

**JOHNSTON COMMUNITY SCHOOL DISTRICT  
ANNUAL FINANCIAL HEALTH REPORT**

**Prepared by  
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Note: Those highlighted represent the seven general fund key financial indicators recommended by IASB.

**Financial Indicators Executive Summary:**  
**This report references the General Fund only.**

The district's overall financial condition improved fiscal year 2019 from a spending authority perspective, but decreased from a cash balance perspective due to the inability to levy as much cash reserve. There was 3.7% new money (1.0% SSA and increased enrollment), controlled staffing, and a continuation of no textbook adoptions. The District has not done formal adoptions for several years, instead \$650,000 is budgeted for curriculum resources.

The Board has been diligent in increasing financial solvency through the board's decision to deliberately levy additional cash reserves. From FY 2003 through FY 2018, the district increased its financial solvency from a negative 6.3% to a positive 18.5%. While six years of that time period included state funding of 4%, two of those years included across the board cuts. The remaining years of that time period averaged a low 1.4% state funding. The actual history by year for state funding is shown on the settlement history page.

Financial solvency decreased this last year from 18.5% to 16.2% as \$2.3 million less was levied in the cash reserve levy as our ability to levy decreased. The maximum cash reserve levy is based on 20% of a district's general fund expenditures less the unexpended fund balance two years prior. Going forward, FY21 will be based on FY18 expenditures and fund balance, and the district should be able to increase the cash reserve to approximately \$4 million as opposed to \$1.5 million which should increase the financial solvency ratio again.

The budget reductions from fiscal year 2015 along with controlled staffing and reallocated curriculum resources have enabled the district to maintain strong financial solvency. This helped set the district up for the increased costs of opening a new high school building, renovated middle school, and renovated Wallace Elementary/Johnston Early Learning Academy as district square footage increased, as well as increasing teacher positions due to enrollment demands that could no longer be deferred. Future state funding remains questionable but promising with state revenues showing an increase.

However, the district will need to continue to keep a tight hold on staffing as there have been significant changes in certified enrollment in the past two years, and certified enrollment is a major determining factor in school funding. While enrollment over the last ten years has averaged over a 100 student increase, the district saw a decrease in students during the 2018 count of 16.44 and just an increase of approximately 48 during the recent 2019 count.

The general fund balance decreased \$1.6 million and financial solvency decreased from 18.5% to 16.2%. Restricted fund balances decreased \$110,766, and represent fund balances that can only be spent for specific purposes. Some of the large balances are Preschool \$426,639, PDTQ \$394,254, and TLC \$302,021. Total restricted fund balance is \$1,619,991 making up 11.3% of the overall total fund balance of \$14,315,3942 as of the end of the year.

Board policy has a financial solvency ratio target of 5-15% with 10% as a minimal goal, and unspent target of 5-15%. Since the district was up against the maximum cash reserve limit, it was not able to levy additional cash reserves and was only able to levy \$1,742,868 toward SBRC requests. Typically, the district would levy the amount to support the SBRC requests as well as additional cash in a desire to increase the financial solvency ratio, fund supplemental state aid for increased enrollment, and protect the district against unfunded state aid.

At the end of fiscal 2019, the District has a positive fund balance, financial solvency ratio in excess of the target, and unspent balance within the target and similar to the prior year. This will help cushion the district during fiscal 2020 with less funding due to decreased enrollment count from fall of 2018. Looking out beyond fiscal year 19, it will be necessary to levy cash reserves when possible to maintain acceptable levels within the financial indicators. It will also be important to monitor and adjust recurring expenses such as salaries and benefits to maintain acceptable unspent balance, especially since state funding is uncertain and certified enrollment is changing.

# Financial Indicators Summary Sheet

**2015      2016      2017      2018      2019**

<b>Balance Sheet Comparison</b>					
Assets	10.4%	10.7%	6.9%	1.5%	0.1%
Liabilities	5.0%	0.7%	60.0%	-1.0%	4.5%
Fund Balance	46.5%	58.0%	26.2%	7.7%	-10.6%
<b>Rev. &amp; Expend. Comparison</b>					
Revenues	7.9%	5.9%	3.1%	3.2%	2.2%
Expenditures	4.9%	3.3%	5.1%	5.9%	5.7%
Fund Balance	46.5%	58.0%	26.2%	7.7%	-10.6%
<b>Current Ratio, Measures Short-term Solvency</b>	120.9%	132.8%	141.2%	144.8%	138.6%
<b>Day's Net Cash Ratio Short Term Solvency (Days)</b>	73	94	102	105	95
<b>Financial Solvency Ratio, District Equity Position</b>	8.9%	14.0%	17.7%	18.5%	16.2%
<b>Percent Revenues Spent</b>	96.9%	94.5%	96.3%	98.8%	102.2%
<b>Annual Unspent Ratio</b>	2.40%	2.35%	2.13%	1.48%	1.01%
<b>Fund balance to unspent balance, Measures fiscal health.</b>	96%	125%	134%	131%	110%
<b>Unspent Balance Ratio, Unbudgeted Spending Reserves:</b>					
Regular	10.1%	11.7%	12.9%	13.4%	13.5%
Unreserved	8.3%	9.7%	10.9%	11.5%	11.8%
<b>Employee Cost Ratio</b>	81.5%	81.9%	78.4%	77.7%	76.8%

# Description of Financial Indicator Ratios

## **Current Ratio (CR):**

The current ratio is one of the most widely used measures of short-term liquidity for both public and private sector organizations. It is used to predict the school's ability to meet its current obligations from current assets from continuing operations. The operational equation is:  $\text{current ratio} = \frac{\text{current assets}}{\text{current liabilities}}$ . The minimum target range for this indicator is 1.0. An indicator of less than 1.0 would indicate a condition where the district has more current liabilities than assets.

## **Day's Net Cash Ratio (DCR):**

The Day's Net Cash Ratio is typically calculated at the end of a fiscal period and gives a good indication of how long a district can operate without the additional infusion of revenue. One of the limitations of this indicator is that district expenditures are most generally made in large amounts on only a few days each month such as monthly payroll. At the same time, most schools receive revenue in large amounts only a few times per month such as state aid that is received once a month September through June. The timing of these receipts and expenditures is important to maintaining effective business operations. For this reason, the Day's Net Cash Ratio is important. Inadequate cash on hand to service expenditure obligations requires the school to borrow funds creating added debt expense not directly tied to student instruction. However, an over abundance of cash could be construed as excess accumulation of cash from community taxpayers. The operational equation is:  $\text{day's net cash ratio} = \frac{\text{cash} + \text{investments}}{\text{total general fund expenditures}/365}$ . The target range for this indicator is 90 to 120 days. In Iowa, it is especially important to note that state foundation aid to schools ends each fiscal year in mid-June, and the first payment for the new fiscal year does not begin again until mid-September, a full 90 day gap. In addition to this gap, districts typically purchase new fiscal year supplies during the summer months, so expenditures increase during a time when revenue is not received.

