

FY26 Tentative Budget

May 12, 2025



Portrait of a Graduate



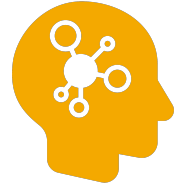
**CIVICALLY
ENGAGED AND
CULTURALLY
COMPETENT**



**REFLECTIVE
AND RESILIENT**



**FUTURE AND
LIFE READY**



**LIFELONG
LEARNER**



Strategic Priorities

Student Achievement

Improve student achievement through rigorous curriculum and instruction providing students with evidence-based educational experiences that not only engage but also excite, prepare, and support students.



Unity, Belonging, and Student Efficacy

Foster and instill a culture of unity, belonging, and student efficacy across the district and address opportunity gaps.



Highly Effective, Culturally Responsive Workforce

Hire, support, and retain a highly effective, culturally responsive and diverse workforce.



Outreach and Engagement

Effectively engage students, employees, families, and community members to improve opportunities and outcomes for all students.



Organizational Health and Effectiveness

Foster a culture of continuous improvement to maximize organizational effectiveness and efficiency, support the well-being of our team members, and provide formal recognition of their efforts.



Budget and Staffing Roadmap

Draft

October

- Draft Budget Preparation Commences
- Salary Schedule Planning Begins

November

- Second Month Adjustments Finalized
- Section 6 Carryforward Distributed

December

- Budget and Finance Committee Meets
- Draft Budget Preparation Finalized

January

- Enrollment Projections
- Board Reviews Draft Budget

Tentative

February

- Initial Staffing and Section 6 Allocations
- Budget and Finance Committee Meets

March

- Board Budget Retreat
- Draft Salary Schedule Finalized
- Section 7 Allocations Distributed

April

- Board Work Sessions
- Final Staffing Allocations

May

- Board Adopts Tentative Budget
- Board Adopts Salary Schedule
- Tentative Budget Submitted to KDE

Working

June

- Year-End Closing
- Policy Updates

July

- New Fiscal Year Begins
- Working Budget Priorities Finalized

August

- Budget and Finance Committee Meets
- Tax Rate Approved

September

- Day 10 Staffing and Section 6 Allocations
- Board Approves Working Budget
- Working Budget Submitted to KDE



BY THE
NUMBERS

\$699,546,000

*Total Estimated
General Fund Revenue*

\$41,972,760

General Fund Contingency

\$715,685,019

*Estimated General Fund
Expenditures*

\$848,693,333

*Total Estimated FY26 Tentative Budget
(All Funds)*

(\$16,139,019)

*Difference in Revenue vs.
Expenditures*



Board Investments have lead to...

**Highest
Starting
Salary in
Kentucky**

**13:1 Average
Student Ratio
(Lowest in
Kentucky)**

**93%
Four-Year
Graduation
Rate**
(Up from 89% in 21-22)



FY26 Tentative Budget Review

Context

Personnel is approximately 85% of the District's General Fund budget.

Historic increases in salary beginning in FY22 have resulted in substantial ongoing compounding costs each year. These investments include extended years of experience, salary study results and an increase to the minimum starting salary.

Food Service days were not reduced to match instructional calendar (including NTI) and revenue has not kept pace with labor and food costs.

Other increases to General Fund include contracts, insurance, utilities, and infrastructure.

Insufficient federal and state funding have caused the district to rely more heavily on its constituency.

Flat enrollment and the number of schools/programs have increased.

Prioritize the Classroom

Strategic Cost Adjustments

- Protect schools and historic investments
- Expense reductions essential to achieve a balanced budget

Post ESSER/Grant Funding Environment

- Discontinue Permanent Building Substitutes
- Transition away from Long-Term Disability
- Align staffing with current strategic priorities

Sustainable Planning Efforts

- Carry out Program Evaluations
- Buildings - Conduct study to optimize learning spaces

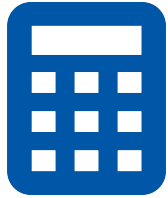
Additional Options

Other revenue sources must be identified that do not have uncertainty attached to it. Such as the following:

- Increased focus on grants for processes and programs that do not have staff associated with it
- Tax revenue options
- Virtual academy tuition
- Community partnerships
- Efficient foundation utilization
- More efficient use of buildings and related resources



