

# 2018-2019 UNAUDITED ACTUALS

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Governing Board Presentation

September 5, 2019

# Unaudited Actuals

- District's annual financial report
  - State-required format
- Reports results of operations for fiscal year 2018-2019
  - Statement of revenues, expenditures and change in fund balance
- Basis of annual audit
  - Audited report issued in December integrates the Unaudited Actuals with requirements prescribed by Governmental Accounting Standards Board (GASB) Statement Number 34

**Prior Year  
Unaudited Actuals  
(September 15)**

Independent  
Auditor final  
phase of Audit

District Budget  
revised for current  
year (October)

Audited Report-  
Prior Year  
(Dec 15)

Current year First  
Interim Report  
(Dec 15)

Governor's January  
Budget Proposal for  
following year  
budget

District starts to  
develop its  
following year  
budget

Current year  
Second Interim  
Report (March)

Governor's May  
Revise for  
following year  
budget

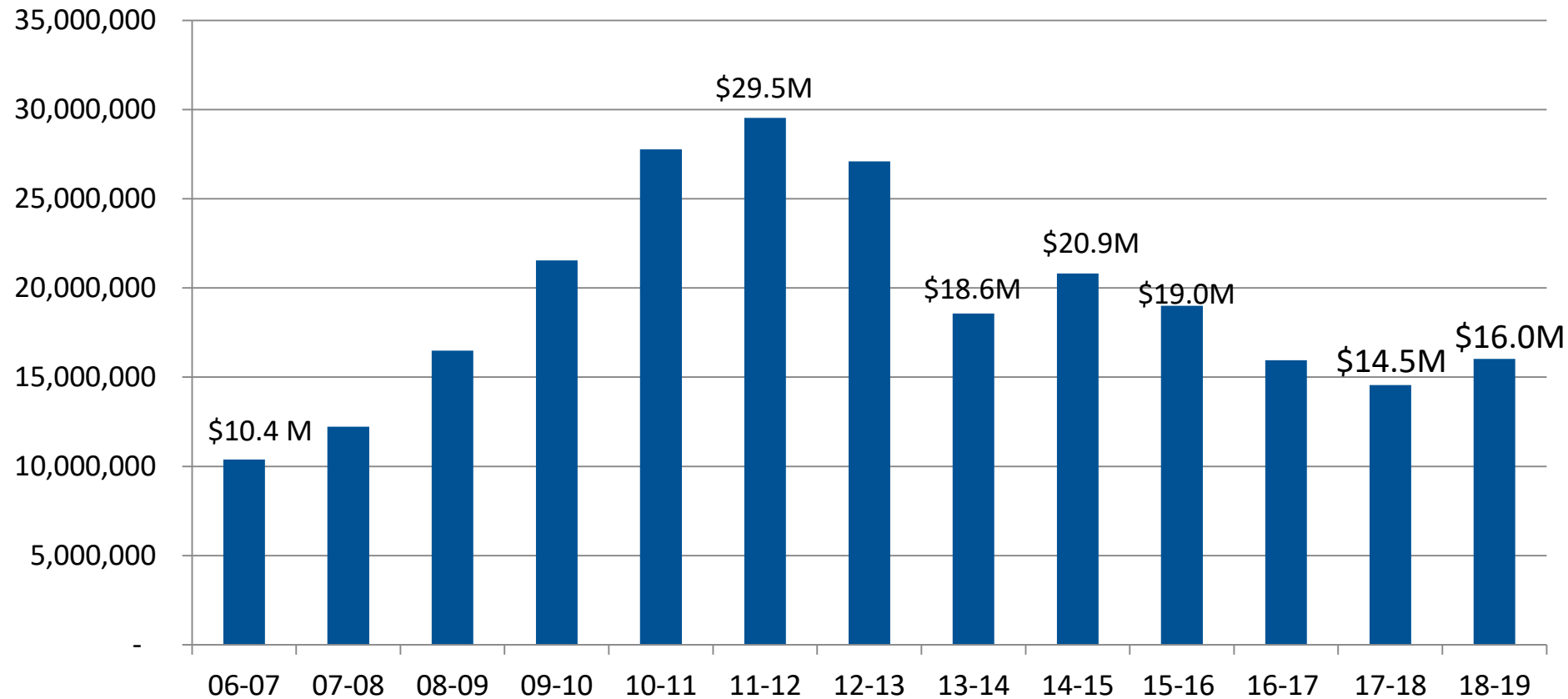
District refines its  
following year  
budget

