



2022-23

# Unaudited Actuals

**COTATI-ROHNERT PARK UNIFIED SCHOOL DISTRICT**

**SCHOOL BOARD PRESENTATION**

**DATE 9/12/23**

# What are Unaudited Actuals?

- Staff prepared year-end financial statements as of June 30th for all District funds
- A report of activities in all District funds, identifying unspent funds or reserves that are carried forward into future years
- Financial information used by external auditors to prepare the official Audit Report

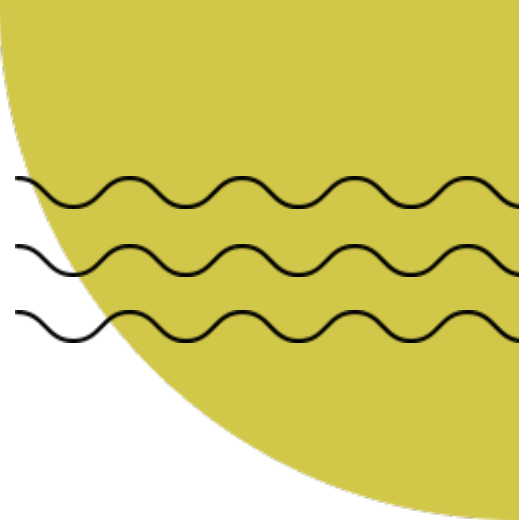
**Last June as part of the 2023 -24 Budget Adoption process, staff presented 2022 -23**

**Estimated Actuals – comparisons will be against this report**



# What has changed since June? What are Common Reasons for Differences?

- The financial books of the District have been closed
- Year-end closing entries are prepared and posted
- Revenue is received that was not anticipated
- Expenditure allocations or budgets were not completely used or overspent



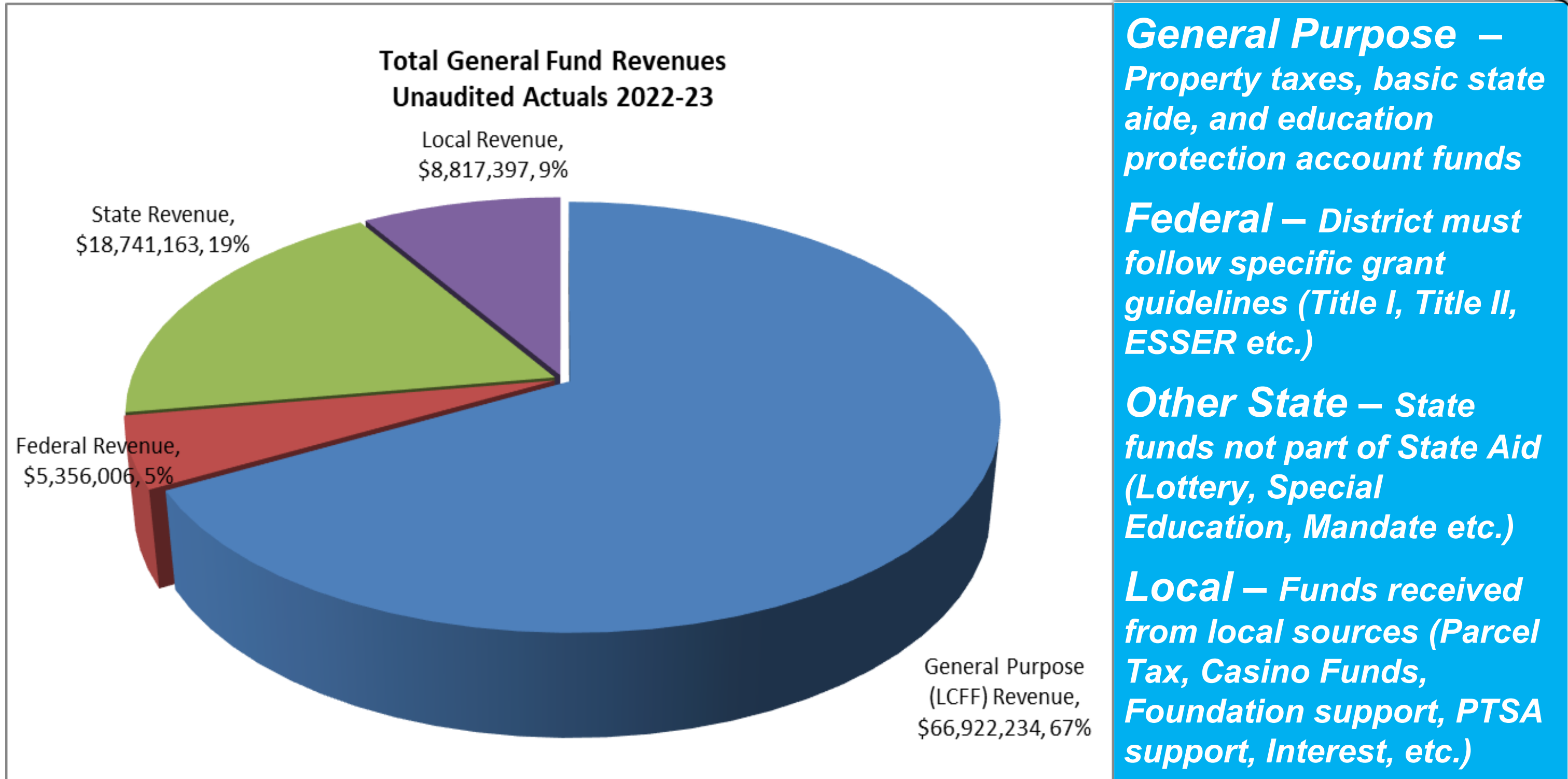
# General Fund Revenues

- Reflects General Fund only (no Cafeteria, Bonds)

