

Newcastle Elementary School District
2014-15 Unaudited Actual Summary
September 9, 2015

The 2014-15 unaudited actuals reflect the District's financial activity that occurred during the year, as well as, the District's financial position as of June 30, 2015. Education Code requires districts to close their books and adopt the report of financial activities and position by September 15th of each year for the preceding fiscal year. The Unaudited Actual report is submitted to the Placer County Office of Education, and to the California Department of Education for review.

2014-15 Financial Components

- ❖ Average Daily Attendance (ADA)
 - Actual ADA for Newcastle Elementary was approximately 145
 - The District experienced a decline from 2013-14
 - Actual ADA for Newcastle Charter was 258
 - Actual ADA for Harvest Ridge was 373

- ❖ Lottery revenue is approximately \$128 per ADA for unrestricted purposes and \$34 per ADA for restricted purposes.

- ❖ Mandated Cost Block Grant is \$28 for K-8 ADA.

- ❖ Except as illustrated under Contributions to Restricted Programs, all federal and state restricted categorical programs are self-funded.

Revenue Components

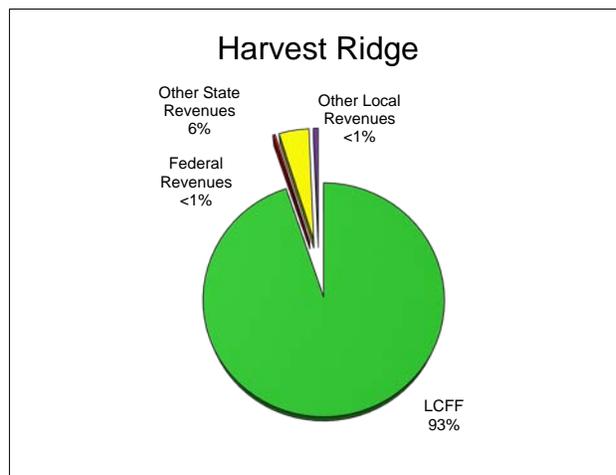
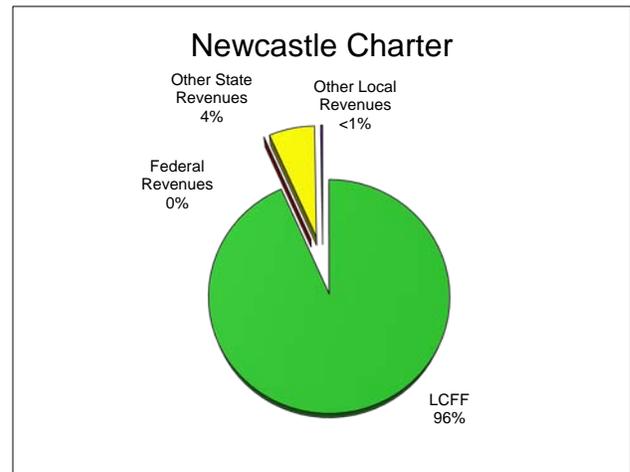
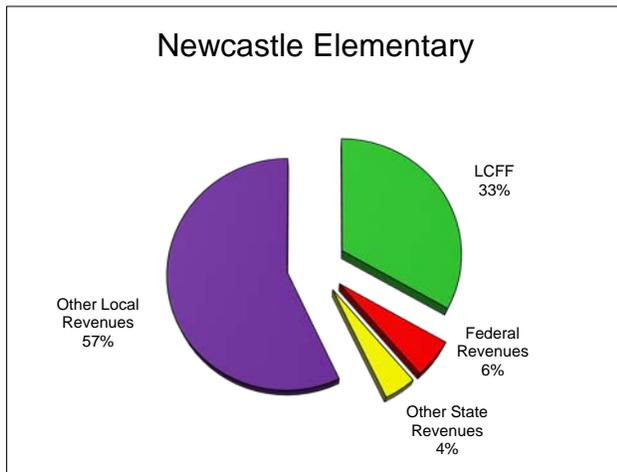
The District receives funding for its general operations from various sources for the following schools. The types of major funding sources are illustrated below:

Description	Newcastle Elementary	Newcastle Charter	Harvest Ridge / Placer Academy
LCFF	\$1,258,558	\$1,648,639	\$2,389,394
Federal	\$208,171	\$0	\$8,051
Other State	\$159,182	\$66,236	\$151,398
Other Local	\$2,160,358	\$4,904	\$17,031
TOTAL	\$3,786,269	\$1,719,779	\$2,565,874

The majority of other local revenue for Newcastle Elementary School is comprised of \$1.57 million of revenue from Newcastle Charter for its share of costs that are captured in the Newcastle Elementary School General Fund.

