

Center for Advanced Research & Technology

CART



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2019-20 **Third Quarter Report**

May 26th, 2020

Prepared by Clovis Unified Senior Accountant, Kyle Ellis

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CENTER FOR ADVANCED RESEARCH & TECHNOLOGY

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CUSD Private Sector Appointee
CUSD Board Appointee
FUSD Board Appointee
FUSD District Superintendent
CUSD District Superintendent
Fresno Business Council Appointee
FUSD Private Sector Appointee

Introduction - Third Quarter Budget

The Center for Advanced Research and Technology [CART] was established in April 1997 by a Joint Powers Authority Agreement, pursuant to the provision of Title I, Division 7, Chapter 5, Articles 1 through 4 of the California Government Code. Its purpose is to provide for the financing and operation of a joint-use college preparatory technical center for high school age students.

Each year quarterly financial reports are prepared by CART's Treasurer for review by the Board which reflects updated financial data relative to the General Fund and the Special Reserve Fund. The quarterly reports consist of First Interim, Second Interim, and Third Quarter. The First and Second Interim reports are prepared based on a year to date basis as of October 31 and January 31 of each fiscal year, respectively as required based on Education Code Section 46704.33. The Third Quarter and Annual Financial Reports are prepared on a year to date basis as of March 31 and June 30, respectively. The Annual Financial Report (Fourth Quarter) is prepared for review by the Board prior to the completion of the audited financial statements.

This report will provide the reader with information regarding the 2019-20 Third Quarter Budget and its comparison to the 2019-20 Second Interim Budget for revenues and expenditures. A summary of budget differences between major classifications of revenues and expenditures is included.

2019-20

Third Quarter Budget

May 26th, 2020

**2019-20 THIRD QUARTER
GENERAL FUND BUDGET**

**CART GENERAL
FUND**

Summary Revisions to General Fund Budget

The following narrative will summarize the major revenue and expenditure categories for the General Fund.

I. 2019-20 REVENUES

A. Local Revenues

Local Revenues changed from \$2,627,646 at Second Interim to \$2,605,055 at Third Quarter, a decrease of \$22,591. Local revenue consists of district contributions, FCSS ROP funding, district funding for capital outlay projects, and local funding for the Summer Academy program. Due to COVID-19, the Summer Academy was cancelled, and subsequently, the revenue for this program was removed from the budget.

Change from 2nd Interim to 3rd Quarter		\$ (22,591)
<u>2019-20 Adopted Budget</u>	<u>2019-20 Third Quarter</u>	<u>Increase/(Decrease)</u>
\$ 2,575,329	\$ 2,605,055	\$ 29,726

B. Inter-fund Transfers In

Inter-fund Transfers remain unchanged from Second Interim to Third Quarter at \$55,900. This transfer is directly related to the CART Board approved Technology Refresh Plan.

Change from 2nd Interim to 3rd Quarter		\$ -0-
<u>2019-20 Adopted Budget</u>	<u>2019-20 Third Quarter</u>	<u>Increase/(Decrease)</u>
\$ 55,900	\$ 55,900	\$ -0-

C. Annual General Fund Revenues

The total CART revenues changed from \$2,683,546 at Second Interim to \$2,660,955 at Third Quarter, a decrease of \$22,591.

Change from 2nd Interim to 3rd Quarter		\$ (22,591)
<u>2019-20 Adopted Budget</u>	<u>2019-20 Third Quarter</u>	<u>Increase/(Decrease)</u>
\$ 2,683,546	\$ 2,660,955	\$ 29,726

II. 2019-20 EXPENDITURES

A. Books, Supplies and Other Materials

Books, Supplies and Other Materials changed from \$588,224 at Second Interim to \$177,159 at Third Quarter, a decrease of \$411,065. The decrease is largely due to a reassigning of unused Technology Refresh budget to the reserves to better reflect what CART’s total expenditures will be for 2019-20. Additionally, there is a reassessment of supply needs for lab budgets.

<u>Item</u>	<u>Budget Adj.</u>	
Equip \$500-\$24999	\$	(500)
Supplies Maintenance & Ops		(700)
Other Books/Library		(1,500)
Food/In-House Meetings		(3,162)
Instructional Supplies		(16,413)
Supplies Non-Classroom		(19,234)
Reassigning Tech Refresh to Reserves		<u>(369,556)</u>
Change from 2 nd Interim to 3 rd Quarter	\$	<u>(411,065)</u>
	<u>2019-20</u>	<u>2019-20</u>
	<u>Adopted Budget</u>	<u>Third Quarter</u>
	<u>Increase/(Decrease)</u>	
	\$ 288,392	\$ 177,159
		\$ (111,233)

B. Contracted Services and Other Operating

Contracted Services and Other Operating expenditures changed from \$2,490,428 at Second Interim to \$2,492,999 at Third Quarter, an increase of \$2,570. The changes are largely due to the changes in utility cost projections, adjustments in FUSD projected salary & benefit costs, the vacancy in the Tech Support Specialist position and the reassignment of Technology Refresh dollars to the reserves.

