



Division of Fiscal Services
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MEMORANDUM

DATE: January 8, 2016
TO: Karen Janney, Superintendent
FROM: Karen Michel, Chief Financial Officer *K. Michel*
RE: **SUPERINTENDENT'S UPDATE – Status Update #6 on CFD Distribution of Expenditures**

The purpose of the memorandum is to provide you with an update on the Community Facilities District ("CFD") Re-distribution of Expenditures.

The following is an update on the overall project status, since last reported on November 10, 2015:

The Facilities Finance Team along with one Temporary Employee (BOT Approved Item K-6 on 9/14/15) have reviewed a total of 14,425 transactions – 7,457 revenue transactions and 6,968 expenditure transaction. This represents 91.53% of the expenditures transactions and 79.60% of the revenue transactions for existing CFDs from the period of July 1985 to June 2014. Since last reported, 578 additional transactions have been reviewed. The number is lower than previous updates, due to staff turnover and the closure of the Finance Department for two weeks during December 2015. The chart on the following page further details this information and provides an estimated time of completion.

As explained in the presentation to the Board of Trustees on 8/24/2015, the Facilities Finance Team summarizes the transactions reviewed by generating Financial Reports. This includes an Income Statement and Balance Sheet report for each Fiscal Year and each individual CFD. The reports also includes an "Adjustments Needed" section, where re-distribution of expenditures and revenue corrections are made. As of November 10, 2015, Financial Reports have been generated for every Fiscal Year from 1985-86 to 1999-00. Since last reported, two additional Financial Reports have been generated. On 1/6/2016, one additional Temporary Employee was brought on to assist in the generating of Financial Reports.

It is projected that the review of transactions will be completed in end of January 2016. The Financial Reports are expected to be completed in March 2016.

Average # of Transaction Reviewed per week:	
Revenue	600
Expenditures	150
	750
Total Transactions	16,981
Total Transactions reviewed to date	14,425
Remaining Transactions to be Reviewed	2,556
Estimated Completion Time (in weeks)	3.41

Note: The total number of transaction have fluctuated from prior updates. As staff continues to review every transaction, it has been noted and corrected if transactions were duplicating when exporting data from prior software. It has also been noted and corrected when a specific transaction should have been split into two or more individual transactions.