



CHINO VALLEY
UNIFIED SCHOOL DISTRICT

Student Achievement • Safe Schools • Positive School Climate
Humility • Civility • Service

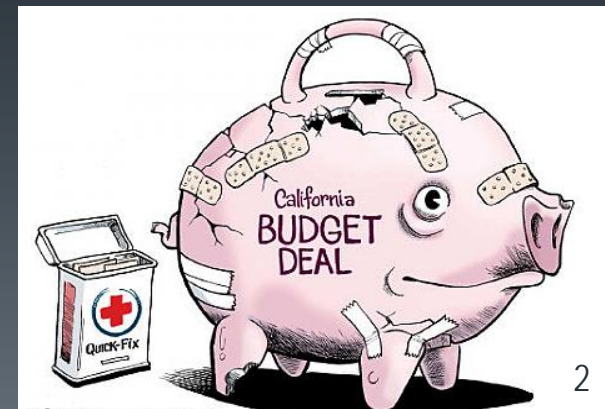
A Fiscal Profile of CVUSD

*Business Services
May 28, 2015*

The word "BUDGET" is rendered in large, bold, blue 3D block letters. A construction crane is positioned behind the letters, with its cables attached to the top of the 'U'. Three orange and white traffic cones are placed on the reflective surface in front of the letters. The entire scene is set against a white background with a reflective floor.

A Journey Through...

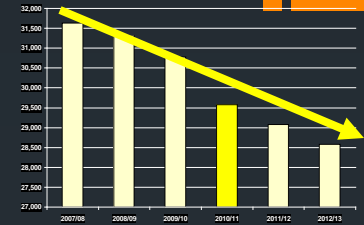
- Common School Financial Terms
- California's Education Funding
- CVUSD Revenue & Expenditure Trends
- Governor's May Revise
- Budget Assumptions and 3-Year Projection
- Next Steps



Common School Financial Terms

- **Average Daily Attendance (ADA)**

Average number of pupils actually attending classes. Excused absences do not count towards ADA.



- **Deficit Spending**

Current-year *expenditure* in excess of current-year *revenues*



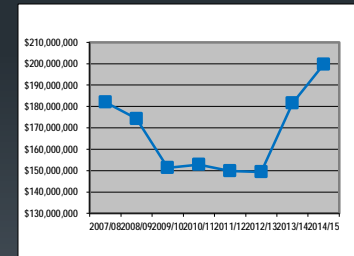
- **Multi-Year Budget**

Current-year budget and two subsequent years



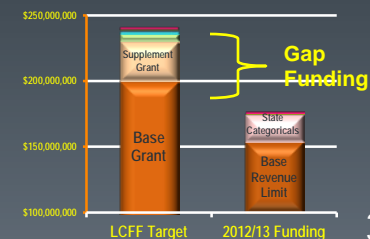
- **Local Control Funding Formula (LCFF)**

New education funding allocated based on grade-span ADA and an unduplicated percentage of students who are foster youth, English learners, or low-income (Replaces "Revenue Limit")



- **Gap Funding**

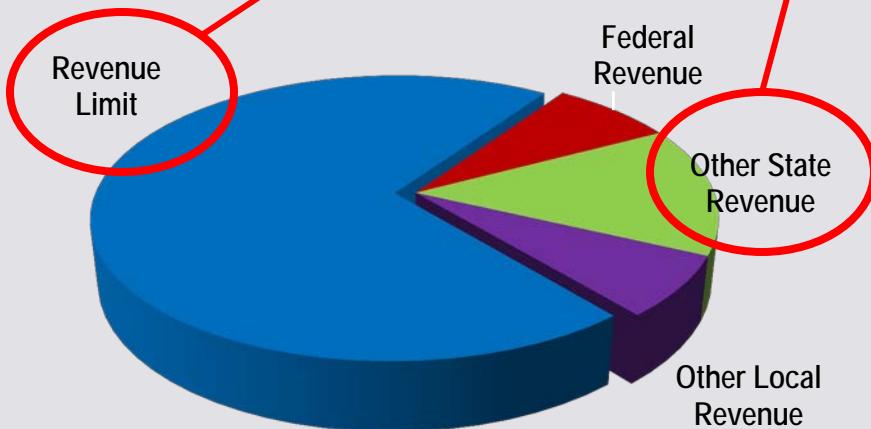
The gap between a District's target funding in 2020/21 and 2014/15 funding level. Each year the Governor determines the appropriation amount towards funding the gap.



Changes in California's Education Funding

Before LCFF

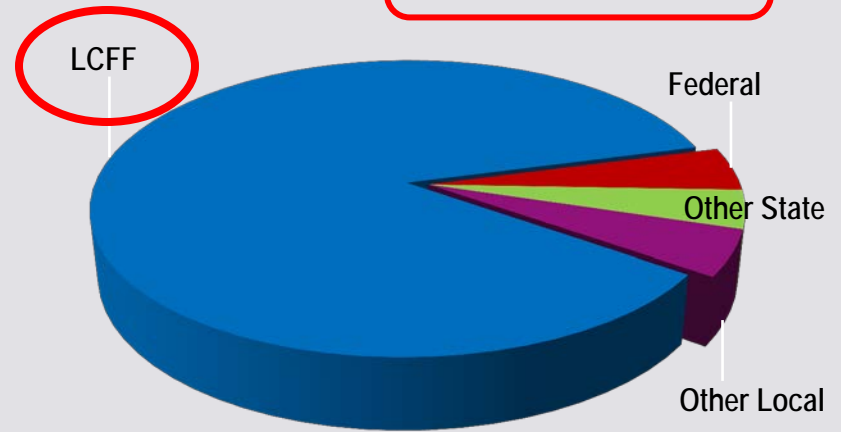
- **Revenue Limits** – A base amount per Average Daily Attendance computed using previous year's base amount and adjusted with COLA and Deficit Factor. Each District has a different amount.
- **Categorical Funding** – State grants for specialized programs regulated and controlled by the State. Over 40 programs.



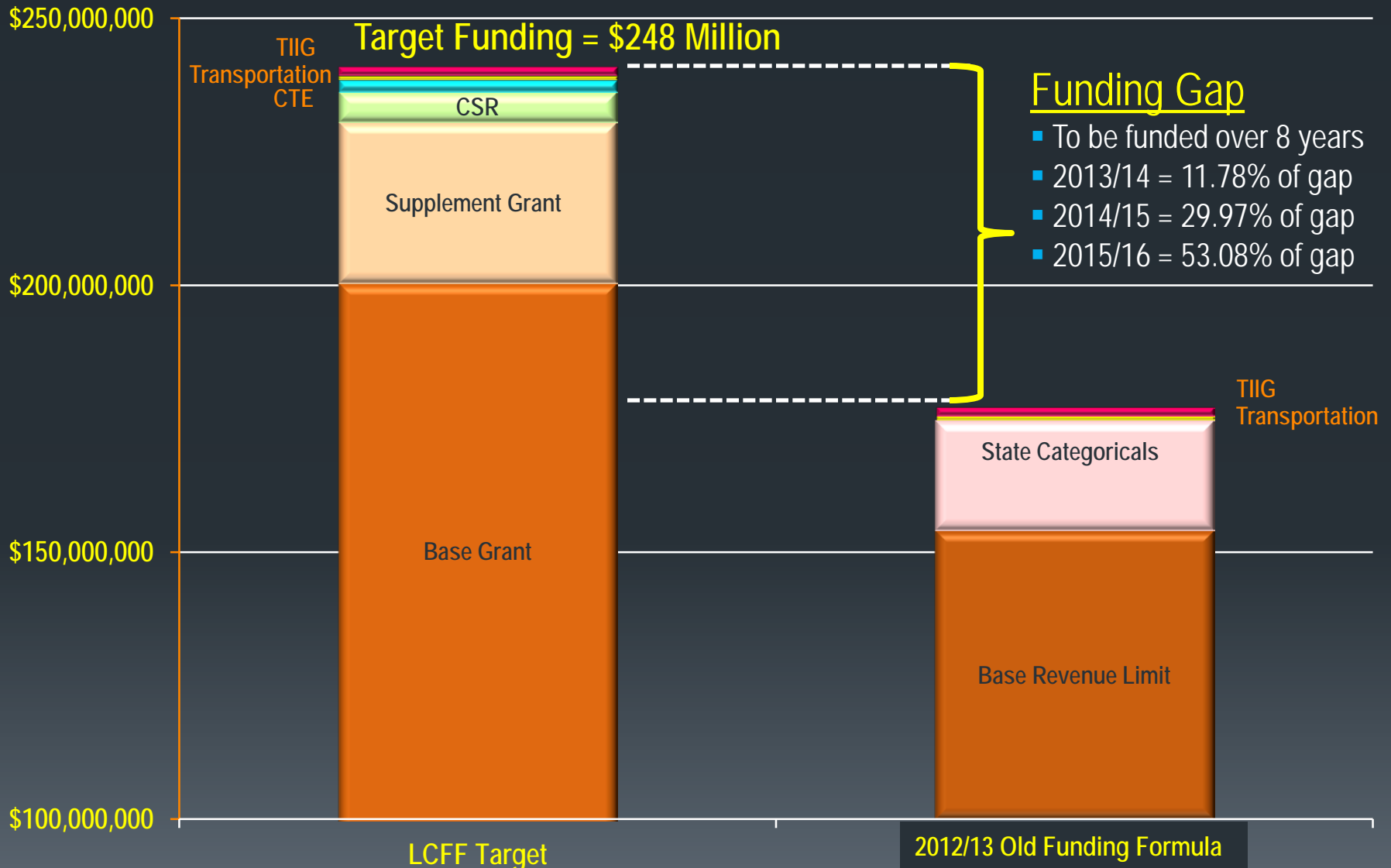
With LCFF

- **Base Funding** - Base amount per Average Daily Attendance differentiated by grade span.
- **Adjustment Funding** - Additional % over base amount for K-3 CSR and 9-12 CTE.
- **Supplemental and ~~Concentration~~ Funding** - Additional funding for **unduplicated count** of *English Learners, Low Income and Foster Youth*.

