

**"Empowering  
Students for  
Success"**



# Capistrano Unified School District

## Budget Subcommittee

**May 23, 2013**

# Agenda

- AB1200 and Multi-Year Projection
- May Revise Update
- District Budget and Impact of May Revise



# Multi Year Projection

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# Third Interim MYP Summary

## Unrestricted Fund

Funded COLA →

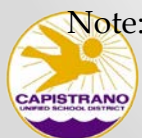
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	2012-2013	2013-2014	2014-2015
<b>Projected Revenue</b>	\$295.32	\$298.54	\$304.50
<b>Beginning Balance</b>	16.64	10.54	7.55
<b>Total Available Sources</b>	311.96	309.08	312.06
<b>Projected Expenditures</b>	252.94	271.33	275.27
<b>Contribution to Restricted Fund*</b>	48.48	50.20	50.85
<b>Required Reserves</b>	7.80	7.55	7.64
<b>Available Balance</b>	\$2.74	(\$20.00)	(\$21.70)

Note: 2014-2015 assumes cuts \$20 million reduction for 2013-2014



# Multi Year Projection Revenue

Capistrano School District - 2012-13 Third Interim Assumptions & Other Information for Projections

Res: 65xx, 33xx, 724x, 723x, 8150

Res: 65xx, 33xx, 724x, 723x, 8150

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Account Title	Obj Resr	12-13 3rd Interim Unrestricted	12-13 3rd Interim Restr/Encroach	12-13 3rd Interim Restricted	12-13 3rd Interim Totals	13-14 Est. Unrestricted	13-14 Est. Rest-encroach	13-14 Est. Restricted	13-14 Total	14-15 Est. Unrestricted	14-15 Est. Rest-Encroach	14-15 Est. Restricted	14-15 Est. Total	
<b>REVENUE LIMIT</b>						<b>CHANGE COLA</b>								
State Aid	8011	\$22,039,286	\$0	\$0	\$22,039,286	\$25,030,850	\$0	\$0	\$25,030,850	1.65%	\$30,292,771	\$0	\$0	\$30,292,771
State Aid - Prior yr.	8019	0	0	0	0	0	0	0	0	0	0	0	0	0
Relief Subventions	8021	1,932,085	0	0	1,932,085	1,932,085	0	0	\$1,932,085	1,932,085	0	0	1,932,085	
Timber Yield	8022	0	0	0	0	0	0	0	0	0	0	0	0	
In Lieu Taxes	8029	0	0	0	0	0	0	0	0	0	0	0	0	
Secured Roll	8041	228,647,728	0	0	228,647,728	228,647,728	0	0	\$228,647,728	228,647,728	0	0	228,647,728	
Unsecured Roll	8042	8,701,493	0	0	8,701,493	8,701,493	0	0	\$8,701,493	8,701,493	0	0	8,701,493	
Prior Years Taxes	8043	5,636,724	0	0	5,636,724	5,636,724	0	0	\$5,636,724	5,636,724	0	0	5,636,724	
Supplemental Taxes	8044	2,223,252	0	0	2,223,252	2,223,252	0	0	\$2,223,252	2,223,252	0	0	2,223,252	
Educ Rev Aug Fund (ERAF)	8045	(2,974,667)	0	0	(2,974,667)	(2,974,667)	0	0	(\$2,974,667)	(2,974,667)	0	0	(2,974,667)	
Supp Edu Rev Augment (SERAF)	8046	0	0	0	0	0	0	0	0	0	0	0	0	
Community Redevelopment Funds	8047	5,778,434	0	0	5,778,434	5,778,434	0	0	\$5,778,434	5,778,434	0	0	5,778,434	
Rev Limit Transfers	6500/8091	(4,992,020)	4,992,020	0	0	(4,992,020)	4,992,020	0	0	(4,992,020)	4,992,020	0	0	
