IOWA CITY COMMUNITY SCHOOL DISTRICT
ANNUAL FINANCIAL HEALTH REPORT

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This Report can be Found at:

http://www.edline.net/pages/ICCSD/Departments/Business_Office

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Description of Financial Indicator Ratios

The ten ratios (not factoring in the "contribution ratio") selected for inclusion in this report were identified as being the most efficacious predictors of financial health for Iowa K-12 public schools as supported by formal quantitative research.

An operational definition has been constructed for each ratio used in this report. There is not one single standard under which all ratios have a consistent definition. For the purpose of this report the most commonly identified methods were used to construct the ratio definition. Where a common computational method was not identified, a logical “best guess” candidate was used and applied consistent with Iowa school business best practice. Benchmarks have been included that are also consistent with prior research reviews. Where no ratio benchmark was drawn from literature, none was included with the working definition. The source of the data for most of the ratios used is the Certified Annual Report (CAR) required by the Iowa Department of Education each year. Data for the unspent balance is available from the Iowa Department of Management's website.

Creditors Equity Ratio (CER):
The Creditors Equity Ratio is designed to measure the amount of the current assets that are provided by creditors. The amount of short-term borrowing would be symptomatic of how dependent the school is on credit to cash flow business operations. One would expect to see an inverse relationship of this indicator to that of the Day’s Net Cash Ratio. Logic would suggest that as a school increases available cash to service operations, the less dependent on short-term debt it would become. The operational equation is: [creditor’s equity ratio = Iowa Schools Cash Management Program restricted assets / current assets]. Ideally the minimum ratio would be zero. This indicates a condition where no short-term borrowing is required.

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 schools ability to meet its current obligations from current assets from continuing operations. If this were a private business it would in essence measure working capital. The operational equation is: [current ratio = current assets / 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. An example would be monthly or bi-monthly payroll and board approved vendor payments once or twice per month. At the same time, most schools receive revenue in large amounts only a few times per month. An example would be state aid distributions, which are received once per month, or property tax distributions that are received twice per year. The timing of these receipts and expenditures is important in 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. "Excessive" accumulations of cash from community taxpayers’ does not fit well within the purpose of most K-12 school operations. The operational equation is: [day’s net cash ratio = (cash + investments) / (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. The first payment of state aid for the new fiscal year does not begin again until mid-September, a full 90 day gap. In addition to this gap, districts typically secure new fiscal year supplies during the summer months so expenditures increase during a time when revenue are typically at their lowest levels.

Direct Foundation Aid Ratio (FAR):
The Foundation Aid Ratio measures the amount of total General Fund revenue coming directly in the form of state aid. Since state aid is pupil driven under the Iowa funding formula, assumptions are this ratio would fluctuate in direct relationship to enrollment trends. While this is technically true, the Iowa funding formula does provide schools with a type of safety net when experiencing enrollment decline. This “scale down” provision has the effect of softening or delaying the revenue declines caused by the loss of students. State aid is the largest single source of school revenue. The operational equation is: [foundation aid ratio = direct state aid / general fund revenue]. No suggested target range for Iowa schools can be determined for the indicator at this time.

Description of Financial Indicator Ratios - Continued

Interest Income Ratio (IIR):
The Interest Income Ratio measures earnings on idle monies. This indicator can tell how aggressively the district's money has been managed and what contribution the investment income is making to total revenue. It is anticipated that this ratio should rise and fall in direct relationship to the Days Net Cash Ratio. One reservation about using this ratio is that it is very susceptible to market fluctuations that are not within the control of district management. The operational equation is: [interest income ratio = interest income / revenue]. The target for this ratio is simply the higher the better. A low ratio could indicate poor money management, few liquid cash assets, poor market conditions, or a combination of these factors.

Receivables and Inventory Ratio (RIR):
The Receivables and Inventory Ratio provides a measure of total current assets tied up in accounts receivable and inventory. Accounts receivable and inventory items are not truly available as working capital and are not available for the district to pay bills with. It is possible that when a greater proportion of the current assets are in receivables and inventory, the district balance sheet would look healthy but the district does not have the ability to meet immediate expenditure needs. This ratio may also provide insight on the timeliness of state aid payments and other intergovernmental obligations owed to the district. The ratio also gives an indication of how well the district is managing accounts receivable and if inventory stockpiling is occurring. The operational equation is: [receivables and inventory ratio = (receivables + inventories) / current assets]. The target for this ratio should be as close to zero as possible.

Student Transportation Ratio (STR):
The Student Transportation Expenditure Ratio measures the amount of the school budget spent on transportation costs. Examples would include operating and maintaining bus routes, driver costs, equipment purchases, and fuel. A higher ratio may suggest to management that a disproportionate amount of resources are being spent in this area or the district's service territory is greater than most comparable districts. The operational equation is: [student transportation ratio = transportation expenditures / general fund expenditures]. No suggested target range for Iowa schools can be determined for the indicator at this time.

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 in any test group of ratios designed to assess fiscal health. The data for this indicator are provided by the Iowa Department of Management on the report titled Unspent Balance Calculations. The operational equation is: [unspent balance ratio = unspent cumulative spending authority / maximum budget authority]. The target range for this indicator logically is roughly equal to that of fund balance. This is because fund balance is the closest approximation of this indicator defined in previous research done in other states. The suggested minimum target for this indicator should be 5%.

Financial Solvency Ratio (FSR):
This is a measure of financial health that resulted from the "Study of School Corporation Financial Operations" study conducted in 1990 by Ehlers and revised in 2011. The ratio of unassigned plus assigned general fund balance to actual revenues is defined in the following operational equation: (financial solvency ratio = unassigned plus assigned general fund balance / general fund revenues-AEA flowthrough). The target ranges and classification criteria established by the Ehlers study are as follows: (a) target solvency position equals 5.00% through 10.00%, (b) acceptable solvency position equals 0.00% through 4.99%, (c) solvency alert equals -3.00% through -0.01%, and (d) solvency threat equals less than -3.00% (ISCAP, 1991).

