



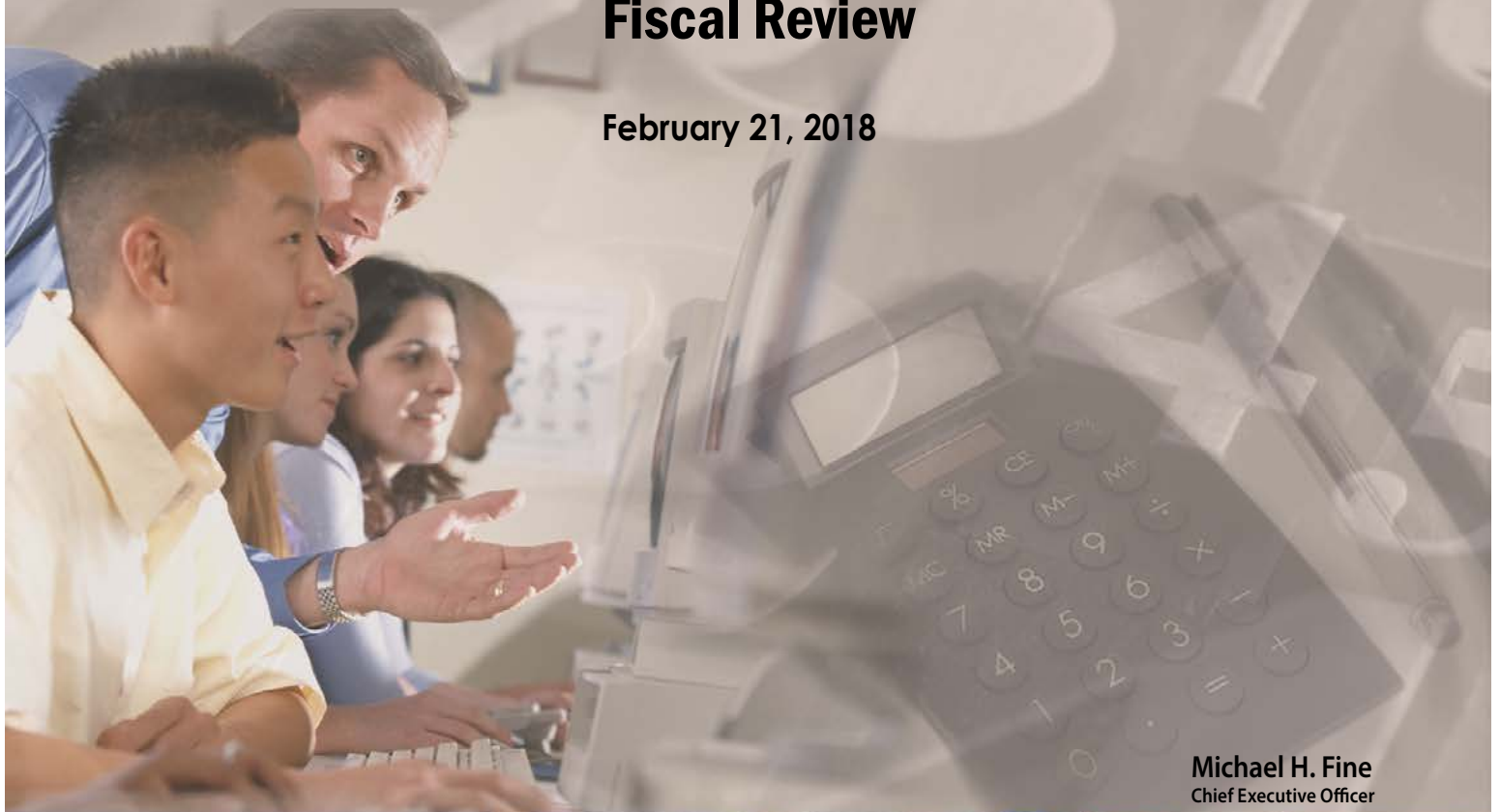
FISCAL CRISIS & MANAGEMENT  
ASSISTANCE TEAM

CSIS California School Information Services

# Bellevue Union Elementary School District

## Fiscal Review

February 21, 2018



**Michael H. Fine**  
Chief Executive Officer







February 21, 2018

David Alexander, Superintendent  
Bellevue Union Elementary School District  
3150 Education Drive  
Santa Rosa, CA 95407-2764

Dear Superintendent Alexander,

In June 2017, the Bellevue Union Elementary School District and the Fiscal Crisis and Management Assistance Team (FCMAT) entered into an agreement for FCMAT to provide a review of the district's budget and fiscal health. Specifically, the agreement states that FCMAT will perform the following:

1. Review the district's 2017-18 general fund budget and develop a multiyear financial projection (MYFP) for the current and two subsequent fiscal years to validate the district's financial status. Make recommendations for expenditure reductions and/or revenue enhancements to help the district eliminate its structural budget deficit and maintain financial solvency. The MYFP will be a snapshot in time of the current financial status and will use the district's 2017-18 adopted budget as the baseline. The MYFP will be developed as a trend based on certain criteria and assumptions instead of a prediction of exact numbers. It will be developed for the district's general fund and will include the review and fiscal impact of other funds on the general fund.
2. Prepare an analysis using the 20 factors in FCMAT's Fiscal Health Risk Analysis, and determine the district's risk ranking.

This final report contains the study team's findings and recommendations in the above areas of review. FCMAT appreciates the opportunity to serve the Bellevue Union Elementary School District and extends thanks to all the staff for their assistance during fieldwork.

Sincerely,

Michael H. Fine  
Chief Executive Officer

**FCMAT**

Michael H. Fine, Chief Executive Officer

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# About FCMAT

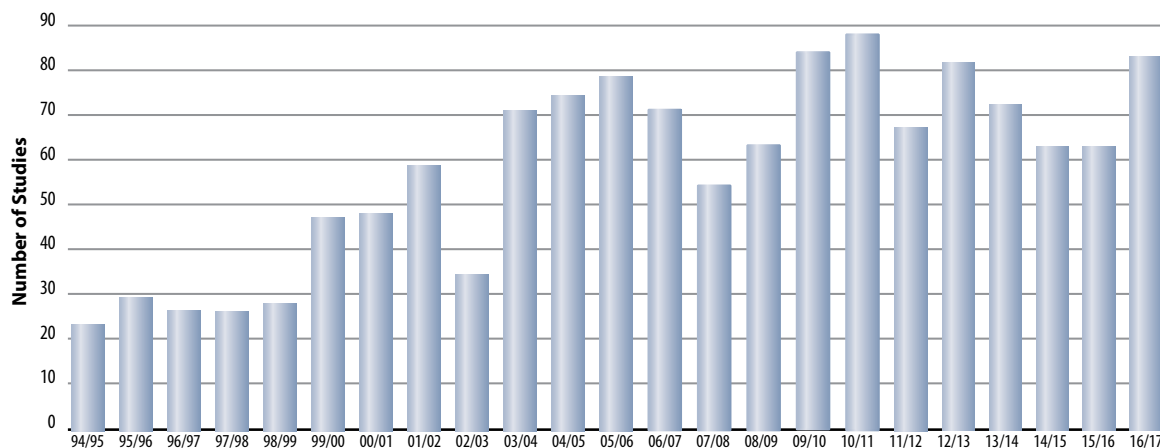
FCMAT's primary mission is to assist California's local K-14 educational agencies to identify, prevent, and resolve financial, human resources and data management challenges. FCMAT provides fiscal and data management assistance, professional development training, product development and other related school business and data services. FCMAT's fiscal and management assistance services are used not just to help avert fiscal crisis, but to promote sound financial practices, support the training and development of chief business officials and help to create efficient organizational operations. FCMAT's data management services are used to help local educational agencies (LEAs) meet state reporting responsibilities, improve data quality, and inform instructional program decisions.

FCMAT may be requested to provide fiscal crisis or management assistance by a school district, charter school, community college, county office of education, the state Superintendent of Public Instruction, or the Legislature.

When a request or assignment is received, FCMAT assembles a study team that works closely with the LEA to define the scope of work, conduct on-site fieldwork and provide a written report with findings and recommendations to help resolve issues, overcome challenges and plan for the future.

FCMAT has continued to make adjustments in the types of support provided based on the changing dynamics of K-14 LEAs and the implementation of major educational reforms.

**Studies by Fiscal Year**



FCMAT also develops and provides numerous publications, software tools, workshops and professional development opportunities to help LEAs operate more effectively and fulfill their fiscal oversight and data management responsibilities. The California School Information Services (CSIS) division of FCMAT assists the California Department of Education with the implementation of the California Longitudinal Pupil Achievement Data System (CALPADS). CSIS also hosts and maintains the Ed-Data website ([www.ed-data.org](http://www.ed-data.org)) and provides technical expertise to the Ed-Data partnership: the California Department of Education, EdSource and FCMAT.

FCMAT was created by Assembly Bill (AB) 1200 in 1992 to assist LEAs to meet and sustain their financial obligations. AB 107 in 1997 charged FCMAT with responsibility for CSIS and its state-wide data management work. AB 1115 in 1999 codified CSIS' mission.

AB 1200 is also a statewide plan for county offices of education and school districts to work together locally to improve fiscal procedures and accountability standards. AB 2756 (2004) provides specific responsibilities to FCMAT with regard to districts that have received emergency state loans.

In January 2006, Senate Bill 430 (charter schools) and AB 1366 (community colleges) became law and expanded FCMAT's services to those types of LEAs.

Since 1992, FCMAT has been engaged to perform more than 1,000 reviews for LEAs, including school districts, county offices of education, charter schools and community colleges. The Kern County Superintendent of Schools is the administrative agent for FCMAT. The team is led by Michael H. Fine, Chief Executive Officer, with funding derived through appropriations in the state budget and a modest fee schedule for charges to requesting agencies.



# Introduction

## Background

Located in Sonoma County, the Bellevue Union Elementary School District has a five-member governing board and serves approximately 1,689 students in grades K-6 at four schools, including one locally-funded conversion charter school. Student enrollment has remained relatively unchanged since 2007-08; the highest enrollment since that year was 1,762 students in 2008-09. Approximately 70% of the district's students are English learners, and 90% are eligible for free or reduced-price meals. The community passed general obligation bond measures of \$19 million and \$12 million, respectively, to provide funding to build new classrooms and improve infrastructure.

In June 2017, the district entered into an agreement with the Fiscal Crisis and Management Assistance Team (FCMAT) for a study that would provide a fiscal health analysis and develop an independent multiyear financial projection (MYFP), using the district's adopted budget for 2017-18 as the baseline.

## Study and Report Guidelines

FCMAT visited the district on September 12 and 13, 2017 to review data, interview employees and collect information. This report is the result of those activities and is divided into the following sections

- Executive Summary
- Fiscal Health Risk Analysis
- Multiyear Financial Projections
- AB 1200 Oversight
- Fiscal Analysis
- FCMAT MYFP Assumptions and Projection Rules
- FCMAT's MYFP

FCMAT's reports focus on systems and processes that may need improvement. Those that may be functioning well are generally not commented on in FCMAT's reports. In writing its reports, FCMAT uses the Associated Press Stylebook, a comprehensive guide to usage and accepted style that emphasizes conciseness and clarity. In addition, this guide emphasizes plain language, discourages the use of jargon and capitalizes relatively few terms.

## Study Team

The study team was composed of the following members:

Eric D. Smith, MPA  
Intervention Specialist  
Templeton, CA

Anthony L. Bridges, CFE, CICA  
FCMAT Consultant  
Avila Beach, CA

John Lotze  
FCMAT Technical Writer  
Bakersfield, CA

Each team member reviewed the draft report to confirm accuracy and achieve consensus on the final recommendations.

# Executive Summary

Initially, the agreement between the district and FCMAT was to provide a fiscal health risk analysis and develop an independent multiyear financial projection (MYFP), using the district's adopted budget for 2017-18 as the baseline. However, the district lacked a chief business official (CBO) in July and August, and the study was delayed until the district could hire an interim CBO and complete the 2016-17 unaudited actuals and major revisions to the 2017-18 budget. The study was further delayed by the Sonoma Complex fires in October that resulted in evacuations and school closures. Because of these factors, FCMAT used the district's 2017-18 first interim financial report as the baseline for the projection.

In reviewing the district's ability to meet its financial obligations for the current and two subsequent fiscal years, FCMAT's first concern was the district's cash flow. Cash flow was projected to be negative for August, and it was uncertain whether the district could meet its payroll obligations. To meet current year financial obligations, the district established a \$3 million line of credit from the Sonoma County Treasurer's Office, which allows the district to operate with a negative general fund cash balance up to the credit limit. Pursuant to Education Code Section 42620, the County Treasurer, under Article XVI, Section 6 of the California Constitution, must provide funds to a local educational agency that is unable to meet its financial obligations. The district's cash flow shows a continuing decreasing trend, and the projected balance for June 30, 2018 is \$327,181.30. Based on historical trends, the district needs to immediately begin decreasing expenditures and increase its cash balances, and will need to continue to rely on temporary borrowing to prevent state intervention.

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**To meet current year financial obligations, the district established a \$3 million line of credit from the Sonoma County Treasurer's Office, which allows the district to operate with a negative general fund cash balance up to the credit limit.**

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Assembly Bill (AB) 1200 and AB 2756 provide the structure for fiscal accountability and for overseeing a school district's financial condition. These bills give the county superintendent of schools, the state superintendent of public instruction (SPI) and FCMAT specific responsibilities for assisting a district in fiscal distress. This legislation requires MYFPs as part of budget and interim financial reporting. These projections allow a district and its county office of education to assess revenues and expenditures in the current and two subsequent fiscal years to determine whether a district can meet its fiscal obligations. A district with an MYFP that indicates it will be unable to meet its fiscal obligations in the current or two subsequent fiscal years receives either a qualified or negative budget certification. A qualified budget certification indicates that the district is deficit spending and may not meet its fiscal obligations; a negative certification indicates that the district will not meet its fiscal obligations.

The law defines several fiscal crises that can require the county office to intervene in a school district. These include a disapproved budget, a qualified or negative interim report, or any recent actions by a school district that may lead the county office to conclude that the district will not be able to meet its financial obligations.

The main objective for developing an MYFP is to evaluate the district's long-term financial sustainability. Multiyear financial projections provide the board and district with a fiscal planning framework that enables them to make budget decisions that strategically address current and future budget challenges. The analysis is performed to ascertain whether the district can generate sufficient revenues annually to meet all expenditures without incurring a structural deficit for the current and two subsequent fiscal years. Many K-12 school districts face structural budget imbal-

ances, and analyses of one-year budget cycles are not the most effective way to address multiyear issues.

FCMAT's MYFP indicates that the district faces some difficult years ahead. The projection shows severe deficit spending after contributions are made to support restricted programs in both the 2018-19 and 2019-20 fiscal years. One of the largest factors contributing to the district's projected budget shortfall is the impact of declining enrollment and average daily attendance. Another contributing factor is the shortage of housing in Sonoma County. According to the district's demographic report prepared by Schreder & Associates, from 2008 to 2016 Sonoma County added 27,000 new residents but only 6,300 new housing units. This has caused housing prices and rental costs to increase significantly and has forced some families to move out of the district. A third factor is the projected decline in birth rates and the corresponding projected continuing decline in the number of kindergarten students the district will enroll. Fourth, the district processes approximately 400 inter-district transfer requests for students attending schools outside the district each school year. However, because in the past students who attend schools outside of the district were not required to renew their inter-district permits annually, district officials indicate there may be as many as 1,500 students who live within the district's boundaries but attend non-district schools.

The district should view the MYFP developed by FCMAT as a dynamic document that facilitates strategic decisions that have evolved from measurements of historical performance and that will require communication at all levels of the organization to understand the allocation of the district's limited resources.

The following is a summary of the district's unrestricted general fund balances for the current and two subsequent fiscal years:

### ***General Fund Unrestricted***

Name	Object Code	Base Year 2017 - 18	Year 1 2018 - 19	Year 2 2019 - 20
<b>Revenues</b>				
LCFF/State Aid	8010 - 8099	\$17,335,224.00	\$17,477,757.00	\$17,504,988.00
Federal Revenues	8100 - 8299	\$42,754.00	\$42,754.00	\$42,754.00
Other State Revenues	8300 - 8599	\$542,805.00	\$282,962.73	\$278,088.18
Other Local Revenues	8600 - 8799	\$488,628.00	\$90,225.00	\$91,323.46
Revenues		\$18,409,411.00	\$17,893,698.73	\$17,917,153.64
<b>Expenditures</b>				
Certificated Salaries	1000 - 1999	\$5,623,465.61	\$5,585,808.21	\$5,547,461.78
Classified Salaries	2000 - 2999	\$2,299,886.26	\$2,350,253.78	\$2,401,724.34
Employee Benefits	3000 - 3999	\$2,618,785.10	\$2,771,623.62	\$2,925,844.83
Books and Supplies	4000 - 4999	\$698,920.68	\$700,962.11	\$710,287.68
Services and Other Operating	5000 - 5999	\$3,128,135.28	\$3,187,787.64	\$3,242,975.11
Capital Outlay	6000 - 6900	\$55,095.00	\$55,095.00	\$55,095.00
Other Outgo	7000 - 7299	\$0.00	\$0.00	\$0.00
Direct Support/Indirect Cost	7300 - 7399	(\$70,347.00)	(\$70,347.00)	(\$70,347.00)
Debt Service	7400 - 7499	\$199,167.77	\$205,887.00	\$212,791.00
Expenditures		\$14,553,108.70	\$14,787,070.36	\$15,025,832.74
Excess (Deficiency) of Revenues Over Expenditures		\$3,856,302.30	\$3,106,628.37	\$2,891,320.90
<b>Other Financing Sources/Uses</b>				

Name	Object Code	Base Year 2017 - 18	Year 1 2018 - 19	Year 2 2019 - 20
Interfund Transfers In	8900 - 8929	\$0.00	\$0.00	\$0.00
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00	\$0.00
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00	\$0.00
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00	\$0.00
Contributions	8980 - 8999	(\$3,822,320.92)	(\$3,976,774.82)	(\$4,136,201.35)
Other Financing Sources/Uses		(\$3,822,320.92)	(\$3,976,774.82)	(\$4,136,201.35)
Net Increase (Decrease) in Fund Balance		\$33,981.38	(\$870,146.45)	(\$1,244,880.45)
<b>Fund Balance</b>				
Beginning Fund Balance	9791	\$657,779.76	\$691,761.14	(\$178,385.31)
Audit Adjustments	9793	\$0.00	\$0.00	\$0.00
Other Restatements	9795	\$0.00	\$0.00	\$0.00
Adjusted Beginning Fund Balance	9797	\$657,779.76	\$691,761.14	(\$178,385.31)
Ending Fund Balance	9799	\$691,761.14	(\$178,385.31)	(\$1,423,265.76)
<b>Components of Ending Fund Balance</b>				
Reserved Balances	9700	\$0.00	\$0.00	\$0.00
<b>Fund Balance, Nonspendable</b>				
Nonspendable Revolving Cash	9711	\$2,500.00	\$2,500.00	\$2,500.00
Nonspendable Stores	9712	\$0.00	\$0.00	\$0.00
Nonspendable Prepaid Items	9713	\$0.00	\$0.00	\$0.00
All Other Nonspendable Assets	9719	\$0.00	\$0.00	\$0.00
General Reserve	9730	\$0.00	\$0.00	\$0.00
Restricted Balance	9740	\$0.00	\$0.00	\$0.00
<b>Committed</b>				
Stabilization Arrangements	9750	\$0.00	\$0.00	\$0.00
Other Commitments	9760	\$0.00	\$0.00	\$0.00
Designated for the Unrealized Gains of Investments and Cash in County Treasury	9775	\$0.00	\$0.00	\$0.00
Other Assignments	9780	\$0.00	\$0.00	\$0.00
Economic Uncertainties Percentage		\$0.03	\$0.03	\$0.03
Reserve for Economic Uncertainties	9789	\$652,877.31	\$663,222.69	\$673,491.42
Undesignated/Unappropriated	9790	\$36,383.83	(\$844,108.00)	(\$2,099,257.18)

When a district's unappropriated fund balance is negative, it is the amount by which budgeted expenditures must be reduced or revenues increased to meet the reserve requirements in accordance with AB 1200. Multiyear financial planning is a critical exercise that will allow budget changes in advance and provide an optimal way to restore a district's fiscal health.

FCMAT's MYFP shows that without expenditure reductions and/or revenue increases, the district will not meet its required level of reserve for economic uncertainties in the two subsequent fiscal years.



# Findings and Recommendations

## Fiscal Health Risk Analysis

### Key Fiscal Indicators for K-12 Districts

The Fiscal Crisis and Management Assistance Team (FCMAT) has developed the Fiscal Health Risk Analysis to evaluate key fiscal indicators that may help measure a school district's risk of insolvency in the current and two subsequent fiscal years. The Fiscal Health Risk Analysis should be viewed as a snapshot in time. FCMAT used the district's 2017-18 first interim financial report as its baseline, in conjunction with financial reports prepared throughout the 2016-17 fiscal year.

Any evaluation of financial data or other organizational issues has inherent limitations because calculations are based on certain economic assumptions and criteria, including changes in enrollment; cost-of-living adjustments; forecasts for utilities, supplies and equipment; changing economic conditions at the state, federal and local levels; and changes in organization or key leadership positions. The presence of any single criterion is not necessarily an indication of a district in fiscal crisis. However, districts that answer "No" to seven or more of the 20 key indicators may have cause for concern and could require some level of fiscal intervention. The more indicators identified, the greater the risk of insolvency or fiscal issues. Identifying issues early is the key to success when it comes to maintaining fiscal health. Diligent planning will enable a district to better understand its financial objectives and strategies to sustain a high level of fiscal efficiency.

A district must continually update its budget as new information becomes available both from within the district and from other regulatory agencies. This is particularly true as the Local Control Funding Formula (LCFF) nears full implementation. Federal and state factors such as an economic slowdown or increases in employee pension costs can erode a district's unrestricted general fund. Local factors, including the impact of declining enrollment, emerging charter schools and increases in contributions to special education, are difficult to control and manage.

Each of the 20 key indicators below has several questions. FCMAT's response is based on documents provided by the district and interviews with staff. Detailed responses are summarized for each section where appropriate.

