

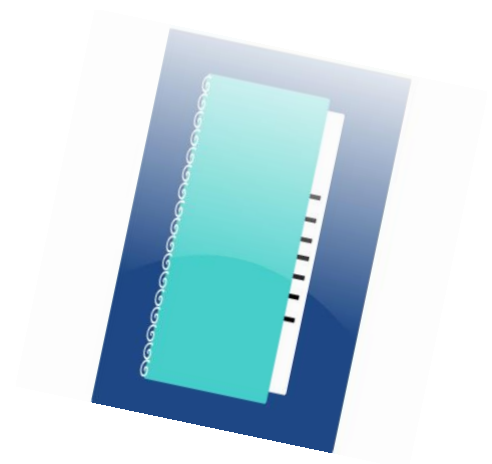


2017-18

UNAUDITED ACTUALS

Agenda

- ❖ 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
- ❖ 2017-18 Activity & Balances (All Funds)
- ❖ Questions





What are Unaudited Actuals?

Staff prepared year-end financial statements as of June 30th 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 2018-19 Budget Adoption process, staff presented 2017-18 Estimated Actuals

What has changed since June?

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 2018-19 Adopted Budget



What are Common Reasons for Differences?

Revenue is received that was not anticipated

Expenditure allocations or budgets were not completely used or overspent

Components Funding Factors

Average Daily Attendance (ADA)

- ESD - Actual ADA for 2017-18 was 4,579, which was an decrease of 50 ADA from 2016-17
- HSD - Actual ADA for 2017-18 was 2,534, which was an increase of 167 ADA from 2016-17

Due to the fact that the HSD is community funded, the increase in ADA from 2016-17 does not significantly impact operating revenues, but does significantly increase operating expenditures.



Property Taxes > LCFF Transition = Basic Aid Status for HSD

17-18 Property Tax Revenue	\$ 25,786,931
Less: LCFF Transition Revenue	<u>\$ 23,541,000</u>
Excess Property Taxes	\$ 2,245,931

- SRHSD would be entitled to \$23.5 million if LCFF were fully funded in 2017-18
- Based on current assumptions and 4% annual property tax growth, SRHSD would be entitled to approximately \$27.5 million by 2020-21 under the LCFF
 - Amount is \$1.5 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 \$146 per 2016-17 ADA
- Restricted – funded at \$48 per 2016-17 ADA

Mandated Cost Block Grant

- Grades K-8 at \$30 per ADA
- Grades 9-12 at \$58 per ADA

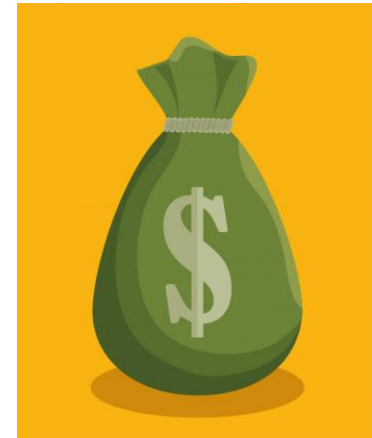


Parcel Tax Revenue

- \$3.0 million received for both ESD and HSD in 17-18

ESD Parcel Tax

PARCEL TAX REVENUES :	\$3,034,536
CERTIFICATED SALARIES :	1,830,411
CLASSIFIED SALARIES :	398,807
EMPLOYEE BENEFITS :	738,513
BOOKS AND SUPPLIES :	19,466
SERVICES:	49,378
TOTAL EXPENDITURES	<hr/> \$3,036,574



