



**Plumas Lake Elementary School District
2009-10 Second Interim Financial Report
March 10, 2010**

Each student will reach their fullest potential as we strive for district excellence through sound leadership, effective communication, accountability, and investment in our staff.

Annual Financial Reporting

- Annual financial deadlines:
 - Budget Adoption – June 30
 - Unaudited Actuals for prior year – October 15
 - First Interim – December 15
 - Second Interim – March 15
 - Third Interim – June 1 (required if negative or qualified certification)

Second Interim Financial Report

- *Education Code* Section 42130 requires District to submit two financial interim reports to Yuba County Office of Education each fiscal year:
 - First Interim: Financial transactions from July 1 to October 31
 - Second Interim: Financial transactions from July 1 to January 31
- Second Interim must be adopted by the Board prior to March 15
- District must certify one of the following:
 - Positive: District *can* meet its current year and subsequent two year obligations;
 - Qualified: District *may not* be able to meet its current year and subsequent two year obligations; or
 - Negative: District *cannot* meet its current year and subsequent two year obligations.

Budget Assumptions – Current Budget Year

	Budget Adoption	First Interim	Second Interim
	2009-10	2009-10	2009-10
COLA	4.25%	4.25%	4.25%
Deficit Factor	17.967% \$0.82033 per \$1.00	18.355% \$0.81645 per \$1.00	18.355% \$0.81645 per \$1.00
Revenue Limit (RL)	\$6,597.36	\$6,597.36	\$6,597.36
Deficitied RL	\$5,412.01	\$5,386.41	\$5,386.41
Dollar loss per ADA	(\$1,185.35)	(\$1,210.95)	(\$1,210.95)
Other Revenue Limit Adjustments		-252.83 per ADA (\$249,055)	-252.99 per ADA (\$249,129) per ADA
State Categorical Programs	-4.46% (Transportation: -65%)	-4.46% (Transportation:-19.8%)	-4.46% (Transportation:-19.8%)
ARRA – SFSF (RL)	\$234,292	\$0	\$0
ARRA – Sp Ed	\$ 81,444	\$82,159	\$83,188
ADA: K-8 + County	938.35	994.38	1013.64

Budget Assumptions: Current Year

- Charter Budget Assumptions for 2009-10
 - P-1 ADA = 5.11
 - General Purpose Block Grant
 - \$6,040 per ADA
 - (\$231) per ADA reduction
 - Total = \$5,809 per ADA
 - Categorical Block Grant = \$399 per ADA

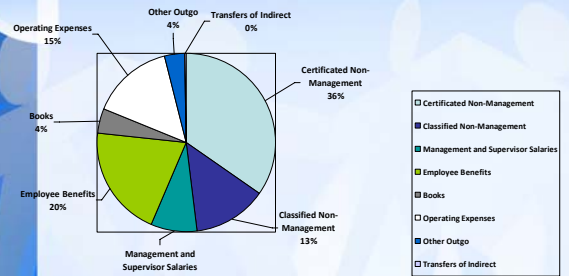
Revenue Sources – General Fund Projections

	Board Approved Operating Budget	Projected Year Totals (Revisions)	Difference	% Variance	Reason
Beginning Fund Balance		\$2,549,853			
Revenue Limit Sources	\$5,629,993	\$5,748,239	\$118,246	2.1%	Revised ADA P-1; Property Taxes based on annual County tax data
Federal Revenue	\$230,392	\$238,942	\$8,550	3.7%	Sp Ed entitlement adjusted; MAA funding;
Other State Revenue	\$912,911	\$920,717	\$7,806	0.9%	Decreased EIA funding; SBX4 3 adjustments for 08-09 Accts Receivables;
Other Local Revenue	\$484,687	\$552,633	\$67,946	14%	Sp Ed entitlement adjusted; Facilities fees increased;
Total Revenue	\$7,257,983	\$7,460,531			