PERS Rev Limit Reduction	8092	398,112	0	0	398,112	398,112	0	0	\$398,112	398,112	0	0	398,112	
In Lieu Taxes to Charters	8096	(15,236,553)	0	0	(15,236,553)	(15,236,553)	0	0	(\$15,236,553)	(15,236,553)	0	0	(15,236,553)	
<b>Total R/L</b>		<b>\$252,153,874</b>	<b>\$4,992,020</b>	<b>\$0</b>	<b>\$257,145,894</b>	<b>\$255,145,438</b>	<b>\$4,992,020</b>	<b>\$0</b>	<b>\$260,137,458</b>	<b>\$260,407,359</b>	<b>\$4,992,020</b>	<b>\$0</b>	<b>\$265,399,379</b>	
<b>Federal Revenues</b>		\$268,794,164	\$6,183,056											
Spec Ed. Entitlement	3310,3313 / 8181	\$0	\$7,859,241	\$0	\$7,859,241	\$0	\$7,214,783	\$0	\$7,214,783	\$0	\$7,359,079	\$0	\$7,359,079	
Special Ed Disc Grants	3315, 3319, 3320, 3324,3345,3385 / 8182	0	1,697,033	0	1,697,033	0	\$1,557,876	0	\$1,557,876	0	1,589,034	0	1,589,034	
Unrestricted	0000/8290	17,790	0	0	17,790	\$16,331	0	0	\$16,331	16,331	0	0	16,331	
MAA	0023/8290	700,000	0	0	700,000	\$642,600	0	0	\$642,600	655,452	0	0	655,452	
Title 1 Improv. American Schls	3010/8290	0	0	5,266,928	5,266,928	0	0	3,749,773	\$3,749,773	0	0	3,824,768	3,824,768	
ARRA: Title 1 Improv. American Schls	3011/8290	0	0	0	0	0	0	0	0	0	0	0	0	
Special Ed: Reading 1st	3031/8290	0	0	0	0	0	0	0	0	0	0	0	0	
NCLB:PI	3,185	0	0	350,000	350,000	0	\$321,300	0	\$321,300	0	0	327,726	327,726	
Education Jobs	3205/8290	0	0	0	0	0	0	0	0	0	0	0	0	
DR-TPP	3410/8290	0	0	746,322	746,322	0	0	\$685,124	\$685,124	0	0	698,826	698,826	
VEA	3555/8290	0	0	246,686	246,686	0	0	\$226,458	\$226,458	0	0	230,987	230,987	
Sp Ed Early Intervention	3385	0	0	0	0	0	0	0	0	0	0	0	0	
Title II: Improving Teacher Quality	4035,4055/8290	0	0	1,012,120	1,012,120	0	0	838,193	\$838,193	0	0	854,957	854,957	
Principal Training Title II	4036/8290	0	0	0	0	0	0	0	0	0	0	0	0	
Enhancing Education Technology	4045/8290	0	0	12,837	12,837	0	0	\$11,784	11,784	0	0	12,020	12,020	
ARRAEETT	4047/8290	0	0	0	0	0	0	0	0	0	0	0	0	
ARRAEETT	4048/8290	0	0	0	0	0	0	0	0	0	0	0	0	
Limited English Prof. (LEP)	4203/8290	0	0	568,084	568,084	0	0	\$521,501	521,501	0	0	531,931	531,931	
Indian Ed	4510/8290	0	0	55,247	55,247	0	0	\$50,717	50,717	0	0	51,731	51,731	
Homeless Child Edu Grants	5630/8290	0	0	0	0	0	0	0	0	0	0	0	0	
AARA Ed. For Homeless Children	5635/8290	0	0	0	0	0	0	0	0	0	0	0	0	
Medi - Cal	5640/8290	0	0	500,000	500,000	0	0	\$459,000	459,000	0	0	468,180	468,180	
FEMA	5650/8281	0	0	3,631	3,631	0	0	\$3,333	3,333	0	0	3,400	3,400	
Interagency Contracts	5819/8285	0	0	0	0	0	0	0	0	0	0	0	0	
ARRA / DOR / Bonus	5882/8290	0	0	0	0	0	0	0	0	0	0	0	0	
Other Federal Revenue	XXXX	0	0	0	0	0	0	0	0	0	0	0	0	
<b>Total Fed. Rev.</b>		<b>\$717,790</b>	<b>\$9,556,274</b>	<b>\$8,761,855</b>	<b>\$19,035,919</b>	<b>\$658,931</b>	<b>\$8,772,660</b>	<b>\$6,867,183</b>	<b>\$16,298,773</b>	<b>\$671,783</b>	<b>\$8,948,113</b>	<b>\$7,004,526</b>	<b>\$16,624,422</b>	



