

**MEMO TO: BOARD MEMBERS
DR. SARAH RISS**

FROM: DR. DIANE MOORE

DATE: JUNE 27, 2016

RE: 2016/2017 PROPOSED BUDGET MESSAGE

Enclosed please find the **third and final draft** of the 2016/2017 budget. Please note the online budget notebook will be reviewed as a part of the budget presentation during the board meeting. There are a few additional revenue and expenditure changes not outlined in the first and second draft. These modifications are outlined below:

Revenues:

- Prop C Sales Tax receipts could increase by \$20 per WADA (see Attachment B);
- Preschool tuition will increase by 2%;
- State foundation formula reflects the same funding as 2015-2016 budgets. DESE decreased SAT to \$6,110 (see Attachment C);
- Federal revenue reflects a decrease in Title I funding.

Total Operating Revenues are anticipated to be \$57,098,671.

Expenditures:

- Line Item 41 and 94 reflect the decrease in Federal funding;
- Line Item 51 assumes a 5% increase in utilities based upon the 15-16 expenditures. Please note – this may need to increase based upon previous years actual costs;
- Line Item 66 – administrative supplies increased by \$152,000 to pay for CFO consultant contract;
- Line Item 87 decreased by \$60,000 – assumes the track resurfacing will be paid through bond issue funds;
- Multiple salary line items were modified to reflect salary savings due to early retirement incentive. Total savings estimated to be \$468,665;

Total operating expenditures are anticipated to be \$56,229,386. This is an overall increase of 1.92% compared to the projected 2015-2016 operating

expenditures. Due to the significant reductions in expenditures during the 2015-16 school year, the 2016-2017 draft budget reflects an ending surplus of \$869,284.

Finally, the Business Office has included the current debt service schedule calculated on August 25, 2015 by George K. Baum & Company. If you have any questions, please do not hesitate to contact me.

MOTIONS FOR 2015-2016 BUDGET

- I make a motion to amend the budgeted revenue and expenditures for the general, teachers, capital projects and debt service funds to be equal to actual revenues and expenditures for the year ended June 30, 2016.
- I make a motion for the budget to be amended to actual for potential audit adjusting journal entries.
- I make a motion to transfer from the incidental fund the amount necessary to zero out the teachers fund.
- I make a motion to transfer from the incidental fund the amount necessary to zero out the capital project fund.
- I make a motion to amend the 2015-2016 budget as presented.

MOTION FOR THE 2016-2017 PROPOSED BUDGET

- I make a motion to approve the 2016-2017 budget.