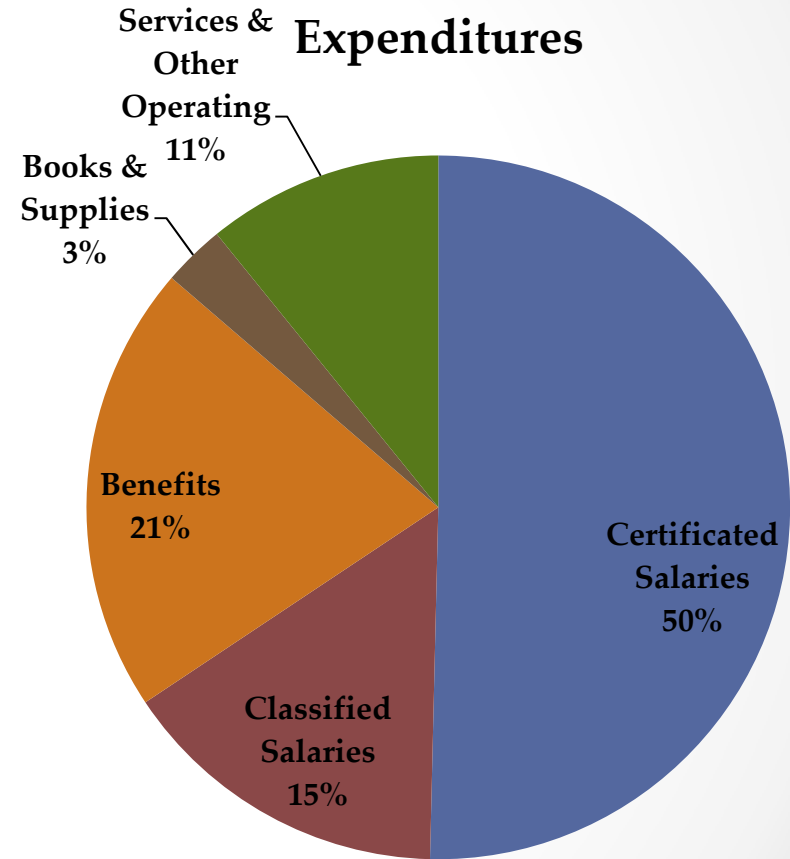
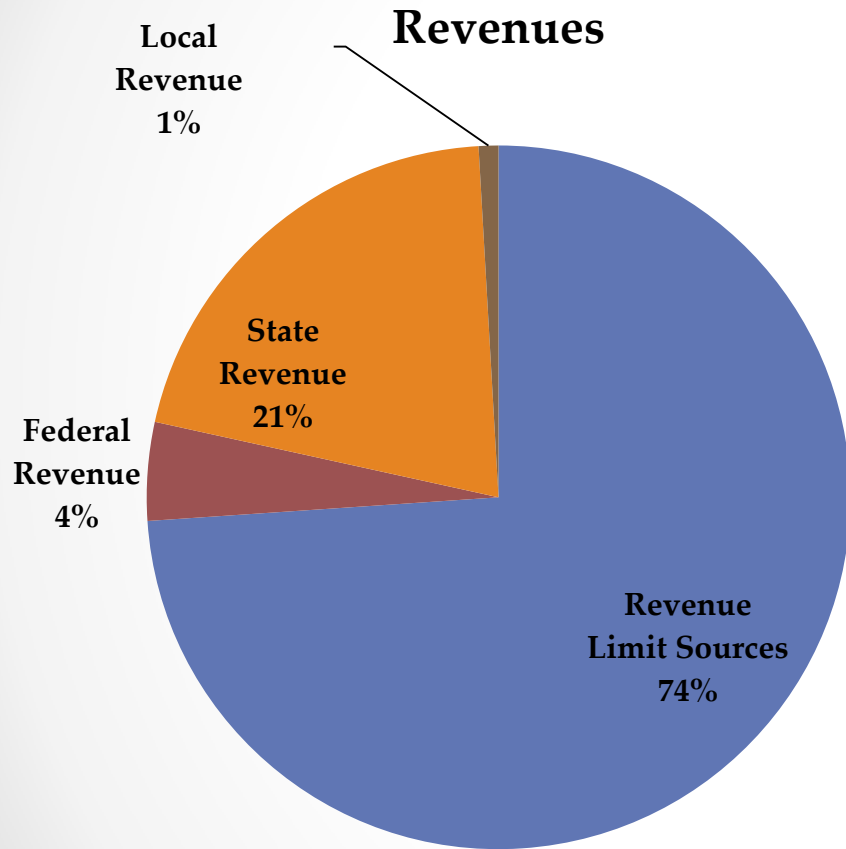


Unrestricted Fund

2013-2014 Budget



Unrestricted/Restricted Fund 2013-2014 Budget



Other Potential Budget Impacts

- Additional contributions to the California State Teachers' Retirement System (STRS) may be required if the legislature enacts a new law.
- Additional contributions for the California Public Employees' Retirement System (CalPERS) may also be needed if the CalPERS board changes its rates.
- The Affordable Health Care Act also may impact the district budget.



Item #2

2013-2014 Budget Adoption

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Staff recommends approval of 2013-2014 Budget

