

2019-20 ESTIMATED ACTUALS & 2019-20 UNAUDITED ACTUALS COMPARISON

	2019-20 ESTIMATED ACTUALS			2019-20 UNAUDITED ACTUALS		
	UNRESTRICTED	RESTRICTED	TOTAL	UNRESTRICTED	RESTRICTED	TOTAL
A. REVENUES						
1 LCFF Sources	29,807,290	633,638	30,440,928	29,839,771	639,812	30,479,583
2 Federal Revenues	-	459,208	459,208	-	428,486	428,486
3 State Revenues	382,014	2,028,197	2,410,211	372,827	2,022,498	2,395,326
4 Local Revenues	632,515	1,246,198	1,878,713	714,740	1,081,291	1,796,031
TOTAL REVENUES	30,821,819	4,367,241	35,189,060	30,927,339	4,172,087	35,099,426
B. EXPENDITURES						
1 Certificated Salaries	11,543,376	2,410,531	13,953,907	11,492,448	2,423,285	13,915,732
2 Classified Salaries	2,855,799	2,123,534	4,979,333	2,814,958	2,183,943	4,998,901
3 Employee Benefits	5,812,198	3,785,907	9,598,105	5,757,290	3,792,207	9,549,497
4 Books & Supplies	831,546	390,281	1,221,828	684,363	315,340	999,703
5 Services & Other Operating Expenditures	1,860,437	1,708,594	3,569,031	1,698,861	1,376,987	3,075,848
6 Capital Outlay	-	64,150	64,150	-	64,146	64,146
7 Other Outgo (Excluding Indirect Costs)	-	85,887	85,887	-	86,050	86,050
8 Other Outgo (Indirect Costs)	-	-	-	(1,901)	1,901	-
TOTAL EXPENDITURES	22,903,356	10,568,884	33,472,240	22,446,019	10,243,859	32,689,877
C. EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 7,918,463	\$ (6,201,644)	\$ 1,716,819	\$ 8,481,320	\$ (6,071,772)	\$ 2,409,549
D. OTHER FINANCING SOURCES/USES						
1 Interfund Transfers						
a. Transfers In	-	-	-	-	-	-
b. Transfers Out	(558,788)	-	(558,788)	(574,763)	-	(574,763)
2 Other Sources/Uses						
a. Sources	-	-	-	-	-	-
b. Uses	-	-	-	-	-	-
3 Contributions	(6,208,794)	6,208,794	-	(6,038,404)	6,038,404	-
TOTAL OTHER FINANCING SOURCES/USES	(6,767,582)	6,208,794	(558,788)	(6,613,166)	6,038,404	(574,763)
E. NET INCREASE/(DECREASE) IN FUND BALANCE	1,150,881	7,150	1,158,031	1,868,154	(33,368)	1,834,786
F. FUND BALANCE RESERVES						
1 Beginning Balance						
a. As of July 1 - Unaudited	3,250,110	340,366	3,590,476	3,250,110	340,366	3,590,476
b. Audit Adjustments	-	-	-	-	-	-
c. As of July 1 - Audited	3,250,110	340,366	3,590,476	3,250,110	340,366	3,590,476
d. Adjustments for Restatements	-	-	-	-	-	-
e. Net Beginning Balance	3,250,110	340,366	3,590,476	3,250,110	340,366	3,590,476
2 Ending Balance, June 30	\$ 4,400,991	\$ 347,516	\$ 4,748,507	\$ 5,118,264	\$ 306,998	\$ 5,425,262
a. Reserve Accounts						
1 Revolving Cash	635	-	635	635	-	635
2 Stores	-	-	-	-	-	-
3 Prepaid Expenses	1,500	-	1,500	4,595	-	4,595
b. Designated Amounts						
1 Economic Uncertainty	1,020,931	-	1,020,931	997,940	-	997,940
2 Restricted Reserves	-	347,516	347,516	-	364,317	364,317
3 Assigned Reserves	3,179,520	-	3,179,520	3,179,520	-	3,179,520
a. Maintenance/Other Projects	300,000	-	300,000	300,000	-	300,000
b. Technology Plan	250,000	-	250,000	250,000	-	250,000
c. K-8 Textbook Adoption	1,000,000	-	1,000,000	1,000,000	-	1,000,000
d. Supplemental Early Retirement Plan	1,629,520	-	1,629,520	1,629,520	-	1,629,520
4 Unappropriated Fund Balance	198,405	-	198,405	935,574	(57,319)	878,255

