

Alvord Unified School District

Budget Review

Board Presentation

March 27, 2018



**School
Services
of California**
INC.™
An Employee-Owned Company

Presented by

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1 Scope and Methodology



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- The District requested that School Services of California, Inc., (SSC) perform a Budget Review, which involved analyzing each major revenue and expenditure category in the General Fund and ancillary funds (to the extent those funds have a fiscal impact on the General Fund)
- The review was not an audit, but was designed to give the District a fair and independent assessment of the current District finances
- In the report, we include the Budget Review findings for each major revenue and expenditure category examined
 - The focus is on the unrestricted General Fund, as that is the source of the District's fiscal solvency

2 Scope and Methodology



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● The Budget Review involved:

- Examination of Local Control Funding Formula (LCFF) statewide factors
- Review of local enrollment and average daily attendance (ADA) factors
- Verification of assumptions for one-time funds and other state, federal, and local revenue sources
- Verification of budgeted salaries, benefits, and other expenditures, including contributions to the California Public Employees' Retirement System, California State Teachers' Retirement System, and special education
- Review of reserves

3 Scope and Methodology



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- The focus was on the latest Board-approved budget available during fieldwork
 - First Interim report, including the multiyear projection (MYP)
- The Second Interim report was finalized during our field work so we included notable differences from the First Interim budget
- SSC also conducted a comparative analysis of revenues, expenditures, fund balance reserves, staffing ratios, and teacher salaries and benefits using our statewide databases
 - The analysis measures the District's level of funding, expenditures, and staffing, as well as teacher compensation, as compared to school districts of like size and with comparable resources

4 What Is a Budget?



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- A budget is a projection based on assumptions anchored in current conditions
 - As the conditions change, so will the numbers
- The accumulation of assumptions generates the current budget and MYP
- Assembly Bill 1200 requires that all districts in the state of California prepare a current budget, along with projections for the two subsequent years, based on current conditions
- A budget is not a prediction, nor is it a forecast
 - It is the mathematical result of decisions that have been made



5 Local Control Funding Formula

- The LCFF accounts for 96% of the District's unrestricted revenues
- Combines local assumptions for ADA and statewide factors that are outside of the District's control
- The District's assumptions in the First Interim report used the most recent statewide factors released by the Department of Finance in June 2017
 - The factors changed with the release of the Governor Jerry Brown's proposed Budget for 2018-19 in January 2018

	2017-18	2018-19	2019-20
LCFF Gap Closure	43.19%	66.12%	64.92%
Governor's Proposed Budget for 2018-19	43.97%	100%	0%

- The revised factors were incorporated into the District's Second Interim report

6 Local Control Funding Formula



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- Enrollment projections form the basis for most school district revenues and expenditures – enrollment drives ADA, unduplicated counts, and staffing, primarily
- Between 2008-09 and 2016-17 the District's enrollment decreased from 20,057 to 19,255
 - An average loss of 100 students per year
- The District's assumptions for the two subsequent years projects a decline more than the historical average based on a demographic study performed in 2016-17

	2016-17 Actual	2017-18 Budget	2018-19 Projected	2019-20 Projected
ADA	18,308	18,305	17,998	17,872
Change From Prior Year	-248	-3	-307	-126

7 Local Control Funding Formula



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- Declining enrollment and ADA cause additional risk to the District's finances
 - Even though the state allows the District to use the greater of current-year or prior-year ADA for its revenues
 - The District is under pressure to reduce expenditures each year to keep pace with the declining revenue trend
 - This will become more significant once the LCFF is fully funded and only a cost-of-living increase is provided on the revenues

8 One-Time Funding Sources



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- The state of California has provided historically large amounts of one-time funding for K-12 education
 - In 2015-16, the state provided \$529 per ADA – approximately \$9.8 million for the District
 - In 2016-17, the state provided \$214 per ADA – approximately \$3.9 million for the District
 - In 2017-18, the state provided an additional \$147 per ADA – approximately \$2.7 million for the District
- The District has appropriately included the latter amount in its First Interim budget and MYP
- One-time discretionary funds should only be applied to one-time uses such as increasing reserves or purchasing instructional materials, textbooks, technology, etc.

