

# CEDAR FALLS COMMUNITY SCHOOL DISTRICT

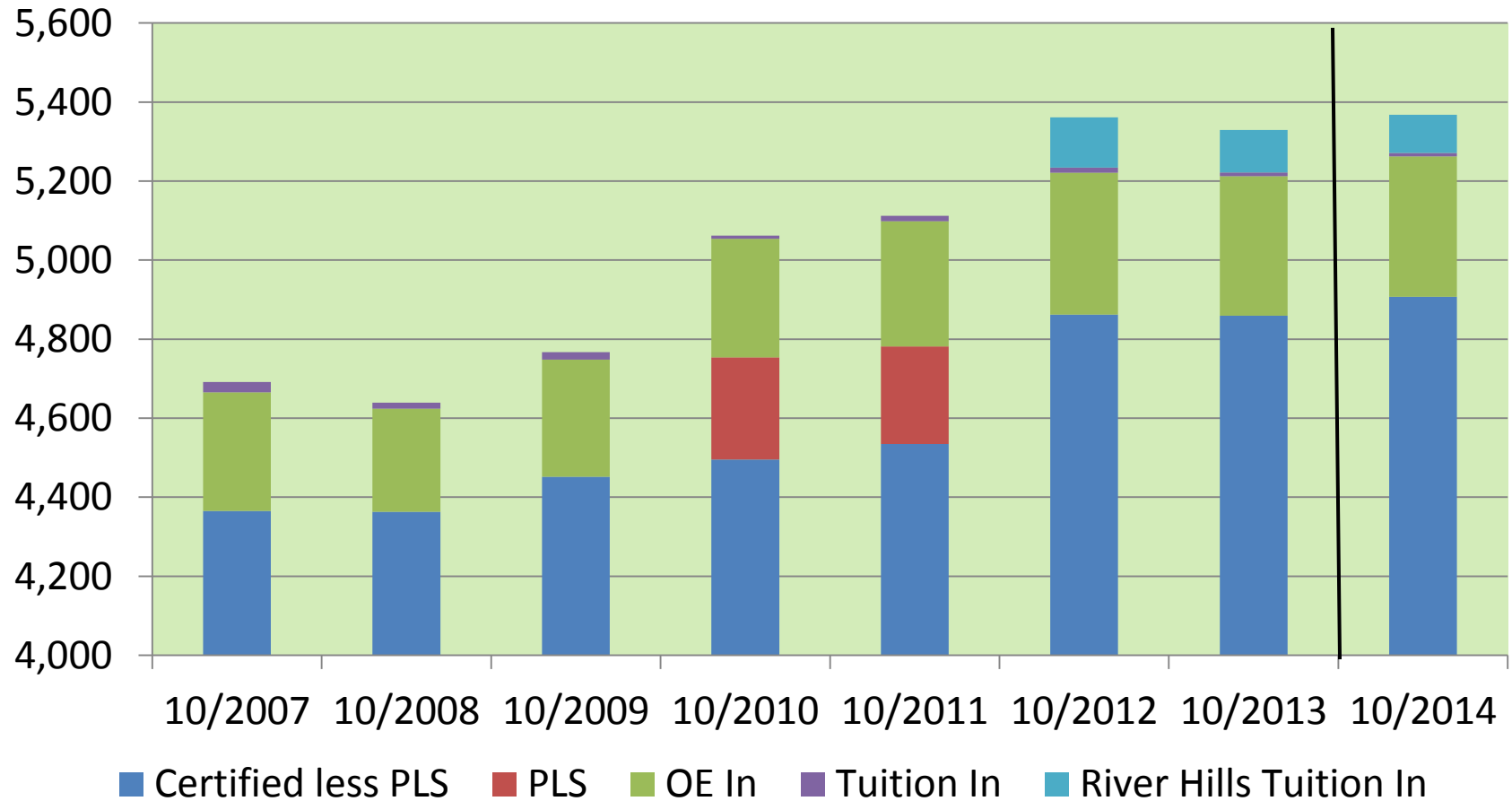
District Financial Report  
February 9, 2015

# IASB Key Financial Dashboard Indicators

- #1 Certified Enrollment
- #2 Financial Solvency Ratio
- #3 Unspent Budget Authority
  - ▣ #3A Unspent Budget Authority Ratio
- #4 Annual Unspent Budget Authority Ratio
- #5 Salaries & Benefits to Total Budget Ratio
- Background Color
  - ▣ Green = Increase of 0.01% or greater
  - ▣ Yellow = 0.00 to 5.00% decrease
  - ▣ Orange = Greater than 5.00% decrease

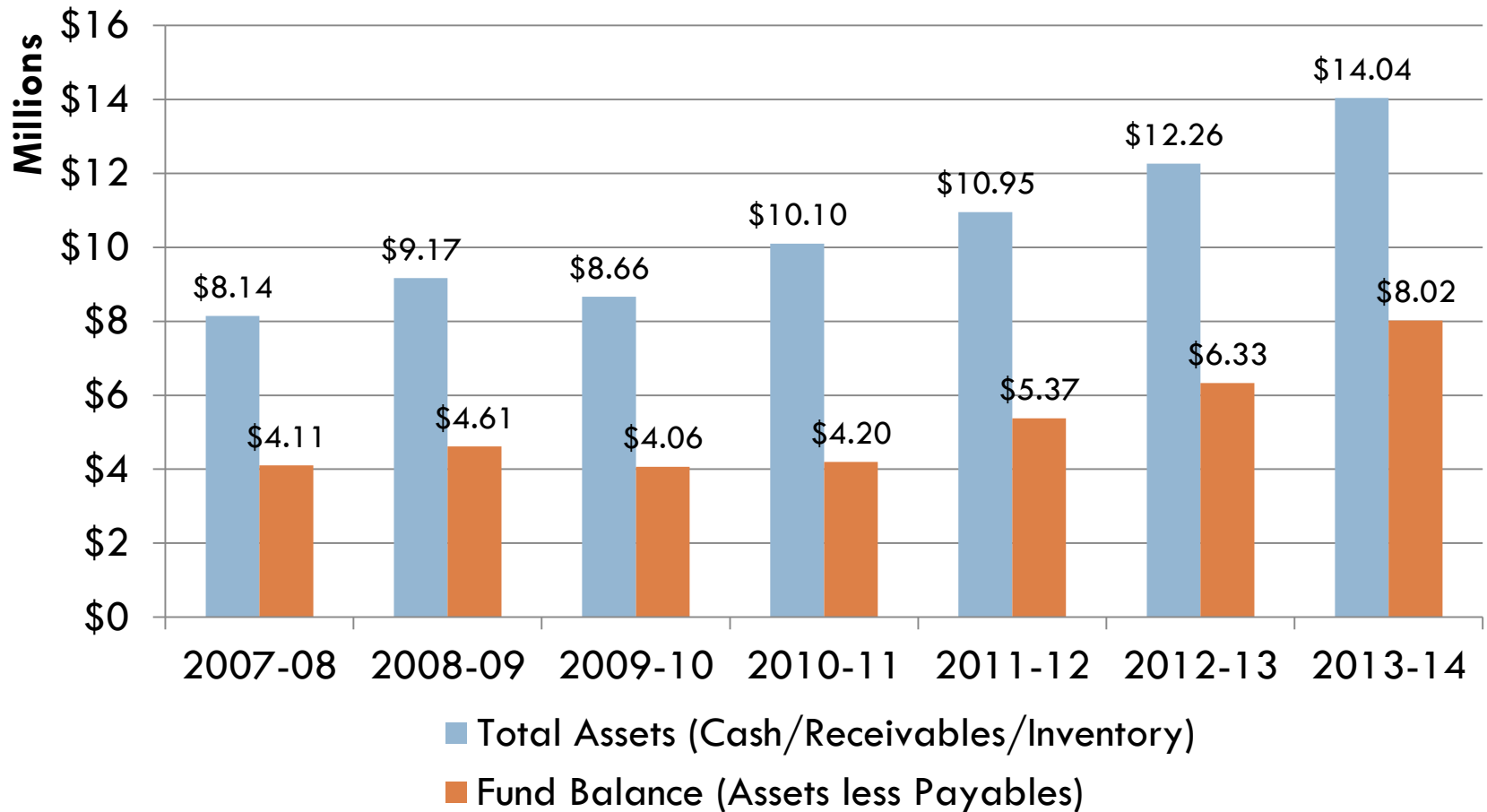
# Certified Enrollment History

## Key Trend Dashboard Indicator #1



Increase of 12.4% over the last 8 years.  
4 year old pre-school students not included.

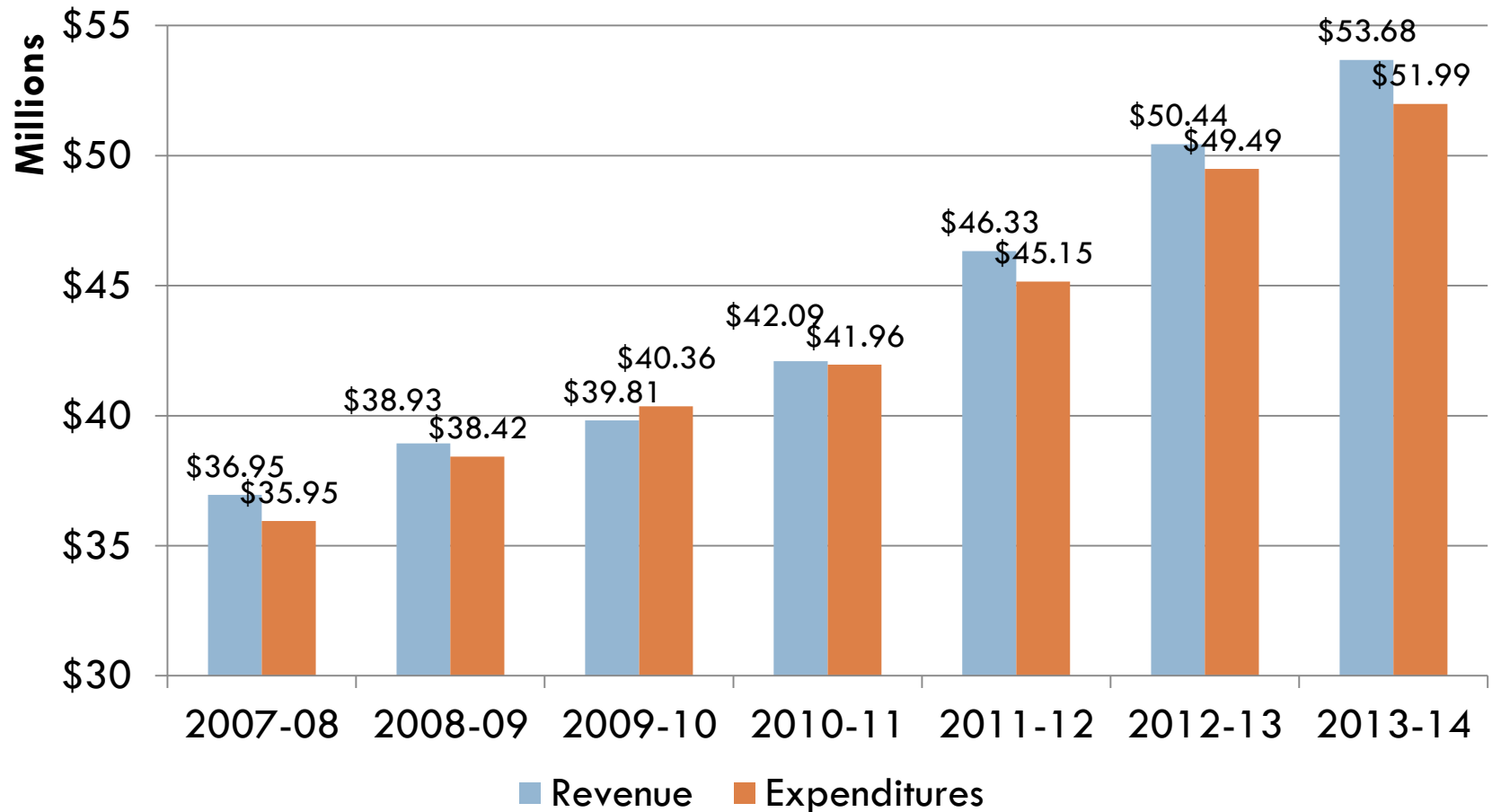
# CAR General Fund Balance



\$2,037,076 increase in cash on hand and \$1,692,360 increase in fund balance.

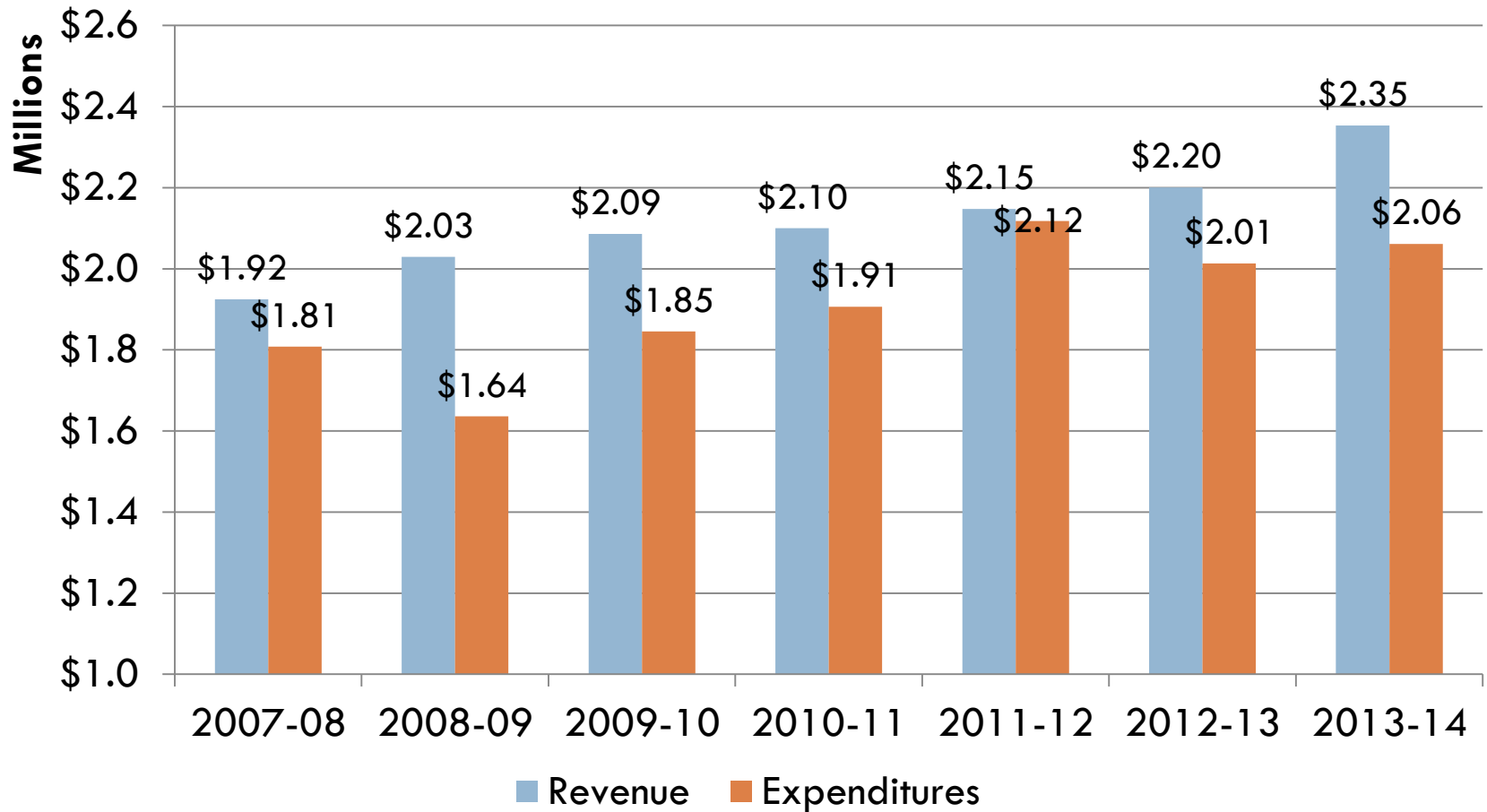
# General Fund Revenue/Expenditure History

