

**School Board Workshop:**

May 10, 2010

**Subject:**

Quarterly Financial Update

**Presenter:**

Tina Burkholder

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**SUGGESTED SCHOOL BOARD ACTION:**

For School Board review.

**DESCRIPTION:**

Attached is the March 31<sup>st</sup> quarterly financial update. Expenditures are summarized by fund with the exception of the General Fund. **Administration** includes all administrative expenditures. **Instruction Related** expenditures consist of regular instruction, vocational instruction, and special education instruction. Instructional support and pupil support (transportation) are in the **Student Support Services** category, and the buildings & grounds, transfers, and insurance expenditures are in the **Maintenance & Operations** category. **Capital Outlay** expenditures have been removed from each program to make its own category. The last category is **Property Insurance and Short-term Debt Service**.

Revenues & Expenditures

Only the operating funds are listed in the quarterly financial update: General Fund, Food Service, Community Service, Capital Outlay, and Debt Service. Revenues as a percentage of the budget is trending how I would expect at 59.03%, 71.75%, and 63.30%, respectively. This year we have state aid shifts where we are only receiving 73% of our state aid during the year and 27% after the year is over. Last year we had a debt service bond refunding skewing the overall percentage. If we remove the refunding activity, the overall percentage would have been approximately 63.18% which is closer to the previous years.

Overall, the expenditures as a percentage of the budget are similar from year to year. Expenditures as a percentage of the budget are 72.80%, 77.67%, 71.26%, respectively. If we remove the debt refunding activity in 2008-09, the overall percentage would have been approximately 70.13% which is closer to the previous years.

Graph 1

The two graphs include only the General Fund since it is the main operating fund. They are very simple and easy to read graphs on how the District is operating financially. You can see the General Fund's budget is gradually increasing, and the year-to-date expenditures are pretty consistent but increasing slightly.

The bottom graph compares the General Fund's year-to-date revenues and expenditures. This year we have spent more as of March 31<sup>st</sup> because of the state aid shifts.

Graphs 2 & 3

The attachments labeled Graph 2 & Graph 3 are the General Fund's monthly revenue and expenditure balance for the last three years and as a percentage of the budget. The comparison sheets also give you an idea of what is going on during the months between the quarterly updates.

Bremer Bank – Trust

The OPEB trust has been added to our quarterly update. As I mentioned in the previous quarterly update, it was agreed upon for Bremer Bank to invest the trust in 3 stages to take advantage of the changing market – November, December, and January. As of March 31<sup>st</sup>, we have our money invested in the appropriate allocations. Attached is the March 2010 bank statement for your review.

Attachments:

YTD 033110 Comparison – Rev & Exp

YTD 033110 Comparison – Graphs 1, 2 & 3

Bremer Bank Statement Mar2010