



2018-19

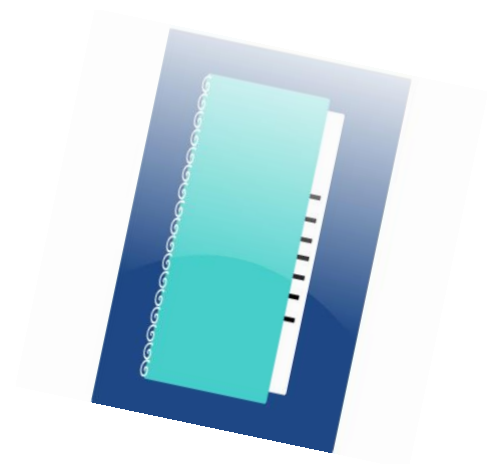
UNAUDITED ACTUALS

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# Agenda

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- ❖ Unaudited Actuals Overview
- ❖ Funding Factor Components
- ❖ General Fund Revenue and Expense Categories
- ❖ General Fund Activity Summary
- ❖ General Fund Ending Fund Balance Components
- ❖ Change in Fund Balance Reconciliation – Unrestricted General Fund
- ❖ 2018-19 Activity & Balances (All Funds)
- ❖ Questions





# What are Unaudited Actuals?

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Staff prepared year-end financial statements as of June 30<sup>th</sup> for all District funds

A report of activities in all District funds, identifying unspent funds or reserves that are carried forward into future years

Financial information used by external auditors to prepare the official Audit Report

Last June as part of the 2019-20 Budget Adoption process, staff presented 2018-19 Estimated Actuals

# What has changed since June?

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The financial books of the District have been closed

Year-end closing entries are prepared and posted

Unaudited Actuals are compared to Estimated Actuals as presented with the 2019-20 Adopted Budget



# What are Common Reasons for Differences?

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Revenue is received that was not anticipated

Expenditure allocations or budgets were not completely used or overspent

# Components Funding Factors

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## Average Daily Attendance (ADA)

- ESD - Actual ADA for 2018-19 was 4,464, which was an decrease of 115 ADA from 2017-18
- HSD - Actual ADA for 2018-19 was 2,514, which was an increase of 28 ADA from 2017-18

Due to the fact that the HSD is community funded, the increase in ADA from 2017-18 does not significantly impact operating revenues, but does significantly increase operating expenditures.



# Property Taxes > LCFF Transition = Basic Aid Status for HSD

18-19 Property Tax Revenue	\$ 27,769,960
Less: LCFF Entitlement Revenue	<u>\$ 25,740,487</u>
Excess Property Taxes	\$ 2,029,473

- SRHSD would be entitled to \$25.7 million as LCFF funded District in 2018-19
- Based on current assumptions and 4% annual property tax growth, SRHSD would be entitled to approximately \$28.1 million by 2021-22 under the LCFF
  - Amount is \$3.125 million less than projected property taxes that year; thus, more than likely SRHSD will remain designated as a “Basic Aid” District in the foreseeable future

# Components

## Other Funding Factors

### Lottery

- Unrestricted – funded at \$163.73 per 2017-18 ADA
- Restricted – funded at \$65.91 per 2017-18 ADA

### Mandated Cost Block Grant

- Grades K-8 at \$31.16 per ADA
- Grades 9-12 at \$59.83 per ADA



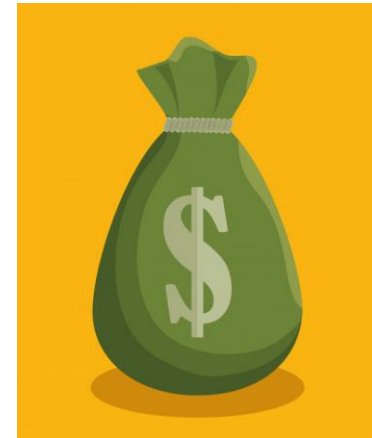
### Parcel Tax Revenue

- \$3.2 million received for both ESD and HSD in 18-19

# ESD Parcel Tax

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PARCEL TAX REVENUES :	\$3,236,747
CERTIFICATED SALARIES :	1,960,589
CLASSIFIED SALARIES :	412,956
EMPLOYEE BENEFITS :	835,326
BOOKS AND SUPPLIES :	30,597
SERVICES:	75,726
TOTAL EXPENDITURES	<hr/> \$3,315,194



