



**BOARD OF TRUSTEES  
BUDGET WORKSHOP**

**Board of Trustees**  
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Beth Hergesheimer  
Amy Herman  
Maureen "Mo" Muir  
John Salazar

**Superintendent**  
Eric R. Dill

**Union High School District**

**THURSDAY, MAY 10, 2018  
4:30 PM**

**DISTRICT OFFICE BOARD ROOM 101  
710 ENCINITAS BLVD., ENCINITAS, CA 92024**

*Welcome to the meeting of the San Dieguito Union High School District Board of Trustees.*

**PUBLIC COMMENTS**

If you wish to speak regarding an item on the agenda, please complete a speaker slip located at the sign-in desk and present it to the Secretary to the Board prior to the start of the meeting. When the Board President invites you to the podium, please state your name before making your presentation.

In the interest of time and order, presentations from the public are limited to three (3) minutes per person, per topic. The total time for agenda items shall not exceed twenty (20) minutes. An individual speaker's allotted time may not be increased by a donation of time from others in attendance.

In accordance with the Brown Act, public comments are limited to item(s) on the published agenda. Unless an item is listed as an action item, the Board may 1) acknowledge receipt of the information, 2) refer to staff for further study, or 3) refer the matter to the next agenda.

**PUBLIC INSPECTION OF DOCUMENTS**

In compliance with Government Code 54957.5, agenda-related documents that have been distributed to the Board less than 72 hours prior to the Board Meeting will be available for review on the district website, [www.sduhsd.net](http://www.sduhsd.net) and/or at the district office. Please contact the [Office of the Superintendent](#) for more information.

**CLOSED SESSION**

The Board may meet in Closed Session to consider qualified matters of litigation, employee negotiations, student discipline, employee grievances, personnel qualifications, or real estate negotiations which are timely.

**CELL PHONES / ELECTRONIC DEVICES**

As a courtesy to all meeting attendees, please set cell phones and electronic devices to silent mode and engage in conversations outside the meeting room.

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In compliance with the Americans with Disabilities Act, if you need special assistance, disability-related modifications, or accommodations, including auxiliary aids or services, in order to participate in the public meetings of the District's Governing Board, please contact the [Office of the Superintendent](#). Notification 72 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accommodation and accessibility to this meeting. Upon request, the District shall also make available this agenda and all other public records associated with the meeting in appropriate alternative formats for persons with a disability.

**SAN DIEGUITO UNION HIGH SCHOOL DISTRICT  
BOARD OF TRUSTEES  
BUDGET WORKSHOP AGENDA**

**THURSDAY, MAY 10, 2018  
4:30 PM**

**DISTRICT OFFICE BOARD ROOM 101  
710 ENCINITAS BLVD., ENCINITAS, CA. 92024**

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The Governing Board of the San Dieguito Union High School District has scheduled a Budget Workshop for Thursday, May 10, 2018, at the above location, in the Board Room.

1. CALL TO ORDER ..... **4:30 PM**
  
2. PUBLIC COMMENTS  
In accordance to the Brown Act, public comments are limited to item(s) listed on the agenda. Unless an item is listed as an action item, the Board may 1) acknowledge receipt of the information, 2) refer to staff for further study, or 3) refer the matter to the next agenda. (*See Board Agenda Cover Sheet*)

**INFORMATION ITEMS**

3. 2018-19 BUDGET PLANNING UPDATE
  
4. ADJOURNMENT

# San Dieguito Union High School District

## INFORMATION REGARDING BOARD AGENDA ITEM

**TO:** BOARD OF TRUSTEES

**DATE OF REPORT:** May 4, 2018

**BOARD MEETING DATE:** May 10, 2018

**PREPARED BY:** Tina Douglas, Associate Superintendent,  
Business Services

**SUBMITTED BY:** Eric R. Dill, Superintendent

**SUBJECT:** BOARD WORKSHOP / 2018-19 BUDGET  
PLANNING UPDATE

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### EXECUTIVE SUMMARY

Presentation of the attached supplement will be made at the May 10, 2018 Board Workshop.

### RECOMMENDATION:

This item is being submitted for review only at the Board Workshop.

# 2018-19 BUDGET PLANNING UPDATE

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

MAY 10, 2018

4:30 PM

# TABLE OF CONTENTS

- California School Dashboard
- Local Control and Accountability Plan (LCAP)
- Local Control Funding Formula (LCFF)
- District Enrollment/ADA
- District LCFF Funding
- Revenue History
- Expenditure History
- Second Interim Multi-Year Projection
- 2018-19 Budget Options
- Next Steps

# CALIFORNIA SCHOOL DASHBOARD

## Student Group Report

### San Dieguito Union High - San Diego County

Enrollment: 12,951   Socioeconomically Disadvantaged: 8.5%   English Learners: 3.9%   Foster Youth: 0%   Grade Span: 7-12   Charter School: No

Dashboard Release:  
Fall 2017

This report shows the performance levels for all students and for each student group on the state indicators. Select any of the underlined indicators for more detailed information.

State Indicators	All Students	English Learners	Foster Youth	Homeless	Socioeconomically Disadvantaged	Students with Disabilities	African American	American Indian	Asian	Filipino	Hispanic	Pacific Islander	Two or More Races	White
<u>Chronic Absenteeism</u>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<u>Suspension Rate (K-12)</u>			*	*								*		
<u>English Learner Progress (1-12)</u>		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<u>Graduation Rate (9-12)</u>			*	*			*	*		*		*	*	
<u>English Language Arts (3-8)</u>			*	*			*	*		*		*		
<u>Mathematics (3-8)</u>			*	*			*	*		*		*		

Performance Levels:

Red (Lowest Performance)   Orange   Yellow   Green   Blue (Highest Performance)

An asterisk (\*) shows that the student group has fewer than 11 students and is not reported for privacy reasons. The performance level (color) is not included when there are fewer than 30 students in any year used to calculate status and change. An N/A means that data is not currently available.

