

# VINELAND SCHOOL DISTRICT

## First Interim Budget Report For Fiscal Year 2016-2017

### ***-Executive Summary-*** **December 12, 2016**

California Education Code Section 42130 requires all public school districts to annually file at least two interim financial reports with their local county superintendent of schools and the California Department of Education. The First Interim Budget Report covers the financial and budgetary status of each school district for the period July 1 to October 31. The Second Interim Budget Report covers the financial and budgetary status of each school district for the period of July 1 to January 31.

Interim budget reports serve as “snapshots” of the district’s financial condition at a particular point in time. Multi-year budgets are highly dependent upon projected state funding, which in-turn is dependent upon the health of the state economy and sufficient collection of property, income and sales taxes. As a result, interim budget reports are anchored on projections provided by the county and state, as well as local expenditure decisions.

The Governing Board of each district must certify whether their budget is able to meet their financial obligations for the remainder of the current fiscal year and two subsequent years. Certifications are positive, qualified, or negative. A positive certification means the district will be able to meet its financial obligations for the current year and two subsequent years. A qualified certification means the district *may not* meet its financial obligations, while a negative certification indicates the district *will not* meet its fiscal obligations.

#### **Certification of the First Interim Budget Report**

Based on best available current information and budgetary assumptions, this First Interim Budget Report has been submitted to the Board of Trustees as a **POSITIVE** certification for the 2016-2017 and two subsequent fiscal years of 2017-2018 and 2018-2019.

## Summary of All Funds

Actuals to Date (October 31)	Revenues / Transfers In	Expenditures / Transfers Out	Excess / Deficiency
<b>Governmental Funds</b>	<b>\$2,902,587</b>	<b>\$3,238,908</b>	<b>(\$336,321)</b>
Fund 01- General Fund	\$2,364,033	\$2,598,284	(\$234,252)
Fund 13- Cafeteria Fund	\$22,331	\$425,125	(\$402,794)
Fund 14- Deferred Maintenance Fund	\$2,989	\$215,499	(\$212,509)
Fund 17- Special Reserve Fund Other Than Capital Outlay	\$506,153	\$0	\$506,153
Fund 20- Special Reserve Fund for Post Employment Benefits	\$1,516	\$0	\$1,516
Fund 21- Building Fund	\$3,416	\$0	\$3,416
Fund 25- Capital Facilities Fund	\$103	\$0	\$103
Fund 35- County School Facilities Fund	\$35	\$0	\$35
Fund 40- Special Reserve Fund for Capital Outlay	\$2,010	\$0	\$2,010
<b>Fiduciary Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Fund 77- Impounds	\$0	\$0	\$0
<b>Total of All Funds</b>	<b>\$2,902,587</b>	<b>\$3,238,908</b>	<b>(\$336,321)</b>

Projected Year Totals (First Interim Budget Report)	Beginning Fund Balance	Revenues / Transfers In	Expenditures / Transfers Out	Ending Fund Balance
<b>Governmental Funds</b>	<b>\$6,762,647</b>	<b>\$11,860,230</b>	<b>\$11,178,451</b>	<b>\$7,444,427</b>
Fund 01- General Fund	\$1,221,742	\$9,259,034	\$10,070,776	\$410,000
Fund 13- Cafeteria Fund	\$921,219	\$817,199	\$817,199	\$921,219
Fund 14- Deferred Maintenance Fund	\$1,331,519	\$235,000	\$235,000	\$1,331,519
Fund 17- Special Reserve Fund Other Than Capital Outlay	\$264,670	\$1,183,998	\$0	\$1,448,668
Fund 20- Special Reserve Fund for Post Employment Benefits	\$647,315	\$309,523	\$0	\$956,838
Fund 21- Building Fund	\$1,458,887	\$0	\$0	\$1,458,887
Fund 25- Capital Facilities Fund	\$44,174	\$0	\$0	\$44,174
Fund 35- County School Facilities Fund	\$14,980	\$0	\$0	\$14,980
Fund 40- Special Reserve Fund for Capital Outlay	\$858,141	\$55,477	\$55,477	\$858,141
<b>Fiduciary Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Fund 77- Impounds	\$0	\$0	\$0	\$0
<b>Total of All Funds</b>	<b>\$6,762,647</b>	<b>\$11,860,230</b>	<b>\$11,178,451</b>	<b>\$7,444,427</b>

