

EDUCATION
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Fullerton Joint Union High School District 2016/2017 Unaudited Actuals

Report to the Board of Trustees
September 5, 2017



What are Unaudited Actuals?

- District prepared financial statements for the period July 1, 2016 through June 30, 2017
- Reflects changes that occurred since the Estimated Actuals Report was presented to the Board of Trustees on June 6, 2017
- Changes to ending fund balances
- Used by external auditors to prepare the official audit report

REPORTING CYCLE

ADOPTED BUDGET

- When budgets are developed, it is assumed that every dollar will be spent

INTERIM BUDGETS

- As information related to revenues and expenditures changes throughout the year, the adopted budget is revised and presented to the Board of Trustees as First and Second Interim Reports

ESTIMATED ACTUALS

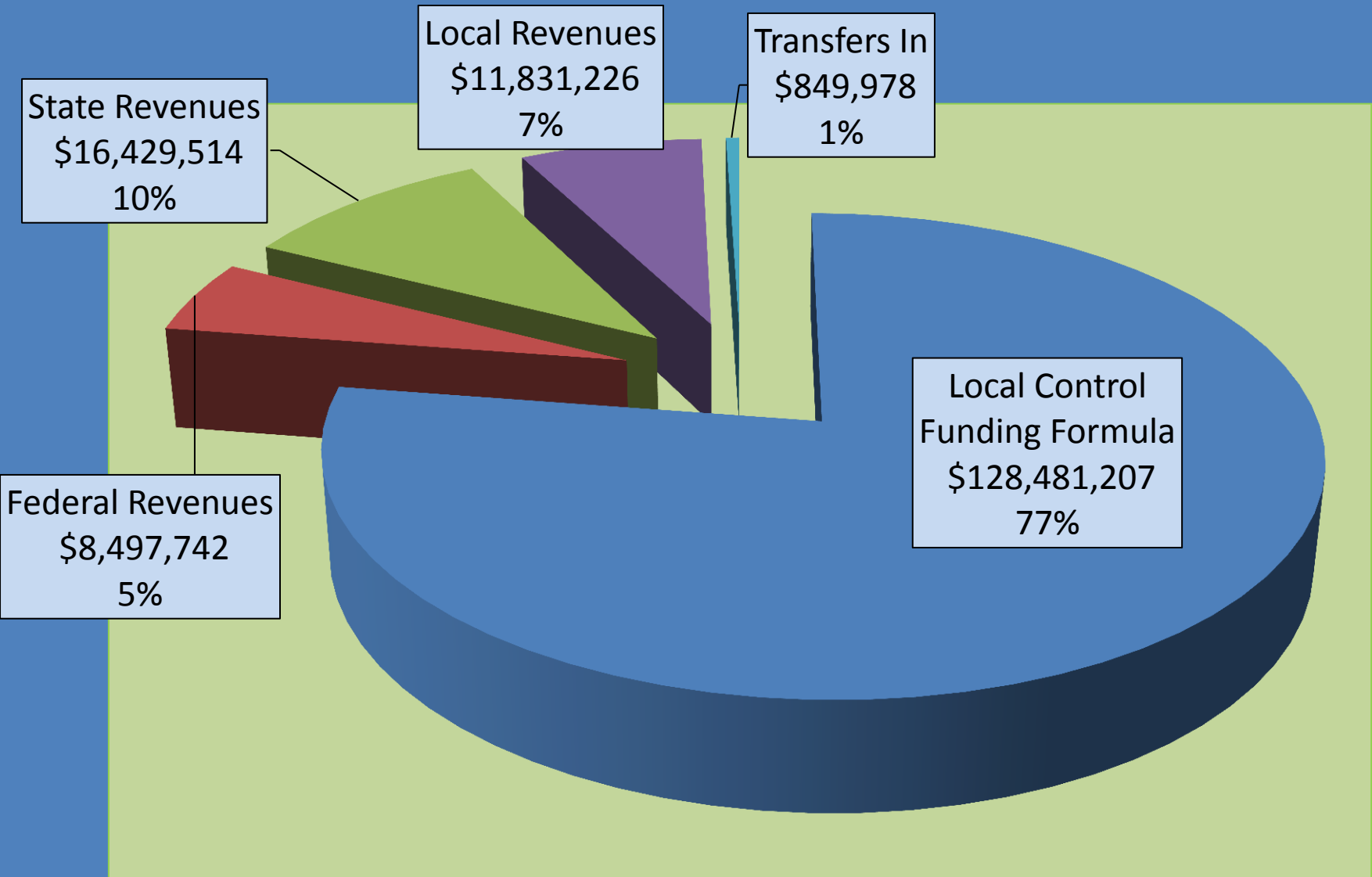
- Beginning in April, the budgets are conservatively adjusted to estimate what the actual amounts will be when the books are closed



