



FALL BUDGET REVISION  
FIRST INTERIM REPORT

2010-11

COVINA-VALLEY  
UNIFIED SCHOOL DISTRICT

December 6, 2010



# **COVINA-VALLEY**

## **UNIFIED SCHOOL DISTRICT**

**District Superintendent**  
Catherine J. Nichols, Ed.D.

**December 6, 2010**

**Board of Education**  
Mary L. Hanes, M.D.  
Charles M. Kemp  
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Richard M. White

**To:** Board of Education, Dr. Nichols  
**From:** Susan Cross Hume, CPA, CIA  
**Subject:** First Interim Report

The District's First Interim Financial Report, consisting of current year financial statements and budgets for all funds, as well as the required State reports, is attached. This memo provides a narrative overview of the Report.

### **Background**

The District is required to formally report to our community, the Los Angeles County Office of Education (LACOE), and the State of California our actual financial results of operations three times a year. In addition to providing July 1 through year to date results, the reports also provide projected results for future periods. The required reports are as follows:

<u>Report</u>	<u>Reports Actual Financial Results through:</u>	<u>Due Date:</u>
First Interim	October 31	December 15
Second Interim	January 31	March 15
J-200 Unaudited Actuals	June 30	September 15

### **Financial Reports Included - First Interim Report to Board**

The following reports are provided in this document:

- First Interim Budget Projections
- First Interim State Report (SACS format)
- Multi-year projections
- State Criteria and Standards

Year to date financial statements reflect actual financial results from the District's accounting system which is maintained through LACOE on the PeopleSoft accounting system. For the First and Second Interim reports, results are on a cash basis (no accruals are booked). Accruals are recorded for the year-end financial statements.

Current year budgets and multi-year projections are based on information provided by LACOE, the California Department of Education, School Services of California, and other relevant professional sources. A summary of the various factors used is attached at the end of this memo. Additional discussion is provided below.

## Current Year Budget

At First Interim, the District updates its original 2010-11 budget (adopted by the Board of Education on June 28, 2010) to reflect current financial projections. At the time of the District's original adoption, the State had not passed its final budget; therefore, the District's 2010-11 budget was based upon the Governor's May Revision. The Legislature passed the "final" budget on October 8, 2010. Through deferrals, optimistic assumptions, and various creative accounting measures, this updated spending plan painted a rosier picture of California's economic future, which resulted in the restoration of virtually all of the proposed school funding cuts previously outlined in the May Revision. The trade-off for this welcome news was the suspension of Proposition 98, an additional apportionment deferral, and major uncertainty over whether funding can be sustained in future years.

As it relates specifically to Covina-Valley, the final State budget adoption included the following material changes from the May Revision, which have been incorporated into the First Interim Budget:

- Zeroing out of proposed negative 0.39% Cost of Living Allowance (COLA) and restoration of proposed 3.85% cut to the revenue limit. This results in a \$270 increase to the base revenue limit from the May Revision amount
- The budget also includes an estimated \$28 per unit of Average Daily Attendance (ADA) allocation for prior year mandated costs owed. This amounts to \$390,000 in revenue for the District.

In addition to the changes brought about by the passage of the State budget, the District also learned after the adoption of its original (June) budget that it would receive Federal Education Jobs funding in the amount of \$2.66 million. This income has been added into the First Interim budget.

In addition to the revisions to the District's 2010-11 budget caused by the changes to the State budget and the receipt of the Federal jobs funding, the District has also updated its current year projections to reflect the following:

- Beginning fund balances adjusted to reflect actual ending results for the June 30, 2010 fiscal year.
- Categorical revenue accounts updated to the most recent grant/entitlement letters and other information received from the State and federal governments. Corresponding expenditure accounts are also adjusted accordingly. Indirect costs are updated to reflect changes in total estimated expenditures.
- Other income accounts analyzed and adjusted to reflect year to date receipts and estimated year end amounts.
- Revenues and expenditures of programs that encroach on the General Fund updated to current projections and encroachment accounts adjusted accordingly.
- Salary and benefit accounts adjusted to reflect updated staffing levels and changes to benefit costs including health insurance costs.

- All expenditure accounts analyzed and adjusted to reflect year to date expenditures and estimated expenditures to finish the year.

At the original adopted budget, the District projected Unrestricted General Fund net loss for the 2010-11 fiscal year of (\$2,037,193). Due primarily to the restoration of the Revenue Limit, the 2010-11 updated First Interim budget reflects net income of \$2,577,928.

The ending unrestricted fund balance is projected at \$15,971,154 or 14.7%. This amount is \$12.7 million above the State required 3% reserve.

### Multi-Year Projections

The most important element of the First Interim report is the three year projection for the General Fund. In this forecast the District projects its financial prognosis for the current and subsequent two years. The purpose of the projection is to report to our stakeholders on the continued fiscal viability of the District. The projection provides the rationale for the District's choice of certification options (Positive, Qualified or Negative) on its Certification of Financial Condition.

Please refer to the attached summary for details of the significant variables and assumptions used in the preparation of the District's three year projection.

The most significant factors in the projection are State funded COLAs (Cost of Living Allowance) and District Average Daily Attendance (ADA.)

**State Funding:** The District is using the variables as outlined in LACOE bulletin #108, dated October 29, 2010, for revenue limit and State categorical funding COLAs and deficits. With the restoration of the 2009-10 cut of \$253 per ADA to the base revenue limit, this results in an effective COLA to the revenue limit 5.17% in 2010-11. Although a statutory COLA of 1.7% is projected for 2011-12, due to continued concerns about the State's financial situation, LACOE is requiring that the District use a -0- COLA. For 2012-13, a statutory COLA of 1.9% is estimated by the State and used in the District's projection.

