

UNAUDITED ACTUAL FINANCIAL REPORT:

To the County Superintendent of Schools:

2016-17 UNAUDITED ACTUAL FINANCIAL REPORT. This report was prepared in accordance with Education Code Section 41010 and is hereby approved and filed by the governing board of the school district pursuant to Education Code Section 42100.

Signed: _____

Clerk/Secretary of the Governing Board
(Original signature required)

Date of Meeting: Sep 11, 2017

To the Superintendent of Public Instruction:

2016-17 UNAUDITED ACTUAL FINANCIAL REPORT. This report has been verified for accuracy by the County Superintendent of Schools pursuant to Education Code Section 42100.

Signed: _____

County Superintendent/Designee
(Original signature required)

Date: _____

For additional information on the unaudited actual reports, please contact:

For County Office of Education:

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Unaudited Actuals
FINANCIAL REPORTS
2016-17 Unaudited Actuals
Summary of Unaudited Actual Data Submission

Following is a summary of the critical data elements contained in your unaudited actual data. Since these data may have fiscal implications for your agency, please verify their accuracy before filing your unaudited actual financial reports.

Form	Description	Value
CEA	Percent of Current Cost of Education Expended for Classroom Compensation Must equal or exceed 60% for elementary, 55% for unified, and 50% for high school districts or future apportionments may be affected. (EC 41372)	55.53%
	CEA Deficiency Amount Applicable to districts not exempt from the requirement and not meeting the minimum classroom compensation percentage - see Form CEA for further details.	\$0.00
GANN	Adjustments to Appropriations Limit Per Government Code Section 7902.1 If this amount is not zero, it represents an increase to your Appropriations Limit. The Department of Finance must be notified of increases within 45 days of budget adoption.	\$0.00
	Adjusted Appropriations Limit	\$33,933,288.58
	Appropriations Subject to Limit These amounts represent the board approved Appropriations Limit and Appropriations Subject to Limit pursuant to Government Code Section 7906 and EC 42132.	\$28,086,648.59
ICR	Preliminary Proposed Indirect Cost Rate Fixed-with-carry-forward indirect cost rate for use in 2018-19, subject to CDE approval.	5.42%
NCMOE	No Child Left Behind (NCLB) Maintenance of Effort (MOE) Determination If MOE Not Met, the 2018-19 apportionment may be reduced by the lesser of the following two percentages: MOE Deficiency Percentage - Based on Total Expenditures MOE Deficiency Percentage - Based on Expenditures Per ADA	MOE Met

SAN RAFAEL CITY SCHOOLS – JOINT DISTRICT

TO: BOARD OF EDUCATION

**FROM: John Bartolome
Director of Fiscal Services**

DATE: SEPTEMBER 11, 2017

**SUBJECT: DISCUSSION/ACTION SESSION: APPROVAL OF THE 2016-17 UNAUDITED ACTUALS FOR
SAN RAFAEL HIGH SCHOOL DISTRICT.**

BACKGROUND: In accordance with the provisions of AB 1200 and Education Code Section 41200, the Governing Board of each school district must approve an annual financial statement of all receipts and expenditures of the District for the preceding year for all funds. The reporting format for the financial statements is established and mandated by the state (SACS Financial Reporting Software) and they must be approved and submitted to the Marin County Office of Education (MCOE) on or before September 15th.

CURRENT CONSIDERATIONS: This agenda item presented for Board discussion and approval is the 2016-17 Unaudited Actuals for the San Rafael High School District. Upon approval of the financial statements by the Board of Education, the SACS Reports are forwarded electronically to the Marin County Office of Education no later than September 15th for compliance review with the technical provisions of the Code Sections. MCOE is required to forward them electronically to the Superintendent of Public Instruction on or before October 15th. The district's auditors will come in October to audit these financial statements.