HSD Parcel Tax

PARCEL TAX REVENUES : \$3,051,208

CERTIFICATED SALARIES : 2,107,840

CLASSIFIED SALARIES : 201,622

EMPLOYEE BENEFITS : 654,867

BOOKS AND SUPPLIES : 130,889

SERVICES: 81,179

TOTAL EXPENDITURES \$3,176,396



Components of General Fund Revenue

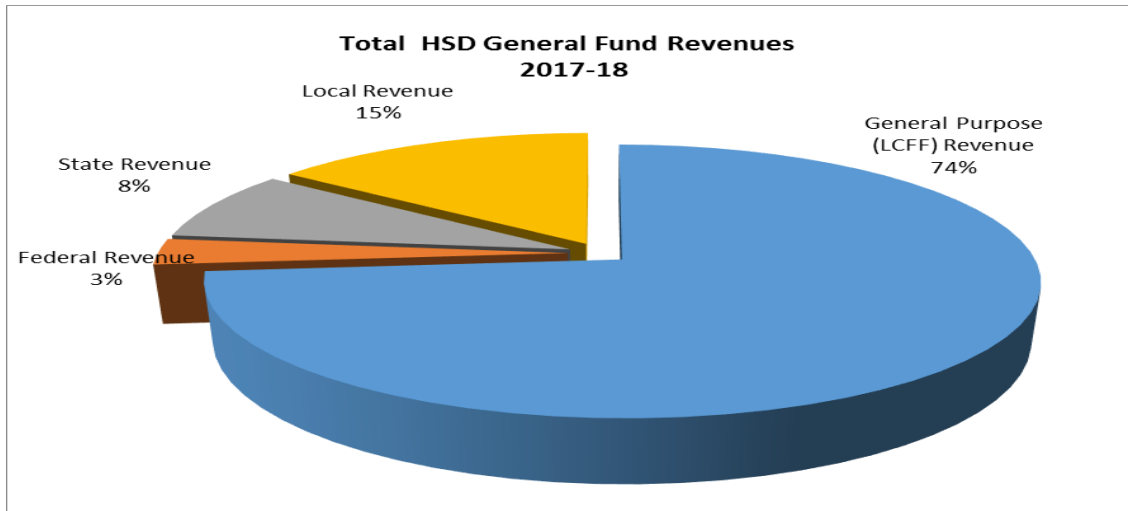
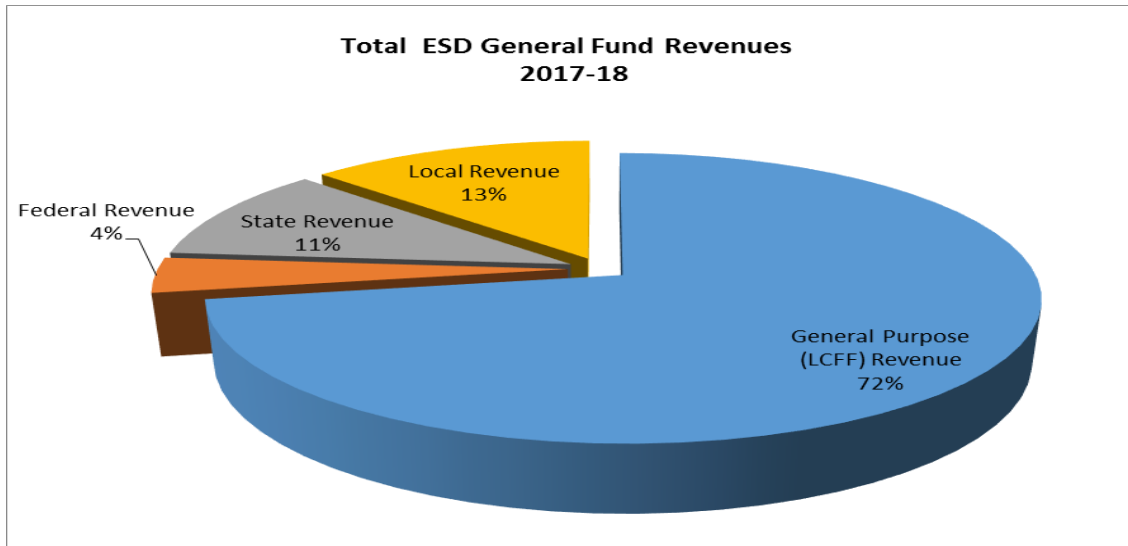
Elementary SD:

Description	Unrestricted	Restricted
General Purpose Sources (Taxes & State Aid)	41,679,033	-
Federal Revenues		2,294,538
Other State Revenues	1,599,363	4,527,404
Other Local Revenues	938,234	6,570,307
Total	44,216,630	13,392,248

High School District:

Description	Unrestricted	Restricted
General Purpose Sources (Taxes & State Aid)	26,128,374	-
Federal Revenues		974,240
Other State Revenues	916,325	2,222,199
Other Local Revenues	827,112	4,713,163
Total	27,871,811	7,909,602