# LOCAL CONTROL AND ACCOUNTABILITY PLAN

- **Goal 1:** Annual increase in student achievement for all students in English language arts and math with focus on accelerating student learning outcomes for students performing below grade level. (**\$1,932,500**)
- **Goal 2:** All English Learner (EL) pupils will receive instruction and curriculum that includes designated and integrated English language development across all core content areas. (**\$247,000**)
  - Within five (5) years of instruction in SDUHSD, all English learner pupils will meet the criteria to be reclassified as Redesignated Fluent English Proficient (RFEP).
- **Goal 3:** All District graduates will be college and career ready. (**\$251,500**)
- **Goal 4:** Increase the level of school connectedness and sense of safety of pupils, staff and parents. (**\$452,000**)

**Projected Total: \$2.89M**

# LCAP - STUDENT ACHIEVEMENT IS PARAMOUNT

- **After more than five years of the LCFF/LCAP model, it is time to see if the achievement gap is being closed**
  - **Are there clear signs that the needle is moving in a positive direction?**
  - **Five years isn't long enough to fully evaluate a system this large and complex, but there is enough performance data to review**
  - **The focus is now shifting to accountability**
    - **California School Dashboard**
    - **“Technical assistance”**
- **Bottom line – the true test of the LCFF/LCAP model is found in the performance of students, and it is now time to begin the analysis and reporting of overall results**



# GOVERNOR'S PROPOSED BUDGET

**\$2.9 billion** ● Fully fund LCFF

**\$1.8 billion** ● One-time discretionary funding

**\$212 million** ● Strong Workforce Program to establish a K-12 specific component

**\$100 million** ● Teacher Workforce to increase and retain special education teachers

# GOVERNOR'S PROPOSED BUDGET

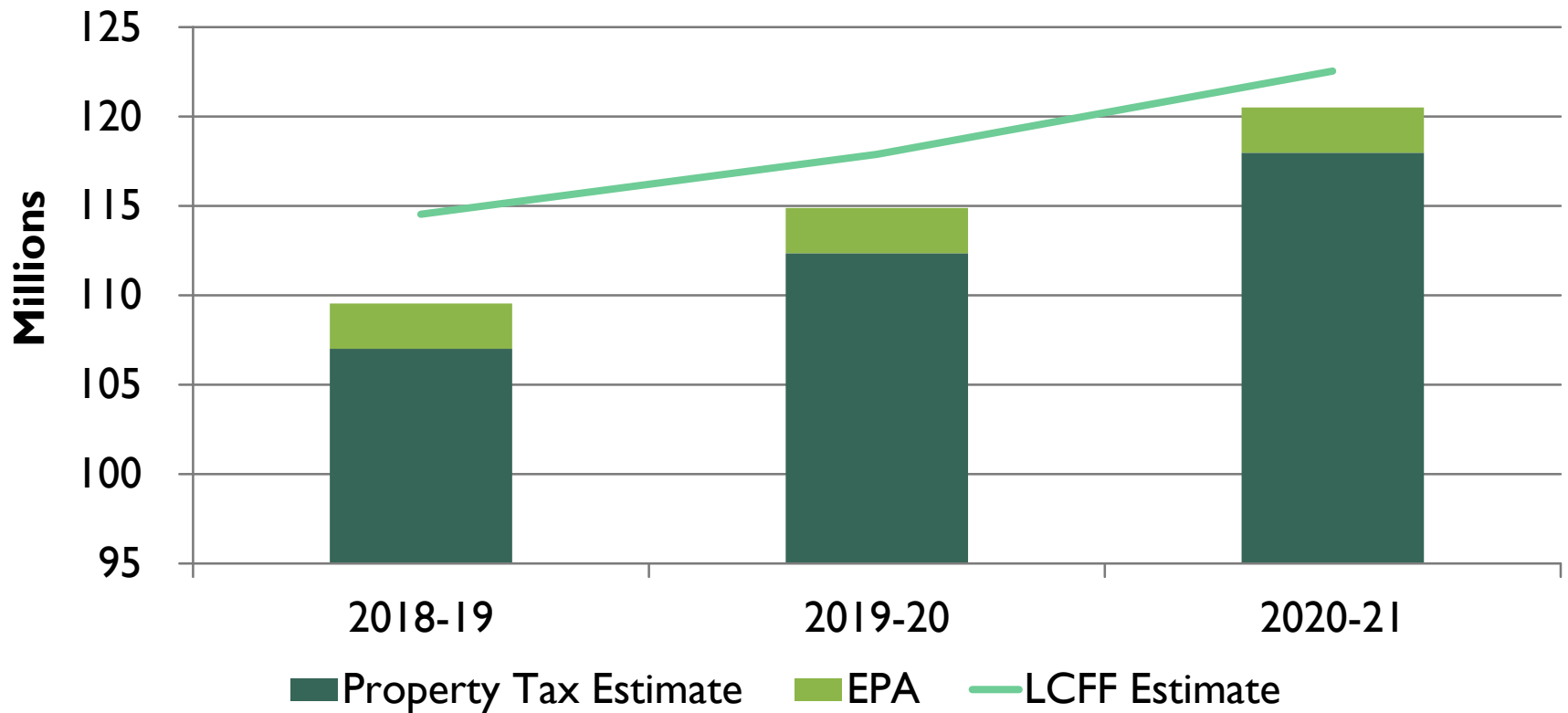
- \$59.2 million** • County offices of education (COEs) to facilitate the improvement of school districts identified as being in need of differentiated assistance
- \$10 million** • Special Education Local Plan Areas (SELPA) to work with COEs to provide LEAs with technical assistance to improve student outcomes as part of the statewide system of support
- \$6.5 million** • California Collaborative for Educational Excellence

# LOCAL CONTROL FUNDING FORMULA

- District will continue under Local Control Funding Formula (LCFF)
  - Fully funded – two years early
  - Future increases to LCFF will be limited to cost of living adjustments (COLA) only
  - Does not provide any additional revenue over the previous multi-year projection, merely provides the same funding sooner
  - SDUHSD demographics result in lower per-student funding than districts with higher populations of English learners and low income students
  - District remains on the cusp of Basic Aid status, conservative projections on property tax growth suggest a potential change in funding model on the horizon