<u>Item</u>	<u>Budget Adj</u>	
Utilities		25,500
FUSD Salary & Benefits		22,231
Contract Services		13,000
Property Insurance		7,932
Rentals, Repairs and Leases		(4,157)
Conference & Travel		(6,667)
Other Services		(8,424)
CUSD Salary & Benefit Adjustments		(19,036)
Reassigning Tech Refresh to Reserves		<u>(27,809)</u>
Change from 2 nd Interim to 3 rd Quarter	\$	<u>2,570</u>
	<u>2019-20</u>	<u>2019-20</u>
	<u>Adopted Budget</u>	<u>Third Quarter</u>
	<u>Increase/(Decrease)</u>	
	\$ 2,459,598	\$ 2,492,999
		\$ 33,401

C. Capital Outlay

Capital Outlay expenditures changed from \$1,512,445 at Second Interim to \$1,187,775 at Third Quarter, a decrease of \$324,670. This budget line is for CART’s projected costs for the 2018 and 2019 Summer capital improvement projects. Both FUSD and CUSD Boards have approved the contributions to fund these projects. These projects include improvements to the roof, clocks and PA system, telecom room cooling system and HVAC system. The reduction reflects the reassignment of the current project’s balance to the reserves for the completion of the next phase of the construction project.

Change from 2nd Interim to 3rd Quarter			\$ (324,670)
2019-20	2019-20		
<u>Adopted Budget</u>	<u>Third Quarter</u>	<u>Increase/(Decrease)</u>	
\$ 0	\$ 1,187,775	\$ 1,187,755	

D. Total General Fund Expenditures

Total General Fund expenditures changed from \$4,591,098 at Second Interim to \$3,857,933 at Third Quarter, an increase of \$1,109,942.

Change from 2nd Interim to 3rd Quarter			\$ (733,165)
2019-20	2019-20		
<u>Adopted Budget</u>	<u>Third Quarter</u>	<u>Increase/(Decrease)</u>	
\$ 2,747,991	\$ 3,857,933	\$ 1,109,942	