**ADA:** The District projects a continued decline in enrollment and ADA. In 2010-11, the District is in its fifth year of declining enrollment, having lost (as of the second school month enrollment count) 1,649 students, or 10.8% of its high of 15,308 students in 2005-06. Revenue Limit funding is based upon the higher of current or prior year Second Period ("P-2") ADA. As the District has been declining in enrollment, it will continue to be funded on prior year ADA, i.e., 2010-11 funding will be based upon 2009-10 ADA.

	<u>P-2 ADA</u>	<u>ADA used in Revenue Limit Calculation for Projection</u>
2009-10	13,536	13,942
2010-11	13,236 (estimated)	13,536
2011-12	12,940 (estimated)	13,236 (estimated)
2012-13	12,734 (estimated)	12,940 (estimated)

Other material assumptions used in the District's three-year projection include:

**State Flexibility:** As part of the State's "flexibility" package granted to school districts, revenues from those categorical programs identified as Tier Three may be swept for use to the District's Unrestricted General Fund. The District has identified \$2.9 million in ongoing dollars that will be reallocated from specific program budgets to the unrestricted fund to make up for State cuts. A detailed list by program is attached. Additionally, the District projects to sweep \$1.5 million from the Adult Education fund in 2010-11.

An additional flexibility option granted to K-12 school districts is the ability to reduce the school year from 180 to 175 days. The District has implemented this flexibility with the cooperation of its employee associations, which have agreed to reductions in their work years (furlough days).

The State has also reduced the penalties normally associated with increasing class size from the twenty to one mandate required by the K-3 Class Size Reduction Program. The District has taken advantage of this flexibility provision by maintaining a target class size for kindergarten through third grade classes of twenty-two to one.

These State flexibility provisions are set to end (by statute) in either the 2012-13 (K-3 CSR) or 2013-14 school year. The District has incorporated the effect of returning to the twenty to one ratio in grades Kindergarten through 3<sup>rd</sup> in 2012-13 in its projection. The District is in the early planning stages in determining how to manage the end of the remaining flexibility provisions in 2013-14 (the fourth year out).

**Federal Education Jobs Funding:** The District has received 90% of its Federal Education Jobs Fund entitlement. The entire entitlement of \$2,660,786 has been budgeted. The funding will be used to retain existing employees.

### Ending Fund Balances

Taking into account all of these changes to the three-year projection, the District projects net income in the 2010-11 school year, but deficit spending in fiscal years 2012 and 2013. The projected Unrestricted General Fund ending fund balance percents are as follows:

June 30, 2011	14.7%
June 30, 2012	8.9%
June 30, 2013	3.0%

### Certification

Since the District is showing that it is making its 3% Unrestricted General Fund Balance reserve requirement for the third year out (June 30, 2013), the District is certifying with a Positive Certification. Per State guidelines, a Positive Certification indicates that, based upon current

budget assumptions and projections, the school district **will** meet its financial obligations for the current fiscal year and subsequent two fiscal years. However, ever-evolving State budget forecasts continue to be negative, and there is substantial doubt as to whether the State will be able to fund even the current year's K-12 budget, let alone future year COLAs. Due to the grave uncertainty facing the State, all projections should be viewed with caution and considered highly changeable.

## **Conclusion**

The First Interim Report is an important document in the District's on-going communications to its stakeholders. The Report and Certification provide accountability and evidence of stewardship to our community.

Like most California school districts, as well as the State itself, the District is facing continuing financial uncertainties, due to both declining enrollment and the State's budget crisis. However, the District is committed to continuing to address these uncertainties in a proactive manner, thus enabling it to continue in its mission of providing a high quality education to the students of Covina-Valley USD.

**Covina-Valley Unified School District  
2010-11 Budget Projection Assumptions for First Interim  
Fiscal Years Ending June 30, 2011, 2012, 2013**

	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
Revenue Limit			
Statutory COLA	(0.39%)	1.7%	1.9%
Deficit	17.963%	17.963%	17.963%
Net Change to Revenue Limit after restoration of 2009-10 one time cut	5.17%		
COLA for planning		0%	1.9%
Dollars per ADA	\$5,223	\$5,223	\$5,323
Change from prior years	\$258	0	\$100
Funded ADA	13,536	13,236	12,940
Decrease in Funded ADA	(403)	(300)	(296)
Federal Education Jobs Funding	\$2,660,786	0	0
Categorical Program COLAs			
Federal Programs	None Projected	None Projected	None Projected
State Programs	None Projected	1.7%	1.9%
Special Education	None Projected	1.7%	1.9%
Class Size Reduction	\$1,071 per student	\$1,071 per student	Flexibility ends, resulting in a net decrease of \$650,000
1999-2000 Special Ed Settlement	\$61,072	-	-
Lottery (per ADA)	\$130	\$128.50	\$127.20
Mandated Costs	\$390,292	\$390,292	\$390,292

2010-11 Budget Projection  
Assumptions - continued

	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
Local Income (Includes Interest and District Portion of Redevelopment Agency Fees)	3%	3%	3%
Interfund Transfer - from Adult Education Fund	\$1,500,000	-	-
Encroachment Special Education	Based on current income and excess cost estimates from SELPA and current expenditures estimates	5%	5%
Routine Repair and Maintenance	Based on current expenditure projections	1.5%	1.5%
Step and Column Increase			
Certificated	1.75%	1.75%	1.75%
Classified	1.25%	1.25%	1.25%
Benefits	1.25%	1.25%	1.25%
Estimated Decrease in Teachers	(17)	(8)	(8)
Employee Compensation Increase (other than Step and Column)	0	0	0
Supplies and Services	Based on current expenditure projections	Adjusted by CPI	Adjusted by CPI

**Covina-Valley Unified School District  
2010-11 Budget Projection Assumptions for First Interim  
Tier 3 Programs - Amounts Redirected to  
Unrestricted General Fund Budget**

The following Tier 3 categorical amounts, which were formerly restricted to specific use, have been reallocated to the District's Unrestricted General Fund Budget for 2010-11. The budgeted amounts have been projected in the 3-year projection to remain in the Unrestricted Fund for all three years.

