

MEMO

DATE: December 4, 2012

TO: Gearl Loden, Ph.D., Superintendent
Board of Trustees

FROM: Linda Pannell, Finance Director

SUBJECT: Fund Balance History

The Fund Balance History report shows the past 6 years of District Fund Balances for the General Funds and for All District Funds including the General Funds. The report is prepared showing the increase or (decrease) when compared to the prior year's fund balance for the same accounts. The General Funds decreased slightly in 2008 and 2009; however, it increased in 2010, 2011 and 2012.

The 2008-2009 year is the year the districts received mid-year cuts in January when teachers had been employed based on more funding than received that year. This cut was difficult because we had to continue paying salaries that would not have been obligated by contracts had we known the cuts would occur.

In 2009-10, 2010-11 and 2011-12, our district had experienced the mid year cut in the previous year causing us to spend fund balance and having to issue a tax anticipation note in order to meet payroll which we avoid if possible. With ending fund balance dropping, the district began to save with cuts in spending to allow the ending fund balance to grow to a point that the tax anticipation notes would not be necessary. Ending the 2011-12 year, with less fund balance than we prefer, the district with the leadership of Dr. Loden has plans for increasing the fund balance for the 2012-13 school year.