

Marion County Board of Education
March 9, 2017
Finance Report - Talking Points

Summary Financial Report

a. Revenue

- i. **Beginning Balance** (Unfav 7%) - this year is \$477,490 less than last year (used general fund money for West Marion Elementary roof)
- ii. **Property Tax** (Fav 4%)
- iii. **Motor Vehicle Tax** (Fav 6%)
- iv. **Distilled Spirits Tax** (Fav) – LY sheriff's report had this Maker's Mark tax in franchise tax rather than distilled spirits tax
- v. **Utility Taxes** (Fav 2%)
- vi. **Revenue in Lieu** (Fav 21%)
- vii. **Interest** down slightly (Unfav 6%) – same rate 0.56%; bal were higher last year
- viii. **SEEK** down this year (Unfav 1%) \$12,353,050 vs last year \$12,471,000 (less \$118k because we were down 5.15 kids – 2873 ly/2868 ty)
- ix. **Medicaid Reimb** (Fav 372%) (includes both School Nurses and Special Ed Medicaid Reimb) – this is the first year for the Lincoln Trail agreement and that is why the revenues are up this year and there will continue to be a growing variance there. As Mr. Brady emailed you, the reimbursement we receive from Lincoln Trail Health Dept will be very close to self-sustaining our school nurse program.
- x. **Fed Rev through Intermediary** (Fav 6%) – ROTC program with high school;
- xi. **Interfund Transfers**
- xii. **Other** (Fav 53%) – Preschool tuition 14k, building rental 17k

b. Expenses

- i. **Instruction**
- ii. **Health/Attend/Guidance** (Unfav 22%) – nurses are paid here this year and were not last year
- iii. **Libraries, Instr Super, ECE** (Fav 2%)
- iv. **Board/Superintendent** (Unfav 16%) – Tax fees +50k, increase in liability insurance
- v. **Principals** (Fav 5%) – retired principal daily wage threshold this year

- vi. **Business Support, Tech** (Unfav 23%) – consultants required early this year for finances
- vii. **Building Operations** (Unfav 6%)- \$99k phone equipment purchase this year
- viii. **Student Transportation** (Unfav 9%) – driver salaries higher this year, \$35k more in supplies this year
- ix. **Community Services** (Unfav 65%) - mentoring program supplies
- x. **Land Improvements**
- xi. **Debt Service**
- xii. **Fund Transfers** (Fav 51%) – Last year includes the \$8,800 Community Based Work Transition match \$8k; general fund bond payment transferred earlier last year

Cash Balances

General Fund Cash Balance Feb 2017\$10.4 million

General Fund Cash Balance Feb 2016\$10.6 million

You can see the remaining cash balances on the Balance Sheet and the Bank Reconciliation. They are:

Other Individual Fund Balances		
Fund 2	Special Revenues Fund (grants – local, fed, state)	273,120
Fund 21	District Activity Fund (school funds brought to district)	56,415
Fund 31	Capital Outlay Fund (debt payments)	675,948
Fund 32	Building Fund (debt payments)	493,677
Fund 36	Construction Fund (current construction projects)	77,478
Fund 400	Debt Service Fund (debt payments)	680,417
Fund 51	Food Service	411,910

Nickel Tax Update

Prior Balance	\$429,776.93
February 9	6,416.04
February 9	<u>57,484.45</u>
	\$493,677.42

Capital Outlay Request

The biennial budget bill allows temporary flexibility in the use of Capital Outlay (Fund 310) funds to cover operational expenditures in the General Fund. We have approximately \$380,000 that we could transfer to General Fund before June 30, 2017. To exercise that flexibility, the board must approve the request to submit a Capital Funds Request to the Kentucky Department of Education at its April 13th Board Meeting.

Coming up in April

1. Bids – Anticipate continuation of banking services with Citizens National Bank for another year, using KPC and HPS as bid sources for our purchases rather than CKEC; (We are in year 1 of 3 year copier bid with Toshiba, year 2 of 5 year beverage bid with Coke)
2. Work Session on 2017-18 Tentative Budget
3. Salary Schedules 2017-18
4. Audit Contract from KDE
5. KASBO Training for Finance Staff