9 Salaries and Benefits



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- In 2017-18, 88% of the District's unrestricted expenditures are for employee salaries and benefits
 - Managing this most significant part of the expenditure budget is critical to fiscal solvency
- The District must:
 - Ensure that staffing levels remain in line with declining enrollment
 - Actively manage health care costs for both active and retired employees
 - Employees pay a portion of the premium and there is a health benefits committee in place to help manage premium costs
 - The District should set aside funds for the growing retiree benefits liability
 - Plan for automatic increases in costs, such as step and column movement and increasing pension contributions

10 Contributions



- Districts operate multiple programs which do not receive enough funding from the federal government and/or state of California to operate autonomously
 - Result is the District must contribute unrestricted funds to support the programs
- The two primary programs that require support are special education and Routine Restricted Maintenance
- Increases in the contributions relate to additional staffing costs, including the increasing pension contributions

	2015-16 Actual	2016-17 Actual	2017-18 Budget	2018-19 Projection	2019-20 Projection
Contributions	\$23,492,703	\$26,683,882	\$29,255,969	\$30,116,301	\$31,039,245

11 Impact on Reserves at First Interim



- The District estimated deficit spending each year in the projection, reducing its unrestricted General Fund reserves below the 3% minimum by 2019-20

	2017-18	2018-19	2019-20
Beginning Fund Balance	\$13,771,938	\$10,777,443	\$7,299,692
Revenues	\$192,748,563	\$197,262,281	\$201,705,302
Expenditures	(\$166,266,216)	(\$170,423,731)	(\$175,222,361)
Transfers In/Out	(\$220,873)	(\$200,000)	(\$200,000)
Contributions to Restricted Programs	(\$29,255,969)	(\$30,116,301)	(\$31,039,245)
Surplus/(Deficit)	(\$2,994,495)	(\$3,477,751)	(\$4,756,304)
Assigned/Unassigned Ending Fund Balance*	\$10,762,443	\$7,284,692	\$2,528,388
% of Total General Fund Expenditures and Other Uses	4.61%	3.10%	1.07%

Source: District Standardized Account Code Structure (SACS) reports

*Ending fund balance less nonspendable of \$15,000

12 Impact on Reserves at Second Interim



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- The District is projected to meet its minimum reserve requirement of 3% in all three years of the projection, after including budget cuts of \$1.75 million and the one-time revenues proposed by the Governor in 2018-19
 - However, the District is still expected to deficit spend in the current year and in 2019 -20

	2017-18	2018-19	2019-20
Beginning Fund Balance	\$13,771,938	\$10,631,833	\$13,442,292
Revenues	\$193,389,366	\$206,838,241	\$205,502,738
Expenditures	(\$166,297,629)	(\$171,593,933)	(\$176,448,128)
Transfers In/Out	(\$995,873)	(\$995,873)	(\$995,873)
Contributions to Restricted Programs	(\$29,235,969)	(\$31,437,976)	(\$32,211,209)
Surplus/(Deficit)	(\$3,140,105)	\$2,810,459	(\$4,152,472)
Assigned/Unassigned Ending Fund Balance*	\$10,616,833	\$13,427,292	\$9,274,820
% of Total General Fund Expenditures and Other Uses	4.55%	5.68%	3.86%

Source: District SACS reports

*Ending fund balance less nonspendable of \$15,000

13 Comparative Group



- Comparative data points using information provided by the districts
 - Annual Unaudited Actuals submission for financial data
 - Annual J-90 submission for teacher salary and benefits data
- Comparative group of districts was determined by reviewing unified districts located in a similar geographic region to Alvord Unified School District (USD)
- Similar funding formulas
- 2016-17 is the most recently available state-certified data



14 Comparative Financial Data



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District has experienced a decline in ADA over the past five years

