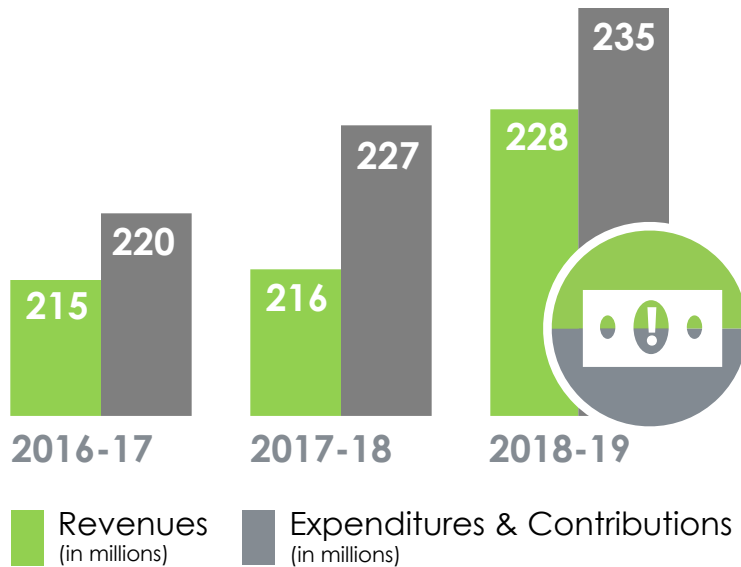


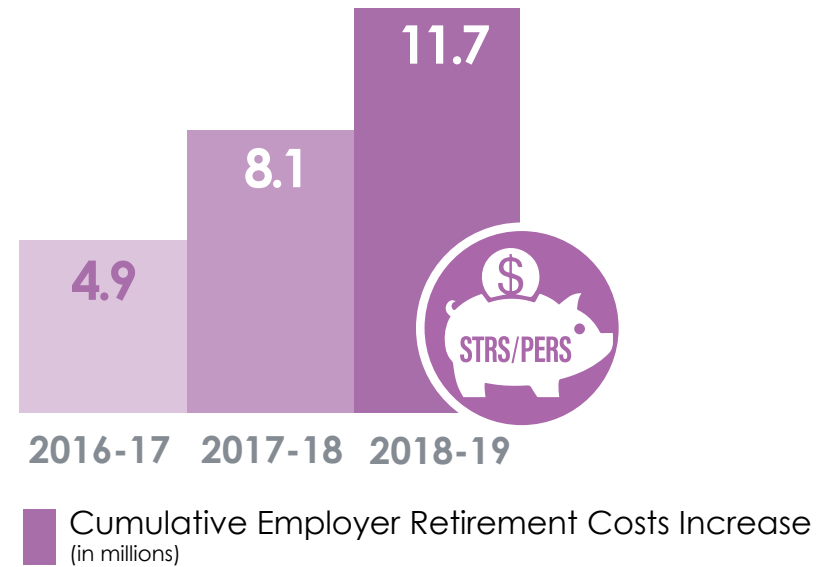


District Financial Challenges

\$8,321,473 2018-19 DEFICIT SPENDING



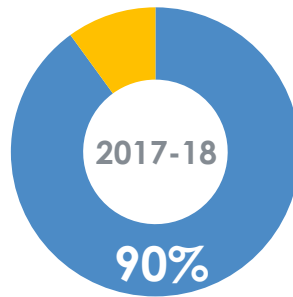
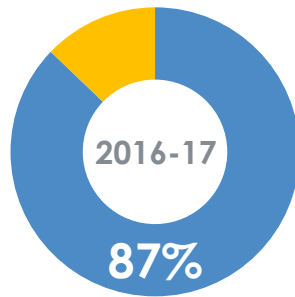
District expenses are outpacing revenues, resulting in deficit spending



As a result of shortfalls in the California pension system, the District has faced rising obligations.

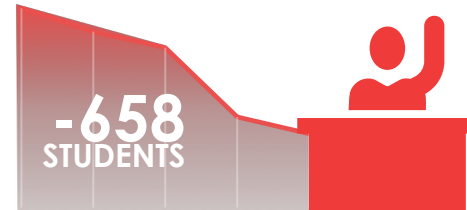


District Financial Challenges

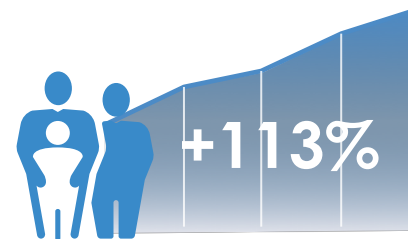


% of Salary & Benefits to Total Expenditures

Nearly 90 percent of the District's unrestricted general costs are dedicated to employee salaries. Employee salaries and benefits as a percentage of general costs increased two years in a row.



