

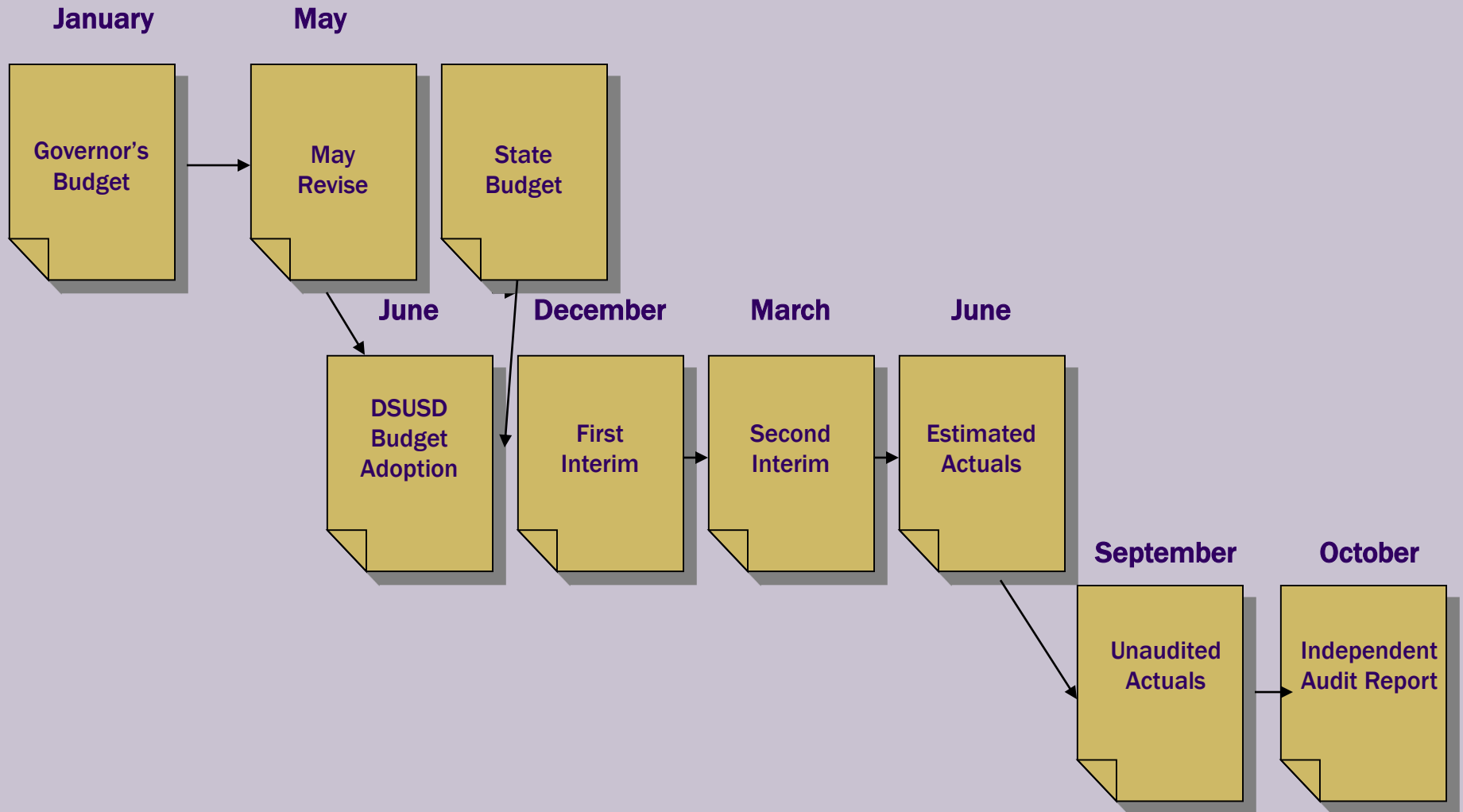


PROPOSED DSUSD BUDGET FISCAL YEAR 2018-19

**Board Meeting
June 12, 2018**

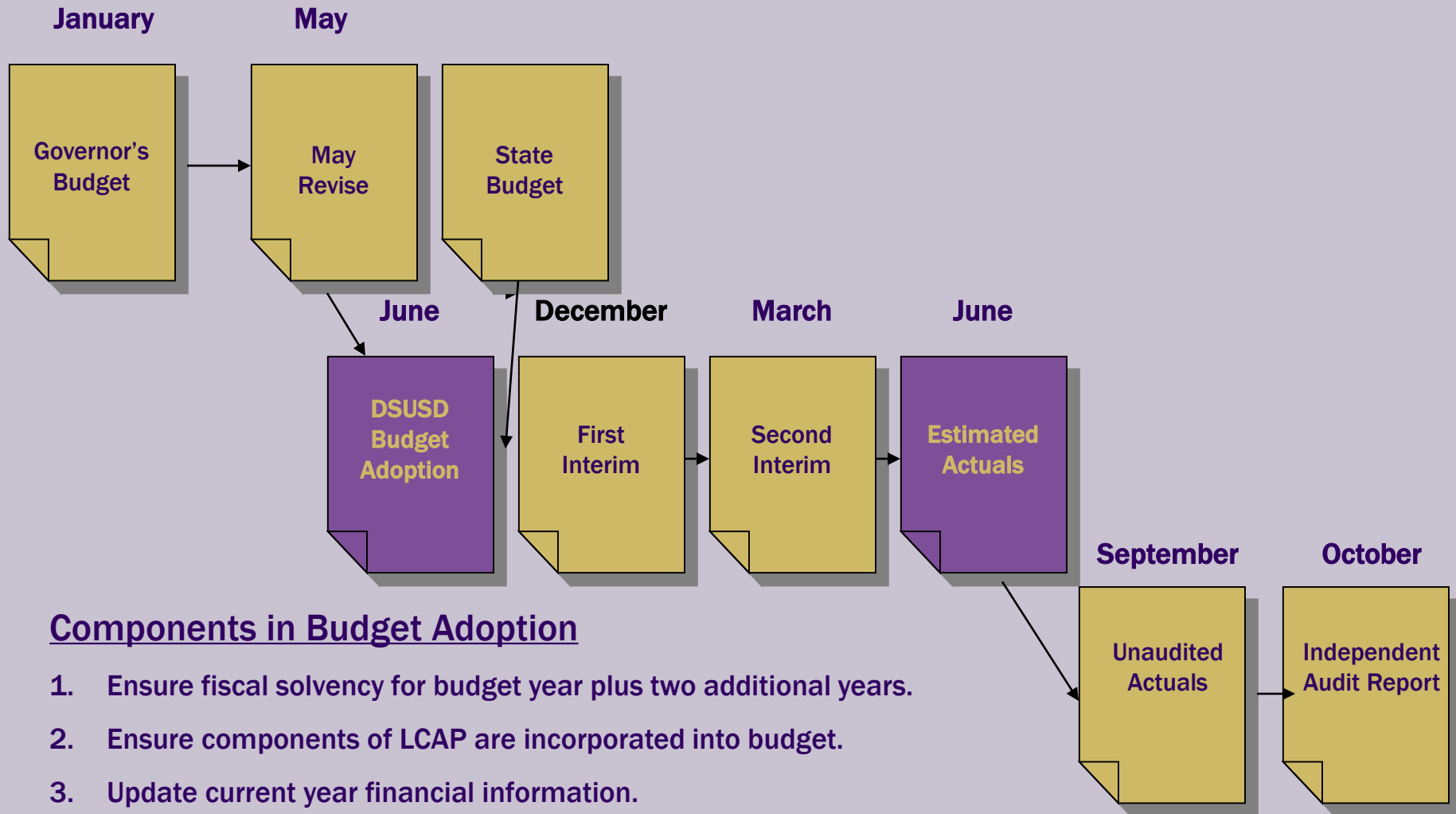
BUDGETING AND FINANCIAL REPORTING

A TWO-YEAR PROCESS



BUDGETING AND FINANCIAL REPORTING

A TWO-YEAR PROCESS



THEME OF THE MAY REVISE FOR THE 2018-19 BUDGET

- LCFF is fully funded ahead of schedule
- The current economic expansion is nearing the longest period in U.S. history – 10 years
- Capital Gains are California’s most volatile revenue source. A correction of the stock market would significantly affect future years’ funding.
- The 2018-19 Audit Guide clarified the fiscal year when districts were required to contribute at least 3% of General Fund Revenues to the Routine Restricted Maintenance Account. This clarification results in DSUSD being required to increase our budget 1% at least one year earlier than previously required.

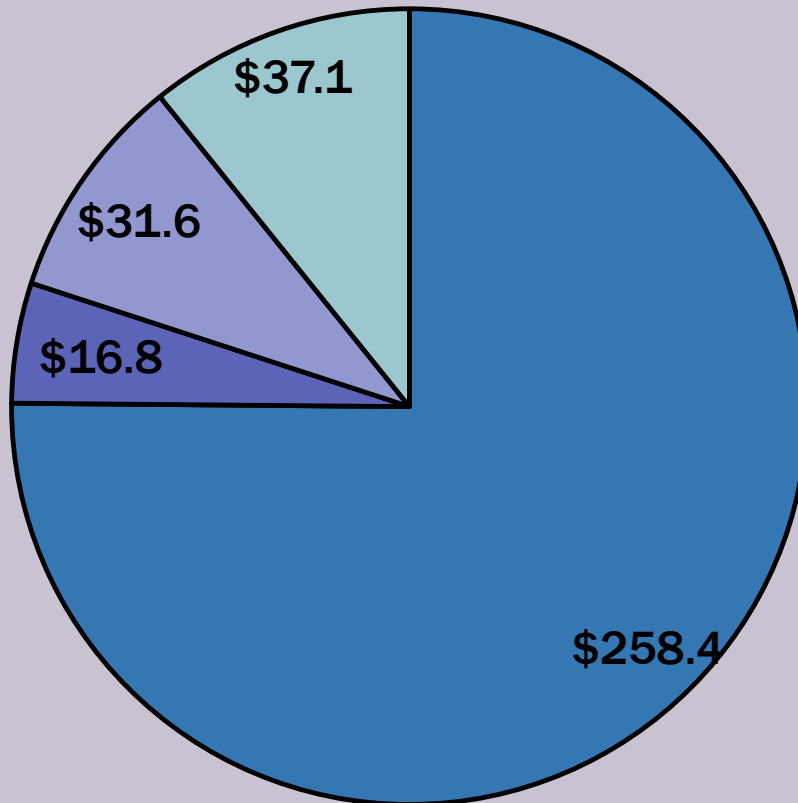
HIGHLIGHTS OF THE MAY REVISE FOR THE 2018-19 BUDGET

- Statutory COLA: 2.71%
- Funded COLA: 3.00%
- Gap Funding: 100.00%
- One-Time Funds for textbooks, technology, professional development, teacher induction, deferred maintenance: **\$2 Billion** (*\$344 per ADA*)
 - *Equates to approximately \$8,500,000 for DSUSD*

BUDGETED GENERAL FUND REVENUES 2018-19

(IN MILLIONS)