50%
Unduplicated Count



How LCFF Works at CVUSD



San Bernardino County School Districts

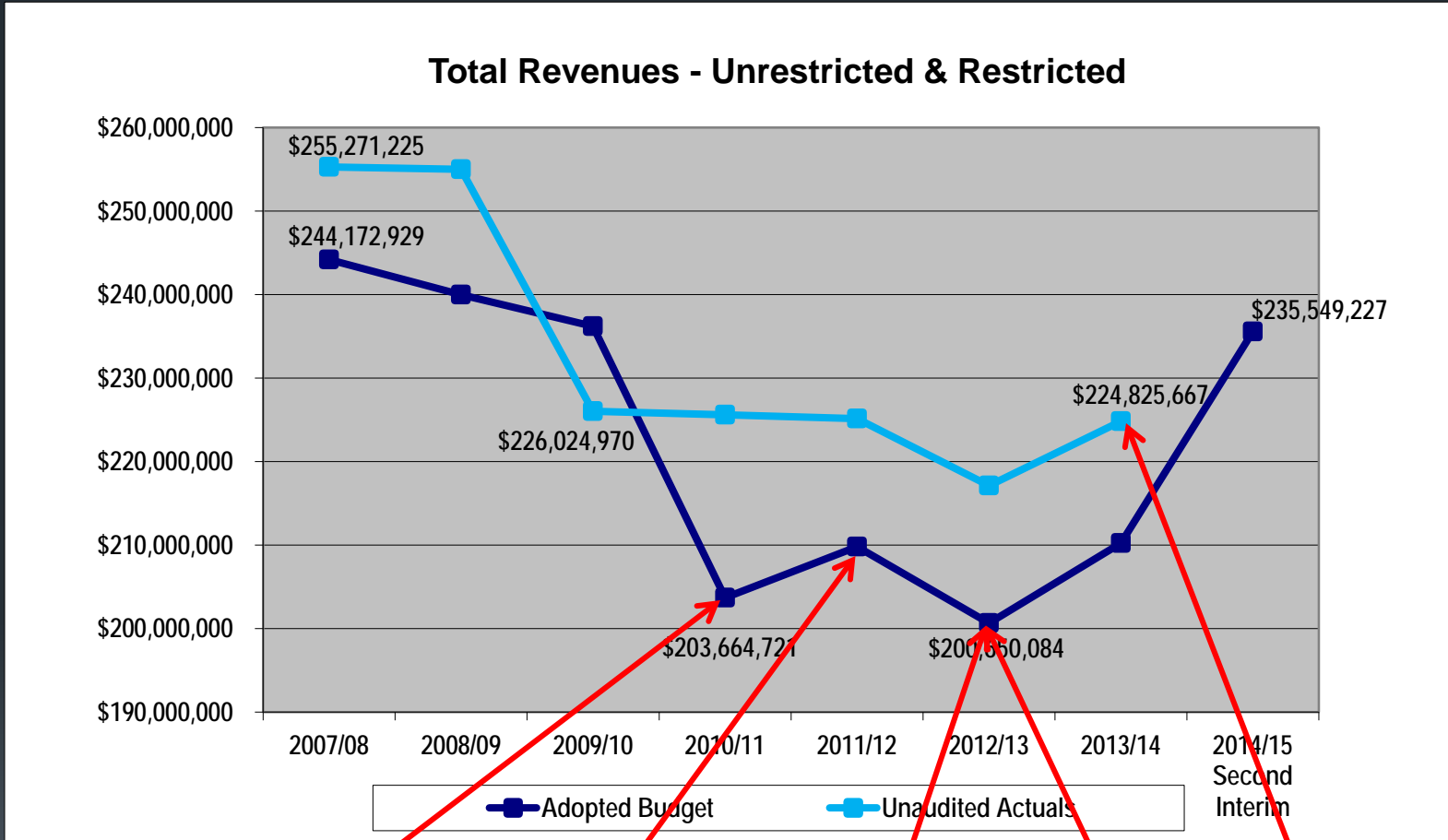
(33 Total)



Largest 5 Districts by Enrollment (2013/14)	
1. San Bernardino City	49,889
2. Fontana Unified	39,982
3. Chino Valley Unified	29,103
4. Rialto Unified	26,468
5. Chaffey Joint Union	24,747

Lowest 5 Districts by Unduplicated Counts (2013/14)	
29. Chino Valley Unified	49.34%
30. Helendale Elementary	47.42%
31. Etiwanda Elementary	37.07%
32. Alta Loma Elementary	34.99%
33. Mt. Baldy Joint Elem.	11.85%

General Fund Total Revenues Trend

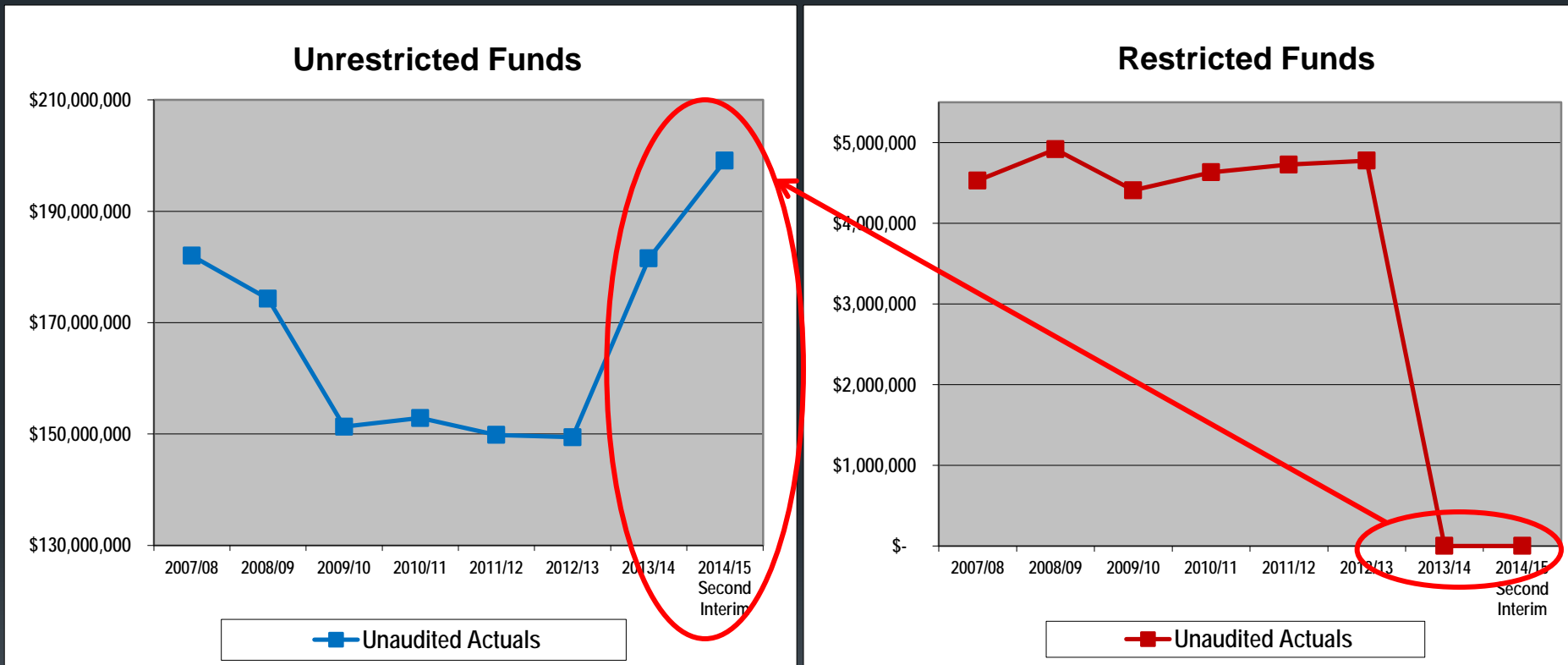


Budget Roller-coaster

- May 2010**: Threat of \$246/ADA cut
- July 2011**: Threat of \$260/ADA cut
- Mar. 2012**: Threat of \$55 cut/ADA and \$370/ADA cut
- May 2012**: Threat of \$441/ADA cut
- Nov. 2012**: Proposition 30 passes!