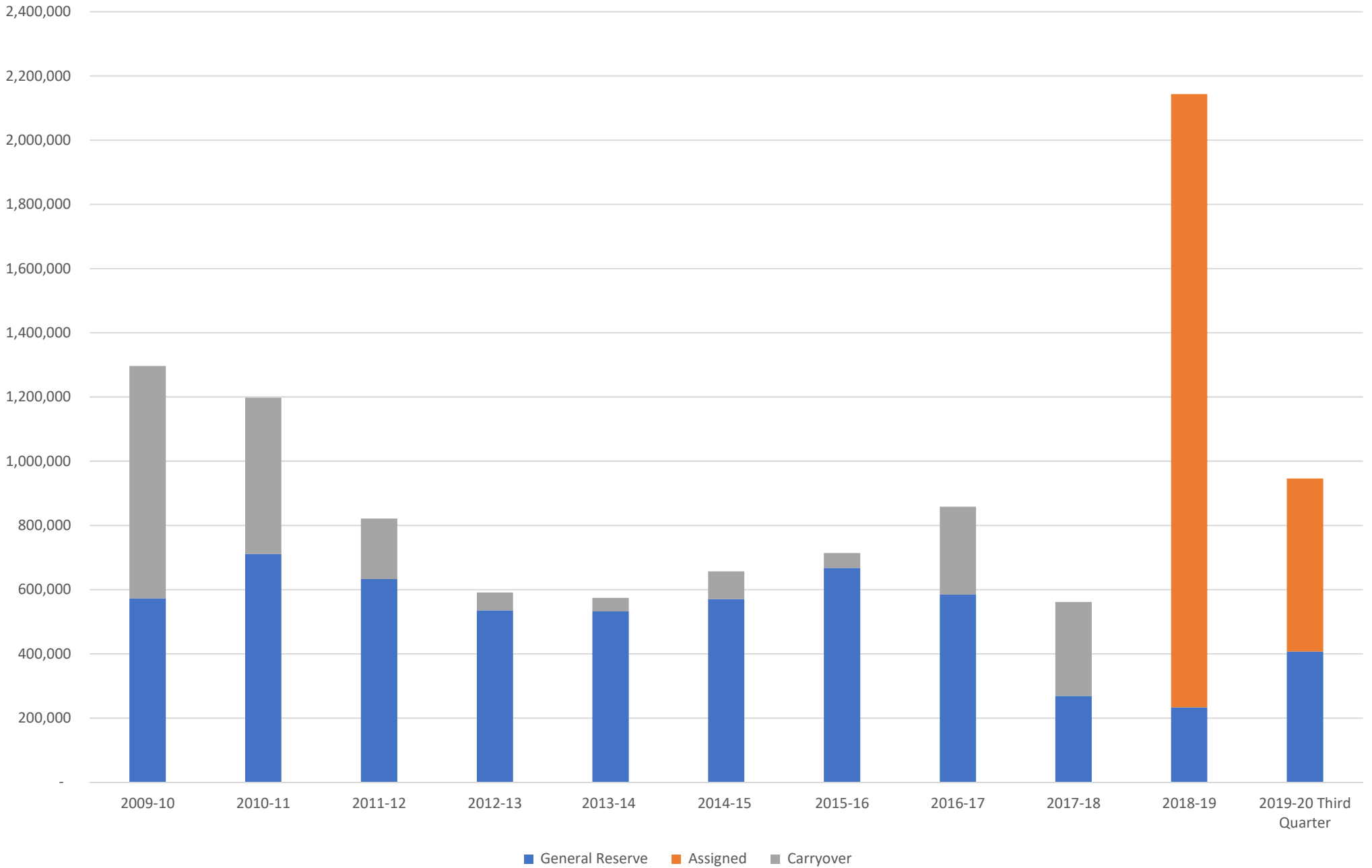
III. Fund Balance

The Center for Advanced Research & Technology’s projected General Fund ending fund balance for 2019-20, as of the Third Quarter is \$546,890.

<u>Beginning Balance 7/1/19, Audited</u>	\$ 2,143,354
Revenues	2,660,955
Expenditures	3,857,933
Surplus/(Deficit) (1)	<u>(1,196,978)</u>
Projected Ending Balance, 6/30/20	<u>\$ 946,376</u>
Components of Ending Fund Balance:	
Assigned: Capital Improvement	326,670
Assigned: Technology Refresh	<u>287,211</u>
General Reserve 6/30/20	<u>\$ 332,495</u>
General Reserve % of Expenditures	8.62%
One-time items included in budget:	
Capital Improvement Net Activity (2)	1,187,775
Technology Refresh Carryover (2)	<u>(93,948)</u>
Ongoing Operating Deficit (1+2)	<u>\$ (103,151)</u>

**2019-20 THIRD QUARTER
ENDING FUND BALANCE GRAPH**

CART Ending Fund Balance History



**2019-20 THIRD QUARTER
GENERAL FUND DETAIL REPORT**

Third Interim Budget Change Report
Fiscal Year 7/1/2019 - 6/30/2020

Fund: 78 SubFund: -	Adopted Budget	2nd Interim Budget	3rd Quarter Budget	Diff Btwn Q3 & Adpt	Diff Btwn Q3 & 12	Pct Chg Q3 & Adpt	Pct Chg Q3 & 12
78 - CENTER FOR ADV RSCH & TECH	\$2,631,229	\$2,683,546	\$2,660,955	\$29,726	(\$22,591)	1.1	(0.8)
8600 - 8799 Other Local Revenue							
8660 - Interest							
866000 - LOC INTEREST INCOME/TREAS	9,000	15,000	15,000	6,000	0	66.7	0.0
	\$9,000	\$15,000	\$15,000	\$6,000	\$0	66.7	0.0
8677 - Interagency Services Between LEAs							
867700 - LOC INTERAGENCY	536,928	536,928	536,928	0	0	0.0	0.0
	\$536,928	\$536,928	\$536,928	\$0	\$0	0.0	0.0
8689 - All Other Fees and Contracts							
868900 - LOC ALL OTH FEES	22,591	22,591	0	(22,591)	(22,591)	(100.0)	(100.0)
	\$22,591	\$22,591	\$0	(\$22,591)	(\$22,591)	(100.0)	(100.0)
8699 - All Other Local Revenue							
869900 - LOC OTHER REVENUE	2,500	2,500	2,500	0	0	0.0	0.0
	\$2,500	\$2,500	\$2,500	\$0	\$0	0.0	0.0
8799 - Other Transfers In from All Others							
879900 - TRANSFER FROM ALL OTHERS	2,004,310	2,050,627	2,050,627	46,317	0	2.3	0.0
	\$2,004,310	\$2,050,627	\$2,050,627	\$46,317	\$0	2.3	0.0
8600 - 8799 Other Local Revenue	\$2,575,329	\$2,627,646	\$2,605,055	\$29,726	(\$22,591)	1.2	(0.9)
Percent of Total	97.9%	97.9%	97.9%				
8900 - 8929 Interfund Transfers In							
8912 - Between General Fund and Special Reserve Fund							
891201 - TRANSFER BETWEEN GF AND SRF	55,900	55,900	55,900	0	0	0.0	0.0
	\$55,900	\$55,900	\$55,900	\$0	\$0	0.0	0.0
8900 - 8929 Interfund Transfers In	\$55,900	\$55,900	\$55,900	\$0	\$0	0.0	0.0
Percent of Total	2.1%	2.1%	2.1%				

