Dixie School District

Unaudited Actuals
Fiscal Year Ended
2014 - 2015

Presented by
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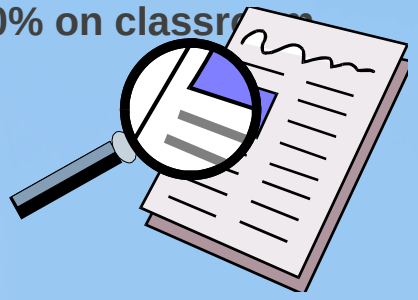
Business Manager
September 8, 2015

Unaudited Actuals 2014-2015

- The "*Unaudited Actuals*" is the final state financial report for 2014-15 and is used for fiscal year end reporting as of June 30, 2015.
  - It is not based on budgeted amounts, but on the *actual* revenues received and *actual* expenses incurred.
- What's in the State Report:
  - For each district fund, a listing of Revenue and Expenditures for 2014-15 Actuals and 2015-16 Adopted Budget.
    - General Fund separated by Unrestricted and Restricted dollars.
  - Average Daily Attendance report.
  - Asset Form – Schedule of Capital Assets
  - CAT Form – Breakdown of all Restricted or Categorical funding.
  - CEA Form – Checks to see if district is spending at least 60% on classr[illegible] compensation.
  - DEBT Form – Schedule of Long Term Debt
  - GANN Form – calculation for the District's GANN Limit
  - Indirect Cost Worksheet
  - Lottery Report
  - No Child Left Behind – Maintenance of Effort
  - Program Cost Report – Factors and Allocations
  - Summary of Interfund Activities
  - Technical Review Checklists – verifies a variety of areas, including verifying correct account coding and ensure data is complete.



Unaudited Actuals 2014-2015

- By law, the District must submit the Unaudited Actuals to the County Office of Education by September 15th.
- The Auditors will conduct their final phase of the audit during the week of September 14, 2015.
  - A draft copy of the audit will be available in December.
  - The final audit report will be presented to the Board of Trustees in January 2016.

Unaudited Actuals
2014-2015

- In June, the District was projecting a decrease or deficit in the General Fund reserve in 2014-15 of -$1,485,266.
- The final numbers showed a net decrease in the General Fund reserve of -$1,017,013.

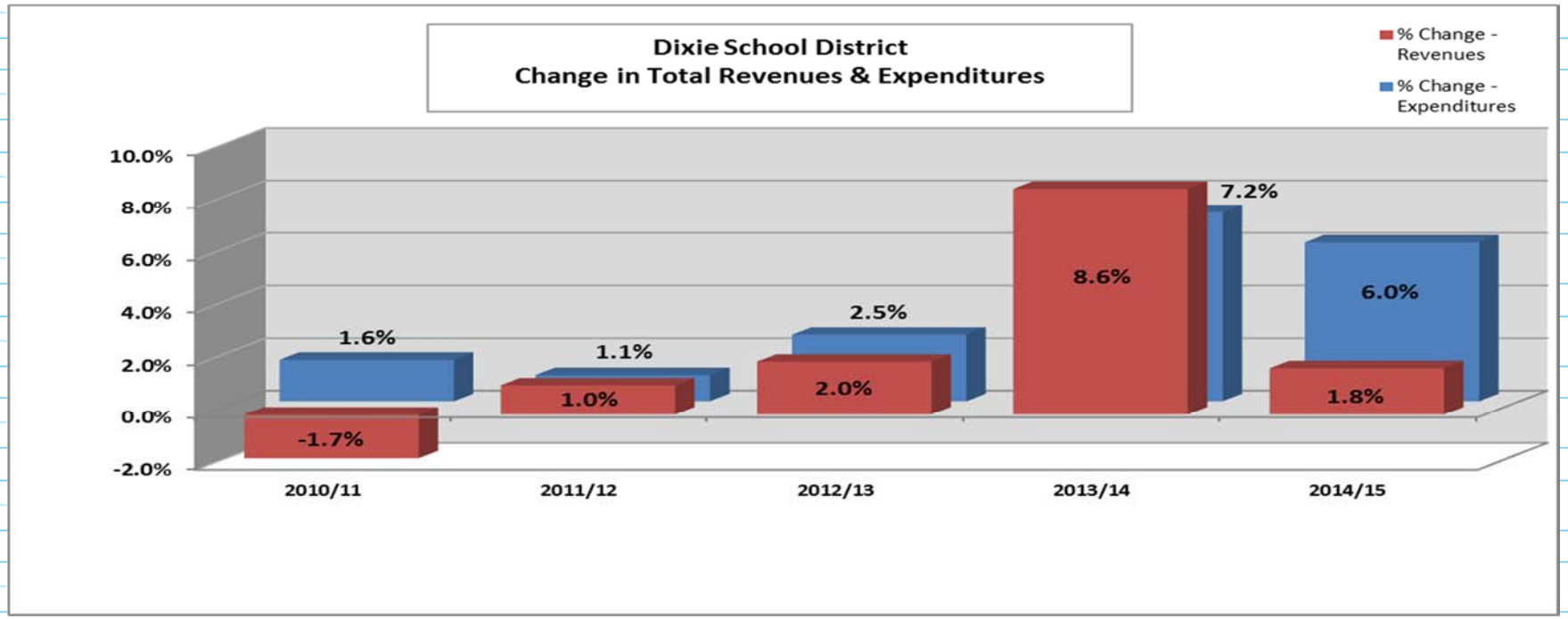
Unaudited Actuals
2014-2015

- Over the past few years, projections in June indicated a large deficit but the final numbers came in much less than projected.
- For 2014-15 we changed the accounting on how we handled prior year carryovers.
- This change resulted in the projected deficit coming in closer to what the actual deficit would be.

Unaudited Actuals
2014-2015

- The level of deficit spending was significantly higher than prior years.
- The difference this year was the increase in new revenues did not keep pace with the increase in spending.

