

San Rafael City High School District
2015-16 Unaudited Actuals
September 12, 2016

The 2015-16 unaudited actuals reflect the District's financial activity that occurred during the year, as well as, the District's financial position as of June 30, 2016. In addition, the unaudited actuals contain supplemental information concerning the District's activity in detail. Education Code requires districts to close their books and adopt the report of financial activities and position by September 15th of each year for the preceding fiscal year. This information is submitted to the Marin County Office of Education, and the California Department of Education for review.

2015-16 Financial Components

- ❖ Average Daily Attendance (ADA)
 - Actual ADA was 2,233 (excluding county office ADA), which was an increase of 78 ADA from 2014-15.
- ❖ Property taxes received during the fiscal year was \$22.8 million, which was an increase of approximately \$1.1 million from the prior year.
- ❖ Parcel taxes received during the fiscal year was \$2.8 million, which was an increase of \$110,000 from the prior year.
- ❖ Lottery revenue was approximately \$146 per ADA for unrestricted purposes and \$48 per ADA for restricted purposes, which was an increase above projections.
- ❖ Mandated Cost Block Grant remained at \$56 for 9-12 ADA.
- ❖ Except as illustrated under Contributions to Restricted Programs, all federal and state restricted categorical programs are self-funded.

General Fund Revenue Components

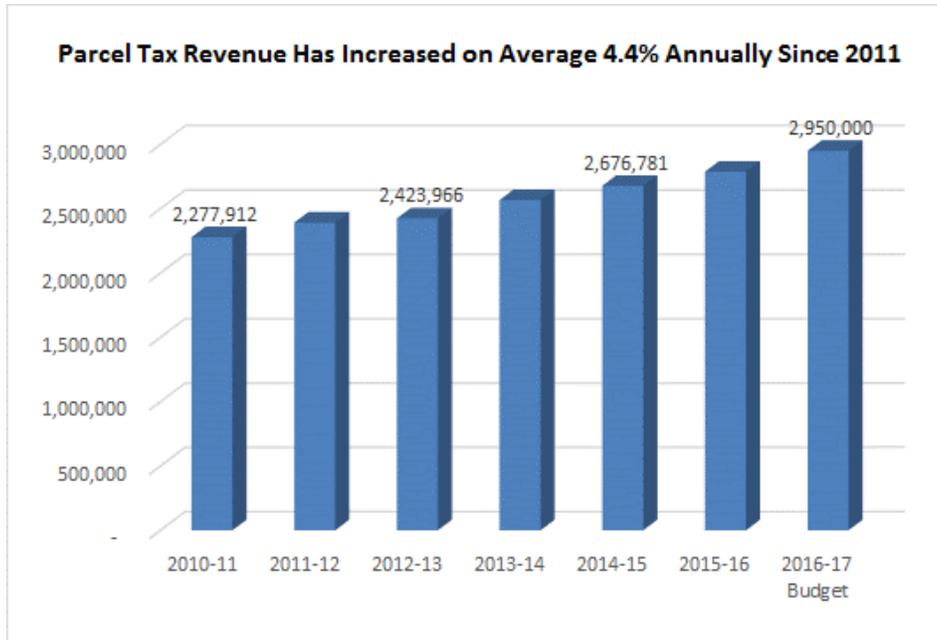
The District receives funding for its general operations from various sources. The types of major funding sources are illustrated below:

Description	Unrestricted	Restricted
General Purpose Sources (Taxes & State Aid)	23,651,121	0
Federal Revenues	8,077	745,437
Other State Revenues	1,683,650	1,315,572
Other Local Revenues	523,880	4,509,077
Total	\$25,866,728	\$6,570,086

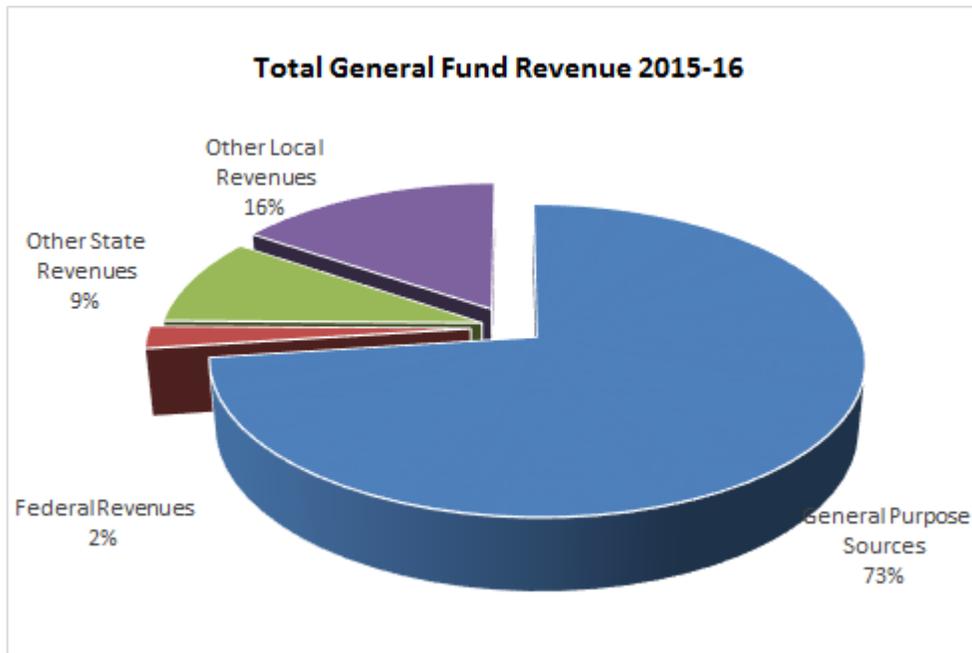
The key component of general purpose revenue is property taxes, since the District receives property tax revenues that exceed the allocated state per-ADA income guarantees; thus, the District is considered a "Basic Aid" or community funded district.