### 1. Deficit Spending

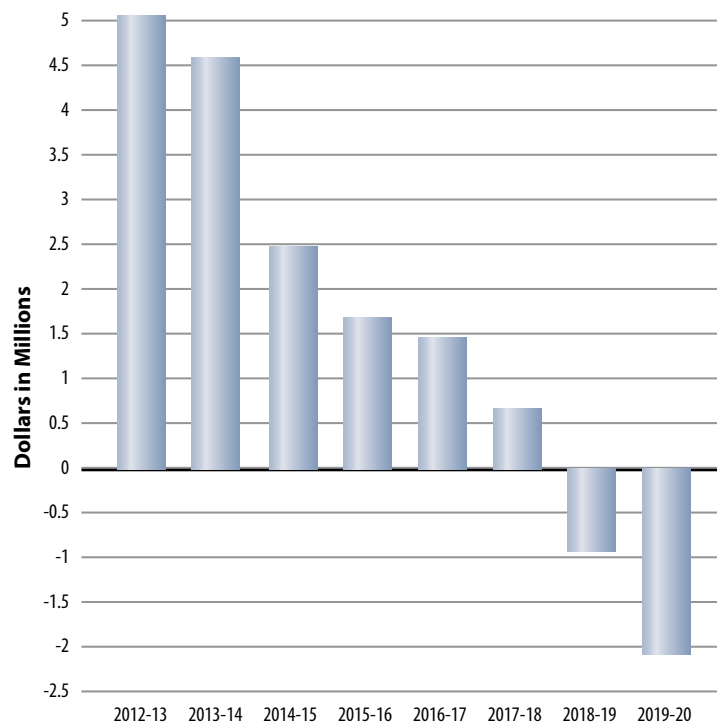
- Is the district avoiding deficit spending in the current year? ..... Yes
- Is the district avoiding deficit spending in the two subsequent fiscal years? ..... No
- Has the district decreased or eliminated deficit spending over the past two fiscal years? ..... No
- Is deficit spending covered by fund balance, ongoing revenues, or expenditure reductions? ..... No
- Has the board approved a plan to eliminate deficit spending? ..... No

When a school district spends more than the revenue it receives in a fiscal year, it is deficit spending. When this happens year over year, it is known as a structural or operating deficit. Left unchecked, the structural deficit will deplete the district's reserves and result in a negative fund balance. In a worst-case scenario, the district will run out of cash and become fiscally insolvent.

School districts confronted with a large structural deficit usually develop a fiscal recovery plan that decreases and ultimately eliminates the deficit over several years rather than trying to do it all at once. This approach, however, requires the district to have enough cash on hand to facilitate temporary borrowings between funds while multiyear expenditure reductions are made. Unfortunately the Bellevue Union Elementary School District has low cash balances in other funds, so will have to accelerate expenditure reductions to increase cash reserves and maintain fiscal solvency. The following table and chart show the district's past and projected reserve amounts at the time of budget adoption, illustrating a trend of significant decline.

Fiscal Year	Reserve Amount	Expressed as Percent
12-13	\$5,022,786	28%
13-14	\$4,590,399	25%
14-15	\$2,486,202	11%
15-16	\$1,694,646	7%
16-17	\$1,467,572	4%
17-18	\$691,761	3%
18-19	(844,108)	0%
19-20	(2,099,257)	0%

**Reserve Amount by Fiscal Year**



**Overall Rating:**

**No**



## 2. Fund Balance

- Is the district's fund balance at or consistently above the recommended reserve for economic uncertainty? ..... No
- Is the fund balance stable or increasing due to ongoing revenues and/or expenditure reductions? ..... No
- Does the fund balance include any designated reserves for unfunded liabilities or one-time costs above the recommended reserve level? ..... No

Fund balance is a combination of cash and noncash items such as inventory (stores), receivables, and restricted balances from grants or entitlements. The district's fund balance is negative and it will not maintain its required reserve levels in 2018-19 and 2019-20 without reducing expenditures or increasing revenues.

**Overall Rating:** No

## 3. Reserve for Economic Uncertainty

- Is the district able to maintain its reserve for economic uncertainty in the current and two subsequent years based on current revenue and expenditure trends? ..... No
- Does the district have additional reserves in Fund 17, Special Reserve | for Other than Capital Projects? ..... No
- If not, does the district's multiyear financial projection include a plan to restore the reserve for economic uncertainty? ..... No

The district maintained the legally-required 3% reserve for economic uncertainty for all reporting periods during the 2016-17 fiscal year. However, the district dropped slightly below the required reserve amount at the 2016-17 unaudited actuals. The district is not projected to meet the recommended reserve requirement for the two subsequent fiscal years. The district does not have other unrestricted funds available to support the general fund.

**Overall Rating:** No

## 4. Enrollment and Attendance

- Has the district's enrollment been increasing or stable for multiple years? ..... No
- Is the district's enrollment projection updated at least semiannually? ..... No
- Are staffing adjustments for certificated and classified employee groups consistent with the enrollment trends? ..... No

However, both the district's and FCMAT's MYFPs include a reduction of 2.0 full-time equivalent (FTE) certificated positions in each subsequent fiscal year, which is commensurate with the projected decline in enrollment.

- Does the district analyze enrollment and average daily attendance (ADA) data? ..... No

- Does the district track historical data to establish future trends between P-1 and P-2 for projection purposes? ..... No
- Has the district implemented any attendance programs to increase ADA? ..... Yes
- Do school sites maintain an accurate record of daily enrollment and attendance that is reconciled monthly? ..... Yes
- Have approved charter schools had little or no impact on the district's student enrollment? ..... N/A
- Does the district have a board policy that attempts to reduce the effect that transfers out of the district have on the district's enrollment? ..... Yes
- Did the district certify its CALPADS Fall 1 submission by the required deadline? ..... Yes

A demographic study commissioned by the district projects that enrollment will decline over the next decade. This is due to three factors: the number of births in the district has declined over the last few years; the district has negative grade level progression, meaning it loses students as a student cohort progresses from one grade level to another; and a significant number of school-age children residing in the district do not attend district schools.

The district has implemented the Schools Innovation and Advocacy A2A program to increase attendance at each school. The program has been in place for the last two years, but district enrollment continues to decline. Based on early September 2017 attendance data, district enrollment is approximately 60 students less than in the prior year.

The district processes approximately 400 inter-district transfers each year for students to attend schools outside the district. However, district officials indicated that because students who attend schools outside of the district were not required to renew their inter-district permits annually in the past, there may be as many as 1,500 students who live within the district's boundaries but attend non-district schools.

In February 2017, the district's governing board revised Board Policy and Administrative Regulation 5117 Inter-district Permits, to state that an inter-district permit may be granted for one to five years, and shall not exceed five years. In practice, staff only approve interdistrict permits for one year, so residents of the district who attend school elsewhere must resubmit their request for an interdistrict permit annually.

**Overall Rating:** No

## 5. Debt

- Does the district have a recent actuarial study and a plan to set funds aside for unfunded liabilities? .....N/A
- Does the district maintain low levels of non-voter-approved debt (such as COPs, bridge financing, BANS, RANS and others)? .....N/A
- Is the district conforming to GASB 68 requirements by recognizing and reporting its proportionate share of net liability for pension programs? .....Yes

The following table from the district's audit report shows the district's long-term debts as of June 30, 2016.

Debt Type	June 30, 2016 Balance
General Obligation Bonds	\$36,104,756
Compensated Absences, net of claims liability	\$121,413
Capital Leases	\$2,188,646
Early Retirement Incentives	\$9,557
Net Pension Liability	\$12,596,917

On June 3, 2014 the district received authorization from its voters to issue \$12 million in general obligation bonds to finance capital improvement projects. The first series of bonds was issued on November 13, 2014. Payments for general obligation bonds are made from the bond interest and redemption fund generated from local property tax revenues.

The district entered into a capital lease agreement with City National Bank, with an original cost of \$2,442,810 to install solar equipment at each school site. Title to the property will pass to the district upon the expiration of the lease period in fiscal year 2030. Future minimum lease payments are as follows:

Year Ended June 30	Lease Payment
2017	\$192,630
2018	\$199,167
2019	\$205,887
2020	\$212,791
2021-2025	\$1,053,802
2026-2030	\$1,228,608

The minimum lease payments represent an obligation on the unrestricted general fund.

During fiscal year 2008-09, the district approved an early retirement incentive program for certificated staff, pursuant to Education Code sections 22714 and 44929. Under the program, qualified retiring employees received two additional years of service through the California State Teachers' Retirement System

(CalSTRS). The additional burden placed on the district's unrestricted general fund as a result of the early retirement incentive is not material.

The district complies with Governmental Accounting Standards Board (GASB) Statement No. 68 in its recognition of net liability for pension programs, as demonstrated in its 2015-16 annual independent financial audit.

**Overall Rating:** Yes

## 6. Cash Monitoring

- Can the district manage its cash in all funds without interfund borrowing? ..... No
- If interfund borrowing is occurring, does the district repay the funds within the statutory period in accordance with Education Code Section 42603? ..... N/A
- Does the district forecast its cash receipts and disbursements and verify them at least monthly to ensure that cash flow needs are known with plenty of notice? ..... No
- Does the district have a plan to address short-term cash flow needs? ..... Yes
- Are cash balances reconciled to bank statements monthly? ..... No

Dwindling cash availability is symptomatic of school districts that experience continued deficit spending. An entity that continues to spend more than it receives depletes its cash resources. This is the circumstance for the Bellevue Union School District.

For most California school districts, the majority of cash revenue is from state aid and local property taxes, and the single largest cash expense is payroll. State Local Control Funding Formula (LCFF) funds are distributed to school districts approximately once a month throughout the year. Property taxes are received in December and April and distributed to districts soon after that. Payrolls for most districts start in July and increase significantly in September when teachers return to school. As a result, low cash periods occur in November, December, March and April because property taxes have not yet been received.

Low cash periods can be managed through cash flow analysis and use of alternative cash resources. School districts in California have traditionally managed low or negative cash periods by using short-term financing (e.g., issuing tax revenue anticipation notes, known as TRANS), or borrowing from other funds within the district. TRANS have been the alternative of choice in the past for most school districts throughout the state. This is because of the advantage of the spread between interest cost and interest earnings on the dollars borrowed. Government Codes 53850 through 53858 authorize a school district to issue notes and enumerate parameters for the indebtedness. No voter approval is necessary, but the governing board must adopt a resolution authorizing the issuance.

Other cash management alternatives include internal borrowing between funds and external borrowing from the county treasurer or the county office of education.

Education Code Section 42603 authorizes local educational agencies (LEAs) to borrow temporarily between their own internal funds to alleviate cash flow shortages. This is the most common method used by school districts, but it only works if cash is available in other funds. Unfortunately, the district has minimal cash balances available in other funds.

External borrowing from the county treasurer is also an option to improve cash flow. Education Code Section 42620 states that the county treasurer, under Article XVI, Section 6 of the California Constitution, must provide funds to an LEA that is not able to meet its financial obligations. The county treasurer will usually require a resolution approved by a school district's governing board.

A school district cannot borrow more than 85% of the revenues accruing to the district, and the last transfer of funds to the district must be made prior to the last Monday in April. Repayment must be made from the first monies received by a school district before any other obligation is paid. The county treasurer will usually take repayment directly from incoming cash.

A school district can also borrow from the county office of education. This is authorized by Education Code sections 42621 and 42622. This option depends on the county office's willingness and ability to provide funds. The loan cannot exceed 85% of the amount of money accruing to the district at the time of transfer and is subject to the funds available to the county office. The loan must be repaid before June 30 or, with the county board of education's approval, in the subsequent fiscal year.

On September 12, 2017 the district established a line of credit in the amount of \$3 million with the Sonoma County Treasurer so it would have sufficient cash available as needed. The county treasurer allows the district to operate with a negative general fund cash balance up to the credit limit. Supporting documents attached to the board resolution indicate that the cash will be needed during months when the district is expected to have a negative cash flow. At the time of FCMAT's fieldwork on September 12-13, 2017, the district's cash flow was projected to be negative for the month of September and there was uncertainty about whether the district could meet its payroll obligations. The district's cash flow shows a continuing decreasing trend, and the projected balance for June 30, 2018 is \$327,181.30.

Because of the district's low reserve levels, it is extremely important that the district monitor monthly cash flow requirements. Monitoring includes but is not limited to preparing an 18-month cash flow projection. The consequences of becoming cash insolvent are severe and should be avoided to maintain local governance and control.

**Overall Rating:** No

## 7. Bargaining Agreements

- Has the district settled the total cost of the bargaining agreements at or under COLA during the current and past three years? ..... No
- Did the district conduct a pre-settlement analysis, including multiyear projections, identifying ongoing revenue sources or expenditure reductions to support the agreement, as well as the long-term effects on the district? ..... Yes
- Did the district correctly identify the related costs above the COLA, (i.e.) statutory benefits, step and column)? ..... Yes
- Did the district address budget reductions necessary to sustain the total compensation increase, including a board-adopted plan? ..... No
- Did the superintendent and CBO certify the agreement prior to ratification? ..... Yes
- Is the governing board's action consistent with the superintendent's/CBO's certification? ..... Yes
- Did the district meet the public disclosure requirements, including disclosure of the costs associated with a tentative collective bargaining agreement, before it became binding on the district? ..... Yes

The table below shows statutory cost of living adjustments from 2012-13 through 2017-18, and a summary of ongoing salary increases and off-schedule bonuses for both bargaining units.

Fiscal Year	COLA	Salary Increase (all bargaining units)
12-13	3.24%	6%
13-14	1.565%	3%
14-15	0.85%	5%
15-16	1.02%	3%
16-17	0.0%	2.5% (one-time and off schedule)

In accordance with AB 1200, the district has prepared public disclosures of collective bargaining agreements for ratification by the governing board that demonstrate the multiyear impacts of cost of living increases, increases in pension benefits and the number of full-time equivalent positions, as well as narrative explanations signed by the superintendent and chief business official.

It is imperative that the governing board review the concerns identified in this report regarding deficit spending, fund balance and cash management before ratifying new contract proposals. This is necessary to ensure an adequate fund balance and restoration of the reserve to at least the minimum recommended levels.

**Overall Rating:** Yes

## 8. General Fund

- Is the percentage of the district's general fund unrestricted budget allocated to salaries and benefits at or under the statewide average? ..... Yes
- Does the district ensure that only ongoing restricted dollars pay for permanent staff? ..... Yes
- Does the budget include reductions in expenditures proportionate to one-time revenue sources, such as parcel taxes, that will terminate in the current or two subsequent fiscal years? ..... No
- Does the district ensure that the parcel tax does not pay for ongoing expenditures? ..... N/A
- Does the district ensure that litigation and/or settlements are minimized? ..... No

Unrestricted salary and benefit costs account for 72.430% of general fund expenditures, excluding interfund transfers and contributions to restricted programs. However, there has been no open and understandable detail about items budgeted in the discretionary expenditure objects (i.e. 4000s, 5000s, 6000s) in the past. As a result, the district should examine the items budgeted in these object classifications to ensure that all items budgeted can be justified.

**Overall Rating:** Yes

## 9. Encroachment

- Is the district aware of the contributions to restricted programs in the current year? (Identify cost, programs and funds) ..... Yes
- Does the district have a reasonable plan to address increased encroachment trends? ..... No
- Does the district manage encroachment in all other funds including the cafeteria fund? ..... Yes

The district has historically understated special education expense, and its 2017-18 budget overstated special education local plan area (SELPA) funding by \$180,000. The district must be more proactive in monitoring individualized education programs (IEPs) and tracking special education students served by the county office of education.

**Overall Rating:** Yes

## 10. Management Information Systems

- Is the district's financial data accurate and timely? ..... No
- Are the mandated county and state reports filed in a timely manner? ..... No
- Are key fiscal reports — including those on personnel, payroll and budget — accessible, timely, and understandable? ..... No
- Is the district on the same financial system as the county? ..... Yes
- If the district is on a separate financial system, is there an automated interface with the financial system maintained by the county? ..... N/A

- Is the district able to accurately identify students who are eligible for free and reduced-price meals, English learners, and foster youth, in accordance with Local Control Funding Formula (LCFF) and Local Control Accountability Plan (LCAP) requirements? ..... Yes
- Is the district able to collect, assess, and report student data in the California Longitudinal Pupil Achievement Data System (CALPADS)? ..... Yes

**Overall Rating:** Yes

## **11. Position Control and Human Resources**

- Does the district maintain and use an effective and reliable position control system that tracks personnel allocations and expenditures? ..... Yes
- Is position control integrated with payroll and the financial system? ..... Yes
- Does the district control unauthorized hiring? ..... Yes
- Is the district able to control overstaffing? ..... Yes
- Are the appropriate levels of internal controls (i.e., checks and balances) in place between the business and personnel departments to prevent fraudulent activity? ..... Yes
- Is position control reconciled against the budget during the fiscal year? ..... Yes
- Does the district offer or ensure that staff attend professional development regarding financial management and budget? ..... No

The district uses the Sonoma County Office of Education's Escape financial system, which includes integrated position control and budget development modules. Position control is necessary to accurately identify the cost of step and column salary increases, monitor salary savings from open positions and/or attrition, and model adjustments to the district's salary schedules. Position control is also needed to transfer the costs of salaries and benefits (adjusted for step and column and other increases, if applicable) from one fiscal year to the next for budget development.

Ideally, a position control system will integrate with the budget development system, allowing the user to move position control data over from one fiscal year to another. Discretionary expenditure objects such as books and supplies, capital outlay and other outgo can be rolled to the next year as well. A position control system allows a district to identify each certificated, classified and management employee position. This type of system allows the personnel and business departments to extract numerous reports required for decision making and significantly reduces the number of manual calculations or spreadsheets needed to identify budget amounts for salaries and benefits.

The district needs to focus on the importance and integrity of its position control and budget data to enable the district to maintain fiscal solvency. Approximately 73% of the district's unrestricted budget comprises salaries and benefits. To fully estimate the impact of overstaffing and/or collective bargaining on the budget,



the district must devote significant time and effort to keeping position control data up to date as a budget monitoring tool.

**Overall Rating:** Yes

## 12. Budget Development and Adoption

- Is a budget calendar used that contains statutory due dates and the major budget development milestones? ..... Yes
- Are clear processes and policies in place to analyze resources and allocations to ensure they align with strategic planning objectives and that the budget reflects the LEA's priorities and LCAP? ..... Yes

However the budget was built by the prior chief business official and required major adjustments to both projected revenues and expenditures for the 2017-18 fiscal year.

- Is the LCFF correctly calculated and understood? ..... No
- Are projections for ADA, enrollment, revenue and unduplicated pupil count accurate and reasonable? ..... No
- Is the district decreasing deficit spending and maintaining adequate reserves and fund balance when compared with the prior year? ..... No
- Has the district ensured that the LCAP is incorporated in the budget? ..... Yes
- Is the budget developed using a zero-based method rather than being a rollover budget? ..... No
- Does the district use position control data for budget development? ..... Yes
- Does the budget development process include input from staff, administrators, board and community, as well as the budget advisory committee (if there is one)? ..... Yes
- Are the LCAP and the budget adopted within statutory timelines established by Education Code Section 42103, and are the documents filed with the county superintendent of schools no later than five days after adoption, or by July 1, whichever occurs first? ..... Yes

The district has developed its budget using an incremental approach in the past. Although position control may have been used to drive budget development for salaries and benefits, there is little evidence that a systematic approach was used to budget for expenditures in the 4000, 5000 and 6000 object classifications.

**Overall Rating:** Yes

## 13. Multiyear Projections

- Has the district developed multiyear projections that have reasonable assumptions? ..... No
- Are projected fund balance reserves disclosed and based on the most reasonable and accurate information available? ..... No
- At a minimum, are the multiyear projections compiled at budget adoption

and at the time of interim reports? ..... Yes

- For the purpose of calculating multiyear projections, is the district using the latest LCFF gap closure percentages that show the amount of funding necessary to maintain purchasing power for the LCFF statewide? ..... Yes
- Is the LCFF target for each year recalculated based on the grade span ADA, and then compared to the adjusted prior year funding, so that the funding gap would then be reduced by the funding gap percentage for the given year? ..... Yes

**Overall Rating:** Yes

## 14. Budget Monitoring and Updates

- Are budget assumptions updated throughout the year as updated information becomes available? ..... No
- Are actual revenue and expenses in line with the most current budget? ..... No
- Are budget revisions completed in a timely manner? ..... No
- Does the district openly discuss the impact of budget revisions at the board level? ..... No
- Does the district abide by Education Code 42127(h) by informing the board of education and the public, within 45 days of enactment of the state budget, of any changes in the state budget that would affect the adopted budget? ..... No
- Are budget revisions made or confirmed by the board at the same time the collective bargaining agreement is ratified? ..... No
- Has the district's long-term debt decreased from the prior fiscal year? ..... Yes
- Are contributions to restricted programs controlled and monitored? ..... No
- Has the district identified the repayment sources for long-term debt or non-voter-approved debt (e.g. certificates of participation, capital leases)? ..... Yes
- Does the district's financial system have a hard-coded warning regarding insufficient funds for requisitions and purchase orders? ..... No
- Does the district encumber salaries and benefits? ..... Yes
- Are the balance sheet accounts in the general ledger reconciled regularly? ..... No
- Does the district complete and file its interim budget reports within the statutory deadlines established by Education Code Section 42130 and following, in a format or on forms prescribed by the Superintendent of Public Instruction (SPI), and ensure that they are based on standards and criteria for fiscal stability? ..... Yes

The district's long-term debt increased from \$43,689,245 in fiscal year 2014-15 to \$52,214,501 in fiscal year 2015-16. However, most of the increase can be attributed to the issuance of general obligation bonds that are backed by the full faith and credit of the taxpayers of the Bellevue Union School District and therefore do not represent an obligation of the district's unrestricted general fund.

**Overall Rating:** No

## 15. Retiree Health Benefits

- Has the district completed an actuarial valuation to determine the unfunded liability under GASB 45 requirements? .....N/A
- Does the district have a plan for addressing the retiree benefits liabilities? .....N/A
- Has the district conducted a re-enrollment process to identify eligible retirees? .....N/A

The district does not have retiree benefits; therefore, there is no requirement for GASB 45.

**Overall Rating:** N/A

## 16. Leadership/Stability

- Does the district have a superintendent and/or chief business official who has been with the district more than two years? .....No
- Does the governing board adopt and revise understandable and timely policies and support the administration to ensure implementation? .....No
- Does the superintendent adopt and revise understandable and timely administrative regulations and ensure that adopted board policies and approved administrative regulations are communicated to staff and followed? .....No
- Does the governing board refrain from micromanaging district administration and staff? .....Yes

The district's superintendent started with the district in July 2017, and at the time of FCMAT's fieldwork on September 12-13, 2017 the district did not have a permanent CBO. Many of the district's policies and administrative regulations in the 3000 and 4000 series have not been updated since 2013.

**Overall Rating:** No

## 17. Charter Schools

- Has the district identified a specific employee to be responsible for ensuring that adequate oversight occurs for all approved charter schools? .....Yes
- Has the charter school submitted the mandated financial reports on time? .....Yes
- Has the charter school commissioned an independent audit? .....Yes
- Does the audit reflect findings that will not impact the fiscal certification of the authorizing agency? .....Yes
- Is the district monitoring and reporting the current status to the board to ensure that an informed decision can be made regarding the reauthorization of the charter? .....Yes

**Overall Rating:** Yes

## 18. Internal Controls and Annual Independent Audit Report

- Does the district implement appropriate measures to discourage and detect fraud? ..... No
- Did the district receive an independent audit report without material findings? ..... Yes
- Can the audit findings be addressed without affecting the district's fiscal health? ..... N/A
- Has the independent audit report been completed and presented within the statutory timeline? ..... Yes
- Are audit findings and recommendations reviewed with the board? ..... No
- Did the audit report meet both GAAP and GASB standards? ..... Yes

The district should regularly review its internal controls and take measures to prevent fraud. A system of internal controls consists of policies and procedures designed to provide the governing board and management with reasonable assurance that the organization is achieving its goals and objectives. Traditionally referred to as hard controls, these include segregation of duties; limiting access to cash; management review and approval; and reconciliations. Other types of internal controls, typically referred to as soft controls, include management tone, performance evaluations, training programs, and maintaining established policies, procedures and standards of conduct.

