

QUARTERLY FINANCIAL REPORT

**FOR THE SECOND QUARTER,
FY 2018-19**

January 29, 2019





PORTLAND PUBLIC SCHOOLS

FINANCE DEPARTMENT

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Date: January 29, 2019
To: Portland Public Schools Board of Education
From: Finance Department
Subject: Quarterly Finance Report – Second Quarter of Fiscal Year 2018-19

Introduction

This packet is for the second quarter of FY 2018-19, and includes summary information and supporting documentation for the following topics:

1. A comparison and analysis of the actual financial results for the fiscal year (“FY”) to date, through December 31, 2018. Actual results are compared to both the FY 2018-19 Budget and to the same period last year. The analysis also includes a forecast of the remaining 6 months of the fiscal year and a forecast of the General Fund’s Ending Fund Balance (“EFB”);
2. A high-level projection for FY 2019-20, primarily focused on an early analysis of revenue, major spending categories, and a projected EFB based on the Governor’s Recommended budget released on 11/28/2018;
3. Two enrollment reports that provide comparisons by grade and by school of the enrollment assumed in our budget to actuals as of October 1;
4. The quarterly investment report providing insight into our cash-on-hand and investment holdings;
5. Fund 225 - PERS Rate Stabilization Fund multi-year Revenue Review;
6. A quarterly real estate report providing a comprehensive listing of all leases, licensing and collaboration agreements, inter-governmental agreements (“IGAs”), and services contracts (Appendix B);
7. An appendix that includes the following schedules:
 - a. Appendix A – A summary comparison of Q2 2018-19 financial activity and results to the same period last year
 - b. Appendix B – A comprehensive list of all real estate agreements (separate pdf file)

General Fund Quarterly Summary

Comparing the 2nd quarter of 2018-19 fiscal year to last year the same quarter, revenue collections are basically flat, with year-to-date revenues \$8.3 million higher this year than last. Expenditures are trending to budget but are higher than the first quarter of last year (when excluding Transfers, which have not been completed for the current year) due to pay increases, a larger employee count, and higher contract (Purchased Services) spending.

Analyzing the remainder of FY 2018-19, we expect to end the year slightly better than FY 2018-19 Budget. Revenue is expected to be approximately \$2.2 million higher and in spending, we are forecasting to be \$3.2 million under budget. This savings is primarily driven by vacancy savings in salaries and associated benefits. The net expected result will be an increase of about \$5.3 million to the ending fund balance, resulting in projected 4.6% of expenditures.

Actual enrollment as of October 1 is slightly higher than last year (24 students), but 385 students below the enrollment projections assumed during the development of the FY 2018-19 Budget. In May, 2019 ODE will give us the SSF reconciliation from FY 2017-18. At that time, we will provide the board an updated weighted student count and the associated effect.

As of December 31, our operating cash and investment portfolio totaled \$874.8 million in book value. Cash and cash equivalent balances were \$170.8 million, with \$22.8 million of this amount in a PERS restricted use account.

2018-19 Budget to Actuals

A summary of FY 2018-19 year-to-date activity compared to the Adopted Budget is presented in the table below. The table also includes a Forecast for the fiscal year, including a projected ending fund balance. We expect to end the year slightly better than budget; revenue is expected to be approximately \$2.2 million higher and in spending, we are forecasting to be \$3.2 million under budget. This savings is primarily driven by vacancy savings in salaries and associated benefits. The net expected result will be an increase of about \$5.3 million to the ending fund balance, resulting in projected 4.6% of expenditures. A comparison and variance analysis of the Q2 2018-19 Actuals compared to the Q2 2017-18 Actuals and year-to-date actuals for both years can be found in the appendix.