Revenue Limit/LCFF Sources

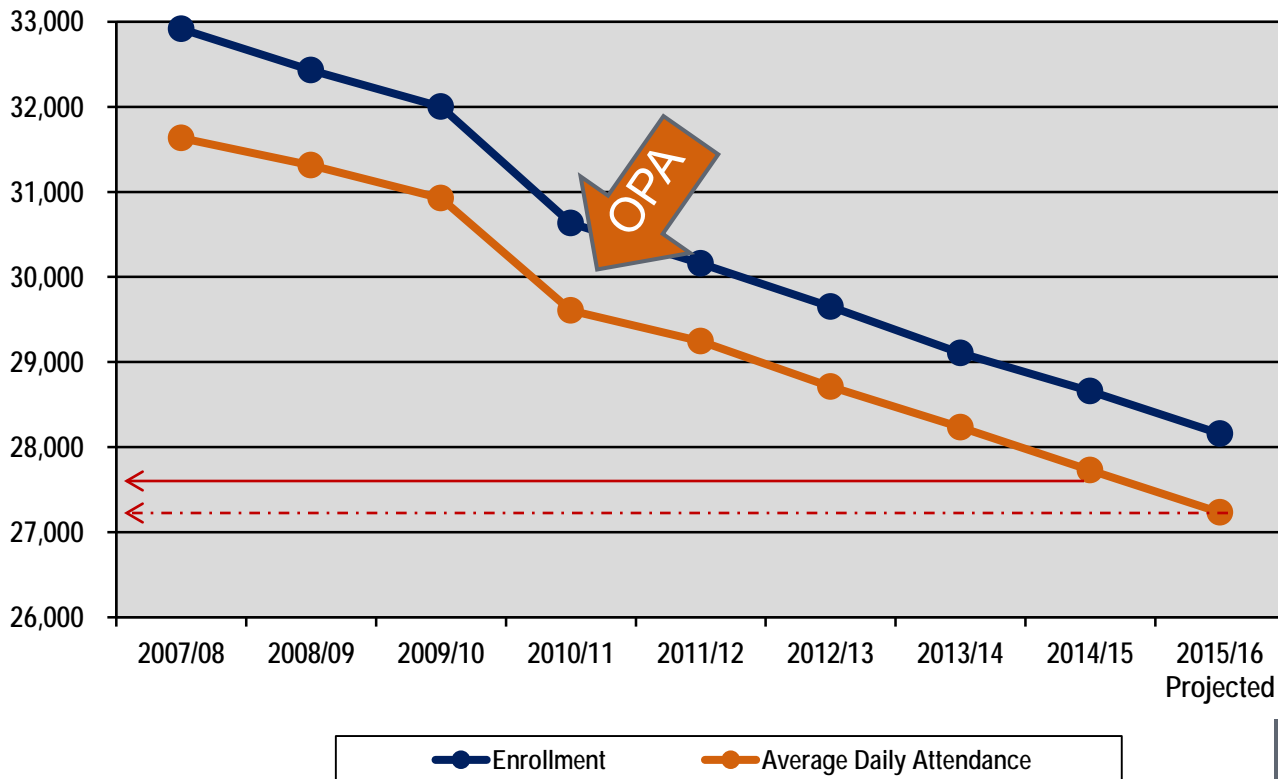
Unrestricted & Restricted



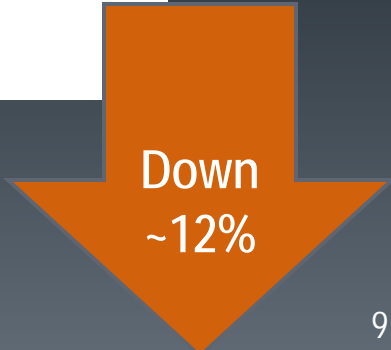
Increase in Unrestricted LCFF sources due to:

- LCFF base and “supplemental” all accounted for as unrestricted despite stringent spending requirements
- Accounting structure for “other state” as part of LCFF changed
- Accounting of Special Ed transfers changed from restricted to unrestricted
- Even though Unrestricted Revenues increased, most funds are already committed to existing programs

Enrollment vs. Attendance



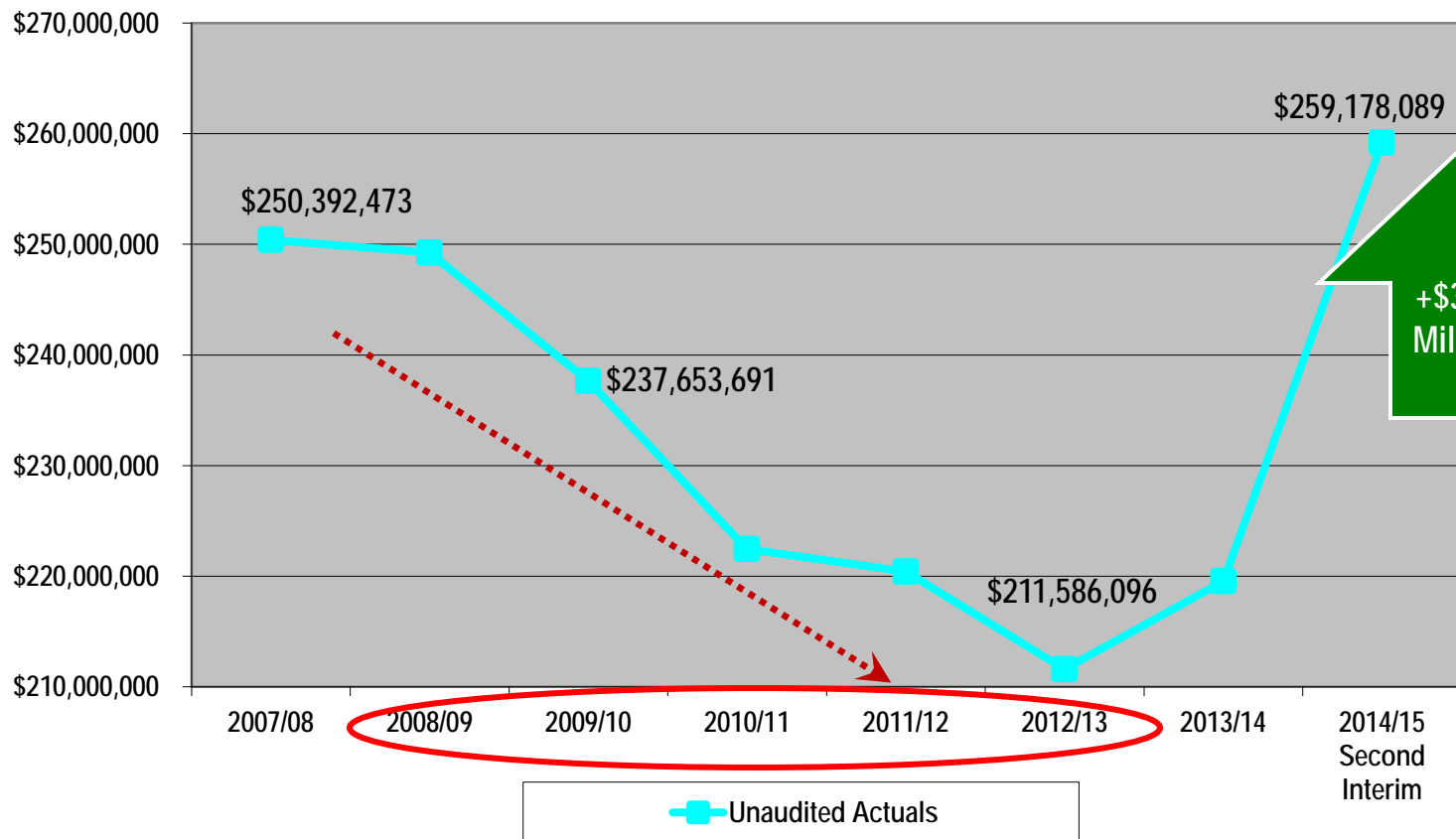
2007/08 Enrollment = 32,916 ADA = 31,633
 2014/15 Enrollment = 28,657 ADA = 27,760



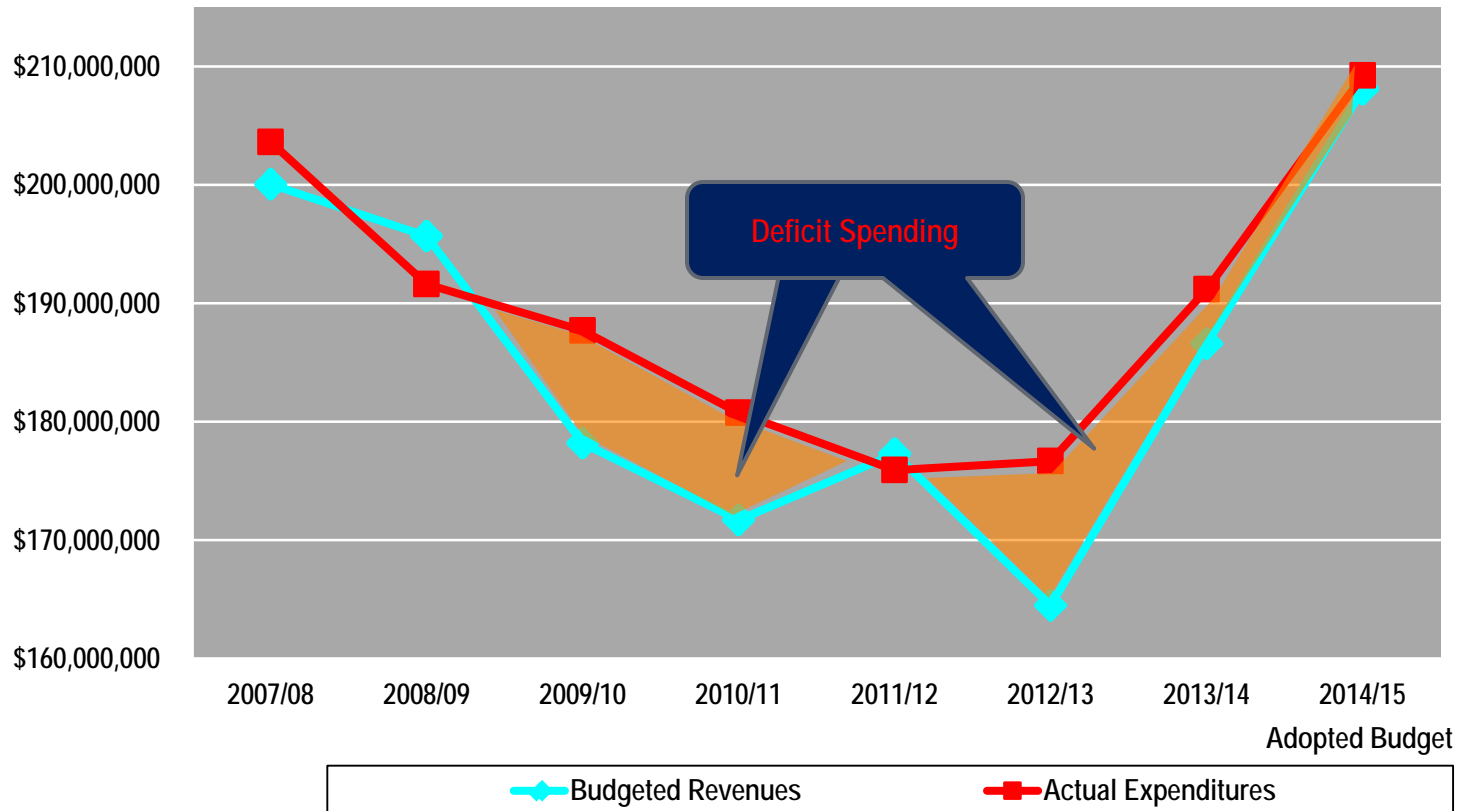
Note: ADA is based on P2 collection period.