The following reports are included in the SACS State Software:

- Unaudited Actuals Certification
- Summary of Unaudited Actuals Data Submission
- Table of Contents
- General Fund Form 01 Unrestricted and Restricted, Expenditures by Object, Expenditures by Function (used for publication of statistical bulletin)
- Fund forms for all other funds used by the district
- Average Daily Attendance (Form A)
- Schedule of Capital Assets (Form ASSET)
- Schedule for Categoricals (Form CAT)
- Current Expense Formula (Form CEA)
- Schedule of Long Term Liabilities (Form DEBT)
- Appropriations Limit Calculation (GANN Limit Form)
- Indirect Cost Rate Worksheets (Form ICR)
- Lottery Report (Form L)
- No Child Left Behind Maintenance of Effort (Form NCMOE)
- Program Cost Report – Allocation Factors (Form PCRAF)
- Program Cost Report (form PCR)
- Special Education Maintenance of Effort (SEMA/SEMB)
- Summary of Interfund Activities – Actuals

The following are the ending fund balances as of June 30, 2017:

Fund Number and Description		Fund Balance July 1, 2016	Current Year Activity	Fund Balance June 30, 2017
01	General Fund	\$8,312,843	(\$262,442)	\$8,050,401
11	Adult Ed Fund	\$11,103	\$102,217	\$113,320
13	Cafeteria	\$71,410	(\$27,420)	\$43,990
14	Deferred Maintenance Fund *	\$265,312	\$144,766	\$410,078
20	Special Reserve for OPEB**	\$2,003,522	\$9,486	\$2,013,008
21	Building Funds	\$34,917,311	(\$2,726,398)	\$32,190,913
25	Capital Facilities Fund	\$120,346	\$55,880	\$176,226
40	Special Reserve for Capital Outlay	\$1,485,048	\$218,199	\$1,703,247
51	Bond Interest Redemption	\$6,780,009	\$3,083,243	\$9,863,252

Each year there are fluctuations in both the revenues and expenditures for the Unrestricted and Restricted components of the General Fund. The major reasons for the variances can be explained as follows:

Description	Change Since Estimated Actuals	Comment
2016-17 Adopted Budget Estimated Actual (Unrestricted)	(1,995,650)	
REVENUE / SOURCES RECOGNIZED OVER (UNDER) PROJECTIONS		
LCFF Revenue	345,229	Property Taxes up 6.8% from prior year.
Other Revenue Changes	(471,346)	Other Local Revenue
TOTAL - REVENUE / SOURCES VARIANCE	(126,117)	
EXPENDITURES / USES RECOGNIZED UNDER (OVER) PROJECTIONS		
Certificated Salaries	(96,376)	Teacher and Admin salary excess costs
Classified Salaries	(15,879)	Excess costs in all categories of classified
Employee Benefits	310,649	Benefit savings related to salary savings
Books & Supplies	157,834	Typical unspent books/supplies allocations
Travel & Conferences	41,245	
Rents, Leases	73,474	
Professional/Consulting Services & Operating Expenditures	198,310	Unspent professional services contracts
Other	105,765	
Capital Outlay	74,365	
Indirect Cost Recapture, Other Outgo	(5,644)	
Contributions to Restricted Programs/Other Funds	1,169,025	Savings in Special Ed
TOTAL - EXPENDITURE / USES VARIANCE	2,012,769	
2016-17 UNAUDITED ACTUAL Deficit	(108,998)	

FINANCIAL IMPLICATIONS: Over the past two months, staff has completed the closing process for all funds within the San Rafael High School District. The components of ending fund balance for the General Fund as of June 30, 2016 are as follows:

Description	2016-17 Unaudited Actuals		
	Unrestricted	Restricted	Combined
NONSPENDABLE			
Revolving Cash	\$ 5,600	\$ -	\$ 5,600
Total - NONSPENDABLE	5,600	-	5,600
RESTRICTED			
Educator Effectiveness		37,712	37,712
Lottery Restricted		74,033	74,033
Special Education		139,863	139,863
College Readiness Block Grant		169,766	169,766
Restricted Maintenance		324,973	324,973
PTAs, Foundation, Library		450,826	450,826
TOTAL - RESTRICTED	\$ -	\$ 1,197,173	\$ 1,197,173
ASSIGNED			
Site donation accounts	48,626		48,626
ASB	1,447		1,447
EPA	124,590		124,590
Reserve for compensation	1,150,000		
Total - Assigned	\$ 1,324,663	\$ -	\$ 174,663
UNASSIGNED			
Economic Uncertainty Reserve (3% State)	1,052,927		1,052,927
Add'l Reserve for Economic Uncertainty (7%)	2,456,830		
Unappropriated	2,013,208		2,013,208
TOTAL - UNASSIGNED	\$ 5,522,965	\$ -	\$ 3,066,135
TOTAL - FUND BALANCE	\$ 6,853,228	\$ 1,197,173	\$ 8,050,401