General Fund Revenue Budget



General Purpose –
Property taxes, basic state aid, 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

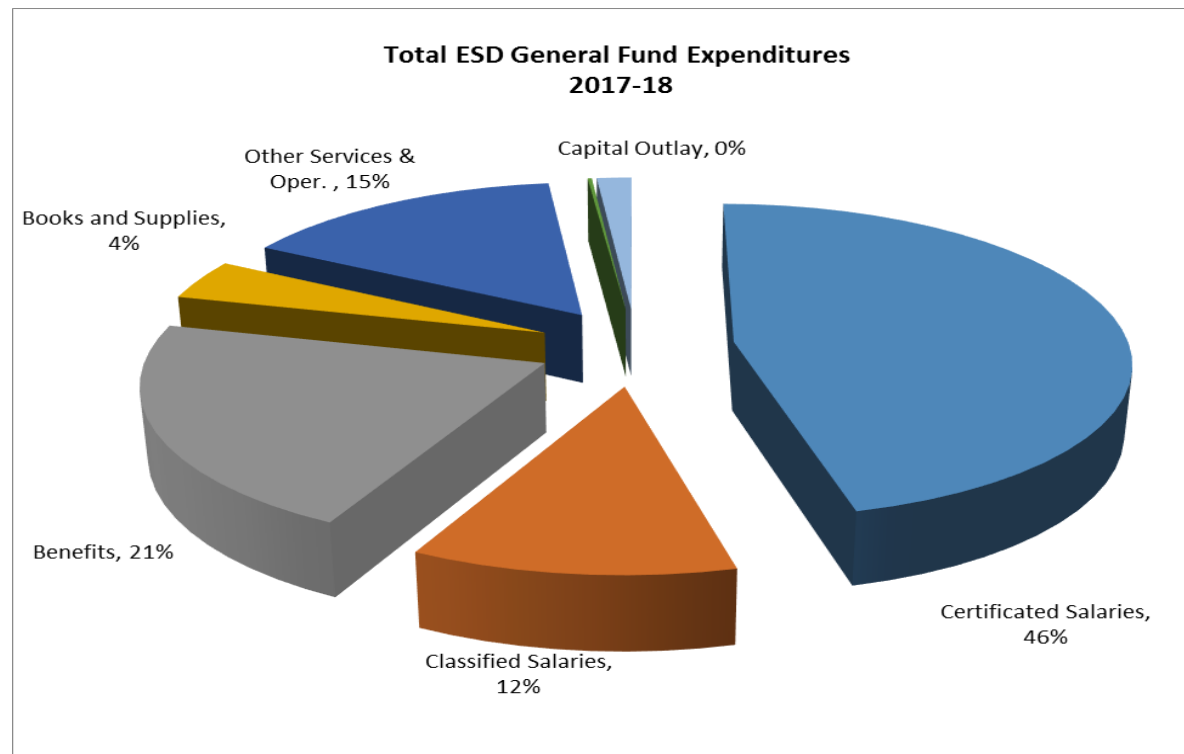
Education Protection Account (EPA) Elementary Fiscal Year Ending June 30, 2018	
Beginning Balance	\$ -
EPA Revenues	\$ 4,695,434
EPA Expenditures	
Certificated Instructional Salaries	\$ 4,695,434
Ending Balance	\$ -

Education Protection Account (EPA) High School District Fiscal Year Ending June 30, 2018	
Beginning Balance	\$ 124,590
EPA Revenues	\$ 506,670
EPA Expenditures	
Certificated Instructional Salaries	\$ 506,670
Ending Balance	\$ 124,590

General Fund Expenditures (ESD)

