



Dixie School District

Unaudited Actuals Fiscal Year Ended 2016-2017

*Presented by
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Chief Business Official
September 12, 2017*

Unaudited Actuals 2016-2017

- The “*Unaudited Actuals*” is the final state financial report for 2016-17 and is used for fiscal year end reporting as of June 30, 2017.
 - 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 2016-17 Actuals and 2017-18 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 classroom 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 2016-2017

- **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 11, 2017.**
- **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 2018.**



- **Over the past few years, projections in June indicated a large deficit but the final numbers came in much less than projected.**
- **Starting in 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

2016-2017

- **In June, the District was projecting a decrease or deficit in the General Fund reserve in 2016-17 of -\$304,194**
- **The final numbers showed a net decrease in the General Fund reserve of -\$18,435.**
 - **The difference from June projection is \$285,758 or a 1.3% difference**
 - **\$182,645 Unrestricted & \$103,113 Restricted**

Unaudited Actuals

2016-2017



- General Fund revenues decreased by -0.2% from the prior year while expenditures increased by +0.9% from prior year
- While there was a increase in LCFF funding, it was offset by a lower amount of 1x discretionary funds received in 2016-17 and moving all food service related revenues and expenditures to the newly established Cafeteria Fund (13).
- It is important to keep in mind the following as we plan for the future:
 - New revenues from GAP funding increases will be less as we move closer to full funding under LCFF
 - Once we are fully funded under LCFF, revenue increases will be driven strictly from COLA
 - One time revenues are not on-going. Without the \$414,565 in one-time revenues, the District would have substantially continued the trend of deficit spending
 - We will continue to have budget issues in the future with expectation of lower on-going revenues and increases in on-going expenditures (Step/Column, STRS, PERS, etc.)

Unaudited Actuals

2016-2017

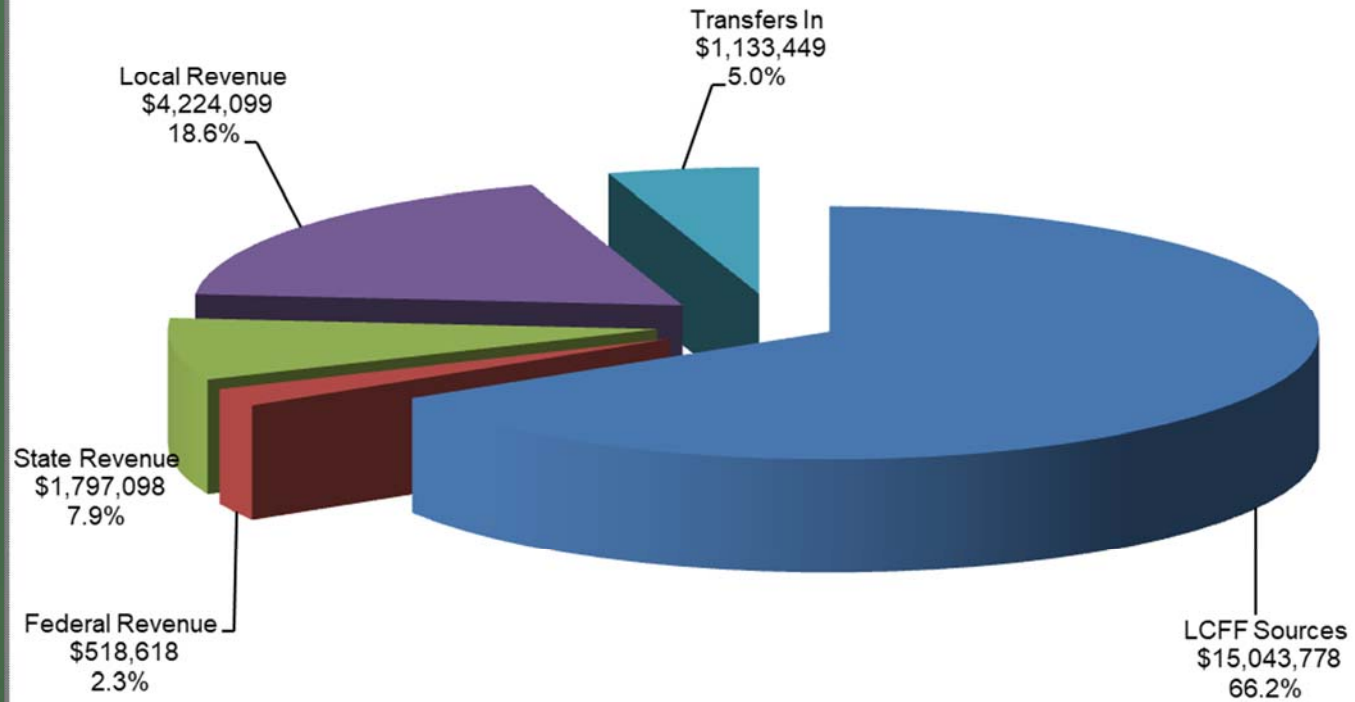
- **Our experience over the past several years has showed the importance of having a healthy reserve level.**
- **The short term and long term fiscal solvency of the District depends on:**
 - **Restoring and maintaining the General Fund reserve levels to that specified in the District's reserve policy**
 - **Working to eliminate the structural budget deficits that have occurred over the last several years**
 - **In June 2017 the Board of Trustees has recommended reestablishing the Superintendent's Budget Committee. The District will be making recommendations to the Board in September on the makeup and charge of this committee**

2016-2017 General Fund Revenues

LCFF Sources	\$ 15,043,778
Federal Revenue	\$ 518,618
State Revenues	\$ 1,797,098
Local Revenue	\$ 4,224,099
Transfers In	<u>\$ 1,133,449</u>
Total Revenue	\$ 22,717,042



**Dixie School District
Combined General Fund Revenues
2016-2017**



Funding Sources

➤ LCFF Sources Category:

- LCFF Funding: Components of LCFF Funding
 - Hold Harmless
 - State Aid
 - Final Property Taxes: \$13,980,038
 - Increased from prior year +6.0%
 - EPA Funds:



➤ Federal Revenues:

- IDEA Federal Special Education, Special Ed Mental Health, Child Nutrition and Special Ed Mental Health and Title I, II, III

➤ State Revenues:

- Includes 1x mandated costs, mandated block grant (on-going) and lottery (both unrestricted and restricted), STRS On-Behalf

➤ Local Revenues:

- Parcel Tax:
- Can Do! and Home to School Club donations:

➤ Overall Revenues decreased by -\$41,757 or -0.2%

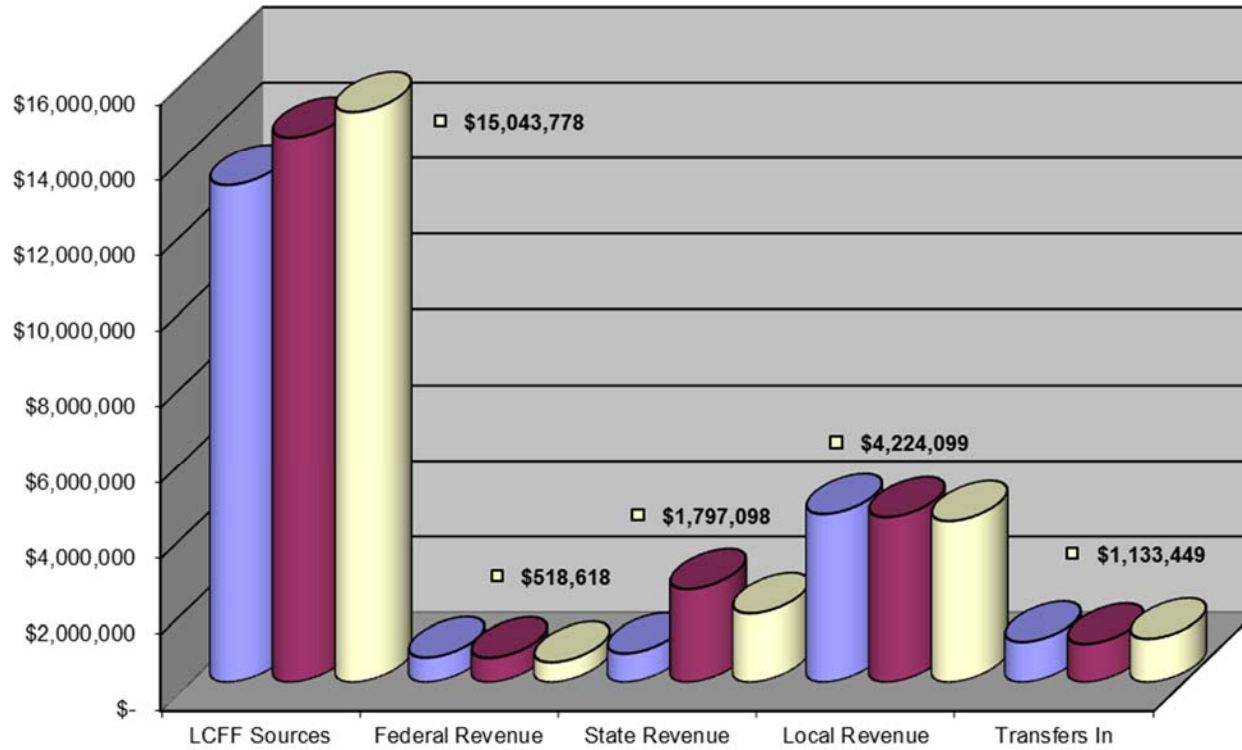
Changes in Revenues from Prior Year



	<u>\$\$ Change</u>	<u>% Change</u>
LCFF Sources	\$ 678,691	4.7%
Federal Revenue	\$ (115,558)	-18.2%
State Revenue	\$ (636,137)	-26.1%
Local Revenue	\$ (103,038)	-2.4%
Transfers In	\$ 134,285	13.4%
TOTAL	\$ (41,757)	-0.2%

Dixie School District General Fund Revenue 3 Year Comparison

■ 2014-15 ■ 2015-16 ■ 2016-17





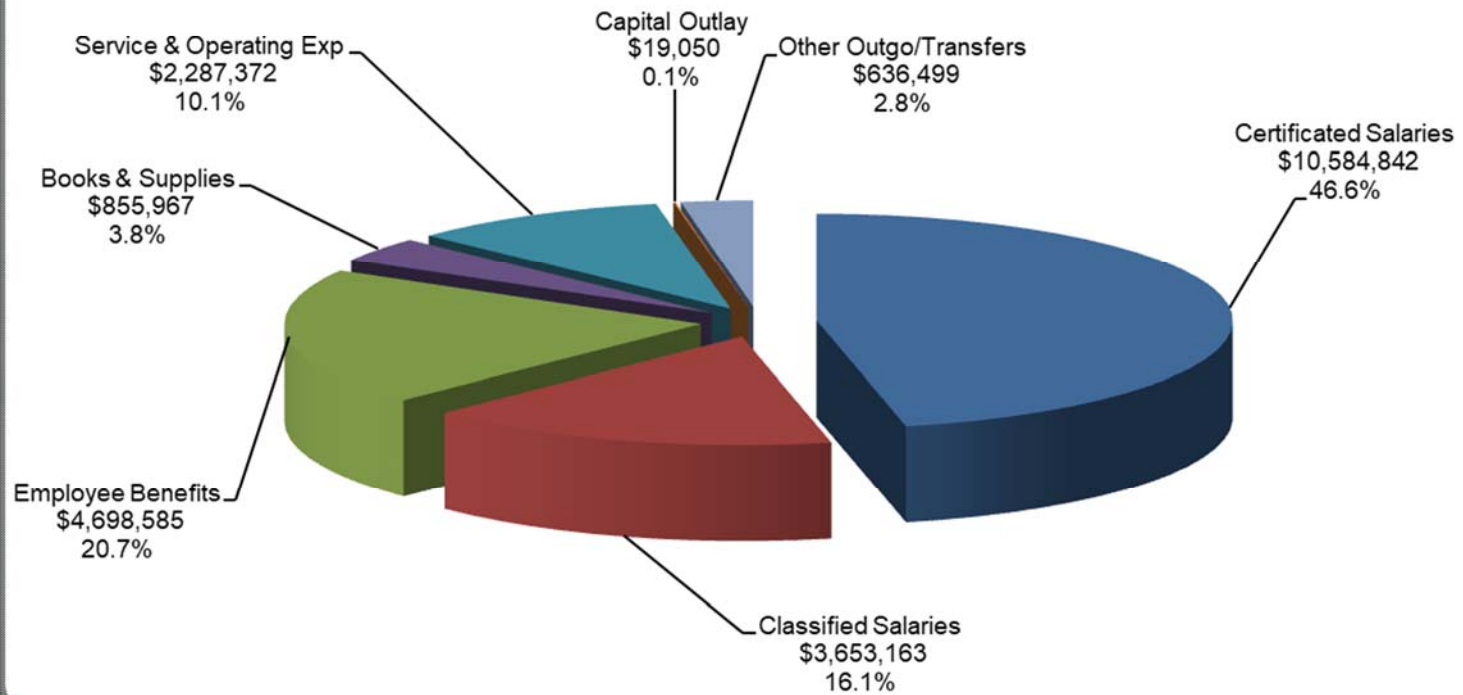
2016-17 General Fund Expenditures

46.6% Certificated Salaries	\$ 10,584,842
16.1% Classified Salaries	\$ 3,653,163
20.7% Benefits	\$ 4,698,585
3.8% Materials & Supplies	\$ 855,967
10.1% Services & Contracts	\$ 2,287,732
0.1% Capital Outlay	\$ 19,050
2.8% Other Outgo/Transfer Out	<u>\$ 636,499</u>

TOTAL EXPENDITURES **\$ 22,735,478**

**** Salaries + Benefits = 83% of Total General Fund Expenditures**

**Dixie School District
Combined General Fund Expenditures
2016-2017**



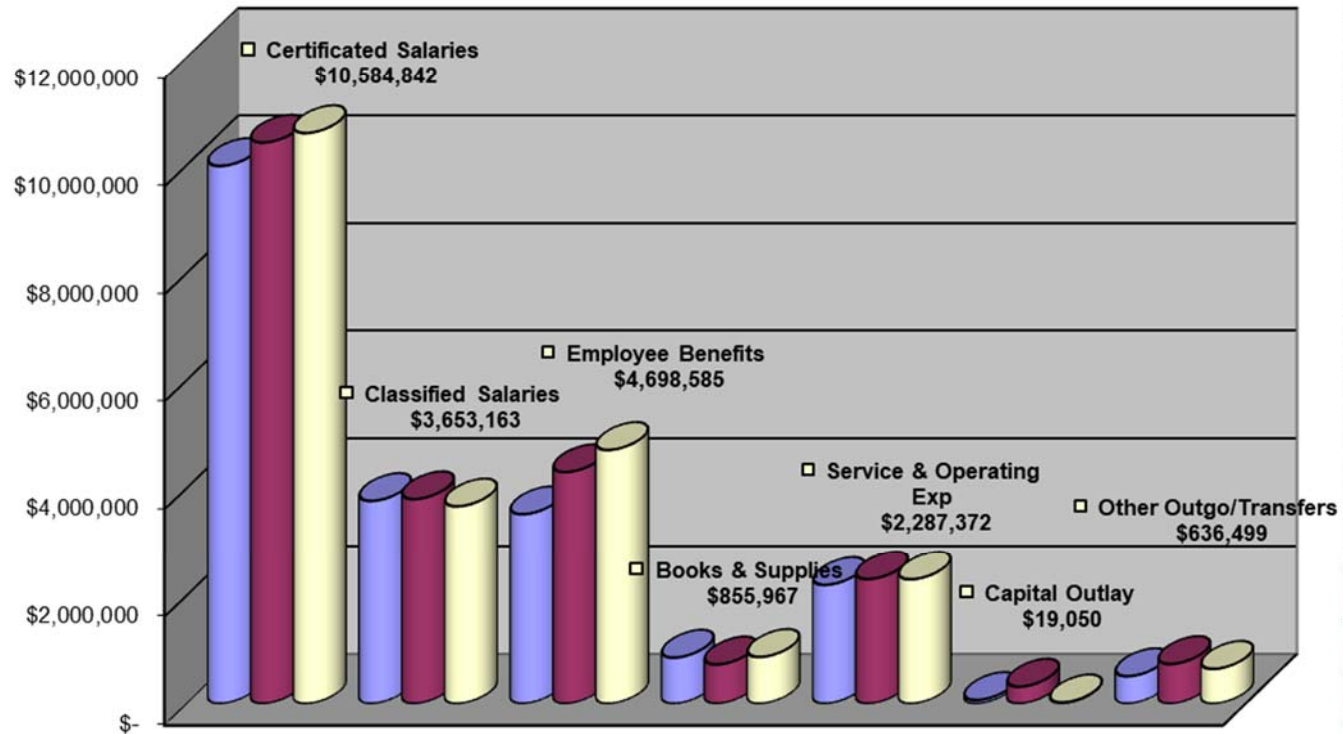
Change in Expenditures From Prior Year



Certificated Salaries	\$ 175,529	1.7%
Classified Salaries	\$ (133,939)	-3.5%
Employee Benefits	\$ 410,522	9.6%
Books & Supplies	\$ 136,990	19.1%
Service & Operating Exp	\$ (3,855)	-0.2%
Capital Outlay	\$ (290,364)	-93.8%
Other Outgo/Transfers	\$ (90,469)	-12.4%
TOTAL	\$ 204,413	0.9%

