Southeast Polk Community School District

Monthly Financial Board Report Narrative

FY2020

Year-To-Date Thru December

FISCAL ANALYSIS YEAR-TO-DATE

There are two financial statements being presented. The first statement shows General Fund activity only and the second statement shows activity for All Funds. The attached financial statements summarize revenue and expenditure activity for fiscal year 2020 through December 31, 2019. The statements compare current year activity to prior year activity and to the adopted budget for fiscal year 2020.

The Revenues section of each statement is sorted by the type of revenue source and highlights certain specific revenue items. The District's major sources of funding are from state foundation aid and local property taxes.

The Expenditure section of each statement is sorted by function area. The District must legally stay within budget for All Funds in the aggregate, in the four major function areas: (1) Instruction; (2) Support Services; (3) Non-Instructional; and (4) Other Expenditures. The majority of expenditures for the District are in the Instruction function.

General Fund:

With 50% of the fiscal year gone, you may expect to see similar percentages in revenues and expenditures to-date. That is not the case because of the cyclical nature of how the District receives funds and expends resources. The two main components of District funding are State Aid and local property taxes. State Aid is received in ten equal installments beginning in September. Property tax payments are due at the end September and March with the largest payments received by the District in October and April. Instructional expenditures make up the largest portion of General Fund expenditures. Teachers do not get paid under their new contract until September whereas most of the support services staff are contracted from July 1 to June 30.

The District received and expended the following percent of budgeted revenues and expenditures to-date for fiscal year 2019 and 2020 in the General Fund:

	FY2020	FY2019
Revenues	42.0%	42.3%
Expenditures	37.3%	38.0%

Total overall revenues are up 3.5% when compared to the prior year. Supplemental state aid is established at 2.06% for fiscal year 2020 and there was an increase in certified enrollment by 51.4 student FTEs.

Income surtax receipts are higher than the prior year through December indicating more income being reported by families living in the school district. The State has implemented a new claim procedure for Title funds with submission made in November, January, April and June/July. This will allow for more consistent and timely reporting of revenues in future years. The decline in Medicaid revenue is temporary due to the timing of receipt of payments from the State and the associated administrative costs. Textbook fee revenues are down and interest revenue continues to climb. The increase in Student Activities relates to the collection of AP test fee deposits in the current year. Donations and Contributions are down this year through December. The District received less in Prairie Meadows and SEP Foundation grants than in the prior year. Also, E-rate monies were received in October of the prior year and nothing has been received this year. Title IV Funds were accounted for in Other Federal Revenues and received in October of the prior year. None have been received this year as of December.

Overall, expenditures increased by 3.7% compared to the prior year. Actual wages and benefit increases totaled 3.9%. The increase in Business and Central Administration is due to the timing of payments for certain software licenses. The increase in the Plant Operation and Maintenance function is due to the installation of plow blades on two trucks and other vehicle repairs, HVAC repairs have more than doubled through this time last year, and additional painting done at Willowbrook and the high school.

All Funds:

The District received and expended the following percent of budgeted revenues and expenditures to-date for fiscal year 2019 and 2020 in All Funds:

	FY2020	FY2019
Revenues	44.4%	49.2%
Expenditures	39.7%	44.5%

Total overall revenues decreased 16.2% due primarily to the refunding of the 2010 and 2012A revenue bonds totaling $5,045,000 in the prior year. Without this refunding, total overall revenues would have increased 1.7%.

Supplemental state aid is established at 2.06% for fiscal year 2020 and there was an increase in certified enrollment by 51.4 student FTEs. Income surtax receipts are higher than the prior year through December indicating more income being reported by families living in the school district. The State has implemented a new claim procedure for Title funds with submission made in November, January, April and June/July. This will allow for more consistent and timely reporting of revenues in future years. The decline in Medicaid revenue is temporary due to the timing of receipt of payments from the State and the associated administrative costs. Textbook fee receipts are down this year. Interest income continues to increase. The increase in Student Activities relates to the collection of AP test fee deposits in the current year. Donations and Contributions are down this year through December. E-rate monies were received in October of the prior year and nothing has been received this year. The increase in Other Local Revenues represents insurance proceeds received to-date for roof damage at the high school. The Long-Term Debt Proceeds and decrease in Transfers In relates to refunding of 2010 and 2012A revenue bonds in the prior year.