Unaudited Actuals
2014-2015



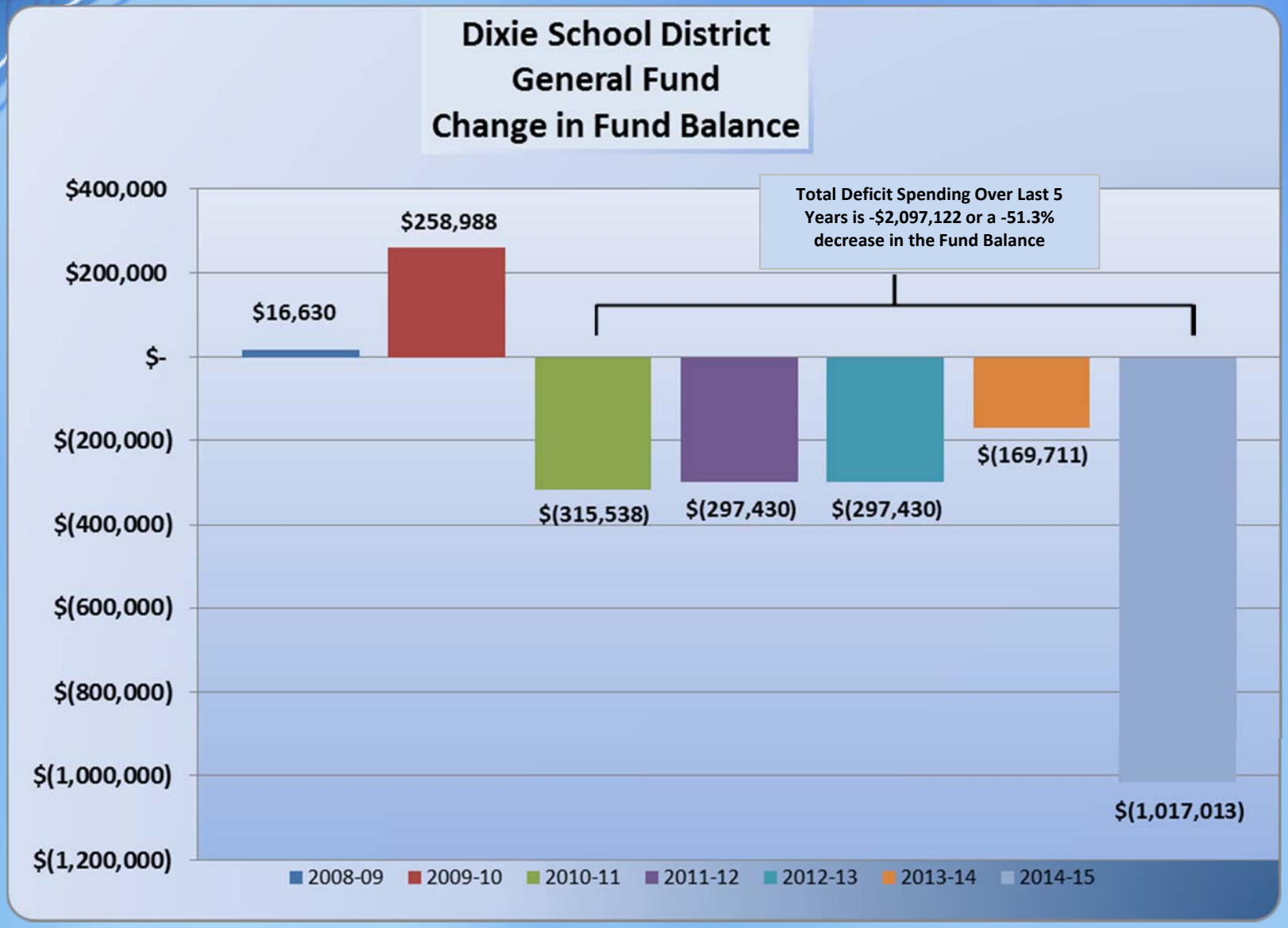
	2010/11	2011/12	2012/13	2013/14	2014/15
Total Revenues	$ 17,498,114	$ 17,693,387	$ 18,049,656	$ 19,602,120	$ 19,948,684
$$ Change	$ (297,917)	$ 195,273	$ 356,269	$ 1,552,464	$ 346,564
% Change - Revenues	-1.7%	1.1%	2.0%	8.6%	1.8%
Total Expenditures	$ 17,813,657	$ 17,990,814	$ 18,445,708	$ 19,771,830	$ 20,965,698
$$ Change	$ 276,614	$ 177,157	$ 454,894	$ 1,326,122	$ 1,193,868
% Change - Expenditures	1.6%	1.0%	2.5%	7.2%	6.0%

Unaudited Actuals
2014-2015

- The larger increase in revenues for 2013-14 was due to the additional revenues coming in as a Basic Aid District.
- This included EPA funds, District of Choice revenues and a higher than projected final property tax revenues.
- In 2014-15, as a State Funded District we no longer benefit from those additional revenues.

Unaudited Actuals
2014-2015

- General Fund revenues increased by +1.8% from the prior year while expenditures increased by +6.0% from prior year.
- With this the District continued the expected trend of deficit spending putting the general fund reserve at the lowest level in over 15 years.
- The General Fund reserve has decreased by -51.3% since 2010-11.


Dixie School District
General Fund
Change in Fund Balance
Total Deficit Spending Over Last 5 Years is -$2,097,122 or a -51.3% decrease in the Fund Balance
$400,000
$200,000
$-
$(200,000)
$(400,000)
$(600,000)
$(800,000)
$(1,000,000)
$(1,200,000)
$16,630
$258,988
$(315,538)
$(297,430)
$(297,430)
$(169,711)
$(1,017,013)
2008-09
2009-10
2010-11
2011-12
2012-13
2013-14
2014-15

Where have we been?

- During the state budget crisis that started in 2010-11 every school district in the state experienced severe budget cuts from the state.
- Dixie School District received cuts of over $1 million a year in state funding. While we made some initial budget reductions we felt very strongly about the continuing the good work that we were doing for our children.
- As such we made a decision not to make major cuts to programs and do massive lay-offs of staff that other school districts were doing to survive the budget crisis.
- Fortunately, at that time we had sufficient reserves that we could spend down to avoid cutting programs and laying-off staff.

Where are we at?

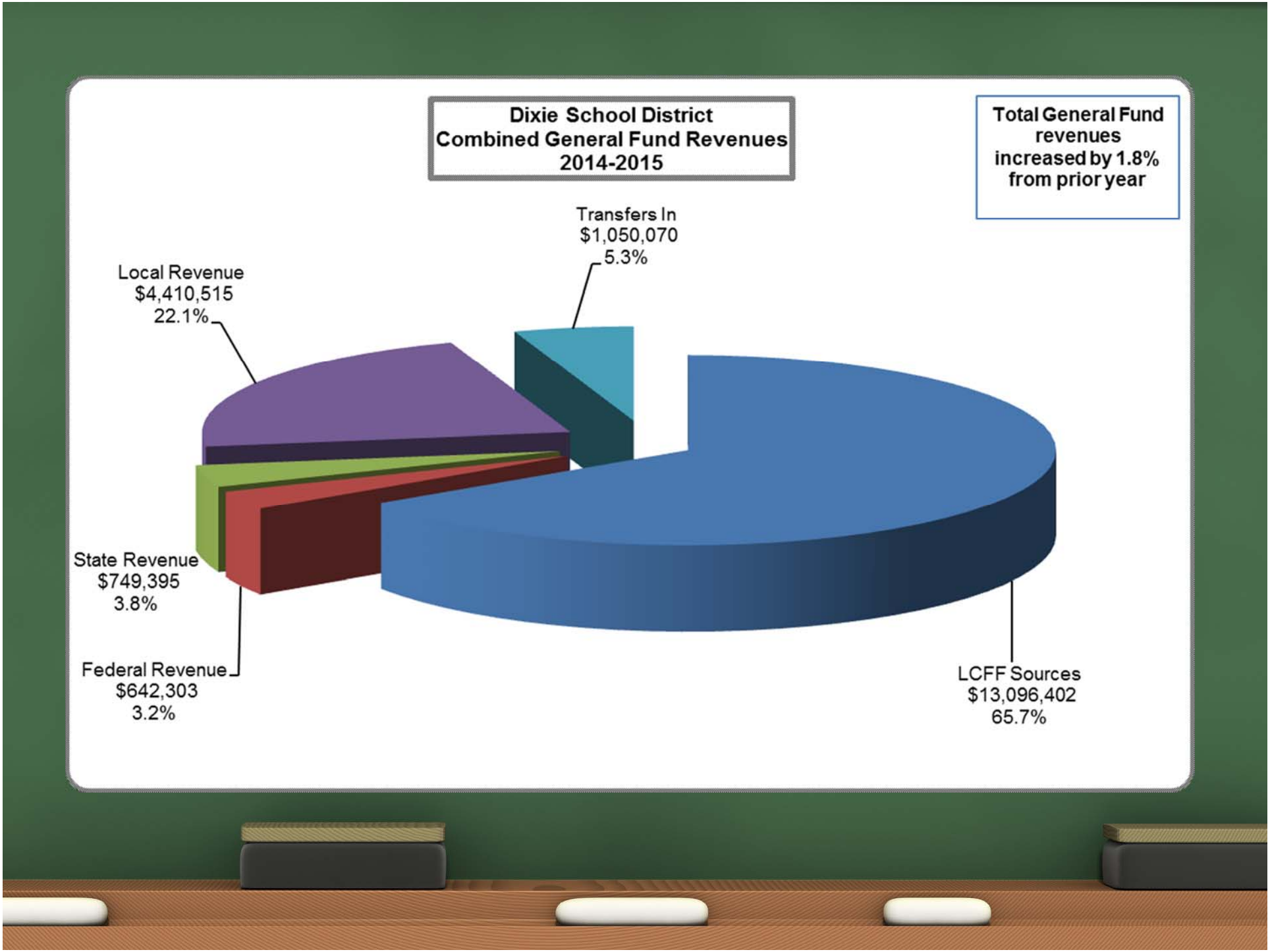
- While it appears that we have weathered the fiscal crisis storm we need to move forward cautiously.
- Thanks to the influx of state revenues, both one-time and on-going, our current budget for 2015-16 indicates that we will move away from past deficit spending and be able to restore some of the General Fund reserve.
- However, it is important to remember the budget surplus for this year is mainly due to $1.1 million in one-time state revenues that we are expecting to receive this year.
- Apart from that we would still have a structural deficit in our budget for this year meaning we would still be spending more than we are taking in.

