2017-18 Budget Adoption Reserves

San Rafael City Elementary School District 21-65458

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		$ 54,339,675
Minimum Reserve requirement	3%	$ 1,630,190
General Fund Combined Ending Fund Balance		$ 11,248,393
Special Reserve Fund Ending Fund Balance		$ 3,266,085
Components of ending balance:		
Nonspendable (revolving, prepaid, etc.)		$ 2,500
Restricted		$ 377,733
Committed		$ -
Assigned	7%	$ 3,803,777
Reserve for economic uncertainties		$ 1,630,190
Unassigned and Unappropriated		$ 5,434,193
Subtotal Assigned, Unassigned & Unappropriated		$ 10,868,160
Total Components of ending balance		$ 11,248,393
Assigned & Unassigned balances above the minimum reserve requirement		$ 9,237,970

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:
7% Board desgingated reserve to address COLA, potiential salary increases, uncertanties regarding special education costs including mental health services and high unpredictable cost associated with residential placements.