



# Evergreen School District


*From strong roots grow bright futures*

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Enclosure No. 14  
Agenda Item 10.4  
Date 8-13-15

**DATE:** August 15, 2015

**TO:** Katherine Gomez, Superintendent and  
The Board of Trustees

**FROM:** Nelly Yang – Chief Business Officer 

**SUBJECT:** Approval of 2014-2015 Unaudited Actuals

The 2014-15 Unaudited Actuals are now closed. In spite of the increase in Local Control Funding during 2014-15, the Unrestricted General Fund ended with a deficit spending of <\$1,589,687>. In calculating the June 2015 unrestricted estimates, we anticipated a deficit spending of <\$2,415,731> in 2014-15. The variance is \$826,044 less, which is a 0.78% variance of the total General Fund Budget.

The Restricted General Fund ended with a deficit spending of <\$77,378>. The deficit variance is <\$41,497> more in comparison with the June restricted estimate. The Restricted General Fund cannot be used for the District's general operations. Restricted funds can only be used per its original funding rules.

The 2015-16 Adopted Budget on June 18, 2015 was presented with the revenue assumptions of Local Control Funding Formula (LCFF) based on the Governor's May Budget revision. However, the multiple years of LCFF funding GAPS and 2015-16 one-time discretionary funding were reduced when the State adopted its budget. Even with the one-time discretionary funding in 2015-16, the District estimates continuing deficit spending in the Unrestricted General Fund in the amount of <\$3,436,485> in 2016-17 and deficit spending in the amount of <\$3,790,983> in 2017-18. In order to control deficit spending, the District must find additional revenues and/or control the cost increases.

## **RECOMMENDATIONS:**

It is recommended that the Board of Trustees approve the 2014-15 Unaudited Actuals.

Attachment

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FY 2014-15							Revised 8-13-2015				
A	June Report			Actuals			VARIANCE				
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Variance B - E	Note	Variance C - F	Note	Total Variance
<b>1 Revenue Detail</b>											
2 LCFF	87,540,256	-	87,540,256	87,787,602	-	87,787,602	247,346	1	-		247,346
3 Federal Revenue	-	4,942,866	4,942,866	-	4,768,958	4,768,958	-		(173,908)		(173,908)
4 Other State Revenue	2,989,841	1,511,966	4,501,807	3,005,342	1,558,208	4,563,551	15,501		46,242		61,744
5 Other Local Revenue	3,056,682	2,089,017	5,145,699	3,239,207	2,980,767	6,219,974	182,525	2	891,750	4	1,074,275
6 Total Revenue	93,586,779	8,543,849	102,130,628	94,032,152	9,307,934	103,340,085	445,373		764,085		1,209,457
7											
<b>8 Expenditure Detail</b>											
9 Certificated	50,242,295	6,250,764	56,493,059	50,554,070	6,210,841	56,764,911	311,775		(39,923)		271,852
10 Classified	7,205,736	3,109,904	10,315,640	6,967,116	3,077,636	10,044,752	(238,620)		(32,268)		(270,888)
11 Employee Benefits	21,398,389	3,693,809	25,092,198	21,436,960	3,580,605	25,017,565	38,571		(113,204)		(74,633)
12 Books & Supplies	2,464,992	2,191,993	4,656,985	2,800,016	2,094,065	4,894,081	335,024		(97,928)		237,096
13 Services, Other Operating	3,658,168	4,031,764	7,689,932	3,405,917	4,287,957	7,693,874	(252,251)		256,193		3,942
14 Capital Outlay	-	-	-	3,341	17,311	20,652	3,341		17,311		20,652
15 Other Outgo	399,076	40,000	439,076	331,567	239,749	571,316	(67,509)		199,749		132,240
16 Direct Support/Indirect	(282,877)	178,227	(104,650)	(243,837)	243,837	-	39,040		65,610		104,650
17 Total Expenditures	85,085,779	19,496,461	104,582,240	85,255,149	19,752,002	105,007,151	169,370		255,541		424,911
18											
19 Excess/(Deficiency)	8,501,000	(10,952,612)	(2,451,612)	8,777,003	(10,444,068)	(1,667,065)	276,003		508,544		784,547
20											
<b>21 Other Financing Sources/Uses</b>											
22 Transfers In	-	-	-	-	-	-	-		-		-
23 Transfers Out	-	-	-	-	-	-	-		-		-
24 Other Sources	-	-	-	-	-	-	-		-		-
25 Other Uses	-	-	-	-	-	-	-		-		-
26 Contributions	(10,916,731)	10,916,731	-	(10,366,690)	10,366,690	-	550,041	3	(550,041)	3	-
27 Total Other Sources/Uses	(10,916,731)	10,916,731	-	(10,366,690)	10,366,690	-	550,041		(550,041)		-
28											
29 Net Inc/Dec to Fund Balance	(2,415,731)	(35,881)	(2,451,612)	(1,589,687)	(77,378)	(1,667,065)	826,044		(41,497)		784,547
30											
31 Beginning Balance	11,946,219	3,672,422	15,618,641	11,946,219	3,672,422	15,618,641	-		-		-
32 Ending Balance	9,530,488	3,636,541	13,167,029	10,356,532	3,595,043	13,951,576	826,044		(41,497)		784,547
33											
<b>34 Components of Ending Fund Balance</b>											
35 Revolving Cash	15,000	-	15,000	15,000	-	15,000	-		-		-
36 Stores	46,767	-	46,767	49,504	-	49,504	2,737		-		2,737
37 Prepaid Expenditures	1,192,232	-	1,192,232	1,360,418	-	1,360,418	168,186		-		168,186
38 Restricted	-	3,636,541	3,636,541	-	3,595,043	3,595,043	-		(41,497)		(41,497)
39 Other Assigned	-	-	-	-	-	-	-		-		-
40 Reserve for Economic Uncertainty	3,137,467	-	3,137,467	3,150,215	-	3,150,215	12,748		-		12,748
41 Undesignated	5,139,022	-	5,139,022	5,756,649	-	5,756,649	617,627		-		617,627
42 Total	9,530,488	3,636,541	13,167,029	10,331,786	3,595,043	13,926,830	801,298		(41,497)		759,801
43 Percentage	7.91%			8.48%							

**Note : Changes to June End of Year Projection Report**

1. LCFF GAP funding changed from 29.15% to 30.16%
2. Facilities usage revenue increased
3. Special Education prior year revenue adjustments received from JPA that reduced the contribution to Special Education
4. Changed school donation accounting method:  
Recognized the school donation as revenues rather than as abatements

**Restricted Fund Balance Detail:**

- Medical	237,635
- California Clean Energy Job Act	172,843
- Lottery: Instructional Materials	1,496,630
- Special Ed: Mental Health Services	1,288,427
- RMA Maintenance Account	299,508
- Local Donations	100,000

**Total** \$3,595,043