Third Interim Budget Change Report
Fiscal Year 7/1/2019 - 6/30/2020

Fund: 78 SubFund: -	Adopted Budget	2nd Interim Budget	3rd Quarter Budget	Diff Btwn Q3 & Adpt	Diff Btwn Q3 & I2	Pct Chg Q3 & Adpt	Pct Chg Q3 & I2
78 - CENTER FOR ADV RSCH & TECH	\$2,747,991	\$4,591,098	\$3,857,933	\$1,109,942	(\$733,165)	40.4	(16.0)
4000 - 4999 Books and Supplies							
4200 - Books and Other Reference Materials							
420000 - OTH BOOKS/LIBRARY	1,500	1,500	0	(1,500)	(1,500)	(100.0)	(100.0)
	\$1,500	\$1,500	\$0	(\$1,500)	(\$1,500)	(100.0)	(100.0)
4300 - Materials and Supplies							
430000 - INSTRUCTIONAL SUPPLIES	48,632	50,332	35,588	(13,044)	(14,744)	(26.8)	(29.3)
430001 - SUPPLIES CARRYOVER	0	293,232	0	0	(293,232)	N/A	(100.0)
430005 - FOOD/IN-HOUSE MEETINGS	5,215	5,215	2,053	(3,162)	(3,162)	(60.6)	(60.6)
430008 - SUPPLIES NON-CLASSROOM	50,953	56,153	37,147	(13,806)	(19,006)	(27.1)	(33.8)
430050 - SUPPLIES M&O	3,700	3,700	3,000	(700)	(700)	(18.9)	(18.9)
	\$108,500	\$408,632	\$77,788	(\$30,712)	(\$330,844)	(28.3)	(81.0)
4400 - Noncapitalized Equipment							
440000 - EQUIP \$500-\$24999	178,392	178,092	99,371	(79,021)	(78,721)	(44.3)	(44.2)
	\$178,392	\$178,092	\$99,371	(\$79,021)	(\$78,721)	(44.3)	(44.2)
4000 - 4999 Books and Supplies	\$288,392	\$588,224	\$177,159	(\$111,233)	(\$411,065)	(38.6)	(69.9)
Percent of Total	10.5%	12.8%	4.6%				
5000 - 5999 Services and Other Operating Expenditures							
5200 - Travel and Conferences							
520000 - CONF/TRAVEL	15,600	14,600	7,933	(7,667)	(6,667)	(49.1)	(45.7)
	\$15,600	\$14,600	\$7,933	(\$7,667)	(\$6,667)	(49.1)	(45.7)
5400 - Insurance							
545001 - PROPERTY INS	57,908	57,908	65,840	7,932	7,932	13.7	13.7
	\$57,908	\$57,908	\$65,840	\$7,932	\$7,932	13.7	13.7
5500 - Operations and Housekeeping Services							
550030 - WATER/SEWER	7,000	7,000	10,000	3,000	3,000	42.9	42.9
550080 - PG&E	162,500	162,500	185,000	22,500	22,500	13.8	13.8
	\$169,500	\$169,500	\$195,000	\$25,500	\$25,500	15.0	15.0