\$343.9 M

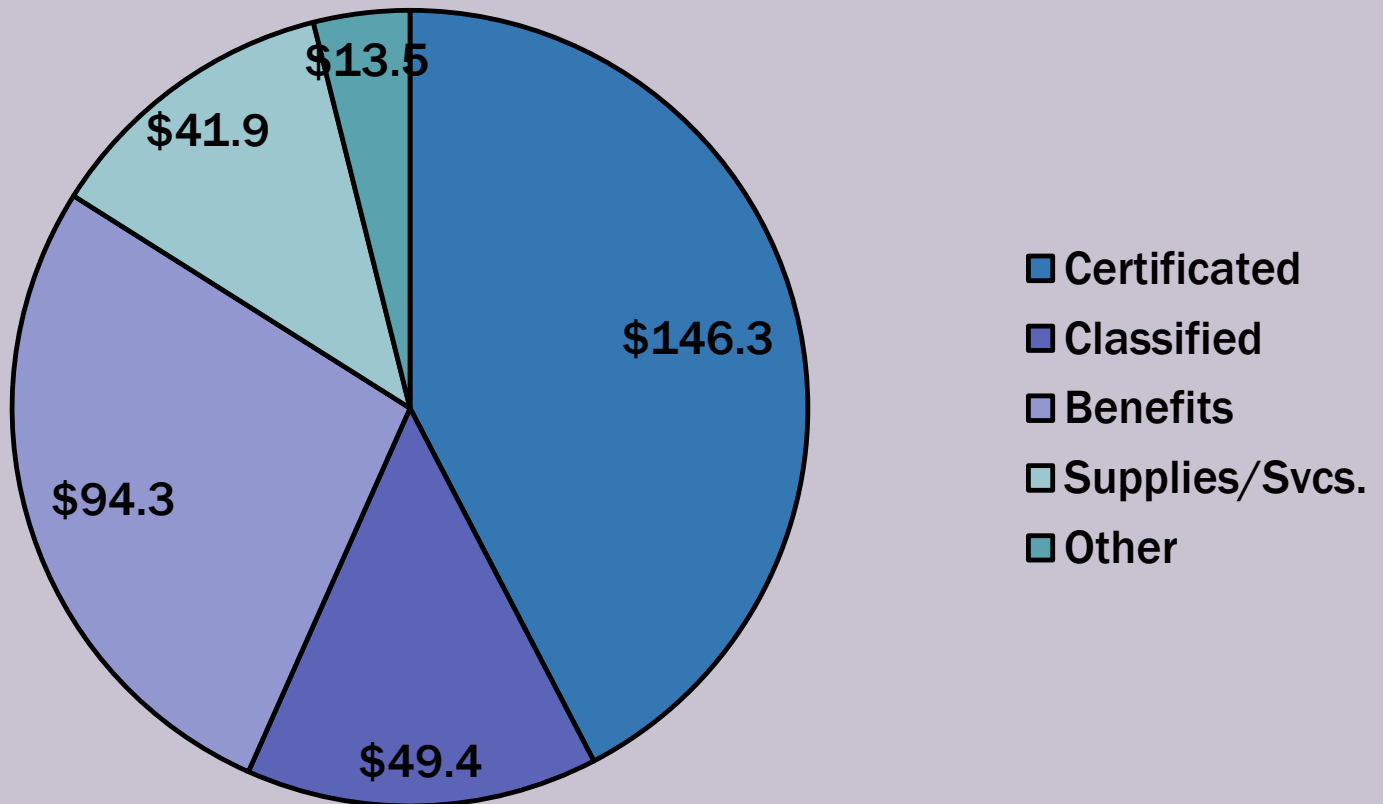


- LCFF
- Federal
- State
- Local

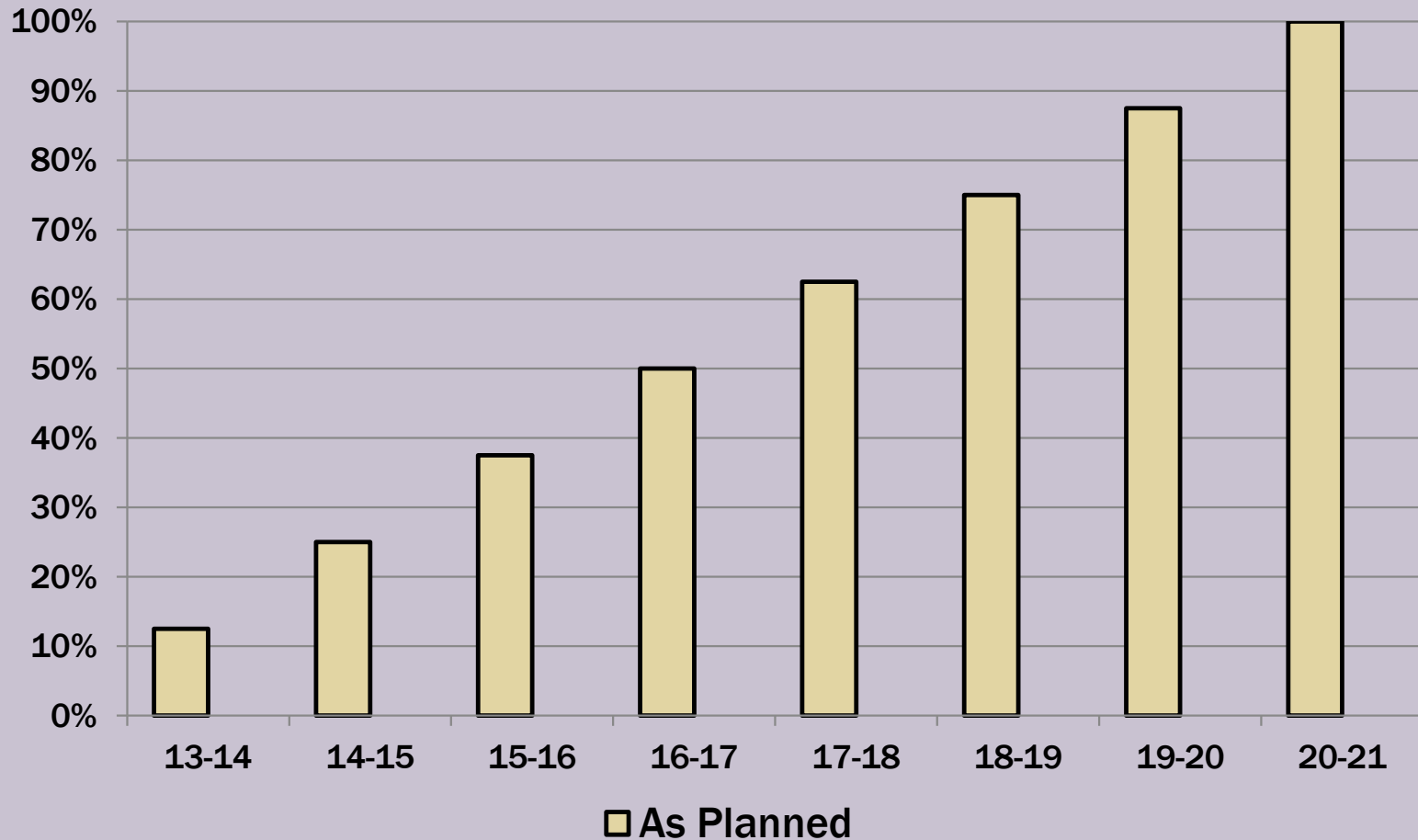
BUDGETED GENERAL FUND EXPENDITURES 2018-19

(IN MILLIONS)