P.E. Teacher Incentive	\$ 88,045
California High School Exit Exam	144,106
Gifted and Talented Pupils	74,481
Instructional Materials	500,000
Math and Reading Professional Development	103,202
Pupil Retention Block Grant	41,530
Professional Development Block Grant	500,000
Targeted Instructional Improvement Grant	640,970
School Library Improvement Block Grant	657,320
Art & Music Block Grant	151,027
	<u>\$2,900,681</u>

Additionally, the District is projecting to make a one-time transfer from the Adult Education Fund of \$1,500,000 in fiscal year 2010-11.

COVINA-VALLEY UNIFIED SCHOOL DISTRICT  
UNRESTRICTED GENERAL FUND  
2010-2011

	Adopted Budget 2010-2011	1st Interim Budget Projections
<b>Revenues</b>		
Revenue Limit	\$ 64,387,543	\$ 67,942,482
Federal Revenues	\$ -	\$ -
State Revenues	\$ 10,664,536	\$ 10,787,833
Other Local Revenues	\$ 3,051,372	\$ 1,435,925
<b>Total Revenues</b>	<u>\$ 78,103,451</u>	<u>\$ 80,166,240</u>
<b>Expenditures</b>		
Certificated Salaries	\$ 40,826,981	\$ 38,295,142
Classified Salaries	\$ 9,324,079	\$ 9,327,437
Employee Benefits	\$ 13,919,671	\$ 13,958,099
Books and Supplies	\$ 2,307,986	\$ 2,412,398
Services and Other Operating	\$ 7,533,818	\$ 7,574,745
Capital Outlay	\$ -	\$ -
Other Outgo	\$ 1,000,000	\$ 800,000
Direct Support	\$ (1,911,985)	\$ (1,947,218)
<b>Total Expenditures</b>	<u>\$ 73,000,550</u>	<u>\$ 70,420,603</u>
 Excess (deficiency) of revenues over expenditures	 \$ 5,102,901	 \$ 9,745,637
 <b>Other Financing Sources (Uses)</b>		
Interfund Transfers In	\$ 2,253,613	\$ 2,253,613
Interfund Transfers Out	\$ -	\$ -
Contributions	\$ (9,393,707)	\$ (9,421,322)
<b>Total Other Financing Sources (Uses)</b>	<u>\$ (7,140,094)</u>	<u>\$ (7,167,709)</u>
 Excess (deficiency) of revenues over expenditures and other sources (uses)	 \$ (2,037,193)	 \$ 2,577,928
 <b>Beginning Fund Balance</b>	 \$ 13,484,963	 \$ 13,484,963
<b>Audit Adjustment</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Adjusted Beginning Fund Balance</b>	<u><b>\$ 13,484,963</b></u>	<u><b>\$ 13,484,963</b></u>
<b>Ending Fund Balance</b>	<u><b>\$ 11,447,770</b></u>	<u><b>\$ 16,062,891</b></u>
 <i>Components of Ending Fund Balance:</i>		
Reserve for Revolving Cash	\$ 35,000	\$ 35,000
Reserve for Stores	\$ 45,280	\$ 56,737
Desig for Econ Uncertainties	\$ -	\$ -
Other Designations	\$ -	\$ -
Legally Restricted Fund Balance	\$ -	\$ -
Undesignated	\$ 11,367,490	\$ 15,971,154
<b>Total Ending Fund Balance</b>	<u><b>\$ 11,447,770</b></u>	<u><b>\$ 16,062,891</b></u>

COVINA-VALLEY UNIFIED SCHOOL DISTRICT  
RESTRICTED GENERAL FUND  
2010-2011

	Adopted Budget 2010-2011	1st Interim Budget Projections
<b>Revenues</b>		
Revenue Limit	\$ 2,308,951	\$ 2,434,853
Federal Revenues	\$ 6,818,120	\$ 10,660,323
State Revenues	\$ 8,317,946	\$ 8,983,148
Other Local Revenues	\$ 3,427,330	\$ 4,670,950
<b>Total Revenues</b>	<b>\$ 20,872,347</b>	<b>\$ 26,749,274</b>
<b>Expenditures</b>		
Certificated Salaries	\$ 9,149,484	\$ 12,487,094
Classified Salaries	\$ 6,910,888	\$ 6,889,240
Employee Benefits	\$ 4,586,123	\$ 4,222,632
Books and Supplies	\$ 2,394,090	\$ 4,023,707
Services and Other Operating	\$ 2,594,344	\$ 2,987,802
Capital Outlay	\$ -	\$ -
Other Outgo	\$ 2,576,896	\$ 5,366,547
Direct Support	\$ 1,300,616	\$ 1,305,941
<b>Total Expenditures</b>	<b>\$ 29,512,441</b>	<b>\$ 37,282,963</b>
Excess (deficiency) of revenues over expenditures	\$ (8,640,094)	\$ (10,533,689)
<b>Other Financing Sources (Uses)</b>		
Interfund Transfers In	\$ -	\$ -
Interfund Transfers Out	\$ (753,613)	\$ (753,613)
Contributions	\$ 9,393,707	\$ 9,421,322
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 8,640,094</b>	<b>\$ 8,667,709</b>
Excess (deficiency) of revenues over expenditures and other sources (uses)	\$ -	\$ (1,865,980)
<b>Beginning Fund Balance</b>	<b>\$ 1,865,980</b>	<b>\$ 1,865,980</b>
Audit Adjustment	\$ -	\$ -
<b>Adjusted Beginning Fund Balance</b>	<b>\$ 1,865,980</b>	<b>\$ 1,865,980</b>
<b>Ending Fund Balance</b>	<b>\$ 1,865,980</b>	<b>\$ -</b>
<i>Components of Ending Fund Balance:</i>		
Reserve for Revolving Cash	\$ -	\$ -
Reserve for Stores	\$ -	\$ -
Desig for Econ Uncertainties	\$ -	\$ -
Other Designations	\$ -	\$ -
Legally Restricted Fund Balance	\$ 1,865,980	\$ -
Undesignated	\$ -	\$ -
<b>Total Ending Fund Balance</b>	<b>\$ 1,865,980</b>	<b>\$ -</b>

