# MANUAL

David Knechtel,

# KENT SCHOOL DISTRICT NO. 415
# Financial Analysis Report
# For the Month Ended July 2020

## INTRODUCTION

This financial analysis report is organized into the following sections:

- General Fund
- Associated Student Body Fund
- Debt Service Fund
- Capital Projects Fund
- Transportation Vehicle Fund
- Permanent and Trust Funds
- Staffing

The purpose of this financial analysis section is to provide a summary of the financial operations of the general fund and other funds for the month of July 2020. Current data is compared to the previous year.

## I. GENERAL FUND (EXHIBIT 3)

### 1. Fund Balance Comparison

The following table compares the financial operating results between July 2019 and July 2020.

| Year to Date General Fund Operations - Comparison to Prior Year | | | |
|---|---|---|---|
| | July 2019 | July 2020 | Variances |
| Total Beginning Fund Balance | $ (674,255) | $ 36,312,276 | $ 36,986,531 |
| | | | - |
| Total Fund Balance | (674,255) | 36,312,276 | 36,986,531 |
| | | - | - |
| Revenues | 361,006,372 | 364,098,886 | 3,092,514 |
| Other Financing Sources | 295,813 | 434,341 | 138,528 |
| Total Resources | 361,302,185 | 364,533,227 | 3,231,042 |
| Expenditures | 330,047,779 | 341,974,547 | 11,926,768 |
| Other Financing Uses | - | - | - |
| Total Uses | 330,047,779 | 341,974,547 | 11,926,768 |
| Excess (Deficiency) of Revenues over Expenditures | 31,254,406 | 22,558,680 | (8,695,726) |
| Ending Fund Balance | $ 30,580,151 | $ 58,870,956 | $ 28,290,805 |

# KENT SCHOOL DISTRICT NO. 415
## Financial Analysis Report

State, General Purpose

This revenue comes mostly from two sources: apportionment and local effort assistance (LEA).

- Apportionment is the revenue received through a state funding formula that is based on the average number of students enrolled and allocations of staff units from the prototypical school model. Basic and career and technical education revenues are included in this revenue.
- Local effort assistance (LEA) is revenue provided by the state to equalize local levy rates for districts with a proportionally lower assessed valuation tax base.

July was a catch-up month for the state apportionment. The monthly amount received from the state for apportionment had doubled for the month of July from June. The state had kept our apportionment allotments suppressed for May and June, but brought it back up to a 90% allotment for July. Last year, the differences for May and June were not quite so drastic.

However, the state has decreased the state local effort assistance (LEA) funds. There is a decrease about 1.3 million which currently represents a 50% decrease in this state general purpose funding, compared to July 2019.

State, Special Purpose

This revenue is primarily comprised of grants and includes funding for Special Education, Learning Assistance, Bilingual Education, Highly Capable, Transitional Bilingual Services and Transportation. It is based on various formulas for students receiving

KENT SCHOOL DISTRICT NO. 415

3. Expenditures and Other Financing Uses

Year to date expenditures and other financing uses for this month were $342 million, which is $11 million or 4% higher than last year, at this time. This is primarily a result of increases in expenditures for salaries (5% - 7% higher) and payroll-related benefits (7% higher).

C R P S D U L V R Q V R I W K H F X U U H Q W P R Q W K ' O D V W \ H D U E \ [ S H Q G L W object and variances are shown below:

II. ASSOCIATED STUDENT BODY FUND (EXHIBIT 4)

This fund accounts for monies raised by associated student bodies of the district. As a special revenue fund, amounts within the ASB Fund may only be used for those purposes that relate to the operation of the Associated Student Body of the District.

: L W K $ 6 % \ R X ¶ G Q R W L F H Q H Z H Q X H V I R U W K H Q R Q W K ly amounts shown for July. This would reflect the reimbursements the district has been making due to refunds from cancelled activities. The YTD revenues for ASB decreased, then, from June.

ASB revenue and expenditures through July 2020 were respectively $1,197,763 and $1,129,707

## III. DEBT SERVICE FUND (EXHIBIT 5)

The Debt Service Fund is used to accumulate resources (property taxes, investment earnings transfers from other funds) for payment of long-term debt service obligation for voted and non-voted debts.

