

School Board Workshop:

February 8, 2016

Subject:

Quarterly Financial Update

Presenter:

Miranda Kramer

SUGGESTED SCHOOL BOARD ACTION:

For School Board review.

DESCRIPTION:

Attached is the December 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 and Expenditures

The operating and non-operating funds that are listed in the quarterly financial update include: General Fund, Food Service, Community Service, Capital Outlay, Building Fund, and Debt Service. Revenues as a percentage of the budget are 38.02%, 35.41%, 39.44%, 36.64%, and 31.79% respectively for the last five years.

Compared to last year at this time, the revenues in total are higher by about \$3 million dollars. Part of this difference, close to \$1 million, is due to timing of when receipts are entered. The remaining difference is due to an increase in general education aid, special education aid, taxes, and desegregation transportation.

Overall, the expenditures as a percentage of the budget are similar from year to year. Expenditures as a percentage of the budget are 40.18%, 38.42%, 40.88%, 25.97%, and 37.49% respectively for the last five years. In 2012-13, the 25.97% 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, if we removed those two items, the percentage would be 38.04%. In 2013-14, we had Alternative Facilities Funds budget and expenditures that were greatly increased. If the Alternative Facilities Fund mirrored the previous year the expenditures as a percentage of the budget would have been 38.61%.

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. You can see the General Fund's budget compared to the year-to-date expenditures is pretty consistent. The bottom graph demonstrates that we are spending more than the amount of revenue we are receiving.

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 and property tax shift consistency is noticeable looking back over the last few years. The monthly expenditures are relatively comparable for the General Fund over the last five years.

Attachments:

YTD 123115 Comparison – Rev & Exp

YTD 123115 Comparison – Graphs 1, 2 & 3