CVESD attendance has dropped by 658 students in the last 4 years.



General fund contributions to Special Education have increased 113% in the last 4 years.



2018-19 General Fund Budget Summary



	<i>Adopted Budget</i>	<i>Revised Budget</i>	<i>Increase/ <Decrease></i>
Revenues	\$ 277,356,763	\$ 275,111,558	\$ <2,245,205>
Expenditures	\$ 283,433,031	\$ 283,433,031	\$ 0
Increase/ <Decrease>	\$ <6,076,268>	\$ <8,321,473>	\$ <2,245,205>
Beginning Balance	\$ 44,419,339	\$ 44,419,339	\$ 0
Ending Balance	\$ 38,343,071	\$ 36,097,866	\$ <2,245,205>
Designations	\$ 1,085,000	\$ 1,085,000	\$ 0
Reserve for Economic Uncertainties (REU)	\$ 37,258,071	\$ 35,012,866	\$ <2,245,205>

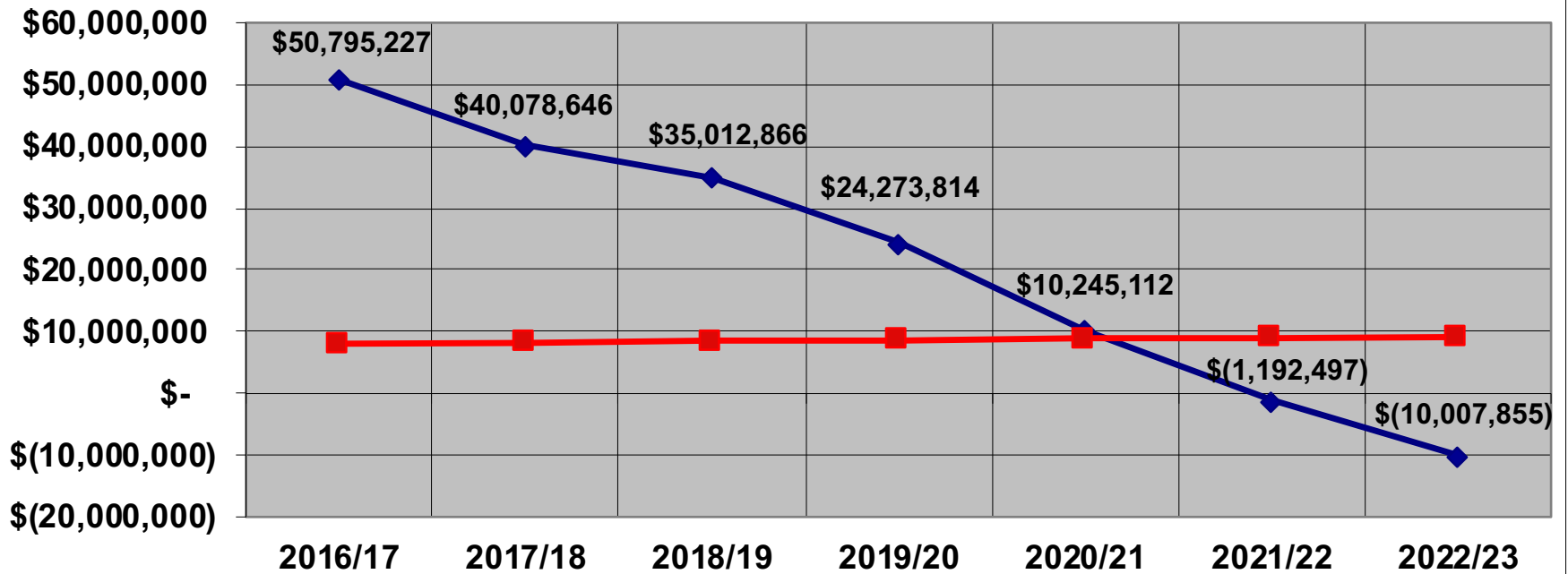


Multiyear Projection 2018-19 Through 2022-23 (Revised Budget)