UNAUDITED ACTUALS

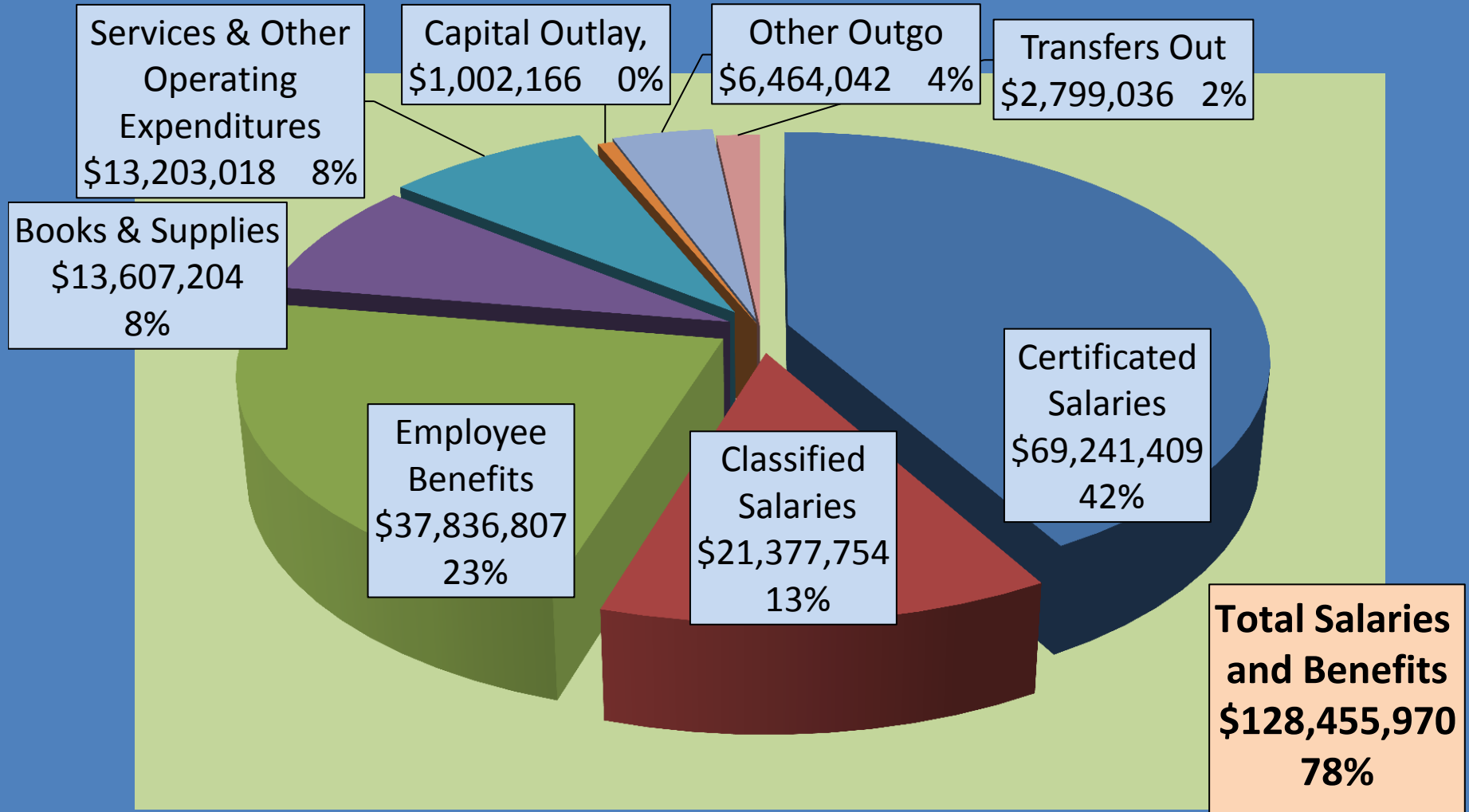
- The actual amounts of revenues and expenditures received or spent for the 2016/17 year