Includes Instructional Support Fund

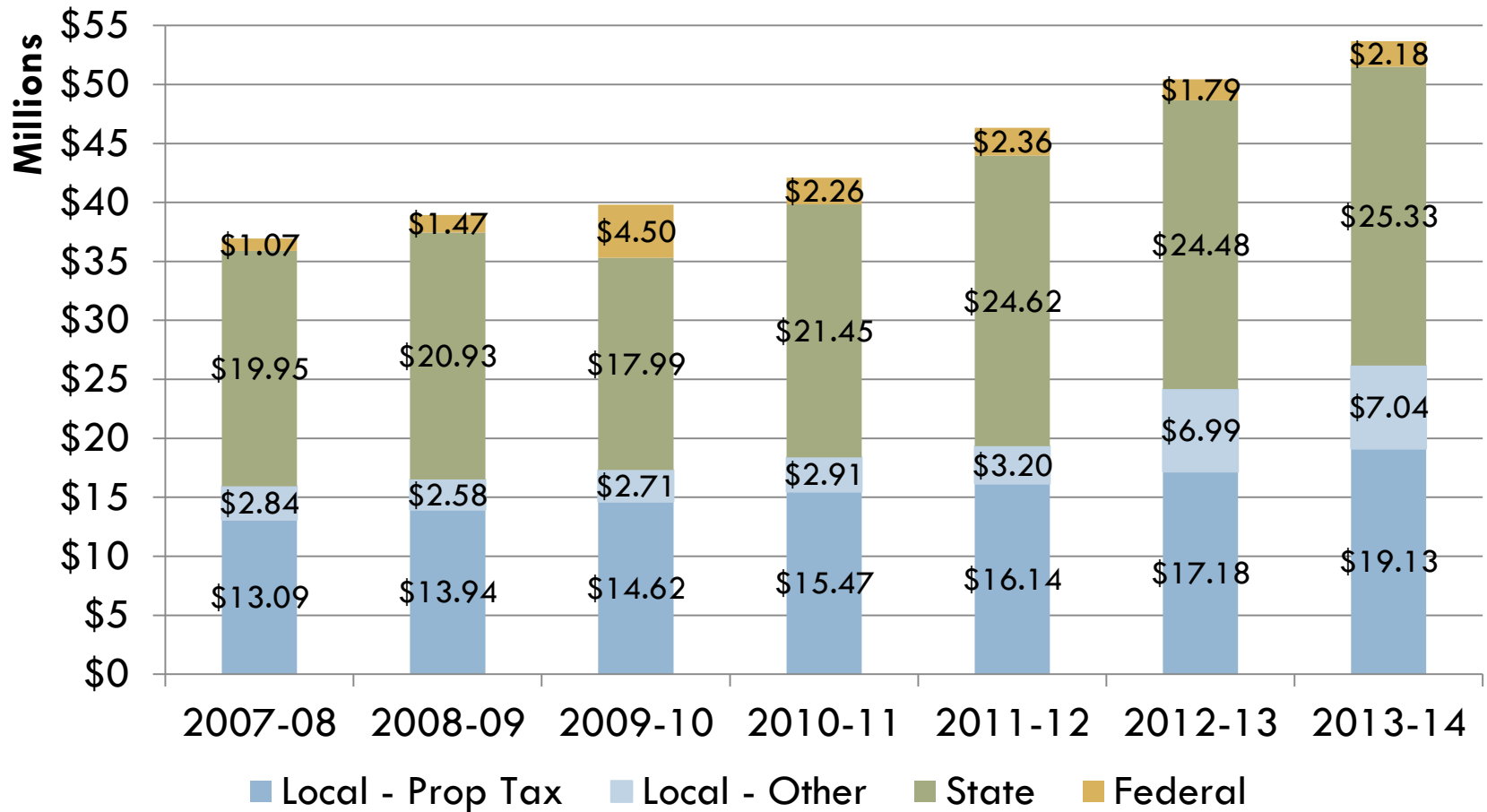


Revenue increased by \$3,239,803 and expenditures increase by \$2,499,684 from 2012-13 to 2013-14.