DESCRIPTION	Unrestricted	Combined
General Purpose (LCFF) Revenue	\$65,797,654	\$66,922,234
Federal Revenue	\$0	\$5,356,006
State Revenue	\$1,979,218	\$18,741,163
Local Revenue	\$3,968,992	\$8,817,397
<b>TOTAL</b>	<b>\$71,745,864</b>	<b>\$99,836,800</b>



# General Fund Revenue Budget



# General Fund Expenditures

- Reflects General Fund only (no Cafeteria, Bonds)

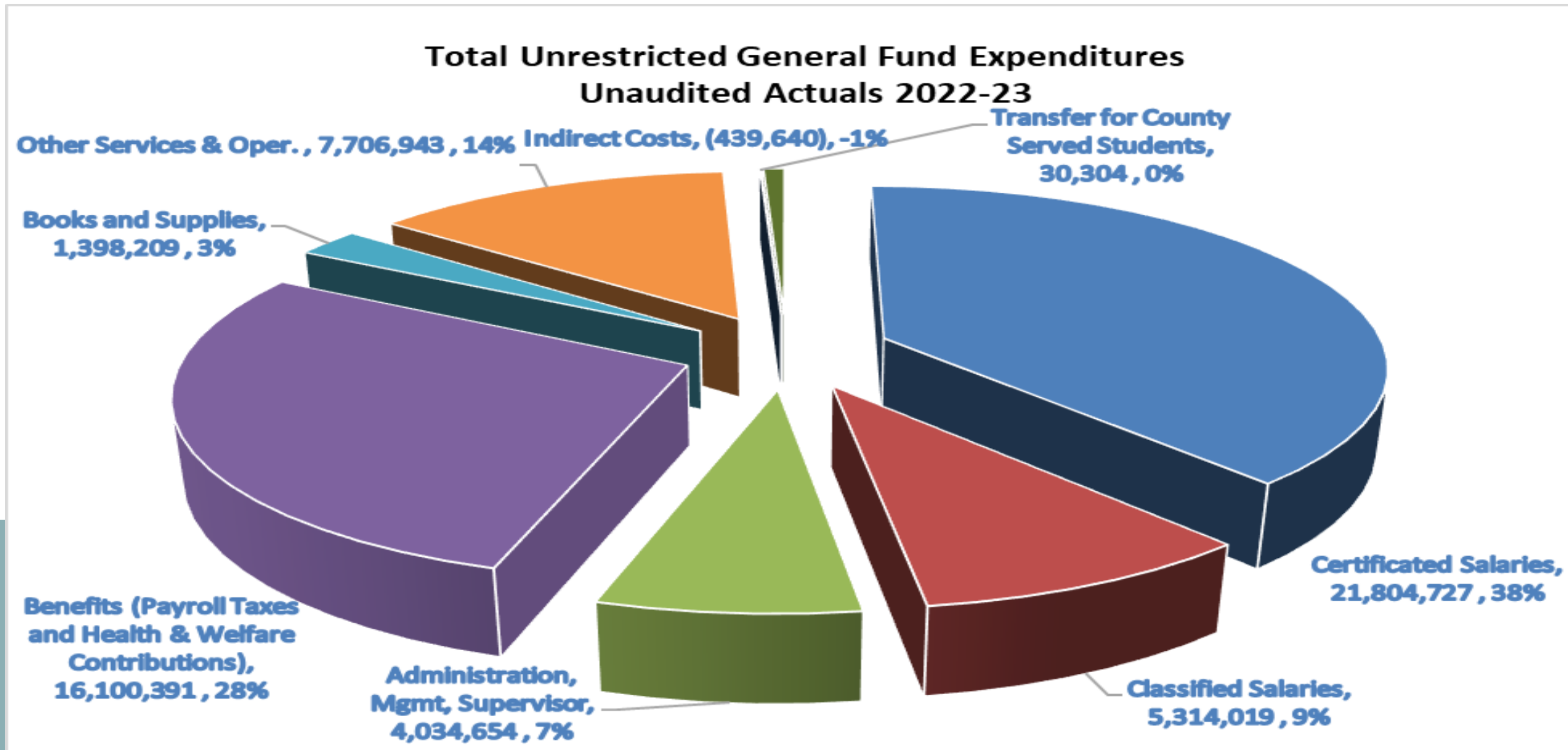
DESCRIPTION	UNRESTRICTED	COMBINED
Certificated Salaries	21,804,727	\$28,523,626
Classified Salaries	5,314,019	\$9,134,948
Administration, Mgmt, Supervisor	4,034,654	\$5,968,349
Benefits (Payroll Taxes and Health & Welfare Contributions)	16,100,391	\$25,207,292
Books and Supplies	1,398,209	\$2,856,273
Other Services & Oper.	7,706,943	\$18,485,181
Equipment > \$5,000	0	\$90,727
Transfer for County Served Students	30,304	\$30,304
Indirect Costs	(439,640)	
<b>TOTAL</b>	<b>55,949,609</b>	<b>\$90,296,699</b>