# Multi Year Projection Expenses

Certificated Salaries										hour year X 1.015				
Certificated Salaries (instructional) (include 11XX		\$131,686,136	\$21,301,841	\$1,834,543	\$154,822,520	\$143,979,223.78	\$21,621,369	\$1,212,061	166,812,654	Step/Col	\$146,138,912	21,945,689	1,230,242	\$169,314,843
Pupil Support Sal.	12XX	2,995,455	3,897,746	235,112	7,128,313	3,560,488	3,956,212	238,639	7,755,339	umn	3,613,895	4,015,555	242,218	7,871,669
Admin. & Supervisor Sal.	13XX	11,756,750	1,486,627	413,766	13,657,143	12,805,382	1,508,926	419,972	14,734,281		12,997,463	1,531,560	426,272	14,955,295
Other Certif Sal.	19XX	494,252	822,540	1,418,632	2,735,424	704,766	834,878	1,439,911	2,979,556		715,338	847,401	1,461,510	3,024,249
<b>Total Certif. Sal.</b>		<b>\$146,932,593</b>	<b>\$27,508,754</b>	<b>\$3,902,053</b>	<b>\$178,343,400</b>	<b>\$161,049,860</b>	<b>\$27,921,385</b>	<b>\$3,310,584</b>	<b>\$192,281,829</b>		<b>\$163,465,608</b>	<b>\$28,340,206</b>	<b>\$3,360,243</b>	<b>\$195,166,057</b>
Classified Salaries										theatre staff				
Instruc. Aides Sal.	21XX	\$1,088,993	\$11,081,782	\$302,999	\$12,473,774	\$1,674,591	\$11,303,418	\$309,059	\$13,287,068	Lio	\$1,708,083	\$11,529,486	\$315,240	\$13,552,809
Class. Support Sal.	22XX	11,079,643	\$11,638,253	\$110,416	\$22,828,312	12,618,866	\$11,871,018	\$112,624	\$24,602,508	Media	\$12,871,243	\$12,108,438	\$114,877	\$25,094,559
Superw/Administration	23XX	1,335,234	\$938,822	\$63,750	\$2,337,806	1,497,122	\$957,598	\$65,025	\$2,519,746	MS's	\$1,527,065	\$976,750	\$66,326	\$2,570,141
Clerical/Secre.(includes class. adjustments)	24XX	11,113,837	\$826,122	\$488,929	\$12,428,888	11,978,340	\$842,644	\$498,708	\$13,319,692	techs @	\$12,217,907	\$859,497	\$508,682	\$13,586,086
Other Class Sal	29XX	2,045,730	311,859	987,339	3,344,928	2,301,506	318,096	1,007,086	3,626,688		2,347,536	324,458	1,027,227	3,699,221
<b>Total Class Sal</b>		<b>\$26,663,437</b>	<b>\$24,796,838</b>	<b>\$1,953,433</b>	<b>\$53,413,708</b>	<b>\$30,070,425</b>	<b>\$25,292,775</b>	<b>\$1,992,502</b>	<b>\$57,355,701</b>		<b>\$30,871,834</b>	<b>\$25,798,630</b>	<b>\$2,032,352</b>	<b>\$58,502,815</b>
Employee Benefits														
OASDI														
STRS	31XX	\$12,148,522	\$2,256,083	\$318,860	\$14,723,465	\$13,563,499	\$2,289,924	\$293,643	\$16,147,066		\$13,766,951	\$2,324,273	\$298,048	\$16,389,272
PERS	32XX	2,699,627	2,279,359	122,224	\$5,101,210	\$3,202,330	\$2,324,946	\$124,668	\$5,651,944		\$3,266,376	\$2,371,445	\$127,162	\$5,764,983