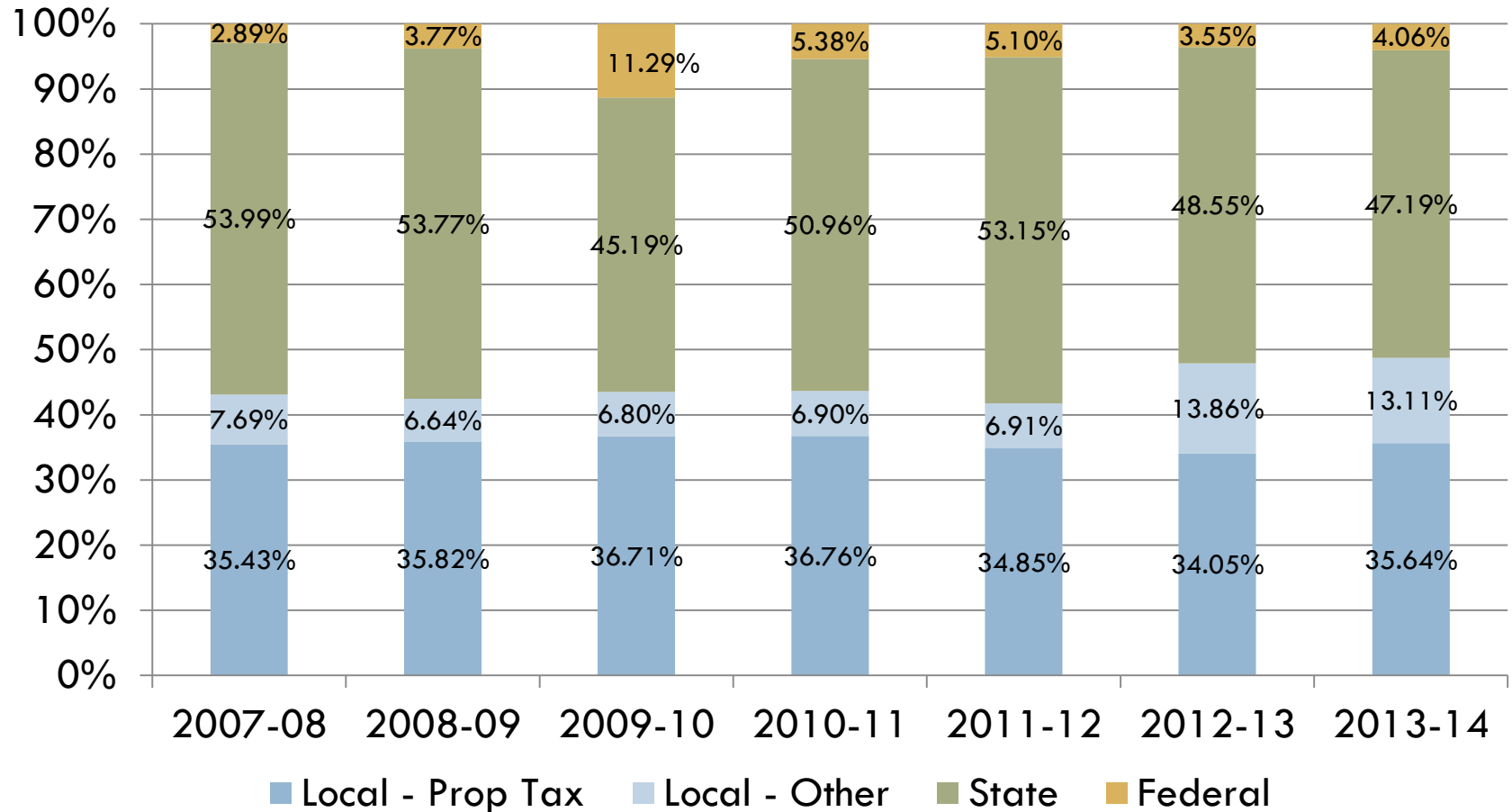
# ISL (only) Revenue/Expenditure Detail



# History of General Fund Revenue



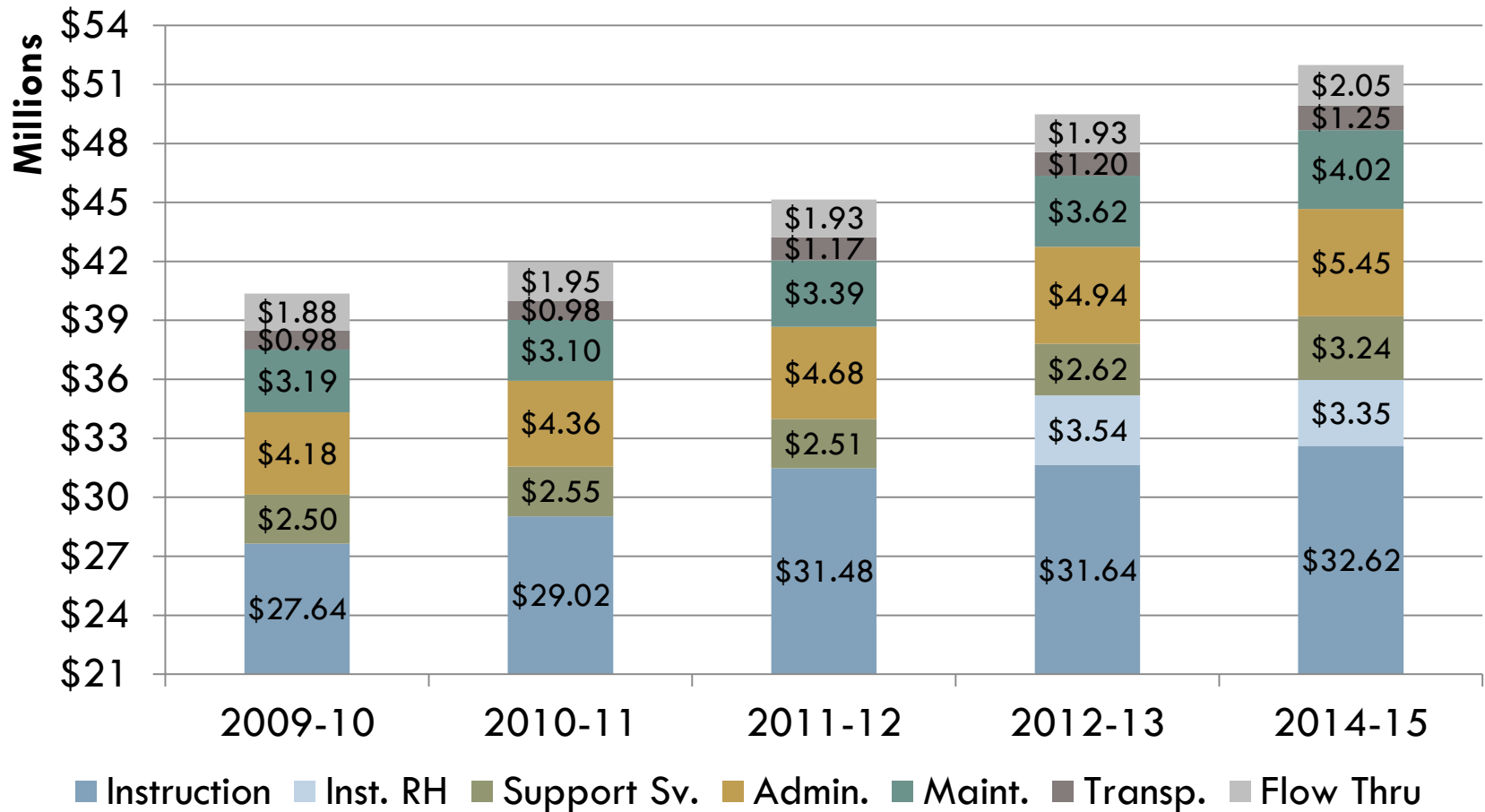
# History of General Fund Revenue



Due to rounding percentages may not total 100.0%



# History of General Fund Expenditures

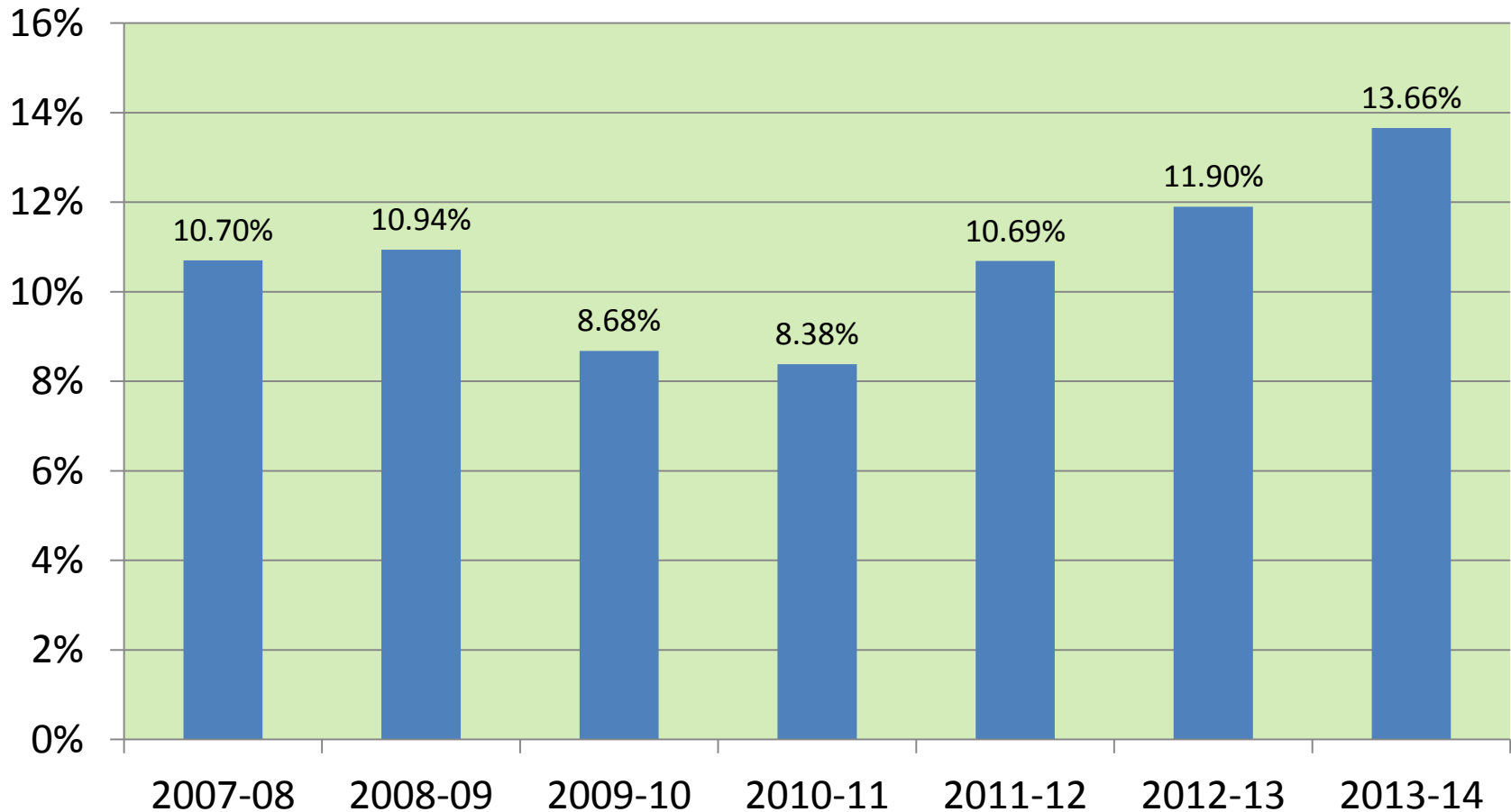


Support Sv. = Guidance, health, media and technology services.

Admin. = BOE, district & building administration, business, personal, printing & purchasing services.

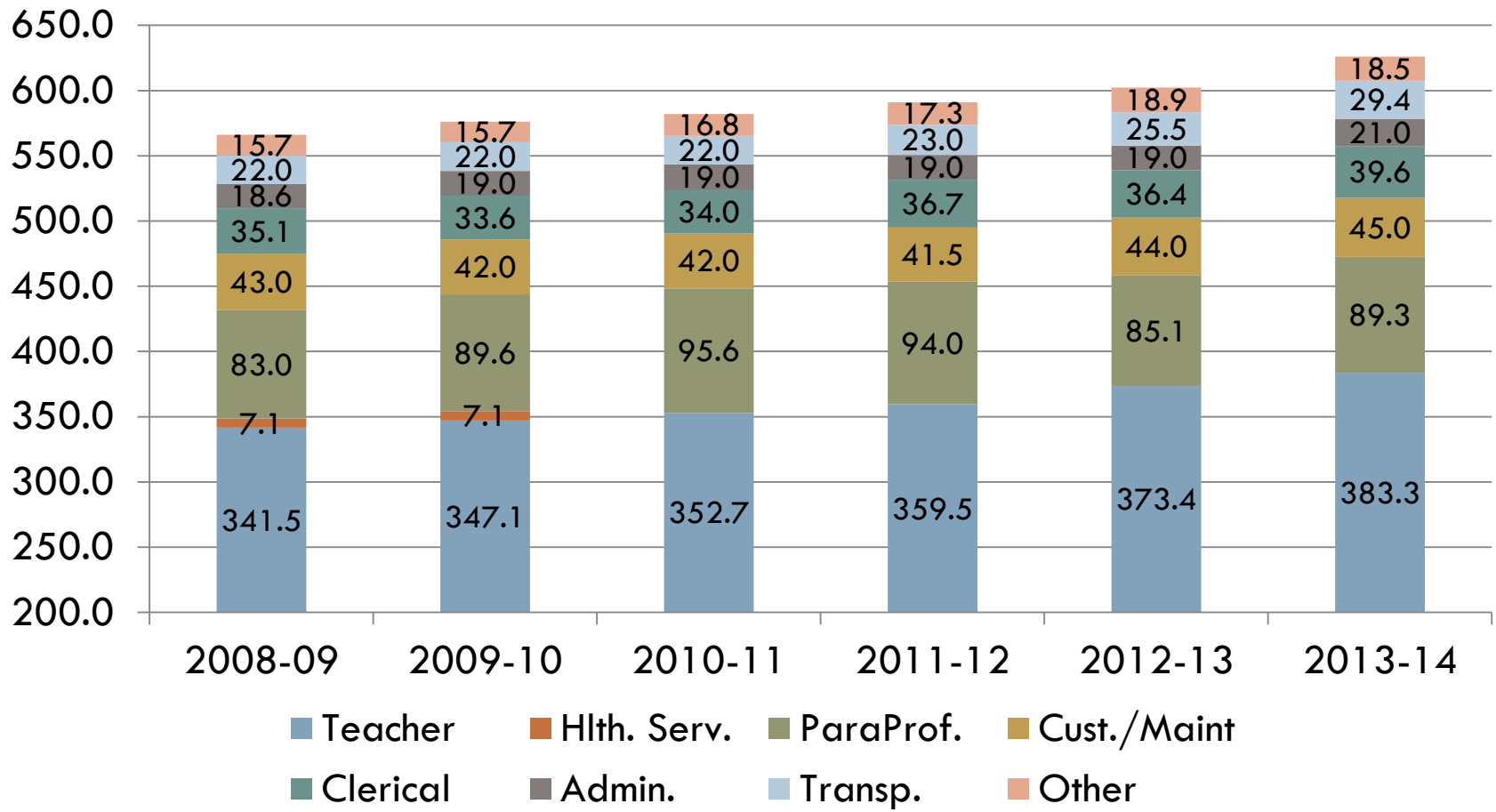
# Financial Solvency Ratio

## Key Trend Dashboard Indicator #2



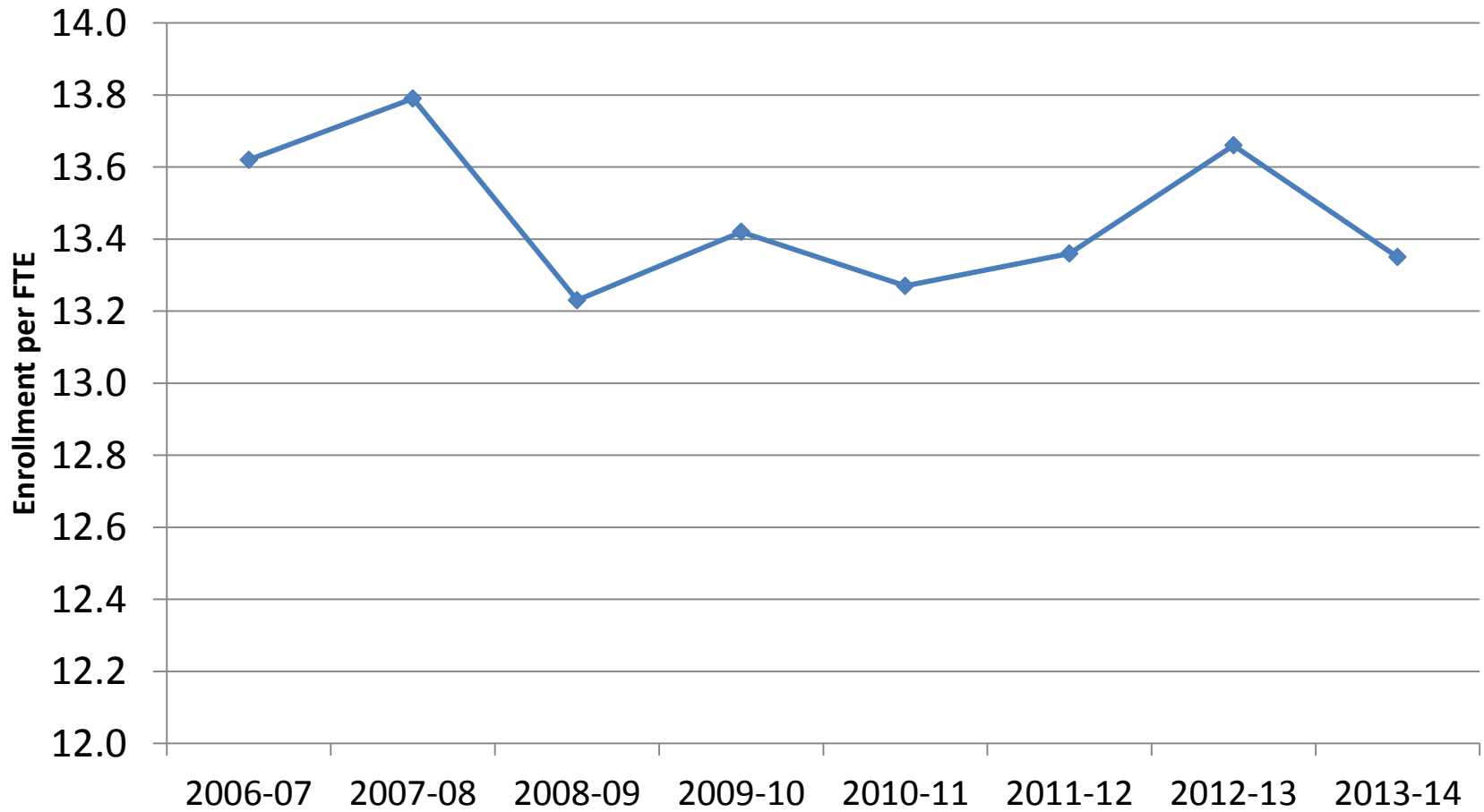
Assigned & unassigned fund balance/General fund revenue less AEA flow thru.  
Measures the District's fund equity position. IASB recommended minimum 5%. Goal 10%

# Staffing History (in FTE)



Food Service staff is not included.

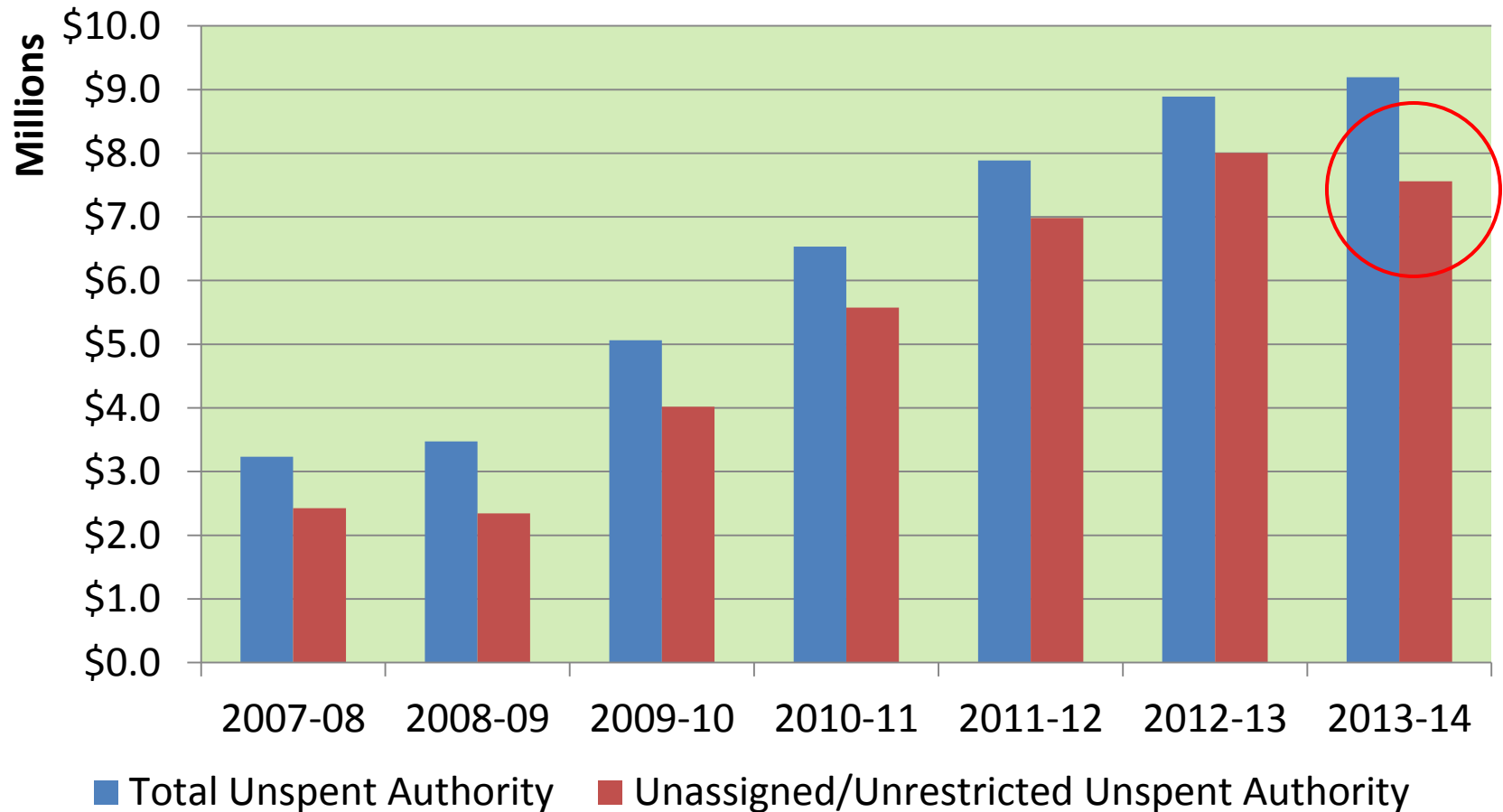
# Student Teacher Ratio History



Students served (Resident/OE In/Tuition In & Dual Enroll/PT Students) / Teacher FTE (Reg./Sp. Ed./ Guidance/Media) as of October 1. Pre-School students & staff are not included.