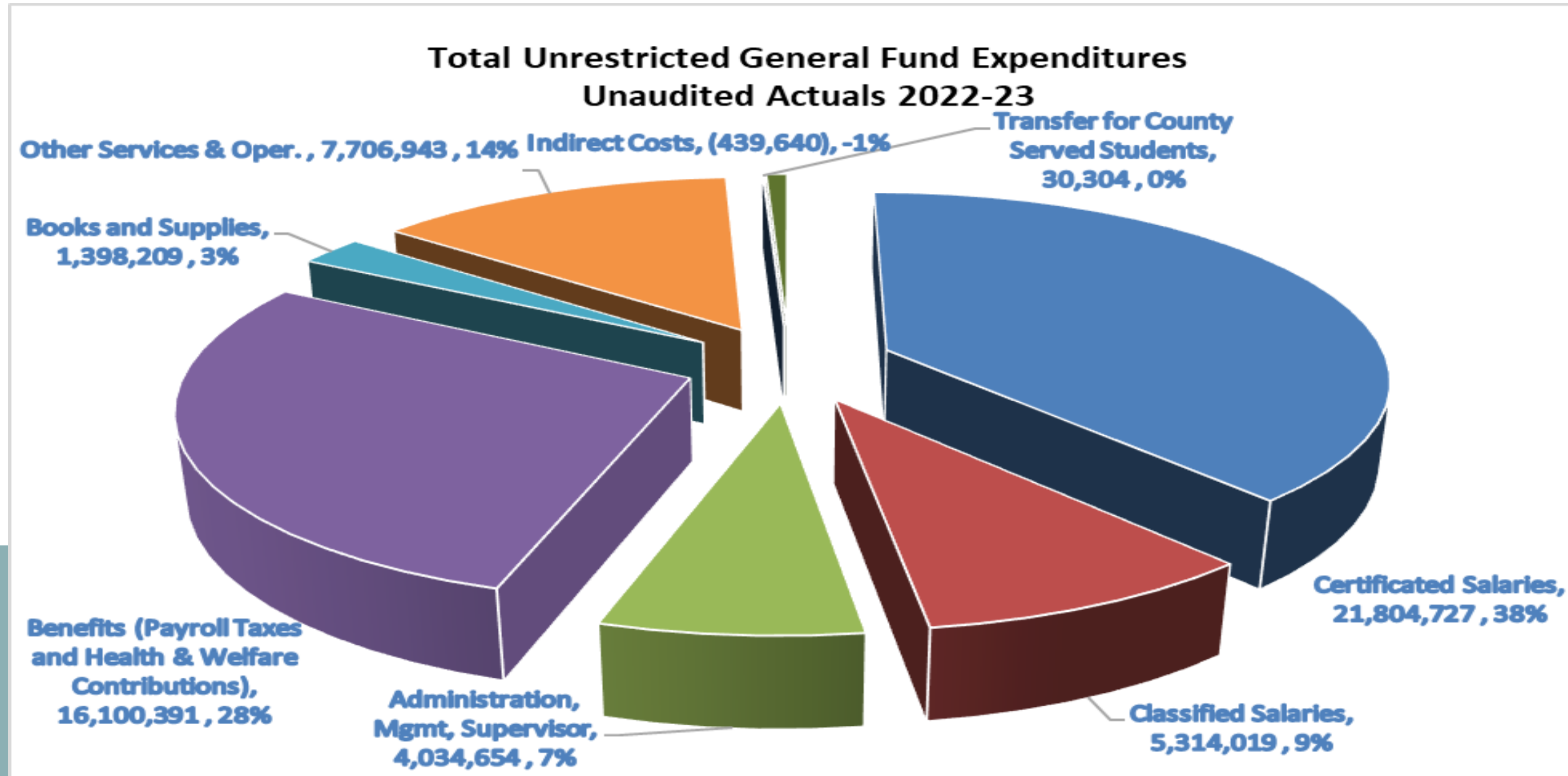
# General Fund Unrestricted Expenditures

- Reflects General Fund only (no Cafeteria, Bonds)
- Employee costs comprise approximately 84% of the Districts unrestricted general fund budget



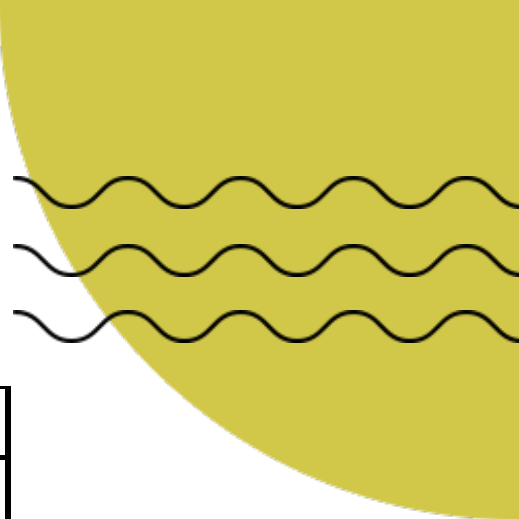
# General Fund Expenditures

- Reflects General Fund only (no Cafeteria, Bonds)
- Employee costs comprise approximately 76% of the Districts general fund budget