Third Interim Budget Change Report
Fiscal Year 7/1/2019 - 6/30/2020

Fund: 78 SubFund: -	Adopted Budget	2nd Interim Budget	3rd Quarter Budget	Diff Btwn Q3 & Adpt	Diff Btwn Q3 & I2	Pct Chg Q3 & Adpt	Pct Chg Q3 & I2
5000 - 5999 Services and Other Operating Expenditures							
5600 - Rentals, Leases, Repairs, and Noncapitalized Improvements							
560001 - NONCAPITALIZED IMPROVEMENTS	0	2,000	0	0	(2,000)	N/A	(100.0)
560002 - MAINTENANCE AGREEMENTS	1,000	1,000	0	(1,000)	(1,000)	(100.0)	(100.0)
560003 - ALARM SYSTEM	2,500	2,500	2,500	0	0	0.0	0.0
560005 - RENTAL	1,300	1,300	1,300	0	0	0.0	0.0
560006 - REPAIR EQUIP	29,257	29,257	8,920	(20,337)	(20,337)	(69.5)	(69.5)
	\$34,057	\$36,057	\$12,720	(\$21,337)	(\$23,337)	(62.7)	(64.7)
5750 - Transfers of Direct Costs - Interfund							
575070 - DIRECT COST/TCH CTR INTERFUND	0	0	0	0	0	N/A	N/A
	\$0	\$0	\$0	\$0	\$0	N/A	N/A
5800 - Professional/Consulting Services and Operating Expenditures							
580002 - CONTRACT SERVICES	5,508	9,408	22,408	16,900	13,000	306.8	138.2
580004 - BUS USAGE / CART	14,325	15,575	12,143	(2,182)	(3,432)	(15.2)	(22.0)
580005 - LEGAL SERVICES	7,000	7,000	7,000	0	0	0.0	0.0
580006 - ADVERTISING	4,000	4,000	14	(3,986)	(3,986)	(99.6)	(99.6)
580008 - FEES/ADMISSION - STUDENTS	760	760	0	(760)	(760)	(100.0)	(100.0)
580010 - SOFTWARE LICENSE	36,300	36,300	33,539	(2,761)	(2,761)	(7.6)	(7.6)
580081 - CONTRACT/CUSD	198,353	198,353	198,353	0	0	0.0	0.0
580082 - CONTRACT/FUSD CERTIFICATED	282,741	288,647	316,258	33,517	27,611	11.9	9.6
580083 - CONTRACT/CUSD CERTIFICATED	569,501	581,966	570,470	969	(11,496)	0.2	(2.0)
580084 - CONTRACT/FUSD CLASSIFIED	114,885	113,567	122,776	7,890	9,209	6.9	8.1
580085 - CONTRACT/CUSD CLASSIFIED	256,335	261,202	251,500	(4,835)	(9,702)	(1.9)	(3.7)
580086 - CONTRACT/FUSD ADMIN	112,900	117,967	119,656	6,756	1,689	6.0	1.4
580088 - CONTRACT/FUSD BENEFITS	223,870	223,791	207,513	(16,357)	(16,278)	(7.3)	(7.3)
580089 - CONTRACT/CUSD BENEFITS	354,006	351,777	347,771	(6,234)	(4,006)	(1.8)	(1.1)
	\$2,180,483	\$2,210,313	\$2,209,401	\$28,918	(\$912)	1.3	0.0
5900 - Communications							
590001 - PHONE CERTIFICATED	1,300	1,300	1,300	0	0	0.0	0.0
590005 - COMMUNICATION/POSTAGE	750	750	805	55	55	7.3	7.3
	\$2,050	\$2,050	\$2,105	\$55	\$55	2.7	2.7
5000 - 5999 Services and Other Operating Expenditures	\$2,459,598	\$2,490,428	\$2,492,999	\$33,400	\$2,570	1.4	0.1
Percent of Total	89.5%	54.2%	64.6%				

Third Interim Budget Change Report
Fiscal Year 7/1/2019 - 6/30/2020

Fund: 78 SubFund: -	Adopted Budget	2nd Interim Budget	3rd Quarter Budget	Diff Btwn Q3 & Adpt	Diff Btwn Q3 & 12	Pct Chg Q3 & Adpt	Pct Chg Q3 & 12
6000 - 6999 Capital Outlay							
6200 - Buildings and Improvements of Buildings							
620000 - BLDG/IMPRV OF BLDG	0	1,512,445	1,187,775	1,187,775	(324,670)	N/A	(21.5)
	\$0	\$1,512,445	\$1,187,775	\$1,187,775	(\$324,670)	N/A	(21.5)
6000 - 6999 Capital Outlay	\$0	\$1,512,445	\$1,187,775	\$1,187,775	(\$324,670)	N/A	(21.5)
Percent of Total	0.0%	32.9%	30.8%				

**2019-20 THIRD QUARTER
MULTI-YEAR PROJECTIONS**



MULTI-YEAR PROJECTION

ASSUMPTIONS:

- Fresno County CTE Operations Revenues
 - ✓ Operations revenues remain flat at \$536,928 for 2019-20. Section 8 of the JPA agreement states that “should there be any reduction to CART’s receipt of ROP Operations Funding, the District will share equally to cover the amount of reduced funding.” Based on the Fresno CTE (ROP) award for CART for 2019-20, neither district will need to increase their funding due to a change in ROP revenues.
 - ✓ Starting 2020-21, FCSS will reduce its funding from \$536,928 to \$100,000 per year. FUSD and CUSD will share the burden of making up the funding gap (\$436,928) created by the absence of funding from FCSS.
- CART’s deficit for 2019-20 is projected to be \$1,196,977. CART’s ongoing deficit is projected to be \$103,151 as of Third Quarter.
- Fiscal 2019-20 is the fifth and final year of the current Board approved five-year technology refresh plan. On Wednesday May 20, 2020, both FUSD and CUSD Boards approved a new Five-Year Technology Refresh Plan starting in 2020-21.
 - ✓ Current 2015-16 through 2019-20 plan
 - Funds will be transferred in from the Special Reserve Fund.
 - In 2019-20 each District will contribute an additional \$100,000, towards the technology refresh as well.
 - ✓ New 2020-21 through 2024-25 plan
 - For each fiscal year, FUSD and CUSD will each contribute \$144,000.
 - The CART Foundation will raise/contribute a minimum of \$30,000 a year for Technology Refresh.
 - Planned expenditures include the refresh of student computers, software, network and audio-visual.
- District contributions will increase July 1 of each fiscal year by an amount equal to the Consumer Price Index (CPI)
 - ✓ For 2019-20 a projected CPI of 3.38% or an increase of \$29,496 per district; \$58,992 total was used.
 - ✓ For 2020-21 and 2021-22 a projected CPI of 2.99% and 1.73% is used respectively.
- Salary/benefit expenditures (accounted for in the services and other operating line of the MYP) assumptions:
 - ✓ FUSD’s Board approved a 3% ongoing and one-time 1.5% salary increase for the 2019-20 fiscal year. Components of this increase were included in the Adopted budget. The First Interim budget has been revised to account for changes since the initial projection made in the spring of 2019. The projected increase for total FUSD salary and benefit costs is anticipated to be \$25,685.
 - ✓ CUSD’s Board approved a 2% salary increase for the 2019-20 fiscal year, which was not included in the Adopted budget. The 2019-20 Third Quarter budget includes this increase, which is projected to be an increase of \$20,634.
 - ✓ A 2% increase in each subsequent year represents step/column increases, health & welfare, retirement systems and offset by projected attrition due to retirement or turnover.
- Capital Outlay Projects

- ✓ Both FUSD and CUSD have agreed to fund capital improvement projects for CART. These projects began in 2017-18 and will run through 2019-20. The projects include improvements to the roof, clocks, PA systems and HVAC. The savings from the current phase of the project will be held in the reserves for use on the next phase, slurry & restriping the parking lot.
- Solar
 - ✓ CART is currently reviewing a proposal to enter into a Power Purchasing Agreement (PPA) for solar energy. If approved, utility cost savings could be realized in 2021-22. Utility budgets have been updated to include the energy efficiency savings projected to be realized by the proposed solar project (2021-22 and 2022-23 on the MYP).

CENTER FOR ADVANCED RESEARCH AND TECHNOLOGY
General Fund
Three Year Financial History, Adopted, Third Quarter, Three Year Projection

	<u>2016-17</u> <u>Actuals</u>	<u>2017-18</u> <u>Actuals</u>	<u>2018-19</u> <u>Actuals</u>	<u>2019-20</u> <u>Adopted</u>	<u>2019-20</u> <u>Third Quarter</u>	<u>2020-21</u> <u>Adopted</u>	<u>2021-22</u> <u>Projected</u>	<u>2022-23</u> <u>Projected</u>
Revenues								
District Contribution	1,539,252	1,573,124	1,615,902	1,745,317	1,791,635	2,274,872	2,342,891	2,383,423
Additional Contribution Needed from Districts								
Consumer Price Index (CPI) Adj.	33,862	42,789	52,032	58,992	58,992	68,019	40,532	50,529
Technology Refresh	508,900	440,900	455,900	255,900	255,900	318,000	318,000	318,000
Capital Outlay Projects	-	262,002	1,974,150	-	-	-	-	-
Other Local Revenue	763,893	370,969	644,464	571,019	554,428	149,326	135,243	135,243
Total Revenue	2,845,907	2,689,783	4,742,448	2,631,228	2,660,955	2,810,217	2,836,666	2,887,195
\$ Increase/(decrease)	128,816	(156,124)	2,052,665	(2,111,220)	(2,081,493)	149,262	26,449	50,529
% Increase/(decrease)	4.74%	-121.20%	76.31%	-44.52%	-43.89%	5.61%	0.94%	1.78%
Expenditures								
Books and Supplies	101,700	111,710	106,694	110,000	75,092	110,000	110,000	110,000
Technology Refresh	287,077	201,183	356,023	255,900	151,921	318,000	318,000	318,000
Services and Other Operating	2,287,885	2,254,774	2,400,367	2,382,090	2,443,145	2,453,708	2,469,138	2,512,655
Capital Outlay	25,080	262,002	454,584	-	1,187,775	-	-	-
Total Expenditures	2,701,742	2,829,669	3,317,668	2,747,990	3,857,933	2,881,708	2,897,138	2,940,655
\$ Increase/(decrease)	42,045	127,927	487,999	(569,678)	540,265	(976,225)	15,430	43,517
% Increase/(decrease)	1.58%	4.73%	17.25%	-17.17%	16.28%	-25.30%	0.54%	1.50%
Beginning Fund Balance	714,295	858,460	718,574	546,890	2,143,354	946,376	874,885	814,413
Surplus/Deficit ⁽¹⁾	144,165	(139,886)	1,424,780	(116,762)	(1,196,978)	(71,491)	(60,472)	(53,461)
Ending Fund Balance	\$ 858,460	\$ 718,574	\$ 2,143,354	\$ 430,128	\$ 946,376	\$ 874,885	\$ 814,413	\$ 760,953
Designated for Tech Refresh	274,160	293,355	393,292	250,000	287,211	287,211	287,211	287,211
Designated for Capital Projects			1,516,445		326,670	326,670	326,670	326,670
General Reserve	\$ 584,300	\$ 425,219	\$ 233,617	\$ 180,128	\$ 332,495	\$ 261,004	\$ 200,532	\$ 147,071
One Time Items ⁽²⁾					\$ 1,093,827			
Ongoing Operating Deficit ⁽¹⁺²⁾					\$ (103,151)	\$ (71,491)	\$ (60,472)	\$ (53,461)
CART General Fund Reserve %	21.63%	15.03%	7.04%	6.55%	8.62%	9.06%	6.92%	5.00%
CUSD/FUSD Funded Personnel	\$ 2,916,783	\$ 2,995,572	\$ 3,109,728	\$ 3,257,479	\$ 3,296,155	\$ 3,418,400	\$ 3,486,768	\$ 3,556,504
Total CART Reserve %	10.40%	7.30%	3.63%	3.00%	4.65%	4.14%	3.14%	2.26%