Overall, expenditures show a decrease of 17.5% compared to the prior year due primarily to the refunding of the 2010 and 2012A revenue bonds totaling $5,045,000 in the prior year. Without this refunding, total overall expenditures would have increased 3.1%. Wages and benefits increased by 3.7% overall. The increase in Plant Operation & Maintenance is due primarily to repair costs for the high school roof damage caused by a storm right before the school year began.

Facilities acquisition and construction decreased significantly as the junior high and Delaware roof projects were completed and elementary entrance continue to be worked on. The decrease to Debt Service and Transfers Out relate to the refunding of revenue bonds in the prior year.

Southeast Polk Community School District
Monthly Financial Board Report
General Fund
Year to Date as of December 31, 2019

Percent of Year Complete - 50%	FY2020 YTD	FY2019 YTD	Difference	Percent Difference
Revenues				
Property Taxes - Regular	$ 9,579,842	$ 9,152,375	$ 427,467	4.7%
Income Surtax	1,824,341	1,682,931	141,410	8.4%
Utility Replacement	484,553	461,360	23,193	5.0%
Mobile Home	10,623	9,947	676	6.8%
Total Property Taxes	11,899,359	11,306,613	592,746	5.2%
State Foundation Aid	14,704,260	14,075,572	628,688	4.5%
Universal Preschool	366,992	352,576	14,416	4.1%
Teacher Salary Improvement	1,539,108	1,494,944	44,164	3.0%
Teacher Leadership and Compensation	918,968	893,708	25,260	2.8%
AEA Flow Through	1,244,234	1,192,677	51,557	4.3%
Early Intervention	175,144	169,820	5,324	3.1%
Iowa Core	176,164	171,160	5,004	2.9%
Other State Sources	328,882	324,970	3,912	1.2%
Statewide Penny Tax	-	-	-	0.0%
Total State Revenues	19,453,752	18,675,427	778,325	4.2%
Title I	-	-	-	0.0%
Medicaid Direct	657,937	895,510	(237,573)	-26.5%
IDEA Part B	159,498	157,204	2,294	1.5%
Other Federal Revenues	427	14,865	(14,438)	-97.1%
Total Federal Revenues	817,862	1,067,579	(249,717)	-23.4%
Tuition	-	-	-	0.0%
Textbook Fees	183,510	197,364	(13,854)	-7.0%
Transportation	157,399	159,381	(1,982)	-1.2%
Interest Income	154,892	106,153	48,739	45.9%
Student Activities	27,950	924	27,026	2924.9%
Donations and Contributions	113,672	155,047	(41,375)	-26.7%
Other Local Revenues	277,031	287,605	(10,574)	-3.7%
Disposition of Fixed Assets	-	-	-	0.0%
Long Term Debt Proceeds	-	-	-	0.0%
Other Financing Sources	-	-	-	0.0%
Transfers In	-	-	-	0.0%
Total Other Revenues	914,454	906,474	7,980	0.9%
Total Revenues	$ 33,085,427	$ 31,956,093	$ 1,129,334	3.5%

Southeast Polk Community School District
Monthly Financial Board Report
General Fund
Year to Date as of December 31, 2019