2019-20 UNRESTRICTED GENERAL FUND RECONCILIATION

	2019-20 ESTIMATED ACTUALS UNRESTRICTED	2019-20 UNAUDITED ACTUALS UNRESTRICTED	\$ CHANGE	% CHANGE	EXPLANATIONS
A. REVENUES					
1 LCFF Sources	\$ 29,807,290	29,839,771	32,481	0.11%	Adjusted LCFF for Annual Taxes & Annual Attendance
2 Federal Revenues	-	-	-	-	
3 State Revenues	382,014	372,827	(9,187)	-2.40%	Decrease in expected lottery revenues due to economic conditions.
4 Local Revenues	632,515	714,740	82,225	13.00%	Excess STRS refunds received and miscellaneous income received by 6/30/20, increase in interest earned of \$56k, and slight increase in parcel taxes received.
TOTAL REVENUES	\$ 30,821,819	\$ 30,927,339	\$ 105,520	0.34%	
B. EXPENDITURES					
1 Certificated Salaries	\$ 11,543,376	11,492,448	(50,928)	-0.44%	Adjusted for actual salaries and benefits and reduction in sub costs
2 Classified Salaries	2,855,799	2,814,958	(40,841)	-1.43%	Adjusted for actual salaries and benefits and reduction in sub costs
3 Employee Benefits	5,812,198	5,757,290	(54,908)	-0.94%	Adjusted for actual salaries and benefits and reduction in sub costs
4 Books & Supplies	831,546	684,363	(147,184)	-17.70%	Lower instructional supply costs due to site closures, site allocations for supplies unspent and will be carried over to 2020-21, reduced custodial supply expenses due to closures, incurred COVID expenses moved to CARES Act funds, and lower technology expenses for schools due to closure
5 Services & Other Operating Expenditures	1,860,437	1,698,861	(161,576)	-8.68%	Lower utility expenses due to closure of \$45k, lower technology service contracts than anticipated of \$41k, moved COVID expenses to restricted CARES Act funds, reduced professional development expenses due to closure, lower rental expenses for copiers due to lower use because of school closures
6 Capital Outlay	-	-	-	#DIV/0!	
7 Other Outgo (Excluding Indirect Costs)	-	-	-	#DIV/0!	
8 Other Outgo (Indirect Costs)	-	(1,901)	(1,901)	100.00%	Indirect Costs charged to Title II, Title III, Title IV and Spec Ed Private School Grants
TOTAL EXPENDITURES	\$ 22,903,356	\$ 22,446,019	\$ (457,338)	-2.00%	
C. EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 7,918,463	\$ 8,481,320	\$ 562,858	7.11%	
D. OTHER FINANCING SOURCES/USES					
1 Interfund Transfers					
a. Transfers In	-	-	-	-	
b. Transfers Out	(558,788)	(574,763)	(15,975)	2.86%	Increased contribution to Cafeteria Fund due to loss of nutrition revenues and negative lunch balances of \$15k
2 Other Sources/Uses					
a. Sources	-	-	-	-	
b. Uses	-	-	-	-	Mainly due to decreased contributions for Spec Ed of \$6k, RRMA of \$159k to meet 3% requirement and reduced contribution for after-school music assistant due to school closures and shelter in place orders
3 Contributions	(6,208,794)	(6,038,404)	170,390	-2.74%	
TOTAL OTHER FINANCING SOURCES/USES	(6,767,582)	(6,613,166)	\$ 154,416	-2.28%	
E. NET INCREASE/(DECREASE) IN FUND BALANCE	\$ 1,150,881	\$ 1,868,154	\$ 717,273	62.32%	
F. FUND BALANCE RESERVES					
1 Beginning Balance					
a. As of July 1 - Unaudited	3,250,110	3,250,110	-	-	
b. Audit Adjustments	-	-	-	-	
c. As of July 1 - Audited	3,250,110	3,250,110	-	-	
d. Adjustments for Restatements	-	-	-	-	
e. Net Beginning Balance	3,250,110	3,250,110	-	-	
2 Ending Balance, June 30	\$ 4,400,991	\$ 5,118,264	\$ 717,273	16.30%	
a. Reserve Accounts					
1 Revolving Cash	635	635	-	-	
2 Stores	-	-	-	-	
3 Prepaid Expenses	1,500	4,595	3,095	206.33%	
b. Designated Amounts					
1 Economic Uncertainty	1,020,931	997,940	(22,991)	-2.25%	
2 Restricted Reserves	-	-	-	-	
3 Assigned Reserves	3,179,520	3,179,520	-	-	
a. Maintenance/Other Projects	300,000	300,000	-	-	
b. Technology Plan	250,000	250,000	-	-	
c. Instructional Materials Adoption	1,000,000	1,000,000	-	-	
d. Supplemental Early Retirement Plan	1,629,520	1,629,520	-	-	
4 Unappropriated Fund Balance	198,405	935,574	737,169	371.60%	