Amount Reserved for Economic Uncertainties vs. 3 Percent Minimum Reserve by Fiscal Year

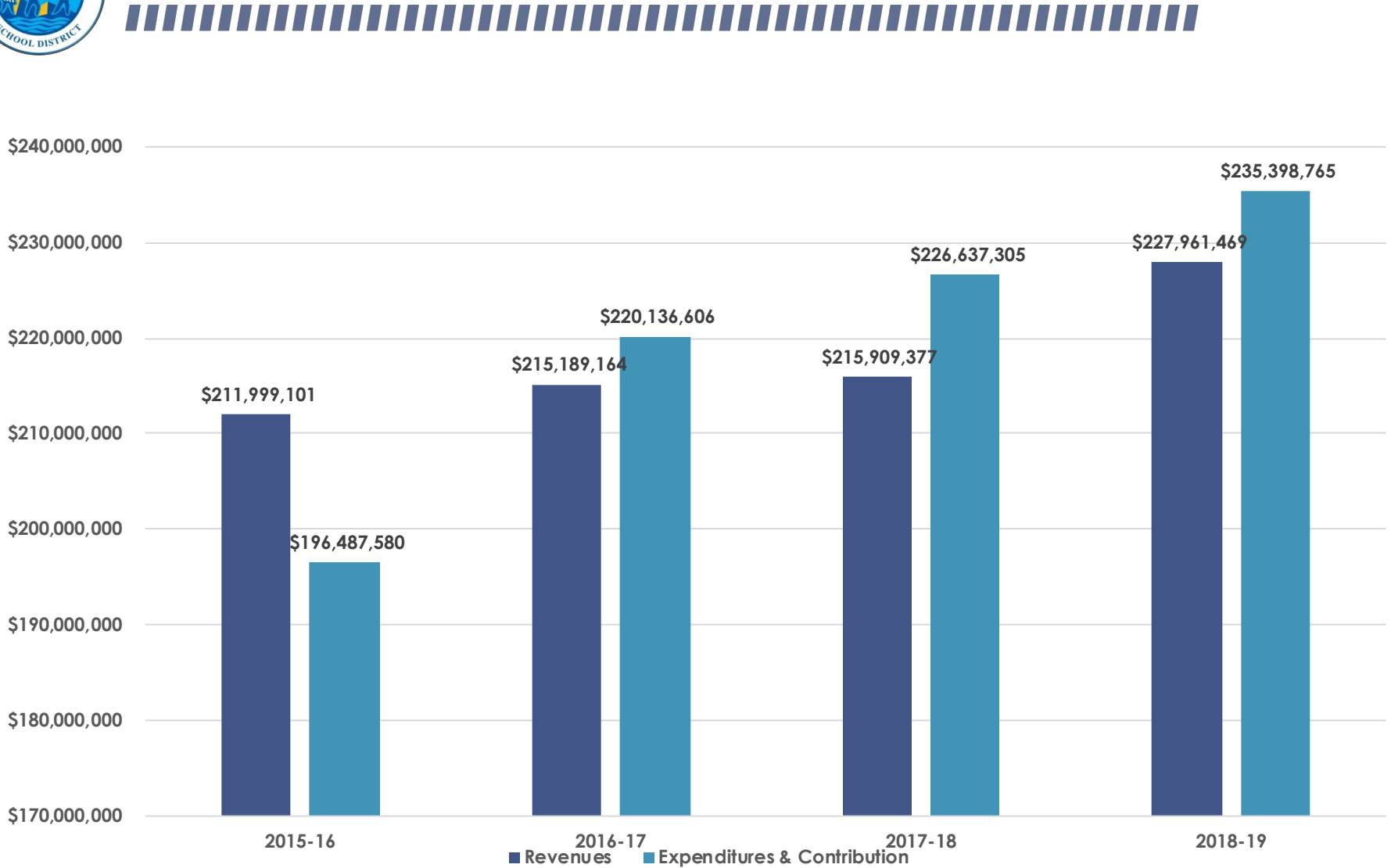
—◆— REU
—■— 3% Minimum REU



Budget cuts included	\$1.3M	\$1.8M	\$3.5M	\$1.5M	\$0	\$0	\$0
REU Percentage	18.89%	14.58%	12.35%	8.47%	3.47%	<0.40%>	<3.28%>
Deficit	<\$5.9M>	<12.3M>	<\$8.3M>	<\$10.7M>	<\$14.0M>	<\$11.4M>	<\$8.8M>



