

**DRAFT**



## **INTERIM BUDGET**

**2013 - 2014**

June 17, 2013

Prepared by:  
Division of Budget and Finance

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The interim budget is prepared in conformance with laws and regulations applicable to local governments within the State of Wisconsin. Interpretation of data without an understanding of programs, legal requirements for operation of the district, policies and rules of the School Board and practices of the district could lead to erroneous conclusions. This document is accurate as of the date of preparation. Minor differences may exist due to rounding and data discrepancies. The School Board or other regulatory agencies may take action that could render this document inaccurate or incomplete.

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**RACINE UNIFIED SCHOOL DISTRICT**  
**2013 – 2014 INTERIM BUDGET**  
**Fund Financial Statements**

School finance practices and governmental accounting rules require that the school district segregate financial transactions into distinct accounting entities, called funds. For purposes of analysis, funds are grouped as either operating or capital project.

Operating funds are used to report on-going annual costs of operating the district. The operating funds include the following:

- General Fund (Fund 10)
- Special Education Fund (Fund 27)
- Special Revenue Fund (Funds 21 & 29)
- Debt Service Funds (Funds 38 & 39)
- Capital Project Funds (Funds 41, 42, 43, 44, 45 & 49)
- Food Service Fund (Fund 50)
- Community Service Fund (Fund 80)

The community service fund allows for the segregation of financial transactions related to community use of facilities and programs operated for the benefit of the entire community.

Capital project funds are created whenever acquired resources are restricted for the acquisition or construction of specific capital projects or purchase of capital items. Racine reports on six capital project funds.

A separate financial statement showing revenues, expenditures and changes in fund balance is prepared for each fund. A combined statement showing revenues, expenditures and changes in fund balance for all funds is also provided. The combined statement removes interfund transactions to avoid overstating revenues or expenditures.

## BUDGET ASSUMPTIONS

The following assumptions were used to create the interim budget:

1. Pending changes to laws and regulations regarding school finance will not be adjusted in such a way as to have a material impact on the budget.
2. Property values will decrease 3.6%.
3. It is anticipated membership and enrollment will be affected this upcoming school year due to the state program to allow an unlimited number of students to receive vouchers to attend private schools. The district is experiencing a temporary increase in enrollment in kindergarten and early childhood programs as well as a continued increase in open enrollment participation in other districts. Because we are unsure about the impact of unlimited voucher participation, we are assuming the membership increases from kindergarten and open enrollment will offset membership losses of students to vouchers. Using a flat membership estimate for revenue limit calculations, the three year membership average for revenue limit purposes will decrease by 79 students.
4. The number of open enrollment students coming into the district will increase to 31. The number of open enrollment students leaving the district will increase from 1,053 to 1,164. Open enrollment tuition payments by RUSD are expected to reach \$7.5 million. A tentative proposal by the state legislature would increase the open enrollment payment by \$187 per student over and above DPI estimates using the prior cost formula increasing RUSD costs by \$211,000. However, revenue for students open enrolling to RUSD will increase \$50,000.
5. General state aid is estimated to increase \$8.1 million which represents a 6.6% increase. Of the increase in state aid \$1.12 million is from the legislature's tentative action to eliminate the "Voucher Tax" due to state aid diversions which in the past two years funded payments to private schools for students participating in the state parental choice program.
6. The district will experience both cuts and increases in different state categorical aid programs. Because of elementary school redistricting, more students will attend SAGE schools which we expect will increase aid by \$500,000. State special education aid is expected to increase by \$482,185. The charter school aid the district received in the past will no longer be received reducing revenues by \$750,000. State High Poverty Aid will be reduced by \$240,000.
7. The state finance law allows the district to increase per pupil spending by \$150 per student. State categorical aid of \$75 per student will be provided to the district amounting to \$1,581,375. The other \$75 per student is funded through the state revenue limit law which is a combination of state general aid and district tax levy.

8. Approximately \$1,690,513 in federal EdJobs stimulus funds will expire, adding to the district's structural deficit. Title grant funds for the district's two priority schools as well as funds carried over will allow for an increase in federal funding. Federal priority school funds of over \$1.8 million will be used to add hours of instruction at Knapp and Goodland elementary schools and for the Lead Turn Around Partner.
9. The availability of Microsoft settlement funds will expire.
10. Labor costs for all employee groups are consistent with district handbook policies, past practice, and bargaining agreements. Health coverage costs are reduced 3.6% over prior year based on actuarial estimates.
11. Over \$1.1 million was budgeted to cover replacement textbook costs and curricular materials.
12. \$650,000 is provided using available carry over funds in order to complete *Understanding by Design* and other staff training.
13. Continued funding and debt is budgeted for the facility improvement projects through the Trane and Johnson Controls performance contracts. Carryover funds of \$1.5 million are also dedicated for science lab improvements at Starbuck, Mitchell, and McKinley middle schools. Over \$800,000 is also dedicated toward technology access improvements.
14. The budget includes increases to district staff to meet implement special education inclusion in the high schools, comprehensive counseling, instructional staff at SAGE schools, and coverage for early childhood and kindergarten programs. It also includes changes in staff as part of federal and state grants and district priorities.
15. Funding is also provided to provide staff and training to expand International Baccalaureate programming to West Ridge Elementary School and enhance the Case HS IB program.

The recommended interim budget complies with rules and regulations of the State of Wisconsin and federal government as well as policies of the Racine Unified School District. The budget will allow for sustaining existing programs but does not contribute to continued building of organizational capacity for future years nor address future facility needs.

# ENROLLMENT INFORMATION

School district revenues and costs are directly related to the number of pupils served as well as the curriculum and support programs offered. Long-term facility needs are based on projected enrollment. Consequently, enrollment projections constitute the beginning point for calculation of budgets. The District uses a modified cohort-survival enrollment projection methodology. The enrollment history for the last 5 years, and projection for the next 5 years is shown below.

## RACINE UNIFIED SCHOOL DISTRICT Enrollment Projection District Summary

Enrollment projections are used to plan for staffing levels, facility space needs and quantities of supplies and materials.

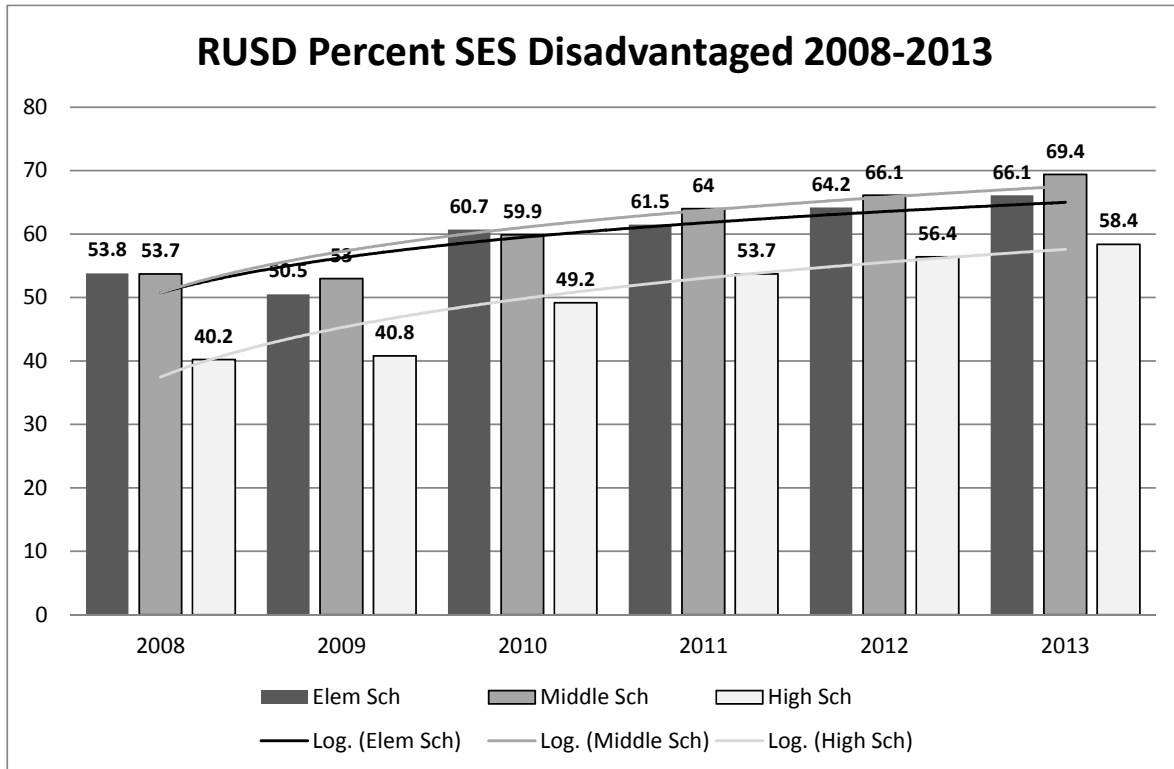
|                        | PRE - K    | 4K           | 5K           | 1 - 12        | Total Enrolled | Enrolled Change | Non-Attending | Total Count   | Total Change |
|------------------------|------------|--------------|--------------|---------------|----------------|-----------------|---------------|---------------|--------------|
| <b>Historical Data</b> |            |              |              |               |                |                 |               |               |              |
| 2008-09                | 253        | 222          | 1,525        | 18,399        | 20,399         |                 | 526           | 20,925        |              |
| 2009-10                | 270        | 928          | 1,540        | 18,420        | 21,158         | 759             | 650           | 21,808        | 883          |
| 2010-11                | 239        | 932          | 1,595        | 18,221        | 20,987         | (171)           | 690           | 21,677        | (131)        |
| 2011-12                | 311        | 940          | 1,524        | 17,941        | 20,716         | (271)           | 866           | 21,582        | (95)         |
| 2012-13                | 332        | 1,029        | 1,640        | 17,640        | 20,641         | (75)            | 1053          | 21,694        | 112          |
| <b>Projection</b>      |            |              |              |               |                |                 |               |               |              |
| <b>2013-14*</b>        | <b>331</b> | <b>1,075</b> | <b>1,633</b> | <b>17,597</b> | <b>20,636</b>  | <b>(5)</b>      | <b>1,164</b>  | <b>21,799</b> | <b>105</b>   |
| <b>2014-15*</b>        | <b>328</b> | <b>1,032</b> | <b>1,631</b> | <b>17,527</b> | <b>20,518</b>  | <b>(118)</b>    | <b>1,272</b>  | <b>21,789</b> | <b>(10)</b>  |
| <b>2015-16*</b>        | <b>323</b> | <b>1,012</b> | <b>1,580</b> | <b>17,440</b> | <b>20,355</b>  | <b>(162)</b>    | <b>1,350</b>  | <b>21,705</b> | <b>(84)</b>  |
| <b>2016-17*</b>        | <b>323</b> | <b>1,012</b> | <b>1,552</b> | <b>17,365</b> | <b>20,252</b>  | <b>(103)</b>    | <b>1,424</b>  | <b>21,676</b> | <b>(29)</b>  |
| <b>2017-18*</b>        | <b>322</b> | <b>1,009</b> | <b>1,551</b> | <b>17,303</b> | <b>20,185</b>  | <b>(67)</b>     | <b>1,504</b>  | <b>21,690</b> | <b>14</b>    |