COVINA-VALLEY UNIFIED SCHOOL DISTRICT  
SUMMARY GENERAL FUND  
2010-2011

	Adopted Budget 2010-2011	1st Interim Budget Projections
<b>Revenues</b>		
Revenue Limit	\$ 66,696,494	\$ 70,377,335
Federal Revenues	\$ 6,818,120	\$ 10,660,323
State Revenues	\$ 18,982,482	\$ 19,770,981
Other Local Revenues	\$ 6,478,702	\$ 6,106,875
<b>Total Revenues</b>	<u>\$ 98,975,798</u>	<u>\$ 106,915,514</u>
<b>Expenditures</b>		
Certificated Salaries	\$ 49,976,465	\$ 50,782,236
Classified Salaries	\$ 16,234,967	\$ 16,216,677
Employee Benefits	\$ 18,505,794	\$ 18,180,731
Books and Supplies	\$ 4,702,076	\$ 6,436,105
Services and Other Operating	\$ 10,128,162	\$ 10,562,547
Capital Outlay	\$ -	\$ -
Other Outgo	\$ 3,576,896	\$ 6,166,547
Direct Support	\$ (611,369)	\$ (641,277)
<b>Total Expenditures</b>	<u>\$ 102,512,991</u>	<u>\$ 107,703,566</u>
Excess (deficiency) of revenues over expenditures	\$ (3,537,193)	\$ (788,052)
<b>Other Financing Sources (Uses)</b>		
Interfund Transfers In	\$ 2,253,613	\$ 2,253,613
Interfund Transfers Out	\$ (753,613)	\$ (753,613)
Contributions	\$ -	\$ -
<b>Total Other Financing Sources (Uses)</b>	<u>\$ 1,500,000</u>	<u>\$ 1,500,000</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	\$ (2,037,193)	\$ 711,948
<b>Beginning Fund Balance</b>	\$ 15,350,943	\$ 15,350,943
Audit Adjustment	\$ -	\$ -
<b>Adjusted Beginning Fund Balance</b>	<u>\$ 15,350,943</u>	<u>\$ 15,350,943</u>
<b>Ending Fund Balance</b>	<u>\$ 13,313,750</u>	<u>\$ 16,062,891</u>
<i>Components of Ending Fund Balance:</i>		
Reserve for Revolving Cash	\$ 35,000	\$ 35,000
Reserve for Stores	\$ 45,280	\$ 56,737
Desig for Econ Uncertainties	\$ -	\$ -
Other Designations	\$ -	\$ -
Legally Restricted Fund Balance	\$ 1,865,980	\$ -
Undesignated	\$ 11,367,490	\$ 15,971,154
<b>Total Ending Fund Balance</b>	<u>\$ 13,313,750</u>	<u>\$ 16,062,891</u>

COVINA-VALLEY UNIFIED SCHOOL DISTRICT  
ADULT EDUCATION FUND  
2010-2011

	Adopted Budget 2010-2011	1st Interim Budget Projections
<b>Revenues</b>		
Revenue Limit	\$ -	\$ -
Federal Revenues	\$ -	\$ -
State Revenues	\$ 5,210,747	\$ 5,230,102
Other Local Revenues	\$ 1,438,000	\$ 1,452,000
<b>Total Revenues</b>	<u>\$ 6,648,747</u>	<u>\$ 6,682,102</u>
<b>Expenditures</b>		
Certificated Salaries	\$ 2,296,585	\$ 2,296,585
Classified Salaries	\$ 1,608,792	\$ 1,608,792
Employee Benefits	\$ 1,051,191	\$ 1,051,191
Books and Supplies	\$ 965,287	\$ 963,657
Services and Other Operating	\$ 589,519	\$ 589,519
Capital Outlay	\$ -	\$ -
Other Outgo	\$ -	\$ -
Direct Support	\$ 289,000	\$ 289,000
<b>Total Expenditures</b>	<u>\$ 6,800,374</u>	<u>\$ 6,798,744</u>
Excess (deficiency) of revenues over expenditures	\$ (151,627)	\$ (116,642)
<b>Other Financing Sources (Uses)</b>		
Interfund Transfers In	\$ -	\$ -
Interfund Transfers Out	\$ (1,500,000)	\$ (1,500,000)
Contributions	\$ -	\$ -
<b>Total Other Financing Sources (Uses)</b>	<u>\$ (1,500,000)</u>	<u>\$ (1,500,000)</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	\$ (1,651,627)	\$ (1,616,642)
<b>Beginning Fund Balance</b>	\$ 3,690,054	\$ 3,690,054
Audit Adjustment	\$ -	\$ -
<b>Adjusted Beginning Fund Balance</b>	<u>\$ 3,690,054</u>	<u>\$ 3,690,054</u>
<b>Ending Fund Balance</b>	<u>\$ 2,038,427</u>	<u>\$ 2,073,412</u>
<i>Components of Ending Fund Balance:</i>		
Reserve for Revolving Cash	\$ -	\$ -
Reserve for Stores	\$ -	\$ -
Desig for Econ Uncertainties	\$ -	\$ -
Other Designations	\$ -	\$ -
Legally Restricted Fund Balance	\$ -	\$ -
Undesignated	\$ 2,038,427	\$ 2,073,412
<b>Total Ending Fund Balance</b>	<u>\$ 2,038,427</u>	<u>\$ 2,073,412</u>

