

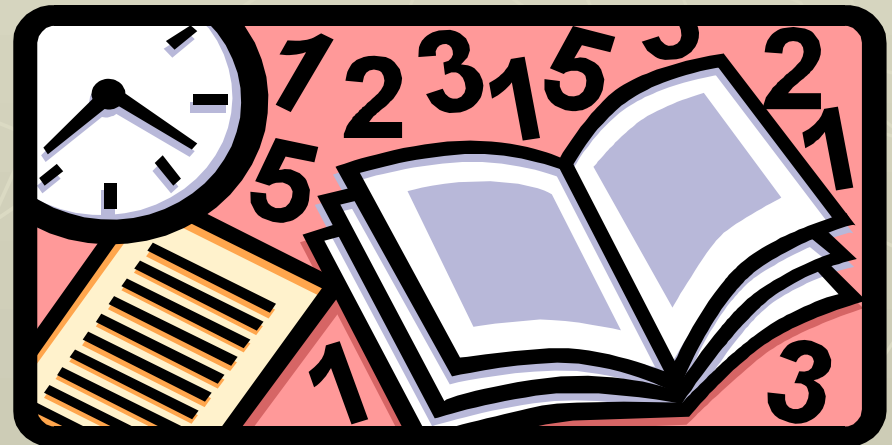
Holton Public Schools

2009-2010 Budget Hearing

June 22, 2009

Budgeting Tools

- ▶ Budgets are:
 - estimates of what will happen in the future
 - target goals and objectives
 - based on many assumptions out of district control
 - reflection of one point in time



Agenda 2009-2010

- ▶ ARRA Funding – State of the District
- ▶ General Fund
- ▶ Athletic Fund
- ▶ Food Service Fund
- ▶ 1998 Debt Service Fund
- ▶ 2006 Debt Service Fund
- ▶ 2006 Capital Projects Fund

ARRA Funding – American Recovery and Reinvestment Act

▶ What we know today (6/11/09)

■ IDEA = Special Education Dollars

▶ Total Package = \$326,662 over two years

■ 2009-2010 = \$232,331

▶ Rules allow for 2 current funded positions = \$163,331

▶ New Position – Early Intervention Specialist = \$60,000

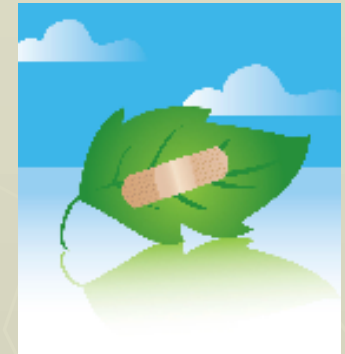
▶ Technology = \$9,000

■ 2010-2011 = \$94,331

▶ Rules DO NOT allow for current positions = \$163,331 will go back to General Fund

▶ 2009-2010 Continue New Position = \$64,331

▶ Assistive Technology = \$30,000



ARRA Funding – Continued

▶ What we know today (6/11/09)

■ Title I = Supplemental (New) Services

▶ Total Package = \$130,000 over two years

■ 2009-2010 = \$75,160

▶ New Position = Early Intervention Specialists

▶ ½ time Elementary and ½ Middle School

■ 2010-2011 = \$54,840

▶ Continue New Position

▶ Shortage with Carryover funds

ARRA Funding – Continued

- ▶ What we know today (6/11/09)
 - Federal Stabilization Fund = Filling State Aid Shortfall
 - ▶ 2008-2009 YEAR JUST CLOSED
 - \$265 to \$370 per student or \$280,900 to \$392,200
 - ▶ 2009-2010 - \$565 to \$?? per student
 - \$577,430 to ???
 - ▶ What this means to Holton?
 - We shift revenue from State to Federal for equal dollars
 - We shift staffing expenses from State to Federal
 - Staff signs ARRA documentation
 - ▶ Full Revenue (\$7,316) either Federal or State for 2009-2010?
 - Currently this is in the proposed budget
 - We could see a proration in 2009-2010 even with the federal monies!

State of the District

▶ Fund Balance

- \$1,382,297 – Beginning July 1, 2008
- \$1,084,925 – Projection June 30, 2009
 - ▶ DEFICIT SPENDING = **\$297,372**
- \$1,084,925 – Beginning July 1, 2009
- \$ 821,388 – Projection June 30, 2010
 - ▶ DEFICIT SPENDING = **\$263,537**
- \$ 821,388 – Projection July 1, 2010
 - ▶ DEFICIT SPENDING = **\$943,880???**

**WE NEED STATE RELIEF –
CHANGES TO HOW SCHOOLS ARE FUNDED!**

2009-2010 Reductions/Transfers

- ▶ Reductions from General Fund = 6.5 Staff
 - Special Education Staff Retirement
 - .5 Resignation (Walls)
 - Two Early Intervention Specialist = Title and IDEA
 - Two Special Education Positions = IDEA Funds
 - At Risk Student Specialist