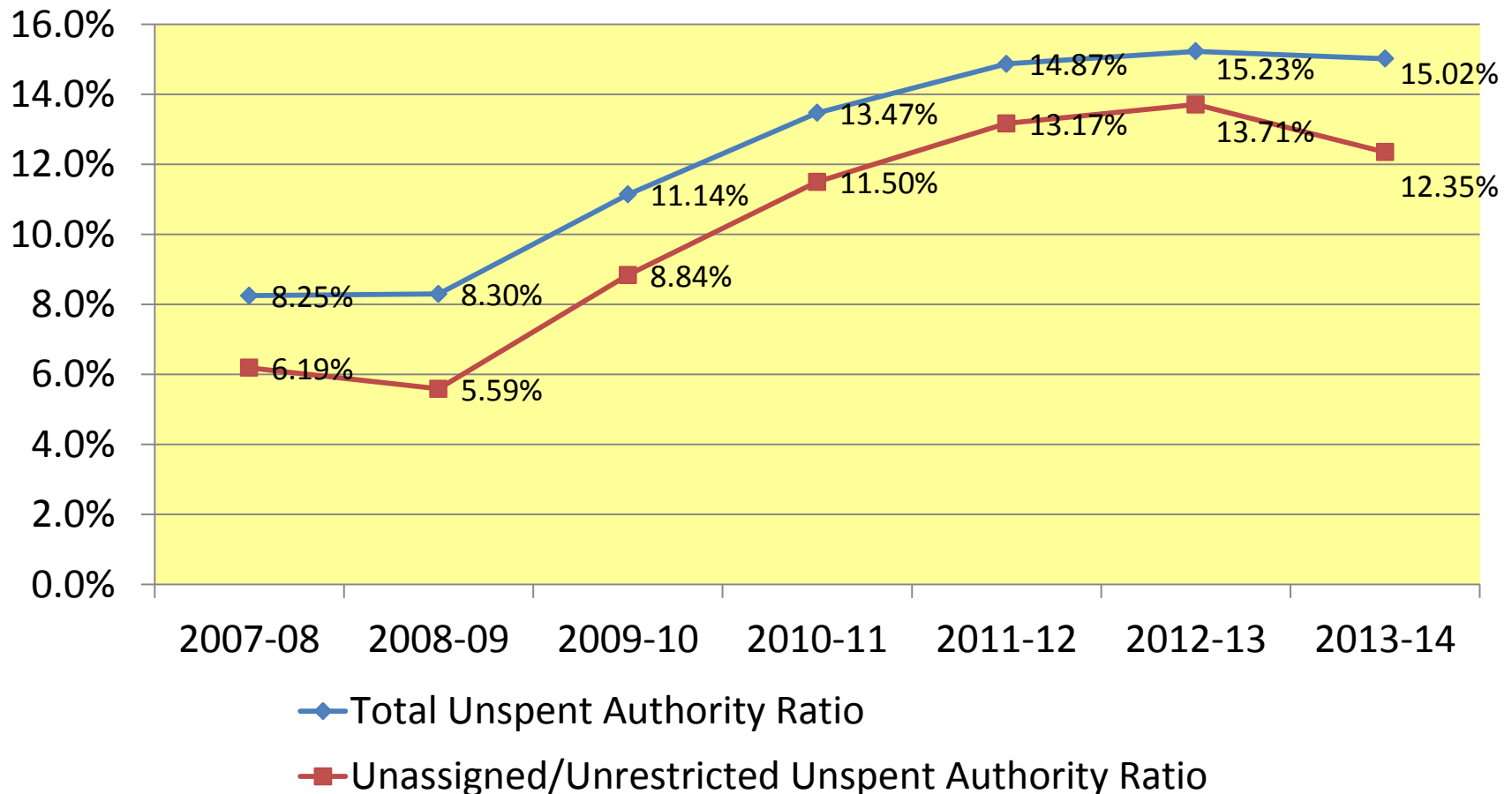
# History of Unspent Budget Authority

## Key Trend Dashboard Indicator #3



# History of Unspent Budget Authority Ratio

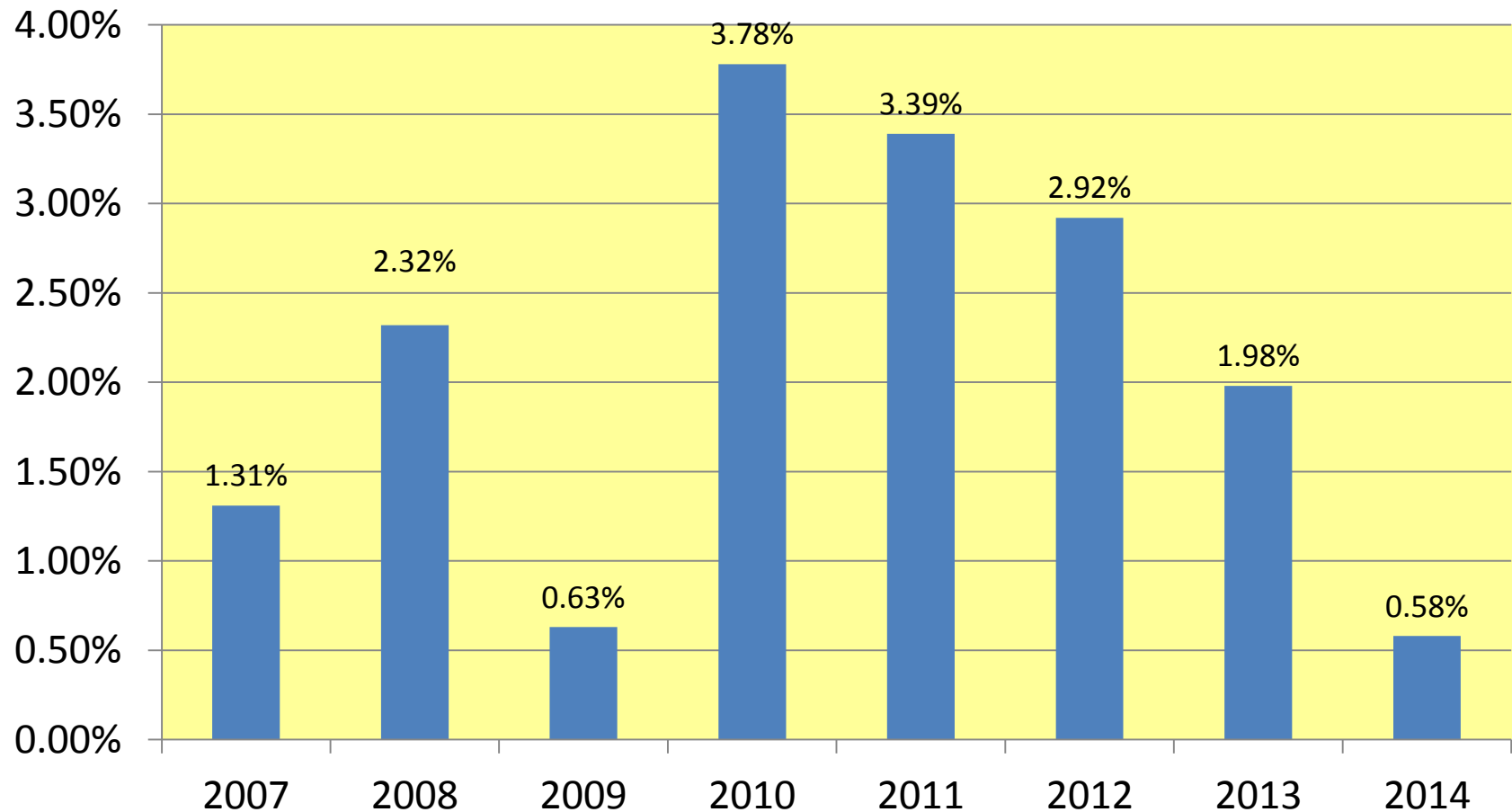
## Key Trend Dashboard Indicator #3A



A goal of 10% unassigned/unrestricted unspent authority over expenditures (\$5.00 million) is desired. District is at 12.35% for 2013-14.

# Annual Unspent Budget Authority Ratio

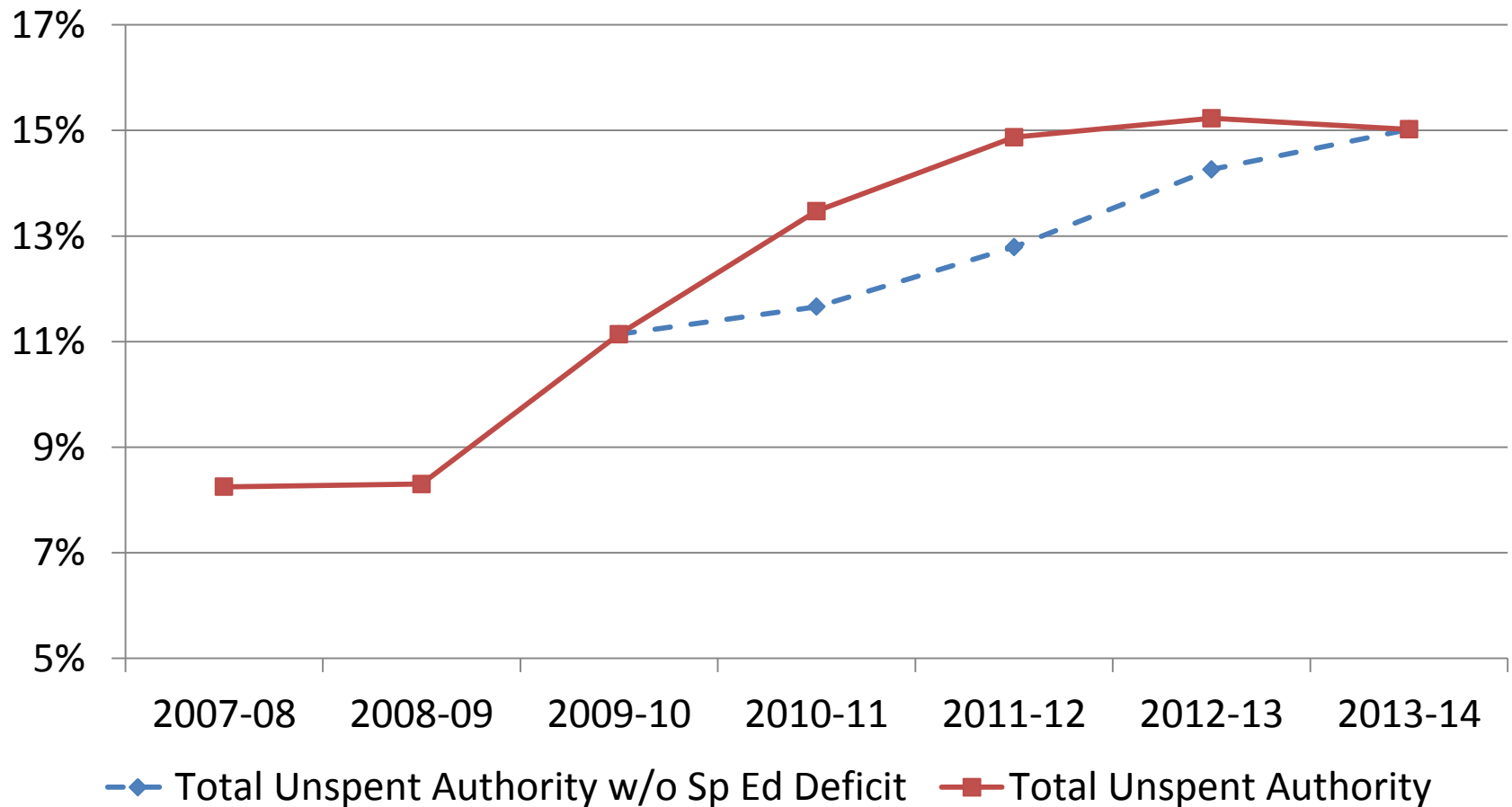
## Key Trend Dashboard Indicator #4



**Ratio would have been 0.62% if not for the addition of River Hills School.**

# Unspent Budget Authority

As Percentage of Maximum Budget Authority

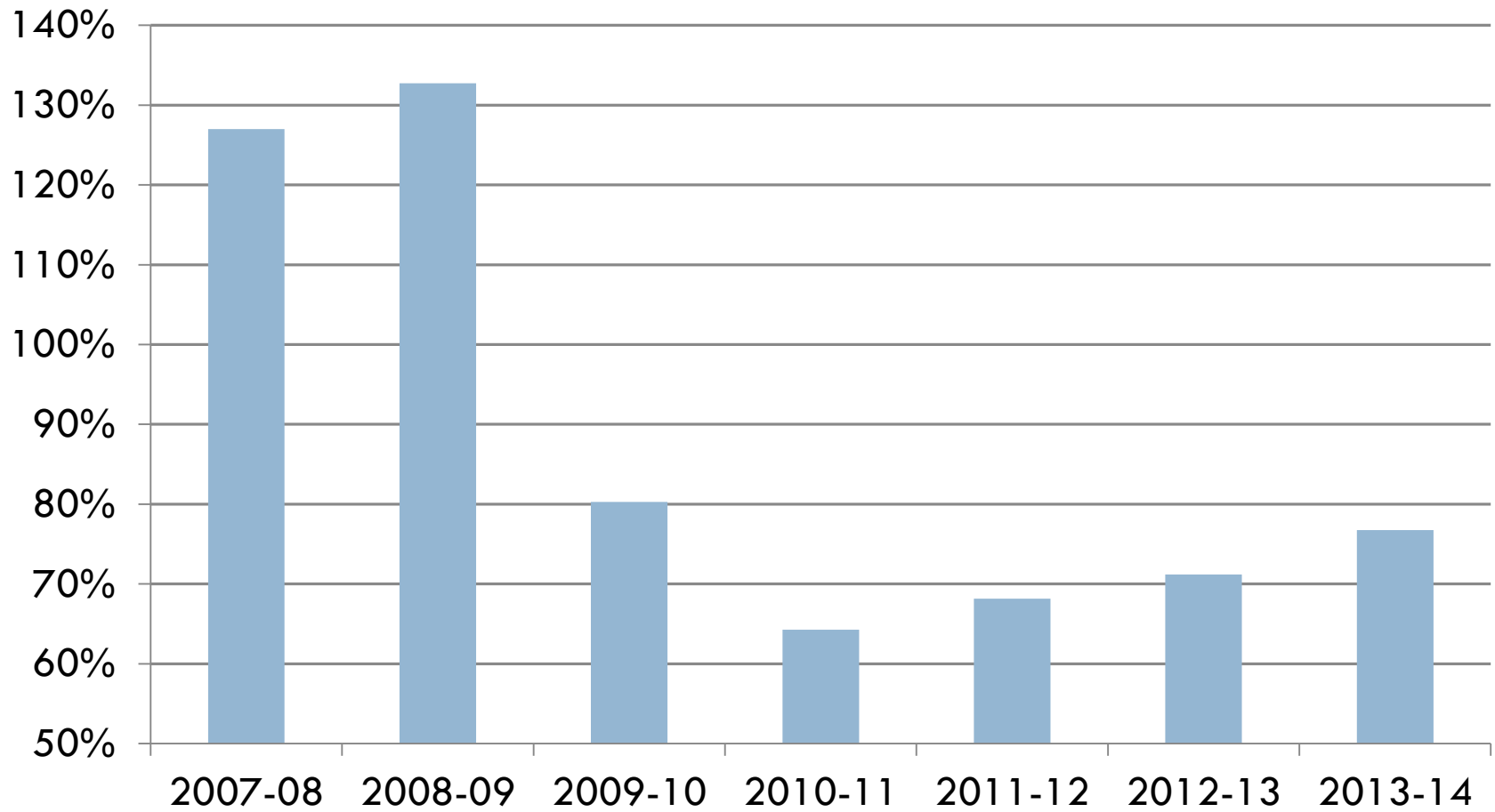


Measures the percent of District's budget authority at the end of each year.