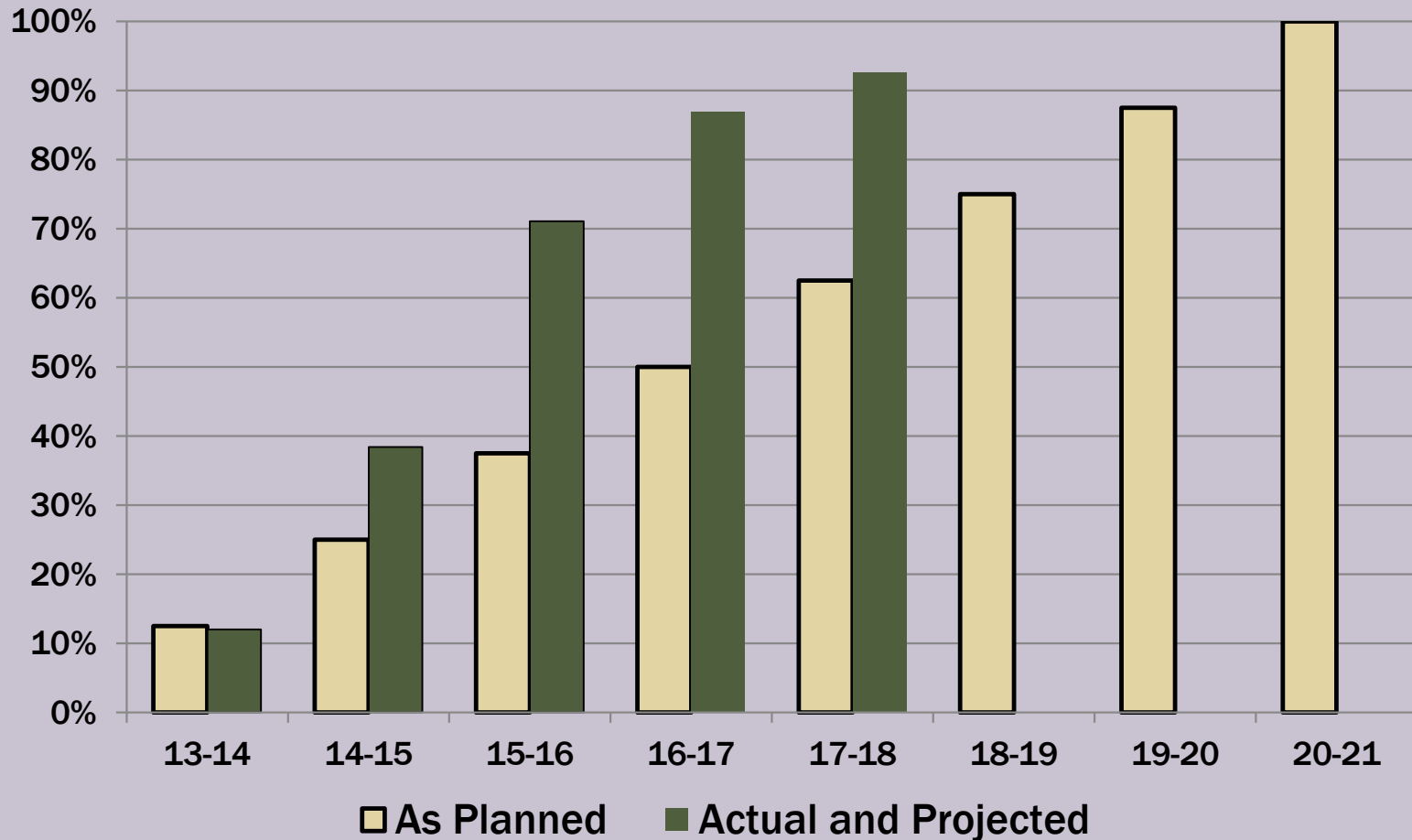
\$345.4 M



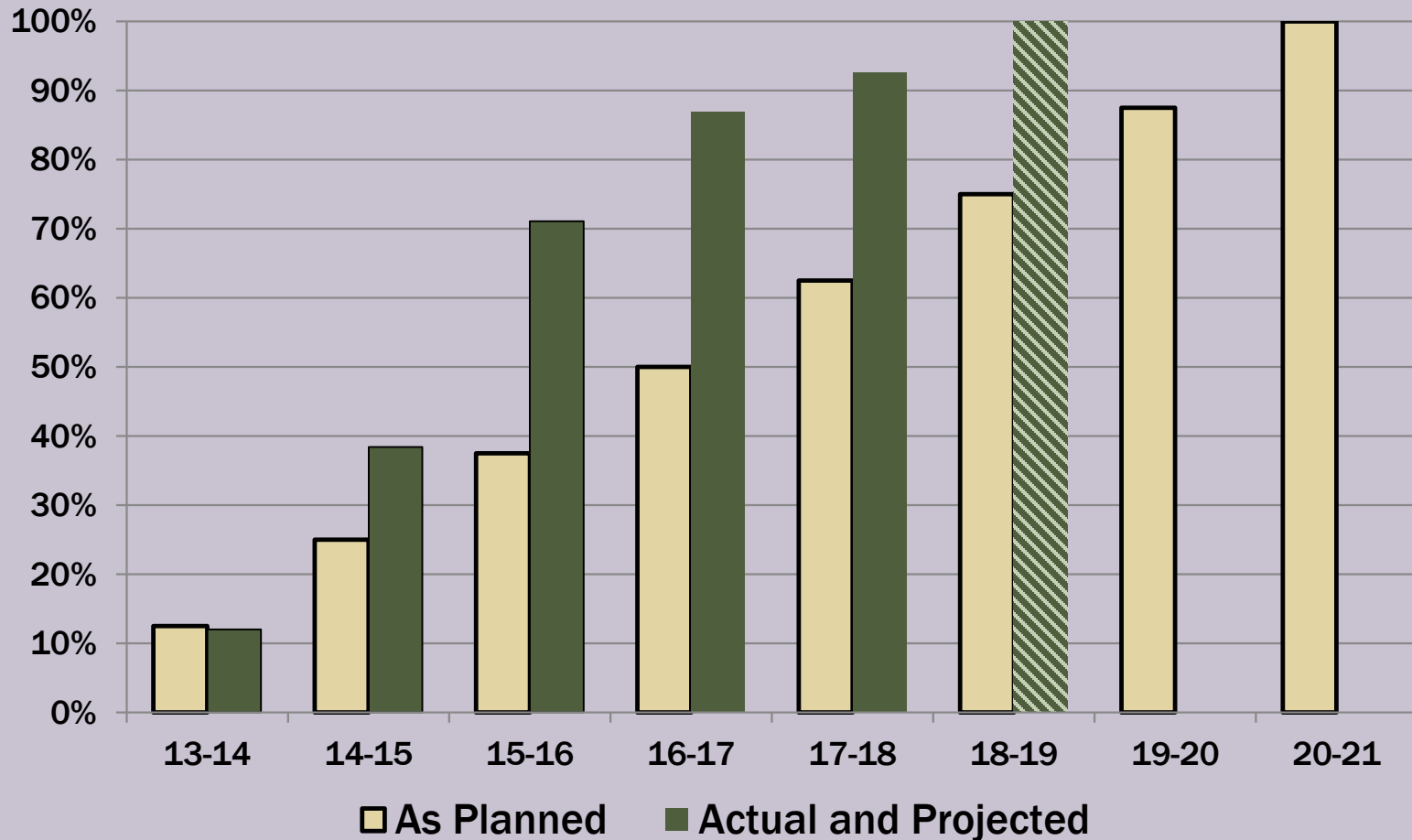
DSUSD LCFF REVENUES PROGRESS TOWARD FULL IMPLEMENTATION



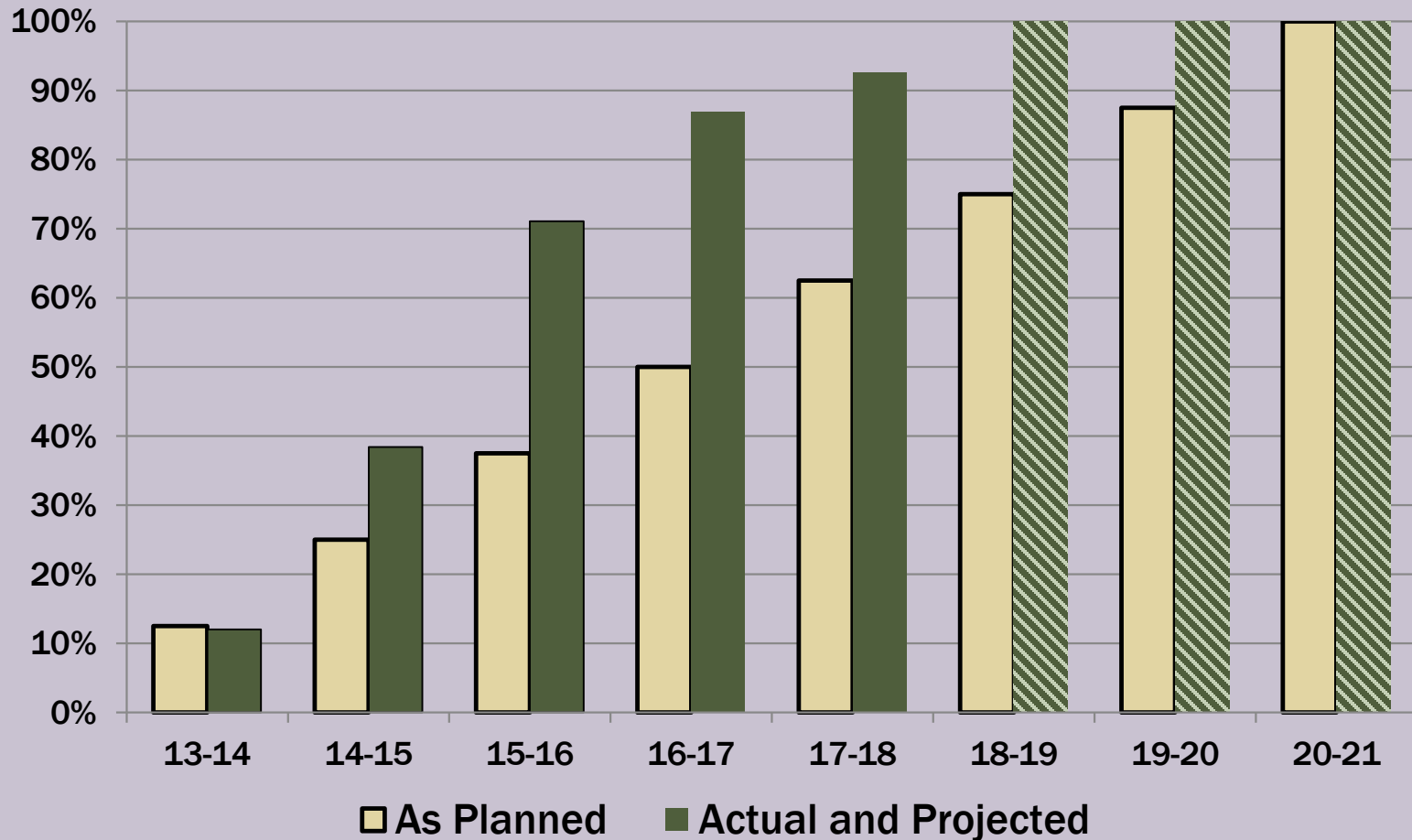
DSUSD LCFF REVENUES PROGRESS TOWARD FULL IMPLEMENTATION



DSUSD LCFF REVENUES PROGRESS TOWARD FULL IMPLEMENTATION

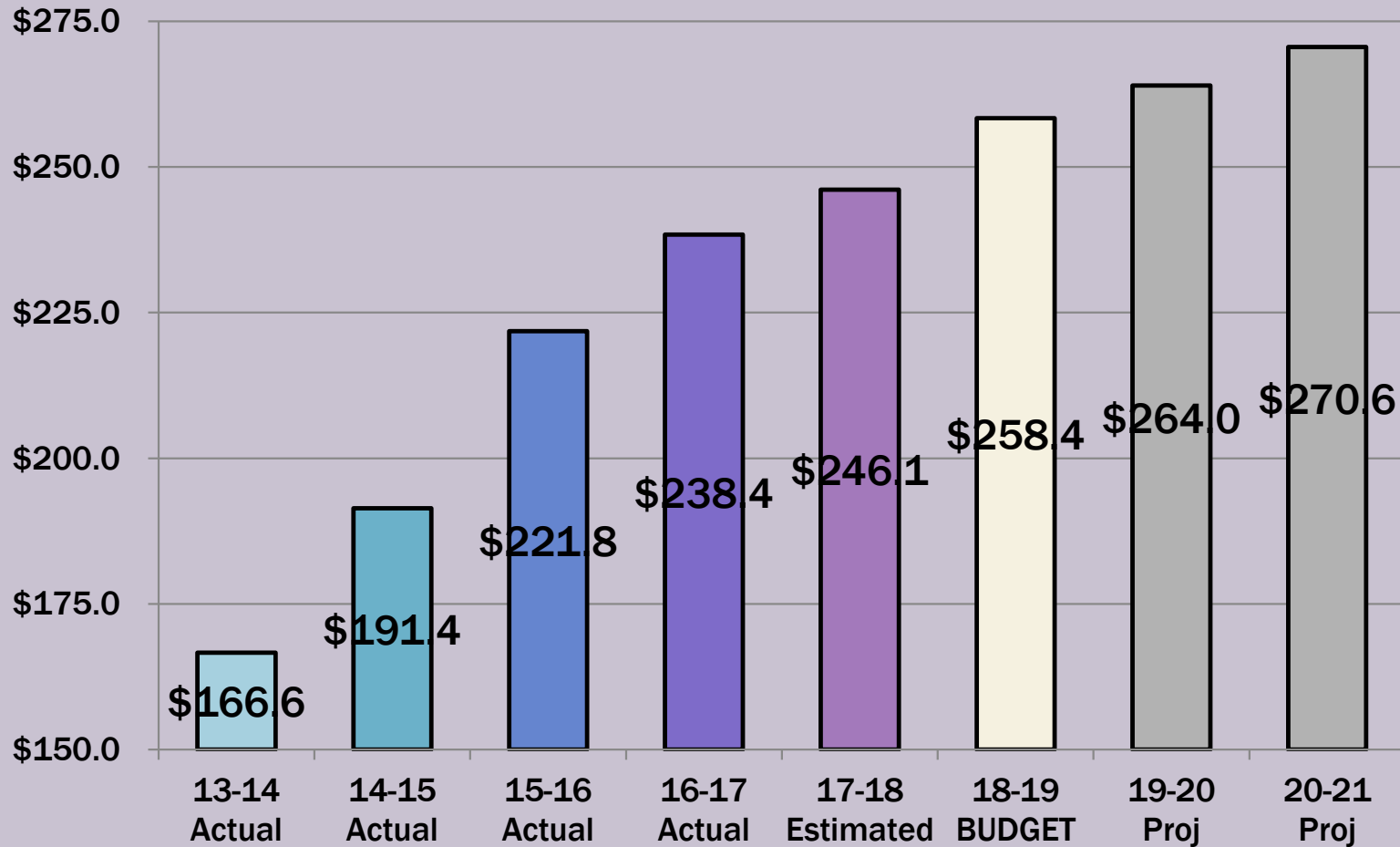


DSUSD LCFF REVENUES PROGRESS TOWARD FULL IMPLEMENTATION



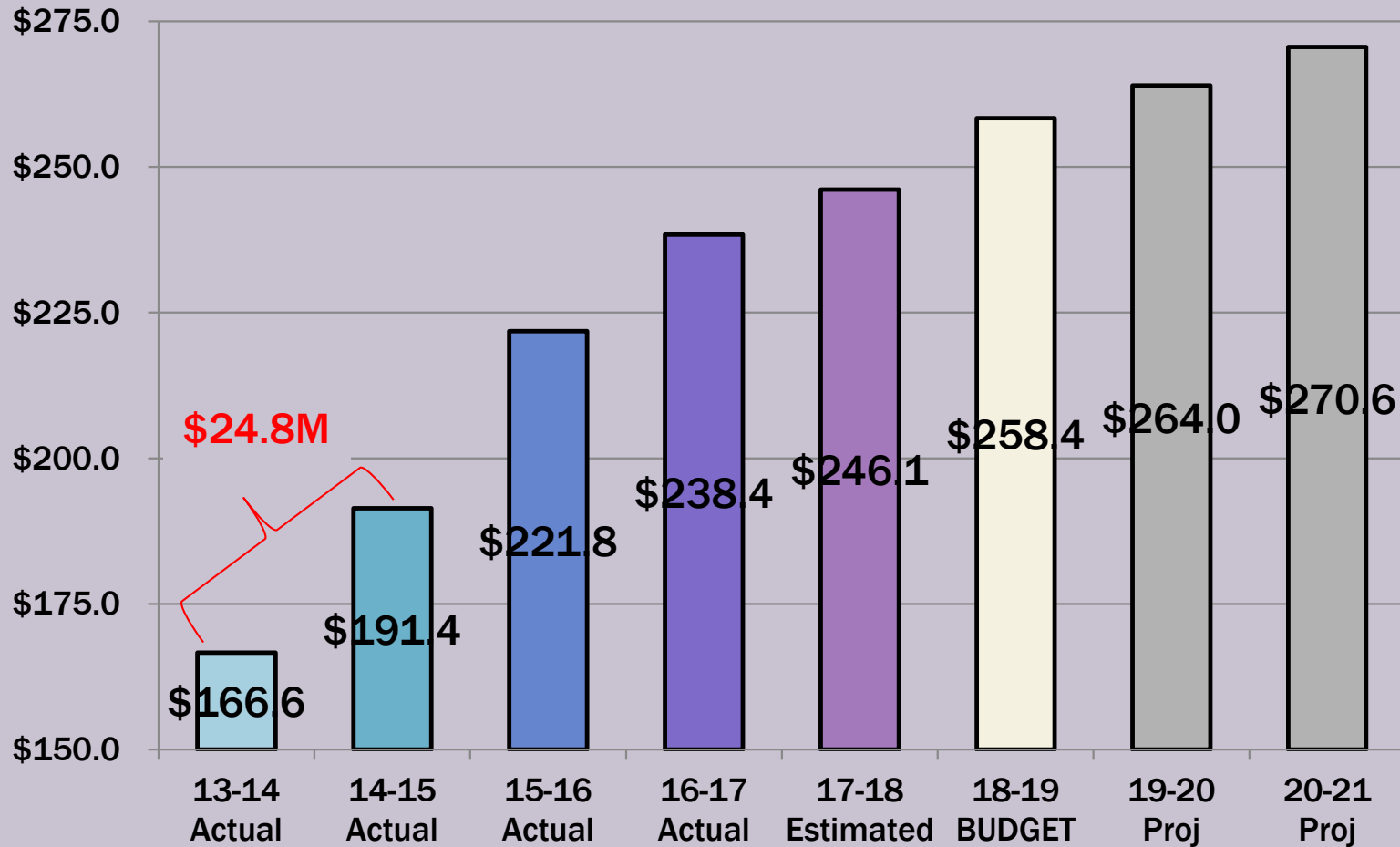
DSUSD LCFF REVENUES

(IN MILLIONS)



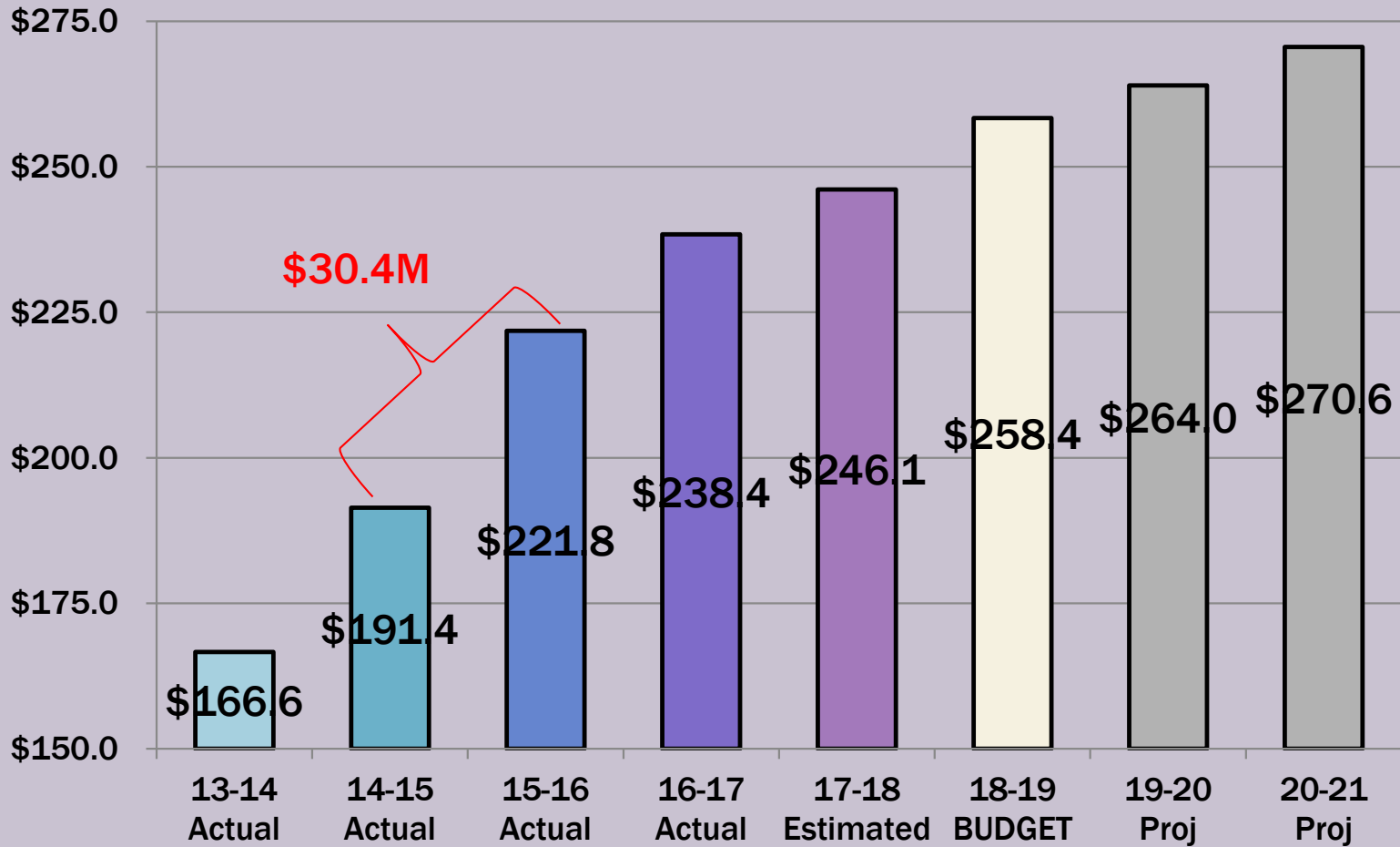
DSUSD LCFF REVENUES

(IN MILLIONS)