Portland Public Schools
Year-To-Date Activity and Forecast
General Fund
For the Period Ended December 31, 2018
(\$ in thousands)

	Budget		Activity			
	Adopted Budget FY2018-19	Working Budget FY2018-19	YTD Through 12/31/2018	Encumbrances	Total Including Encumbrances	Forecast Through 6/30/2019
REVENUES:						
Beginning Fund Balance	\$ 34,730	\$ 34,730	\$ 38,245	\$ -	\$ 38,245	\$ 38,245
Property and Other Taxes	\$ 261,009	\$ 261,009	\$ 240,713	-	240,713	\$ 267,255
State School Fund	\$ 233,305	\$ 233,305	\$ 132,111	-	132,111	\$ 225,371
State Common School Fund	\$ 4,902	\$ 4,902	\$ -	-	-	\$ 5,132
Federal and State Support	\$ -	\$ -	\$ -	-	-	\$ -
Local Option Taxes	\$ 94,934	\$ 94,934	\$ 87,476	-	87,476	\$ 96,569
County & Intermed. Sources	\$ 13,357	\$ 13,357	\$ 2,866	-	2,866	\$ 13,380
Charges for Services	\$ 4,171	\$ 4,171	\$ 1,893	-	1,893	\$ 3,809
Extracurricular Activities	\$ -	\$ -	\$ -	-	-	\$ -
Investment Earnings	\$ 2,895	\$ 2,895	\$ 1,470	-	1,470	\$ 2,413
Other	\$ 5,649	\$ 5,649	\$ 2,324	-	2,324	\$ 4,948
Transfers In	\$ 50	\$ 50	\$ 14	-	14	\$ 50
Total	\$ 655,002	\$ 655,002	\$ 507,112	\$ -	\$ 507,112	\$ 657,171
EXPENDITURES:						
Salaries	\$ 344,088	\$ 352,360	\$ 144,809	\$ 204,920	\$ 349,729	\$ 349,729
Benefits	\$ 171,495	\$ 164,387	\$ 67,315	\$ 96,312	163,627	\$ 163,627
Purchase Services	\$ 86,464	\$ 84,435	\$ 31,008	\$ 15,828	46,836	\$ 84,198
Supplies & Material	\$ 14,225	\$ 15,080	\$ 6,834	\$ 2,076	8,910	\$ 15,080
Capital Outlay	\$ 1,484	\$ 1,484	\$ 765	\$ 551	1,316	\$ 1,699
Other	\$ 6,115	\$ 6,125	\$ 3,126	\$ 693	3,819	\$ 6,407
Transfers Out	\$ 5,879	\$ 5,879	\$ 38	\$ -	38	\$ 5,879
Subtotal	\$ 629,750	\$ 629,750	\$ 253,895	\$ 320,380	\$ 574,275	\$ 626,619
CONTINGENCY:	\$ 25,252	\$ 25,252	\$ -	\$ -	\$ -	\$ -
Total	\$ 655,002	\$ 655,002	\$ 253,895	\$ 320,380	\$ 574,275	\$ 626,619
Projected Ending Fund Balance						\$ 30,552
Projected Ending Fund Balance Percentage of Actual (Forecast) Revenue at 6/30/2019						4.6%

FY 2019-20 Financial Projection

Looking forward to FY 2019-20, we expect revenue to increase 4.3%, which is largely dependent on underlying assumptions about appropriation levels for the State School Fund. With an audited \$38.2 million of beginning fund balance for FY 2018-19, a state appropriation for the biennium of \$8.97 billion for the State School Fund, and modest increases in other revenue sources, we expect total resources to be \$684 million. A preliminary review of expenditures leads us to believe that this increase will be absorbed by increases in salaries, PERS rate increases, and higher health care and benefit expenses. Assuming a Budgeted Contingency of 5.0% of expenditures, our expenditures and the contingency will exceed total resources by \$14.8 million or 2.2%. There may be opportunities for other funding from state and federal sources, however, since they are not verified at this time, they are not included in the analysis.

Enrollment Comparison (unchanged from December 04, 2018 presentation)

As the budget was being prepared in the spring of 2018, the estimate for FY 2018-19 enrollment for the district was 49,093. Actual enrollment is measured once classes are in session. In FY 2018-19, actual enrollment was 48,708 as of October 1, 2018. This is 385 or 0.8% lower when compared to the projection used for the budget. Grades Kindergarten through 7 are trending under projections, while grades 8 through 12 were either flat or were increasing slightly.

As of October 1, 2018, total enrollment for the district increased over the last year, with 24 additional students on top of FY 2017-18 enrollment of 48,684.

