2018-2019 Tentative Budget

The Tentative Budget is the first projection for the upcoming fiscal year with significant and known conditions. SEEK funding has been established, as well as salary increases. Other planned activities are finalized as the clarity of the budget situation has improved.

General Fund

Revenues

The beginning balance for next year is projected to be $1,715,000. Revenue has increased by $265,000 through April of this year in spite of a $143,000 reduction in SEEK funding. The sources have been in property taxes, utility taxes and Medicaid reimbursements. In addition, expenditures have been decreased $130,500. We have increased our fund balance by $177,000 since last year. SEEK revenue is projected to decrease an additional $18,000 in 2018-19. This assumes that Average Daily Attendance can be maintained at current levels. Local revenue is budgeted with the expectation of taking the compensating tax rate. Utility Tax Receipts are budgeted based just below the current rate of collection. The transfer from Capital Outlay and Building Fund is budgeted at $195,119 to accommodate and $24,683 has been added as indirect costs transfers from grant funds. Total current budgeted receipts exclusive of On-Behalf state contributions are $11,074,633, compared to $10,848,815 in the current year, an increase of $225,818.

Expenditures

Salaries schedules have been increased 1% and experience levels have been increased for certified and classified staff. The increases also apply to extra service and extracurricular pay. Salaries are budgeted at $8,058,900, $87,000 more than the current fiscal year. Employer matching costa are budgeted at $1,082,000, an increase of $53,500. The total cost of the increase in experience and the 1% increase in salary for all staff is approximately $210,000. However, total salary costs for 2018-19 are reduced by retirements and attrition. These changes lessen the impact of the 1% salary schedule and step increase on the actual total salary cost.

Other additional costs that significantly influence the budget are:

Preschool Supplement – $60,000

Security Services – $22,500

KISTA Lease- $52,300

Instructional Resources- $36,000

Professional Development- $23,000

Teacher Internship- $8,000

Other operational costs such as utilities, maintenance, fuel, insurance, etc. were individually budgeted based on current and historical amounts. Bus purchases are not budgeted at this time. Upon advice from our Fiscal Agents, the refund from the most recent KISTA bond issue can be used to either purchase additional buses or pay down the debt from the oversized issue. The budgeted contingency is $1,454,467 that is equivalent to 10.44%. Furthermore, for the 2018-19 fiscal year, the possibility of new tax revenue exists with the addition new property to the 2018 tax rolls.

Special Revenue Fund

The budgets in the Special Revenue Fund are dictated by state and federal grant awards. State grant allocations are available but federal program awards have not been finalized. For those that we do not have the allocation, we are using last year’s award. The personnel that are paid from these grants have been budgeted using the new salary and benefit levels. The state did not fund Professional Development, Instructional Resources, or Teacher Internship. Budget adjustments in General Fund accommodate those needs. In addition, the Preschool grant was reduced $57,000 and General Fund will have to supplement that initiative. Family Resource Center and the Youth Service are receiving increases. The remaining grant awards are staying virtually the same. We will receive the Math Achievement and Read- To-Achieve grants again next year, but were reduced slightly. Total grant awards are budgeted at $1,531,923.

Capital Outlay Fund

Revenue of $142,450 is budgeted in Capital Outlay, reflecting an expected Average Daily Attendance of 1422.5. All of this amount will be transferred to General Fund for current operating expense.

Building Fund

Beginning balance is projected to be $6,555. Revenue of $1,782,048 ($883,374 state/$898,674 local) is budgeted for next year. $1,668,160.94 will be used to retire debt, $52,669 will be transferred to General Fund for current operating expense, and $67,773 will remain escrowed in the Building Fund. These transfer and escrow numbers could change as KDE clarifies budget language about the requirements regarding General Fund transfers.

Construction Fund

$114,500 is anticipated as the beginning balance. This is leftover from the Bus Garage construction project. At this time, we anticipate using this balance on the bus parking lot and construction items.

Debt Service Fund

This is a transfer fund to record debt payments by the district and debt service made by the state on behalf of the district. Local debt service requirements are $1,668,161 next year compared to $1,668,298 this year. State assistance for debt service is approximately $870,000.

Food Service Fund

Food Service revenue has increased $11,400 this year through April 2018, in spite of taking several NTI days. Food Service loses approximately $6500 for each day we are not in school. This has resulted in a decreasing fund balance. Expenditures are $20,600 more than last year at this time. The beginning fund balance for is estimated at $14,500 and the ending fund balance is estimated at $27,924. This is predicated on only taking five NTI days. If we take more than 5 days, then it is likely that General Fund will have to supplement the Food Service program. Food Service is receiving an equipment grant for $15,000 that will offset some costs next year. Equipment purchases so far this year have exceeded $17,000.