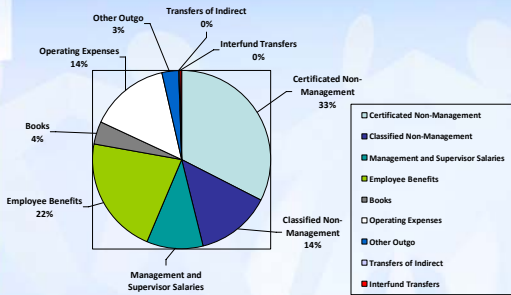
Projected General Fund Expenditures

	Board Approved Operating Budget	Projected Year Totals (Revisions)	Difference	% Difference	Reason
Certificated Salaries	\$3,202,627	\$3,199,410	(\$3,217)	(0.1%)	
Classified Salaries	\$1,199,562	\$1,208,168	\$8,606	0.7%	Sp Ed Para salaries and extra FMOT salaries
Employee Benefits	\$1,568,928	\$1,567,515	(\$1,411)	(0.1%)	
Books and supplies	\$335,088	\$342,698	\$7,610	2.2%	
Services/Other Op Expenses	\$1,187,029	\$1,183,547	(\$3,482)	0.3%	
Capital Outlay	0	0	0	0	
Other outgo	\$280,911	\$280,911	0	0	
Transfers of Indirect Costs	(\$17,751)	(\$17,919)	(\$168)	(0.9%)	Based on Fund 13 expenditures
Other Financing Sources/Uses	(\$42,250)	(\$42,250)	0	0	
Net Increase (Decrease) in Fund Balance	(\$456,159)	(\$261,449)			
Audit Adjustment		(\$72,558.21)			2008-09 Accounts Receivable & cash in banks.
Ending Fund Balance	\$2,093,694	\$2,215,846			

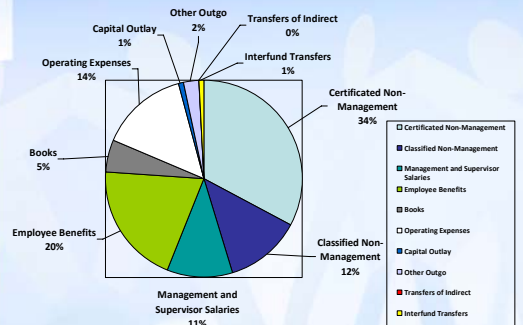
General Fund Expenditures for 2009-10



General Fund Expenditures: 2008-09 Unaudited Actuals



General Fund Expenditures: 2007-08 Unaudited Actuals



Budget Assumptions: Multi-Year Projections

Financial Report	Budget Adoption	First Interim	Second Interim
Fiscal Year	2010-11	2010-11	2010-11
COLA	0.90%	0.50%	-0.38%
			→ (\$23) per ADA
Deficit Factor	17.967% \$0.82033 per \$1.00	18.355% \$0.81645 per \$1.00	18.355% \$0.81645 per \$1.00
Revenue Limit (RL)	\$6,652.53	\$6,628.35	\$6,574.36
Deficitd RL	\$5,457.27	\$5,411.72	\$5,367.64
Dollar loss per ADA	(\$1,195.26)	(\$1,216.63)	(\$1,206.72)
Other Revenue Limit Adjustments			→ (\$250.00) per ADA
State Categorical Programs	0.90%	0.50%	-0.38%
ADA	938.35	994.38	1013.64

Governor's Budget Proposal
Total Loss in Revenue Limit per ADA - \$1,479.72

Multi-Year Projections (continued)

- No American Recovery and Reinvestment Act (ARRA) funding
- ADA projections for 2009-10 and two subsequent years based on P-1 data for 2009-10; 1013.64 for K-8/County and 5.11 for Charter;
- 2011-12 assumptions
 - COLA - 1.80%;
 - Deficit factor - 18.355%;
 - California CPI - 2.6%;
- No changes to STRS, PERS, FICA/Medicare, Unemployment, Worker's Comp and Health benefits;
- COP debt service payment not reflected in projections;
- District projected to be deficit spending for current year and two subsequent years based on current assumptions;
- District will meet minimum recommended reserve for economic uncertainty requirement for the current and subsequent two years;

Multi-Year Projections

Description	2009-10	2010-11	2011-12
Beginning Fund Balance	\$2,477,295	\$2,215,846	\$1,718,006
Revenue	\$7,502,781	\$7,334,116	\$7,473,375
Expenditures and other financing uses	\$7,764,230	\$7,831,956	\$8,018,664
Net Increase/Decrease in Fund Balance	(\$261,449)	(\$497,840)	(\$545,289)
Fund balance	\$2,215,846	\$1,718,006	\$1,172,718
Designated for Economic Uncertainties	\$386,099	\$391,598	\$400,933
Other designations	\$1,829,746	\$1,326,408	\$771,785