***Total** includes all expenditures posted to the CART General Fund, FUSD and CUSD financials.

Assumptions:

2% salary & benefits cost increase in 2021-22 and beyond.

CUSD Administrative fee, Maintenance and Grounds remains flat at \$198K total.

In 2020-21, FCSS ROP contribution will be reduced to \$100K per year. The funding gap will be covered by CUSD/FUSD equally.

\$210,000 of Technology Refresh carryover will be kept in general reserves to meet the 5% reserve requirement.

**2019-20 THIRD QUARTER
SPECIAL RESERVE FUND
BUDGET**

CART SPECIAL RESERVE FUND

Summary of Special Reserve Fund Budget

The following narrative will summarize the major revenue and expenditure categories for the Special Reserve Fund.

I. 2019-20 REVENUES

A. Local Revenues

Special Reserve Fund Local Revenues changed from \$2,000 at Second Interim to \$1,036 at Third Quarter. Local Revenues are comprised solely of interest revenues.

Change from 2nd Interim to 3rd Quarter		\$ (964)
<u>2019-20 Adopted Budget</u>	<u>2019-20 Third Quarter</u>	<u>Increase/(Decrease)</u>
\$ 10,000	\$ 1,036	\$ (8,964)

B. Special Reserve Fund Revenues

The total CART Special Reserve Fund revenues for 2019-20 Third Quarter are projected to be \$1,036.

Change from 2nd Interim to 3rd Quarter		\$ (964)
<u>2019-20 Adopted Budget</u>	<u>2019-20 Third Quarter</u>	<u>Increase/(Decrease)</u>
\$ 10,000	\$ 1,036	\$ (8,964)

II. 2019-20 EXPENDITURES

A. Other Outgo

Other Outgo expenditures remain unchanged from Second Interim to Third Quarter at \$55,900. This represents a transfer to CART’s General Fund to contribute to the technology refresh plan.

Change from 2nd Interim to 3rd Quarter		\$ -0-
2019-20 Adopted Budget	2019-20 Third Quarter	Increase/(Decrease)
\$ 55,900	\$ 55,900	\$ -0-

B. Total Special Reserve Fund Expenditures

The total CART Special Reserve Fund expenditures remain unchanged and are projected to be \$55,900 at Third Quarter.

Change from 2nd Interim to 3rd Quarter		\$ -0-
2019-20 Adopted Budget	2019-20 Third Quarter	Increase/(Decrease)
\$ 55,900	\$ 55,900	\$ -0-

III. Fund Balance

The Center for Advanced Research & Technology’s projected Special Reserve ending fund balance for Third Quarter 2019-20 is \$73,427.