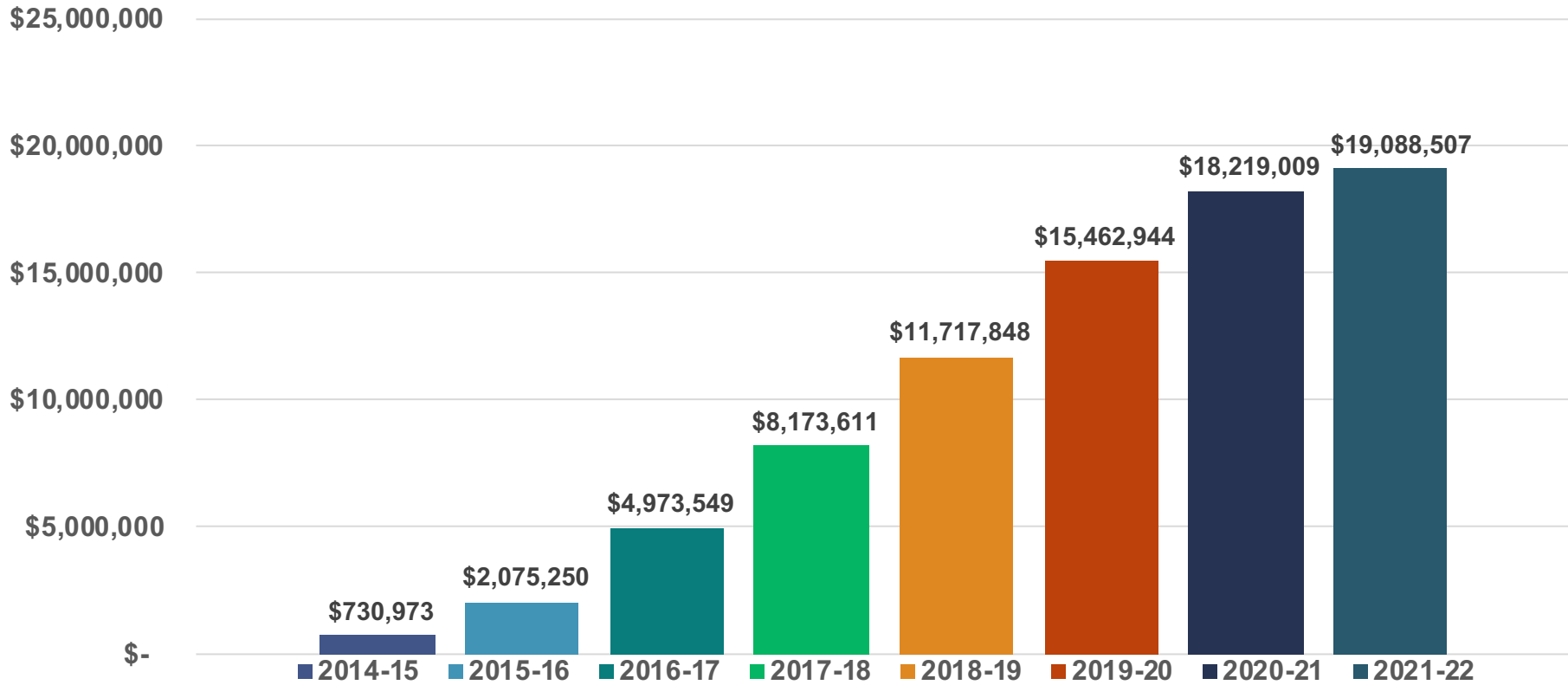
Unrestricted General Fund: Revenues vs Expenditures and Contributions 2015-16 through 2018-19



