

School Board Workshop:

May 14, 2012

Subject:

Quarterly Financial Update

Presenter:

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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 and 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

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 are 52.03%, 51.85%, 59.03%, 71.75%, and 63.30%, respectively for the last five years. This year we have a greater state aid shift where we are only receiving 64.3% of our state aid during the year and 35.7% after the year is over. The state aid shift in 2010-11 was 70/30, 73/27 in 2009-10, and 90/10 in the prior years. In 2008-09, 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 68.86%, 69.27%, 72.80%, 77.67%, and 71.26%, respectively for the last five years. 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

Graph 1 includes 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. There is a spike in the 2009-10 totals because of the OPEB bond proceeds and transfer to the trust.

The bottom graph demonstrates that we are spending more than the amount of revenue we are receiving at the start of each school year. Again, the state aid payment shift and federal reimbursements affect how our revenues are coming in during the year, so it's crucial for us to keep monitoring state revenues and request the federal reimbursements in a timely manner.

Graphs 2 and 3

The attachments labeled Graph 2 and 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 also noticeable in the 2009-10, 2010-11, and 2011-12 school years. The monthly expenditures are relatively consistent for the General Fund the last five years.

Attachments:

YTD 033112 Comparison

- Rev Exp
- Graph 1
- Graph 2
- Graph 3