

WOODFORD COUNTY BOARD OF EDUCATION

2020-21 TENTATIVE BUDGET



ASSUMPTIONS:

- **Conservative AADA:**
 - Reduced by 69 from Draft from 3,658 to 3590 in Tentative
 - KDE recommended using FY 2019 AADA due to excessive number of NTI days in FY 2020
- **Two Options:**
 - Option A includes the 4% Rate for local tax revenues
 - Option B hold rate flat at .693
- **SEEK reduced by 4% - same mid year cut % that we incurred back in FY 2009 after 2008 recession \$413,500 less than Draft**
- **REMOVED 12% increase in CERS** (County Employee's Retirement System)
 - Part of Relief Due to COVID-19
- **Additional reduction in Contingency of \$213,519 compared to Draft for a total of net decrease of \$2,006,965**
 - Net effect of reduction in SEEK, changes in CERS, and changes in SLEO Health Insurance Waiver



SUMMARY OF GOVERNMENTAL FUNDS:

- Special Revenue Fund – \$3,408,723
- District Activity Fund – \$846,363
- School Activity Fund– \$1,605,797



SUMMARY OF GOVERNMENTAL FUNDS:

- Capital Outlay Fund - \$359,078
 - \$100 per AADA
 - AADA = Adjusted Average Daily Attendance
 - Reduced by \$6,722 from Draft

- Building Fund - \$3.8 million
 - Increased by \$164,150 from Draft for FSPK

- Debt Service Fund - \$3.5 million
 - Current Required Bond Payments for Fiscal Year 2020-21
 - Estimated \$906,645 Bond Payment for New High School Bond



SUMMARY OF BUSINESS-TYPE FUNDS:

- Food Service Fund - \$2,706,035
- Enterprise Daycare Fund - \$726,177
- Community Ed Fund - \$32,000



FUTURE CONSIDERATIONS:

- **SEEK funding level**
 - **Final AADA – Possible reduction in March 2021**

- **Property assessments and tax rates – August**
 - **Used a 2% increase in assessments for estimated tax revenues**
 - **Extensions have been approved, may see delay in tax receipts**
 - **Collection rate is still based on 98% but this may need to be reduced in the Final Working Budget**



OPTIONS

Woodford Co Board of Education - Budget Options for FY 2020-21 Tentative Budget					
Expenditures:			Option 1	Option 2	Option 3
Program	Purpose	Impact	Total Cost	Total Cost	Total Cost
Reductions from Draft	Superintendent's Budget, Woodford Reads, Attendance Incentive, Wednesday Summer Program, District Maint Budget		\$ (240,000)	\$ (240,000)	\$ (240,000)
General Fund CARES Supplement	Cost of Reentry of School after COVID19		\$ 240,000	\$ 240,000	\$ 240,000
Reduction from Draft for Change in CERS Rate			\$ (145,387)	\$ (145,387)	\$ (145,387)
Total Expenditures without On Behalf Payments & Contingency			\$ 31,617,064	\$ 31,617,064	\$ 31,617,064
On Behalf Payments Contingency	Required by State Law	Amount State on behalf of our District; cannot be reduced	\$ 9,681,500	\$ 9,681,500	\$ 9,681,500
	Required by State Law	Minimum is 2% - Recommended 8%-10%	\$ 3,539,561	\$ 2,941,359	\$ 2,582,160
		Percent Contingency (Based on General & Food Service Funds)	7.445%	6.265%	5.543%
Total Expenditures with On Behalf Payments & Contingency			\$ 44,838,125	\$ 44,239,923	\$ 43,880,724
Revenues:			Based on 4% Tax Rate	Based on Holding Rate at .693	Compensating Rate
Estimated Beginning Balance			\$ 5,538,327	\$ 5,538,327	\$ 5,538,327
Property taxes			\$ 15,576,593	\$ 15,006,013	\$ 14,693,935
Distilled spirits			\$ 897,743	\$ 870,120	\$ 823,000
Motor vehicle taxes			\$ 1,263,036	\$ 1,263,036	\$ 1,263,036
Utility taxes (Projected 2% Increase)			\$ 1,938,000	\$ 1,938,000	\$ 1,938,000
Revenue in lieu of taxes (Projected 2% Increase)			\$ 153,000	\$ 153,000	\$ 153,000
Tuition and Fees			\$ 64,000	\$ 64,000	\$ 64,000
Transportation			\$ 45,799	\$ 45,799	\$ 45,799
Earnings on investments			\$ 200,000	\$ 200,000	\$ 200,000
Other Local Revenues			\$ 94,354	\$ 94,354	\$ 94,354
SEEK - only adjusted for 2% Inc in Assessments			\$ 9,183,000	\$ 9,183,000	\$ 9,183,000
Other revenues			\$ 202,773	\$ 202,773	\$ 202,773
Total Revenues without Beginning Balance & On Behalf Payments			\$ 29,618,298	\$ 29,020,096	\$ 28,660,897
On Behalf Payments			\$ 9,681,500	\$ 9,681,500	\$ 9,681,500
Total Revenues with On Behalf Payments & Beginning Balance			\$ 44,838,125	\$ 44,239,923	\$ 43,880,724
Deficit of Revenues over Expenditures (without Beginning Balance, Contingency & On Behalf Payments)			\$ (1,998,766)	\$ (2,596,968)	\$ (2,956,167)



OPTION #1

- Approve the Draft Budget based on taking the 4% tax rate in August/September once our assessments have been certified.
 - Contingency will be about \$3.5 million
 - General Fund cash may be negative on October 31, 2020 to cover bond payments for July-October 2020



OPTION #2

- Option 2 – Draft Budget based on maintaining our current tax rate of 69.3 in August/September once our assessments have been certified
 - Drops Contingency to about \$2.9 million
 - Not a sufficient amount in General Fund to cover our bond payments from July to October 2020



OPTION #3

- Option 3 – Draft Budget based on taking the compensating rate in August/September once our assessments have been certified
 - Drop Contingency to about \$2.5 million
 - Not a sufficient amount in General Fund to cover our bond payments from July to October 2020

