

**Corning Union Elementary School District  
2023-2024 Budget Attachment**

Substantiation of Need for Assigned and Unassigned Ending Fund Balances in Excess of Minimum Recommended Reserves

Education Code Section 42127(a)(2)(B) requires a statement of the reasons that substantiate the need for assigned and unassigned ending fund balances in excess of the minimum reserve standard for economic uncertainties.

Combined and Unassigned/Unappropriated Fund Balances (Resources 0000-1999, Objects 9780,9789, and 9790)	
Fund	23/24 Budget
01: General Fund Expenditures and Other Financing Uses	37,089,929
Total Ending Fund Balance	13,031,894
Total Assigned and Unassigned Ending Fund Balances	6,499,960
District Standard Reserve Level (% of Total Expenditures based on ADA)	3%
Less District Minimum Recommended Reserve for Economic Uncertainties	1,112,698
Remaining Balance to Substantiate Need	5,679,762

Substantiation of Need for Fund Balances in Excess of Minimum Recommended Reserve for Economic Uncertainties	Amount
<b>Fund Description</b>	
01 Prepaid Reserves - Health Insurance	\$290,000
01 Revolving Cash Account	\$2,500
01 Board Goals of 17% Reserve (Combined with the 3% above, we have a total of 17%)	\$5,163,996
01 Instructional Materials: Upcoming adoptions	\$223,266
01 Restricted (9740)	\$0
01 Vacation Leave Liability \$126,909	\$0
01 Excess STRS contributions 23/24 and 24/25	\$0
01 Excess PERS contributions 23/24 and 24/25	\$0
Total of Substantiated Needs	\$5,679,762
Remaining Unsubstantiated Balance	\$0

Total Committed Fund Balance (Object 9760)					
<table border="0" style="width: 100%;"> <tr> <td style="width: 5%;"><b>Fund</b></td> <td><b>Description</b></td> </tr> <tr> <td>01</td> <td>Due to swings in the California economy and the state's past inability to provide consistent funding for school districts, the Corning Union Elementary Board of Trustees has decided to maintain a 17% minimum reserve for economic uncertainties. The state has made strides creating a "Rainy Day Fund" but this fund is untested during difficult economic times. Until the RDF proves itself by maintaining consistent revenues for our schools, we will continue to maintain our own reserves to provide the least disruption to the education and services provided to our students.</td> </tr> </table>	<b>Fund</b>	<b>Description</b>	01	Due to swings in the California economy and the state's past inability to provide consistent funding for school districts, the Corning Union Elementary Board of Trustees has decided to maintain a 17% minimum reserve for economic uncertainties. The state has made strides creating a "Rainy Day Fund" but this fund is untested during difficult economic times. Until the RDF proves itself by maintaining consistent revenues for our schools, we will continue to maintain our own reserves to provide the least disruption to the education and services provided to our students.	
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