STAFF RECOMMENDATIONS: It is respectfully recommended that the Board of Education approve the 2016-17 Unaudited Actuals for the San Rafael High School District.

Signature of District Officer

 Michael Watenpaugh
 Superintendent

San Rafael City High School District
2016-17 Unaudited Actuals
September 11, 2017

The 2016-17 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, 2017. 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.

2016-17 Financial Components

- ❖ Average Daily Attendance (ADA)
 - Actual ADA was 2,366.86, which was an increase of 122.07 ADA from 2015-16.

- ❖ Property taxes received during the fiscal year was \$25.0 million, which was an increase of approximately \$1.6 million from the prior year.

- ❖ Parcel taxes received during the fiscal year was \$2.9 million, which was an increase of \$100,000 from the prior year.

- ❖ Lottery revenue was approximately \$144 per ADA for unrestricted purposes and \$45 per ADA for restricted purposes.

- ❖ 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

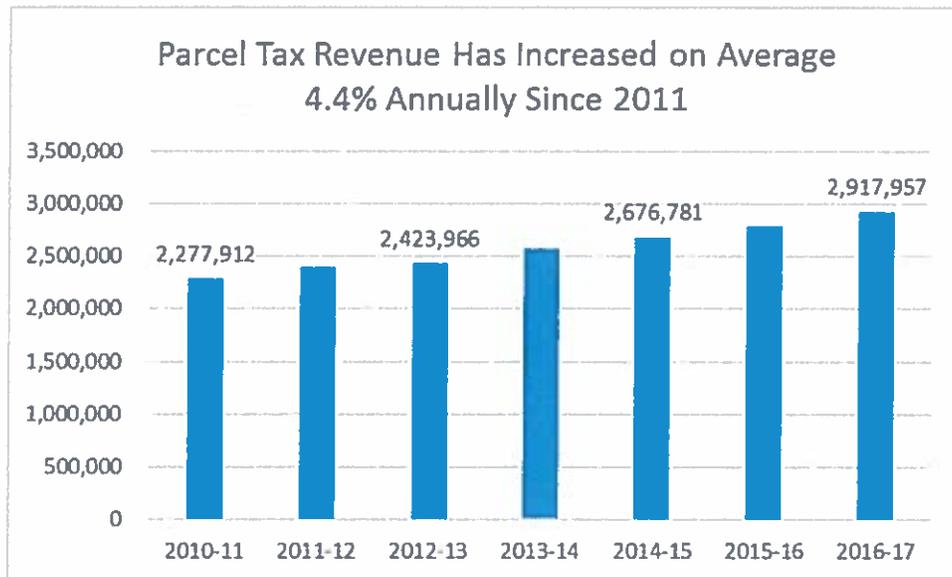
The District receives funding for its general operations from various sources. The types of major funding sources are illustrated below:

Description	Unrestricted	Restricted
General Purpose Sources (Taxes & State Aid)	25,274,356	-
Federal Revenues		1,207,477
Other State Revenues	981,543	1,800,274
Other Local Revenues	824,071	4,677,415
Total	27,079,970	7,685,166

