



Pacifica School District

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Preparing Students for an Evolving World

www.pacificasd.org

MEMORANDUM

Administrative Services

Meeting of 11/15/2017

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

FROM: Josephine Peterson, Chief Business Official

SUBJECT: Approval of Resolution 2017-11-15-A Resolution Establishing Fund 20 Special Reserve Fund For Postemployment Benefits
(Action)

Action

It is recommended that the Board of Trustees approve Resolution No. 2017-11-15-A Establishing Fund 20 Special Reserve Fund for Postemployment Benefits.

Background

The District currently maintains and sets aside revocable contributions to cover the future costs of retiree benefits in Fund 71, The Retiree Benefits Fund. Fund 71 is actually a fiduciary fund intended for use only to account for irrevocable contributions to a retiree benefit plan under a formal trust agreement. Several years ago, the California Department of Education established Fund 20, Special Reserve Fund for Postemployment Benefits to account for monies that are set aside to cover retiree benefits, but are not contributed irrevocably to a retiree benefit fund under a formal trust agreement. The auditors have been properly reflecting the District's Retiree Benefit Fund in the audit report as revocable contributions. Upon their annual review of the audit report and the District's unaudited actual this year, the San Mateo County Office of Education has requested that the District now establish the appropriate fund which is Fund 20. There is no fiscal impact for the District as it is merely moving the monies from Fund 71 to Fund 20.