



Audit Committee MINUTES

Monday, September 24, 2018

6:00 pm – 7:30 pm (Regular Meeting)

Business Services Conference Room

(Second Floor)

2020 Bonar Street,
Berkeley, CA 94702

Opening of Meeting and Roll Call of Committee Members

Members present:, Judy Appel , Dan Lindheim, Ty Alper, Laurie Snowden

Staff present: Pauline Follansbee

Members absent: Isaiah Roter

Review and approval of minutes;

Minutes approved from June 11th meeting

Public Comments

There were no Public Comments.

Assistant Superintendent's Comments

Review on the status of the Director of Fiscal Services vacancy

Old Business: None

New Business

Review of 2017-18 Unaudited Actuals. The following is a summary of the unaudited actuals. For more detailed information please go to our website: <https://www.berkeleyschools.net/?s=unaudited+actuals>.

Assistant Superintendent Follansbee reviewed the following;

Overview

- 3% reserved required by State was met
- Deficit spending was \$1.6M
- Undesignated projected ending fund balance was \$1,545.587
- District ended the year with an undesignated ending fund balance of \$2,467.007
- \$1.4M committed and assigned (Board Policy)

LCAP Supplemental Designation

- Unspent LCAP balances
 - 2014-15- \$245, 617
 - 2015-16 \$327,846
 - 2016-17 \$501,603
 - 2017-18 \$196,344
 - \$1,325,410 Sub Total

LCAP Designations

- \$1,000,000 Board Policy LCAP reserve
- \$325,410 LCAP Carryover

Discussion on LCAP Expenditure – Goals 1 -4 (Unspent balances)

- Goal 1 ending balance \$47,341
- Goal 2 ending balance \$58,066
- Goal 3 ending balance \$162,636

LCAP Expenditures – Other

Total Additional LCAP Expenses ending balance \$57,368

Explanation of Variances – Revenues

- Revenues more than projected
 - Total \$469,566

Unspent Balances in Programs and Services \$1,699,259

Transfer and Contributions \$1,108,818

Contribution to Special Education EA vs EA \$1,124,491

Other Funds

Adult Education Fund 11

- Ending fund balance is \$959,598

Child Development Fund 12

- Ending fund balance is \$30,088

Cafeteria Fund 13

- Ending fund balance is \$103,791

Other Considerations/Next Steps

- Increase in STRS/PERS cost continue to absorb a substantial amount of increase in revenue which is increasing the structural deficit
- Future negotiated salary increases are not included in Multi-Year Projections
- Increasing contributions from General Fund to Special Education and Child Nutrition programs
- Based on projections of deficit spending, the District will face balancing the budget which will result in budget reductions in FY 2019-20 and possibly FY 2020-21

- The District Superintendent's Budget Advisory Committee (SBAC), which provides input and addresses proposed reductions will need to reconvene to address budget reductions.

Closing comments: None

Meeting adjourned at 7:15

**Dates and time of Future Meeting
December 10, 2018 6:00 – 7:30pm**