District	% Change in ADA – 2012-13 to 2016-17	Total ADA				
		2012	2013	2014	2015	2016
Beaumont USD	10.87%	8,363	8,445	8,651	9,023	9,273
San Jacinto USD	7.30%	8,750	8,883	9,030	9,156	9,389
Val Verde USD	1.38%	18,955	19,016	18,902	19,005	19,217
Hemet USD	0.66%	19,795	19,802	19,652	19,697	19,925
Corona-Norco USD	-0.10%	51,242	51,747	51,758	51,380	51,191
Lake Elsinore USD	-0.18%	20,511	20,568	20,533	20,602	20,474
Redlands USD	-0.37%	20,198	20,074	20,131	20,091	20,123
Murrieta Valley USD	-0.37%	21,972	21,992	21,595	21,730	21,890
San Bernardino City USD	-0.55%	47,147	47,077	47,469	48,323	46,889
Riverside USD	-0.86%	40,118	40,344	39,981	39,683	39,772
Coachella Valley USD	-0.87%	17,845	17,783	18,006	17,915	17,691
Colton Joint USD	-0.90%	21,930	22,255	22,108	21,958	21,732
Comparative Group Average	-1.10%	461,583	462,296	460,184	459,515	456,513
Temecula Valley USD	-1.16%	27,320	27,284	27,146	27,054	27,003
Jurupa USD	-1.80%	18,682	18,792	18,482	18,501	18,346
Statewide Unified Average	-1.82%	3,924,678	3,930,573	3,907,788	3,879,418	3,853,185
<i>Alvord USD</i>	<i>-1.92%</i>	<i>18,670</i>	<i>18,663</i>	<i>18,578</i>	<i>18,541</i>	<i>18,311</i>
Palm Springs USD	-2.14%	21,313	21,231	21,235	21,163	20,857
Rialto USD	-3.13%	25,546	25,499	25,127	24,997	24,745
Moreno Valley USD	-4.39%	33,019	32,930	32,374	32,013	31,570
Fontana USD	-6.31%	38,876	38,576	38,004	37,225	36,424

Source: 2016-17 State-certified reports: J-90, California Basic Educational Data System (CBEDS), SACS

15 Comparative Financial Data



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The District spends the largest percentage of its General Fund revenues on unrestricted certificated nonmanagement salaries

Unrestricted Certificated Non-Management Personnel Salary Expense for 2016-17				
District	Certificated Non-Mgmt Per ADA	Certificated Non-Mgmt Dollars	% of Total Expense	% of Total Expense, Transfers, & Other Uses
<i>Alvord USD</i>	<i>\$4,401.54</i>	<i>80,596,642.18</i>	<i>50.07%</i>	<i>49.86%</i>
Palm Springs USD	\$4,386.20	91,483,536.54	44.21%	43.97%
San Bernardino City USD	\$4,225.52	198,132,340.49	43.41%	43.15%
Coachella Valley USD	\$4,185.48	74,045,036.18	42.08%	41.93%
Colton Joint USD	\$4,136.84	89,901,201.94	44.37%	43.55%
Jurupa USD	\$4,134.30	75,849,435.85	45.40%	44.35%
Redlands USD	\$4,103.49	82,575,424.94	48.87%	48.87%
Corona-Norco USD	\$4,087.58	209,247,397.99	51.64%	51.59%
Hemet USD	\$4,021.74	80,133,439.47	44.53%	44.05%
Fontana USD	\$3,978.67	144,918,482.02	43.16%	43.16%
Comparative Group Average	\$3,959.39	1,807,515,191.51	45.53%	45.21%
Riverside USD	\$3,917.33	155,800,012.64	46.01%	45.63%
Lake Elsinore USD	\$3,850.26	78,831,391.78	48.62%	48.31%
Moreno Valley USD	\$3,822.97	120,692,436.30	43.66%	43.08%
Statewide Unified Average	\$3,799.92	14,641,808,362.38	44.78%	44.00%
Rialto USD	\$3,724.02	92,152,564.22	43.55%	42.92%
Murrieta Valley USD	\$3,714.31	81,305,598.10	50.53%	50.53%
Temecula Valley USD	\$3,710.81	100,204,467.43	50.93%	50.86%
San Jacinto USD	\$3,652.59	34,294,951.57	42.10%	42.10%
Val Verde USD	\$3,510.38	67,459,444.24	38.60%	38.55%
Beaumont USD	\$3,287.98	30,488,029.81	44.38%	43.31%

Source: 2016-17 State-certified reports: J-90, CBEDS, SACS

16 Comparative Financial Data



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Unrestricted Site and Administrator Salary Expense for 2016-17

