

Novato Unified School District

2021-2022 Second Interim Report & Multiyear Projection

The Second Interim Report provides the actual financial activity from July 1, 2021 to January 31, 2022, with financial projections for the year ending June 30, 2022. The Report also includes a Multi-Year Projection (MYP) for the two subsequent years. The Combined General Fund budget as of the Second Interim reporting period shows an excess of revenue over expenditures in the amount of \$880,256. The Combined Ending Fund Balance is projected to be \$22,075,417, of which the Unrestricted General Fund Balance is projected to be \$15,180,996 or 14.9% of total expenditures and other uses as of June 30, 2022.

Governor's Budget Proposal

Governor Newsom unveiled his proposed state budget for 2022-2023 on January 10, 2022. Some of the information from his proposal has been used in the assumptions for the enclosed Multi-Year Projection, although not all features were included as it is not yet clear what will be in the final adopted budget. What is clear is that the State of California is thriving financially, and this translates into good news for school districts. One feature that was included in the assumptions for Novato's subsequent years is the 5.33% cost of living adjustment (COLA) that will be applied to the Local Control Funding Formula (LCFF) as well as to Special Education.

The Governor's budget includes funding for several specialized programs outside of LCFF. Extra money is proposed for:

- Expanded Learning Opportunities Program (ELO-P)
- Universal Access to school meals
- Transitional Kindergarten expansion
- Support for the School Facilities Program

The Governor's budget includes the possibility of an alternative method for determining which Average Daily Attendance (ADA) number to use to calculate LCFF Funding. Traditionally, school districts have been able to choose between current or prior year ADA, using whichever is higher. Newsom has proposed that for 2022-2023 districts will be able to use the higher of current, prior or an average of three prior years. The third choice would be the best scenario for Novato, but because the choice is not definite, it was not included in the Multi-Year Projection. If this proposal is part of the May Revise, it will be included for the 2022-2023 budget development.

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The Marin Common Message states that “significant increases projected for state revenue come with strings”. One of these “strings” is that in 2021-2022 all of the conditions that trigger the district reserves cap are met. For 2022-2023 District Reserves included in assigned, unassigned and special reserve funds will be limited to 10% of total district expenditures and other uses. The Common Message makes the following suggestions as ways to ensure compliance with this new requirement:

- Commit reserves rather than leaving in assigned or unassigned (this requires board action through a resolution)
- Transfer reserves to funds other than Fund 17
- Contribute to restricted resources within the General Fund

These options will be reviewed for Novato as we move into budget development for the 2022-2023 fiscal year.

Significant Changes Since First Interim Reporting

Since the First Interim Report was presented in December 2021, the District's Budget Advisory Committee had their final Phase 1 meeting in early January 2022. The Committee's proposed list was presented to the Board on January 25th and the Trustees approved reductions totaling \$4,192,700. These reductions are reflected in the attached Multi-Year Projection resulting in an unrestricted excess of revenues over unrestricted expenditures of \$1,892,503 in 2022-2023. The projection for 2023-2024 still shows a large deficit since the Parcel Tax revenues expire as of June 2023 and cannot be included in budgets after that date until local voters choose to renew the parcel tax in a future election.

With the January 25th approval of budget reductions, the Board of Trustees has reached the goals set by the Marin County Office of Education at the beginning of 2021-2022. However, this does not mean that we are done considering ways to help Novato Unified run more smoothly and efficiently. Phase II of the Budget Advisory Committee will meet in May 2022 to begin discussions of long-term budget savings ideas. This was a heavily discussed topic during last fall's meetings with many ideas coming forward. We will solidify the list of ideas and begin the work of investigating the feasibility of each one. This work could result in a basic budget that covers all the District's costs considered “required” and the parcel tax could cover “extras”. This work would also support pay increases

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for Novato's employees.

