



# WALNUT CREEK SCHOOL DISTRICT

2017-18 UNAUDITED ACTUALS PRESENTATION

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Chief Business Official

September 10, 2018





# Background

- Districts are required by law to close the books for the 2017-18 fiscal year, and to submit its unaudited financial statements to the Contra Costa County Office of Education after approval by the Governing Board
- After review, the CCCOE will forward the financials to the State
- Our auditor will be in the district the week of October 1 to review the financial year

## 2017-18 Revenues – General Fund Budget Adoption Est. vs. Unaudited Actual

| Revenues             | Estimated Actuals @ Budget Adoption | Unaudited Actuals 2017-2018 | Change              |
|----------------------|-------------------------------------|-----------------------------|---------------------|
| LCFF                 | \$27,680,901                        | \$27,621,611                | (\$59,290)          |
| Federal              | 990,915                             | 1,017,642                   | 26,727              |
| Other State          | 3,270,223                           | 4,006,619                   | 736,395             |
| Local                | 3,483,396                           | 3,767,622                   | 284,226             |
| Transfers In         | 65,000                              | 96,235                      | 31,235              |
| <b>Total Revenue</b> | <b>\$35,490,435</b>                 | <b>\$36,509,729</b>         | <b>\$ 1,019,294</b> |

## 2017-18 Expenditures – General Fund Budget Adoption Est. vs. Unaudited Actual

| Expenditures              | Estimated Actuals @ Budget Adoption | Unaudited Actuals 2017-2018 | Change             |
|---------------------------|-------------------------------------|-----------------------------|--------------------|
| Certificated              | \$17,517,086                        | \$17,891,056                | \$ 373,970         |
| Classified                | 5,271,713                           | 5,401,561                   | 129,848            |
| Employee Benefits         | 7,644,121                           | 7,104,377                   | 461,255            |
| Books/Supplies            | 1,438,076                           | 1,556,364                   | 118,288            |
| Services/Other Operating  | 5,104,139                           | 5,679,196                   | 575,056            |
| Capital Outlay            | 222,204                             | 190,831                     | (31,372)           |
| Other Outgo               |                                     | 7,150                       | 7,150              |
| Transfers Out             | 65,645                              | 107,304                     | 41,659             |
| <b>Total Expenditures</b> | <b>\$37,262,985</b>                 | <b>\$38,937,839</b>         | <b>\$1,674,854</b> |

# 2017-18 General Fund Key Variances From Budget thru Unaudited Actuals

|   | Original<br>Budget<br>2017-18 | 2 <sup>nd</sup> Interim<br>2017-18 | Unaudited<br>Actuals<br>2017-18 |
|---|-------------------------------|------------------------------------|---------------------------------|
| Expenditures                              |                               |                                    |                                 |
| Transportation                            | 250,000                       | 390,000                            | 417,313                         |
| Legal Settlements                         | 150,000                       | 200,000                            | 216,480                         |
| Legal                                     | 60,000                        | 160,000                            | 234,734                         |
| Transfers Out –<br>Food Services<br>Fnd17 | 65,645                        | 65,645                             | 107,304                         |
|   | 525,645                       | 815,645                            | 975,831                         |

# 2017-18 Fund Balance

## Budget Adoption Est. vs. Unaudited Actual

|                           | Estimated<br>Actuals @<br>Budget<br>Adoption | Unaudited<br>Actuals<br>2017-2018 | Change       |
|---------------------------|--|-----------------------------------|--------------|
| Revenues                  | \$35,425,435                                 | \$36,413,494                      | \$ 988,059   |
| Expenditures              | 37,197,340                                   | 38,830,535                        | 1,633,195    |
| Transfers In/(Out)        | (645)  | (11,069)                          | 10,424       |
| Change in Fund<br>Balance | (1,772,550)                                  | (2,428,110)                       | (655,560)    |
| Beginning Fund<br>Balance | \$ 6,952,586                                 | \$ 6,952,586                      |              |
| Ending Fund<br>Balance    | \$ 5,180,036                                 | \$ 4,524,476                      | \$ (655,560) |



# Ending Balance and Reserves

|                               |    |           |
|-------------------------------|----|-----------|
| •Beginning Fund Balance:      | \$ | 6,952,586 |
| •Ending General Fund balance: | \$ | 4,452,476 |
| •Unrestricted Fund Balance:   | \$ | 4,170,803 |
| •Restricted Fund Balance:     | \$ | 353,673   |