Employee Cost Ratio (ECR):
This ratio was not a part of the original empirical study conducted on financial health measures in 2005. Because education is a service based industry, staffing costs represent the single largest category of General Fund expenditures for schools. This ratio has been added because it illustrates important trend changes in staff costs as a percent of total General Fund expenditures. Historically, budget data show districts spending from 75 to 85 percent of their General Fund on staff related costs. The operational equation is: [wages plus benefits / general fund expenditures]. The suggested target range for Iowa schools is less than 80%. Districts exceeding this percentage over time typically exhibit General Fund financial stress.

Executive Summary

• The District's overall financial condition improved during Fiscal Year 2015- 2016.

• The District's unassigned General Fund balance increased from $12,640,415 in FY2015 to $16,466,886 in FY2016.

• The financial solvency ratio increased from 9.34% in FY2015 to 11.45% for FY2016. This ratio is now above target level of 10% recommended for this key financial ratio. Bond rating agencies put great weight on this indicator when analyzing the District's credit rating. Returning to a level within this recommended target range improves the position the District carries when sales tax or general obligation bonds are issued.

• The FY2016 total spending authority balance of $8,688,865 carried forward to the FY2017 budget increased from the prior year carryover balance of $6,444,251. Total FY2016 General Fund budget expenditures were projected to be $146.6M. Final realized expenditures on June 30, 2016 are $145.1M a difference of $1.5M or a projection accuracy of 99.0%.

• The certified enrollment of 13,671.2 was taken on October 1, 2015. This count represents an increase of 343.2 students from the prior year. Student growth is presenting many challenges for the district. The district has added 1,325 students in the last 5 years or a 9.7% increase in the total student enrollment.

• Interest income received was lower for the investment of idle funds. Rates on district investments were .65% in June 2016 which is slightly lower than the .82% of the prior year. Interest earnings in the General Fund decreased from $64,522 in FY2015 to $41,443 in FY2016. Larger General Fund average cash balances of idle funds contributed to the increase in interest earnings.

• The District ended FY2015 with a total General Fund balance of $15,944,282. For FY2016 this balance increased to $20,335,434. This increase of $4,391,152 is primarily due to an increase in the cash reserve levy to improve the District's Financial Solvency Ratio ahead of any bond referendum and the accompanying financial analysis by rating agencies.

• FY2016 cash flow needs did not require the District to do an interfund borrowing between the capital projects fund and PPEL to meet project expenditure payments required by the Facility Master Plan. It was not necessary to borrow funds during this fiscal year due to adequate cash balances to meet General Fund obligations during the 90 day period from June 15 through September 15 when state foundation aid is not paid to the District.

• District long-term bond debt as of June 30, 2016, totaled $6,320,000 compared to $9,345,000 the prior year. The District G.O. debt was refinanced during FY2012 to take advantage of historically low interest rates. Two series of regular general obligation bonds account for this total. Interest payments of $257,550 were made in FY2016 to service this debt. The PPEL fund capital loan note principal balance as of June 30, 2016 was $7,930,000 with interest paid on this obligation of $174,963

• Local Option Sales Tax revenue for FY2016 totaled $12,715,660 with expenditures / transfers of $57,112,642 compared to FY2015 revenue of $12,465,712 and expenditures / transfers of $32,916,219. FY2014 was the first implementation year of the 10 year Master Facility Plan. The Secure an Advanced Vision for Education (SAVE) revenue purpose statement passed on February 5, 2013, and legally authorizes the District to use the sales tax through 2029. In September 2015 the District issued $60,030,000 of School Infrastructure Sales and Service and Tax Revenue Bonds. The principal balance on those bonds was $56,000,000 as of June 30, 2016 with interest paid of $1,631,853.

• The Special Education program fund balance ended FY2016 virtually unchanged with a deficit balance of ($5,638,727) compared to FY2015 with a ($5,650,359) deficit balance. The deficit balance decreased by $11,632 from the prior year. A reduction in weighted student receipts from the October 2014 head count, Medicaid reimbursements increased, and transportation costs decreased significantly by bringing para costs back the district along with right sizing program pupil / teacher ratios.

• The Student Transportation ratio shows a decrease from 3.06% in FY2015 to 2.24% in FY2016. FY2016 was the third and final year of the revised contract agreement between Durham Student Services and the District.

• The District's taxable valuation continues to grow. In January 2015 (budget year FY2017) the valuation was computed to be $5,113,698,060 compared to $5,462,098,208 in FY2014 (budget year 2016), an increase of $348,552,158 or 6.82%.

• The Day's Net Cash Ratio shows that the District's cash flow capacity grew. On June 30, 2016, the District had a combination of cash and investments on hand totaling $33,270,811. This amount when divided by FY2016 average daily expenditures of $397,534 yields 84 days of operating cash flow. The target for this measure is 90 days.

Ten Point Financial Condition Test
Ratio Indicators

Assessment	Benchmark		District Ratio Values	
Indicator Ratio	Best Trend Direction	Recommended Target Value	District Value 2015	District Value 2016
Creditor Equity Ratio	Lower	0.0%	0.00%	0.00%
Current Ratio	Higher	100% or above	120.5%	124.5%
Day's Net Cash Ratio	Higher	90 days or above	67.0	84.0
Employee Cost Ratio	NA	75 - 85%	83.0%	84.0%
Foundation Aid Ratio	NA	Range (see ratio definition)	38.2%	36.0%
Financial Solvency Ratio	Higher	10% (Recommended not to exceed 25%)	9.34%	11.45%
Investment Income Ratio	Higher	NA	0.05%	0.03%
Receivables & Inventory Ratio	Lower	0.0%	12.39%	8.27%
Student Transportation Ratio	Lower	NA	3.06%	2.24%
Unspent Balance Ratio	Higher	10% (Recommended not to exceed 25%)	4.44%	6.36%

Color Key:
Green - indicator is within target range
Yellow - indicator is nearing target range
Red - indicator is below the target range