A summary of enrollment variances, by grade and by school, is included below:



Enrollment Comparisons
FY 2017-18 Total K-12 Compared to FY 2018-19
FY 2018-19 Total K-12 Actuals Compared to Projections

Grade	K-12 Actual				K-12 Projected		
	2017-18 Students	2018-19 Students	Year-over-Year Change	Year-over-Year Change (%)	2018-19 Projected Students	Variance 2018-19 Projection to Actual	Variance (%)
KG	3,948	3,899	-49	-1.2%	4,014	-115	-2.9%
01	4,106	3,916	-190	-4.6%	4,000	-84	-2.1%
02	4,070	4,040	-30	-0.7%	4,062	-22	-0.5%
03	4,133	4,011	-122	-3.0%	4,024	-13	-0.3%
04	4,137	4,051	-86	-2.1%	4,090	-39	-1.0%
05	4,087	4,036	-51	-1.2%	4,086	-50	-1.2%
06	3,704	3,844	140	3.8%	3,939	-95	-2.4%
07	3,523	3,619	96	2.7%	3,673	-54	-1.5%
08	3,553	3,500	-53	-1.5%	3,498	2	0.1%
09	3,344	3,500	156	4.7%	3,419	81	2.4%
10	3,228	3,354	126	3.9%	3,365	-11	-0.3%
11	3,220	3,234	14	0.4%	3,195	39	1.2%
12	3,631	3,704	73	2.0%	3,728	-24	-0.6%
District Total	48,684	48,708	24	0.0%	49,093	-385	-0.78%

Actual enrollment data are as of October 1, as reported in the Period 1 Cumulative Average Daily Membership state report. PK is excluded from all counts above.

The FY 2018-19 Enrollment Projections are provided by the PSU demographer, based on FY 2017-18 October Enrollment, and adjusted for other factors affecting population.



Enrollment Comparisons
 FY 2017-18 Total K-12 Compared to FY 2018-19
 FY 2018-19 Total K-12 Actuals Compared to Projections

			K-12 Actual					K-12 Projection	
Title School	Grade Span	School / Program	2017-18 % Free by Direct Certification	2018-19 % Historically Underserved Race	2018-19 Students	2017-18 Students	Change from 2017-18	2018-19 Projection	Variance 2018-19 Projection to Actual
Title School	Grade Span	School / Program	% Free by Direct	2018-19 % HU Race	CY Total	PY Total	Difference Total	CY Total	Difference Total
Title	K-5	Rosa Parks	76%	82%	276	272	4	259	17
Title	K-5	Sitton	60%	70%	367	364	3	358	9
Title	K-5	Woodlawn	46%	65%	335	326	9	319	16
Title	K-5	James John	42%	51%	347	368	-21	346	1
Title	K-5	Whitman	53%	49%	238	267	-29	258	-20
Title	K-5	Woodmere	47%	43%	301	286	15	301	0
Title	K-5	Kelly	44%	32%	498	532	-34	521	-23
	K-5	Beach	26%	47%	428	442	-14	440	-12
	K-5	Peninsula	36%	42%	267	279	-12	283	-16
	K-5	Markham	33%	39%	445	456	-11	460	-15
	K-5	Chief Joseph	22%	34%	358	363	-5	352	6
	K-5	Atkinson	15%	32%	419	420	-1	407	12
	K-5	Grout	38%	30%	382	392	-10	399	-17
	K-5	Buckman	19%	24%	450	474	-24	474	-24
	K-5	Chapman	18%	20%	484	532	-48	522	-38
	K-5	Glencoe	11%	20%	451	489	-38	462	-11
	K-5	Ainsworth	2%	19%	625	638	-13	646	-21
	K-5	Capitol Hill	13%	19%	443	442	1	443	0
	K-5	Bridlemile	8%	14%	518	535	-17	538	-20
	K-5	Stephenson	5%	15%	347	352	-5	351	-4
	K-5	Maplewood	9%	13%	383	378	5	385	-2
	K-5	Rieke	7%	14%	379	386	-7	389	-10
	K-5	Llewellyn	5%	14%	484	489	-5	473	11
	K-5	Lewis	14%	13%	390	389	1	389	1
	K-5	Woodstock	17%	10%	548	552	-4	551	-3
	K-5	Alameda	3%	10%	730	734	-4	722	8
	K-5	Duniway	6%	9%	504	499	5	501	3
	K-5	Abermethy	5%	8%	520	516	4	517	3
	K-5	Richmond	3%	8%	632	647	-15	640	-8
	K-5	Forest Park	1%	8%	418	443	-25	453	-35
		K-5 Schools Total			12,967	13,262	-295	13,159	-192