**Overall Rating:** Yes

## 19. Facilities

- Has the district passed a general obligation bond? ..... Yes
- Has the district met the audit and reporting requirements of Proposition 39? ..... Yes
- Is the district participating in the state's School Facilities Program? ..... Yes
- Does the district have sufficient personnel to properly track and account for facility-related projects? ..... Yes
- Has the district met the reporting requirements of the Williams Act? ..... Yes
- Is the district properly accounting for the Routine Repair and Maintenance Account requirement at the time of budget adoption? ..... Yes
- Does the district prioritize facility issues when adopting a budget? ..... Yes
- If needed, does the district have surplus property that may be sold or used for lease revenues? ..... No
- If needed, are there other potential statutory options? ..... Yes
  - Joint Use: Can the district enter into a joint use agreement with some entities without declaring the property surplus and without bidding?
  - Joint Occupancy: The Education Code provides for a joint venture that can authorize private development of district property that will result in some educational use.

- Does the district have a long-range facilities master plan that was completed or updated in the last two years? ..... No

**Overall Rating:** Yes

## 20. General Ledger

- Does the district record all financial activity for all programs accurately and in a timely manner, ensuring that work is properly supervised and reviewed? ..... Yes
- Has the district closed the general ledger (books) within the time prescribed by the county office of education? ..... Yes
- Does the district follow a year-end closing schedule? ..... Yes
- Have beginning balances in the new fiscal year been recorded correctly for each fund from the prior fiscal year? ..... Yes
- Does the district adjust prior year accruals if the amounts actually received (A/R) or paid (A/P) are greater or less than the amounts accrued? ..... No
- Does the district reconcile all suspense accounts, including payroll, at the close of the fiscal year? ..... No

At the time of FCMAT's fieldwork, the district had not closed the books for the 2016-17 fiscal year and had received an extension from the Sonoma County Office of Education. Although the Sonoma County Office of Education provides its school districts with a detailed year-end closing manual, it did not appear that the district used the manual until this year.

**Overall Rating:** Yes

## Risk Analysis Summary

The Fiscal Crisis and Management Assistance Team (FCMAT) developed the Fiscal Health Risk Analysis as a management tool to evaluate key fiscal indicators that may help measure a school district's risk of insolvency in the current and two subsequent fiscal years. The presence of any single criterion is not necessarily an indication of a district in fiscal crisis. However, districts that answer "No" to seven or more of the 20 key indicators may have cause for concern and could require some level of fiscal intervention. The more indicators identified, the greater the potential risk of insolvency or fiscal issues. In the district's case, FCMAT identified seven key indicators that may be cause for concern. Chief among these are deficit spending, substantial reductions in fund balance, inadequate cash reserves, and instability in key leadership positions. The district needs to take immediate action to stop further erosion of its reserve levels to avoid a fiscal emergency.

Identifying issues early is the key to maintaining fiscal health. Diligent planning will enable a district to better understand its financial objectives and strategies to sustain a high level of fiscal efficiency. A district must continually update its budget as new information becomes available both from within the district and from other funding and regulatory agencies. This is particularly true in the era of the Local Control Funding Formula.

The district's budget is the responsibility of the governing board. For the governing board to make informed decisions, senior management must present sound financial information supported by trend analysis, budget assumptions and multiyear projections based on accurate information.

## Multiyear Financial Projections

Assembly Bill (AB) 1200 (Statutes of 1991, Chapter 1213) and AB 2756 (Statutes of 2004) are part of the adoption budget and interim reporting process for school districts. AB 1200 was signed into law in 1991, and AB 2756 was signed into law in June 2004 and made substantive changes to the financial oversight and accountability of school districts and county offices of education. Among other things, AB 2756 strengthened the roles of the state superintendent of public instruction (SPI) and county offices of education and their ability to intervene during fiscal crises, including requesting assistance from FCMAT.

Education Code (EC) sections 42127 and 42130 establish the requirements for district governing boards and county superintendents regarding budget adoption and interim reporting periods. An integral component of EC 42127 is the governing board's ability to demonstrate that the budget allows a district to meet its financial obligations in the current and two subsequent fiscal years.

All districts should strive to maintain fiscal solvency and protect the integrity of educational programs, especially during times of fiscal uncertainty. Developing an MYFP provides a baseline result that can help a district frame its fiscal conversation for the current and two subsequent fiscal years and focus on priorities such as the following:

1. Maintaining adequate reserves to allow for unanticipated circumstances by quantifying any current or projected financial shortfalls.
2. Maintaining fiscal flexibility by limiting commitments to future increased expenditures based on projections of future revenue growth, and/or establishing contingencies that allow expenditure plans to be changed as needed.
3. Routinely preparing alternative MYFPs that can show the fiscal impact of different budget assumptions through each year of the fiscal model.
4. Developing a fiscal recovery plan that prioritizes the district's goals and that can be implemented in a timely manner to offset potential reductions or increases in funding.
5. Determining what performance measures will be used to implement and track the district's progress.
6. Developing a communication plan for specific staff who will be in charge of implementing budget changes to discuss the challenges, successes or failures.

Completing the baseline assessment of the MYFP will provide the district with a fiscal diagnosis and the opportunity to develop timely solutions. The district will need to evaluate its priority list and determine what types of initiatives it should pursue for both the expenditure and revenue components, and the fiscal impact of those decisions.

Sample strategies to reduce and ultimately eliminate the district's budget deficit may involve some or all of the following:

1. Develop recommendations to restructure the organization, which may include changes to departments or decreasing management, certificated and classified staffing
2. Salary and benefit compensation analysis

3. Evaluating potential liabilities for pension and post-employment benefit costs
4. Evaluating and prioritizing curriculum programs
5. Debt restructuring
6. Projected revenue increases or decreases
7. Use of one-time resources
8. Leadership changes
9. Short- and long-term facilities assessment
10. Evaluating short- and long-term enrollment projections
11. Developing strategies to reduce the number of interdistrict transfers
12. Evaluating restricted funds and other funds for potential encroachment

## AB 1200 Oversight

If at any time during the fiscal year a district is unable to meet its financial obligations for the current or two subsequent fiscal years, or has a qualified or negative budget certification, the county superintendent of schools is required to notify the district's governing board and the SPI.

The county office is required to follow EC Section 42127.6 when assisting a school district in this situation. Assistance may include assigning a fiscal expert or fiscal advisor, conducting a study of the district's financial and budgetary conditions, updating cash flow projections, and requiring the district to disclose all contracts and multiyear commitments. The MYFP is intended to help the county office and the district create a stabilization and fiscal recovery plan to regain fiscal solvency and restore the required general fund reserve.

The district's governing board submitted a qualified certification for the district's 2017-18 first interim financial report. In accordance with EC sections 42131(b) and 42131(e), upon filing a qualified or negative second interim report, the school district:

... shall provide to the County Superintendent, the controller and the SPI, not later than June 1, financial statement projections of the fund and cash balances of the district through June 30, for the period ending April 30. (EC 42131(e))

The district will also be required to project its fund and cash balances in accordance with EC 42130 through 42131(e); this particular Education Code section is sometimes referred to as a third interim report.

AB 2756 mandates a high level of county office scrutiny and oversight. The county office may require a budget advisory committee to provide a fiscal recovery plan. In addition, EC Section 42127.6 requires the district to comply with requests from and conditions set by the county office, including the assignment of a fiscal advisor.

As the district works with the county office, its business office will need to ensure that multiyear financial and cash flow projections are kept up to date and that the information they contain is accurate and based on the most current economic assumptions.



## Fiscal Analysis

Multiyear financial projections provide the board and district with a fiscal planning framework that will enable them to make budget decisions that strategically address current and future budget challenges. The objective is to ascertain whether the district's budget can generate sufficient revenues annually to meet all expenditures without incurring a structural deficit for the current and two subsequent fiscal years. Many K-12 school districts face structural budget imbalances, and one-year budget cycles do not allow the most effective analysis to address multiyear issues.

The MYFP developed for this report indicates that the district **will not** be able to maintain its reserve requirement for the two subsequent fiscal years, and that current trends continue to result in a structural deficit. The district has not been effective in controlling increased costs for special education. The district's declining enrollment and average daily attendance (ADA) is severely affected by the number of students who reside within the district's boundaries but have approved inter-district transfers to attend schools in other districts such as Roseland or Santa Rosa City Schools. Collective bargaining agreements in prior years have exceeded the district's ability to support these obligations without substantial reductions in other areas of the operating budget. These issues must be addressed immediately to avoid fiscal insolvency. It is crucial that the district develop strategic short- and long-term financial plans based on reasonable economic assumptions.

### Excess or Deficiency of Revenues versus Expenditures

Without additional revenues, expenditure reductions, or both, the district will continue to deficit spend in fiscal years 2018-19 and 2019-20.

Deficit spending occurs when current year expenditures are greater than current year revenues. A budget deficit can be temporary or long-term, and can also include planned spending of district reserves. A structural deficit is a permanent imbalance in revenues and expenditures that indicates a lack of financial management and oversight and can be eliminated only by increasing revenues or reducing spending on an ongoing basis. Ongoing deficit spending without a fiscal solvency plan will increase the structural deficit.

### Ending Fund Balance

FCMAT's MYFP shows that the district is projected to have a negative ending fund balance in the 2018-19 and 2019-20 fiscal years and that it fails to meet the required 3% reserve level.

FCMAT's analysis indicates if the district does not correct the structural deficit and control deficit spending by realizing revenue increases and/or expenditure reductions, it may require state intervention during the 2018-19 fiscal year. State intervention occurs when a district lacks sufficient cash reserves to pay current obligations. Under state intervention, a district's governing board has an advisory role and does not exercise local governance. If no changes are made, the district's general fund cash balance is projected to be depleted by November 30, 2018 according to district cash flow estimates.

The district faces substantial fiscal challenges that will require its governing board to make and implement difficult decisions immediately to maintain local governance and avoid state intervention and receivership.

## MYFP Method and Best Practices

California school districts and county offices of education use many different methods and software products to prepare multiyear financial projections. The projections in this report for the district's general fund were prepared using FCMAT's Budget Explorer multiyear projection software, a web-based forecasting tool that is available at no cost to all California school districts.

FCMAT reviewed revenue and expenditure trends during recent years, used industry-standard variables provided by Schools Services of California's Financial Dartboard, and based its projections for the current and two subsequent fiscal years on the district's 2017-18 first interim financial report.

Initially, the agreement between the district and FCMAT was for FCMAT to provide a fiscal analysis and develop an independent multiyear financial projection based on the district's adopted budget for 2017-18. However, the district had to close school for several weeks because of the October 2017 Sonoma Complex fires that forced many families to evacuate the area. In addition, the district did not have a CBO on staff. As a result, the district delayed the study and asked FCMAT to review and use its 2017-18 first interim financial report as the baseline for the MYFP.

Any forecast of financial data has inherent limitations because calculations are based on certain assumptions and criteria, including enrollment trends; cost-of-living increases; projected deferrals; forecasts of costs for utilities, fuel and other consumables; and local, state and national economic conditions. Therefore, the projection should be viewed as a trend based on certain criteria and assumptions rather than a prediction of exact numbers.

Multiyear financial projections can serve as the basis for more informed decisions and enable the district to forecast the fiscal impact of decisions, but they should be updated at least at each interim financial reporting period and in preparation for negotiations. When developing an MYFP, attention is focused on the district's ability to meet its required reserve for economic uncertainty and achieve a positive unappropriated fund balance. The district's declining enrollment and spending trends indicate a structural imbalance in the current and two subsequent fiscal years. The district will need to increase revenue, decrease expenditures, or both to maintain a positive unappropriated fund balance.

When the unappropriated fund balance is negative, it represents the amount by which budgeted expenditures must be reduced or revenues increased to meet the reserve requirements in accordance with AB 1200. Multiyear financial planning is a critical exercise that will allow for budget changes in advance and provide an optimal way to restore fiscal health.

Short-term fiscal strategies often yield short-term solutions that may be terminated or expire, or may even increase the deficit when the budget is analyzed from a multiyear perspective. California school districts should continue to plan for a slowing of funding growth because state revenue growth has slowed and the largest funding increases from LCFF implementation are from prior fiscal years. The approval of the income tax extension (Proposition 55) by California voters will continue to support state revenues through 2030, but the revenue is expected to be volatile and there is uncertainty about how much will be generated.

Each school district faces its own financial risk factors based on reserve levels, enrollment trends, employee compensation, degree of revenue volatility, leadership changes, and various other local and statewide factors. Districts must take these factors into account when planning to meet ongoing academic and program objectives while maintaining its fiscal solvency.

## FCMAT MYFP Assumptions and Projection Rules

Conservative economic assumptions published by School Services of California in its Financial Projection Dashboard for the 2017-18 adoption budget are included in FCMAT's MYFP and are listed in the following table.

Factor		2016-17	2017-18	2018-19	2019-20
Statutory cost of living adjustment (COLA)		0.00%	1.56%	2.15%	2.35%
COLA on state and local share only of Special Education, Child Nutrition, Foster Youth, Preschool, American Indian Education Centers/American Indian Early Childhood Education		0.00%	1.56%	2.15%	2.35%
California CPI		2.63%	3.42%	3.35%	3.02%
Interest Rate for Ten-Year Treasuries		2.18%	2.47%	2.66%	2.78%
California Lottery	Unrestricted per ADA	\$144	\$146	\$146	\$146
	Restricted per ADA	\$45	\$48	\$48	\$48
Mandate Block Grant (District)	Grades K-8 per ADA	\$28.42	\$30.34	\$30.34	\$30.34
	Grades 9-12 per ADA	\$56	\$58.25	\$58.25	\$58.25
Mandate Block Grant (Charter)	Grades K-8 per ADA	\$14.21	\$15.90	\$15.90	\$15.90
	Grades 9-12 per ADA	\$42	\$44.04	\$44.04	\$44.04
One-Time Discretionary Funds per ADA		\$214	\$147	-	-
CalPERS Employer Rate (projected)		13.89%	15.53%	18.10%	20.80%
CalSTRS Employer Rate (statutory)		12.58%	14.43%	16.28%	18.13%
Certificated Step and Column			2.16%	1.83%	1.83%
Classified Step and Column			2.18%	2.19%	2.19%
Health and Welfare Benefits			Cap	Cap	Cap

## Enrollment and ADA Projections

Enrollment and ADA projections are essential components of any multiyear financial projection. The district's enrollment and ADA projections show declining enrollment for the 2018-19 and 2019-20 fiscal years. Enrollment projections help identify changes that may have a significant impact on an LEA's estimated revenue in subsequent years. When prepared in a timely manner, they also provide key information for determining instructional priorities, grade level configurations, or potential boundary changes. Enrollment projections need to be prepared frequently and with sufficient detail by grade level to monitor and project class sizes in subsequent years.

Historical enrollment and attendance patterns help identify potential changes in grade level enrollment in future years. The primary source of funding for LEAs comes from the LCFF, which contains numerous calculations, many of which are based on student enrollment and ADA by grade level.

The district operates services for students in transitional kindergarten through grade six (TK-6); additional students (and the associated ADA) are at Stony Point Charter School Academy, a charter school authorized and operated by the district. Under this arrangement, the school district (Fund 01) and charter school (Fund 09) operate under separate funds for financial reporting and funding purposes.

To project the district's enrollment, FCMAT used the cohort survival method, which groups students by grade level on entry and tracks them through each year they stay in school. This method evaluates the longitudinal data on the number of students that pass from one grade to the next in the subsequent year. In doing so, it more closely accounts for retention, dropouts, and new and departing students by grade.

Percentages are calculated from historical enrollment data certified on the Fall 1 census date for the California Longitudinal Pupil Achievement Data System (CALPADS) to determine a percentage of enrollment retention between any two grades. For example, if 100 students were certified as enrolled in first grade in 2016-17 and that number increased to 104 in second grade in 2017-18, the survival would be 104%, or a ratio of 1-to-1.04. Such ratios are calculated between each pair of grades over a five-year historical period and are key factors in the reliability of the projections given the validity of the data at the starting point.

The enrollment projection includes multiple variables that could account for an increase or decrease in the size of a grade cohort as it progresses over a period of time. The process of projecting kindergarten enrollment differs from other grades because little data is available on the presence of four- and five-year-old children who may enroll in the district the following year. The industry standard for projecting kindergarten enrollment is to identify the number of children who enroll in kindergarten and express this as a percentage of the countywide live births five years earlier.

However, for small school districts, evaluating and applying historical averages of the number of kindergarten students is usually a simpler approach. FCMAT used a five-year average to project kindergarten enrollment for the district. Because the five-year average also includes eligible transitional kindergarten, the projected funding is susceptible to reduction if the enrollment and associated ADA do not occur. The data on the district's birth rates five years ago show a declining trend for kindergarten enrollment, and FCMAT has included this in the MYFP enrollment projection.

Some LCFF funding (specifically, supplemental and concentration grant funding) is determined based on the unduplicated pupil percentage (UPP), which is the percentage an LEA's students who are foster children, eligible for free or reduced-price meals, or English learners (unduplicated means that each student is counted only once, even if they meet more than one of the three criteria). The UPP is determined by taking the three-year rolling average of the number of unduplicated students enrolled and dividing the results by total enrollment. FCMAT used a four-year historical average for this factor.

The enrollment and ADA projections prepared by FCMAT indicate that the district should anticipate a continuing decline in enrollment from 2017-18 through the two subsequent years. FCMAT's projections indicate a decline of 57 students in 2018-19 and an additional decline of approximately eight students in 2019-20.

Other factors that influence the district's declining enrollment trend include the following:

1. Population growth in Sonoma County has been affected by the lack of new residential housing. According to the district's demographic study, since 2002 there have been only 1,003 new single- and multiple-family dwelling units, which generated only 82 new students. This trend is not anticipated to change in the near future.

2. Declining birth rates, as discussed above, are creating smaller kindergarten cohorts.
3. The lack of affordable rental housing has negatively affected families residing within the district's boundaries. The cost of rental housing has increased by 49% over the past five years. (source: district's demographic study)
4. From 2000 to 2016, home ownership in the district decreased from 57% to 47%.
5. The median price of a single-family home in Sonoma County has increased by more than 100% since 2012.
6. Student populations are decreasing as student cohorts move from one grade level to the next.
7. A significant number of school-age children (approximately 1,500) reside within the district's boundaries but have approved interdistrict transfers or attend private schools.
8. The impact of the Sonoma Complex fires in October 2017 is unknown, including the effect they may have on future housing, businesses, jobs and other factors.

The following table shows the district's five-year enrollment history and projected trends:

Enrollment	Historical 2012 - 13	Historical 2013 - 14	Historical 2014 - 15	Historical 2015 - 16	Historical 2016 - 17	Base Year 2017 18	Year 1 2018 19	Year 2 2019 20
K	289	330	302	285	285	275	266	258
1	254	215	265	262	241	224	226	218
2	244	253	216	276	255	240	224	225
3	265	256	248	216	261	242	231	215
<b>Subtotal (K - 3)</b>	<b>1,052</b>	<b>1,054</b>	<b>1,031</b>	<b>1,039</b>	<b>1,042</b>	<b>981</b>	<b>947</b>	<b>916</b>
4	236	268	270	244	207	252	236	224
5	232	239	264	265	257	200	251	235
6	216	228	231	257	263	256	198	249
<b>Subtotal (4 - 6)</b>	<b>684</b>	<b>735</b>	<b>765</b>	<b>766</b>	<b>727</b>	<b>708</b>	<b>685</b>	<b>708</b>
7	0	40	37	44	38	0	0	0
8	0	0	39	31	44	0	0	0
<b>Subtotal (7 - 8)</b>	<b>0</b>	<b>40</b>	<b>76</b>	<b>75</b>	<b>82</b>	<b>0</b>	<b>0</b>	<b>0</b>
9	0	0	0	28	18	0	0	0
10	0	0	0	2	25	0	0	0
11	0	0	0	0	1	0	0	0
12	0	0	0	0	0	0	0	0
<b>Subtotal (9 - 12)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>30</b>	<b>44</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>FCMAT Total</b>	<b>1,736</b>	<b>1,829</b>	<b>1,872</b>	<b>1,910</b>	<b>1,895</b>	<b>1,689</b>	<b>1,632</b>	<b>1,624</b>

## Average Daily Attendance

Second interim reporting period (P-2) ADA is calculated based on student attendance from the first day of school through the last school month ending on or before April 15. School districts, and under certain circumstances charter schools, have an annual deadline of March 15 to provide notice to certificated staff if employment may be terminated in the subsequent year.

An LEA must have up-to-date projections based on the most current information and estimates in order to determine whether such notices are necessary and if so, how many, and have time to prepare them. Once the deadline has passed, the opportunity to adjust district and charter school staffing levels is lost along with the funding needed to offset those costs. The lack of the P-2 funding guarantee for charter schools limits the ability of the school district to respond to fluctuations in enrollment and ADA in an expeditious manner and presents considerable financial risk. Failure to identify potential reductions in revenue and plan for needed staffing reductions in a timely manner can have a significant impact on the district's financial position.

The district's business office staff prepared basic ADA projections for budgeting in the subsequent two years of the multiyear financial projection. However, these projections did not assess the changes in enrollment as each grade level cohort progressed into subsequent grade levels in future years, nor did they project ADA based on historical ADA-to-enrollment ratios. This is not a significant issue during periods of unchanged enrollment and ADA; however, during a period of increasing or decreasing enrollment and ADA, revenue and expenditures projected in this manner become less accurate.

ADA projections have inherent limitations because they are based on certain criteria and assumptions instead of exact calculations. Therefore, the forecasting model should be viewed as a trend based on certain criteria and assumptions instead of a prediction of exact numbers. To maintain the most accurate and meaningful data, the district needs to prepare and update enrollment projections and compare them to actual enrollment regularly. This will increase the district's ability to identify a potential enrollment decline and adjust staffing and expenditure budgets accordingly.

FCMAT's ADA projections for the district by grade level are presented in the table below:

P-2 ADA	Historical 2016-17	Base Year 2017-18	Year 1 2018-19	Year 2 2019-20
K-3	1,004.70	945.88	913.10	883.21
4-6	676.91	659.22	637.80	659.22
Total	1,681.61	1,605.10	1,550.90	1,542.43

Enrollment Factors	Historical 2016-17	Base Year 2017-18	Year 1 2018-19	Year 2 2019-20
K-3	0.9642	0.9642	0.9642	0.9642
4-6	0.9311	0.9311	0.9311	0.9311

FCMAT's ADA projections are more conservative than what the district used for budgeting; FCMAT projects that ADA will decline by 54.20 in 2018-19 compared to the prior year and by 8.47 in 2019-20 compared to the prior year. The district submitted its 2017-18 first interim financial report using FCMAT's revised ADA projections. However, because the district is in declining ADA, the state allows the use of prior year or current year ADA, whichever is higher.