Beginning Balance 7/1/19, Audited	\$ 68,947
Revenues	1,036
Expenditures	<u>55,900</u>
Surplus/(Deficit)	<u>(54,864)</u>
Ending Balance, 6/30/20, Projected	<u>\$ 14,083</u>

<u>All Years Summary of Sale of Property Funded Projects:</u>	
• 2006-07 Computer Refresh	\$ 142,370
• 2007 Building Renovations	22,520
• 2007-08 Computer Refresh	60,000
• 2007-08 Building Renovations	425,880
• 2011-12 Annex Emergency Repair	95,370
• 2013-14 Technology Refresh	63,962
• 2014-15 Technology Refresh	119,528
• 2015-16 Technology Refresh	273,900
• 2016-17 Technology Refresh	508,900
• 2017-18 Technology Refresh	240,900
• 2018-19 Technology Refresh	255,900
• 2019-20 Technology Refresh	55,900
Total Support to Date	<u>\$2,265,130</u>

**2019-20 THIRD QUARTER
SPECIAL RESERVE FUND DETAIL**

Third Interim Budget Change Report
Fiscal Year 7/1/2019 - 6/30/2020

Fund: 17 SubFund: -	Adopted Budget	2nd Interim Budget	3rd Quarter Budget	Diff Btwn Q3 & Adpt	Diff Btwn Q3 & 12	Pct Chg Q3 & Adpt	Pct Chg Q3 & 12
17 - SPEC RESERVE NON-CAPITAL PROJ	\$10,000	\$2,000	\$1,036	(\$8,964)	(\$964)	(89.6)	(48.2)
8600 - 8799 Other Local Revenue							
8660 - Interest							
866000 - LOC INTEREST INCOME/TREAS	10,000	2,000	1,036	(8,964)	(964)	(89.6)	(48.2)
	\$10,000	\$2,000	\$1,036	(\$8,964)	(\$964)	(89.6)	(48.2)
8600 - 8799 Other Local Revenue	\$10,000	\$2,000	\$1,036	(\$8,964)	(\$964)	(89.6)	(48.2)
Percent of Total	100.0%	100.0%	100.0%				

Third Interim Budget Change Report
Fiscal Year 7/1/2019 - 6/30/2020

Fund: 17 SubFund: -	Adopted Budget	2nd Interim Budget	3rd Quarter Budget	Diff Btwn Q3 & Adpt	Diff Btwn Q3 & 12	Pct Chg Q3 & Adpt	Pct Chg Q3 & 12
17 - SPEC RESERVE NON-CAPITAL PROJ	\$55,900	\$55,900	\$55,900	\$0	\$0	0.0	0.0
7600 - 7629 Interfund Transfers Out							
7612 - Between General Fund and Special Reserve Fund							
761200 - TRANSFER GF TO SRF/RCA	55,900	55,900	55,900	0	0	0.0	0.0
	\$55,900	\$55,900	\$55,900	\$0	\$0	0.0	0.0
7600 - 7629 Interfund Transfers Out	\$55,900	\$55,900	\$55,900	\$0	\$0	0.0	0.0
Percent of Total	100.0%	100.0%	100.0%				

**2019-20 THIRD QUARTER
MULTI-YEAR PROJECTION**

CENTER FOR ADVANCED RESEARCH AND TECHNOLOGY
Special Reserve Fund
Three Year Financial History, Adopted Budget, Third Quarter, Three Year Projection

	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
	<u>Actuals</u>	<u>Actuals</u>	<u>Actuals</u>	<u>Adopted</u>	<u>Third Quarter</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>
Revenue								
Other Local Revenue	\$ 8,567	\$ 9,923	\$ 5,520	\$ 10,000	\$ 1,036	\$ 500	\$ 500	\$ 500
Total Revenue	8,567	9,923	5,520	10,000	1,036	500	500	500
\$ Increase/(decrease)	(8,764)	1,356	(4,403)	4,480	(4,484)	(9,500)	-	-
% Increase/(decrease)	-50.57%	15.83%	-44.37%	81.16%	-81.23%	-95.00%	0.00%	0.00%
Expenditures								
Other Outgo	508,900	240,900	255,900	55,900	55,900	-	-	-
Total Expenditures	508,900	240,900	255,900	55,900	55,900	-	-	-
\$ Increase/(decrease)	235,000	(268,000)	15,000	(200,000)	(200,000)	(55,900)	-	-
Beginning Fund Balance	1,050,638	550,304	319,327	68,947	68,947	14,083	14,583	15,083
Fiscal Year Transactions	(500,333)	(230,977)	(250,380)	(45,900)	(54,864)	500	500	500
Adjustments	-	-	-	-	-	-	-	-
Ending Fund Balance	\$ 550,304	\$ 319,327	\$ 68,947	\$ 23,047	\$ 14,083	\$ 14,583	\$ 15,083	\$ 15,583
Designated for Tech Refresh	496,800	255,900	55,900	-	-	-	-	-
General Reserve	\$ 53,504	\$ 63,427	\$ 13,047	\$ 23,047	\$ 14,083	\$ 14,583	\$ 15,083	\$ 15,583