Enrollment Comparisons
 FY 2017-18 Total K-12 Compared to FY 2018-19
 FY 2018-19 Total K-12 Actuals Compared to Projections

			K-12 Actual					K-12 Projection	
Title School	Grade Span	School / Program	2017-18 % Free by Direct Certification	2018-19 % Historically Underserved Race	2018-19 Students	2017-18 Students	Change from 2017-18	2018-19 Projection	Variance 2018-19 Projection to Actual
Title School	Grade Span	School / Program	% Free by Direct	2018-19 % HU Race	CY Total	PY Total	Difference Total	CY Total	Difference Total
Title	K-8	César Chávez	49%	79%	550	540	10	558	-8
Title	K-8	Faubion	44%	69%	679	626	53	652	27
Title	K-8	Lent	49%	63%	507	530	-23	527	-20
Title	K-8	Harrison Park	50%	47%	658	638	20	640	18
Title	K-8	Marysville	47%	48%	392	380	12	385	7
	K-8	Bridger	30%	50%	504	531	-27	551	-47
	K-8	Vernon	26%	38%	545	522	23	559	-14
	K-8	Astor	24%	35%	434	425	9	414	20
	K-8	Creston	27%	28%	361	372	-11	383	-22
	K-8	Arleta	28%	25%	490	454	36	455	35
	K-8	Sunnyside Environme	13%	18%	581	604	-23	615	-34
	K-8	Skyline	10%	17%	274	293	-19	278	-4
	K-8	Hayhurst	14%	15%	629	592	37	601	28
	K-8	Creative Science	14%	13%	466	479	-13	494	-28
	K-8	Laurelhurst	7%	13%	692	698	-6	693	-1
	K-8	Winterhaven	5%	10%	321	354	-33	354	-33
		K-8 Schools Total			8,083	8,038	45	8,159	-76
Title	K-5	Boise-Eliot/Humboldt	59%	78%	310	347	-37	343	-33
Title	K-5	MLK Jr	51%	69%	311	308	3	310	1
	K-5	Irvington	16%	38%	339	325	14	364	-25
	K-5	Sabin	12%	31%	452	434	18	426	26
	6-8	Harriet Tubman	34%	66%	491	448	43	446	45
Title	K-5	Scott	45%	66%	459	396	63	467	-8
Title	K-5	Lee	44%	42%	276	319	-43	306	-30
Title	K-5	Vestal	42%	38%	272	257	15	247	25
	K-5	Rose City Park	20%	15%	532	449	83	567	-35
Title	6-8	Roseway Heights	40%	49%	588	527	61	571	17
	K-8	Beverly Cleary	5%	13%	782	897	-115	753	29
Title	K-5	Rigler	51%	80%	308	441	-133	346	-38
		Reconfigured Schools Total			5,120	5,148	-28	5,146	-26
Title	6-8	George	62%	78%	421	417	4	431	-10
Title	6-8	Lane	48%	44%	433	454	-21	449	-16
	6-8	Ockley Green	36%	58%	505	531	-26	528	-23
	6-8	Beaumont	24%	39%	571	591	-20	588	-17
	6-8	da Vinci	14%	22%	456	457	-1	453	3
	6-8	Jackson	15%	20%	746	659	87	709	37
	6-8	Gray	12%	19%	542	536	6	571	-29
	6-8	Hosford	17%	20%	588	621	-33	614	-26
	6-8	Mt Tabor	11%	18%	741	718	23	745	-4
	6-8	West Sylvan	5%	15%	822	876	-54	842	-20
	6-8	Sellwood	7%	14%	612	589	23	598	14
		Middle School Total			6,437	6,449	-12	6,528	-91



Enrollment Comparisons
 FY 2017-18 Total K-12 Compared to FY 2018-19
 FY 2018-19 Total K-12 Actuals Compared to Projections