## Revenue and Expenditure Assumptions

FCMAT prepared its MYFP to include the impact of the state's 2017-18 enacted budget and 2018-19 proposed budget, which will be updated in the May revision of 2018. FCMAT reviewed the district's financial records, interviewed staff members and independent consultants, and examined a variety of financial documents to gather the information needed for the MYFP. Assumptions include conservative economic factors projected using School Services of California's Financial Dartboard, and assumptions, estimates and changes are described by major object code below.

### Revenue Assumptions (Object 8XXX):

Projected revenue was based on validation of funding from the California Department of Education, School Services of California, grant letters, and analysis of district estimates for any sources that could not be independently verified.

### Local Control Funding Formula Sources (8010-8099)

The LCFF was implemented by the California Department of Education (CDE) beginning with the 2013-14 fiscal year and replaced the former revenue limit calculation and charter school block grant state apportionment distribution. The LCFF provides the following:

- A base per-pupil grant that varies by grade level.
- Supplemental funding that provides an additional 20% of the per-pupil base grant multiplied by unduplicated percentage of targeted disadvantaged pupils. Targeted pupils are those classified as English learners, those who qualify for free or reduced-price meals, and foster youth.
- An additional 50% of the base grant multiplied by the percentage of targeted disadvantaged pupils in excess of 55% of total enrollment.

Many state categorical programs were eliminated when the LCFF was implemented, and the related funding was redirected to support LCFF. Full implementation of the LCFF was expected to take eight years, with districts receiving a transitional level of funding during implementation. A target level of funding is determined using the above formula, and a floor level of funding is computed using 2012-13 revenue limit funding (or charter school block grant) rates multiplied by current-year funded ADA. LCFF transition funding is calculated yearly, and funding during the phase-in period is based on the difference between each LEA's floor funding and its target funding. This difference is referred to as the gap. An LEA that has not reached the target level of funding receives a percentage of the gap, determined by how much is appropriated in the state budget. The floor is recalculated each year and increased to include the prior year gap funding adjusted for current year ADA.

Districts are advised to use the FCMAT LCFF Calculator for estimating funding from the LCFF. Two separate calculations are required for the district: one for the Bellevue Union Elementary School District, and one for the Stony Point Charter School. The charter school LCFF calculation, FCMAT version v18.2C, was reviewed, modified and included in FCMAT's analysis. The district has not reached its funding target, which means it receives additional gap funding as well as the annual cost of living adjustment (COLA), which is added to the base grade span funding rates.

For most districts, the LCFF entitlement is funded through a combination of local property taxes and state aid. A district's property tax will first be applied toward the total LCFF entitlement, and the balance is funded through state aid. Proposition 30, passed in 2012, temporarily added a quarter-cent sales tax and increased state income tax rates on high income taxpayers.

Additional state revenues are deposited into a state account called the Education Protection Account (EPA), and are then distributed to school districts, charter schools and community colleges. The sales tax increase expired in 2016; the income tax increase was initially set to expire in 2018, but Proposition 55, which passed in 2016, extended it through 2030.

Because of the cyclical nature of property values, property taxes are highly volatile revenues and thus difficult to project with certainty; they can undergo dramatic fluctuations from year to year. Projections of property tax revenues are based on estimates received from the tax assessor's office, but final numbers are not known until after the end of the fiscal year.

Because of the Sonoma Complex fires in October 2017, the Sonoma County Treasurer-Tax Collector has notified all local educational agencies that assessed property value reductions applied to land, structures and personal property will be calculated and distributed using the countywide AB 8 apportionment factors. Because of the uncertainty about the decline in assessed valuation for property taxes due to the fires, FCMAT's projection assumes that these will remain unchanged for the current and two subsequent fiscal years.

As the sponsoring district for the Stony Point Charter School, the district is required to transfer funding from its general fund for in lieu of property taxes to each associated charter school for all students who attend the charter school, even if they are not resident students of the district. The district operates fund 09, which receives an annual transfer from the district.

FCMAT prepared independent LCFF calculations for the district using the most current version of the FCMAT LCFF Calculator at the time of preparation. The calculator contained the updated gap percentages enacted in the state's 2017-18 budget and School Services of California's Financial Dartboard. As indicated earlier, FCMAT's enrollment projections are more conservative than what the district used for budgeting; FCMAT projects 54.20 fewer ADA in 2018-19 and 8.47 fewer ADA in 2019-20.

Based on these assumptions, LCFF revenues are projected to increase slightly in each of the two subsequent fiscal years of the projection because of the COLA, gap funding, entitlement factors per ADA for supplemental and concentration grants, and other factors.

FCMAT provided the district with electronic copies of FCMAT's revised LCFF calculation.

### **Federal Revenue (8100-8299)**

Funding from federal grants and entitlements is restricted in accordance with their provisions. The district operates 16 restricted programs including Title I, Title II, Title III, Medi-Cal administrative activities, and After School Education and Safety.

The Medi-Cal administrative activities (MAA) is a reimbursement program managed by the California Department of Health Care Services that allows school districts and county offices of education to be reimbursed for Medi-Cal-related administrative services provided to eligible children and their families. The district participates in this program and is projected to receive \$42,754 in 2017-18. These are unrestricted funds and remain unchanged for the two subsequent fiscal years of FCMAT's MYFP.

Because of the size of the district's special education program and other services it provides to children, and because MAA funding is unrestricted and could be substantial, it would benefit the district to increase its MAA participation. Employees are required to record time worked on MAA activities for one week each quarter. The district can submit claims for referrals to determine Medi-Cal eligibility, providing healthcare information and referrals to other agencies, coordinating health services between agencies, and monitoring health services.



## **AB 602 Special Education Funding – SELPA Allocations**

The special education local plan area (SELPA) operated by the county office provides an allocation of state funding to the district to offset the cost of special education services, including services for students with low-incidence disabilities and those who receive out-of-home care. The district needs to ensure that budgeted amounts agree with CDE funding exhibits or budget projections provided by the SELPA. FCMAT reduced the special education budget from \$906,127 to \$727,197 for a total reduction of \$178,930 in 2017-18.

FCMAT confirmed the district's federal award amounts for 2017-18, less any one-time amounts received in 2016-17, and then projected the confirmed amounts forward to the two subsequent fiscal years. FCMAT's projection includes the following changes for federal revenues:

1. Changed Title I funding from the district's projection of \$647,392 at first interim in the two subsequent years to FCMAT's projection of \$564,101, a total reduction of \$83,291, per the CDE preliminary allocation for 2017-18 in the two subsequent fiscal years. The \$83,291 was carryover from the 2016-17 fiscal year. Because of the cost of step and column and previous subagreements with vendors, FCMAT added contributions from unrestricted sources in both subsequent fiscal years.
2. Changed Title II, Part A funding from the district's projection of \$79,191.69 at first interim to FCMAT's projection of \$82,350, an increase of \$3,158.31, per the CDE preliminary allocation for 2017-18.
3. Changed Title III, Immigrant funding, from the district's projection of \$4,000 at first interim to FCMAT's projection of \$5,462, an increase of \$1,462, per the CDE preliminary allocation. The base funding in 2017-18 also includes prior year carryover from 2015-16 and 2016-17.

## **Other State Revenue (8300-8599)**

Unless otherwise noted, other state grant award amounts for 2017-18 were confirmed and are carried forward to 2018-19 and 2019-20, less one-time amounts received in 2016-17. The COLA was applied only to special education mental health funding, resource 6512.

## **Mandate Funding**

Changed One-Time Funds for Outstanding Mandate Claims funding from the district's projection of \$0.00 at first interim to FCMAT's projection of \$245,579, per the CDE preliminary allocation. The Stony Point Charter School will also receive \$19,903 in funding that was not budgeted.

## **Lottery**

According to the California Lottery Commission, contributions from lottery winnings constitute about 1% of annual school budgets. The portion directed for school funding provides both unrestricted and restricted funding. Most districts use these dollars for expenditures that can easily be redirected to other funding sources. Lottery funding is based on the prior year's annual ADA, per EC Section 46303, and adjusted by the statewide excused absence factor of 1.04446

FCMAT projected unrestricted lottery revenues based on projected annual ADA for the district multiplied by \$146 for unrestricted and \$48 for restricted lottery instructional material revenues, per the School Services of California Dartboard. Total lottery revenues are projected to decline

slightly in 2017-18 and in the two subsequent fiscal years of the projection due to declining ADA.

### **Proposition 39 – California Clean Energy Jobs Act**

The California Clean Energy Jobs Act allocates funds to eligible LEAs for five fiscal years, beginning with fiscal year 2013-14. LEAs may request funds by submitting an energy expenditure plan application to the California Energy Commission. The purpose of the program is to fund projects to improve energy efficiency and expand clean energy generation in schools.

The California Energy Commission has an estimated five-year allocation plan for the Bellevue Union Elementary School District. FCMAT made corrections to California Clean Energy Jobs Act funding from the district's projection of \$0.00 at first interim to FCMAT's projection of \$121,882, per the CDE preliminary allocation for 2017-18. The Stony Point Charter School will also receive \$51,376 in funding that was not budgeted for 2017-18.

### **Other Local Revenue (8600-8799)**

The district receives local revenues from interest earnings, rents and leases of buildings, and other miscellaneous charges. Because these revenues cannot be guaranteed year to year, budgets and MYFPs for these items should be conservative, should take into account historical trend data and should identify revenue streams that are one-time. These budget items also need to be monitored and updated throughout the year based on amounts received to date.

FCMAT reduced the projection for this revenue in each of the two subsequent fiscal years by \$349,158 because of one-time sources included in the 2017-18 fiscal year.

### **Contributions (8980-8990)**

Encroachment (sometimes also called contributions) occurs when restricted programs require money from the unrestricted general fund to support program expenditures. Programs that require a general fund contribution can be reduced or in some cases eliminated altogether.

The district will need to continue to evaluate restricted programs that encroach on unrestricted funds (excepting the \$3,119,041 contribution to special education and the \$600,000 contribution to restricted maintenance, neither of which are typically fully funded by either state or federal sources). These programs should be reduced if they cannot be sustained. In particular, the district needs to review resources 8150, 3010 and 9010 for possible reductions to encroachment.

The flexibility provided to districts beginning in 2008-09 reduced the required contribution to the routine restricted maintenance account (RRMA) (resource 8150) from 3% to 1% of total general fund expenditures and other financing uses; however, this provision was phased out beginning in 2015-16. The required contribution in 2017-18 is now the lesser of 3% of general fund expenditures or the amount of the district's 2014-15 contribution. Beginning in 2020-21, the required contribution returns to 3% of general fund expenditures. Accordingly, contributions to the RRMA for 2017-18 and 2018-19 are projected at 2.7% of general fund expenditures and other financing uses.

When restricted resource expenditure budgets exceeded projected revenue in the second and third year of the projection, FCMAT first reduced expenditures in the 4XXX object code series. If a shortfall remained, FCMAT reduced expenditures in the 5XXX object code range; no reductions were made in salary and benefit budgets. A contribution from the unrestricted resource was made to balance any restricted resource for which expenditures still exceeded revenue after these adjustments.

## **Expenditure Assumptions (Object Codes 1XXX-7999)**

FCMAT's MYFP assumes that the district's current ongoing costs will continue unless adjusted as noted below.

### **Salary and Benefits (1XXX-3XXX)**

#### **Certificated Salaries (1XXX)**

The district uses an automated position control module that integrates with the Escape financial software to manage salary and benefit data.

FCMAT reviewed the district's 2017-18 salary and benefit calculations for all certificated and classified positions and compared these costs to the 2016-17 unaudited actuals and 2016-17 payroll records. Adjustments to 2017-18 salaries and benefits were made to reflect projected expenditures through June 30, 2018, which include step and column increases of 2.16% for 2017-18 and 1.83% for each subsequent fiscal year of the projection. Certificated staff received a one-time bonus in 2016-17, separate from and not included in the salary schedule. Negotiations are ongoing and no other updates were reported at the time of this report.

Certificated salaries for 2018-19 and 2019-20 were reduced by the cost of 2.0 FTE certificated positions. FCMAT calculated and used the average annual cost of \$70,276 per FTE certificated position to determine this reduction.

#### **Classified Salaries (2XXX)**

Classified salaries for 2018-19 and 2019-20 included step and column adjustments of 2.19% in each year.

#### **Benefits (3XXX)**

- All benefits were adjusted proportional to increases or decreases in salaries.
- California State Teachers' Retirement System (CalSTRS) employer rates were increased to 14.43% for 2017-18, 16.28% for 2018-19 and 18.13% for 2019-20.
- California Public Employees' Retirement System (CalPERS) employer rates were increased to 15.53% for 2017-18, 18.1% for 2018-19 and 20.8% for 2019-20.

### **Books, Supplies and Services (4XXX-5XXX)**

Books and supplies budgets were reviewed for reasonableness using fiscal year 2016-17 unaudited actual expenditures through June 30, 2017 and the district's 2017-18 first interim financial report. No large variances were identified, and FCMAT adjusted the budgets by 3.35% and 3.02% in 2018-19 and 2019-20, respectively, in accordance with the California consumer price index.

One-time expenditures in the amount of \$122,898 were budgeted in object code 5800 to offset California Clean Energy Jobs Act funding for 2017-18.

### **Capital Outlay (6XXX)**

FCMAT reviewed the capital outlay budgets for reasonableness using the 2016-17 unaudited actuals and 2017-18 year actual expenditures through October 31, 2017. No variances were noted and the amounts remain unchanged for the current and two subsequent fiscal years of the projection.

### **Other Outgo (7XXX) Indirect Costs**

#### **Debt Service**

Debt service was adjusted in the current and two subsequent fiscal years based on the district's long-term debt schedule for capital lease agreements and in accordance with amounts listed in the district's audited financial statements. The district entered into a capital lease agreement with City National Bank with an original cost of \$2,442,810. Title to the property will transfer to the district upon expiration of the lease agreement in the year 2030. FCMAT adjusted lease payments to \$199,167 in 2017-18 and to \$205,887 in 2018-19 and \$212,791 in 2019-20.

Indirect cost charges were applied to all programs where allowable to ensure proper program cost accounting.

### **Interfund Transfers (8919 and 7619)**

#### **Other Authorized Interfund Transfers In (8919)**

The district's first interim report includes no transfers into the general fund from other funds.

#### **Other Authorized Interfund Transfers Out (7619)**

The district's first interim report includes no transfers out of the general fund into other funds.

## FCMAT's MYFP

FCMAT projected the district's revenue and expenditures based on internal and external source documents for principal apportionments; grants and entitlements; enrollment and average daily attendance reports; audited financial statements; budget assumptions using School Services of California's Financial Dartboard; financial system reports from the Escape financial system, including year-end reports; payroll transactions and position control records; special education SELPA AB 602 funding allocations and nonpublic school placements; and many other financial records and third-party documents.

The table below shows FCMAT's multiyear projection for the district's unrestricted general fund.

Bellevue Union School District Unrestricted General Fund	Object Code	Base Year 2017 - 18	Year 1 2018 - 19	Year 2 2019 - 20
<b>Revenues</b>				
LCFF/State Aid	8010 - 8099	\$17,335,224.00	\$17,477,757.00	\$17,504,988.00
Federal Revenues	8100 - 8299	\$42,754.00	\$42,754.00	\$42,754.00
Other State Revenues	8300 - 8599	\$542,805.00	\$282,962.73	\$278,088.18
Other Local Revenues	8600 - 8799	\$488,628.00	\$90,225.00	\$91,323.46
Revenues		\$18,409,411.00	\$17,893,698.73	\$17,917,153.64
<b>Expenditures</b>				
Certificated Salaries	1000 - 1999	\$5,623,465.61	\$5,585,808.21	\$5,547,461.78
Classified Salaries	2000 - 2999	\$2,299,886.26	\$2,350,253.78	\$2,401,724.34
Employee Benefits	3000 - 3999	\$2,618,785.10	\$2,771,623.62	\$2,925,844.83
Books and Supplies	4000 - 4999	\$698,920.68	\$700,962.11	\$710,287.68
Services and Other Operating	5000 - 5999	\$3,128,135.28	\$3,187,787.64	\$3,242,975.11
Capital Outlay	6000 - 6900	\$55,095.00	\$55,095.00	\$55,095.00
Other Outgo	7000 - 7299	\$0.00	\$0.00	\$0.00
Direct Support/Indirect Cost	7300 - 7399	(\$70,347.00)	(\$70,347.00)	(\$70,347.00)
Debt Service	7400 - 7499	\$199,167.77	\$205,887.00	\$212,791.00
Expenditures		\$14,553,108.70	\$14,787,070.36	\$15,025,832.74
Excess (Deficiency) of Revenues Over Expenditures		\$3,856,302.30	\$3,106,628.37	\$2,891,320.90
<b>Other Financing Sources/Uses</b>				
Interfund Transfers In	8900 - 8929	\$0.00	\$0.00	\$0.00
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00	\$0.00
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00	\$0.00
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00	\$0.00
Contributions	8980 - 8999	(\$3,822,320.92)	(\$3,976,774.82)	(\$4,136,201.35)
Other Financing Sources/Uses		(\$3,822,320.92)	(\$3,976,774.82)	(\$4,136,201.35)
Net Increase (Decrease) in Fund Balance		\$33,981.38	(\$870,146.45)	(\$1,244,880.45)
<b>Fund Balance</b>				
Beginning Fund Balance	9791	\$657,779.76	\$691,761.14	(\$178,385.31)
Audit Adjustments	9793	\$0.00	\$0.00	\$0.00
Other Restatements	9795	\$0.00	\$0.00	\$0.00
Adjusted Beginning Fund Balance	9797	\$657,779.76	\$691,761.14	(\$178,385.31)
Ending Fund Balance	9799	\$691,761.14	(\$178,385.31)	(\$1,423,265.76)
<b>Components of Ending Fund Balance</b>				

Reserved Balances	9700	\$0.00	\$0.00	\$0.00
Fund Balance, Nonspendable				
Nonspendable Revolving Cash	9711	\$2,500.00	\$2,500.00	\$2,500.00
Nonspendable Stores	9712	\$0.00	\$0.00	\$0.00
Nonspendable Prepaid Items	9713	\$0.00	\$0.00	\$0.00
All Other Nonspendable Assets	9719	\$0.00	\$0.00	\$0.00
General Reserve	9730	\$0.00	\$0.00	\$0.00
Restricted Balance	9740	\$0.00	\$0.00	\$0.00
Committed				
Stabilization Arrangements	9750	\$0.00	\$0.00	\$0.00
Other Commitments	9760	\$0.00	\$0.00	\$0.00
Designated for the Unrealized Gains of Investments and Cash in County Treasury	9775	\$0.00	\$0.00	\$0.00
Other Assignments	9780	\$0.00	\$0.00	\$0.00
Economic Uncertainties Percentage		\$0.03	\$0.03	\$0.03
Reserve for Economic Uncertainties	9789	\$652,877.31	\$663,222.69	\$673,491.42
Undesignated/Unappropriated	9790	\$36,383.83	(\$844,108.00)	(\$2,099,257.18)

The table below shows FCMAT's multiyear projection for the district's restricted general fund.

Bellevue Union School District Restricted General Fund	Object Code	Base Year 2017 - 18	Year 1 2018 - 19	Year 2 2019 - 20
<b>Revenues</b>				
LCFF/State Aid	8010 – 8099	\$634,866.00	\$634,866.00	\$634,866.00
Federal Revenues	8100 – 8299	\$1,239,069.00	\$1,153,158.20	\$1,153,588.13
Other State Revenues	8300 – 8599	\$762,487.00	\$647,565.12	\$658,332.46
Other Local Revenues	8600 – 8799	\$853,899.89	\$853,899.89	\$853,899.89
Revenues		\$3,490,321.89	\$3,289,489.21	\$3,300,686.48
<b>Expenditures</b>				
Certificated Salaries	1000 – 1999	\$2,032,181.74	\$2,068,850.91	\$2,105,555.40
Classified Salaries	2000 – 2999	\$475,935.60	\$486,358.60	\$497,009.86
Employee Benefits	3000 – 3999	\$717,047.96	\$776,353.47	\$838,471.69
Books and Supplies	4000 – 4999	\$233,085.96	\$279,847.52	\$199,313.55
Services and Other Operating	5000 – 5999	\$3,721,243.16	\$3,678,968.25	\$3,753,556.84
Capital Outlay	6000 – 6900	\$0.00	\$0.00	\$0.00
Other Outgo	7000 – 7299	\$0.00	\$0.00	\$0.00
Direct Support/Indirect Cost	7300 – 7399	\$29,974.00	\$29,974.00	\$29,974.00
Debt Service	7400 – 7499	\$0.00	\$0.00	\$0.00
Expenditures		\$7,209,468.42	\$7,320,352.75	\$7,423,881.34
Excess (Deficiency) of Revenues Over Expenditures		(\$3,719,146.53)	(\$4,030,863.54)	(\$4,123,194.86)
<b>Other Financing Sources/Uses</b>				
Interfund Transfers In	8900 – 8929	\$0.00	\$0.00	\$0.00
Interfund Transfers Out	7600 – 7629	\$0.00	\$0.00	\$0.00
All Other Financing Sources	8930 – 8979	\$0.00	\$0.00	\$0.00
All Other Financing Uses	7630 – 7699	\$0.00	\$0.00	\$0.00
Contributions	8980 – 8999	\$3,822,320.92	\$3,976,774.82	\$4,136,201.35
Other Financing Sources/Uses		\$3,822,320.92	\$3,976,774.82	\$4,136,201.35
Net Increase (Decrease) in Fund Balance		\$103,174.39	(\$54,088.72)	\$13,006.49
<b>Fund Balance</b>				
Beginning Fund Balance	9791	\$279,972.09	\$383,146.48	\$329,057.76
Audit Adjustments	9793	\$0.00	\$0.00	\$0.00
Other Restatements	9795	\$0.00	\$0.00	\$0.00
Adjusted Beginning Fund Balance	9797	\$279,972.09	\$383,146.48	\$329,057.76
Ending Fund Balance	9799	\$383,146.48	\$329,057.76	\$342,064.25
<b>Components of Ending Fund Balance</b>				
Reserved Balances	9700	\$0.00	\$0.00	\$0.00
Fund Balance, Nonspendable				
Nonspendable Revolving Cash	9711	\$0.00	\$0.00	\$0.00
Nonspendable Stores	9712	\$0.00	\$0.00	\$0.00
Nonspendable Prepaid Items	9713	\$0.00	\$0.00	\$0.00
All Other Nonspendable Assets	9719	\$0.00	\$0.00	\$0.00
General Reserve	9730	\$0.00	\$0.00	\$0.00
Restricted Balance	9740	\$383,146.48	\$329,057.76	\$342,064.25
Committed				
Stabilization Arrangements	9750	\$0.00	\$0.00	\$0.00

Other Commitments	9760	\$0.00	\$0.00	\$0.00
Designated for the Unrealized Gains of Investments and Cash in County Treasury	9775	\$0.00	\$0.00	\$0.00
Other Assignments	9780	\$0.00	\$0.00	\$0.00
Economic Uncertainties Percentage		\$0.03	\$0.03	\$0.03
Reserve for Economic Uncertainties	9789	\$0.00	\$0.00	\$0.00
Undesignated/Unappropriated	9790	\$0.00	\$0.00	\$0.00



The table below shows FCMAT's multiyear projections for the district's combined unrestricted and restricted general fund.