Percent of Year Complete - 50%	FY2020 YTD	FY2019 YTD	Difference	Percent Difference
Expenditures				
Instruction	$ 17,187,425	$ 16,774,422	$ 413,003	2.5%
Student Support Services	1,071,011	1,056,684	14,327	1.4%
Instructional Staff Support	1,388,188	1,344,147	44,041	3.3%
General Administration	646,774	627,617	19,157	3.1%
School Administration	2,120,889	2,047,953	72,936	3.6%
Business and Central Administration	1,624,117	1,430,122	193,995	13.6%
Plant Operation & Maintenance	2,925,706	2,708,056	217,650	8.0%
Student Transportation	1,603,496	1,580,088	23,408	1.5%
Total Support Services	11,380,181	10,794,667	585,514	5.4%
Non-Instructional Expenditures	-	-	-	0.0%
Facilities Acquisition & Construction	-	-	-	0.0%
Debt Service	-	-	-	0.0%
AEA Support	1,244,234	1,192,677	51,557	4.3%
Transfers Out	-	-	-	0.0%
Total Other Expenditures	1,244,234	1,192,677	51,557	4.3%
Total Expenditures	$ 29,811,840	$ 28,761,766	$ 1,050,074	3.7%
Excess of Revenues Over Expenditures	3,273,587	3,194,327	79,260	2.5%
Beginning Fund Balance (unaudited)	15,670,267	17,799,740	(2,129,473)	-12.0%
Ending Fund Balance	$ 18,943,854	$ 20,994,067	$ (2,050,213)	-9.8%

These statements are unaudited.

Southeast Polk Community School District
Monthly Financial Board Report
All Funds
Year to Date as of December 31, 2019

Percent of Year Complete - 50%	FY2020 YTD	FY2019 YTD	Difference	Percent Difference
Revenues				
Property Taxes - Regular	$ 14,986,819	$ 15,136,223	$ (149,404)	-1.0%
Income Surtax	1,824,341	1,682,931	141,410	8.4%
Utility Replacement	728,622	729,245	(623)	-0.1%
Mobile Home	15,974	15,723	251	1.6%
Total Property Taxes	17,555,756	17,564,122	(8,366)	0.0%
State Foundation Aid	14,704,260	14,075,572	628,688	4.5%
Universal Preschool	366,992	352,576	14,416	4.1%
Teacher Salary Improvement	1,539,108	1,494,944	44,164	3.0%
Teacher Leadership and Compensation	918,968	893,708	25,260	2.8%
AEA Flow Through	1,244,234	1,192,677	51,557	4.3%
Early Intervention	175,144	169,820	5,324	3.1%
Iowa Core	176,164	171,160	5,004	2.9%
Other State Sources	471,154	486,472	(15,318)	-3.1%
Statewide Penny Tax	3,194,277	3,146,176	48,101	1.5%
Total State Revenues	22,790,301	21,983,105	807,196	3.7%
Title I	-	-	-	0.0%
Medicaid Direct	657,937	895,510	(237,573)	-26.5%
IDEA Part B	159,498	157,204	2,294	1.5%
Other Federal Revenues	427	15,865	(15,438)	-97.3%
Total Federal Revenues	817,862	1,068,579	(250,717)	-23.5%
Tuition	-	-	-	0.0%
Textbook Fees	183,510	197,364	(13,854)	-7.0%
Transportation	157,399	159,381	(1,982)	-1.2%
Interest Income	257,196	217,448	39,748	18.3%
Student Activities	582,965	527,789	55,176	10.5%
Food Service	1,913,292	1,807,141	106,151	5.9%
Donations and Contributions	219,170	262,455	(43,285)	-16.5%
Other Local Revenues	807,279	428,882	378,397	88.2%
Disposition of Fixed Assets	-	5,325	(5,325)	-100.0%
Long Term Debt Proceeds	-	5,045,000	(5,045,000)	-100.0%
Other Financing Sources	-	-	-	0.0%
Transfers In	2,089,000	7,245,238	(5,156,238)	-71.2%
Total Other Revenues	6,209,811	15,896,023	(9,686,212)	-60.9%
Total Revenues	$ 47,373,730	$ 56,511,829	$ (9,138,099)	-16.2%