Where are we going?

- Our experience over the past five years has showed the importance of having a healthy reserve level.
- The short term and long term fiscal solvency of the District depends on:
  - Restoring and maintaining the General und reserve levels to that specified in the District's reserve policy.
  - Working to eliminate the structural budget deficits that have occurred over the last several years.

2014-2015 General Fund Revenues

LCFF Sources	$ 13,096,402
Federal Revenue	$ 642,302
State Revenues	$ 749,395
Local Revenue	$ 4,410,515
Transfers In	$ 1,050,070
Total Revenue	$ 19,948,684


Dixie School District
Combined General Fund Revenues
2014-2015
Total General Fund revenues increased by 1.8% from prior year
Transfers In
$1,050,070
5.3%
Local Revenue
$4,410,515
22.1%
State Revenue
$749,395
3.8%
Federal Revenue
$642,303
3.2%
LCFF Sources
$13,096,402
65.7%

Funding Sources

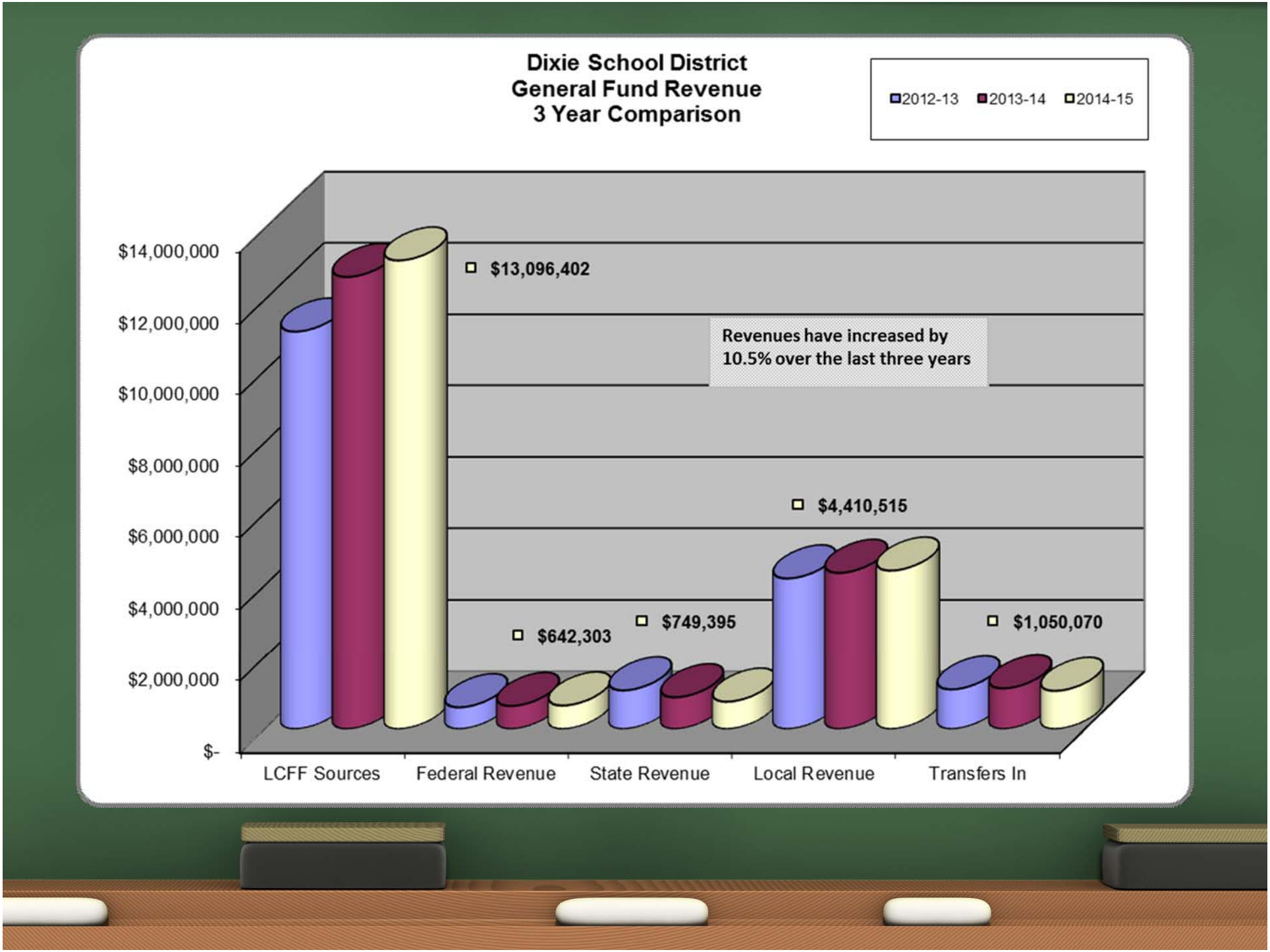
- **LCFF Sources Category:**
  - State Aid: Hold harmless $681,526
  - Final Property Taxes: $12,021,887
    - Increased from prior year +5.0% or $574,405
  - EPA Funds: $392,988
- **Federal Revenues:**
  - IDEA Federal Special Education, Special Ed Mental Health, Child Nutrition and Special Ed Mental Health and Title I, II, III
- **State Revenues:**
  - Overall funding decreased by -$121,050
  - Increases in 1x mandated costs and lottery, Prop 39 dollars: $249,997
  - Decrease in Common Core dollars received in 2012-13: -$374,393
- **Local Revenues:**
  - Parcel Tax: $1,941,984
  - Dixie Education Foundation: $100,000
  - Can Do! and Home to School Club donations: $792,407

Interfund Transfers In

- **District annually transfers cash from Fund 40 to the General Fund**
  - **This year the transfer was $1,048,449**
    - **This included the annual transfer of $873,449 plus:**
      - **Additional transfers of $100,000 to fund 2013-14 salary increase, $75,000 to fund 2014-15 salary increase**

Changes in Revenues from Prior Year

	$$ Change	% Change
LCFF Sources	$ 460,574	3.6%
Federal Revenue	$ 11,674	1.9%
State Revenue	$ (121,050)	-13.9%
Local Revenue	$ 64,101	1.5%
Transfers In	$ (68,732)	-6.1%
TOTAL	$ 346,567	1.8%


Dixie School District
General Fund Revenue
3 Year Comparison
2012-13
2013-14
2014-15
$14,000,000
$12,000,000
$10,000,000
$8,000,000
$6,000,000
$4,000,000
$2,000,000
$-
$13,096,402
$642,303
$749,395
$4,410,515
$1,050,070
Revenues have increased by
10.5% over the last three years
LCFF Sources
Federal Revenue
State Revenue
Local Revenue
Transfers In

