

A Fiscal Profile of CVUSD



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

***Business Services
September 4, 2014***

What Will We Cover?

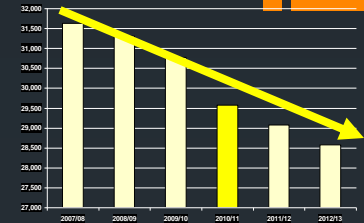
- Common School Financial Terms
- California's Education Funding
- CVUSD Revenue & Expenditure Trends
- 3-Year Projection
- Next Steps



Common School Financial Terms

- **Average Daily Attendance**

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*



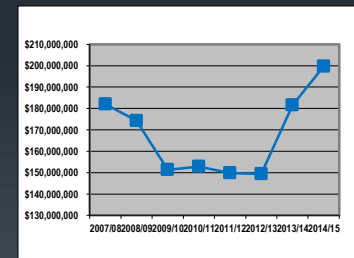
- **Multi-Year Budget**

Current-year budget and two subsequent years



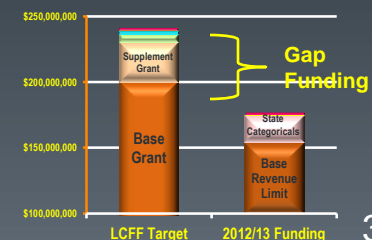
- **Local Control Funding Formula (LCFF)**

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



- **Gap Funding**

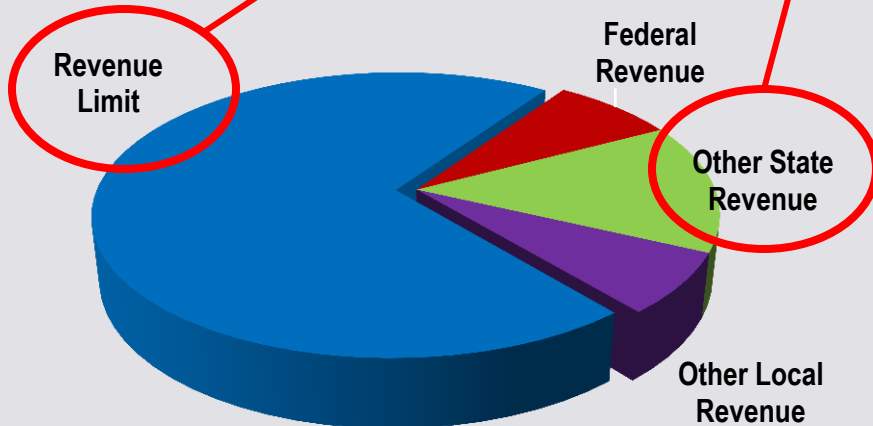
The gap between a District’s target funding in 2020/21 and base funding in 2012/13. Each year the Governor determines the appropriation towards funding the gap.



California's Education Funding

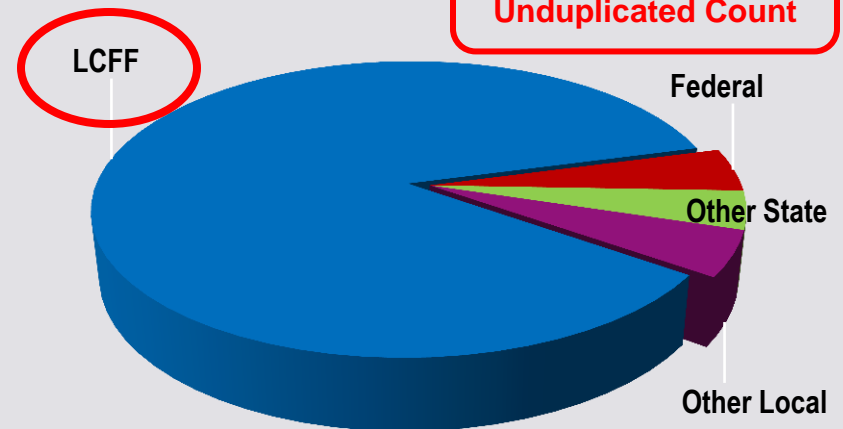
Before LCFF

- **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.