**Cash Flow Summary  
Fund 01 - General Fund**

	July	August	September	October	November	December	January
Beginning Balance	\$950,092	\$674,680	\$475,301	\$1,155,217	\$1,138,503	\$1,076,790	\$1,579,304
Total Receipts	\$467,376	\$376,546	\$1,541,385	\$619,107	\$594,635	\$1,037,310	\$715,024
Total Disbursements	\$742,788	\$575,925	\$861,469	\$635,821	\$656,348	\$534,796	\$928,259
Net Cash Flow	(\$275,412)	(\$199,379)	\$679,916	(\$16,714)	(\$61,713)	\$502,514	(\$213,235)
Ending Balance	\$674,680	\$475,301	\$1,155,217	\$1,138,503	\$1,076,790	\$1,579,304	\$1,366,069

	February	March	April	May	June	Accruals	Total
Beginning Balance	\$1,366,069	\$1,443,603	\$1,841,718	\$1,900,230	\$1,639,017	\$1,786,866	\$950,092
Total Receipts	\$623,912	\$928,061	\$803,344	\$769,861	\$1,207,545	\$0	\$9,684,106
Total Disbursements	\$546,378	\$529,946	\$744,832	\$1,031,074	\$1,059,696	\$0	\$8,847,332
Net Cash Flow	\$77,534	\$398,115	\$58,512	(\$261,213)	\$147,849	\$0	\$836,774
Ending Balance	\$1,443,603	\$1,841,718	\$1,900,230	\$1,639,017	\$1,786,866	\$1,786,866	\$1,786,866

**Revenue and Expenditures  
Fund 01 - General Fund**

Unrestricted and Restricted Revenues By Funding Source	Adopted Operating Budget	Actuals to Date (October 31)	Projected Year Totals (First Interim)	Projected Budget (Year 2)	Projected Budget (Year 3)
Local Control Funding Formula (LCFF)	\$7,575,797	\$2,051,716	\$7,564,584	\$7,511,746	\$7,633,207
Federal Revenue	\$688,182	\$23,375	\$693,560	\$684,140	\$684,140
Other State Revenue	\$443,555	\$209,147	\$605,414	\$443,555	\$443,555
Other Local Revenue	\$395,476	\$79,794	\$395,476	<b>\$374,765</b>	<b>\$374,765</b>
<b>Total Revenues (Before Other Financing Sources / Uses)</b>	<b>\$9,103,010</b>	<b>\$2,364,032</b>	<b>\$9,259,034</b>	<b>\$9,014,206</b>	<b>\$9,135,667</b>

Unrestricted and Restricted Expenditures By Object Classification	Adopted Operating Budget	Actuals to Date (October 31)	Projected Year Totals (First Interim)	Projected Budget (Year 2)	Projected Budget (Year 3)
Certificated Salaries	\$3,398,050	\$899,364	\$2,725,956	\$2,800,036	\$2,876,339
Classified Salaries	\$961,239	\$291,127	\$1,008,298	\$1,031,804	\$1,056,016
Employee Benefits	\$1,615,986	\$566,725	\$1,890,017	\$2,025,610	\$2,172,050
Books and Supplies	\$543,069	\$334,961	\$886,231	\$901,212	\$916,643
Svcs / Other Operating Expenditures	\$986,498	\$354,000	\$1,233,789	\$935,631	\$954,222
Capital Outlay	\$440,000	\$0	\$240,000	\$247,200	\$254,616
Other Outgo (excluding Transfers of Indirect Costs)	\$302,486	\$152,107	\$302,486	\$303,006	\$303,541
Other Outgo (Transfers of Indirect Costs)	\$0	\$0	\$0	\$0	\$0
<b>Total Expenditures (Before Other Financing Sources / Uses)</b>	<b>\$8,247,329</b>	<b>\$2,598,284</b>	<b>\$8,286,777</b>	<b>\$8,244,499</b>	<b>\$8,533,427</b>