District	Admin Salary Per ADA	Admin Salary Dollars	% of Total Expense	% of Total Expense, Transfers, & Other Uses
Hemet USD	\$656	\$13,074,329	7.27%	7.19%
San Jacinto USD	\$629	\$5,902,372	7.25%	7.25%
Coachella Valley USD	\$613	\$10,841,574	6.16%	6.14%
Beaumont USD	\$604	\$5,602,474	8.16%	7.96%
Palm Springs USD	\$604	\$12,599,382	6.09%	6.06%
Riverside USD	\$564	\$22,414,248	6.62%	6.56%
Statewide Unified Average	\$553	\$2,131,454,783	6.52%	6.41%
Colton Joint USD	\$545	\$11,850,040	5.85%	5.74%
Alvord USD	\$527	\$9,658,507	6.00%	5.97%
Val Verde USD	\$510	\$9,795,232	5.61%	5.60%
Comparative Group Average	\$502	\$228,970,069	5.77%	5.73%
San Bernardino City USD	\$501	\$23,481,131	5.15%	5.11%
Jurupa USD	\$495	\$9,084,366	5.44%	5.31%
Moreno Valley USD	\$482	\$15,218,856	5.50%	5.43%
Rialto USD	\$471	\$11,661,440	5.51%	5.43%
Fontana USD	\$467	\$17,006,734	5.06%	5.06%
Murrieta Valley USD	\$454	\$9,933,770	6.17%	6.17%
Corona-Norco USD	\$449	\$22,995,666	5.67%	5.67%
Lake Elsinore USD	\$431	\$8,815,942	5.44%	5.40%
Redlands USD	\$399	\$8,029,323	4.75%	4.75%
Temecula Valley USD	\$395	\$10,663,192	5.42%	5.41%

Source: 2016-17 State-certified reports: J-90, CBEDS, SACS

17 Comparative Financial Data



The District ranks in the top half of the comparative group for unrestricted employee benefit expenses and personnel salary and benefit expenses

District	Unrestricted Employee Benefit Expense for 2016-17			
	Employee Benefits Per ADA	Employee Benefits Dollars	% of Total Expense	% of Total Expense, Transfers, & Other Uses
Coachella Valley USD	\$2,500	\$44,235,783	25.05%	40.16%
Fontana USD	\$2,464	\$89,747,587	26.73%	43.46%
Palm Springs USD	\$2,160	\$45,048,548	21.65%	34.99%
Colton Joint USD	\$2,126	\$46,192,031	22.37%	36.43%
San Bernardino City USD	\$2,092	\$98,096,102	21.36%	35.65%
Rialto USD	\$2,060	\$50,985,590	23.75%	39.01%
Alvord USD	\$2,059	\$37,698,507	23.32%	35.33%
Statewide Unified Average	\$1,894	\$7,298,356,927	21.93%	34.98%
Comparative Group Average	\$1,812	\$827,129,042	20.69%	32.75%
Jurupa USD	\$1,794	\$32,911,008	19.24%	30.33%
Redlands USD	\$1,730	\$34,822,757	20.61%	31.47%
Moreno Valley USD	\$1,717	\$54,215,949	19.35%	31.05%
Lake Elsinore USD	\$1,697	\$34,745,258	21.30%	32.40%
Val Verde USD	\$1,681	\$32,300,027	18.46%	32.67%
Hemet USD	\$1,667	\$33,221,866	18.26%	29.45%
Riverside USD	\$1,620	\$64,438,103	18.87%	29.54%
San Jacinto USD	\$1,583	\$14,866,990	18.25%	29.83%
Beaumont USD	\$1,571	\$14,566,591	20.69%	32.97%
Murrieta Valley USD	\$1,465	\$32,059,627	19.93%	28.49%
Temecula Valley USD	\$1,365	\$36,853,139	18.71%	27.14%
Corona-Norco USD	\$1,325	\$67,822,085	16.72%	24.69%

Source: 2016-17 State-certified reports: J-90, CBEDS, SACS

18 Comparative Financial Data



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Unrestricted Personnel Salary and Benefit Expense for 2016-17

District	% of Total Expense	% of Total Expense, Transfers, & Other Uses	Personnel Salary & Benefits Per ADA	Personnel Salary & Benefit Dollars
Murrieta Valley USD	89.85%	89.85%	\$6,605	\$144,572,983
Alvord USD	89.71%	89.33%	\$7,887	\$144,409,898
Fontana USD	88.22%	88.22%	\$8,133	\$296,231,688
Coachella Valley USD	87.74%	87.43%	\$8,727	\$154,386,543
Temecula Valley USD	87.74%	87.62%	\$6,393	\$172,623,295
Lake Elsinore USD	87.57%	87.02%	\$6,935	\$141,987,069
Statewide Unified Average	86.14%	84.63%	\$7,309	\$28,161,574,711
Redlands USD	86.10%	86.10%	\$7,229	\$145,471,861
Rialto USD	85.85%	84.61%	\$7,341	\$181,668,519
Beaumont USD	85.52%	83.46%	\$6,336	\$58,748,690
Colton Joint USD	85.37%	83.79%	\$7,960	\$172,982,928
Jurupa USD	84.65%	82.68%	\$7,707	\$141,404,299
Corona-Norco USD	84.53%	84.45%	\$6,692	\$342,547,991
Comparative Group Average	84.45%	83.87%	\$7,345	\$3,353,034,624
Palm Springs USD	84.00%	83.54%	\$8,333	\$173,809,471
Riverside USD	83.46%	82.76%	\$7,105	\$282,586,761
Moreno Valley USD	82.77%	81.67%	\$7,248	\$228,817,373
San Bernardino City USD	81.79%	81.29%	\$7,961	\$373,290,869
Hemet USD	81.16%	80.28%	\$7,329	\$146,033,878
San Jacinto USD	79.44%	79.43%	\$6,892	\$64,706,688
Val Verde USD	75.06%	74.95%	\$6,825	\$131,163,717