General Fund Total Expenditures Trend

Total Expenditures & Other Uses - Unrestricted & Restricted



Budgeted Revenues and Actual Expenditures/Uses Unrestricted Funds



- If REVENUES actually came in as budgeted per State's projection, the actual EXPENDITURES incurred by the District would have exhausted all of the District's one-time ending balance and put us back in fiscal crisis.

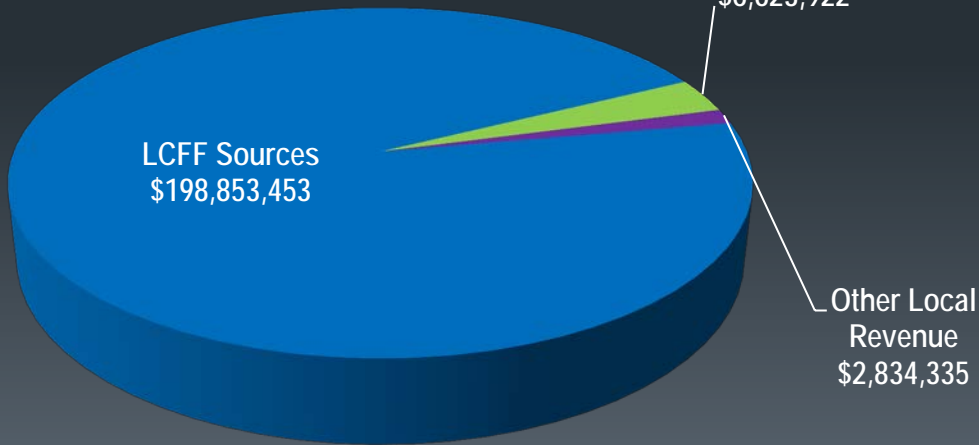
Revenues

2014/15 General Fund at Second Interim

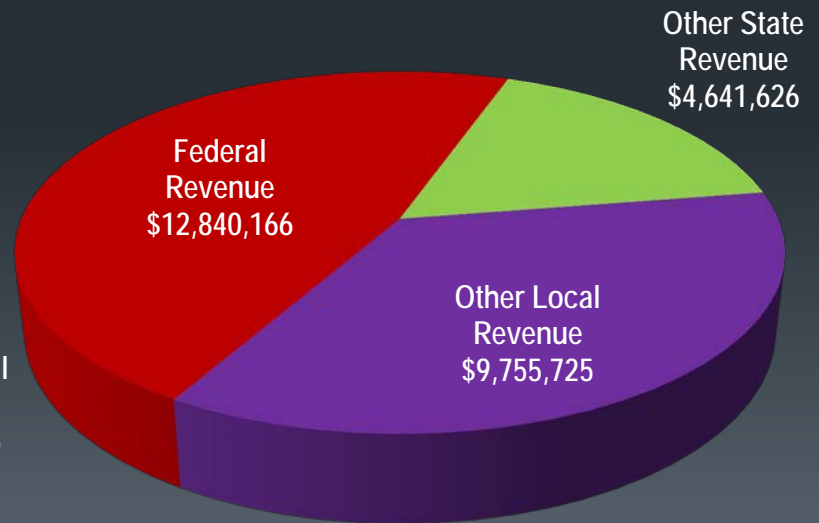


TOTAL
\$235,549,227

Unrestricted
\$208,311,710



Restricted
\$27,237,517



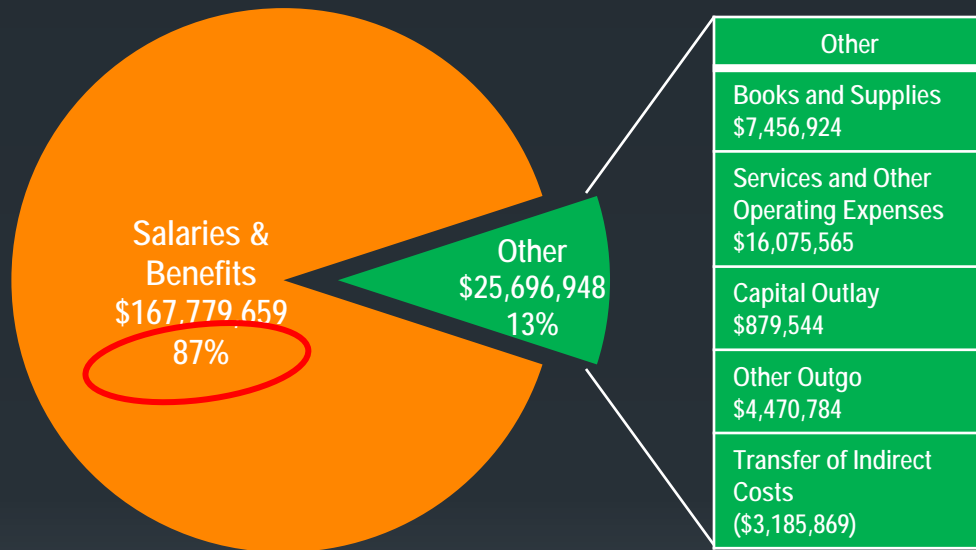
Note: Numbers may not add due to rounding

Expenditures & Other Uses/Sources

2014/15 General Fund at Second Interim

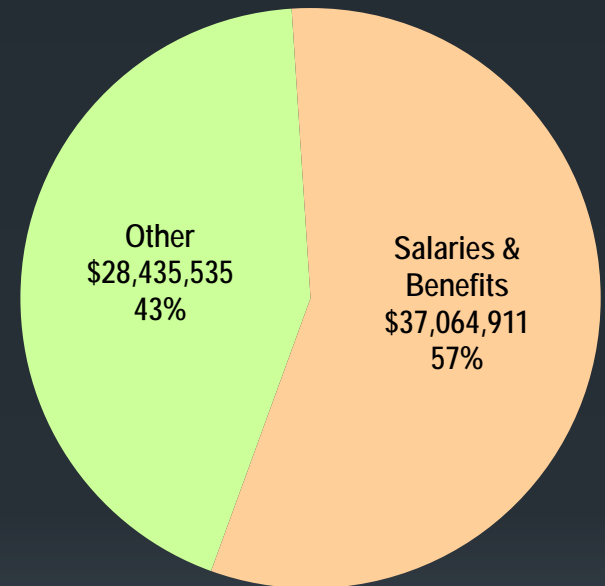
Unrestricted Expenditures

\$193,476,608



Restricted Expenditures

\$65,500,447



Other
Books and Supplies \$7,456,924
Services and Other Operating Expenses \$16,075,565
Capital Outlay \$879,544
Other Outgo \$4,470,784
Transfer of Indirect Costs (\$3,185,869)