2021-2022 & Moving Forward

As mentioned at First Interim, the State budget for 2021-2022 includes varying increases to ongoing budgets, but it also includes several different pots of categorical funding that Districts need to consider in their ongoing planning:

Universal TK – Beginning in 2022-2023 school districts will be required to serve a larger group of young students in Transitional Kindergarten by extending the eligibility date by two months for each of the next four years. In 2021-2022 NUSD will receive approximately \$100,000 for planning purposes. The District has established a task force to plan for this change in programming. As of early March, the enrollments were higher than expected. Final numbers will determine whether the District can have a TK class at each site or if we will have the classes at selected sites.

A-G Grant Completion - The State budget funds three grant programs to help increase the number of high school pupils, particularly unduplicated pupils, who graduate from high school with A-G eligibility: A-G Access Grants, A-G Success Grants, and A-G Learning Loss Mitigation Grants. The money is allocated per student based on a District's Unduplicated population. Novato will receive \$632,000 for this grant.

Expanded Learning Opportunity Program – Although it has a similar name, this program is different from the Expanded Learning Opportunity Grant, which was established for COVID Relief and the return to the classroom. This new program has been established to provide an extended learning day primarily for K-6 students, with an emphasis on the District's unduplicated students. More information on this program will be provided as plans are made. NUSD will receive \$971,423 in 2021-2022. There will be ongoing funding for this program.

Educator Effectiveness Grant - This grant is meant to support professional learning for certificated teachers, administrators, paraprofessional educators, and all other certificated staff. NUSD will receive \$1,635,945 for spending over 5 years, beginning in 2021-2022.

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Budgetary Changes as of the Second Interim Reporting Period

The following tables reflect the changes in the budget since the budget adoption.

Unrestricted General Fund	2021-2022 1st Interim	2021-2022 2nd Interim	Change
LCFF Sources	\$73,392,056	\$73,234,476	(\$157,580)
Federal Revenue	\$75,000	\$75,000	\$0
State Revenue	\$1,415,149	\$1,534,597	\$119,448
Local Revenue	\$356,499	\$406,077	\$49,578
Total Revenues	\$75,238,704	\$75,250,150	\$11,446
Certificated	\$31,336,249	\$31,466,750	\$130,501
Classified	\$8,938,708	\$8,952,094	\$13,386
Benefits	\$13,875,492	\$13,856,891	(\$18,601)
Supplies	\$976,943	\$1,700,344	\$723,401
Operating Expenditures	\$4,963,049	\$6,225,925	\$1,262,876
Equipment	\$132,800	\$132,800	\$0
Transfer Services	\$457,885	\$457,885	\$0
Indirect Costs	(\$988,723)	(\$993,730)	(\$5,007)
Total Expenditures	\$59,692,403	\$61,798,959	\$2,106,556
Excess of Revenues over Expenses	\$15,546,301	\$13,451,191	(\$2,095,110)
Transfers In	\$40,000	\$40,000	\$0
Transfers Out	(\$75,000)	(\$75,000)	\$0
Contributions	(\$12,852,734)	(\$12,769,856)	\$82,878
Total Sources/Uses	(\$12,887,734)	(\$12,804,856)	\$82,878
Net Increase/Decrease Fund Balance	\$2,658,567	\$646,335	(\$2,012,232)
Beginning Fund Balance	\$14,534,661	\$14,534,661	\$0
Ending Fund Balance	\$17,193,228	\$15,180,996	(\$2,012,232)