# Change in Fund Balance since June

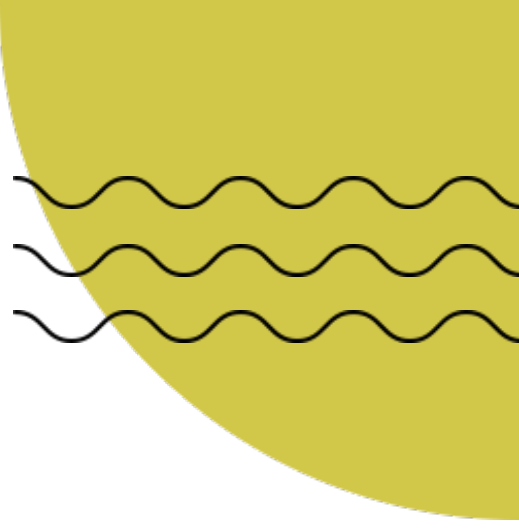


## Unrestricted Changes Since June 2023

		Change in Fund Balance 2022-23
<b>Excess of Expenditures over Revenues at Estimated Actuals</b>		<b>\$ 401,616</b>
<b>Revenue Changes</b>		
LCFF Funding - Annual ADA adj	92,877	
Federal Revenue	0	
Other State Revenue - Updated Lottery Income & p/y assessment revenue	142,839	
Other Local Revenue - Interest Inc, RESIG wk comp equity, Facility Use, Credo fees	539,305	
	775,021	<b>\$ 775,021</b>
<b>Expenditure Changes</b>		
Certificated Salaries - sub pay	135,418	
Classified Salaries	(2,360)	
Benefits - Health & Welfare	(2,050)	
Books and Supplies - M&O	24,501	
Other Services, Operations - Utilities	(114,629)	
Other Outgo - County Served District Funded ADA	(6,203)	
Indirect Costs charged to categorical program (restricted) funds	(231,651)	
Contribution to Restricted: Curriculum Adoption Reserve	267,307	
Transfers out - Transfer to FD17 to total 4% reserve	755,265	
	825,599	<b>\$ 825,599</b>
<b>Total Expenditure Change</b>		<b>\$ 825,599</b>
<b>Revised Excess of Revenues over Expenditures at Unaudited Actuals</b>		<b>\$ 351,038</b>



# General Fund Summary - Final



CRPUSD Unaudited Actuals 2022-23			
Description	Unrestricted	Restricted	Total
Total Revenues	71,745,864	28,090,937	99,836,800
Total Expenditures	55,949,609	34,347,091	90,296,699
Excess/(Deficiency)	15,796,255	(6,256,154)	9,540,101
Transfer to RRMA & SpEd	(14,389,953)	14,389,953	
Transfer to Restricted for Curriculum Adoption	(300,000)	300,000	
Transfer to FD 17	(755,265)		(755,265)
Transfer from FD 40 to RRMA		700,000	700,000
<b>Net Increase/(Decrease)</b>	<b>351,038</b>	<b>9,133,799</b>	<b>9,484,836</b>
Beginning Fund Balance	6,625,534	3,714,070	10,339,604
Committed for Tech Infrastructure Equipment	(1,558,192)		
<b>FD 01 Ending Fund Balance</b>	<b>5,418,380</b>	<b>12,847,869</b>	<b>19,824,441</b>
<b>FD 17 Special Reserve</b>	<b>3,611,290</b>		
Reserve Percentage	10%		



# Statewide Average Reserve Levels

- The latest statewide data on school district reserves available is for 2021-22
  - Unrestricted fund balances declined slightly

<b>Average Unrestricted General Fund, Plus Fund 17, Ending Balances<sup>1</sup></b>			
	<b>2020-21</b>	<b>2021-22</b>	<b>Difference</b>
<b>Unified School Districts</b>	<b>22.36%</b>	<b>22.19%</b>	<b>-0.17%</b>
<b>Elementary School Districts</b>	<b>26.01%</b>	<b>25.32%</b>	<b>-0.69%</b>
<b>High School Districts</b>	<b>21.82%</b>	<b>21.29%</b>	<b>-0.53%</b>

<sup>1</sup>As a percentage of total General Fund expenditures, transfers, and other uses

# Ending Fund Balance

## What is in the Fund Balance?

- ❖ In the 2023-24 Adopted Budget, Estimated Actuals column, the ending balance is estimated and updated after the books are closed. At that point we know the true ending balance.
- ❖ The Adopted Budget estimated balance was \$18,214,765
- ❖ The actual ending balance is \$19,824,441 which, as expected increased from the Adopted Budget estimate.
- ❖ **Components of the Ending Balance include:**
  - ❖ **Non-Spendable:** \$ 5,000
    - ❖ Includes Revolving Cash, Prepaid Expenses
  - ❖ **Restricted Reserves:** \$ 12,847,869
  - ❖ **Committed Balances:** \$ 1,558,192
    - ❖ Technology Infrastructure/Equipment Replacement
  - ❖ **Assigned Balances:** \$ 5,413,380
    - ❖ Budget Stabilization Reserve