# HSD Parcel Tax

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PARCEL TAX REVENUES :     \$3,241,718

CERTIFICATED SALARIES :     2,054,321

CLASSIFIED SALARIES :     228,758

EMPLOYEE BENEFITS :     737,603

BOOKS AND SUPPLIES :     103,599

SERVICES:     54,693

TOTAL EXPENDITURES     \$3,178,974



# Components of General Fund Revenue

## Elementary SD:

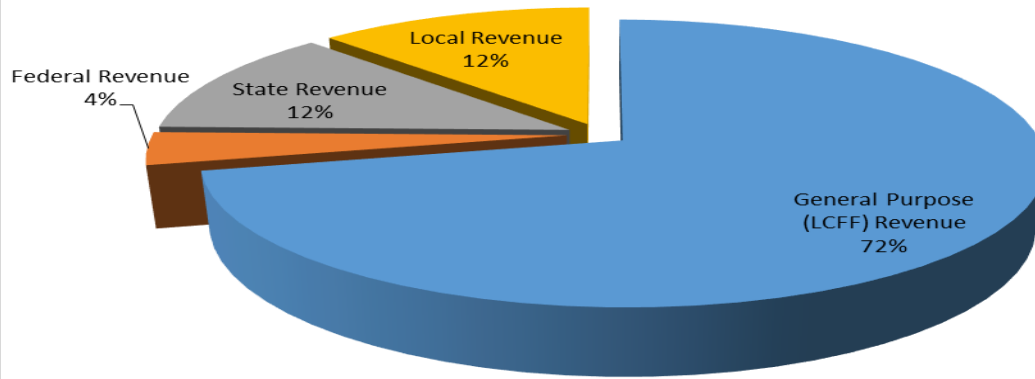
Description	Unrestricted	Restricted	Total
General Purpose Sources (Taxes & State Aid)	44,344,418	-	44,344,418
Federal Revenues		2,300,242	2,300,242
Other State Revenues	1,783,512	5,758,359	7,541,871
Other Local Revenues	951,253	6,751,380	7,702,633
Total	47,079,183	14,809,981	61,889,164

## High School District:

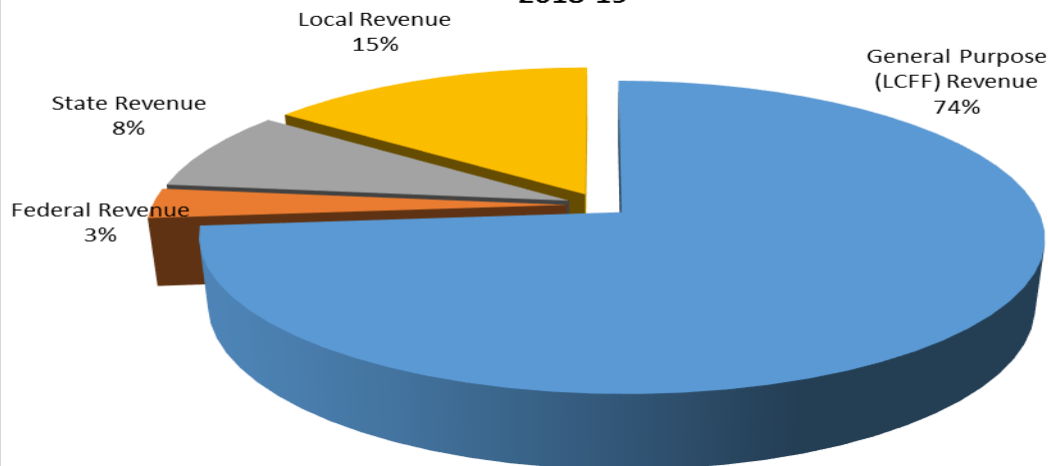
Description	Unrestricted	Restricted	Total
General Purpose Sources (Taxes & State Aid)	27,730,191	-	27,730,191
Federal Revenues		1,008,074	1,008,074
Other State Revenues	1,061,641	3,347,602	4,409,244
Other Local Revenues	849,930	4,807,664	5,657,593
Total	29,641,762	9,163,340	38,805,102