The debt payments (principal, interest, and bond transfer fees) are paid in December and June. The debt payments are related to the following debt issues:

- Unlimited Tax General Obligation Bonds, issued from 2010 through 2019, including Qualified School Construction Bonds and Refunding Bonds issued on November 4, 2010
- Limited Tax General Obligation Bond Series 2015 issued June 30, 2015 for student transportation vehicles.

Year to date property tax collections through July 2020 were $39.6 million. Most property taxes are collected in October and April.

## IV. CAPITAL PROJECTS FUND (EXHIBIT 6)

The Capital Projects Fund accounts for financial resources to be used for the acquisition or construction of major capital facilities, major facility renovations, and major technological initiatives.

Bond and levy funds for capital projects and technology are deposited and accounted for in this fund.

Year to date expenditures and encumbrances for capital projects as of July 2020 are approximately $130 million, thus 99% of the Capital Projects Fund budget has been spent or committed. Construction activities vary from month to month depending on construction priorities of projects. Therefore, comparison between actual and budget for specific projects is not meaningful.

## V. TRANSPORTATION VEHICLE FUND (EXHIBIT 7)

This fund is primarily intended to account for the purchase of buses. So far this year, new buses have been obtained for approximately $856,000. In addition, the transportation fund did reimburse the debt service fund $65,345 for the semi-annual payment of bonds used to buy buses in 2015. These obligations have temporarily placed the fund balance for the TBT /F41 balance



