2018-2019 Draft Budget

The Draft Budget is a preliminary projection for the upcoming fiscal year. There are still many variables that are yet to be finalized, such as SEEK funding, as well as the equalization levels that will be used to calculate SEEK and Building Fund contributions by the state . The Draft Budget provides a look at the budgetary situation based on data as we know it and gives an opportunity to plan in case the funding situation improves or does not improve. The Draft Budget is assuming an ending General Fund balance of $1,431,206 for the current year. We have received over $109,000 in PSC tax funds from previous years that was unexpected, and $91,000 in Medicaid reimbursement in December that we received in the initial settlement phase. In addition, expenditures are currently $150,000 less in the first six months of this fiscal year compared to last year. Consequently, we are $300,000 better than anticipated in fund balance. The beginning fund balance for 2018-19 has been adjusted to reflect these circumstances. The Tentative Budget in May will provide a more complete picture as this fiscal year nears a close and the General Assembly will have closed its session.

General Fund

Revenues

Even though the compensating rate has been assumed, local property tax revenues were increased slightly to allow for new property. This increase was $22,000. Motor vehicles tax assumes a very small increase ($5,000) and utility tax revenues are budgeted at a $60,000 increase. The SEEK base is maintained at the current level since there has been no indication about increased funding from Frankfort. SEEK ADA is estimated at 1429.9 and current at risk and exceptional children numbers are used in the projection. We are estimating a decrease of $20,000 in SEEK, which assumes a very small decrease in ADA this year. Transfers from Capital accounts equal $195,000, increasing $43000 due to the increased KISTA payments. Total receipts are estimated to increase $93,000. Total receipts equal $13,764,242 plus beginning balance of $1,431,206 equals Total Revenues of $15,195,448.

Expenditures

Salary and benefit costs are increased for the step up in experience and for mandated increases in retirement match. The cost for the step is approximately $88,000 in salary, $9100 in employer matching and an additional $146,000 in CERS . The CERS employer match rate is increasing over 46%. The total increase to salaries and benefits is budgeted at $243,000. Only current staff employed is reflected in this budget. Total salary and benefits are budget at $9,342,732.

Non-personnel costs are budgeted at $2,149,531 compared to this years $2,220,490. KISTA payments have been increased by$50,000 and security services are increased $22,500. However transportation repairs and outside services have been reduced. Total budgeted expenditures including on-behalf are $14,313,446. The fund balance (contingency) is projected at $882,002. The contingency percentage is 6.49%. We traditionally have retirements and staff who transfer to other districts each year, so we tend to gain back salary costs when these personnel changes are made. In addition, for the last three years we have adjusted staffing allocations to align with student population and will begin that process in February.

Special Revenue Fund

The Special Revenue Fund is not a part of the Draft Budget preparation. The budgets in the Special Revenue Fund are dictated by state and federal grant awards and hopefully this information will be available in time for inclusion in the Tentative Budget presented in May.

Capital Outlay Fund

Receipts of $142,990 is budgeted in Capital Outlay, based on the projected average daily attendance of 1429.9. This total allotment will be transferred to General Fund for operating expense.

Building Fund

The Building Fund has a projected ending balance of $6555.08 this fiscal year. Receipts of $1,713,735 ($810,310 state/$903,325 local) are budgeted for next year. The Building Fund revenues will be used to make debt payments of $1,668,161. $52,129 will be transferred to General Fund for operating expense.

Debt Service Fund

This is a transfer fund to record debt payments. The District local debt service requirements are $1,668,661 next year compared to this year’s $1,668,983. State contributions for debt are $869,400.

Food Service Fund

The Food Service Fund revenues are projected to increase 2.9% slightly. Expenditures have budgeted conservatively, only allowing for salary step increases ($11,900) and employer match costs ($33,706). The ending fund balance is estimated $65,742. For the first six months of the current year revenues are up 8%. We need to make continued efforts at cost containment.