## **Employee Cost Ratio (ECR):**

Because education is a service based industry, staffing costs represent the single largest category of general fund expenditures for school districts. This ratio illustrates important trend changes in staffing costs as a percent of general fund expenditures. Historically, budget data show districts spending 75-85% of their general fund on staff related costs. The operational equation is:  $\text{wages plus benefits} / \text{general fund expenditures}$ .

## **Financial Solvency Ratio (FSR):**

This is a measure of financial health that was revised in 2011 for current terminology regarding fund balances. The ratio of unassigned plus assigned general fund balance to actual revenues is defined in the following operational equation:  $\text{financial solvency ratio} = \frac{\text{unassigned plus assigned general fund balance}}{\text{general fund revenues} - \text{AEA flow thru}}$ . The target ranges and classification criteria establish the following: (a) target solvency position equals 5.00%-10.00%, (b) acceptable solvency position equals 0.00%-4.99%, (c) solvency alert equals -3.00%--0.01%, and (d) solvency threat equals less than -3.00%.

## **Unspent Balance Ratio (UBR):**

The Unspent Balance Ratio measures the amount of cumulative district spending authority not spent at the end of each fiscal year. This ratio is unique to Iowa schools. Iowa schools are funded according to a state formula, which is different than any other in the country. Because spending authority is vitally important to the financial health of any Iowa district, it must be included as an indicator to assess fiscal health. Department of Management provides data for this indicator on the report titled Unspent Balance Calculations. The operational equation is:  $\text{unspent balance ratio} = \frac{\text{unspent cumulative spending authority}}{\text{maximum budget authority}}$ . The target range for this indicator logically is roughly equal to that of fund balance, and the minimum suggested target should be 5%.

## Balance Sheet Comparisons General Fund Only

	<u>fy15</u>	<u>fy16</u>	<u>fy17</u>	<u>fy18</u>	<u>fy19</u>	<u>\$ Change</u>	<u>% Change</u>
<b>Assets:</b>							
Cash & Investments	\$ 13,603,745	\$ 18,291,764	\$ 20,734,693	\$ 22,629,613	\$ 21,718,466	\$ (911,147)	-4.4%
Receivables	29,099,613	28,942,970	29,775,258	28,651,729	29,608,135	\$ 956,406	3.2%
Inventories	44,102	66,752	60,138	70,133	71,233	\$ 1,100	1.8%
ISCAP						\$ -	\$ -
Other Assets	-	-	-	762	-	\$ (762)	\$ (1,524)
<b>Total Assets</b>	<b>42,747,460</b>	<b>47,301,486</b>	<b>50,570,089</b>	<b>51,352,237</b>	<b>51,397,834</b>	<b>45,597</b>	<b>0.1%</b>
<b>Liabilities:</b>							
Payables	1,606,807	1,605,379	1,828,880	2,456,197	3,859,351	\$ 1,403,154	76.7%
Payroll	6,867,058	6,936,024	7,369,829	7,445,185	7,444,554	\$ (631)	0.0%
Other Liabilities	26,880,393	27,077,893	26,627,362	25,565,373	25,778,535	\$ 213,162	0.8%
<b>Total Liabilities</b>	<b>35,354,258</b>	<b>35,619,296</b>	<b>35,826,071</b>	<b>35,466,755</b>	<b>37,082,440</b>	<b>1,615,685</b>	<b>4.5%</b>
<b>Fund Balance:</b>							
Restricted	1,327,468	1,592,327	1,636,871	1,730,657	1,619,991	\$ (110,666)	-6.8%
Unassigned	6,065,734	10,089,863	13,107,148	14,154,825	12,695,403	\$ (1,459,422)	-11.1%
<b>Total Fund Balance</b>	<b>\$7,393,202</b>	<b>\$11,682,190</b>	<b>\$14,744,018</b>	<b>\$15,885,482</b>	<b>\$14,315,394</b>	<b>(\$1,570,088)</b>	<b>-10.6%</b>

Note: The large receivables and payables include fy20 property taxes certified by the county auditor. GASB reporting requires the inclusion of these taxes when certified.

## Revenue & Expenditures Comparison General Fund Only

	<u>fy15</u>	<u>fy16</u>	<u>fy17</u>	<u>fy18</u>	<u>fy19</u>	<u>\$ Change</u>	<u>% Change</u>
Revenues:							
Local tax sources	\$ 25,486,419	\$ 26,484,241	\$ 26,838,771	\$ 27,390,400	\$ 26,302,507	\$ (1,087,893)	-4.0%
State sources	38,063,762	\$ 40,660,813	\$ 42,716,604	\$ 43,157,289	\$ 44,770,291	\$ 1,613,002	3.7%
Federal sources	2,066,035	\$ 2,126,015	\$ 2,317,665	\$ 2,760,895	\$ 3,119,381	\$ 358,486	13.0%
Other local sources	4,950,701	\$ 5,484,298	\$ 5,220,169	\$ 6,253,651	\$ 7,101,939	\$ 848,288	13.6%
<b>Total revenues</b>	<b>70,566,917</b>	<b>74,755,367</b>	<b>77,093,209</b>	<b>79,562,235</b>	<b>81,294,118</b>	<b>1,731,883</b>	<b>2.2%</b>
Expenditures:							
Instruction	48,109,356	49,471,569	52,036,025	54,608,777	57,810,655	\$ 3,201,878	5.9%
Support services	17,533,913	18,319,946	19,230,046	20,913,217	22,025,833	\$ 1,112,616	5.3%
Noninstructional	134,427	138,485	142,490	146,356	148,569	\$ 2,213	1.5%
Other expenditures	2,610,924	2,746,923	2,840,921	2,977,024	3,110,039	\$ 133,015	4.5%
<b>Total expenditures</b>	<b>68,388,620</b>	<b>70,676,923</b>	<b>74,249,482</b>	<b>78,645,374</b>	<b>83,095,096</b>	<b>4,449,722</b>	<b>5.7%</b>
Operating Transfers	169,884	210,544	218,102	224,602	230,890	\$ 6,288	
Upward Adjustment						\$ -	
<b>Changes in fund balance:</b>	<b>2,348,181</b>	<b>4,288,988</b>	<b>3,061,829</b>	<b>1,141,463</b>	<b>(1,570,088)</b>	<b>\$ (2,711,551)</b>	
Excess(deficiency) of Revenues and Expenditures	<u>2,348,181</u>	<u>4,288,988</u>	<u>3,061,829</u>	<u>1,141,463</u>	<u>(1,570,088)</u>	<u>(2,711,551)</u>	

## Contribution Ratio General Fund

**Formula:** 
$$\frac{\text{Line Source Revenue}}{\text{Total Revenue}}$$

Year	2015	2016	2017	2018	2019
Local	\$25,486,419	\$26,484,241	\$26,838,771	\$27,390,400	\$26,302,507
State	38,063,762	40,660,813	42,716,604	43,157,289	44,770,291
Federal	2,066,035	2,126,015	2,317,665	2,760,895	3,119,381
Other	4,950,701	5,484,298	5,220,169	6,253,651	7,101,939
<b>Total</b>	<b>\$70,566,917</b>	<b>\$74,755,367</b>	<b>\$77,093,209</b>	<b>\$79,562,235</b>	<b>\$81,294,118</b>

Year	2015	2016	2017	2018	2019
Local	36.1%	35.4%	34.8%	34.4%	32.4%
State	53.9%	54.4%	55.4%	54.2%	55.1%
Federal	2.9%	2.8%	3.0%	3.5%	3.8%
Other	7.0%	7.3%	6.8%	7.9%	8.7%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

**Purpose:** Measures local taxation effort

**Trend:** N/A

**Target:** N/A

**Need/Concern:** As a district's property tax wealth grows, the school aid formula shifts financial responsibility from the state to the local district.