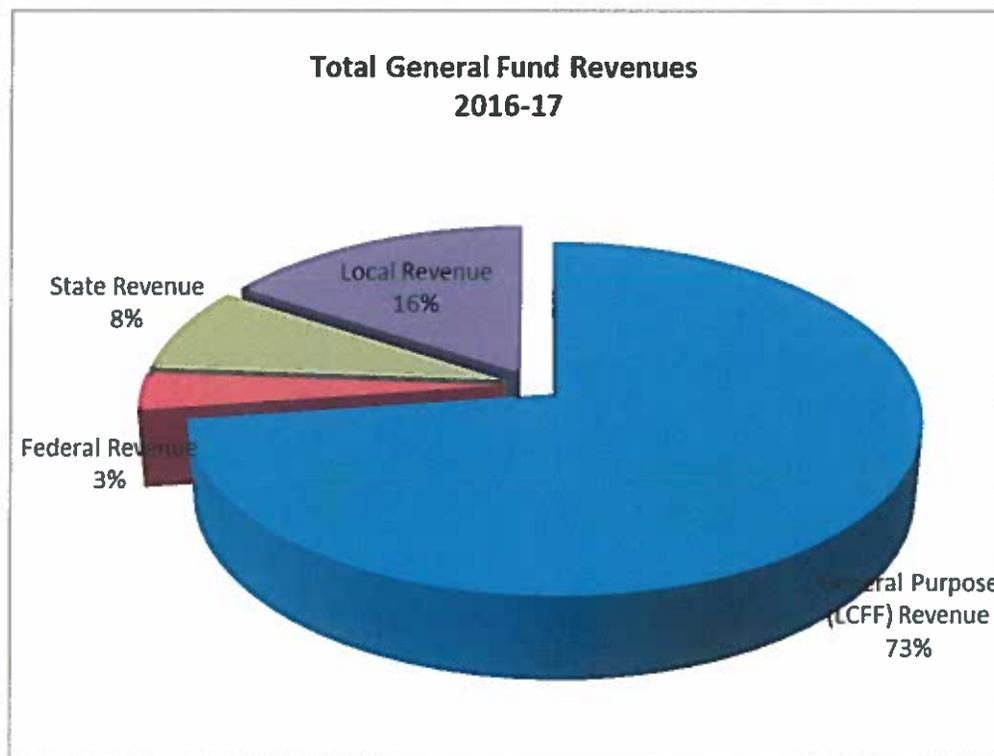
The key component of general purpose revenue is property taxes, since the District receives property tax revenues that exceed the allocated state per-ADA income guarantees; thus, the District is considered a "Basic Aid" or community funded district.

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 \$487,444 (a minimum of \$200 per ADA for Basic Aid districts) and had carryover funds of \$76,002 that was spent in the following manner described below:

