

May 16, 2014

Management Discussion and Analysis
3rd Quarter Fiscal Year 2013-14

Revenues

During this period, revenues increased \$443,993.00 from local, state, and federal sources including incoming and other transfers. Significant adjustments for local revenues include \$168,500 to be paid by Alpena Public Schools. State revenues were modified with an increase in At-Risk funds of \$32,758.00. Federal revenues including Title Grants were adjusted to actual, amounting to an increase of \$10,113.00. The revenue for Tiger Clinic was also adjusted by \$97,500.00; however, this amount is a flow-through item which will also show as an expense.

Expenditures

Similarly, expenditures were increased during this period by \$401,667.00. From basic programs, lunchroom expenses were increased by \$168,500.00 matching the revenue to be paid by Alpena Public Schools, and an increase of \$12,500 in sick day payout was made for the retirement of a special education teacher. Title program expenses also increased by \$23,439.00 for the adjustment in the additional state revenues. Insurance Claims of \$20,000.00 were included for the repair of building damages. Finally, Tiger Clinic expenses of \$97,500.00 were added to correspond with the revenue of the flow-through item.

Summary

In making this adjustment, the district's net position was increased by \$42,326.00 with a projected fund balance of \$786,742.00 as of June 30, 2014. This represents 10.4% of \$7,541,822.00 - the projected expenditures for the 2013-14 fiscal year. In wrapping up this year and preparing for next, we must continue to be conscious of conditions that will have an effect on the status of the district's fund equity.

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