
Memorandum

To: Charles Glaes, Superintendent
Board of Education

From: Stephen Goss, Assistant Superintendent

Date: January 10, 2011

Re: Proposed January General Fund Budget Amendment

Attached for your review is the proposed January General Fund budget amendment for the year ending June 30, 2011. The following is a summary of the significant adjustments and assumptions used in developing this amendment:

Revenues: At this time, General Fund revenue is expected to total approximately \$21,714,000, which represents an increase of approximately \$822,000 from the initial budget adopted back in June. This estimate is based on a total per pupil funding, including the Federal Ed Jobs grant, of \$7,390 per pupil. This amount is based on current actual funding levels, and does not provide for possible future executive order cuts.

This increase in projected revenues is predominantly the result of variances between projected and actual amounts for per pupil funding and enrollment, as illustrated below:

	Projected	Actual	Estimated increase to revenue
Enrollment (blended FTE)	2,550	2,580	\$222,000
Per pupil funding	7,151	7,390	<u>609,000</u>
Net increase to revenue			<u><u>\$831,000</u></u>

Various other revenue items were revised as part of the amendment, with a net effect of reducing the overall increase to \$822,000.

Expenditures: Total estimated General Fund expenditures are projected to increase by approximately \$514,000, or 2.5%, to \$21,401,000. The majority of the additional cost is attributable to settling the three collective bargaining agreements, in which the District agreed to absorb the retirement rate increase and provide pay raises and higher subsidies for certain fringe benefits.

We currently project an increase to fund equity of approximately \$313,772 to \$2,346,327 at June 30, 2011. This represents nearly 11% of our 2010-2011 budgeted expenditures. While this is still below the 15%-20% level generally recommended, it marks a significant improvement over previous estimates of 8%. This should also be our second positive year after four years of consecutive declines.

As always, please remember that this amendment is neither a best-case nor worst-case scenario; it represents our best estimates based on the information currently available. As we have seen over recent years, our funding situation can change dramatically without notice. Changes in assumptions over the remainder of the school year may significantly impact on our final results.

Please feel free to contact me if you have any questions or comments.

VICKSBURG COMMUNITY SCHOOLS

General Fund

2010-2011 January Amended Budget

Adopted June 10, 2011

	2009-2010 June Amendment	2009-2010 Actual	2010-2011 June Adopted	2010-2011 January Amendment
Revenue				
Local	2,001,635	2,026,271	2,119,770	2,108,670
State	16,753,301	16,802,543	17,237,270	17,155,480
Federal	1,535,374	1,571,357	441,315	1,434,896
Other	1,187,229	1,205,157	1,093,905	1,015,336
Total Revenue	21,477,539	21,605,328	20,892,260	21,714,382
Expenditures				
Instruction:				
Basic Programs	9,860,195	9,866,600	9,693,748	9,954,843
Added Needs	2,344,995	2,327,449	2,243,710	2,360,652
Adult & Continuing Education	101,996	97,538	87,547	87,361
Total instruction	12,307,186	12,291,587	12,025,005	12,402,856
Supporting Services:				
Pupil Services	1,180,504	1,166,072	1,166,861	1,061,898
Instructional Staff	851,529	781,492	767,958	837,502
General Administration	514,583	488,915	507,589	509,260
School Administration	1,308,950	1,287,269	1,229,140	1,262,366
Business	461,643	472,589	417,395	439,989
Operations & Maintenance	2,035,093	2,023,680	1,995,362	2,040,232
Transportation	1,495,005	1,464,156	1,487,830	1,512,006
Central Services	425,762	421,169	426,707	424,073
Athletics	-	-	449,160	456,625
Total supporting services	8,273,069	8,105,342	8,448,002	8,543,951
Community Services	269,659	255,387	276,846	282,783
Payments to other governmental units	86,728	81,670	86,708	112,770
Debt retirement	39,400	40,776	39,400	47,250
Transfers to other funds	646,562	628,004	11,000	11,000
Total expenditures & other uses	21,622,604	21,402,766	20,886,961	21,400,610
Deficiency of revenues over expenditures	(145,065)	202,562	5,299	313,772
Fund balance - beginning	1,829,993	1,829,993	2,032,555	2,032,555
Fund balance - ending	1,684,928	2,032,555	2,037,854	2,346,327

Note: In accordance with GASB 54, athletic activities are incorporated into the 2010-2011 budget