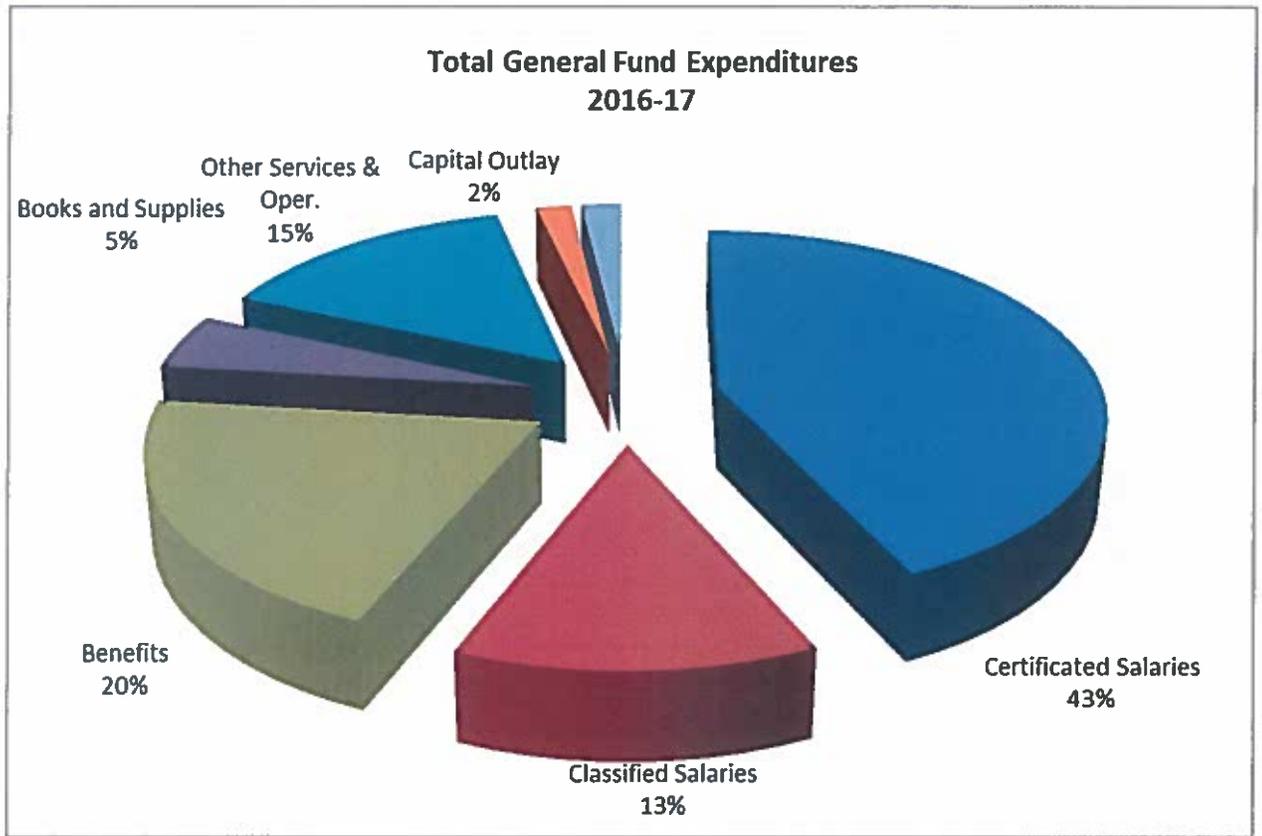
Education Protection Account (EPA) Budget Fiscal Year Ending June 30, 2017	
Beginning Balance	\$ 76,002
EPA Revenues	\$ 487,444
EPA Expenditures	
Certificated Instructional Salaries	\$ 438,857
Ending Balance	\$ 124,590

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 83% of the District's unrestricted budget, and approximately 76% of the total General Fund budget.

DESCRIPTION	UNRESTRICTED	RESTRICTED
Certificated Salaries	11,245,188	3,910,976
Classified Salaries	3,032,574	1,519,378
Benefits	4,455,326	2,792,312
Books and Supplies	1,119,958	556,728
Other Services & Oper.	2,247,667	2,926,689
Capital Outlay	512,735	94,379
Other Outgo/Transfer	(126,632)	810,299
TOTAL	22,486,815	12,610,762

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:		
<i>Facilities use</i>	\$ 25,671	\$ 4,132
<i>CA Eng Language Dev Test</i>	\$ 17,400	\$ 28,433
<i>BTSA</i>	\$ 23,958	\$ 23,413
Restricted:		
Special Education	3,860,548	3,012,977
Restricted Maintenance Account	1,025,000	1,025,000
Transportation	617,118	465,836
Library	68,512	68,512
ROP	178,195	199,828
CTEIG	175,000	-
Other	16,805	-
Total Contributions to Restricted	5,941,178	4,772,153

General Fund Summary

The District's 2016-17 General Fund has an operating deficit of \$262,442. The District's unrestricted General Fund had a deficit of \$108,998 that was approximately \$1.89 million less than what was projected in the District's 2016-17 estimated actuals report. Illustrated on page seven is a reconciliation accounting for the \$1.8 million variance.

As a result, the Districts General Fund's ending fund balance is \$8.050 million (\$6.85 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, 2016	Current Year Activity	Fund Balance June 30, 2017
01	General Fund	\$8,312,843	(\$262,442)	\$8,050,401
11	Adult Ed Fund	\$11,103	\$102,217	\$113,320
13	Cafeteria	\$71,410	(\$27,420)	\$43,990
14	Deferred Maintenance Fund *	\$265,312	\$144,766	\$410,078
20	Special Reserve for OPEB**	\$2,003,522	\$9,486	\$2,013,008
21	Building Funds	\$34,917,311	(\$2,726,398)	\$32,190,913
25	Capital Facilities Fund	\$120,346	\$55,880	\$176,226
40	Special Reserve for Capital Outlay	\$1,485,048	\$218,199	\$1,703,247
51	Bond Interest Redemption	\$6,780,009	\$3,083,243	\$9,863,252

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 2017, the District's external auditors will audit the records contained in this packet, and will render an opinion no later than December 15, 2017.

