

MERCER COUNTY SCHOOLS

2018-19 WORKING BUDGET

BUDGET CYCLE

Draft – by January 31

- Board review only

Tentative – by May 30

- Board approved
- Send to KDE
- Balanced
- Minimum 2% contingency

Working – by September 30

- Board approved
- Send to KDE
- Balanced
- Minimum 2% contingency

Working Budget

- The Working Budget is the final step in the budgeting process
- Using as much real information as possible including salary/fringe
- Conservative forecast

General Fund Revenue

- Total revenue of \$22,207,380.
- Includes beginning balance of \$3.85 million (decrease of \$562,574 compared to 2017-18 actual).
- Decrease in revenue of \$1.34 million compared to 2017-18 actual.
- Includes ending balance of \$1.733 million.
- Includes increase in tax revenue.
- SEEK budgeted at \$10.4 million due to SEEK Forecast.
- Includes revenue of \$249,020 in Capital Outlay Funds.

General Fund Expenses

- Budgeted at \$20,477,444.
- Increase of \$801,525 in budgeted expenses compared to 2018 actual.
- Contingency must be at 2%, desired level of 12%
- Working Budget has a contingency of 7.33%.
- SBDM Section 6 allocations \$139.33/ADA.
- Step increases only, no additional raise for staff.
- Increase in CERS of 2.3%.

Excess (Deficiency) of Receipts Over Expenditures

Budgeted Recurring Receipts	\$18,457,380
Budgeted Recurring Expenditures	\$20,477,444
Excess/Deficiency of Receipts over Expenditures	(\$2,020,064)
Expense as a Percent of Revenue	110.94%

Conclusion

Continue to develop ways to increase contingency. Increasing tax rates for a second consecutive year has helped to do that. There are not many ways that a district can generate revenue other than setting tax rates that will generate adequate revenue for the district. Another way that Mercer has started to generate revenue is by utilizing credit card cash back. By partnering with a new credit card company and increasing our card spend annually, it is estimated that approximately \$10,000 will be received in rebates with the credit card spend for calendar year 2018. This revenue will be considered local revenue and can help in upcoming budget years.

The budget needs to be balanced, meaning expenses are equal to or less than incoming revenue in that year. Due to stagnant or declining revenue, this is hard to maintain, but is something Mercer must strive for.

Everything has been finalized on **Fund 2** at this time unless the State or Federal Government's make changes through the year to the current year budget.

Food Service Fund 51 has a beginning balance of \$412,406 with a total in revenue of \$1,569,030. The ending balance is estimated to be at least \$119,872 depending on revenue and expenses. This means that Food Service is self-sustainable.

The entire Mercer County Schools 2018-19 Working Budget equals \$29,687,739.