Fund 13 – Cafeteria Fund

	Board Approved Operating Budget	Projected Year Totals (Revisions)	Difference	% Difference	Reason
Beginning Fund Balance	\$34,842	\$34,842			
Audit Adjustment		(\$9,003)			Clear old bank account data
Revenue	\$397,000	\$400,000	\$3,000	1.3%	Adjusted Federal Revenue
Expenditures					
Classified salaries	\$143,787	\$143,787	0	0	
Employee Benefits	\$45,281	\$49,031	\$3,750	8.3%	Add employee HDV benefits
Supplies	\$196,000	\$196,000	-	-	
Services/Op Expenses	\$7,623	\$7,623	0	0	0
Other Outgo	\$17,751	\$17,919	\$168	0.9%	Indirect
Transfers In	\$0	\$0			
Total Expenditures	\$410,442	\$414,360			
Net Increase (Decrease) in fund balance	(\$13,442)	(\$14,360)			
Ending Fund Balance	\$21,400	\$11,479			

Fund 14 – Deferred Maintenance Fund

	Board Approved Operating Budget	Projected Year Totals (Revisions)	Difference	% Difference	Reason
Beginning Fund Balance	\$112,778	\$112,778			
Revenue	\$3,500	\$2,000	(\$1,500)	(42.9%)	Reduced interest earnings
Expenditures					
Materials and Supplies	\$10,500	\$10,500	0	-	
Services/Op Expenses	\$19,500	\$19,500	0	-	
Transfers In	0	0	0	-	Contribution from GF not required until 2012-13
Net Increase (Decrease) in fund balance	(\$26,500)	(\$28,000)			
Ending Fund Balance	\$86,278	\$84,778			

Fund 25 – Capital Facilities Fund

	Board Approved Operating Budget	Projected Year Totals (Revisions)	Difference	% Difference	Note
Beginning Fund Balance	\$319,882	\$319,882			
Audit Adjustment		(\$591,000)			Wheatland MOU
Revenue	\$218,670	\$311,359	\$92,689	42.4%	Impact Fees adjusted to y-t-d activity
Expenditures					
Services/Other Op Expense	\$75,000	\$35,000	-40,000	-53.3%	Adjusted down based on y-t-d activity
Other outgo	\$476,315	\$476,315	0	-	
Other financing sources	\$343,865	\$39,851	-304,014	-88.4%	No transfer from Fund 52
Net Increase (Decrease) in Fund Balance	\$11,220	(\$160,105)			
Ending Fund Balance (includes cash with fiscal agent)	\$331,102	750,777			\$485,327 w/ fiscal agent

Fund 52 – Debt Service Fund

	Board Approved Operating Budget	Projected Year Totals (Revisions)	Difference (Projected - Approved)	% Difference	Notes
Beginning Fund Balance (includes reserves for debt service payment with Trustee)	\$1,059,723	\$1,059,723			
Revenue	\$678,925	\$659,430	(\$19,495)	(2.9%)	Reduced interest earnings
Expenditures					
Other outgo	\$524,638	\$524,638	0	-	
Other financing sources	\$347,115	\$42,250	(\$304,865)	(87.8%)	No transfer to Fund 25 for COP payment
Net Increase (Decrease) in Fund Balance	(\$192,828)	\$92,542			
Ending Fund Balance (includes cash with fiscal agent)	\$866,895	\$1,152,265			\$469,588 w/ fiscal agent

Long-Term Commitments

Type of Commitment	Fund	# of Years Remaining	Principal Balance as of July 1	Funding sources	Current Year Annual Payment
CFD #1, Series 2005	52	26	\$4,640,000	Mello Roos Taxes	\$308,075
CFD #1, Series 2007	52	4	\$2,525,000	Mello Roos Taxes	\$126,250
CFD #2, Series 2007	52	28	\$1,260,000	Mello Roos Taxes	\$90,313
Certificates of Participation	25 and 01	28	\$6,945,000	Developer Fees; however obligation of General Fund if no other funding source available	\$476,315

Certification of Second Interim Report



- **Certification of Financial Condition:**
 - Based upon current projections, District will be:
 - Deficit spending; however making budget reductions;
 - Meeting minimum reserve requirements for economic uncertainty;
 - Making budget reductions of \$497,000 and able to meet financial obligations for the current fiscal year and subsequent two fiscal years.
- **Board approval of Second Interim Financial Report with positive certification and budget adjustments within.**