Title School	Grade Span	School / Program	K-12 Actual					K-12 Projection	
			2017-18 % Free by Direct Certification	2018-19 % Historically Underserved Race	2018-19 Students	2017-18 Students	Change from 2017-18	2018-19 Projection	Variance 2018-19 Projection to Actual
Title School	Grade Span	School / Program	% Free by Direct	2018-19 % HU Race	CY Total	PY Total	Difference Total	CY Total	Difference Total
	9-12	Roosevelt	40%	64%	994	859	135	850	144
	9-12	Jefferson	37%	65%	656	677	-21	771	-115
	9-12	Madison	37%	48%	1,157	1,146	11	1,101	56
	9-12	Benson	26%	45%	1,035	1,026	9	1,058	-23
	9-12	Franklin	24%	31%	1,856	1,745	111	1,823	33
	9-12	Grant	8%	19%	1,638	1,512	126	1,513	125
	9-12	Wilson	11%	18%	1,535	1,512	23	1,600	-65
	9-12	Cleveland	11%	16%	1,651	1,586	65	1,603	48
	9-12	Lincoln	5%	15%	1,698	1,705	-7	1,717	-19
		High School Total			12,220	11,768	452	12,036	184
	1-8	Access	3%	13%	297	336	-39	328	-31
	K-12	Metro. Learning Center	12%	19%	404	390	14	386	18
	K-12	Other Programs			3,180	3,293	-113	3,351	-171
		Program Total			3,881	4,019	-138	4,065	-184
		District Total			48,708	48,684	24	49,093	-385

Investment Report

As of December 31, our operating cash and investment portfolio totaled \$874.8 million in book value, an increase of \$301.8 million over last quarter's report. This increase is in line with expectations since the majority of our tax revenue collections happen in Quarter 2. The market value of these investments is \$869.8 million, reflecting the recent increase in market rates which drives the market value of fixed income and bond investments lower than par value. The district invests in high quality investments, with the largest concentrations in federally backed agency and US Treasury securities. The portfolio is invested in line with board-adopted policies.



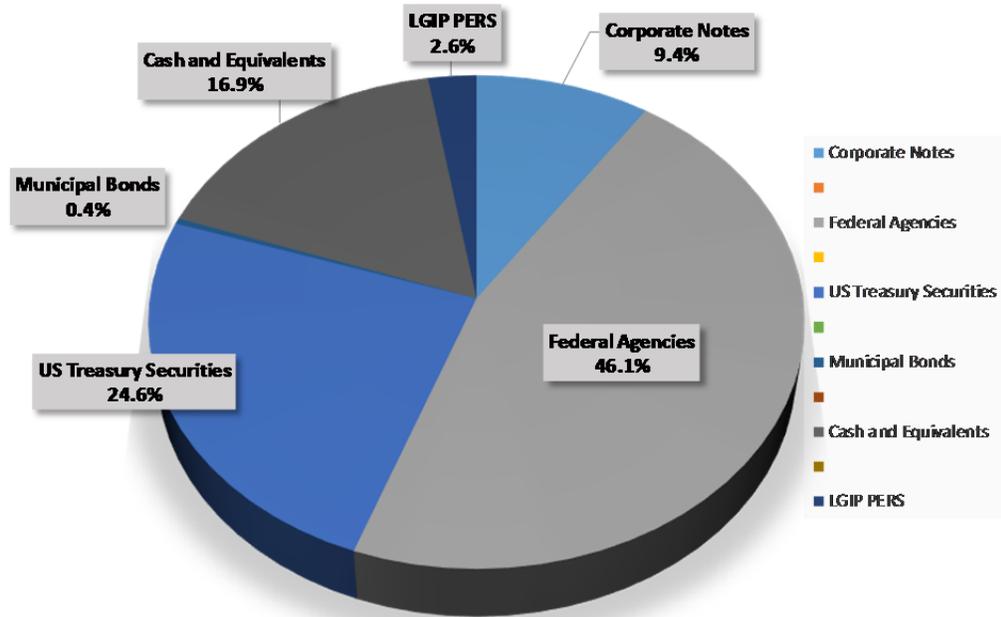
Portland Public Schools
Total Cash and Investments
December 31, 2018
(\$ in thousands)