Dixie School District General Fund Expenditures 3 Year Comparison

■ 2014-15 ■ 2015-16 ■ 2016-17



Interfund Transfers In

➤ District annually transfers cash from Fund 40 to the General Fund



➤ This year the transfer was \$1,133, 449

➤ This included the annual transfer of \$873,449 plus:

- Additional transfers of \$125,000 to fund past salary increases for 2013-14 & 2014-15
- And additional transfers of \$135,000 to fund 2016-17 salary increase (1st of 3 years)



STRS On -Behalf

➤ STRS On-Behalf

- **STRS On-Behalf:** This was new in 2014-15 due to GASB 68 requirements. District to include our estimated share of STRS liability on our books and report on our financial statements.
- These entries are recorded as State Revenues and Employee Benefit categories (STRS cost) in our books.
- The result will be an substantial increase to both categories but will net to zero and not impact the fund balance
- The STRS On-Behalf total for 2016-17 is \$830,546 which is an increase of \$191,480 from prior year total of \$639,066

STRS Impact 2016-17

- In 2014 Governor Brown successfully passed legislation to fund the State Teacher Retirement System (STRS) liability by annually increasing the employer and employee contributions to the program.
- For the employer portion the rate increased by .63% in 2014-15 and another 1.85% annually until 2020-21
- For 2016-17 the change in STRS rate resulted in \$197,749 in additional cost to the District.

Other Outgo & Transfers Out

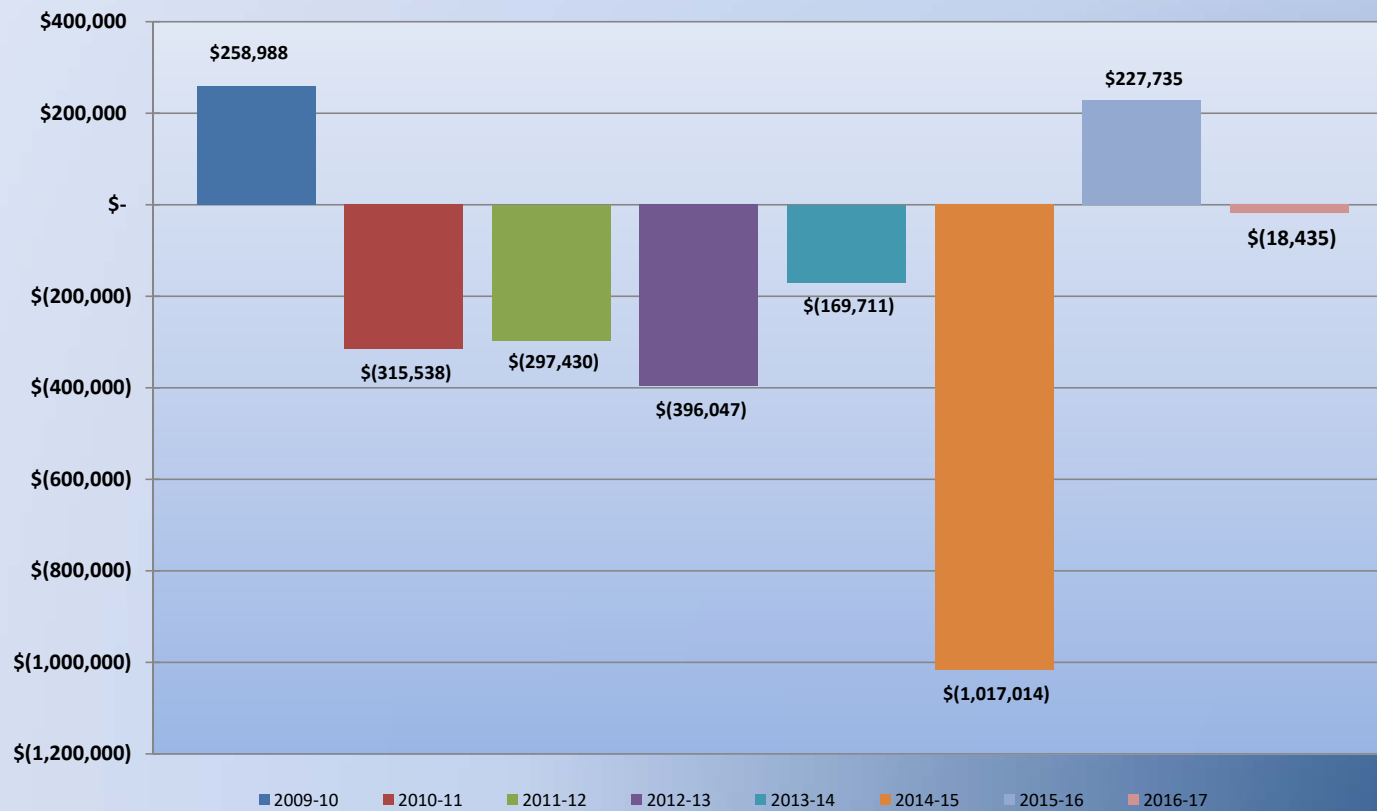
- **“Other Outgo” includes our Special Education Excess Costs and the Special Education ADA transfer to MCOE**
 - Excess Cost was \$328,061
 - Decrease -\$76,278 when compared to last year
 - ADA Transfer \$143,703
- **“Transfer Out” is for estimated solar savings that will be transferred to Fund 56 to pay for CREBS Bond repayment**
 - This year the transfer was \$144,645



