

Sweetwater Union High School District



**BUDGET COMMITTEE MEETING
JANUARY 28, 2016**

Agenda



- Theme & key elements of the Governor's 2016-17 state budget proposal
- SUHSD resources
- Overview of the local control funding formula (LCFF)

Themes for the 2016-17 Governor's Budget



- **Strong state economic growth but potential for a slow down**
- **Focus on implementing the Local Control Funding Formula and another healthy shot of one-time funding**
- **Local Control and Accountability Plan (LCAP) remains a dominant governance document**
- **Commitment to Adult and Career Technical Education**

Key Elements

Governor's 2016-17 Proposed Budget



Overall budget proposal:

- \$122.6 billion general fund expenditure budget

| | |
|------|-------|
| K-12 | 41.8% |
|------|-------|

| | |
|-------------------------|-------|
| Health & Human Services | 27.5% |
|-------------------------|-------|

| | |
|------------------|-------|
| Higher Education | 11.9% |
|------------------|-------|

| | |
|---------------------------|------|
| Department of Corrections | 8.7% |
|---------------------------|------|

| | |
|-------------------|------|
| Natural Resources | 2.3% |
|-------------------|------|

| | |
|-------|------|
| Other | 7.8% |
|-------|------|

Key Elements



- 2.8 billion increase in LCFF funding (49.08% GAP)
- 1.2 billion for one time discretionary (Common Core & PY mandate claims)
- 220 million mandate block grant
- 500 million for Adult Education block grant
- 300 million for CTE grants
- No funding for a facilities
- 22.9 million for categorical programs (COLA=.47%)
- 15.5 million decrease for Special Education ADA decrease

Key Elements



CalSTRs/CalPERs employer costs significantly increase from 2013-14 to 2020-21

- **CalSTRs rate increases from 10.73% to 12.58%**
- **CalPERs rate increases from 11.84% to 13.05%**
- **Increased cost to LEAs exceed \$4 billion in 2020-21**
- **No additional funding for this purpose**

SUHSD Resources



2016-17 funding over prior year 16.4 mil

Less:

- Supplemental/concentration 7.4 mil**
- Step/Column increases 3.1 mil**
- CalSTRs & CalPERs increases 3.3 mil**

Add:

- One time discretionary 8.1 mil**



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Weighted Student Formula Proposed (Local Control Funding Formula)

Stanford professor Michael Kirst, former state Secretary of Education Alan Bersin and then Berkeley Law professor Goodwin Liu published “Getting Beyond the Facts: Reforming California School Finance” with some basic proposals to reform the School Finance System. Several of their proposals are the basis for Governor Brown’s Local Control Funding Formula, e.g., Base Funding and Targeted Funding for unduplicated counts.

Other phrases synonymous with
“Weighted Student Formula:”

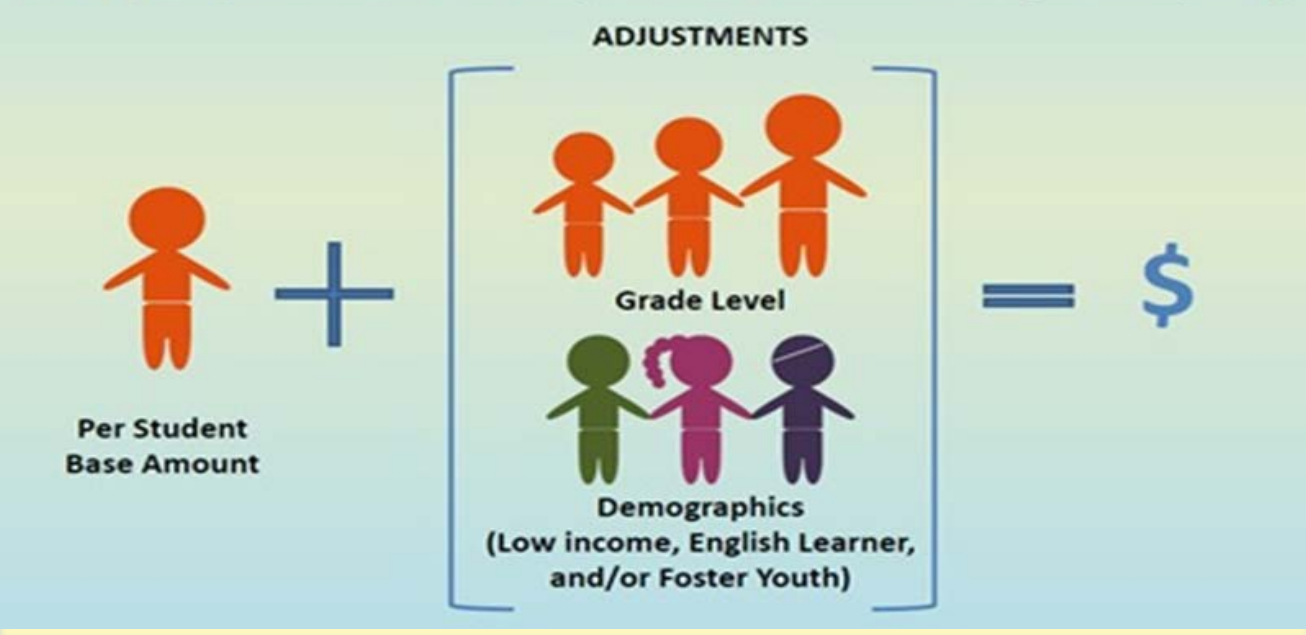
- Student Based Funding
- Foundation Based Funding