Unrestricted and Restricted Funds Other Financing Sources / Uses	Adopted Operating Budget	Actuals to Date (October 31)	Projected Year Totals (First Interim)	Projected Budget (Year 2)	Projected Budget (Year 3)
<b>Interfund Transfer</b>	<b>(\$600,000)</b>	<b>(\$505,533)</b>	<b>(\$1,783,998)</b>	<b>(\$769,707)</b>	<b>(\$602,240)</b>
Interfund Transfers In	\$0	\$0	\$0	\$0	\$0
Interfund Transfer Out	\$600,000	\$505,533	\$1,783,998	\$769,707	\$602,240
<b>Other Sources / Uses</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Sources	\$0	\$0	\$0	\$0	\$0
Uses	\$0	\$0	\$0	\$0	\$0
<b>Contributions</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Contributions from Unrestricted Sources	(\$352,055)	\$0	(\$352,055)	(\$352,055)	(\$352,055)
Contributions from Restricted Sources	\$352,055	\$0	\$352,055	\$352,055	\$352,055
<b>Total Other Financing Sources / Uses</b>	<b>(\$600,000)</b>	<b>(\$505,533)</b>	<b>(\$1,783,998)</b>	<b>(\$769,707)</b>	<b>(\$602,240)</b>

**Fund Balance  
and  
Multi-Year Projection  
Fund 01 - General Fund**

Unrestricted/Restricted Funds	Adopted Operating Budget	Actuals to Date (October 31)	Projected Year Totals (First Interim)	Projected Budget (Year 2)	Projected Budget (Year 3)
<b>Revenue</b>	<b>\$9,103,010</b>	<b>\$2,364,033</b>	<b>\$9,259,034</b>	<b>\$9,014,206</b>	<b>\$9,135,667</b>
<b>Expenditures</b>	<b>\$8,247,329</b>	<b>\$2,598,284</b>	<b>\$8,286,777</b>	<b>\$8,244,499</b>	<b>\$8,533,427</b>
<b>Excess/Deficiency of Revenues/Expenditures</b>	<b>\$855,681</b>	<b>(\$234,252)</b>	<b>\$972,256</b>	<b>\$769,707</b>	<b>\$602,240</b>
<b>Other Financing Sources/Uses</b>	<b>(\$600,000)</b>	<b>(\$500,000)</b>	<b>(\$1,783,998)</b>	<b>(\$769,707)</b>	<b>(\$602,240)</b>
Interfund Transfers	(\$600,000)	(\$500,000)	(\$1,783,998)	(\$769,707)	(\$602,240)
Transfers In	\$0	\$0	\$0	\$0	\$0
Transfers Out	\$600,000	\$500,000	\$1,783,998	\$769,707	\$602,240
Other Sources/Uses	\$0	\$0	\$0	\$0	\$0
Sources	\$0	\$0	\$0	\$0	\$0
Uses	\$0	\$0	\$0	\$0	\$0
Contributions	\$0	\$0	\$0	\$0	\$0
<b>Net Increase/ Decrease In Fund Balance</b>	<b>\$255,681</b>	<b>(\$201,311)</b>	<b>(\$811,742)</b>	<b>(\$0)</b>	<b>\$0</b>
<b>Beginning Fund Balance</b>	<b>\$788,139</b>		<b>\$1,221,742</b>	<b>\$410,000</b>	<b>\$410,000</b>
Audit Adjustments	\$0		\$0	\$0	\$0
Other Restatements	\$0		\$0	\$0	\$0
Adjusted Beginning Balance	\$788,139		\$1,221,742	\$410,000	\$410,000
<b>Ending Fund Balance</b>	<b>\$1,043,820</b>		<b>\$410,000</b>	<b>\$410,000</b>	<b>\$410,000</b>
<b>Components of the Ending Fund Balance</b>					
Non-spendable Fund Balance	\$2,000		\$2,000	\$2,000	\$2,000
Restricted Fund Balance	\$331,565		\$0	\$0	\$0
Committed Fund Balance	\$0		\$0	\$0	\$0
Assigned Fund Balance	\$360,255		\$408,000	\$398,000	\$398,000
Unassigned/Unappropriated Fund Balance	\$350,000		\$0	\$10,000	\$10,000