Total enrolled includes pupils enrolled for attendance in one of the district's schools or sponsored programs (e. g. off-site 4 year old kindergarten) regardless of residence status. Projections for future years is based on a cohort survival method with greatest weight given to initial grade data (4 year old kindergarten). Non-attending represents resident pupils who attend school in another school district, mostly under the state's open enrollment law.

\* The enrollment impact of unlimited private school voucher eligibility in FY13-14 is not reflected other than the 250 per year current trend. Unlimited allowance for private school vouchers in Milwaukee Public Schools has reached more than 20% of enrollment.

Following the calculation of projected enrollment based on the cohort-survival methodology, manual adjustments are made to reflect changes not reflected in the calculations.

Over the past several years the district has experienced a significant increase in the percentage of students considered disadvantaged due to their socioeconomic status. The largest increase in the percentage of students is at the secondary school level. Since the winter of 2008 the percentage of SES students in the middle schools has increased from 53.7% to 69.4%. The high schools increased from 40.2% to 58.4%.



The increase in the total number of SES students is more dramatic since 2008. Middle schools have had over a 27% increase in students in this status while high schools increased over 26%.

**Total Number of SES Students - 2008 and 2013**

| <i>Year</i> | <i>Elem Sch</i> | <i>Middle Sch</i> | <i>High Sch</i> |
|-------------|-----------------|-------------------|-----------------|
| 2008        | 5632            | 2198              | 2712            |
| 2013        | <u>6852</u>     | <u>2800</u>       | <u>3420</u>     |
| % Increase  | <b>21.7%</b>    | <b>27.4%</b>      | <b>26.1%</b>    |

# PROPERTY TAX INFORMATION

Property taxes are levied in the following operating funds:

- General Fund
- Debt Service Funds
- Capital Expansion Fund
- Community Service Fund

The amount of property taxes a school district is permitted to raise in the general and debt service funds is limited by state imposed revenue caps.

Property taxes are estimated to decrease \$5,682,082 which is 6.73% less than last year. The estimated property tax rate will decrease 3.82%, or \$.38 per \$1,000 equalized value, for a total estimated property tax rate of \$9.67. The tax rate assumes a 3.03% decrease in property value for total equalized value of \$8,138,300,899.

The following table shows the history of equalized value in the district, tax levies, and tax rates since the district was first formed in 1961-62. Changes to the tax levy are impacted by increases or decreases in state general aids, student enrollment, as well as referendum approved expenditures. For example, in 2012-13 RUSD received a \$2.55 million decrease in state general aid while in 2013-14 it is estimated there is an \$8.1 million increase and a \$3.3 million referendum approved levy that expired.

## RACINE UNIFIED SCHOOL DISTRICT TAX LEVY HISTORY

(Amounts in Thousands)

| SCHOOL YEAR | EQUALIZED VALUE (TID OUT) | % CHANGE | TAX LEVY | % CHANGE | TAX RATE per \$1000 EQUALIZED | TAX RATE CHANGE |
|-------------|---------------------------|----------|----------|----------|-------------------------------|-----------------|
| 61-62       | 610,437                   |          | 7,576    |          | \$12.41                       |                 |
| 71-72       | 1,036,724                 |          | 19,789   |          | \$19.09                       |                 |
| 81-82       | 2,789,838                 |          | 31,340   |          | \$11.23                       |                 |
| 91-92       | 4,976,066                 |          | 47,472   |          | \$9.54                        |                 |
| 01-02       | 6,037,440                 |          | 53,182   |          | \$8.81                        |                 |
| 02-03       | 6,438,154                 | 6.64%    | 48,475   | (8.85%)  | \$7.53                        | (14.52%)        |
| 03-04       | 6,874,804                 | 6.78%    | 53,063   | 9.47%    | \$7.72                        | 2.51%           |
| 04-05       | 7,505,782                 | 9.18%    | 57,163   | 7.73%    | \$7.62                        | (1.33%)         |
| 05-06       | 8,243,327                 | 9.83%    | 55,717   | (2.53%)  | \$6.76                        | (11.25%)        |
| 06-07       | 9,117,495                 | 10.60%   | 62,299   | 11.81%   | \$6.83                        | 1.09%           |
| 07-08       | 9,541,307                 | 4.65%    | 64,373   | 3.33%    | \$6.75                        | (1.26%)         |
| 08-09       | 9,714,573                 | 1.82%    | 70,101   | 8.90%    | \$7.22                        | 6.96%           |
| 09-10       | 9,677,597                 | -0.38%   | 75,939   | 8.33%    | \$7.85                        | 8.74%           |
| 10-11       | 9,289,465                 | -4.01%   | 78,110   | 2.86%    | \$8.41                        | 7.16%           |
| 11-12       | 9,127,326                 | -1.75%   | 81,571   | 4.43%    | \$8.94                        | 6.29%           |
| 12-13       | 8,392,856                 | -8.05%   | 84,375   | 3.44%    | \$10.05                       | 12.49%          |
| 13-14       | 8,138,301                 | -3.03%   | 78,693   | (6.73%)  | \$9.67                        | (3.82%)         |