# General Fund Revenue Budget

**Total ESD General Fund Revenues  
2018-19**



**Total HSD General Fund Revenues  
2018-19**



**General Purpose –**  
*Property taxes, basic state  
aide, and education  
protection account funds*

**Federal – District must  
follow specific grant  
guidelines (Title I, Title II,  
etc.)**

**Other State – State funds  
not part of State Aid  
(Lottery, Special Education,  
Mandate etc.)**

**Local – Funds received  
from local sources (Parcel  
Tax, Foundation support,  
PTSA support, Interest, etc.)**

# Components EPA

## Education Protection Account (EPA)

- Amount must be utilized for instructional purposes

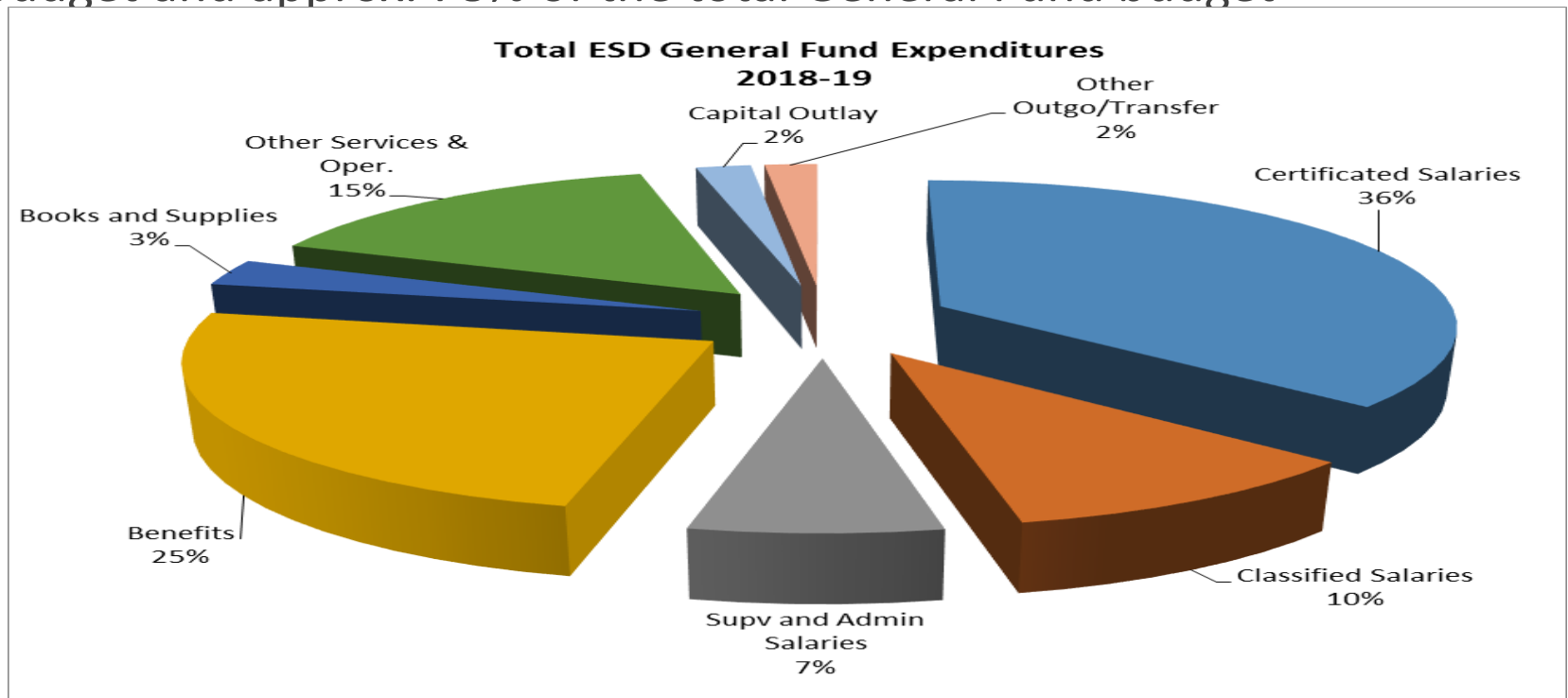
Education Protection Account (EPA) Elementary Fiscal Year Ending June 30, 2019	
<b>Beginning Balance</b>	\$ -
<b>EPA Revenues</b>	\$ 2,398,506
<b>EPA Expenditures</b>	
Certificated Instructional Salaries	\$ 2,398,506
<b>Ending Balance</b>	\$ -