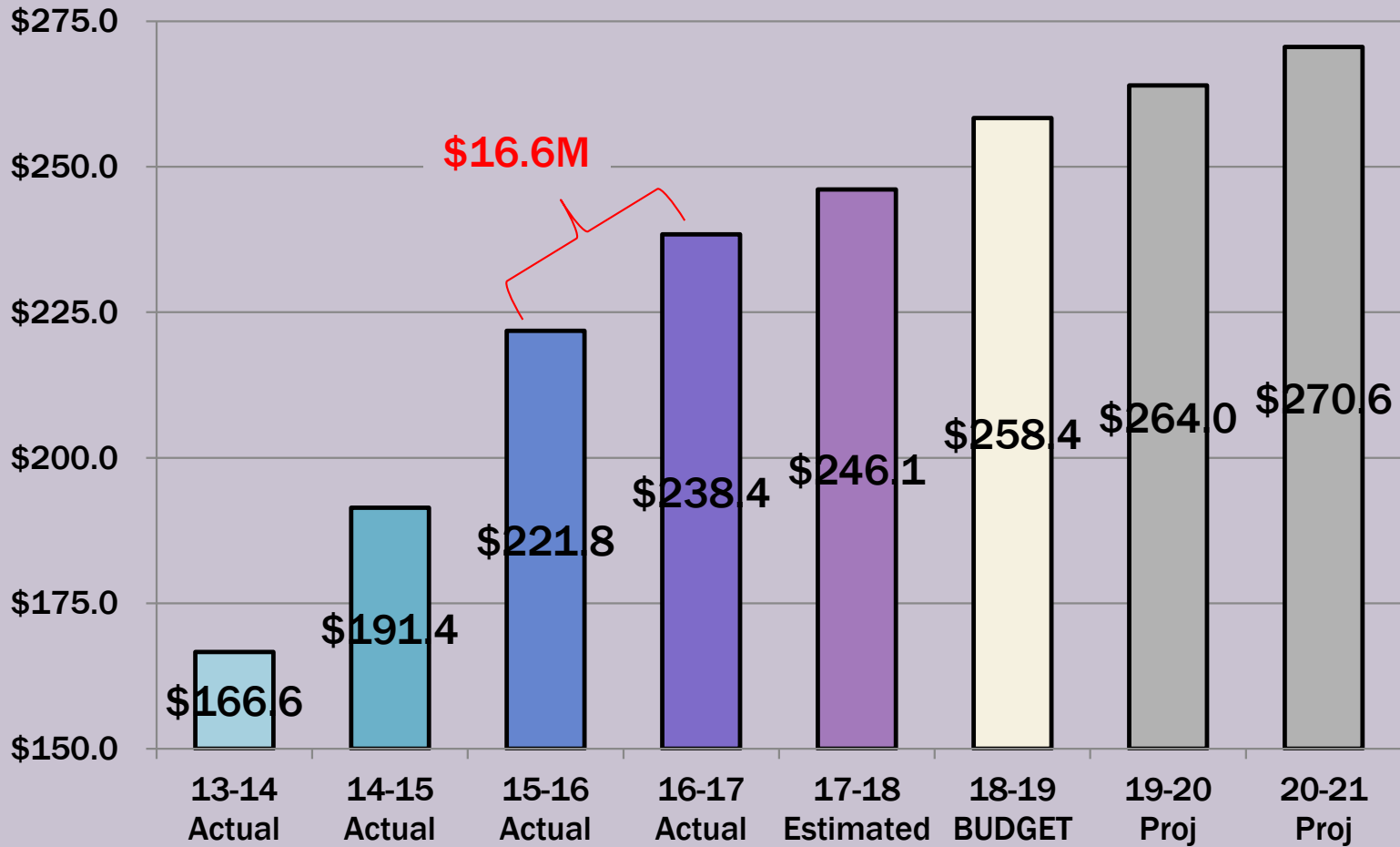
DSUSD LCFF REVENUES

(IN MILLIONS)



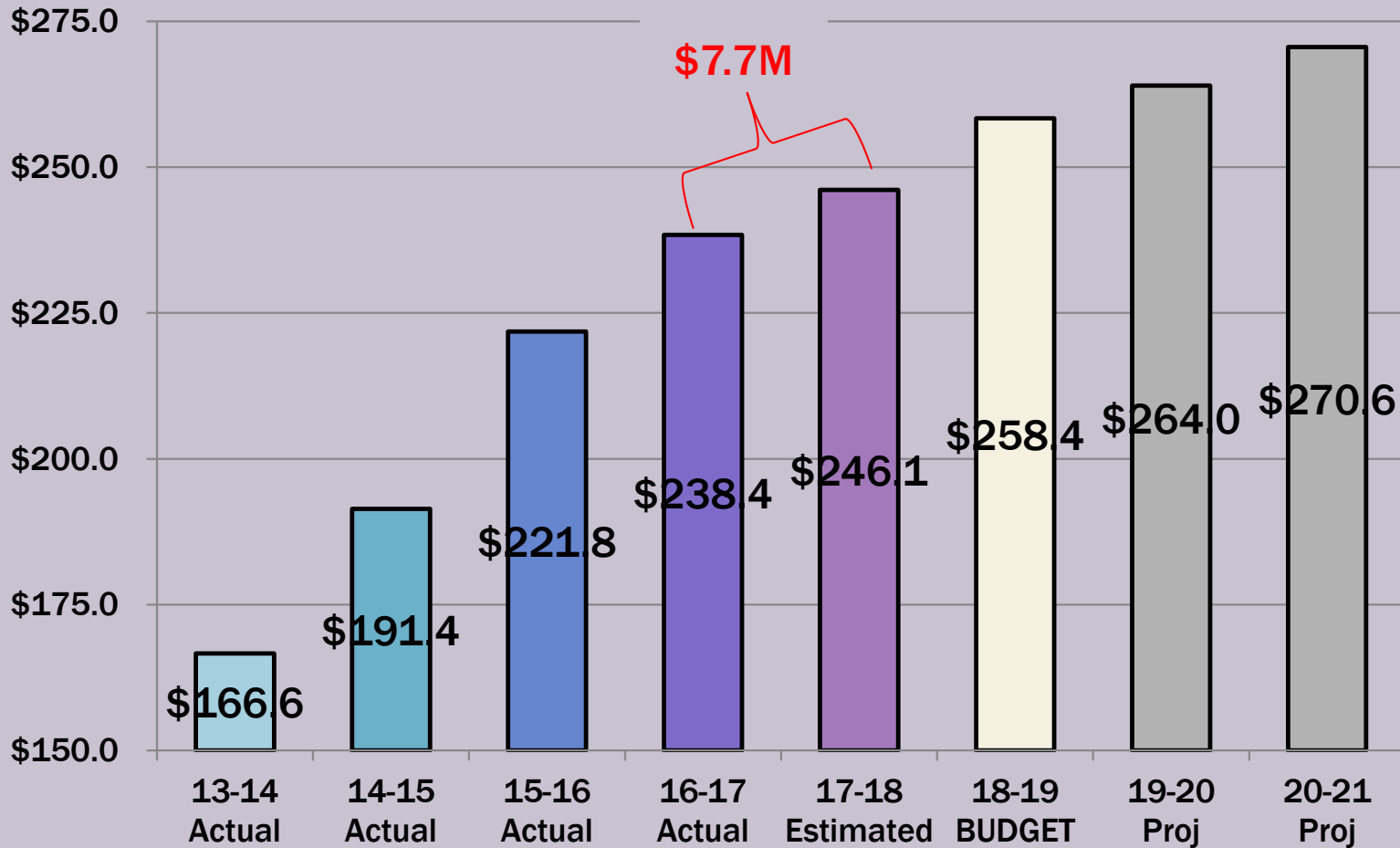
DSUSD LCFF REVENUES

(IN MILLIONS)



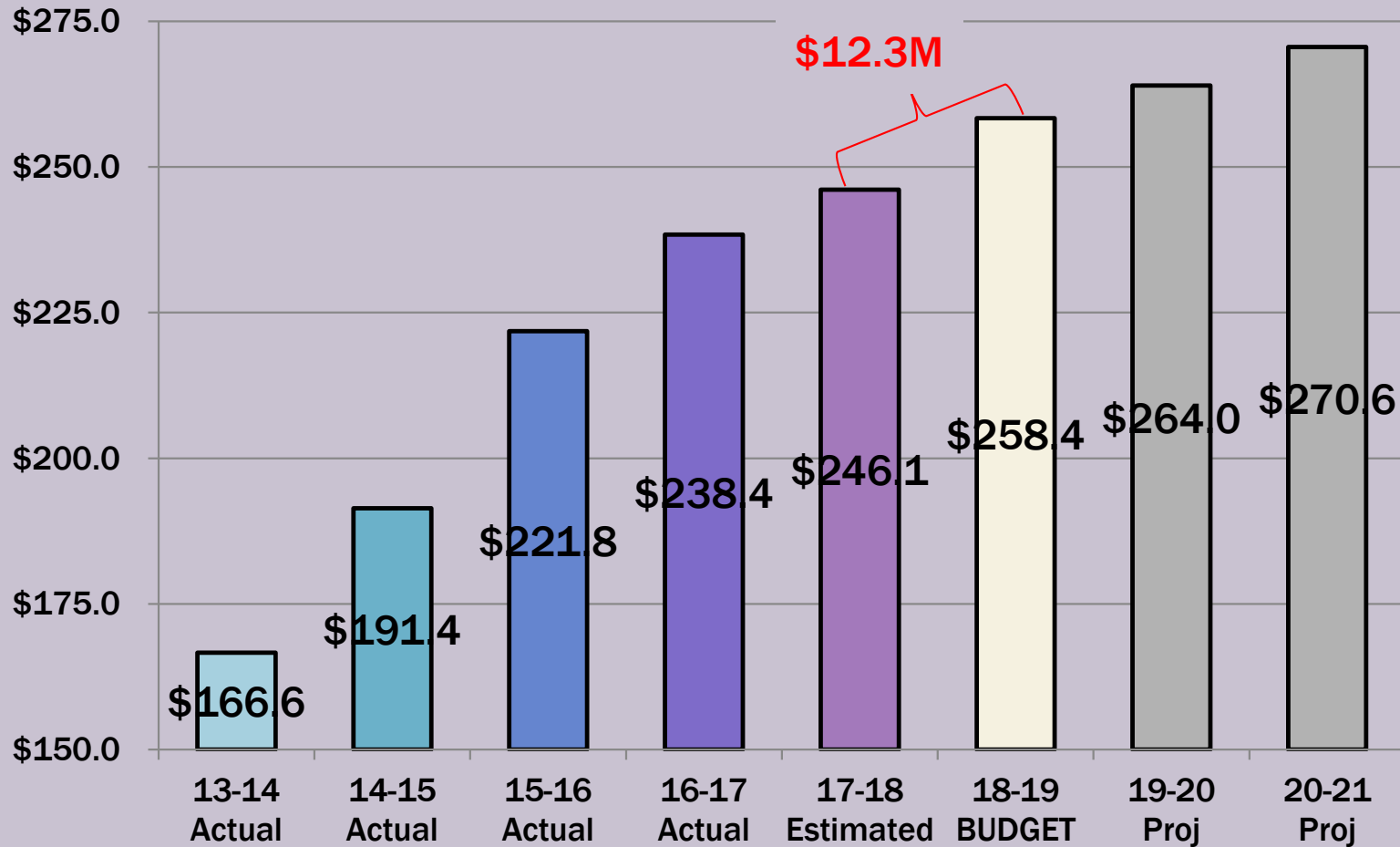
DSUSD LCFF REVENUES

(IN MILLIONS)