NVLA only had \$213 of local revenue, and Creekside (dependent charter) did not have any revenue to report during 2014-15 since they were not in operation as dependent charter schools.

Following is a graphical description of revenues by percentage for each school:



Education Protection Account

As approved by the voters on November 6, 2012, The Schools and Local Public Safety Protection Act of 2012 (Proposition 30) temporarily increased the State's sales tax rate and the personal income tax rates for taxpayers in high tax brackets.

Revenues generated from Proposition 30 are deposited into a newly created state account called the Education Protection Account (EPA). The District will receive funds from the EPA based on its proportionate share of statewide general purpose funds. A corresponding reduction is made to its State Aid.

The creation of the Education Protection Account (EPA) by Proposition 30 provides that a portion of K-14 general purpose funds must be utilized for instructional purposes. K-14 local agencies have the sole authority to determine how the funds received from the EPA are spent, but with these provisions:

- The spending plan must be approved by the governing board during a public meeting
- EPA funds cannot be used for the salaries or benefits of administrators or any other administrative costs (as determined through the account code structure)
- Each year, the local agency must publish on its website an accounting of how much money was received from the EPA and how the funds were expended

Further, the annual financial audit includes verification that the EPA funds were used as specified by Proposition 30. If EPA funds are not expended in accordance with the requirements of Proposition 30, civil or criminal penalties could be incurred.

As illustrated below, the District's EPA activity is comprised of approximately \$1 million.

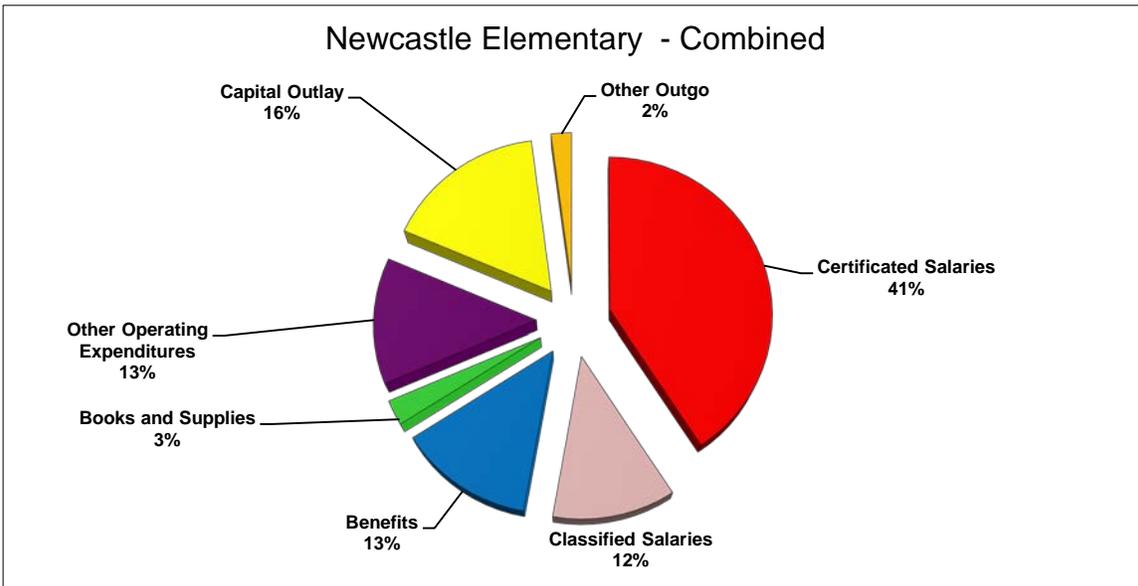
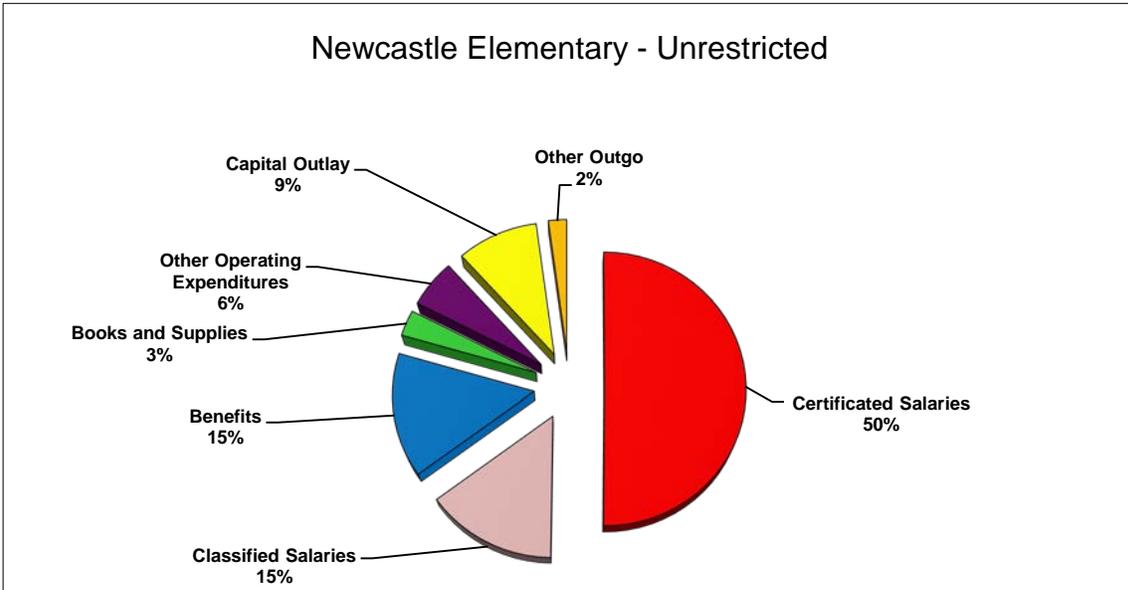
Description	Newcastle Elementary School	Newcastle Charter School	Harvest Ridge School	Total
BEGINNING BALANCE	\$0	\$0	\$0	\$0
EPA REVENUES	\$201,720	\$359,032	\$511,447	\$1,072,199
EXPENDITURES:				
Instructional Salaries & Benefits	\$199,848	\$359,032	\$511,447	\$1,070,327
ENDING BALANCE	\$1,872	\$0	\$0	\$1,872