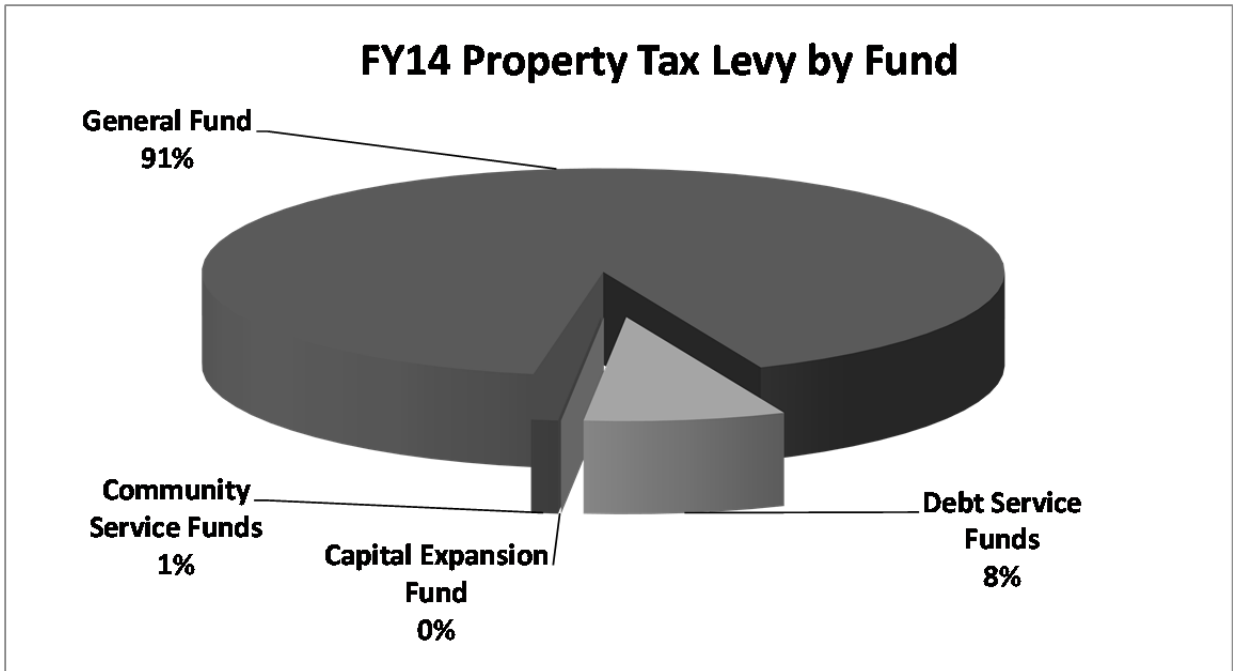


## General Fund Dedicated Fund Balance

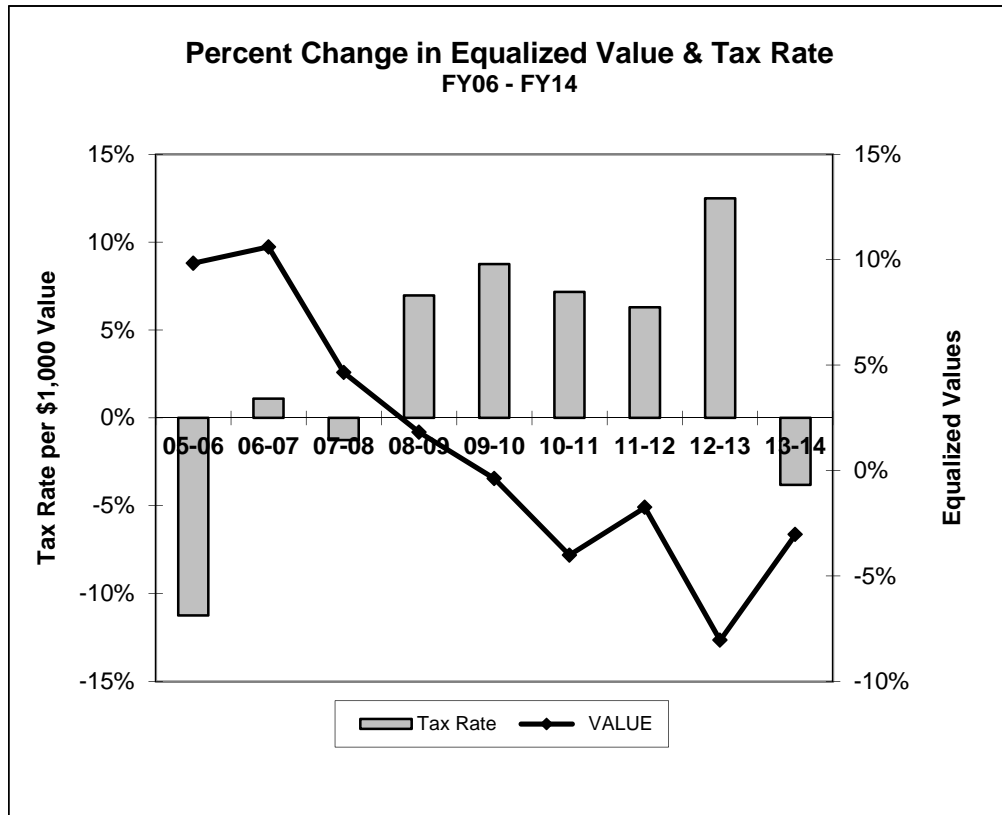
The proposed budget utilizes dedicated carry over funds approved as part of adjustments to the 2012-13 budget to fund district priorities. Portions of the dedicated funds are facility repair and improvement funds approved through a referendum. These dedicated reserves are allocated as follows:

|  |                  |
|--|------------------|
| Science Lab Upgrade Reserve Funds                  | 1,476,392        |
| Referendum & Reserve Funded Facilities Maintenance | 2,000,000        |
| One-Time Staff Training                            | 650,000          |
| Technology Access Initiative                       | 800,000          |
| <b>TOTAL</b>                                       | <b>4,926,392</b> |

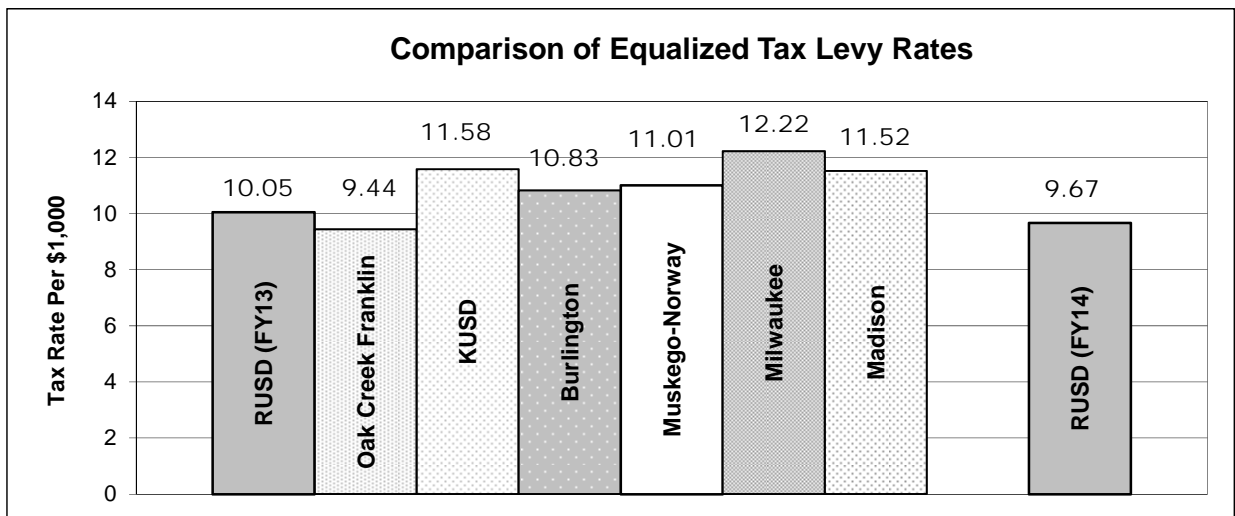
The pie chart below shows the distribution of the property tax levy and how 91% is for the General Fund; 8% is used for debt service; and 1% for community programming. No funds are levied into the Capital Expansion Fund (Fund 41) at this time. Referendum approved levies into this fund have expired and the general fund is now used for this purpose. This graph includes a levy for the community service fund (Fund 80) even though pending state budget action prohibits a district levy into this fund.



The graph below shows how property value changes impact the tax rate. The FY14 interim budget assumes a 3% decrease in property values which will be the fifth year district valuation is expected to decline.



The graph below shows how the equalized tax levy rate for RUSD remains below bordering and peer school districts. The graph compares FY13 equalized tax levy rates and shows how the interim FY14 equalized tax rate is expected to be lower than the all other listed districts, except Oak Creek Franklin, when taking into consideration the anticipated levy decrease.



## STAFFING INFORMATION

The following table compares Full Time Equivalency (FTE) staff changes over the prior fiscal year. The table breaks down the information by employee group, fund, and in some cases type of position (OL – Overload, PS – Contracted Employee). The costs associated with the staff are reflected in the budget.

The staffing process generated an overall increase in staff of 51.48 FTE. The table indicates that the number of certified administrators is down 1.0 FTE, teaching staff has increased 44.98 FTE, and educational assistants have increased 9.6 FTE. There were slight increases in clerical (.9 FTE), and Administrative Support (1.0 FTE). Building and Grounds was reduced (4.0 FTE).

### Comparison of FY13 and FY14 Staff by Employee Group

|                                 | 2012-13        | 2013-14        | Difference   | Notes |
|---------------------------------|----------------|----------------|--------------|-------|
| <b>Certified Administrators</b> |                |                |              |       |
| - General Fund (F10)            | 71.50          | 70.50          | -1.00        | 1     |
| - Special Education (F27)       | 6.50           | 6.50           | 0.00         |       |
| <b>Total Cert. Admin (AD)</b>   | <b>78.00</b>   | <b>77.00</b>   | <b>-1.00</b> |       |
| <b>Teaching Staff</b>           |                |                |              |       |
| - General Fund (F10)            | 1218.08        | 1248.04        | 29.96        | 2     |
| - Special Revenue Trust (F21)   | 0.64           | 0.40           | -0.24        |       |
| - Special Education (F27)       | 437.56         | 461.77         | 24.21        | 3     |
| - Community Services (F80)      | 1.00           | 0.00           | -1.00        |       |
| <b>Subtotal (T)</b>             | <b>1657.28</b> | <b>1710.21</b> | <b>52.93</b> |       |
| - General Fund (F10)            | 22.26          | 20.38          | -1.88        |       |
| - Special Education (F27)       | 1.80           | 0.20           | -1.60        |       |
| <b>Subtotal (OL)</b>            | <b>24.06</b>   | <b>20.58</b>   | <b>-3.48</b> |       |
| - Special Education (F27)       | 4.00           | 3.00           | -1.00        |       |
| <b>Subtotal (PS)</b>            | <b>28.06</b>   | <b>23.58</b>   | <b>-4.48</b> |       |
| <b>Total Teaching Staff</b>     | <b>1709.39</b> | <b>1754.37</b> | <b>44.98</b> |       |
| <b>Educational Assistants</b>   |                |                |              |       |
| - General Fund (F10)            | 126.76         | 131.67         | 4.91         | 4     |
| - Special Education (F27)       | 225.04         | 229.82         | 4.78         | 5     |
| - Food Service (F50)            | 2.10           | 2.01           | -0.09        |       |
| <b>Total Ed Asst Staff (EA)</b> | <b>353.90</b>  | <b>363.50</b>  | <b>9.60</b>  |       |

**Secretaries & Clerical**

|                                |               |               |             |
|--------------------------------|---------------|---------------|-------------|
| - General Fund (F10)           | 135.37        | 137.62        | 2.25        |
| - Special Education (F27)      | 10.50         | 9.50          | -1.00       |
| - Special Projects Fund (F29)  | 0.70          | 0.10          | -0.60       |
| - Community Services (F80)     | 2.25          | 2.50          | 0.25        |
| <b>Subtotal (SC)</b>           | <b>148.82</b> | <b>149.72</b> | <b>0.90</b> |
| - General Fund (F10)           | 1.00          | 1.00          | 0.00        |
| <b>Subtotal (PS)</b>           | <b>1.00</b>   | <b>1.00</b>   | <b>0.00</b> |
| <b>Total Secretarial Staff</b> | <b>149.82</b> | <b>150.72</b> | <b>0.90</b> |

**Buildings and Grounds**

|   |               |               |              |   |
|---|---------------|---------------|--------------|---|
| - General Fund (F10)                      | 185.64        | 181.64        | -4.00        | 6 |
| - Food Service (F50)                      | 4.16          | 4.16          | 0.00         |   |
| <b>Total B&amp;G Staff (BG)</b>           | <b>189.80</b> | <b>185.80</b> | <b>-4.00</b> |   |
| - General Fund (F10)                      | 0.60          | 0.60          | 0.00         |   |
| <b>Subtotal (PS)</b>                      | <b>0.60</b>   | <b>0.60</b>   | <b>0.00</b>  |   |
| <b>Total Building &amp; Grounds Staff</b> | <b>190.40</b> | <b>186.40</b> | <b>-4.00</b> |   |

