

School Board Meeting: May 29, 2012
Subject: 2011-12 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 also 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 6,704 for the 2011-12 school year. As the monthly enrollment reports have been coming in, the estimated pupil units have been adjusted down to 6,696. This affected the General Education state aid and the Operating Capital state aid.

One major adjustment was made to property tax revenue for (\$2,150,000) 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 2011-12 rather than carrying the balance forward to the next school year.

Other budget adjustments were made to third party billing, the Early Retiree Reinsurance Program, the STEM program grant and student activities.

FUND 01 EXPENDITURES – General Fund

The General Fund expenditure amendments consist of two salary projection updates: November 30th and April 4th. All employee groups except custodians are settled. All contingency positions are allocated. Salaries and benefit projections for non-federal programs decreased a cumulative total of \$113,078 whereas the salary and benefit projections for federal programs increased \$27,479 for a net budget revision of (\$113,078).

The copier lease program was added, the STEM grant is now in the budget, and we made some corrections to accurately reflect our leasing program costs. In addition, the student activities account expenditures are increased to reflect the increase in the revenues since these funds tend to spend what they make annually.

FUND 4 – Community Service fund

One major adjustment was made to property tax revenue for (\$285,000) 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.

FUND 7 – Debt Service fund

The revenue budget for the Debt Service fund was increased by \$35,053,747 to reflect the funds sent to the escrow account for the refunding done in February. The expenditure side reflects the refunding fees of \$101,615 and the underwriter's discount of \$124,860. The discount gets treated as an expenditure item even though it gets netted out in the total of the proceeds from the refunding. The expenditures from the refunding will get reflected in the 2012-13 year when we actually recall the current bonds and close out the escrow account.

FUND 45 – OPEB Trust fund

The revenue for the OPEB Trust fund is decreased by \$330,000 to more accurately reflect the net appreciation expected 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. We are scheduled to begin withdrawals from the Trust in 2012-13.

Attachments:
2011-12 Budget Adjustments