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Restricted General Fund	2021-2022 1st Interim	2021-2022 2nd Interim	Change
LCFF Sources	\$0	\$0	\$0
Federal Revenue	\$6,262,401	\$5,976,137	(\$286,264)
State Revenue	\$10,568,145	\$10,566,669	(\$1,476)
Local Revenue	\$10,933,955	\$11,626,295	\$692,340
Total Revenues	\$27,764,501	\$28,169,101	\$404,600
Certificated	\$10,059,084	\$9,536,149	(\$522,935)
Classified	\$4,786,216	\$4,771,365	(\$14,851)
Benefits	\$9,642,709	\$9,386,279	(\$256,430)
Supplies	\$4,461,257	\$4,436,553	(\$24,703)
Operating Expenditures	\$7,719,861	\$7,720,473	\$612
Equipment	\$926,067	\$933,067	\$7,000
Transfer Services	\$2,287,291	\$2,437,551	\$150,260
Indirect Costs	\$897,423	\$902,430	\$5,007
Total Expenditures	\$40,779,907	\$40,123,867	(\$656,040)
Excess of Revenues over Expenditures	(\$13,015,406)	(\$11,954,766)	\$1,060,640
Transfers In	\$0	\$0	
Transfers Out	(\$581,169)	(\$581,169)	\$0
Contributions	\$12,852,734	\$12,769,856	(\$82,878)
Total Sources/Uses	\$12,271,565	\$12,188,687	(\$82,878)
Net Decrease in Fund Balance	(\$743,841)	\$233,921	\$977,762
Beginning Fund Balance	\$6,660,500	\$6,660,500	\$0
Ending Fund Balance	\$5,916,659	\$6,894,421	\$977,762

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Combined General Fund	2021-2022 1st Interim	2021-2022 2nd Interim	Change
LCFF Sources	\$73,392,056	\$73,234,476	(\$157,580)
Federal Revenue	\$6,337,401	\$6,051,137	(\$286,264)
State Revenue	\$11,983,294	\$12,101,266	\$117,972
Local Revenue	\$11,290,454	\$12,032,372	\$741,918
Total Revenues	\$103,003,205	\$103,419,251	\$416,046
Certificated	\$41,395,333	\$41,002,899	(\$392,434)
Classified	\$13,724,924	\$13,723,459	(\$1,465)
Benefits	\$23,518,201	\$23,243,170	(\$275,031)
Supplies	\$5,438,200	\$6,136,897	\$698,698
Operating Expenditures	\$12,682,910	\$13,946,398	\$1,263,488
Equipment	\$1,058,867	\$1,065,867	\$7,000
Transfer Services	\$2,745,176	\$2,895,436	\$150,260
Indirect Costs	(\$91,300)	(\$91,300)	\$0
Total Expenditures	\$100,472,310	\$101,922,826	\$1,450,516
Excess of Revenues over Expenditures	\$2,530,895	\$1,496,425	(\$1,034,470)
Transfers In	\$40,000	\$40,000	\$0
Transfers Out	(\$656,169)	(\$656,169)	\$0
Contributions	\$0	\$0	\$0
Total Sources/Uses	(\$616,169)	(\$616,169)	\$0
Net Increase/Decrease in Fund Balance	\$1,914,726	\$880,256	(\$1,034,470)
Beginning Fund Balance	\$21,195,161	\$21,195,161	\$0
Ending Fund Balance	\$23,109,887	\$22,075,417	(\$1,034,470)

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Summary of Budgetary Changes

Revenue

Overall, unrestricted revenues have not changed significantly since First Interim. Restricted Revenues are up by approximately \$400,000 due to an increase in local funding (donations and grants) of \$692,000 combined with a decrease in Federal Funding (reduced budgets in COVID funding) of \$286,000

Expenditures

Overall budgeted expenditures show a projected increase of \$1,450,516 since First Interim. Significant changes are as follows:

- 1) Certificated Salaries show a net decrease of \$392,434
 - Budget savings \$94,288 unfilled Assistant Director SPED
 - Glad Training teacher hourly - Educator Effectiveness \$34,254
 - Decreased budget for unfilled ELO funded TOSA/Teacher positions \$388,456
- 2) Classified salaries show a net decrease of \$1,465
- 3) Payroll related costs and benefits decreased by \$275,031, these are the related payroll taxes and benefit savings from the removal of positions noted above.
- 4) Supplies budget increased by a net \$698,698, significant changes include:
 - Posting of restricted site carryover \$380,818
 - Inclusion of related budgets for new school site grants/donations \$311,510
- 5) Operating expenditures increased by \$1,263,488, significant changes include:
 - Summer Hawks Bridge program, YMCA Learning Hubs, Summer Enrichment programs and Imagine Learning/Galileo learning supports software \$666,951 (shifting budgeted costs from ELO/Restricted General Fund to the LCFF/Supplemental Grant funding/Unrestricted General Fund).
 - Inclusion of related budgets for new school site grants/donations \$311,510 (refer to local revenues above)
 - Reallocation of school/department budgets