Education Protection Account (EPA) High School District Fiscal Year Ending June 30, 2019	
<b>Beginning Balance</b>	\$ 124,590
<b>EPA Revenues</b>	\$ 502,752
<b>EPA Expenditures</b>	
Certificated Instructional Salaries	\$ 530,103
<b>Ending Balance</b>	\$ 97,239

# General Fund Expenditures (ESD)

Reflects General Fund only (no Cafeteria, Bonds, Child Development)

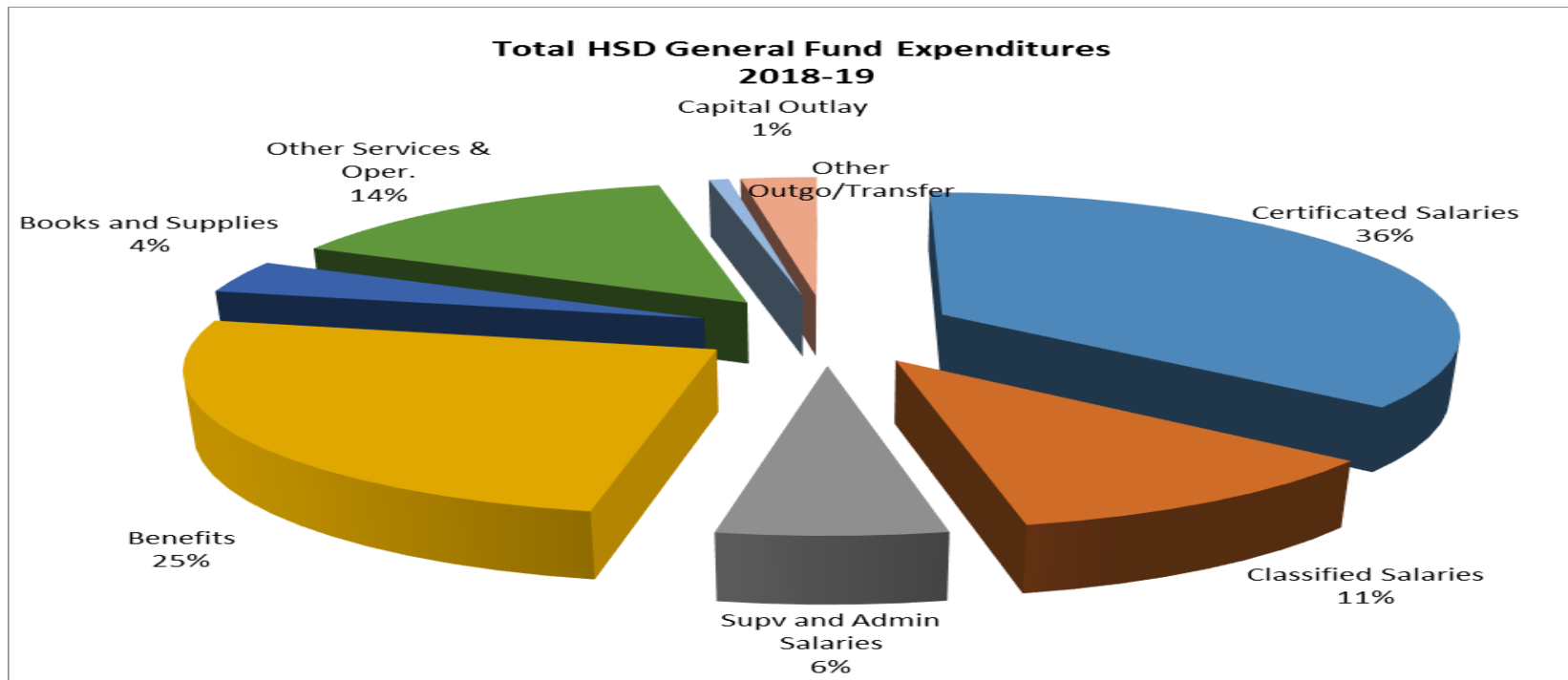
Employee costs comprise approximately 86% of the District's unrestricted budget and approx. 78% of the total General Fund budget