•Unrestricted General Fund ending balance represents 10.7% of unaudited actual expenses for 2017-18

•Unrestricted GF ending balance plus Fund 17 balance represent 15.6% unaudited actual expenses for 2017-18



# GASB 68 – STRS On Behalf Payment

- For 2017-18, districts are required to report their “share” of payments made by the state directly to STRS
- Although the funds are not received or spent by districts, the amount is posted within each district’s financials
- Calculated amount for WCSD: \$2,112,616 (~\$766,000 increase over 2016-17)
- Recognized as both revenue and expense (net zero)





# GASB 68 – STRS On Behalf Payment

- Although the STRS On Behalf payment nets to zero, it results in increased:
  - Minimum (and maximum) reserves
  - Contribution to Routine Restricted Maintenance (RRM)
  - Special Education Maintenance of Effort (MOE)



# Other Funds

| Fund   | Ending Balance            |
|--|---------------------------|
| <p><b>13 – Cafeteria</b></p> <ul style="list-style-type: none"><li>• <b>50 cent lunch price increase went into effect in 2014-15. We may need to consider a lunch price increase in the future.</b></li><li>• <b>Food Service Coordinator and staff are focusing on updating menus and increasing lunch counts</b></li></ul> | <p><b>\$0</b></p>         |
| <p><b>17 – Special Reserve</b></p> <ul style="list-style-type: none"><li>• <b>\$65,000 transfer to GF for math initiative</b></li><li>• <b>\$29,062 in interest</b></li></ul>  | <p><b>\$1,882,452</b></p> |



# Other Funds

| Fund   | Ending Balance     |
|--|--------------------|
| <b>21 – Building (2016 Bond)</b> <ul style="list-style-type: none"><li>• Interest \$215,570.45</li><li>• Tice Creek Upper Wing</li><li>• Various Summer projects across the District</li></ul>               | <b>\$9,907,021</b> |
| <b>25 – Capital Facilities (Developer Fees)</b> <ul style="list-style-type: none"><li>• Fees collected \$1,041,168</li><li>• Interest earned \$21,392</li><li>• Used for upgrades/updates - growth</li></ul> | <b>\$2,105,370</b> |



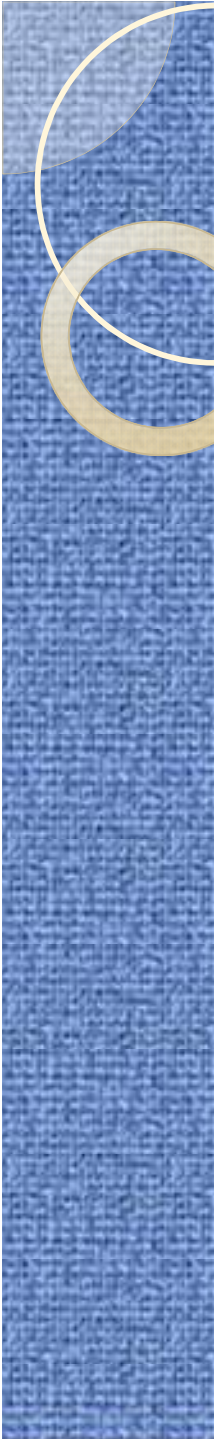
# Other Funds

| <b>Fund</b>  | <b>Ending Balance</b>     |
|--|---------------------------|
| <p><b>40 – Special Reserve (Doris Eaton)</b></p> <ul style="list-style-type: none"><li>• Final check from Dorris Eaton received for June 2015</li><li>• Interest earned \$8,461</li><li>• Balance available for capital outlay, including technology, deferred maintenance and safety.</li></ul> | <p><b>\$573,171</b></p>   |
| <p><b>51 – Bond Interest and Redemption</b></p> <ul style="list-style-type: none"><li>• Interest \$47,113</li><li>• Bond payments are made in September and March</li><li>• This fund is accessed by the County for collections &amp; payments associated with the GO Bond</li></ul>             | <p><b>\$4,661,479</b></p> |



# Next Steps

- The District's Auditor will review financials next month and make presentation to the Governing Board by January 2019
- The First Interim Report including updated MYP will be presented to the Board in December 2018 detailing year-to-date activity from July 1 to October 31 and fiscal projections.
- More accurate Multi-Year Projection will be presented after Governor's budget proposal is released in January 2019.



**Questions or Comments?**