**Corrective Action:** N/A

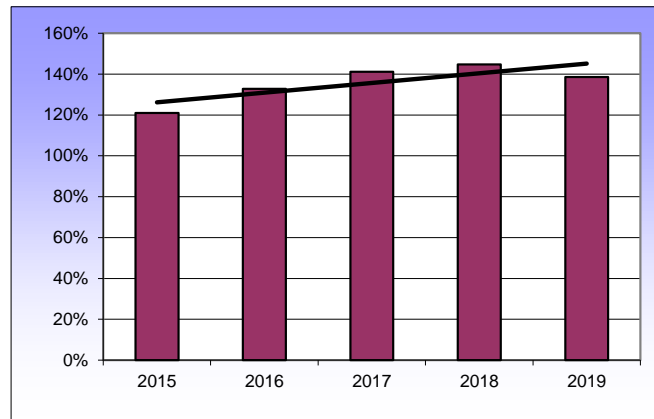


# Current Ratio

$$\frac{\text{Current Assets}}{\text{Current Liabilities}}$$

## Financial Information and Computation:

Year	2015	2016	2017	2018	2019
<b>Assets</b>	\$ 42,747,460	\$ 47,301,486	\$ 50,570,089	\$ 51,352,237	\$ 51,397,834
<b>Liabilities</b>	\$ 35,354,258	\$ 35,619,296	\$ 35,826,071	\$ 35,466,755	\$ 37,082,440
<b>Ratio</b>	120.91%	132.80%	141.15%	144.79%	138.60%



**Purpose:** Measures short - term solvency

**Trend:** FY 15 budget reductions, controlled staffing FY 16-FY 18, new money 3.17% (1.11% SSA) , and continued and continued cash reserve levy equates to an increased current asset to liability ratio FY18 but recognized a decrease in FY19 due to less cash reserve levied.

**Target:** A minimum target of 100%. An indicator less than zero would indicate a condition where the District has more liabilities than assets.

**Need/Concern:** When the assets/liabilities ratio is below 1, the district does not have the ability to pay off all current liabilities. Outside financial companies use this as a measure of financial health. The ratio needs to be greater than 1 to obtain the best bond rating possible.

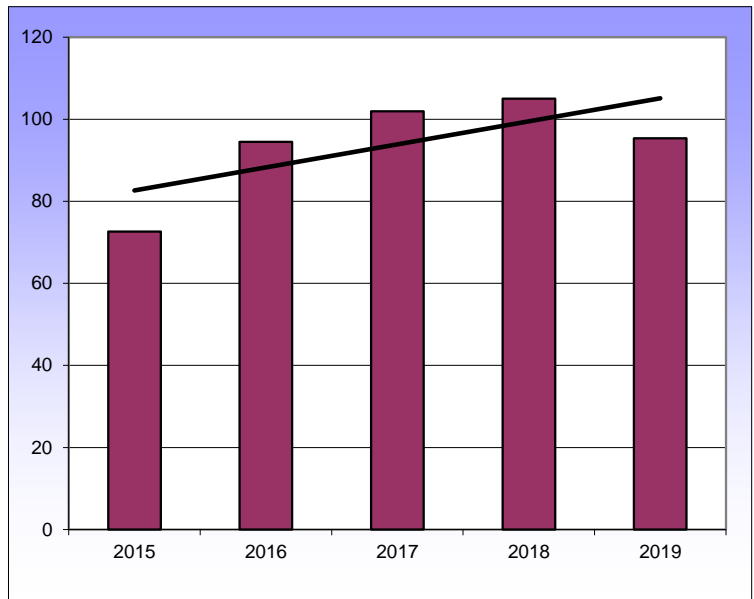
**Corrective Action:** Continue to levy cash reserve to extent possible to keep the trend improving and monitor expenses to maintain an adequate fund balance

# Day's Net Cash Ratio

**Formula: Cash & Investments**  
 Average Daily Cash Expenditures

**Financial Information and Computation:**

Year	2015	2016	2017	2018	2019
Cash & Investment	\$ 13,603,745	\$ 18,291,764	\$ 20,734,693	\$ 22,629,613	\$ 21,718,466
Total Expenditures	\$ 68,388,620	\$ 70,676,923	\$ 74,249,482	\$ 78,645,374	\$ 83,095,096
Daily (365) Expenditures	\$187,366	\$193,635	\$203,423	\$215,467	\$227,658
Ratio In Days	73	94	102	105	95



**Purpose:** Measures short-term solvency and ability to cash-flow expenditures without receiving additional revenue

**Trend:** Slightly downward

**Target:** 90 days

While this indicator is at the target, it has decreased due to the inability to levy more cash reserves.

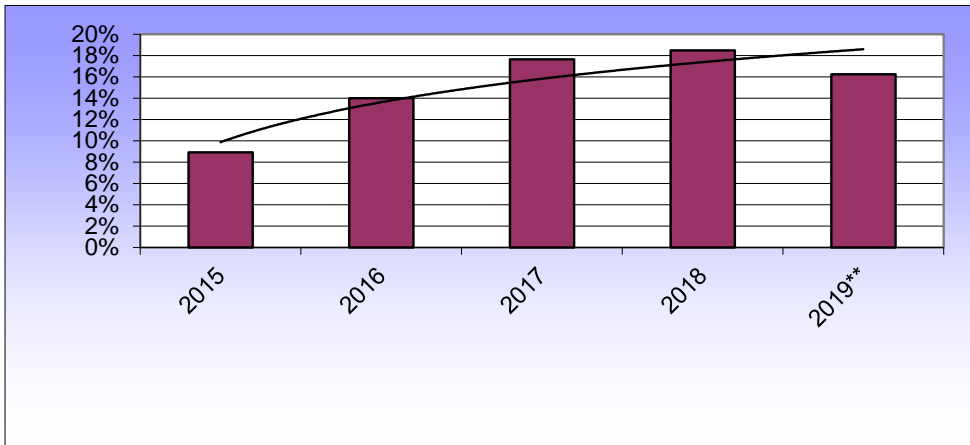
**Corrective Action:** Continue to levy cash reserve