Selected Balance Sheet Comparisons
General Fund Only

	FY15	FY16	$ Change	% Change
Assets:				
Cash & Investments	$25,599,299	$33,270,811	$7,671,512	30.0%
Receivables	$67,185,232	$68,987,341	$1,802,109	2.7%
Prepaid	$1,095,801	$1,127,628	$31,827	2.9%
Other Assets	$0	$0	$0	0.0%
SubTotal Current Assets	$93,880,333	$103,385,780	$9,505,448	10.1%
Long-Term Assets	$0	$0	$0	0.0%
SubTotal Assets	$93,880,333	$103,385,780	$9,505,448	10.1%
Deferred Outflows	$0	$0	$0	0.0%
SubTotal Assets & Outflows	$93,880,333	$103,385,780	$9,505,448	10.1%
Liabilities:				
Payables	$11,025,850	$11,878,887	$853,038	7.7%
Borrowing	$0	$0	$0	0.0%
Salary & benefits	$4,177,633	$4,375,608	$197,975	4.7%
Other Liabilities	$0	$0	$0	0.0%
SubTotal Current Liabilities	$15,203,483	$16,254,495	$1,051,013	6.9%
Pension & LT Liabilities	$0	$0	$0	0.0%
SubTotal Liablities	$15,203,483	$16,254,495	$1,051,013	6.9%
Deferred Inflows	$62,732,568	$66,795,851	$4,063,283	6.5%
SubTotal Liabilities & Inflows	$77,936,051	$83,050,347	$5,114,296	6.6%
Fund Balance:				
Nonspendable	$0	$0	$0	0.0%
Restricted	$3,303,867	$3,868,548	$564,681	17.1%
Committed	$0	$0	$0	0.0%
Assigned	$0	$0	$0	0.0%
Unassigned	$12,640,415	$16,466,886	$3,826,471	30.3%
SubTotal Fund Balance (FB)	$15,944,282	$20,335,434	$4,391,152	27.5%

Selected Revenue & Expenditures Comparison
General Fund Only

	FY15	FY16	$ Change	% Change
Revenues:				
Local sources	$63,392,551	$66,238,424	$2,845,873	4.5%
State sources	$71,034,809	$76,719,597	$5,684,788	8.0%
Federal sources	$6,370,544	$6,462,873	$92,328	1.4%
Other sources	$72,743	$70,316	($2,427)	-3.3%
Total revenues	$140,870,647	$149,491,210	$8,620,563	6.1%
Expenditures:				
Instruction	$94,045,426	$97,864,041	$3,818,615	4.1%
Support services	$44,428,700	$47,037,070	$2,608,369	5.9%
Enterprise	$0	$0	$0	0.0%
Community Ed	$19,091	$26,947	$7,857	41.2%
Facilities & Debt	$0	$0	$0	0.0%
Other expenditures	$172,000	$172,000	$0	0.0%
Total expenditures	$138,665,217	$145,100,058	$6,434,841	4.6%
Changes of Rev over Exp	$2,205,430	$4,391,152	$2,185,722	99.1%

Creditor's Equity Ratio

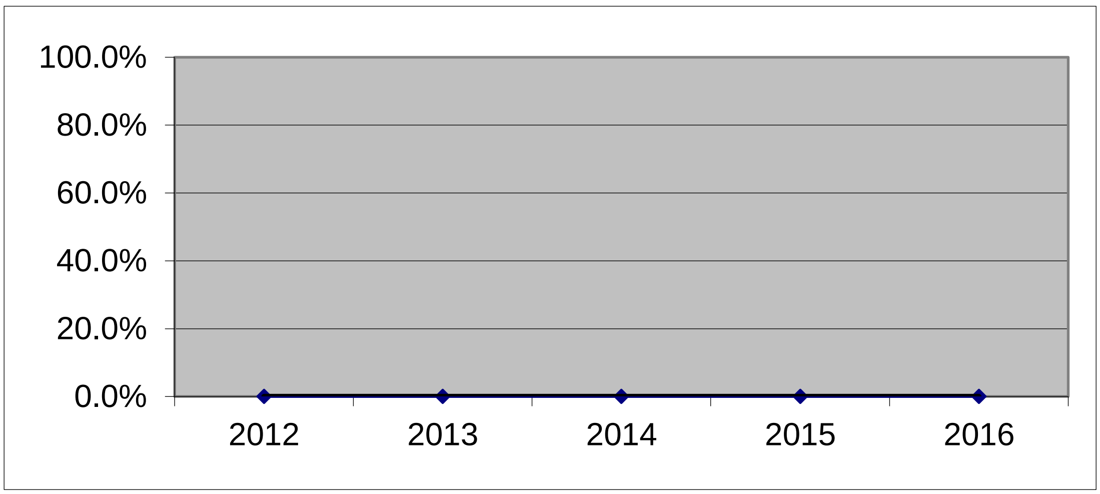
Formula:

$$\frac{\text{Current Restricted Assets}}{\text{Total Current Assets}}$$

Financial Information and Computation:

Year	ISCAP	Total Assets	Ratio
CAR reference	BalSheet C1L8	BalSheet C1L11	
2012	$0	$88,345,055	0.0%
2013	$0	$89,254,061	0.0%
2014	$0	$86,872,578	0.0%
2015	$0	$93,880,333	0.0%
2016	$0	$103,385,780	0.0%

Ratio explanation: Short-term borrowing represents xx.x% of total current assets



Purpose: Measures how much of the District's current General Fund equity is funded with borrowed money.

Trend: Stable

Target: Ideally the ratio would be zero. This would indicate a condition where no short-term borrowing is required.

Need/Concern: This indicator is at the desired level at this time.

Corrective Action: None needed at this time.

Contribution Ratio

Formula: $\dfrac{\text{Line Source Revenue}}{\text{Total Revenue}}$

Financial Information and Computation:

	FY 2015	
Line Source	**Amount**	**Ratio**
Local	$63,392,551	45.0%
State	$71,034,809	50.4%
Federal	$6,370,544	4.5%
Other	$72,743	0.1%
Total	$140,870,647	100.0%

	FY 2016	
Line Source	**Amount**	**Ratio**
Local	$66,238,424	44.3%
State	$76,719,597	51.3%
Federal	$6,462,873	4.3%
Other	$70,316	0.1%
Total	$149,491,210	100.0%

Year	Local	State	Federal	Other
2012	48.0%	45.4%	6.5%	0.1%
2013	46.7%	47.4%	5.8%	0.1%
2014	45.8%	49.7%	4.4%	0.1%
2015	45.0%	50.4%	4.5%	0.1%
2016	44.3%	51.3%	4.3%	0.1%

Purpose: Measures local taxation effort.

Trend: NA

Target: NA

Need/Concern: It appears that federal funding has stabilized in the 4% range subsequent to the federal stimulus years. .