Southeast Polk Community School District
Monthly Financial Board Report
All Funds
Year to Date as of December 31, 2019

Percent of Year Complete - 50%	FY2020 YTD	FY2019 YTD	Difference	Percent Difference
Expenditures				
Instruction	$ 18,242,239	$ 17,759,028	$ 483,211	2.7%
Student Support Services	1,101,476	1,095,099	6,377	0.6%
Instructional Staff Support	1,435,451	1,395,528	39,923	2.9%
General Administration	663,952	644,478	19,474	3.0%
School Administration	2,180,548	2,110,586	69,962	3.3%
Business and Central Administration	3,224,571	3,072,429	152,142	5.0%
Plant Operation & Maintenance	3,573,647	3,080,954	492,693	16.0%
Student Transportation	2,174,360	2,208,547	(34,187)	-1.5%
Total Support Services	14,354,005	13,607,621	746,384	5.5%
Non-Instructional Expenditures	1,540,268	1,570,899	(30,631)	-1.9%
Facilities Acquisition & Construction	2,039,251	796,229	1,243,022	156.1%
Debt Service	984,625	6,899,953	(5,915,328)	-85.7%
AEA Support	1,244,234	1,192,677	51,557	4.3%
Transfers Out	2,089,000	7,245,238	(5,156,238)	-71.2%
Total Other Expenditures	6,357,110	16,134,097	(9,776,987)	-60.6%
Total Expenditures	$ 40,493,622	$ 49,071,645	$ (8,578,023)	-17.5%
Excess of Revenues Over Expenditures	6,880,108	7,440,184	(560,076)	-7.5%
Beginning Fund Balance (unaudited)	37,665,293	34,381,074	3,284,219	9.6%
Ending Fund Balance	$ 44,545,401	$ 41,821,258	$ 2,724,143	6.5%

These statements are unaudited and do not include Internal Service, Scholarship or Agency Funds.

Southeast Polk Community School District
Monthly Financial Board Report
Budget to Actual Comparison
Year-To-Date as of December 31, 2019

GENERAL FUND

	FY2020 Adopted Budget	FY2020 Actual Year-To-Date	FY2020 Percent Budget	FY2019 Percent Budget
Property Taxes	$ 21,844,953	$ 11,899,359	54.5%	49.4%
State Revenues	48,904,815	19,453,752	39.8%	39.7%
Federal Revenues	2,713,000	817,862	30.1%	41.4%
Other Revenues & Transfers	5,381,000	914,454	17.0%	29.8%
Total Revenues	$ 78,843,768	$ 33,085,427	42.0%	42.3%
Instruction	$ 51,380,000	$ 17,187,425	33.5%	34.0%
Support Services	25,220,000	11,380,181	45.1%	46.6%
Noninstructional	-	-	0.0%	0.0%
Other Expenditures & Transfers	3,244,853	1,244,234	38.3%	38.1%
Total Expenditures	$ 79,844,853	$ 29,811,840	37.3%	38.0%

ALL FUNDS

	FY2020 Adopted Budget	FY2020 Actual Year-To-Date	FY2020 Percent Budget	FY2019 Percent Budget
Property Taxes	$ 32,881,912	$ 17,555,756	53.4%	53.0%
State Revenues	55,910,041	22,790,301	40.8%	40.8%
Federal Revenues	4,513,000	817,862	18.1%	24.7%
Other Revenues & Transfers	13,507,658	6,209,811	46.0%	67.9%
Total Revenues	$ 106,812,611	$ 47,373,730	44.4%	49.2%
Instruction	$ 53,345,000	$ 18,242,239	34.2%	34.7%
Support Services	28,526,000	14,354,005	50.3%	51.3%
Noninstructional	3,814,500	1,540,268	40.4%	38.6%
Other Expenditures & Transfers	16,335,419	6,357,110	38.9%	56.6%
Total Expenditures	$ 102,020,919	$ 40,493,622	39.7%	44.5%