SAN RAFAEL HIGH SCHOOL DISTRICT
2016-17 Unaudited Actuals
Financial Activity: General Fund

Description	General Fund		
	Unrestricted	Restricted	Total
REVENUES			
General Purpose Revenues:			
State Aid & EPA			\$0
Property Taxes & Misc. Local	25,274,356	-	25,274,356
Total General Purpose	<u>25,274,356</u>	<u>-</u>	<u>25,274,356</u>
Federal Revenues		1,207,477	1,207,477
Other State Revenues	981,543	1,800,274	2,781,818
Other Local Revenues	824,071	4,677,415	5,501,486
TOTAL - REVENUES	<u>27,079,970</u>	<u>7,685,166</u>	<u>34,765,136</u>
EXPENDITURES			
Certificated Salaries	11,245,188	3,910,976	15,156,164
Classified Salaries	3,032,574	1,519,378	4,551,952
Employee Benefits (All)	4,455,326	2,792,312	7,247,638
Books & Supplies	1,119,958	556,728	1,676,686
Other Operating Expenses (Services)	2,247,667	2,926,689	5,174,356
Capital Outlay	512,735	94,379	607,115
Other Outgo	44,474	669,696	714,170
Direct Support/Indirect Costs	(171,106)	140,603	(30,503)
TOTAL - EXPENDITURES	<u>22,486,815</u>	<u>12,610,762</u>	<u>35,097,578</u>
EXCESS (DEFICIENCY)	<u>4,593,155</u>	<u>(4,925,596)</u>	<u>(332,442)</u>
OTHER SOURCES/USES			
Transfers In	70,000		70,000
Transfers (Out)			-
Net Other Sources (Uses)			-
Contributions (to Restricted Programs)	(4,772,153.)	4,772,153	-
TOTAL - OTHER SOURCES/USES	<u>(4,702,153)</u>	<u>4,772,153</u>	<u>70,000</u>
FUND BALANCE INCREASE (DECREASE)	<u>(108,998)</u>	<u>(153,443)</u>	<u>(262,442)</u>
FUND BALANCE			
Beginning Fund Balance	6,962,226	1,350,616	8,312,843
Ending Balance, June 30	\$6,853,228	\$1,197,173	\$8,050,401

**SAN RAFAEL HIGH SCHOOL
DISTRICT
2016-17 Unaudited Actuals
Reconciliation of Fund Balance Change: Unrestricted General Fund**

Description	Change Since Estimated Actuals	Comment
2016-17 Adopted Budget Estimated Actual (Unrestricted)	(1,995,650)	
REVENUE / SOURCES RECOGNIZED OVER (UNDER) PROJECTIONS		
LCFF Revenue	345,229	Property Taxes up 6.8% from prior year.
Other Revenue Changes	(471,346)	Other Local Revenue
TOTAL - REVENUE / SOURCES VARIANCE	(126,117)	
EXPENDITURES / USES RECOGNIZED UNDER (OVER) PROJECTIONS		
Certificated Salaries	(96,376)	Teacher and Admin salary excess costs
Classified Salaries	(15,879)	Excess costs in all categories of classified
Employee Benefits	310,649	Benefit savings related to salary savings
Books & Supplies	157,834	Typical unspent books/supplies allocations
Travel & Conferences	41,245	
Rents, Leases	73,474	
Professional/Consulting Services & Operating Expenditures	198,310	Unspent professional services contracts
Other	105,765	
Capital Outlay	74,365	
Indirect Cost Recapture, Other Outgo	(5,644)	
Contributions to Restricted Programs/Other Funds	1,169,025	Savings in Special Ed
TOTAL - EXPENDITURE / USES VARIANCE	2,012,769	
2016-17 UNAUDITED ACTUAL Deficit	(108,998)	

