

2017-18 Audit Overview





Highlights

- ★ Reduction in Overall Fund Balances
- ★ Impact of Other Post Employment Benefits (OPEB)
- ★ Financial Analysis
 - Reserves
 - Unassigned Fund Balance
 - Food Service
 - Capital Fund
- ★ Findings and Corrective Action



GASB 75

- ★ Requirement to report the district's Other Post Employment Benefits on our financial statements
- ★ This is the actuarial projected amount the district will owe in healthcare premium payments on behalf of future (active employees) and current retirees
- ★ It is a projected amount of \$308,752,376
- ★ Adding this amount to the district liabilities gives the appearance of a negative net position of \$133,125,975
- ★ Requirement of every other district
- ★ No real financial impact on the district, “just looks bad” on paper
- ★ Bond rating agencies are not taking into account, yet



Financial Analysis

- ★ Reserves
 - \$500,000 was added to General Fund Reserves
 - \$60,819 was spent from the Tax Certiorari to settle challenges
 - \$40,352 was added to the Debt Service Reserve
- ★ Unassigned Fund Balance
 - The district maintained a 3.25% unassigned fund balance below the 4% legal threshold
- ★ Food Service
 - Added \$21,824 to fund balance
- ★ Capital Fund
 - \$5,732,132 in negative fund balance due to borrowing schedule



Findings

★ EBLAR Reserve:

- Continue to spend down as is

★ Payroll:

- Issues with not having correct documentation for retirement systems

★ Other Items:

- Cybersecurity awareness

★ Completed Findings from 2016-17

- Food Service loss was turned around
- District has a dedicated banking computer



WHAT

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HOW

WHY

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