Local Control Funding Formula



Greatly simplifies state funding for local educational agencies (LEAs)



Local Control Funding Calculation, Sweetwater 2016-17

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Grades 7-8

1. 10,728 = Student Count Grades 7-8
2. 6,476 = Unduplicated Count (60.37% of student count)
3. 576 = Unduplicated count in excess of 55% of student count (6,476-5,900 = 576)
4. \$7,438 = Base amount per student
5. \$1,487.60 = Supplemental amount per student (20% of base amount)
6. \$3,719 = Concentration amount per student (50% of base amount)

Grades 9-12

1. 27,390 = Student Count Grades 7-8
2. 16,536 = Unduplicated Count (60.37% of student count)
3. 1,471 = Unduplicated count in excess of 55% of student count (16,536-15,065 = 1,471)
4. \$8,842 = Base amount per student
5. \$1,768.40 = Supplemental amount per student (20% of base amount)
6. \$4,421.00 Concentration amount per student (50% of base amount)

Additional Amounts For LCFF Calculation

1. \$341,953,547 = 2015-16 Allocation the LCFF floor amount.
2. Add on Amounts
 - 2,322,711 = Targeted Instructional
 - 1,332,299 = Home-to-School Transportation
3. Gap Rate = 49.08%

| Grades | Award Type | Amount/Student | Student Count | Award Amount |
|----------------|--------------------------------------|----------------|---------------|-----------------------|
| 7-8 | Base Amount | \$ 7,438.00 | 10,728 | \$ 79,792,856 |
| | Supplemental Amount | \$ 1,487.60 | 6,476 | 9,634,189 |
| | Concentration Amount | \$ 3,719.00 | 576 | 2,142,438 |
| 9-12 | Base Amount | \$ 8,842.00 | 27,390 | \$ 242,186,713 |
| | Supplemental Amount | \$ 1,768.40 | 16,536 | 29,241,624 |
| | Concentration Amount | \$ 4,421.00 | 1,471 | 6,502,713 |
| | Sub-Total LCFF Award | | | \$ 369,500,533 |
| Add Ons | Targeted Instructional | | | \$ 2,322,711 |
| | Home-to-School Transportation | | | \$ 1,332,299 |
| | Total Award (Full Funding) | | | \$ 373,155,543 |
| | 2015-16 LCFF floor amount* | | | \$ 341,953,547 |
| | Total Award less Floor Amount | | | \$ 31,201,996 |
| | Gap Rate Amount (49.08%) | | | \$ 15,313,940 |
| | 2016-17 award | | | \$ 357,267,487 |

| Note: | *2015-16 LCFF Floor Amount | Amount/Student | Current ADA | Award Amount |
|-------|---------------------------------------------|--------------------|------------------|-----------------------|
| | 2012-13 Funding | \$ 6,082.00 | 38,118.22 | \$ 231,835,003 |
| | 2012-13 Categorical Funding | | | \$ 42,712,190 |
| | Sum of the prior Gap Amounts per ADA | \$ 1,768.35 | 38,118.22 | \$ 67,406,354 |
| | | | | \$ 341,953,547 |

Local Control Funding Formula: Allocated Components



| <u>Components</u> | <u>2015-16 1st Interim</u> | <u>2016-17 Projections</u> | <u>Difference</u> |
|---------------------------------------|----------------------------|----------------------------|-------------------|
| Adjusted Base Grant | 304,377,934 | 313,398,220 | 9,020,286 |
| Supplemental Funding | 26,784,028 | 32,898,359 | 6,114,331 |
| Concentration Funding | 6,067,148 | 7,315,893 | 1,248,745 |
| Add-ons (Targeted and Transportation) | 3,655,010 | 3,655,010 | - |
| LCFF Entitlement | <u>340,884,120.00</u> | <u>357,267,482</u> | <u>16,383,362</u> |