2019-20 RESTRICTED GENERAL FUND RECONCILIATION

	2019-20 ESTIMATED ACTUALS RESTRICTED	2019-20 UNAUDITED ACTUALS RESTRICTED	\$ CHANGE	% CHANGE	EXPLANATIONS
A. REVENUES					
1 LCFF Sources	633,638	639,812	6,174	0.97%	Slight increase in Special Education Excess Property Taxes paid by SELPA.
2 Federal Revenues	459,208	428,486	(30,722)	-6.69%	Unspent Title III & Title IV programs which will be carried over in 2020-21. Additional carryover for Special Education private school required set-aside, which will be carried over to 2020-21.
3 State Revenues	2,028,197	2,022,498	(5,699)	-0.28%	Lower than expected Lottery and Spec Ed Mental Health revenues. Slight adjustment to expected STRS on behalf.
4 Local Revenues	1,246,198	1,081,291	(164,907)	-13.23%	Site carryover funds of \$76K will be posted in 2020-21 and SEF carryover funds of \$89k.
TOTAL REVENUES	\$ 4,367,241	\$ 4,172,087	\$ (195,153)	-4.47%	
B. EXPENDITURES					
1 Certificated Salaries	2,410,531	2,423,285	12,754	0.53%	Adjusted for actual salaries and benefits
2 Classified Salaries	2,123,534	2,183,943	60,409	2.84%	Adjusted for actual salaries and benefits
3 Employee Benefits	3,785,907	3,792,207	6,300	0.17%	Adjusted for actual salaries and benefits
4 Books & Supplies	390,281	315,340	(74,942)	-19.20%	Unspent site funds, lower maintenance supplies due to closure, lower than anticipated expenses for Title III and Title IV. Increased for COVID expenses transferred from unrestricted to CARES Act funds
5 Services & Other Operating Expenditures	1,708,594	1,376,987	(331,607)	-19.41%	Lower expenses for summer projects of \$153k because they were not complete by 6/30/20 and will be recognized in 2020-21, unspent site funds of \$80K, and lower than expected expenses for Special Education of \$46K. Additional reduction for unspent state and federal programs which will be carried over into the 2020-21 school year. Increased for COVID expenses transferred from unrestricted to CARES Act funds
6 Capital Outlay	64,150	64,146	(5)	-0.01%	Immaterial difference
7 Other Outgo (Excluding Indirect Costs)	85,887	86,050	163	0.19%	Immaterial difference
8 Other Outgo (Indirect Costs)		1,901	1,901	100.00%	Indirect Costs charged to Title II, Title III, Title IV and Spec Ed Private School Grants
TOTAL EXPENDITURES	\$ 10,568,884	\$ 10,243,859	\$ (325,025)	-3.08%	
C. EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (6,201,644)	\$ (6,071,772)	\$ 129,872	-2.09%	
D. OTHER FINANCING SOURCES/USES					
1 Interfund Transfers					
a. Transfers In	-	-	-		
b. Transfers Out	-	-	-		
2 Other Sources/Uses					
a. Sources	-	-	-		
b. Uses	-	-	-		
3 Contributions	6,208,794	6,038,404	(170,390)	-2.74%	Mainly due to decreased contributions for Spec Ed of \$168K and RRMA to meet 3% requirement of \$35K.
TOTAL OTHER FINANCING SOURCES/USES	\$ 6,208,794	\$ 6,038,404	\$ (170,390)	-2.74%	
E. NET INCREASE/(DECREASE) IN FUND BALANCE	\$ 7,150	\$ (33,368)	\$ (40,518)	-566.66%	
F. FUND BALANCE RESERVES					
1 Beginning Balance					
a. As of July 1 - Unaudited	340,366	340,366	-		
b. Audit Adjustments	-	-	-		
c. As of July 1 - Audited	340,366	340,366	-		
d. Adjustments for Restatements	-	-	-		
e. Net Beginning Balance	340,366	340,366	-		
2 Ending Balance, June 30	\$ 347,516	\$ 306,998	\$ (40,518)	-11.66%	
a. Reserve Accounts					
1 Revolving Cash					
2 Stores					
3 Prepaid Expenses					
b. Designated Amounts					
1 Economic Uncertainty					
2 Restricted Reserves	347,516	364,317	16,801		
3 Assigned Reserves					
a. Maintenance/Other Projects					
b. Technology Plan					
c. K-8 Textbook Adoption					
4 Unappropriated Fund Balance	-	(57,319)			CARES Act allowable expenses will be offset in 2020-21 when revenues are recorded.