COVINA-VALLEY UNIFIED SCHOOL DISTRICT  
CHILD DEVELOPMENT FUND  
2010-2011

	Adopted Budget 2010-2011	1st Interim Budget Projections
<b>Revenues</b>		
Revenue Limit	\$ -	\$ -
Federal Revenues	\$ 223,200	\$ 237,243
State Revenues	\$ 1,710,629	\$ 1,727,570
Other Local Revenues	\$ 40,000	\$ 40,000
<b>Total Revenues</b>	<u>\$ 1,973,829</u>	<u>\$ 2,004,813</u>
<b>Expenditures</b>		
Certificated Salaries	\$ 786,552	\$ 735,497
Classified Salaries	\$ 416,741	\$ 447,235
Employee Benefits	\$ 351,245	\$ 357,096
Books and Supplies	\$ 246,992	\$ 253,801
Services and Other Operating	\$ 63,342	\$ 72,318
Capital Outlay	\$ -	\$ -
Other Outgo	\$ -	\$ -
Direct Support	\$ 108,958	\$ 138,866
<b>Total Expenditures</b>	<u>\$ 1,973,830</u>	<u>\$ 2,004,813</u>
Excess (deficiency) of revenues over expenditures	\$ (1)	\$ -
<b>Other Financing Sources (Uses)</b>		
Interfund Transfers In	\$ -	\$ -
Interfund Transfers Out	\$ -	\$ -
Contributions	\$ -	\$ -
<b>Total Other Financing Sources (Uses)</b>	<u>\$ -</u>	<u>\$ -</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	\$ (1)	\$ -
<b>Beginning Fund Balance</b>	\$ 349,294	\$ 349,294
Audit Adjustment	\$ -	\$ -
<b>Adjusted Beginning Fund Balance</b>	<u>\$ 349,294</u>	<u>\$ 349,294</u>
<b>Ending Fund Balance</b>	<u>\$ 349,293</u>	<u>\$ 349,294</u>
<i>Components of Ending Fund Balance:</i>		
Reserve for Revolving Cash	\$ -	\$ -
Reserve for Stores	\$ -	\$ -
Desig for Econ Uncertainties	\$ -	\$ -
Other Designations	\$ -	\$ -
Legally Restricted Fund Balance	\$ -	\$ -
Undesignated	\$ 349,293	\$ 349,294
<b>Total Ending Fund Balance</b>	<u>\$ 349,293</u>	<u>\$ 349,294</u>

COVINA-VALLEY UNIFIED SCHOOL DISTRICT  
CAFETERIA SPECIAL REVENUE FUND  
2010-2011

	Adopted Budget 2010-2011	1st Interim Budget Projections
<b>Revenues</b>		
Revenue Limit	\$ -	\$ -
Federal Revenues	\$ 3,486,880	\$ 3,755,780
State Revenues	\$ 307,100	\$ 318,100
Other Local Revenues	\$ 1,265,980	\$ 1,279,661
<b>Total Revenues</b>	<u>\$ 5,059,960</u>	<u>\$ 5,353,541</u>
<b>Expenditures</b>		
Certificated Salaries	\$ -	\$ -
Classified Salaries	\$ 1,529,890	\$ 1,555,181
Employee Benefits	\$ 473,098	\$ 579,248
Books and Supplies	\$ 2,733,846	\$ 2,773,878
Services and Other Operating	\$ 109,715	\$ 167,225
Capital Outlay	\$ -	\$ -
Other Outgo	\$ -	\$ -
Direct Support	\$ 213,411	\$ 213,411
<b>Total Expenditures</b>	<u>\$ 5,059,960</u>	<u>\$ 5,288,943</u>
Excess (deficiency) of revenues over expenditures	\$ -	\$ 64,598
<b>Other Financing Sources (Uses)</b>		
Interfund Transfers In	\$ -	\$ -
Interfund Transfers Out	\$ -	\$ -
Contributions	\$ -	\$ -
<b>Total Other Financing Sources (Uses)</b>	<u>\$ -</u>	<u>\$ -</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	\$ -	\$ 64,598
<b>Beginning Fund Balance</b>	\$ 2,632,221	\$ 2,632,221
Audit Adjustment	\$ -	\$ -
<b>Adjusted Beginning Fund Balance</b>	<u>\$ 2,632,221</u>	<u>\$ 2,632,221</u>
<b>Ending Fund Balance</b>	<u>\$ 2,632,221</u>	<u>\$ 2,696,819</u>
<i>Components of Ending Fund Balance:</i>		
Reserve for Revolving Cash	\$ -	\$ -
Reserve for Stores	\$ -	\$ -
Desig for Econ Uncertainties	\$ -	\$ -
Other Designations	\$ -	\$ -
Legally Restricted Fund Balance	\$ -	\$ -
Undesignated	\$ 2,632,221	\$ 2,696,819
<b>Total Ending Fund Balance</b>	<u>\$ 2,632,221</u>	<u>\$ 2,696,819</u>