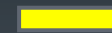


Other Financing Uses

\$28,884,824



\$222,361,432



Other Financing Sources

\$28,683,789



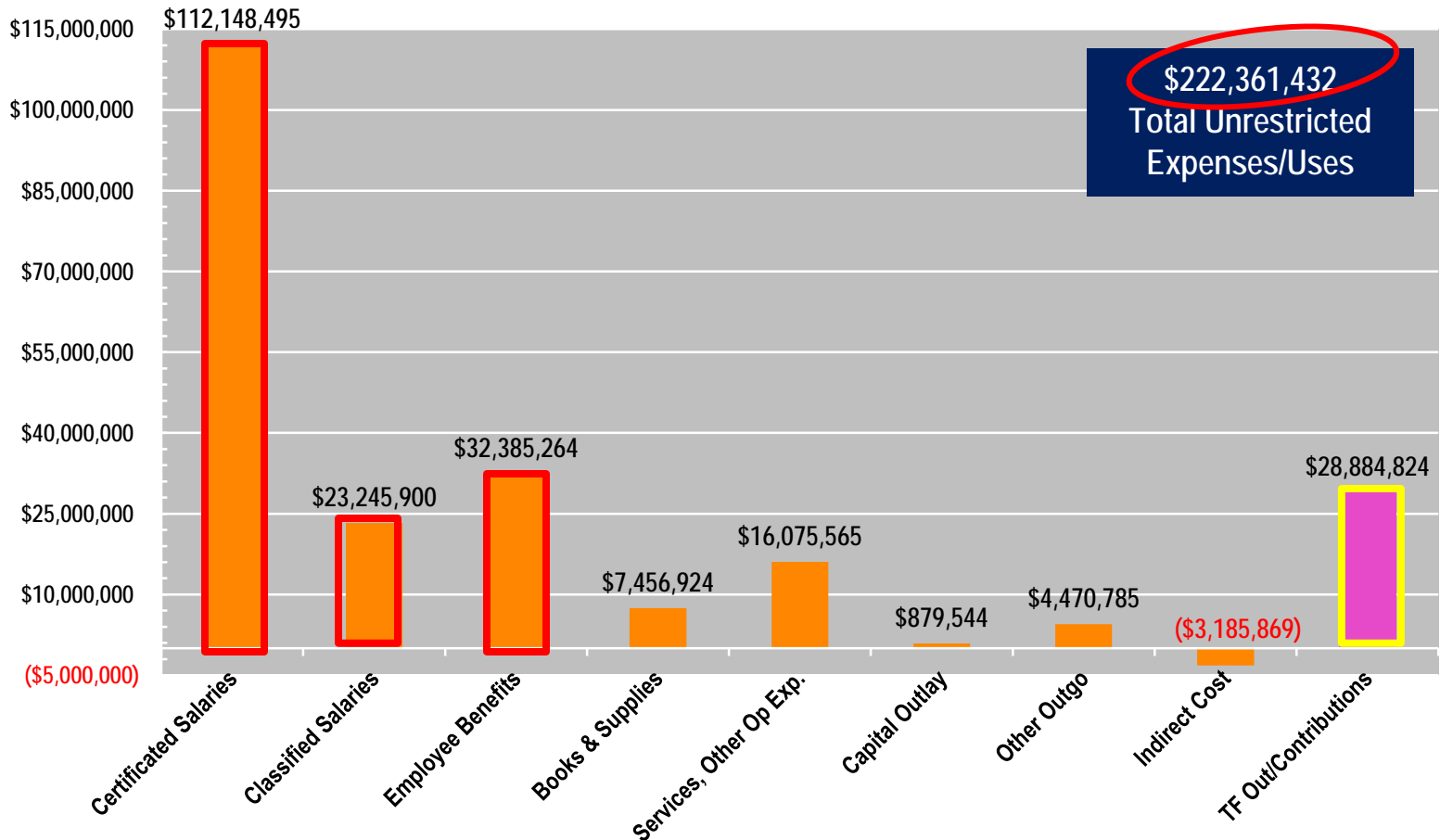
\$36,816,658

TOTAL
\$259,178,090

Note: Numbers may not add due to rounding

Unrestricted Expenditures & Other Uses

2014/15 General Fund at Second Interim

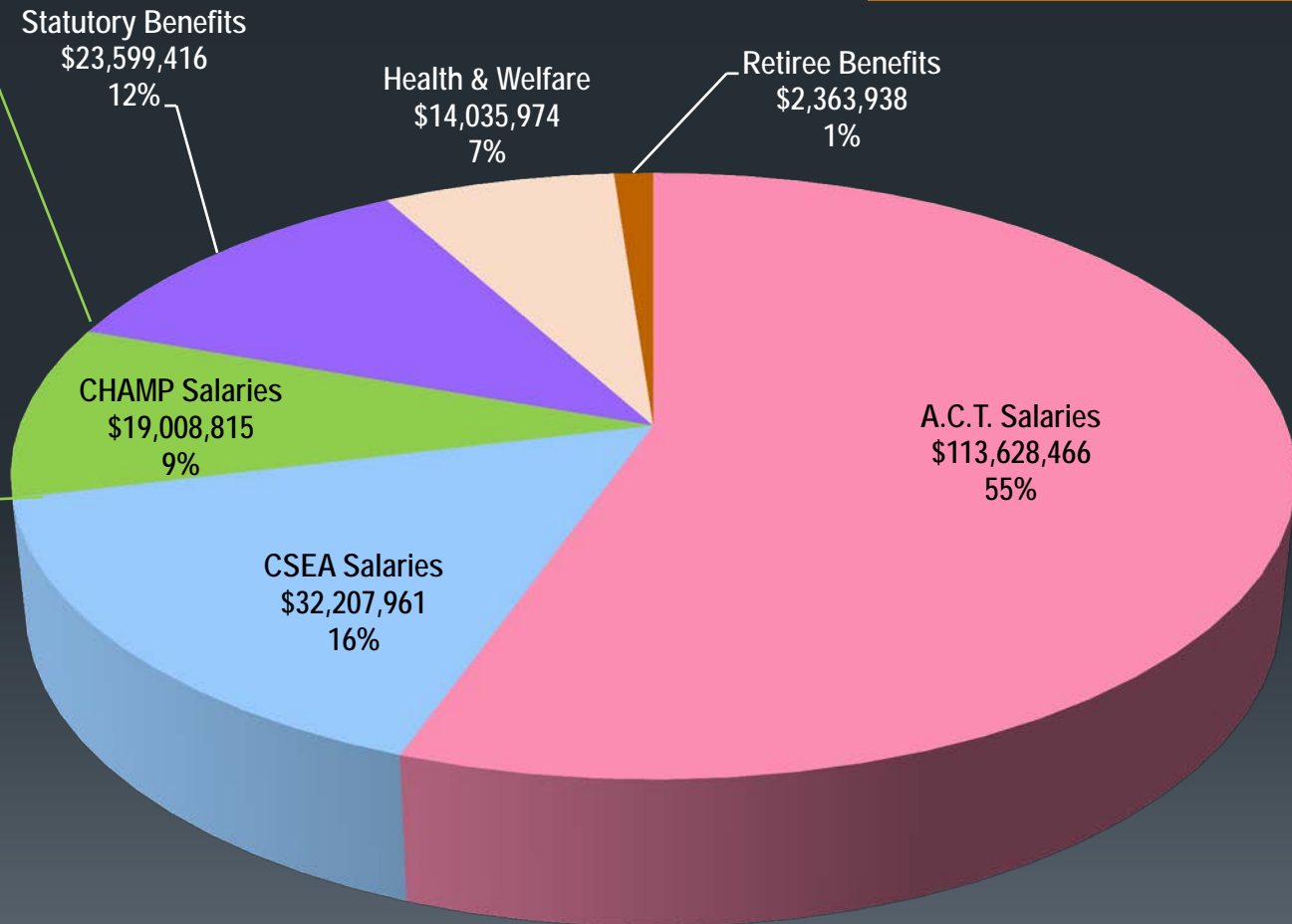


Salary and Benefits

2014/15 Total General Fund at Second Interim

TOTAL
\$204,844,570

- Superintendent
- Asst. Supts.
- Principals
- Assistant Principals
- Directors
- Coordinators
- Managers
- Supervisors
- Psychologists
- Program Specialists
- Occupational Therapists
- Conf. Admin. Secretaries
- Conf. Technician



Note: Numbers may not add due to rounding

Multi-year Projection at Second Interim

Unrestricted Fund

	2013/14	2014/15 Second Interim	2015/16	2016/17
Beginning Balance	50,905,961	50,766,209	36,716,485	30,038,218
Revenue	191,024,691	208,311,710	219,017,634	219,781,201
Expenditure	191,164,443	222,361,432	225,695,901	231,143,871
Net Increase/Decrease	(139,752)	(14,049,722)	(6,678,267)	(11,362,670)
Ending Balance	50,766,209	36,716,485	30,038,218	18,675,549
Revolving Cash	100,000	100,000	100,000	100,000
Equity	49,889	49,889	49,889	49,889
Economic Uncertainty	19,912,028	19,729,958	19,729,958	19,729,958
Common Core/Technology	4,443,447			
Potential Add'l costs	3,200,000			
Unappropriated Amount	23,060,844	16,836,638	10,158,371	(1,204,298)