Bellevue Union School District Combined General Fund	Object Code	Base Year 2017 - 18	Year 1 2018 - 19	Year 2 2019 - 20
<b>Revenues</b>				
LCFF/State Aid	8010 – 8099	\$17,970,090.00	\$18,112,623.00	\$18,139,854.00
Federal Revenues	8100 – 8299	\$1,281,823.00	\$1,195,912.20	\$1,196,342.13
Other State Revenues	8300 – 8599	\$1,305,292.00	\$930,527.85	\$936,420.64
Other Local Revenues	8600 – 8799	\$1,342,527.89	\$944,124.89	\$945,223.35
Revenues		\$21,899,732.89	\$21,183,187.94	\$21,217,840.12
<b>Expenditures</b>				
Certificated Salaries	1000 – 1999	\$7,655,647.35	\$7,654,659.12	\$7,653,017.18
Classified Salaries	2000 – 2999	\$2,775,821.86	\$2,836,612.38	\$2,898,734.20
Employee Benefits	3000 – 3999	\$3,335,833.06	\$3,547,977.09	\$3,764,316.52
Books and Supplies	4000 – 4999	\$932,006.64	\$980,809.63	\$909,601.23
Services and Other Operating	5000 – 5999	\$6,849,378.44	\$6,866,755.89	\$6,996,531.95
Capital Outlay	6000 – 6900	\$55,095.00	\$55,095.00	\$55,095.00
Other Outgo	7000 – 7299	\$0.00	\$0.00	\$0.00
Direct Support/Indirect Cost	7300 – 7399	(\$40,373.00)	(\$40,373.00)	(\$40,373.00)
Debt Service	7400 – 7499	\$199,167.77	\$205,887.00	\$212,791.00
Expenditures		\$21,762,577.12	\$22,107,423.11	\$22,449,714.08
Excess (Deficiency) of Revenues Over Expenditures		\$137,155.77	(\$924,235.17)	(\$1,231,873.96)
<b>Other Financing Sources/Uses</b>				
Interfund Transfers In	8900 – 8929	\$0.00	\$0.00	\$0.00
Interfund Transfers Out	7600 – 7629	\$0.00	\$0.00	\$0.00
All Other Financing Sources	8930 – 8979	\$0.00	\$0.00	\$0.00
All Other Financing Uses	7630 – 7699	\$0.00	\$0.00	\$0.00
Contributions	8980 – 8999	\$0.00	\$0.00	\$0.00
Other Financing Sources/Uses		\$0.00	\$0.00	\$0.00
Net Increase (Decrease) in Fund Balance		\$137,155.77	(\$924,235.17)	(\$1,231,873.96)
<b>Fund Balance</b>				
Beginning Fund Balance	9791	\$937,751.85	\$1,074,907.62	\$150,672.45
Audit Adjustments	9793	\$0.00	\$0.00	\$0.00
Other Restatements	9795	\$0.00	\$0.00	\$0.00
Adjusted Beginning Fund Balance	9797	\$937,751.85	\$1,074,907.62	\$150,672.45
Ending Fund Balance	9799	\$1,074,907.62	\$150,672.45	(\$1,081,201.51)
<b>Components of Ending Fund Balance</b>				
Reserved Balances	9700	\$0.00	\$0.00	\$0.00
Fund Balance, Nonspendable				
Nonspendable Revolving Cash	9711	\$2,500.00	\$2,500.00	\$2,500.00
Nonspendable Stores	9712	\$0.00	\$0.00	\$0.00
Nonspendable Prepaid Items	9713	\$0.00	\$0.00	\$0.00
All Other Nonspendable Assets	9719	\$0.00	\$0.00	\$0.00
Restricted Balance	9740	\$383,146.48	\$329,057.76	\$342,064.25
Committed				
Stabilization Arrangements	9750	\$0.00	\$0.00	\$0.00
Other Commitments	9760	\$0.00	\$0.00	\$0.00

Designated for the Unrealized Gains of Investments and Cash in County Treasury	9775	\$0.00	\$0.00	\$0.00
Other Assignments	9780	\$0.00	\$0.00	\$0.00
Economic Uncertainties Percentage		\$0.03	\$0.03	\$0.03
Reserve for Economic Uncertainties	9789	\$652,877.31	\$663,222.69	\$673,491.42
Undesignated/Unappropriated	9790	\$36,383.83	(\$844,108.00)	(\$2,099,257.18)

## Recommendations

*The district should:*

1. Monitor and project enrollment and ADA at each financial reporting period to ensure the most recent data is included in its budget assumptions.
2. Monitor and update the budget throughout the year based on amounts the district is projected to receive; check apportionment and entitlement funding exhibits on the CDE's website regularly for this information.
3. Ensure that all grants, entitlements and carryovers are properly updated by the time of the first interim report, and that they agree with CDE funding exhibits.
4. Ensure that information in position control is posted correctly in the budget and compared with payroll records.
5. Review all expenditures in the services and other operating expenditures category for possible savings, and evaluate areas that are overspent and programs that require contributions from the unrestricted general fund.
6. Arrange for an extensive special education study to evaluate potential savings and/or restructuring of service delivery models.
7. Immediately implement strategies and actions necessary to maintain a sufficient financial reserve to ensure that cash is available to meet payroll and other expenditure obligations and to avoid any adverse effects related to fiscal insolvency and state intervention. Consider as one action the feasibility of borrowing cash from the Sonoma County Treasurer's Office.
8. Monitor monthly cash flow to ensure sufficient funds are available to pay current obligations for all funds.



# Appendices



# Appendix A

## Resource Detail with Notes





**General Fund/County School Service Fund  
 Unrestricted Resources Only  
 Resource: 0000 - Unrestricted**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$15,376,011.00		\$15,593,663.00	\$15,750,953.00	(1)
Federal Revenues	8100 - 8299	\$42,754.00		\$42,754.00	\$42,754.00	(2)
Other State Revenues	8300 - 8599	\$296,155.00		\$48,698.73	\$47,846.18	(3)
Other Local Revenues	8600 - 8799	\$488,628.00		\$90,225.00	\$91,323.46	(4)
<b>Total Revenues</b>		\$16,203,548.00		\$15,775,340.73	\$15,932,876.64	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$3,664,252.61		\$3,590,741.61	\$3,515,885.46	(5)
Classified Salaries	2000 - 2999	\$2,299,886.26		\$2,350,253.78	\$2,401,724.34	(6)
Employee Benefits	3000 - 3999	\$2,618,785.10		\$2,771,623.62	\$2,925,844.83	(7)
Books and Supplies	4000 - 4999	\$531,832.68		\$548,798.14	\$564,493.77	
Services and Other Operating	5000 - 5999	\$3,048,573.28		\$3,105,687.61	\$3,158,527.02	
Capital Outlay	6000 - 6900	\$55,095.00		\$55,095.00	\$55,095.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	(\$70,347.00)		(\$70,347.00)	(\$70,347.00)	
Debt Service	7400 - 7499	\$199,167.77		\$205,887.00	\$212,791.00	(8)
<b>Total Expenditures</b>		\$12,347,245.70		\$12,557,739.76	\$12,764,014.42	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		\$3,856,302.30		\$3,217,600.97	\$3,168,862.22	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	(\$3,822,320.92)		(\$3,976,774.82)	(\$4,136,201.35)	
<b>Total Other Financing Sources/Uses</b>		(\$3,822,320.92)		(\$3,976,774.82)	(\$4,136,201.35)	
<b>Net Increase (Decrease) in Fund Balance</b>		\$33,981.38		(\$759,173.85)	(\$967,339.13)	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$641,604.19		\$675,585.57	(\$83,588.28)	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$641,604.19		\$675,585.57	(\$83,588.28)	
Ending Fund Balance		\$675,585.57		(\$83,588.28)	(\$1,050,927.41)	

**Notes:**

- (1)
- (1.1) Object 8011: FCMAT revised the district's LCFF calculation using version v18.2c of the FCMAT calculator, updated October 30, 2017 and included revisions to the enrollment and average daily attendance (ADA) for the 2018-19 and 2019-20 fiscal years. Since the district is funded on the higher of the current or prior year for ADA, only the ADA decrease in 2018-19 will impact the MYFP in 2019-20. 2017-18 District ADA = 1605.10 2017-18 FCMAT ADA = 1,605.10 2018-19 District ADA = 1,577.00 2018-19 FCMAT ADA = 1,550.90 FCMAT reduced the LCFF calculation by 26.10 ADA
- (1.2) Object 8041: 2017 Sonoma Complex Fires-Impact to Property Taxes Since the disaster of the Sonoma Complex Fires occurred after the FY17-18, the Equalized Roll was turned over to the Auditor and the FY 17-18 Tax Roll was extended, and all associated property tax reductions will be allocated to taxing agencies such as school districts using the countywide AB8 apportionment factors. This is consistent with Revenue and Taxation Code Sections 96.2 and 4707, which require all current secured and unsecured taxes including adjustments from corrections, cancellations or refunds to be apportioned using the countywide AB8 factors. For FY 17-18, property tax revenues will be reduced for all Prop 13 taxing agencies in the county, not just the taxing agencies with damaged properties in their jurisdictional boundary. (Source: Sonoma County Auditor Controller)
- (2)
- (2.1) Object 8290: MAA Reimbursement Funding-No increase in funding budgeted for two subsequent fiscal years.
- (3)
- (3.1) Object 8550: Funding for the Mandated Block Grant is based upon average daily attendance (ADA) as of the 2016-17 Second Principal Apportionment (P-2) for grades K-8 and Grades 9-12. The 2017-18 funding rates for each grade span are set forth in item 6100-296-0001 of the Budget Act in accordance with the following: K-8 = \$30.34 9-12 = 58.25 Funding also includes on time funds for Outstanding Mandate Claims in the amount of \$245,579. Funds are based upon prior year P-2 for 2016-17 and shall be used to satisfy any outstanding mandate claims. Funds may be used for any one-time purpose determined by the district's governing board. The district did not budget for this one-time funding
- (4)
- (4.1) Object 8689: MV After School Funding = \$16,700 TM After School Funding = \$13,560 Total Budget = \$30,260 District budgeted \$80,000 Budget revision for 2017-18 = (\$49,740)
- (4.2) Object 8699: 2017-18 includes one time funding for the following: 1. One time balance refund = \$240,000 2. Refund of STRS = 23,902 3. 2016-17 Co-Op refund = \$35,516
- (5) Certificated staff received a one time non recurring payment in 2016-17 of 2.5%. Negotiations for 2017-18 have not been completed at the time of this report. The district's financial software system computed the step and column increase for 2018-19 at 1.83%
- (5.1) Object 1100: Certificated staff received a one time non recurring payment in 2016-17 of 2.5%. Negotiations for 2017-18 have not been completed at the time of this report. The district's financial software system computed the step and column increase for 2018-19 at 1.83%
- (5.2) Object 1102: Declining Enrollment/ADA
- (6) The district's financial software system Escape, computed the step and column for classified staff at 2.19% for the 2018-19 fiscal year.
- (7) CalPERS employer rate for 2018-19 =18.1% and 20.8% for 2019-20 CalSTRS employer rate for 2018-19 =16.28% and 18.13% for 2019-20
- (8)
- (8.1) Object 7439: District entered into a capital lease agreement with City National Bank with an original cost of \$2,442,810 to install solar equipment at each school site. Title to the property will pass to the district upon the expiration of the lease period ending 2030. The energy savings are estimated to be \$125,000 to \$150,000 per year for the life of the equipment. Additionally, the district will receive a rebate from PG&E for the first five years of approximately \$154,000. The first payment of \$144,548 was received in 2011 in accordance with the district's audit report.

**General Fund/County School Service Fund  
 Unrestricted Resources Only  
 Resource: 1100 - Lottery: Unrestricted**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$246,650.00		\$234,264.00	\$230,242.00	(1)
Other Local Revenues	8600 - 8799	\$0.00		\$0.00	\$0.00	
<b>Total Revenues</b>		\$246,650.00		\$234,264.00	\$230,242.00	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$167,088.00		\$152,163.97	\$145,793.91	
Services and Other Operating	5000 - 5999	\$79,562.00		\$82,100.03	\$84,448.09	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$246,650.00		\$234,264.00	\$230,242.00	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		\$0.00		\$0.00	\$0.00	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00		\$0.00	\$0.00	
<b>Total Other Financing Sources/Uses</b>		\$0.00		\$0.00	\$0.00	
<b>Net Increase (Decrease) in Fund Balance</b>		\$0.00		\$0.00	\$0.00	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$16,175.57		\$16,175.57	\$16,175.57	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$16,175.57		\$16,175.57	\$16,175.57	
Ending Fund Balance		\$16,175.57		\$16,175.57	\$16,175.57	

**Notes:**

- (1) Lottery Calculation-MYFP Projection based upon SSC Dartboard \$146 x 1,689.38 Prior Year ADA Adjustment of 1.04446 will be made after P-1 in February
- (1.1) Object 8560: Lottery Funding is calculated using the prior year's annual ADA rounded per EC 46303 as adjusted by the statewide excused absence factor of 1.04446. Lottery funding is based upon the Annual ADA for the current year. However, since Annual ADA is not available until after the fiscal year ends, lottery is initially projected using the prior year's Annual ADA and adjusted in the subsequent fiscal year. Calculation is based upon prior year CDE LCFF Funding Snapshot of 1,689.38 x SSC Dartboard of \$146 per ADA

**General Fund/County School Service Fund  
 Unrestricted Resources Only  
 Resource: 1400 - Education Protection Account**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$1,959,213.00		\$1,884,094.00	\$1,754,035.00	
Federal Revenues	8100 - 8299	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00		\$0.00	\$0.00	
<b>Total Revenues</b>		\$1,959,213.00		\$1,884,094.00	\$1,754,035.00	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$1,959,213.00		\$1,995,066.60	\$2,031,576.32	(1)
Classified Salaries	2000 - 2999	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$0.00		\$0.00	\$0.00	
Services and Other Operating	5000 - 5999	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$1,959,213.00		\$1,995,066.60	\$2,031,576.32	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		\$0.00		(\$110,972.60)	(\$277,541.32)	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00		\$0.00	\$0.00	
<b>Total Other Financing Sources/Uses</b>		\$0.00		\$0.00	\$0.00	
<b>Net Increase (Decrease) in Fund Balance</b>		\$0.00		(\$110,972.60)	(\$277,541.32)	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$0.00		\$0.00	(\$110,972.60)	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00		\$0.00	(\$110,972.60)	
Ending Fund Balance		\$0.00		(\$110,972.60)	(\$388,513.92)	

**Notes:**

(1)

(1.1) Object 1100: The district's financial software system computed the step and column increase for 2018-19 at 1.83%

**General Fund/County School Service Fund  
 Restricted Resources Only  
 Resource: 3010 - NCLB: Title I, Part A, Basic Grants Low-Income and Neglected**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$647,392.00		\$564,101.00	\$564,101.00	(1)
Other State Revenues	8300 - 8599	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00		\$0.00	\$0.00	
<b>Total Revenues</b>		\$647,392.00		\$564,101.00	\$564,101.00	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$390,764.00		\$397,914.98	\$405,196.82	(2)
Classified Salaries	2000 - 2999	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$107,904.00		\$115,927.16	\$124,224.97	
Books and Supplies	4000 - 4999	\$0.00		\$0.00	\$0.00	
Services and Other Operating	5000 - 5999	\$118,750.00		\$119,547.50	\$120,285.31	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$29,974.00		\$29,974.00	\$29,974.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$647,392.00		\$663,363.64	\$679,681.10	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		\$0.00		(\$99,262.64)	(\$115,580.10)	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00		\$99,262.64	\$115,580.10	(3)
<b>Total Other Financing Sources/Uses</b>		\$0.00		\$99,262.64	\$115,580.10	
<b>Net Increase (Decrease) in Fund Balance</b>		\$0.00		\$0.00	\$0.00	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00		\$0.00	\$0.00	

**Notes:**

- (1)
- (1.1) Object 8290: Title I, Part A is a federal categorical program contained in the Consolidated Application. Its purpose is to ensure that all children have a fair and equal opportunity to obtain a high quality education and reach at a minimum, proficiency on the state content standards and assessments. The intent of this funding is to meet the educational needs of low-achieving students enrolled in the highest poverty schools. The district budgeted \$584,157 versus the 2017-18 Preliminary Allocation is projected at \$564,101 per CDE FCMAT reduced the Title I preliminary projection by \$83,291 for the 2018-19 fiscal year (Amount is 2016-17 PY Carryover)
- (2)
- (2.1) Object 1100: The district's financial software system computed the step and column increase for 2018-19 at 1.83%
- (3)
- (3.1) Object 8980: Due to the cost of 1.83% certificated step and column, statutory benefits and previous sub agreements in object code 5100, contributions were made from unrestricted resources to balance this resource

**General Fund/County School Service Fund  
Restricted Resources Only  
Resource: 3310 - Special Ed: IDEA Basic Local Assistance Entitlement, Part B, Sec 611 (formerly P**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$328,453.00		\$328,453.00	\$328,453.00	(1)
Other State Revenues	8300 - 8599	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00		\$0.00	\$0.00	
<b>Total Revenues</b>		\$328,453.00		\$328,453.00	\$328,453.00	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$98,062.00		\$99,856.54	\$101,683.92	
Classified Salaries	2000 - 2999	\$155,099.00		\$158,495.67	\$161,966.73	
Employee Benefits	3000 - 3999	\$87,822.00		\$94,937.48	\$102,536.48	
Books and Supplies	4000 - 4999	\$0.00		\$0.00	\$0.00	
Services and Other Operating	5000 - 5999	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$340,983.00		\$353,289.69	\$366,187.13	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		(\$12,530.00)		(\$24,836.69)	(\$37,734.13)	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$12,530.00		\$24,836.69	\$37,734.13	(2)
<b>Total Other Financing Sources/Uses</b>		\$12,530.00		\$24,836.69	\$37,734.13	
<b>Net Increase (Decrease) in Fund Balance</b>		\$0.00		\$0.00	\$0.00	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00		\$0.00	\$0.00	

**Notes:**

(1)

(1.1) Object 8181: Revenue projections were based upon the 2017-18 Sonoma County Special Education Local Plan Area (SELPA) Estimated distributions for district programs

(2)

(2.1) Object 8998: Based upon 1% increase for step and column costs and statutory benefit costs, contributions from unrestricted resources were increased to balance this resource.

**General Fund/County School Service Fund  
Restricted Resources Only  
Resource: 3315 - Special Ed: IDEA Preschool Grants, Part B, Sec 619**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$23,071.00		\$23,493.20	\$23,923.13	
Other State Revenues	8300 - 8599	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00		\$0.00	\$0.00	
<b>Total Revenues</b>		\$23,071.00		\$23,493.20	\$23,923.13	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$16,762.87		\$17,069.63	\$17,382.00	
Classified Salaries	2000 - 2999	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$6,308.13		\$6,700.65	\$7,106.05	
Books and Supplies	4000 - 4999	\$0.00		\$0.00	\$0.00	
Services and Other Operating	5000 - 5999	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$23,071.00		\$23,770.28	\$24,488.05	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		\$0.00		(\$277.08)	(\$564.92)	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00		\$292.06	\$590.08	(1)
<b>Total Other Financing Sources/Uses</b>		\$0.00		\$292.06	\$590.08	
<b>Net Increase (Decrease) in Fund Balance</b>		\$0.00		\$14.98	\$25.16	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$0.00		\$0.00	\$14.98	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00		\$0.00	\$14.98	
Ending Fund Balance		\$0.00		\$14.98	\$40.14	

**Notes:**

(1)

(1.1) Object 8980: Based upon the 1% increase in certificated step and column and statutory benefit costs, contributions were made from unrestricted resources to balance this resource

**General Fund/County School Service Fund  
 Restricted Resources Only  
 Resource: 3320 - Special Ed: IDEA Preschool Local Entitlement, Part B, Sec 611**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$48,149.00		\$48,149.00	\$48,149.00	
Other State Revenues	8300 - 8599	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00		\$0.00	\$0.00	
<b>Total Revenues</b>		\$48,149.00		\$48,149.00	\$48,149.00	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$35,837.86		\$36,493.69	\$37,161.52	
Classified Salaries	2000 - 2999	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$12,311.14		\$13,128.81	\$13,973.61	
Books and Supplies	4000 - 4999	\$0.00		\$0.00	\$0.00	
Services and Other Operating	5000 - 5999	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$48,149.00		\$49,622.50	\$51,135.13	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		\$0.00		(\$1,473.50)	(\$2,986.13)	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00		\$1,473.50	\$2,986.13	(1)
<b>Total Other Financing Sources/Uses</b>		\$0.00		\$1,473.50	\$2,986.13	
<b>Net Increase (Decrease) in Fund Balance</b>		\$0.00		\$0.00	\$0.00	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00		\$0.00	\$0.00	

**Notes:**

(1)

(1.1) Object 8980: Due to 1% increase in step and column costs and statutory benefits, contributions were made from unrestricted resources to balance this resource.

