



2013 Year End Closing Update

**Board Committee Meeting
March 3, 2014**



District's Financial Outlook at 2014 Budget Adoption

	2013 est.	2014 est.	2015 est.	2016 est.	2017 est.
Revenue (Millions) (a) (b)	\$504.66	\$511.66	\$516.29	\$522.08	\$525.80
Operating Expenditures (c)	\$502.27	\$529.13	\$555.57	\$572.02	\$584.60
Operating Deficit	\$2.38	(\$17.47)	(\$39.28)	(\$49.94)	(\$58.81)
Beginning Fund Balance	\$85.86	\$88.24	\$70.77	\$31.49	(\$18.45)
Budgeted Year-end Fund Balance	\$88.24	\$70.77	\$31.49	(\$18.45)	(\$77.25)
Fund Balance Compliance	Yes	Yes	Yes	No	No
Minimum Fund Balance per Board Policy #721 (d)	\$25.11	\$26.46	\$27.78	\$28.60	\$29.23

Funds required to comply with Fund Balance Policy - Overage/ (Shortage)	\$63.13	\$44.32	\$3.71	(\$47.05)	(\$106.48)
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Notes:

- (a) Revenues from Real Estate Tax and Basic Education Subsidy are projected to be flat
- (b) Revenue increases can be attributed to Retirement reimbursement from the State
- (c) Increasing costs - retirement, health care, salaries
- (d) Requires 5% of current year's budgeted operating expenditures
- (e) Assumes previous year fund balance is not restored to 5%

District's Financial Outlook Today

	2013 est.	2014 est.	2015 est.	2016 est.	2017 est.
Revenue (Millions) (a) (b)	\$505.94	\$517.24	\$521.98	\$527.94	\$531.85
Operating Expenditures (c)	\$493.90	\$529.17	\$556.92	\$574.93	\$589.16
Operating Deficit	\$12.04	(\$11.93)	(\$34.93)	(\$46.99)	(\$57.31)
Beginning Fund Balance	\$85.86	\$97.90	\$85.97	\$51.04	\$4.05
Budgeted Year-end Fund Balance	\$97.90	\$85.97	\$51.04	\$4.05	(\$53.26)
Fund Balance Compliance	Yes	Yes	Yes	No	No
Minimum Fund Balance per Board Policy #721 (d)	\$24.70	\$26.46	\$27.85	\$28.75	\$29.46

Funds required to comply with Fund Balance Policy (e) - Overage/ (Shortage)	\$73.20	\$59.51	\$23.19	(\$24.70)	(\$82.72)
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- (d) Requires 5% of current year's budgeted operating expenditures
- (e) Assumes previous year fund balance is not restored to 5%



Major Differences Between Revenue Projections and Actual Figures

Revenue Variation

Real Estate Transfer Tax:	\$2.9 M
Earned Income Tax:	\$1.2 M
Inter-Fund Transfers:	\$1.2 M
Other:	\$0.6 M
Transportation Reimbursement:	\$-4.6 M



Major Differences Between Revenue Projections and Actual Figures

- Real Estate Transfer Tax
 - **Projected:** \$8.0 Million
 - **Actual:** \$10.9 Million
 - Real Estate Transfer Tax had not previously been above \$9.1 Million in any year
- Earned Income Tax
 - **Projected:** \$100 Million
 - **Actual:** \$101.2 Million
 - For three consecutive years, Earned Income Tax Revenue has been just above \$100 Million.



Major Differences Between Revenue Projections and Actual Figures

- Transportation Reimbursement
 - **Projected:** \$13.7 Million
 - **Actual:** \$9.1 Million
 - This will be a one-time reduction due to the timing of the reimbursements for Transportation that the School District receives.



Major Differences Between Expenditure Projections and Actual Figures

Expenditure Variation

Medical Insurance	\$3.2 M
Transportation	\$1.9 M
Special Education	\$9.6 M
Tax Refunds	\$2.0 M



Major Differences Between Expenditure Projections and Actual Figures

- Medical Insurance
 - **Projected:** \$38.1 Million
 - **Actual:** \$34.9 Million
 - Healthcare costs increased over 2012 but were still significantly lower than projections had indicated.
- Transportation
 - **Projected:** \$33.9 Million
 - **Actual:** \$32.0 Million



Major Differences Between Expenditure Projections and Actual Figures

- Special Education
 - **Projected:** \$63.8 Million
 - **Actual:** \$54.2 Million
 - This will be a one-time occurrence.
- Tax Refunds
 - **Projected:** \$4.8 Million
 - **Actual:** \$2.8 Million

District's Financial Outlook Going Forward

	2013 est.	2014 est.	2015 est.	2016 est.	2017 est.
Revenue (Millions) (a) (b)	\$505.94	\$517.24	\$521.98	\$527.94	\$531.85
Operating Expenditures (c)	\$493.90	\$529.17	\$556.92	\$574.93	\$589.16
Operating Deficit	\$12.04	(\$11.93)	(\$34.93)	(\$46.99)	(\$57.31)
Beginning Fund Balance	\$85.86	\$97.90	\$85.97	\$51.04	\$4.05
Budgeted Year-end Fund Balance	\$97.90	\$85.97	\$51.04	\$4.05	(\$53.26)
Fund Balance Compliance	Yes	Yes	Yes	No	No
Minimum Fund Balance per Board Policy #721 (d)	\$24.70	\$26.46	\$27.85	\$28.75	\$29.46

Funds required to comply with Fund Balance Policy (e) - Overage/ (Shortage)	\$73.20	\$59.51	\$23.19	(\$24.70)	(\$82.72)
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