Newcastle Elementary School Expenditure Components

The General Fund is used for the majority of the functions for Newcastle Elementary School, which is distributed in the following manner:

Description	Unrestricted	Combined
Certificated Salaries	\$1,641,528	\$1,860,003
Classified Salaries	\$479,367	\$540,925
Benefits (Payroll Taxes and Health & Welfare)	\$477,718	\$600,748
Books and Supplies	\$100,568	\$116,661
Other Operating Expenditures	\$188,138	\$587,079
Capital Outlay	\$312,471	\$750,897
Other Outgo	\$70,221	\$94,845
TOTAL	\$3,270,011	\$4,551,158

Following is a graphical description of expenditures by percentage:



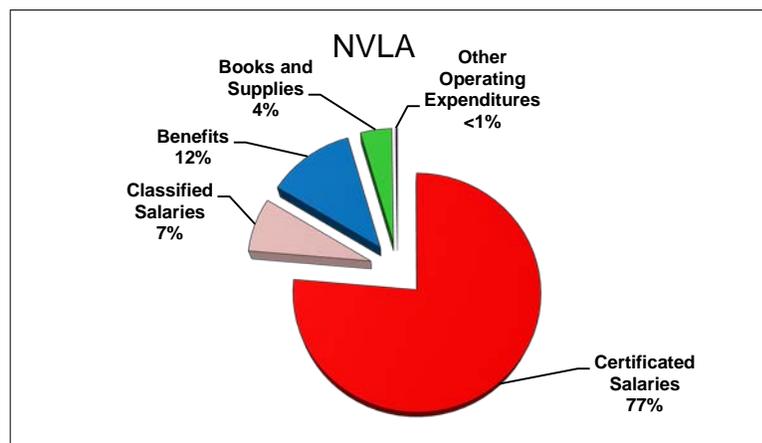
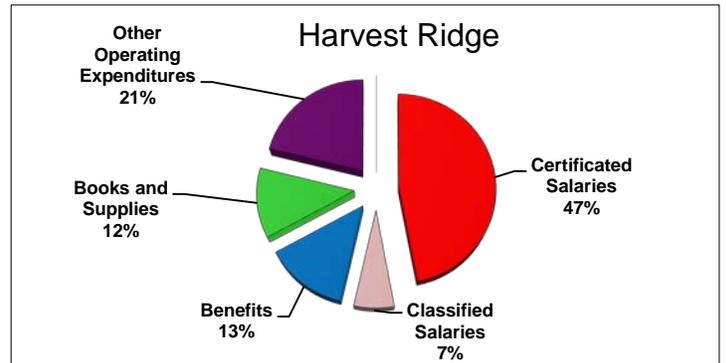
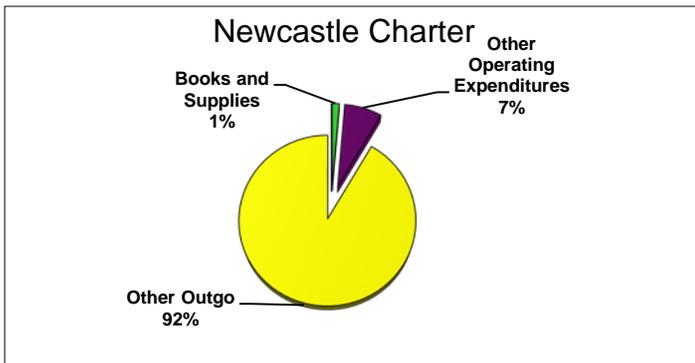
Charter Fund Operating Expenditure Components