As of the 2nd Interim reporting period, the contribution from the Unrestricted General Fund is projected to be \$12,769,856 and supports the following programs:

- \$7,884,843 to Special Education
- \$661,634 to Special Education/Mental Health Program
- \$2,435,886 to Special Education for Excess Costs
- \$300,000 to One-Time Special Ed COVID Recovery Funding
- \$2,812,507 to Restricted Routine Maintenance (RRM) program (3% required)
- \$76,411 to Athletic Program/Athletic Trainers

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- (\$1,101,425) from Parcel Tax to the Unrestricted General Fund

Interfund Transfers Out of the General Fund total \$2,826,873, and includes the following:

- Transfer of \$75,000 to the Self Insurance Fund (Fund 67)
- Transfer of \$262,484 to Deferred Maintenance (Fund 14) for ongoing deferred & preventative maintenance costs.
- Transfer of \$318,685 to the Building Fund (Fund 21) from Redevelopment Agency Fee proceeds for facilities related capital improvements

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COMPONENTS OF PROJECTED ENDING FUND BALANCE AND RESERVES

The Reserve for Economic Uncertainties is now \$3,077,370, or 3% of total general fund expenditures.

To summarize the numbers:

Revenues	\$ 103,419,251
Expenditures	\$ 101,922,826
Other Financing Sources/Uses	\$ <u>(616,169)</u>
Excess/Operating Deficit	\$ 880,256
Beginning Balance	\$ <u>21,195,161</u>
Ending Balance	\$ 22,075,417

Components of the Ending Balance are as follows:

Revolving Cash	\$ 25,000
Stores (Fuel Inventory)	\$ 16,161
Legally Restricted General Fund	\$ 6,894,421
Economic Uncertainties – 3%	\$ 3,077,370
Assigned	\$ 7,222,570
Unassigned	\$ <u>4,839,895</u>
Total Fund Balance	\$ 22,075,417

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MULTI-YEAR PROJECTION (Form MYPI) The Multi-Year Projection (MYP) demonstrates the District will be able to meet its financial obligations. The following assumptions were used in developing the 2022-2023 and 2023-2024 MYP:

Budget Assumptions (Multi-Year Projection)	Second Interim 2021-2022	MYP 2022-2023	MYP 2023-2024
LCFF Projected COLA	5.07%	5.33%	3.61%
Supplemental Grant portion of LCFF Funds	\$5.4 million	\$5.1 million	\$5.1 million
Projected Enrollment (NUSD only)	7,152	7,005	6,922
Projected Enrollment MCOE Served	68	68	68
Prior Year CALPADs Enrollment	7,206	7,152	7,005
Projected Change in Enrollment (NUSD)	-54	-147	-83
Projected P2 ADA (includes NPS & MCOE Served)	6,859.35	6,773.02	6,694.58
Funded P2 ADA includes NPS and MCOE served (Hold harmless for 2021-22 only)	7,329.29	6,859.35	6,773.02
Change from Prior Year (Funded ADA)	0	-469.94	-86.33
Projected LCFF Entitlement Per ADA	\$9,992	\$10,537	\$10,905
Prior Year LCFF Entitlement Per ADA	\$9,530	\$9,992	\$10,537
Increase in LCFF Entitlement Per ADA from Prior Year	\$462	\$545	\$368
Net Increase in LCFF Funding-due to decline in ADA	4.58%	-1.31%	2.19%
State, Federal and Other Local	<i>Removed Carryover/One-time Funding and Related Expenditures</i>		
Est. Remaining ESSER/ELO/IPP (Second Interim)	\$7.6 million		
Estimated Parcel Tax Funding	\$4 million	\$4 million	\$0
Lottery Funding Unrestricted/Restricted Prop 20	\$163/\$65ADA	\$163/\$65ADA	\$163/\$65ADA
<i>Changes in Teacher Staffing (declining enrollment) & Staffing Reserve</i>		-32 teachers 3 FTE Reserve	
Certificated Step/Column Increase	1.50%	1.50%	1.50%
Classified Step Increase	2%	2%	2%
State Unemployment Insurance	0.50%	0.50%	0.50%
PERS Rates (Proposed Rates)	22.91%	25.40%	25.20%
STRS Rates	16.92%	19.1%	19.1%
Workers Compensation (2021-2022 Rates/MYP TBD)	1.395%	1.395%	1.395%
Health/Welfare	2021-2022 Rates/Employer Cap		
Contribution to Restricted Programs	5%	5%	5%
Routine Repair Maintenance Account	3%	3%	3%
Reserve for Economic Uncertainty	3%	3%	3%
Projected Unrestricted Ending Fund Balance as percent of Combined General Fund	14.8%	18.5%	16.4%