2016/17 General Fund Combined Revenues



TOTAL REVENUES \$166,089,667

2016/17 General Fund Combined Expenditures



TOTAL EXPENDITURES \$165,531,436

2016/2017 Unrestricted General Fund Revenues

	Estimated Actuals	Unaudited Actuals	Change	Reason
Local Control Funding Formula	\$128,394,881	\$128,481,207	\$86,326	Change in Annual ADA
Federal Revenues	656,988	661,578	4,590	Increase from JROTC
State Revenues	5,768,412	5,781,367	12,955	Increase in Lottery Funds
Local Revenues	3,093,848	3,930,098	836,250	Increase in Lease & Rental Fees, Interest Income, Placement Tests, Summer Athletics, Field Trips, ASB and Activities Support, & Donations
Other Sources – Transfers In (<i>Fund 17</i>)	805,177	849,978	44,801	Reimbursement from Nutrition Fund
Contribution to Restricted G.F.	<u>(9,555,126)</u>	<u>(10,987,382)</u>	<u>(1,432,256)</u>	Increase in Contribution to SPED and Routine Maintenance Account
Total Revenues	\$129,164,180	\$128,716,846	(\$447,334)	

2016/2017 Unrestricted General Fund Expenditures

	Estimated Actuals	Unaudited Actuals	Change	Reason
Salaries & Benefits	\$104,979,467	\$103,996,594	(\$982,873)	Amounts Budgeted for Hourly, Overtime and Sub Costs were Not Used
Books & Supplies	5,997,156	7,464,425	1,990	Adjustment After Closing Purchase Orders
Services & Other Operating	10,308,075	9,015,120		
Capital Outlay	542,592	370,268		
Other Outgo	6,049,233	5,411,186	(638,047)	Decrease in JPA Apportionment
Indirect Support Costs	(978,477)	(899,966)	78,511	Indirect Costs Lower Because of Drop in Expenditures
Transfers Out	<u>2,067,172</u>	<u>2,636,501</u>	<u>569,329</u>	Increase in Transfer to Fund 40 for Turf Replacement and Decrease in Fund 12 for Child Development Costs
Total Expenditures	\$128,965,218	\$127,994,128	(\$971,090)	

2016/2017 Unrestricted General Fund

	Estimated Actuals	Unaudited Actuals	Change
REVENUES	\$129,164,180	\$128,716,846	\$447,334
EXPENDITURES	<u>128,965,218</u>	<u>127,994,128</u>	<u>(971,090)</u>
EXCESS OR (DEFICIENCY)	198,962	722,718	523,756
BEGINNING BALANCE	<u>36,226,092</u>	<u>36,226,092</u>	<u>0</u>
ENDING FUND BALANCE	\$36,425,054	\$36,948,810	\$523,756

2016/2017 Restricted General Fund

Revenues	Estimated Actuals	Unaudited Actuals	Change	Reason
Federal Revenues	\$7,627,253	\$7,836,164	\$208,911	Increase in Title I Revenue
State Revenues	9,658,586	10,648,147	989,561	Adjustment for STRS on Behalf Calculation
Local Revenues	8,624,798	7,901,128	(723,670)	SPED Out of Home Care Moved to Abate Expenditures
Contribution from Unrestricted Programs	<u>9,555,126</u>	<u>10,987,382</u>	<u>1,432,256</u>	Increase in SPED expenses and Routine Maintenance Account
Total Revenues	\$35,465,763	\$37,372,821	\$1,907,058	