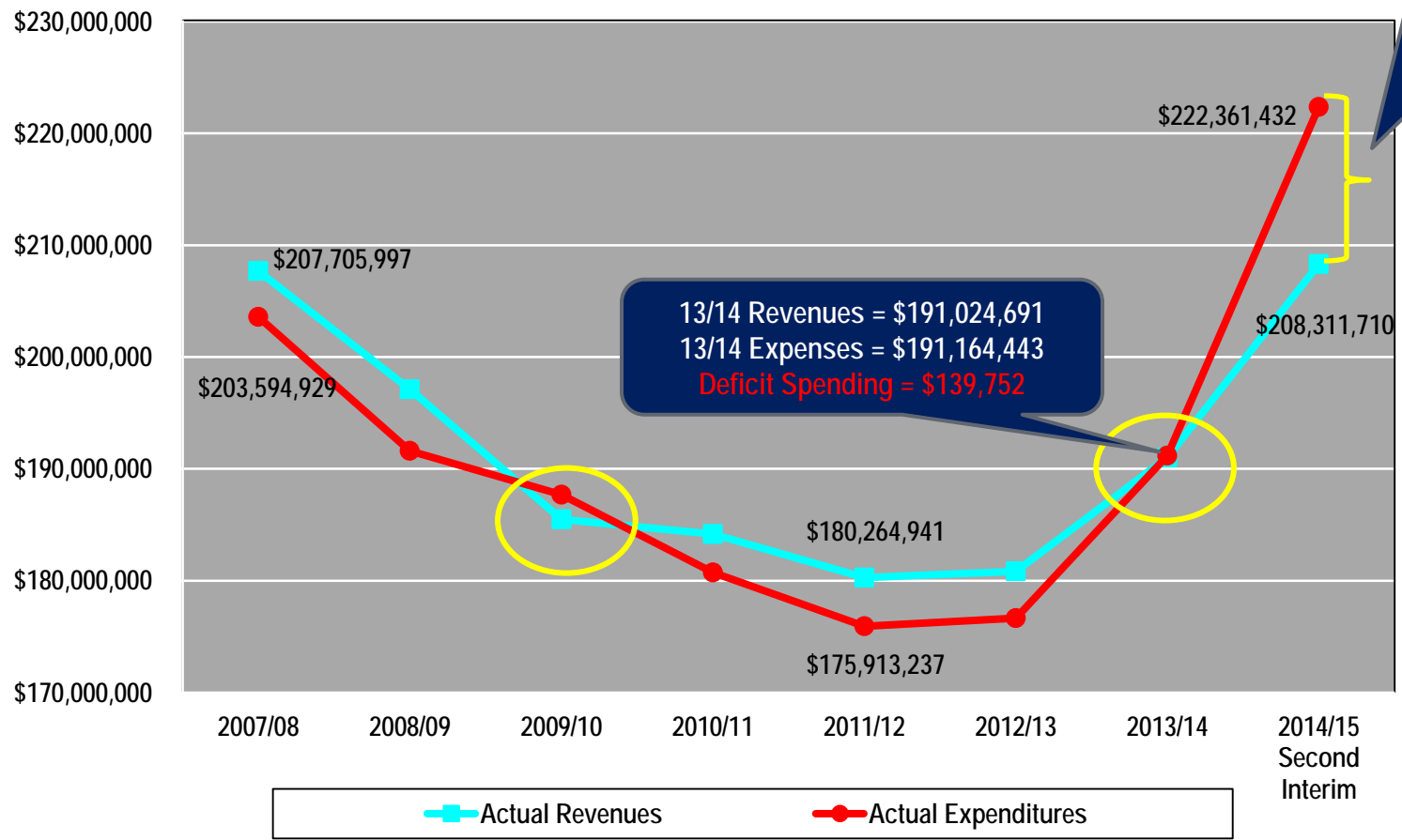
Projected
Deficit Spending

Actual Revenues and Expenditures/Uses

Unrestricted Funds



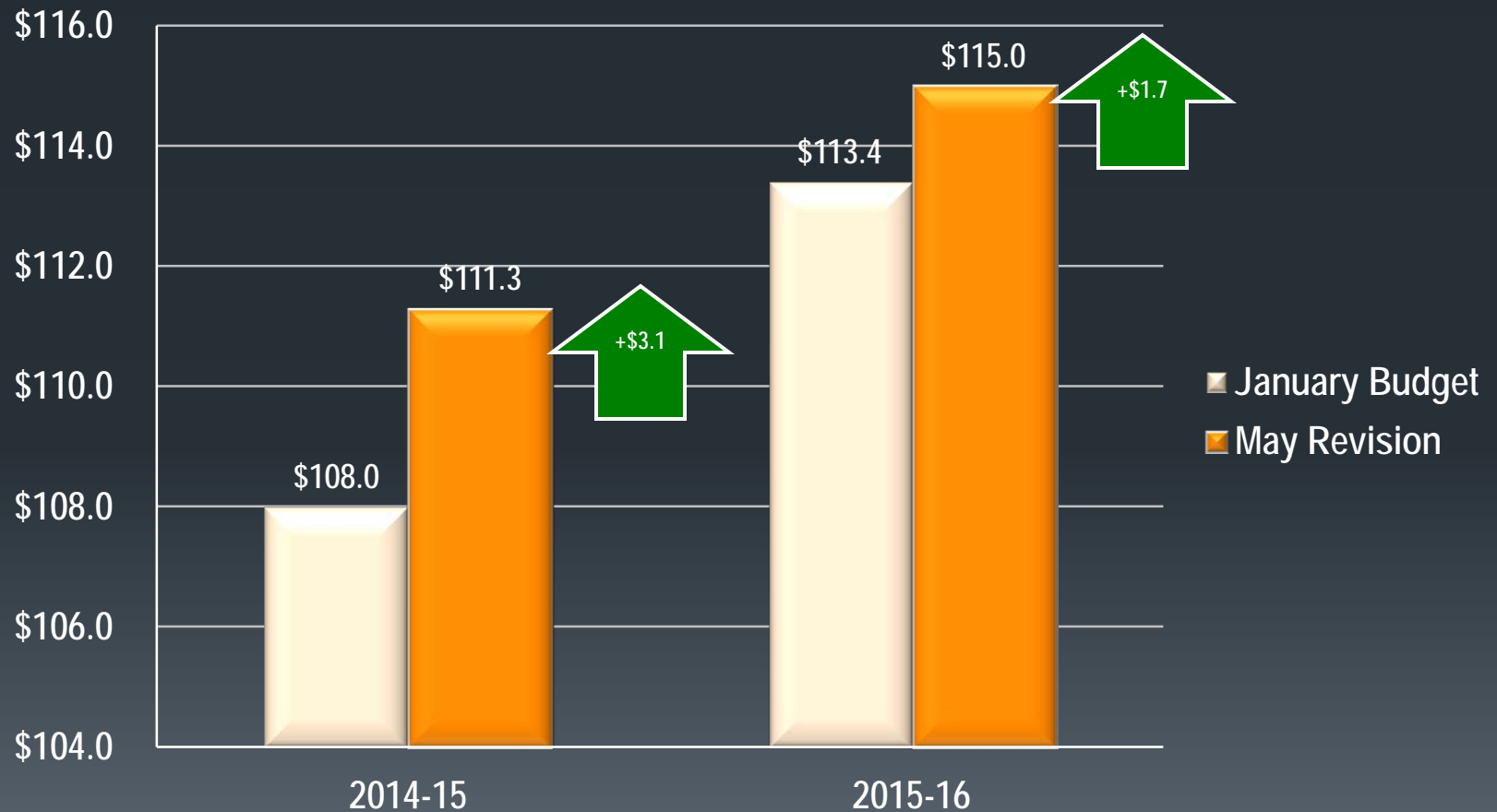
After salary negotiations
 14/15 Expenses = \$222,361,432
 Deficit Spending = \$14,049,722



2015/2016 Governor's May Revise

State General Fund

General Fund Revenues
(In Billions)

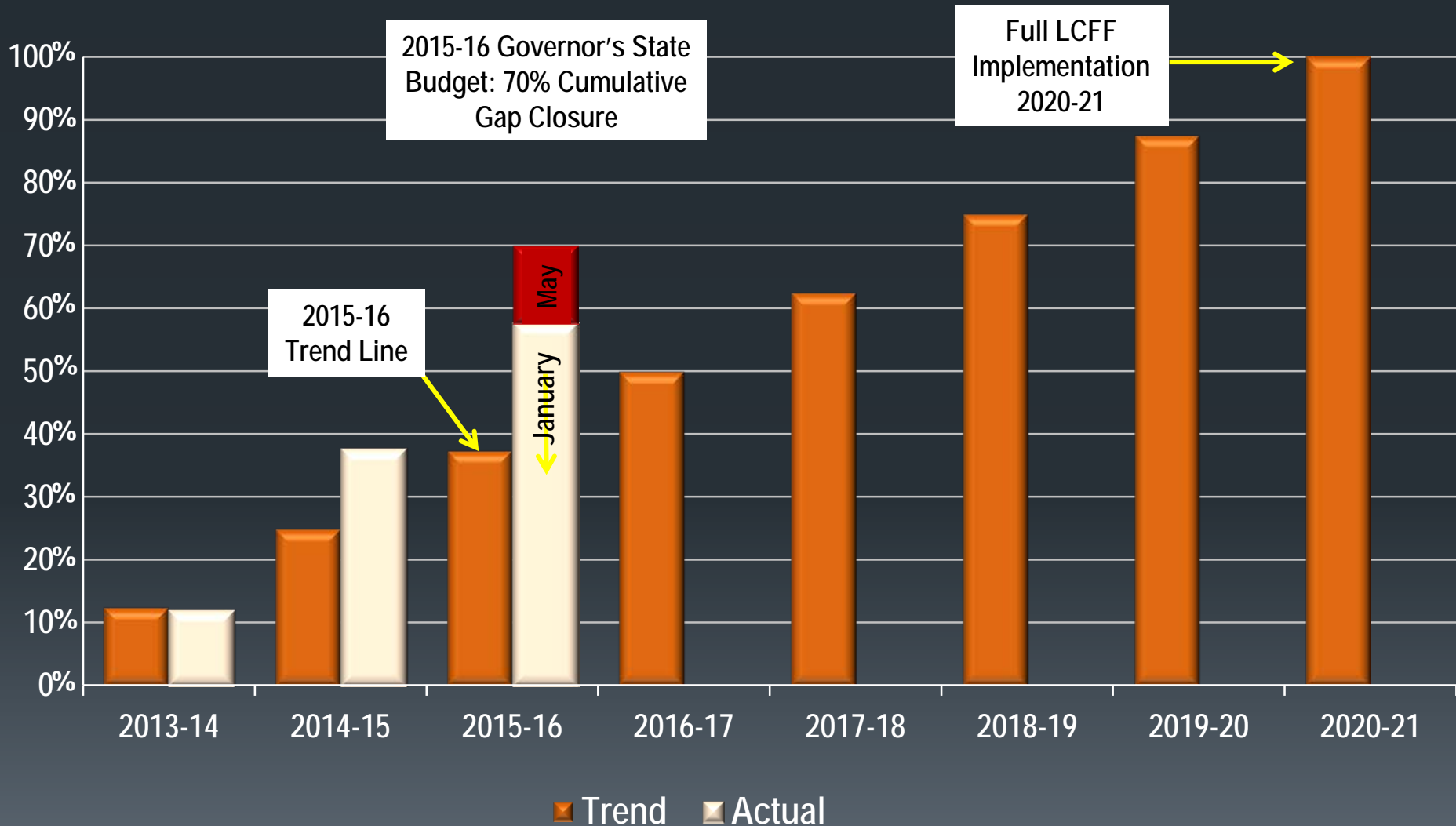


2015/2016 Governor's May Revise

Item	January Budget	May Revision
<ul style="list-style-type: none"> LCFF Gap Funding Percentage 	32.19%	53.08%
<ul style="list-style-type: none"> Proposition 98 Minimum Funding Guarantee 		
<div style="text-align: right;">2014-15</div>	\$63.2 billion	\$66.3 billion
<div style="text-align: right;">2015-16</div>	\$65.7 billion	\$68.4 billion
<ul style="list-style-type: none"> 2015-16 COLA 	1.58%	1.02%
<ul style="list-style-type: none"> One-time Discretionary Funds for 2015-16 	\$1.1 billion \$180 per ADA	\$3.1 billion \$601 per ADA