One-Time Funds: 15/16:\$12.2M; 16/17:\$4.9M; 17/18:\$3.3M; 18/19: \$4.2M



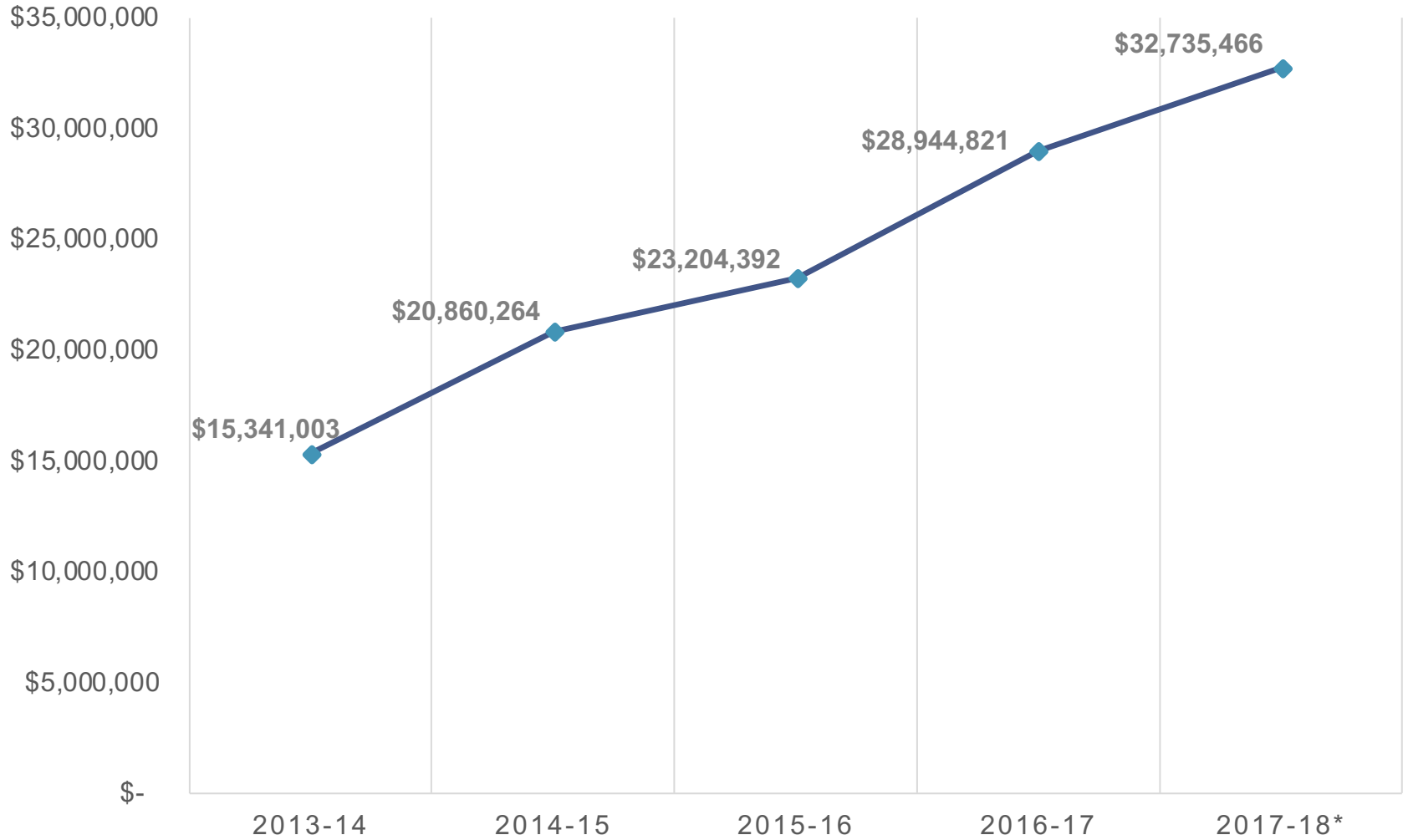
CVESD Cumulative Employer Retirement Costs Increase (Unrestricted General Fund: CalSTRS and CalPERS)



CalSTRS rate	8.88%	10.73%	12.58%	14.43%	16.28%	18.13%	19.10%	19.10%
CalPERS rate	11.771%	11.847%	13.888%	15.531%	18.1%	20.8%	23.8%	24.6%



