2017-18 Budget Adoption Reserves

San Rafael City High School District 21-65466

Substantiation of need for reserves greater than the state required minimum reserve for economic uncertainty

The governing board of a school district that proposes to adopt a budget that includes a combined assigned and unassigned ending fund balance in excess of the minimum recommended reserve for economic uncertainties, shall, at the Budget Adoption public hearing, provide:

The minimum recommended reserve for economic uncertainties;
The combined assigned and unassigned ending fund balances that are in excess of the minimum recommended reserve for economic uncertainties for each fiscal year identified in the budget; and
A statement of reasons to substantiate the need for reserves that are higher than the minimum recommended reserve.

			2017-18
Total General Fund Expenditures & Other Uses		$	35,747,414
Minimum Reserve requirement	3.0%	$	1,072,422
General Fund Combined Ending Fund Balance		$	3,235,975
Special Reserve Fund Ending Fund Balance		$	2,008,552
Components of ending balance:			
Nonspendable (revolving, prepaid, etc.)		$	5,600
Restricted		$	448,053
Committed		$	-
Assigned	3.2%	$	1,146,107
Reserve for economic uncertainties		$	1,072,422
Unassigned and Unappropriated		$	563,793
Subtotal Assigned, Unassigned & Unappropriated		$	2,782,322
Total Components of ending balance		$	3,235,975
Assigned & Unassigned balances above the minimum reserve requirement		$	1,709,900

Statement of Reasons
The District's Fund Balance includes assigned, unassigned and unappropriated components, that in total are greater than the Minimum Recommended Reserve for Economic Uncertainties because:
3.2% Board desgingated reserve for 3 year fiscal solvency to address multi-year deficit spending, COLA, potiential salary increases, uncertanties regarding special education costs including mental health services and high unpredictable cost associated with residential placements.