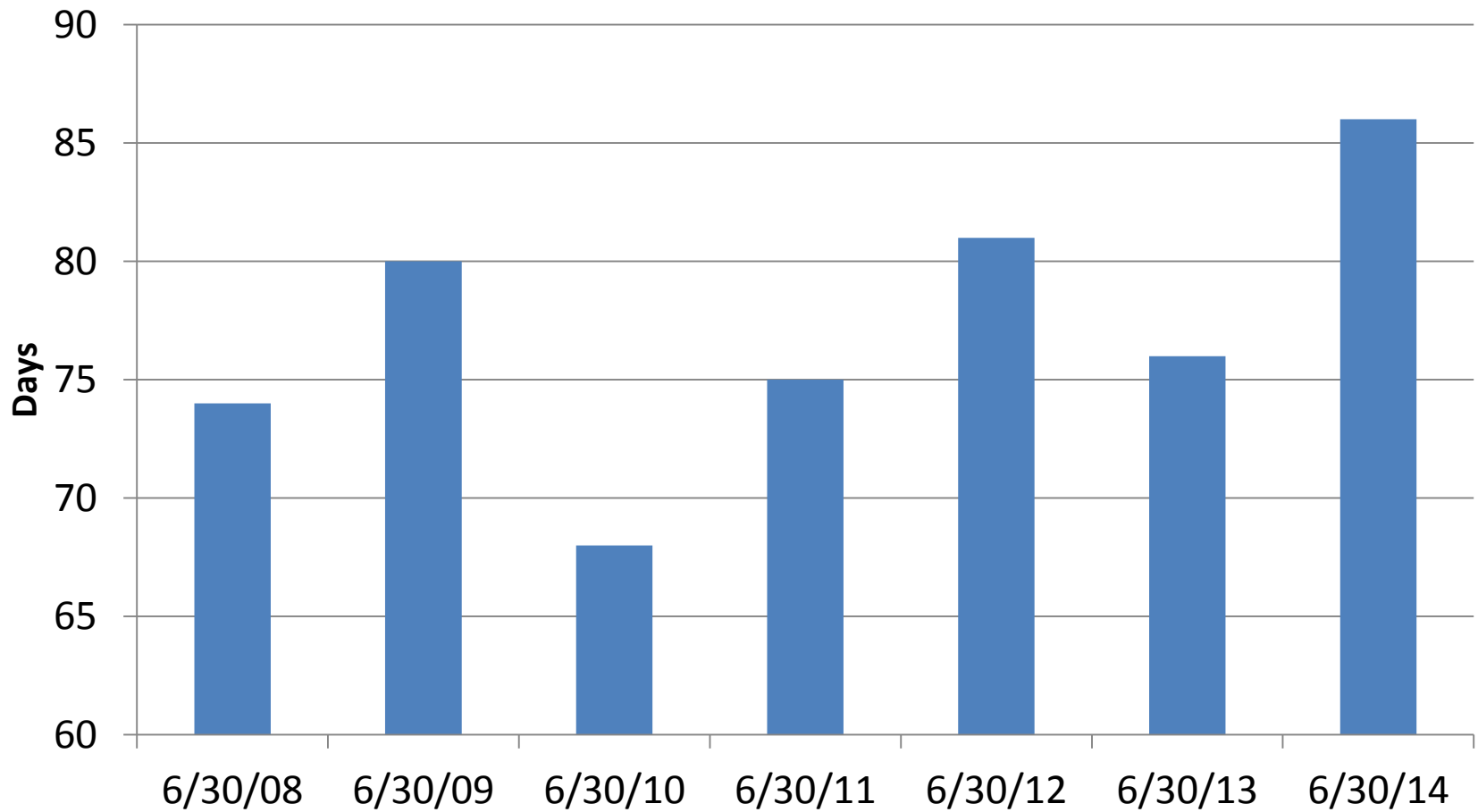
# Net Fund Balance

As a Percentage of Unspent Authority



Measures the percent of the District's ability to finance it's unspent budget authority.

# Days Net Cash Ratio

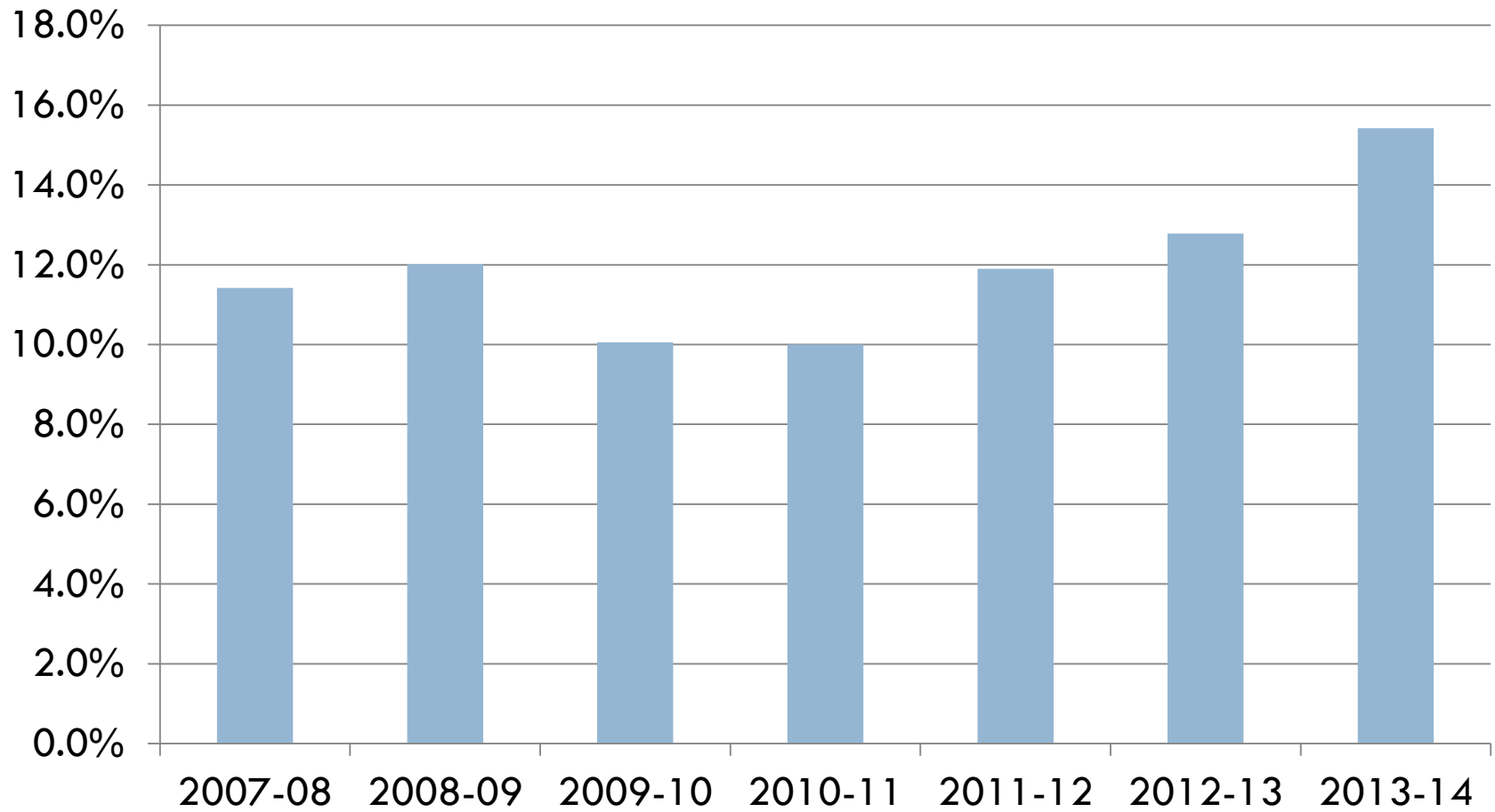


Cash & investments/Avg. daily cash expenditures.

A goal of 90 days is desired.

# Net Fund Balance

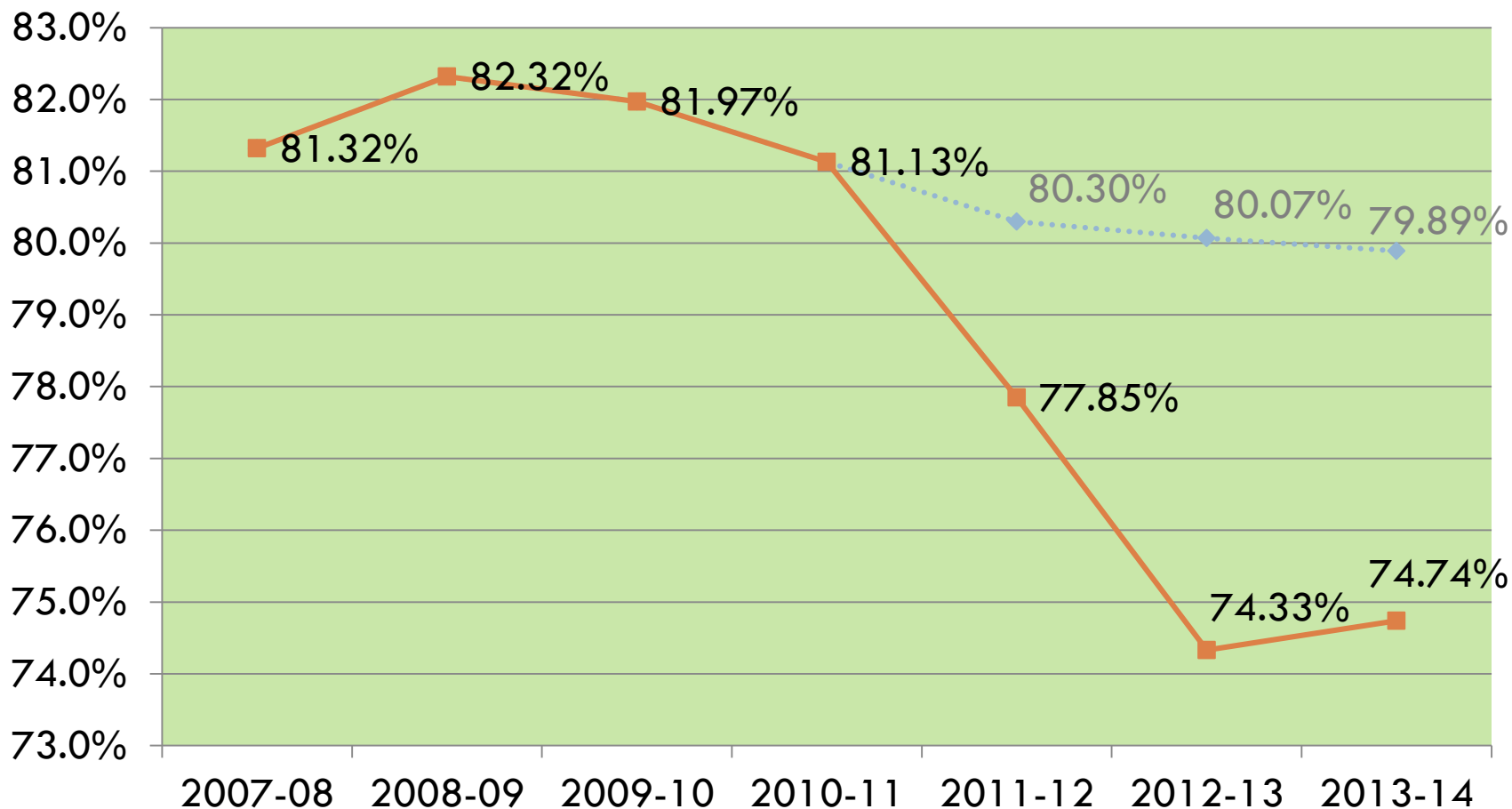
As a Percentage of Expenditures



Measures the percent of the District's cash available to cover non-funded months. – Goal 10%