FY26 General Fund Estimated Revenues



REVENUE FROM LOCAL SOURCES

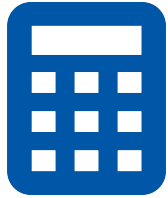
1111 General Real/Tangible Property Tax	\$267,700,000
1113 PSC Real/Tangible Property Tax	\$10,500,000
1115 Delinquent Property Tax	\$1,100,000
1117 Motor Vehicle Tax	\$19,500,000
1121 Utilities Tax	\$24,500,000
1131 Occupational License Tax	\$57,000,000
1191 Omitted Property Tax	\$1,000,000
1280 Revenue in Lieu of Taxes	\$40,000
1310 Tuition from individuals	\$35,000
1320 Tuition from KY LSD	\$20,000
1510 Interest Income	\$4,000,000
1911 Building Rental	\$75,000
1912 Bus Rental	\$100,000
1920 Contributions/Donations	\$5,000
1930 Gain/Loss on Sale of Assets	\$6,000
1990 Miscellaneous Revenue	\$1,300,000
1997 Other Reimbursements	\$700,000

TOTAL REVENUE FROM LOCAL SOURCES

\$387,581,000



FY26 General Fund Estimated Revenues



REVENUE FROM STATE SOURCES

3111 SEEK Program	\$107,285,000
3122 Vocational Transportation	\$500,000
3129 KSB/KSD Transportation Reimbursement	\$0
3130 Nat'l Board Certification Reimbursement	\$340,000
3132 Speech Language Path Reimbursement	\$0
3800 Telecommunications Tax (restricted state revenue)	\$1,000,000
3900 Revenue for/On Behalf Payments	\$152,450,000

TOTAL REVENUE FROM STATE SOURCES

\$261,575,000

FEDERAL REIMBURSEMENT

4810 Medicaid Reimbursement	\$2,200,000
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TOTAL FEDERAL REIMBURSEMENT

\$2,200,000

INTERFUND TRANSFERS

5210 Fund Transfer	
5220 Indirect Costs Transfer	\$2,250,000

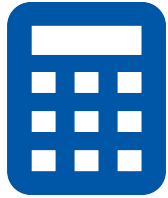
TOTAL INTERFUND TRANSFERS

\$2,250,000





FY26 General Fund Estimated Revenues



SALE PROCEEDS FROM SALE/DISPOSAL OF EQUIPMENT/FURNITURE

5341 Sale of Equipment

TOTAL SALE PROCEEDS FROM SALE/DISPOSAL OF EQUIPMENT/FURNITURE

CAPITAL LEASE PROCEEDS

5500 Capital Lease Proceeds

\$3,940,000

TOTAL CAPITAL LEASE PROCEEDS

\$3,940,000



TOTAL REVENUE FROM LOCAL SOURCES

\$387,581,000

TOTAL REVENUE FROM STATE SOURCES

\$261,575,000

TOTAL FEDERAL REIMBURSEMENT

\$2,200,000

TOTAL INTERFUND TRANSFERS

\$2,250,000

TOTAL SALE PROCEEDS FROM SALE/DISPOSAL OF EQUIPMENT/FURNITURE

0

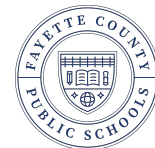
TOTAL CAPITAL LEASE PROCEEDS

\$3,940,000

TOTAL ESTIMATED GENERAL FUND REVENUE

\$699,546,000





Fixed Expenditures

Costs to Run the District

Contingency	41,972,760
On-Behalf (includes 16MX)	152,450,000
Salaries (includes SAFE)	374,851,902
Benefits (includes SAFE)	35,285,666
Step Increase	5,634,649
Insurance (Group, Property, and Bonds)	9,521,675
Utilities	16,218,090
Tax Collection and Reimbursements	5,250,000
KISTA (bus lease)	288,082
Auditing Services	135,000
Postage	124,659
Non-Campus: Supplemental Duty	576,367
Districtwide Paper	150,000
Grounds and Custodial	1,884,897
Maintenance	3,546,400
Technology	5,248,755
All Other Non-Campus Department Budgets Combined	8,644,261
Total	664,375,963



Fixed Expenditures



Direct Services to Students

SEC6	4,845,534
Carryforward SEC6	264,627
Fee Waiver	343,365
Daily Subs	11,000,000
Graduation	148,500
Nurses' Contract	4,700,000
Special Education Medicaid	1,293,550
Curriculum & Assessments	5,488,500
Preschool Operating	244,764
Schools OT/Extra Time (80HRS/CUST/HRS24)	169,528
Schools: Section 7	500,000
Schools: Supplemental Duty Academics	2,063,055
Schools: Supplemental Duty Athletics	1,769,850
School Furniture	50,000
Department: Transportation	3,916,745
Diesel	1,500,000
SAFE - Operating	5,697,997
Perkins Match	120,870
BCTC Lease: Opportunity Middle College	58,171
Total	44,175,056