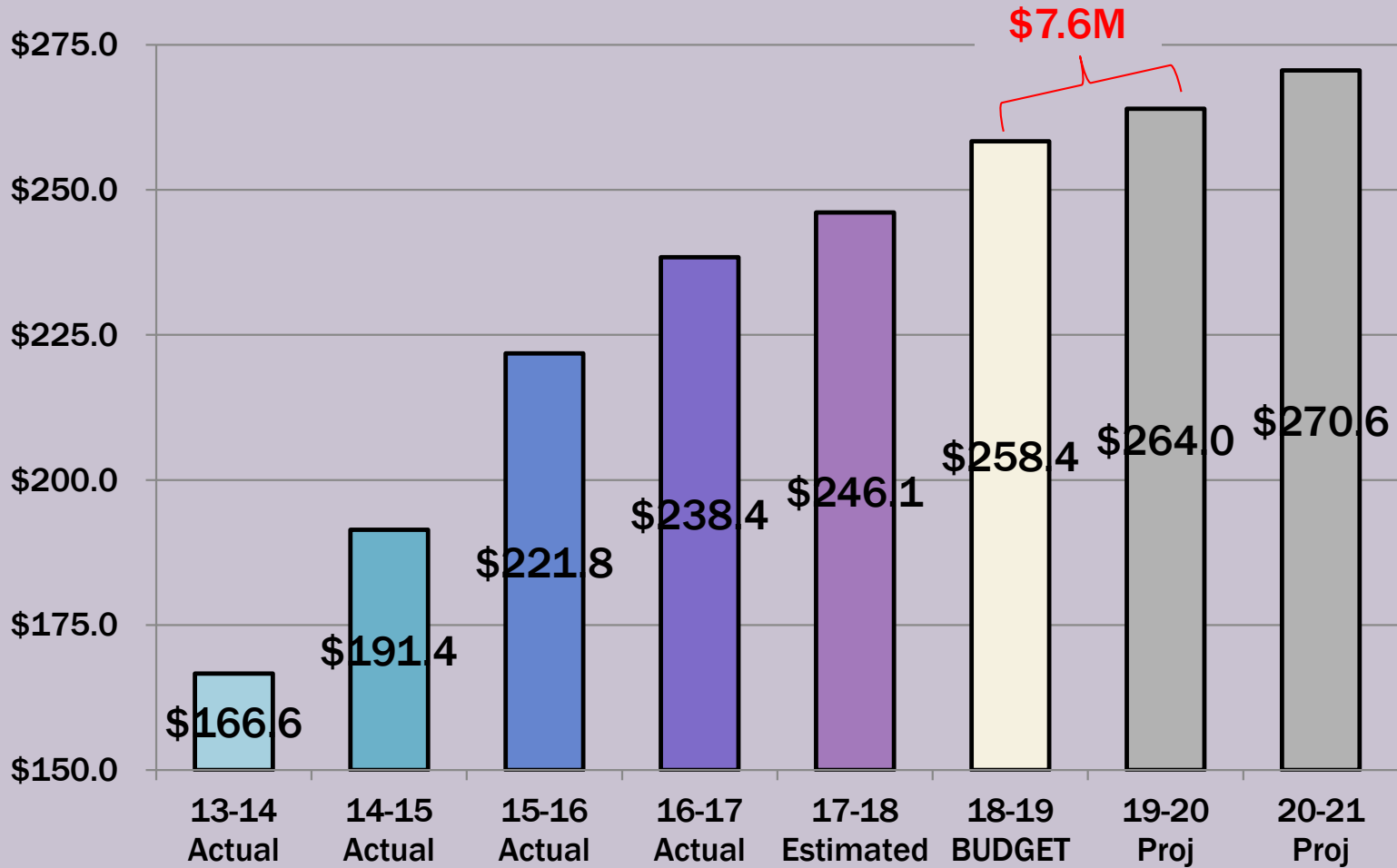
DSUSD LCFF REVENUES

(IN MILLIONS)



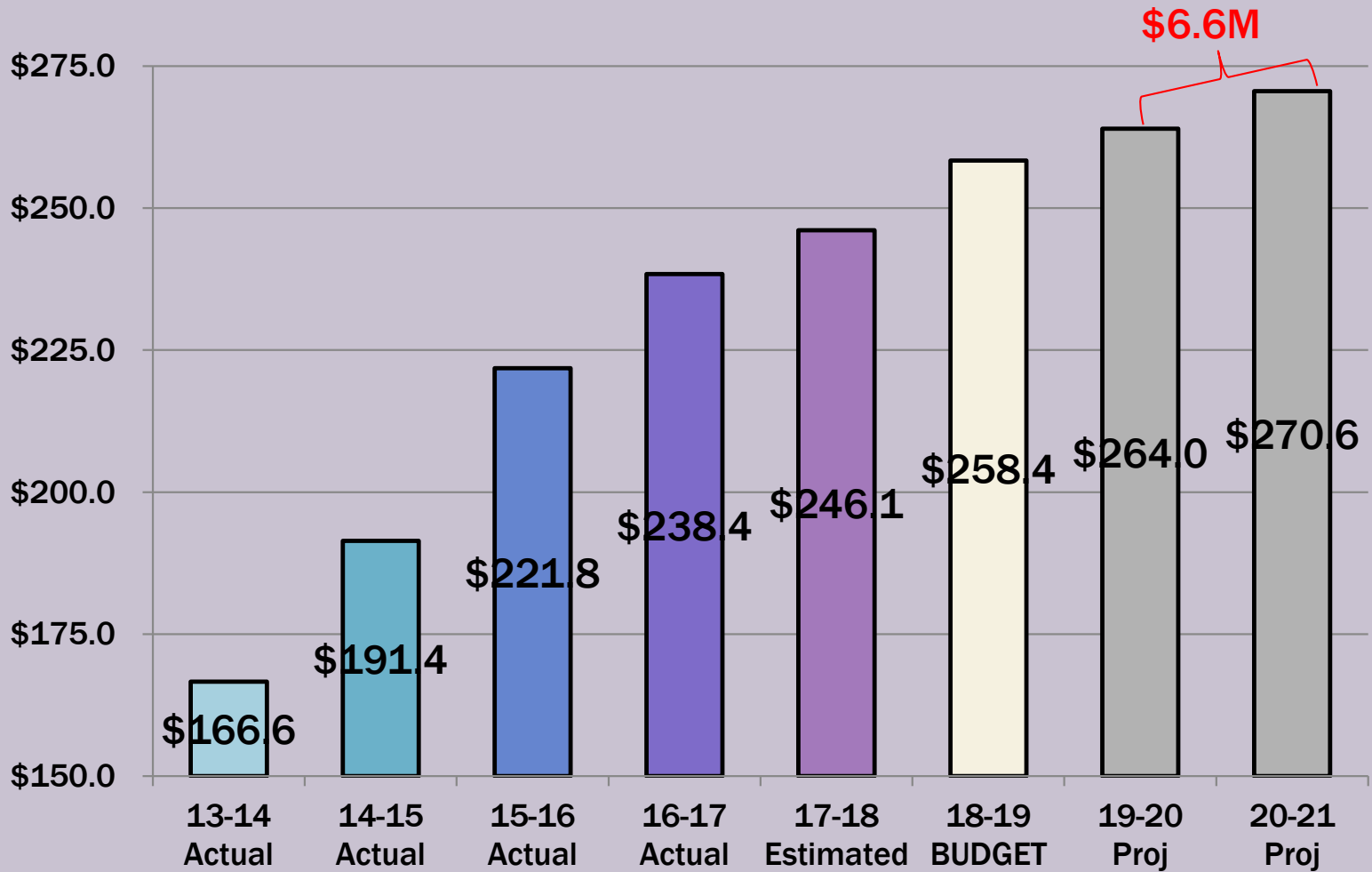
DSUSD LCFF REVENUES

(IN MILLIONS)



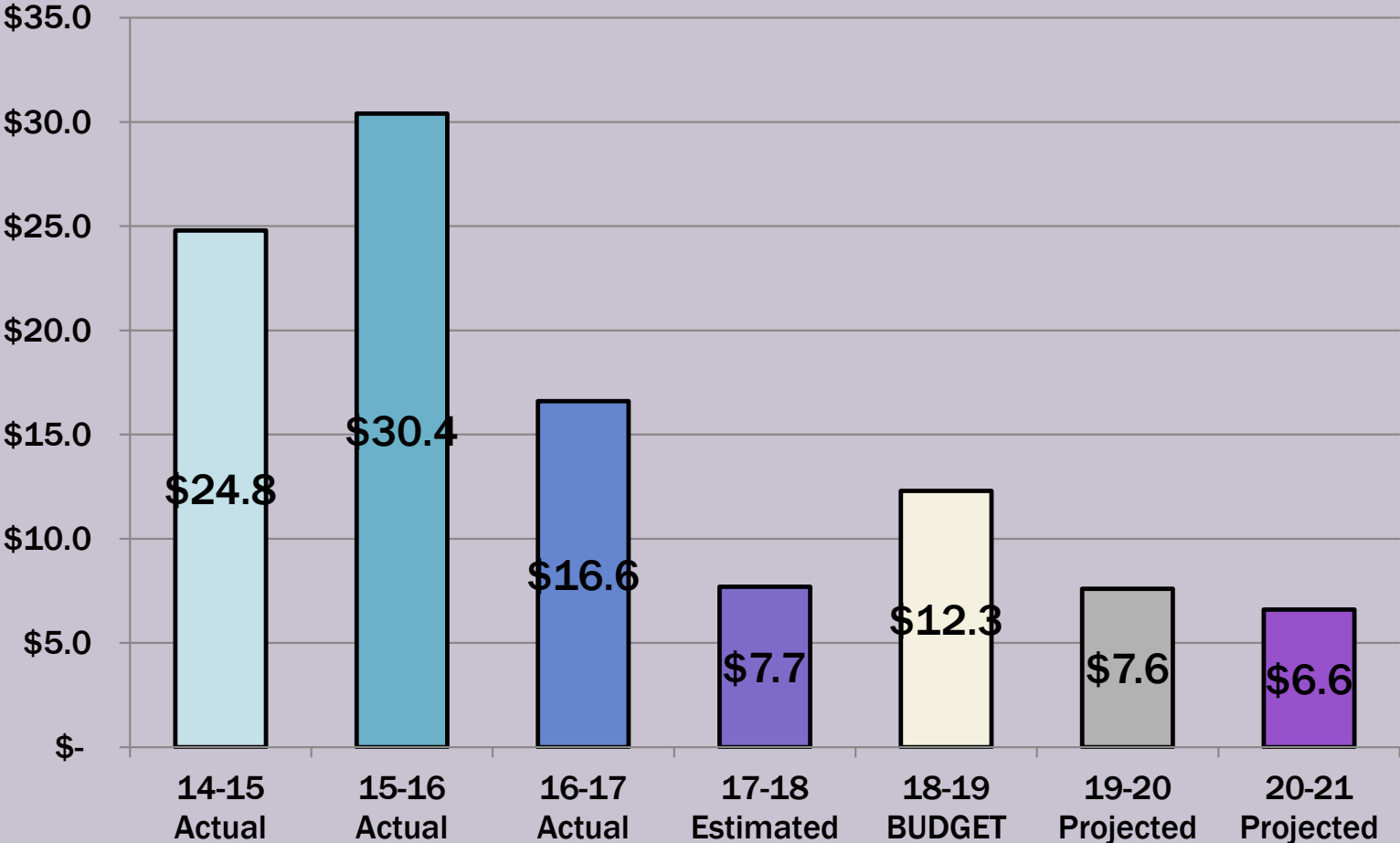
DSUSD LCFF REVENUES

(IN MILLIONS)



DSUSD LCFF REVENUES INCREASES

(IN MILLIONS)



INCREASES IN PENSION COST

CalPERS Employer Rate

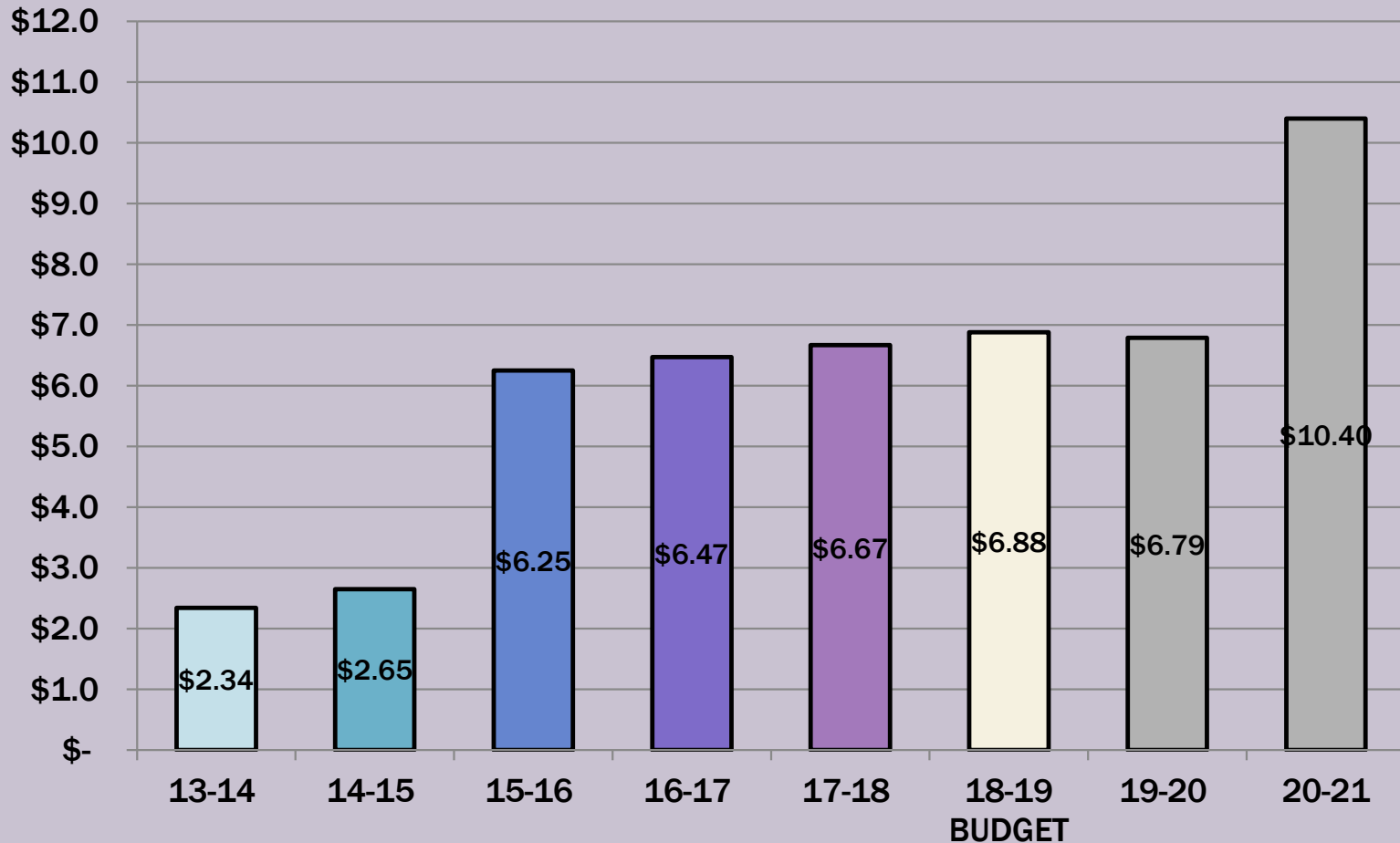
Fiscal Year	Contribution Rate	Increase over previous year
2016-17	13.88%	2.00%
2017-18	15.53%	1.65%
2018-19	18.06%	2.53%
2019-20	20.80%	2.74%
2020-21	23.50%	2.70%
2021-22	24.60%	1.10%
2022-23	25.30%	0.70%
2023-24	25.80%	0.50%
2024-25	26.00%	0.20%