2019-20 RESTRICTED FUND BALANCE CARRYOVER & RESERVES

The restricted budget accounts for two types of revenues. The first is entitlement revenues, which means that when the funds are received they must be recognized whether or not they are expended in the year received. These funds are recognized as restricted balances in the fund balance. The other type is Unearned Revenues. These funds must be expended to be recognized as revenues. If the District received cash, but did not spend any or a portion of the cash received, the District sets up a payable to the State to repay the funds. In most cases, the funds are not repaid and are recognized in the following year as carryover. Below is a summary of both types of revenues.

UNEARNED REVENUES (CARRYOVER)

IDEA - Private School ISP's	\$	15,690
Title IV - Student Support and Academic Achievement		10,777
Title III - Immigrant		4,956
Science Camp - Argonaut		2,803
Science Camp - Foothill		2,207
Science Camp - Saratoga		690
Field Trips 6-8		4,589
Field Trips - Argonaut		5,498
Field Trips - Foothill		9,950
Field Trips - Saratoga		10,344
Music Recorders/Instruments		29,829
Gifts & Donations - Argonaut		9,045
Gifts & Donations - Foothill		15,969
Library - Foothill		60
Library - Saratoga		1,261
Library - Redwood MS		197
Argonaut - Discretionary		379
Foothill - Discretionary		3,391
Saratoga - Discretionary		8,178
Redwood MS - Discretionary		1,225
Special Ed Individualized Support Donation		5,844
Saratoga Garden		5,657
SEF Grants (Argonaut, Foothill, Saratoga, Redwood MS)		6,315
Southgate Art Grant		13,407
Saratoga Education Foundation (SEF)		89,275
Redwood MS Yearbook		5,566
Redwood MS PE Uniforms		7,204
STEM		1,531
	<u>\$</u>	<u>271,837</u>

ENTITLEMENT REVENUES (RESTRICTED FUND BALANCES)

Lottery - Prop 20	\$	127,284
State Mental Health		156,337
Classified School Employee Professional Development Block Grant		8,833
SB 117 COVID-49 LEA Response Funds		29,905
Low-Performing Students Block Grant		41,958
State Learning Loss Mitigation Funds		(34,241)
Elementary and Secondary School Emergency Relief (ESSER)		(23,079)
	<u>\$</u>	<u>306,998</u>

SPECIAL RESERVE FUNDS

Special Revenue Funds are used to account for certain state and federal programs that require separate accounting other than in the General Fund. The District's Special Revenue Funds are as follows:

CAFETERIA FUND (FUND 13)

	2019-20 Estimated Actuals	2019-20 Actuals	Unaudited
Beginning Fund Balance	14,721		45,774
Plus: Revenues	516,619		561,094
Less: Expenditures	(485,567)		(556,508)
Ending Fund Balance	45,774		50,360

The Cafeteria Fund is used to account for separately for Federal, State, and Local Revenues used by the Food Services Department to provide meals under the National School Lunch and paid lunch programs. Food Services are provided at each of the District's school sites. Free and reduced meals are served to qualifying students based on household income.

DEFERRED MAINTENANCE FUND (FUND 14)

	2019-20 Estimated Actuals	2019-20 Actuals	Unaudited
Beginning Fund Balance	604,571		648,834
Plus: Revenues	410,741		407,500
Less: Expenditures	(366,478)		(351,000)
Ending Fund Balance	648,834		705,334

The District and the State used to contribute equally to this fund. In 2009-10 the State eliminated this requirement and Deferred Maintenance Funds became a Tier III program and the State's share became a General Fund revenue. In 2013-14 these funds were folded into the Local Control Funding Formula (LCFF), but the need to maintain facilities remains for major repair or replacement of plumbing, heating, air conditioning, electrical, roofing, floor systems, and the exterior and interior painting of school buildings/sites of the District.