**Administrative Support**

|                                  |              |              |             |
|----------------------------------|--------------|--------------|-------------|
| - General Fund (F10)             | 43.45        | 43.95        | 0.50        |
| - Special Education (F27)        | 1.50         | 1.00         | -0.50       |
| - Special Projects Fund (F29)    | 0.30         | 0.15         | -0.15       |
| - Food Service (F50)             | 0.75         | 0.75         | 0.00        |
| - Community Services (F80)       | 1.00         | 2.15         | 1.15        |
| <b>Subtotal (AS)</b>             | <b>47.00</b> | <b>48.00</b> | <b>1.00</b> |
| - General Fund (F10)             | 1.24         | 1.24         | 0.00        |
| <b>Subtotal (PS)</b>             | <b>1.24</b>  | <b>1.24</b>  | <b>0.00</b> |
| <b>Total Admin Support Staff</b> | <b>48.24</b> | <b>49.24</b> | <b>1.00</b> |

**Confidential Secretaries**

|                      |             |             |             |
|----------------------|-------------|-------------|-------------|
| - General Fund (F10) | 7.00        | 7.00        | 0.00        |
| <b>Subtotal (CS)</b> | <b>7.00</b> | <b>7.00</b> | <b>0.00</b> |

|              |                |                |              |
|--------------|----------------|----------------|--------------|
| <b>Total</b> | <b>2536.75</b> | <b>2588.23</b> | <b>51.48</b> |
|--------------|----------------|----------------|--------------|

Note: Figures reflect a 9.0 FTE special education educational assistant reduction which is offset by a staffing contingency of 5 FTE. An early childhood teacher and educational assistant is also not reflected.

1. Reduction administrator due to Wind Point closing.
2. Increased teaching staff for SAGE schools, kindergarten, and comprehensive counseling.
3. Additional teaching staff for high school special education inclusion.
4. Additional educational assistants for 4 year old kindergarten rooms.
5. Additional educational assistants for high school inclusion.
6. Reduced staff due to Wind Point closing.

## COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

The following statement combines all funds, providing an overall picture of the district's financial operation in a single display.

Overall, the district will have a decrease of fund balance of approximately \$33,425,141. Of this amount, \$13.7 million is due to paying off refinanced debt from funds received at the end of FY13. Another \$15 million is caused by the expenditure of funds reserved for performance contract capital projects. When the impact of the capital projects and debt funds reductions are removed, the budget has a decrease in total fund balance of \$4,647,234. This amount is the use of dedicated carryover funds for referendum funded facility improvements, science lab upgrades, technology access, and professional development.

The projected change in fund balance by fund for the budget year is:

### Change in Fund Balance

|  | Beginning           | Revenues<br>and Other<br>Financing<br>Sources | Expenditures<br>and Other<br>Financing<br>Uses | Ending                | Difference            |
|--|---------------------|---|--|-----------------------|-----------------------|
| General fund                             | \$38,524,676        | \$224,255,173                                 | \$229,181,565                                  | \$33,598,284          | (\$4,926,392)         |
| Special revenue trust fund               | 72,400              | 84,000  | 135,602  | \$20,798              | (\$51,602)            |
| TEACH Fund                               | 0                   | 0   | 0  | \$0                   | \$0                   |
| Special education fund                   | 0                   | 54,977,508                                    | 54,977,508                                     | \$0                   | \$0                   |
| Special revenue fund                     | 32,605              | 712,389                                       | 712,389  | \$32,605              | \$0                   |
| Debt service funds                       | 14,539,320          | 6,383,606                                     | 20,105,162                                     | \$817,764             | (\$13,721,556)        |
| Capital projects funds                   | 18,612,371          | 700   | 15,057,051                                     | \$3,556,020           | (\$15,056,351)        |
| Food service fund                        | 1,693,914           | 8,287,660                                     | 7,945,853                                      | \$2,035,721           | \$341,807             |
| Community service fund                   | 112,581             | 1,016,149                                     | 1,027,196                                      | \$101,534             | (\$11,047)            |
| Totals                                   | <u>\$73,587,867</u> | <u>\$295,717,185</u>                          | <u>\$329,142,326</u>                           | <u>\$40,162,726</u>   | <u>(\$33,425,141)</u> |
| <b>Overall change in fund balance</b>    |                     |   |  | <b>(\$33,425,141)</b> |                       |
| <b>Change in operating* fund balance</b> |                     |   |  | <b>(\$4,647,234)</b>  |                       |

\* All funds except capital projects and debt service.

**ALL GOVERNMENTAL FUNDS**  
**Combined Statement of Revenues, Expenditures and Changes in Fund Balance**  
**INTERIM BUDGET**

|  | 2010-11<br>ACTUAL   | 2011-12<br>ACTUAL   | 2012-13<br>ADJ BUDGET | 2013-14<br>INTERIM  | Change<br>Amount | Percent | NOTES |
|--|---------------------|---------------------|-----------------------|---------------------|------------------|---------|-------|
| <b>Revenues by Source</b>                            |                     |                     |                       |                     |                  |         |       |
| Property Taxes                                       | \$78,110,338        | \$81,570,780        | \$84,375,032          | \$78,692,950        | (\$5,682,082)    | -6.73%  | 1     |
| Local & intermediate sources                         | 3,316,835           | 3,052,254           | 3,290,652             | 2,989,380           | (\$301,272)      | -9.16%  |       |
| State Sources  | 159,636,141         | 144,484,182         | 141,871,129           | 150,293,491         | \$8,422,362      | 5.94%   | 2     |
| Federal Sources                                      | 30,733,650          | 25,563,365          | 27,476,679            | 28,682,884          | \$1,206,205      | 4.39%   | 3     |
| Other Sources  | 1,696,755           | 1,151,614           | 950,748               | 44,069              | (\$906,679)      | -95.36% | 4     |
| <b>Total Revenues</b>                                | <b>273,493,719</b>  | <b>255,822,195</b>  | <b>257,964,240</b>    | <b>260,702,774</b>  | \$2,738,534      | 1.06%   |       |
| <b>Expenditures by Function</b>                      |                     |                     |                       |                     |                  |         |       |
| <b>Instruction</b>                                   |                     |                     |                       |                     |                  |         |       |
| Regular Instruction                                  | 114,105,067         | 86,548,974          | 89,332,718            | 94,155,059          | \$4,822,342      | 5.40%   | 5     |
| Vocational Instruction                               | 5,136,774           | 4,330,762           | 4,813,855             | 4,849,941           | \$36,086         | 0.75%   |       |
| Special Instruction                                  | 43,097,055          | 36,518,471          | 39,696,078            | 41,583,740          | \$1,887,662      | 4.76%   | 6     |
| Other Instruction                                    | 6,957,160           | 6,468,392           | 6,891,898             | 6,772,312           | (\$119,586)      | -1.74%  |       |
| <b>Total Instruction</b>                             | <b>169,296,056</b>  | <b>133,866,599</b>  | <b>140,734,549</b>    | <b>147,361,052</b>  | \$6,626,504      | 4.71%   |       |
| <b>Support Service</b>                               |                     |                     |                       |                     |                  |         |       |
| Pupil Services                                       | 15,817,965          | 13,285,394          | 14,613,866            | 15,043,692          | \$429,826        | 2.94%   |       |
| Libraries & Instructional Support                    | 13,646,523          | 11,517,334          | 14,497,470            | 16,130,292          | \$1,632,822      | 11.26%  | 7     |
| General administration                               | 2,373,783           | 2,222,102           | 2,339,214             | 2,353,619           | \$14,405         | 0.62%   |       |
| Building administration                              | 12,237,862          | 10,343,489          | 11,024,836            | 10,959,152          | (\$65,684)       | -0.60%  | 8     |
| Business & operations                                | 47,191,700          | 38,518,050          | 56,558,429            | 52,993,453          | (\$3,564,976)    | -6.30%  | 9     |
| Central services                                     | 8,313,756           | 5,900,712           | 6,773,510             | 7,988,683           | \$1,215,173      | 17.94%  | 10    |
| Insurance  | 931,084             | 1,379,672           | 884,850               | 894,014             | \$9,164          | 1.04%   |       |
| Debt payments  | 7,078,268           | 17,169,374          | 15,883,163            | 21,377,998          | \$5,494,835      | 34.60%  | 11    |
| Other support services                               | 595,093             | 738,116             | 1,785,235             | 438,916             | (\$1,346,319)    | -75.41% | 12    |
| Food service   | 7,728,307           | 7,671,969           | 8,070,900             | 7,945,853           | (\$125,047)      | -1.55%  |       |
| Community service                                    | 252,724             | 66,693              | 1,184,200             | 1,027,196           | (\$157,004)      | -13.26% | 13    |
| <b>Total Support Services</b>                        | <b>116,167,064</b>  | <b>108,812,907</b>  | <b>133,615,673</b>    | <b>137,152,868</b>  | \$3,537,195      | 2.65%   |       |
| Non-program transactions                             | 6,909,126           | 7,444,673           | 8,154,561             | 9,621,146           | \$1,466,585      | 17.98%  | 14    |
| <b>Total Expenditures</b>                            | <b>292,372,245</b>  | <b>250,124,179</b>  | <b>282,504,783</b>    | <b>294,135,066</b>  | \$11,630,284     | 4.12%   |       |
| Excess (deficiency) of<br>Revenues over Expenditures | (18,878,526)        | 5,698,016           | (24,540,542)          | (33,432,292)        | (\$8,891,750)    |         |       |
| Other financing sources (uses)                       | 14,689,849          | 7,969,154           | 59,556,710            | 7,151               | (\$59,549,559)   | -99.99% | 15    |
| Net change in fund balance                           | (4,188,677)         | 13,667,170          | 35,016,168            | (33,425,141)        | (\$68,441,309)   |         |       |
| Fund Balance Beginning of Year                       | 29,093,206          | 24,904,529          | 38,571,699            | 73,587,867          | \$35,016,168     | 90.78%  |       |
| <b>Fund Balance End of Year</b>                      | <b>\$24,904,529</b> | <b>\$38,571,699</b> | <b>\$73,587,867</b>   | <b>\$40,162,726</b> | (\$33,425,141)   | -45.42% | 16    |

**Revenues**

- 1 See information beginning on page 6 regarding property taxes.
- 2 Includes estimated increase in state general aid of \$8.1 million and adjustments to state categorical aids.