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

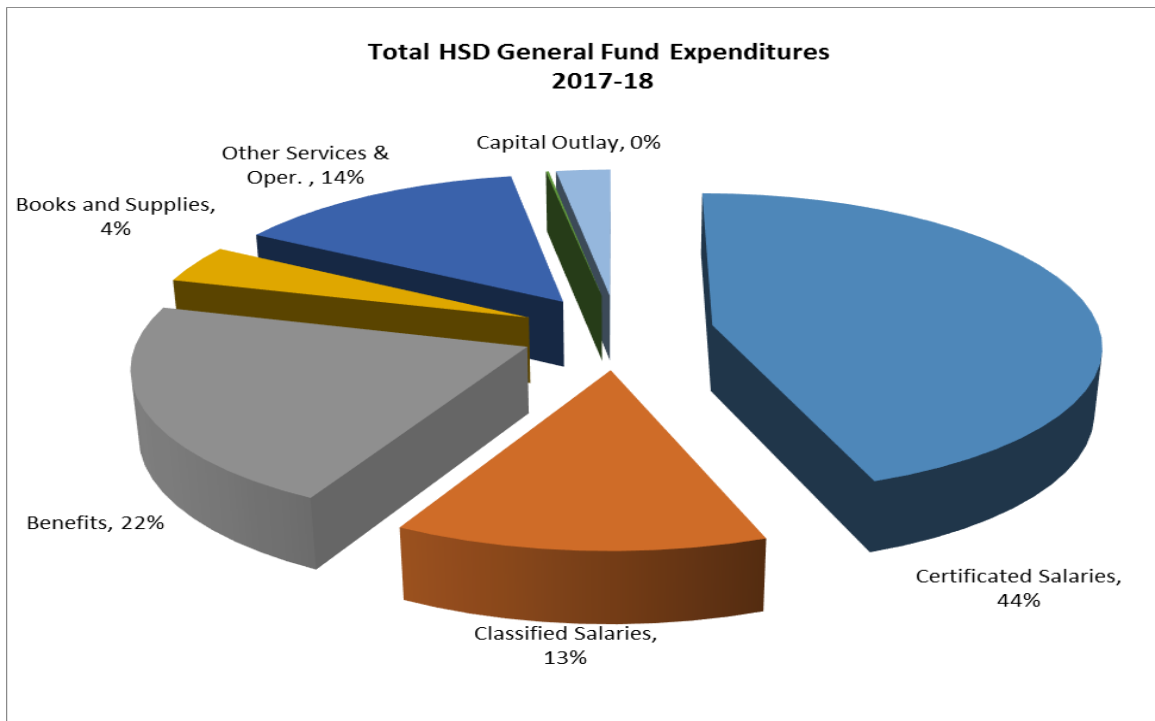
While employee costs are 79%, remember that a good portion of the 5000's (Other Services) reflect other agency's employee costs (SELPA, NPS/NPA)



General Fund Expenditures (HSD)

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

While employee costs are 79%, remember that a good portion of the 5000's (Other Services) reflect other agency's employee costs (SELPA, NPS/NPA)



Contributions and Transfers (ESD)

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

Description	Estimated Actual	Unaudited Actual
Unrestricted:		
<i>Facilities use</i>	\$ 36,661	\$ 40,339
<i>BTSA</i>	\$ 80,897	\$ 85,972
<i>LCAP mini-grants</i>	\$ 350,000	\$ 350,000
Restricted:		
Special Education	4,004,863	3,883,273
Restricted Maintenance Account	1,575,000	1,575,000
Transportation	700,520	704,787
Other Local Projects	185,000	185,000
Total Contributions to Restricted	6,465,383	6,348,060

Contributions and Transfers HSD

Savings in Special Education and SELPA Excess Costs

Description	Estimated Actual	Unaudited Actual
Unrestricted:		
<i>Facilities use</i>	\$ 18,049	\$ 2,579
<i>CA Eng Language Dev Test</i>	\$ 18,874	\$ 18,873
<i>BTSA</i>	\$ 17,062	\$ 18,061
Restricted:		
Special Education	4,329,941	3,813,913
Restricted Maintenance Account	1,025,000	1,025,000
Transportation	655,214	657,132
Library	7,000	7,000
ROP	190,614	190,559
Total Contributions to Restricted	6,207,769	5,693,605

2017-18 Summary (ESD General Fund)