Governing Board  
adopts following  
year budget (June)

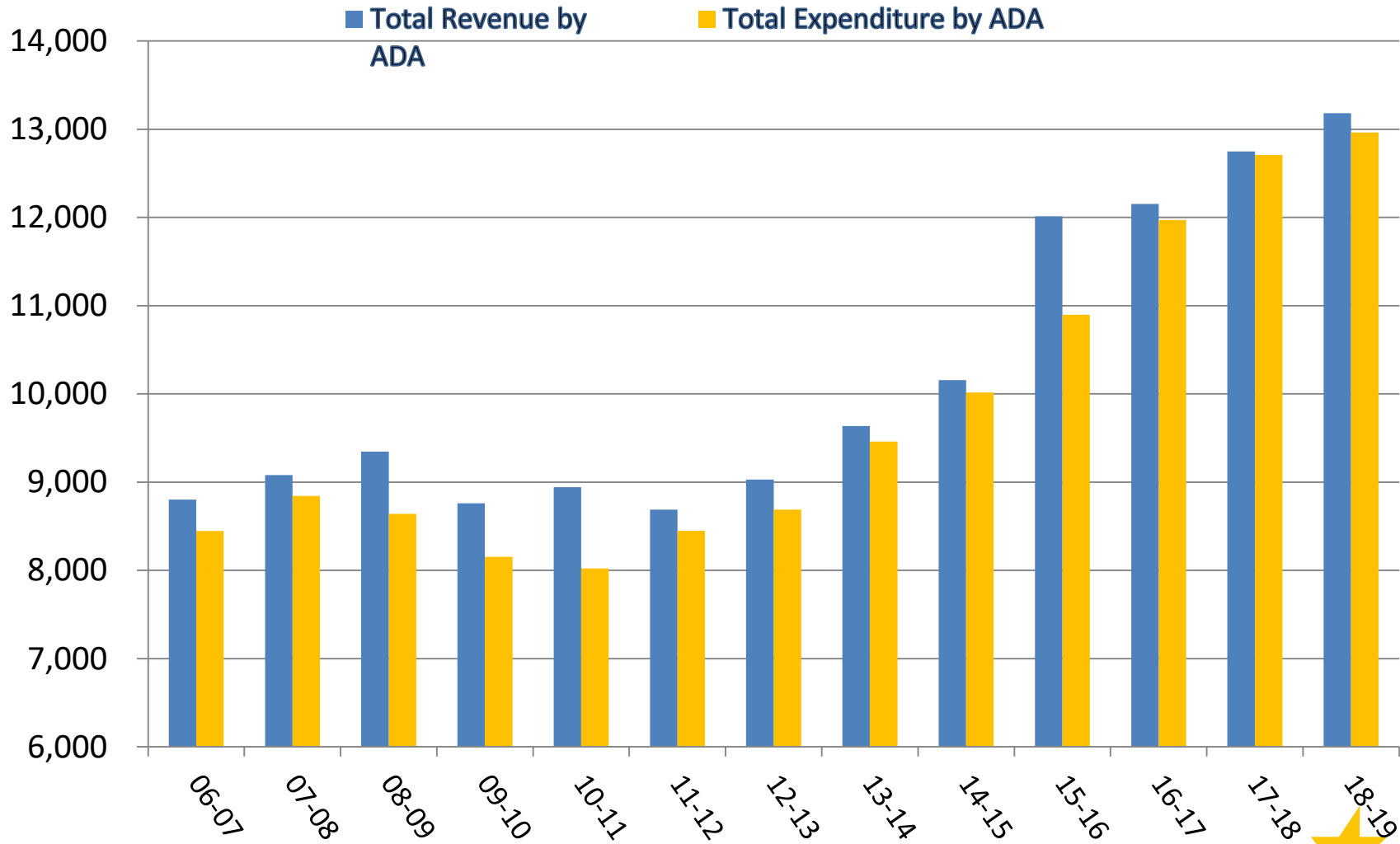
State adopts its  
following year  
budget ( June 15)