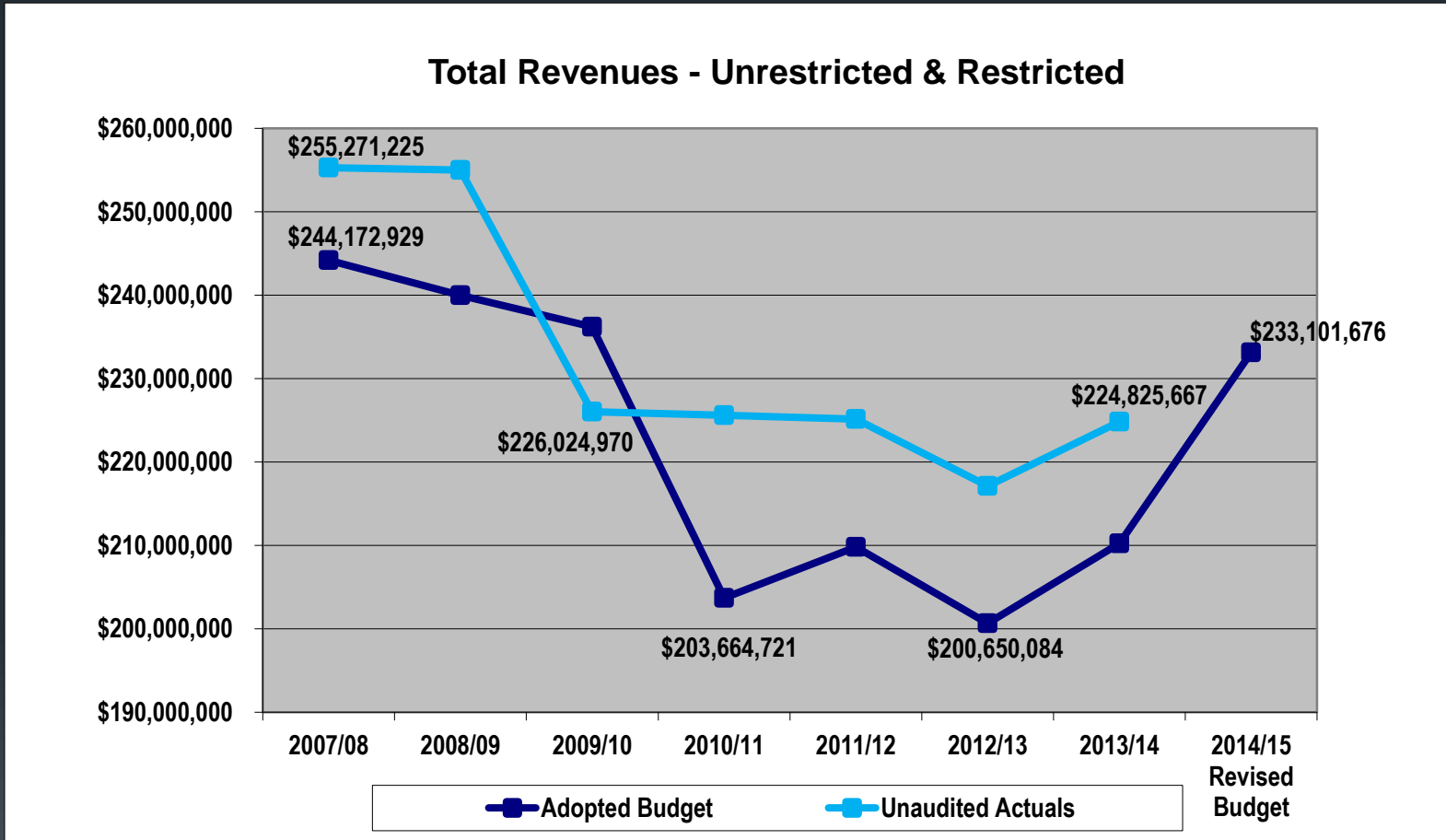


With LCFF

- **Base Funding** – Same 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*.



General Fund Total Revenues Trend



Budget Roller-coaster

May 2011
Threat of \$330/ADA cut

Dec. 2011
Threat of \$259/ADA cut

Mar. 2012
Threat of \$55 cut/ADA and \$370/ADA cut

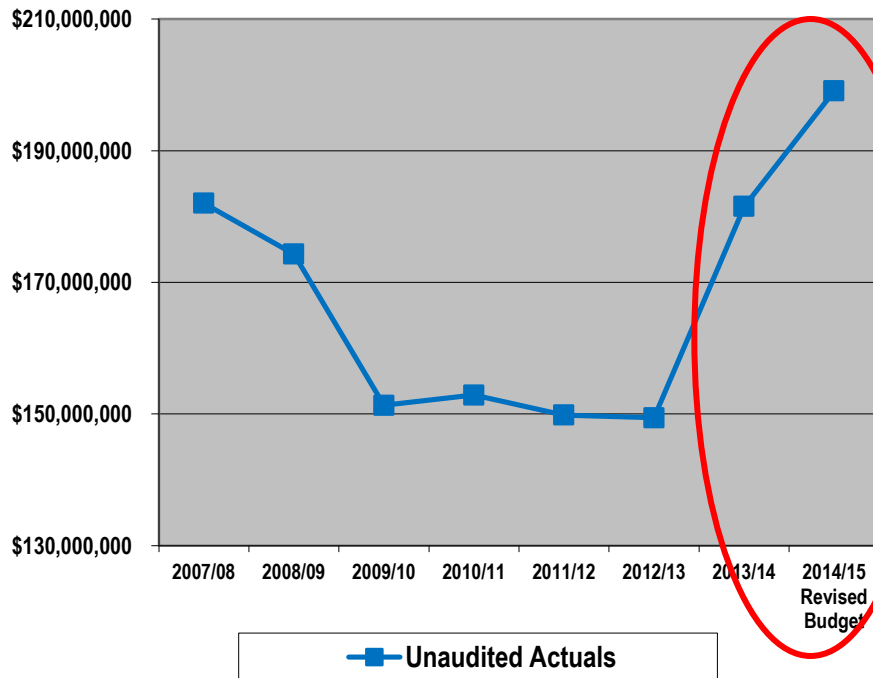
May 2012
Threat of \$441/ADA cut

Nov. 2012
Proposition 30 passes!