2016/2017 Restricted General Fund

Expenditures	Estimated Actuals	Unaudited Actuals	Change	Reason
Salaries & Benefits	\$23,482,537	\$24,459,376	\$976,839	Decrease in Guidance, Welfare & Attendance Monthly Salary and Additional Assignments Increase in Adjustment for STRS on Behalf Pension Contribution and Health & Welfare Costs
Books & Supplies	5,093,507	6,142,779	(413,831)	Increase in Textbooks, Decrease in Communications & Alarms, Repair, Legal Costs and Equipment Replacement
Services & Other Operating	5,649,358	4,187,898		
Capital Outlay	633,541	631,898		
Other Outgo	1,003,173	1,169,999	166,826	Increase in SPED County Payment
Indirect Support Costs	863,907	782,823	(81,084)	Indirect Cost Adjustment
Transfers Out	<u>168,895</u>	<u>162,535</u>	<u>(6,360)</u>	Transfer to Bond Fund
Total Expenditures	\$36,894,918	\$37,537,308	\$642,390	

2016/2017 Restricted General Fund

	Estimated Actuals	Unaudited Actuals	Change
REVENUES	\$35,465,763	\$37,372,821	\$1,907,058
EXPENDITURES	<u>36,894,918</u>	<u>37,537,308</u>	<u>642,390</u>
EXCESS OR (DEFICIENCY)	(1,429,155)	(164,487)	1,264,668
BEGINNING BALANCE	<u>5,448,679</u>	<u>5,448,679</u>	<u>0</u>
PROJECTED ENDING BALANCE	\$4,019,524	\$5,284,192	\$1,264,668*

*This increase is due to changes in the Restricted Programs and will be reallocated back into the Restricted Programs at First Interim. There is no flexibility to use this money on Unrestricted Expenditures.

2016/2017 GENERAL FUND UNRESTRICTED BALANCES	Estimated Actuals	Unaudited Actuals	Unaudited Actuals % of Total Expenditures
Non-Spendable: Revolving Cash Stores Prepaid Expenses	\$50,000 97,311 141,850	\$50,000 130,836 57,899	0.03% 0.08% 0.03%
Assigned: Furniture Replacement Technology Reserve Math Textbook Adoption Future Textbook Adoptions School Site/Dept. Carryovers LCFF Supplemental Turf Replacements	600,000 800,000 1,369,055 4,764,345 1,200,000 2,500,000 6,000,000	600,000 800,000 1,369,055 4,764,345 1,672,948 0 0	0.36% 0.48% 0.83% 2.88% 1.01% 0% 0%
Reserve for Economic Uncertainties	4,975,805	4,965,944	3.0%
Unassigned/Unappropriated Amount	<u>13,926,688</u>	<u>22,537,783</u>	<u>13.6%</u>
Total Ending Fund Balance	\$36,425,054	\$36,948,810	22.32% 12

2016/2017 GENERAL FUND RESTRICTED BALANCES	Estimated Actuals	Unaudited Actuals	Unaudited Actuals % of Total Expenditures
Medi-Cal	\$165,633	\$258,617	0.1%
CA Clean Energy Jobs Act	1,986,974	2,041,316	1.2%
Educator Effectiveness Grant	368,057	352,201	0.2%
Special Education (Reserve for Future SPED: Mental Health Deficits)	0	500,000	0.3%
SPED: Mental Health	209,955	280,604	0.2%
College Readiness Block Grant	993,353	758,619	0.5%
Ongoing & Major Maintenance Account (RMA)	149,415	905,275	0.6%
Other Local	<u>146,137</u>	<u>187,559</u>	<u>0.1%</u>
Total Ending Balance	\$4,019,524	\$5,284,191	3.2%