- 3 Title grant funds for the district's two priority schools as well as funds carried over allow for an increase in federal funding. The amount also reflects a \$1.6 million reduction in federal funds due to expiring federal EdJobs stimulus funds.
- 4 Reduced amount due to lower revenue estimates related to short term borrowing premiums.

### **Expenditures**

- 5 Larger increase includes additional instructional staff added to SAGE schools and early childhood programs. Funds also allocated for additional hours of instruction for Goodland and Knapp using federal priority school funds.
- 6 Increase includes additional staff to implement special education inclusion model at high schools.
- 7 Increase includes carry over funds used to complete *Understanding by Design* and other staff training.
- 8 Lower amount due to reduced principal and clerical staff from closing Wind Point Elementary School.
- 9 The decrease reflects declining expenditures for facility improvements as part of the Trane / Johnson Controls performance contracts.
- 10 Increased expenditures include funds dedicated to the technology access initiative.
- 11 Amount reflects the debt costs for financing facility improvements as part of the Trane / Johnson Controls performance contracts.
- 12 Reflects lower costs due to paying off the life insurance settlement in FY13.
- 13 Expenditures for FY13 will be lower generating a carryover of community service funds to be used for media outreach technology.
- 14 This area reflects the tuition costs related to increased numbers of open enrollment students leaving the district. Open enrollment costs are also higher due to a state increased per pupil cost payment.
- 15 This amount reflects prior year financing for facility improvements as part of the Trane / Johnson Controls performance contracts.
- 16 The overall district fund balance will be reduced by using debt refinancing proceeds received in FY13 but paid in FY14 and completing facility improvements as part of the performance contracts with Trane and Johnson Controls.

The following charts summarize revenues and expenditures into broad categories.

**Revenues**

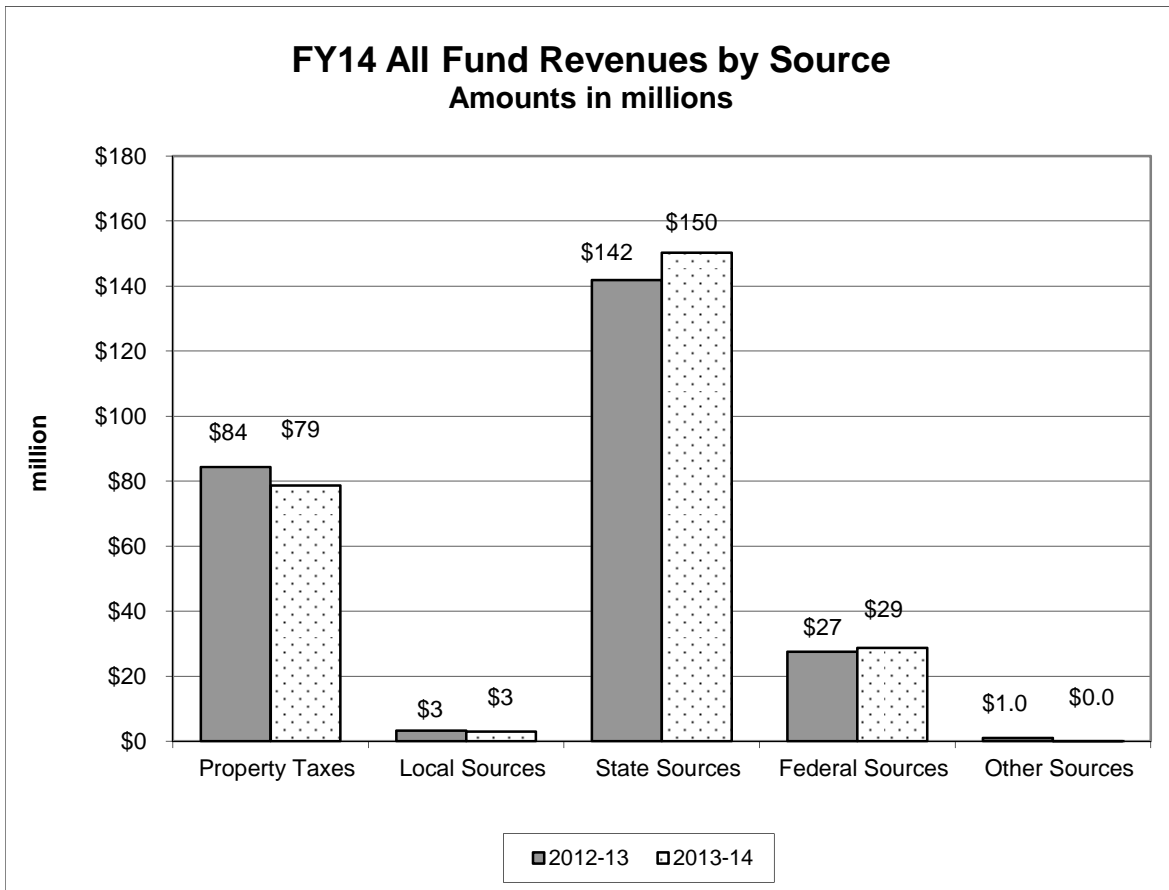
**Property taxes:** Revenue from taxable property located within the bounds of the school district.

**Local & intermediate sources:** Primarily fees, earnings on investments, tuition charges for students from other districts, sales, donations, and rental charges.

**State sources:** Equalization and categorical aid and proceeds for state sponsored projects.

**Federal sources:** Revenue for projects funded by the federal government.

**Other revenue:** Reimbursements from the federal government for medical services provided to low income students.





## Expenditures

**Instruction:** The direct cost of teaching students, including salaries and benefits, textbooks, teaching supplies, and equipment.

**Instructional & pupil support:** Costs, including salaries, benefits, services, supplies and equipment, related to libraries, instructional staff development, curriculum development, guidance, social work, nursing and therapy services.

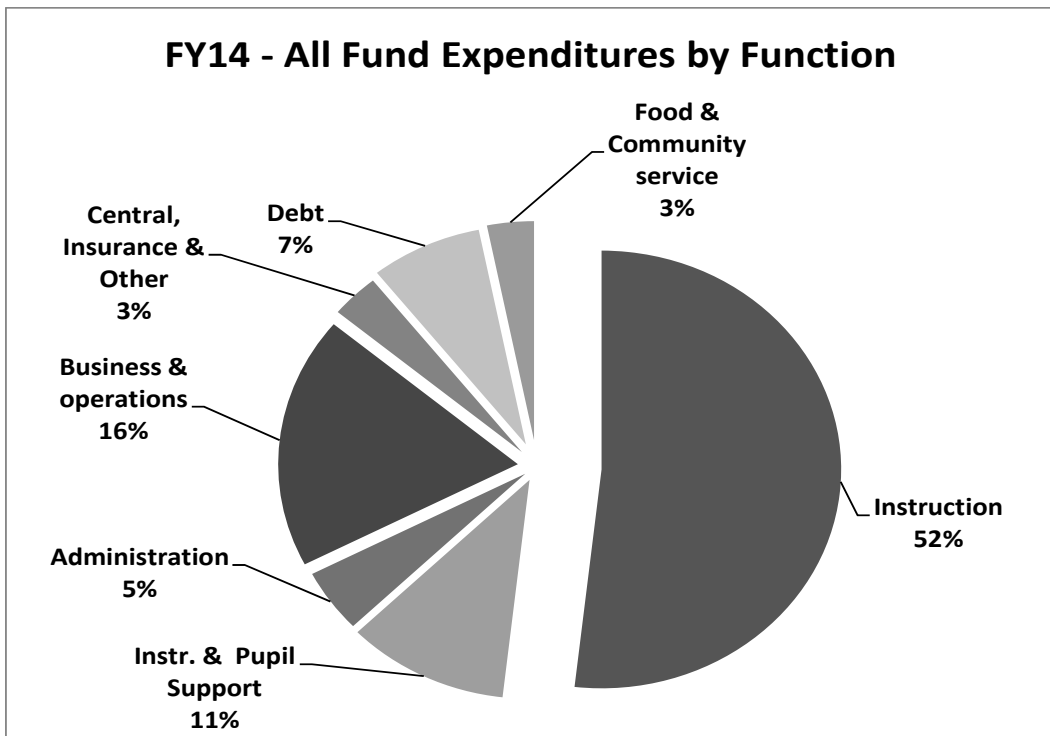
**Administration:** Involves the cost, including salaries, benefits, supplies and equipment, of administration for schools and the entire school system including administrators, central office staff, board of education, and legal services.

**Business, Facilities and Operations:** This includes the cost of the business and accounting department, operating, cleaning and maintaining the buildings, utilities, trash disposal, custodial services, repairs, and transportation of pupils.

**Central, Insurance and Other:** Costs related to information systems, human services, insurance, copiers, printing, non-instructional staff training.

**Debt:** For repayment of principal and interest on long-term debt and interest costs on short-term debt of the district.

**Food and community service:** Costs related to food service operations, expenses related to community service, community use of facilities, and aspects of the Lighted Schoolhouse program.



# GENERAL FUND

The general fund is used to account for all financial transactions relating to the district's operations, except for those required to be reported in other funds. Significant changes in amounts are described in the notes that follow the statement of revenues, expenditures and changes in fund balance.