Investments	Par Value	Market Value	Book Value	% of Portfolio	Maximum % Allowed per Policy*	Average Days Term	Yield to Maturity
Corporate Notes	\$ 82,787	\$ 82,489	\$ 82,560	9.4%	35%	135	2.52%
Federal Agencies							
Federal Agricultural Mortgage Corp (FarmerMac)	\$ 31,800	\$ 31,403	\$ 31,817	3.6%	50%	623	1.75%
Federal Farm Credit Banks	72,617	71,732	72,656	8.3%	50%	482	1.55%
Federal Home Loan Banks	197,500	196,205	197,151	22.5%	50%	223	2.00%
Federal Home Mortgage Corp (FreddieMac)	36,060	35,753	36,020	4.1%	50%	305	1.73%
Federal National Mortgage Association (FannieMa)	23,390	23,213	23,361	2.7%	50%	206	1.68%
Resolution Funding Corporation (RFC)	43,430	41,830	42,396	4.8%	50%	522	1.76%
Sub Total Federal Agencies	\$ 404,797	\$ 400,136	\$ 403,401	46.1%	100%	339	1.83%
US Treasury Securities	\$ 216,400	\$ 213,150	\$ 214,790	24.6%	100%	214	2.28%
Municipal Bonds	\$ 3,185	\$ 3,161	\$ 3,178	0.4%	30%	298	2.37%
Sub Total Investments	\$ 707,169	\$ 698,936	\$ 703,930				
Cash and Equivalents							
Cash and Cash Equivalents	148,016	148,016	148,016	16.9%	100%	1	2.40%
LGIP PERS (Restricted)	22,799	22,799	22,799	2.6%	N/A	1	2.75%
Sub Total Cash and Equivalents	\$ 170,815	\$ 170,815	\$ 170,815				
Total Cash and Investments	\$ 877,984	\$ 869,751	\$ 874,745	100%		223	2.13%

*Board Policy restricts investments in single entity- Government Agencies (50%), Corporates (5%) and Banks (10%) in addition to category total

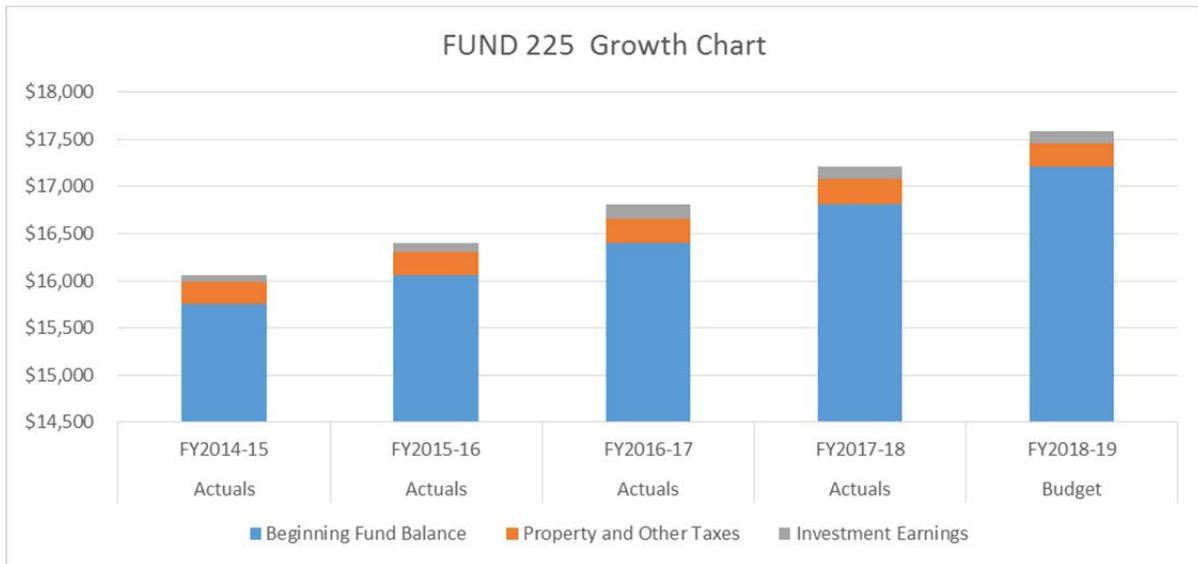


**Portland Public Schools
Total Cash and Investments
December 31, 2018**



Fund 225

In the last quarter presentation to the board, we highlighted Fund 225, the Public Employees Retirement System (“PERS”) Rate Stabilization Fund. To give the board more insight as to how the fund has changed since 2014-15, we have included the below chart. Including the expectations from this year, the fund has grown \$1.5 million over the last 5 years, with an expected ending balance of \$17.6 million for this year. On average, \$254 thousand per year growth is from property tax and the remaining \$113 thousand is from investments.