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2021-2022 General Fund Budget and Multi-Year Projection

Unrestricted General Fund	2021-2022 2nd Interim	2022-2023 MYP	2023-2024 MYP
LCFF Sources	\$73,234,476	\$72,275,525	\$73,859,032
Federal Revenue	\$75,000	\$75,000	\$75,000
State Revenue	\$1,534,597	\$1,406,200	\$1,376,045
Local Revenue	\$406,077	\$392,658	\$393,024
Total Revenues	\$75,250,150	\$74,149,383	\$75,703,101
Certificated	\$31,466,750	\$29,796,288	\$30,255,301
Classified	\$8,952,094	\$8,830,563	\$8,986,115
Benefits	\$13,856,891	\$14,263,996	\$14,403,407
Supplies	\$1,700,344	\$821,569	\$823,887
Operating Expenditures	\$6,225,925	\$5,449,721	\$5,580,138
Equipment	\$132,800	\$0	\$0
Transfer Services	\$457,885	\$469,241	\$483,834
Indirect Costs	(\$993,730)	(\$857,847)	(\$857,847)
Other Adjustments	\$0	\$0	\$0
Total Expenditures	\$61,798,959	\$58,773,531	\$59,674,835
Excess of Revenues over Expenses	\$13,451,191	\$15,375,852	\$16,028,266
Transfers In	\$40,000	\$0	\$0
Transfers Out	(\$75,000)	(\$75,000)	(\$75,000)
Contributions	(\$12,769,856)	(\$13,408,349)	(\$17,703,667)
Total Sources/Uses	(\$12,804,856)	(\$13,483,349)	(\$17,778,667)
Net Increase/Decrease Fund Balance	\$646,335	\$1,892,503	(\$1,750,401)
Beginning Fund Balance	\$14,534,661	\$15,180,996	\$17,073,499
Ending Fund Balance	\$15,180,996	\$17,073,499	\$15,323,098