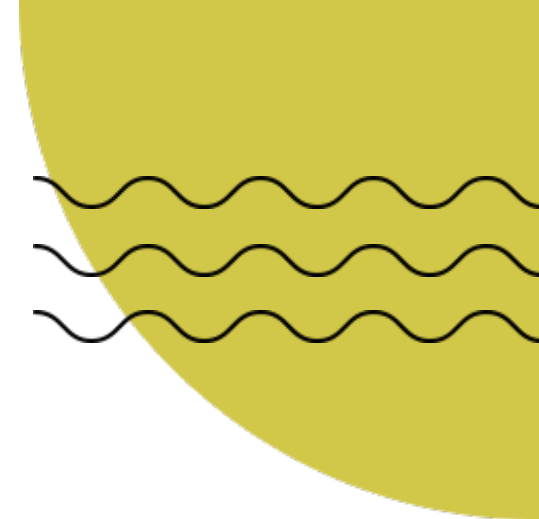
# Ending Fund Balance

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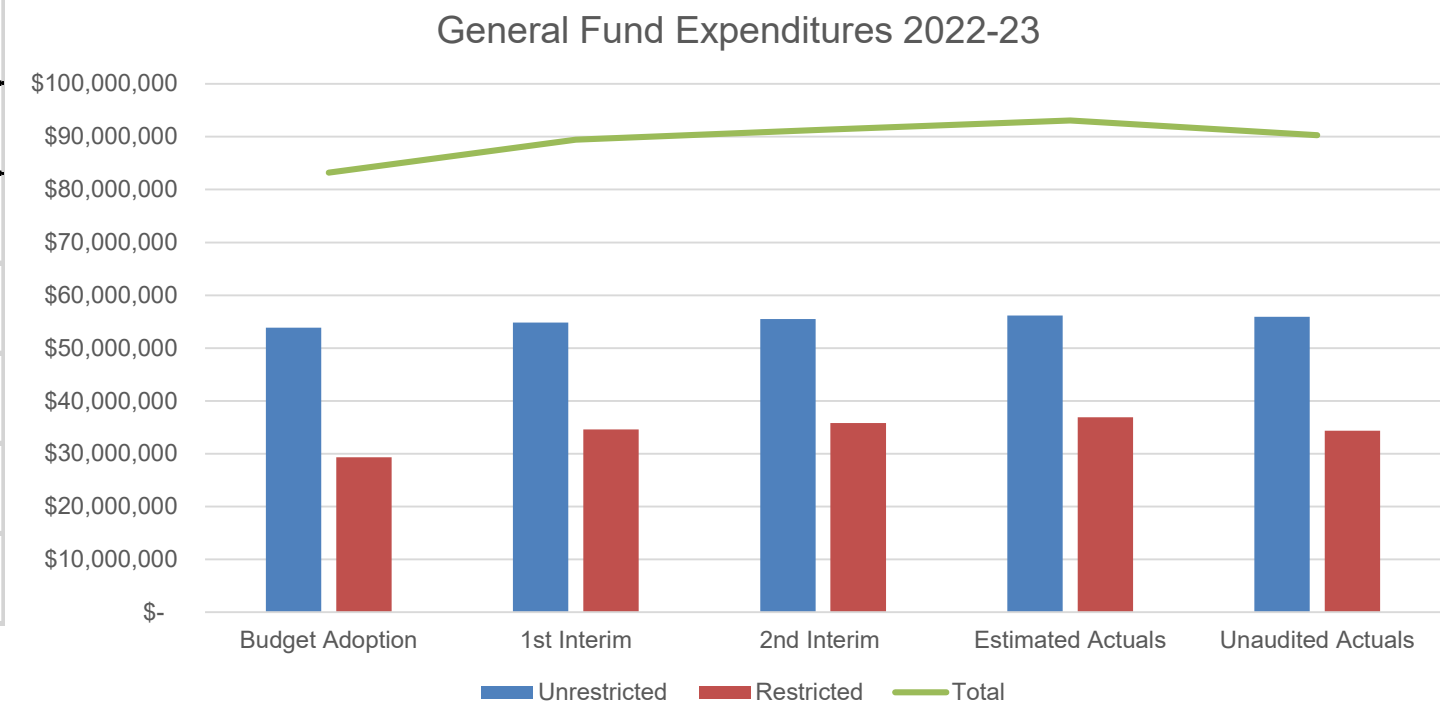
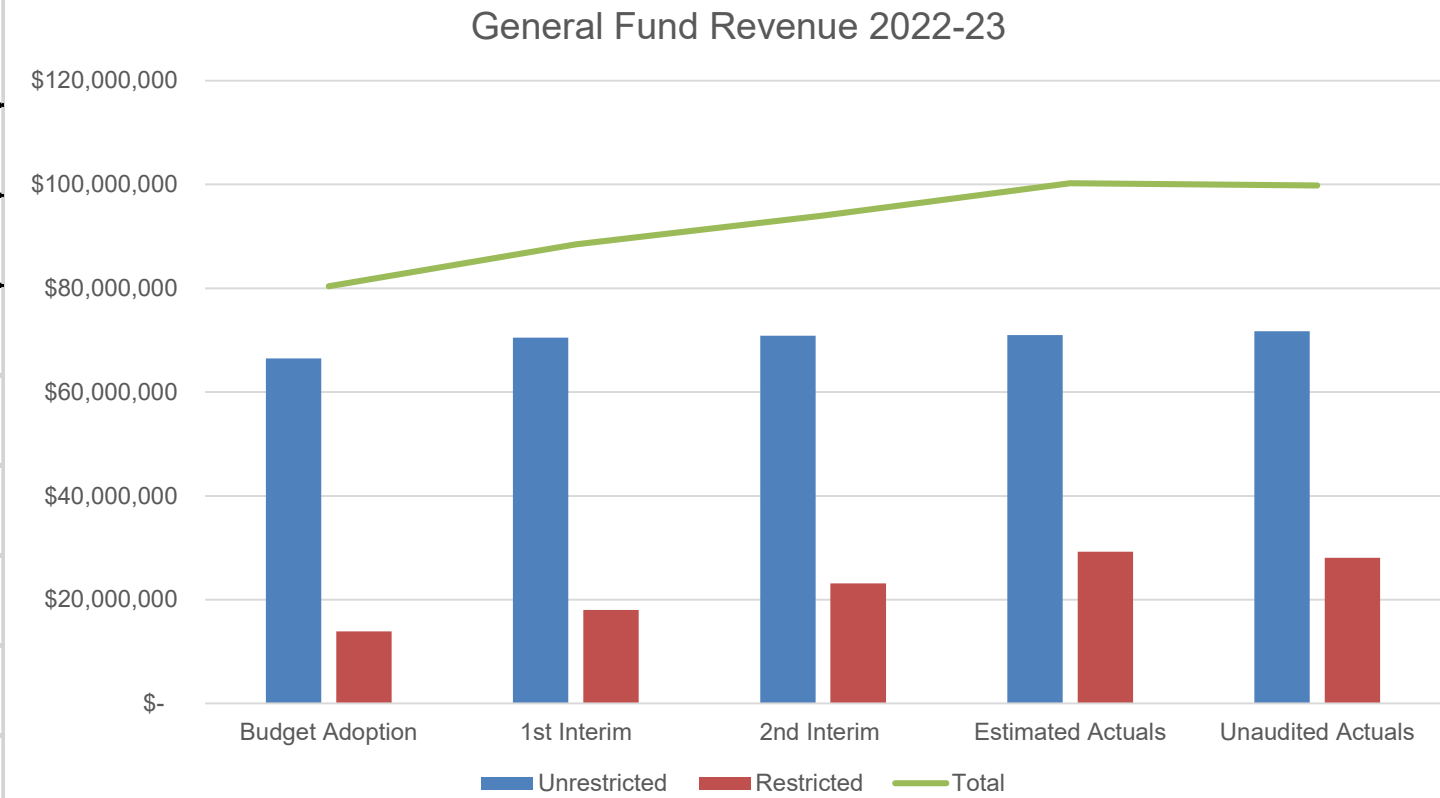
- ❖ **An increase in the ending fund balance for 2022-23 is definitely good news!**
- ❖ **It is important to remember:**
  - ❖ **Fiscal solvency is based on a three year projection**
  - ❖ **The fund balance is our first line of defense to weather the uncertain future State Budget downfalls**



