

**Governing Board of Trustees  
November 16, 2016**

**2015-2016 Year-End Close Preliminary Report  
by Dr. Steven L. Crow, Vice President for Administrative Services**

The District closed the books for 15-16 ending June 30, 2016 last month. Generally, expenditures tracked to budget or under budget resulting in savings for the year. As you remember, the District received a large one-time unrestricted allotment of approximately \$3.5M. The District committed over \$1M of these one-funds to offset revenue to budget shortfall to "balance" the budget. The District budgeted the remainder of these funds for one-time expenditures. These expenditures included purchase of vans, preparing for the ERP, efficiencies, reorganization, and consulting associated with each of these areas. The one-time funds do not need to be spent within the fiscal year and will largely carryover to the current year 16-17 resulting in a temporary increase to the ending fund balance. These one-time funds and miscellaneous savings total \$2.5M. Multiple year-end transfers to address CDC funds, OPEB, and Debt Service will come for approval in December 2016.

The District external audit is underway this week. I met with Vavirnek, Trine, Day & Co., LLP, CPA, Bill Rauch yesterday to discuss the progress of the District's audit. The auditors have inquired about the many required tests they use, as well as about our self-assessments. We have received just this week the draft actuarial for retiree health coverage and we will include this evidence for the auditors and their inclusion of our OPEB irrevocable trust deposits.