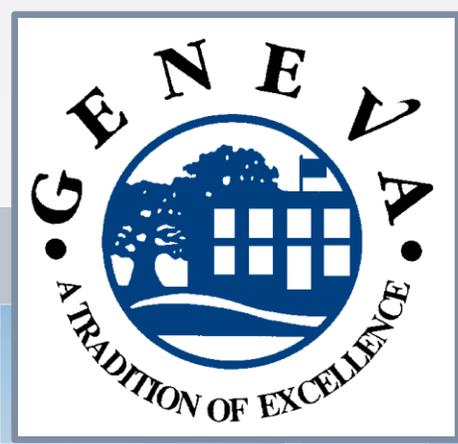


April 8, 2019



EDUCATION FUND BUDGET

2019-2020

PRELIMINARY

EDUCATION FUND

OVERVIEW

The Education Fund represents the single largest grouping of revenues and expenditures within the District's annual budget. The fund is also the least restrictive of all of the separate funds within the district budget.

The primary components of this budget represent the following components :

REVENUE:

- Local Tax Revenue
- Local Receipts
- State Funding
- Federal Funding

EXPENSES:

- Salary & Benefits
- Purchased Services
- Support Services
- Supplies & Materials

BUDGET DEVELOPMENT

Annual Development Components



- Estimates are developed for the coming school year based on current enrollment by building, past trends, and housing data.
- Staffing levels are determined for each building using class size targets, program needs, and service level expectations.
- Estimates are generated pertaining to the tax levy, federal and state funding and general receipts.
- Estimated expenditure needs are developed for salaries, benefits, purchased services, supplies and materials, capital outlay and other objects using both known data and assumptions.
- All financial estimates are combined and preliminary, draft, and tentative budgets are developed.
- A final proposed budget is created in accordance with Board of Education policy in support of the Strategic Plan and then approved by the Board of Education.

BUDGET PHASES

Annual Development Components

PRELIMINARY
(November-April)

DRAFT
(May)

TENTATIVE
(June)

FINAL
(September)

- A “Preliminary” budget is developed for the Technology, Operations & Maintenance, Transportation and Education Fund components of the budget. These budgetary considerations are used as initial assumptions prior to a complete view of the overall budget is completed.
- A “Draft” budget combines all assumptions across all components of the proposed budget and represents the first look at an all encompassing District Budget.
- A “Tentative” budget is required by statute and is made available to interested parties as part of the approval process of a final District budget. This version of the budget builds on the “Draft” budget taking into account newly incorporated data or other improvements made to the previous version.
- The “Final” budget is required to be adopted by the Board of Education no later than the month of September within the fiscal year (June-July) it represents. This “Final” budget further improves upon the “Tentative” budget incorporating the most current data available and final enhancements from the previous version.

REVENUE ASSUMPTIONS

- CPI:
 - CY18: 1.9%
 - CY19: 2.0%
- New Construction: \$11,500,000
- Evidence Based Funding (State): No Change
- Special Education Funding (State/Federal): No Change
- Grant Funding: No Change
- Local revenues (fees): No change

EXPENSE ASSUMPTIONS

- Salary costs projected at current contract increases
 - Certified staff retirement estimates included
- Health benefits projected at 5.5% increase
- Building budgets projected at 5% reduction
(possibly 10% reduction)
- Purchased services projected at 1.9% increase
- Supplies & Materials projected at 1.9% increase
- Technology preliminary budget included
- Pension cost shift not included

EDUCATION FUND

Preliminary Budget

Revenues	2019	2020
Education Fund (10)	Current	Projected
1000 Local Sources	\$59,667,734	\$61,699,680
3000 State Sources	\$2,656,801	\$2,471,516
4000 Federal Sources	<u>\$1,790,541</u>	<u>\$1,790,541</u>
	\$64,115,076	\$65,961,737

Expenses	2019	2020
Education Fund (10)	Current	Projected
000 Transfer	\$1,200,000	\$0
100 Salaries	\$43,971,213	\$46,423,692
200 Employee Benefits	\$7,838,887	\$8,361,560
300 Purchased Services	\$5,398,060	\$5,389,371
400 Supplies & Materials	\$1,221,987	\$1,213,499
500 Capital Outlay	\$665,454	\$496,454
600 Other Objects	\$4,336,594	\$3,951,250
700 Non-Capitalized Equip.	<u>\$150,750</u>	<u>\$125,912</u>
	\$64,782,945	\$65,961,737

Expense
Increase
of **1.82%**

BUDGET DEVELOPMENT

Next Actions

- Develop 2019-2020 Draft Budget (MAY)
 - Review projections for all funds
 - Analyze impact to ending fund balance across all funds
 - Adjust line item allocations to improve budget design and accuracy
 - Update all budget line items as new data is available

BUDGET DEVELOPMENT

Next Actions – Continued

- Permanent Fund Transfers to Capital Projects Fund: June
 - Review FY19 O&M expenses & revenues
 - Identify any anticipated resources set to fall to fund balance
 - Prepare a Board Resolution to permanently transfer funds from the O&M Fund to the Capital Projects Fund
 - \$300,000 for the FY18 & FY19 set aside allocations for future mechanical work and turf replacement
 - \$ = remaining FY19 balance in O&M
 - Prepare an ongoing Board Resolution to permanently transfer budgeted allocations between the O&M and Capital Projects Funds