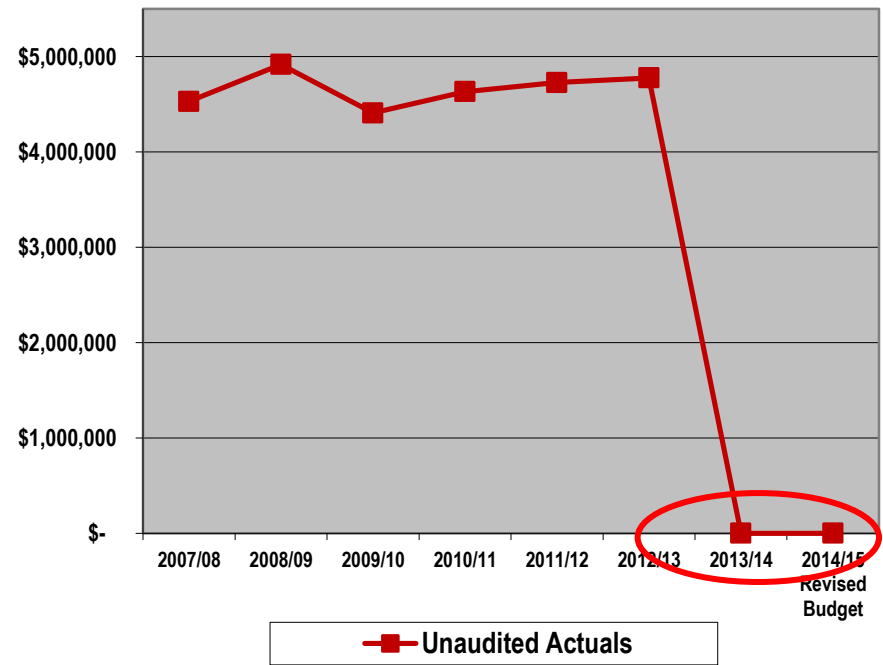
Revenue Limit/LCFF Sources

Unrestricted & Restricted

Unrestricted Funds



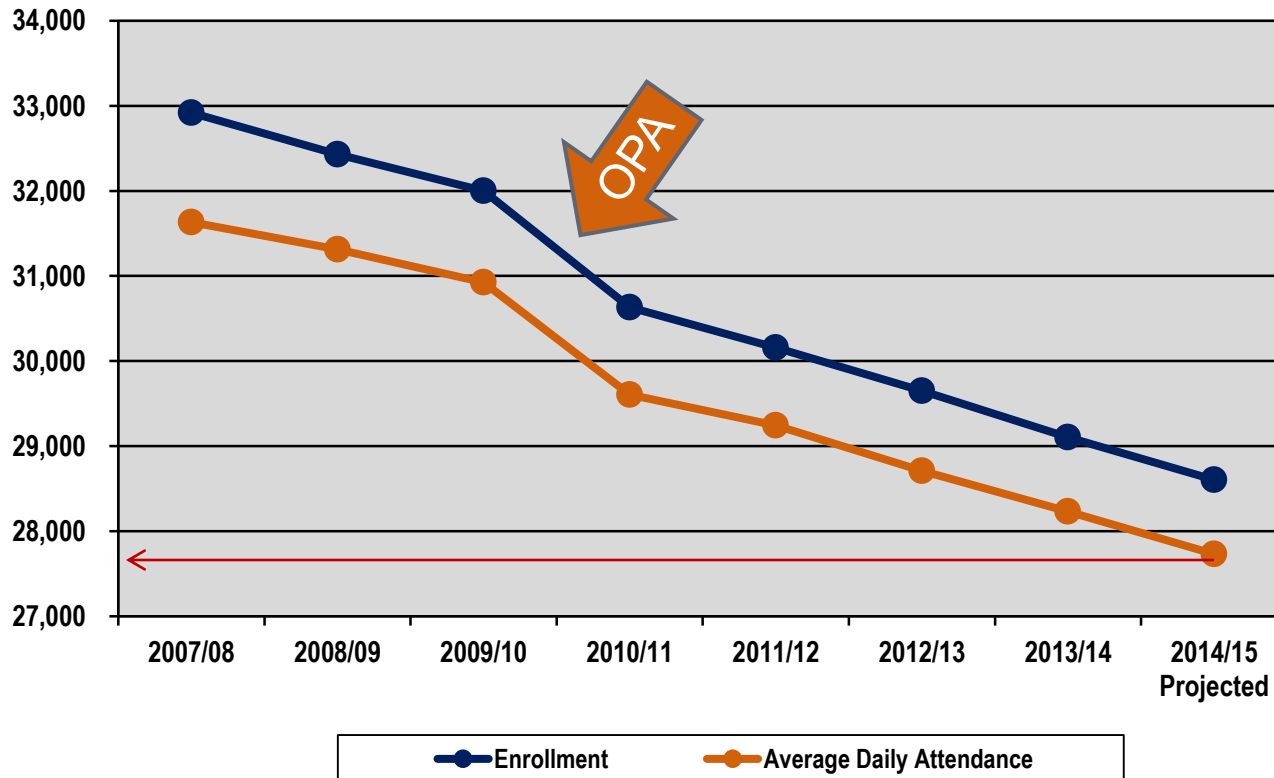
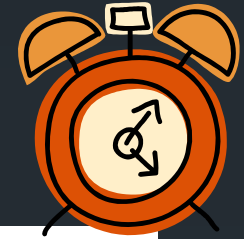
Restricted Funds