Source: 2016-17 State-certified reports: J-90, CBEDS, SACS

19 Comparative Financial Data



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Unrestricted Books and Supplies Expense for 2016-17

District	Books & Supplies Per ADA	Books & Supplies Dollars	% of Total Expense	% of Total Expense, Transfers, & Other Uses
San Jacinto USD	\$648	\$6,088,572	7.47%	7.47%
Coachella Valley USD	\$590	\$10,430,430	5.93%	5.91%
Colton Joint USD	\$546	\$11,873,534	5.86%	5.75%
Hemet USD	\$523	\$10,419,005	5.79%	5.73%
Moreno Valley USD	\$516	\$16,298,031	5.90%	5.82%
Jurupa USD	\$503	\$9,219,277	5.52%	5.39%
Palm Springs USD	\$498	\$10,390,785	5.02%	4.99%
Val Verde USD	\$490	\$9,415,715	5.39%	5.38%
Riverside USD	\$465	\$18,476,443	5.46%	5.41%
San Bernardino City USD	\$448	\$21,001,914	4.60%	4.57%
Rialto USD	\$439	\$10,851,290	5.13%	5.05%
Temecula Valley USD	\$436	\$11,776,526	5.99%	5.98%
Comparative Group Average	\$434	\$198,074,639	4.99%	4.95%
Fontana USD	\$380	\$13,837,391	4.12%	4.12%
Corona-Norco USD	\$366	\$18,751,097	4.63%	4.62%
Statewide Unified Average	\$360	\$1,386,582,034	4.24%	4.17%
Lake Elsinore USD	\$349	\$7,149,591	4.41%	4.38%
Beaumont USD	\$332	\$3,082,332	4.49%	4.38%
Redlands USD	\$242	\$4,867,678	2.88%	2.88%
Murrieta Valley USD	\$189	\$4,145,029	2.58%	2.58%
Alvord USD	\$187	\$3,421,969	2.13%	2.12%

Source: 2016-17 State-certified reports: J-90, CBEDS, SACS

20 Comparative Financial Data



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Unrestricted Services and Other Operating Expense for 2016-17

District	Services & Operations Per ADA	Services & Operations Dollars	% of Total Expense	% of Total Expense, Transfers, & Other Uses
San Bernardino City USD	\$1,395	\$65,401,597	14.33%	14.24%
Hemet USD	\$1,188	\$23,680,002	13.16%	13.02%
San Jacinto USD	\$1,148	\$10,775,875	13.23%	13.23%
Palm Springs USD	\$1,115	\$23,245,311	11.23%	11.17%
Moreno Valley USD	\$1,019	\$32,180,865	11.64%	11.49%
Val Verde USD	\$982	\$18,866,793	10.80%	10.78%
Riverside USD	\$914	\$36,371,163	10.74%	10.65%
Comparative Group Average	\$859	\$392,052,885	9.87%	9.81%
Corona-Norco USD	\$854	\$43,692,846	10.78%	10.77%
Alvord USD	\$820	\$15,010,763	9.33%	9.29%
Beaumont USD	\$744	\$6,898,500	10.04%	9.80%
Statewide Unified Average	\$734	\$2,829,798,294	8.66%	8.50%
Jurupa USD	\$716	\$13,141,994	7.87%	7.68%
Coachella Valley USD	\$715	\$12,648,222	7.19%	7.16%
Colton Joint USD	\$706	\$15,339,814	7.57%	7.43%
Fontana USD	\$652	\$23,755,872	7.07%	7.07%
Rialto USD	\$634	\$15,679,000	7.41%	7.30%
Lake Elsinore USD	\$610	\$12,481,314	7.70%	7.65%
Redlands USD	\$575	\$11,575,228	6.85%	6.85%
Murrieta Valley USD	\$545	\$11,938,344	7.42%	7.42%
Temecula Valley USD	\$533	\$14,380,146	7.31%	7.30%