Unrestricted Funds	Projected Year				
	Adopted Operating Budget	Actuals to Date (October 31)	Totals (First Interim)	Projected Budget (Year 2)	Projected Budget (Year 3)
<b>Revenue</b>	\$7,767,904	\$2,077,869	\$7,918,550	\$7,673,722	\$7,795,183
<b>Expenditures</b>	\$6,560,168	\$2,113,592	\$6,278,029	\$6,551,960	\$6,840,888
<b>Excess/Deficiency of Revenues/Expenditures</b>	\$1,207,736	(\$35,722)	\$1,640,520	\$1,121,762	\$954,295
<b>Other Financing Sources/Uses</b>	(\$952,055)	\$0	(\$2,136,054)	(\$1,121,762)	(\$954,295)
Interfund Transfers	(\$600,000)	\$0	(\$1,783,998)	(\$769,707)	(\$602,240)
Transfers In	\$0	\$0	\$0	\$0	\$0
Transfers Out	\$600,000	\$500,000	\$1,783,998	\$769,707	\$602,240
Other Sources/Uses	\$0	\$0	\$0	\$0	\$0
Sources	\$0	\$0	\$0	\$0	\$0
Uses	\$0	\$0	\$0	\$0	\$0
Contributions	(\$352,055)	\$0	(\$352,055)	(\$352,055)	(\$352,055)
<b>Net Increase/ Decrease In Fund Balance</b>	\$255,681	\$25,683	(\$495,533)	(\$0)	\$0
<b>Beginning Fund Balance</b>	\$456,574		\$905,533	\$410,000	\$410,000
Audit Adjustments	\$0		\$0	\$0	\$0
Other Restatements	\$0		\$0	\$0	\$0
Adjusted Beginning Balance	\$456,574		\$905,533	\$410,000	\$410,000
<b>Ending Fund Balance</b>	\$712,255		\$410,000	\$410,000	\$410,000
<b>Components of the Ending Fund Balance</b>					
Non-spendable Fund Balance	\$2,000		\$2,000	\$2,000	\$2,000
Restricted Fund Balance	\$0		\$0	\$0	\$0
Committed Fund Balance	\$0		\$0	\$0	\$0
Assigned Fund Balance	\$360,255		\$408,000	\$398,000	\$398,000
Unassigned/Unappropriated Fund Balance	\$350,000		\$0	\$10,000	\$10,000

Restricted Funds	Projected Year				
	Adopted Operating Budget	Actuals to Date (October 31)	Totals (First Interim)	Projected Budget (Year 2)	Projected Budget (Year 3)
<b>Revenue</b>	\$1,335,106	\$286,163	\$1,340,484	\$1,340,484	\$1,340,484
<b>Expenditures</b>	\$1,687,161	\$484,692	\$2,008,748	\$1,692,539	\$1,692,539
<b>Excess/Deficiency of Revenues/Expenditures</b>	<b>(\$352,055)</b>	<b>(\$198,529)</b>	<b>(\$668,264)</b>	<b>(\$352,055)</b>	<b>(\$352,055)</b>
<b>Other Financing Sources/Uses</b>	\$352,055	\$0	\$352,055	\$352,055	\$352,055
Interfund Transfers	\$0	\$0	\$0	\$0	\$0
Transfers In	\$0	\$0	\$0	\$0	\$0
Transfers Out	\$0	\$0	\$0	\$0	\$0
Other Sources/Uses	\$0	\$0	\$0	\$0	\$0
Sources	\$0	\$0	\$0	\$0	\$0
Uses	\$0	\$0	\$0	\$0	\$0
Contributions	\$352,055	\$0	\$352,055	\$352,055	\$352,055
<b>Net Increase/ Decrease In Fund Balance</b>	<b>\$0</b>	<b>(\$226,994)</b>	<b>(\$316,209)</b>	<b>\$0</b>	<b>\$0</b>
<b>Beginning Fund Balance</b>	<b>\$331,565</b>		<b>\$316,209</b>	<b>\$0</b>	<b>\$0</b>
Audit Adjustments	\$0		\$0	\$0	\$0
Other Restatements	\$0		\$0	\$0	\$0
Adjusted Beginning Balance	\$331,565		\$316,209	\$0	\$0
<b>Ending Fund Balance</b>	<b>\$331,565</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><u>Components of the Ending Fund Balance</u></b>					
Non-spendable Fund Balance	\$0		\$0	\$0	\$0
Restricted Fund Balance	\$331,565		\$0	\$316,209	\$316,209
Committed Fund Balance	\$0		\$0	\$0	\$0
Assigned Fund Balance	\$0		\$0	\$0	\$0
Unassigned/Unappropriated Fund Balance	\$0		\$0	(\$316,209)	(\$316,209)