# General Fund Expenditures (HSD)

Reflects General Fund only (no Cafeteria, Bonds, Adult Ed)

Employee costs comprise approximately 85% of the District's unrestricted budget and approx. 78% of the total General Fund budget



# Contributions and Transfers (ESD)

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Additional SELPA revenue at year end, salary savings and reduced contribution to Special Education

Description	Estimated Actual	Unaudited Actual
<b><i>Unrestricted:</i></b>		
<i>Facilities use</i>	\$ 39,584	\$ 41,613
<i>BTSA</i>	\$ 145,642	\$ 142,183
<i>LCAP mini-grants</i>	\$ 350,000	\$ 350,000
<b>Restricted:</b>		
Special Education	5,337,815	5,224,099
Restricted Maintenance Account	1,575,000	1,575,000
Other Local Projects	196,058	196,693
Total Contributions to Restricted	7,108,873	6,995,793

# Contributions and Transfers HSD

## Savings in Special Education and SELPA Excess Costs

Description	Estimated Actual	Unaudited Actual
<b><i>Unrestricted:</i></b>		
<i>Facilities use</i>	\$ 16,093	\$ 14,910
<i>CA Eng Language Dev Test</i>	\$ 20,547	\$ 22,281
<i>BTSA</i>	\$ 13,134	\$ 10,504
<b>Restricted:</b>		
Special Education	4,945,280	4,630,210
Restricted Maintenance Account	1,025,000	1,025,000
Library	7,000	7,000
ROP	216,533	213,007
Total Contributions to Restricted	6,193,812	5,875,217

# 2018-19 Summary (ESD General Fund)



<b>Description</b>	<b>2018-19 Estimated Actuals</b>	<b>2018-19 Unaudited Actuals</b>	<b>Difference</b>
Revenue	\$59,671,555	\$61,889,164	\$2,217,609
Expenditures	\$59,854,598	\$60,496,447	\$641,849
Excess (Deficiency)	(\$183,043)	\$1,392,717	\$1,575,760
Other Sources/(Uses)	(\$1,298,417)	(\$1,246,708)	\$51,709
Net Increase (Decrease)	(\$1,481,460)	\$146,009	\$1,627,469
Add Beginning Fund Bal	\$18,422,708	\$18,422,708	
Ending Fund Balance	\$16,941,248	\$18,568,717	\$1,627,469
Unrestricted General Fund	\$14,331,669	\$15,343,861	\$1,012,192
Restricted General Fund	\$2,609,579	\$3,224,856	\$615,277
Combined General Fund	\$16,941,248	\$18,568,717	\$1,627,469

# 2018-19 Summary (HSD General Fund)



Description	2018-19	2018-19	Difference
	Estimated Actuals	Unaudited Actuals	
Revenue	\$36,728,142	\$38,805,102	\$2,076,960
Expenditures	\$38,109,891	\$38,671,050	\$561,159
Excess (Deficiency)	(\$1,381,749)	\$134,052	\$1,515,802
Other Sources/(Uses)	(\$28,765)	(\$14,845)	\$13,920
Net Increase (Decrease)	(\$1,410,514)	\$119,207	\$1,529,722
Add Beginning Fund Bal	\$7,894,692	\$7,894,692	
Ending Fund Balance	\$6,484,178	\$8,013,900	\$1,529,722
Unrestricted General Fund	\$5,449,234	\$6,396,720	\$947,485
Restricted General Fund	\$1,034,944	\$1,617,180	\$582,236
Combined General Fund	\$6,484,178	\$8,013,900	\$1,529,722