## Accounting & Budget Cycle

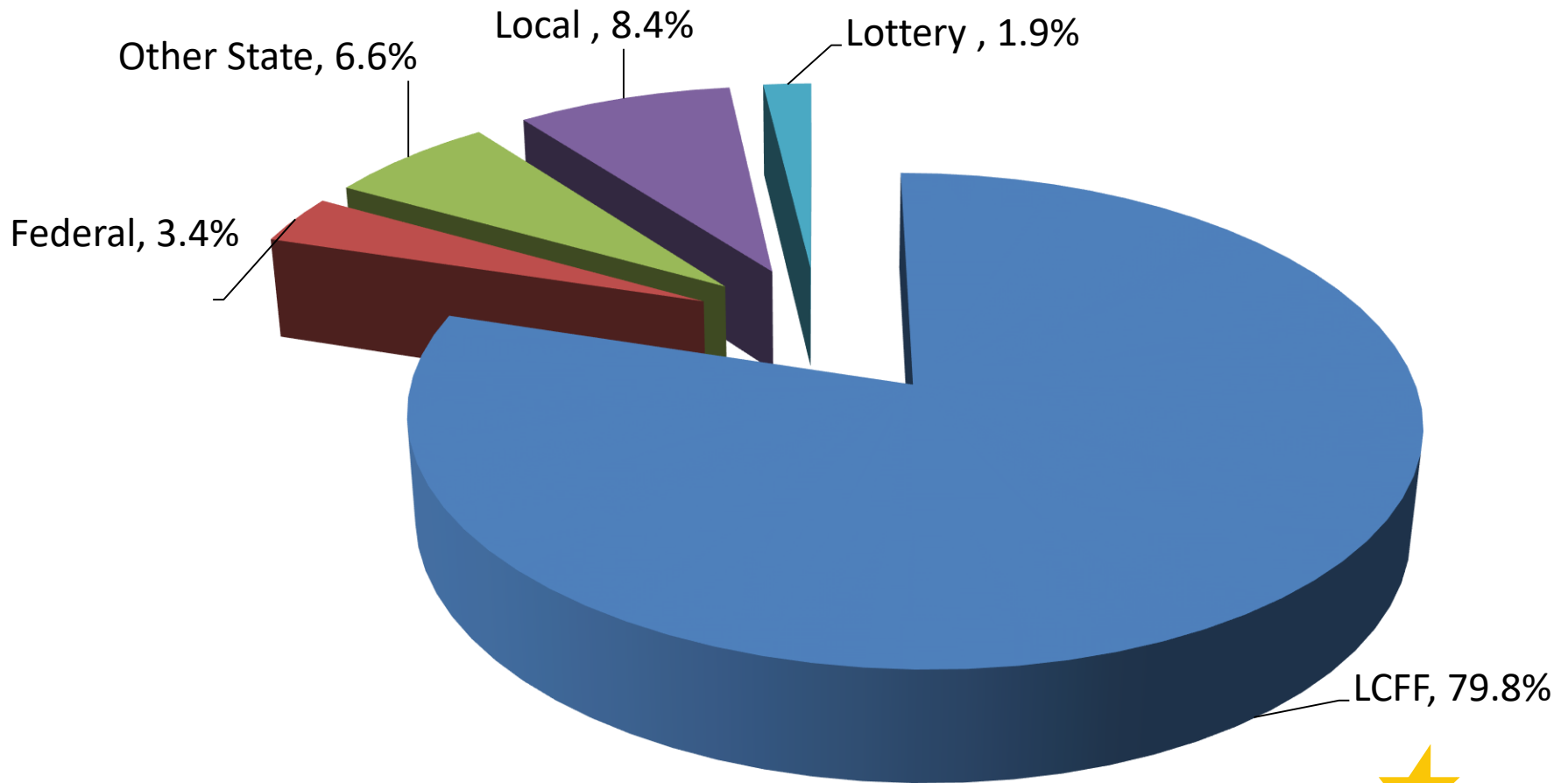
# General Fund Ending Fund