FY26 Board Priorities

Food Service Anticipated Shortage	1,000,000
Proposed 1% Raise for Certified and Classified	4,130,000
FRYSC Salary Schedule Increase	600,000
AVID	494,000
Dual Credit	700,000
Grow Your Own	210,000
Total	\$7,134,000



Reductions and Eliminations from FY25 Working Budget



Department Operating Reductions and Additional 20%	2,306,294
Diesel Fuel Reduction (based on historical analysis)	500,000
Districtwide Furniture Reduction (support only furniture for schools)	111,560
Districtwide Paper Reduction (support green initiative)	150,000
Long Term Disability Eliminated	750,000
Sick Leave Adjustment	660,000
Maintenance Reduction (shift supports to Capital Outlay)	1,000,398
Postage Reduction	13,851
Real Read Program (shift supports and explore grants)	552,149
Permanent Substitute Program Elimination	338,000
Summer Transition Week (25-26 School Year)	600,000
Teacher in Residence Program (shift to openings in classrooms)	281,112
Transportation Incentives (increase in hours and filled positions at 100%)	135,000
Salary Schedule Supplemental Changes (due to a programmatic reduction)	381,506
JDP and Non-Campus Positions	1,140,497
Reductions	\$8,920,367

NOTE: All listed items reflect district-level adjustments; no reductions have been recommended at the school level.



Estimated FY26 Tentative Budget Summary

General Fund: \$699m

- Local and State Revenue Sources
- Contains an estimated Safety Tax Budget of \$18,620,110 based on property assessment growth

Special Revenue: \$42m*

- Anticipated state and federal grants awarded to the District
- ARP ESSER Sunset September 30, 2024

Food Service: \$36m

- Self-Supporting Enterprise Fund
- Required to be utilized for school meal program

Capital Outlay: \$3.8m**

- Funded through SEEK at \$100 per ADA
- Required to be utilized for debt redemption and/or capital improvement

Building Fund: \$65m

- Funded at an equivalent of 5.5 cents of property assessments
- Three Nickel Levies
- Required to be utilized for construction projects and debt redemption

Total Approximate FY26 Tentative Budget: \$848m

*Estimated grant awards projected at this time.
**Dependent upon final SEEK Forecast for 25-26.

Note: There is a \$16M difference in this proposed Tentative Budget Summary

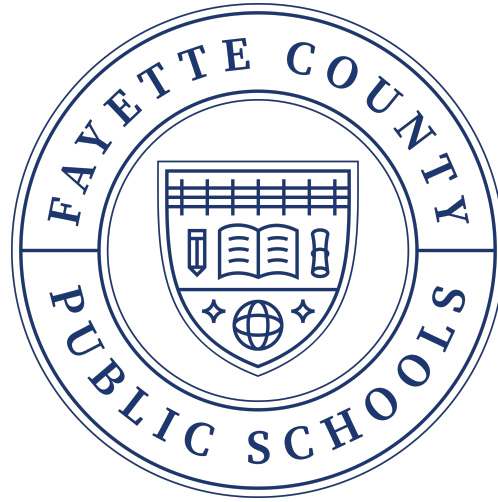
Discussion of Options



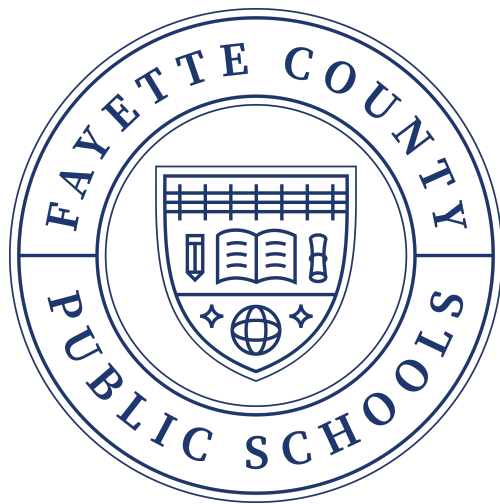
1. Further Reduce Expenditures

or

2. Generate new revenue



Questions?



Thank you!