CalSTRS Employer Rate

Fiscal Year	Contribution Rate	Increase over previous year
2016-17	12.58%	1.85%
2017-18	14.43%	1.85%
2018-19	16.28%	1.85%
2019-20	18.13%	1.85%
2020-21	19.10%	0.97%
2021-22	19.10%	-
2022-23	19.10%	-
2023-24	19.10%	-

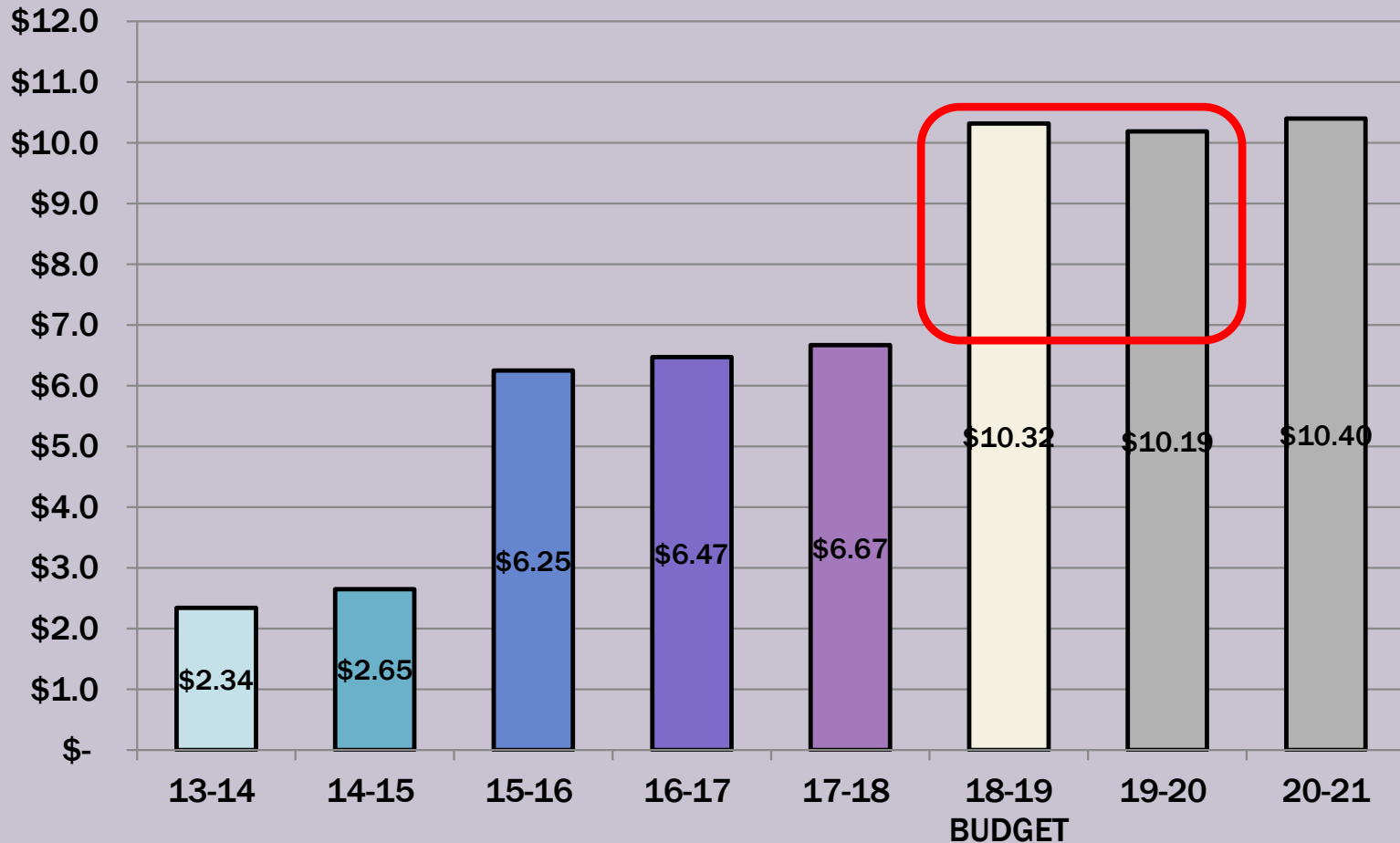
REQUIRED TRANSFER TO ROUTINE RESTRICTED MAINTENANCE ACCOUNT

(IN MILLIONS)



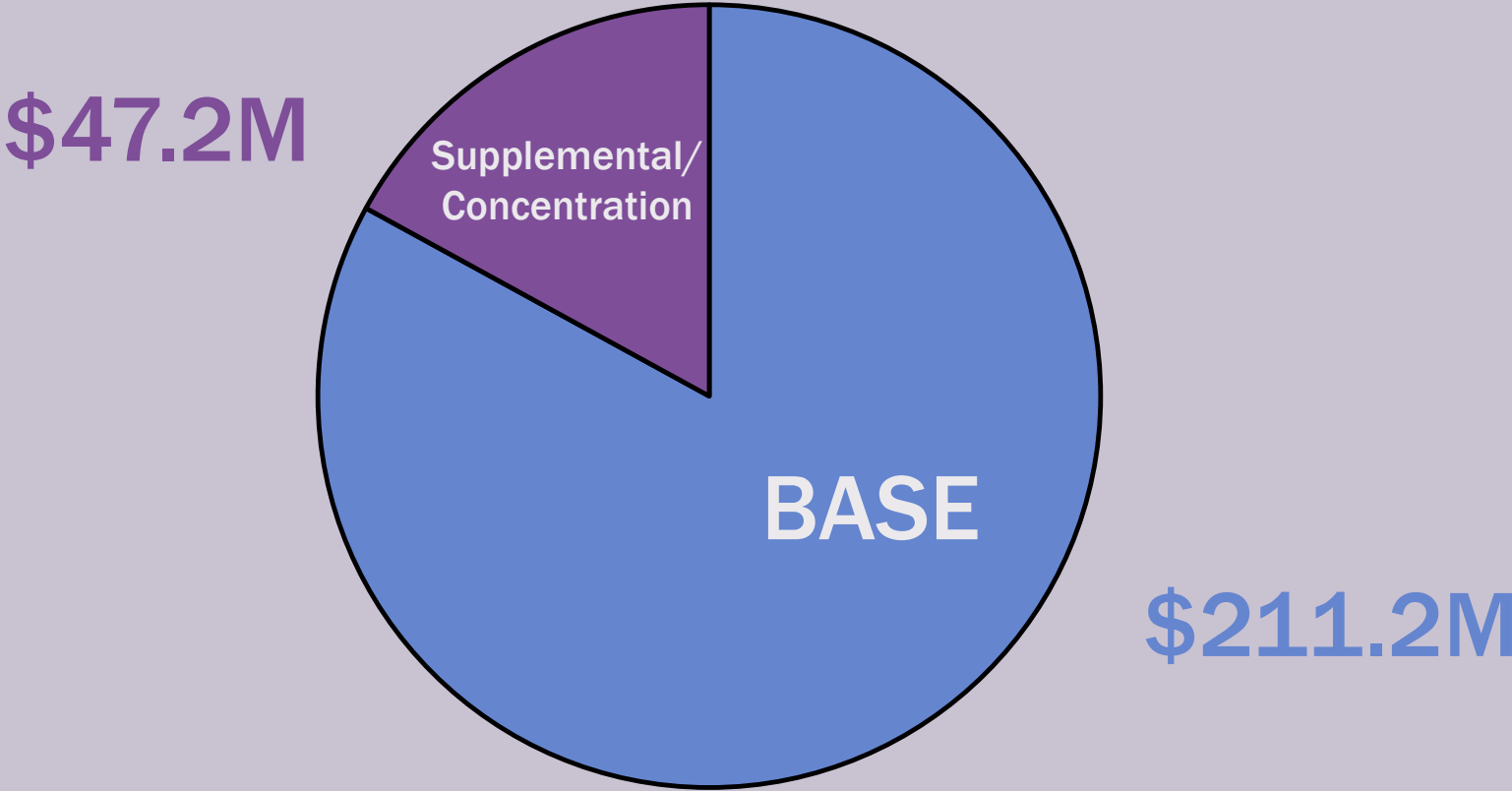
REQUIRED TRANSFER TO ROUTINE RESTRICTED MAINTENANCE ACCOUNT

(IN MILLIONS)



COMPONENTS OF LCFF (IN MILLIONS)

Total 2018-19 LCFF Budget - \$258.4M

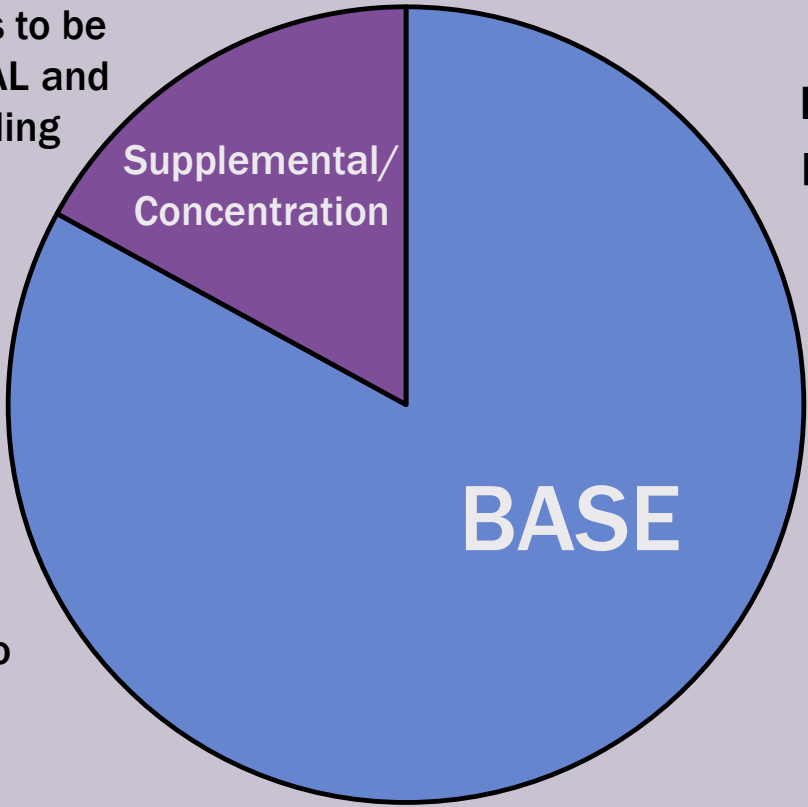


COMPONENTS OF LCFF (IN MILLIONS)

Total 2018-19 LCFF Budget - \$258.4M

Examples of Expenditures to be paid from “SUPPLEMENTAL and CONCENTRATION” funding

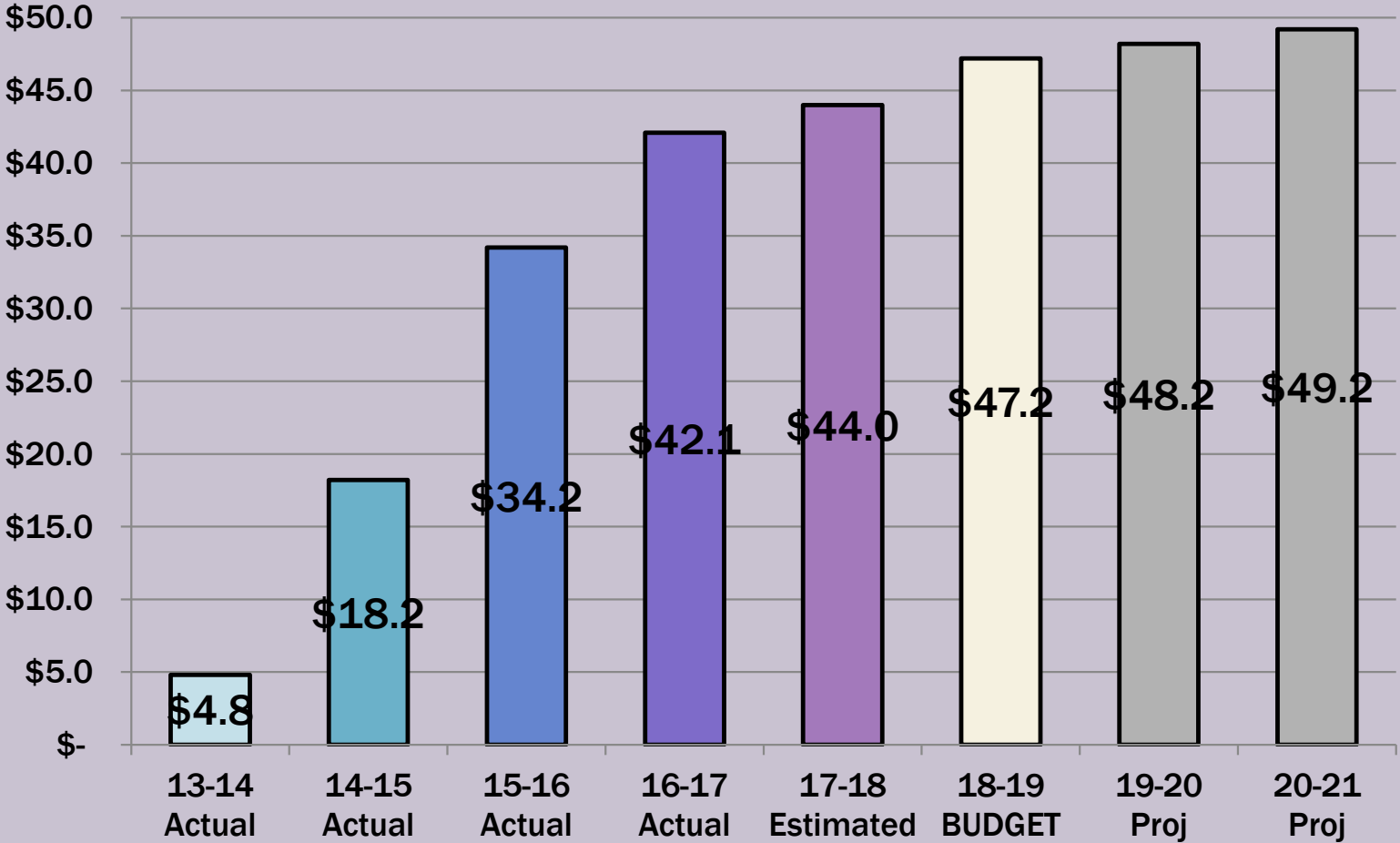
- Instructional Coaches
- Prof. Development
- Interventions
- Counseling
- Technology
- Parent Education and Family Literacy Programs
- Targeted Intervention to Increase Literacy Skills