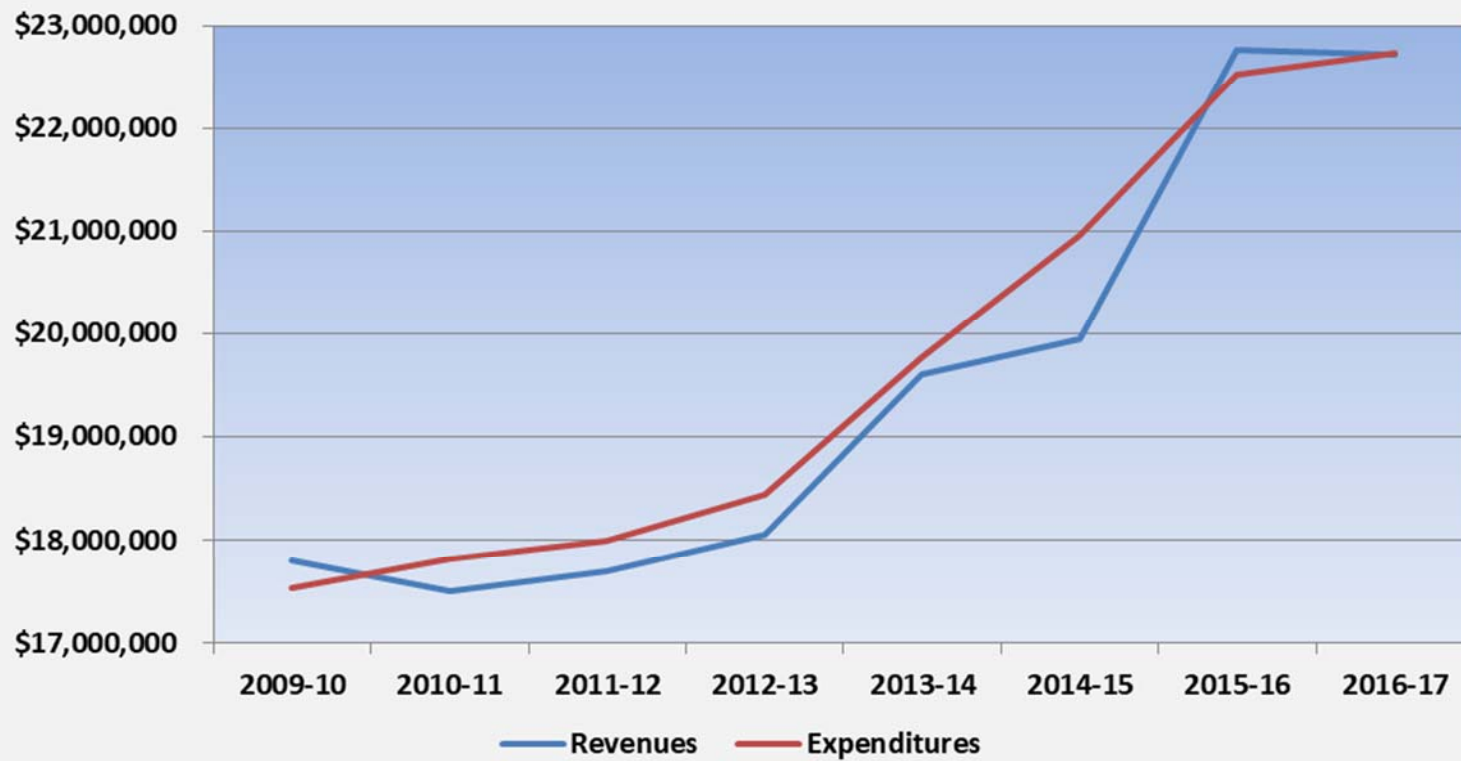
Special Education

Summary of Special Education Expenditures		2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Res		Actuals	Actuals	Actuals	Actuals	Actuals	Unaudited Actuals
3310/33							
11	Fed Sp Education	\$ 315,811	\$ 303,669	\$ 357,918	\$ 369,265	\$ 397,882	\$ 358,962
3313	AARA	\$ 1,656	\$ -	\$ -	\$ -	\$ -	\$ -
	Sp Ed - Mental						
3327	Health (Fed)	\$ -	\$ 93,741	\$ 53,397	\$ 36,465	\$ 29,113	\$ 25,476
6500	Regular Sp Ed	\$1,995,031	\$2,192,142	\$2,271,432	\$2,455,990	\$2,632,959	\$ 2,492,281
	Sp Ed - Low						
6512	Incidence	\$ 2,834	\$ 8,469	\$ 20,871	\$ 8,506	\$ 12,085	\$ 3,014
	Sp Ed - Mental						
6513	Health (State)	\$ -	\$ -	\$ -	\$ 110,400	\$ 105,737	\$ 120,862
	Sp Ed -						
0724	Transportation	\$ 245,203	\$ 334,140	\$ 367,526	\$ 372,204	\$ 295,295	\$ 320,284
9001	Sp Ed - Excess Cost	\$ 325,557	\$ 339,760	\$ 340,752	\$ 330,594	\$ 404,339	\$ 328,061
	Total	\$2,886,092	\$3,271,921	\$3,411,896	\$3,683,424	\$3,877,410	\$ 3,648,940
	Change \$\$	-	\$ 385,829	\$ 139,975	\$ 271,528	\$ 193,986	\$ (228,470)
	Change %	-	13.4%	4.3%	8.0%	5.3%	-5.9%

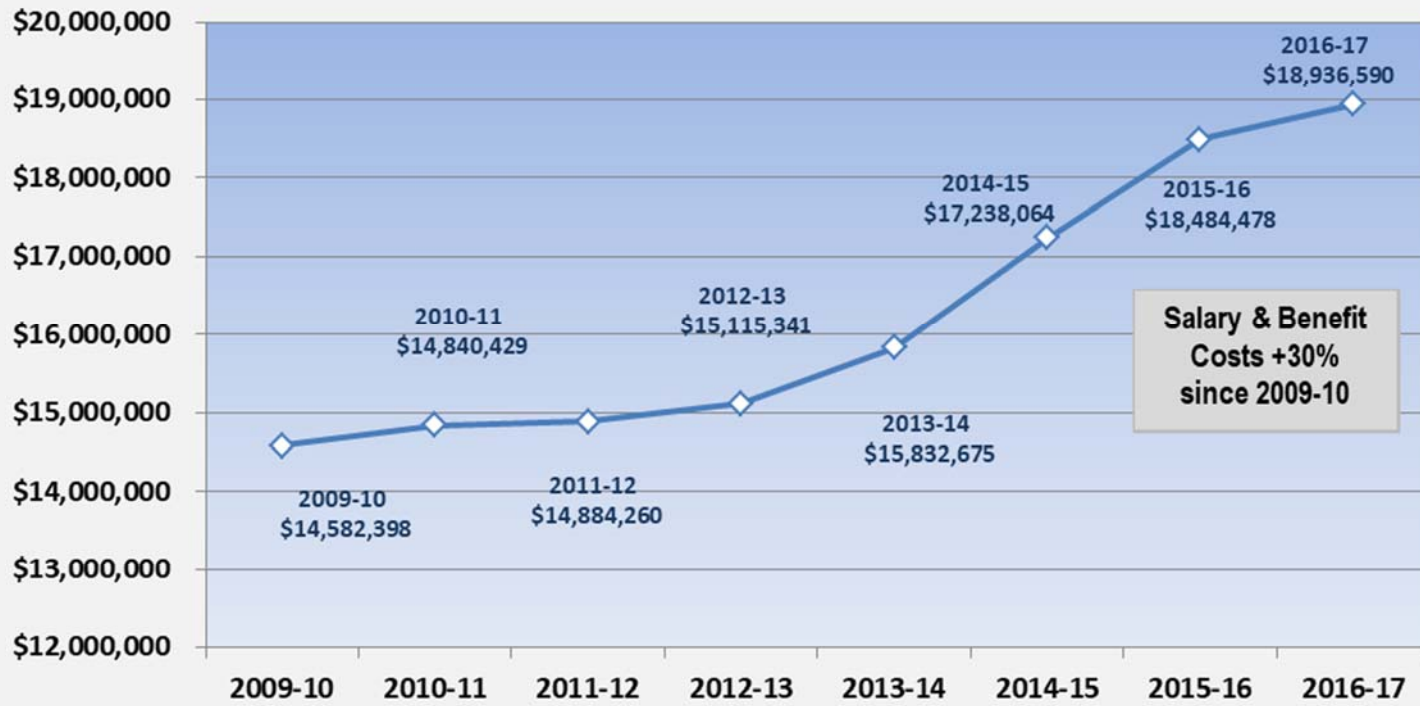
Dixie School District General Fund Change in Fund Balance