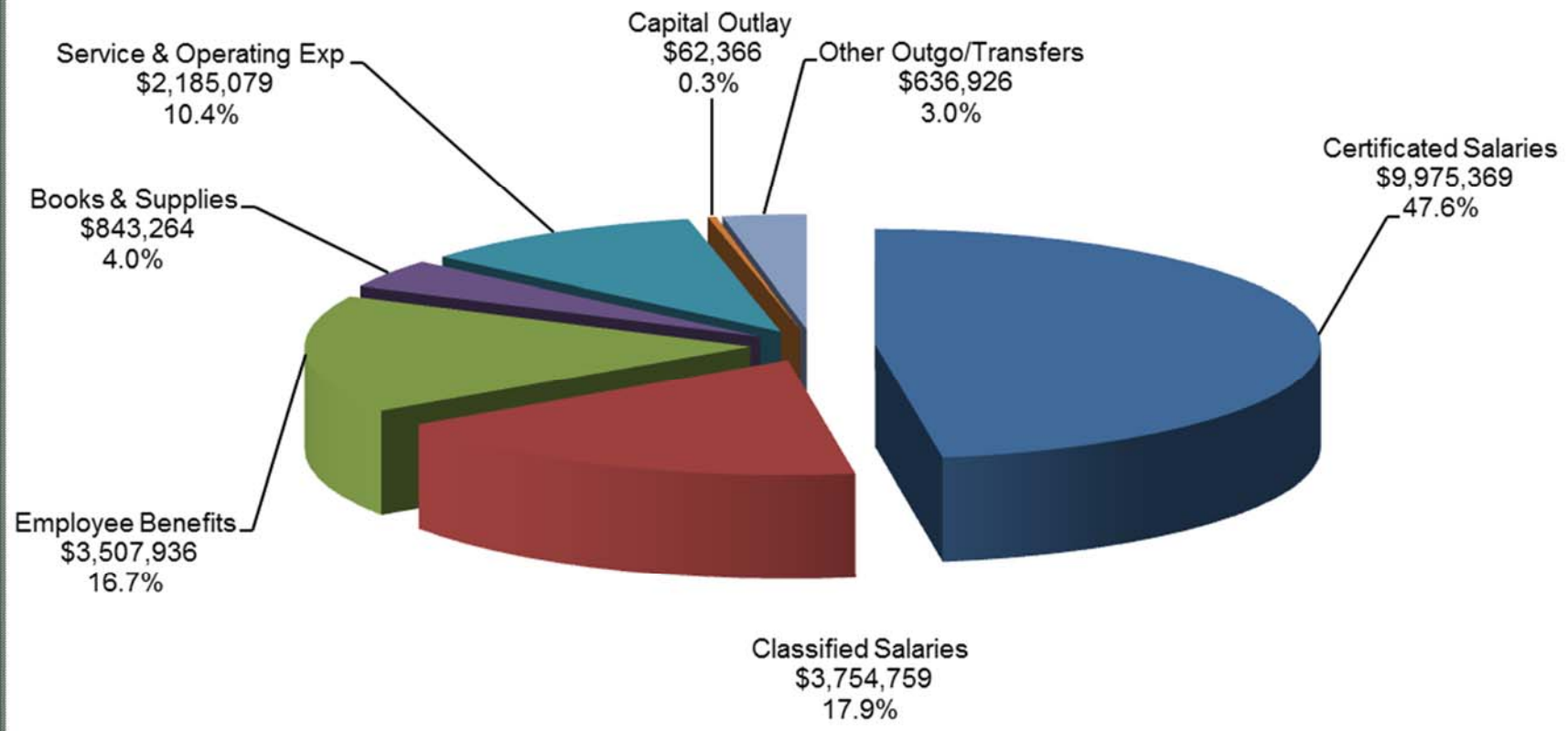
2014-15 General Fund Expenditures

47.6%	Certificated Salaries	$ 9,975,369
17.9%	Classified Salaries	$ 3,754,759
16.7%	Benefits	$ 3,507,936
4.0%	Materials & Supplies	$ 843,264
10.4%	Services & Contracts	$ 2,185,079
0.3%	Capital Outlay	$ 62,366
3.0%	Other Outgo/Transfer Out	$ 636,926
	TOTAL EXPENDITURES	$ 20,965,697

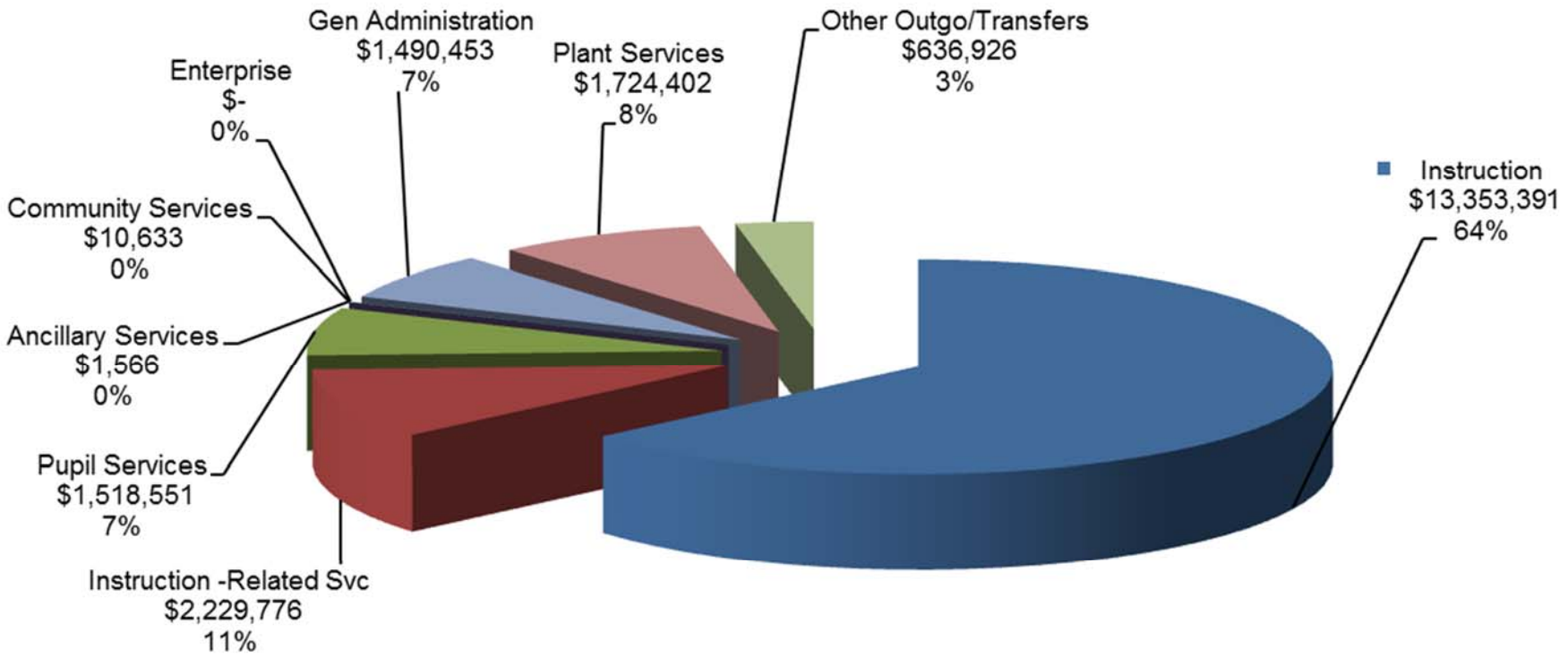
*** Salaries + Benefits = 82% of Total General Fund Expenditures*

