Revenue Limits and Local Control Funding Formula

- The Governor proposes a sweeping reform of the state’s school finance system with the Local Control Funding Formula (LCFF)

- School Services of California recommended Evergreen School District develop FY 2013-14 adopted budget as Governor’s proposed LCFF in multiple-year revenue assumptions

- Santa Clara County Office of Education advised districts to conservatively plan for FY 2013-14 and beyond by budgeting a revenue limit with lower cost of living of 1.565% and a higher deficit factor of 22.272%

- FY 2013-14 adopted budget presented in LCFF
The LCFF would replace revenue limits and most categorical program funding

Funding allocated through the formula would generally be flexible and could be used for any educational purpose

Elements of the proposed formula

- Base grant by grade spans
- Added funding for K-3 Class Size Reduction
- Additional funding based on the demographics of the district’s
  - English Learner population
  - Pupils eligible for free and reduced-price meals

Timeline: Phased in over eight years – completed in 2020-21
Major Revenue Assumptions

- Based on the School Services of California funding simulator, LCFF base per ADA:
  - FY 2012-13 $5,942
  - FY 2013-14 $6,179
  - FY 2014-15 $6,482
  - FY 2015-16 $6,814

- Mandate Block Grant $47 per ADA

- 5 year Parcel Tax expires on 06/30/2014

- One-time revenue of $170 per ADA in FY 2013-14 for Common Core

- Continue to utilize State Tier III Flexibility (Part of LCFF revenue)

- Federal, State and Local estimated carryovers not included

- Federal sequestration reduction not included
Major Expenditure Assumptions

- Reduction of Students
  - FY 13-14 reduce 23 students; add 2 teachers
  - FY 14-15 reduce 254 students; reduce 10 teachers*
  - FY 15-16 reduce 249 students; reduce 10 teachers*

- $1.15 million step/column salary increases for all groups

- Savings from 15 teacher retirements in FY 2013-14 and 5 teacher retirements annually in future years

- $211,008 Savings from leaves/resignations

- No salary increase for all groups

* November 20, 2012, Enrollment Projection Consultants Report
- Health benefits 3% increase in FY 2013-14 and an estimated 5.47% annual increase in future years
- K-3 class size maintained at 1:24
- Home to school transportation adding two routes
- One-time Common Core expenditures in FY 2013-14
- Library maintained at FY 2012-13 four days service level
  - One additional day’s library service cost $175,142
- Assistant principals maintained at FY 2012-13 level
Evergreen School District
Unrestricted General Fund Reserve
Adopted Budget With Local Control Funding Formula

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(5.00)
AB 1200 Requirements

- District adopt a single, publicized budget in a public hearing by July 1
- June 15 deadline to pass a State Budget
- District may revise its budget within forty-five days after the Governor signs the state budget