**General Fund/County School Service Fund  
 Restricted Resources Only  
 Resource: 4035 - NCLB: Title II, Part A, Teacher Quality**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$82,350.00		\$82,350.00	\$82,350.00	(1)
Other State Revenues	8300 - 8599	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00		\$0.00	\$0.00	
<b>Total Revenues</b>		\$82,350.00		\$82,350.00	\$82,350.00	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$62,516.70		\$63,141.00	\$63,141.00	
Classified Salaries	2000 - 2999	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$16,674.99		\$17,954.13	\$19,121.86	
Books and Supplies	4000 - 4999	\$0.00		\$0.00	\$0.00	
Services and Other Operating	5000 - 5999	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$79,191.69		\$81,095.13	\$82,262.86	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		\$3,158.31		\$1,254.87	\$87.14	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00		\$0.00	\$0.00	
<b>Total Other Financing Sources/Uses</b>		\$0.00		\$0.00	\$0.00	
<b>Net Increase (Decrease) in Fund Balance</b>		\$3,158.31		\$1,254.87	\$87.14	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$0.00		\$3,158.31	\$4,413.18	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00		\$3,158.31	\$4,413.18	
Ending Fund Balance		\$3,158.31		\$4,413.18	\$4,500.32	

**Notes:**

- (1) Title II Part A, Supporting Effective Instruction is a federal categorical program contained in the Consolidated Application. The purpose of Title II, Part A is to increase the academic achievement of all students by helping schools and districts, (1) improve teacher and principal quality through professional development and other activities, (2) providing low-income and minority students greater access to effective teachers, principals and other school leaders. District budgeted \$79,191.69 FCMAI increased the budget by \$3,158.31 to \$82,350 per the 2017-18 CDE Preliminary Allocation
- (1.1) Object 8290: Title II, Part A



**General Fund/County School Service Fund  
 Restricted Resources Only  
 Resource: 4201 - NCLB: Title III, Immigrant Education Program**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$8,534.00		\$5,492.00	\$5,492.00	(1)
Other State Revenues	8300 - 8599	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00		\$0.00	\$0.00	
<b>Total Revenues</b>		\$8,534.00		\$5,492.00	\$5,492.00	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$4,000.00		\$4,127.60	\$4,245.65	
Services and Other Operating	5000 - 5999	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$4,000.00		\$4,127.60	\$4,245.65	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		\$4,534.00		\$1,364.40	\$1,246.35	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00		\$0.00	\$0.00	
<b>Total Other Financing Sources/Uses</b>		\$0.00		\$0.00	\$0.00	
<b>Net Increase (Decrease) in Fund Balance</b>		\$4,534.00		\$1,364.40	\$1,246.35	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$0.00		\$4,534.00	\$5,898.40	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00		\$4,534.00	\$5,898.40	
Ending Fund Balance		\$4,534.00		\$5,898.40	\$7,144.75	

**Notes:**

(1)

- (1.1) Object 8290: Funding is made available to eligible Local Educational Agencies (LEAs) to provide supplementary programs and services to eligible immigrant students. The purpose of the subgrants is to assist students to acquire English and achieve great level and graduation standards. The district budgeted \$4,000 and FCMAT increase the budget by \$1,492 per the 2017-18 Preliminary Allocation of \$5,492.00 2017-18 includes carryover balances in listed below: 1. 2015-16 = 530 2. 2016-17 = 2,512

**General Fund/County School Service Fund  
 Restricted Resources Only  
 Resource: 4203 - NCLB: Title III, Limited English Proficient (LEP) Student Program**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$101,120.00		\$101,120.00	\$101,120.00	(1)
Other State Revenues	8300 - 8599	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00		\$0.00	\$0.00	
<b>Total Revenues</b>		\$101,120.00		\$101,120.00	\$101,120.00	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$0.00		\$0.00	\$0.00	
Services and Other Operating	5000 - 5999	\$101,120.00		\$101,120.00	\$101,120.00	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$101,120.00		\$101,120.00	\$101,120.00	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		\$0.00		\$0.00	\$0.00	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00		\$0.00	\$0.00	
<b>Total Other Financing Sources/Uses</b>		\$0.00		\$0.00	\$0.00	
<b>Net Increase (Decrease) in Fund Balance</b>		\$0.00		\$0.00	\$0.00	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00		\$0.00	\$0.00	

**Notes:**

(1)

(1.1) Object 8290: District budgeted \$105,000 Per CDE 2017-18 Preliminary Allocation = \$101,120 FCMAT reduced the budget by (3,880) for 2017-18

**General Fund/County School Service Fund  
 Restricted Resources Only  
 Resource: 5640 - Medi-Cal Billing Option**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$23,103.96		\$23,103.96	\$23,103.96	
<b>Total Revenues</b>		\$23,103.96		\$23,103.96	\$23,103.96	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$19,103.96		\$19,713.38	\$20,277.18	
Services and Other Operating	5000 - 5999	\$4,000.00		\$4,127.60	\$4,245.65	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$23,103.96		\$23,840.98	\$24,522.83	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		\$0.00		(\$737.02)	(\$1,418.87)	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00		\$0.00	\$0.00	
<b>Total Other Financing Sources/Uses</b>		\$0.00		\$0.00	\$0.00	
<b>Net Increase (Decrease) in Fund Balance</b>		\$0.00		(\$737.02)	(\$1,418.87)	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$48,905.12		\$48,905.12	\$48,168.10	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$48,905.12		\$48,905.12	\$48,168.10	
Ending Fund Balance		\$48,905.12		\$48,168.10	\$46,749.23	

**General Fund/County School Service Fund  
 Restricted Resources Only  
 Resource: 6010 - After School Education and Safety (ASES)**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$493,365.00		\$503,972.35	\$515,815.70	
Other Local Revenues	8600 - 8799	\$0.00		\$0.00	\$0.00	
<b>Total Revenues</b>		\$493,365.00		\$503,972.35	\$515,815.70	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$0.00		\$0.00	\$0.00	
Services and Other Operating	5000 - 5999	\$493,365.00		\$494,162.50	\$494,900.31	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$493,365.00		\$494,162.50	\$494,900.31	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		\$0.00		\$9,809.85	\$20,915.39	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00		\$0.00	\$0.00	
<b>Total Other Financing Sources/Uses</b>		\$0.00		\$0.00	\$0.00	
<b>Net Increase (Decrease) in Fund Balance</b>		\$0.00		\$9,809.85	\$20,915.39	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$0.00		\$0.00	\$9,809.85	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00		\$0.00	\$9,809.85	
Ending Fund Balance		\$0.00		\$9,809.85	\$30,725.24	

**General Fund/County School Service Fund  
 Restricted Resources Only  
 Resource: 6230 - California Clean Energy Jobs Act**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$122,898.00		\$0.00	\$0.00	(1)
Other Local Revenues	8600 - 8799	\$0.00		\$0.00	\$0.00	
<b>Total Revenues</b>		\$122,898.00		\$0.00	\$0.00	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$0.00		\$0.00	\$0.00	
Services and Other Operating	5000 - 5999	\$122,898.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$122,898.00		\$0.00	\$0.00	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		\$0.00		\$0.00	\$0.00	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00		\$0.00	\$0.00	
<b>Total Other Financing Sources/Uses</b>		\$0.00		\$0.00	\$0.00	
<b>Net Increase (Decrease) in Fund Balance</b>		\$0.00		\$0.00	\$0.00	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00		\$0.00	\$0.00	

**Notes:**

- (1) District did not budget 2017-18 Funding of 121,882 or prior year 2016-17 of 1,016. Total budget increased by \$122,898 Receipt of funds is dependent on submission and approval of an expenditure plan by the California Energy Commission. The District can request planning funds from their first year award allocations. Program funding is allocated from General Fund transfer to the Clean Energy Job Creation Fund for a period of five years from 2013-14-2017-18. 85 percent of the appropriation is allocated from 2016-17 ADA and 15 percent from 2016-17 eligibility for Free and Reduced-Price Meals.

**General Fund/County School Service Fund  
 Restricted Resources Only  
 Resource: 6264 - Educator Effectiveness**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00		\$0.00	\$0.00	
<b>Total Revenues</b>		\$0.00		\$0.00	\$0.00	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$0.00		\$0.00	\$0.00	
Services and Other Operating	5000 - 5999	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$0.00		\$0.00	\$0.00	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		\$0.00		\$0.00	\$0.00	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00		\$0.00	\$0.00	
<b>Total Other Financing Sources/Uses</b>		\$0.00		\$0.00	\$0.00	
<b>Net Increase (Decrease) in Fund Balance</b>		\$0.00		\$0.00	\$0.00	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$15,657.00		\$15,657.00	\$15,657.00	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$15,657.00		\$15,657.00	\$15,657.00	
Ending Fund Balance		\$15,657.00		\$15,657.00	\$15,657.00	

**General Fund/County School Service Fund  
 Restricted Resources Only  
 Resource: 6300 - Lottery: Instructional Materials**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$81,072.00		\$77,040.00	\$74,400.00	(1)
Other Local Revenues	8600 - 8799	\$0.00		\$0.00	\$0.00	
<b>Total Revenues</b>		\$81,072.00		\$77,040.00	\$74,400.00	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$76,590.00		\$139,121.83	\$74,400.00	(2)
Services and Other Operating	5000 - 5999	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$76,590.00		\$139,121.83	\$74,400.00	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		\$4,482.00		(\$62,081.83)	\$0.00	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00		\$0.00	\$0.00	
<b>Total Other Financing Sources/Uses</b>		\$0.00		\$0.00	\$0.00	
<b>Net Increase (Decrease) in Fund Balance</b>		\$4,482.00		(\$62,081.83)	\$0.00	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$57,599.83		\$62,081.83	\$0.00	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$57,599.83		\$62,081.83	\$0.00	
Ending Fund Balance		\$62,081.83		\$0.00	\$0.00	

**Notes:**

- (1) Lottery Calculation-MYFP Projection based upon SSC Dartboard \$48 x 1,689.38 Prior Year ADA for 2017-18 Adjustment of 1.04446 will be made after P-1 in February
- (2) Budgeted additional expenditures for prior year carryover of \$62,851 to reduce the restricted ending fund balance.

**General Fund/County School Service Fund  
 Restricted Resources Only  
 Resource: 6500 - Special Education**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$634,866.00		\$634,866.00	\$634,866.00	(1)
Federal Revenues	8100 - 8299	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$726,127.00		\$726,127.00	\$726,127.00	(2)
<b>Total Revenues</b>		\$1,360,993.00		\$1,360,993.00	\$1,360,993.00	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$1,366,584.14		\$1,391,592.63	\$1,417,058.78	
Classified Salaries	2000 - 2999	\$87,645.00		\$89,564.43	\$91,525.89	
Employee Benefits	3000 - 3999	\$383,784.62		\$416,875.25	\$451,443.26	
Books and Supplies	4000 - 4999	\$25,800.00		\$26,623.02	\$27,384.44	
Services and Other Operating	5000 - 5999	\$2,616,220.16		\$2,686,670.65	\$2,751,848.04	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$4,480,033.92		\$4,611,325.98	\$4,739,260.41	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		<b>(\$3,119,040.92)</b>		<b>(\$3,250,332.98)</b>	<b>(\$3,378,267.41)</b>	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$3,119,040.92		\$3,250,332.98	\$3,378,267.41	
<b>Total Other Financing Sources/Uses</b>		\$3,119,040.92		\$3,250,332.98	\$3,378,267.41	
<b>Net Increase (Decrease) in Fund Balance</b>		<b>\$0.00</b>		<b>\$0.00</b>	<b>\$0.00</b>	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00		\$0.00	\$0.00	

**Notes:**

- (1)
- (1.1) Object 8097: The property tax transfer is not part of the LCFF calculator generated by FCMAT. However, the property tax transfer is generated from county office sources and recorded in resource 6500. FCMAT recommends that the district use a balancing tool for LCFF sources that show any additions or deletions not calculated with the LCFF calculator in future projections. Revenue based upon 2017-18 Estimated projections from the Sonoma County Special Education Local Plan Area (SELPA)
- (2)
- (2.1) Object 8792: AB 602 Revenue generated from the Special Education Local Area Plan (SELPA) per 2017-18 Estimated Special Education Revenue for district programs District budgeted \$906,197 FCMAT reduced the budget by \$180,000 to \$727,197



**General Fund/County School Service Fund  
 Restricted Resources Only  
 Resource: 6512 - Special Ed: Mental Health Services**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$65,152.00		\$66,552.77	\$68,116.76	
Other Local Revenues	8600 - 8799	\$0.00		\$0.00	\$0.00	
<b>Total Revenues</b>		\$65,152.00		\$66,552.77	\$68,116.76	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$48,654.17		\$49,544.54	\$50,451.21	
Classified Salaries	2000 - 2999	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$16,497.83		\$17,585.18	\$18,709.05	
Books and Supplies	4000 - 4999	\$0.00		\$0.00	\$0.00	
Services and Other Operating	5000 - 5999	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$65,152.00		\$67,129.72	\$69,160.26	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		\$0.00		(\$576.95)	(\$1,043.50)	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00		\$576.95	\$1,043.50	(1)
<b>Total Other Financing Sources/Uses</b>		\$0.00		\$576.95	\$1,043.50	
<b>Net Increase (Decrease) in Fund Balance</b>		\$0.00		\$0.00	\$0.00	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00		\$0.00	\$0.00	

**Notes:**

(1)

(1.1) Object 8980: Based upon certificated step & column increase of 1% and additional statutory benefit costs, contributions from unrestricted resources were made in 2018-19 & 2019-20

**General Fund/County School Service Fund  
 Restricted Resources Only  
 Resource: 8150 - Ongoing & Major Maintenance Account (RMA: Education Code Section 17070.75)**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00		\$0.00	\$0.00	
<b>Total Revenues</b>		\$0.00		\$0.00	\$0.00	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$175,174.00		\$179,010.31	\$182,930.64	
Employee Benefits	3000 - 3999	\$62,635.00		\$68,007.28	\$73,828.54	
Books and Supplies	4000 - 4999	\$103,146.00		\$85,673.87	\$68,287.25	(1)
Services and Other Operating	5000 - 5999	\$259,045.00		\$267,308.54	\$274,953.57	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$600,000.00		\$600,000.00	\$600,000.00	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		(\$600,000.00)		(\$600,000.00)	(\$600,000.00)	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$600,000.00		\$600,000.00	\$600,000.00	
<b>Total Other Financing Sources/Uses</b>		\$600,000.00		\$600,000.00	\$600,000.00	
<b>Net Increase (Decrease) in Fund Balance</b>		\$0.00		\$0.00	\$0.00	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$56,455.20		\$56,455.20	\$56,455.20	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$56,455.20		\$56,455.20	\$56,455.20	
Ending Fund Balance		\$56,455.20		\$56,455.20	\$56,455.20	

**Notes:**

(1)

(1.1) Object 4300: Reduced 2018-19 expenditures to balance this resource by (17,472.13) Reduced 2019-20 expenditures to balance this resource by (34,858.75)

**General Fund/County School Service Fund  
Restricted Resources Only  
Resource: 9010 - Other Restricted Local**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$104,668.93		\$104,668.93	\$104,668.93	(1)
<b>Total Revenues</b>		\$104,668.93		\$104,668.93	\$104,668.93	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$13,000.00		\$13,237.90	\$13,480.15	
Classified Salaries	2000 - 2999	\$58,017.60		\$59,288.19	\$60,586.60	
Employee Benefits	3000 - 3999	\$23,110.25		\$25,237.53	\$27,527.87	
Books and Supplies	4000 - 4999	\$4,446.00		\$4,587.82	\$4,719.03	
Services and Other Operating	5000 - 5999	\$5,845.00		\$6,031.46	\$6,203.96	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$104,418.85		\$108,382.90	\$112,517.61	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		\$250.08		(\$3,713.97)	(\$7,848.68)	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$90,750.00		\$0.00	\$0.00	(2)
<b>Total Other Financing Sources/Uses</b>		\$90,750.00		\$0.00	\$0.00	
<b>Net Increase (Decrease) in Fund Balance</b>		\$91,000.08		(\$3,713.97)	(\$7,848.68)	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$101,354.94		\$192,355.02	\$188,641.05	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$101,354.94		\$192,355.02	\$188,641.05	
Ending Fund Balance		\$192,355.02		\$188,641.05	\$180,792.37	

**Notes:**

(1)

(1.1) Object 8699: Local Revenue Budgeted in object 8699 consists of the following: 1. Kawana Foundation Support = \$80,731.93 2. J. Jordan Foundation Grant = 600.00 3. After School Liason Stipends = \$15,270 4. RESIG Safety Credit Funding = \$8,067

(2)

(2.1) Object 8998: Reduced contributions from unrestricted resources of \$90,000 to match current year expenditures in 2017-18 and restrict increases to the restricted fund balance. Added contributions from unrestricted resources to balance this resource for both 2018-19 & 2019-20

**General Fund/County School Service Fund  
 Unrestricted Resources Only  
 Resource: 0000 - Unrestricted**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$15,376,011.00		\$15,593,663.00	\$15,750,953.00	(1)
Federal Revenues	8100 - 8299	\$42,754.00		\$42,754.00	\$42,754.00	(2)
Other State Revenues	8300 - 8599	\$296,155.00		\$48,698.73	\$47,846.18	(3)
Other Local Revenues	8600 - 8799	\$488,628.00		\$90,225.00	\$91,323.46	(4)
<b>Total Revenues</b>		\$16,203,548.00		\$15,775,340.73	\$15,932,876.64	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$3,664,252.61		\$3,590,741.61	\$3,515,885.46	(5)
Classified Salaries	2000 - 2999	\$2,299,886.26		\$2,350,253.78	\$2,401,724.34	(6)
Employee Benefits	3000 - 3999	\$2,618,785.10		\$2,771,623.62	\$2,925,844.83	(7)
Books and Supplies	4000 - 4999	\$531,832.68		\$548,798.14	\$564,493.77	
Services and Other Operating	5000 - 5999	\$3,048,573.28		\$3,105,687.61	\$3,158,527.02	
Capital Outlay	6000 - 6900	\$55,095.00		\$55,095.00	\$55,095.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	(\$70,347.00)		(\$70,347.00)	(\$70,347.00)	
Debt Service	7400 - 7499	\$199,167.77		\$205,887.00	\$212,791.00	(8)
<b>Total Expenditures</b>		\$12,347,245.70		\$12,557,739.76	\$12,764,014.42	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		\$3,856,302.30		\$3,217,600.97	\$3,168,862.22	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	(\$3,822,320.92)		(\$3,976,774.82)	(\$4,136,201.35)	
<b>Total Other Financing Sources/Uses</b>		(\$3,822,320.92)		(\$3,976,774.82)	(\$4,136,201.35)	
<b>Net Increase (Decrease) in Fund Balance</b>		\$33,981.38		(\$759,173.85)	(\$967,339.13)	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$641,604.19		\$675,585.57	(\$83,588.28)	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$641,604.19		\$675,585.57	(\$83,588.28)	
Ending Fund Balance		\$675,585.57		(\$83,588.28)	(\$1,050,927.41)	

**Notes:**

- (1)
- (1.1) Object 8011: FCMAT revised the district's LCFF calculation using version v18.2c of the FCMAT calculator, updated October 30, 2017 and included revisions to the enrollment and average daily attendance (ADA) for the 2018-19 and 2019-20 fiscal years. Since the district is funded on the higher of the current or prior year for ADA, only the ADA decrease in 2018-19 will impact the MYFP in 2019-20. 2017-18 District ADA = 1605.10 2017-18 FCMAT ADA = 1,605.10 2018-19 District ADA = 1,577.00 2018-19 FCMAT ADA = 1,550.90 FCMAT reduced the LCFF calculation by 26.10 ADA
- (1.2) Object 8041: 2017 Sonoma Complex Fires-Impact to Property Taxes Since the disaster of the Sonoma Complex Fires occurred after the FY17-18, the Equalized Roll was turned over to the Auditor and the FY 17-18 Tax Roll was extended, and all associated property tax reductions will be allocated to taxing agencies such as school districts using the countywide AB8 apportionment factors. This is consistent with Revenue and Taxation Code Sections 96.2 and 4707, which require all current secured and unsecured taxes including adjustments from corrections, cancellations or refunds to be apportioned using the countywide AB8 factors. For FY 17-18, property tax revenues will be reduced for all Prop 13 taxing agencies in the county, not just the taxing agencies with damaged properties in their jurisdictional boundary. (Source: Sonoma County Auditor Controller)
- (2)
- (2.1) Object 8290: MAA Reimbursement Funding-No increase in funding budgeted for two subsequent fiscal years.
- (3)
- (3.1) Object 8550: Funding for the Mandated Block Grant is based upon average daily attendance (ADA) as of the 2016-17 Second Principal Apportionment (P-2) for grades K-8 and Grades 9-12. The 2017-18 funding rates for each grade span are set forth in item 6100-296-0001 of the Budget Act in accordance with the following: K-8 = \$30.34 9-12 = 58.25 Funding also includes on time funds for Outstanding Mandate Claims in the amount of \$245,579. Funds are based upon prior year P-2 for 2016-17 and shall be used to satisfy any outstanding mandate claims. Funds may be used for any one-time purpose determined by the district's governing board. The district did not budget for this one-time funding
- (4)
- (4.1) Object 8689: MV After School Funding = \$16,700 TM After School Funding = \$13,560 Total Budget = \$30,260 District budgeted \$80,000 Budget revision for 2017-18 = (\$49,740)
- (4.2) Object 8699: 2017-18 includes one time funding for the following: 1. One time balance refund = \$240,000 2. Refund of STRS = 23,902 3. 2016-17 Co-Op refund = \$35,516
- (5) Certificated staff received a one time non recurring payment in 2016-17 of 2.5%. Negotiations for 2017-18 have not been completed at the time of this report. The district's financial software system computed the step and column increase for 2018-19 at 1.83%
- (5.1) Object 1100: Certificated staff received a one time non recurring payment in 2016-17 of 2.5%. Negotiations for 2017-18 have not been completed at the time of this report. The district's financial software system computed the step and column increase for 2018-19 at 1.83%
- (5.2) Object 1102: Declining Enrollment/ADA
- (6) The district's financial software system Escape, computed the step and column for classified staff at 2.19% for the 2018-19 fiscal year.
- (7) CalPERS employer rate for 2018-19 =18.1% and 20.8% for 2019-20 CalSTRS employer rate for 2018-19 =16.28% and 18.13% for 2019-20
- (8)
- (8.1) Object 7439: District entered into a capital lease agreement with City National Bank with an original cost of \$2,442,810 to install solar equipment at each school site. Title to the property will pass to the district upon the expiration of the lease period ending 2030. The energy savings are estimated to be \$125,000 to \$150,000 per year for the life of the equipment. Additionally, the district will receive a rebate from PG&E for the first five years of approximately \$154,000. The first payment of \$144,548 was received in 2011 in accordance with the district's audit report.