OASDI	330X	1,437,753	1,255,973	74,706	\$2,768,432	\$1,710,180	\$1,281,092	\$76,200	\$3,067,473		\$1,744,384	\$1,306,714	\$77,724	\$3,128,822
Medicare	3351, 3352	2,494,132	756,332	84,860	\$3,335,324	\$2,804,918	\$767,677	\$86,133	\$3,658,728		\$2,846,992	\$779,192	\$87,425	\$3,713,609
PARS	3353, 3354	39,762	59,716	9,299	\$108,777	\$40,557	\$60,910	\$9,485	\$110,953		\$41,368	\$62,129	\$9,675	\$113,172
Health & Welfare	34XX	27,824,151	9,444,458	776,363	\$38,044,972	27,824,151	9,444,458	743,263	\$38,011,872		28,102,393	9,538,903	750,696	\$38,391,991
SUI	35XX	1,885,508	597,485	63,944	\$2,546,937	\$2,121,177	\$606,447	\$64,903	\$2,792,528		\$2,152,995	\$615,544	\$65,877	\$2,834,416
Workers Comp.	36XX	2,928,754	1,040,275	116,055	\$4,085,084	\$2,349,753	\$1,055,879	\$117,796	\$3,523,428	w/o	\$2,384,999	\$1,071,717	\$119,563	\$3,576,279
OPEB: Retiree Benefits	37xx	1,204,900	360,589	37,710	\$1,603,199	\$1,222,974	\$365,998	\$38,276	\$1,627,247	check repaym ent	\$1,241,318	\$371,488	\$38,850	\$1,651,656
PERS Reduction	38XX	121,684	212,510	4,081	\$338,275	\$123,509	\$215,698	\$4,142	\$343,349		\$125,362	\$218,933	\$4,204	\$348,499
Retiree Incentive: PARS Annuity	3901	2,433,428	0	0	\$2,433,428	2,433,428	0	0	\$2,433,428		2,433,428	\$0	\$0	\$2,433,428
Other Ben. -retire non	39XX	82,755	41,264	3,840	127,859	82,755	41,264	3,840	127,859		82,755	41,264	41,264	165,283
<b>Total Emp. Benefits</b>		<b>\$55,300,976</b>	<b>\$18,304,044</b>	<b>\$1,611,942</b>	<b>\$75,216,962</b>	<b>\$57,479,231</b>	<b>\$18,454,294</b>	<b>\$1,562,349</b>	<b>\$77,495,874</b>		<b>\$58,189,321</b>	<b>\$18,701,602</b>	<b>\$1,820,486</b>	<b>\$78,511,409</b>



# Governor's May Revise Update and Impact on District Budget

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# Governor's May Revise

- 2013-2014 funded COLA remains at 1.565%
- Proposes eliminating the 22.272% deficit factor by 2019-2020 for schools in aggregate although LCFF eliminates revenue limits and therefore the deficit factor
  - Some districts will exceed restoration and some will fall short
- LCFF Implementation funds increased from \$1.6 to \$1.9 billion
- Prop 98 funds from increased state revenue calculated by state as \$2.9 billion for the current year paid over two years
  - \$1 billion for one time Common Core Standards implementation (restricted one-time funds) to be spent over two years with a public hearing on spending plan
  - \$1.9 billion for reducing cash deferrals in 2012-2013 (no new money)
- Governor lowers revenue projections for 2013-2014
- Base/Supplemental/Concentration Grants stay the same