# Financial Solvency Ratio\*

## Financial Information and Computation:

$$\frac{\text{Unassigned Fund Balance}}{\text{Total Revenue-AEA flowthru}}$$

Year	2015	2016	2017	2018	2019**
UUFB	\$ 6,065,734	\$10,089,863	\$ 13,107,148	\$ 14,154,825	\$ 12,695,403
Revenue	\$ 67,955,993	\$ 72,008,444	\$ 74,252,288	\$ 76,585,211	\$ 78,184,079
F/S Ratio	8.9%	14.0%	17.7%	18.5%	16.2%



- Target Solvency Position, 5 - 10%
- Acceptable Solvency Position, 0 - 4.99%
- Solvency Alert, -3 - 0%
- Solvency Concern, -3% & lower

\*As defined by the Iowa Association of School Boards

\*\*Estimated

**Purpose:** Measures the District's Fund Equity position

**Trend:** The percent spent is indicative of state funding coupled with expenses- and the ability to levy cash reserve. During FY 15, there was a social studies adoption, \$1M budget reductions and 4% funding, followed by FY 16 4.5% new money (1.25% SSA), FY 17 4.4% new money (2.25% SSA), no adoptions, and controlled staffing. FY 18 and FY 19 had no adoptions, 1-1.1% SSA with new money 3.17% and 3.71% respectively. We decreased in our ability to levy cash reserve levy from \$4M FY 18 to \$1.7M FY 19.

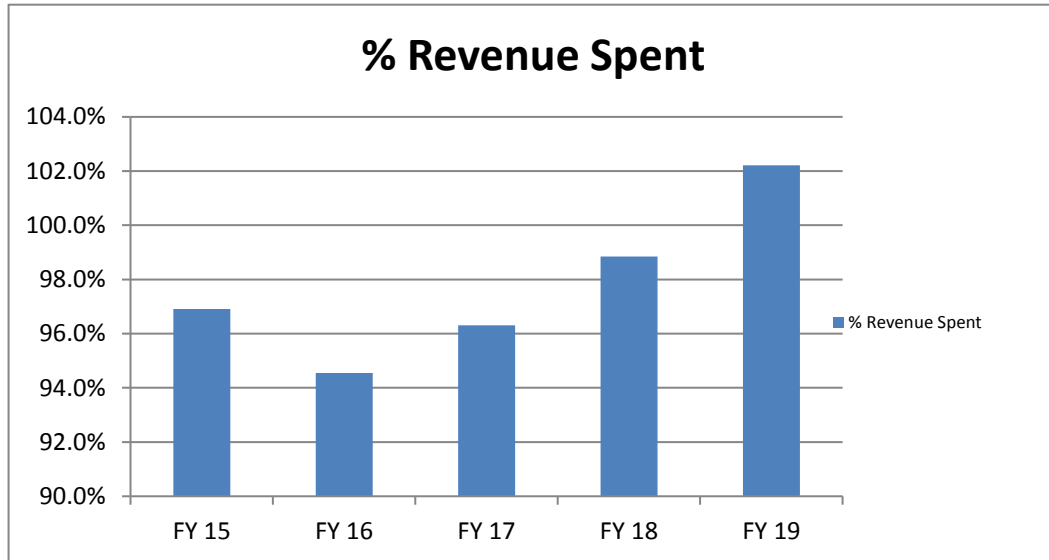
**Target:** Minimum of 5%, Goal 10%

**Need/Concern:** The target has been met due to cash reserve levy, FY 15 budget reductions carried forward with controlled staffing and a set amount for curriculum in lieu of formal textbook adoptions.

Continue to levy cash reserve, monitor and adjust recurring sal/ben expenses.

# % Revenue Spent

	FY 15	FY 16	FY 17	FY 18	FY 19
Expenditures	68,388,620	70,676,923	74,249,482	78,645,374	83,095,096
Revenues	70,566,917	74,755,367	77,093,209	79,562,235	81,294,118
% Spent	96.9%	94.5%	96.3%	98.8%	102.2%



**Purpose:** To show if we are using all of our resources each year

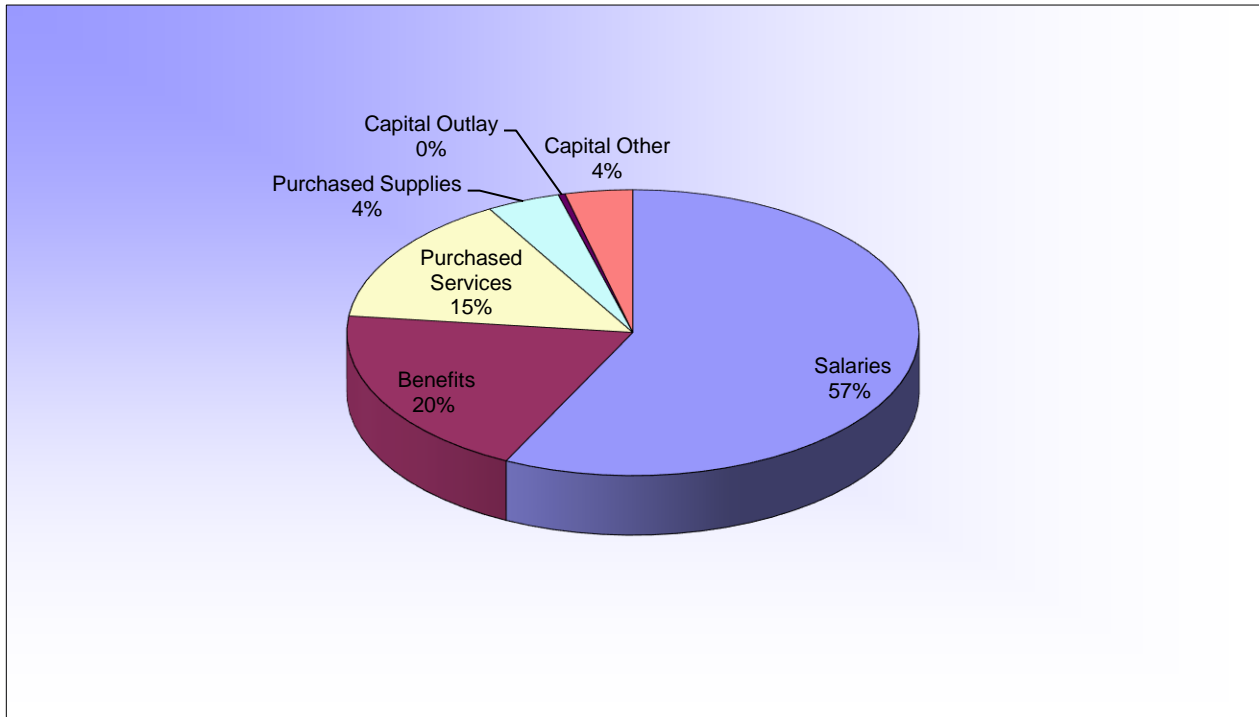
**Trend:** The percent spent is indicative of state funding coupled with expenses- and the ability to levy cash reserve. During FY 15, there was a social studies adoption, \$1M budget reductions and 4% funding, followed by FY 16 4.5% new money (1.25% SSA), FY 17 4.4% new money (2.25% SSA), no adoptions, and controlled staffing. FY 18 and FY 19 had no adoptions, 1-1.1% SSA with new money 3.17% and 3.71% respectively. We decreased in our ability to levy cash reserve levy from \$4M FY 18 to \$1.7M FY 19.