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COVINA-VALLEY UNIFIED SCHOOL DISTRICT  
 DEFERRED MAINTENANCE FUND  
 2010-2011

	Adopted Budget 2010-2011	1st Interim Budget Projections
<b>Revenues</b>		
Revenue Limit	\$ -	\$ -
Federal Revenues	\$ -	\$ -
State Revenues	\$ 613,816	\$ 613,816
Other Local Revenues	\$ -	\$ -
<b>Total Revenues</b>	<u>\$ 613,816</u>	<u>\$ 613,816</u>
<b>Expenditures</b>		
Certificated Salaries	\$ -	\$ -
Classified Salaries	\$ -	\$ -
Employee Benefits	\$ -	\$ -
Books and Supplies	\$ 613,816	\$ 283,540
Services and Other Operating	\$ 753,613	\$ 868,140
Capital Outlay	\$ -	\$ 215,749
Other Outgo	\$ -	\$ -
Direct Support	\$ -	\$ -
<b>Total Expenditures</b>	<u>\$ 1,367,429</u>	<u>\$ 1,367,429</u>
Excess (deficiency) of revenues over expenditures	\$ (753,613)	\$ (753,613)
<b>Other Financing Sources (Uses)</b>		
Interfund Transfers In	\$ 753,613	\$ 753,613
Interfund Transfers Out	\$ -	\$ -
Contributions	\$ -	\$ -
<b>Total Other Financing Sources (Uses)</b>	<u>\$ 753,613</u>	<u>\$ 753,613</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>\$ -</u>	<u>\$ -</u>
<b>Beginning Fund Balance</b>	\$ 1,616,631	\$ 1,616,631
Audit Adjustment	\$ -	\$ -
<b>Adjusted Beginning Fund Balance</b>	<u>\$ 1,616,631</u>	<u>\$ 1,616,631</u>
<b>Ending Fund Balance</b>	<u>\$ 1,616,631</u>	<u>\$ 1,616,631</u>
<i>Components of Ending Fund Balance:</i>		
Reserve for Revolving Cash	\$ -	\$ -
Reserve for Stores	\$ -	\$ -
Desig for Econ Uncertainties	\$ -	\$ -
Other Designations	\$ -	\$ -
Legally Restricted Fund Balance	\$ -	\$ -
Undesignated	<u>\$ 1,616,631</u>	<u>\$ 1,616,631</u>
<b>Total Ending Fund Balance</b>	<u>\$ 1,616,631</u>	<u>\$ 1,616,631</u>

COVINA-VALLEY UNIFIED SCHOOL DISTRICT  
BUILDING FUND  
2010-2011

	Adopted Budget 2010-2011	1st Interim Budget Projections
<b>Revenues</b>		
Revenue Limit	\$ -	\$ -
Federal Revenues	\$ -	\$ -
State Revenues	\$ -	\$ -
Other Local Revenues	\$ 184,000	\$ 184,000
<b>Total Revenues</b>	<u>\$ 184,000</u>	<u>\$ 184,000</u>
<b>Expenditures</b>		
Certificated Salaries	\$ -	\$ -
Classified Salaries	\$ 339,883	\$ 328,267
Employee Benefits	\$ 165,495	\$ 144,563
Books and Supplies	\$ 170,696	\$ 432,128
Services and Other Operating	\$ 750,800	\$ 707,281
Capital Outlay	\$ 10,651,177	\$ 10,459,268
Other Outgo	\$ 315,325	\$ 315,325
Direct Support	\$ -	\$ -
<b>Total Expenditures</b>	<u>\$ 12,393,376</u>	<u>\$ 12,386,832</u>
Excess (deficiency) of revenues over expenditures	\$ (12,209,376)	\$ (12,202,832)
<b>Other Financing Sources (Uses)</b>		
Interfund Transfers In	\$ 2,714,573	\$ 2,714,573
Interfund Transfers Out	\$ (753,613)	\$ (753,613)
Contributions	\$ -	\$ -
<b>Total Other Financing Sources (Uses)</b>	<u>\$ 1,960,960</u>	<u>\$ 1,960,960</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>\$ (10,248,416)</u>	<u>\$ (10,241,872)</u>
<b>Beginning Fund Balance</b>	\$ 14,714,613	\$ 14,714,613
Audit Adjustment	\$ -	\$ -
<b>Adjusted Beginning Fund Balance</b>	<u>\$ 14,714,613</u>	<u>\$ 14,714,613</u>
<b>Ending Fund Balance</b>	<u>\$ 4,466,197</u>	<u>\$ 4,472,741</u>
<i>Components of Ending Fund Balance:</i>		
Reserve for Revolving Cash	\$ -	\$ -
Reserve for Stores	\$ -	\$ -
Desig for Econ Uncertainties	\$ -	\$ -
Other Designations	\$ -	\$ -
Legally Restricted Fund Balance	\$ -	\$ -
Undesignated	\$ 4,466,197	\$ 4,472,741
<b>Total Ending Fund Balance</b>	<u>\$ 4,466,197</u>	<u>\$ 4,472,741</u>

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COVINA-VALLEY UNIFIED SCHOOL DISTRICT  
CAPITAL FACILITIES FUND  
2010-2011