Corrective Action: NA

Current Ratio

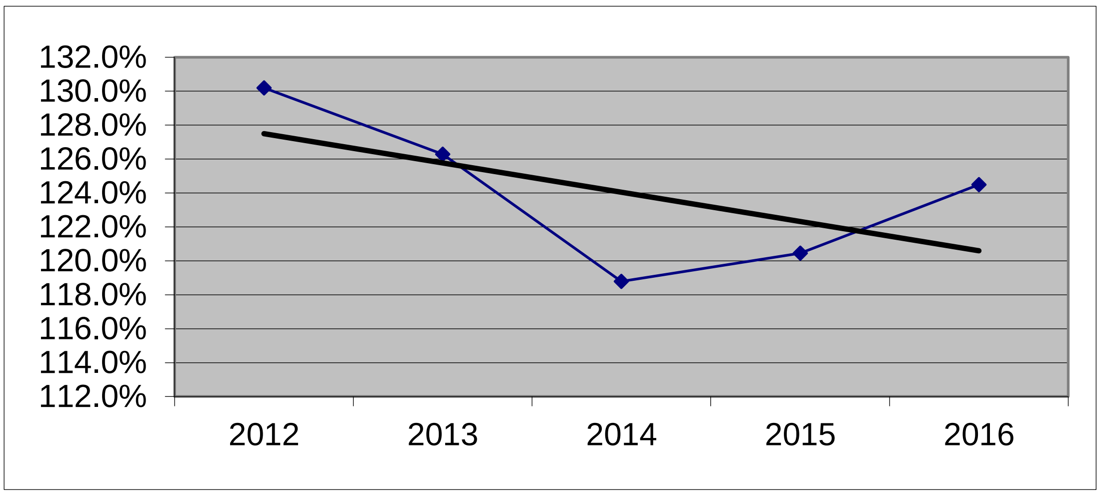
Formula:

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

Financial Information and Computation:

Year	Assets	Liabilities	Ratio
CAR reference	BalSheet C1L11	BalSheet Tab FHR	
2012	$88,345,055	$67,855,041	130.2%
2013	$89,254,061	$70,673,331	126.3%
2014	$86,872,578	$73,133,726	118.8%
2015	$93,880,333	$77,936,051	120.5%
2016	$103,385,780	$83,050,347	124.5%

Ratio explanation: Short-term solvency represents xx.x% of assets to liabilities



Purpose: Measures the District's short-term solvency position .

Trend: Lower

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

Need/Concern: This indicator did improve in FY2016 for the second year in a row.

Corrective Action: None needed at this time.

Day's Net Cash Ratio

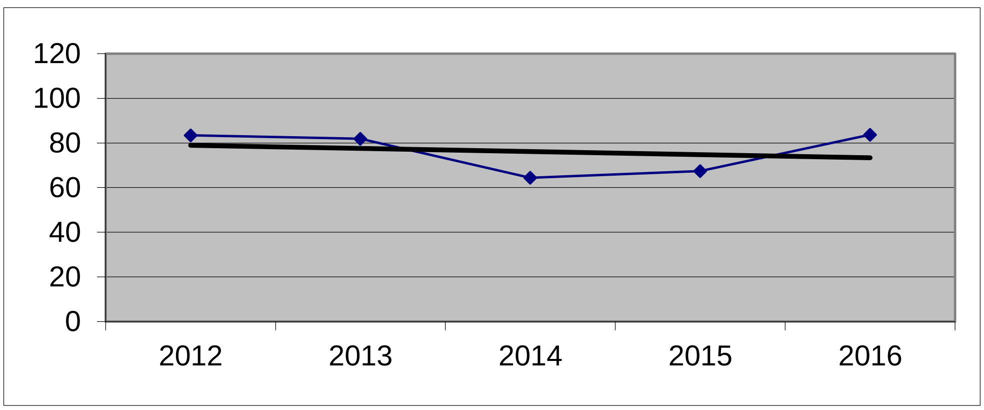
Formula:

$$\frac{\text{Cash \& Investments}}{\text{Average Daily Cash Expenditures}}$$

Financial Information and Computation:

Year	Cash & Investments	Total Expenditures	Daily (365) Expenditures	Ratio In Days
CAR reference	BalSheet C1L1	ExpGF C8L42		
2012	$27,765,916	$121,460,764	$332,769	83
2013	$29,420,512	$131,155,308	$359,330	82
2014	$24,302,768	$137,738,100	$377,365	64
2015	$25,599,299	$138,665,217	$379,905	67
2016	$33,270,811	$145,100,058	$397,534	84

Ratio explanation: Number of days the district can carry expenditures without cash infusion



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

Trend: Stable

Target: 90 days.

Need/Concern: The additional cash reserve levy is helping to improve this important indicator for the second year in a row. While still below the desired target level, these past two years show growth toward the desired 90 day minimum level..

Corrective Action: Levy additional cash reserve.

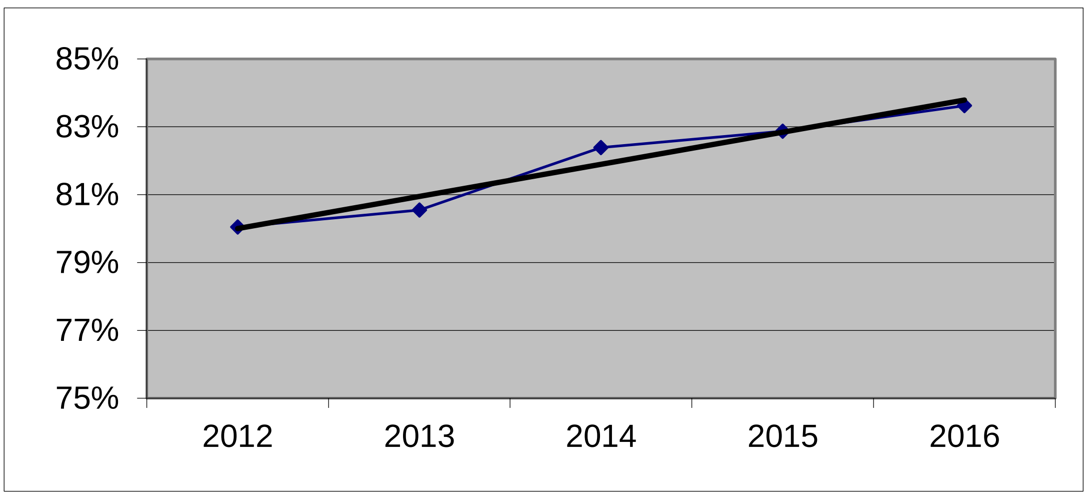
Employee Cost Ratio

Formula: $\dfrac{\text{Wages and Benefit Costs}}{\text{Total General Fund Expenditures}}$