**Need/Concern:** We are partially limited by not being able to levy the max amount of cash reserve needed-that will continue to drive down the tax revenues and impact the percent of revenue spent. The district should be able to levy more cash levy for the FY 21 budget.

## GENERAL FUND DISTRICT EXPENDITURES, BY OBJECT

### Last Ten Fiscal Years

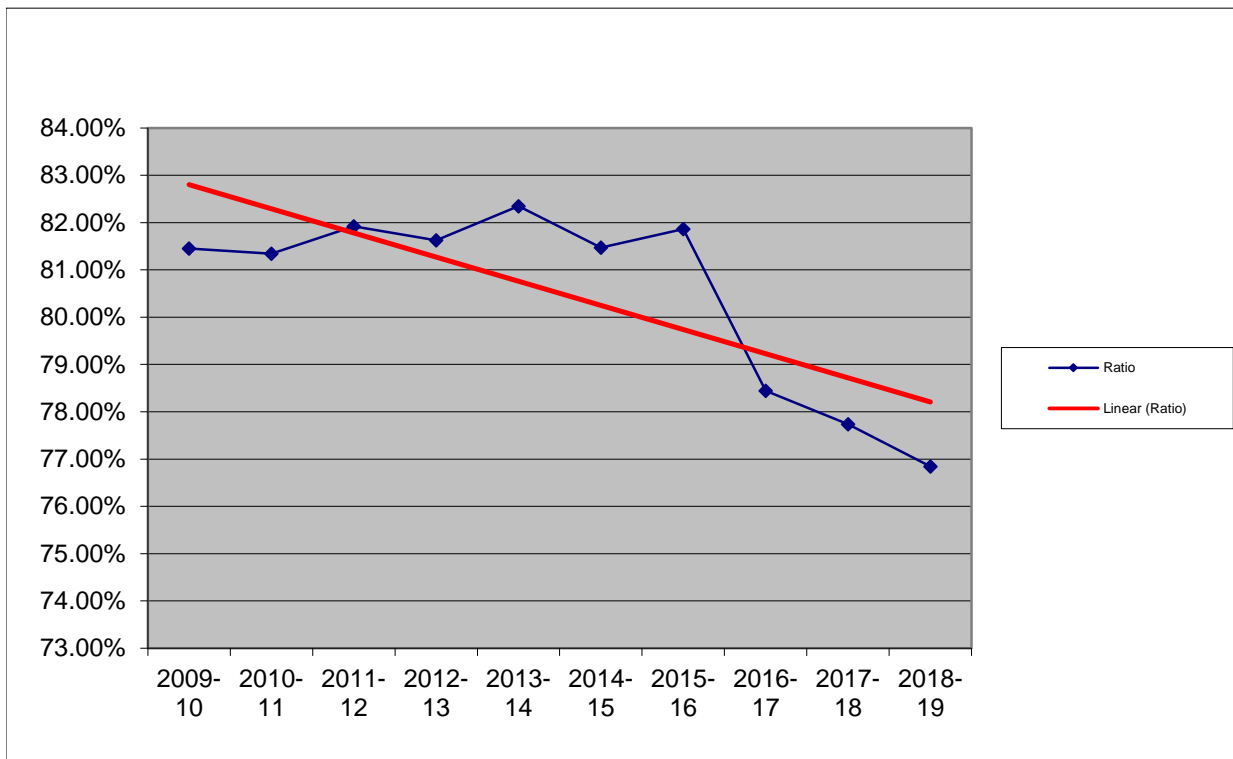
Fiscal Year	Salaries	Benefits	Purchased Services	Supplies	Capital Outlay	Other	Total
2018-19	\$47,607,796	\$16,245,989	\$12,294,409	\$3,450,980	\$315,733	\$3,180,189	\$83,095,096
2017-18	45,851,137	15,284,240	10,447,154	3,920,728	104,664	3,037,450	78,645,373
2016-17	43,808,211	14,436,051	9,665,408	3,252,436	182,486	2,904,890	74,249,482
2015-16	43,762,900	14,097,689	6,637,354	3,127,224	240,037	2,811,719	70,676,923
2014-15	42,176,915	13,539,660	6,262,212	3,588,852	145,937	2,675,044	68,388,620
2013-14	40,811,139	12,901,044	5,732,922	3,189,519	98,135	2,492,263	65,225,022
2012-13	39,792,304	12,028,192	5,277,632	3,874,187	123,294	2,389,077	63,484,686
2011-12	37,612,794	11,665,760	5,242,777	3,250,804	79,028	2,301,976	60,153,139
2010-11	36,399,406	10,697,119	4,919,049	3,400,912	92,771	2,390,968	57,900,225
2009-10	35,114,493	9,717,685	4,529,897	3,340,165	151,756	2,187,815	55,041,811



Source: 2019 Certified Annual Report

## Employee Cost Ratio General Fund Last Ten Fiscal Years

Fiscal Year	Wages & Benefits	Total Expenditures	Ratio
2009-10	\$ 44,832,178	\$ 55,041,811	81.45%
2010-11	\$ 47,096,525	\$ 57,900,225	81.34%
2011-12	\$ 49,278,554	\$ 60,153,139	81.92%
2012-13	\$ 51,820,496	\$ 63,484,686	81.63%
2013-14	\$ 53,712,183	\$ 65,225,022	82.35%
2014-15	\$ 55,716,575	\$ 68,388,620	81.47%
2015-16	\$ 57,860,589	\$ 70,676,923	81.87%
2016-17	\$ 58,244,262	\$ 74,249,482	78.44%
2017-18	\$ 61,135,377	\$ 78,645,373	77.74%
2018-19	\$ 63,853,785	\$ 83,095,096	76.84%



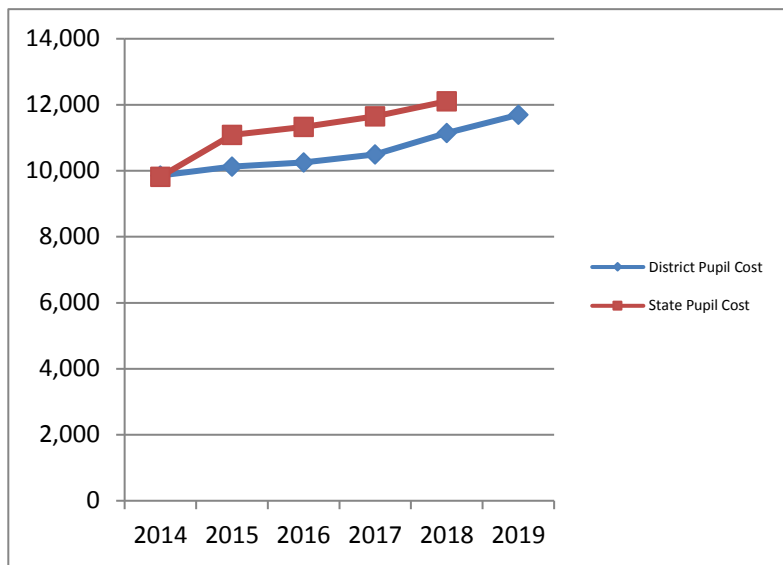
- Purpose:** Determine if salaries and benefits are at levels that can be sustained.
- Trend:** Percent decreased with the move to outsourced transportation FY17, with trend close to 81-82% for the eight years prior.
- Target:** 79-82%, and stabilize
- Need/concern:** Continue to monitor salaries and benefits.