# Change in Fund Balance ESD

## Unrestricted General Fund

### Reconciliation Components

Description	Change Since Estimated Actuals	Comment
<b>2018-19 Adopted Budget Estimated Actual (Unrestricted)</b>	<b>(242,186)</b>	
<b>REVENUE / SOURCES RECOGNIZED OVER (UNDER) PROJECTIONS</b>		
LCFF Revenue	(5,006)	
Other State Revenue	70,811	Lottery Revenue
Other Local Revenue	143,283	Interest Income, Donations
<b>TOTAL - REVENUE / SOURCES VARIANCE</b>	<b>209,088</b>	
<b>EXPENDITURES / USES RECOGNIZED UNDER (OVER) PROJECTIONS</b>		
Certificated Salaries	14,103	Teacher and Teacher Hourly/Extra Duty
Classified Salaries	52,917	Various Classified Hourly/Extra Duty
Employee Benefits	17,748	Benefit savings related to salary savings
Books & Supplies	283,731	Unspent books/supplies allocations
Travel & Conferences	31,814	
Utilities	18,588	
Rents, Leases	35,401	
Other Services	176,958	Unspent professional services contracts
Capital Outlay	15,001	
Indirect Cost Recapture	123,611	
Other Outgo	(131,560)	payments to MCOE
Transfers out	51,709	Contribution to Cafeteria Fund
Contributions to Restricted Programs/Other Funds	113,080	Savings in Special Ed
<b>TOTAL - EXPENDITURE / USES VARIANCE</b>	<b>803,103</b>	
<b>2018-19 UNAUDITED ACTUAL Surplus</b>	<b>770,005</b>	

# Change in Fund Balance HSD

## Unrestricted General Fund

### Reconciliation Components

Description	Change Since Estimated Actuals	Comment
<b>2018-19 Adopted Budget Estimated Actual (Unrestricted)</b>	<b>(811,275)</b>	
<b>REVENUE / SOURCES RECOGNIZED OVER (UNDER) PROJECTIONS</b>		
LCFF Revenue	193,412	Property Taxes up 5.74% from prior year.
Other State Revenue	71,302	Lottery Rev
Other Local Revenue	71,457	Interest, Donations
<b>TOTAL - REVENUE / SOURCES VARIANCE</b>	<b>336,172</b>	
<b>EXPENDITURES / USES RECOGNIZED UNDER (OVER) PROJECTIONS</b>		
Certificated Salaries	18,256	Teacher and Teacher Hourly/Extra Duty
Classified Salaries	66,829	
Employee Benefits	44,422	Benefit savings related to salary savings
Books & Supplies	125,053	Unspent books/supplies allocations
Travel & Conferences	10,532	
Utilities	68,636	SPURR(natural gas)
Rents, Leases	24,157	
Communications	65,455	
Other Services	(17,696)	
Capital Outlay	10,448	
Indirect Cost Recapture	37,508	
Other Outgo (payments to MCOE)	(174,801)	Transfers to MCOE budgeted in Sp Ed
Transfers Out	13,920	Transfer to Cafeteria Fund
Contributions to Restricted Programs/Other Funds	318,595	Savings in Special Ed
<b>TOTAL - EXPENDITURE / USES VARIANCE</b>	<b>611,313</b>	
<b>2018-19 UNAUDITED ACTUAL Surplus</b>	<b>136,210</b>	

# Components of the Ending Fund Balance (ESD)

Various assignments of carryover funds, legally restricted reserves, and a minimal reserve of 10% total, per Board recommendation

Description	2018-19 Unaudited Actuals		
	Unrestricted	Restricted	Combined
<b>Total - NONSPENDABLE</b>	<b>2,500</b>	<b>-</b>	<b>2,500</b>
<b>TOTAL - RESTRICTED</b>	<b>\$ -</b>	<b>\$ 3,224,856</b>	<b>\$ 2,740,088</b>
<b>ASSIGNED</b>			
Site donation accounts	134,493		134,493
PAR	4,100		4,100
LCAP mini-grants	61,040		
7% Board Designated Reserve	4,322,022		
<b>Total - Assigned</b>	<b>\$ 4,521,655</b>	<b>\$ -</b>	<b>\$ 138,593</b>
<b>UNASSIGNED</b>			
Economic Uncertainty Reserve (3% State)	1,852,295		1,852,295
Unappropriated	8,967,411		8,967,411
<b>TOTAL - UNASSIGNED</b>	<b>\$ 10,819,706</b>	<b>\$ -</b>	<b>\$ 10,819,706</b>
<b>TOTAL - FUND BALANCE</b>	<b>\$ 15,343,861</b>	<b>\$ 3,224,856</b>	<b>\$ 18,568,717</b>