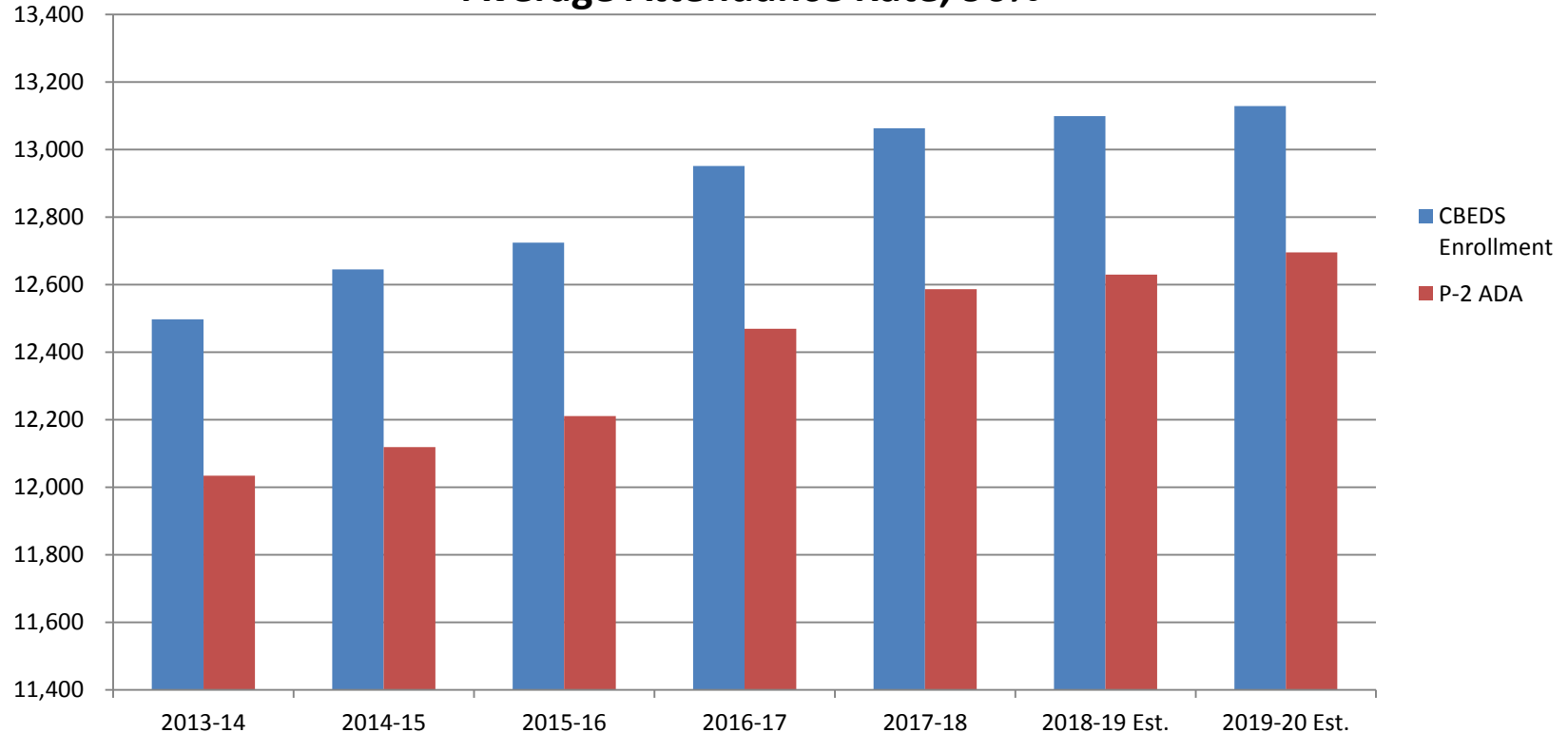
# LCFF vs BASIC AID

## Second Interim Assumptions LCFF for 2018-19, but Possible Transition to Basic Aid In Future Years

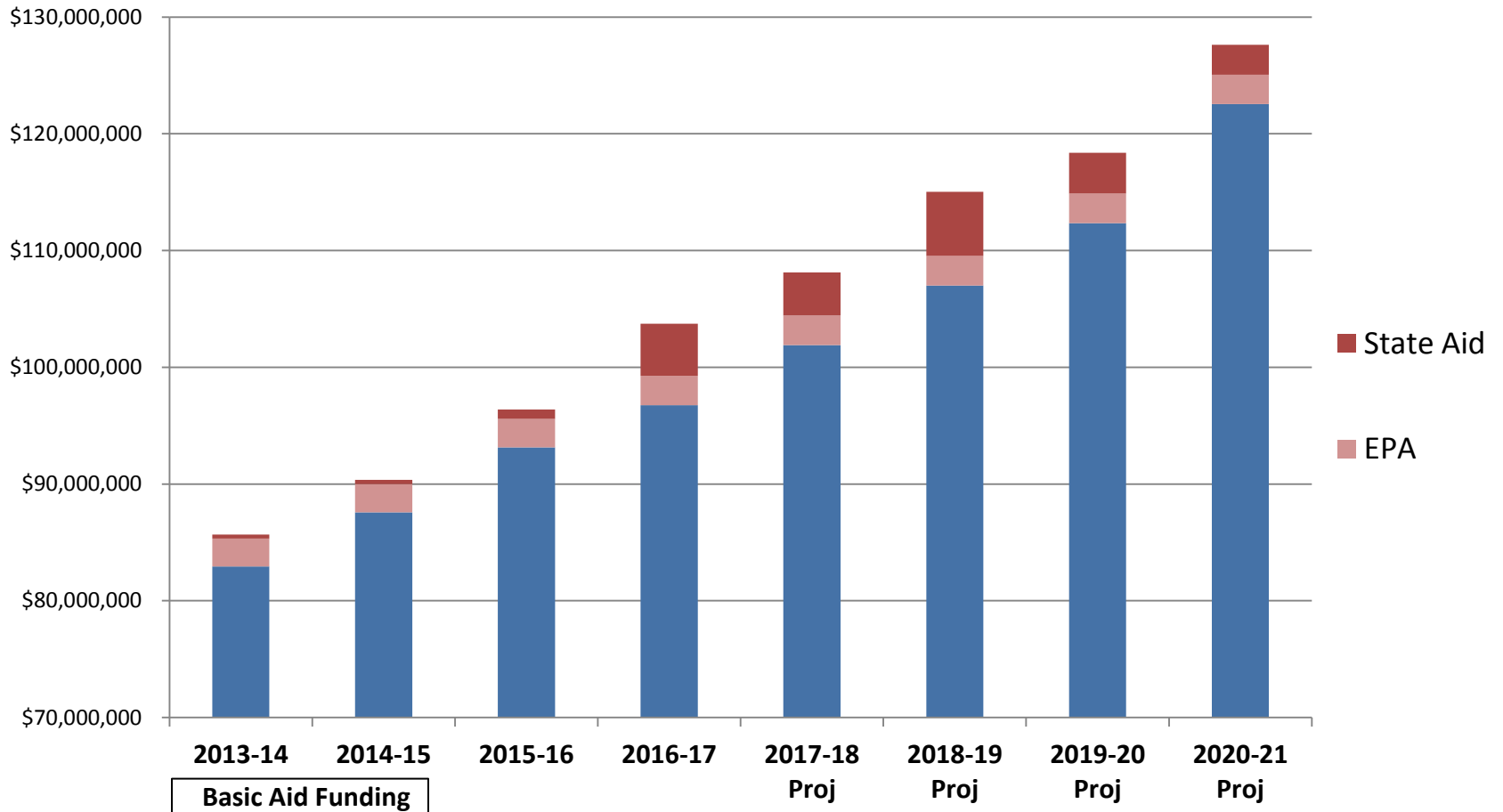