Parcel Tax

A significant component of Other Local Revenues is the district's parcel tax. Parcel tax revenue has been increasing on average just over 4% per year as shown below:



Total revenue for the HSD is shown graphically below:



Education Protection Account

As approved by the voters on November 6, 2012, The Schools and Local Public Safety Protection Act of 2012 (Proposition 30) temporarily increased the State’s sales tax rate and the personal income tax rates for taxpayers in high tax brackets.

Revenues generated from Proposition 30 are deposited into a state account called the Education Protection Account (EPA). The District will receive funds from the EPA based on a minimum \$200 per ADA.

The creation of the Education Protection Account (EPA) by Proposition 30 provides that a portion of K-14 general purpose funds must be utilized for instructional purposes. K-14 local agencies have the sole authority to determine how the funds received from the EPA are spent, but with these provisions:

- The spending plan must be approved by the governing board during a public meeting
- EPA funds cannot be used for the salaries or benefits of administrators or any other administrative costs (as determined through the account code structure)
- Each year, the local agency must publish on its website an accounting of how much money was received from the EPA and how the funds were expended

Further, the annual financial audit includes verification that the EPA funds were used as specified by Proposition 30. If EPA funds are not expended in accordance with the requirements of Proposition 30, civil or criminal penalties could be incurred.

As illustrated below, the District received EPA funds in the amount of \$466,554 (a minimum of \$200 per ADA for Basic Aid districts) and had carryover funds of \$40,167 that was spent in the following manner described below:

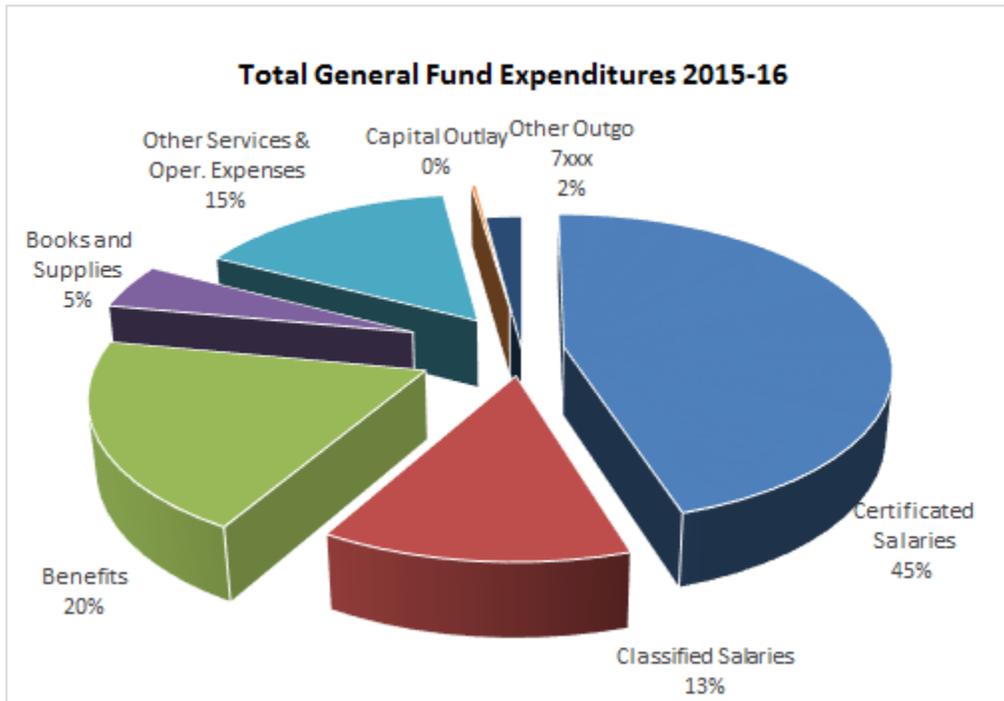
Education Protection Account (EPA) Budget	
Fiscal Year Ending June 30, 2016	
Beginning Balance	\$ 40,167
Budgeted EPA Revenues:	
Estimated EPA Funds	\$ 466,554
Budgeted EPA Expenditures:	
Certificated Instructional Salaries	\$ 430,719
Ending Balance	<u>\$ 76,002</u>