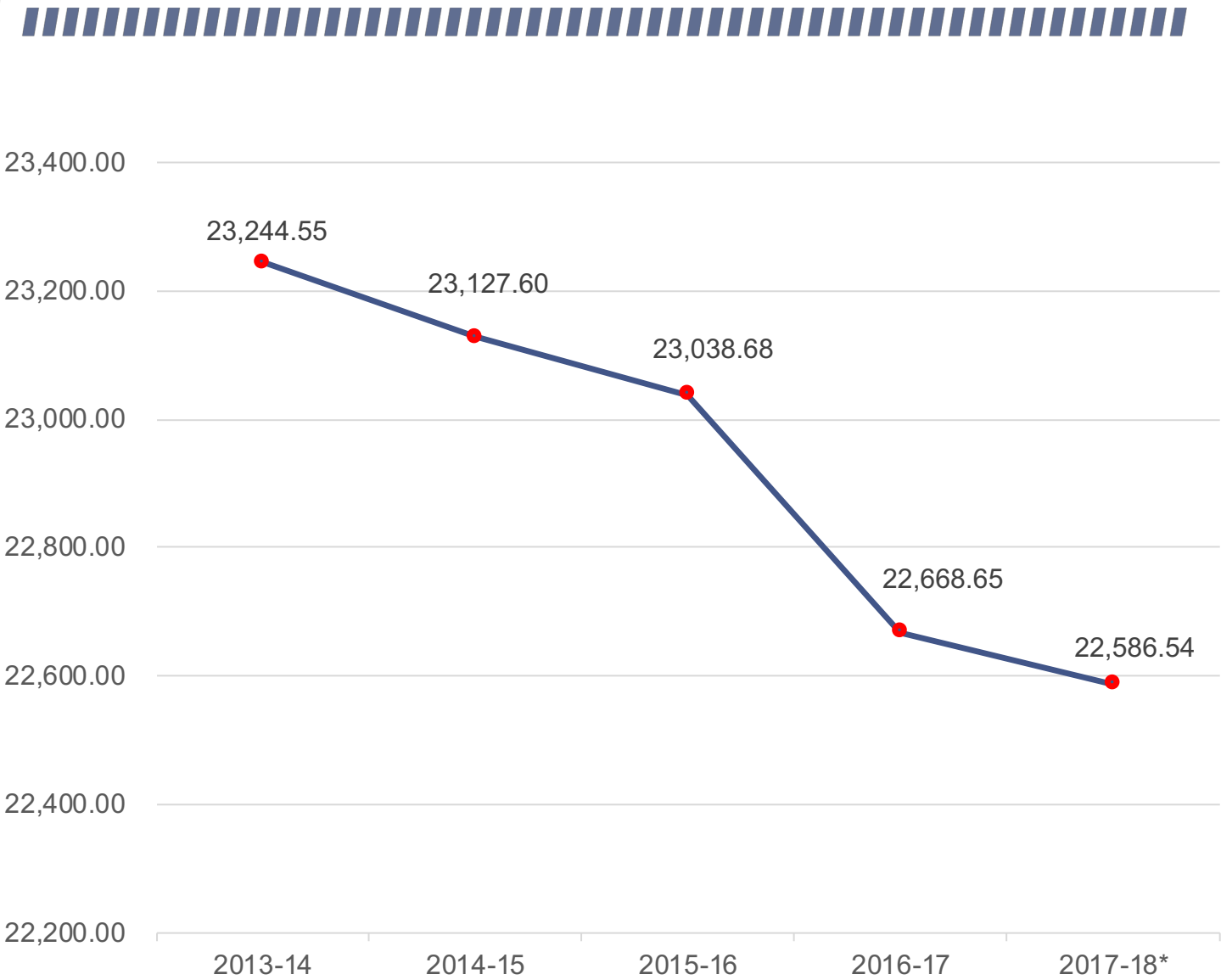
CVESD Historical Unrestricted General Fund Contribution to Special Education



* as of 2017-18 estimated actuals budget



CVESD Attendance District Only (K-6)



*2017-18 P-2 ADA reporting



Percentage of Unrestricted Salary & Benefits to Total Unrestricted Expenditures



	2014-15	2015-16	2016-17	2017-18
Salary	110,550,989.81	115,426,661.14	124,864,576.97	129,946,364.64
Benefits	26,310,438.65	30,404,422.05	36,010,841.29	38,376,106.17
Total Salary & Benefits	\$136,861,428.46	\$145,831,083.19	\$160,875,418.26	\$168,322,470.81
Total Expenditures	\$158,652,654.66	\$165,694,334.61	\$184,556,628.69	\$187,039,698.25
% of S & B to Total Exp	86.26%	88.01%	87.17%	89.99%