# Cost Per Pupil

Formula: 
$$\frac{\text{Total General Fund Expenditures}}{\text{Certified Enrollment}}$$

## Financial Information and Computation:

Year	Total Expenditures	Certified Enrollment	District Per Pupil Cost	State Average Per Pupil Cost
2014	65,225,022	6,617.06	9,857	\$9,820
2015	68,388,621	6,756.09	10,123	\$11,091
2016	70,676,923	6,894.15	10,252	\$11,326
2017	74,250,082	7,074.06	10,496	\$11,653
2018	78,645,374	7,057.60	11,143	\$12,106
2019	83,095,096	7,105.50	11,694	NA



\*Estimated

**Purpose:** One measure of efficiency within the General Fund

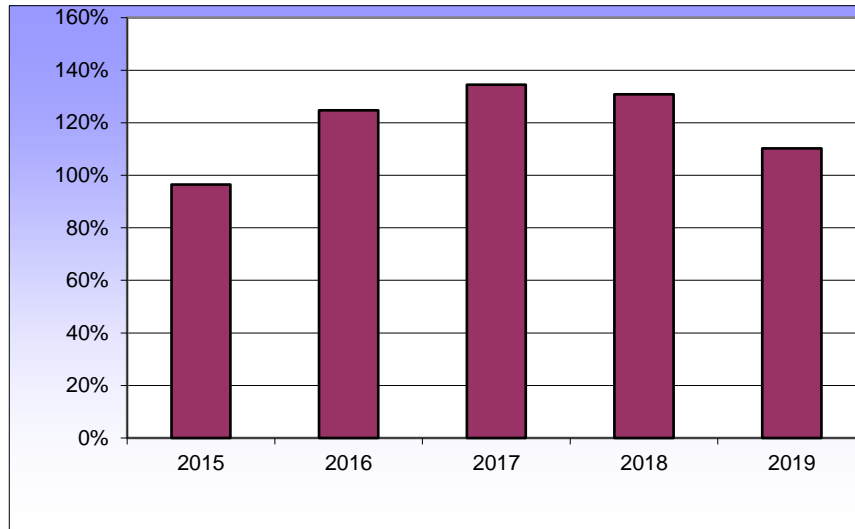
**Trend:** Stable to slightly higher

**Target:** Stable is desirable for this indicator.

**Need/concern:** Continue to be efficient in all aspects of instruction delivery and support operations.

## Fund Balance vs. Unspent Balance

Year	2015	2016	2017	2018	2019
Unspent Balance	\$7,666,495	\$9,368,423	\$10,962,965	\$12,142,873	\$12,986,826
Fund Balance	7,393,202	11,682,190	14,744,018	15,885,482	14,315,394
Percent funded	96%	125%	134%	131%	110%



- Purpose:** Measures District's unfunded spending reserves
- Trend:** Still over 100% but decreasing due to the inability to levy as much cash reserve.
- Target:** District reserves (unspent balance) fully funded-at least 100%
- Need/Concern:** Having unspent balance fully funded gives the opportunity to spend reserves if put in that situation.
- Corrective Action:** Continue to levy cash reserve to the maximum possible and monitor

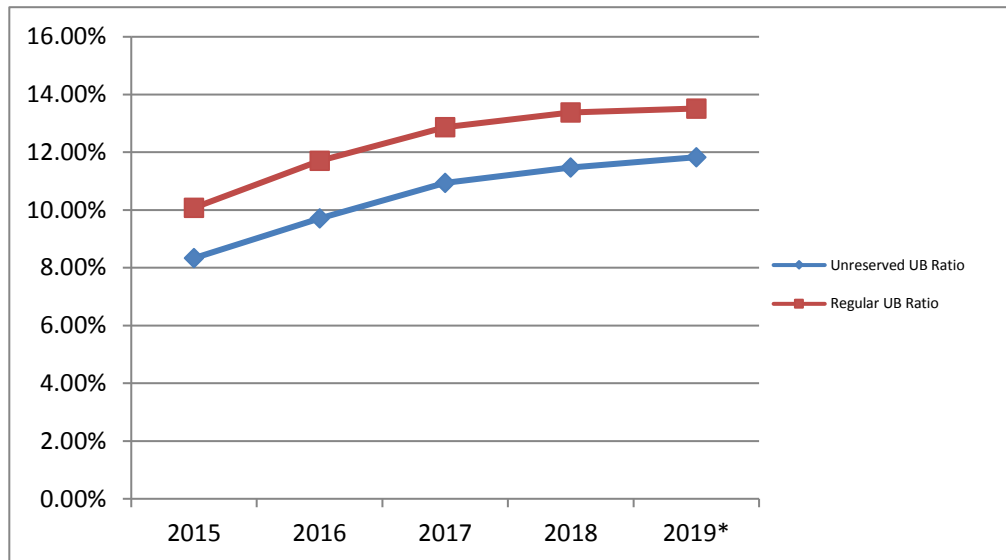


# Unspent Balance Ratio

Formula: 
$$\frac{\text{Unspent Spending Authority}}{\text{Maximum Budget Authority}}$$

## Financial Information and Computation:

Year	Maximum Authorized	Regular Unspent Bal	Unreserved Unspent Bal	Regular UB Ratio	Unreserv. UB Ratio
2015	76,055,115	\$ 7,666,495	6,339,027	10.08%	8.33%
2016	80,045,346	\$ 9,368,423	7,776,096	11.70%	9.71%
2017	85,213,047	\$ 10,962,965	9,319,480	12.87%	10.94%
2018	90,788,246	\$ 12,142,873	10,412,216	13.37%	11.47%
2019*	96,081,922	\$ 12,986,826	11,366,835	13.52%	11.83%