SPECIAL RESERVE FUND FOR OTHER THAN CAPITAL OUTLAY PROJECTS (FUND 17)

	2019-20 Estimated Actuals	2019-20 Actuals	Unaudited
Beginning Fund Balance	2,490,101		2,931,996
Plus: Revenues	441,894		101,964
Less: Expenditures	-		-
Ending Fund Balance	2,931,996		3,033,960

The Special Reserve Fund for Other than Capital Outlay Fund is used primarily to provide for the accumulation of General Fund moneys for general operating purposes as outlined in Education Code Section 42842. Amounts from this special reserve fund must be first transferred into the General Fund or other appropriate fund of the LEA before expenditures can be made. Transfers occur based on District Board Policy 3100 each January based on the prior year's actual final audited expenditures.

SPECIAL RESERVE FUND FOR POST EMPLOYMENT BENEFITS (FUND 20)

	2019-20 Estimated Actuals	2019-20 Actuals	Unaudited
Beginning Fund Balance	460,846		469,898
Plus: Revenues	9,053		6,000
Less: Expenditures	-		-
Ending Fund Balance	469,898		475,898

The Special Reserve Fund for Post Employment Benefits is used to account for a portion of the costs associated with providing postemployment benefits to retirees of the District. At this time, the District is not providing an ongoing contribution to this fund, but the reserves are earning interest revenues.

CAPITAL PROJECT FUNDS

Capital Project Funds are specific funds utilized for the acquisition or construction of major capital facilities.

BUILDING FUND (FUND 21)

	2019-20 Estimated Actuals	2019-20 Unaudited Actuals
Beginning Fund Balance	2,042,098	2,032,544
Plus: Revenues	39,657	25,034
Less: Expenditures	(49,211)	(1,000)
Ending Fund Balance	2,032,544	2,056,578

The Cafeteria Fund is used to account for separately for Federal, State, and Local Revenues used by the Food Services Department to provide meals under the National School Lunch and paid lunch programs. Food Services are provided at each of the District's school sites. Free and reduced meals are served to qualifying students based on household income.

CAPITAL FACILITIES (FUND 25)

	2019-20 Estimated Actuals	2019-20 Unaudited Actuals
Beginning Fund Balance	3,266,022	3,359,895
Plus: Revenues	138,506	45,000
Less: Expenditures	(44,633)	(15,000)
Ending Fund Balance	3,359,895	3,389,895

The Capital Facilities Fund exists primarily to account for monies received from fees levied on developers or other agencies as a condition of approving a development or additions to existing real property. The authority for these levies is local government ordinances or private agreements between a school district and the developer. Expenditures from this fund are restricted to growth-related projects.

SCHOOL FACILITIES FUND (FUND 35)

	2019-20 Estimated Actuals	2019-20 Unaudited Actuals
Beginning Fund Balance	119	121
Plus: Revenues	2	1
Less: Expenditures	-	-
Ending Fund Balance	121	122

The School Facilities Fund exists to account for separately for funds from approved state funded facilities projects and for any District matching funds required for these projects. The remaining balance in this fund is very minimal and is only earning interest at this time. No anticipated expenditures are anticipated as no current projects exist.

DEBT SERVICE FUNDS

The Debt Service Funds are utilized to repay District long-term debt principal and interest of all long-term debt of the District.

BOND INTEREST REDEMPTION FUND (FUND 51)

	2019-20 Estimated Actuals	2019-20 Actuals	Unaudited
Beginning Fund Balance	6,232,989.23		6,646,645.20
Plus: Revenues	6,302,495.97		-
Less: Expenditures	(5,888,840.00)		-
Ending Fund Balance	6,646,645.20		6,646,645.20

This fund accounts for property tax assessments and interest received by the Orange County Auditor-Controller's office related to the District's outstanding General Obligation Bonds.

ENTERPRISE FUNDS

Enterprise funds are utilized to account for activities in which a fee is charged to external users for goods and services and is accounted for on an accrual basis.

OTHER ENTERPRISE FUND (FUND 63)

	2019-20 Estimated Actuals	2019-20 Unaudited Actuals
Beginning Fund Balance	-	76,637
Plus: Revenues	845,100	745,100
Less: Expenditures	(768,463)	(733,657)
Ending Fund Balance	76,637	88,080

This fund accounts for revenues and expenses for the Treehouse program at the elementary school sites.