# Salaries & Benefits to Total Expenditures Ratio

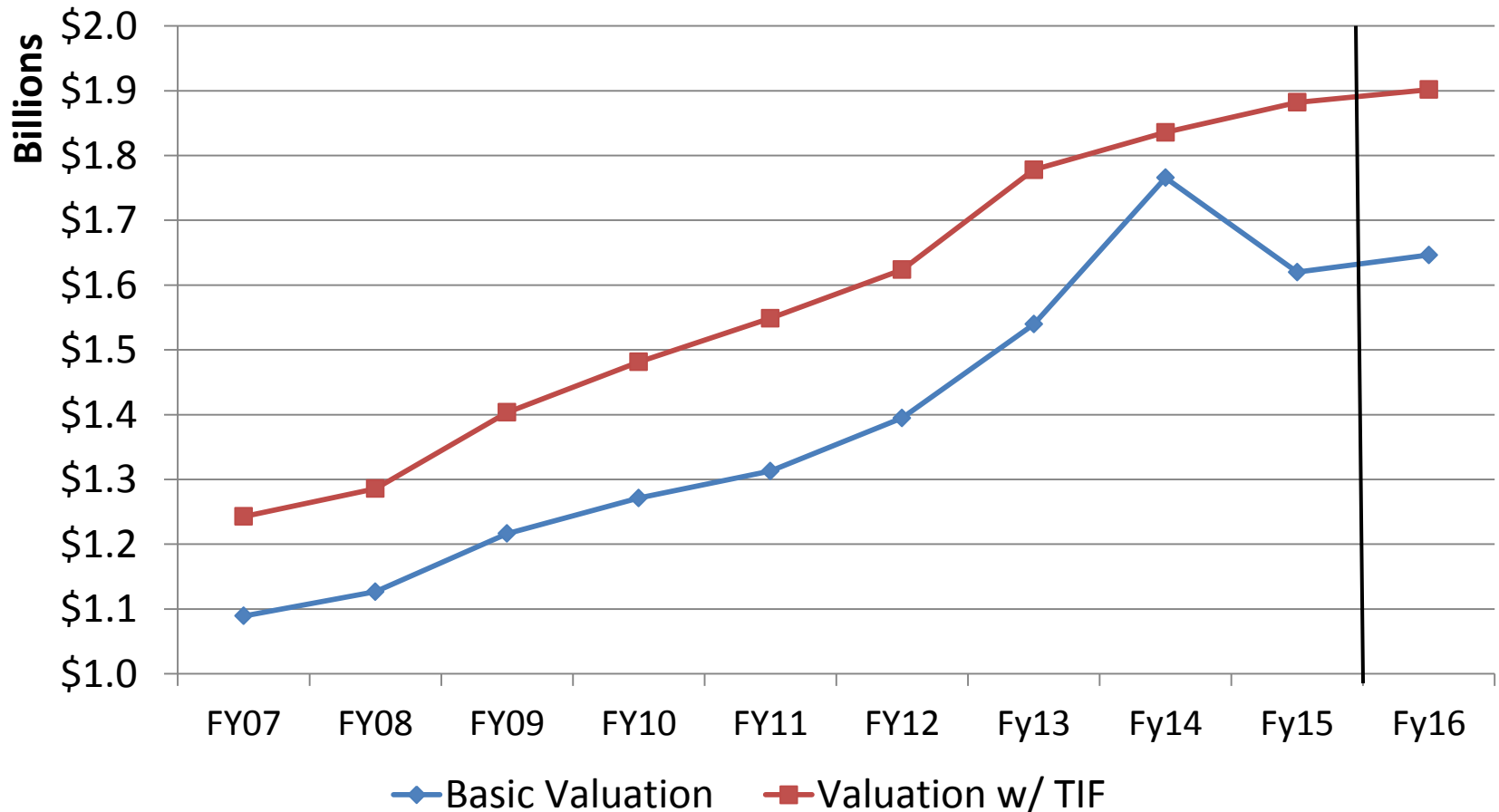
## Key Trend Dashboard Indicator #5



Measures the percent of the District's budget dedicated to labor costs.

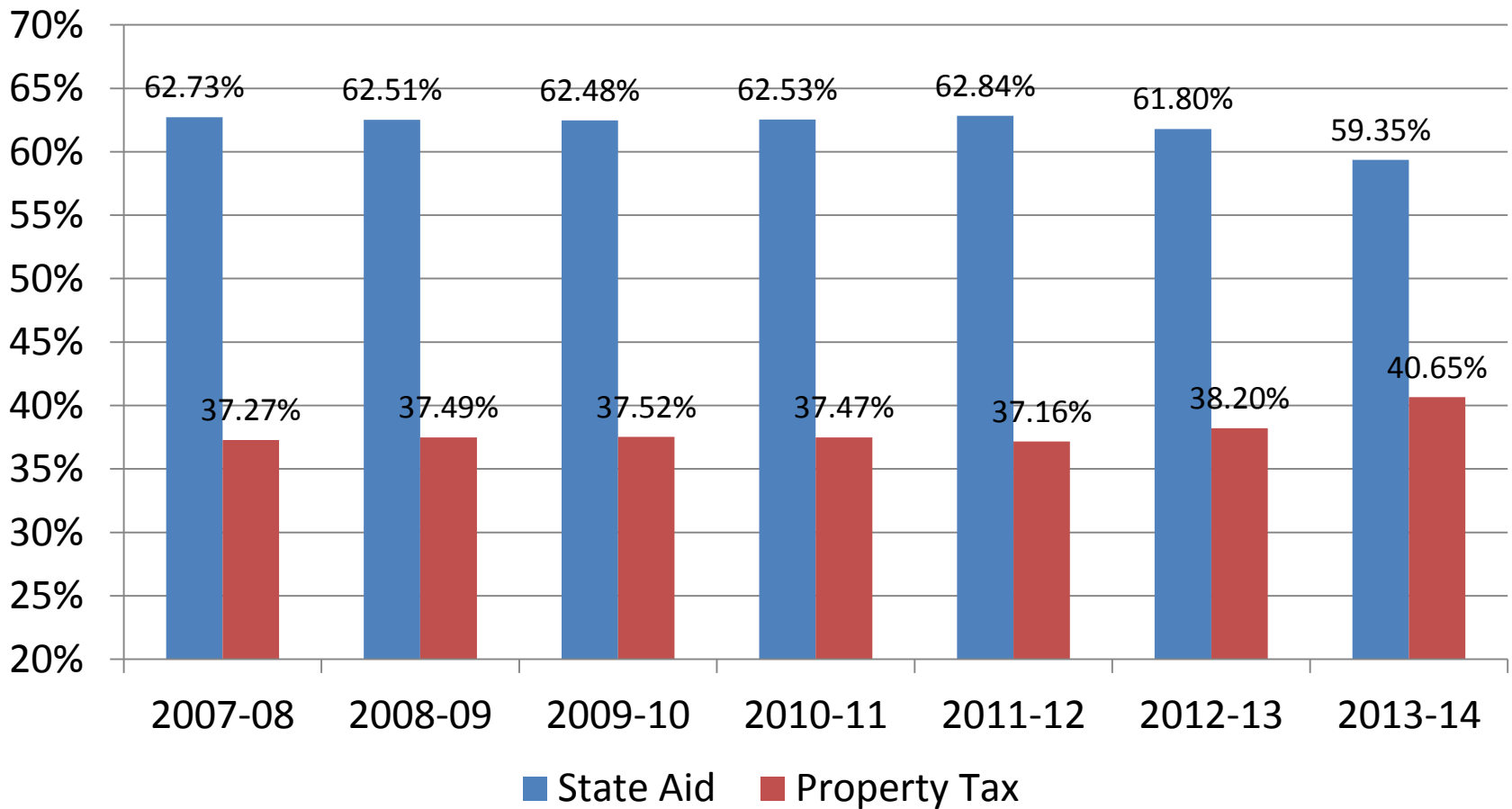
79.89% w/o increase in tuition out (PLS Fy12, RH Fy13/14).

# History of Assessed Valuation



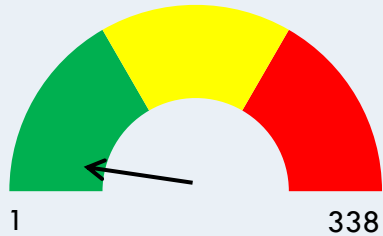
Basic Valuation decreased 8.2% from Fy13 to Fy14/Increased 51.1% over the past 10 yrs.  
Valuation w/ TIF increased 2.5% from Fy13 to Fy14 & 53.0% over the past 10 years.

# Combined District Cost Property Tax/State Aid History



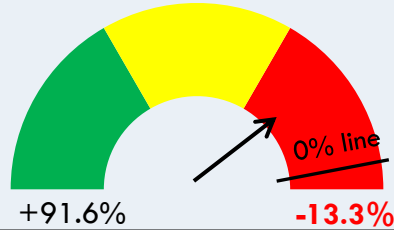
# Financial Dashboard – All Iowa Schools

## FY14 Certified Enrollment



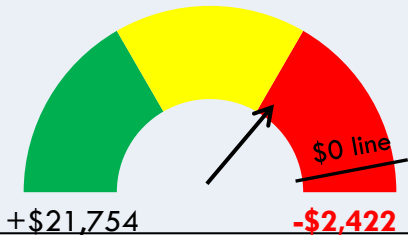
Rank = 17<sup>th</sup> Largest  
CF = 4,859.1 Fy14/4907.3 Fy15

## FY13 Solvency Ratio



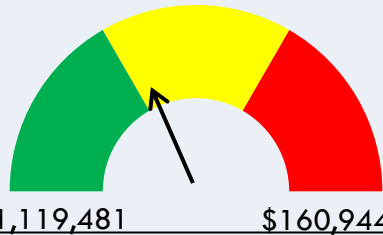
Rank = 247 out of 338  
State Avg. = 18.09%  
CF = 11.90% Fy13/13.66% Fy14

## FY13 UBA Per Pupil



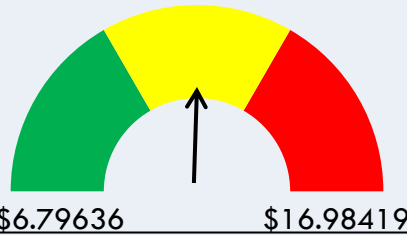
Rank = 227 out of 338  
State Avg. = \$2,704  
CF = \$1,859 Fy13/\$1,892 Fy14

## FY14 Valuation/Pupil



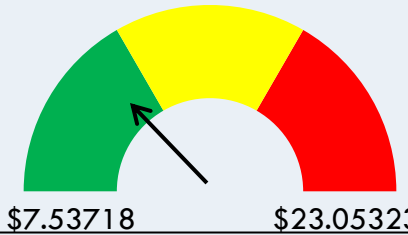
Rank = 129 out of 338  
State Avg. = \$352,590  
CF = \$363,143 F14/\$333,396 F15

## FY14 General Fund Tax Rate



Rank = 170 out of 338  
State Avg. = \$10.96867  
CF = \$10.9004 F14/\$10.8058 F15

## FY14 Total Tax Rate

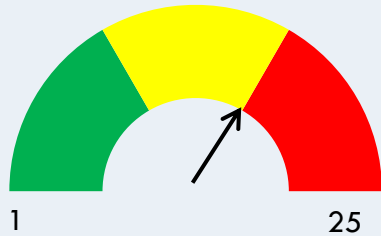


Rank = 106 out of 338  
State Avg. = \$14.0046  
CF = \$12.8253 F14/\$12.7845 F15

# Financial Dashboard

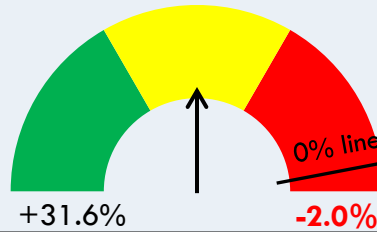
## Iowa 25 Largest Schools

### FY14 Certified Enrollment



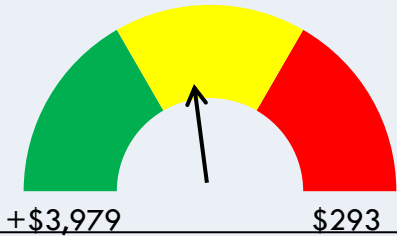
Rank = 17<sup>th</sup> Largest  
CF = 4,859.1 Fy14/4907.3 Fy15

### FY13 Solvency Ratio



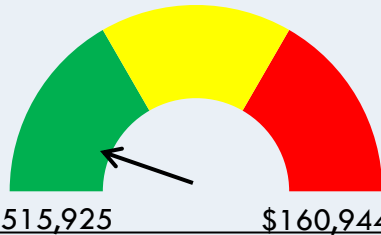
Rank = 13 out of 25  
Average = 11.94%  
CF = 11.90% Fy13/13.66% Fy14

### FY13 UBA Per Pupil



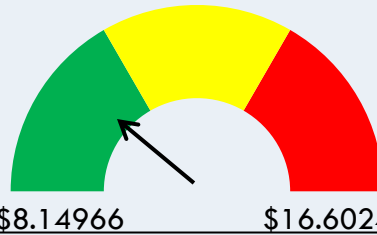
Rank = 11 out of 25  
Average = \$1,751  
CF = \$1,859 Fy13/\$1,892 Fy14

### FY14 Valuation/Pupil



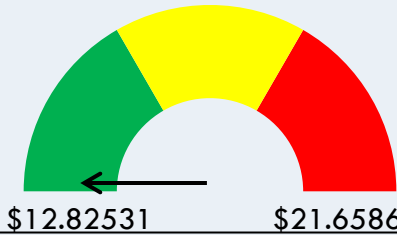
Rank = 4 out of 25  
Average = \$276,798  
CF = \$363,143 F14/\$333,396 F15

### FY14 General Fund Tax Rate



Rank = 6 out of 25  
Average = \$12.78968  
CF = \$10.9004 F14/\$10.8058 F15

### FY14 Total Tax Rate



Rank = 1 out of 25  
Average = \$16.03515  
CF = \$12.8253 F14/\$12.7845 F15



# Budget Highlights



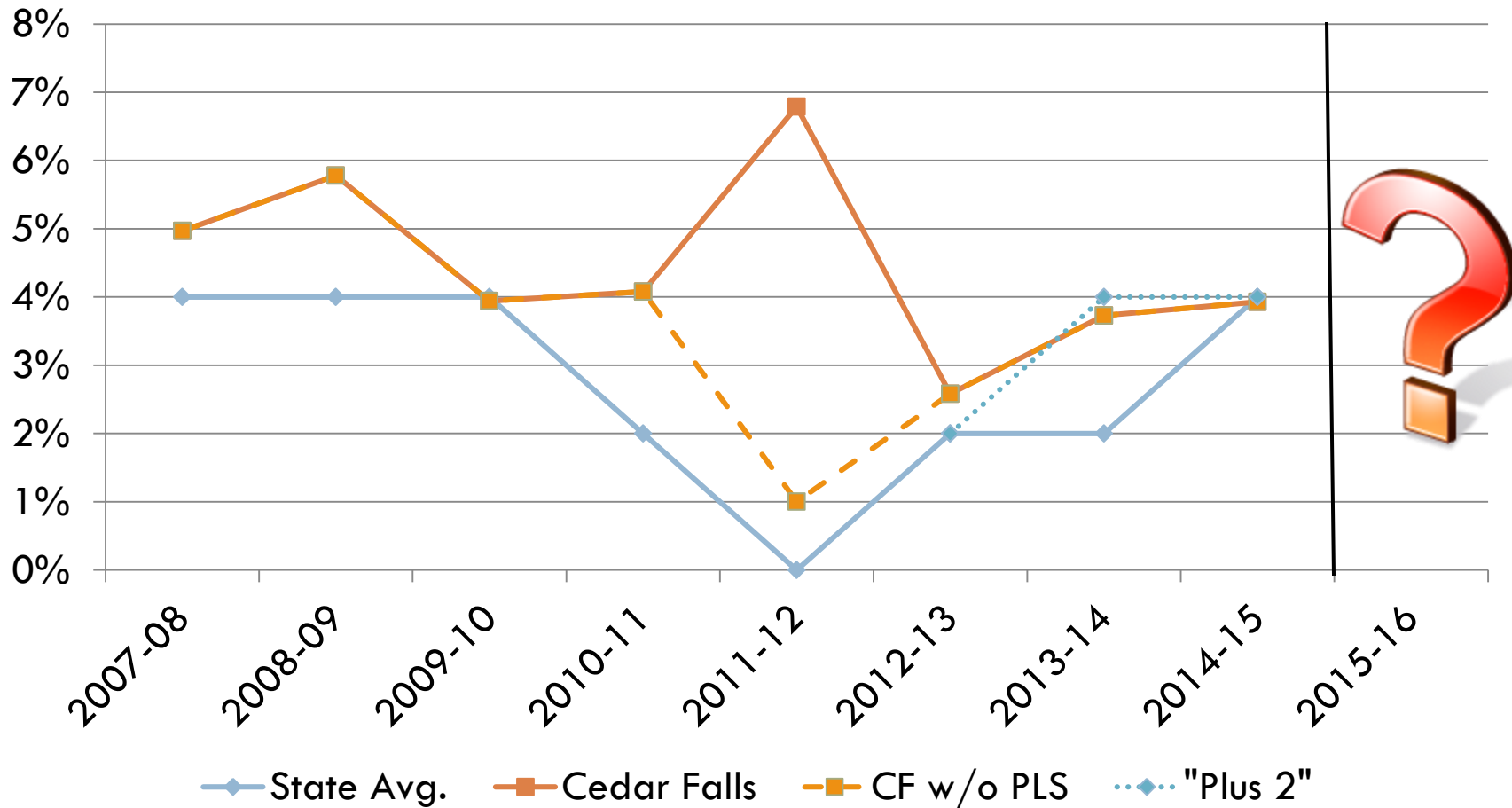
# Budget Highlights

- May, 2013 - Iowa Legislature and Governor Branstad fail to agree to an increase in supplemental state aid (allowable growth) for the 2015-16 school year. Supplemental state aid increased 4% for the 2014-15 school year.
- October, 2014 – District certified enrollment increases 48.2 students to 4,907.3.
  - 108.0 students are open enrolled out to other Districts.