# ENROLLMENT AND AVERAGE DAILY ATTENDANCE (ADA)

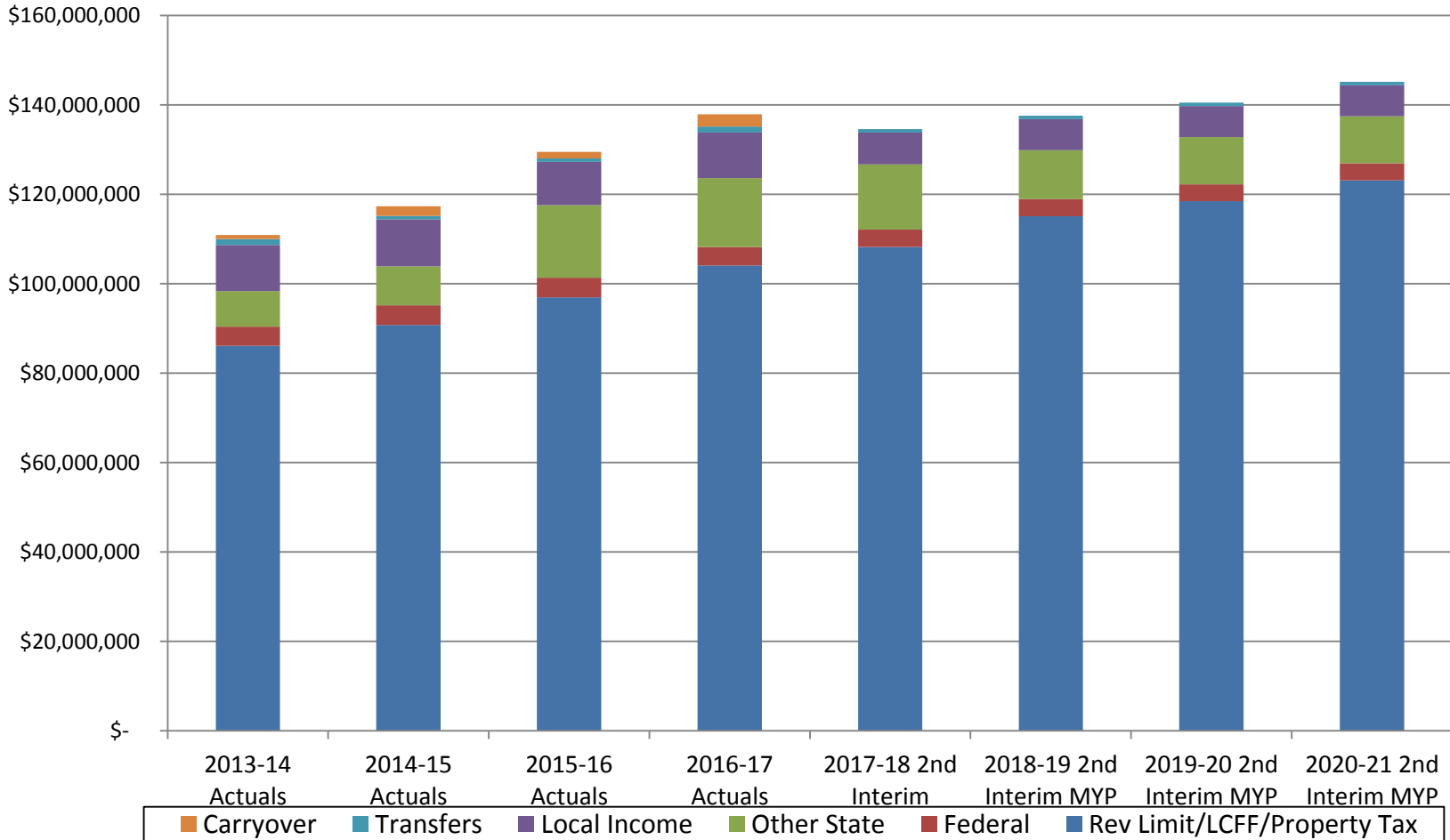
**CBEDS Enrollment and P-2 Average Daily Attendance (ADA)**  
**Average Attendance Rate, 96%**