# Governor's May Revise

- Special Education Federal Sequestration Backfilled by State. Approximately \$700,000 for CUSD.
- English Learner (EL) and Free and Reduced-Price Meals (FRPM) Program student counts changed to three-year rolling average rather than single point in time.
- EL students receive supplemental / concentration grant funding for seven years rather than five
- Supplemental and concentration grants must go to schools proportionate to EL/FRPM population
- Adult Education and ROP will remain as is for two more years
- Prop 39 Energy Efficiency funded at \$50,000 or on a per ADA amount. Per ADA amount not detailed in the May Revise.

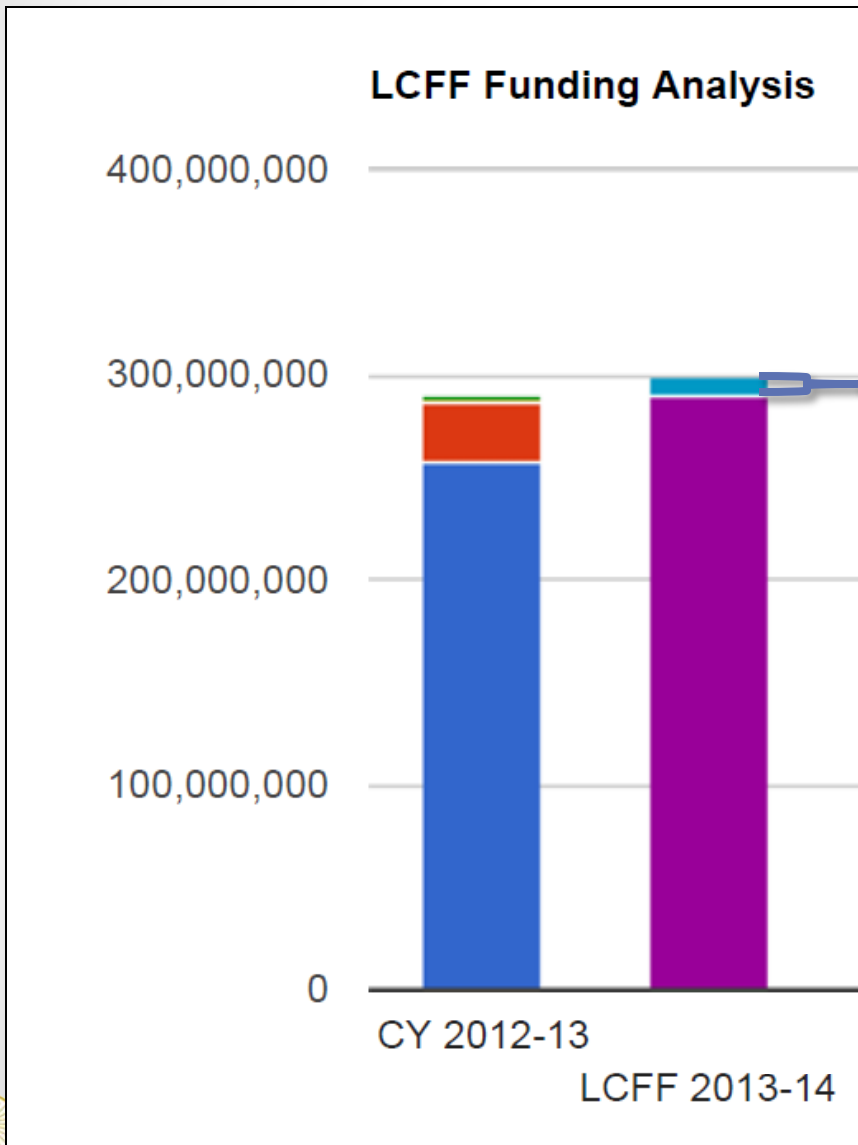


# Local Control

- County Offices of Education must approve district's "Local Control Accountability Plan"
- County Offices of Education must audit district's EL/FRPM counts
- LCFF fund allocations will require yearly compliance and financial audits
- County Offices of Education has stay/rescind authority over the accountability plan under circumstances where achievement goals are not being met and FCMAT has been asked to review district
- Districts must meet new maintenance of effort (MOE) goals each year
  - 2012-2013 would establish a District's "base year" for level of expenditures for EL/FRPM students and require annual independent audits to ensure compliance