	Adopted Budget 2010-2011	1st Interim Budget Projections
<b>Revenues</b>		
Revenue Limit	\$ -	\$ -
Federal Revenues	\$ -	\$ -
State Revenues	\$ -	\$ -
Other Local Revenues	\$ 35,000	\$ 410,000
<b>Total Revenues</b>	<u>\$ 35,000</u>	<u>\$ 410,000</u>
<b>Expenditures</b>		
Certificated Salaries	\$ -	\$ -
Classified Salaries	\$ -	\$ -
Employee Benefits	\$ -	\$ -
Books and Supplies	\$ -	\$ -
Services and Other Operating	\$ 25,000	\$ 25,000
Capital Outlay	\$ -	\$ -
Other Outgo	\$ -	\$ -
Direct Support	\$ -	\$ -
<b>Total Expenditures</b>	<u>\$ 25,000</u>	<u>\$ 25,000</u>
Excess (deficiency) of revenues over expenditures	\$ 10,000	\$ 385,000
<b>Other Financing Sources (Uses)</b>		
Interfund Transfers In	\$ -	\$ -
Interfund Transfers Out	\$ -	\$ -
Contributions	\$ -	\$ -
<b>Total Other Financing Sources (Uses)</b>	<u>\$ -</u>	<u>\$ -</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	\$ 10,000	\$ 385,000
<b>Beginning Fund Balance</b>	\$ 1,269,555	\$ 1,269,555
Audit Adjustment	\$ -	\$ -
Adjusted Beginning Fund Balance	\$ 1,269,555	\$ 1,269,555
<b>Ending Fund Balance</b>	<u>\$ 1,279,555</u>	<u>\$ 1,654,555</u>
<i>Components of Ending Fund Balance:</i>		
Reserve for Revolving Cash	\$ -	\$ -
Reserve for Stores	\$ -	\$ -
Desig for Econ Uncertainties	\$ -	\$ -
Other Designations	\$ -	\$ -
Legally Restricted Fund Balance	\$ -	\$ -
Undesignated	\$ 1,279,555	\$ 1,654,555
<b>Total Ending Fund Balance</b>	<u>\$ 1,279,555</u>	<u>\$ 1,654,555</u>

COVINA-VALLEY UNIFIED SCHOOL DISTRICT  
COUNTY SCHOOL FACILITIES FUND  
2010-2011

	Adopted Budget 2010-2011	1st Interim Budget Projections
Revenues		
Revenue Limit	\$ -	\$ -
Federal Revenues	\$ -	\$ -
State Revenues	\$ -	\$ -
Other Local Revenues	\$ 28,200	\$ 28,200
Total Revenues	<u>\$ 28,200</u>	<u>\$ 28,200</u>
Expenditures		
Certificated Salaries	\$ -	\$ -
Classified Salaries	\$ -	\$ -
Employee Benefits	\$ -	\$ -
Books and Supplies	\$ -	\$ -
Services and Other Operating	\$ -	\$ -
Capital Outlay	\$ -	\$ -
Other Outgo	\$ -	\$ -
Direct Support	\$ -	\$ -
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>
Excess (deficiency) of revenues over expenditures	\$ 28,200	\$ 28,200
Other Financing Sources (Uses)		
Interfund Transfers In	\$ -	\$ -
Interfund Transfers Out	\$ (2,714,573)	\$ (2,714,573)
Contributions	\$ -	\$ -
Total Other Financing Sources (Uses)	<u>\$ (2,714,573)</u>	<u>\$ (2,714,573)</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	\$ (2,686,373)	\$ (2,686,373)
Beginning Fund Balance	\$ 7,114,158	\$ 7,114,158
Audit Adjustment	\$ -	\$ -
Adjusted Beginning Fund Balance	\$ 7,114,158	\$ 7,114,158
Ending Fund Balance	<u>\$ 4,427,785</u>	<u>\$ 4,427,785</u>
Components of Ending Fund Balance:		
Reserve for Revolving Cash	\$ -	\$ -
Reserve for Stores	\$ -	\$ -
Desig for Econ Uncertainties	\$ -	\$ -
Other Designations	\$ -	\$ -
Legally Restricted Fund Balance	\$ -	\$ -
Undesignated	\$ 4,427,785	\$ 4,427,785
Total Ending Fund Balance	<u>\$ 4,427,785</u>	<u>\$ 4,427,785</u>

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COVINA-VALLEY UNIFIED SCHOOL DISTRICT  
SPECIAL RESERVE - CAPITAL OUTLAY FUND  
2010-2011

	Adopted Budget 2010-2011	1st Interim Budget Projections
<b>Revenues</b>		
Revenue Limit	\$ -	\$ -
Federal Revenues	\$ -	\$ -
State Revenues	\$ -	\$ -
Other Local Revenues	\$ 200	\$ 200
<b>Total Revenues</b>	<u>\$ 200</u>	<u>\$ 200</u>
<b>Expenditures</b>		
Certificated Salaries	\$ -	\$ -
Classified Salaries	\$ -	\$ -
Employee Benefits	\$ -	\$ -
Books and Supplies	\$ -	\$ -
Services and Other Operating	\$ -	\$ -
Capital Outlay	\$ -	\$ -
Other Outgo	\$ -	\$ -
Direct Support	\$ -	\$ -
<b>Total Expenditures</b>	<u>\$ -</u>	<u>\$ -</u>
Excess (deficiency) of revenues over expenditures	\$ 200	\$ 200
<b>Other Financing Sources (Uses)</b>		
Interfund Transfers In	\$ -	\$ -
Interfund Transfers Out	\$ -	\$ -
Contributions	\$ -	\$ -
<b>Total Other Financing Sources (Uses)</b>	<u>\$ -</u>	<u>\$ -</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	\$ 200	\$ 200
<b>Beginning Fund Balance</b>	\$ 12,265	\$ 12,265
Audit Adjustment	\$ -	\$ -
<b>Adjusted Beginning Fund Balance</b>	<u>\$ 12,265</u>	<u>\$ 12,265</u>
<b>Ending Fund Balance</b>	<u>\$ 12,465</u>	<u>\$ 12,465</u>
<i>Components of Ending Fund Balance:</i>		
Reserve for Revolving Cash	\$ -	\$ -
Reserve for Stores	\$ -	\$ -
Desig for Econ Uncertainties	\$ -	\$ -
Other Designations	\$ -	\$ -
Legally Restricted Fund Balance	\$ -	\$ -
Undesignated	\$ 12,465	\$ 12,465
<b>Total Ending Fund Balance</b>	<u>\$ 12,465</u>	<u>\$ 12,465</u>