**General Fund/County School Service Fund  
 Unrestricted Resources Only  
 Resource: 1100 - Lottery: Unrestricted**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$246,650.00		\$234,264.00	\$230,242.00	(1)
Other Local Revenues	8600 - 8799	\$0.00		\$0.00	\$0.00	
<b>Total Revenues</b>		\$246,650.00		\$234,264.00	\$230,242.00	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$167,088.00		\$152,163.97	\$145,793.91	
Services and Other Operating	5000 - 5999	\$79,562.00		\$82,100.03	\$84,448.09	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$246,650.00		\$234,264.00	\$230,242.00	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		\$0.00		\$0.00	\$0.00	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00		\$0.00	\$0.00	
<b>Total Other Financing Sources/Uses</b>		\$0.00		\$0.00	\$0.00	
<b>Net Increase (Decrease) in Fund Balance</b>		\$0.00		\$0.00	\$0.00	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$16,175.57		\$16,175.57	\$16,175.57	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$16,175.57		\$16,175.57	\$16,175.57	
Ending Fund Balance		\$16,175.57		\$16,175.57	\$16,175.57	

**Notes:**

- (1) Lottery Calculation-MYFP Projection based upon SSC Dartboard \$146 x 1,689.38 Prior Year ADA Adjustment of 1.04446 will be made after P-1 in February
- (1.1) Object 8560: Lottery Funding is calculated using the prior year's annual ADA rounded per EC 46303 as adjusted by the statewide excused absence factor of 1.04446. Lottery funding is based upon the Annual ADA for the current year. However, since Annual ADA is not available until after the fiscal year ends, lottery is initially projected using the prior year's Annual ADA and adjusted in the subsequent fiscal year. Calculation is based upon prior year CDE LCFF Funding Snapshot of 1,689.38 x SSC Dartboard of \$146 per ADA

**General Fund/County School Service Fund  
 Unrestricted Resources Only  
 Resource: 1400 - Education Protection Account**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$1,959,213.00		\$1,884,094.00	\$1,754,035.00	
Federal Revenues	8100 - 8299	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00		\$0.00	\$0.00	
<b>Total Revenues</b>		\$1,959,213.00		\$1,884,094.00	\$1,754,035.00	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$1,959,213.00		\$1,995,066.60	\$2,031,576.32	(1)
Classified Salaries	2000 - 2999	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$0.00		\$0.00	\$0.00	
Services and Other Operating	5000 - 5999	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$1,959,213.00		\$1,995,066.60	\$2,031,576.32	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		\$0.00		(\$110,972.60)	(\$277,541.32)	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00		\$0.00	\$0.00	
<b>Total Other Financing Sources/Uses</b>		\$0.00		\$0.00	\$0.00	
<b>Net Increase (Decrease) in Fund Balance</b>		\$0.00		(\$110,972.60)	(\$277,541.32)	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$0.00		\$0.00	(\$110,972.60)	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00		\$0.00	(\$110,972.60)	
Ending Fund Balance		\$0.00		(\$110,972.60)	(\$388,513.92)	

**Notes:**

(1)

(1.1) Object 1100: The district's financial software system computed the step and column increase for 2018-19 at 1.83%

**General Fund/County School Service Fund  
 Restricted Resources Only  
 Resource: 3010 - NCLB: Title I, Part A, Basic Grants Low-Income and Neglected**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$647,392.00		\$564,101.00	\$564,101.00	(1)
Other State Revenues	8300 - 8599	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00		\$0.00	\$0.00	
<b>Total Revenues</b>		\$647,392.00		\$564,101.00	\$564,101.00	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$390,764.00		\$397,914.98	\$405,196.82	(2)
Classified Salaries	2000 - 2999	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$107,904.00		\$115,927.16	\$124,224.97	
Books and Supplies	4000 - 4999	\$0.00		\$0.00	\$0.00	
Services and Other Operating	5000 - 5999	\$118,750.00		\$119,547.50	\$120,285.31	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$29,974.00		\$29,974.00	\$29,974.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$647,392.00		\$663,363.64	\$679,681.10	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		\$0.00		(\$99,262.64)	(\$115,580.10)	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00		\$99,262.64	\$115,580.10	(3)
<b>Total Other Financing Sources/Uses</b>		\$0.00		\$99,262.64	\$115,580.10	
<b>Net Increase (Decrease) in Fund Balance</b>		\$0.00		\$0.00	\$0.00	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00		\$0.00	\$0.00	

**Notes:**

- (1)
- (1.1) Object 8290: Title I, Part A is a federal categorical program contained in the Consolidated Application. Its purpose is to ensure that all children have a fair and equal opportunity to obtain a high quality education and reach at a minimum, proficiency on the state content standards and assessments. The intent of this funding is to meet the educational needs of low-achieving students enrolled in the highest poverty schools. The district budgeted \$584,157 versus the 2017-18 Preliminary Allocation is projected at \$564,101 per CDE FCMAT reduced the Title I preliminary projection by \$83,291 for the 2018-19 fiscal year (Amount is 2016-17 PY Carryover)
- (2)
- (2.1) Object 1100: The district's financial software system computed the step and column increase for 2018-19 at 1.83%
- (3)
- (3.1) Object 8980: Due to the cost of 1.83% certificated step and column, statutory benefits and previous sub agreements in object code 5100, contributions were made from unrestricted resources to balance this resource

**General Fund/County School Service Fund  
Restricted Resources Only  
Resource: 3310 - Special Ed: IDEA Basic Local Assistance Entitlement, Part B, Sec 611 (formerly P**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$328,453.00		\$328,453.00	\$328,453.00	(1)
Other State Revenues	8300 - 8599	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00		\$0.00	\$0.00	
<b>Total Revenues</b>		\$328,453.00		\$328,453.00	\$328,453.00	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$98,062.00		\$99,856.54	\$101,683.92	
Classified Salaries	2000 - 2999	\$155,099.00		\$158,495.67	\$161,966.73	
Employee Benefits	3000 - 3999	\$87,822.00		\$94,937.48	\$102,536.48	
Books and Supplies	4000 - 4999	\$0.00		\$0.00	\$0.00	
Services and Other Operating	5000 - 5999	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$340,983.00		\$353,289.69	\$366,187.13	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		(\$12,530.00)		(\$24,836.69)	(\$37,734.13)	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$12,530.00		\$24,836.69	\$37,734.13	(2)
<b>Total Other Financing Sources/Uses</b>		\$12,530.00		\$24,836.69	\$37,734.13	
<b>Net Increase (Decrease) in Fund Balance</b>		\$0.00		\$0.00	\$0.00	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00		\$0.00	\$0.00	

**Notes:**

(1)

(1.1) Object 8181: Revenue projections were based upon the 2017-18 Sonoma County Special Education Local Plan Area (SELPA) Estimated distributions for district programs

(2)

(2.1) Object 8998: Based upon 1% increase for step and column costs and statutory benefit costs, contributions from unrestricted resources were increased to balance this resource.



**General Fund/County School Service Fund  
Restricted Resources Only  
Resource: 3315 - Special Ed: IDEA Preschool Grants, Part B, Sec 619**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$23,071.00		\$23,493.20	\$23,923.13	
Other State Revenues	8300 - 8599	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00		\$0.00	\$0.00	
<b>Total Revenues</b>		\$23,071.00		\$23,493.20	\$23,923.13	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$16,762.87		\$17,069.63	\$17,382.00	
Classified Salaries	2000 - 2999	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$6,308.13		\$6,700.65	\$7,106.05	
Books and Supplies	4000 - 4999	\$0.00		\$0.00	\$0.00	
Services and Other Operating	5000 - 5999	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$23,071.00		\$23,770.28	\$24,488.05	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		\$0.00		(\$277.08)	(\$564.92)	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00		\$292.06	\$590.08	(1)
<b>Total Other Financing Sources/Uses</b>		\$0.00		\$292.06	\$590.08	
<b>Net Increase (Decrease) in Fund Balance</b>		\$0.00		\$14.98	\$25.16	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$0.00		\$0.00	\$14.98	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00		\$0.00	\$14.98	
Ending Fund Balance		\$0.00		\$14.98	\$40.14	

**Notes:**

(1)

(1.1) Object 8980: Based upon the 1% increase in certificated step and column and statutory benefit costs, contributions were made from unrestricted resources to balance this resource

**General Fund/County School Service Fund  
 Restricted Resources Only  
 Resource: 3320 - Special Ed: IDEA Preschool Local Entitlement, Part B, Sec 611**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$48,149.00		\$48,149.00	\$48,149.00	
Other State Revenues	8300 - 8599	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00		\$0.00	\$0.00	
<b>Total Revenues</b>		\$48,149.00		\$48,149.00	\$48,149.00	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$35,837.86		\$36,493.69	\$37,161.52	
Classified Salaries	2000 - 2999	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$12,311.14		\$13,128.81	\$13,973.61	
Books and Supplies	4000 - 4999	\$0.00		\$0.00	\$0.00	
Services and Other Operating	5000 - 5999	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$48,149.00		\$49,622.50	\$51,135.13	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		\$0.00		(\$1,473.50)	(\$2,986.13)	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00		\$1,473.50	\$2,986.13	(1)
<b>Total Other Financing Sources/Uses</b>		\$0.00		\$1,473.50	\$2,986.13	
<b>Net Increase (Decrease) in Fund Balance</b>		\$0.00		\$0.00	\$0.00	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00		\$0.00	\$0.00	

**Notes:**

(1)

(1.1) Object 8980: Due to 1% increase in step and column costs and statutory benefits, contributions were made from unrestricted resources to balance this resource.

**General Fund/County School Service Fund  
 Restricted Resources Only  
 Resource: 4035 - NCLB: Title II, Part A, Teacher Quality**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$82,350.00		\$82,350.00	\$82,350.00	(1)
Other State Revenues	8300 - 8599	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00		\$0.00	\$0.00	
<b>Total Revenues</b>		\$82,350.00		\$82,350.00	\$82,350.00	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$62,516.70		\$63,141.00	\$63,141.00	
Classified Salaries	2000 - 2999	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$16,674.99		\$17,954.13	\$19,121.86	
Books and Supplies	4000 - 4999	\$0.00		\$0.00	\$0.00	
Services and Other Operating	5000 - 5999	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$79,191.69		\$81,095.13	\$82,262.86	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		\$3,158.31		\$1,254.87	\$87.14	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00		\$0.00	\$0.00	
<b>Total Other Financing Sources/Uses</b>		\$0.00		\$0.00	\$0.00	
<b>Net Increase (Decrease) in Fund Balance</b>		\$3,158.31		\$1,254.87	\$87.14	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$0.00		\$3,158.31	\$4,413.18	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00		\$3,158.31	\$4,413.18	
Ending Fund Balance		\$3,158.31		\$4,413.18	\$4,500.32	

**Notes:**

- (1) Title II Part A, Supporting Effective Instruction is a federal categorical program contained in the Consolidated Application. The purpose of Title II, Part A is to increase the academic achievement of all students by helping schools and districts, (1) improve teacher and principal quality through professional development and other activities, (2) providing low-income and minority students greater access to effective teachers, principals and other school leaders. District budgeted \$79,191.69 FCMAI increased the budget by \$3,158.31 to \$82,350 per the 2017-18 CDE Preliminary Allocation
- (1.1) Object 8290: Title II, Part A

**General Fund/County School Service Fund  
 Restricted Resources Only  
 Resource: 4201 - NCLB: Title III, Immigrant Education Program**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$8,534.00		\$5,492.00	\$5,492.00	(1)
Other State Revenues	8300 - 8599	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00		\$0.00	\$0.00	
<b>Total Revenues</b>		\$8,534.00		\$5,492.00	\$5,492.00	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$4,000.00		\$4,127.60	\$4,245.65	
Services and Other Operating	5000 - 5999	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$4,000.00		\$4,127.60	\$4,245.65	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		\$4,534.00		\$1,364.40	\$1,246.35	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00		\$0.00	\$0.00	
<b>Total Other Financing Sources/Uses</b>		\$0.00		\$0.00	\$0.00	
<b>Net Increase (Decrease) in Fund Balance</b>		\$4,534.00		\$1,364.40	\$1,246.35	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$0.00		\$4,534.00	\$5,898.40	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00		\$4,534.00	\$5,898.40	
Ending Fund Balance		\$4,534.00		\$5,898.40	\$7,144.75	

**Notes:**

(1)

- (1.1) Object 8290: Funding is made available to eligible Local Educational Agencies (LEAs) to provide supplementary programs and services to eligible immigrant students. The purpose of the subgrants is to assist students to acquire English and achieve great level and graduation standards. The district budgeted \$4,000 and FCMAT increase the budget by \$1,492 per the 2017-18 Preliminary Allocation of \$5,492.00 2017-18 includes carryover balances in listed below: 1. 2015-16 = 530 2. 2016-17 = 2,512

**General Fund/County School Service Fund  
 Restricted Resources Only  
 Resource: 4203 - NCLB: Title III, Limited English Proficient (LEP) Student Program**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$101,120.00		\$101,120.00	\$101,120.00	(1)
Other State Revenues	8300 - 8599	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00		\$0.00	\$0.00	
<b>Total Revenues</b>		\$101,120.00		\$101,120.00	\$101,120.00	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$0.00		\$0.00	\$0.00	
Services and Other Operating	5000 - 5999	\$101,120.00		\$101,120.00	\$101,120.00	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$101,120.00		\$101,120.00	\$101,120.00	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		\$0.00		\$0.00	\$0.00	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00		\$0.00	\$0.00	
<b>Total Other Financing Sources/Uses</b>		\$0.00		\$0.00	\$0.00	
<b>Net Increase (Decrease) in Fund Balance</b>		\$0.00		\$0.00	\$0.00	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00		\$0.00	\$0.00	

**Notes:**

(1)

(1.1) Object 8290: District budgeted \$105,000 Per CDE 2017-18 Preliminary Allocation = \$101,120 FCMAT reduced the budget by (3,880) for 2017-18

**General Fund/County School Service Fund  
 Restricted Resources Only  
 Resource: 5640 - Medi-Cal Billing Option**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$23,103.96		\$23,103.96	\$23,103.96	
<b>Total Revenues</b>		\$23,103.96		\$23,103.96	\$23,103.96	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$19,103.96		\$19,713.38	\$20,277.18	
Services and Other Operating	5000 - 5999	\$4,000.00		\$4,127.60	\$4,245.65	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$23,103.96		\$23,840.98	\$24,522.83	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		\$0.00		(\$737.02)	(\$1,418.87)	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00		\$0.00	\$0.00	
<b>Total Other Financing Sources/Uses</b>		\$0.00		\$0.00	\$0.00	
<b>Net Increase (Decrease) in Fund Balance</b>		\$0.00		(\$737.02)	(\$1,418.87)	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$48,905.12		\$48,905.12	\$48,168.10	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$48,905.12		\$48,905.12	\$48,168.10	
Ending Fund Balance		\$48,905.12		\$48,168.10	\$46,749.23	

**General Fund/County School Service Fund  
Restricted Resources Only  
Resource: 6010 - After School Education and Safety (ASES)**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$493,365.00		\$503,972.35	\$515,815.70	
Other Local Revenues	8600 - 8799	\$0.00		\$0.00	\$0.00	
<b>Total Revenues</b>		\$493,365.00		\$503,972.35	\$515,815.70	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$0.00		\$0.00	\$0.00	
Services and Other Operating	5000 - 5999	\$493,365.00		\$494,162.50	\$494,900.31	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$493,365.00		\$494,162.50	\$494,900.31	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		\$0.00		\$9,809.85	\$20,915.39	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00		\$0.00	\$0.00	
<b>Total Other Financing Sources/Uses</b>		\$0.00		\$0.00	\$0.00	
<b>Net Increase (Decrease) in Fund Balance</b>		\$0.00		\$9,809.85	\$20,915.39	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$0.00		\$0.00	\$9,809.85	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00		\$0.00	\$9,809.85	
Ending Fund Balance		\$0.00		\$9,809.85	\$30,725.24	

**General Fund/County School Service Fund  
 Restricted Resources Only  
 Resource: 6230 - California Clean Energy Jobs Act**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$122,898.00		\$0.00	\$0.00	(1)
Other Local Revenues	8600 - 8799	\$0.00		\$0.00	\$0.00	
<b>Total Revenues</b>		\$122,898.00		\$0.00	\$0.00	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$0.00		\$0.00	\$0.00	
Services and Other Operating	5000 - 5999	\$122,898.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$122,898.00		\$0.00	\$0.00	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		\$0.00		\$0.00	\$0.00	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00		\$0.00	\$0.00	
<b>Total Other Financing Sources/Uses</b>		\$0.00		\$0.00	\$0.00	
<b>Net Increase (Decrease) in Fund Balance</b>		\$0.00		\$0.00	\$0.00	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00		\$0.00	\$0.00	

**Notes:**

- (1) District did not budget 2017-18 Funding of 121,882 or prior year 2016-17 of 1,016. Total budget increased by \$122,898 Receipt of funds is dependent on submission and approval of an expenditure plan by the California Energy Commission. The District can request planning funds from their first year award allocations. Program funding is allocated from General Fund transfer to the Clean Energy Job Creation Fund for a period of five years from 2013-14-2017-18. 85 percent of the appropriation is allocated from 2016-17 ADA and 15 percent from 2016-17 eligibility for Free and Reduced-Price Meals.



General Fund/County School Service Fund  
 Restricted Resources Only  
 Resource: 6264 - Educator Effectiveness

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00		\$0.00	\$0.00	
<b>Total Revenues</b>		\$0.00		\$0.00	\$0.00	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$0.00		\$0.00	\$0.00	
Services and Other Operating	5000 - 5999	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$0.00		\$0.00	\$0.00	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		\$0.00		\$0.00	\$0.00	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00		\$0.00	\$0.00	
<b>Total Other Financing Sources/Uses</b>		\$0.00		\$0.00	\$0.00	
<b>Net Increase (Decrease) in Fund Balance</b>		\$0.00		\$0.00	\$0.00	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$15,657.00		\$15,657.00	\$15,657.00	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$15,657.00		\$15,657.00	\$15,657.00	
Ending Fund Balance		\$15,657.00		\$15,657.00	\$15,657.00	

**General Fund/County School Service Fund  
Restricted Resources Only  
Resource: 6300 - Lottery: Instructional Materials**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$81,072.00		\$77,040.00	\$74,400.00	(1)
Other Local Revenues	8600 - 8799	\$0.00		\$0.00	\$0.00	
<b>Total Revenues</b>		\$81,072.00		\$77,040.00	\$74,400.00	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$76,590.00		\$139,121.83	\$74,400.00	(2)
Services and Other Operating	5000 - 5999	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$76,590.00		\$139,121.83	\$74,400.00	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		\$4,482.00		(\$62,081.83)	\$0.00	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00		\$0.00	\$0.00	
<b>Total Other Financing Sources/Uses</b>		\$0.00		\$0.00	\$0.00	
<b>Net Increase (Decrease) in Fund Balance</b>		\$4,482.00		(\$62,081.83)	\$0.00	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$57,599.83		\$62,081.83	\$0.00	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$57,599.83		\$62,081.83	\$0.00	
Ending Fund Balance		\$62,081.83		\$0.00	\$0.00	

**Notes:**

- (1) Lottery Calculation-MYFP Projection based upon SSC Dartboard \$48 x 1,689.38 Prior Year ADA for 2017-18 Adjustment of 1.04446 will be made after P-1 in February
- (2) Budgeted additional expenditures for prior year carryover of \$62,851 to reduce the restricted ending fund balance.

**General Fund/County School Service Fund  
Restricted Resources Only  
Resource: 6500 - Special Education**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$634,866.00		\$634,866.00	\$634,866.00	(1)
Federal Revenues	8100 - 8299	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$726,127.00		\$726,127.00	\$726,127.00	(2)
<b>Total Revenues</b>		\$1,360,993.00		\$1,360,993.00	\$1,360,993.00	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$1,366,584.14		\$1,391,592.63	\$1,417,058.78	
Classified Salaries	2000 - 2999	\$87,645.00		\$89,564.43	\$91,525.89	
Employee Benefits	3000 - 3999	\$383,784.62		\$416,875.25	\$451,443.26	
Books and Supplies	4000 - 4999	\$25,800.00		\$26,623.02	\$27,384.44	
Services and Other Operating	5000 - 5999	\$2,616,220.16		\$2,686,670.65	\$2,751,848.04	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$4,480,033.92		\$4,611,325.98	\$4,739,260.41	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		(\$3,119,040.92)		(\$3,250,332.98)	(\$3,378,267.41)	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$3,119,040.92		\$3,250,332.98	\$3,378,267.41	
<b>Total Other Financing Sources/Uses</b>		\$3,119,040.92		\$3,250,332.98	\$3,378,267.41	
<b>Net Increase (Decrease) in Fund Balance</b>		\$0.00		\$0.00	\$0.00	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00		\$0.00	\$0.00	

**Notes:**

- (1)
- (1.1) Object 8097: The property tax transfer is not part of the LCFF calculator generated by FCMAT. However, the property tax transfer is generated from county office sources and recorded in resource 6500. FCMAT recommends that the district use a balancing tool for LCFF sources that show any additions or deletions not calculated with the LCFF calculator in future projections. Revenue based upon 2017-18 Estimated projections from the Sonoma County Special Education Local Plan Area (SELPA)
- (2)
- (2.1) Object 8792: AB 602 Revenue generated from the Special Education Local Area Plan (SELPA) per 2017-18 Estimated Special Education Revenue for district programs District budgeted \$906,197 FCMAT reduced the budget by \$180,000 to \$727,197

**General Fund/County School Service Fund  
 Restricted Resources Only  
 Resource: 6512 - Special Ed: Mental Health Services**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$65,152.00		\$66,552.77	\$68,116.76	
Other Local Revenues	8600 - 8799	\$0.00		\$0.00	\$0.00	
<b>Total Revenues</b>		\$65,152.00		\$66,552.77	\$68,116.76	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$48,654.17		\$49,544.54	\$50,451.21	
Classified Salaries	2000 - 2999	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$16,497.83		\$17,585.18	\$18,709.05	
Books and Supplies	4000 - 4999	\$0.00		\$0.00	\$0.00	
Services and Other Operating	5000 - 5999	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$65,152.00		\$67,129.72	\$69,160.26	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		\$0.00		(\$576.95)	(\$1,043.50)	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00		\$576.95	\$1,043.50	(1)
<b>Total Other Financing Sources/Uses</b>		\$0.00		\$576.95	\$1,043.50	
<b>Net Increase (Decrease) in Fund Balance</b>		\$0.00		\$0.00	\$0.00	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00		\$0.00	\$0.00	

**Notes:**

(1)

(1.1) Object 8980: Based upon certificated step & column increase of 1% and additional statutory benefit costs, contributions from unrestricted resources were made in 2018-19 & 2019-20

**General Fund/County School Service Fund  
 Restricted Resources Only  
 Resource: 8150 - Ongoing & Major Maintenance Account (RMA: Education Code Section 17070.75)**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00		\$0.00	\$0.00	
<b>Total Revenues</b>		\$0.00		\$0.00	\$0.00	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$175,174.00		\$179,010.31	\$182,930.64	
Employee Benefits	3000 - 3999	\$62,635.00		\$68,007.28	\$73,828.54	
Books and Supplies	4000 - 4999	\$103,146.00		\$85,673.87	\$68,287.25	(1)
Services and Other Operating	5000 - 5999	\$259,045.00		\$267,308.54	\$274,953.57	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$600,000.00		\$600,000.00	\$600,000.00	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		(\$600,000.00)		(\$600,000.00)	(\$600,000.00)	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$600,000.00		\$600,000.00	\$600,000.00	
<b>Total Other Financing Sources/Uses</b>		\$600,000.00		\$600,000.00	\$600,000.00	
<b>Net Increase (Decrease) in Fund Balance</b>		\$0.00		\$0.00	\$0.00	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$56,455.20		\$56,455.20	\$56,455.20	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$56,455.20		\$56,455.20	\$56,455.20	
Ending Fund Balance		\$56,455.20		\$56,455.20	\$56,455.20	

**Notes:**

(1)

(1.1) Object 4300: Reduced 2018-19 expenditures to balance this resource by (17,472.13) Reduced 2019-20 expenditures to balance this resource by (34,858.75)