Changes to the 2017/2018 Beginning General Fund Balance

	Unrestricted	Restricted	Combined
Adopted Budget Beginning Fund Balance, July 1, 2017	\$36,425,054	\$4,019,524	\$40,444,578
Increase in Beginning Fund Balance	<u>523,756</u>	<u>1,264,667</u>	<u>1,788,423</u>
Adjusted Adopted Budget Beginning Fund Balance, July 1, 2017	<u>\$36,948,810</u>	<u>\$5,284,191</u>	<u>\$42,233,001</u>

2016/2017 Unaudited Actuals – Other Funds

	School Age Care <i>Fund 12</i>	Food Services <i>Fund 13</i>	Deferred Maintenance <i>Fund 14</i>	Special Reserve <i>Fund 17</i>	Special Reserve Post-Emp. <i>Fund 20</i>	Building <i>Fund 21</i>	Capital Facilities <i>Fund 25</i>
Revenues	\$196,725	\$3,280,927	\$1,005,439	\$29,905	\$64,718	\$44,237,442	\$2,349,291
Expenditures	<u>(257,281)</u>	<u>(3,342,795)</u>	<u>(1,926,418)</u>	<u>(805,177)</u>	<u>(0)</u>	<u>(19,937,686)</u>	<u>(3,503,842)</u>
Excess or (Deficit)	(60,556)	(61,868)	(920,979)	(775,272)	64,718	24,299,756	(1,154,551)
Beginning Balance	<u>60,556</u>	<u>1,415,835</u>	<u>1,166,557</u>	<u>4,387,930</u>	<u>7,971,670</u>	<u>41,887,167</u>	<u>4,174,171</u>
Unaudited Actuals Ending Balance	\$0	\$1,353,967	\$245,578	\$3,612,658	\$8,036,388	\$66,186,923	\$3,019,620