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

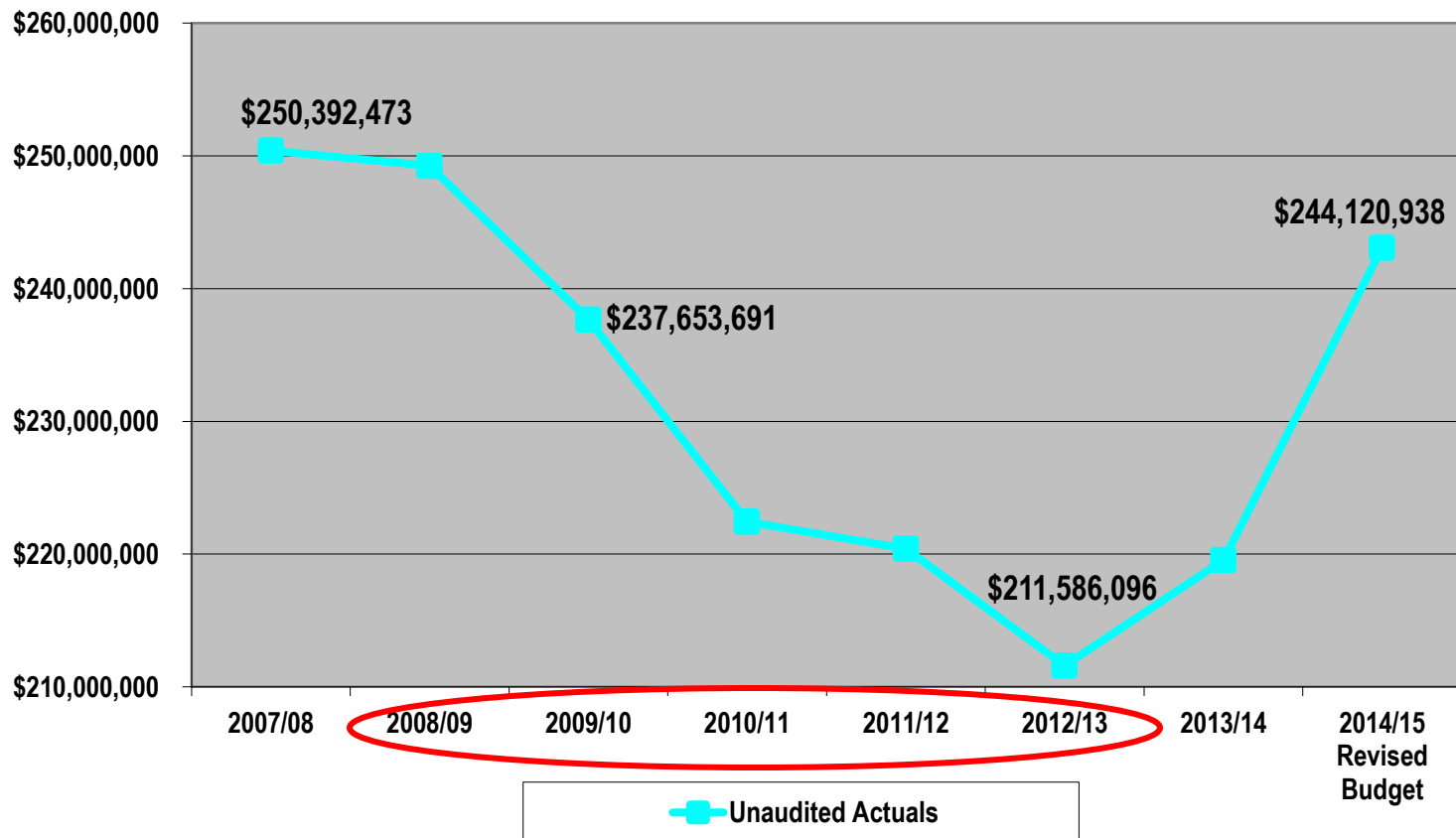


2007/08 Enrollment = 32,916; ADA = 31,633
2013/14 Enrollment = 29,103 ADA = 28,232

Down
~11%

General Fund Total Expenditures Trend

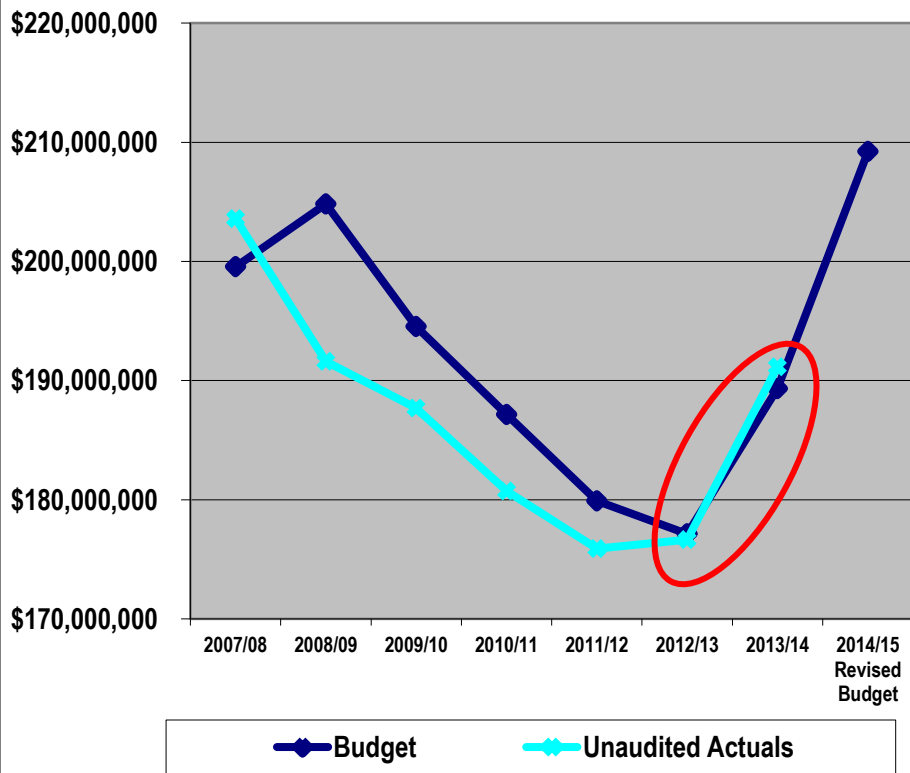
Total Expenditures & Other Uses - Unrestricted & Restricted



