

School Board Meeting: May 23, 2011
Subject: 2010-11 Budget Amendments
Presenter: Gary Kawlewski
Tina Burkholder

SUGGESTED SCHOOL BOARD ACTION:

Recommend board approval.

DESCRIPTION:

FUND 01 REVENUE – General Fund

The General Fund revenue adjustments consist of multiple adjustments to property taxes, state aids, and federal programs such as Title I and Special Education. The amendments could result from revised enrollment estimates, new MDE IDEAS revenue report, and proration on state aids. Originally the pupil units (WADM's) were estimated to be 6,736 for the 2010-11 school year. As the monthly enrollment reports have been coming in, the estimated pupil units have been adjusted down to 6,707. This affected the General Education state aid and the Operating Capital state aid.

One major adjustment was made to property tax revenue for (\$2,459,609) but a similar adjustment in the opposite direction was made to state aid to reflect the State's property tax shift. Overall, the two adjustments were revenue neutral to the budget.

Federal revenue entitlements were updated with prior year carryover entitlements from MDE. Both Special Education and Title programs are utilizing more of their carryover entitlements in 2010-11 rather than carrying the balance forward to the next school year.

Other minor budget adjustments were made to third party billing, retiree insurance contributions, and interest revenue for a net increase of \$40,002.

FUND 01 EXPENDITURES – General Fund

The General Fund expenditure amendments consist of 2 salary projection updates: November 30th and March 22nd. All employee groups have been settled, and the contingency positions were allocated. Salaries and benefit projections for non-federal programs decreased a cumulative total of \$439,682 whereas the salary and benefit projections for federal programs increased \$315,737 for a net budget revision of (\$123,945).

Adjustments of \$14,060 were made to Special Education and Title programs. A majority of the budget adjustments were due to moving the budget to the right expenditure category plus spending the carryover funds mentioned earlier. Another adjustment included a decrease of \$104,500 for the allocation of the contingency positions.

FUNDS 2 – Food Service fund

The revenue budget for the Food Service fund did not change. The expenditure budget for the Food Service fund increased \$67,700. Approximately \$47,700 accounts for the new contract settlement, increased substitute costs, and the corresponding employee benefits. The remaining \$20,000 adjustment is for professional fees for the PayPams system, uniforms, and Montrose's dish room remodel.

FUNDS 4 – Community Service fund

The revenue budget was increased by \$12,000 to include the Montrose Suzuki tuition payments to the Community Service fund. The expenditure budget for the Community Service fund increased \$22,250. Of that amount, \$10,950 was for the Montrose Suzuki activity and \$11,300 was planned for United for Youth.

FUND 7 – Debt Service fund

The revenue budget for the Debt Service fund was decreased by \$40,000 in the interest revenue account due to smaller interest earnings on investments. No budget adjustments were made to the expenditures.

FUND 45 – OPEB Trust fund

The revenue for the OPEB Trust fund was increased \$1,500,000 to show the net appreciation in our OPEB Trust portfolio. No budget exists for expenditures since the District did not use any dollars from the Trust to fund post-employment obligations.

FUND 47 – OPEB Debt Service fund

The revenue budget for the OPEB Debt Service fund was decreased by \$12,000 in the interest revenue account due to smaller interest earnings on investments. No budget adjustments were made to the expenditures.

Attachments:

2010-11 Budget Adjustments