# Budget Highlights

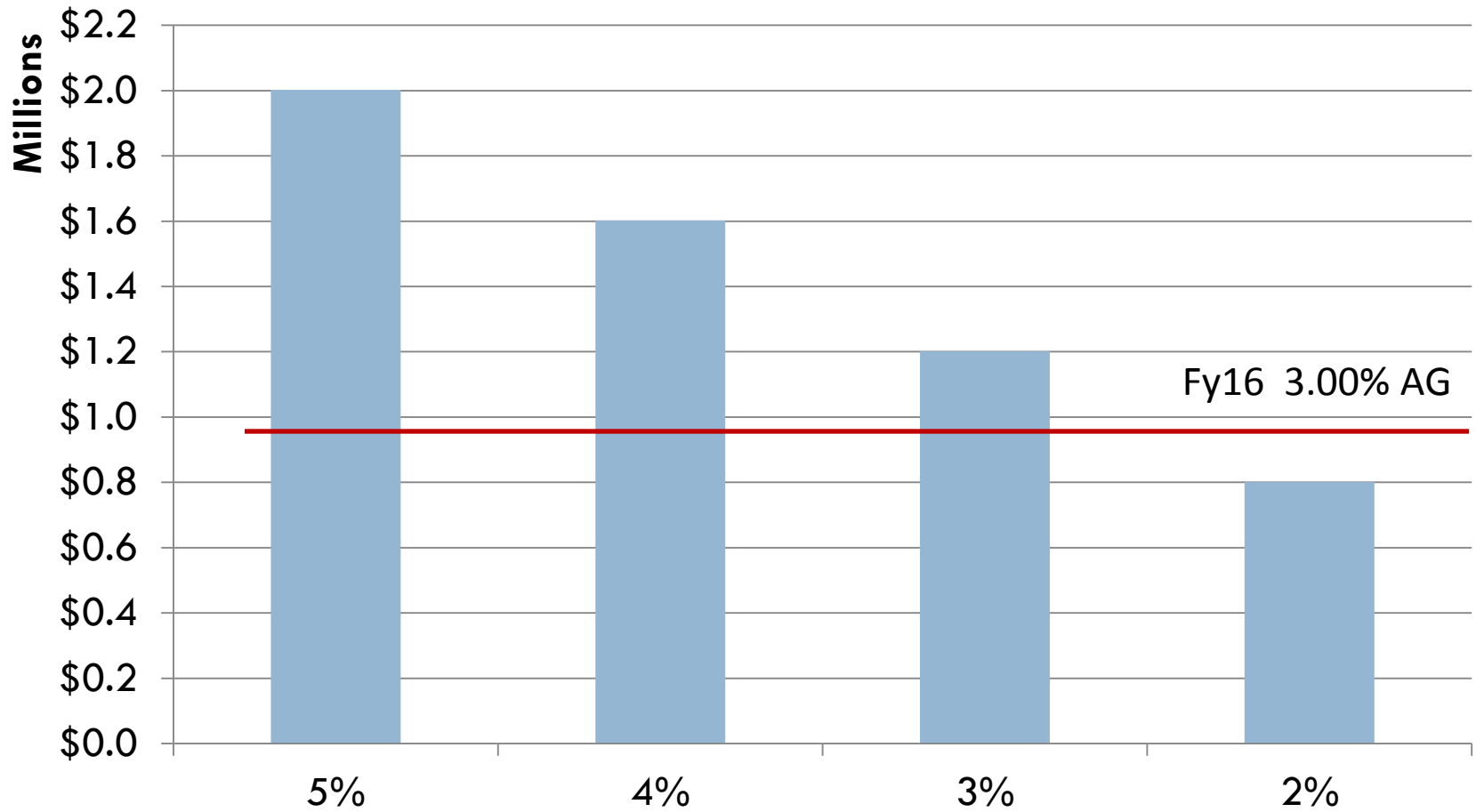
- October, 2014 – Total students served (includes 4 yr. old program) by the District increases 79.3 students to 5,191.0.
  - ▣ 355.0 students are open enrolled in from other Districts.
  - ▣ 64.0 students (weighted) enrolled in 4 yr. old program
    - 128 actual students
- October, 2014 – River Hills consortium enrollment dips slightly from 107.0 to 96.0 students
- Overall District enrollment is projected to continue increasing creating more pressure to keep student-teacher ratios down as the District works with limited resources.
  - ▣ 5 yr. avg. inc. (Fy10 – Fy14) - 90.5 students/yr. (includes OE in)
  - ▣ 10 yr. avg. inc. (Fy05 – Fy14) - 75.6 students/yr. (includes OE in)
    - River Hills students are not included

# History of Supplemental State Aid (Allowable Growth)



# Projected Settlements vs. Fy16

## Supplemental State Aid (Assumes 2.0% Increase)



Additional costs resulting from full implementation of the Patient Protection Affordable Health Care Act are NOT included.

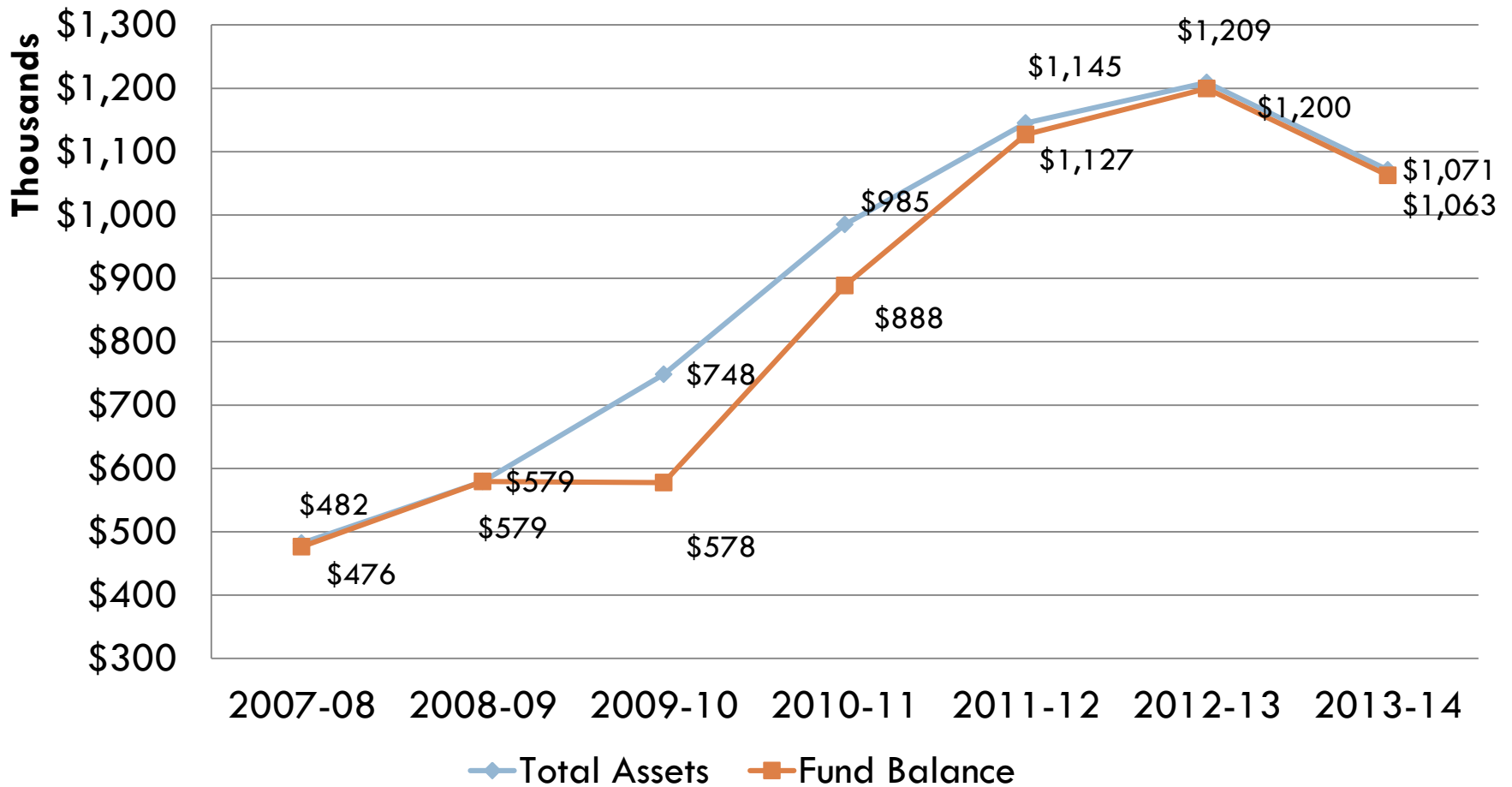
# Other District Funds

- Other District funds:
  - Management
  - Physical Plant & Equipment Levy (PPEL)
  - Secure A Vision for Education (SAVE) (formally LOT)
  - Activity
  - Nutrition
- These are specific use funds that are subject to laws and regulations established by the Code of Iowa and Iowa Administrative Code.
- Definitions:
  - Total Assets = Cash, Receivables and Inventory on hand.
  - Fund Balance = Total Assets minus Payables and Accrued Expenses due.

# Management Fund

- Restricted fund
  - Board of Education Controlled
  - Used for property/liability/auto/workman compensation/etc. insurance premiums
  - Property loss not covered by deductibles
  - Early severance benefits

# Management Fund

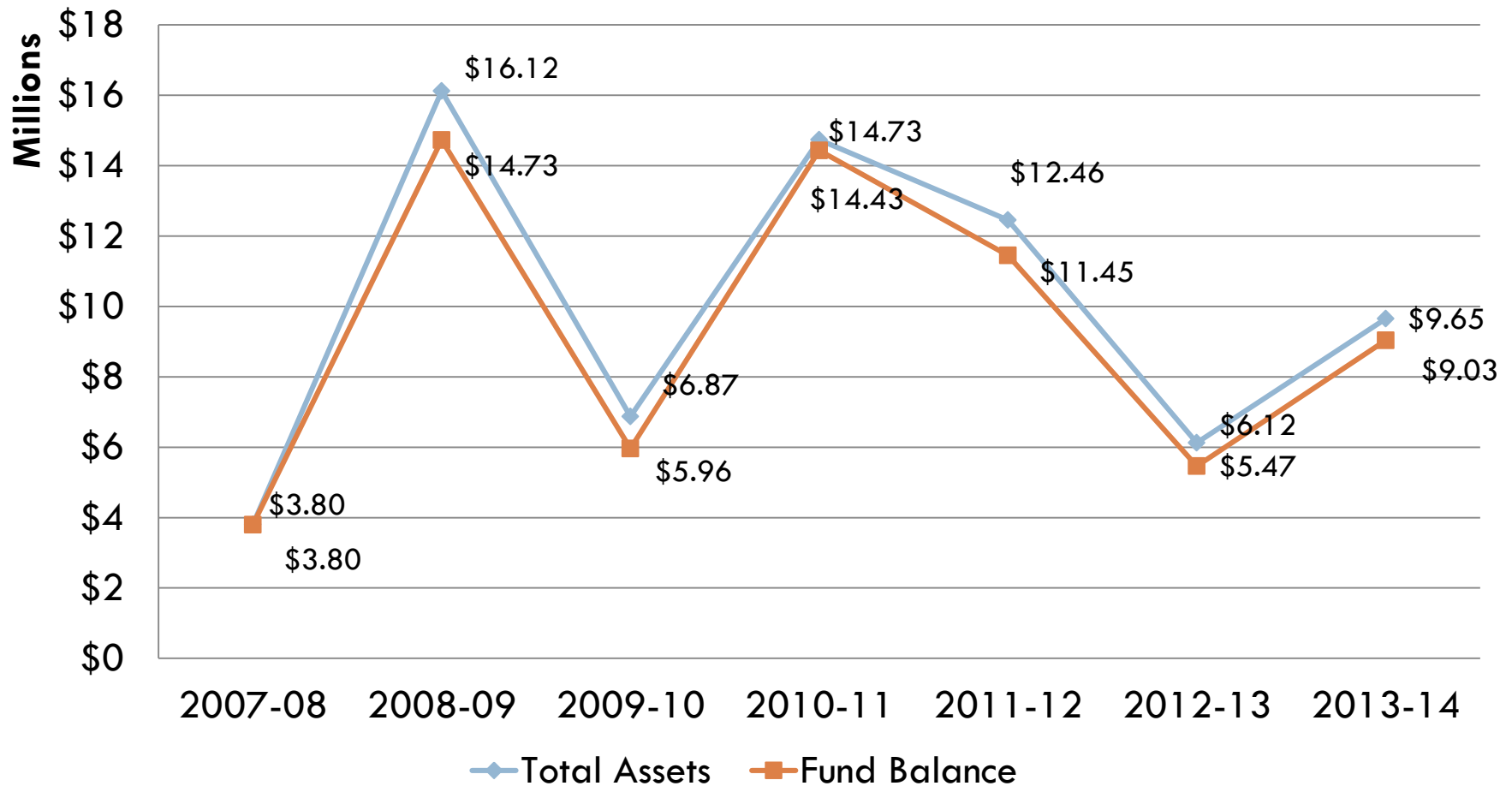




# Secure A Vision for Education (SAVE) – Formally LOT

- Restricted fund
  - ▣ Construction, remodeling, repairing and furnishing of new or existing buildings
  - ▣ Purchase or improve school grounds
  - ▣ Procure or open roads to buildings
  - ▣ Emergency repairs
  - ▣ Payment of principle and interest or retirement of general obligation bonds

