



Alvord Unified School District

Our Promise: All students will realize their unlimited potential.

Unaudited Actuals Financial Report Fiscal Year 2017-18

September 6, 2018

Presented by

Susana Lopez, Assistant Superintendent, Business Services



Overview

- Final statement of revenues and expenditures for 2017-18.
 - Subject to Annual Audit conducted in the fall.
- Annual report filed with the State, outlining revenues, expenditures and final ending balances for all district funds.
- 2018-19 Adopted Budget beginning fund balances are updated to reflect prior year ending fund balances.

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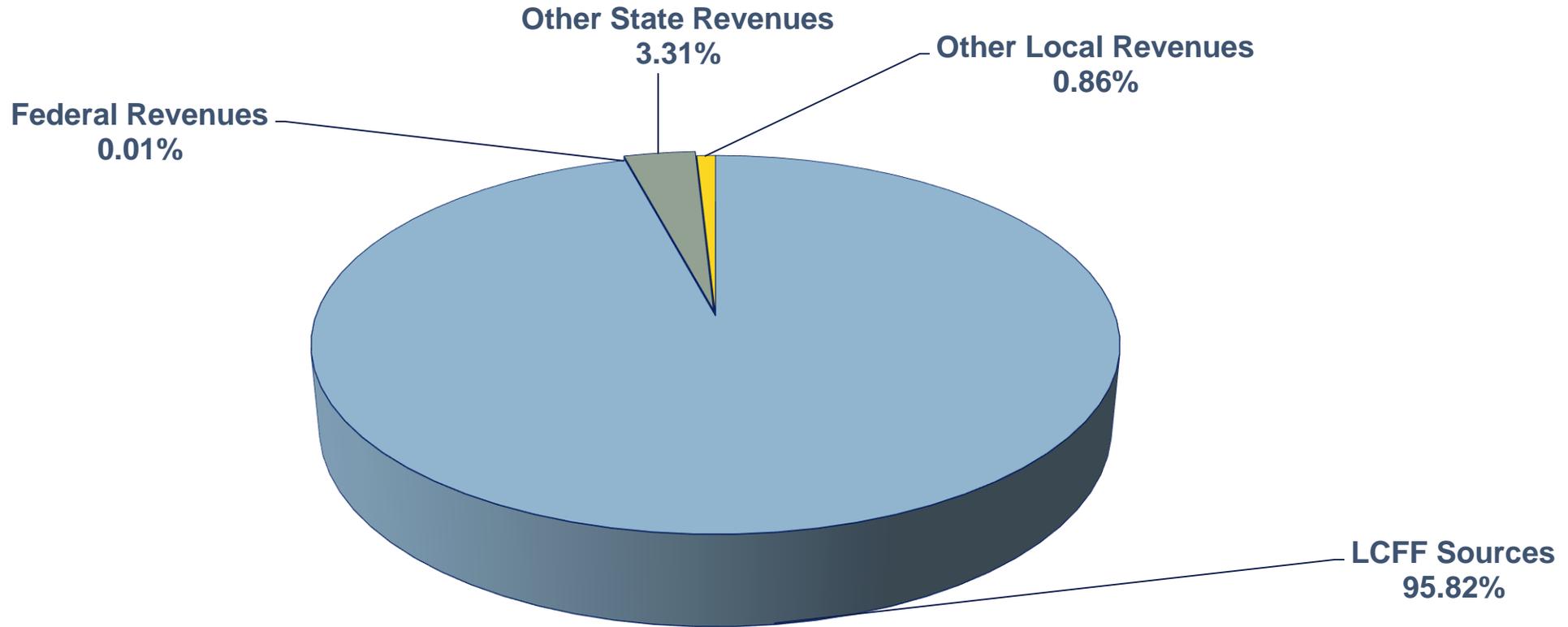
Unrestricted General Fund - Revenues

	2017-18 Unaudited Actuals
LCFF Sources	\$185,245,652
Federal Revenues	\$10,542
Other State Revenues	\$6,403,588
Other Local Revenues	\$1,667,337
Total Revenues	\$193,327,119

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Unrestricted General Fund - Revenues