**SAN RAFAEL HIGH SCHOOL
DISTRICT
2016-17 Unaudited
Actuals
FUND BALANCE COMPONENTS: GENERAL
FUND**

Description	2016-17 Unaudited Actuals		
	Unrestricted	Restricted	Combined
NONSPENDABLE			
Revolving Cash	\$ 5,600	\$ -	\$ 5,600
Total - NONSPENDABLE	5,600	-	5,600
RESTRICTED			
Educator Effectiveness		37,712	37,712
Lottery Restricted		74,033	74,033
Special Education		139,863	139,863
College Readiness Block Grant		169,766	169,766
Restricted Maintenance		324,973	324,973
PTAs, Foundation, Library		450,826	450,826
TOTAL - RESTRICTED	\$ -	\$ 1,197,173	\$ 1,197,173
ASSIGNED			
Site donation accounts	48,626		48,626
ASB	1,447		1,447
EPA	124,590		124,590
Reserve for compensation	1,150,000		
Total - Assigned	\$ 1,324,663	\$ -	\$ 174,663
UNASSIGNED			
Economic Uncertainty Reserve (3% State)	1,052,927		1,052,927
Add'l Reserve for Economic Uncertainty (7%)	2,456,830		
Unappropriated	2,013,208		2,013,208
TOTAL - UNASSIGNED	\$ 5,522,965	\$ -	\$ 3,066,135
TOTAL - FUND BALANCE	\$ 6,853,228	\$ 1,197,173	\$ 8,050,401

G = General Ledger Data; S = Supplemental Data

Form	Description	Data Supplied For:	
		2016-17 Unaudited Actuals	2017-18 Budget
01	General Fund/County School Service Fund	GS	GS
09	Charter Schools Special Revenue Fund		
10	Special Education Pass-Through Fund		
11	Adult Education Fund	G	G
12	Child Development Fund		
13	Cafeteria Special Revenue Fund	G	G
14	Deferred Maintenance Fund	G	G
15	Pupil Transportation Equipment Fund		
17	Special Reserve Fund for Other Than Capital Outlay Projects		
18	School Bus Emissions Reduction Fund		
19	Foundation Special Revenue Fund		
20	Special Reserve Fund for Postemployment Benefits	G	G
21	Building Fund	G	G
25	Capital Facilities Fund	G	G
30	State School Building Lease-Purchase Fund		
35	County School Facilities Fund		
40	Special Reserve Fund for Capital Outlay Projects	G	G
49	Capital Project Fund for Blended Component Units		
51	Bond Interest and Redemption Fund	G	G
52	Debt Service Fund for Blended Component Units		
53	Tax Override Fund		
56	Debt Service Fund		
57	Foundation Permanent Fund		
61	Cafeteria Enterprise Fund		
62	Charter Schools Enterprise Fund		
63	Other Enterprise Fund		
66	Warehouse Revolving Fund		
67	Self-Insurance Fund		
71	Retiree Benefit Fund		
73	Foundation Private-Purpose Trust Fund		
76	Warrant/Pass-Through Fund		
95	Student Body Fund		
76A	Changes in Assets and Liabilities (Warrant/Pass-Through)		
95A	Changes in Assets and Liabilities (Student Body)		
A	Average Daily Attendance	S	S
ASSET	Schedule of Capital Assets	S	
CA	Unaudited Actuals Certification	S	
CAT	Schedule for Categoricals		
CEA	Current Expense Formula/Minimum Classroom Comp. - Actuals	GS	
CHG	Change Order Form		
DEBT	Schedule of Long-Term Liabilities	S	
GANN	Appropriations Limit Calculations	GS	GS
ICR	Indirect Cost Rate Worksheet	GS	
L	Lottery Report	GS	
NCMOE	No Child Left Behind Maintenance of Effort	GS	
PCRAF	Program Cost Report Schedule of Allocation Factors	GS	

G = General Ledger Data; S = Supplemental Data

Form	Description	Data Supplied For:	
		2016-17 Unaudited Actuals	2017-18 Budget
PCR	Program Cost Report	GS	
SEA	Special Education Revenue Allocations		
SEAS	Special Education Revenue Allocations Setup (SELPA Selection)	S	S
SIAA	Summary of Interfund Activities - Actuals	G	