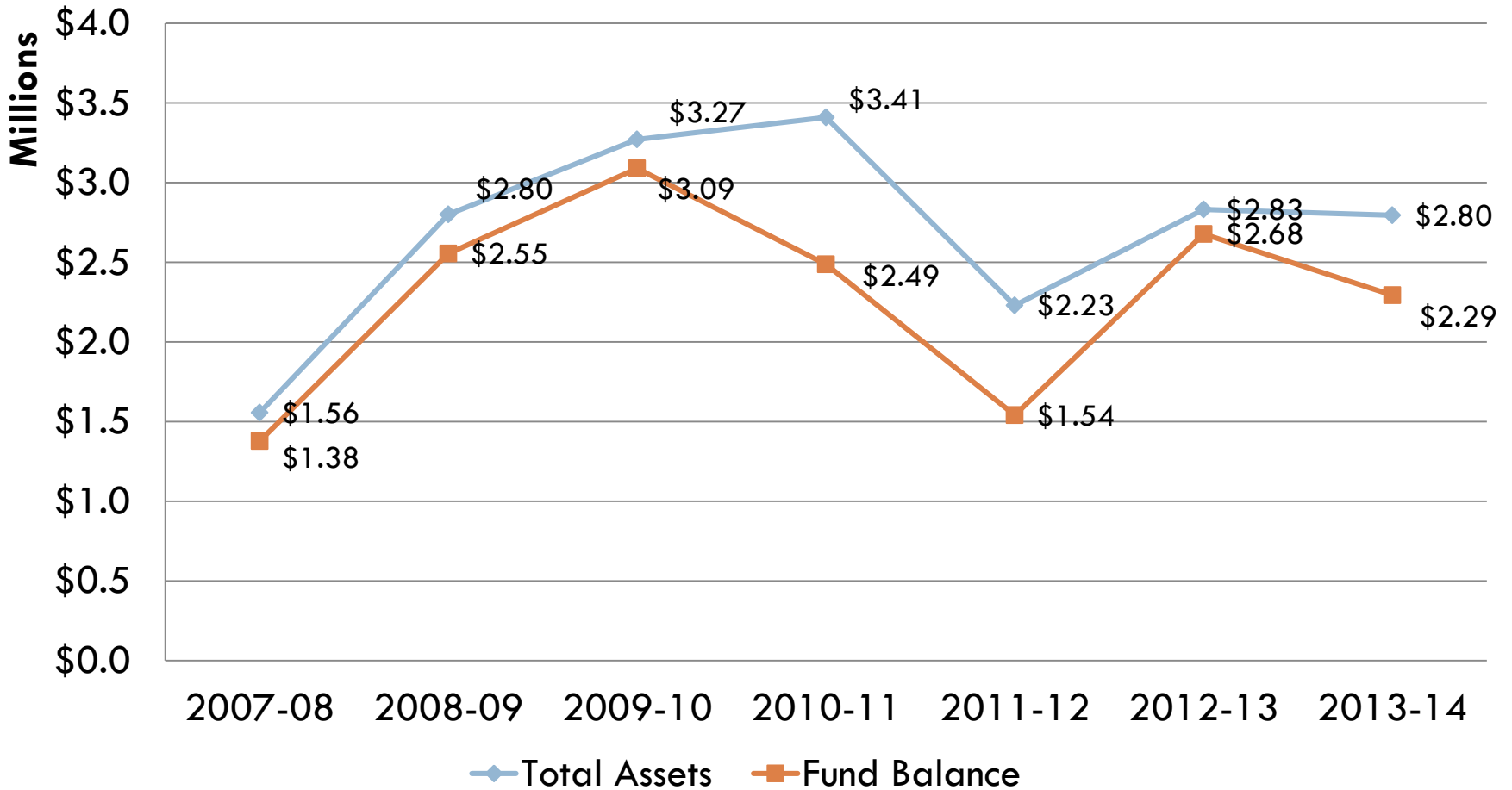
# Secure A Vision for Education (SAVE) – Formally LOT



# Physical Plant & Equipment Levy

- Restricted fund with two parts
  - Board of Education Controlled – up to \$0.33/\$1,000 (regular)
  - Voters approved additional \$1.34/\$1,000 levy
    - Expires at the end of the 2017-18 school year
  - Can be used for:
    - Purchase or improvement of grounds
    - Construction, repairing or remodeling of schoolhouses or roads to schoolhouses including debt for same
    - Purchase or lease of equipment greater than \$500 per unit
      - Technology bundling included
    - Purchase or lease of school buses or other vehicles
    - Leasing or renting of facilities

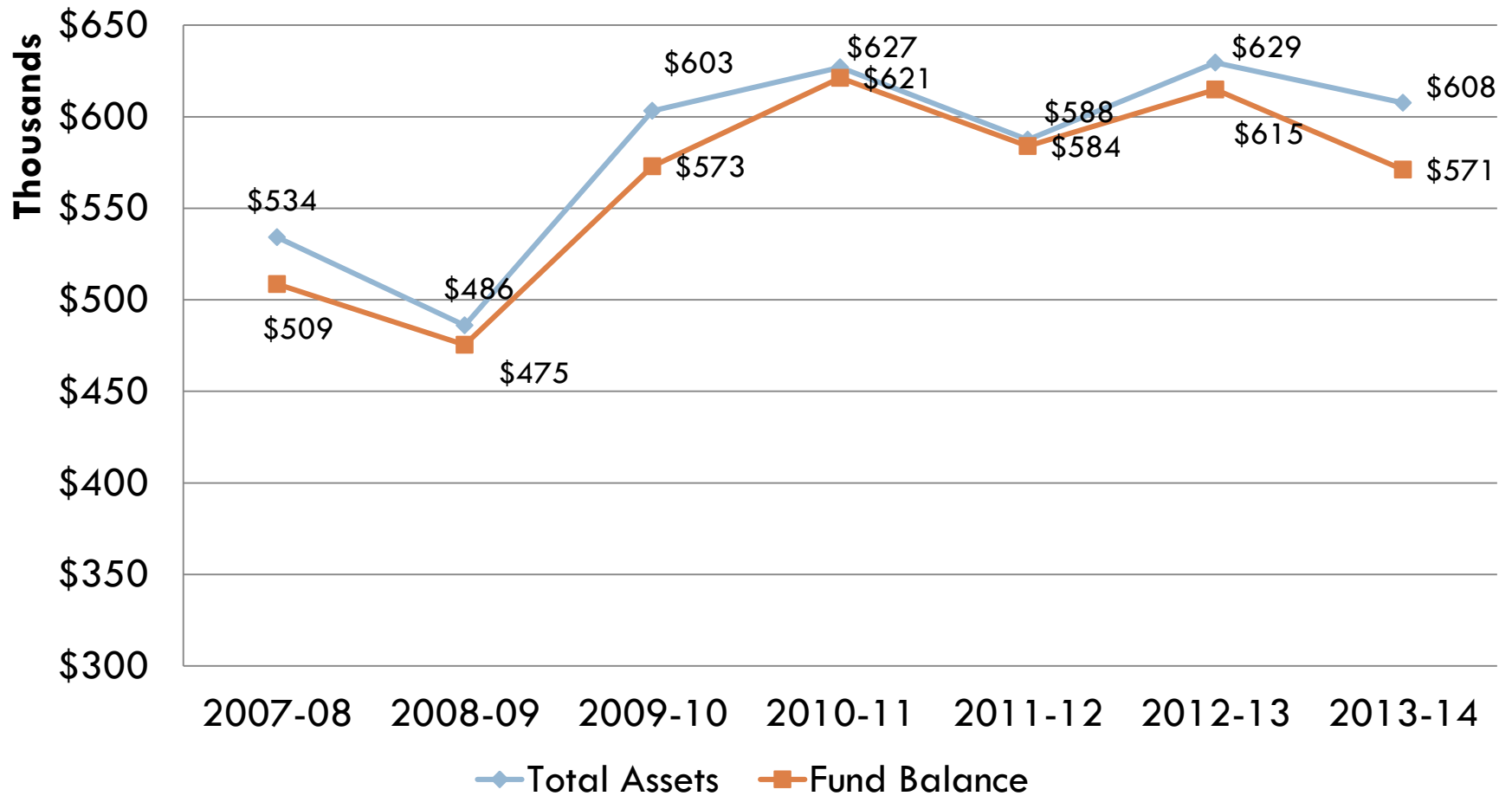
# Physical Plant & Equipment Levy



# Activity Fund

- Restricted fund
  - ▣ Account for student-related activities
    - Admissions
    - Activity Fees
    - Student Dues
    - Student Fund Raising Events
    - Student related co-curricular or extra-curricular activities

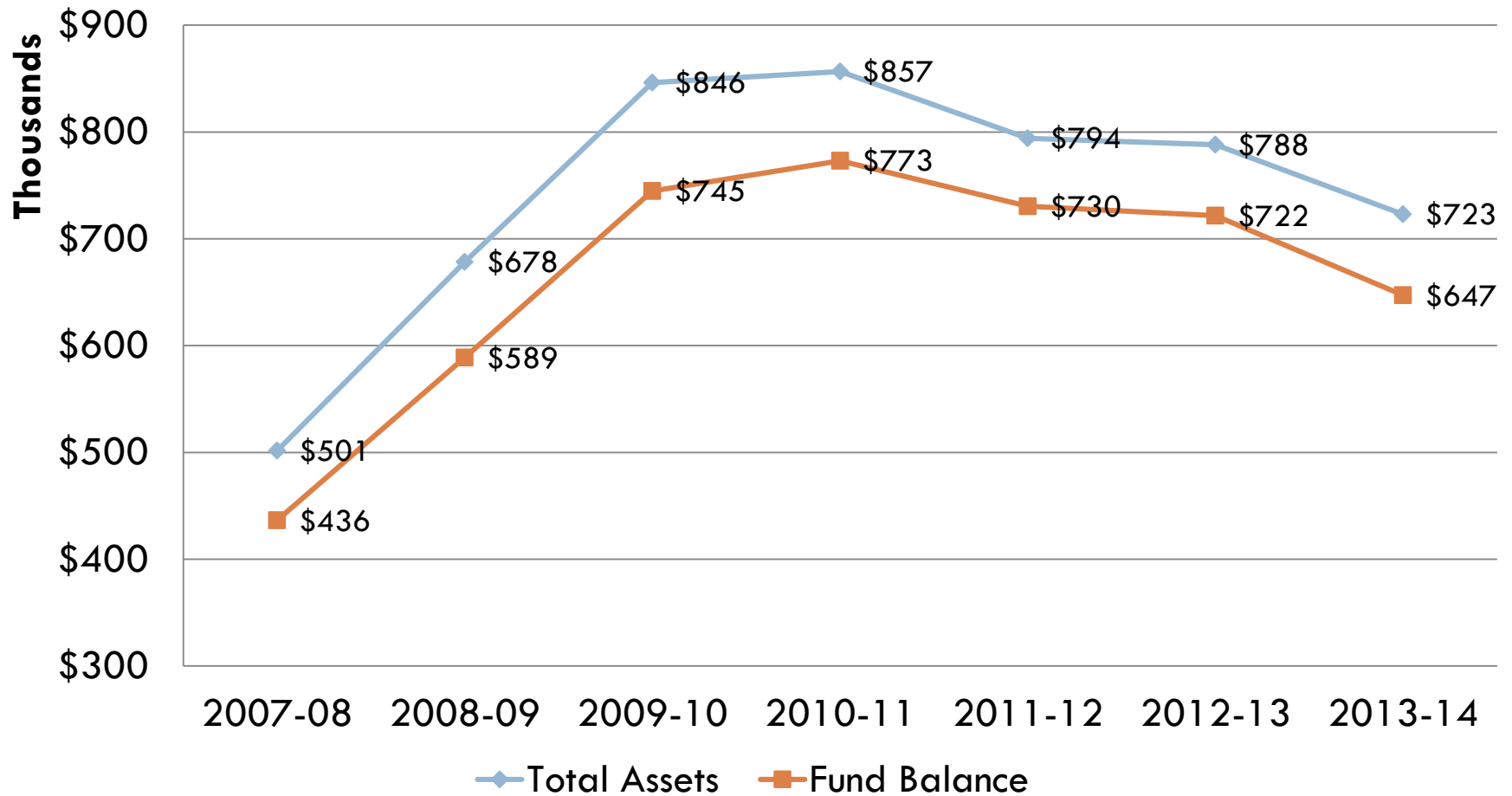
# Activity Fund



# Nutrition Fund

- Restricted fund
  - Considered an Enterprise Fund
    - Business type activity
      - Fund for which a fee is charged to external users for good or services
  - Account for all transactions for nutrition programs authorized under Iowa Code Chapter 283A

# Nutrition Fund





# Summary

- As of June 30, 2014
  - ▣ District's financial condition:
    - District increases General Fund cash balance
      - Increase of \$2,037,076 (June 20, 2014)
    - Smallest increase in unspent budget authority in the last five years (\$302,244)
  - ▣ Increases in enrollment without increases in supplemental state aid (allowable growth) puts more pressure on general fund
    - Continued requirements and changes in curriculum may necessitate additional teaching staff

# Summary

- ▣ Property tax reform legislation will impact overall district assessed valuation
  - Possible higher residential property tax rate
  - Commercial/Industrial rollback from 95% to 90% for Fy2016
  - Impact of new rental property valuation assessment legislation unknown
- ▣ Special Education
  - District continues to meet the needs of students
  - Medicaid funding helped reduce special education expenses
    - + \$94,397 balance for Fy2014
  - Patient Protection and Affordable Health Care Act will increase special education staff costs
    - Projected \$372,442 cost increase for Fy2015
  - Special education deficit will most likely return for Fy2015

# Summary

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- We must continue to closely monitor budget and funding changes in order to make decisions that
  - Maintain a positive learning environment
  - Maintain a positive financial condition

- Special thank you to Denelle Gonnerman, Carrie DeBerg and the District Business Office staff for their assistance.

- Questions?