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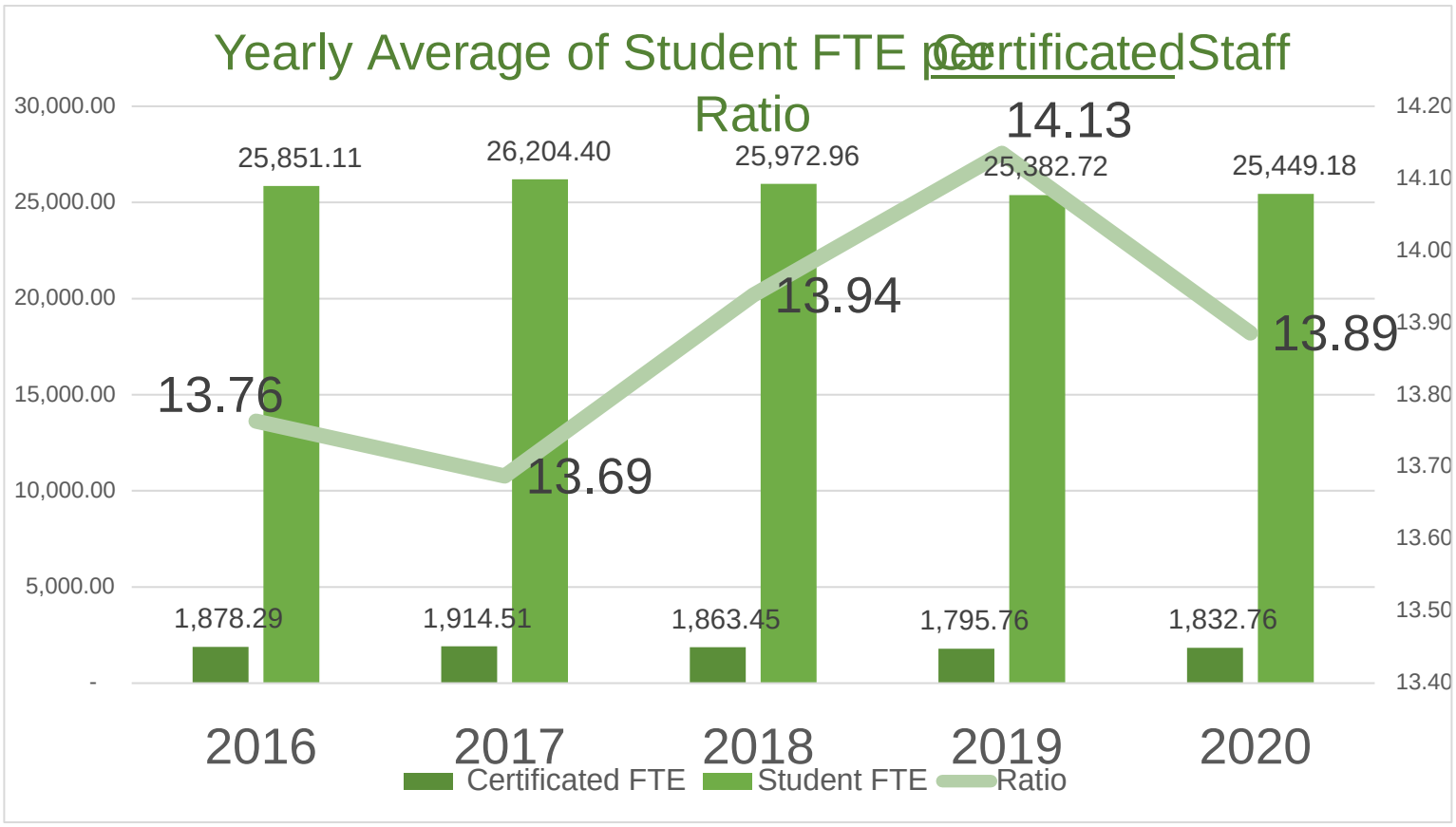
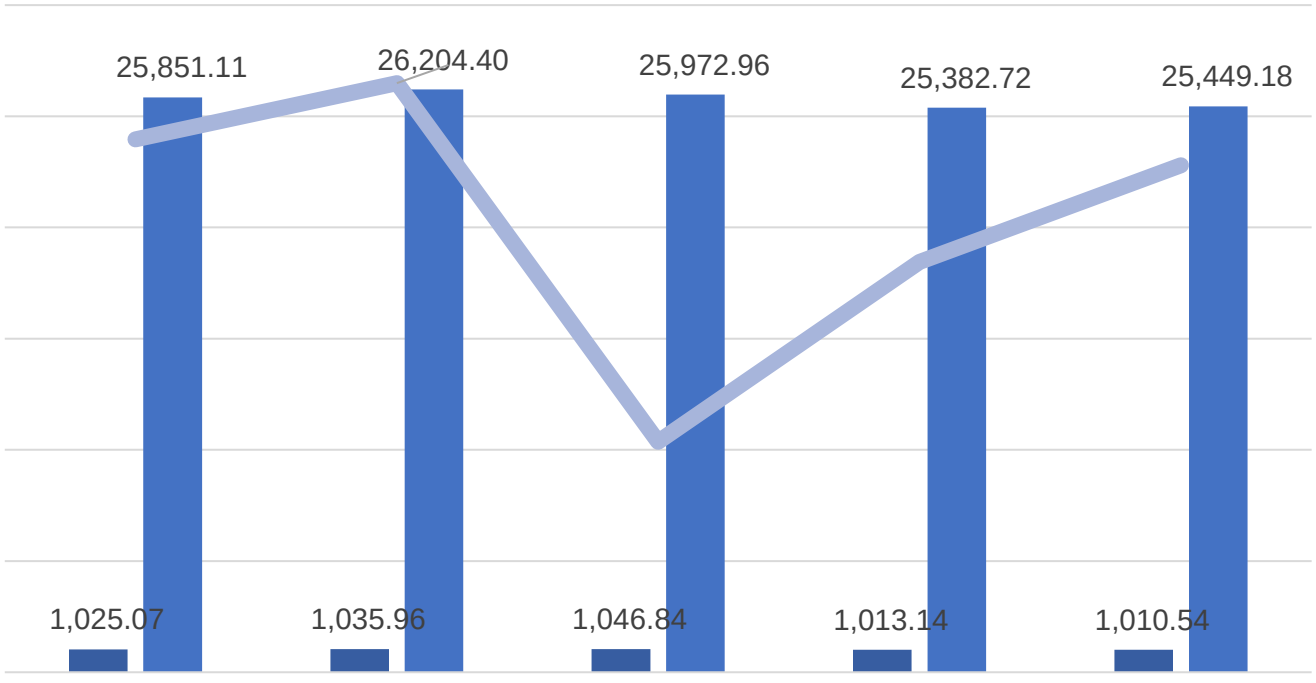
VI. PERMANENT FUND (EXHIBIT 8) and TRUST FUNDS (EXH IBIT 9)