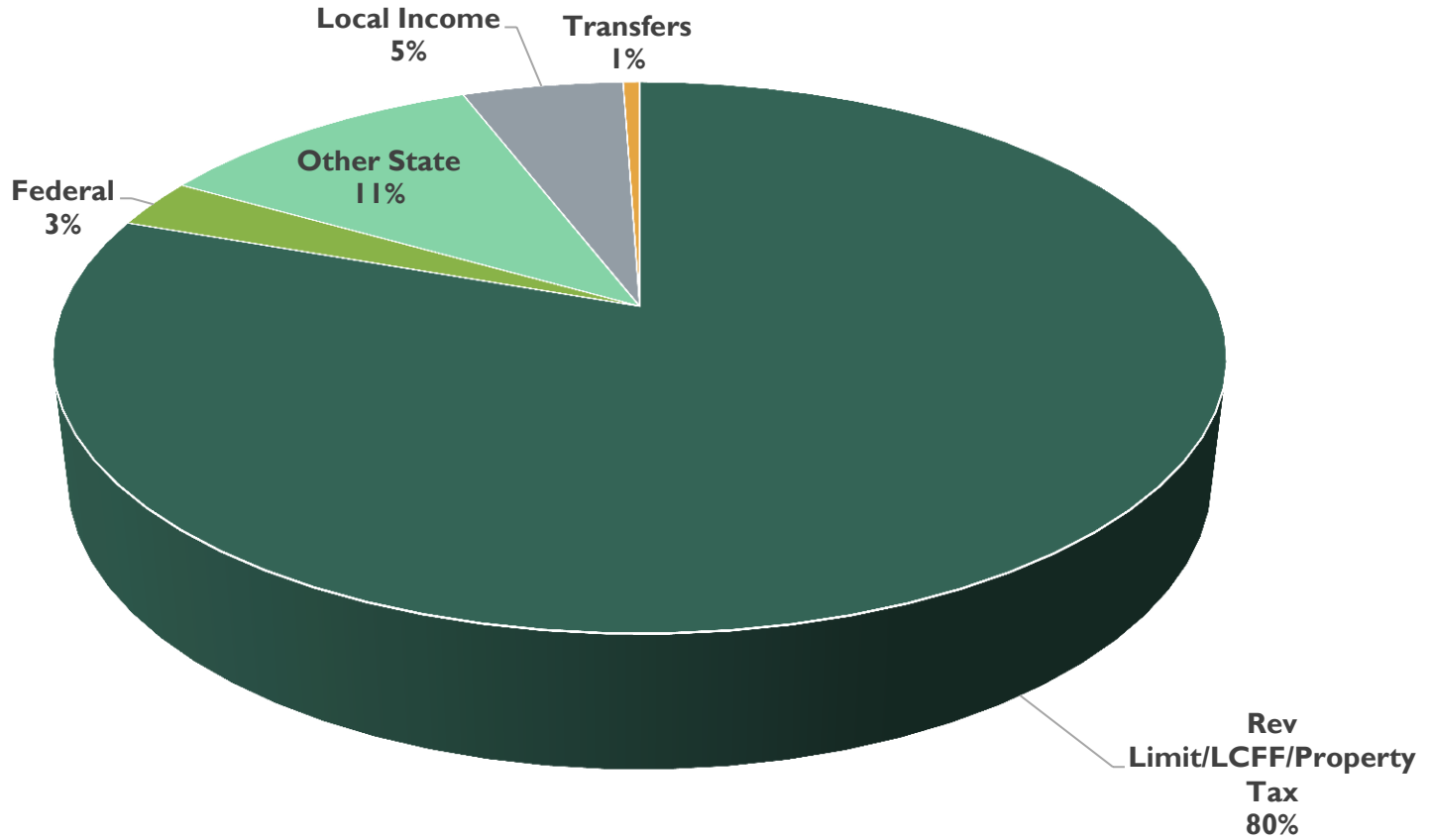


# LCFF FUNDING



# REVENUE HISTORY



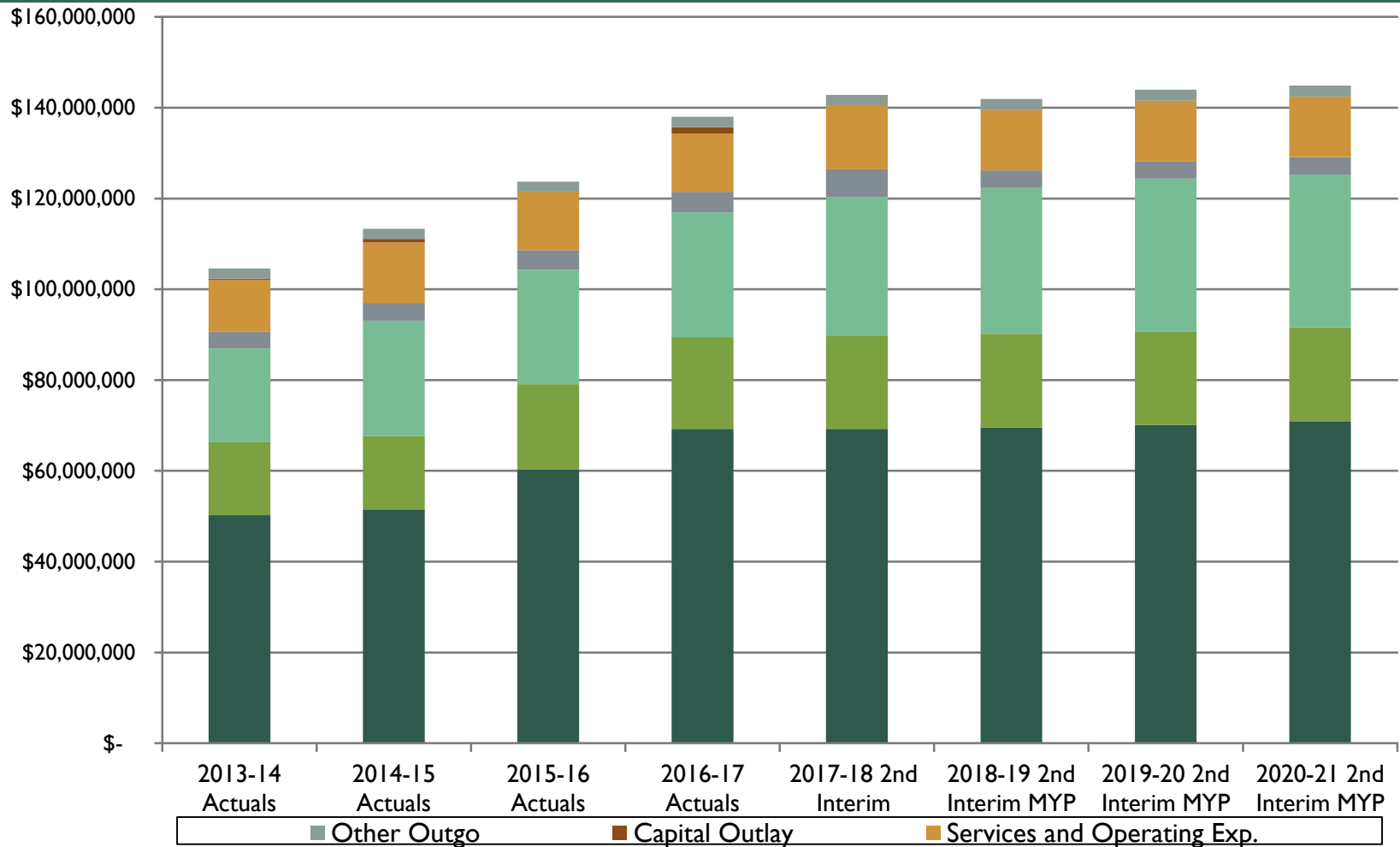


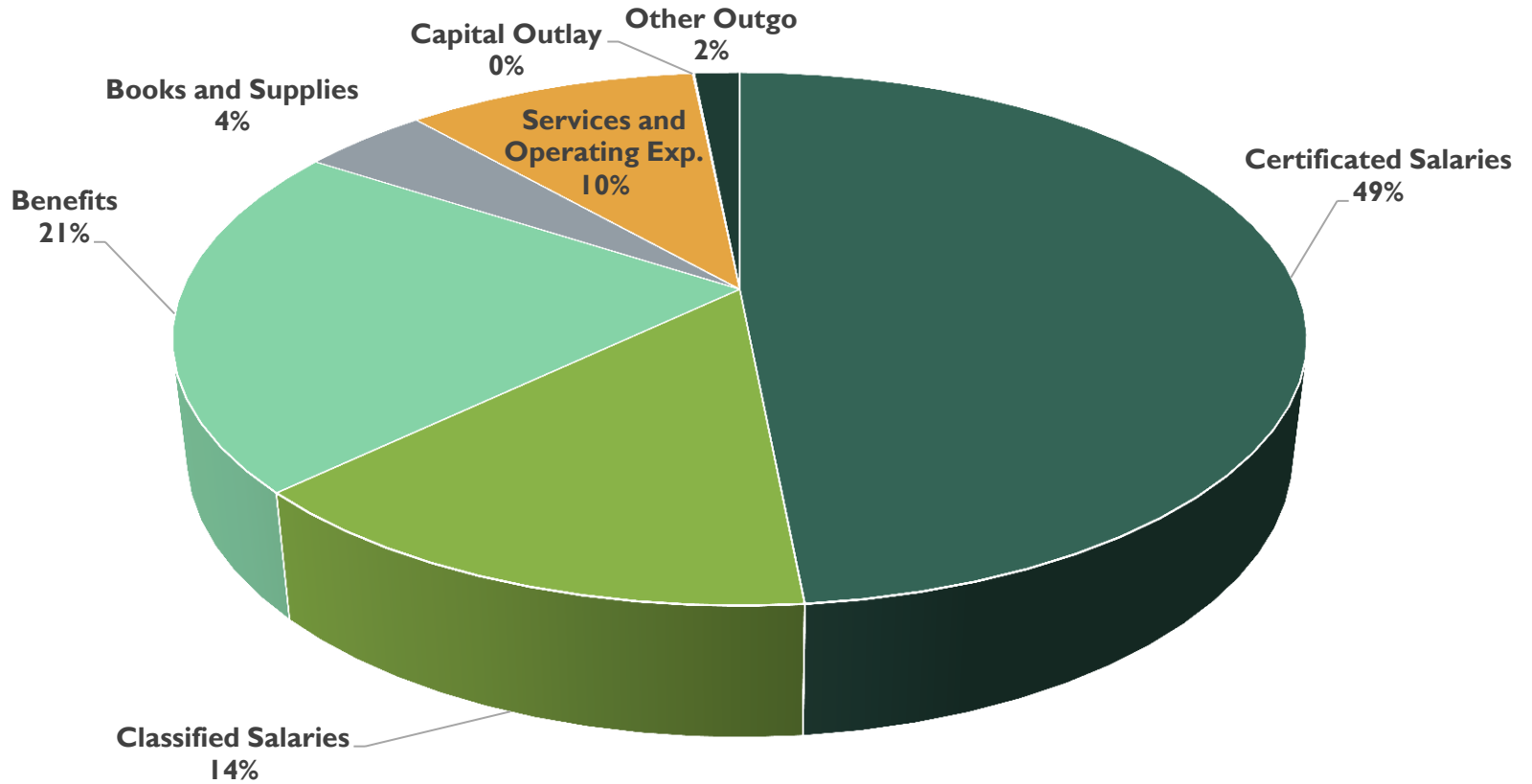
## CURRENT YEAR REVENUE

## Where the Money Comes From



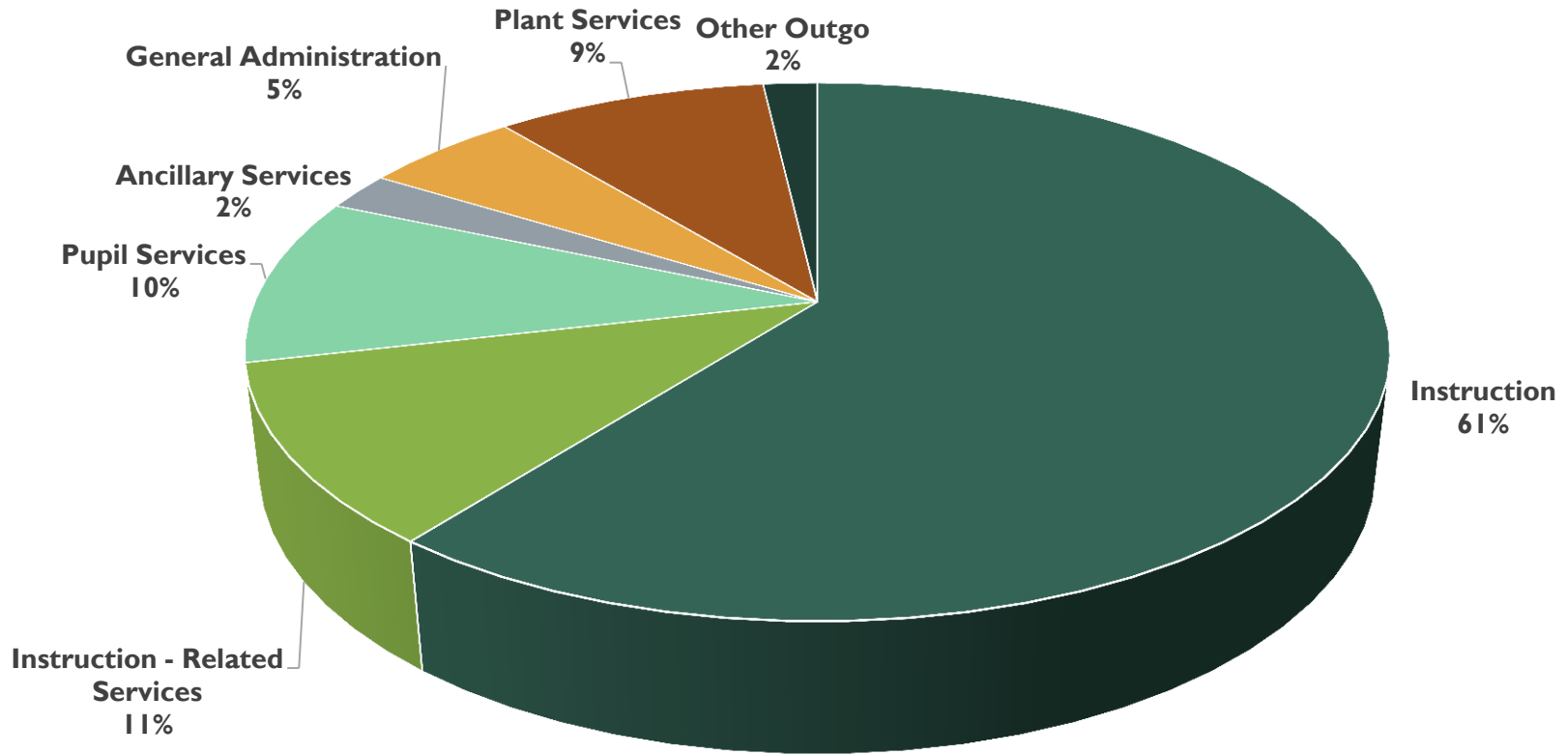