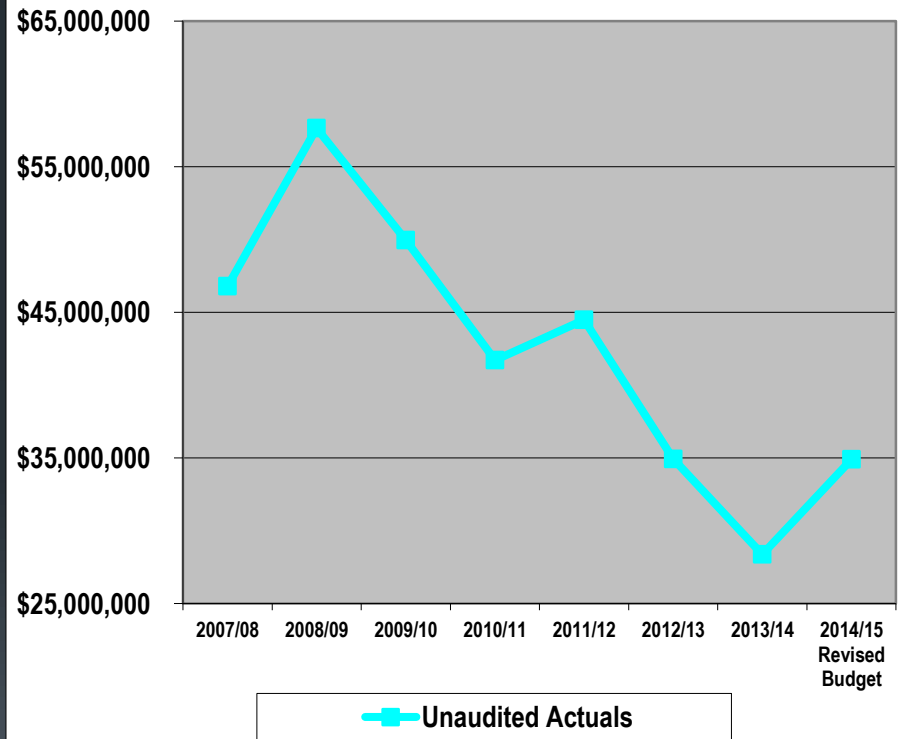
General Fund Total Expenditures Trend

Unrestricted & Restricted

Expenditure/Other Uses - Unrestricted Funds



Expenditure/Other Resource - Restricted Funds



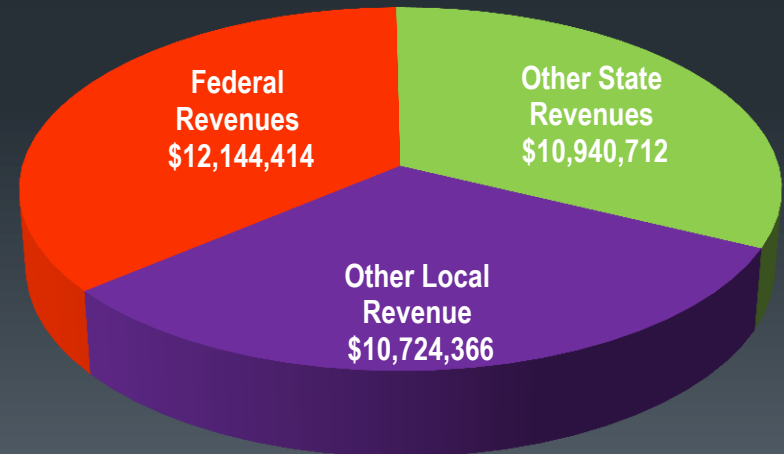
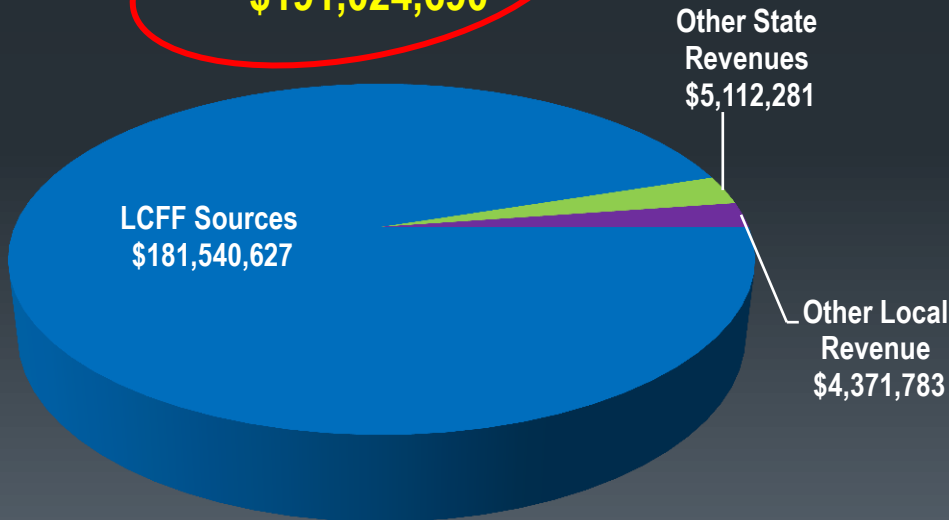
Revenues

