

Pleasant Valley School District
2013-14 Unaudited Actuals
September 18, 2014

Background

The 2013-14 fiscal year books have been closed and the unaudited actuals have been prepared in the Standardized Account Code Structure (SACS) format for the Board's review and approval. The Unaudited Actuals report reflects both the amount of revenue received and the amount expended by the District during the fiscal year 2013-14.

Per Education Code Section 42100, on or before September 15, the governing board of each school district shall approve in a format prescribed by the Superintendent of Public Instructions, an annual statement of all receipts and expenditures of the district for the preceding fiscal year and shall file the statement with the county superintendent of schools. In addition, on or before October 15, the county superintendent of schools shall verify the mathematical accuracy of the statements and shall transmit a copy to the Superintendent of Public Instructions. District independent auditors also audit the data, procedures and practices utilized in the report.

Discussion

The attached Schedule A is the 2013-14 Unaudited Actuals presented as three categories - Unrestricted Operations, Unrestricted Programs and Restricted Programs. The majority of the District's funding and expenditures are related to the ongoing operations of the District. Unrestricted programs are focused on services identified as a need by the District or required by the State and have varying degrees of flexibility. Restricted programs have specific guidelines on their use and often require reporting how the funds were spent to a Federal or State agency. Overall, unrestricted operational expenditures exceeded revenues by \$76,346. Revenues exceeded expenditures in the unrestricted and restricted programs by \$411,277 and \$955,173, respectively.

The attached Schedule B is a comparison of the General Fund 2013-14 year end estimate, included in the 2014-15 Adopted Budget, and the 2013-14 Unaudited Actuals. Total revenue is higher than estimated by approximately \$250,000. A slight increase in the Local Control Funding Formula (LCFF) resulted in an additional \$180,000. Local Sources, which include rental of facilities and donations, came out higher than estimated. This is expected as it is difficult to estimate donation and facility rental income. These amounts are adjusted throughout the year to reflect actual revenue received. The decrease of \$81,000 in Federal Sources reflects unspent allocations in Title I and Title III. These allocations have been deferred to 2014-15.

Total expenditures are lower than estimated by approximately \$4.6 million, with the majority of the decrease in Books and Supplies of \$2.7 million and in Services and Contracts of \$1.6 million. Much of this decrease was expected. Throughout the year, it is generally assumed that unrestricted and restricted programs will spend all of the funds available and expenditures are budgeted accordingly. Inevitably, there are unspent funds in these unrestricted and restricted programs at year end. The decrease in expenditures is largely a result of these unspent program funds which will be carried over to the 2014-15 fiscal year. In addition, there was a decrease in the unrestricted operational expenditures for supplies, services and special education costs.

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The ending fund balance reflects an increase of \$5 million. The increase is a combination of slightly higher than estimated revenues, an audit adjustment to the beginning balance and decrease in expenditures. The ending fund balances for the unrestricted and restricted programs increased by \$3.7 million. The ending fund balance includes a reserve of \$300,000 for special education excess costs payable for the 2013-14 fiscal year but not accrued. The decrease in the reserve for Economic Uncertainties is related to the decrease in total expenditures. The increase in Budget Stabilization of \$1.3 million reflects the impact of the decrease in Economic Uncertainties, the increase in LCFF revenue, the audit adjustment and the decrease in the operational expenditures.

School Community and Public Support

The Financial Report will be posted on the District's webpage and is available for review at the District Office as a means to keep the public informed of the District's financial status.

District Policy Impact

The recommendations included in this report are consistent with the Board of Education policies.

Prepared & Reviewed by

The above information was prepared by Elena Zaharov, Director of Finance, and reviewed by Cathy Bojorquez, Chief Business Official. If you have any questions, please contact Elena Zaharov at 805-445-8630.

Recommendations

The Superintendent recommends the Board approve the 2013-14 Unaudited Actuals.