\*Estimated

**Purpose:** Measures the District's unbudgeted spending reserves

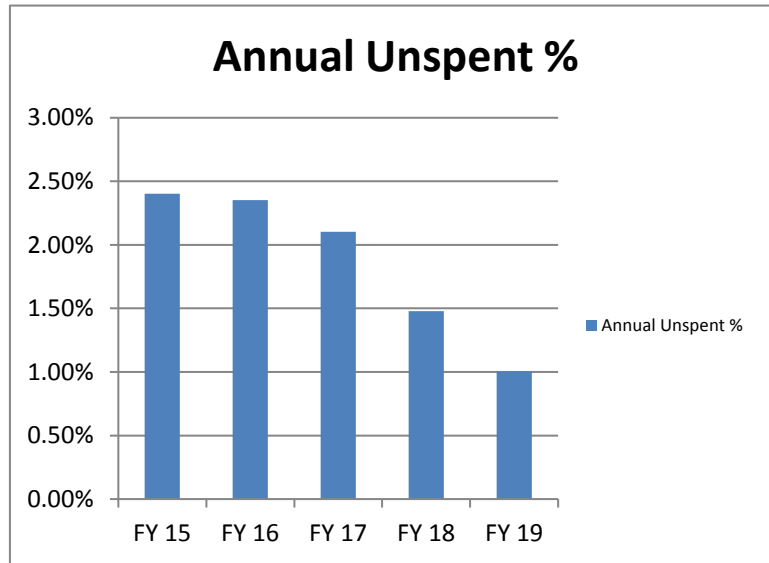
**Trend:** It was a downward trend until the budget reductions of FY 15 and 4% state funding turned the trend upward. FY 16 continued the upward trend with 4.5% new money (1.25% SSA), no textbook adoption, and controlled staffing, FY 17 with 4.4% new money, FY 18 3.17% new money and controlled staffing, and FY 19 3.71% new money and controlled staffing.

**Target:** Maintain authority within 5-15% target range

**Need/concern:** An adequate level of budget reserves are important so the District can respond to emergencies and student growth.

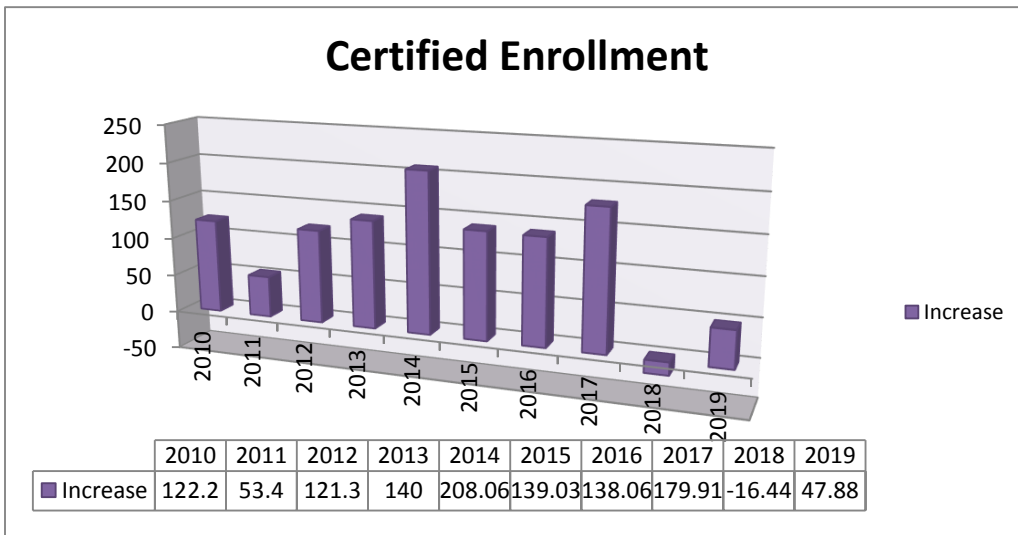
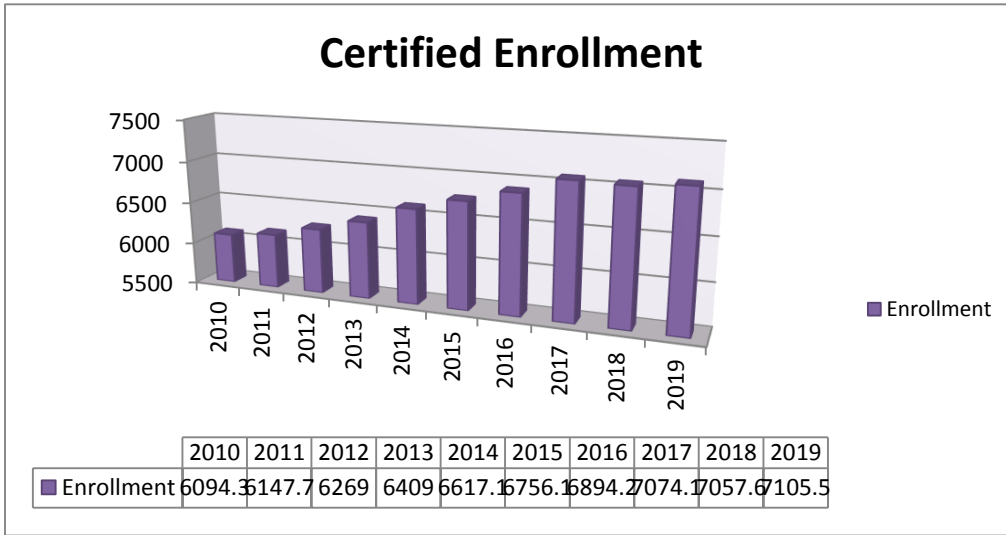
# Annual Unspent %

	FY 15	FY 16	FY 17	FY 18	FY 19
Max. Authorized Budget	76,055,115	80,045,346	85,213,047	90,788,246	96,081,922
UAB Previous Year	5,982,645	7,666,495	9,368,423	10,962,965	12,142,873
Total Expenditures	68,388,620	70,676,923	74,250,082	78,645,373	83,095,096
	2.40%	2.35%	2.10%	1.48%	1.01%



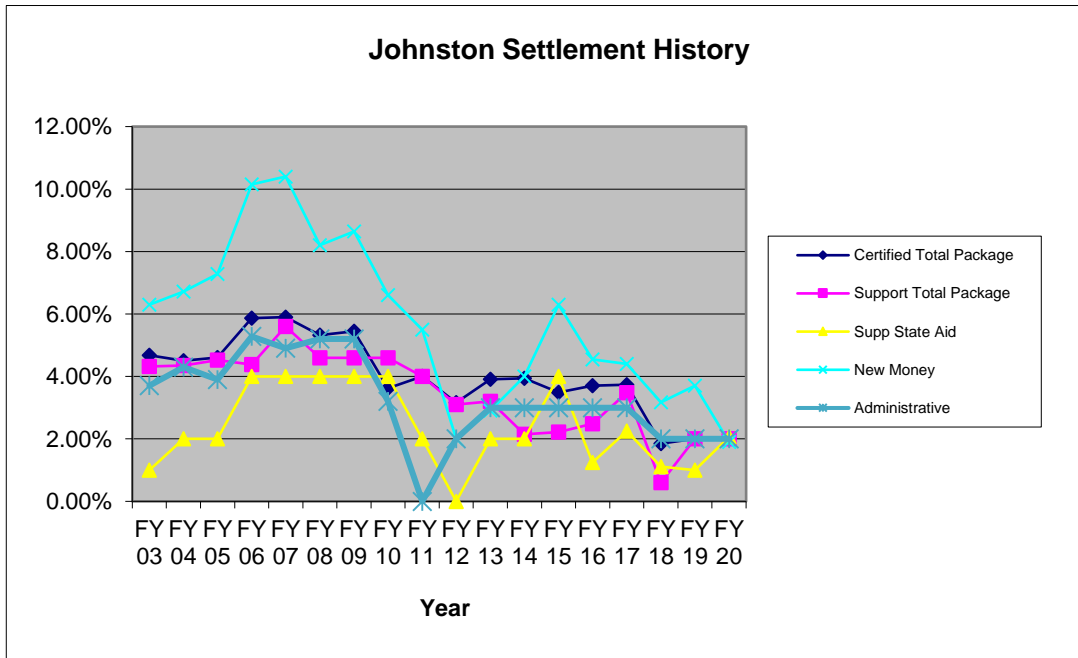
- Purpose:** Shows if district is spending all authority generated for given year, using prior years spending authority, or building levels too high
- Trend:** District spent into prior years spending authority FY 12-14. Adequate state funding along with \$1M budget reductions positively changed this trend. However, low funding has created a downward trend.
- Target:** Build to UAB ratio goal, then stabilize.
- Need/concern:** Without adequate state funding to maintain spending authority reserves, more budget reductions will take place in the future.