2013/14 General Fund Unaudited Actuals

TOTAL
\$224,834,182

Unrestricted
\$191,024,690

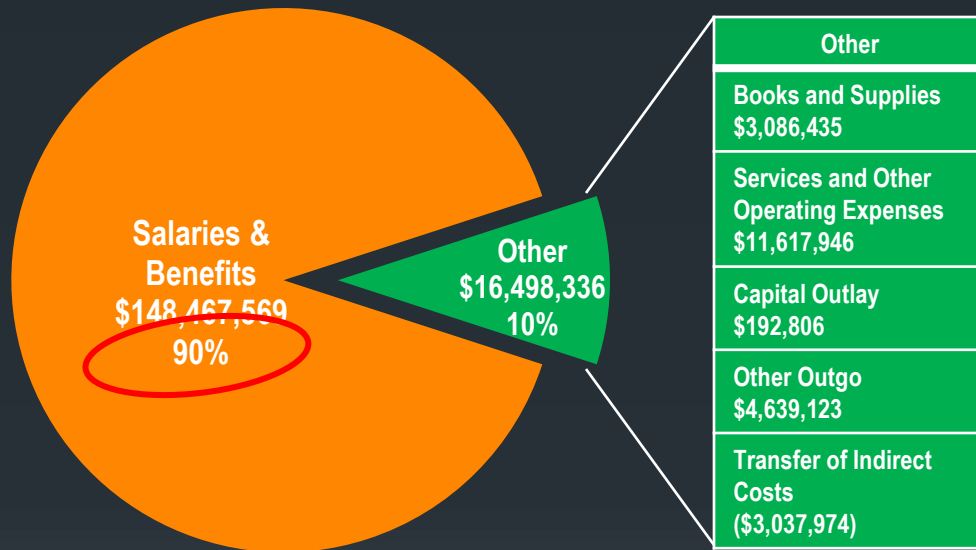
Restricted
\$33,809,492



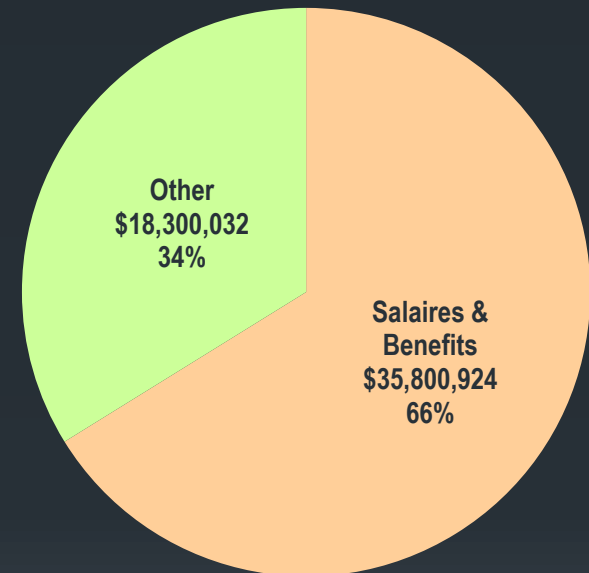
Expenditures & Other Uses/Sources

2013/14 General Fund Unaudited Actuals

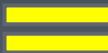
Unrestricted Expenditures
\$164,965,905



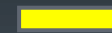
Restricted Expenditures
\$54,100,956



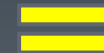
Other Financing Uses
\$26,198,538



\$191,164,443



Other Financing Sources
\$25,722,653

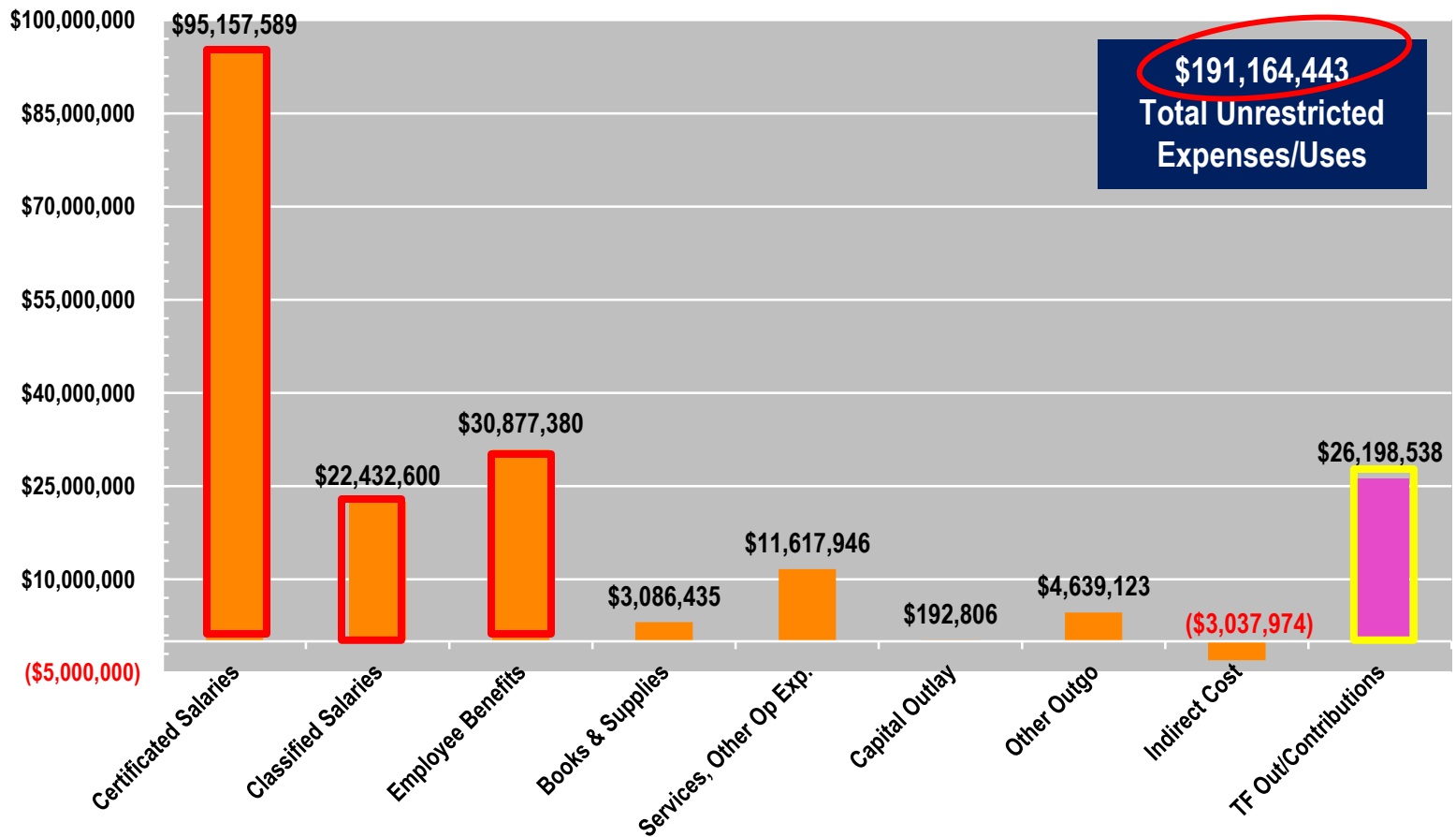


\$28,378,302

TOTAL
\$219,542,745

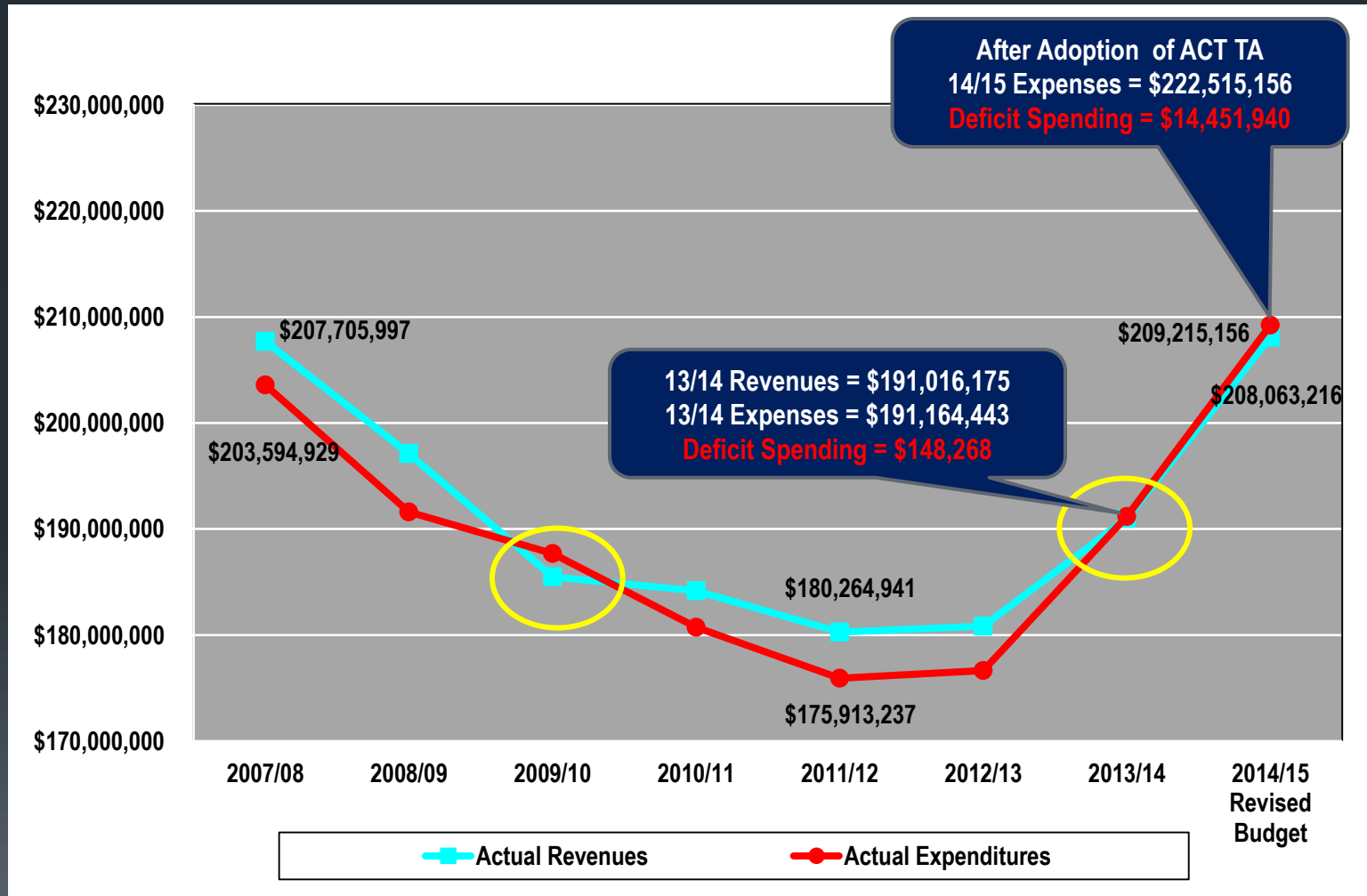
Unrestricted Expenditures & Other Uses

2013/14 General Fund Unaudited Actuals



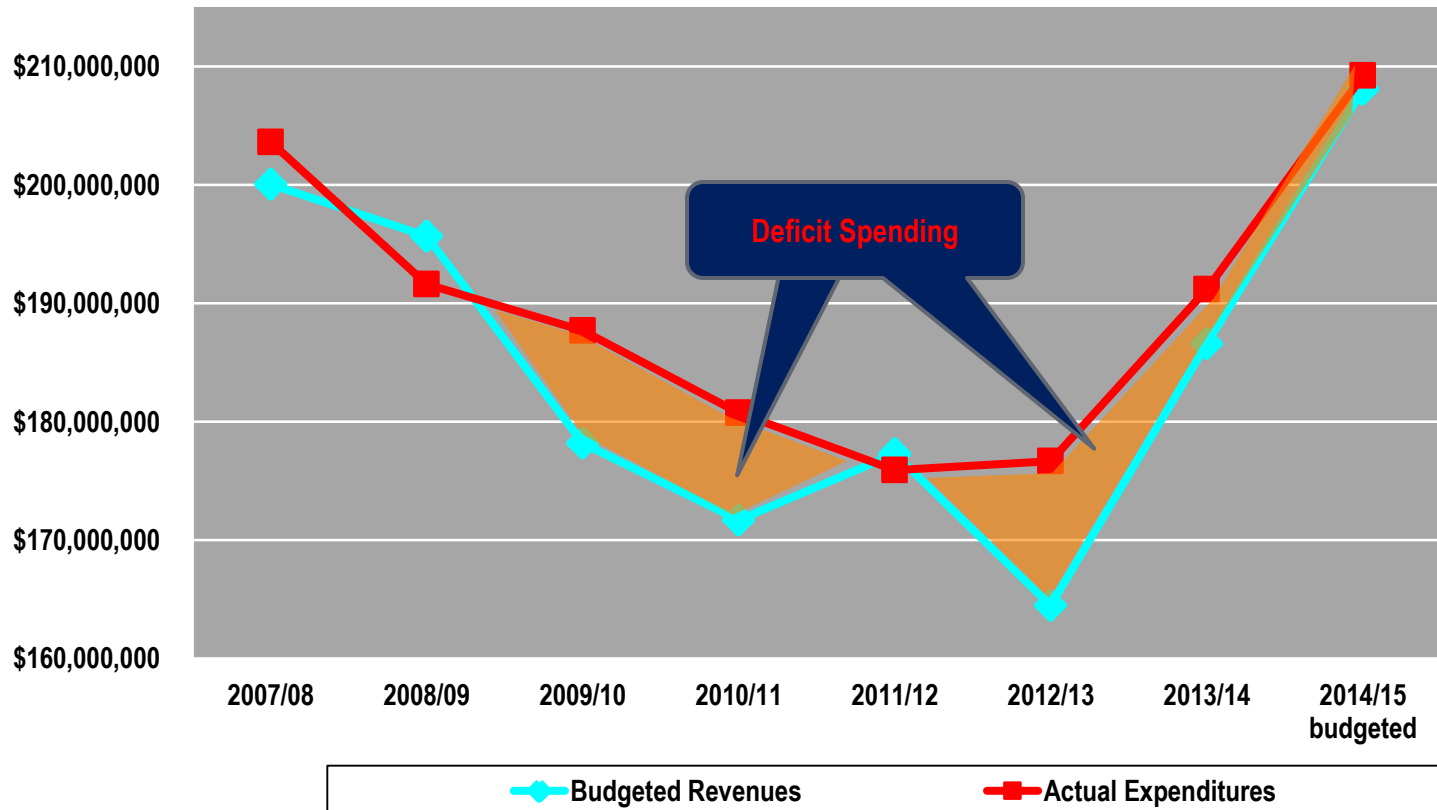
Actual Revenues and Expenditures/Uses

Unrestricted Funds



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.