General Fund Assumptions

➤ Revenues

- Enrollment = 1017 (43 student decrease from Fall 2008)
- Blended Count = 1022.30 (75% Sept 2009/25% February 2008)
Results - \$314,588 less in State Aid
- Foundation Allowance = \$0 increase
\$7,316 per pupil (Federal Stabilization with State Aid)
- Property Tax = 18 mills on Non-Homestead
- Passing of Headlee Restoration allows for full collection of 18 mills -
- \$40,060,000 Taxable Value-100% winter collection
- Medicaid Funds continue to be reduced (\$26,000 reduction)
- ARRA Funds

General Fund Assumptions

➤ Expenses

- Salaries/Benefits - Teachers

- *Teaching Staff – 1.0% on base, steps and longevity
- *Retirement – 16.94% (increase .40%)
- *Insurance – Choices II with \$161 contribution
 - *11% increased shared 5.5% District/Employee

-Salaries/Benefits – Support Staff

- *Salary – Negotiating
- *Retirement – 16.94%
- *Insurance – Priority Health HDHP/HSA

-Salaries/Benefits – Administration/Supervisors

- *Salary – 0% on base, steps
- *Retirement – 16.94%
- *Insurance – Priority Health HDHP/HSA

General Fund Expenses

- ▶ 15% increase in utilities
- ▶ Federal Grants expenses equal revenue (GSRP, Title, Special Education IDEA)
- ▶ No capital purchases (Bus, Computers, Cameras)
- ▶ No increase in supply budgets

General Fund Expenses

- ✓ Instruction – 61% (08/09) 60.5% (09/10)
 - *In the classroom
- ✓ Instructional Support – 12% (08/09) 12%
 - *Media Centers, Counselors, Principals, Technology
- ✓ Non-Instructional Support – 19% (08/09) 19.5% (09/10)
 - *Operation/Maintenance, Transportation
- ✓ Administrative Support – 5% (08/09) 5% (09/10)
 - *Central Office, Business Services, Board
- ✓ Other Support – 3% (08/09) 3% (09/10)
 - *Transfers, Other

