
BOARD AGENDA ITEM

Information/Discussion_____

Future Action_____

Action x _____

Item: Resolutions to Amend the 2023-24 Budget

Submitted by: Kevin Philipps

Date: 4/9/2024

Recommended by: Kevin Philipps *KP*

Board Meeting Date: 4/15/2024

RECOMMENDATION:

It is recommended that the Kent ISD Board approve the following resolution to amend the 2023-24 budget.



April 15, 2024

TO: Ron Koehler, Superintendent

FROM: Kevin Philipps

RE: April Budget Amendment

April is the month we provide the second of the three budget amendments we complete annually. The April amendment is developed in conjunction with the proposed budget for the following fiscal year, which will be presented to the Board in June. The first amendment was completed last December and the final amendment will be completed in June. This amendment allows us to assess revenue and expenditures trends during the fiscal year and make the necessary adjustments needed since December. With the strong leadership of Dennis and the hard work of his team, we have an excellent budget process that results in accurate budget estimates. With an approximate \$460 million budget and so much of the funds coming from different state and federal sources, tracking this budget is complex and challenging.

Below is a summary of the projected changes in fund balance, as well as major revisions since the December amendment for each fund.

General Fund

- **Projected increase in fund balance of \$1,515,951** (up from \$1,148,403 in December)

Major revisions from December amendment:

Revenues/Transfers In: \$2,548,414 higher

- Grants \$2,020,164 increase
- Investment Earnings: \$256,100 increase
- LEA/PSA billback purchases: \$134,000 increase

Expenses/Transfers Out: \$2,180,866 higher

- Grants \$2,020,164 increase
- LEA/PSA billback purchases: \$134,000 increase
- Advocacy Consulting: \$111,000 increase
- **Projected ending fund balance: \$9,792,383 (10.1%)**

Special Education

- **Projected increase in fund balance of \$3,066,381** (increase from \$1,494,701 in December)

Major revisions from December amendment:

Revenues/Transfers In: \$1,790,430 lower

- Grants: \$529,912 lower
- Itinerants: \$651,297 lower
- Property Tax collections: \$373,200 lower
- Medicaid Revenue: \$1,025,486 lower
- Physical Therapists & Orientation & Mobility reimbursements from LEA's: Decrease of \$807,002
- Investment Earnings: \$692,600 higher
- Transportation Funding: Increase of \$656,037

Expenses/Transfers Out: \$3,362,110 lower

- Grants: \$529,912 lower
- Itinerants: \$651,297 lower
- Medicaid distributions: Decrease of \$1,262,538
- Physical Therapists not covered by IDEA grant: Decrease of \$702,099
- Act 18 Distribution Expenses: Decrease of \$146,419

- **Projected ending fund balance: \$17,381,914 (6.74%)**

Special Education Center Programs

- **Projected excess cost of \$986,969** (down from \$2,594,736 in December)

Major revisions from December amendment:

Revenues/Transfers In: \$254,703 higher

- State Funding: Increase of \$107,386
- Investment Earnings: Increase of \$62,000
- Federal Funding: Increase of \$48,833

Expenses/Transfers Out: \$1,093,598 lower

- Personnel Costs: \$1,380,523 lower
 - Teaching Salaries: \$288,981 lower
 - Paraprofessional Wages: \$334,300 lower

Career Technical Education

- **Projected increase in fund balance of \$4,167,632** (up from \$3,429,784 in December)

Major revisions from December amendment:

Revenues/Transfers In: \$1,226,445 higher

- Grants: \$342,418 higher
- Investment Earnings: \$381,000 higher
- Other Financing Sources - Leases: \$259,620 higher
- Property Tax Collections: \$122,200 higher
- Transfers In: \$180,000 higher

Expenses/Transfers Out: \$488,597 higher

- Grants: \$342,418 higher
- Other Financing Uses – Leases: \$259,620 higher
- Capital Outlay: \$377,007 higher
- Other Personnel Costs: \$446,178 lower
- Other transfers out: \$109,175 lower

- **Projected ending fund balance: \$20,077,202 (53.1%)**

Cooperative Education

- **Projected decrease in fund balance of \$142,768** (down from \$365,125 in December)

Major revisions from December amendment:

- MySchool revenue increase of \$300,000
- Payment from Curriculum Crafter: \$154,000
- Personnel Costs: Increase of \$87,342
- Other Transfers out: Increase of \$180,000
- **Projected ending fund balance: \$2,682,601 (45.9%)**

Community Service Fund

This fund is where the enhancement dollars are budgeted. It will always net to zero as 100% of the money is paid to locals. The total revenue and expenditures are projected to be **\$27,719,706**, down from \$27,752,778 in December.

Capital Projects

General Capital Projects: Projected increase to fund balance of \$760,636, up from \$93,477 decrease in December. **Ending fund balance of \$1,741,690.**

- \$1,000,000 reduction to ESC renovation project budget. Expenses shifted to 2024-25.

Special Education Capital Projects: Projected decrease to fund balance of \$868,614, up from \$601,968 in December. **Ending fund balance of \$2,906,736.**

- Increase in investments earnings of \$108,300
- Increase in 2023-24 PA Systems costs of \$385,000
- Increase in Oakleigh secured entry costs of \$285,000
- Reduction in capital project holding account of \$252,252

Career Technical Education Capital Projects: Projected decrease to fund balance of \$711,354 down from \$965,690 in December. **Ending fund balance of \$2,678,818.**

- Increase in investment earnings of \$86,300
- Decrease in expenses of \$178,074. Decrease due to reduction of Phase 2 secondary campus renovations (\$445,000). Offset by increase in PA System project of \$276,605, which is a shift of projects from 2024-25 to 2023-24.

As always, if you have any questions or would like additional information, please let me know.

KP/kg