

School Board Workshop:

May 11, 2015

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 73.97%, 61.82%, 60.92%, 52.03%, and 51.85% respectively for the last five years.

In 2012-13 we experienced a percentage change of the state aid payable resulting in a shift in the timing of when our revenues were received. The net change was an 8.89% increase in revenue in the third quarter. In the current year, we are experiencing an increase in the Fund 06 Building Fund due to the sale of the bond. Absent the budget and year to date revenues in this fund, we would be looking at a more comparable 61.96%.

Overall, the expenditures as a percentage of the budget are similar from year to year. Expenditures as a percentage of the budget are 65.82%, 69.72%, 46.11% 68.86%, and 69.27% respectively for the last five years.

Although it appears in 2012-13 that the expenditures spent as a percentage of budget decreased, the percentage was lower as a result of year-to-date expenditures being divided over a larger budget in comparison to previous years. The increased budget was the result of the refunding bond in the Debt Service Fund 07 (\$34,825,672) and Alternative Facilities Fund 16 (\$780,000). With those two items removed from the calculation, the percentage would have been a more comparable 70.54%. For the current year, as with the revenues, we are experiencing an increase in the Fund 06 Building Fund expenditures. The percentage without Fund 06 included would be 69.42%.

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 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, but we do see a slight increase this year as a result of the instruction related budget and year-to-date expenditures of \$2.9 million and \$2.1 million respectively.

ATTACHMENTS:

YTD 033115 Comparison – Rev & Exp

YTD 033115 Comparison – Graphs 1, 2 & 3