## General Fund Combined Statement of Revenues, Expenditures and Changes in Fund Balance INTERIM BUDGET

|   | 2010-11<br>ACTUAL   | 2011-12<br>ACTUAL   | 2012-13<br>ADJ BUDGET | 2013-14<br>INTERIM  | PERCENT<br>CHANGE | NOTES |
|---|---------------------|---------------------|-----------------------|---------------------|-------------------|-------|
| <b>Revenues by source</b>                         |                     |                     |                       |                     |                   |       |
| Property taxes                                    | \$74,431,322        | \$76,722,205        | \$ 79,178,293         | \$71,462,902        | -9.74%            | 1     |
| Local sources                                     | 1,018,070           | 895,514             | 1,076,568             | 867,562             | -19.41%           |       |
| Intermediate sources                              | 0                   | 0                   | 0                     | 0                   |                   |       |
| State sources                                     | 146,449,827         | 131,365,296         | 129,566,096           | 137,505,149         | 6.13%             | 1     |
| Federal sources                                   | 13,272,798          | 12,202,634          | 13,356,837            | 14,199,491          | 6.31%             | 2     |
| Other sources                                     | 1,565,529           | 1,151,614           | 950,748               | 44,069              | -95.36%           | 3     |
| <b>Total revenues</b>                             | <b>236,737,546</b>  | <b>222,337,263</b>  | <b>224,128,542</b>    | <b>224,079,173</b>  | <b>-0.02%</b>     |       |
| <b>Expenditures by function</b>                   |                     |                     |                       |                     |                   |       |
| Instruction                                       |                     |                     |                       |                     |                   |       |
| Regular instruction                               | 113,423,464         | 86,160,135          | 89,315,984            | 94,144,283          | 5.41%             | 4     |
| Vocational instruction                            | 5,080,068           | 4,293,244           | 4,760,412             | 4,805,500           | 0.95%             |       |
| Special instruction                               | 60,550              | 35,854              | 150,044               | 185,696             | 23.76%            |       |
| Other instruction                                 | 6,950,797           | 6,378,698           | 6,285,792             | 6,280,536           | -0.08%            |       |
| <b>Total instruction</b>                          | <b>125,514,879</b>  | <b>96,867,931</b>   | <b>100,512,232</b>    | <b>105,416,015</b>  | <b>4.88%</b>      |       |
| Support service                                   |                     |                     |                       |                     |                   |       |
| Pupil services                                    | 9,539,777           | 8,056,904           | 9,124,820             | 9,745,863           | 6.81%             | 5     |
| Libraries & instructional support                 | 10,009,829          | 8,783,950           | 10,575,873            | 12,216,438          | 15.51%            | 6     |
| General administration                            | 2,370,844           | 2,151,955           | 2,290,214             | 2,304,619           | 0.63%             |       |
| Building administration                           | 12,237,651          | 10,343,163          | 11,024,136            | 10,959,152          | -0.59%            | 7     |
| Business & operations                             | 33,771,413          | 31,841,572          | 34,676,061            | 33,816,774          | -2.48%            | 8     |
| Central services                                  | 8,299,626           | 5,681,387           | 6,735,306             | 7,955,285           | 18.11%            | 9     |
| Insurance   | 750,656             | 1,193,724           | 660,755               | 629,310             | -4.76%            |       |
| Debt payments                                     | 2,446,665           | 6,652,917           | 1,343,657             | 1,272,836           | -5.27%            |       |
| Other support services                            | 595,093             | 651,850             | 1,785,235             | 438,916             | -75.41%           | 10    |
| <b>Total support services</b>                     | <b>80,021,554</b>   | <b>75,357,422</b>   | <b>78,216,057</b>     | <b>79,339,193</b>   | <b>1.44%</b>      |       |
| Non-program transactions                          | 6,502,775           | 7,209,209           | 7,870,961             | 9,441,146           | 19.95%            | 11    |
| <b>Total expenditures</b>                         | <b>212,039,207</b>  | <b>179,434,562</b>  | <b>186,599,250</b>    | <b>194,196,354</b>  | <b>4.07%</b>      |       |
| Excess (deficiency) of revenues over expenditures | 24,698,340          | 42,902,701          | 37,529,293            | 29,882,819          | -20.37%           |       |
| Other financing sources (uses)                    |                     |                     |                       |                     |                   |       |
| Transfer from other funds                         | 221,878             | 61,535              | 192,554               | 176,000             |                   |       |
| Other financing sources                           | 8,292,434           | 0                   | 1,543,922             | 0                   | -100.00%          |       |
| Transfers to other funds                          | (33,488,338)        | (30,053,661)        | (33,859,532)          | (34,985,211)        | 3.32%             | 12    |
| <b>Total other financing sources (uses)</b>       | <b>(24,974,026)</b> | <b>(29,992,126)</b> | <b>(32,123,056)</b>   | <b>(34,809,211)</b> |                   |       |
| Net change in fund balance                        | (275,686)           | 12,910,575          | 5,406,237             | (4,926,392)         | -191.12%          | 13    |
| Fund balance beginning of year                    | 20,483,550          | 20,207,864          | 33,118,439            | 38,524,676          | 16.32%            |       |
| <b>Fund balance end of year</b>                   | <b>\$20,207,864</b> | <b>\$33,118,439</b> | <b>\$38,524,676</b>   | <b>\$33,598,284</b> | <b>-12.79%</b>    |       |

## **Revenues**

- 1 Includes estimated increase in state general aid of \$8.1 million and adjustments to state categorical aids. Under state school financing laws, state aid lowers local school property taxes.
- 2 Title grant funds for the district's two priority schools as well as funds carried over allow for an increase in federal funding. The amount also reflects a \$1.6 million reduction in federal funds due to expiring federal EdJobs stimulus funds.
- 3 Reduced amount due to expiring Microsoft settlement funding.

## **Expenditures**

Most functional areas include costs for compensation (wages and benefits). Preliminary estimates for staff costs are consistent with district handbook policies, past practice, and bargained agreements.

- 4 Larger increase includes additional instructional staff added to SAGE schools and early childhood programs. Federal priority school funds also allocated for additional hours of instruction at Goodland and Knapp.
- 5 Higher amount due to adding guidance counselor positions as part of implementing the Comprehensive Counseling Model.
- 6 Increase includes carry over funds used to complete *Understanding by Design* and other staff training.
- 7 Lower amount due to reduced principal and clerical staff from closing Wind Point Elementary School.
- 8 Budget reduced to account for reduced availability of referendum approved facility improvement and repair funds.
- 9 Increased expenditures include \$800,000 of carryover funds dedicated to the technology access initiative.
- 10 Reflects lower costs due to paying off the life insurance settlement in FY13.
- 11 This increase reflects the higher open enrollment tuition costs from increased numbers of open enrollment students leaving the district. Open enrollment costs are also higher due to a state increased per pupil cost payment.
- 12 This amount reflects the General Fund transfer to cover special education expenses.
- 13 The net change in fund balance reflects the use of dedicated carryover funds.

## OTHER SPECIAL REVENUE FUNDS TRUST & TEACH FUNDS

These funds (Funds 21 & 23) are used to account for trust funds received through gifts and donations from private parties which can be used for district operations. The TEACH Fund (Fund 23) is no longer used since all remaining funds were expended in FY09. The table below is for Fund 21.

| Special Revenue Trust Fund<br>Revenues by Source, Expenditures by Function<br>INTERIM BUDGET |                   |                   |                       |                    |                   |       |
|--|-------------------|-------------------|-----------------------|--------------------|-------------------|-------|
|  | 2010-11<br>ACTUAL | 2011-12<br>ACTUAL | 2012-13<br>ADJ BUDGET | 2013-14<br>INTERIM | PERCENT<br>CHANGE | NOTES |
| <b>Revenues by source</b>  |                   |                   |                       |                    |                   |       |
| Local & intermediate sources   | \$134,160         | \$122,000         | \$117,400             | \$84,000           | 100.00%           | 1     |
| Other sources  |                   |                   |                       |                    |                   |       |
| <b>Total revenues</b>  | <b>134,160</b>    | <b>122,000</b>    | <b>117,400</b>        | <b>84,000</b>      | <b>100.00%</b>    |       |
| <b>Expenditures by function</b>  |                   |                   |                       |                    |                   |       |
| Regular instruction  | 87,323            | 23,121            | 15,064                | 9,106              | -39.55%           |       |
| Vocational instruction   | 434               | 0                 | 5,000                 | 0                  | 0.00%             |       |
| <b>Total Instruction</b>   | <b>87,757</b>     | <b>23,121</b>     | <b>20,064</b>         | <b>9,106</b>       | <b>100.00%</b>    |       |
| Pupil services   | 180               | 0                 | 0                     | 0                  |                   |       |
| Instructional & staff support  | 51,815            | 40,710            | 120,250               | 77,496             | -35.55%           | 2     |
| General administration   | 0                 | 48,000            | 24,000                | 24,000             | 0.00%             | 1     |
| Central services   | 0                 | 0                 | 5,000                 | 25,000             | 400.00%           | 3     |
| <b>Total support services</b>  | <b>51,995</b>     | <b>88,710</b>     | <b>149,250</b>        | <b>126,496</b>     | -15.25%           |       |
| <b>Total expenditures</b>  | <b>139,752</b>    | <b>111,831</b>    | <b>169,314</b>        | <b>135,602</b>     | -19.91%           |       |
| Excess (deficiency) of revenues over expenditures  | (5,592)           | 10,169            | (51,914)              | (51,602)           |                   |       |
| Fund balance beginning of year   | 119,737           | 114,145           | 124,314               | 72,400             | -41.76%           |       |
| <b>Fund balance end of year</b>  | <b>\$114,145</b>  | <b>\$124,314</b>  | <b>\$72,400</b>       | <b>\$20,798</b>    | -71.27%           |       |

### Revenues & Expenditures

- 1 The revenues reflect donations annually received for board training and LAP. General administration expenditures are also related to the board training.
- 2 Expenditures largely related to Project Cape grant revenues received.
- 3 Funds allocated for Panasonic district collaboration.

## SPECIAL EDUCATION FUND

This fund is used to account for special education and related services funded wholly or in part with state or federal special education aid or charges for services provided to other districts as a result of being a host district for a special education package or cooperative program. No fund balance or deficit can exist in this fund.