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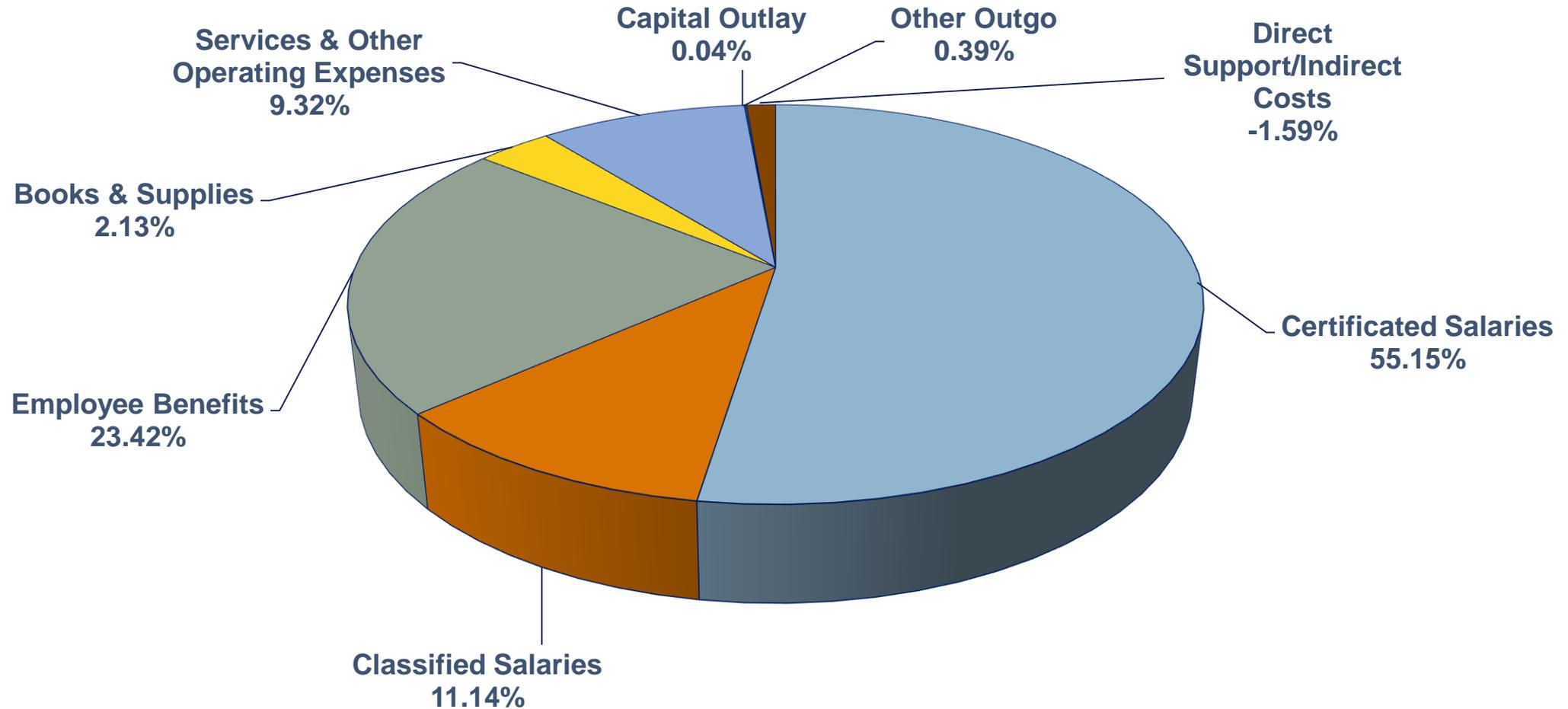
Unrestricted General Fund – Expenditures

	2017-18 Unaudited Actuals
Certificated Salaries	\$89,327,135
Classified Salaries	\$18,635,243
Employee Benefits	\$38,262,140
Books & Supplies	\$5,784,441
Services & Other Operating Expenses	\$15,928,281
Capital Outlay	\$31,237
Other Outgo	\$131,053
Direct/Indirect Costs	(\$2,236,017)
Total Expenditures	\$165,863,513

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Unrestricted General Fund – Expenditures



