



TO: Board of Education

FROM: Brady Hoffman, Director of Business Services

Date: December 14, 2015

AGENDA: Action

RE: Approval of the 2015-2016 Revised Budget

RECOMMENDATION

That the Board of Education approves the 2015-2016 Revised Budget as follows:

<u>Fund</u>	<u>Revenues</u>	<u>Expenditures</u>
General	\$43,380,379	\$43,818,960
Food Service	2,011,530	2,092,048
Community Service	2,223,079	2,133,652
Capital Projects	15,000	7,410,951
Debt Services	5,386,250	32,836,021
 Total Governmental	 52,243,820	 87,536,635
 Employee Benefit Trust	 240,000	 240,000
OPEB Trust	568,215	781,991
 All Funds	 <u>\$53,824,453</u>	 <u>\$89,313,623</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 3,784 based on the October 1, 2015 fall counts. This is a decrease of 78 ADMs from the projected ADMs used in the adopted budget.
- The basic general education formula allowance is \$5,948 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 \$981.47 per adjusted pupil unit. This consists of \$423.12 authorized through Fiscal Year 2018-2019 and \$558.35 authorized through Fiscal Year 2022-2023.
- Updated estimates for special education revenue based on current information. Fiscal Year 2015-2016 is the first year special education revenue is transitioning to the new census based funding formula. Current projections show an increase in revenue of approximately \$395,000.
- 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 more accurate assumptions, prior year trends and experiences, programming, and increases in food product costs. 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 \$89,000.

### Capital Projects Fund

The capital projects fund accounts for the activity related to the school building bonds approved by the voters in November 2013. The current year budget shows the projected spend down of the bond proceeds that were received in prior years.

### 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. The debt service expenditures have also been revised to account for the bond refunding payment of approximately \$27 million. These adjustments result in a planned spend down of fund balance.

### 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.