Source: 2016-17 State-certified reports: J-90, CBEDS, SACS



21 Comparative Financial Data

Unrestricted Capital Outlay Expense for 2016-17

District	Capital Outlay Per ADA	Capital Outlay Dollars	% of Total Expense	% of Total Expense, Transfers, & Other Uses
Val Verde USD	\$665.32	\$12,785,607.13	7.32%	7.31%
Rialto USD	\$270.17	\$6,685,608.71	3.16%	3.11%
Redlands USD	\$261.00	\$5,252,123.39	3.11%	3.11%
Riverside USD	\$184.65	\$7,344,097.33	2.17%	2.15%
Fontana USD	\$136.69	\$4,978,957.88	1.48%	1.48%
Comparative Group Average	\$110.69	\$50,529,722.04	1.27%	1.26%
Corona-Norco Unified	\$106.28	\$2,117,695.67	1.18%	1.16%
San Jacinto USD	\$105.33	\$988,938.21	1.21%	1.21%
Statewide Unified Average	\$83.14	\$320,356,052.68	0.98%	0.96%
San Bernardino City USD	\$70.31	\$3,297,023.61	0.72%	0.72%
Moreno Valley USD	\$63.78	\$2,013,407.91	0.73%	0.72%
Jurupa USD	\$48.34	\$886,841.36	0.53%	0.52%
Palm Springs USD	\$42.72	\$891,045.12	0.43%	0.43%
Temecula Valley USD	\$42.49	\$1,147,446.20	0.58%	0.58%
Coachella Valley USD	\$33.90	\$599,740.49	0.34%	0.34%
Beaumont USD	\$30.36	\$281,529.11	0.41%	0.40%
Colton Joint USD	\$24.23	\$526,553.69	0.26%	0.26%
Murrieta Valley USD	\$13.85	\$303,111.44	0.19%	0.19%
Lake Elsinore USD	\$12.26	\$250,970.92	0.15%	0.15%
Corona-Norco USD	\$3.50	\$179,023.87	0.04%	0.04%
Alvord USD	\$3.11	\$56,952.53	0.04%	0.04%

Source: 2016-17 State-certified reports: J-90, CBEDS, SACS



22 Comparative Financial Data

2016-17 Unrestricted Net Ending Balance as a Percent of Total Expenditures, Transfers, and Other Uses

District	Fund 01 Net Ending Balance Per ADA	Fund 17 Net Ending Balance Per ADA	Combined Net Ending Balance Per ADA	Percent of Total Expenditures, Transfers, and Other Uses
Beaumont USD	\$3,138.14	\$536.62	\$3,674.76	36.81%
Fontana USD	\$3,110.93	\$327.42	\$3,438.35	27.45%
Moreno Valley USD	\$3,157.22	\$0.00	\$3,157.22	23.56%
Val Verde USD	\$2,579.53	\$203.39	\$2,782.93	22.16%
Redlands USD	\$1,997.69	\$0.00	\$1,997.69	18.58%
Rialto USD	\$2,105.12	\$0.00	\$2,105.12	17.51%
Statewide Unified Average	\$2,000.98	\$113.91	\$2,114.89	17.25%
Comparative Group Average	\$1,793.35	\$65.15	\$1,858.50	15.40%
Murrieta Valley USD	\$1,511.64	\$0.00	\$1,511.64	15.00%
Lake Elsinore USD	\$1,538.53	\$0.00	\$1,538.53	14.26%
Corona-Norco USD	\$1,507.06	\$0.00	\$1,507.06	13.90%
San Jacinto USD	\$1,665.56	\$0.00	\$1,665.56	13.89%
Riverside USD	\$1,618.05	\$0.00	\$1,618.05	13.41%
Colton Joint USD	\$1,450.20	\$0.00	\$1,450.20	12.04%
Palm Springs USD	\$1,164.18	\$428.28	\$1,592.46	11.89%
Hemet USD	\$1,524.73	\$0.00	\$1,524.73	11.67%
San Bernardino City USD	\$1,410.20	\$0.00	\$1,410.20	10.53%
Temecula Valley USD	\$1,050.74	\$0.00	\$1,050.74	10.18%
Jurupa USD	\$967.30	\$0.00	\$967.30	7.71%
Alvord USD	\$752.11	\$0.00	\$752.11	6.29%
Coachella Valley USD	\$824.72	\$0.00	\$824.72	5.71%