### Special Education Fund Combined Statement of Revenues, Expenditures and Changes in Fund Balance INTERIM BUDGET

|   | 2010-11<br>ACTUAL | 2011-12<br>ACTUAL | 2012-13<br>ADJ BUDGET | 2013-14<br>INTERIM | PERCENT<br>CHANGE | NOTES |
|---|-------------------|-------------------|-----------------------|--------------------|-------------------|-------|
| <b>Revenues by source</b>                         |                   |                   |                       |                    |                   |       |
| Local & intermediate sources                      | \$0               | \$0               | \$0                   | \$43,000           |                   | 1     |
| State sources                                     | 13,061,282        | 12,976,558        | 12,151,615            | 12,633,800         | 3.97%             | 2     |
| Federal sources                                   | 11,013,523        | 6,402,435         | 7,175,695             | 7,462,297          | 3.99%             | 3     |
| Other sources                                     | 0                 | 0                 | 0                     | 0                  |                   |       |
| <b>Total revenues</b>                             | <b>24,074,805</b> | <b>19,378,993</b> | <b>19,327,310</b>     | <b>20,139,097</b>  | <b>4.20%</b>      |       |
| <b>Expenditures by function</b>                   |                   |                   |                       |                    |                   |       |
| Regular instruction                               | 156,006           | 916               | 0                     | 0                  |                   |       |
| Vocational instruction                            | 56,272            | 37,518            | 48,443                | 44,441             | -8.26%            |       |
| Special instruction                               | 43,036,505        | 36,482,617        | 39,546,034            | 41,398,044         | 4.68%             | 3     |
| <b>Total Instruction</b>                          | <b>43,248,783</b> | <b>36,521,051</b> | <b>39,594,477</b>     | <b>41,442,485</b>  | <b>4.67%</b>      |       |
| Pupil services                                    | 6,277,379         | 5,227,484         | 5,477,696             | 5,293,429          | -3.36%            | 4     |
| Instructional & staff support                     | 3,488,277         | 2,546,934         | 3,564,129             | 3,659,165          | 2.67%             | 5     |
| School administration                             | 2,939             | 22,147            | 25,000                | 25,000             | 0.00%             |       |
| Business & operations                             | 3,487,343         | 3,892,472         | 3,849,365             | 4,107,875          | 6.72%             |       |
| Central services                                  | 6,163             | 212,603           | 6,950                 | 4,850              | -30.22%           |       |
| Insurance   | 180,428           | 185,948           | 224,095               | 264,704            | 18.12%            | 6     |
| Debt Payments                                     | 0                 | 464,683           | 0                     | 0                  |                   |       |
| Other Support Services                            | 0                 | 86,266            | 0                     | 0                  |                   |       |
| <b>Total support services</b>                     | <b>13,442,529</b> | <b>12,638,538</b> | <b>13,147,235</b>     | <b>13,355,023</b>  | <b>1.58%</b>      |       |
| Non-program transactions                          | 406,351           | 235,464           | 283,600               | 180,000            |                   |       |
| <b>Total expenditures</b>                         | <b>57,097,663</b> | <b>49,395,053</b> | <b>53,025,312</b>     | <b>54,977,508</b>  | <b>3.68%</b>      |       |
| Excess (deficiency) of revenues over expenditures | (33,022,858)      | (30,016,061)      | (33,698,002)          | (34,838,411)       |                   |       |
| Transfer from general fund                        | 33,224,796        | 30,053,661        | 33,859,532            | 34,985,211         | 3.32%             |       |
| Transfers to other funds                          | (201,938)         | (37,600)          | (161,530)             | (146,800)          |                   |       |
|   | 33,022,858        | 30,016,061        | 33,698,002            | 34,838,411         | 3.38%             |       |
| <b>Fund balance end of year</b>                   | <b>\$0</b>        | <b>\$0</b>        | <b>\$0</b>            | <b>\$0</b>         |                   |       |

### Revenues

1 Anticipated open enrollment revenues for services provided.

- 2 State special education aid increased by \$500,000 due to higher costs in the prior year.
- 3 Federal revenues are increased due to use of IDEA carryover funds from FY13 and anticipated Medicaid reimbursement funds.

**Expenditures by function**

- 4 The increase reflects additional teaching staff to implement special education inclusion models in the high schools.
- 5 Reduction due to lower anticipated physical therapy costs.
- 6 Higher amounts over prior year due to adding inclusion coordination staff.
- 7 Increase reflects the higher workers compensation insurance costs for the district.

# SPECIAL REVENUE FUND

This fund is used to account for federal resources dedicated to the Extended Day programming.

The budget assumes continuation of the program but revenues and costs will be divided between this fund and the community services fund. The total cost of the program is estimated at approximately \$1,563,605 with an estimated \$694,343 being paid by federal funding and accounted for here. The balance will be accounted for in the community services fund.

## Special Projects Fund Combined Statement of Revenues, Expenditures and Changes in Fund Balance INTERIM BUDGET

|   | 2010-11<br>ACTUAL    | 2011-12<br>ACTUAL | 2012-13<br>ADJ BUDGET | 2013-14<br>INTERIM | PERCENT<br>CHANGE | NOTES |
|---|----------------------|-------------------|-----------------------|--------------------|-------------------|-------|
| <b>Revenues by source</b>                         |                      |                   |                       |                    |                   |       |
| Local & intermediate sources                      | \$0                  | \$0               | \$0                   | \$0                |                   |       |
| State sources                                     | 0                    | 0                 | 0                     | 0                  |                   |       |
| Federal sources                                   | 574,165              | 640,541           | 952,437               | 712,389            | -25.20%           | 1     |
| Other sources                                     | 0                    | 0                 | 0                     | 0                  |                   |       |
| <b>Total revenues</b>                             | <b>574,165</b>       | <b>640,541</b>    | <b>952,437</b>        | <b>712,389</b>     | <b>-25.20%</b>    |       |
| <b>Expenditures by function</b>                   |                      |                   |                       |                    |                   |       |
| Regular instruction                               | 438,274              | 364,802           | 1,670                 | 1,670              | 0.00%             |       |
| Other   | 6,363                | 89,694            | 606,106               | 491,776            | -18.86%           | 2     |
| <b>Total Instruction</b>                          | <b>444,637</b>       | <b>454,496</b>    | <b>607,776</b>        | <b>493,446</b>     | <b>-18.81%</b>    |       |
| Pupil services                                    | 629                  | 1,006             | 11,350                | 4,400              | -61.23%           |       |
| Instructional & staff support                     | 96,602               | 145,740           | 237,218               | 177,193            | -25.30%           | 3     |
| General administration                            | 0                    | 0                 | 0                     | 0                  |                   |       |
| Building administration                           | 211                  | 326               | 700                   | 0                  | -100.00%          |       |
| Business & operations                             | 6,662                | 8,656             | 33,003                | 11,753             | -64.39%           |       |
| Central services                                  | 7,967                | 6,722             | 26,254                | 3,548              | -86.49%           |       |
| Other support services                            | 0                    | 0                 | 0                     | 0                  |                   |       |
| <b>Total support services</b>                     | <b>112,071</b>       | <b>162,450</b>    | <b>308,525</b>        | <b>196,894</b>     | <b>-36.18%</b>    |       |
| Non-program transactions                          | 0                    | 0                 | 0                     | 0                  |                   |       |
| <b>Total expenditures</b>                         | <b>556,708</b>       | <b>616,946</b>    | <b>916,301</b>        | <b>690,340</b>     | <b>-24.66%</b>    |       |
| Excess (deficiency) of revenues over expenditures | 17,457               | 23,595            | 36,136                | 22,049             |                   |       |
| Transfer to other funds                           | (19,940)             | (23,935)          | (36,136)              | (22,049)           |                   |       |
| Net change in fund balance                        | (2,483) <sup>F</sup> | (340)             | 0                     | 0                  |                   |       |
| Fund balance beginning of year                    | 35,428               | 32,945            | 32,605                | 32,605             |                   |       |
| <b>Fund balance end of year</b>                   | <b>\$32,945</b>      | <b>\$32,605</b>   | <b>\$32,605</b>       | <b>\$32,605</b>    |                   |       |

### **Revenues**

- 1 Includes federal grant funds used by the Extended Day program. Grant renewals have been approved and are not completely reflected.

### **Expenditures by function**

- 2 Reduction reflects reduced instructional Extended Day programming expenditures due to expiring federal grants.
- 3 Reduced administrative costs covered by expired grants. These costs will be covered by community service funds (Fund 80).



## DEBT SERVICE FUNDS

There are two separate funds for reporting transactions related to repayment of the general obligation debt and refinancing of debt issues and other district obligations. One fund, Debt Service Fund – Not Referendum Approved, is subject to revenue limits. The other fund, Debt Service Fund – Referendum Approved is exempt from state imposed revenue limits.

Tax levies assessed for the repayment of long-term debt, including interest costs, must be recorded in these funds. The assets in these funds may not be used for other purposes as long as related debt remains. The debt payment amounts are established at the time the school board approves a resolution to borrow.