As discussed in our last presentation, the purpose of this fund is to mitigate and manage fluctuations to the rate assessed against PPS salaries and wages and to repay the PERS Unfunded Actuarial Liability (“UAL”) borrowing, relative to the district’s participation in the Oregon School Boards Association Pension Obligation Bond Programs of October 31, 2002 and April 30, 2003.

- The resources of the fund are Beginning Balance from the previous year’s unspent funds (Ending Fund Balance) and interfund transfers from the General Fund as directed in Resolution No. 4471. Resolution No. 4471 specifies that a minimum annual amount of 0.11% of the current year property taxes will be dedicated to Fund 225.
- Use of the resources must be authorized through formal board resolution in adherence with federal and state law and in accordance with Governmental Accounting Standards Board standards and in compliance with generally accepted accounting principles.

Quarterly Real Estate Report Summary

The table in Appendix B includes a comprehensive list of outside organizations who have been granted dedicated space in school buildings during school hours. These organizations are provided such space through either a lease, a license (a lease for small amounts of space), an intergovernmental agreement (IGA) or a contract for services. The table includes the building, the tenant, the amount of space under contract, the duration of contract, if a 30-day termination notice is in place, the monthly rent amount, and the type of agreement with the tenant.

This comprehensive list will be provided to the board once per year. Subsequent quarterly financial reports will provide a summary of new, amended, and expired contracts for the quarter.

Reporting Cadence

The following table formalizes the annual schedule for finance reports to the Board of Education.

	Q1 7/1 through 9/30	Q2 10/1 through 12/31	Q3 1/1through 3/31	Q4 4/1 through 6/30
Budget and Finance Updates				
Budget to Actuals	X	X	X	X
Ending Fund Balance Forecast	X	X	X	X
2019-20 Projections		X	X	
2019-20 Budget Milestones				Propose, Approve and Adopt
Cash and Investments				
Investment Report	X	X	X	X
Investment Policy				X
Local Option Compliance				
Option Cap Analysis				X
CBRC Report				X
Real Estate				
List of all Contracts		X		
Summary of Changes	X	X	X	X

APPENDIX



Appendix A



Portland Public Schools
Comparison for FY18 Q2 and FY19 Q2
General Fund
For the Periods from September 30, 2018 to December 31, 2018
(\$ in thousands)

	2017-18			2018-19			Variance	
	Actuals FY2017-18	9/30/2017 Through 12/31/2017	Percentage of Total FY2017-18	Final Budget FY2018-19	9/30/2018 Through 12/31/2018	Percentage of Total FY2018-19	Increase (Decrease) From Prior Year	
							\$	%
REVENUES:								
Beginning Fund Balance	\$ 20,104	\$ 19,871	98.8%	\$ 34,730	\$ 38,245	110.1%	\$ 18,374	92.5%
Property and Other Taxes	\$ 252,921	\$ 231,875	91.7%	\$ 261,009	\$ 233,856	89.6%	1,981	0.9%
State School Fund	\$ 239,804	\$ 57,362	23.9%	\$ 233,305	\$ 55,871	23.9%	(1,492)	-2.6%
State Common School Fund	\$ 5,155	\$ -	0.0%	\$ 4,902	\$ -	0.0%	-	0.0%
Federal and State Support	\$ 22	\$ -	0.0%	\$ -	\$ -	0.0%	-	0.0%
Local Option Taxes	\$ 89,663	\$ 82,305	91.8%	\$ 94,934	\$ 85,636	90.2%	3,331	4.0%
County & Intermed. Source	\$ 13,269	\$ 5,144	38.8%	\$ 13,357	\$ 2,866	21.5%	(2,277)	-44.3%
Charges for Services	\$ 3,901	\$ 2,418	62.0%	\$ 4,171	\$ 1,129	27.1%	(1,288)	-53.3%
Extracurricular Activities	\$ -	\$ -	0.0%	\$ -	\$ -	0.0%	-	0.0%
Investment Earnings	\$ 2,869	\$ 551	19.2%	\$ 2,895	\$ 914	31.6%	362	65.7%
Other	\$ 5,252	\$ 1,070	20.4%	\$ 5,649	\$ 1,142	20.2%	71	6.6%
Transfers In	\$ 1,006	\$ -	0.0%	\$ 50	\$ 14	28.0%	14	0.0%
Total	\$ 633,966	\$ 400,596	63.2%	\$ 655,002	\$ 419,672	64.1%	\$ 19,076	4.8%
EXPENDITURES:								
Salaries	\$ 330,589	\$ 90,308	27.3%	\$ 352,360	\$ 100,559	28.5%	\$ 10,251	11.4%
Benefits	\$ 157,828	\$ 44,741	28.3%	\$ 164,387	\$ 46,424	28.2%	1,683	3.8%
Purchase Services	\$ 81,918	\$ 22,391	27.3%	\$ 84,435	\$ 22,679	26.9%	289	1.3%
Supplies & Material	\$ 13,018	\$ 2,927	22.5%	\$ 15,080	\$ 4,344	28.8%	1,417	48.4%
Capital Outlay	\$ 2,481	\$ 229	9.2%	\$ 1,484	\$ 262	17.7%	33	14.3%
Other	\$ 4,384	\$ 438	10.0%	\$ 6,125	\$ 733	12.0%	295	67.2%
Transfers Out	\$ 5,328	\$ (8,371)	-157.1%	\$ 5,879	\$ 4	0.1%	8,376	-100.1%
Contingency	\$ -	\$ -	0.0%	\$ 25,252	\$ -	0.0%	-	0.0%
Total	\$ 595,547	\$ 152,662	25.6%	\$ 655,002	\$ 175,004	26.7%	\$ 22,343	14.6%