**General Fund/County School Service Fund  
 Restricted Resources Only  
 Resource: 9010 - Other Restricted Local**

Name	Object Code	Base Year 2017 - 18	Rules	Year 1 2018 - 19	Year 2 2019 - 20	Note
<b>Revenues</b>						
LCFF/State Aid	8010 - 8099	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$104,668.93		\$104,668.93	\$104,668.93	(1)
<b>Total Revenues</b>		\$104,668.93		\$104,668.93	\$104,668.93	
<b>Expenditures</b>						
Certificated Salaries	1000 - 1999	\$13,000.00		\$13,237.90	\$13,480.15	
Classified Salaries	2000 - 2999	\$58,017.60		\$59,288.19	\$60,586.60	
Employee Benefits	3000 - 3999	\$23,110.25		\$25,237.53	\$27,527.87	
Books and Supplies	4000 - 4999	\$4,446.00		\$4,587.82	\$4,719.03	
Services and Other Operating	5000 - 5999	\$5,845.00		\$6,031.46	\$6,203.96	
Capital Outlay	6000 - 6900	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00		\$0.00	\$0.00	
Debt Service	7400 - 7499	\$0.00		\$0.00	\$0.00	
<b>Total Expenditures</b>		\$104,418.85		\$108,382.90	\$112,517.61	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		\$250.08		(\$3,713.97)	(\$7,848.68)	
<b>Other Financing Sources/Uses</b>						
Interfund Transfers In	8900 - 8929	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$90,750.00		\$0.00	\$0.00	(2)
<b>Total Other Financing Sources/Uses</b>		\$90,750.00		\$0.00	\$0.00	
<b>Net Increase (Decrease) in Fund Balance</b>		\$91,000.08		(\$3,713.97)	(\$7,848.68)	
<b>Fund Balance</b>						
Beginning Fund Balance	9791	\$101,354.94		\$192,355.02	\$188,641.05	
Audit Adjustments	9793	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$101,354.94		\$192,355.02	\$188,641.05	
Ending Fund Balance		\$192,355.02		\$188,641.05	\$180,792.37	

**Notes:**

(1)

(1.1) Object 8699: Local Revenue Budgeted in object 8699 consists of the following: 1. Kawana Foundation Support = \$80,731.93 2. J. Jordan Foundation Grant = 600.00 3. After School Liason Stipends = \$15,270 4. RESIG Safety Credit Funding = \$8,067

(2)

(2.1) Object 8998: Reduced contributions from unrestricted resources of \$90,000 to match current year expenditures in 2017-18 and restrict increases to the restricted fund balance. Added contributions from unrestricted resources to balance this resource for both 2018-19 & 2019-20

Projection Notes

Section	Resource	Object	Name	Note
Rule			Autobalance Rule	Autobalance Rule
Rule			State Categorical COLA (SSC)	State Categorical COLA (including adult ed, ROC/P)
Rule			Certificated Staff Column Increase %	Step & Column increase
Rule			California CPI (SSC)	California CPI
Rule			Federal COLA	Federal COLA
Rule			Interest Rate Trend for 10 Year Treasuries (SSC)	Interest Rate for 10-year Treasuries
Rule			California Lottery Restricted (SSC)	The forecast for Lottery funding per ADA includes only the amount restricted by Proposition 20 (2000) for instructional materials. Lottery funding is based on prior year annual ADA times the statewide average excused absence factor of 1.04446.
Rule			California Lottery Unrestricted (SSC)	The forecast for Lottery funding per ADA includes only the base (unrestricted) funding. Lottery funding is based on prior year annual ADA times the statewide average excused absence factor of 1.04446.
Rule			Net Funded LCFF/State Aid COLA (SSC)	Net Funded LCFF/State Aid Change
Rule			PERS Increase	Prefilled percentages are representative of the % change between fiscal year rates. Percentages calculated are based on the following PERS rate estimates: 2016-17 13.888% 2017-18 15.531% 2018-19 18.1% 2019-20 20.8% 2020-21 23.8%
Rule			Special Education COLA (SSC)	Special Education Base Deficit
Rule			Statutory COLA (SSC)	Statutory COLA (use for K-12 and COE LCFF/State Aid and Special Education)
Rule			STRS Increase	Prefilled percentages are representative of the % change between fiscal year rates. Percentages calculated are based on the following STRS estimates: 2016-17 12.58% 2017-18 14.43% 2018-19 16.28% 2019-20 18.13% 2020-21 19.10%
Summary Resource	0000	1000-1999	Certificated Salaries	Certificated staff received a one time non reoccurring payment in 2016-17 of 2.5%. Negotiations for 2017-18 have not been completed at the time of this report. The district's financial software system computed the step and column increase for 2018-19 at 1.83%
Summary Resource	0000	2000-2999	Classified Salaries	The district's financial software system Escape, computed the step and column for classified staff at 2.19% for the 2018-19 fiscal year.
Summary Resource	0000	3000-3999	Employee Benefits	CalPERS employer rate for 2018-19 =18.1% and 20.8% for 2019-20 CalSTRS employer rate for 2018-19 =16.28% and 18.13% for 2019-20
Summary Resource	1100	8300-8599	Other State Revenues	Lottery Calculation-MYFP Projection based upon SSC Dartboard \$146 x 1,689.38 Prior Year ADA Adjustment of 1.04446 will be made after P-1 in February
Summary Resource	4035	8100-8299	Federal Revenues	Title II Part A, Supporting Effective Instruction is a federal categorical program contained in the Consolidated Application. The purpose of Title II, Part A is to increase the academic achievement of all students by helping schools and districts, (1) improve teacher and principal quality through professional development and other activities, (2) providing low-income and minority students greater access to effective teachers, principals and other school leaders. District budgeted \$79,191.69 FCMAT increased the budget by \$3,158.31 to \$82,350 per the 2017-18 CDE Preliminary Allocation
Summary Resource	6230	8300-8599	Other State Revenues	District did not budget 2017-18 Funding of 121,882 or prior year 2016-17 of 1,016. Total budget increased by \$122,898 Receipt of funds is dependent on submission and approval of an expenditure plan by the California Energy Commission. The District can request planning funds from their first year award allocations. Program funding is allocated from General Fund transfer to the Clean Energy Job Creation Fund for a period of five years from 2013-14-2017-18. 85 percent of the appropriation is allocated from 2016-17 ADA and 15 percent from 2016-17 eligibility for Free and Reduced-Price Meals.
Summary Resource	6300	4000-4999	Books and Supplies	Budgeted additional expenditures for prior year carryover of \$62,851 to reduce the restricted ending fund balance.
Summary Resource	6300	8300-8599	Other State Revenues	Lottery Calculation-MYFP Projection based upon SSC Dartboard \$48 x 1,689.38 Prior Year ADA for 2017-18 Adjustment of 1.04446 will be made after P-1 in February
Resource-Object	0000	1100	Certificated Teachers' Salaries	Certificated staff received a one time non reoccurring payment in 2016-17 of 2.5%. Negotiations for 2017-18 have not been completed at the time of this report. The district's financial software system computed the step and column increase for 2018-19 at 1.83%
Resource-Object	0000	1102	Budget Reductions 2.0 FTE for 2019-20	Declining Enrollment/ADA
Resource-Object	0000	7439	Other Debt Service - Principal	District entered into a capital lease agreement with City National Bank with an original cost of \$2,442,810 to install solar equipment at each school site. Title to the property will pass to the district upon the expiration of the lease period ending 2030. The energy savings are estimated to be \$125,000 to \$150,000 per year for the life of the equipment. Additionally, the district will receive a rebate from PG&E for the first five years of approximately \$154,000. The first payment of \$144,548 was received in 2011 in accordance with the district's audit report.
Resource-Object	0000	8011	LCFF State Aid - Current Year	FCMAT revised the district's LCFF calculation using version v18.2c of the FCMAT calculator, updated October 30, 2017 and included revisions to the enrollment and average daily attendance (ADA) for the 2018-19 and 2019-20 fiscal years. Since the district is funded on the higher of the current or prior year for ADA, only the ADA decrease in 2018-19 will impact the MYFP in 2019-20. 2017-18 District ADA = 1605.10 2017-18 FCMAT ADA = 1,605.10 2018-19 District ADA = 1,577.00 2018-19 FCMAT ADA = 1,550.90 FCMAT reduced the LCFF calculation by 26.10 ADA
Resource-Object	0000	8041	Secured Roll Taxes	2017 Sonoma Complex Fires-Impact to Property Taxes Since the disaster of the Sonoma Complex Fires occurred after the FY17-18, the Equalized Roll was turned over to the Auditor and the FY 17-18 Tax Roll was extended, and all associated property tax reductions will be allocated to taxing agencies such as school districts using the countywide AB8 apportionment factors. This is consistent with Revenue and Taxation Code Sections 96.2 and 4707, which require all current secured and unsecured taxes including adjustments from corrections, cancellations or refunds to be apportioned using the countywide AB8 factors. For FY 17-18, property tax revenues will be reduced for all Prop 13 taxing agencies in the county, not just the taxing agencies with damaged properties in their jurisdictional boundary. (Source: Sonoma County Auditor Controller)
Resource-Object	0000	8290	All Other Federal Revenue	MAA Reimbursement Funding-No increase in funding budgeted for two subsequent fiscal years.
Resource-Object	0000	8550	Mandated Cost Reimbursements	Funding for the Mandated Block Grant is based upon average daily attendance (ADA) as of the 2016-17 Second Principal Apportionment (P-2) for grades K-8 and Grades 9-12. The 2017-18 funding rates for each grade span are set forth in item 6100-296-0001 of the Budget Act in accordance with the following: K-8 = \$30.34 9-12 = 58.25 Funding also includes on time funds for Outstanding Mandate Claims in the amount of \$245,579. Funds are based upon prior year P-2 for 2016-17 and shall be used to satisfy any outstanding mandate claims. Funds may be used for any one-time purpose determined by the district's governing board. The district did not budget for this one-time funding
Resource-Object	0000	8689	All Other Fees and Contracts	MV After School Funding = \$16,700 TM After School Funding = \$13,560 Total Budget = \$30,260 District budgeted \$80,000 Budget revision for 2017-18 = (\$49,740)

Projection Notes

Section	Resource	Object	Name	Note
Resource-Object	0000	8699	All Other Local Revenue	2017-18 includes one time funding for the following: 1. One time balance refund = \$240,000 2. Refund of STRS = 23,902 3. 2016-17 Co-Op refund = \$35,516
Resource-Object	1100	8560	State Lottery Revenue	Lottery Funding is calculated using the prior year's annual ADA rounded per EC 46303 as adjusted by the statewide excused absence factor of 1.04446. Lottery funding is based upon the Annual ADA for the current year. However, since Annual ADA is not available until after the fiscal year ends, lottery is initially projected using the prior year's Annual ADA and adjusted in the subsequent fiscal year. Calculation is based upon prior year CDE LCFF Funding Snapshot of 1,689.38 x SSC Dartboard of \$146 per ADA
Resource-Object	1400	1100	Certificated Teachers' Salaries	The district's financial software system computed the step and column increase for 2018-19 at 1.83%
Resource-Object	3010	1100	Certificated Teachers' Salaries	The district's financial software system computed the step and column increase for 2018-19 at 1.83%
Resource-Object	3010	8290	All Other Federal Revenue	Title I, Part A is a federal categorical program contained in the Consolidated Application. Its purpose is to ensure that all children have a fair and equal opportunity to obtain a high quality education and reach at a minimum, proficiency on the state content standards and assessments. The intent of this funding is to meet the educational needs of low-achieving students enrolled in the highest poverty schools. The district budgeted \$584,157 versus the 2017-18 Preliminary Allocation is projected at \$564,101 per CDE FCMAT reduced the Title I preliminary projection by \$83,291 for the 2018-19 fiscal year (Amount is 2016-17 PY Carryover)
Resource-Object	3010	8980	Contributions from Unrestricted Revenues	Due to the cost of 1.83% certificated step and column, statutory benefits and previous sub agreements in object code 5100, contributions were made from unrestricted resources to balance this resource
Resource-Object	3310	8181	Special Education - Entitlement	Revenue projections were based upon the 2017-18 Sonoma County Special Education Local Plan Area (SELPA) Estimated distributions for district programs
Resource-Object	3310	8998	Categorical Flexibility Transfers	Based upon 1% increase for step and column costs and statutory benefit costs, contributions from unrestricted resources were increased to balance this resource.
Resource-Object	3315	8980	Contributions from Unrestricted Revenues	Based upon the 1% increase in certificated step and column and statutory benefit costs, contributions were made from unrestricted resources to balance this resource
Resource-Object	3320	8980	Contributions from Unrestricted Revenues	Due to 1% increase in step and column costs and statutory benefits, contributions were made from unrestricted resources to balance this resource.
Resource-Object	4035	8290	All Other Federal Revenue	Title II, Part A
Resource-Object	4201	8290	All Other Federal Revenue	Funding is made available to eligible Local Educational Agencies (LEAs) to provide supplementary programs and services to eligible immigrant students. The purpose of the subgrants is to assist students to acquire English and achieve great level and graduation standards. The district budgeted \$4,000 and FCMAT increase the budget by \$1,492 per the 2017-18 Preliminary Allocation of \$5,492.00 2017-18 includes carryover balances in listed below: 1. 2015-16 = 530 2. 2016-17 = 2,512
Resource-Object	4203	8290	All Other Federal Revenue	District budgeted \$105,000 Per CDE 2017-18 Preliminary Allocation = \$101,120 FCMAT reduced the budget by (3,880) for 2017-18
Resource-Object	6500	8097	Property Taxes Transfers	The property tax transfer is not part of the LCFF calculator generated by FCMAT. However, the property tax transfer is generated from county office sources and recorded in resource 6500. FCMAT recommends that the district use a balancing tool for LCFF sources that show any additions or deletions not calculated with the LCFF calculator in future projections. Revenue based upon 2017-18 Estimated projections from the Sonoma County Special Education Local Plan Area (SELPA)
Resource-Object	6500	8792	Transfers of Apportionments from County Offices	AB 602 Revenue generated from the Special Education Local Area Plan (SELPA) per 2017-18 Estimated Special Education Revenue for district programs District budgeted \$906,197 FCMAT reduced the budget by \$180,000 to \$727,197
Resource-Object	6512	8980	Contributions from Unrestricted Revenues	Based upon certificated step & column increase of 1% and additional statutory benefit costs, contributions from unrestricted resources were made in 2018-19 & 2019-20
Resource-Object	8150	4300	Materials and Supplies	Reduced 2018-19 expenditures to balance this resource by (17,472.13) Reduced 2019-20 expenditures to balance this resource by (34,858.75)
Resource-Object	9010	8699	All Other Local Revenue	Local Revenue Budgeted in object 8699 consists of the following: 1. Kawana Foundation Support = \$80,731.93 2. J. Jordan Foundation Grant = 600.00 3. After School Liason Stipends = \$15,270 4. RESIG Safety Credit Funding = \$8,067
Resource-Object	9010	8998	Categorical Flexibility Transfers	Reduced contributions from unrestricted resources of \$90,000 to match current year expenditures in 2017-18 and restrict increases to the restricted fund balance. Added contributions from unrestricted resources to balance this resource for both 2018-19 & 2019-20



## Appendix B

### Study Agreement





**CSIS** California School Information Services

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**FISCAL CRISIS & MANAGEMENT ASSISTANCE TEAM  
STUDY AGREEMENT  
June 23, 2017**

The Fiscal Crisis and Management Assistance Team (FCMAT), hereinafter referred to as the team, and the Bellevue Union School District, hereinafter referred to as the district, mutually agree as follows:

**1. BASIS OF AGREEMENT**

The team provides a variety of services to local education agencies (LEAs). The district has requested that the team assign professionals to study specific aspects of the district's operations. These professionals may include staff of the team, county offices of education, the California State Department of Education, school districts, or private contractors. All work shall be performed in accordance with the terms and conditions of this agreement.

In keeping with the provisions of Assembly Bill 1200, the county superintendent will be notified of this agreement between the district and FCMAT and will receive a copy of the final report. The final report will also be published on the FCMAT website.

**2. SCOPE OF THE WORK**

**A. Scope and Objectives of the Study**

1. Review the district's 2017-18 general fund budget and develop a multiyear financial projection (MYFP) for the current and two subsequent fiscal years to validate the district's financial status. Make recommendations for expenditure reductions and/or revenue enhancements to help the district eliminate its structural budget deficit and maintain financial solvency. The MYFP will be a snapshot in time of the current financial status and will use the district's 2017-18 adopted budget as the baseline. The MYFP will be developed as a trend based on certain criteria and assumptions instead of a prediction of exact numbers. It will be developed for the district's general fund and will include the review and fiscal impact of other funds on the general fund.

2. Prepare an analysis using the 20 factors in FCMAT's Fiscal Health Risk Analysis, and determine the district's risk rating.

B. Services and Products to be Provided

1. Orientation Meeting - The team will conduct an orientation session at the district to brief district management and supervisory personnel on the team's procedures and the purpose and schedule of the study.
2. On-site Review - The team will conduct an on-site review at the district office and at school sites if necessary.
3. Exit Meeting - The team will hold an exit meeting at the conclusion of the on-site review to inform the district of significant findings and recommendations to that point.
4. Exit Letter – Approximately 10 days after the exit meeting, the team will issue an exit letter briefly memorializing the topics discussed in the exit meeting.
5. Draft Report - Electronic copies of a preliminary draft report will be delivered to the district's administration for review and comment.
6. Final Report - Electronic copies of the final report will be delivered to the district's administration and to the county superintendent following completion of the review. Printed copies are available from FCMAT upon request.
7. Follow-Up Support – If requested by the district within six to 12 months after completion of the study, FCMAT will return to the district at no cost to assess the district's progress in implementing the recommendations included in the report. Progress in implementing the recommendations will be documented to the district in a FCMAT management letter. FCMAT will work with the district on a mutually convenient time to return for follow-up support that is no sooner than eight months and no later than 18 months after completion of the study.

3. PROJECT PERSONNEL

The FCMAT study team may also include:

- A. *To be determined*
- B. *To be determined*

*FCMAT Staff*  
*FCMAT Consultant*

4. PROJECT COSTS

The cost for studies requested pursuant to Education Code (EC) 42127.8(d)(1) shall be as follows:

- A. \$650 per day for each staff member while on site, conducting fieldwork at other locations, presenting reports and participating in meetings. The cost of independent FCMAT consultants will be billed at their actual daily rate for all work performed.
- B. All out-of-pocket expenses, including travel, meals and lodging.
- C. The district will be invoiced at actual costs, with 50% of the estimated cost due following the completion of the on-site review and the remaining amount due upon the district's acceptance of the final report.

**Based on the elements noted in section 2A, the total not-to-exceed cost of the study will be \$14,800.**

- D. Any change to the scope will affect the estimate of total cost.

Payments for FCMAT's services are payable to Kern County Superintendent of Schools - Administrative Agent located at 1300 17<sup>th</sup> Street, City Centre, Bakersfield, CA 93301.

## **5. RESPONSIBILITIES OF THE DISTRICT**

- A. The district will provide office and conference room space during on-site reviews.
- B. The district will provide the following if requested:
  - 1. Policies, regulations and prior reports that address the study scope.
  - 2. Current or proposed organizational charts.
  - 3. Current and two prior years' audit reports.
  - 4. Any documents requested on a supplemental list. Documents requested on the supplemental list should be provided to FCMAT only in electronic format; if only hard copies are available, they should be scanned by the district and sent to FCMAT in electronic format.
  - 5. Documents should be provided in advance of fieldwork; any delay in the receipt of the requested documents may affect the start date and/or completion date of the project. Upon approval of the signed study agreement, access will be provided to FCMAT's online SharePoint document repository, where the district will upload all requested documents.
- C. The district's administration will review a preliminary draft copy of the report resulting from the study. Any comments regarding the accuracy of the data presented in the report or the practicability of the recommendations will be reviewed with the team prior to completion of the final report.



Pursuant to EC 45125.1(c), representatives of FCMAT will have limited contact with pupils. The district shall take appropriate steps to comply with EC 45125.1(c).

**6. PROJECT SCHEDULE**

The following schedule outlines the planned completion dates for different phases of the study and will be established upon the receipt of a signed study agreement:

Orientation:	to be determined
Staff Interviews:	to be determined
Exit Meeting:	to be determined
Draft Report Submitted:	to be determined
Final Report Submitted:	to be determined
Board Presentation:	to be determined, if requested
Follow-Up Support:	if requested

**7. COMMENCEMENT, TERMINATION AND COMPLETION OF WORK**

FCMAT will begin work as soon as it has assembled an available and appropriate study team consisting of FCMAT staff and independent consultants, taking into consideration other jobs FCMAT has previously undertaken and assignments from the state. The team will work expeditiously to complete its work and deliver its report, subject to the cooperation of the district and any other parties from which, in the team's judgment, it must obtain information. Once the team has completed its fieldwork, it will proceed to prepare a preliminary draft report and a final report. Prior to completion of fieldwork, the district may terminate its request for service and will be responsible for all costs incurred by FCMAT to the date of termination under Section 4 (Project Costs). If the district does not provide written notice of termination prior to completion of fieldwork, the team will complete its work and deliver its report and the district will be responsible for the full costs. The district understands and agrees that FCMAT is a state agency and all FCMAT reports are published on the FCMAT website and made available to interested parties in state government. In the absence of extraordinary circumstances, FCMAT will not withhold preparation, publication and distribution of a report once fieldwork has been completed, and the district shall not request that it do so.

**8. INDEPENDENT CONTRACTOR**

FCMAT is an independent contractor and is not an employee or engaged in any manner with the district. The manner in which FCMAT's services are rendered shall be within its sole control and discretion. FCMAT representatives are not authorized to speak for, represent, or obligate the district in any manner without prior express written authorization from an officer of the district.

9. **INSURANCE**


During the term of this agreement, FCMAT shall maintain liability insurance of not less than \$1 million unless otherwise agreed upon in writing by the district, automobile liability insurance in the amount required under California state law, and workers compensation as required under California state law. FCMAT shall provide certificates of insurance, with Bellevue Union School District named as additional insured, indicating applicable insurance coverages upon request prior to the commencement of on-site work.

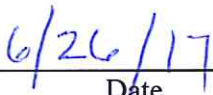
10. **HOLD HARMLESS**


FCMAT shall hold the district, its board, officers, agents and employees harmless from all suits, claims and liabilities resulting from negligent acts or omissions of its board, officers, agents and employees undertaken under this agreement. Conversely, the district shall hold FCMAT, its board, officers, agents and employees harmless from all suits, claims and liabilities resulting from negligent acts or omissions of its board, officers, agents and employees undertaken under this agreement.

11. **CONTACT PERSON**

Name: Moriah Hart, Executive Assistant  
Telephone: (707) 542-5197  
E-mail: [mhart@busd.org](mailto:mhart@busd.org)

  
\_\_\_\_\_  
Alicia Henderson, Superintendent  
Bellevue Union School District

  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Michael H. Fine,  
Chief Administrative Officer  
Fiscal Crisis and Management Assistance Team

June 23, 2017  
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Date