

Financial Update

Presentation to the Special Administrative Board

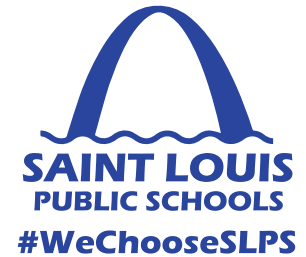


Dr. Kelvin Adams, Superintendent
Angie Banks, Chief Financial Officer

November 21, 2016



Financial Update



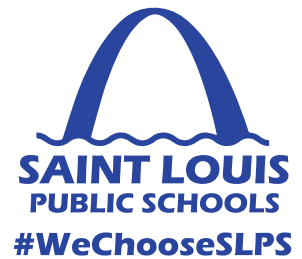
- ❑ FY2015-2016 General Operating Budget (GOB)
 - Quarter 4
 - Unaudited Annual Results
- ❑ FY2016-2017 General Operating Budget
 - Quarter 1
 - Amendment 1
- ❑ FY2016-2017 All Fund Categories: Quarter 1

Budget Objectives



- Establish Full Accreditation
- Align resources to support the District's Transformation Plan Objectives
 1. Operate a system of excellent school options for all students
 2. Cultivate and sustain transformational teachers & leaders
 3. All students read their way to college & career success
 4. Partnerships support the whole child
- Build financial stability with 10% fund balance target per board policy
- Reinforce a culture of high expectations and accountability

2016 GOB Results (unaudited)



<i>(in millions)</i>	FY2015-16						% Budget
	AmendBud	QTR1	QTR2	QTR3	QTR4	TOTAL	YTD
Local Revenue	229.9	12.1	67.2	123.2	26.9	229.4	99.8%
County Revenue	3.4	0.1	0.0	0.1	2.9	3.0	89.0%
State Revenue	55.9	13.6	13.0	14.8	13.5	54.8	98.1%
Federal Revenue	5.4	0.1	0.6	0.5	4.6	5.8	107.2%
Revenues	\$294.6	\$25.8	\$80.8	\$138.6	\$47.9	\$293.1	99.5%
Salaries	132.6	22.6	44.6	34.9	32.3	134.3	101.3%
Temp/OT	12.5	1.9	3.1	2.6	4.6	12.2	97.3%
Benefits	67.5	10.2	20.4	18.5	18.4	67.5	100.0%
Prof Services	33.1	4.4	3.8	5.4	12.7	26.3	79.3%
Prop Services	12.2	2.5	2.5	2.5	4.4	11.9	97.5%
Transportation	22.3	0.1	8.2	6.0	8.0	22.2	99.8%
Operational	8.6	2.0	1.3	1.6	8.2	13.1	151.6%
Capital Expense	5.4	0.2	0.8	0.5	3.7	5.2	97.6%
Expenditures	\$294.2	\$43.9	\$84.5	\$72.0	\$92.3	\$292.7	99.5%
Surplus/(Deficit)	\$0.3						\$0.3
Beg Fund Balance	\$20.8						\$20.8
Ending Fund Balance	\$21.1						\$21.1

11/16/2016

2017 GOB Quarterly Financials

	FY2016-17 ADOPTED	FY2016-17 QTR1	% Budget YTD
<i>(in millions)</i>			
Local Revenue	224.4	10.6	4.7%
County Revenue	3.4	0.0	1.2%
State Revenue	51.4	11.8	22.9%
Federal Revenue	4.4	0.1	2.4%
Revenues	\$283.6	\$22.5	7.9%
Salaries	136.1	20.0	14.7%
Temp/OT	8.4	1.8	21.9%
Benefits	63.6	7.8	12.3%
Prof Services	24.1	2.9	12.1%
Prop Services	17.1	2.9	16.8%
Transportation	23.6	1.2	5.1%
Operational	9.2	2.7	29.6%
Capital Expense	0.9	0.0	4.5%
Expenditures	\$283.1	\$39.5	14.0%
Surplus/(Deficit)	\$0.5		
Beg Fund Balance	\$21.1		
Ending Fund Balance	\$21.6		

Budget Amendment Basics

- ❑ State law requires that a budget amendment be made prior to actual expenditures for a given fund exceeding the officially approved budget for that fund
- ❑ The budget amendment should be noted in the board minutes
- ❑ Board Approves Expenditures
 - Adopted Budget
 - Budget Amendments
 - Monthly Transaction Reports

GOB Budget Amendment #1

- ❑ Revenue: +\$27.8M
 - Property taxes (Prop 1 \$0.75 tax increase)
 - State Aid
 - Building Sales
- ❑ Expenditures: +\$20.0M
 - Water testing and treatment
 - Energy loan and facilities projects
 - Proposition 1 projects
 - Early Childhood Education
 - Character and alternative education options
 - Safety and security equipment and personnel
 - Competitive salaries

GOB Budget Amendment #1

Revenues	Adopted Budget	Amendment #1	Variance
Local	\$224,401,147	\$252,469,851	\$28,068,704
County	\$3,359,354	\$3,359,354	\$0
State	\$51,429,481	\$51,121,206	-\$308,275
Federal	\$4,465,327	\$4,465,327	\$0
Grand Total	\$283,655,309	\$311,415,737	\$27,760,429
Expenditures			
Salaries	\$136,106,264	\$144,187,655	\$8,081,391
Temp/OT	\$8,427,313	\$9,094,813	\$667,500
Benefits	\$63,633,663	\$65,762,767	\$2,129,104
Professional Svcs	\$24,129,154	\$26,927,154	\$2,798,000
Property Svcs	\$17,147,530	\$22,771,334	\$5,623,804
Transportation	\$23,552,534	\$23,552,534	\$0
Operational	\$9,270,213	\$9,970,414	\$700,201
Capital Outlay	\$888,637	\$888,637	\$0
Grand Total	\$283,155,309	\$303,155,309	\$20,000,000
Surplus/(Deficit)	\$500,000	\$8,260,429	\$7,760,429

2017 All Funds Quarterly Financials

Fund Category	FY2017		
	Adopted	QTR1	%
General Operating	283,655,309	22,501,302	7.9%
Deseg Expansion	6,508,585		
Federal	49,469,030	11,898	0.0%
Food Service	17,526,306	966,437	5.5%
Capital	(6,508,585)	-	
Debt	28,308,726	-	0.0%
Trust	4,045,000	96,206	2.4%
Total Revenues	383,004,370	23,575,843	6.2%
General Operating	283,155,309	39,517,824	14.0%
Deseg Expansion	6,798,585	819,491	12.1%
Federal	49,469,030	6,073,867	12.3%
Food Service	17,380,273	973,817	5.6%
Capital	-	-	0.0%
Debt	28,753,860	-	0.0%
Trust	4,045,000	1,183,961	29.3%
Total Expenditures	389,602,057	48,568,959	12.5%

FY2016-17 Considerations

- Increasing Regulation & Compliance
 - ACA, FLSA, ESSA
- Tax Revenue/TAN
- Staff Shortages

Risks

- Building Sales

Opportunities

Questions?