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Alvord – Unrestricted General Fund Estimated to Actual Comparison

Unrestricted General Fund	Estimated	Actual	Variance
Revenues	\$193,323,018	\$193,327,119	\$4,101
Expenditures	\$165,852,446	\$165,863,513	(\$11,067)
Increases/(Decrease)	\$27,470,572	\$27,463,606	(\$6,966)
Other Sources/(Uses) - Contributions	<u>(\$30,395,998)</u>	<u>(\$30,142,570)</u>	\$253,428
Net Increase/(Decrease)	(\$2,925,426)	(\$2,678,964)	\$246,462
Beginning Fund Balance	\$13,771,938	\$13,771,938	\$0
Ending Fund Balance	<u>\$10,846,512</u>	<u>\$11,092,974</u>	\$246,462
Reserves – Required Min 3%	\$6,890,916	\$6,863,299	(\$27,617)
Remaining Fund Balance	\$3,955,596	\$4,229,675	\$274,079

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Alvord – Restricted General Fund Estimated to Actual Comparison

Restricted General Fund	Estimated	Actual	Variance
Revenues	\$31,747,704	\$31,588,299	(\$159,405)
Expenditures	\$60,073,463	\$59,160,377	\$913,086
Increases/(Decrease)	(\$28,325,759)	(\$27,572,078)	\$753,681
Other Sources/(Uses) - Contributions	<u>\$26,624,715</u>	<u>\$26,392,160</u>	(\$232,555)
Net Increase/(Decrease)	(\$1,701,044)	(\$1,179,918)	\$521,126
Beginning Fund Balance	\$4,950,216	\$4,950,216	\$0
Ending Fund Balance	\$3,249,172	\$3,770,298	\$521,126

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Multi-Year Projections – Unrestricted General Fund

Unrestricted	2017-18 Actuals	2018-19 Projected	2019-20 Projected	2020-21 Projected
Total Revenues	\$193,327,119	\$204,703,972	\$204,983,000	\$210,063,634
Total Expenditures	(\$165,863,513)	(\$173,536,673)	(\$173,585,459)	(\$175,947,818)
Excess (Deficiency)	\$27,463,606	\$31,167,299	\$31,397,541	\$34,115,816
Other Sources/(Uses) -Contributions	(\$30,142,570)	(\$32,747,088)	(\$33,366,706)	(\$34,037,268)
Net Increase/(Decrease)	(\$2,678,964)	(\$1,579,789)	(\$1,969,165)	\$78,548
Beginning Balance, July 1	\$13,771,938	\$11,092,974	\$9,513,185	\$7,544,020
Ending Balance, June 30	<u>\$11,092,974</u>	<u>\$9,513,185</u>	<u>\$7,544,020</u>	<u>\$7,622,568</u>

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Components of Ending Fund Balance

Unrestricted General Fund

Unrestricted	2017-18 Actuals	2018-19 Projected	2019-20 Projected	2020-21 Projected
Ending Balance, June 30	<u>\$11,092,974</u>	<u>\$9,513,185</u>	<u>\$7,544,020</u>	<u>\$7,622,568</u>
Revolving Cash	\$15,000	\$15,000	\$15,000	\$15,000
Economic Uncertainties 3%	\$6,863,299	\$ 7,066,052	\$ 7,002,374	\$ 7,092,103
Donation Acct Carryover	\$225,559			
Total Required Reserve	<u>\$7,103,858</u>	<u>\$7,081,052</u>	<u>\$7,017,374</u>	<u>\$7,107,103</u>
Reserve (Shortfall) / Surplus	<u>\$3,989,116</u>	<u>\$2,432,133</u>	<u>\$526,646</u>	<u>\$515,465</u>

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Fund 11 - Adult Education Fund

The Adult Education fund is used to account separately for federal, state, and local revenue to operate adult education programs. Money in this fund shall be expended for adult education purposes only, Education Code sections 52616(b) and 52501.5(a).

Ending Fund Balance as of June 30, 2018

\$ 280,030

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Fund 13 - Cafeteria Fund

The Cafeteria fund is used to account separately for federal, state, and local revenue to operate the nutrition services program. Revenues are generated primarily through food sales and Federal reimbursements, Education Code sections 38090-38093.