Source: 2016-17 State-certified reports: J-90, CBEDS, SACS



23 Comparative Salary Data

Computed Average Salary Amount with Per Diem Amounts with Placement Statistics at Step 10 and Above

District	Rank	Computer Average Salary	Per Diem Rank	Per Diem Amount	% FTE at or Above Step 10	% FTE at or Above Step 10 in Last Column
Corona-Norco USD	1	\$96,620	1	\$522.27	72.15%	67.90%
Riverside USD	2	\$92,123	3	\$492.63	72.92%	40.56%
Alvord USD	3	\$91,370	2	\$493.89	74.14%	53.36%
Jurupa USD	4	\$88,665	4	\$481.88	74.42%	62.96%
Temecula Valley USD	5	\$87,028	5	\$472.98	77.70%	59.43%
Murrieta Valley USD	6	\$85,797	8	\$463.77	72.52%	40.66%
Comparative Group Average	7	\$85,675	7	\$463.81	71.53%	47.45%
Lake Elsinore USD	8	\$85,446	6	\$464.38	74.05%	64.85%
Region 10 Unified Average	9	\$84,574	11	\$458.16	70.57%	45.79%
Palm Springs USD	10	\$84,464	9	\$459.05	66.13%	44.03%
Fontana USD	11	\$84,352	10	\$458.44	74.88%	60.86%
Rialto USD	12	\$84,215	12	\$457.69	77.40%	50.32%
Coachella Valley USD	13	\$83,837	13	\$455.64	71.02%	40.72%
San Bernardino City USD	14	\$83,100	14	\$451.63	72.57%	34.59%
Moreno Valley USD	15	\$83,027	15	\$451.23	68.69%	44.78%
Redlands USD	16	\$82,594	16	\$446.46	74.31%	30.52%
Val Verde USD	17	\$82,145	17	\$444.03	62.19%	39.24%
Colton Joint USD	18	\$80,900	18	\$437.30	68.48%	46.00%
Hemet USD	19	\$80,837	19	\$434.61	66.25%	25.89%
San Jacinto USD	20	\$79,014	21	\$424.81	63.51%	50.81%
Statewide Unified Average	21	\$78,542	20	\$425.54	69.47%	45.36%
Beaumont USD	22	\$77,260	22	\$417.62	56.98%	27.60%

Source: 2016-17 State-certified reports: J-90, CBEDS, SACS

Region 10: Riverside and San Diego



24 Comparative Salary Data

The District is in a favorable position with regard to its ability to attract new teachers

Total Compensation: Salary Paid for BA+30, Step 1 Plus Average District Contribution for Health and Welfare Benefits			
District	Total Compensation	Salary at BA+30, Step 1	Average Health and Welfare Benefit Contribution
Coachella Valley USD	\$71,233	\$54,724	\$16,509
Riverside USD	\$70,890	\$58,697	\$12,193
Alvord USD	\$68,968	\$56,219	\$12,749
Rialto USD	\$68,614	\$54,312	\$14,302
Corona-Norco USD	\$68,540	\$61,750	\$6,790
Colton Joint USD	\$68,279	\$55,101	\$13,178
Fontana USD	\$68,066	\$51,073	\$16,993
San Bernardino City USD	\$67,161	\$53,716	\$13,445
Moreno Valley USD	\$67,160	\$55,388	\$11,772
Palm Springs USD	\$67,066	\$52,251	\$14,815
Region 10 USD Average	\$66,082	\$53,320	\$12,762
Comparative Group Average	\$66,080	\$54,153	\$11,927
Beaumont USD	\$64,495	\$51,760	\$12,735
Statewide Unified Average	\$64,469	\$51,058	\$13,411
San Jacinto USD	\$63,999	\$52,428	\$11,571
Hemet USD	\$62,272	\$51,700	\$10,572
Redlands USD	\$62,223	\$50,314	\$11,909
Val Verde USD	\$61,973	\$51,783	\$10,190
Jurupa USD	\$61,936	\$53,345	\$8,591
Lake Elsinore USD	\$61,369	\$51,110	\$10,259
Temecula Valley USD	\$59,966	\$49,833	\$10,133
Murrieta Valley USD	\$59,190	\$50,346	\$8,844

Source: 2016-17 State-certified reports: J-90, CBEDS, SACS

Region 10: Riverside and San Diego



25 Comparative Salary Data

Total Compensation: Salary Paid for BA+60, Step 10 Plus Average District Contribution for Health and Welfare Benefits