These funds represent money held for specific purposes, such as scholarships, and funds


Yearly Average of Student FTE per Certificated Staff
Ratio
30,000.00
25,000.00
20,000.00
15,000.00
10,000.00
5,000.00
-
14.20
14.10
14.00
13.90
13.80
13.70
13.60
13.50
13.40
25,851.11
26,204.40
25,972.96
25,382.72
25,449.18
13.76
13.69
13.94
14.13
13.89
1,878.29
1,914.51
1,863.45
1,795.76
1,832.76
2016
2017
2018
2019
2020
Certificated FTE
Student FTE
Ratio


25,851.11
26,204.40
25,972.96
25,382.72
25,449.18
1,025.07
1,035.96
1,046.84
1,013.14
1,010.54

| | GENERAL FUND | SPECIAL REVENUE FUND (ASB) | DEBT SERVICE FUND | CAPITAL PROJECT FUND | TRANSPORTATION VEHICLE FUND | PERMANENT (REEPLOEG) | TOTAL GOVERNMENTAL FUNDS |
|---|---|---|---|---|---|---|---|
| ASSETS: | | | | | | | |
| Cash and Cash Equivalents | 70,971,080 | $ 2,071,079 | $ 21,987,933 | $ 135,058,359 | $ 267,273 | $ 190,013 | $ 230,545,737 |
| Construction Retainage Escrow | - | - | - | 7,606,793 | - | - | 7,606,793 |
| Property Tax Receivable | 24,762,775 | - | 20,387,479 | 10,481,660 | - | - | 55,631,914 |
| Interfund Loans Receivable | 300,000 | - | - | - | - | - | 300,000 |
| Accounts Receivable, Net | 324,387 | 60 | - | - | - | - | 324,447 |

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| GENERAL FUND | ASSOCIATED STUDENT BODY FUND | DEBT SERVICE FUND |
| --- | --- | --- |

| | Revised Budge | Current Month | Year-To-Date | Encumbrances | Balance | Percent* |
|---|---|---|---|---|---|---|
| BEGINNING RESTRICTED FUND BALANCE | | | | | | |
| ***Restricted Fund Balance*** | 1,785,353 | 2,122,035 | 2,014,761 | | (229,408) | 112.85% |
| Total Beginning Restricted Fund Balance | 1,785,353 | 2,122,035 | 2,014,761 | | (229,408) | 112.85% |
| | | | | | | |
| REVENUE | | | | | | |
| General Student Body | 1,130,967 | (4,477) | 463,406 | | 667,561 | 40.97% |
| Athletics | 644,268 | (2,920) | 302,807 | | 341,461 | 47.00% |
| Classes | 207,425 | (279) | 23,558 | | 183,867 | 11.36% |
| Clubs | 1,103,925 | (12,023) | 390,341 | | 713,584 | 35.36% |
| Private Monies | 100,450 | - | 17,651 | | 82,799 | 17.57% |
| Total Revenues | 3,187,035 | (19,699) | 1,197,763 | | 1,989,272 | 37.58% |
| | | | | | | |
| EXPENDITURES | 713,’I < `aa•s Í2@ 35.36% | | | | | |