The Charter Fund is used for the majority of the functions for Newcastle Elementary School, which is distributed in the following manner:

Description	Newcastle Charter	Harvest Ridge	NVLA
Certificated Salaries	\$0	\$1,071,564	\$10,465
Classified Salaries	\$0	\$147,568	\$1,006
Benefits	\$0	\$306,292	\$1,618
Books and Supplies	\$23,127	\$270,219	\$582
Other Operating Expenditures	\$122,041	\$481,051	\$31
Capital Outlay	\$0	\$0	\$0
Other Outgo	\$1,572,240	\$0	\$0
TOTAL	\$1,717,408	\$2,276,694	\$13,702

Other outgo in the amount of \$1.57 million corresponds to the amount that Newcastle Elementary School has recorded in its local revenue category as a reimbursement for costs associated with Newcastle Charter School. Further, Creekside (operating as a dependent charter school) had other outgo of \$4,398 that cleared the account.

Following is a graphical description of expenditures by percentage:



Contributions to Restricted Programs

The following transfers of unrestricted resources to restricted programs are necessary to cover restricted program expenditures in excess of revenue:

Description	Unaudited Actuals
Special Education	\$101,217
Restricted Routine Maintenance	\$360,058
TOTAL CONTRIBUTIONS	\$461,275

Fund Summaries

As illustrated below, all Funds have a positive ending fund balance at June 30, 2015.

FUND	2013-14	Net Change	2014-15
01 - General (Unrestricted & Restricted)	\$1,108,971	\$116,276	\$1,225,247
02 - Creekside	\$4,398	(\$4,398)	\$0
04 - Harvest Ridge	\$307,665	\$252,254	\$559,919
06 - NVLA	(\$28,136)	\$28,165	\$29
09 - Newcastle Charter	\$94,999	\$2,371	\$97,370
13 - Cafeteria	\$18,775	\$3,179	\$21,954
25 - Capital Facilities	\$10,176	\$14,107	\$24,283
51 - Bond Interest & Redemption	\$23,423	(\$23,423)	\$0
TOTAL	\$1,540,271	\$388,531	\$1,928,802

Please note that the General Fund experienced a surplus of \$116,276 due to receiving loan proceeds of \$550,000 for capital improvements. Without the infusion of one-time funds, the General Fund's change in fund balance would have been a decrease of \$433,724.

The components of the ending fund balance is as follows:

Description	General Fund	Charter Fund	Other Funds	All Funds
Revolving Cash	\$400			\$400
Prepaid Expenditures	\$18,787			\$18,787
15-16 Employer Pension Increase	\$41,317			\$41,317
15-16 Release Positions	\$102,917			\$102,917
14-15 Invoice Disputes	\$42,637			\$42,637
Emergency Facility Repairs	\$30,000			\$30,000
Common Core / After School Enrichment	\$40,000			\$40,000
ADA Facility Repairs	\$20,000			\$20,000
Deferred Maintenance	\$30,000			\$30,000
Lottery Assignments	\$18,637			\$18,637
EPA Assignments	\$1,872			\$1,872
Legally Restricted	\$188,997			\$188,997
Economic Uncertainty Reserve	\$689,683			\$689,683
Harvest Ridge		\$559,919		\$559,919
NVLA		\$29		\$29
Newcastle Charter		\$97,370		\$97,370
Cafeteria			\$21,954	\$21,954
Capital Facilities			\$24,283	\$24,283
Total	\$1,225,247	\$657,318	\$46,237	\$1,928,802

Conclusion:

This financial report is designed to provide the Board of Trustees with a general overview of the District's finances, as well as, illustrate in detail the money it receives and expends. During the Fall of 2015, the District's external auditors will audit the records, and will render an opinion no later than December 15, 2015.

Thank you