Financial Information and Computation:

Year	Wages and Benefits	Total GF Expenditures	Ratio
CAR reference	ExpGF C1&2L42	ExpGF C8L42	
2012	$97,226,000	$121,460,764	80%
2013	$105,643,432	$131,155,308	81%
2014	$113,477,600	$137,738,100	82%
2015	$114,909,331	$138,665,217	83%
2016	$121,335,965	$145,100,058	84%

Ratio explanation: What xx.xx% of total GF expenditures does staffing costs represent?



Purpose: Measures the percent dedicated to staffing costs which is the single largest category of expenditures in the General Fund budget.

Trend: Higher

Target: 80 percent of total expenditures

Need/Concern: An increasing ratio indicates more of the total district resources are going into employee costs.

Foundation Aid Ratio

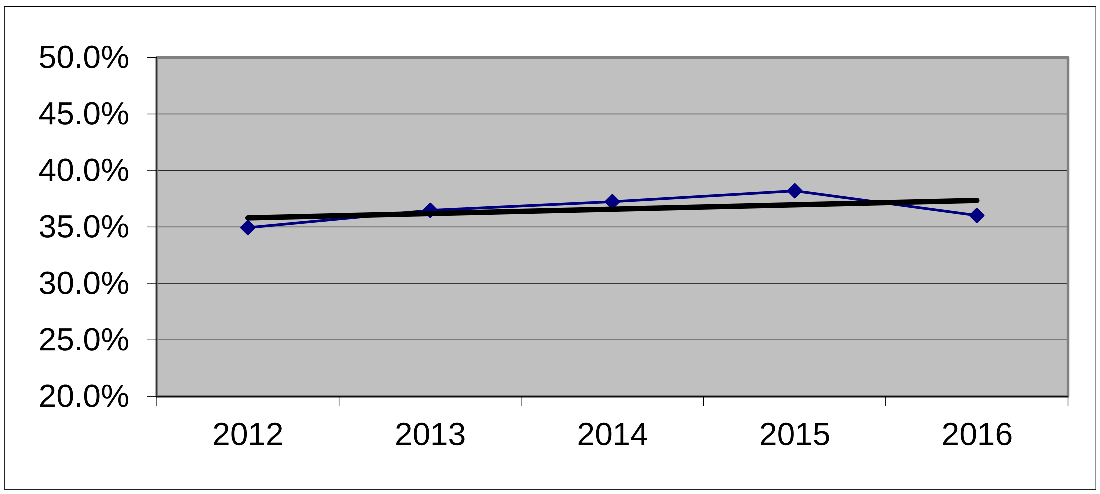
Formula:

$$\frac{\text{Direct State Aid}}{\text{Total General Fund Revenue}}$$

Financial Information and Computation:

Year	State Aid	Total Revenue	Ratio
CAR reference	Rev. C1L23	Rev. C1L58	
2012	$44,672,063	$127,867,725	34.9%
2013	$47,142,596	$129,246,023	36.5%
2014	$49,488,709	$132,896,222	37.2%
2015	$53,798,907	$140,870,647	38.2%
2016	$53,832,975	$149,491,210	36.0%

Ratio explanation: What xx.x% of total revenue does foundation aid represent.



Purpose: Measures resource contribution.

Trend: Higher

Target: No target is established for this ratio. Under the school aid formula when the District's property wealth grows a smaller percentage of the total revenue is contributed in the form of state aid.

Need/Concern: None at this time.

Corrective Action: None needed at this time

Financial Solvency Ratio

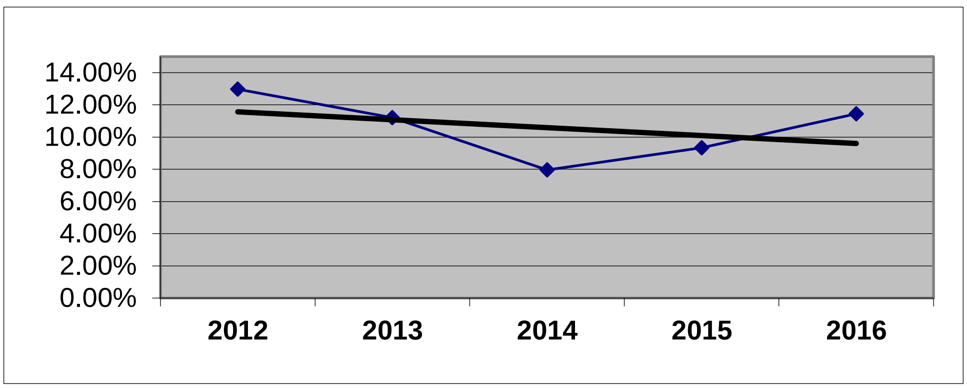
Formula:

$$\frac{\text{Assigned + Unassigned Fund Balance (AFB+UFB)}}{\text{Total GF Revenue - AEA Flowthrough}}$$

Financial Information and Computation:

Year		AFB + UFB	Revenue - Flowthrough	Ratio
CAR reference		Balsheet C1L39 + C1L40	(Rev. C1L58) - (ExpC8L36)	
2012		$15,992,160	$123,279,946	12.97%
2013		$13,941,378	$124,384,179	11.21%
2014		$10,163,650	$127,702,544	7.96%
2015		$12,640,415	$135,318,763	9.34%
2016		$16,466,886	$143,837,128	11.45%

Ratio explanation: What xx.x% of total revenue does fund equity represent.



* new formula used

Purpose: Measures the District's Fund Equity position.

Trend: Stable

Target: Short-term 5% / Long-term 10%.

Need/Concern: This indicator now exceeeds the recomended long-term target position.

Corrective Action: Maintain ratio at this target level.