General Fund Expenditure Components

The General Fund is used for the majority of the functions within the District. As illustrated below, salaries and benefits comprise of approximately 84% of the District's unrestricted budget, and approximately 77% of the total General Fund budget.

Description	Unrestricted	Restricted
Certificated Salaries	\$10,985,054	\$3,695,420
Classified Salaries	\$2,819,792	\$1,433,262
Benefits	\$4,069,449	\$2,338,980
Books and Supplies	\$915,408	\$612,757
Other Serv & Oper. Exp	\$2,299,002	\$2,591,445
Capital Outlay	\$86,145	\$0
Other Outgo 7xxx	-\$151,988	\$814,775
	<u>\$21,022,862</u>	<u>\$11,486,639</u>

Following is a graphical description of expenditures by percentage:



General Fund Contributions & Transfers to Restricted Programs

The following transfers of unrestricted resources to restricted programs are necessary to cover restricted program expenditures in excess of revenue:

Description	Estimated Actual	Unaudited Actual
Unrestricted:		
Facilities Use	\$58,604	\$82,915
CA Eng Language Dev Test	\$16,319	\$14,820
BTSA	\$22,487	\$13,228
CAHSEE	\$54,792	\$54,792
Restricted:		
Special Education	\$3,012,864	\$3,034,163
Restricted Maintenance Account	\$1,025,000	\$950,000
Transportation	\$749,707	\$749,359
Library	\$64,150	\$0
ROP	\$213,619	\$169,220
Total Contributions to Restricted	\$5,065,340	\$4,902,742

General Fund Summary

The District’s 2015-16 General Fund has an operating surplus of \$123,063. The District’s unrestricted General Fund had a surplus of \$136,875 that was approximately \$1.3 million greater than what was projected in the District’s 2015-16 second interim report. Illustrated on page seven is a reconciliation accounting for the \$1.3 million variance.

As a result, the Districts General Fund's ending fund balance is \$8.3 million (\$7.0 million for the unrestricted portion of the General Fund). The specific components of the fund balance are illustrated on page eight.

Fund Summaries

As illustrated below, all Funds have a positive ending fund balance at June 30, 2016.

Fund Number and Description	Fund Balance July 1, 2015	Current Year Activity	Fund Balance June 30, 2016	Net Budget Activity	Budgeted Fund Balance June 30, 2017
01 General Fund	\$8,189,779	\$123,064	\$8,312,843	(\$2,479,303)	\$5,833,540
11 Adult Ed Fund	\$179,578	(\$168,475)	\$11,103	\$0	\$11,103
13 Cafeteria Fund	\$117,477	(\$46,067)	\$71,410	(\$13,422)	\$57,988
14 Deferred Maintenance Fund *	\$362,674	(\$97,362)	\$265,312	\$151,027	\$416,339
20 Special Reserve for OPEB	\$1,999,465	\$4,057	\$2,003,522	\$2,500	\$2,006,022
21 Building Funds	\$2,034,417	\$32,882,401	\$34,916,818	(\$15,898,265)	\$19,018,553
25 Capital Facilities Fund	\$210,112	(\$89,766)	\$120,346	(\$24,800)	\$95,546
40 Special Reserve for Capital Outlay	\$0	\$1,485,048	\$1,485,048	\$127,100	\$1,612,148
51 Bond Interest & Redemption Fund	4,143,126.44	2,636,883.05	\$6,780,009	\$0	\$6,780,009

Conclusion

Included in this packet is a summary of the District's financial activity, which is followed by the required State reports in their entirety. This financial report is designed to provide the Board of Trustees with a general overview of the District's finances, as well as illustrate in detail the money it receives and expends. During the fall of 2016, the District's external auditors will audit the records contained in this packet, and will render an opinion no later than December 15, 2016.

