



## ALEDO ISD BOARD MEETING TEMPLATE

**MEETING DATE:** April 18, 2017

**AGENDA ITEM:** General Operating Fund Balance Report

**PRESENTER:** Earl Husfeld

**ALIGNS TO BOARD GOAL(S):** Financial/Facilities – The District shall exhibit excellence in financial and facility planning, management, and stewardship.

**BACKGROUND INFORMATION:**

- During December 2014, the Board of Trustees approved a revision to Board Policy CE (LOCAL) to include a fund balance section.
- The following pages contain the revised Board Policy CE (LOCAL) with the fund balance section highlighted.

**ADMINISTRATIVE CONSIDERATIONS:**

- In accordance with the provisions of Board Policy CE (LOCAL), the following report is presented for your information:

<u>General Operating Fund Balance Report</u>		
	Actual at	Projected at
<u>Description</u>	<u>August 31, 2016</u>	<u>August 31, 2017</u>
Fund Balance	\$ 15,337,305	\$ 14,485,133
Annual General Operating Fund Expenditures	\$ 41,408,345	\$ 42,405,644
General Operating Fund Balance Percent	37.04%	34.16%

**FISCAL NOTE:**

None – Informational Report

**ADMINISTRATIVE RECOMMENDATION:**

None – Informational Report

ANNUAL OPERATING BUDGET

CE  
(LOCAL)

FISCAL YEAR	The District shall operate on a fiscal year beginning September 1 and ending August 31.
BUDGET PLANNING	Budget planning shall be an integral part of overall program planning so that the budget effectively reflects the District's programs and activities and provides the resources to implement them. In the budget planning process, general educational goals, specific program goals, and alternatives for achieving program goals shall be considered, as well as input from the District- and campus-level planning and decision-making committees. Budget planning and evaluation are continuous processes and shall be a part of each month's activities.
BUDGET MEETING	<p>The annual public meeting to discuss the proposed budget and tax rate shall be conducted as follows:</p> <ol style="list-style-type: none"><li>1. The Board President shall request at the beginning of the meeting that all persons who desire to speak on the proposed budget and/or tax rate sign up on the sheet provided.</li><li>2. Prior to the beginning of the meeting, the Board may establish time limits for speakers.</li><li>3. Speakers shall confine their remarks to the appropriation of funds as contained in the proposed budget and/or the tax rate.</li><li>4. No officer or employee of the District shall be required to respond to questions from speakers at the meeting.</li></ol>
AUTHORIZED EXPENDITURES	The adopted budget provides authority to expend funds for the purposes indicated and in accordance with state law, Board policy, and the District's approved purchasing procedures. The expenditure of funds shall be under the direction of the Superintendent or designee who shall ensure that funds are expended in accordance with the adopted budget.
BUDGET AMENDMENTS	The Board shall amend the budget when a change is made increasing any one of the functional spending categories or increasing revenue object accounts and other resources.
FUND BALANCE	A financial goal shall be to have sufficient fund balance in the general operating fund to be able to maintain fiscal independence of the District in case of a financial need or crisis. It is essential that the District maintain an adequate level of fund balance to mitigate financial risk that can occur from revenue fluctuations, unforeseen expenditures, and student growth and that provides cash flow liquidity for the District's general operations. The District shall maintain a total general operating fund balance of at least 35 percent of the total annual general operating fund expenditures.

ANNUAL OPERATING BUDGET

CE  
(LOCAL)

The total general operating fund balance shall encompass the nonspendable fund balance, the restricted fund balance, the committed fund balance, the assigned fund balance, and the unassigned fund balance. The District shall maintain an unassigned general operating fund balance of at least 20 percent of the total annual general operating fund expenditures.

Projected compliance shall be considered annually during the budget adoption process.

The chief financial officer shall annually prepare a report of the general operating fund balance not later than 90 calendar days following Board acceptance of the annual independent financial audit to address compliance with the minimum requirements of this policy.

ALEDO INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED AUGUST 31, 2016

Data Control Codes	10 General Fund	50 Debt Service Fund	60 Capital Projects
REVENUES:			
5700 Total Local and Intermediate Sources	\$ 33,861,541	\$ 11,988,523	\$ 166,947
5800 State Program Revenues	9,042,768	241,829	-
5900 Federal Program Revenues	108,371	-	-
5020 Total Revenues	<u>43,012,680</u>	<u>12,230,352</u>	<u>166,947</u>
EXPENDITURES:			
Current:			
0011 Instruction	22,242,407	-	2,737,068
0012 Instructional Resources and Media Services	499,797	-	-
0013 Curriculum and Instructional Staff Development	264,402	-	-
0021 Instructional Leadership	475,146	-	-
0023 School Leadership	2,574,836	-	-
0031 Guidance, Counseling and Evaluation Services	1,309,412	-	-
0033 Health Services	431,767	-	-
0034 Student (Pupil) Transportation	2,191,550	-	22,712
0035 Food Services	1,123	-	-
0036 Extracurricular Activities	2,178,943	-	-
0041 General Administration	1,742,573	-	-
0051 Facilities Maintenance and Operations	4,645,288	-	2,909,450
0052 Security and Monitoring Services	481,404	-	2,229
0053 Data Processing Services	1,002,831	-	1,366,050
Debt Service:			
0071 Principal on Long Term Debt	-	4,600,000	-
0072 Interest on Long Term Debt	-	6,636,272	-
0073 Bond Issuance Cost and Fees	-	631,250	-
Capital Outlay:			
0081 Facilities Acquisition and Construction	-	-	3,106,191
Intergovernmental:			
0091 Contracted Instructional Services Between Schools	783,253	-	-
0099 Other Intergovernmental Charges	583,613	-	-
6030 Total Expenditures	<u>41,408,345</u>	<u>11,867,522</u>	<u>10,143,700</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,604,335</u>	<u>362,830</u>	<u>(9,976,753)</u>
OTHER FINANCING SOURCES (USES):			
7901 Refunding Bonds Issued	-	54,225,000	-
7912 Sale of Real and Personal Property	30,749	-	-
7916 Premium or Discount on Issuance of Bonds	-	7,823,780	-
7949 Other Resources - Gas & Land Lease	14,756	-	-
8940 Payment to Bond Refunding Escrow Agent (Use)	-	(61,512,474)	-
7080 Total Other Financing Sources (Uses)	<u>45,505</u>	<u>536,306</u>	<u>-</u>
1200 Net Change in Fund Balances	1,649,840	899,136	(9,976,753)
0100 Fund Balance - September 1 (Beginning)	<u>13,687,465</u>	<u>558,959</u>	<u>52,453,904</u>
3000 Fund Balance - August 31 (Ending)	<u>\$ 15,337,305</u>	<u>\$ 1,458,095</u>	<u>\$ 42,477,151</u>

The notes to the financial statements are an integral part of this statement.