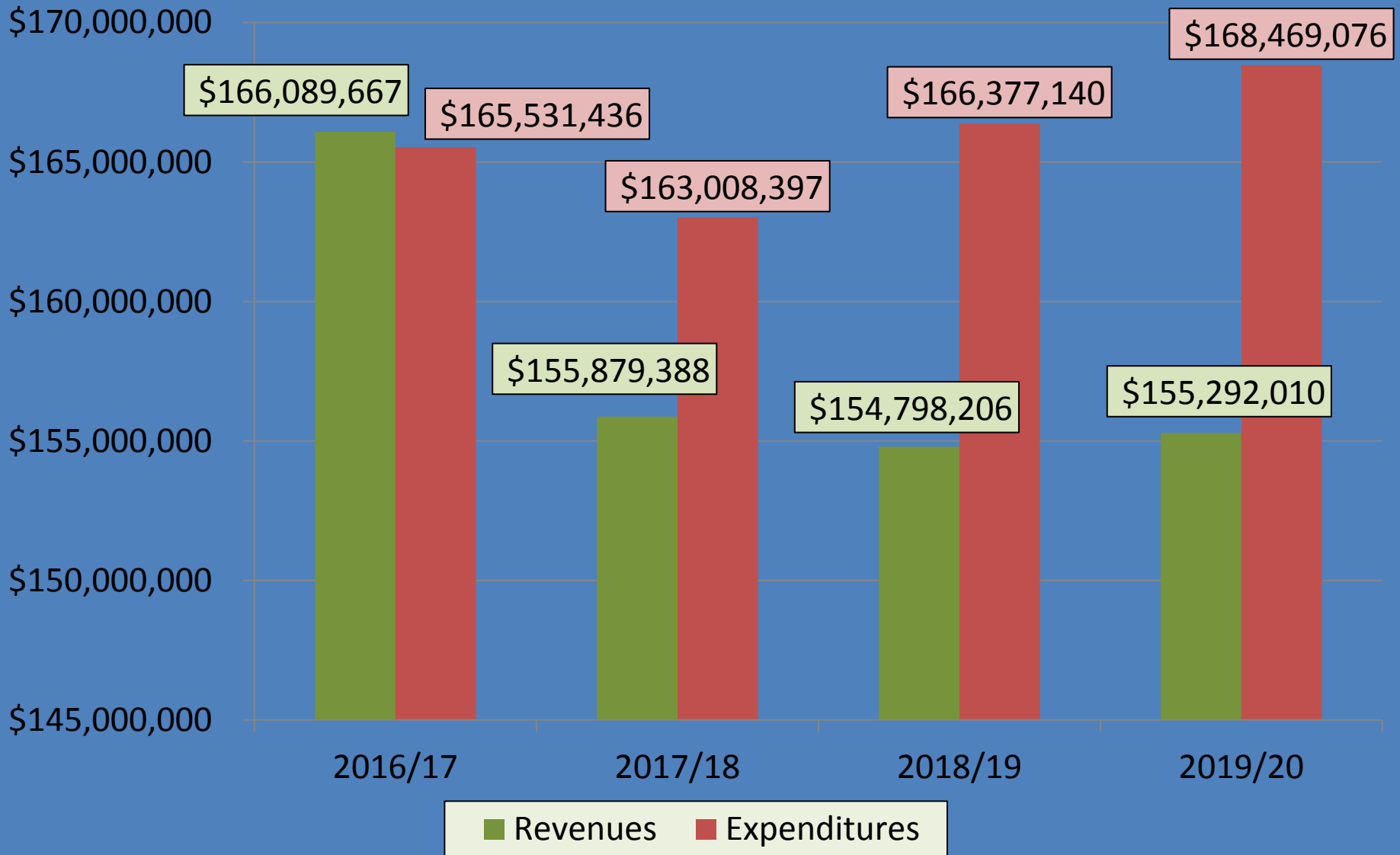
	School Facilities <i>Fund 35</i>	Special Reserve <i>Fund 40</i>	Capital Projects <i>Fund 49</i>	Bond Interest & Redemption <i>Fund 51</i>	Debt Services Mello Roos <i>Fund 52</i>	Insurance <i>Fund 67</i>
Revenues	\$21,409	\$650,171	\$21,624	\$11,253,154	\$163,377	\$19,506,673
Expenditures	<u>(200,957)</u>	<u>(25,014)</u>	<u>(240,834)</u>	<u>(5,718,694)</u>	<u>(308,743)</u>	<u>(19,001,398)</u>
Excess or (Deficit)	(179,548)	625,156	(219,210)	5,534,460	(145,367)	505,276
Beginning Balance	<u>487,263</u>	<u>24,844</u>	<u>230,506</u>	<u>5,243,271</u>	<u>463,630</u>	<u>2,145,718</u>
Unaudited Actuals Ending Balance	\$307,715	\$650,000	\$11,296	\$10,777,731	\$318,264	\$2,650,993