# 2022-23 Budget Revision Summary



2022-23 Budget Cycle				
Revenue				
		Unrestricted	Restricted	Total
Jun-22	Budget Adoption	\$ 66,496,862	\$ 13,885,650	\$ 80,382,512
Oct-22	1st Interim	\$ 70,468,384	\$ 18,022,613	\$ 88,490,997
Jan-23	2nd Interim	\$ 70,875,348	\$ 23,157,518	\$ 94,032,866
May-23	Estimated Actuals	\$ 70,970,843	\$ 29,255,198	\$ 100,226,041
Sep-23	Unaudited Actuals	\$ 71,745,864	\$ 28,090,937	\$ 99,836,800
Expenditures				
		Unrestricted	Restricted	Total
Jun-22	Budget Adoption	\$ 53,867,379	\$ 29,318,480	\$ 83,185,859
Oct-22	1st Interim	\$ 54,855,195	\$ 34,582,181	\$ 89,437,376
Jan-23	2nd Interim	\$ 55,497,444	\$ 35,830,178	\$ 91,327,622
May-23	Estimated Actuals	\$ 56,146,581	\$ 36,904,299	\$ 93,050,880
Sep-23	Unaudited Actuals	\$ 55,949,609	\$ 34,347,091	\$ 90,296,699





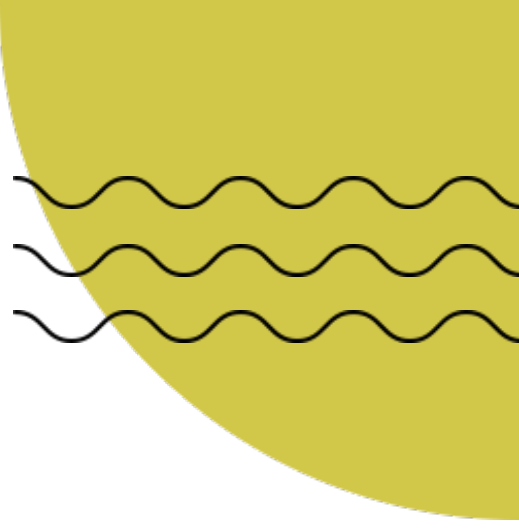
# 2022-23 Ending Fund Balances All Funds

## All Funds of the Cotati - Rohnert Park Unified School District

Fund Number and Description	Fund Balance July 1, 2022	Current Year Activity	Fund Balance June 30, 2023
01 General Fund	\$10,339,605	\$9,484,836	\$19,824,441
13 Cafeteria	\$1,037,576	\$593,458	\$1,631,034
17 Special Reserve Fund	\$2,808,693	\$802,597	\$3,611,290
21 Building Funds	\$6,702,455	(\$1,131,100)	\$5,571,356
25 Capital Facilities Fund	\$3,333,142	\$907,851	\$4,240,993
40 Special Reserve for Capital Outlay	\$1,290,721	(\$293,646)	\$997,075
51 Bond Interest Redemption	\$10,732,153	(\$380,275)	\$10,351,878



# Questions?



# Current Expense of Education Requirement

**Included in the calculation:**

Salaries and benefits of teachers and paraprofessionals paid out of the General Fund divided by total General Fund expenditures

The calculation is a legal requirement (EC § 41372) used to determine the percentage of expenditures for the direct classroom cost of teaching students



**Certain categorical programs and types of costs are excluded from the calculation:**

Expenditures for food services, community services, nonagency activities, fringe benefits for retired persons, acquisition and construction of facilities

Unrestricted revenues for LCFF and initiatives to support students beyond classroom instruction have made it difficult for districts to meet the requirements