82,6ID 381 P[(82e)-421(09D)]T(35.)-3(80(96%)]TJ-5.07(0)(,)-709(0)]0.004 Tc -7P>>BDC(6D.087T>[(0.074(t8) EMC 0.007 Tw (EM4D C 0.007 Tc 0 Tw 14.2 0 0 14.2 76.1 607

| | Revised Budget | Current Month | Year-To-Date | Encumbrances | Balance | Percent* |
|---|---|---|---|---|---|---|
| BEGINNING RESTRICTED FUND BALANCE: | | | | | | |
| ***Restricted Fund Balance*** | 17,600,052 | 21,694,189 | 17,600,052 | | - | 100.00% |
| Total Beginning Restricted Fund Balance | 17,600,052 | 21,694,189 | 17,600,052 | | - | 100.00% |
| | | | | | | |
| REVENUE | | | | | | |
| Local Taxes | 37,199,560 | 262,232 | 39,636,451 | | (2,436,891) | 106.55% |
| Local Non-Taxes | 190,000 | 24,913 | 267,375 | | (77,375) | 140.72% |
| General Purpose Federal | 769,050 | 365,015 | 726,853 | | 42,197 | 94.51% |
| Total Revenues | 38,158,610 | 652,160 | 40,630,679 | | (2,472,069) | 106.48% |
| | | | | | | |
| EXPENDITURES | | | | | | |
| Matured Bond Expenditures | 26,905,000 | - | 26,905,000 | - | - | 100.00% |
| Interest (bond + Interfund) | 10,450,500 | - | 9,524,154 | 612,703 | 313,093 | 97.00% |

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| | Adopted Budget | Current Month | Year-To-Date | Encumbrances | Balance | Percent* |
|---|---|---|---|---|---|---|
| BEGINNING RESTRICTED FUND BALANCES: | | | | | | |
| Total Beginning Restricted Fund Balances | | | | | | |

| | Revised Budget | Current Month | Year-To-Date | Encumbrances | Balance | Percent* |
|---|---|---|---|---|---|---|
| BEGINNING RESTRICTED FUND BALANCE: | | | | | | |
| ***Restricted Fund Balance*** | 1,197,877 | (33,848) | 1,197,877 | - | - | 100.00% |
| Total Beginning Restricted Fund Balance | 1,197,877 | (33,848) | 1,197,877 | - | - | 100.00% |
| Prior Year Adjustments | | | - | | | |
| REVENUE | | | | | | |
| Investment Earnings | 22,000 | 450 | 16,246 | - | 5,754 | 73.85% |
| State Special Purpose-Unassigned | 175,000 | - | 175,000 | - | - | 100.00% |
| State Transportation Reimbursement-Deprec. | 1,068,000 | - | - | - | 1,068,000 | 0.00% |
| Long-Term Financing | - | - | - | - | - | N/A |
| Total Revenues | 1,265,000 | 450 | 191,246 | - | 1,073,754 | 15.12% |
| EXPENDITURES | | | | | | |
| Equipment Purchases/Bus Rebuild | 989,000 | 6 | 856,082 | - | 132,918 | 86.56% |
| Other | - | - | - | - | - | N/A |
| Bond Sale Fees | | - | - | | - | |
| Transfers | - | - | - | - | - | N/A |
| Total Expenditures | 989,000 | 6 | 856,082 | - | 132,918 | 86.56% |
| Revenues less Expenditures | 276,000 | 444 | (664,836) | | 940,836 | -240.88% |
| OTHER FINANCING SOURCES/(USES) | | | | | | |
| Sales of Buses | 30,000 | - | - | - | 30,000 | 0.00% |
| Transfers In/(Out) | (566,446) | - | (566,445) | | (1) | 100.00% |
| TOTAL OTHER FIN. SOURCES/(USES) | (536,446) | - | (566,445) | - | 29,999 | |
| ENDING RESTRICTED FUND BALANCE | 937,431 | (33,404) | (33,404) | | | |

*Percent = Budget received for revenue and budget spent or encumbered for expenditures, and not the budget balance rer

| | Private Purpose Trusts | Other Trust |
|---|---|---|
| ASSETS: | | |
| Cash and cash equivalents | $ 242,484 | $ 103,454 |
| Due from Other Funds | - | - |
| Total Assets | $ 242,484 | $ 103,454 |
| LIABILITIES | | |
| Accounts Payable | $ - | $ 130 |
| Due to other Funds | 322 | - |
| Total Liabilities | $ 322 | $ 130 |
| NET POSITION | | |