	2017-18	2017-18	
	Estimated	Unaudited	
Description	Actuals	Actuals	Difference
Revenue	\$57,434,488	\$57,608,879	\$174,390
Expenditures	\$57,754,998	\$54,019,617	(\$3,735,381)
Excess (Deficiency)	(\$320,510)	\$3,589,261	\$3,909,771
Other Sources/(Uses)	(\$1,022,185)	(\$1,056,539)	(\$34,354)
Net Increase (Decrease)	(\$1,342,695)	\$2,532,722	\$3,875,417
Add Beginning Fund Bal	\$15,998,393	\$15,998,393	
Ending Fund Balance	\$14,655,698	\$18,531,115	\$3,875,417
Unrestricted General Fund	\$13,222,615	\$14,682,263	\$1,459,649
Restricted General Fund	\$1,433,084	\$3,848,852	\$2,415,769
Combined General Fund	\$14,655,698	\$18,531,115	\$3,875,417

2017-18 Summary (HSD General Fund)



	2017-18	2017-18	
	Estimated	Unaudited	
Description	Actuals	Actuals	Difference
Revenue	\$35,410,852	\$35,781,414	\$370,562
Expenditures	\$37,704,824	\$36,007,122	(\$1,697,702)
Excess (Deficiency)	(\$2,293,972)	(\$225,708)	\$2,068,264
Other Sources/(Uses)	\$70,000	\$70,000	\$0
Net Increase (Decrease)	(\$2,223,972)	(\$155,708)	\$2,068,264
Add Beginning Fund Bal	\$8,050,401	\$8,050,401	
Ending Fund Balance	\$5,826,429	\$7,894,692	\$2,068,264
Unrestricted General Fund	\$6,853,228	\$6,260,509	(\$592,719)
Restricted General Fund	\$1,197,173	\$1,634,183	\$437,010
Combined General Fund	\$8,050,401	\$7,894,692	(\$155,708)

Change in Fund Balance ESD

Unrestricted General Fund

Reconciliation Components

Description	Change Since Estimated Actuals	Comment
2017-18 Adopted Budget Estimated Actual (Unrestricted)	(373,776)	
REVENUE / SOURCES RECOGNIZED OVER (UNDER) PROJECTIONS		
LCFF Revenue	95,854	ADA Adjustments
Other Revenue Changes	142,265	Lottery, Interest
TOTAL - REVENUE / SOURCES VARIANCE	238,119	
EXPENDITURES / USES RECOGNIZED UNDER (OVER) PROJECTIONS		
Certificated Salaries	88,874	Teacher and Teacher Hourly/Extra Duty
Classified Salaries	75,630	Various Classified Hourly/Extra Duty
Employee Benefits	112,453	Benefit savings related to salary savings
Books & Supplies	391,521	Typical unspent books/supplies allocations
Travel & Conferences	35,833	
Utilities	58,159	
Rents, Leases	65,011	
Field Trips	15,017	
Other Contract Services	185,036	Unspent professional services contracts
Outside Printing	34,046	
Phone/Communication	38,193	
Other Services	40,827	
Capital Outlay	5,476	
Indirect Cost Recapture	(7,515)	
Transfers Out	(34,354)	Transfer to Food Service FD13
Contributions to Restricted Programs/Other Funds	117,323	Savings in Special Ed
TOTAL - EXPENDITURE / USES VARIANCE	1,221,530	
2017-18 UNAUDITED ACTUAL Surplus	1,085,873	

Change in Fund Balance HSD

Unrestricted General Fund

Reconciliation Components

Description	Change Since Estimated Actuals	Comment
2017-18 Adopted Budget Estimated Actual (Unrestricted)	(1,736,087)	
REVENUE / SOURCES RECOGNIZED OVER (UNDER) PROJECTIONS		
LCFF Revenue	132,417	Property Taxes up 4.94% from prior year.
Other Revenue Changes	29,433	Lottery, Other Local Rev
TOTAL - REVENUE / SOURCES VARIANCE	161,850	
EXPENDITURES / USES RECOGNIZED UNDER (OVER) PROJECTIONS		
Certificated Salaries	78,572	Teacher and Teacher Hourly/Extra Duty
Classified Salaries	6,911	
Employee Benefits	51,806	Benefit savings related to salary savings
Books & Supplies	156,252	Typical unspent books/supplies allocations
Travel & Conferences	18,789	
Utilities	48,196	
Rents, Leases	23,841	
Field Trips	10,369	
Other Contract Services	79,338	Unspent professional services contracts
Other	22,952	
Capital Outlay	1,107	
Indirect Cost Recapture, Other Outgo	(30,778)	
Contributions to Restricted Programs/Other Funds	514,164	Savings in Special Ed
TOTAL - EXPENDITURE / USES VARIANCE	981,519	
2017-18 UNAUDITED ACTUAL Deficit	(592,719)	

