



TO: Board of Education

FROM: Heather Aune, Director of Business Services

Date: December 12, 2016

AGENDA: Action

RE: Approval of the 2016-2017 Revised Budget

RECOMMENDATION

That the Board of Education approves the 2016-2017 Revised Budget as follows:

<u>Fund</u>	<u>Revenues</u>	<u>Expenditures</u>
General	\$43,040,680	\$44,665,114
Food Service	2,026,066	2,065,698
Community Service	2,295,115	2,245,817
Debt Services	<u>5,247,501</u>	<u>5,231,426</u>
Total Governmental	52,609,362	54,208,055
Employee Benefit Trust	240,000	240,000
OPEB Trust	<u>568,215</u>	<u>781,991</u>
All Funds	<u><u>\$53,417,577</u></u>	<u><u>\$55,230,046</u></u>

These revisions have been reviewed with the finance committee.

Recommendation Summary:

General Fund

The parameters used to develop the budget revisions are essentially as follows:

- Fiscal Year 2015-2016 average daily memberships (ADMs) are projected to be 3,568 based on the October 1, 2016 fall counts. This is a decrease of 106 ADMs from the projected ADMs used in the adopted budget.
- The basic general education formula allowance is \$6,067 per adjusted pupil unit. Pupil units are calculated using a weighting factor of 1.0 for grades K-6 and 1.2 for grades 7-12.
- The operating referendum is based on \$986.13 per adjusted pupil unit. This consists of \$424 authorized through Fiscal Year 2018-2019 and \$562.13 authorized through Fiscal Year 2022-2023.
- Updated estimates for special education revenue based on current information. Fiscal Year 2016-2017 was the first year special education revenue is transitioning to a new funding formula based on 2015-16 data as a funding “floor” and are also based on 2015-16 enrollment. Current projections show a decrease in revenue of approximately \$179,746 from the adopted budget.
- Updated salary and benefit expenditures based on known staffing changes.
- Accounting for building/department level carryovers.
- Revenue and expenditure budget changes related to updated federal award funding allocations and underlying approved federal budgets.

Food Service Fund

The food service expenditures have been revised based on costs associated with a food service review, remodel of one site, and the additional staffing hours and added position. These adjustments increase expenditures resulting in an increase in the planned spend down of fund balance.

Community Service Fund

The community service state aid revenue has been revised based on updated entitlement calculations for school readiness revenue. This adjustment increases revenues resulting in a projected increase in fund balance of approximately \$49,000.

Debt Service Fund

The debt service revenues and expenditures have minor revisions for more accurate revenues and expenditures related to interest earnings and bond fees.

Employee Benefit and OPEB Trust

The employee benefit trust fund is used to account for the funds held by the district for its employees participating in the flexible benefit plan. The OPEB trust fund accounts for the payment and financing of the districts OPEB liabilities.