Ending Fund Balance as of June 30, 2018

\$ 3,135,495

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Fund 14 - Deferred Maintenance Fund

The Deferred Maintenance fund is used to account separately for the District's contributions for deferred maintenance purposes. Expenditures in this fund are for major repairs or replacements, Education Code sections 17582-17587.

Ending Fund Balance as of June 30, 2018

\$ 410,595

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Fund 21 - Building Fund (Measure H & Measure W)

The Building fund is used to separately account for proceeds from the sale of bonds and may not be used for any purposes other than those for which the bonds were issued, Education Code section 15146.

Ending Fund Balance as of June 30, 2018

\$ 1,274,914

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Fund 25 - Capital Facilities Fund

The Capital Facilities fund is used to account separately for monies received from fees levied on developers. Expenditures are restricted to the purposes specified in Government Code sections 65970-65981.

Ending Fund Balance as of June 30, 2018

\$ 1,101,656

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Fund 35 - County School Facilities Fund

The County School Facilities fund is used to account separately for State apportionments as provided in Education Code sections 17009.5 and 17070.10-17076.10.

Ending Fund Balance as of June 30, 2018

\$ 9,898

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Fund 40 - Special Reserve Facilities Fund

The Special Reserve fund is used for capital outlay purposes, Education Code section 42840. The source of funds that are available in this fund are the Redevelopment Agency Dissolution Pass-Through funding that the district receives.

Ending Fund Balance as of June 30, 2018

\$ 1,691,635

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Fund 49 - Capital Projects for Blended Components Fund (CFD's)

The Capital Project for Blended Components fund is used to account for capital projects financed by Mello-Roos Community Facilities District and similar entities that are considered blended component units of the LEA under generally accepted accounting principles (GAAP).

Ending Fund Balance as of June 30, 2018

\$ 1,271,976

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Fund 51 - Bond Interest & Redemption Fund

The Bond Interest & Redemption fund is used for the repayment of bonds issued for a District. Activity takes place at the county level for this fund, Education Code Section 15125-15262.

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Fund 67 - Self-Insurance Worker's Comp Fund

The Self-Insurance Worker's Compensation fund is used to separate the activity for worker's compensation claims prior to the District joining the JPA in July of 2016, Education Code Section 17566.

Ending Fund Balance as of June 30, 2018

\$ 1,653,896

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Fund 68 - Other Post-Employment Benefits Fund

The Other Post-Employment Benefits fund is used to record OPEB/Retiree benefits. The District has always been a pay-as-you-go district and has not set aside funds for the OPEB liability. The district was using this fund incorrectly. It had been recording health and welfare payment information for active employees in this account, which was not following proper accounting practices.

Ending Fund Balance as of June 30, 2018

\$ 0

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Fund 73 -Foundation Fund

The Foundation fund is used to account separately for gifts per Education Code Section 41031 that benefit individuals, private organizations, or other governments and under which neither principal nor income may be used for purposes that support the LEA's own programs, Education Code Section 41031-41032.

Ending Fund Balance as of June 30, 2018

\$ 78,400

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2018-19 Adopted Budget – Conditional Approval

- RCOE is requesting additional information before determining whether the 2018-19 Adopted Budget is approved or disapproved
 - 2017-18 Unaudited Actuals
 - 2018-19 Revised Budget & Multi-Year Projections – Use up-to-date ADA and enrollment estimates
 - Cash Flow

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Next Steps

- **Sept 2018** **Board Update on 2018-19 Adopted Budget**
- **Dec 2018** **Board Action on 2018-19 First Interim Report**
- **Jan 2019** **Release of 2019-20 Governor's Proposed State Budget**
- **Jan 2019** **Board Action on 2017-18 Annual Audit Report**
- **Mar 2019** **Board Action on 2018-19 Second Interim Report**
- **May 2019** **Release of 2019-20 Governor's Budget May Revision**
- **June 2019** **Public Hearing 2019-20 LCAP & Adopted Budget**
- **June 2019** **Board Action on 2019-20 LCAP & Adopted Budget**

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Questions?

