

TO: Board of Education

FROM: Rob Glass
Sharon Raschke

DATE: November 30, 2009

RE: 2009-10 November Budget Amendment

The 2009-10 November budget amendment is being presented. The amendment was presented to and discussed by the Finance Committee on November 24, 2009. The Finance Committee recommended that the board approve the amendment to the budget as submitted.

Budget Preparation

The budget has been adjusted for information received since the original budget for 2009-10 was prepared and adopted in June. Adjustments include technical corrections to the June budget for actual information that was not known in June, changes that have been approved by the Board since June, and other changes that have been communicated to the Board by the Superintendent.

The budget presented includes the following updates to the data/assumptions that were used in June 2009:

- State Foundation at \$7,646, a decrease of \$292 from the 08-09 State Foundation of \$7,938. The original budget assumed a \$0 increase. A proration of \$165 has already been enacted by the State and an additional proration of \$127 is anticipated. It is also possible that further prorations will occur for 09-10.
- Student count at 3,647, a 7.25 student increase from the September 2008 count. The general education student increase (the basis for our foundation allowance) was 0.76 students. The original budget assumed a 25 student count increase.
- Retirement rate at 16.94%. The original budget assumed 16.94%.
- Health benefit renewals increased 2.55%. The original budget assumed a 5% increase.
- Other budget adjustments are detailed in an attachment. The revenue adjustments, expense adjustments, and additional expense reductions that are included in the budget presented are coded in green. Additional expense reductions that are recommended by the Superintendent are coded in yellow. Possible program adjustments for 09-10 that are not recommended at this time are coded in pink. Other reference information is coded in purple. The Finance Committee recommended inclusion of the green coded items in the budget and the implementation of the yellow coded items per the recommendation of the Superintendent.

State School Aid Act Requirements

In order to be in compliance with State laws regarding budgeting, the school board is required to:

- 1) pass a general appropriation resolution for general fund and any special revenue funds by major function grouping; and,
- 2) post the budgets on our district website.

As a result of these requirements, the budget amendment has been translated into major function grouping and is included for adoption by the Board of Education.

Attachments

1. Building/program budget with 2009-10 adopted budget, net change comparisons, and 2009-10 amended budget.
2. Budget adjustment detail includes changes from the original budget.
3. A long-range scenario with 2006-07 actual, 2007-08 actual, 2008-09 actual, 2009-10 budget, 2010-11 trend, 2011-12 trend, and 2012-13 trend. This is more optimistic than anyone thinks is realistic.
4. The general appropriation amendment resolution for the general fund and required special revenue funds by major function grouping. These resolutions, once adopted by the Board of Education, will be posted on our website.

A copy of the budget detailed by individual account lines is available upon request.

Recap

GENERAL FUND	June Budget as approved	November amendment	Change
Revenue	\$ 35,838,513	\$ 34,769,709	\$ (1,068,804)
Expenses	\$ 36,537,135	\$ 35,979,311	\$ (557,824)
Revenue over (under) expenditures	\$ (698,622)	\$ (1,209,602)	\$ (510,980)
Reserve adjustments		\$ (110,258)	\$ (110,258)
Operational revenue over (under) expenditures	\$ (698,622)	\$ (1,099,344)	\$ (400,722)
	<u>2008-09 actual</u>	<u>Projected 2009-10</u>	
Undesignated fund balance	\$ 2,349,870	\$ 1,250,525	
Reserved and designated fund balance	\$ 3,894,107	\$ 3,783,850	
Total fund balance	\$ 6,243,977	\$ 5,034,375	
(% of expenses)	17.9%	14.0%	