

2019-20 Budget Adoption Reserves

Substantiation of need for reserves greater than the state required minimum reserve for economic uncertainty

District: Pajaro Valley Unified School District

CDS #:

4469799

The governing board of a school district that proposes to adopt a budget that includes a combined assigned and unassigned ending fund balance in excess of the minimum recommended reserve for economic uncertainties, shall, at the Budget Adoption public hearing, provide:

The minimum recommended reserve for economic uncertainties;

The combined assigned and unassigned ending fund balances that are in excess of the minimum recommended reserve for economic uncertainties for each fiscal year identified in the budget; and

A statement of reasons to substantiate the need for reserves that are higher than the minimum recommended reserve.

	2018-19	2019-20	2020-21
Total General Fund Expenditures & Other Uses	\$ 259,809,890	\$ 260,844,728	\$ 250,782,573
Minimum Reserve requirement 3%	\$ 7,794,297	\$ 7,825,342	\$ 7,523,477
General Fund Combined Ending Fund Balance	\$ 26,350,313	\$ 10,175,060	\$ 10,865,577
Special Reserve Fund Ending Fund Balance	\$ -	\$ -	\$ -
Components of ending balance:			
Nonspendable (revolving, prepaid, etc.)	\$ 387,846	\$ 387,846	\$ 387,846
Restricted	\$ 1,852,409	\$ 1,028,478	\$ 967,739
Committed	\$ 6,824,943	\$ -	\$ -
Assigned	\$ 9,490,818	\$ 933,394	\$ 1,986,515
Reserve for economic uncertainties	\$ 7,794,297	\$ 7,825,342	\$ 7,523,477
Unassigned and Unappropriated	\$ -	\$ -	\$ -
Subtotal Assigned, Unassigned & Unappropriated	\$ 17,285,115	\$ 8,758,736	\$ 9,509,992
Total Components of ending balance	\$ 26,350,313	\$ 10,175,060	\$ 10,865,577
	TRUE	TRUE	TRUE
Assigned & Unassigned balances above the minimum reserve requirement	\$ 9,490,818	\$ 933,394	\$ 1,986,515

Statement of Reasons

The District's Fund Balance includes assigned, unassigned and unappropriated components, that in total are greater than the Minimum Recommended Reserve for Economic Uncertainties because:

There are multiple benefits in carrying higher than minimum reserves and the district has the need for financial flexibility to absorb unanticipated expenditures without significant disruption to educational programs and protect against declining enrollment due to enrollment trends and a new charter (Navigator)