Examples of Expenditures paid from “BASE” funding

- Salaries and Benefits
- Utilities
- Increase in CalSTRS and CalPERS Contribution
- Add'l teachers for K-3 GSA

DSUSD SUPPLEMENTAL AND CONCENTRATION FUNDING (IN MILLIONS)



LOCAL CONTROL ACCOUNTABILITY PLAN

THE EIGHT STATE PRIORITIES

State Priorities

```
graph TD; A([State Priorities]) --> B[Conditions of Learning]; A --> C[Pupil Outcomes]; A --> D[Engagement];
```

Conditions of Learning

- Basic Services
- State Standards
- Course Access

Pupil Outcomes

- Pupil Achievement
- Other Pupil Outcomes

Engagement

- Parental Involvement
- Pupil Engagement
- School Climate

LOCAL CONTROL ACCOUNTABILITY PLAN

LCAP TEMPLATE

Plan Summary

```
graph TD; A([Plan Summary]) --> B[Annual Update]; B --> C[Stakeholder Engagement]; B --> D[Goals, Actions, and Services]; B --> E[Planned Actions / Services]; C --> F[Demonstration of Increased or Improved Services for Unduplicated Students]; D --> F; E --> F;
```

Annual Update

Stakeholder
Engagement

Goals, Actions,
and Services

Planned Actions /
Services

Demonstration of Increased or Improved Services for Unduplicated Students

LOCAL CONTROL ACCOUNTABILITY PLAN PLAN SUMMARY

PLAN SUMMARY

The Story

- Profile of our students & community and how DSUSD serves them

LCAP Highlights

- Key features of this year's LCAP

Review of Progress

- Greatest Progress; Greatest Needs; Performance Gaps

Increased or Improved Services

- Targeted for High-Needs Unduplicated Pupil Population

LOCAL CONTROL ACCOUNTABILITY PLAN PLAN SUMMARY



PLAN SUMMARY

Greatest Progress

- **91% Graduation Rate:** Class of 2016 exceeds both Riverside County and State averages
- **49.2% 'A-G' Completion Rate,** Class of 2017 one-year Increase of 4.4%
- **2017 CAASPP Met/Exceeded Standard:** 2% gain in Mathematics
- **English Learner Progress Indicator:** 5.8% status increase in progress toward English proficiency

LOCAL CONTROL ACCOUNTABILITY PLAN PLAN SUMMARY

```
graph TD; A([PLAN SUMMARY]) --> B[Greatest Needs]; B --> C[English Language Arts Achievement at Middle Grades]; B --> D[Suspension Rate Reduction at all Grade Spans]; B --> E[Support for Students with Disabilities in Academic and Suspension indicators];
```

PLAN SUMMARY

Greatest Needs

- English Language Arts Achievement at Middle Grades
- Suspension Rate Reduction at all Grade Spans
- Support for Students with Disabilities in Academic and Suspension indicators

LOCAL CONTROL ACCOUNTABILITY PLAN PLAN SUMMARY

```
graph TD; A([PLAN SUMMARY]) --> B[Performance Gaps]; B --> C[Students with Disabilities Graduation Rate Indicator];
```

PLAN SUMMARY

Performance Gaps

- Students with Disabilities Graduation Rate Indicator

LOCAL CONTROL ACCOUNTABILITY PLAN ANNUAL UPDATE

Annual Update

GOAL 1

“All students will demonstrate growth as measured by Federal, State, and District assessments.”

GOAL 2

“All students will graduate and be prepared to make a successful transition to further education and/or career opportunities.”

GOAL 3

“All students will develop and consistently demonstrate responsible, respectful, and ethical behavior in a safe, clean and orderly learning environment.”

LOCAL CONTROL ACCOUNTABILITY PLAN

ANNUAL UPDATE

Annual Update

GOAL 1

"All students will demonstrate growth as measured by Federal, State, and District assessments."

- Annual Measurable Outcomes
- Actions/Services
- Analysis of Effectiveness

GOAL 2

"All students will graduate and be prepared to make a successful transition to further education and/or career opportunities."

- Annual Measurable Outcomes
- Actions/Services
- Analysis of Effectiveness

GOAL 3

"All students will develop and consistently demonstrate responsible, respectful, and ethical behavior in a safe, clean and orderly learning environment."

- Annual Measurable Outcomes
- Actions/Services
- Analysis of Effectiveness

LOCAL CONTROL ACCOUNTABILITY PLAN ANNUAL UPDATE

Annual Update

GOAL 1

"All students will demonstrate growth as measured by Federal, State, and District assessments."

- Instruction supported through PD, PLCs, instructional technology, intervention programs
- Early Literacy measurements
- Connect: One-to-the-World Initiative
- Opportunities for parent engagement

GOAL 2

"All students will graduate and be prepared to make a successful transition to further education and/or career opportunities."

- Graduation & 'A-G' rate increases
- AVID, CTE & Dual/Concurrent enrollment increases
- Elementary school choral program
- Goldfish Bowl

GOAL 3

"All students will develop and consistently demonstrate responsible, respectful, and ethical behavior in a safe, clean and orderly learning environment."

- Attendance early intervention system
- Multi-tiered System of Supports
- Middle School sports program
- District branding and media presence
- Increased stakeholder engagement

LOCAL CONTROL ACCOUNTABILITY PLAN STAKEHOLDER ENGAGEMENT

Stakeholder Engagement

```
graph TD; A([Stakeholder Engagement]) --- B[Involvement Process for LCAP and Annual Update]; A --- C[Impact on LCAP and Annual Update];
```

- Involvement Process for LCAP and Annual Update
- Impact on LCAP and Annual Update

LOCAL CONTROL ACCOUNTABILITY PLAN STAKEHOLDER ENGAGEMENT

Stakeholder Engagement

```
graph TD; A([Stakeholder Engagement]) --- B[LCAP Oversight Committee]; A --- C[LCAP Design & Development Committee]; A --- D[LCAP Advisory Committee]; A --- E[District Advisory Committee]; A --- F[District English Learner Advisory Committee]; A --- G[LCAP "Listening to Learn" Survey];
```

- LCAP Oversight Committee
- LCAP Design & Development Committee
- LCAP Advisory Committee
- District Advisory Committee
- District English Learner Advisory Committee
- LCAP “Listening to Learn” Survey

LOCAL CONTROL ACCOUNTABILITY PLAN STAKEHOLDER ENGAGEMENT

Stakeholder Engagement

```
graph TD; A([Stakeholder Engagement]) --- B[2018 LCAP "Listening to Learn" Survey Details];
```

2018 LCAP “Listening to Learn”

LCAP and School Climate Survey: January 26 – February 16, 2018

1,545 Staff Members

1,793 Parent/Community Members

5,432 Students (grades 9-12)

Written comments (5,999-Goal 1; 5,635-Goal 2; 5,328-Goal 3)

LOCAL CONTROL ACCOUNTABILITY PLAN GOALS, ACTIONS, AND SERVICES

Stakeholder Engagement

Top 5 Overall

Counselors

Intervention Programs

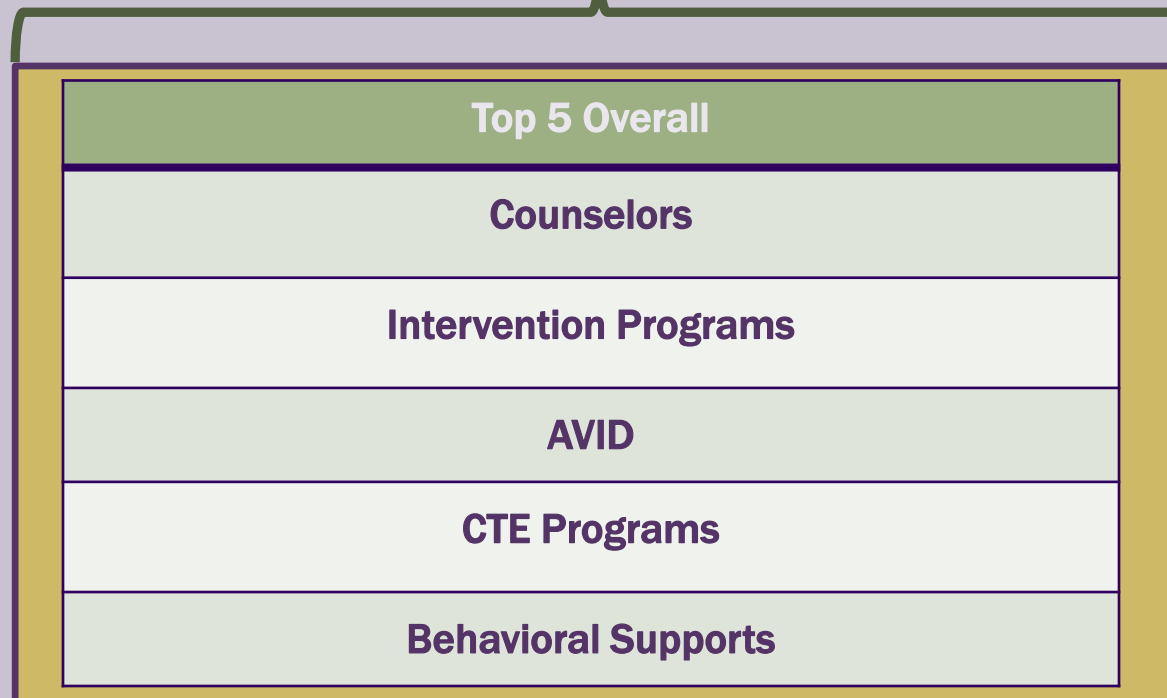
AVID

CTE Programs

Behavioral Supports

LOCAL CONTROL ACCOUNTABILITY PLAN GOALS, ACTIONS, AND SERVICES

Stakeholder Engagement



LOCAL CONTROL ACCOUNTABILITY PLAN

GOALS, ACTIONS, AND SERVICES

Goals, Actions, and Services

GOAL 1

“All students will demonstrate growth as measured by Federal, State, and District assessments.”

- State/Local Priorities
- Identified Need
- Expected Annual Measurable Outcomes

GOAL 2

“All students will graduate and be prepared to make a successful transition to further education and/or career opportunities.”

- State/Local Priorities
- Identified Need
- Expected Annual Measurable Outcomes

GOAL 3

“All students will develop and consistently demonstrate responsible, respectful, and ethical behavior in a safe, clean and orderly learning environment.”

- State/Local Priorities
- Identified Need
- Expected Annual Measurable Outcomes

LOCAL CONTROL ACCOUNTABILITY PLAN GOALS, ACTIONS, AND SERVICES

Goals, Actions, and Services

GOAL 1

“All students will demonstrate growth as measured by Federal, State, and District assessments.”

- DSUSD Leadership Academy
- Professional Development
- Instructional Coaches
- Early Childhood Learning
- Parent Engagement
- 21st Century Learning Environments

LOCAL CONTROL ACCOUNTABILITY PLAN GOALS, ACTIONS, AND SERVICES

Goals, Actions, and Services

GOAL 2

“All students will graduate and be prepared to make a successful transition to further education and/or career opportunities.”

- AP/IB Support
- CTE Programs
- STEM/STEAM
- Monitoring College/Career Readiness
- AVID at all grade spans
- Non-traditional learning opportunities
- Innovative Projects

LOCAL CONTROL ACCOUNTABILITY PLAN GOALS, ACTIONS, AND SERVICES

Goals, Actions, and Services

GOAL 3

“All students will develop and consistently demonstrate responsible, respectful, and ethical behavior in a safe, clean and orderly learning environment.”

- District Attendance Facilitation Team
- School Counselors
- Student Assistance Program
- Multi-tiered System of Supports
- Survey and Analysis Tools
- Effective Communication and Branding
- Middle School Sports Program
- School Climate and Safety
- School Maintenance Program

LOCAL CONTROL ACCOUNTABILITY PLAN

PLANNED ACTIONS / SERVICES

Planned Actions / Services

GOAL 1

"All students will demonstrate growth as measured by Federal, State, and District assessments."

Budgeted Expenditures
\$32,904,173

GOAL 2

"All students will graduate and be prepared to make a successful transition to further education and/or career opportunities."

Budgeted Expenditures
\$4,754,149

GOAL 3

"All students will develop and consistently demonstrate responsible, respectful, and ethical behavior in a safe, clean and orderly learning environment."