Portland Public Schools
Year-To-Date Comparison for FY18 and FY19 - Variance Analysis
General Fund
For the Period Ended December 31, 2018
(\$ in thousands)

	Variance		Explanation of Variance	
	Increase (Decrease) From Prior Year			
	\$	%		
REVENUES:				
Beginning Fund Balance	\$ 18,374	92.5%	Actuals revenue for FY2017-18 came in significantly higher than anticipated; primarily in the property and other taxes and Local Option Taxes lines. Additionally, we underspent by approximately \$1.5M, which was mostly vacancy savings Variance includes the impact of a one-time Comcast settlement of \$5,651K In line with expectations of lower ADMw due to actual enrollment less than last year in addition to a lower student population being classified as English Language Learners and/or poverty. Variance includes the impact of a one-time Comcast settlement of \$1,635K Payment of current year's City of Portland Art Tax revenue was received in January vs. December of last year; expected payment of \$2.4M Variance is due to a decrease in revenue for services (e.g. civic use of buildings, rent-lease of facilities). Variance is due to an increase in investment earnings in FY18-19. Variance is due to an increase in fees charged for grants in FY18-19.	
Property and Other Taxes	\$ 8,213	3.5%		
State School Fund	\$ (1,756)	-1.3%		
State Common School Fund	\$ -	0.0%		
Federal and State Support	\$ (0)	-100.0%		
Local Option Taxes	\$ 4,974	6.0%		
County & Intermed. Sources	\$ (2,277)	-44.3%		
Charges for Services	\$ (1,283)	-40.4%		
Extracurricular Activities	\$ -	0.0%		
Investment Earnings	\$ 389	35.9%		
Other	\$ 74	3.3%		
Transfer In	\$ 14	0.0%		
Total	\$ 26,721	5.6%		
EXPENDITURES:				
Salaries	\$ 14,247	10.9%	Variance due to PAT contract pay increases and 39 new FTE as expected. Same variance progression as Q1 Variance is actually smaller than expected, not tracking to salaries, due to Health and Welfare credit in current year, which is partially offsetting increases in PAT salaries. Variance is due to musical instrument purchases for new middle schools in Q1 and to multiple IT Software Adoptions, one time costs in Q2 Negative variance compared to FY2018 due to ~\$500k Buses/Capital Bus Improvements in Q1 of FY2018 Premiums increased based on reassessed property values trend continues from Q1. ~1\$M more spent through Q2 than YTD in FY2018 YTD transfers haven't been booked for the current fiscal year.	
Benefits	\$ 324	0.5%		
Purchase Services	\$ (460)	-1.5%		
Supplies & Material	\$ 1,659	32.1%		
Capital Outlay	\$ (494)	-39.3%		
Other	\$ 597	23.6%		
Transfers Out	\$ (309)	-89.0%		
Contingency	\$ -	0.0%		
Total	\$ 15,564	6.5%		