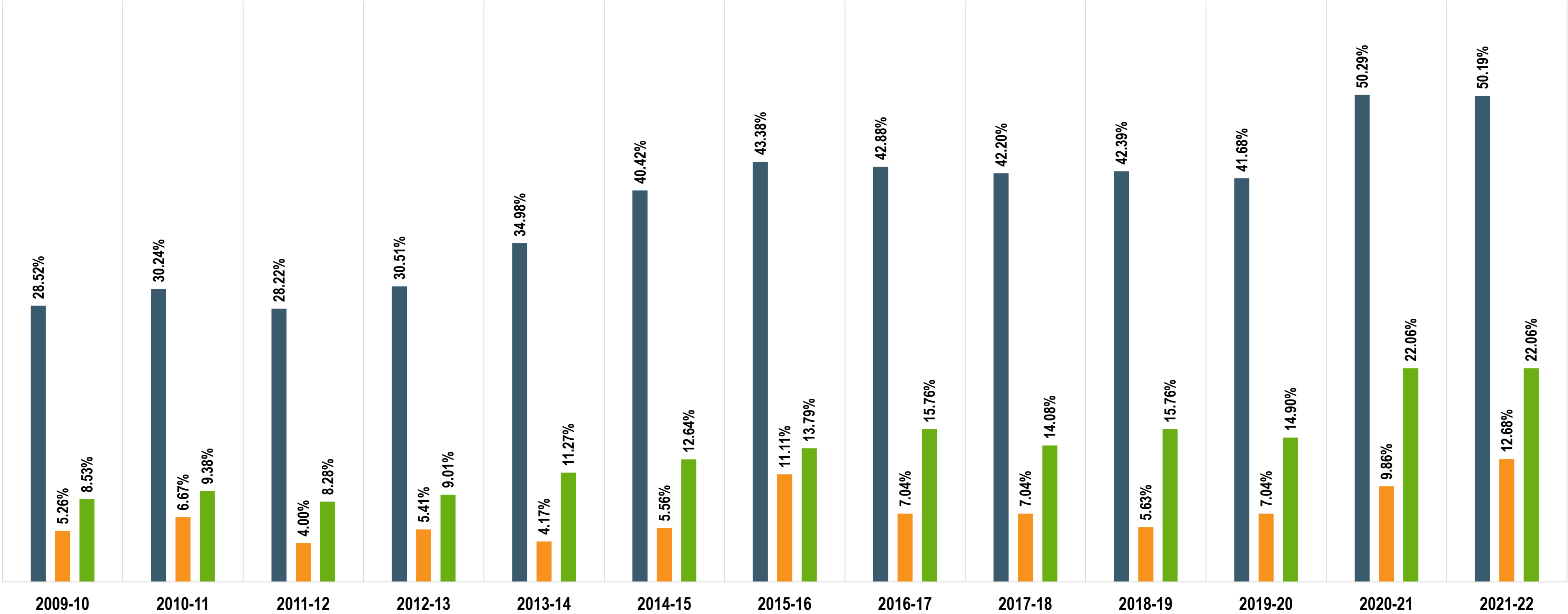
**Required percentages:**

- Elementary District: 60%
- High School District: 50%
- Unified District: 55%

# Are Districts Able to Meet the CEA Requirement?

### Districts Not Meeting CEA Requirement

■ Elementary ■ High ■ Unified





# Comparative Analysis

## COMPARATIVE ANALYSIS OF CERTIFICATED SALARIES AND BENEFITS, 2021-22

### TOTAL COMPENSATION: SALARY PAID FOR BA+30, STEP 1 PLUS AVERAGE DISTRICT CONTRIBUTION FOR HEALTH AND WELFARE BENEFITS

Table 12

DISTRICT NAME	RANK	TOTAL COMPENSATION	SALARY AT BA+30,STEP 1	AVERAGE HEALTH AND WELFARE BENEFIT CONTRIBUTION
WEST SONOMA COUNTY UNION HIGH	1	74,704	55,778	18,926
SANTA ROSA CITY SCHOOLS	2	74,083	64,477	9,606
SAN RAFAEL CITY ELEMENTARY	3	73,464	59,500	13,964
<b>STATEWIDE UNIFIED AVERAGE</b>	<b>4</b>	<b>72,761</b>	<b>57,405</b>	<b>15,356</b>
COTATI-ROHNERT PARK UNIFIED	5	71,640	50,208	21,432
<b>COMPARATIVE GROUP AVERAGE</b>	<b>6</b>	<b>69,984</b>	<b>57,595</b>	<b>12,389</b>
WINDSOR UNIFIED	7	67,687	50,099	17,588
PETALUMA CITY SCHOOLS	8	67,181	52,584	14,597
ROSS VALLEY ELEMENTARY	9	66,657	56,227	10,430
<b>REGION 01 UNIFIED AVERAGE</b>	<b>10</b>	<b>66,436</b>	<b>52,786</b>	<b>13,650</b>
BELLEVUE UNION ELEMENTARY	11	65,499	55,123	10,376
VALLEJO CITY UNIFIED	12	64,868	54,521	10,347