Balance



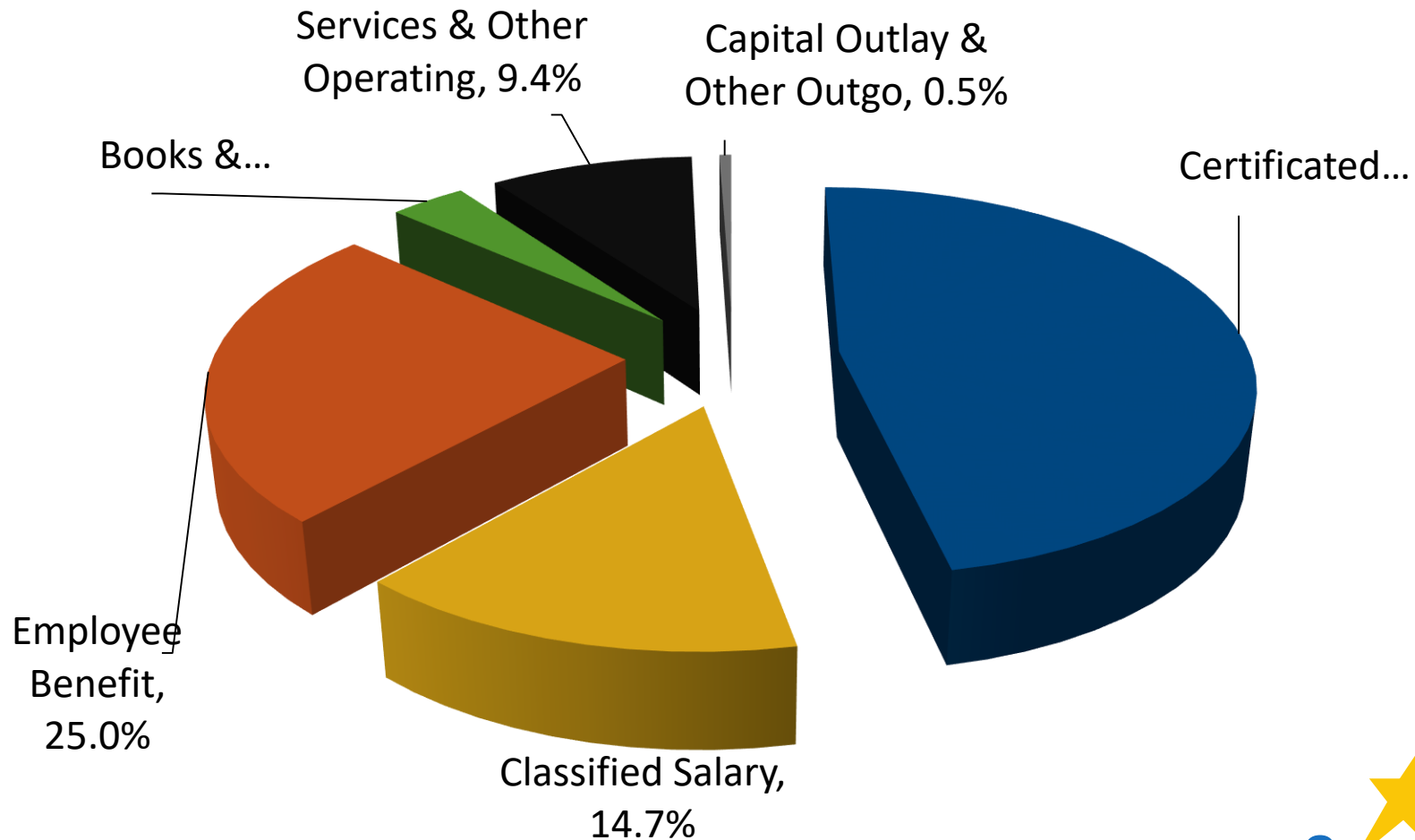
# Total Revenue by ADA vs. Total Expenditure by ADA



