

Top Ten Reporting Issues for Special Districts Financial Transactions Report

1. A Special District that has no financial transactions during the year must file the Cover Page form and the General Information form of the Special Districts Financial Transactions Report, stating “No Activity” on the Cover Page form. A Special District that has no financial transactions but has outstanding debt taken out in the Special District’s name must report the debt and any debt payments on the Long-Term Debt and Revenues, Expenses, and Changes in Fund Equity forms.
2. The activity type must reflect the services the Special District provides. Select the type of non-enterprise/enterprise activity for which this report is being prepared. If preparing a paper report, select the appropriate non-enterprise activity from the list on page 12 of the Special District Reporting Instructions.
3. Major variances require footnotes. If there is an overall reporting change, add an explanation in the Comments form. The footnote panel can be accessed by double-clicking on the field in which the balance was reported. Invalid footnotes will be questioned by staff upon review of the Financial Transactions Report (FTR). Simply noting “Correct,” “Confirmed OK,” or “increase/decrease” is not acceptable. Please indicate what caused the variance (i.e., New AB 1234 law enforcement grant).
4. The Other fields on the revenue and expenditure forms are for items that do not apply to a hard-coded field elsewhere on the form. Please review all of the fields on the forms before reporting an item as Other, and provide a footnote.
5. Include a footnote to explain the reason for a prior period adjustment exceeding 20% of the Fund Equity, Beginning of Period.
6. Report residual equity transfers for non-recurring or non-routine transfers of equity to other agencies only, for example, transfers of residual balances of a dissolved district that was assumed by a city. Include a footnote to explain why a transfer was made. Report transfers between funds within the agency as Operating Transfer In/Out on the Revenues, Expenditures, Sources and Uses form.
7. The Appropriations Limit Information form must be completed by all special districts that receive property taxes and are subject to the provisions of California Constitutional Article XIII B. Refer to California Constitutional Article XIII B for specific information on this requirement. If the Special District is exempt from having an appropriation, note that in the General Comment form. Failure to report your Appropriations Limit might affect your mandated cost reimbursement.

8. If the Special District has any debt reported on the debt forms, the activity reported on the debt form must match the activity on the non-enterprise/enterprise form (i.e., Fire Protection activity reported on the non-enterprise form must have Fire Protection selected as the activity type on the debt form). All debt reported must have Principal and Interest (P&I) payments. If there are no P&I payments, include footnotes to explain why there are no current-year payments.
 - Long-Term Debt
 - Principal Amount Issued During Fiscal Year
 - Report the total amount of principal **issued** during the fiscal year on the Long-Term Debt form.
 - Use a separate form for each debt issued.
 - For Non-Enterprise Activities, the principal amount issued must also be reflected on the Non-Enterprise Activity's Revenues, Expenditures, Sources and Uses form on the Proceeds of Long-Term Debt line.
 - Principal Amount Matured During Fiscal Year
 - Report the amount of principal paid during the fiscal year on the Long-Term Debt form. Do not include the current portion of principal amounts that are payable in the following fiscal year or the interest payment during the fiscal year.
 - For Non-Enterprise Activities, the principal payments reported must also be reflected on the Non-Enterprise Activity's Revenues, Expenditures, Sources and Uses form on the Retirement of Long-Term Debt line.
 - Interest Payment During the Fiscal Year
 - Report interest payments on the Interest on Long-Term Debt line on the Revenues, Expenditures, Sources and Uses form of the non-enterprise or enterprise activity related to the debt.
 - Other Long-Term Debt
 - Do not include liability type debts that have no P&I payments [e.g. Compensated Absences and Other Post-Employment Benefits (OPEB)] or interfund loans (e.g., copiers, vehicles, etc.) on the Long-Term Debt form as Other Long-Term Indebtedness.

9. Special Assessment, Mello-Roos, and Mark Roos Bonds
 - Do not include interest or principal payments for 1911 Act Bonds, 1915 Act Bonds on the Revenues, Expenditures, Sources and Uses form. Report transactions and balances relating to these bonds on the Special Assessments, Mello-Roos Long-Term Debt form only.
 - Report assessments made for the payoff of bonds related to the Mello-Roos and Mark-Roos Bond Acts on the Special Assessments line on the Revenues, Expenses and Changes in Fund Equity form.

10. We cannot grant extensions. You may submit your report via file transfer protocol (FTP). If you are unable to submit your report via FTP, please contact the Special Districts Reporting Unit by email at SDsupport@sco.ca.gov or by telephone at (916) 327 1017 for other options. You must submit the signed Cover Page and the Bureau of Census form by mail.