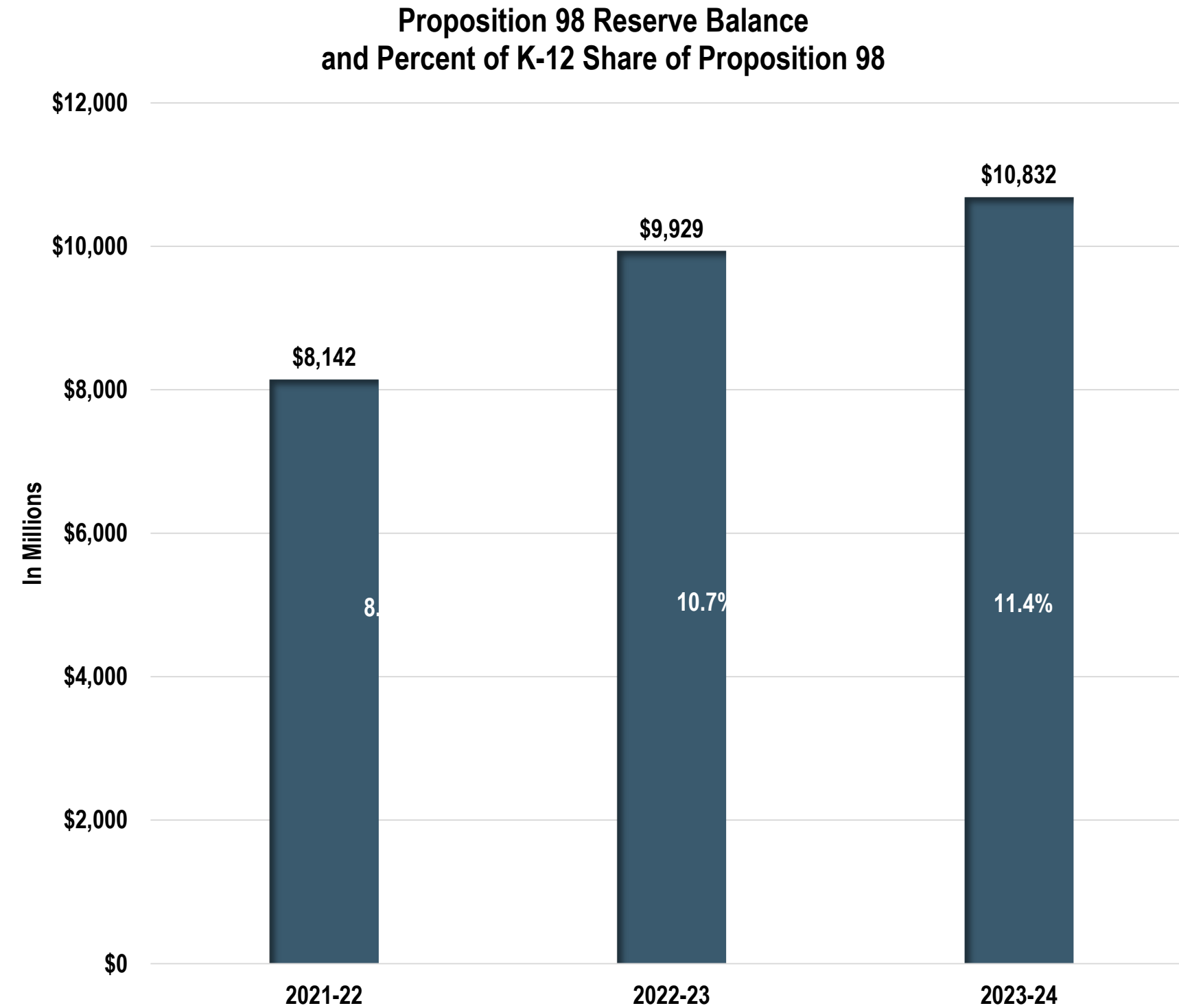
The statewide, comparative group, and regional averages shown for health and welfare benefits do not reflect "Other" benefits.

The amount indicated is the salary paid at step 1 with a requirement of bachelor's degree plus an additional 30 semester units. If the district did not have a BA+30 column on its schedule, the salary reflected is the amount paid for the next lower column on the schedule. As an example, if the salary scheduled reflected characteristics of columns "BA+24" and BA+36," this summary would reflect the salary paid at BA+24 -- the next lowest salary column. Additionally, if there is no step 1, the amount shown is "N/A".



# Local Reserve Cap

- **Education Code limits local school district reserves<sup>1</sup> to 10% in the subsequent fiscal year when certain conditions are met**
  - **The Proposition 98 reserve balance is greater than 3% of K-12's portion of the minimum guarantee**
- **At 11.4%, the Proposition 98 account balance continues to exceed the 3% threshold**
- **Cap remains operative in 2024-25**
  - **CDE notified school districts on March 1, 2023, that the cap is in effect for 2023-24**
  - **Applies only to non-basic aid school districts with ADA greater than 2,500**



<sup>1</sup>The reserve cap is based on assigned and unassigned ending fund balances of the General Fund and Special Reserve for Other than Capital Outlay Fund



# Local Reserve Cap Compliance Considerations

## Options to consider depending on local needs

**Commit Fund Balance**

- Unspent supplemental and concentration grant funds as part of the LCAP
- Textbook adoption, technology replacement, equipment replacement, pension obligations

**Contribution to Restricted Programs**

- Routine Restricted Maintenance
- Special education

**Transfer to Other Funds**

- Postemployment benefits
- State school facilities
- Special reserve for capital outlay

**County Superintendent Exemption<sup>1</sup>**

**District must provide:**

- Statement to substantiate the need
- The funding amount associated with the extraordinary circumstances
- Documentation that no other fiscal resources are available

<sup>1</sup>County superintendent exemption limited to two consecutive fiscal years

CRPUSD



reengage  
reconnect



reconnect



reimagine