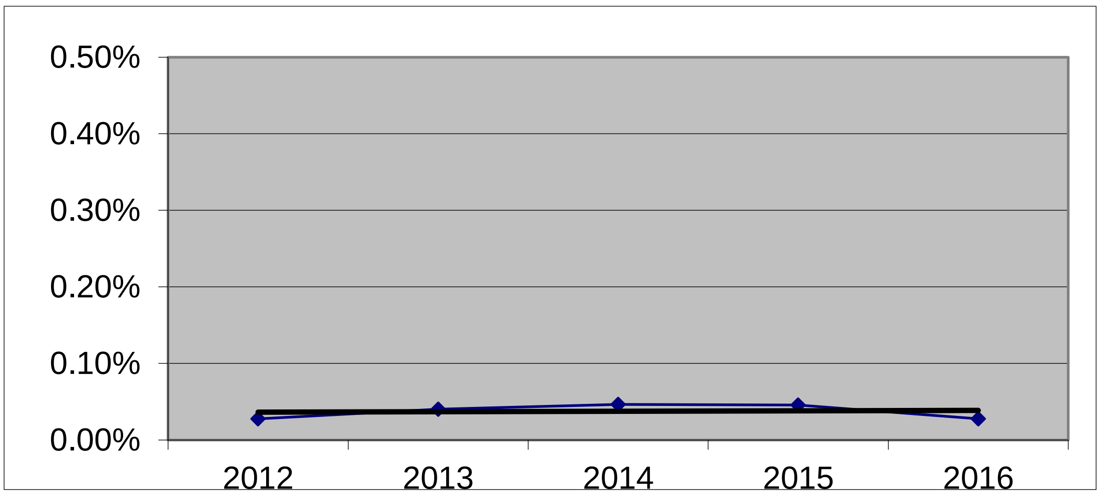
Investment Income Ratio

Formula: $\dfrac{\text{Interest Income}}{\text{Total General Fund Revenue}}$

Financial Information and Computation:

Year	Interest	Total Revenue	Ratio
CAR reference	Rev. C1L8	Rev. C1L58	
2012	$35,410	$127,867,725	0.03%
2013	$51,903	$129,246,023	0.04%
2014	$61,878	$132,896,222	0.05%
2015	$64,522	$140,870,647	0.05%
2016	$41,443	$149,491,210	0.03%

Ratio explanation: What xx.xx% of total revenue does interest in idle funds represent.



Purpose: Measures operating results.

Trend: Stable

Target: Upward trends are desirable for this indicator.

Need/Concern: The overall economic interest rate climate continues to be low this past year on investments. Lower interest earnings resulted from cash balances in the general fund as in FY2016.

Corrective Action: Monitor idle funds closely and take advantage of any improving market conditions.

Receivables & Inventory Ratio

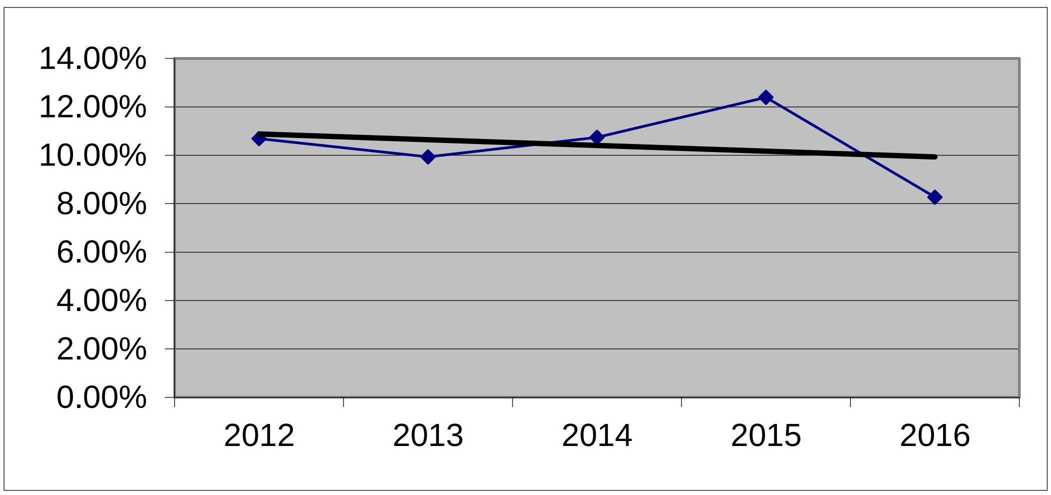
Formula:

$$\frac{\text{Receivables and Inventory}}{\text{Total Current Assets}}$$

Financial Information and Computation:

Year	Receivables & Inventory	Total Assets	Ratio
CAR reference	Balsheet C1L3:7	BalSheet C1L11	
2012	$9,438,355	$88,345,055	10.68%
2013	$8,868,822	$89,254,061	9.94%
2014	$9,332,334	$86,872,578	10.74%
2015	$11,633,081	$93,880,333	12.39%
2016	$8,553,067	$103,385,780	8.27%

Ratio explanation: What xx.xx% of total revenue does rec. / inv. represent.



Purpose: Measures movement and distribution of current assets.

Trend: Lower

Target: Stable to lower is desirable for this indicator.

Need/Concern: None at this time.

Corrective Action: Awareness of the funds yet to be received by the district is always valuable information, however some receivables such as income surtax, property tax, and special education tuition billings are not within management's control to influence

