



Cotati-Rohnert Park USD 2014-15 Second Interim Report

2014-15 Second Interim General Fund Projection

	First Interim	Second Interim	Difference
Total Revenue	52,180,387	52,615,576	435,189
Expenditures:			
Certificated Salaries	21,664,410	21,648,316	-16,094
Classified Salaries	5,482,902	5,498,491	15,589
Health Benefits: Actives	7,984,160	7,992,399	8,239
Health Benefits: Retirees	1,196,356	1,198,497	2,141
Other Employee Benefits	4,111,537	4,208,902	97,365
Books & Supplies	1,609,800	1,767,913	158,113
Services & Operating Expenditures	9,298,919	9,790,538	491,619
Other	903,313	1,079,213	175,900
Net Increase (Decrease)	-71,010	-568,692	-497,683
Beginning Balance	1,522,100	1,522,100	--
Ending Balance	1,451,090	953,407	-497,683

Enrollment

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- Official enrollment is measured on CBEDS day
 - This year was October 1
- Transfer of county programs has changed the breakdown
- Official enrollment not yet posted to Dataquest for 2014-15

	2013-14 CBEDS	2014-15 Adopted Budget	2014-15 First Interim	2014-15 Second Interim
District	5,788	5,893	5,877	5,868
County programs	95	40	41	42
Total	5,883	5,933	5,918	5,910

Average Daily Attendance (ADA)

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- LCFF revenue is calculated on higher of current or prior year ADA
- With growth, now funded on current year ADA
- P-2 = 2nd period attendance
 - Ends in March
 - Reported to county office and State in April

	2013-14 P-2 ADA	2014-15 Adopted Budget	2014-15 First Interim	2014-15 Second Interim
District	5,531	5,527	5,645	5,652
County programs	92	92	37	46
Total	5,623	5,619	5,682	5,698

LCFF: 2014-15 Base Grant Entitlement Target

- Target entitlement calculation
 - Grade span per-pupil grants adjusted for COLA
 - COLA increases the target—it is not fully funded

Factors	K-3	4-6	7-8	9-12
2013-14 Base Grant per ADA	\$6,952	\$7,056	\$7,266	\$8,419
COLA @ .85%	\$ 59	\$ 60	\$ 62	\$ 72
2014-15 Base Grants	\$7,011	\$7,116	\$7,328	\$8,491

LCFF – K-3 CSR and CTE Adjustments

- Target entitlement calculation for 2014-15

- K-3 CSR (24 pupils maximum per-class target) and CTE adjustment

Factors	K-3	4-6	7-8	9-12
Base Grants – including COLA	\$7,011	\$7,117	\$7,328	\$8,491
Adjustment Factors	10.4% CSR	–	–	2.6% CTE
CSR, CTE Amounts	\$ 729	–	–	\$ 221
2014-15 Base Grade Span	\$7,740	\$7,117	\$7,328	\$8,712

LCFF – Calculations

Target entitlement calculation for 2014-15

- Supplemental and concentration grant add-ons are calculated based on the percentage of total enrollment that are English learners, Free and Reduced-Price Meal Program eligible students, and foster youth
- Increased from 44.92% at budget adoption and 48.24% at first interim

District Factors	K-3	4-6	7-8	9-12
Base Grade Span	\$7,740	\$7,117	\$7,328	\$8,712
% Enrollment Eligible (actual)	48.61%	48.61%	48.61%	48.61%
20% Supplemental	\$751	\$692	\$712	\$847
50% Concentration (above 55% eligible)	\$0	\$0	\$0	\$0

Multi-Year Projections

Factor	2014-15	2015-16	2016-17
Statutory COLA	.085%	1.58%	2.17%
LCFF Factors			
Gap Funding Percentage	2014-15	2015-16	2016-17
Dept. of Finance	29.15%	32.19%	23.71%

- 2014-15 gap funding increased from 28.05% at budget adoption but decreased from 29.56% at first interim
- Projections now use Dept. of Finance projections rather than a mid-range estimate as was done at first interim
 - Change made in consultation with Sonoma County Office of Education

Multi-Year Projections

Average Per-Pupil Funding	2014-15	2015-16	2016-17
Target	\$8,688	\$8,817	\$8,995
Actual	\$7,142	\$7,679	\$7,975
Funding shortfall	\$1,546	\$1,138	\$1,017