Dixie School District
Combined General Fund Expenditures
2014-2015

Total General Fund expenditures increased by 6.0% from prior year



Dixie School District
Combined General Fund Expenditures
By Function Code
2014-2015

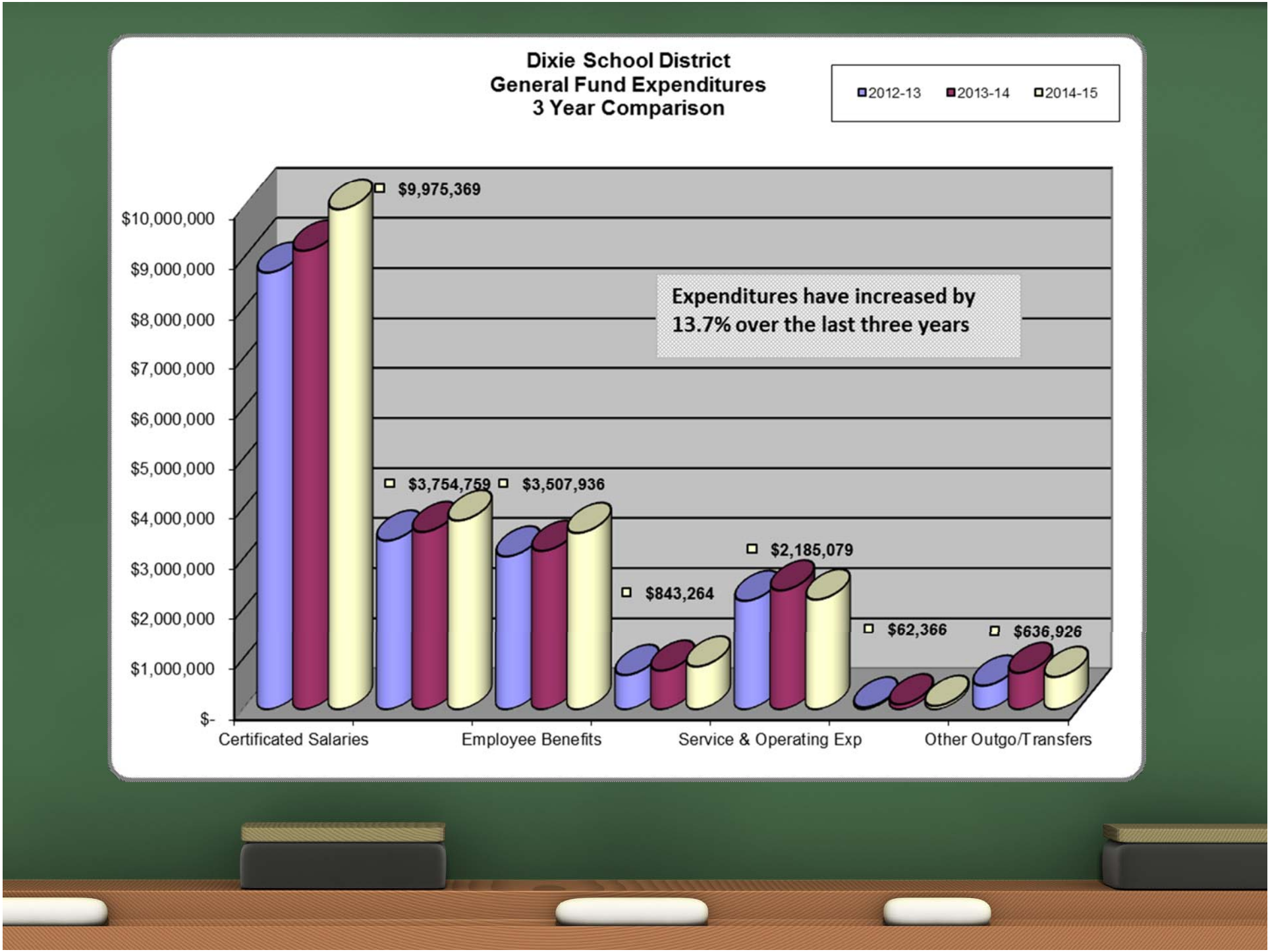


Other Outgo & Transfers Out

- **"Other Outgo" includes our Special Education Excess Costs and the Special Education ADA transfer to MCOE**
  - **Excess Cost decreased $10,158 when compared to last year**
  - **ADA Transfer $171,619**
- **"Transfer Out" is for estimated solar savings that will be transferred to Fund 56 to pay for CREBS Bond repayment**
  - **This year the transfer was $133,092**

Change in Expenditures From Prior Year

Certificated Salaries	$	823,298	9.0%
Classified Salaries	$	225,793	6.4%
Employee Benefits	$	356,297	11.3%
Books & Supplies	$	82,104	10.8%
Service & Operating Exp	$	(181,595)	-7.7%
Capital Outlay	$	(30,270)	-32.7%
Other Outgo/Transfers	$	(81,759)	-11.4%
TOTAL	$	1,193,868	6.0%


Dixie School District
General Fund Expenditures
3 Year Comparison
2012-13
2013-14
2014-15
$10,000,000
$9,000,000
$8,000,000
$7,000,000
$6,000,000
$5,000,000
$4,000,000
$3,000,000
$2,000,000
$1,000,000
$-
$9,975,369
$3,754,759
$3,507,936
$843,264
$2,185,079
$62,366
$636,926
Expenditures have increased by
13.7% over the last three years
Certificated Salaries
Employee Benefits
Service & Operating Exp
Other Outgo/Transfers

General Fund Contributions

- Special Education:
  - Federal $ 26,872
  - AB602 $ 1,152,642
  - Excess Cost $ 330,594
  - Transportation–Special Ed $ 232,805
    - Please note that in your packet is a history of all Special Education related encroachment

- Transportation – Home to School $ 28,103
- Routine Repair & Maintenance $ 420,756
- Child Nutrition $ 17,869