# General Fund Revenue Sources

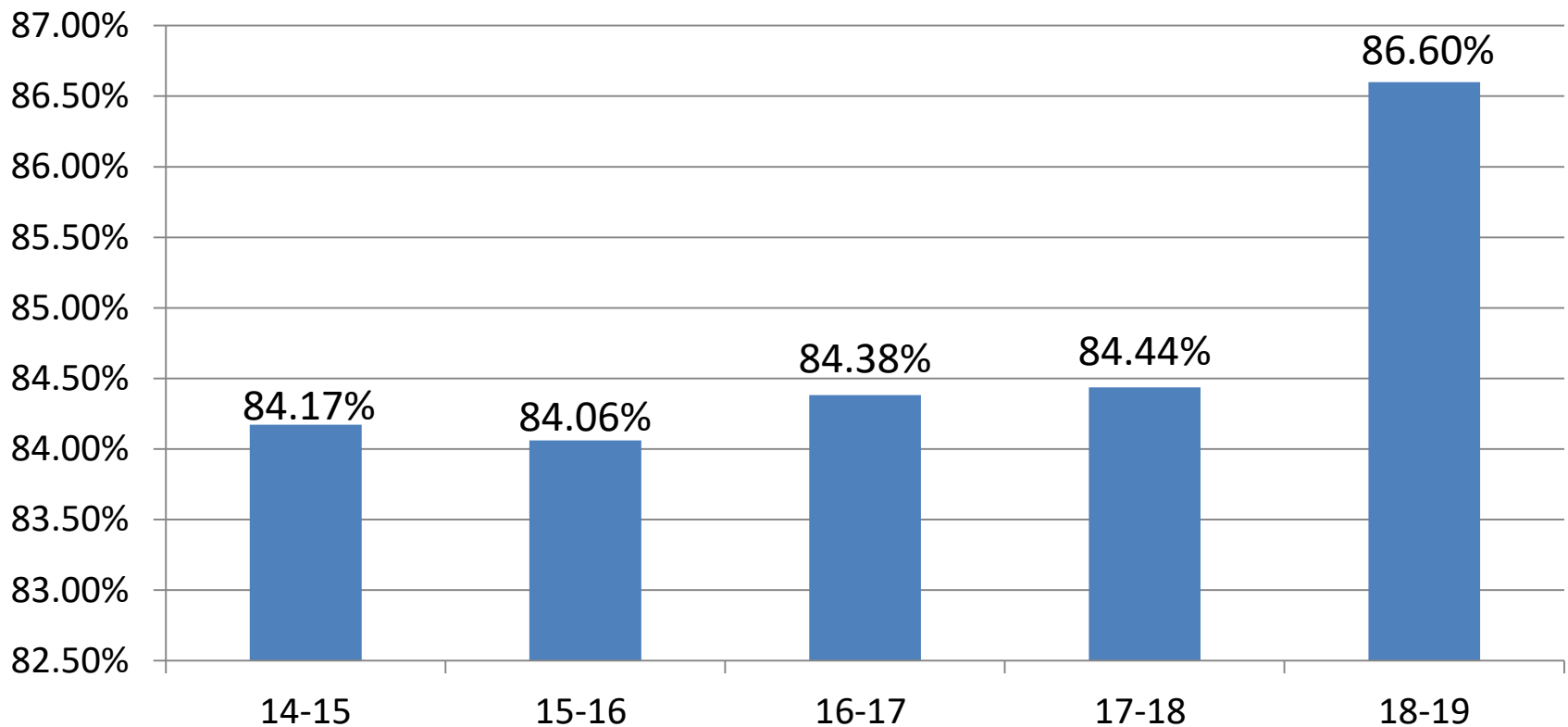


# General Fund Expenditures



\* Salary and benefits make up about 86.60% of the expenditure

## Percentage of Salary & Benefits to the total General Fund Expenditure



**5 Year Trend of Salary and Benefits**



# General Fund – Compare Actual vs. June Estimated 2018-19

|   | 18-19 June Estimated | 18-19 Actuals     | Diff \$          | Diff %        |
|---|----------------------|-------------------|------------------|---------------|
| <b>LCFF</b>                             | 73,426,998           | 73,584,617        | 157,619          |               |
| <b>Federal</b>                          | 3,071,319            | 3,141,218         | 69,899           |               |
| <b>Other State</b>                      | 6,027,847            | 6,041,942         | 14,095           |               |
| <b>Local</b>                            | 7,475,400            | 7,741,878         | 266,478          |               |
| <b>Lottery</b>                          | 1,497,000            | 1,725,130         | 228,130          |               |
| <b>Total Revenue</b>                    | <b>91,498,563</b>    | <b>92,234,785</b> | <b>736,222</b>   | <b>0.80%</b>  |
| <b>Certificated Salary</b>              | 42,432,860           | 42,523,337        | 90,477           |               |
| <b>Classified Salary</b>                | 13,340,831           | 13,294,189        | -46,642          |               |
| <b>Employee Benefit</b>                 | 22,719,219           | 22,665,380        | -53,838          |               |
| <b>Books &amp; Supplies</b>             | 3,820,975            | 3,185,346         | -635,629         |               |
| <b>Services &amp; Other Operating</b>   | 8,212,947            | 8,549,832         | 336,885          |               |
| <b>Capital Outlay &amp; Other Outgo</b> | 794,057              | 495,903           | -298,154         |               |
| <b>Total Expenditure</b>                | <b>91,320,889</b>    | <b>90,713,988</b> | <b>-606,902</b>  | <b>-0.66%</b> |
| <b>Interfund Transfer-in</b>            | 540,000              | 540,000           | 0                |               |
| <b>Interfund Transfer-out</b>           | 600,000              | 600,000           | 0                |               |
| <b>Beginning Fund Bal</b>               | <b>14,560,556</b>    | <b>14,560,556</b> | <b>0</b>         |               |
| <b>Net inc/dec in Fund Bal</b>          | <b>117,674</b>       | <b>1,460,797</b>  | <b>1,343,123</b> |               |
| <b>Ending Fund Bal</b>                  | <b>14,678,230</b>    | <b>16,021,353</b> | <b>1,343,123</b> |               |

