

School Board Workshop:

May 12, 2014

Subject:

Quarterly Financial Update

Presenter:

Miranda Kramer

SUGGESTED SCHOOL BOARD ACTION:

For School Board review.

DESCRIPTION:

Attached is the March 31st 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

The operating and non-operating funds are listed in the quarterly financial update: General Fund, Food Service, Community Service, Capital Outlay, Building Fund, and Debt Service and Alternative Facilities. Revenues as a percentage of the budget are 61.82%, 60.92%, 52.03%, 51.85%, and 59.03% respectively for the last five years.

We experienced an increased percentage change of the state aids payable last year at this time which resulted in an increase in the amount of revenues we received compared with previous years. This quarter we are experiencing more comparable revenues to last year even with a reduced special education payment due to timing and a continued decrease to food service revenue. Taking that into consideration we would be looking at a percentage of revenue to date of at least 65.20%.

Overall, the expenditures as a percentage of the budget are similar from year to year. Expenditures as a percentage of the budget are 69.72%, 46.30%, 68.86%, 69.27%, and 72.80% respectively for the last five years. In 2012-13 the 46.30% looks lower as a result of the expenditures being divided over a larger budget than previous years. The budget increase is the refunding bond in Debt Service Fund 07 in the amount of \$34,825,672 and the \$780,000 that is shown in the Alternative Facilities Fund 16. For comparison purposes the percentage of expenses to date in 2012-13 would be 70.54% if those two items were removed from the calculation.

Graphs 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. There is a spike in the 2009-10 totals because of the OPEB bond proceeds and transfer to the trust. You can see the General Fund's budget compared to the year-to-date expenditures are pretty consistent. The bottom graph demonstrates a change in a pattern in 2012-13 where revenues are more in line with expenditures to date. Again, the state aid payment shift and federal reimbursements affect how our revenues are coming in during the year, so it's important for us to keep monitoring state revenues and request the federal reimbursements in a timely manner.

Graphs 2 & 3

The attachments labeled Graph 2 & Graph 3 are the General Fund's monthly revenue and expenditure balance for the last five 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. On the Revenue Comparison chart, the state aid shift is noticeable in the 2012-13 school year. The monthly expenditures are relatively consistent for the General Fund the last five years.

Attachments:

YTD 033114 Comparison – Rev & Exp

YTD 033114 Comparison – Graphs 1, 2 & 3