# Certified Enrollment-Last Ten Years



# Settlement History

Year	JEA TPI	JEA TPI	JESPA TPI	JESPA TPI	ADMIN TPI	SUPP. STATE AID	NEW \$
FY 03		4.68%		4.32%	3.70%	1.00%	6.30%
FY 04		4.50%		4.35%	4.30%	2.00%	6.72%
FY 05		4.61%		4.52%	3.90%	2.00%	7.28%
FY 06		5.87%		4.38%	5.28%	4.00%	10.15%
FY 07		5.90%		5.60%	4.90%	4.00%	10.40%
FY 08		5.32%		4.60%	5.20%	4.00%	8.20%
FY 09		5.45%		4.60%	5.20%	4.00%	8.64%
FY 10		3.62%		4.60%	3.20%	4.00%	6.60%
FY 11	<b>3.21%</b>	<b>4.00%</b>	<b>3.70%</b>	<b>4.00%</b>	<b>0.00%</b>	2.00%	5.50%
FY 12		3.16%		3.10%	<b>2.00%</b>	0.00%	2.00%
FY 13		3.91%		3.20%	3.00%	2.00%	2.90%
FY 14		3.94%		2.15%	3.00%	2.00%	4.00%
FY 15		3.49%		2.22%	3.00%	4.00%	6.30%
FY 16		3.70%		2.49%	3.00%	1.25%	4.54%
FY 17		3.74%		3.48%	3.00%	2.25%	4.40%
FY 18		1.85%		0.60%	2.00%	1.11%	3.17%
FY 19		2.00%		2.00%	2.00%	1.00%	3.70%
FY 20		2.00%		2.00%	2.00%	2.06%	<b>1.90%</b>



**JOHNSTON COMMUNITY SCHOOL DISTRICT**  
**Unspent Balance Calculation**

	<u>fy14</u>	<u>fy15</u>	<u>fy16</u>	<u>fy17</u>	<u>fy18</u>	<u>fy19</u>
Regular Program District Cost	38,372,549	40,799,694	42,653,827	44,529,455	45,942,949	47,651,138
+ Regular Program Budget Adjustment						
+District Cost for Supplemental Weighting	510,602	577,103	658,446	823,565	922,991	1,038,065
+Special Education District Cost	3,009,267	3,066,184	3,404,455	3,697,024	3,979,208	4,435,050
+Teacher Salary Supplement District Cost	3,058,959	3,262,501	3,413,828	3,569,991	3,686,398	3,823,197
+Prof Dev Supplement District Cost	338,651	361,532	378,432	395,975	408,964	424,234
+Early Intervention Suppl District cost	327,994	351,982	369,036	387,192	400,484	415,957
+Teacher Leadership Supplement District Cost			2,069,035	2,160,060	2,228,688	2,309,694
+AEA Special Education Support Cost	1,764,998	1,873,016	1,967,159	2,061,058	2,134,202	2,225,571
+AEA Special Education Support Adjustment						
+AEA Media Services District Cost	334,782	354,991	370,532	380,474	392,442	408,004
+AEA Ed Services District Cost	367,349	389,629	406,733	417,672	430,820	447,876
+AEA Teacher Salary Supp District Cost	142,649	152,972	161,197	169,828	176,346	184,343
+AEA Prof Dev Suppl District Cost	18,254	19,501	20,507	21,585	22,399	23,430
+SBRC Additional Growth-Dropouts	1,161,173	1,104,828	1,127,864	1,437,144	1,458,883	1,430,950
+SBRC Additional Growth-Other #1	293,901	289,513	146,341	127,622	85,757	142,978
+SBRC Additional Growth-Other #2	877,139	1,383,587	1,015,116	1,056,669	1,365,987	964,700
+/-SBRC Additional Growth- Sp. Ed. Deficit/Bal	2,599,405	2,870,610	2,297,279	2,541,533	2,444,043	2,913,905
+Enrollment Audit Adjustment	3,934	0	5,220	-11,087	-7,250	0
-AEA Prorate Reduction	-179,185	-179,185	-179,185	-209,696	-179,185	-179,185
Maximum District cost	53,002,421	56,678,458	60,285,822	63,556,064	65,894,126	68,659,907
Preschool	746,762	795,750	792,858	870,012	869,652	902,624
" +Instr. Support Authority	2,864,127	3,017,137	3,122,687	3,249,315	3,329,486	3,459,473
+Actual Miscellaneous Income	8,076,543	9,581,125	8,177,484	8,169,233	9,732,017	10,917,045
GAAP conversion allowance						
Revenue Subtotal	64,689,853	70,072,470	72,378,851	75,844,624	79,825,281	83,939,049
+Unspent Balance from previous year	6,517,814	5,982,645	7,666,495	9,368,423	10,962,965	12,142,873
=Maximum Authorized Budget	71,207,667	76,055,115	80,045,346	85,213,047	90,788,246	96,081,922
-Actual/Estimated Expenditures	65,225,022	68,388,620	70,676,923	74,250,082	78,645,373	83,095,096
<b>=Unspent Balance</b>	<b>\$ 5,982,645</b>	<b>\$ 7,666,495</b>	<b>\$ 9,368,423</b>	<b>\$ 10,962,965</b>	<b>\$ 12,142,873</b>	<b>12,986,826</b>
Reserved	849,391	1,327,468	1,592,327	1,643,485	1,730,657	1,619,991
Undesignate/Unreserved Unspent Balance	5,133,254	6,339,027	7,776,096	9,319,480	10,412,216	11,366,835
Annual Spending Authority	64,689,853	70,072,470	72,378,851	75,844,624	79,825,281	83,939,049
Expenditures	65,225,022	68,388,620	70,676,923	74,250,082	78,645,373	83,095,096
Difference	\$ (535,169)	\$ 1,683,850	\$ 1,701,928	\$ 1,594,542	\$ 1,179,908	\$ 843,953
	0.078700686	0.092691255	0.110023126	0.125514744	0.132394515	0.136793091