Dixie School District Revenue & Expenditure Trend

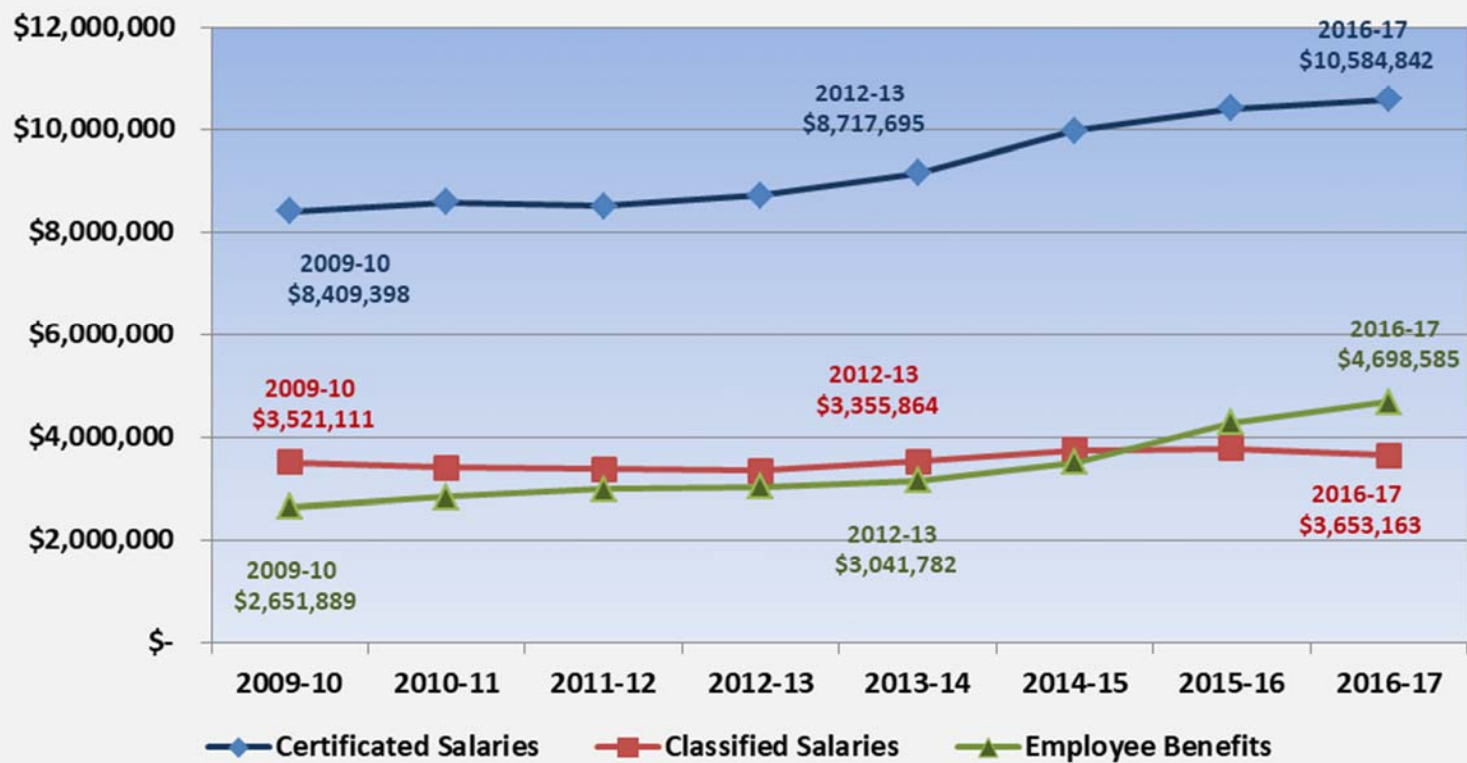


Dixie School District Salaries & Benefits Trend

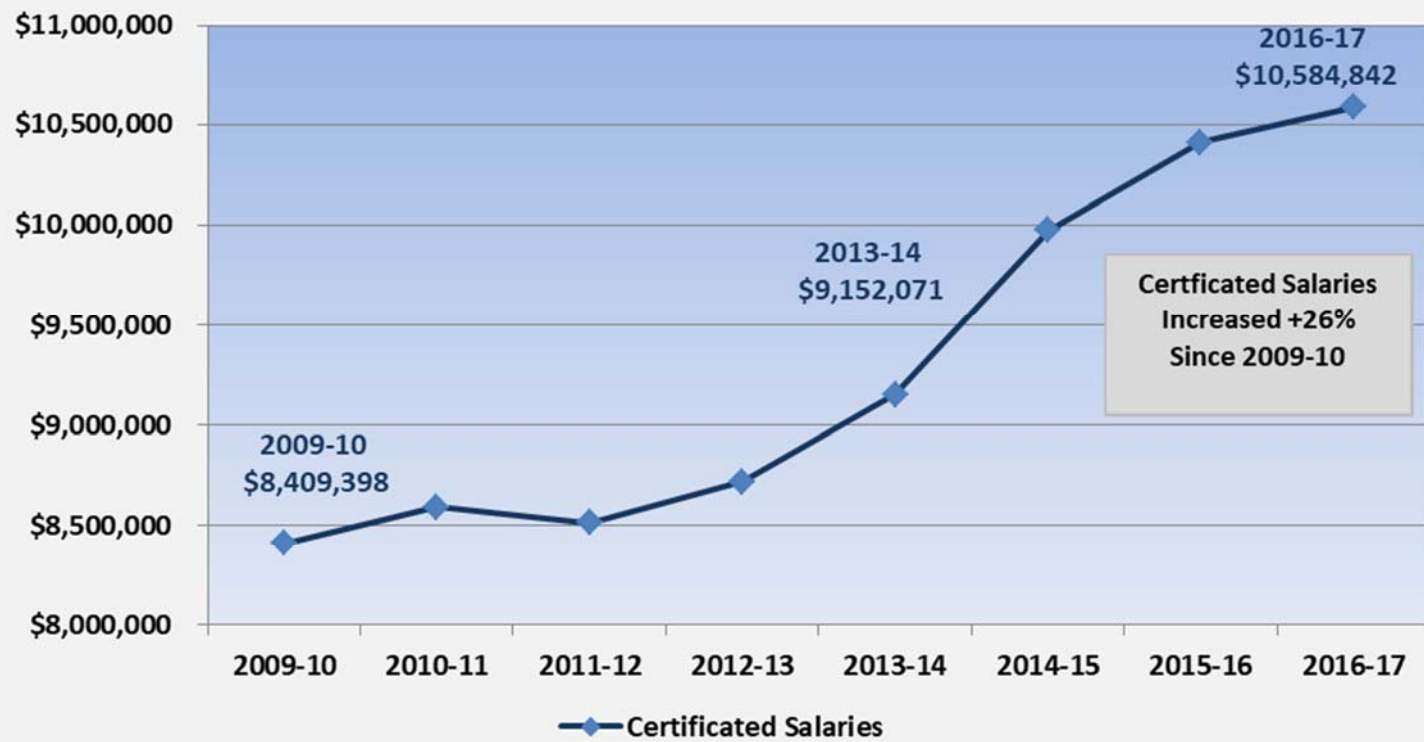


Total Salary & Benefit Costs

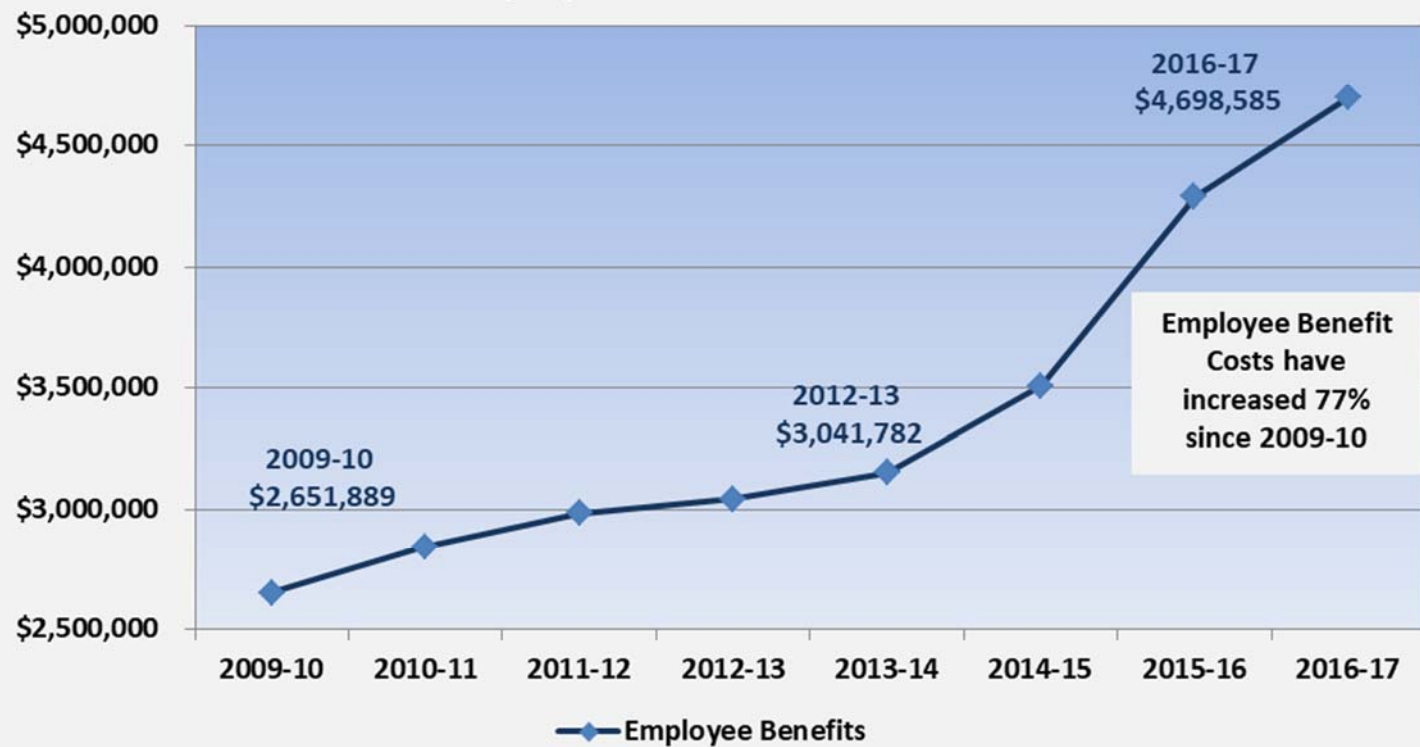
Dixie School District Salaries & Benefits Trend



