



Pacifica School District

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Preparing Students for an Evolving World

www.pacificasd.org

MEMORANDUM

Administrative Services

Meeting of

06/07/17

TO: Wendy S. Tukloff, Ed.D., Superintendent
For Board of Trustees

FROM: Josephine Peterson, Chief Business Official

SUBJECT: Reserves in Excess of the State Minimum Level

Background

Senate Bill 858 and EC Section 42127 (a)(2)(8) took effect starting with the 2015-2016 Adopted Budget. The provisions state that if the combined assigned and unassigned ending fund balance is greater than the State Board of Education (SBE)-designated minimum reserve, school districts shall provide the following at a public hearing separate from the public hearing on the Budget:

- The minimum reserve level required each year
- The amount of assigned and unassigned ending fund balance that exceeds the minimum in each year
- Reasons for the reserve being greater than the minimum

This requirement is in place for the adopted budget and the multiyear projections submitted with it.

The attached statements were made available for public review and discussion at tonight's meeting.

District: Pacifica School District
CDS #: 41-68932

**Adopted Budget
2017-2018 Budget Attachment
Balances in Excess of Minimum Reserve Requirements**

Reasons for Assigned and Unassigned Ending Fund Balances in Excess of Minimum Recommended Reserves

Education Code Section 42127(a)(2)(B) requires a statement of the reasons that substantiates the need for assigned and unassigned ending fund balances in excess of the minimum reserve standard for economic uncertainties for each fiscal year identified in the budget.

Combined Assigned and Unassigned/unappropriated Fund Balances			
Form	Fund	2017-18 Budget	Objects 9780/9789/9790
01	General Fund/County School Service Fund	\$1,216,070.00	Form 01
17	Special Reserve Fund for Other Than Capital Outlay Projects	\$732,732.00	Form 17
Total Assigned and Unassigned Ending Fund Balances		\$1,948,802.00	
District Standard Reserve Level		3%	Form 01CS Line 10B-4
Less District Minimum Reserve for Economic Uncertainties		\$926,232.93	Form 01CS Line 10B-7
Remaining Balance to Substantiate Need		\$1,022,569.07	

Reasons for Fund Balances in Excess of Minimum Reserve for Economic Uncertainties			
Form	Fund	2017-18 Budget	Description of Need
01	General Fund/County School Service Fund	\$289,837.07	Reserved to cover operating deficits in 2018-2019 and 2019-2020.
17	Special Reserve Fund for Other Than Capital Outlay Projects	\$732,732.00	Board Designated Reserve- BP3100 The Board intends to maintain a minimum assigned and unassigned fund balance in an amount the Board deems sufficient to maintain fiscal solvency and stability and to protect the district against unforeseen circumstances.
Insert Lines above as needed			
Total of Substantiated Needs		\$1,022,569.07	

Remaining Unsubstantiated Balance \$0.00 Balance should be Zero

Education Code Section 42127 (d)(1) requires a county superintendent to either conditionally approve or disapprove a school district budget if the district does not provide for EC 42127 (a)(2)(B) public review and discussion at its public budget hearing.

District: Pacifica School District
CDS #: 41-68932

**Adopted Budget
2018-19 Budget Attachment
Balances in Excess of Minimum Reserve Requirements**

Reasons for Assigned and Unassigned Ending Fund Balances in Excess of Minimum Recommended Reserves

Education Code Section 42127(a)(2)(B) requires a statement of the reasons that substantiates the need for assigned and unassigned ending fund balances in excess of the minimum reserve standard for economic uncertainties for each fiscal year identified in the budget.

Combined Assigned and Unassigned/unappropriated Fund Balances		2018-19 Budget	Objects 9780/9789/9790
Form	Fund		
01	General Fund/County School Service Fund	\$734,453.00	Form 01
17	Special Reserve Fund for Other Than Capital Outlay Projects	\$740,059.00	Form 17
Total Assigned and Unassigned Ending Fund Balances		\$1,474,512.00	
District Standard Reserve Level		3%	Form 01CS Line 10B-4
Less District Minimum Reserve for Economic Uncertainties		\$932,414.16	Form 01CS Line 10B-7
Remaining Balance to Substantiate Need		\$542,097.84	

Reasons for Fund Balances in Excess of Minimum Reserve for Economic Uncertainties

Form	Fund	2018-19 Budget	Description of Need
17	Special Reserve Fund for Other Than Capital Outlay Projects	\$542,097.84	Board Designated Reserve- BP3100 The Board intends to maintain a minimum assigned and unassigned fund balance in an amount the Board deems sufficient to maintain fiscal solvency and stability and to protect the district against unforeseen circumstances,
Insert Lines above as needed			
Total of Substantiated Needs		\$542,097.84	

Remaining Unsubstantiated Balance \$0.00 Balance should be Zero

Education Code Section 42127 (d)(1) requires a county superintendent to either conditionally approve or disapprove a school district budget if the district does not provide for EC 42127 (a)(2)(B) public review and discussion at its public budget hearing.

District: Pacifica School District
CDS #: 41-68932

**Adopted Budget
2019-20 Budget Attachment
Balances in Excess of Minimum Reserve Requirements**

Reasons for Assigned and Unassigned Ending Fund Balances in Excess of Minimum Recommended Reserves

Education Code Section 42127(a)(2)(B) requires a statement of the reasons that substantiates the need for assigned and unassigned ending fund balances in excess of the minimum reserve standard for economic uncertainties for each fiscal year identified in the budget.

Combined Assigned and Unassigned/unappropriated Fund Balances			
Form	Fund	2019-2020 Budget	Objects 9780/9789/9790
01	General Fund/County School Service Fund	\$544,008.00	Form 01
17	Special Reserve Fund for Other Than Capital Outlay Projects	\$747,460.00	Form 17
Total Assigned and Unassigned Ending Fund Balances		\$1,291,468.00	
District Standard Reserve Level		3%	Form 01CS Line 10B-4
Less District Minimum Reserve for Economic Uncertainties		\$944,904.21	Form 01CS Line 10B-7
Remaining Balance to Substantiate Need		\$346,563.79	

Reasons for Fund Balances in Excess of Minimum Reserve for Economic Uncertainties			
Form	Fund	2019-2020	Description of Need
17	Special Reserve Fund for Other Than Capital Outlay Projects	\$346,563.79	Board Designated Reserve- 8P3100 The Board intends to maintain a minimum assigned and unassigned fund balance in an amount the Board deems sufficient to maintain fiscal solvency and stability and to protect the district against unforeseen circumstances.
Insert Lines above as needed			
Total of Substantiated Needs		\$346,563.79	

Remaining Unsubstantiated Balance \$0.00 Balance should be Zero

Education Code Section 42127 (d)(1) requires a county superintendent to either conditionally approve or disapprove a school district budget if the district does not provide for EC 42127 (a)(2)(B) public review and discussion at its public budget hearing.