- TOTAL $ 2,209,641

General Fund Encroachment

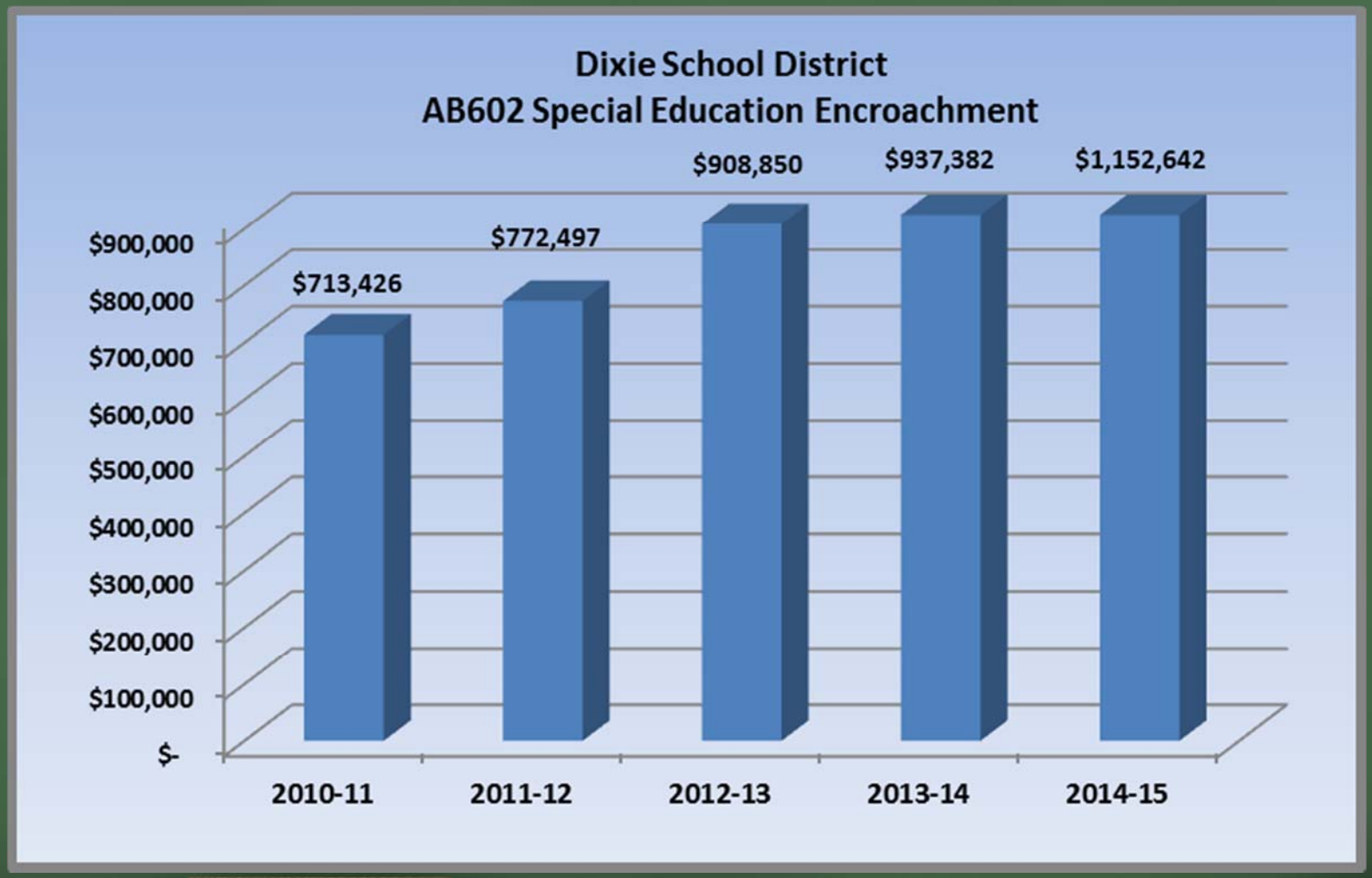
Change from Prior Year

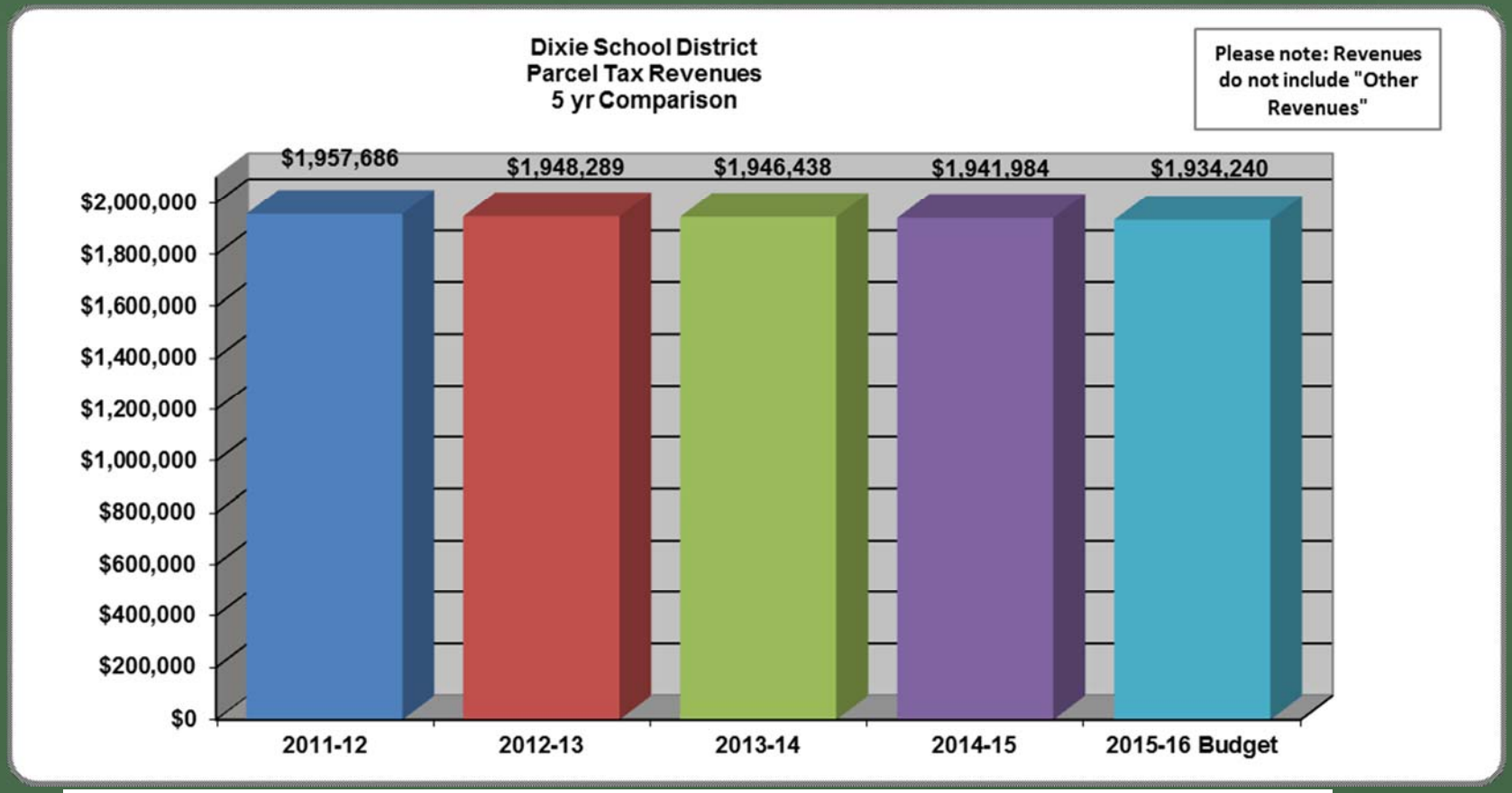
Special Education:	Change $$	Change %
AB602	$ 215,260	+ 12.7%
Federal	$ (12,736)	- 47.4%
Excess Cost	$ (10,158)	- 3.1%
Transportation – Special Education	$ 4,678	+ 2.1%
Total Encroachment Special Education	$ 197,045	+ 12.7%

Please note that in your packet is a history of all Special Education related encroachment

Transportation – Home to School	$ (28,795)	- 102.5%
Routine Repair & Maintenance	$ (418)	- 0.1%
Child Nutrition	$ (7,148)	- 40.0%
Total Encroachment – Non Spec Ed	$ (36,361)	- 7.2%
GRAND TOTAL	$ 160,683	+ 7.8%