Dixie School District Certificated Salaries Trend



Dixie School District Employee Benefit Cost Trend



General Fund Contributions

• Special Education:	
• Federal	\$ 42,933
• AB602	\$ 1,387,793
• Low Incidence	\$ 123
• Excess Cost	\$ 328,061
• Transportation-Special Ed	\$ 180,885
• School Library Block Grant	\$ 878
• Transportation - Home to School	\$ 58,942
• Routine Repair & Maintenance	\$ <u>500,179</u>
• TOTAL	\$ 2,500,828



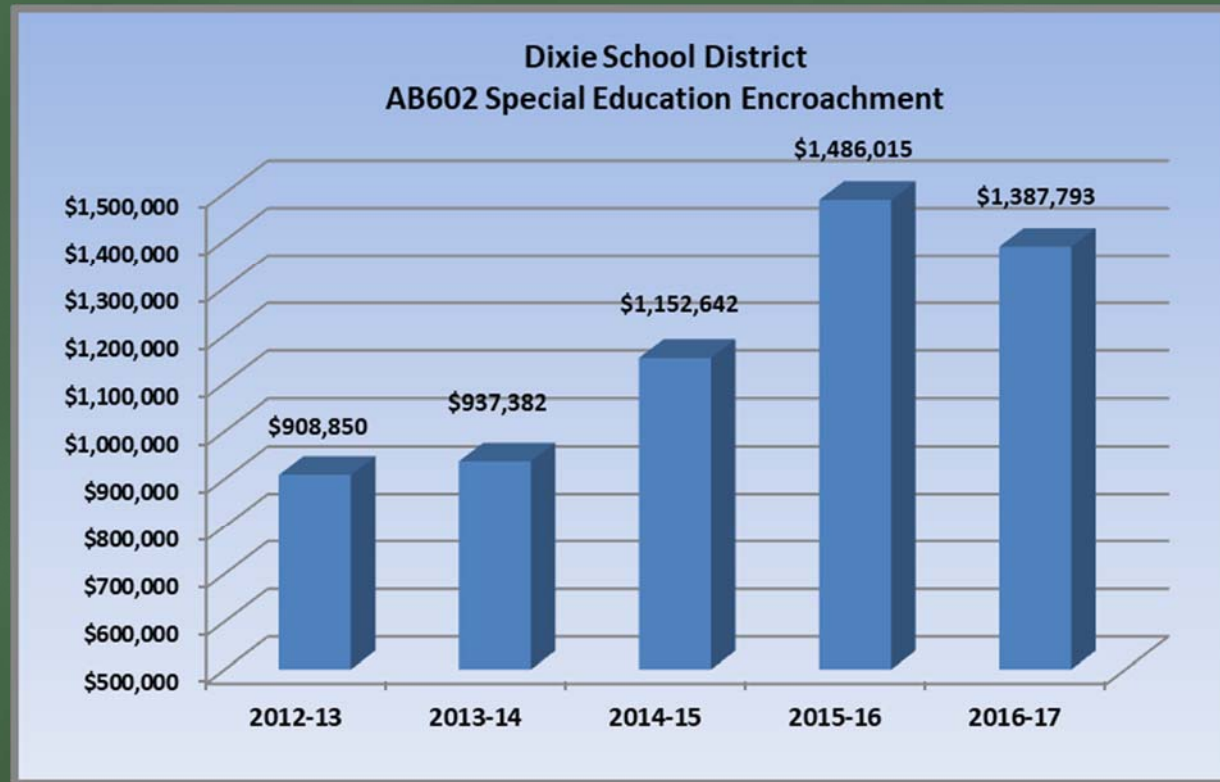
General Fund Encroachment

Change from Prior Year

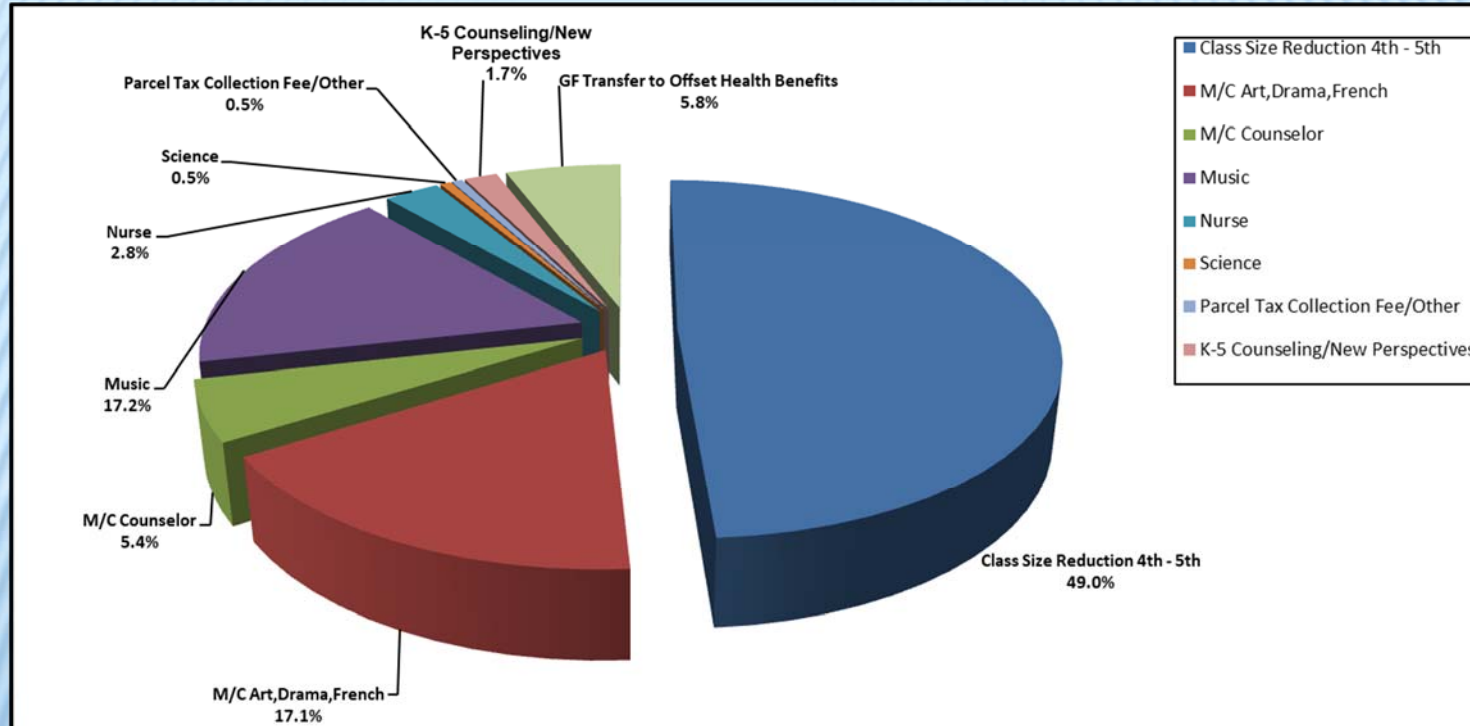
Special Education:	<u>Change \$\$</u>	<u>Change %</u>
AB602	\$ (98,222)	- 7.1%
Federal	\$ (10,066)	- 23.4%
Low Incidence	\$ (1,999)	- 100.0%
Excess Cost	\$ (76,278)	- 23.3%
Transportation – Special Education	\$ 24,989	+ 16.0%
Total Encroachment Special Education	\$ (160,541)	-7.6%
School Library Block Grant (MC)	\$ (625)	- 100.0%
Transportation – Home to School	\$ 48,398	+ 459.0%
Routine Repair & Maintenance	\$ (46,702)	- 9.3%
Child Nutrition	\$ (12,407)	- 100.0%
Total Encroachment – Non Spec Ed	\$ (11,336)	- 2.0%
GRAND TOTAL	\$ (171,877)	- 6.4%

General Fund Contribution

Special Education AB602



Dixie School District Parcel Tax Expenditures 2016-17 Fiscal Year



**Dixie School District
Parcel Tax
2016-17 Fiscal Year**

Revenue Budget	Final Revenues
Parcel Taxes	\$ 1,924,507
Other Revenues	\$ 46,513
Total Revenue	\$ 1,971,020

Expenditure Budget	FTE	Final Expenditures
Class Size Reduction 4th - 5th	10.0 FTE Certificated	\$ 980,563
M/C Art,Drama,French	3.8 FTE Certificated	\$ 341,708
M/C Counselor	1.0 FTE	\$ 108,519
Music	2.8 FTE Certificated, 5.7 hr Music Assts, Supplies	\$ 343,972
Nurse	.60 FTE Nurse	\$ 55,686
Science		\$ 10,839
Parcel Tax Collection Fee/Other		\$ 10,980
K-5 Counseling/New Perspectives		\$ 33,299
GF Transfer to Offset Health Benefits		\$ 116,289
Total Expenditures		\$ 2,001,854