Schedule A
Pleasant Valley Elementary School District
2013-14 Unaudited Actuals
By Category

	I Unrestricted Operations	II Unrestricted Programs	III Restricted Programs	IV Total Budget
Revenue				
8010-8099 LCFF/Revenue Limit	32,501,109	6,814,989	-	39,316,098
8100-8299 Fed Revenue	34,221	23,551	2,251,237	2,309,009
8300-8599 Othr State Rev	211,961	909,496	1,839,157	2,960,614
8600-8799 Local Revenue	942,884	826,647	4,369,509	6,139,040
Total Revenue	33,690,175	8,574,683	8,459,903	50,724,761
Expenditures				
1000 Certificated Salaries	13,239,996	7,227,723	4,326,505	24,794,224
2000 Classified Salaries	4,042,108	291,736	2,954,556	7,288,400
3000 Employee Benefits	6,339,113	1,048,527	2,008,132	9,395,772
4000 Books & Supplies	741,861	1,129,976	713,864	2,585,701
5000 Services & Contracts	2,013,145	1,147,869	834,669	3,995,683
6000 Capital Outlay	36,808	5,593	-	42,401
7000 Other Outgo	741,324	-	349,952	1,091,276
Subtotal Expenditures	27,154,355	10,851,424	11,187,678	49,193,457
Other Financing Sources/Uses				
Contributions	(6,370,966)	2,688,018	3,682,948	-
Interfund transfer out	(241,200)	-	-	(241,200)
Subtotal Other Financing	(6,612,166)	2,688,018	3,682,948	(241,200)
Total Expenditures	33,766,521	8,163,406	7,504,730	49,434,657
Net Increase/(Decrease)	(76,346)	411,277	955,173	1,290,104
Beginning Balance	9,721,337	2,888,226	985,627	13,595,190
Ending Balance	9,644,991	3,299,503	1,940,800	14,885,294
Reserves:				
Cash	5,250			5,250
Legally Restricted			1,940,800	1,940,800
Designated Econ Uncert	1,483,040			1,483,040
Instructional Materials Adoption	2,000,000			2,000,000
Equipment (Busses, mowers)	192,045			192,045
Program Balances		3,299,503		3,299,503
Special Education Excess Costs	300,000			300,000
Budget Stabilization	5,664,656			5,664,656

Schedule B
Pleasant Valley Elementary School District
2013-14 Year End Estimate at 2014-15 Adoption
and 2013-14 Unaudited Actuals

	I 2013-14 Year End Estimate	II 2013-14 Unaudited Actuals	II Difference
Revenue			
8010-8099 LCFF	35,924,473	39,316,098	3,391,625
8100-8299 Fed Revenue	2,389,931	2,309,009	(80,922)
8300-8599 Othr State Rev	6,172,527	2,960,614	(3,211,913)
8600-8799 Local Revenue	5,987,793	6,139,040	151,247
Total Revenue	50,474,724	50,724,761	250,037
Expenditures			
1000 Certificated Salaries	24,754,094	24,794,224	40,130
2000 Classified Salaries	6,880,210	7,288,400	408,190
3000 Employee Benefits	9,517,169	9,395,772	(121,397)
4000 Books & Supplies	5,242,227	2,585,701	(2,656,526)
5000 Services & Contracts	5,636,275	3,995,683	(1,640,592)
6000 Capital Outlay	48,340	42,401	(5,939)
7000 Other Outgo	1,759,085	1,091,276	(667,809)
Subtotal Expenditures	53,837,400	49,193,457	(4,643,943)
Other Financing Sources/Uses			
Contributions	-	-	-
Interfund transfer out	(241,200)	(241,200)	-
Subtotal Other Financing	(241,200)	(241,200)	-
Total Expenditures	54,078,600	49,434,657	(4,643,943)
Net Increase/(Decrease)	(3,603,876)	1,290,104	
Beginning Balance	13,485,745	13,595,190	109,445
Ending Balance	9,881,869	14,885,294	5,003,425
Reserves:			
Cash	5,250	5,250	-
Legally Restricted	897,291	1,940,800	1,043,509
Designated Econ Uncert	1,622,358	1,483,040	(139,318)
Instructional Materials Adoption	2,000,000	2,000,000	-
Equipment (Busses, mowers)	192,045	192,045	-
Program Balances	681,906	3,299,503	2,617,597
Special Education Excess Costs	-	300,000	300,000
Restoration of Day-PVEA	123,700	-	(123,700)
Budget Stabilization	4,359,319	5,664,656	1,305,337