# General Fund – Actual vs. June Estimated

| Components of Ending Fund Balance                                     |                                |                                   |                    |       |
|---|--------------------------------|-----------------------------------|--------------------|-------|
|   | 2018-2019<br>Estimated Actuals | 2018-2019<br>Unaudited<br>Actuals |                    |       |
|   | Total Fund                     | Total Fund                        | Variance           | Notes |
| a)Nonspendable  | \$551,841                      | \$52,559                          | -\$499,282         |       |
| b) Restricted Balance   | \$3,650,430                    | \$3,877,105                       | \$226,675          | 1     |
| c) Committed  | \$0                            | \$0                               | \$0                |       |
| d) Assigned   | \$2,566,396                    | \$3,787,422                       | \$1,221,026        | 2     |
| e) Unassigned/Unappropriated<br>Reserve for Economic<br>Uncertainties | \$2,757,627                    | \$2,739,420                       | -\$18,207          |       |
| Unassigned/Unappropriated<br>Amount                                   | \$5,151,936                    | \$5,564,847                       | \$412,912          | 3     |
| <b>Ending Fund Balance: June 30</b>                                   | <b>\$14,678,230</b>            | <b>\$16,021,353</b>               | <b>\$1,343,123</b> |       |

# General Fund – Actual vs. June Estimated

1. Restricted Fund Balance of \$3,877,105 includes:
  - One-time Low Performing Student block grant approved by the Board on Feb. 7, 2019, to be spent by the end of November 1, 2021.
  - One-time Classified Employees PD grant that is carried forward to be spent in 2019-2020.
  - Medi-Cal Billing Option that is restricted for Medi-Cal eligible students expenses and Prop 39 Clean Energy Act balance to be spent by 2019-2020.
  - Restricted Lottery revenue is for text book adoption.
  - Other Restricted Local Revenue, including school sites local assistance and Home and school support balances, carried over by the site to 2019-2020.
2. Assigned Balance of \$3,787,422 includes: Carryover of unspent school site balances to 2019-2020, one-time Stimulus Grant and the parcel tax funds can only be spent consistent with the ballot language.
3. The Unassigned or Unappropriated Unrestricted GF balance increased by \$412,912 from the Estimated Actual due to decrease in actual expenditures by the departments that resulted in savings.

# Major Changes since 2019-2020 Budget Adoption

- CalSTRS employer rate increased from 16.7% to 17.1%, resulting in increase in the cost by \$255,823.
- CalPERS employer rate decreased from 20.7% to 19.721%, resulting in decrease in the cost by \$128,134.
- As of August 30, 2019, the enrollment for 2019-2020 school year dropped by an additional 208 students from the original Adopted Budget in June 2019. This results in estimated revenue loss of \$2.08 million.
- Due to the additional drop in enrollment, Teacher FTE is reduced by an additional 10.6 FTE, resulting in an estimated savings of \$1.06M.
- The net impact of all these major changes result in a decrease in 2019-2020 Fund balance by \$1.14M which will be reflected in the 2019-2020 1<sup>st</sup> Interim Budget.

# Other District Funds

- Required by State guidelines
- Used to segregate revenues and expenditures
- Restricted for specific uses

# Other Fund Ending Fund Balance

|         |                              |              |
|---------|------------------------------|--------------|
| Fund 12 | Child Development Fund       | \$1,716,076  |
| Fund 13 | Cafeteria Fund               | \$1,166,764  |
| Fund 17 | Special Reserve Fund         | \$52,449     |
| Fund 21 | Building Fund                | \$20,608,987 |
| Fund 25 | Capital Facilities Fund      | \$270,882    |
| Fund 51 | Bond Interest and Redemption | \$21,807,702 |
| Fund 56 | Debt Service Fund            | \$9,426,628  |
| Fund 67 | Self-Insurance Fund          | \$5,548      |
| Fund 71 | Retiree Benefit Fund         | \$7,726,313  |

# Next Steps

- Submit Unaudited Actuals to County
- Continue to monitor enrollment
- Independent Audit
- Update 2019-2020 Budget
- Prepare First Interim Report