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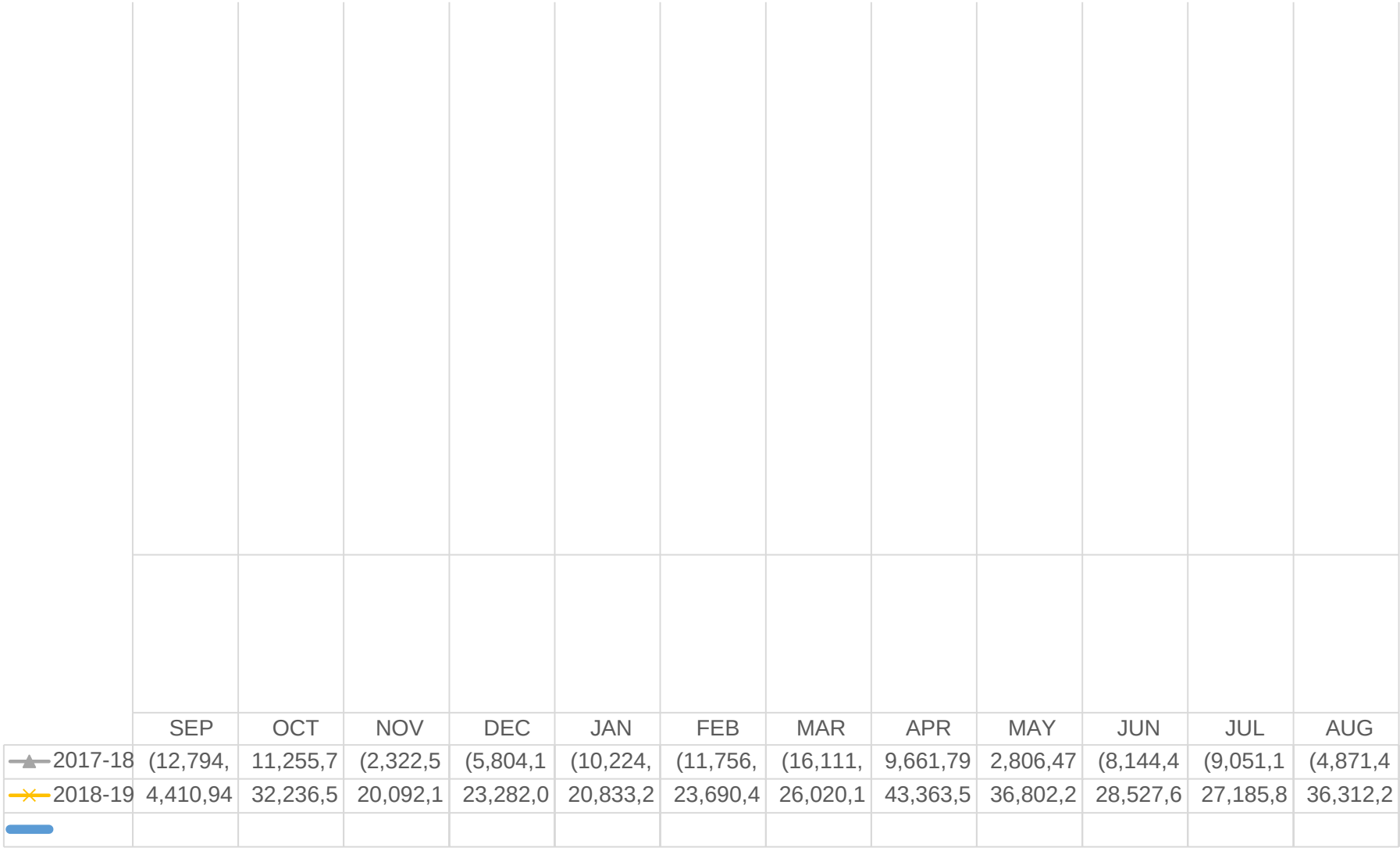
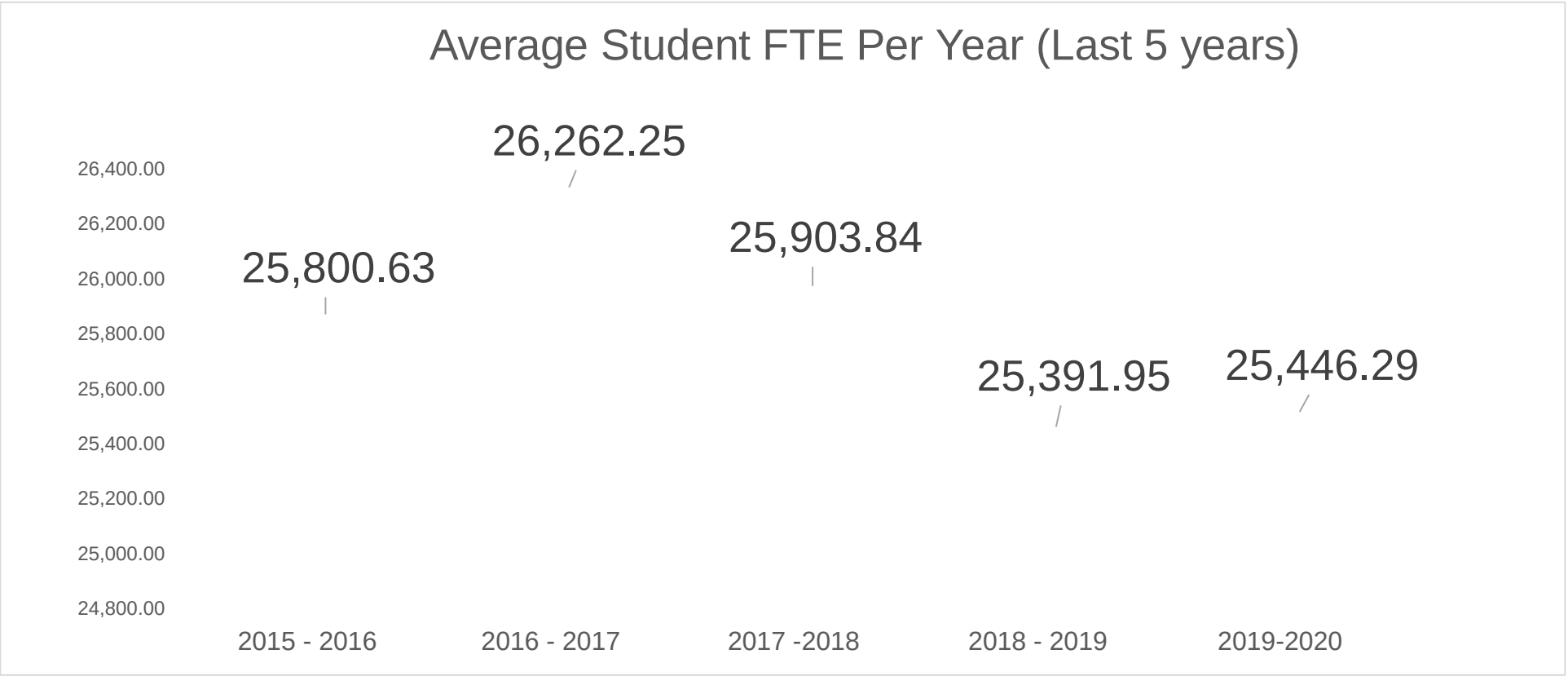


| | SEP | OCT | NOV | DEC | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2017-18 | (12,794, | 11,255,7 | (2,322,5 | (5,804,1 | (10,224, | (11,756, | (16,111, | 9,661,79 | 2,806,47 | (8,144,4 | (9,051,1 | (4,871,4 |
| 2018-19 | 4,410,94 | 32,236,5 | 20,092,1 | 23,282,0 | 20,833,2 | 23,690,4 | 26,020,1 | 43,363,5 | 36,802,2 | 28,527,6 | 27,185,8 | 36,312,2 |

September
October




(Student FTE counts used are from the monthly OPSI P223 reports.)