Multi-Year Projection

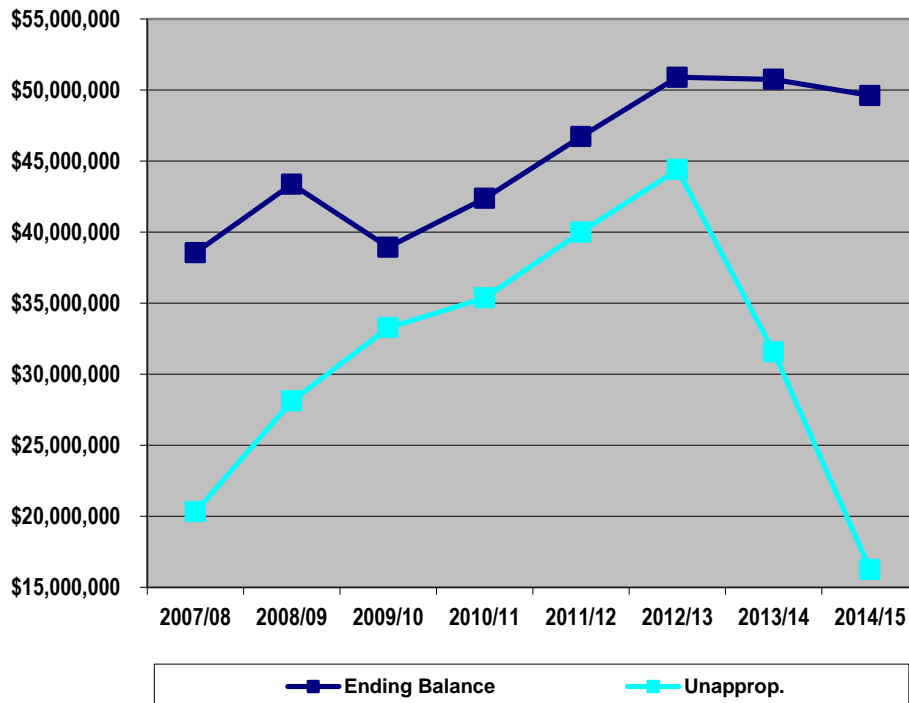
Unrestricted Fund

	2013/14	2014/15	2015/16	2016/17
Beginning Balance	50,905,961	50,766,209	49,614,269	43,888,486
Revenue	191,024,691	208,063,216	206,587,721	208,064,388
Expenditure	191,164,443	209,215,156	212,313,504	212,039,348
Net Increase/Decrease	(139,752)	(1,151,940)	(5,725,783)	(3,974,960)
Ending Balance	50,766,209	49,614,269	43,888,486	39,913,526
Revolving Cash	100,000	100,000	100,000	100,000
Equity	49,889	49,889	49,889	49,889
Economic Uncertainty	19,912,028	19,912,028	19,912,028	19,912,028
Common Core/Technology	4,443,447			
Tentative Agreement	3,200,000	13,300,000	21,600,000	29,900,000
Unappropriated Amount	23,060,844	16,252,352	2,226,569	(10,048,391)

Note: Numbers may not add due to rounding

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



What is Ending Balance?

Beginning Balance + Revenues – Expenditures = Ending Balance

Next Steps

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

September/October 2014

- Ratification of ACT Tentative Agreement

December 2014

- *Adoption of First Interim Financial Report*

January 2015

- *Audit Report*
- *Governor's 2015/16 Budget Proposal*

Continue to monitor budget and expenditures closely





Discussions & Questions



District Budget Calendar

September 2014						
S	M	T	W	T	F	S
	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 1st	District' s Adopted Budget due to the County/State
September 15th	Unaudited Actuals Financial Report due to the County/State
December 15th	First Interim Financial Report due to the County/State
January	Governor' s Proposed State Budget for 2015/16
March 15th	Second Interim Financial Report due to the County/State
Mid-May	Governor' s May Revise for 2015/16
June	Public Hearing of District Budget (15/16, 16/17, 17/18)
June	Adoption of District Budget (15/16, 16/17, 17/18)