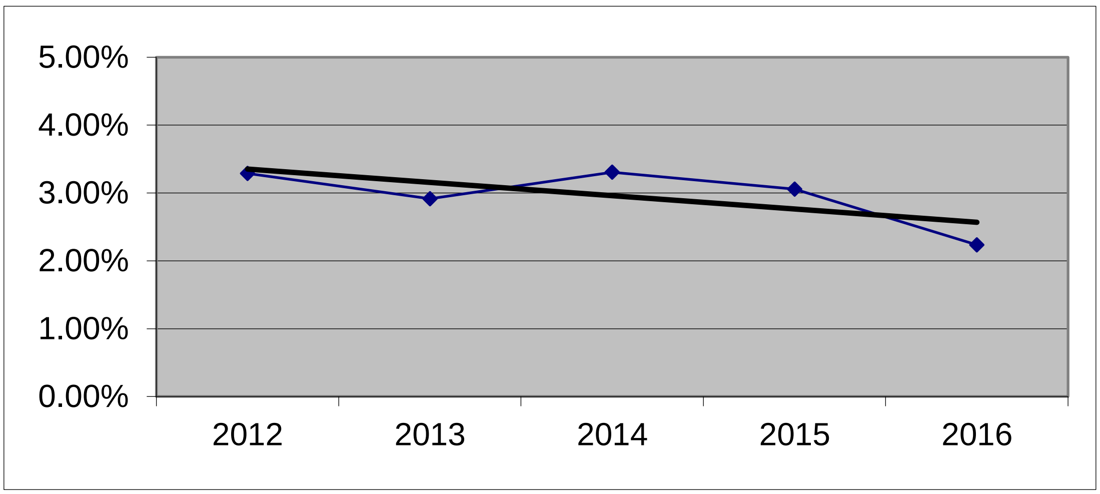
Student Transportation Ratio

Formula: $\frac{\text{Student Transportation Expense}}{\text{Total General Fund Expenditures}}$

Financial Information and Computation:

Year	Transportation	Total Expenditures	Ratio
CAR reference	ExpGF C8L29	ExpGF C8L42	
2012	$3,993,892	$121,460,764	3.29%
2013	$3,820,019	$131,155,308	2.91%
2014	$4,552,568	$137,738,100	3.31%
2015	$4,240,449	$138,665,217	3.06%
2016	$3,243,367	$145,100,058	2.24%

Ratio explanation: What xx.xx% of total expenditures does std. transportation represent.



Purpose: Measures resource distribution results.

Trend: Lower

Target: A stable to lower trend is desirable for this indicator.

Need/Concern: Continue to be efficient in routing buses as we transition through the new construction, student growth, and realignment of attendance boundaries.

Corrective Action: Maintain control over discressionary busing costs.

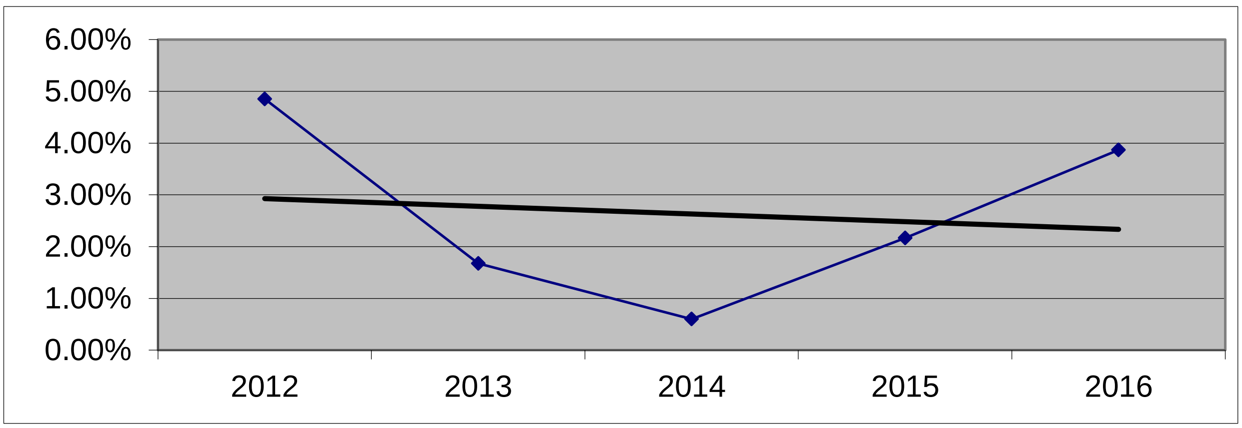
Unspent Balance Ratio

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
2012	$132,383,702	$10,922,938	$6,425,083	8.25%	4.85%
2013	$138,102,482	$6,947,174	$2,307,821	5.03%	1.67%
2014	$142,163,404	$4,425,304	$850,101	3.11%	0.60%
2015	$145,109,467	$6,444,251	$3,140,385	4.44%	2.16%
2016	$154,957,468	$9,857,410	$5,988,862	6.36%	3.86%



*Estimated

Purpose: Measures the District's unbudgeted spending reserves.

Trend: Lower

Target: Total Unspent Balance at 10 to 15 percent.
Available Unspent Balance > 5 percent.

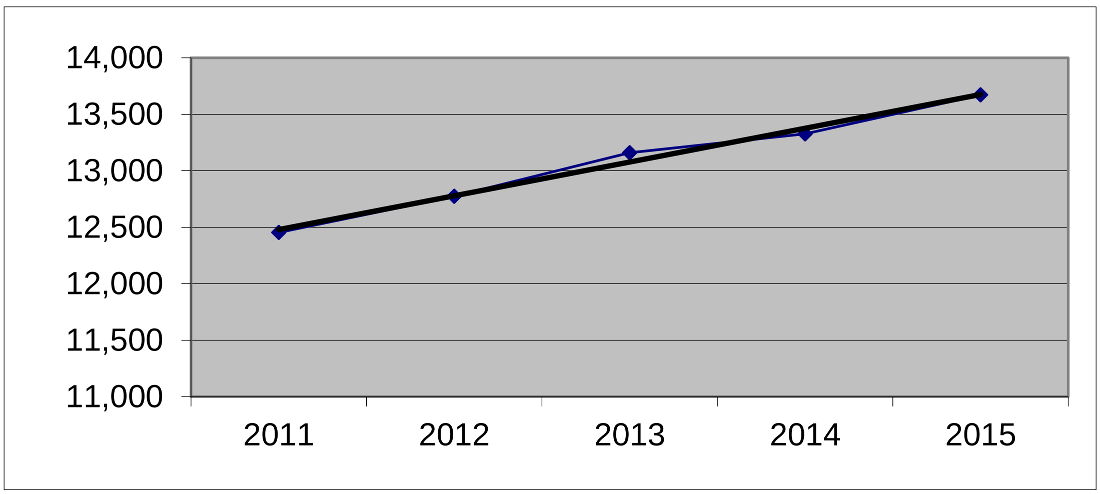
Need/Concern: An adequate level of budget reserves are important so the District can respond to emergencies and student growth. Conventional wisdom suggests a minimum of 5% to 10% contingency expenditures. For growing districts like ICCSD higher balances are recommended.