**Dixie School District
Parcel Tax
Projected Reserve Balance**



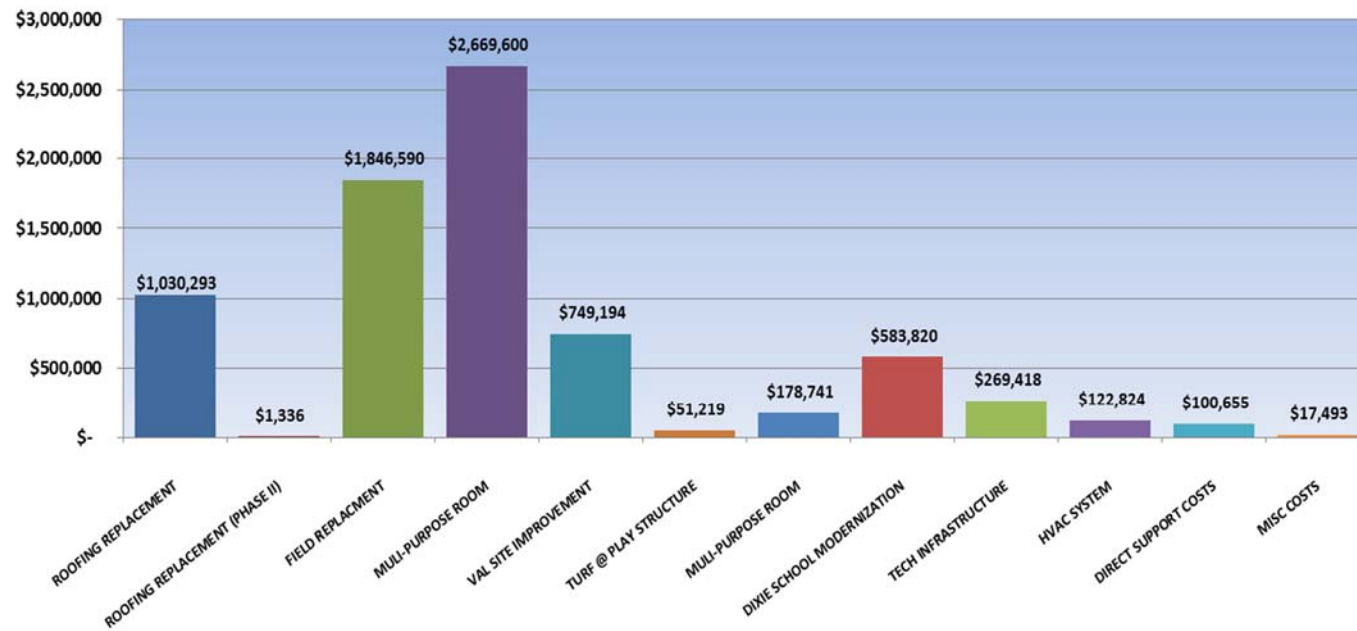
	2012-13 Actuals	2013-14 Actuals	2014-15 Actuals	2015-16 Actuals	2016-17 Actuals	2017-18 Projected	2018-19 Projected
Parcel Tax Revenue	\$1,948,289	\$1,946,439	\$1,941,984	\$1,931,072	\$1,924,507	\$1,919,456	\$1,919,456
Local	\$7,593	\$21,200	\$28,884	\$39,172	\$46,513	\$0	\$0
Total Revenue	\$1,955,882	\$1,967,639	\$1,970,868	\$1,970,244	\$1,971,020	\$1,919,456	\$1,919,456
Current Costs	\$1,975,247	\$2,019,760	\$2,077,853	\$1,998,078	\$2,001,854	\$1,919,501	\$1,919,501
Inflation (2.0%)	\$0	\$0	\$0	\$0	\$0	\$0	\$38,390
Total Expenditures	\$1,975,247	\$2,019,760	\$2,077,853	\$1,998,078	\$2,001,854	\$1,919,501	\$1,957,891
Net Increase/Decrease	\$ (19,365)	\$ (52,121)	\$ (106,985)	\$ (27,834)	\$ (30,834)	\$ (45)	\$ (38,435)
Beg Reserve Balance	\$ 262,314	\$ 242,949	\$ 190,828	\$ 83,843	\$ 56,009	\$ 25,175	\$ 25,130
End Reserve Balance	\$ 242,949	\$ 190,828	\$ 83,843	\$ 56,009	\$ 25,175	\$ 25,130	\$ (13,305)

**DIXIE SCHOOL DISTRICT
MEASURE C - EXPENDITURES TO DATE
AS OF JUNE 30, 2017**

PROJECTS	SITE(S)	2014-15 EXPENDITURES	2015-16 EXPENDITURES	2016-17 EXPENDITURES	TOTAL EXPENDITURES
ROOFING REPLACEMENT	MARY SILVEIRA, VALLECITO, MILLER CREEK	\$ 375,312	\$ 654,981		\$ 1,030,293
ROOFING REPLACEMENT (PHASE II)	VALLECITO, MILLER CREEK	\$ -	\$ -	\$ 1,336	\$ 1,336
FIELD REPLACEMENT	MILLER CREEK	\$ 206,646	\$ 1,639,944		\$ 1,846,590
MULTI-PURPOSE ROOM	MARY SILVEIRA	\$ -	\$ 451,662	\$ 2,217,938	\$ 2,669,600
VAL SITE IMPROVEMENT	VALLECITO	\$ -	\$ 330,624	\$ 418,570	\$ 749,194
TURF @ PLAY STRUCTURE	VALLECITO	\$ 14,123	\$ 37,096	\$ -	\$ 51,219
MULTI-PURPOSE ROOM	DIXIE	\$ -	\$ 7,282	\$ 171,459	\$ 178,741
DIXIE SCHOOL MODERNIZATION	DIXIE	\$ -	\$ -	\$ 583,820	\$ 583,820
TECH INFRASTRUCTURE	ALL SITES	\$ -	\$ -	\$ 269,418	\$ 269,418
HVAC SYSTEM	MILLER CREEK	\$ -	\$ -	\$ 122,824	\$ 122,824
DIRECT SUPPORT COSTS	DISTRICTWIDE	\$ -	\$ -	\$ 100,655	\$ 100,655
MISC COSTS	ALL SITES: ADVERTISING, ELECTION FEES, AUDIT FEES, ETC	\$ 11,461	\$ 2,805	\$ 3,227	\$ 17,493
	TOTAL	\$ 607,542	\$ 3,124,394	\$ 3,889,246	\$ 7,621,183



DIXIE SCHOOL DISTRICT BOND EXPENDITURES TO DATE



Restricted/Designated Carryover Fiscal Year 2016-17

The ending fund balance includes restricted or categorical carryover funds along with designated unrestricted carryover money. Total of \$ 871,863

- ✓ Unrestricted/Designated: \$ 423,573

- ✓ Restricted: \$ 448,290

- ✓ Carryover includes:

- ✓ “Flexible” budgets that the district will continue to maintain:

- ✓ GATE, PAR, Instructional Materials, Deferred Maintenance

- ✓ Decentralized budgets for sites, including Lottery.

- ✓ Site controlled budgets (donations, trips, yearbook, etc.)

- ✓ Parcel Tax:

- ✓ A larger fund balance is needed to sustain costs throughout the life of the parcel tax.