BUDGET

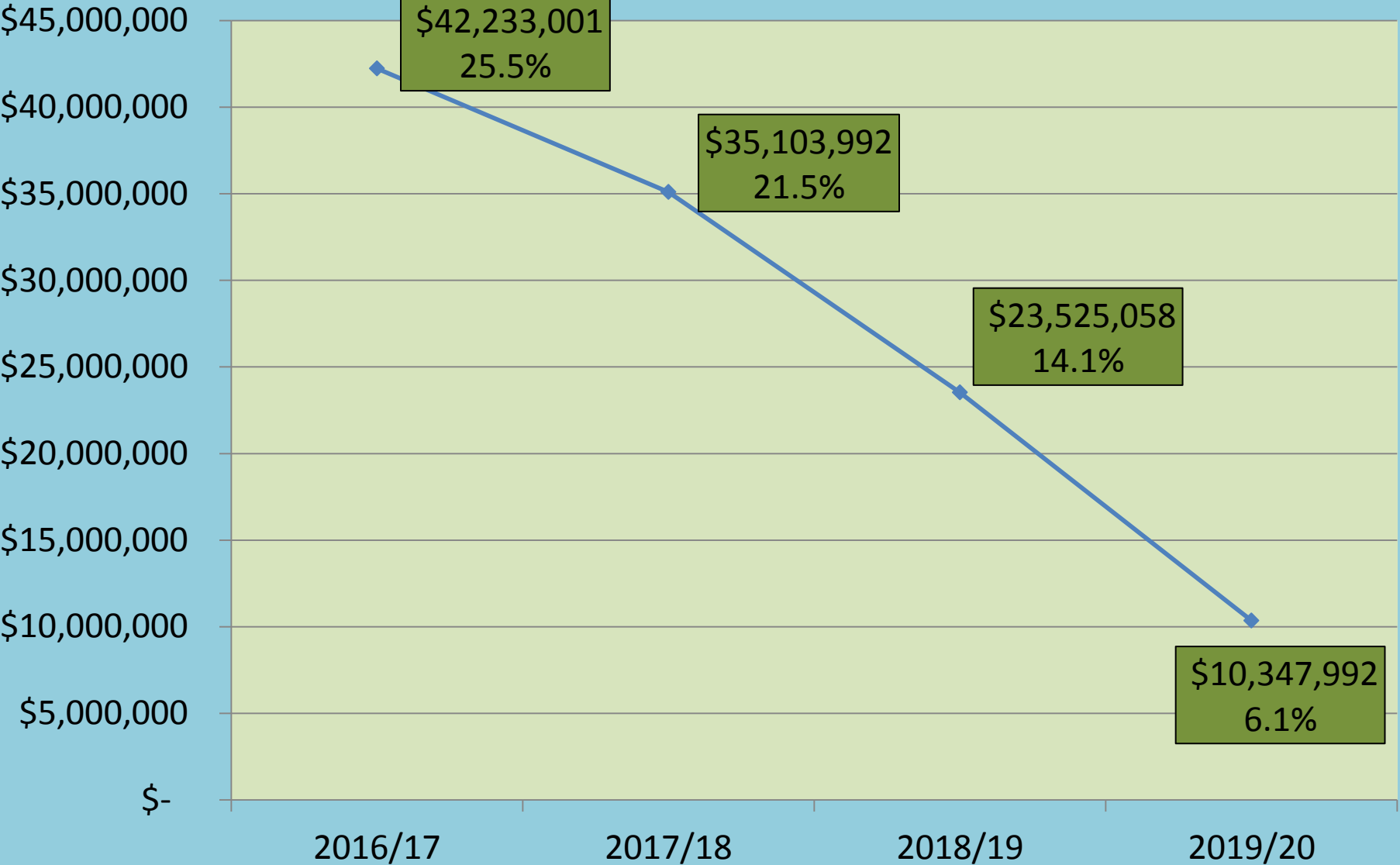
- DECLINING ENROLLMENT
- ONE-TIME MONEY
- LIMITED YEARS FOR GRANTS
- STRS/PERS COSTS
- STEP & COLUMN
- HEALTH & WELFARE
- INFLATION
- HIGHER COSTS FOR SPECIALIZED SERVICES

CONSTRAINTS

Multi-Year Projections



General Fund Ending Balances



GENERAL FUND ENDING BALANCES	2016/17	2017/18	2018/19	2019/20
Non-spendable:				
Revolving Cash	\$50,000	\$50,000	\$50,000	\$50,000
Stores	130,836	97,311	97,311	97,311
Prepaid Expenditures	57,899	141,850	141,850	141,850
Restricted	5,284,192	3,183,041	1,725,650	1,264,668
Assigned:				
Furniture Replacement	600,000			
Math Textbook Adoption	1,369,055			
Future Textbook Adoptions	4,764,345	4,764,345	2,388,045	
School & Department Carryover	1,672,948	1,200,000	1,200,000	1,200,000
Technology Reserve	800,000			
Reserve for Economic Uncertainties (3%)	4,965,944	4,870,752	4,971,815	5,034,573
Unassigned/Unappropriated	22,537,783	20,796,693	12,950,387	2,559,590
Ending Fund Balance	\$42,233,001 25.51%	\$35,103,992 21.54%	\$23,525,058 14.14%	\$10,347,992 6.14%

Next Steps

- Recommend Approval of the 2016/2017 Unaudited Actuals Report
- Bring 2016/17 Audited Financial Statements to Board of Trustees in December 2017
- Bring the 2017/18 First Interim Report to Board of Trustees in December 2017