# EXPENDITURE HISTORY





## EXPENDITURE BY OBJECT

# What we buy



## EXPENDITURE BY FUNCTION

How we spend

# CaSTRS RATE INCREASES

- Employer rates are increasing to 16.28% in 2018-19, up from 14.43% in 2017-18
  - No specific funds are provided for this cost increase
- Estimated increase of \$1.3M based on 2017-18 salaries

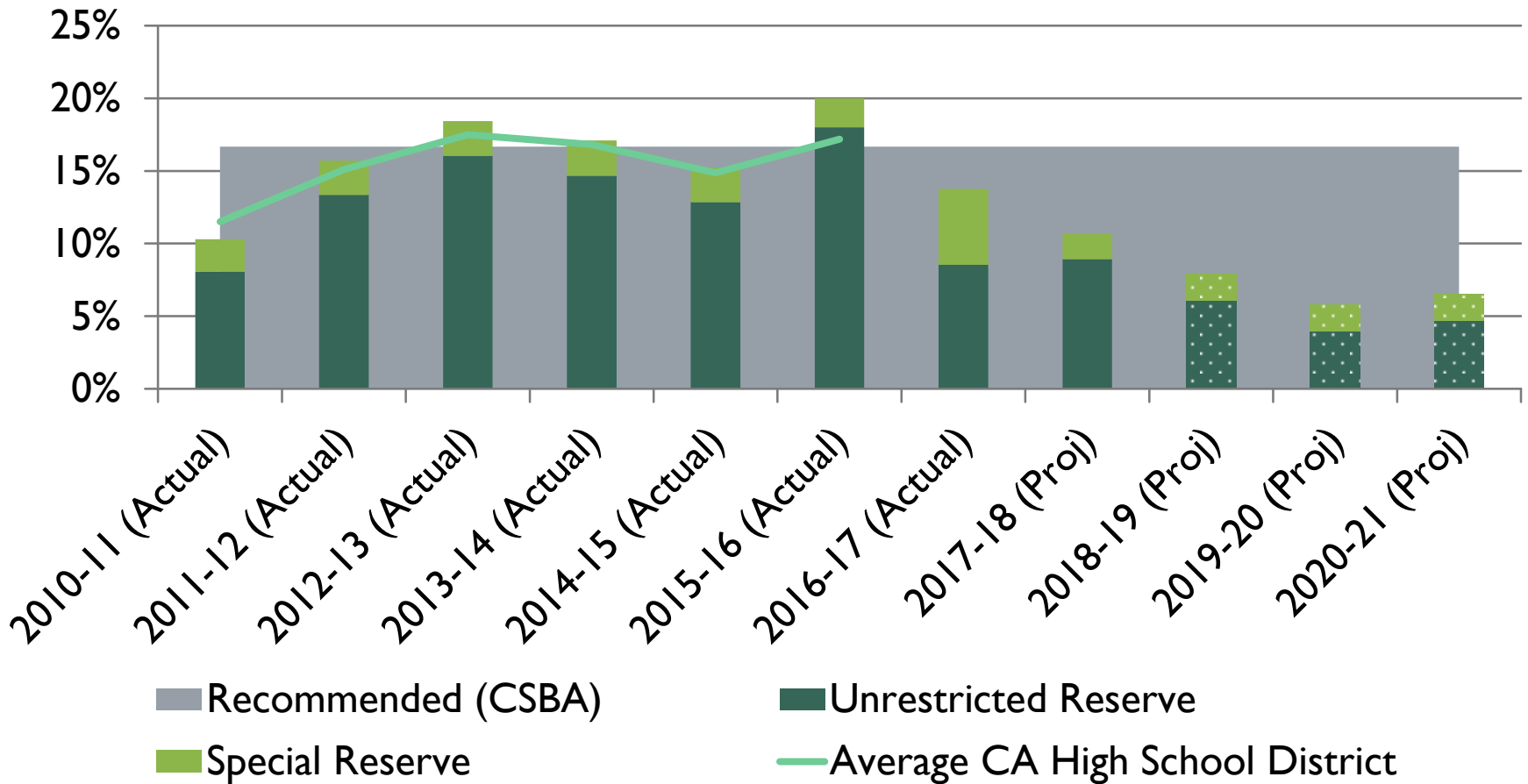
Year	Employer	Pre-PEPRA* Employees	Post-PEPRA* Employees
2017-18	14.43%	10.25%	9.205%
2018-19	16.28%	10.25%	9.205%
2019-20	18.13%	10.25%	9.205%
2020-21	19.10%	10.25%	9.205%