- Total target, including supplemental grant target
- LCFF adds flat amount for certain former categorical programs
 - No COLA for these programs
 - Adds about \$500,000 to the target for our district

Projected Reserves 2014-15 Second Interim

	Unrestricted & Economic Uncertainty	Budget Stabilization Reserve, Other	Restricted	General Fund Total	Special Reserve Fund	Unrestricted Reserves	Unrestr. Reserve %
	A				B	C = A + B	
2012-13	969,214	951,973	994,668	2,915,855	847,287	1,816,501	3.83%
2013-14	683,232	0	838,867	1,522,099	851,193	1,534,425	3.05%
2014-15	435,703	0	512,704	953,407	855,193	1,290,896	2.40%
2015-16	814,413	600,000	178,864	852,542	858,200	1,672,613	3.04%
2016-17	950,320	300,000	343,885	924,959	861,400	1,811,720	3.17%

District Reserves in Multi-Year Projection: Budget Stabilization Reserve

- Significant uncertainties:
 - Transportation funding
 - Gap funding percentage
 - Amount of mandate backlog funding in 2015-16
 - Projected enrollment
 - Health premium increases—projected at 10%
- Budget stabilization reserve, in consultation with SCOE:
 - \$600,000 in 2015-16
 - \$300,000 in 2016-17
- Shown as “Assigned” in multi-year projection

District Reserves

- Currently just over 3% in all years of multi-year projection
- Board policy calls for 4%, but need more to manage cash flow
 - Government Finance Officers Association recommends two months of expenditures, about 17%
 - Bond rating agencies compare to statewide average, 15% for unified districts
- Other multi-year needs: instructional materials, deferred maintenance, replacement of technology and vehicles
- Difficult to increase reserves while State and District are still in fiscal recovery
- Best approach is to use one-time funds
 - Funding for mandated cost backlog
 - Proceeds from sale of Keiser property

Funding Gap is Huge

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- CDE has posted a chart showing that our 2014-15 funding is \$8.8 million below the target

- The funding snapshot link is:

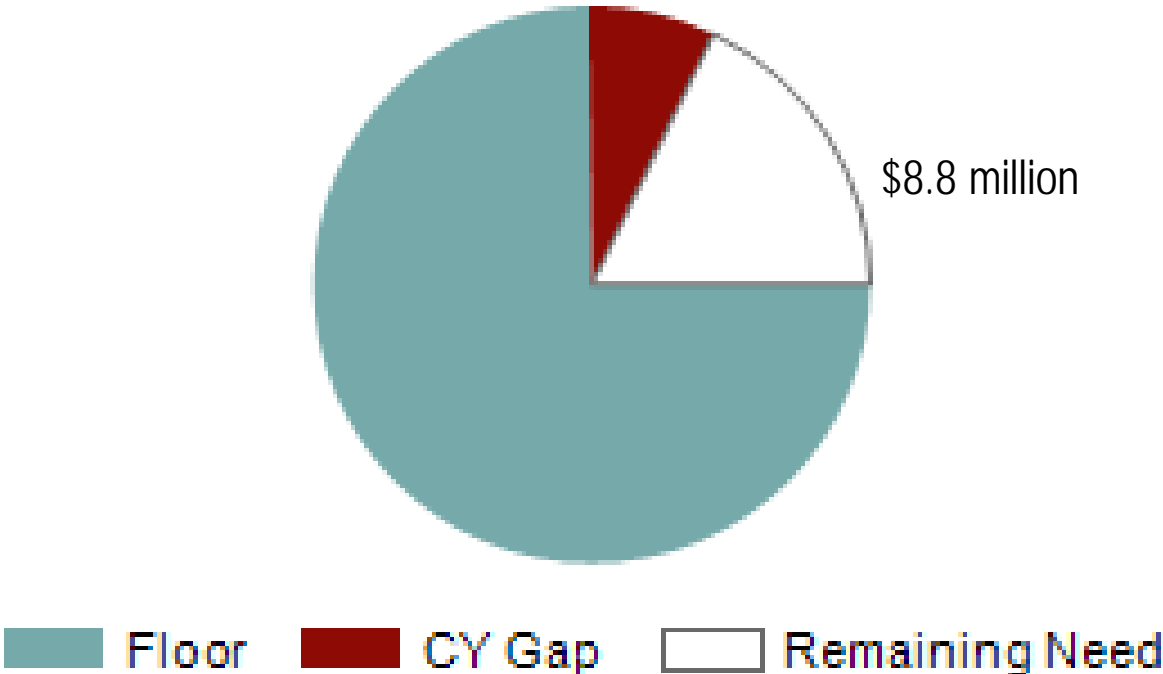
<http://ias.cde.ca.gov/lcffsnapshot/lcff.aspx>