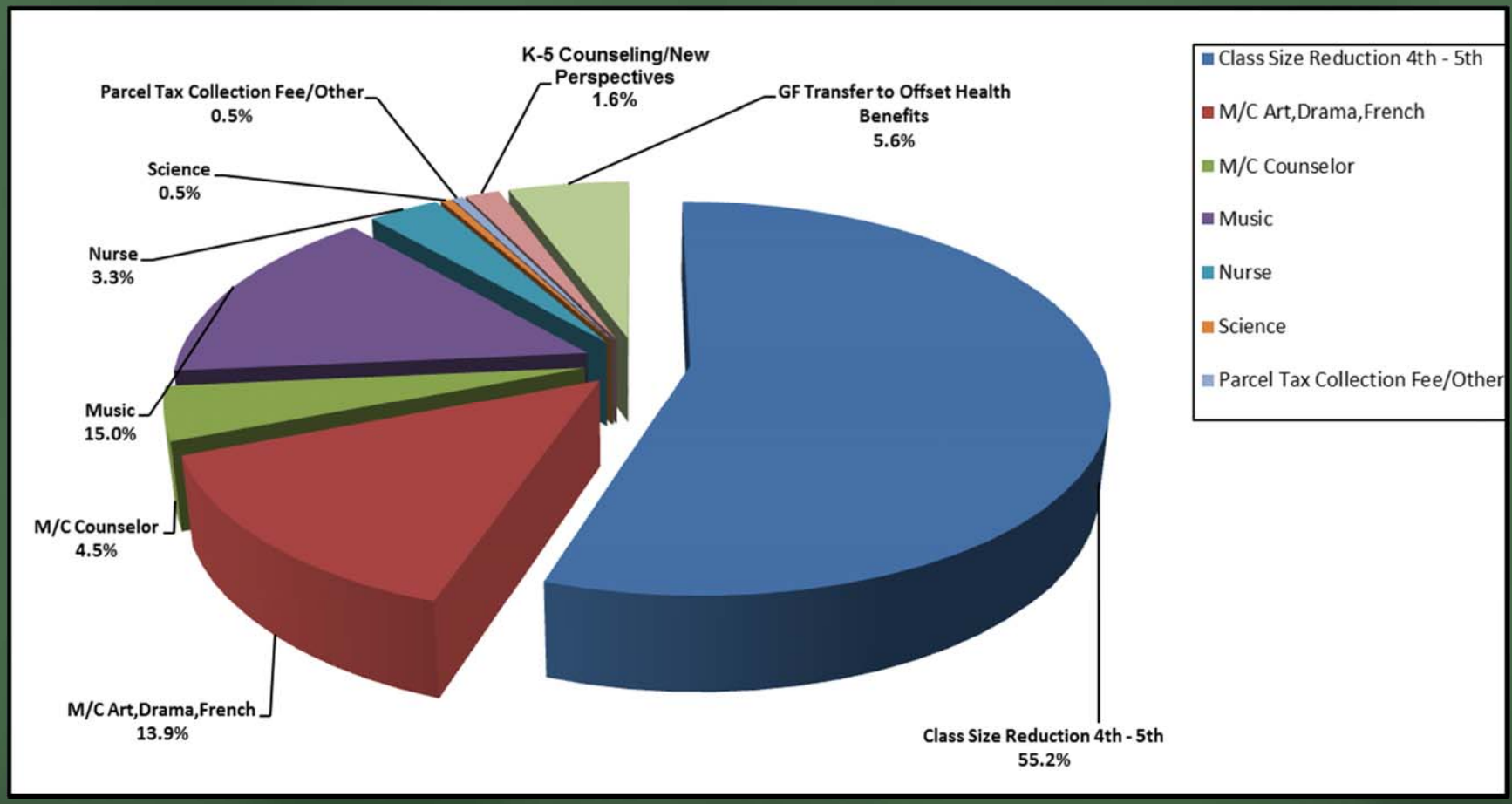
General Fund Contribution
Special Education AB602





	2011-12	2012-13	2013-14	2014-15	2015-16 Budget
Parcel Tax Revenues	$1,957,686	$1,948,289	$1,946,438	$1,941,984	$1,934,240
Other Revenues	$10,181	$7,593	$21,200	$28,884	$0
	$1,967,867	$1,955,882	$1,967,638	$1,970,868	$1,934,240

Dixie School District
Parcel Tax Expenditures
2014-15 Fiscal Year



Restricted/Designated Carryover Fiscal Year 2014-15

The ending fund balance includes restricted or categorical carryover funds along with designated unrestricted carryover money. Total of $ 1,030,202

- ✓Unrestricted/Designated: $ 433,304
- ✓Restricted: $ 596,898
- ✓Carryover includes:
  - ✓"Flexible" budgets that the district will continue to maintain:
    - ✓GATE, PAR, Instructional Materials, Deferred Maintenance, SLBG - MC
  - ✓Decentralized budgets for sites, including Lottery.
  - ✓Site controlled budgets (donations, trips, yearbook, etc.): $23,580
  - ✓Parcel Tax: $88,843
    - ✓A larger fund balance is needed to sustain costs throughout the life of the parcel tax.

Deferred Revenue 2014-2015

Program	Resource	Amount
Title II	4035	$ 6,076
Title III	4201	$ 2,723
Title III	4203	$ 1,750
Total		$ 10,549

Unrestricted/Designated Carryover
Fiscal Year 2014-15

Program	Resource	Amount
Deferred Maintenance (Unrestricted)	0206	$ 99,131
GATE	0220	$ 12,285
Instructional Materials	0221	$ 175,240
PAR	0225	$ 2,872
School Library Block Grant - MC	0241	$ 6,589
State Lottery	1100	$ 137,186
Total Unrestricted/Designated Carryover		$ 433,304

Restricted Carryover
Fiscal Year 2014-15

Program	Resource	Amount
CA Clean Energy Grant	6230	$ 85,532
Lottery - Restricted	6300	$ 69,531
Sp Ed - Low Incidence	6512	$ 576
Sp Ed - Mental Health	6513	$ 218,163
Parcel Tax	9040	$ 83,843
Dixie School Donations	9111	$ 19,759
ASB Yearbooks	9112	$ 2,170
Other Donations	9115	$ 1,125
Ed Foundation	9117	$ 115,674
Coloma Gold Rush Fund	9122	$ 460
Walker Creek Trip Fund	9123	$ 66
Total Restricted Carryover		$ 596,898

TRANSPORTATION ENCROACHMENT

A BRIEF HISTORY

Home to School Transportation:

2010-11	$ 66,308	- 69.8%
2011-12	$ 41,957	- 58.0%
2012-13	$37,130	-13.0%
2013-14	$56,898	+53.2%
2014-15	$28,103	-102.5%

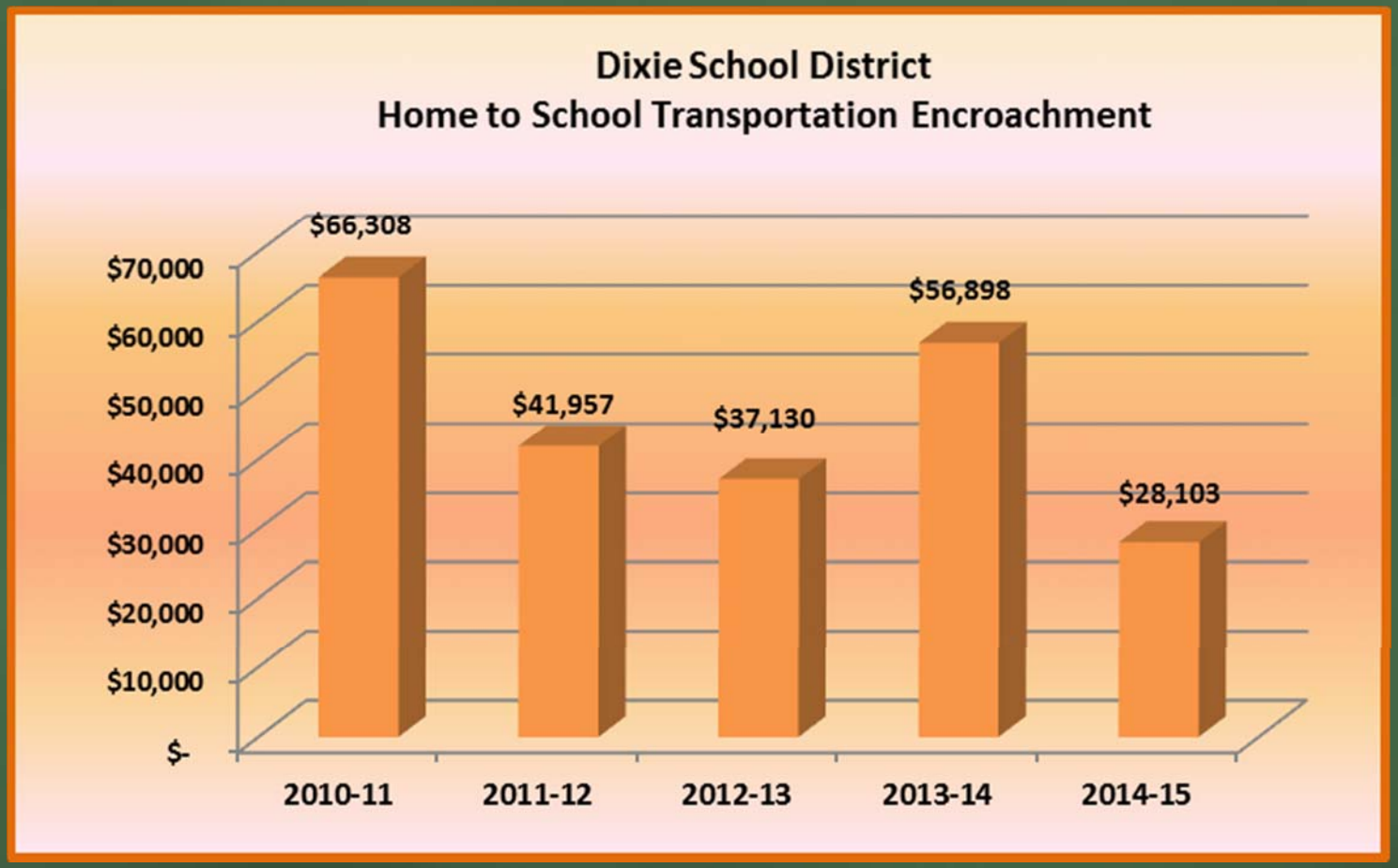
Overall the general fund encroachment for Home to School Transportation has dropped 67% since 2010-11