COVINA-VALLEY UNIFIED SCHOOL DISTRICT  
OTHER ENTERPRISE FUND  
2010-2011

	Adopted Budget 2010-2011	1st Interim Budget Projections
<b>Revenues</b>		
Revenue Limit	\$ -	\$ -
Federal Revenues	\$ -	\$ -
State Revenues	\$ -	\$ -
Other Local Revenues	\$ 666,544	\$ 623,401
<b>Total Revenues</b>	<u>\$ 666,544</u>	<u>\$ 623,401</u>
<b>Expenditures</b>		
Certificated Salaries	\$ -	\$ -
Classified Salaries	\$ 486,860	\$ 469,487
Employee Benefits	\$ 152,363	\$ 144,192
Books and Supplies	\$ 7,071	\$ 9,039
Services and Other Operating	\$ 20,250	\$ 20,045
Capital Outlay	\$ -	\$ -
Other Outgo	\$ -	\$ -
Direct Support	\$ -	\$ -
<b>Total Expenditures</b>	<u>\$ 666,544</u>	<u>\$ 642,763</u>
Excess (deficiency) of revenues over expenditures	\$ -	\$ (19,362)
<b>Other Financing Sources (Uses)</b>		
Interfund Transfers In	\$ -	\$ -
Interfund Transfers Out	\$ -	\$ -
Contributions	\$ -	\$ -
<b>Total Other Financing Sources (Uses)</b>	<u>\$ -</u>	<u>\$ -</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	\$ -	\$ (19,362)
<b>Beginning Fund Balance</b>	\$ 19,362	\$ 19,362
Audit Adjustment	\$ -	\$ -
<b>Adjusted Beginning Fund Balance</b>	<u>\$ 19,362</u>	<u>\$ 19,362</u>
<b>Ending Fund Balance</b>	<u>\$ 19,362</u>	<u>\$ -</u>
<i>Components of Ending Fund Balance:</i>		
Reserve for Revolving Cash	\$ -	\$ -
Reserve for Stores	\$ -	\$ -
Designation for Economic Uncertainties	\$ -	\$ -
Other Designations	\$ -	\$ -
Legally Restricted Fund Balance	\$ -	\$ -
Undesignated	\$ 19,362	\$ -
<b>Total Ending Fund Balance</b>	<u>\$ 19,362</u>	<u>\$ -</u>

COVINA-VALLEY UNIFIED SCHOOL DISTRICT  
 SELF-INSURANCE FUND  
 2010-2011

	Adopted Budget 2010-2011	1st Interim Budget Projections
<b>Revenues</b>		
Revenue Limit	\$ -	\$ -
Federal Revenues	\$ -	\$ -
State Revenues	\$ -	\$ -
Other Local Revenues	\$ 14,280,492	\$ 12,274,041
<b>Total Revenues</b>	<u>\$ 14,280,492</u>	<u>\$ 12,274,041</u>
<b>Expenditures</b>		
Certificated Salaries	\$ -	\$ -
Classified Salaries	\$ -	\$ -
Employee Benefits	\$ -	\$ -
Books and Supplies	\$ -	\$ -
Services and Other Operating	\$ 14,322,394	\$ 12,470,893
Capital Outlay	\$ -	\$ -
Other Outgo	\$ -	\$ -
Direct Support	\$ -	\$ -
<b>Total Expenditures</b>	<u>\$ 14,322,394</u>	<u>\$ 12,470,893</u>
Excess (deficiency) of revenues over expenditures	\$ (41,902)	\$ (196,852)
<b>Other Financing Sources (Uses)</b>		
Interfund Transfers In	\$ -	\$ -
Interfund Transfers Out	\$ -	\$ -
Contributions	\$ -	\$ -
<b>Total Other Financing Sources (Uses)</b>	<u>\$ -</u>	<u>\$ -</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	\$ (41,902)	\$ (196,852)
<b>Beginning Fund Balance</b>	\$ 1,727,954	\$ 1,727,954
Audit Adjustment	\$ -	\$ -
<b>Adjusted Beginning Fund Balance</b>	<u>\$ 1,727,954</u>	<u>\$ 1,727,954</u>
<b>Ending Fund Balance</b>	<u>\$ 1,686,052</u>	<u>\$ 1,531,102</u>
<i>Components of Ending Fund Balance:</i>		
Reserve for Revolving Cash	\$ -	\$ -
Reserve for Stores	\$ -	\$ -
Desig for Econ Uncertainties	\$ -	\$ -
Other Designations	\$ -	\$ -
Legally Restricted Fund Balance	\$ -	\$ -
Undesignated	\$ 1,686,052	\$ 1,531,102
<b>Total Ending Fund Balance</b>	<u>\$ 1,686,052</u>	<u>\$ 1,531,102</u>