Deferred Revenue 2016-2017

Program	Resource	Amount
Federal IDEA Special Ed - Private Sch	3311	\$ 3,718
Title II	4035	\$ 3,115
Title III	4201	\$ 619
Title III	4203	\$ 3,019
Total		\$ 10,471

Unrestricted/Designated Carryover Fiscal Year 2016-17

Program	Resource	Amount
School Site Carryovers	0000	\$ 48,319
Solar Education/Bright Ideas	0000	\$ 7,850
MC Field Maintenance	0000	\$ 36,519
Deferred Maintenance (Unrestricted)	0206	\$ 99,131
GATE	0220	\$ 13,483
Instructional Materials	0221	\$ 120,110
PAR	0225	\$ 1,233
State Lottery	1100	\$ 99,789
Total Unrestricted Carryover		\$ 426,433

Restricted Carryover Fiscal Year 2016-17

Educator Effectiveness	6264	\$	63,659
Lottery - Restricted	6300	\$	121,770
Sp Ed - Mental Health	6513	\$	212,434
Parcel Tax	9040	\$	25,175
Dixie School Donations	9111	\$	20,104
ASB Yearbooks	9112	\$	3,842
Other Donations	9115	\$	122
Coloma Gold Rush Fund	9122	\$	1,184
Total Restricted Carryover		\$	448,290

Transportation Encroachment



Home to School Transportation:

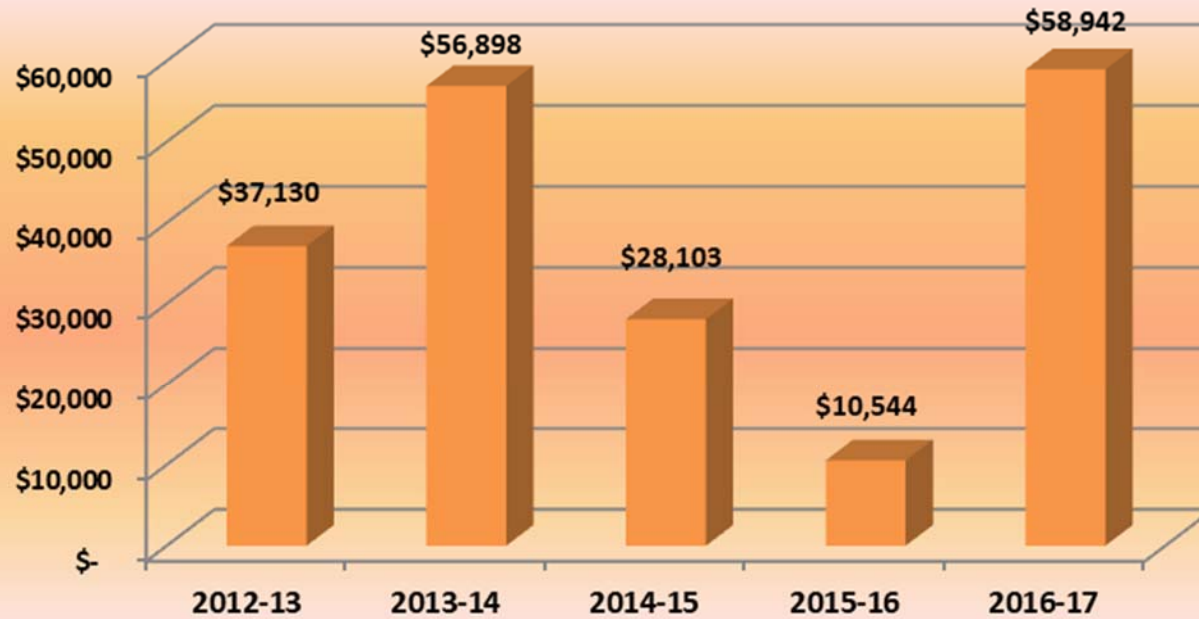
2012-13	\$37,130	-13.0%
2013-14	\$56,898	+53.2%
2014-15	\$28,103	-102.5%
2015-16	\$10,544	-166.5%
2016-17	\$58,942	+459.0%

Special Education Transportation:

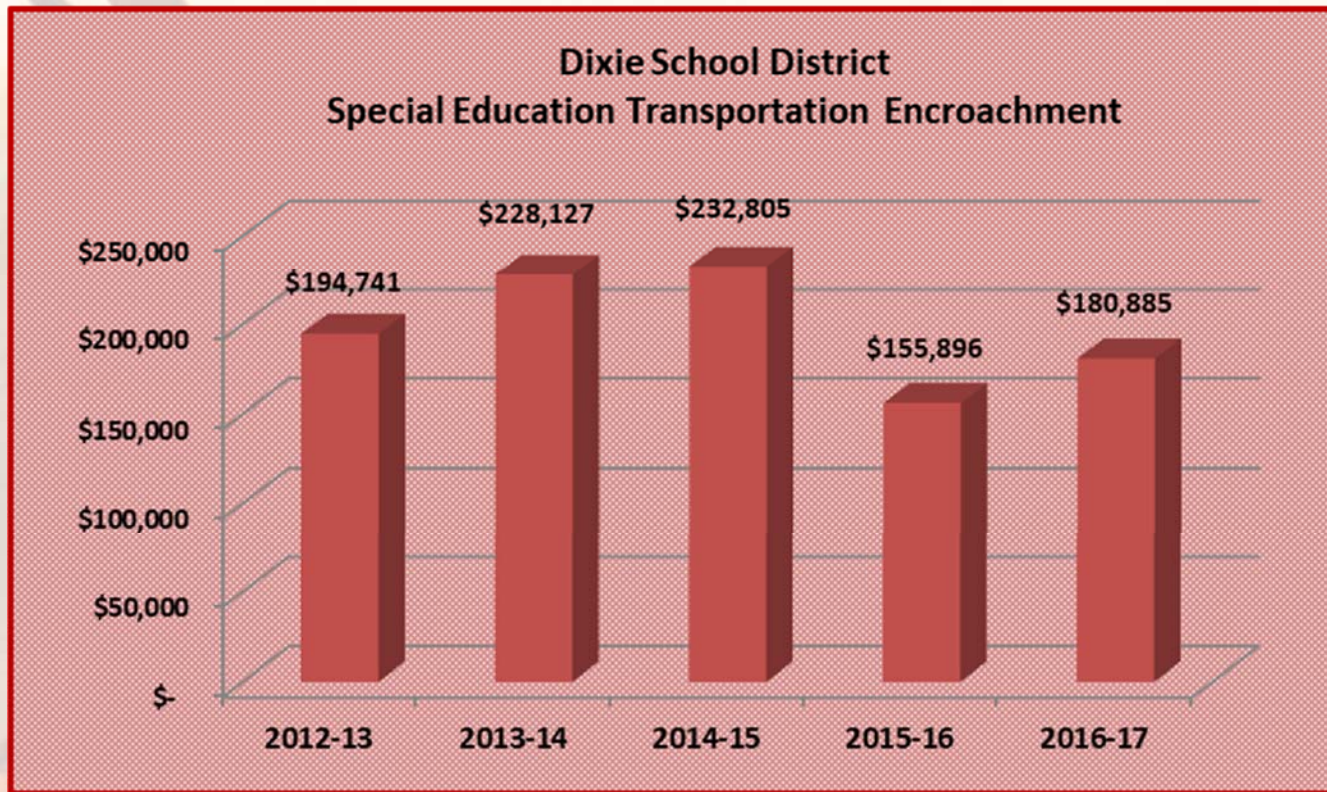
2012-13	\$ 194,741	+84.5%
2013-14	\$ 228,127	+17.1%
2014-15	\$ 232,805	+ 2.1%
2015-16	\$ 155,896	- 49.3%
2016-17	\$180,885	+16.0%

TRANSPORTATION ENCROACHMENT

Dixie School District
Home to School Transportation Encroachment



TRANSPORTATION ENCROACHMENT



Recap of Ending Fund Balances - By Fund

➤ General Fund (Fund 01):	
➤ Unrestricted	\$ 1,652,892.88
➤ Restricted	\$ 448,290.30
➤ Cafeteria Fund (Fund 13)	\$ 0.00
➤ Deferred Maintenance (Fund 14)	\$ 77,929.88
➤ Building Fund (Fund 21)	\$ 7,425,422.32
➤ Building Funds (Fund 22)	\$ 103,294.86
➤ Capital Facilities (Fund 25)	\$ 124,801.76
➤ Special Reserve (Fund 40)	\$ 622,801.39
➤ Special Reserve-Solar (Fund 41)	\$ 177,710.43
➤ Bond Interest/Redemption (Fund 51)	\$ 2,102,314.06
➤ County Controlled Fund	
➤ Debt Service Fund-Solar (Fund 56)	\$ 154,544.73
➤ Retiree Insurance-GASB 45 (Fund 68)	\$ 252,486.51

Ending Fund Balance

What is in the Fund Balance?

❖ In the 2016-17 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 Adopted Budget estimated balance was \$1,815,425

❖ The actual ending balance is \$2,101,183 which as expected increased from the Adopted Budget estimate.

❖ Components of the Ending Balance include:

❖ Revolving Cash \$ 3,000

❖ Restricted Reserves: \$448,290

❖ Unrestricted/Designated Carryovers \$426,433

❖ Reserve for Economic Uncertainties: \$1,223,460

❖ The Reserve of Economic Uncertainties is 5.09% which continues to be below the board designated level.

❖ Ending fund balance had a deficit of -\$18,435



•Questions?