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Restricted General Fund	2021-2022 2nd Interim	2022-2023 MYP	2023-2024 MYP
LCFF Sources	\$0	\$0	\$0
Federal Revenue	\$5,976,137	\$3,974,653	\$3,974,653
State Revenue	\$10,566,669	\$5,180,597	\$5,180,597
Local Revenue	\$11,626,295	\$10,408,565	\$6,465,782
Total Revenues	\$28,169,101	\$19,563,815	\$15,621,032
Certificated	\$9,536,149	\$8,686,185	\$8,816,478
Classified	\$4,771,365	\$4,708,119	\$4,802,281
Benefits	\$9,386,279	\$9,298,132	\$9,350,677
Supplies	\$4,436,553	\$933,589	\$1,044,379
Operating Expenditures	\$7,720,473	\$5,709,291	\$5,728,437
Equipment	\$933,067	\$0	\$0
Transfer Services	\$2,437,551	\$2,565,719	\$2,658,341
Indirect Costs	\$902,430	\$766,547	\$766,547
Other Adjustments	\$0	\$0	\$0
Total Expenditures	\$40,123,867	\$32,667,582	\$33,167,140
Excess of Revenues over Expenditures	(\$11,954,766)	(\$13,103,767)	(\$17,546,108)
Transfers In	\$0	\$0	\$0
Transfers Out	(\$581,169)	(\$581,169)	(\$581,169)
Contributions	\$12,769,856	\$13,408,349	\$17,703,667
Total Sources/Uses	\$12,188,687	\$12,827,180	\$17,122,498
Net Decrease in Fund Balance	\$233,921	(\$276,587)	(\$423,610)
Beginning Fund Balance	\$6,660,500	\$6,894,421	\$6,617,834
Ending Fund Balance	\$6,894,421	\$6,617,834	\$6,194,224

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Combined General Fund	2021-2022 2nd Interim	2022-2023 MYP	2023-2024 MYP
LCFF Sources	\$73,234,476	\$72,275,525	\$73,859,032
Federal Revenue	\$6,051,137	\$4,049,653	\$4,049,653
State Revenue	\$12,101,266	\$6,586,797	\$6,556,642
Local Revenue	\$12,032,372	\$10,801,223	\$6,858,806
Total Revenues	\$103,419,251	\$93,713,198	\$91,324,133
Certificated	\$41,002,899	\$38,482,473	\$39,071,779
Classified	\$13,723,459	\$13,538,682	\$13,788,396
Benefits	\$23,243,170	\$23,562,128	\$23,754,084
Supplies	\$6,136,897	\$1,755,158	\$1,868,266
Operating Expenditures	\$13,946,398	\$11,159,012	\$11,308,575
Equipment	\$1,065,867	\$0	\$0
Transfer Services	\$2,895,436	\$3,034,960	\$3,142,175
Indirect Costs	(\$91,300)	(\$91,300)	(\$91,300)
Other Adjustments	\$0	\$0	\$0
Total Expenditures	\$101,922,826	\$91,441,113	\$92,841,975
Excess of Revenues over Expenditures	\$1,496,425	\$2,272,085	(\$1,517,842)
Transfers In	\$40,000	\$0	\$0
Transfers Out	(\$656,169)	(\$656,169)	(\$656,169)
Contributions	\$0	\$0	\$0
Total Sources/Uses	(\$616,169)	(\$656,169)	(\$656,169)
Net Increase/Decrease in Fund Balance	\$880,256	\$1,615,916	(\$2,174,011)
Beginning Fund Balance	\$21,195,161	\$22,075,417	\$23,691,333
Ending Fund Balance	\$22,075,417	\$23,691,333	\$21,517,322

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2021-2022 Second Interim (Other Funds)

	Assoc. Student Body Fund 08	Adult Ed. Fund 11	Child Dev. Fund 12	Cafeteria (FANS) Fund 13	Deferred Maint. Fund 14	Special Reserve Fund 17	Building Fund 21	Bond Fund 22*	Capital Facilities Fund 25	County Schools Facilities Fund 35	Special Reserve Fund 40	Self- Insurance Fund 67
Revenue	\$0	\$234,269	\$917,589	\$4,500,000	\$0	\$0	\$0	\$12,573	\$623,500	\$0	\$0	\$105,236
Expenditure	\$0	\$285,193	\$917,589	\$3,961,258	\$598,963	\$0	\$477,956	\$103,451,314	\$92,691	\$625,144	\$100,000	\$75,431
Excess Over Expenditures	\$0	(\$50,924)	\$0	\$538,742	(\$598,963)	\$0	(\$477,956)	(\$103,438,741)	\$530,809	(\$625,144)	(\$100,000)	\$29,805
Transfers In/Out Sources/Uses	\$0	\$0	\$0	(\$40,000)	\$262,484	\$0	\$318,685	\$0	\$0	\$0	\$0	\$0
Net Change	\$0	(\$50,924)	\$0	\$498,742	(\$336,479)	\$0	(\$159,271)	(\$103,438,741)	\$530,809	(\$625,144)	(\$100,000)	\$29,805
Beginning Fund Balance	\$280,234	\$55,052	\$0	\$1,033,258	\$1,484,366	\$5,242,101	\$1,062,664	\$103,438,742	\$640,898	\$818,935	\$388,573	\$357,381
Ending Fund Balance	\$280,234	\$4,128	\$0	\$1,532,000	\$1,147,887	\$5,242,101	\$903,393	\$1	\$1,171,707	\$193,791	\$288,573	\$387,186