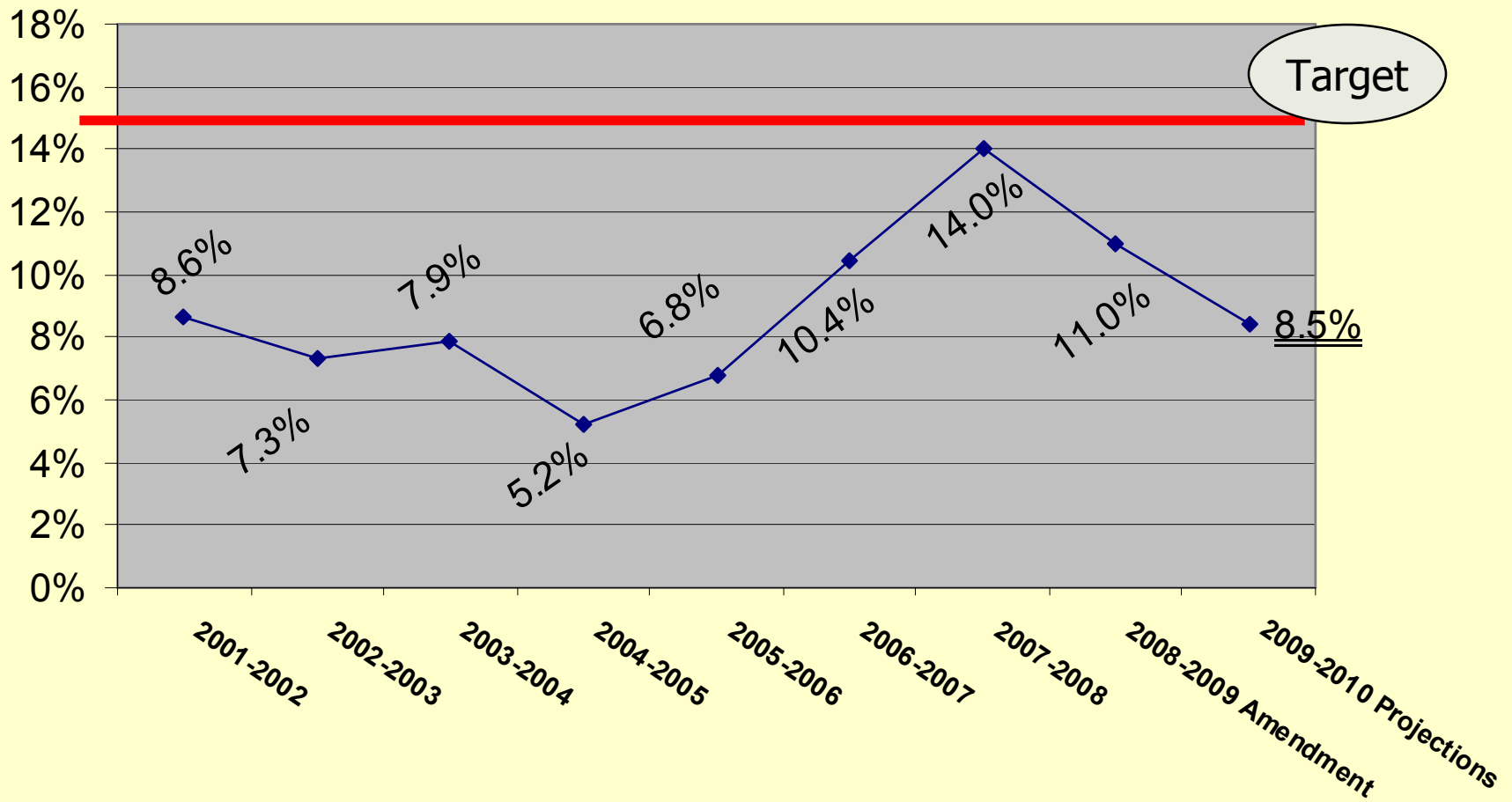
Proposed 2009-2010 General Fund Budget

Revenues	\$9,454,224	
Expenses	\$9,717,761	
Excess (Expenditures)	(\$ 263,537)	
Fund Balance July 1	\$ 1,084,925	11%
Fund Balance June 30	\$ 821,388	8.5%

Proposed General Fund Budget Comparison 08/09 – 09/10

	<u>2008-2009</u>	<u>2009-2010</u>
Revenue	\$9,651,262	\$9,454,224
Expenditures	\$9,903,993	\$9,717,761
Excess (Expenditures)	(\$ 252,731)	(\$263,537)
Fund Balance, July 1	\$1,382,299	\$1,084,925
Fund Balance, June 30	\$1,129,564	\$ 821,392
Restricted 31A	(\$44,639)	

Fund Balance as Percent of Expenses



Food Service Fund

► Revenues

- Sale of meals \$100,864 = 19% (23%)
- State and federal funding \$433,059 = 81% (77%)

► Expenses

- Salaries/Benefits \$131,402 = 25% (29%)
- Food/Other Fees \$369,521 = 69% (62%)
- Indirect cost transfer to GF \$33,000 = 6% (9%)

Food Service Recognition

- ▶ In-Class Breakfast Program –
 - Students are served breakfast right in the classroom.
 - All students K-12 are being served a free breakfast!
 - Free Summer Food Program
 - Food Service Fund Balance allowing for equipment and repairs to our food service areas.
 - ARRA Equipment Grant - \$25,000 (submitted)

Athletic Fund

▶ Revenues

- Gate Receipts \$30,100 = 15% (17%) of revenue
- General Fund Transfer \$167,791 = 85% (83%) of revenue

▶ Expenditures

- Salaries and Benefits (HPS staff and transportation)
\$58,485
- PESG Coaches/AD, Officials \$116,895
- Supplies, fees, and equipment \$22,511

Debt Service Funds

2003-2004	7.24 mills
2004-2005	5.48 mills
2005-2006	5.48 mills
2006-2007	7.00 mills
2007-2008	7.00 mills
2008-2009	7.00 mills
2009-2010	7.00 mills

- ▶ Refinanced 1998 bonds for millage reduction in 2004-2005
- ▶ New athletic bond issue passed in 2005-2006 requiring a 1.52 millage increase
- ▶ Levy is still below 2003-2004 rate.

2006 Athletic Capital Projects Fund

- ▶ 2006 Capital Projects – Athletic Complex and renovations = \$7.3 million
 - \$22,055 balance remaining
 - Signage to be completed



Mills to be Levied

- ▶ General Fund
 - Principal Residence & Qualified Exempt – 0 mills
 - Commercial Personal Property – 6 mills
 - All other Non-Homestead – 18 mills
- ▶ Debt Service Funds – 7.0 mills (2008-2009)
 - 1998 4.57 mills
 - 2006 2.43 mills
- ▶ 2009-2010 Final Taxable Value not available

FINAL COMMENTS

- ▶ 2009-2010 BUDGET REFLECTS FULL STATE AID
- ▶ THERE WILL BE A PRORATION COVERED BY FEDERAL ARRA FUNDS.
- ▶ WILL IT BE ENOUGH?
- ▶ \$75-\$110 PRORATION – LESS REVENUE EVEN WITH ARRA FUNDS PROPOSED
- ▶ What that means for Holton?
 - \$76,650 - \$112,420 LESS Revenue
 - QUESTIONS???