Special Education Transportation:

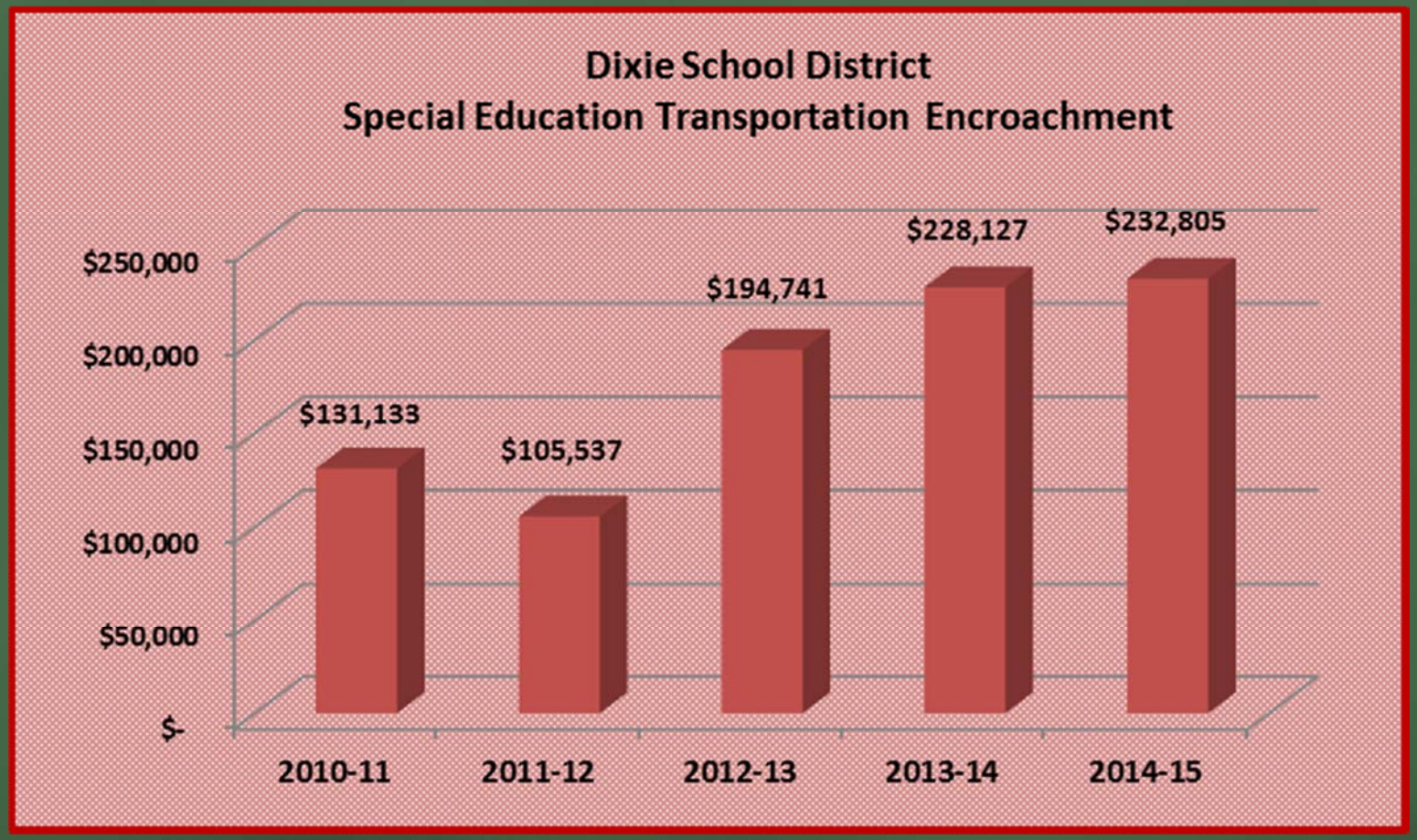
2010-11	$ 131,133	- 31.7%
2011-12	$ 105,537	- 24.3%
2012-13	$ 194,741	+84.5%
2013-14	$ 228,127	+17.1%
2014-15	$ 232,805	+ 2.1%

Overall the general fund encroachment for Special Education Transportation has increased 59% since 2010-11

Transportation Encroachment
A Brief History



TRANSPORTATION ENCROACHMENT
A BRIEF HISTORY



Recap of Ending Fund Balances – By Fund

- General Fund (Fund 01):
  - Unrestricted $ 1,294,986.05
  - Restricted $ 596,898.14
- Deferred Maintenance (Fund 14) $ 173,627.15
- Building Fund (Fund 21) $14,280,628.57
- Building Funds (Fund 22) $ 102,588.19
- Capital Facilities (Fund 25) $ 122,436.32
- Special Reserve (Fund 40) $ 713,730.13
- Special Reserve-Solar (Fund 41) $ 176,494.67
- Bond Interest/Redemption (Fund 51) $ 1,695,696.14
  - County Controlled Fund
- Debt Service Fund-Solar (Fund 56) $ 148,683.51
- Retiree Insurance-GASB 45 $ 208,044.41

Ending Fund Balance

What is in the Fund Balance?

- In the 2015-16 Adopted Budget, Estimated Actuals column, the ending balance is estimated and updated after the books are closed. At that point we know the true ending balance.
  - The estimated balance was $1,423,631.
  - The actual ending balance is $1,891,884 which as expected increased of from the Adopted Budget estimate.

- Components of the Ending Balance include:
  - Revolving Cash $ 3,000
  - Restricted Reserves: $596,898
  - Unrestricted/Designated Carryovers $433,304
  - Reserve for Economic Uncertainties: $858,682
    - The Reserve of Economic Uncertainties is 4.10% which continues to be below the board designated level.
- Ending fund balance decreased by ($1,017,013)
- This is the fifth year in a row that fund balance decreased

- Questions?