*The SACS Form Fund 21 includes both the Building Fund (Fund 21) and the Bond Fund (Fund 22)

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OTHER FUNDS

Budgets for all other funds of the District have been presented. All funds are fiscally solvent and maintain appropriate reserves.

Student Body Account Fund (Form 08I)

This fund is used to account for student body funds from all of the District school sites as required by the Governmental Accounting Standards Board. The projected balance for this fund is \$280,234

Adult Education Fund (Form 11I):

This fund is used to account separately for federal, state, and local revenues that are restricted or committed for adult education programs.

Child Development Fund (Form 12)

This fund is used to account separately for federal, state, and local revenues to operate child development programs. In Novato this fund is used for the flow through funding for state money used to fund the North Bay Children's Center.

Cafeteria Fund (Form 13I):

This fund is used to account separately for federal, state, and local resources to operate the food service program. Staff continues to monitor revenues and participation. The ending fund balance is projected to be \$1,532,000.

Deferred Maintenance Fund (Form 14I):

This fund is used to account separately for revenues that are restricted or committed for deferred maintenance purposes. The fund has a projected ending balance of \$1,147,887.

Special Reserve Fund for Other than Capital Outlay Projects (Form 17I):

On June 14, 2016, the Board approved Resolution 18-2015/2016 establishing Fund 17 – Special Reserve Fund. Balances in this fund are included in the calculation of total reserves for the district. The fund has a projected ending balance of \$5,242,101.

Building Fund (Form 21I Includes):

This fund is where general obligation bond funds are deposited once they are issued. All of the 2001 Measure A, \$107,000,000 bond issue has been spent. The remaining sources in the fund are from accrued interest and redevelopment agency (RDA) facilities funding. The Measure G fund is held in Fund 22, for SACS purposes Funds 21 and 22 roll up into Fund 21. Fund 21 has projected ending fund balance of \$903,393, the sources of these dollars are from accrued interest and local resources.

For budgetary purposes, Fund 22 (Measure G bond proceeds and related interest earnings) includes the 2017 issuance of \$51 million, 2019 issuance of \$55 million, 2020 issuance of \$101 million, and future issuances of \$15 million for the total \$222 Measure G approval.

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OTHER FUNDS (continued)

Capital Facilities Fund (Form 25I):

This fund is used to account for Developer Fees collected and expended for school facilities. The fund is expected to have an ending balance of \$1,171,707.

Special Reserve Fund for Capital Outlay Projects (Form 40I):

This fund accounts for the revenue realized from the sale of the San Carlos site and for a gift from the George Roth Foundation. The Board has designated most of the funds for the modernization of Hamilton Elementary and the Hamilton triangle. The fund is expected to have an ending balance of \$288,573.

Bond Interest and Redemption Fund (Form 51I):

This fund is used to collect the property taxes that will be used to redeem the general obligation bonds that were issued to modernize NUSD school sites (see Fund 21).

Self-Insurance Fund (Form 67I):

The District carries a policy with a \$25,000 deductible for most losses, it is imperative the District maintain an adequate reserve in this fund. The fund is expected to have an ending balance of \$387,186.