# LCFF CUSD Estimates



**COLA \$4.0 million**  
**LCFF Growth \$5-7 million\***

**\* Districts are advised to include COLA in 2013-2014 projections but wait on LCFF until more definitive information is available**

# Closing the 2013-2014 Shortfall

- Continue with Multi-pronged approach
- May Revised budget impact
- Current 2013-2014 Reduction Target \$20 Million



- FEMA reimbursement
- Amount above 2% in 2013-2014
- Reduce utility budget
- Reduce textbook budget
- Cut computer replacement and asset management budget
- Election costs savings
- Sequestration backfill

- Status quo negotiated reductions.

# District Budget Analysis

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# Budget Analysis

- School District Budgets require analysis based on various requirements within Education Code and Board direction.
- Each program is reviewed based on:
  - academic effectiveness and
  - operated over time as financially efficient as possible.
- The following examples are ways in which the state accounting code structure (SACS) is used for “drilling down” into various areas:



Fund-	(Multiple Items)			
FD	(All)			
R/U	(All)			
SpecEd?	(All)			
Trans?	(All)			
Resource-	(All)			
Site-	(All)			
<b>Function-</b>	<b>7700-Technology Info Systems (186)</b>			
MajorOBJT	(Multiple Items)			
		DI_YR_NO		
		6812	6813	
<b>Type</b>	<b>Group</b>	<b>Actual YTD</b>	<b>Revised</b>	<b>Actual YTD</b>
<b>Revenue Total</b>		0	0	(1,000)
<b>Expense</b>	<b>1000-1999 Certificated Salaries</b>	122,932	125,013	104,179
	<b>2000-2999 Classified Salaries</b>	2,379,563	2,203,537	1,796,936
	<b>3000-3999 Benefits</b>	977,590	904,736	738,474
	<b>4000-4999 Books &amp; Supplies</b>	230,516	235,306	133,280
	<b>5000-5999 Services &amp; Other Operating</b>	466,103	584,861	581,904
	<b>6000-6999 Capital Purchases</b>	202,023	445,000	105,804
<b>Expense Total</b>		<b>4,378,726</b>	<b>4,498,453</b>	<b>3,460,576</b>



<b>Site-</b>	<b>014-California Preparatory Academy</b>			
		<b>2011-2012</b>	<b>2012-2013</b>	
<b>Type</b>	<b>Group</b>	<b>Actual YTD</b>	<b>Revised</b>	<b>Actual YTD</b>
<b>Expense</b>	<b>1000-1999 Certificated Salaries</b>	<b>8,721</b>	<b>427,967</b>	<b>340,359</b>
	<b>2000-2999 Classified Salaries</b>	<b>5,543</b>	<b>93,242</b>	<b>73,644</b>
	<b>3000-3999 Benefits</b>	<b>4,509</b>	<b>170,124</b>	<b>142,024</b>
	<b>4000-4999 Books &amp; Supplies</b>	<b>60,895</b>	<b>97,536</b>	<b>66,034</b>
	<b>5000-5999 Services &amp; Other Operating</b>	<b>4,921</b>	<b>105,191</b>	<b>114,246</b>
<b>Expense Total</b>		<b>84,590</b>	<b>894,060</b>	<b>736,307</b>
<b>Grand Total</b>		<b>84,590</b>	<b>894,060</b>	<b>736,307</b>





# Discussion

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