Corrective Action: None needed at this time

Certified Enrollment Trend

Information and Computation:

Year	Enrollment	# Increase	% Increase
October 1, xxxx			
2011	12,453.4	107.4	1.51%
2012	12,774.4	321.0	2.58%
2013	13,159.8	385.5	3.02%
2014	13,328.0	168.2	1.28%
2015	13,671.2	343.2	2.58%



Purpose: Measures enrollment trend for financial forecasting.

Trend: Higher

Target: Stable to higher is most desirable for this indicator.

Need/Concern: ICCSD continues to experience significant student enrollment growth which represents increased resources but also puts pressure on existing facility space and support systems.

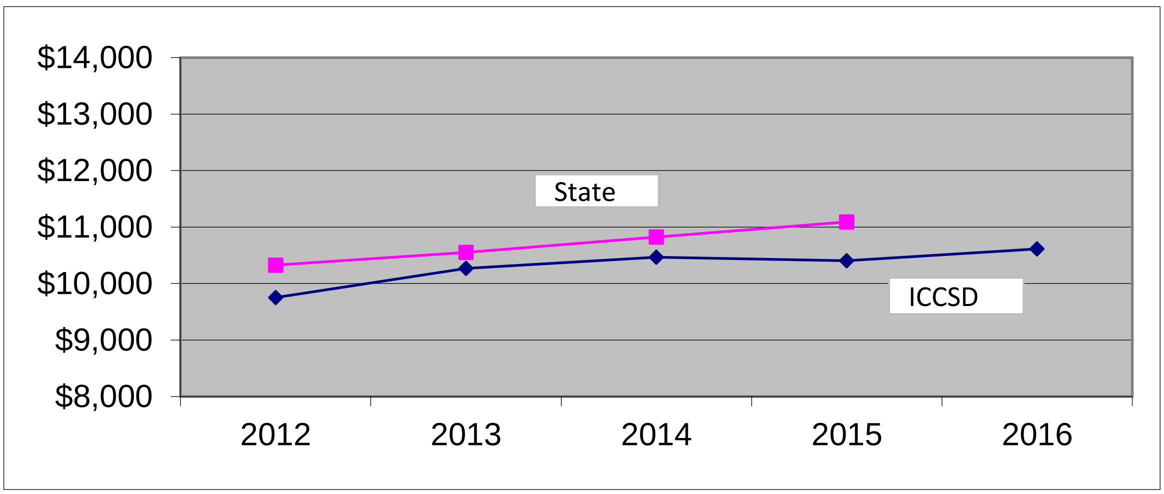
Corrective Action: Accurate enrollment forecasting is essential to proper planning.

General Fund Per Pupil Cost

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

Financial Information and Computation:

Year	Total Expenditures	Certified Enrollment	District Per Pupil Expenditures	State Average Per Pupil Expenditures
CAR reference	ExpGF C8L42			
2012	$121,460,764	12,453.4	$9,753	$10,328
2013	$131,155,308	12,774.4	$10,267	$10,553
2014	$137,738,100	13,159.8	$10,467	$10,822
2015	$138,665,217	13,328.0	$10,404	$11,091
2016	$145,100,058	13,671.2	$10,614	NA



Purpose: One measure of efficency within the general fund.

Trend: Stable

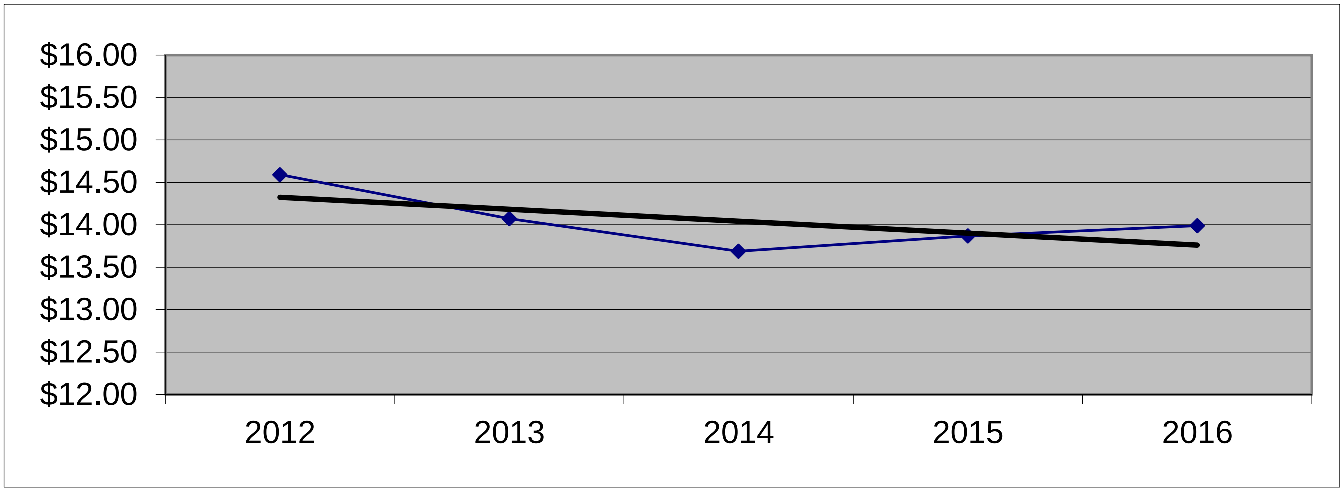
Target: Stable is desirable for this indicator.

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

Corrective Action: None at this time.

Total Tax Rate History by Fund

Year	General	Management	PPEL	Debt	Total Rate
2012	$11.65613	$0.51542	$1.67000	$0.74900	$14.59055
2013	$10.91245	$0.79353	$1.67000	$0.69729	$14.07327
2014	$10.57374	$0.80918	$1.67000	$0.63500	$13.68792
2015	$11.02493	$0.58668	$1.67000	$0.58612	$13.86773
2016	$11.02182	$0.74736	$1.67000	$0.55017	$13.98935



Purpose: Measures local taxation effort.

Trend: Lower

Target: Stable is desirable for this indicator.

Need/Concern: None at this time.

Corrective Action: None at this time.