## Reserve Summary and Multi-Year Projection

Unrestricted Funds	Adopted Operating Budget	Actuals to Date (October 31)	Projected Year Totals (First Interim)	Projected Budget (Year 2)	Projected Budget (Year 3)
<b>Total Expenditures/Other Financing Uses</b>	\$8,847,329		\$10,070,776	\$9,014,206	\$9,135,667
<b>Total Available Reserves (\$)</b>	\$612,346		\$408,000	\$491,791	\$491,791
<b>Total Available Reserves (%)</b>	6.92%		4.05%	5.46%	5.38%
General Fund (\$)	\$350,000		\$408,000	\$91,791	\$91,791
General Fund (%)	3.96%		4.05%	1.02%	1.00%
Stabilization Agreements	\$0		\$0	\$0	\$0
Reserve for Economic Uncertainties	\$350,000		\$408,000	\$398,000	\$398,000
Unassigned/Unappropriated	\$0		\$0	\$10,000	\$10,000
Negative Restricted Ending Fund Balances			\$0	(\$316,209)	(\$316,209)
Special Reserve Fund - Fund 17 (\$)	\$262,346		\$0	\$400,000	\$400,000
Special Reserve Fund - Fund 17 (%)	2.97%		0.00%	4.44%	4.38%
Stabilization Agreements	\$0		\$0	\$0	\$0
Reserve for Economic Uncertainties	\$262,346		\$0	\$400,000	\$400,000
Unassigned/Unappropriated	\$0		\$0	\$0	\$0
<b>Reserve Standard (\$)</b>	\$353,893		\$402,831	\$360,568	\$365,427
<b>Reserve Standard (%)</b>	4.00%		4.00%	4.00%	4.00%



**Planning Factors for First Interim Budget Reporting  
For Fiscal Year 2016-2017  
and  
Multiple Year Projections  
For Fiscal Years 2017-2018 and 2018-2019**

**Adopted Operating Budget**

<b><u>Planning Factor</u></b>	<b><u>2016-2017</u></b>	<b><u>2017-2018</u></b>	<b><u>2018-2019</u></b>
Enrollment	758	758	758
Average Daily Attendance	736	736	736
COLA (Department of Finance (DOF))	0.00%	1.11%	2.42%
LCFF Gap Funding Percentage (DOF)	54.84%	73.96%	41.22%
STRS Employer Rates	12.58%	14.33%	16.28%
PERS Employer Rates (PERS Board / Actuary)	13.88%	15.50%	17.10%
Lottery – unrestricted per ADA	\$140.00	\$140.00	\$140.00
Lottery – Prop. 20 per ADA	\$41.00	\$41.00	\$41.00
One-Time Discretionary Funding	\$529.00	\$207.00	\$0.00
Educator Effectiveness Funding per Certificated FTE	\$1,466.00	\$0.00	\$0.00
Mandate Block Grant -Districts K-8 ADA	\$28.42	\$28.42	\$28.42
Routine Restricted Maintenance Account	3.00%	3.00%	3.00%

**First Interim Budget Report**

<b><u>Planning Factor</u></b>	<b><u>2016-2017</u></b>	<b><u>2017-2018</u></b>	<b><u>2018-2019</u></b>
Enrollment	704	704	704
Average Daily Attendance	695	695	695
COLA (Department of Finance (DOF))	0.00%	1.11%	2.42%
LCFF Gap Funding Percentage (DOF)	54.18%	72.99%	40.36%
STRS Employer Rates	12.58%	14.43%	16.28%
PERS Employer Rates (PERS Board / Actuary)	13.89%	15.50%	17.10%
Lottery – unrestricted per ADA	\$144.00	\$144.00	\$144.00
Lottery – Prop. 20 per ADA	\$45.00	\$45.00	\$45.00
One-Time Discretionary Funding	\$214.00	\$0.00	\$0.00
Mandate Block Grant -Districts K-8 ADA	\$28.42	\$28.42	\$28.42
Routine Restricted Maintenance Account	3.00%	3.00%	3.00%

*Blue - Positive Change from Adopted Budget*

*Red - Negative Change from Adopted Budget*