Enter part of the district name: Cotati

- This link is on the district website under the Business Services department
- CDE updates it each time they recalculate the district's funding

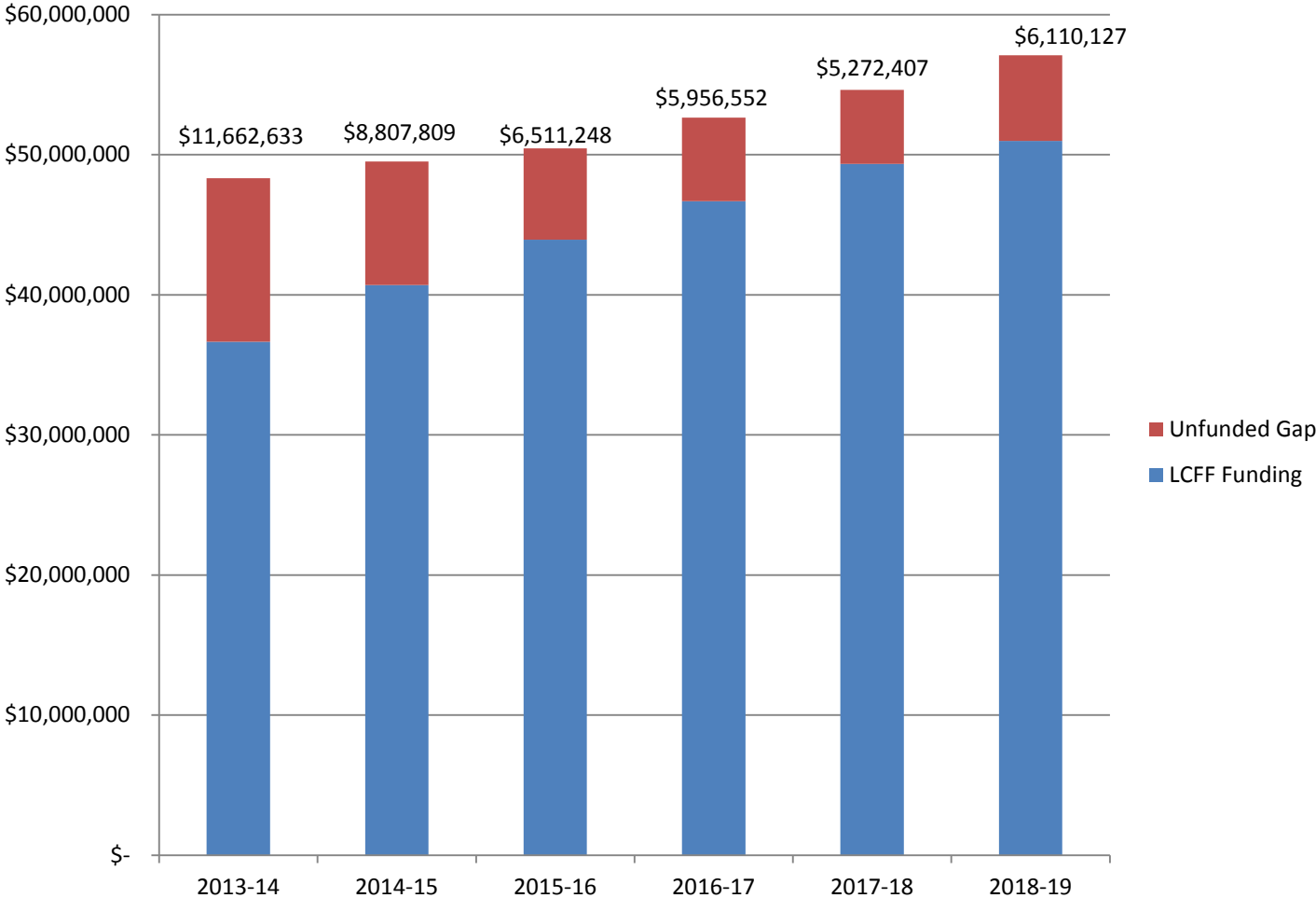
2014-15 Funding Gap is Huge

LCFF Target vs. LCFF Floor



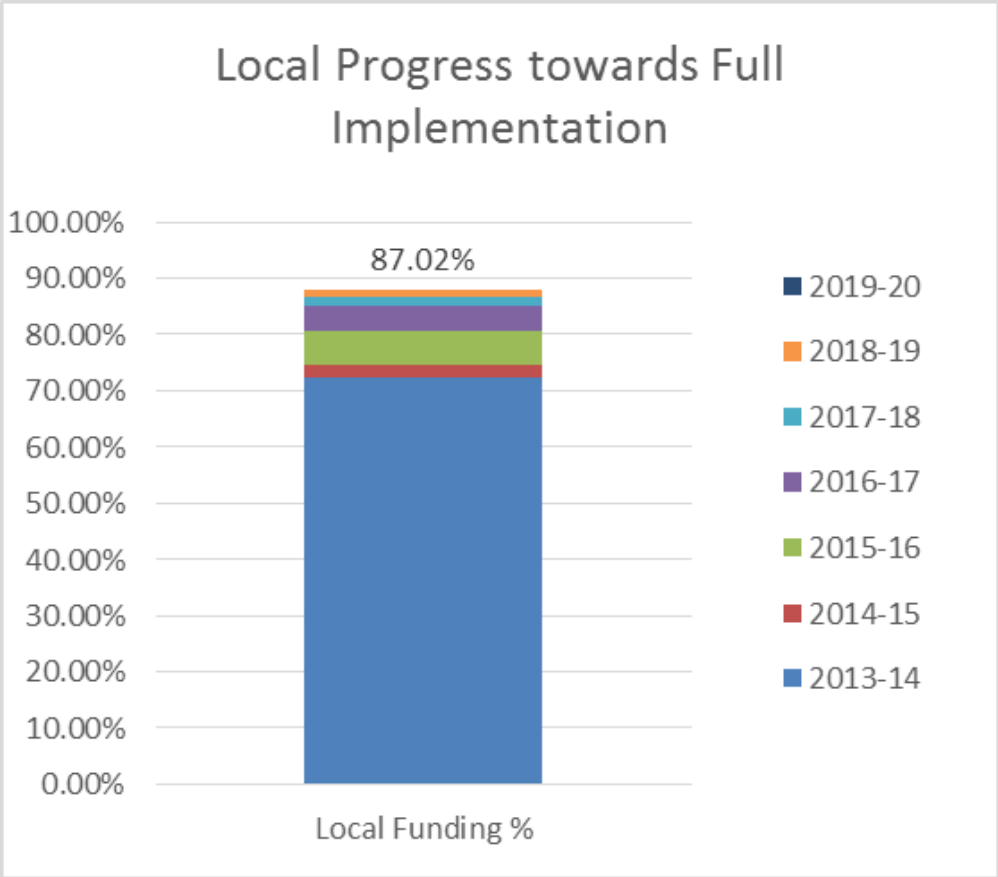
The Funding Gap Lasts for Years

● LCFF calculator data



Slow Progress to Close the Funding Gap

● Chart from the LCFF calculator



What's Next?

- P-2 attendance due to SCOE April 17, 2015
- Governor's May revision of the budget proposal for 2015-16 to be announced around May 8, 2015
- Third Interim Report to be presented to Board at the May 26 board meeting
 - No certification required
- State budget to be adopted by June 15, 2015
- Public hearings on district budget and LCAP at June 16, 2015 board meeting
- Budget adoption at June 30, 2015 board meeting

A red apple with a single green leaf is positioned on top of a stack of several old, worn books. The books have yellowed pages and dark, possibly leather or cloth, covers. The entire scene is set against a dark green, textured background that resembles a chalkboard or a painted wall. The lighting is soft, highlighting the textures of the apple and the books.

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Questions?