District	Total Compensation	Salary at BA+60, Step 10	Average Health and Welfare Benefit Contribution
Corona-Norco USD	\$100,599	\$93,809	\$6,790
Riverside USD	\$98,766	\$86,573	\$12,193
Fontana USD	\$97,442	\$80,449	\$16,993
Coachella Valley USD	\$97,111	\$80,602	\$16,509
Alvord USD	\$96,469	\$83,720	\$12,749
Rialto USD	\$93,677	\$79,375	\$14,302
Region 10 Unified Average	\$93,385	\$80,623	\$12,762
Comparative Group Average	\$93,096	\$81,169	\$11,927
San Bernardino City USD	\$93,041	\$79,596	\$13,445
Val Verde USD	\$92,785	\$82,595	\$10,190
Moreno Valley USD	\$91,410	\$79,638	\$11,772
Redlands USD	\$91,088	\$79,179	\$11,909
Palm Springs USD	\$90,621	\$75,806	\$14,815
Colton Joint USD	\$90,353	\$77,175	\$13,178
Temecula Valley USD	\$89,267	\$79,134	\$10,133
San Jacinto USD	\$88,980	\$77,409	\$11,571
Lake Elsinore USD	\$88,572	\$78,313	\$10,259
Beaumont USD	\$88,511	\$75,776	\$12,735
Statewide Unified Average	\$88,113	\$74,702	\$13,411
Jurupa USD	\$87,547	\$78,956	\$8,591
Hemet USD	\$86,756	\$76,184	\$10,572
Murrieta Valley USD	\$86,042	\$77,198	\$8,844

Source: 2016-17 State-certified reports: J-90, CBEDS, SACS

Region 10: Riverside and San Diego



26 Comparative Salary Data

The District is in a favorable position with regard to its ability to retain teachers

Total Compensation: Maximum Scheduled Salary Plus Average District Contribution for Health and Welfare Benefits			
District	Total Compensation	Maximum Scheduled Salary	Average Health and Welfare Benefit Contribution
Riverside USD	\$125,415	\$113,222	\$12,193
Alvord USD	\$125,040	\$112,291	\$12,749
Corona-Norco USD	\$122,234	\$115,444	\$6,790
Coachella Valley USD	\$120,095	\$103,586	\$16,509
Palm Springs USD	\$120,079	\$105,264	\$14,815
Fontana USD	\$119,488	\$102,495	\$16,993
Comparative Group Average	\$117,301	\$105,374	\$11,927
Murrieta Valley USD	\$117,270	\$108,426	\$8,844
Region 10 Unified Average	\$117,023	\$104,261	\$12,762
San Bernardino City USD	\$116,838	\$103,393	\$13,445
Rialto USD	\$116,793	\$102,491	\$14,302
Beaumont USD	\$116,130	\$103,395	\$12,735
Moreno Valley USD	\$115,479	\$103,707	\$11,772
Jurupa USD	\$114,505	\$105,914	\$8,591
Temecula Valley USD	\$113,706	\$103,573	\$10,133
Lake Elsinore USD	\$113,331	\$103,072	\$10,259
Hemet USD	\$113,295	\$102,723	\$10,572
Colton Joint USD	\$112,810	\$99,632	\$13,178
San Jacinto USD	\$112,484	\$100,913	\$11,571
Redlands USD	\$111,728	\$99,819	\$11,909
Val Verde USD	\$110,449	\$100,259	\$10,190
Statewide Unified Average	\$110,418	\$97,007	\$13,411

Source: 2016-17 State-certified reports: J-90, CBEDS, SACS

Region 10: Riverside and San Diego



27 Final Thoughts

- A budget is a projection based on assumptions anchored in current conditions
 - It is not a prediction, nor a forecast
- SSC's review of the District's budget did not identify any assumptions that significantly deviate from what is used on a statewide basis
 - Result is a deficit spending trend
 - The District must take action to stem the deficit spending in order to maintain prudent reserves

28 Next Steps



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- Governor Brown released his State Budget proposal on January 10, 2018, for the 2018-19 fiscal year
 - This will be his final Budget in office before he terms out
- Budget proposal included increases to the gap closure percentage in 2018-19 and also included one-time funding for 2018-19
 - These revisions have been made in the Second Interim budget report approved by the Board on March 15, 2018
- Although the Governor has a relatively stable track record with holding true to his commitments from January, the State Budget can and will change by the time the May Revision and final State Budget are released



Questions?

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