SAN RAFAEL HIGH SCHOOL DISTRICT
2015-16 Unaudited Actuals
Financial Activity: General Fund

Description	General Fund		
	Unrestricted	Restricted	Total
REVENUES			
General Purpose Revenues:			
State Aid & EPA			\$0
Property Taxes & Misc. Local	23,651,121	-	23,651,121
Total General Purpose	23,651,121	-	23,651,121
Federal Revenues	8,077	\$745,437	753,514
Other State Revenues	1,683,650	1,315,572	2,999,222
Other Local Revenues	523,880	4,509,077	5,032,957
TOTAL - REVENUES	25,866,728	6,570,086	32,436,814
EXPENDITURES			
Certificated Salaries	10,985,054	3,695,420	14,680,474
Classified Salaries	2,819,792	1,433,262	4,253,054
Employee Benefits (All)	4,069,449	2,338,980	6,408,429
Books & Supplies	915,408	612,757	1,528,165
Other Operating Expenses (Services)	2,299,002	2,591,445	4,890,447
Capital Outlay	86,145	-	86,145
Other Outgo	7,543	686,262	693,805
Direct Support/Indirect Costs	(159,531)	128,513	(31,018)
TOTAL - EXPENDITURES	21,022,862	11,486,639	32,509,501
EXCESS (DEFICIENCY)	4,843,866	(4,916,553)	(72,687)
OTHER SOURCES/USES			
Transfers In	195,750		195,750
Transfers (Out)			-
Net Other Sources (Uses)			-
Contributions (to Restricted Programs)	(4,902,741)	4,902,741	-
TOTAL - OTHER SOURCES/USES	(4,706,991)	4,902,741	195,750
FUND BALANCE INCREASE (DECREASE)	136,875	(13,812)	123,063
FUND BALANCE			
Beginning Fund Balance	6,825,352	1,364,427	8,189,779
Ending Balance, June 30	\$6,962,227	\$1,350,615	\$8,312,842

SAN RAFAEL HIGH SCHOOL DISTRICT
2015-16 Unaudited Actuals
Reconciliation of Fund Balance Change: Unrestricted General Fund

Description	Change Since Estimated Actuals	Comment
2015-16 ADOPTED BUDGET ESTIMATED ACTUAL	(\$1,120,550)	
REVENUE / SOURCES RECOGNIZED OVER (UNDER) PROJECTIONS		
LCFF Revenue	(85,333)	Transferred RDA revenue from LCFF to facilities, per SB1290; transfer 0.5% to Fund 14; additional property taxes at year end
Lottery Revenue	23,829	Additional amount is due to an increase in rates published by CDE in July 2016.
Other Local Revenue	26,852	Transfer from ESD for MPTA revenue
Other Revenue Changes	<u>(75,313)</u>	
TOTAL - REVENUE / SOURCES VARIANCE	<u>(109,965)</u>	
EXPENDITURES / USES RECOGNIZED UNDER (OVER) PROJECTIONS		
Certificated Salaries	113,446	Teacher and Administrator salary savings
Classified Salaries	177,820	Savings in all categories of classified
Employee Benefits	275,220	Benefit savings related to salary savings
Books & Supplies	323,376	Typical unspent books/supplies allocations
Utilities	67,644	
Communications	41,914	
Rents, Leases	71,987	
Other Contracted Services	145,898	Unspent professional services contracts
Capital Outlay	12,503	
Indirect Cost Recapture, Other Outgo	(25,020)	
Contributions to Restricted Programs/Other Funds	<u>162,599</u>	Savings in Routine Maintenance, ROP and Library
TOTAL - EXPENDITURE / USES VARIANCE	<u>1,367,387</u>	
2015-16 UNAUDITED ACTUAL SURPLUS	<u><u>\$136,872</u></u>	

SAN RAFAEL HIGH SCHOOL DISTRICT
2015-16 Unaudited Actuals
FUND BALANCE COMPONENTS: GENERAL FUND

Description	2015-16 Unaudited Actuals		
	Unrestricted	Restricted	Combined
NONSPENDABLE			
Revolving Cash	\$5,600		5,600
TOTAL - NONSPENDABLE	5,600	-	5,600
RESTRICTED			
Carl D Perkins		621	621
Educator Effectiveness		201,576	201,576
Lottery (Restricted)		46,325	46,325
Special Education		143,829	143,829
Mental Health Services		89,755	89,755
Restricted Maintenance		169,483	169,483
PTAs, Foundation, Library		699,028	699,028
TOTAL - RESTRICTED	-	1,349,996	1,349,996
ASSIGNED			
Site donation accounts	44,685		44,685
ASB	197		197
EPA	76,002		76,002
Additional Cash Flow Contingency	1,100,000		1,100,000
TOTAL - ASSIGNED	\$1,220,884	\$0	\$1,220,884
UNASSIGNED			
Economic Uncertainty Reserve (3% State)	975,300		975,300
Additional Minimum Reserve per BP (2%)	650,200		650,200
Remaining Basic Aid Reserve (Excess Taxes)	3,101,800		3,101,800
Unappropriated	1,008,443		1,008,443
TOTAL - UNASSIGNED	5,735,743	\$0	5,735,743
TOTAL - FUND BALANCE	\$6,962,227	\$1,349,996	\$8,312,223