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	2017-18 Unaudited Actuals		
	Unrestricted	Restricted	Combined
Total - NONSPENDABLE	2,500	-	2,500
TOTAL - RESTRICTED	\$ -	\$ 3,848,852	\$ 2,740,088
ASSIGNED			
Site donation accounts	140,619		140,619
PAR	4,100		4,100
Site EIA	24,732		24,732
LCAP mini-grants	151,493		
7% Board Designated Reserve	3,781,373		
Total - Assigned	\$ 4,102,317	\$ -	\$ 169,451
UNASSIGNED			
Economic Uncertainty Reserve (3% State)	1,620,589		1,620,589
Unappropriated	8,956,857		8,956,857
TOTAL - UNASSIGNED	\$ 10,577,446	\$ -	\$ 10,577,446
TOTAL - FUND BALANCE	\$ 14,682,263	\$ 3,848,852	\$ 18,531,115

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	2017-18 HSD Unaudited Actuals		
	Unrestricted	Restricted	Combined
Revolving Cash	\$ 5,600	\$ -	\$ 5,600
Total - NONSPENDABLE	5,600	-	5,600
TOTAL - RESTRICTED	\$ -	\$ 1,634,183	\$ 1,634,183
ASSIGNED			
Economic Uncertainty above 3%	3,600,712		3,600,712
Local Donations	55,065		
ASB	2,834		2,834
PAR	16,567		
EPA	124,590		124,590
Total - Assigned	\$ 3,799,768	\$ -	\$ 3,728,136
UNASSIGNED			
Economic Uncertainty Reserve (3% State)	1,080,214		1,080,214
Unappropriated	1,374,927		1,374,927
TOTAL - UNASSIGNED	\$ 2,455,141	\$ -	\$ 2,455,141
TOTAL - FUND BALANCE	\$ 6,260,509	\$ 1,634,183	\$ 7,894,692



2017-18 Ending Fund Balances All Funds (ESD)

All Funds of the Elementary School District				
Fund Number and Description		Fund Balance July 1, 2017	Current Year Activity	Fund Balance June 30, 2018
01	General Fund	\$15,998,393	\$2,532,722	\$18,531,115
12	Child Development	\$4,015	\$42,233	\$46,248
13	Cafeteria	\$82,716	(\$54,123)	\$28,592
14	Deferred Maintenance Fund *	\$816,217	\$58,477	\$874,694
20	Special Reserve for OPEB	\$2,508,127	\$783,417	\$3,291,543
21	Building Funds	\$23,016,400	(\$6,157,925)	\$16,858,474
25	Capital Facilities Fund	\$106,952	\$9,641	\$116,593
40	Special Reserve for Capital Outlay	\$1,453,567	\$231,873	\$1,685,440
51	Bond Interest Redemption	\$9,217,909	(\$449,498)	\$8,768,411

*District funding Deferred Maintenance at the historic rate.



2017-18 Ending Fund Balances All Funds (HSD)

All Funds of the High School District

Fund Number and Description		Fund Balance July 1, 2017	Current Year Activity	Fund Balance June 30, 2018
01	General Fund	\$8,050,401	(\$155,708)	\$7,894,693
11	Adult Ed Fund	\$113,320	(\$54,027)	\$59,293
13	Cafeteria	\$43,990	(\$40,201)	\$3,788
14	Deferred Maintenance Fund *	\$410,078	\$50,630	\$460,708
20	Special Reserve for OPEB**	\$2,013,008	\$19,139	\$2,032,147
21	Building Funds	\$32,190,913	(\$19,496,504)	\$12,694,409
25	Capital Facilities Fund	\$176,226	\$61,197	\$237,423
40	Special Reserve for Capital Outlay	\$1,703,247	(\$406,254)	\$1,296,993
51	Bond Interest Redemption	\$9,863,252	(\$3,315,016)	\$6,548,235

*District funding Deferred Maintenance at the historic rate.

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



Questions?