2015/2016 Governor's May Revise

Progress Towards LCFF Implementation



Note: Slide data courtesy of School Services of California

New Multi-year Budget Assumptions

General Fund

REVENUE

2015/2016

- Estimated funded average daily attendance = 27,730
- Estimated LCFF funding gap @ 53.08%
- COLA: 1.02%
- Estimated 2014/15 Restricted carryover revenues from categorical funds
- Estimated reduction of other state/federal revenues due to declining enrollment

2016/2017

- Estimated loss of 500 ADA
- Estimated LCFF gap funding of 12.62%
- COLA: 1.6%
- Estimated reduction of other state/federal revenues due to declining enrollment

2017/2018

- Estimated loss of 500 ADA
- Estimated LCFF gap funding of 18.24%
- COLA: 2.48%
- Estimated reduction of other state/federal revenues due to declining enrollment

EXPENDITURE

2015/2016

- Estimated 2014/15 Restricted carryover expenditures
- Step/Column increases for all groups
- CalSTRS employer contribution of 10.73% (+1.85%)
- CalPERS employer contribution of 11.847% (+0.076%)
- Estimated increase of Certificated staffing due to implementation of CSR at K-3 grades
- Increased staffing for Special Education
- Common Core one-time expenditures
- LCAP actions/services
- Utility rate increases

2016/2017

- Step/Column increases for all groups
- Estimated increase of Certificated staffing due to implementation of CSR at K-3 grades
- Est. CalSTRS employer contribution of 12.58% (+1.85%)
- Est. CalPERS employer contribution of 13.05% (+1.2%)
- LCAP actions/services
- Utility rate increases

2017/2018

- Step/Column increases for all groups
- Estimated increase of Certificated staffing due to implementation of CSR at K-3 grades
- CalSTRS employer contribution of 14.43% (+1.85%)
- CalPERS employer contribution of 16.6% (+3.55%)
- LCAP actions/services
- Utility rate increases

Local Control Accountability Plan

Goals 1 ~ 2

District Goals	Expenditure Items		One-Time Funds	LCFF Base	LCFF Supp	Restricted Funds	
Goal 1. All students are provided appropriately assigned and credentialed teachers, teachers/students will have access to standards aligned materials, 21st Century learning, and school facilities will be in good repair.	1a	Attend Recruitment Fairs		15,000.00			
	1b	FTEs to lower K-3 CSR		2,000,000.00			
	2a	CCSS Aligned Materials	2,000,000.00				
	2b	CCSS Suppl. Materials	130,000.00				
	2c	Duplication of Materials (CIA)	100,000.00				
	2c	Materials + Duplication (Sites)					
	3a	Upgrade of Tech Infrastructure	2,000,000.00				
	3b	Addition of Technology personnel			550,000.00		
	3c	Pilot 21st Technology	200,000.00				
	4a	Deferred Maintenance		3,000,000.00			
Goal 2. Students will demonstrate proficiency in ELA and math.	1a	Expand behavioral intervention material				500,000.00	Mental Health
	1b	Interventional Material (Intensive)			250,000.00		
	1c	Interventional Material (Strategic)			250,000.00		
	1d	Maintain Intervention Teachers (33 FTE)			3,000,000.00		
	2a	Maintain Alt. Ed. Counselor (1 FTE)			118,000.00		
	2b	HS K-12 Intervention Couns. (4 FTE)			472,000.00		
	2c	JHS K-12 Intervention Couns. (1 FTE)			118,000.00		
	2d	ES K-12 Intervention Couns. (4 FTE)			472,000.00		
	3a	Maintain Intervention Specialists (36.6 FTE)			3,600,000.00		
	4a	Provide enrichment thru GATE		250,000.00			
	4b	Provide enrichment thru VAPA		100,000.00			
	4c	Provide SAT summer prep				16,000.00	Summer School
	4d	Provide students opp to take SAT			250,000.00		
	5a	Refinement of CCSS Study/PD	500,000.00				
	5b	Professional Development (Title II/Base)		200,000.00			800,000.00

Local Control Accountability Plan

Goals 3 ~ 4

District Goals	Expenditure Items		One-Time Funds	LCFF Base	LCFF Supp	Restricted Funds		
Goal 3. Students will have access to a broad course of subject areas which leads to graduation and success in college and career.	1a	Align new courses to A-G		0.00				
	1b	Align current courses to A-G		0.00				
	1c	Review courses to ensure CC readiness		0.00				
	1d	Align pathway courses to A-G		0.00				
	1e	Increase AP courses/Increase students		0.00				
	1f	Increase number of students taking AP		0.00				
	2a	Maintain FTE to Ramona & Magnolia		0.00	160,000.00			
	2b	Explore Signature Practices Ramona		2,500.00				
	2b	Explore Signature Practices Magnolia		2,500.00				
	3a	Maintain certificated FTEs for pathways		320,000.00				
	3b	PD for Linked Learning	50,000.00					
	3c	Classified community/business liaison	75,000.00					
	3d	Exterships/Internships for teachers/stud.	10,000.00					
	3e	Material support for pathway classes	150,000.00					
	4a	Offer and encourage 11th grade take EAP			0.00			
5a	Increase AP offerings			0.00				
						150,000.00	Perkins	
Goal 4. English learners, low income students, and foster youth receive services to ensure their readiness for college and career.	1a	Summer EL Jumpstart for Elem Sites			180,000.00			
	1b	ELD daily 30/45 minutes			0.00			
	1c	Site college nights to underserved (4 HS)			10,000.00			
	2a	SES - Foster Youth & Homeless Youth			200,000.00			
	2b	Provide AVID to underserved			250,000.00			
	3a	TOA - Parent Trainer			100,000.00			
	3a	TOA - Materials			100,000.00			
	3b	Expand Parent Resource Center			500,000.00			
	3c	Maintain TYKES program			50,000.00		221,000.00	TYKES
	3d	Maintain Family Literacy Program					119,000.00	First 5
	3e	Maintain CVUSD Health Clinic			300,000.00			
	3f	Bilingual Clerks			306,000.00			
	3g	Bilingual Translation			200,000.00			
	3h	Interv. Support to CHS/DAL/BVHS			900,000.00			
	4a	Ongoing training of staff for Foster intake			0.00			
	4b	Counselof for Foster Youth			118,000.00			
	4c	Clerical support for Foster Youth mgmt			60,000.00			
							Title I in-lieu	

Local Control Accountability Plan

Goals 5 ~ 7

District Goals	Expenditure Items		One-Time Funds	LCFF Base	LCFF Supp	Restricted Funds
Goal 5. Students, parents, staff and community receive ongoing and timely communication.	1a	Enhance CVUSD's web hosting		40,000.00		
	1b	Look into development of CVUSD APP		10,000.00		
	2a	Parent Information Night (Drug/Bully)		4,000.00		
	2b	Parent Academies		15,000.00		
	2c	Facilitator Services		12,000.00		
	2d	District-Wide Site Based - Suveys		1,000.00		
	2e	District-Wide Site Based - Forums		1,000.00		
Goal 6. Increase student attendance rates and graduation rates to reduce the number of student drop outs.	1a	Saturday School (Existing)		20,000.00		
	1b	Attendance Incentives (Existing)		20,000.00		
	1c	Banners & Flyers (Existing)		15,000.00		
	2a	CWA Coordinator (Existing)		123,000.00		
	2b	Community Outreach (Existing)		55,000.00		
	2c	Probation Officers (Existing)		165,000.00		
Goal 7. Provide safe and secure school environment.	1a	Provide PD on Alt. means of correction		0.00		
	2a	Provide PD on Alt. means of correction		0.00		
	3a	Parent Information Night (Drug/Bully)		4,000.00		
	3b	SROs at selected JHS		70,000.00		
			5,215,000.00	6,445,000.00	12,514,000.00	1,806,000.00
						25,980,000.00

Revised Multi-year Projection

Unrestricted Fund

	2014/15 Estimated Actuals	2015/16	2016/17	2017/18
Beginning Balance	50,766,209	38,764,575	43,405,087	41,616,430
Revenue	209,432,507	232,425,635	232,042,651	233,399,643
Expenditure	221,434,139	227,785,123	233,831,308	240,171,662
Net Increase/Decrease	(12,001,632)	4,640,512	(1,788,657)	(6,772,020)
Ending Balance	38,764,575	43,405,087	41,616,430	34,844,410
Revolving Cash	100,000	100,000	100,000	100,000
Equity	49,889	49,889	49,889	49,889
Economic Uncertainty	20,324,062	20,324,062	20,324,062	20,324,062
CVUSD LCFF Target Funding = \$248 Million				
Unappropriated Amount	18,290,623	22,931,136	21,142,479	14,370,459

Note: This draft MYP does not include Governor's proposed one-time revenue of \$601/ADA nor the Common Core expenses from LCAP to be funded out of the one-time revenue. Numbers subject to change pending completion of budget development.