Budgeted Expenditures
\$9,527,412

LOCAL CONTROL ACCOUNTABILITY PLAN

DEMONSTRATION OF INCREASED OR IMPROVED SERVICES FOR UNDUPLICATED PUPILS

Demonstration of Increased or Improved Services for Unduplicated Pupils

- **DSUSD Unduplicated Pupil Percentage: 71.53%**
 - Economically Disadvantaged: 71%
 - English Learners: 24%
 - Foster Youth: 0.5%
- **Percentage to increase or improve services: 22.61%**
- **Description of how services for unduplicated pupils are increased or improved**

LOCAL CONTROL ACCOUNTABILITY PLAN

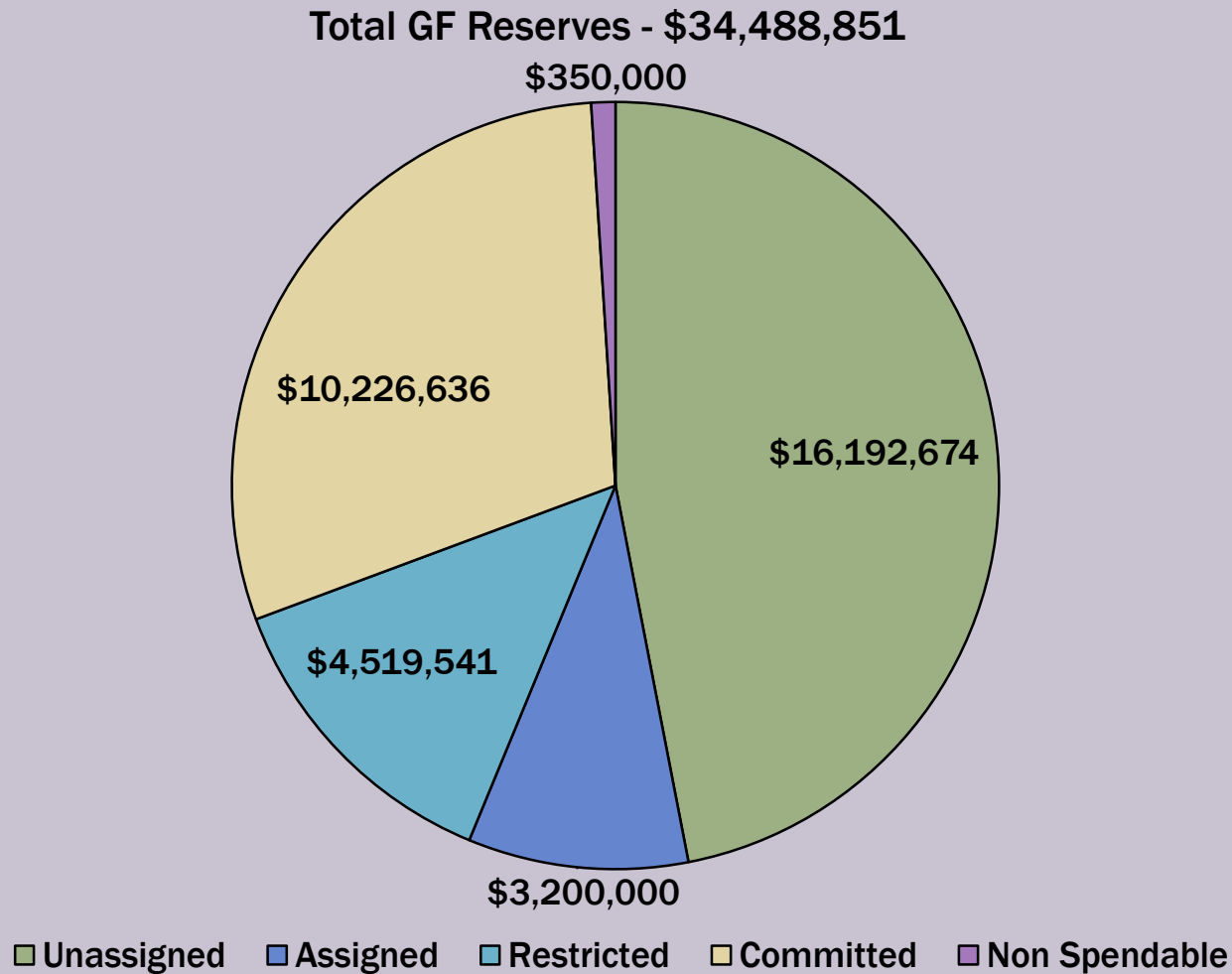
DEMONSTRATION OF INCREASED OR IMPROVED SERVICES FOR UNDUPLICATED PUPILS

Demonstration of Increased or Improved Services for Unduplicated Pupils

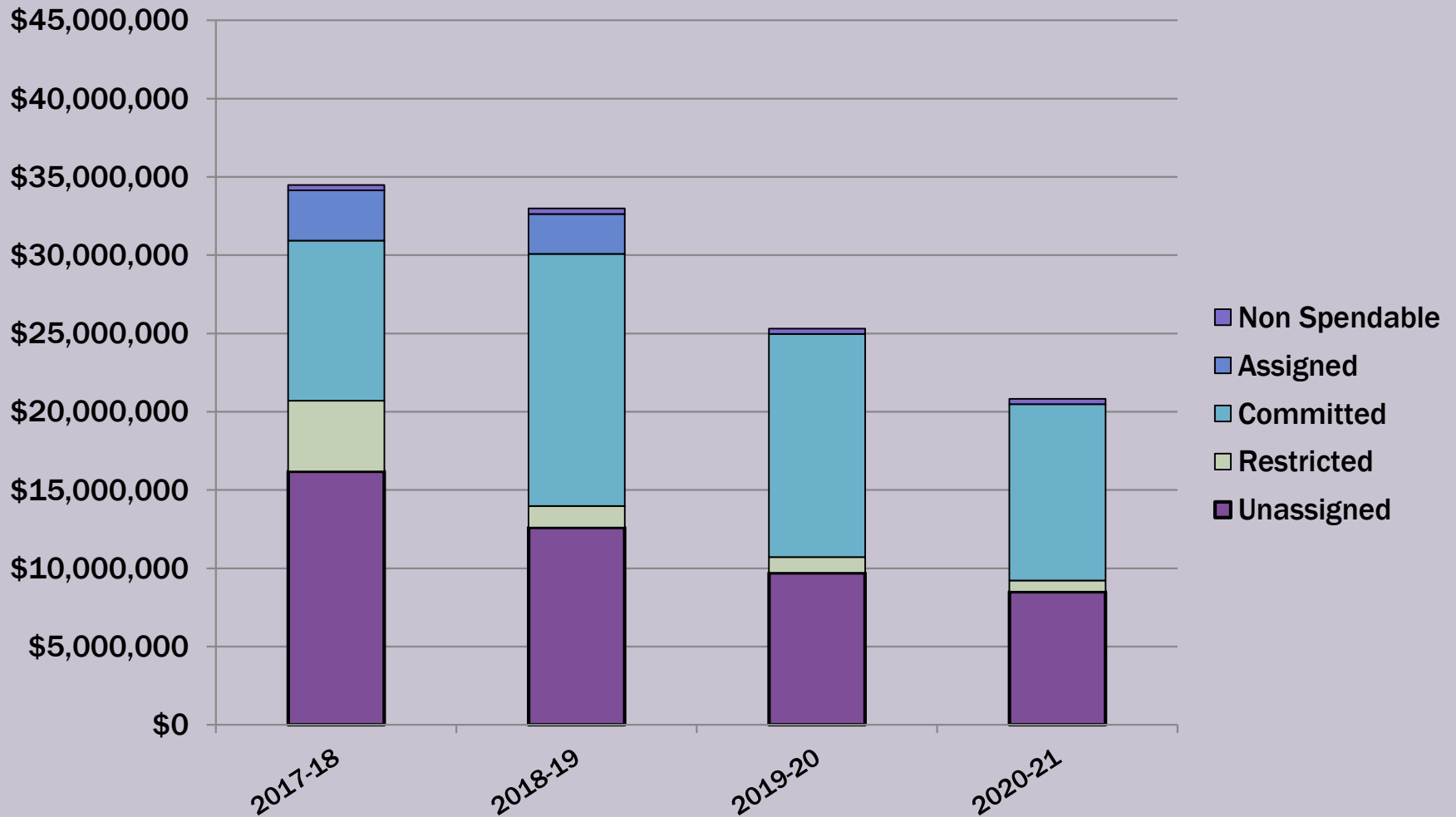
Services for unduplicated pupils are increased or improved by:

- Kindergarten readiness & focus on Early Literacy
- Multi-tiered interventions for Academic and Behavioral Support
- Access to School Counselor
- Connection to resources through Student Assistance Program
- Removing financial barriers to broad & rigorous studies
- Connect: One-to-the-World Initiative
- CTE Pathways & AVID
- Parent Engagement

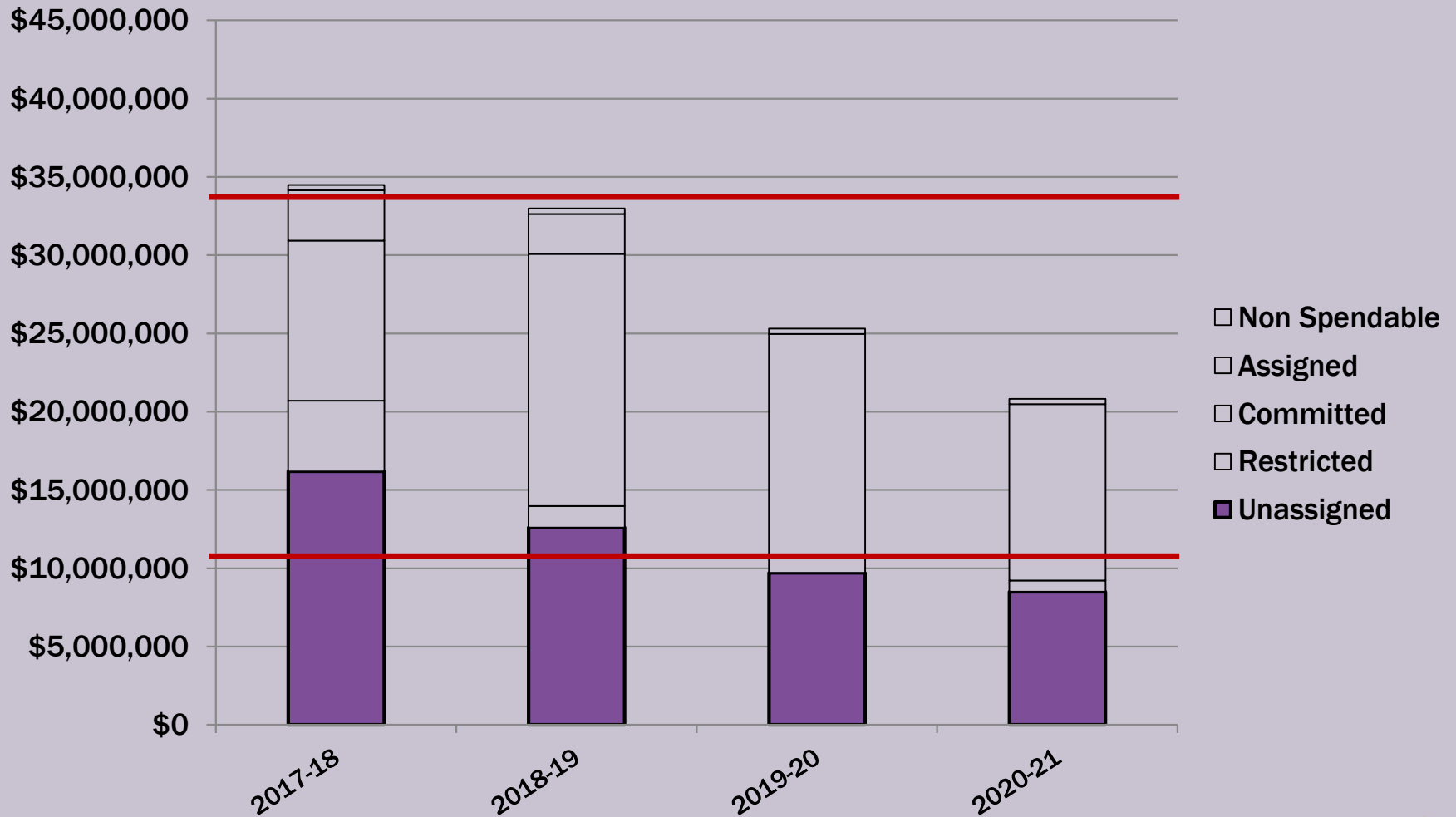
GENERAL FUND RESERVE ESTIMATED AS OF JUNE 30, 2018



GENERAL FUND BALANCES MULTI-YEAR PROJECTION



GENERAL FUND BALANCES MULTI-YEAR PROJECTION



FUND BALANCE BUDGETED ABOVE STATE MINIMUM REQUIRED LEVEL

- Reserves significantly below state and county averages.
- Increase in salaries and benefits are not budgeted until formally agreed upon with collective bargaining units.
- Budget is highly sensitive to fluctuations in average daily attendance (1% decrease in ADA = approx. \$2.0 million)
- Budget is highly sensitive to enrollment projections (1% increase in required staffing over estimates = approx. \$1.5 million).
- Salaries are sensitive to estimates in Step and Column costs.
- Special Education enrollment and costs often vary significantly from estimates.

SUMMARY

- Financial Position is sufficient to meet obligations in 2018-19 and following two fiscal years, justifying a Positive Certification.
- With LCFF now fully funded, Pension Cost increases will be more of a strain on our budget than ever.
- RRMA increase is affecting our budget sooner than expected.
- Enrollment in future years is uncertain due to status of inter-district transfers.

