



RAVENDALE-TERMO ELEMENTARY SCHOOL DISTRICT
 Juniper Ridge Virtual Academy • Juniper Ridge Elementary School

P.O. Box 99 • 709-855 Grasshopper-Termo Road, Termo, CA 96132
 Phone: (530) 251-8938 • Fax: (530) 251-8940
 Jason Waddell, Superintendent

The Second Interim budget report is a snapshot in time of the District’s financial health based on revenue and expenditure projections for the current fiscal year as well as a projection of the two subsequent fiscal years. It is a time to adjust the budget based upon the enacted State Budget and subsequent trailer bills, actual enrollment, and other factors that impact revenue and expenditures as of January 31, 2016. The Second Interim report covers the period of time from July 1 through January 31 each fiscal year and incorporates any changes that occurred after October 31, 2015. The report reflects the Original Budget (June 2015 Column A); the Board Approved Budget (First Interim 10/31/15 Column B); Actuals to Date - actual receipts and expenditures as of 1/31/16 (Column C); the Projected Budget (Second Interim 1/31/16 Column D); the difference between the Board Approved (First Interim) and the Projected Budget (Second Interim), and the percentage of difference. Also included is a summary report showing the major revenue and expenditure classifications for both the Board Approved Budget (First Interim) and the current Projected Budget (Second Interim), which are separated by unrestricted and restricted programs accordingly. Every major classification has an explanation attached that identifies the major components of the budget change.

The Second Interim includes changes in Multi-Year Projections based upon the 2016/17 Governor’s Budget proposal released on January 7, 2016. The Governor’s Budget proposal continues his commitment to fiscal discipline and to the Local Control Funding Formula by increasing the LCFF gap funding percentage and one-time funding to eliminate outstanding mandated cost claims.

GENERAL FUND

Total Changes in Revenue	\$	12,100.00
Total Changes in Expenditures	\$	8,309.00
Total Changes in Transfers In	\$	0.00
Total Changes in Transfers Out	\$	-4,599.76
Total Changes to Beginning Balance	\$	0.00
Total Changes to Ending Balance	\$	8,390.76

REVENUES

The increase in revenue is due to an increase in the LCFF funding gap and Prop 39 Revenue.

EXPENDITURES

The increase in expenditures is due to the anticipated expenditures in Prop 39 funds due to the approval of the Prop 39 plan by the Energy Commission.

TRANSFERS

The changes in Transfers out from First Interim to Second Interim is due to the anticipated transfer to the Charter School Fund being reduced because there have not been as many expenditures to close out the Charter as was originally budgeted.

ENDING BALANCE

The Ending Balance on 6/30/16 is projected to be \$522,923.44. The increase in the ending balance is due to the decrease in Transfers Out to the Charter School Fund.

The components of the Ending Fund Balance are:

Revolving	\$	50.00
Required Reserve	\$	65,000.00
Legally Restricted	\$	0.00
Unassigned/Unappropriated	\$	457,873.44

DEFICIT SPENDING

The District projected to deficit spend \$29,351.76 in 2015/16. In 2016/17 the District is projected to deficit spend \$5,527.00. In 2017/18 the District is not projected to deficit spend and the Ending Fund Balance is projected to increase by \$10,984.00.

CHARTER SCHOOL FUND

The Charter School Fund budget projections have been changed since budget adoption to reflect the closure of the Charter School. The beginning balance of \$33,387.32 is being utilized to cover the 11/12 and 12/13 audit finding repayments in addition to a transfer from the General Fund of \$11,602.00. A transfer from the General Fund is needed to have a 0.00 ending balance. The revenue actuals to date of \$92,084.00 is an over payment by the State prior to their knowledge of the school closure, these funds will be recaptured by the State during the 15/16 fiscal year. In future years the 11/12 & 12/13 audit finding repayments will be deducted from the State Revenue received by the General Fund.

CAFETERIA FUND

The Cafeteria Fund is funded entirely by a General Fund Transfer. During 2015/16, the General Fund has budgeted to transfer \$6,000.00 for Cafeteria Fund operating costs. The Cafeteria Fund had a Beginning Fund Balance of \$4,319.55 and the Ending Fund Balance is projected to be a positive \$2,674.55.

DEFERRED MAINTENANCE FUND

The Deferred Maintenance Fund is projected to have no activity during 2015/16 and an Ending Fund Balance of \$10.77.

SPECIAL RESERVE FUND

The Special Reserve Fund is projected to have an Ending Fund Balance of \$26,635.80, an increase from 2014/15 of \$120.00 due to interest accruing in the fund.

CAPITAL FACILITIES FUND

The Capital Facilities Fund is projected to have an Ending Fund Balance of \$14,716.05, an increase from 2014/15 of \$3,445.00 due to the receipt of developer fees and interest accruing in the fund.

SELF-INSURANCE FUND

The Self-Insurance Fund is projected to have no activity during 2015/16 and an Ending Fund Balance of \$395.75, an increase of \$4.00 due to interest.

Based upon the information presented in the Second Interim Report the District continues to meet the requirements of a “positive” certification. Therefore, I am recommending that the Board adopt a “positive” certification. The certification states “...this District will be able to meet its financial obligations for the current fiscal year and subsequent two fiscal years”. The current year Budget and Multi-Year Projections indicate the District will meet its obligations based on information available as of January 31, 2016. The assumptions used to make this recommendation are outlined in the Multi-Year Projections.



Michelle Brown
Chief Business Official