2015/2016 Governor's May Revise

One-Time Funds

- Growth in 2014/15 State revenues yielded \$3.1 billion in one-time funds for education spending.

Estimated \$601 per student = \$16.7 Million

- Governor suggests districts prioritize these funds for professional development, instructional materials, and technology.

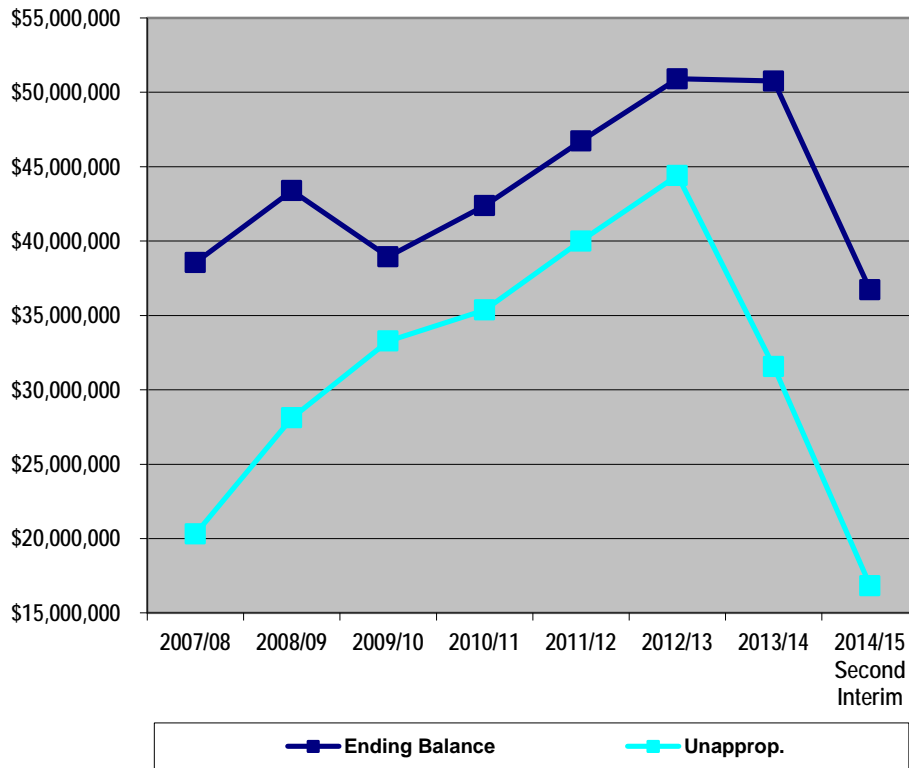
District LCAP Common Core Expenditures

- Common Core Aligned Materials
- Upgrade of Technology Infrastructure
- Pilot 21st Century Technology
- Refinement of ELA Units of Study
- Professional Development



Ending Balance vs. Unappropriated

Unrestricted Fund



Factors contributing to growth in fund balance:

- Large infusions of federal one-time dollars
- One-time state categorical sweeps
- Threatened cuts from the state that didn't materialize
- Districts have proactively slowed down or reduced spending
- Recent salary increases will dip into one-time ending balances



What is Ending Balance?

Beginning Balance + Revenues - Expenditures = Ending Balance

Recap

2014/15 – Year of Investment in students, instruction and CVUSD staff

August 2014 – Present

- *Implementation of LCAP actions & services at school sites*
- *ELA Units of Study at all schools*
- *Math Textbook adoptions*
- *Continuous professional development*
- *Deployment of new technology infrastructure & equipment*

October 2014

- Ratification of ACT Tentative Agreement & Me-Too clauses

	2013/14	2014/15	
ACT	3%	Add'l 4% + 1% off schedule	7% ongoing
CSEA	3%	Add'l 3% + 1% off schedule + 10% HW	6% ongoing + HW
CHAMP	3%	Add'l 2% + 1% off schedule + 10% HW + Principal/Director salary reorg	5% ongoing + HW
\$18.7 million over two years			~\$13 million

Board Approved Budget Restorations

Certificated

- Grade level department stipends
- School nurses (15 FTE)
- Elementary music program (9 FTE)
- HS counselors (23 FTE)
- Intervention counselors at JHS (5.4 FTE)
- Adult education teachers

**Total Restoration Cost =
\$12 million each year**

Classified

- Video-taping of board meetings
- Home to school transportation 7-12
- Athletic and band transportation
- Elementary library/media aides (20 positions)
- Attendance clerk at HS (3.75 FTE)
- Typist clerk II at HS (4 FTE)
- Custodian I at HS (4 FTE)
- Student personnel specialist (1 FTE)
- Maintenance II/painter (2 FTE)
- Maintenance III/locksmith (1 FTE)
- Maintenance II/carpenter (1 FTE)
- Maintenance III/HVAC (1 FTE)
- Grounds worker I (3 FTE)
- Increase HS AP secretaries to 3 per HS (4 FTE)
- HS AP secretaries work year from 175 to 213
- HS receptionists work year from 185 to 200
- HS counseling assistants work year from 208 to 213
- JHS counseling assistants work year from 208 to 213
- JHS secretaries work year from 210 to 215
- ES secretaries work year from 210 to 215
- Duplicating department work year from 11 to 12 months
- Increase work hours for 6 SPED aides from 5 to 6 hours

Management

- Elementary assistant principals (20 FTE)
- Junior HS assistant principals (3 FTE)
- Work year for psychologists restored from 185 to 195
- Work year for 3 directors restored from 221 to 226 and 256 to 261
- Work year for 7 coordinators restored from 221 to 226 and 256 to 261

CSEA Requested Restorations

CSEA RESTORATION – MAY 2015

Restore Months and Days

FROM

2	DISTRICT MEDIA CTR CLERK	11 Mos	12 Mos	\$ 5,779.04
1	DISTRICT MEDIA CNTR OPER TECH	11 Mos	12 Mos	\$ 3,038.24
1	RECEPTIONIST		12 Mos	\$ 39,296.16
1	DISTRICT SECRETARY/DIST. SECURITY		12 Mos	\$ 44,453.52
4	SCHOOL SECRETARY II SECURITY	11 MONTHS	12 Mos	\$ 9,070.88
2	PERSON		12 Mos	\$ 8,674.56
1	SUPPL. INST. SUPPORT TECHNICIAN	11 Mos	12 Mos	\$ 2,168.64

Restore Positions

1	ADMINISTRATIVE SECRETARY I	CURRICULUM / ELEMENTARY		\$ 54,684.72
1	ADMINISTRATIVE SECRETARY I	HUMAN RESOURCES		\$ 54,684.72
1	ADMINISTRATIVE SECRETARY I	PURCHASING		\$ 54,684.72
1	DISTRICT SECRETARY / GATE	CURRICULUM		\$ 44,453.52
1	DISTRICT SECRETARY	SPECIAL ED		\$ 44,453.52
1	TYPIST CLERK II	ACCESS & EQUITY		\$ 41,676.48
1	TYPIST CLERK II	TRANSPORTATION		\$ 41,676.48
1	STUDENT PERSONNEL SPECIALIST	STUDENT SUPPORT		\$ 43,367.76
2	MAINT. III - PAINTERS MAINT. III - SPRINKLER	MAINTENANCE		\$ 109,369.44
1	TECH III MAINT. III -	MAINTENANCE		\$ 58,902.48
1	ELECTRICIAN MAINT. III -	MAINTENANCE		\$ 54,789.12
1	HVAC	MAINTENANCE		\$ 60,405.84
2	COUNSELING ASSISTANTS	Alt Ed	Increase 15 Days	\$ 10,402.88
1	CUSTODIAN	Alt Ed	11 Mos 12 Mos	\$ 3,956.00

District Budget Calendar

June 2015						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

July 1 st	District' s Adopted Budget due to the County/State
September 15 th	Unaudited Actuals Financial Report due to the County/State
December 15 th	First Interim Financial Report due to the County/State
January	Governor' s Proposed State Budget for 2015/16
March 15 th	Second Interim Financial Report due to the County/State
May 14 th	Governor' s May Revise for 2015/16
June 11 th	Public Hearing of District LCAP (15/16, 16/17, 17/18) Public Hearing of District Budget (15/16, 16/17, 17/18)
June 25 th	Adoption of District LCAP (15/16, 16/17, 17/18) Adoption of District Budget (15/16, 16/17, 17/18)

Budget Impacts

- Declining enrollment
- Charter School(s)
- CalSTRS increasing employer contribution
- CalPERS increasing employer contribution
- Affordable Care Act compliance penalties
- AB 1522 Healthy Workplaces, Healthy Families Act
- Proposition 30 sunsets within the next 3 years
(0.25% Sales Tax expires in 2016; Personal Income Tax expires in 2018)
- Cap on District Reserves (Prop 2)



- 12.6% New LCFF Money
- Step and Column
 - CalPERS Increase
 - CalSTRS Increase
 - Declining Enrollment
 - Additional Services
 - Health Benefits

2.5% Raise

NEGOTIATIONS 2015-16

12.6% New LCFF Money = 12.6% Raise
Seems pretty simple to us!
Now how about one-time money
as a sweetener?



Collaboration



Creativity

Critical Thinking

Communication



Rick Feltus

Discussions & Questions