# Components of the Ending Fund Balance (HSD)

Various assignments of carryover funds, legally restricted reserves, a reserve for employee compensation, and, per Board Policy, an adequate basic aid reserve to protect against property tax swings

Description	2018-19 HSD Unaudited Actuals		
	Unrestricted	Restricted	Combined
Revolving Cash	\$ 5,600	\$ -	\$ 5,600
<b>Total - NONSPENDABLE</b>	<b>5,600</b>	<b>-</b>	<b>5,600</b>
<b>TOTAL - RESTRICTED</b>	<b>\$ -</b>	<b>\$ 1,617,180</b>	<b>\$ 1,634,183</b>
<b>ASSIGNED</b>			
7% Board Designated Reserve	2,705,934		2,705,934
<b>2018-19 Salary Adjustment</b>	631,635		
Local Donations	71,954		
ASB	2,744		2,744
PAR	16,567		
EPA	100,605		100,605
<b>Total - Assigned</b>	<b>\$ 3,529,439</b>	<b>\$ -</b>	<b>\$ 2,809,283</b>
<b>UNASSIGNED</b>			
Economic Uncertainty Reserve (3% State)	1,159,686		1,159,686
Unappropriated	1,701,995		1,701,995
<b>TOTAL - UNASSIGNED</b>	<b>\$ 2,861,681</b>	<b>\$ -</b>	<b>\$ 2,861,681</b>
<b>TOTAL - FUND BALANCE</b>	<b>\$ 6,396,720</b>	<b>\$ 1,617,180</b>	<b>\$ 8,013,900</b>

# 2018-19 Ending Fund Balances All Funds (ESD)

All Funds of the Elementary School District				
Fund Number and Description		Fund Balance July 1, 2018	Current Year Activity	Fund Balance June 30, 2019
01	General Fund	\$18,422,708	\$146,009	\$18,568,717
12	Child Development	\$46,248	(\$10,122)	\$36,126
13	Cafeteria	\$28,592	\$6,838	\$35,431
14	Deferred Maintenance Fund *	\$874,694	\$25,671	\$900,366
20	Special Reserve for OPEB	\$3,291,543	\$813,852	\$4,105,395
21	Building Funds	\$16,858,474	\$42,500,402	\$59,358,876
25	Capital Facilities Fund	\$116,593	\$46,927	\$163,520
40	Special Reserve for Capital Outlay	\$1,685,440	\$257,851	\$1,943,291
51	Bond Interest Redemption	\$8,768,411	\$7,950,668	\$16,719,080

\*District funding Deferred Maintenance at the historic rate.



# 2018-19 Ending Fund Balances All Funds (HSD)

## All Funds of the High School District

Fund Number and Description		Fund Balance July 1, 2018	Current Year Activity	Fund Balance June 30, 2019
01	General Fund	\$7,894,693	\$119,207	\$8,013,900
11	Adult Ed Fund	\$59,293	(\$59,293)	\$0
13	Cafeteria	\$3,788	(\$3,788)	\$0
14	Deferred Maintenance Fund *	\$460,708	(\$115,599)	\$345,109
20	Special Reserve for OPEB**	\$2,032,147	\$36,020	\$2,068,167
21	Building Funds	\$12,694,409	\$47,447,615	\$60,142,024
25	Capital Facilities Fund	\$237,423	\$69,497	\$306,921
40	Special Reserve for Capital Outlay	\$1,296,993	(\$525,725)	\$771,268
51	Bond Interest Redemption	\$6,548,235	\$4,147,909	\$10,696,144

\*District funding Deferred Maintenance at the historic rate.

\*\* Annual contribution to OPEB is decided independently each fiscal year



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Questions?