## CalPERS RATE INCREASES

- The employer contribution to CalPERS is proposed to increase to 17.7% in 2018-19, up from 15.531% in 2017-18
- Estimated increase of \$500K based on 2017-18 salaries
- Estimates of the resulting future contribution rate increases for school employers, which reflect the reduction in the investment return rate, are as follows:

Actual	Projected				
2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
15.531%	18.062%	20.8%	23.5%	24.6%	25.3%

# SDUHSD ENDING BALANCE HISTORY



# SECOND INTERIM MULTI-YEAR PROJECTION

Multi-Year Projection 5/4/2018				
	2017-18	2018-19	2019-20	2020-21
Revenue	134,611,926	137,555,083	140,498,509	145,167,124
Expense	142,890,242	141,941,112	143,996,057	144,895,705
Surplus (Deficit)	(8,278,316)	(4,386,029)	(3,497,548)	271,419
Unrest. Ending Balance	12,926,932	8,838,095	5,944,412	7,000,412
GF Reserve	9.05%	6.23%	4.13%	4.83%
Unrestricted Reserve Surplus(Shortfall) of 3%	8,640,225	4,579,862	1,624,531	2,653,541
Special Reserve	2,520,050	2,545,251	2,570,703	2,596,410
Combined Reserve	15,446,982	11,383,346	8,515,115	9,596,822
Combined Reserve	10.81%	8.02%	5.91%	6.62%

## 2018-19 MULTI-YEAR ASSUMPTIONS

	<b>Amount</b>
Estimated ADA	12,630
Property Tax Increase (offset by LCFF state aid)	5%
Removal of carryover expenses (carryover to increase First Interim budget after year end)	\$ (1,150,000)
Removal of one-time expenses	(1,646,417)
2017-18 Step and Column Increases	1,186,379
Retirement Savings	(720,000)
STRS/PERS Rate Increase	1,733,807
Utility Savings from additional solar projects	(300,000)



# POTENTIAL BUDGET OPTIONS

# COUNSELOR RATIOS

School	# of Counselors	Enrollment	Ratio
CCA	6	2590	432
LCC	4	1875	469
SDA	4	1898	475
SHS	1	120	120
TP	6	2454	409
HS Sub Total	21	8937	426
CV	1.6	1130	706
DNO	1.4	948	677
EW	1	619	619
OC	1	692	692
PTMS	1	685	685
MS Sub Total	6	4074	679
HS/MS Total	27	13011	482
Social Worker	4		420

- State Ratio - 477:1
- National Ratio - 945:1

## 2018-19 STUDENT SUPPORT SERVICES BUDGET OPTIONS

	<b>Amount</b>
Counselor Support	140,000
Special Education Added Authorization Reimbursement	21,000
Speech Therapist	145,000
Psychologist	140,000

- Multi-Tiered System of Supports Model

# 2018-19 SAFETY BUDGET OPTIONS

	<b>Amount</b>
School Resource Officers (SROs)	240,000 ea.
Campus Supervisor	65,000 ea.

# 2018-19 SITE SUPPORT BUDGET OPTIONS

	<b>Amount</b>
Athletic Secretary (CIF Support – 12 months) – 4 positions	25,000
Athletic Director (CIF Support – 15 days)	60,000
Decrease teacher ratio by 1 – Increase of 11 FTEs	1,375,000
Theater Technician (per high school)	66,240

# 2018-19 DISTRICT OPERATIONS BUDGET OPTIONS

	<b>Amount</b>
Reduction of Transportation Routes	(150,000)
Custodian (additional square footage since Prop AA)	62,585

# CURRENT MIDDLE SCHOOL ROUTES (10.5)

## ■ 2 Oak Crest

■ 1 morning route at 4% capacity = 2 / afternoon route at 36% = 18 Total 20 Students

■ 1 morning route at 10% capacity = 5 / afternoon route at 70% = 35 Total 40 Students

## ■ 4 Carmel Valley

■ 1 morning route at 100% capacity = 51 / afternoon route at 74% = 37 Total 88 Students

■ 1 morning route at 100% capacity = 51 / afternoon route at 60% = 30 Total 81 Students

■ 1 morning route at 90% capacity = 45 / afternoon route at 64% = 32 Total 77 Students

■ 1 morning route at 68% capacity = 34 / afternoon route 22% = 11 Total 45 Students

## ■ 2.5 Earl Warren

■ 1 morning route at 10% capacity = 5 / afternoon route at 70% = 35 Total 40 Students

■ 1 morning route at 20% capacity = 10 / afternoon route at 42% = 21 Total 31 Students

■ 1 afternoon route at 24% capacity = 12 Total 12 Students

## ■ 2 Diegueno

■ 1 morning route at 100% capacity = 52 / afternoon route at 24% = 12 Total 74 Students

■ 1 morning route at 32% capacity = 16 / afternoon route at 24% = 12 Total 28 Students

# SPECIAL FUNDS HIGHLIGHTS



# SPECIAL FUNDS

## ■ Prop AA Fund 21-39

- Series D estimated to be issued at approximately \$25.4 million in 2018
- Project commitments will bring available project funds down to \$18.7 million by the end of 2017-18
  - Diegueno – Building P and Renovation of Buildings B & G
  - Earl Warren – Phase 2 Campus Re-Construction
  - Oak Crest – Administration Building Re-Construction

## ■ Capital Facilities Funds 25-18 & 25-19

- Escalation in developer permit activity results in increased revenue
- Funds smaller projects tied to enrollment growth

# SPECIAL FUNDS

- Cafeteria Fund 13-00
  - Nutrition Services continues to monitor both ongoing and one-time expenses
  - Continues to review staffing levels and cost savings through attrition
  - New regulations negatively affected sales over the last couple of years
    - Have begun to see leveling in participation
    - Uber Eats/local eateries create competition
  - Calorie and ingredient restrictions result in fewer beverage and snack options
  - Replacement menu items will be tested throughout the school year
  - No-Charge Breakfast will continue at campuses where state and federal revenue will cover costs

## NEXT STEPS

- Local Control Accountability Plan (LCAP) and Budget must be adopted by June 30, 2018
- LCAP and Budget Adoption scheduled for June 21, 2018
- Revisions discussed at workshop to be incorporated into proposed budget review on June 7, 2018