**Debt Service Fund - Not Referendum Approved**  
**Combined Statement of Revenues, Expenditures and Changes in Fund Balance**  
**INTERIM BUDGET**

|   | 2010-11<br>ACTUAL | 2011-12<br>ACTUAL | 2012-13<br>ADJ BUDGET | 2013-14<br>INTERIM | PERCENT<br>CHANGE | NOTES |
|---|-------------------|-------------------|-----------------------|--------------------|-------------------|-------|
| <b>Revenues by source</b>                         |                   |                   |                       |                    |                   |       |
| Property taxes                                    | \$1,189,911       | \$872,267         | \$1,469,920           | \$3,146,422        | 114.05%           | 1     |
| Earnings on investments                           | 2,834             | 1,079             | 1,112                 | 1,348              | 21.22%            |       |
| Other sources                                     | 0                 | 0                 | 0                     | 0                  |                   |       |
| <b>Total revenues</b>                             | <b>1,192,745</b>  | <b>873,346</b>    | <b>1,471,032</b>      | <b>3,147,770</b>   | <b>113.98%</b>    |       |
| <b>Expenditures for debt payments</b>             |                   |                   |                       |                    |                   |       |
| Principal   | 1,165,361         | 6,480,165         | 10,676,868            | 15,988,586         | 49.75%            | 2     |
| Interest  | 124,239           | 334,908           | 551,958               | 933,810            | 69.18%            |       |
| Agent paying fees                                 | 14,860            | 67,719            | 141,700               | 0                  | -100.00%          |       |
| <b>Total expenditures</b>                         | <b>1,304,460</b>  | <b>6,882,792</b>  | <b>11,370,526</b>     | <b>16,922,396</b>  | <b>48.83%</b>     |       |
| Excess (deficiency) of revenues over expenditures | (111,715)         | (6,009,446)       | (9,899,494)           | (13,774,626)       |                   |       |
| Other financing sources                           | 263,542           | 6,058,377         | 24,017,900            | 0                  |                   |       |
| Other financing uses                              | 0                 | 0                 | 0                     | 0                  |                   |       |
| <b>Total other financing sources (uses)</b>       | <b>263,542</b>    | <b>6,058,377</b>  | <b>24,017,900</b>     | <b>0</b>           | <b>-100.00%</b>   |       |
| Net change in fund balance                        | 151,827           | 48,931            | 14,118,406            | (13,774,626)       | -197.57%          | 2     |
| Fund balance beginning of year                    | 80,643            | 232,470           | 281,401               | 14,399,807         | 5017.18%          | 2     |
| <b>Fund balance end of year</b>                   | <b>\$232,470</b>  | <b>\$281,401</b>  | <b>\$14,399,807</b>   | <b>\$625,181</b>   | <b>-95.66%</b>    | 3     |

### Revenues, Expenditures and Fund Balance

- 1 Tax levy is higher to fund the debt financing for the Trane / Johnson Controls performance contract facility improvements.
- 2 Financing related to the Trane / Johnson Controls performance contract received in FY13 but paid out in FY14.
- 3 Fund balance for calendar year debt payments in different fiscal year.

**Debt Service Fund - Referendum Approved**  
**Combined Statement of Revenues, Expenditures and Changes in Fund Balance**  
**INTERIM BUDGET**

|  | 2010-11<br>ACTUAL | 2011-12<br>ACTUAL | 2012-13<br>ADJ BUDGET | 2013-14<br>INTERIM | PERCENT<br>CHANGE | NOTES |
|--|-------------------|-------------------|-----------------------|--------------------|-------------------|-------|
| <b>Revenues by source</b>                            |                   |                   |                       |                    |                   |       |
| Property taxes                                       | \$2,489,105       | \$3,126,308       | \$2,926,819           | \$3,233,626        | 10.48%            |       |
| Earnings on investments                              | 0                 | 0                 | 3,738                 | 2,210              | -40.88%           |       |
| <b>Total revenues</b>                                | <b>2,489,105</b>  | <b>3,126,308</b>  | <b>2,930,557</b>      | <b>3,235,836</b>   | <b>10.42%</b>     |       |
| <b>Expenditures for debt payments</b>                |                   |                   |                       |                    |                   |       |
| Principal  | 2,465,000         | 2,380,000         | 2,465,000             | 2,575,000          | 4.46%             |       |
| Interest   | 859,575           | 787,893           | 703,980               | 607,766            | -13.67%           |       |
| Agent paying fees                                    | 1,089             | 1,089             | 0                     | 0                  |                   |       |
| <b>Total expenditures</b>                            | <b>3,325,664</b>  | <b>3,168,982</b>  | <b>3,168,980</b>      | <b>3,182,766</b>   | <b>0.44%</b>      |       |
| Excess (deficiency) of revenues<br>over expenditures | (836,559)         | (42,674)          | (238,423)             | 53,070             |                   |       |
| Other financing sources                              | 0                 | 0                 | 0                     | 0                  |                   |       |
| Other financing uses                                 | 0                 | 0                 | 0                     | 0                  |                   |       |
| <b>Total other financing sources (uses)</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>              | <b>0</b>           |                   |       |
| Net change in fund balance                           | (836,559)         | (42,674)          | (238,423)             | 53,070             |                   |       |
| Fund balance beginning of year                       | 1,257,169         | 420,610           | 377,936               | 139,513            | -63.09%           |       |
| <b>Fund balance end of year</b>                      | <b>\$420,610</b>  | <b>\$377,936</b>  | <b>\$139,513</b>      | <b>\$192,583</b>   | <b>38.04%</b>     |       |

## CAPITAL EXPANSION FUND

State statute restricts the use of this fund to capital expenditures related to acquiring and remodeling buildings and sites, and maintenance or repair expenditures that extend or enhance the service life of buildings and building components, sites and site components. Expenditures from this fund are included in the calculation of equalization aid based on an amortization related to when resources are created in the fund.

This fund was created several years ago to allow flexibility in scheduling annual capital projects. Monies added to the fund have been from the referendum approved levy in April 2008 which added \$3,300,000 with additional district funds of \$600,000. An additional levy of \$800,000 was added in FY13. In order to maximize state equalization aid, levies to the fund were suspended in FY10 and projects were funded as part of general fund expenditures.

### Capital Expansion Fund Combined Statement of Revenues, Expenditures and Changes in Fund Balance INTERIM BUDGET

|  | 2010-11<br>ACTUAL | 2011-12<br>ACTUAL | 2012-13<br>ADJ BUDGET | 2013-14<br>INTERIM | PERCENT<br>CHANGE | NOTES |
|--|-------------------|-------------------|-----------------------|--------------------|-------------------|-------|
| <b>Revenues by source</b>                            |                   |                   |                       |                    |                   |       |
| Property taxes                                       | \$0               | \$0               | \$800,000             | \$0                | -100.00%          | 1     |
| Earnings on investments                              | 4,498             | 15,298            | 250                   | 250                |                   |       |
| Other  | 131,232           | 0                 | 0                     | 0                  |                   |       |
| <b>Total revenues</b>                                | <b>135,730</b>    | <b>15,298</b>     | <b>800,250</b>        | <b>250</b>         |                   |       |
| <b>Expenditures by function</b>                      |                   |                   |                       |                    |                   |       |
| Buildings & grounds                                  | 1,977,188         | 0                 | 0                     | 0                  |                   |       |
| Central services                                     | 0                 | 0                 | 0                     | 0                  |                   |       |
| Other  | 0                 | 0                 | 0                     | 0                  |                   |       |
| <b>Total expenditures</b>                            | <b>1,977,188</b>  | <b>0</b>          | <b>0</b>              | <b>0</b>           |                   |       |
| Excess (deficiency) of revenues<br>over expenditures | (1,841,458)       | 15,298            | 800,250               | 250                |                   |       |
| Other financing sources                              | 0                 | 0                 | 0                     | 0                  |                   |       |
| Other financing uses                                 | 0                 | 0                 | 0                     | 0                  |                   |       |
| <b>Total other financing sources (uses)</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>              | <b>0</b>           |                   |       |
| Net change in fund balance                           | (1,841,458)       | 15,298            | 800,250               | 250                |                   |       |
| Fund balance beginning of year                       | 2,778,827         | 937,369           | 952,667               | 1,752,917          |                   | 2     |
| <b>Fund balance end of year</b>                      | <b>\$937,369</b>  | <b>\$952,667</b>  | <b>\$1,752,917</b>    | <b>\$1,753,167</b> | 0.01%             |       |

### Revenues, Expenditures and Fund Balance

- 1 Restored tax levy for the final year of referendum approved funds.
- 2 Fund balance which can be used for projects in subsequent years.

## CAPITAL PROJECT FUNDS

Capital project funds are used to segregate revenues and expenditures related to major capital projects. Typically these projects are financed through borrowing approved by the Board of Education, but may include resources from the sale or disposition of property. The use of segregated funds makes it easier to track expenditures from these financing sources.

The following are statements of four capital projects funds used by the district. The Central Office project (Fund 42), the QZAB Security / Performance Contract projects (Fund 43), the Dark Fiber network construction project (Fund 44), the QSCB Fratt project (Fund 45), and proceeds from the sale of replaced computers and from the sale of the diagnostic center (Fund 49).

**Capital Projects Fund - Central Office Project**  
**Combined Statement of Revenues, Expenditures and Changes in Fund Balance**  
**INTERIM BUDGET**

|   | 2010-11<br>ACTUAL  | 2011-12<br>ACTUAL | 2012-13<br>ADJ BUDGET | 2013-14<br>INTERIM | PERCENT<br>CHANGE | NOTES |
|---|--------------------|-------------------|-----------------------|--------------------|-------------------|-------|
| <b>Revenues by source</b>                         |                    |                   |                       |                    |                   |       |
| Earnings on investments                           | 0                  | 0                 | 0                     | 0                  |                   |       |
| Other   | 24,455             | 17,681            | 0                     | 0                  |                   |       |
| <b>Total revenues</b>                             | <b>24,455</b>      | <b>17,681</b>     | <b>0</b>              | <b>0</b>           |                   |       |
| <b>Expenditures by function</b>                   |                    |                   |                       |                    |                   |       |
| Buildings & grounds                               | 4,805,318          | 1,686,818         | 0                     | 0                  |                   |       |
| Central services                                  | 0                  | 0                 | 0                     | 0                  |                   |       |
| <b>Total expenditures</b>                         | <b>4,805,318</b>   | <b>1,686,818</b>  | <b>0</b>              | <b>0</b>           |                   |       |
| Excess (deficiency) of revenues over expenditures | (4,780,863)        | (1,669,137)       | 0                     | 0                  |                   |       |
| Other financing sources                           | 5,950,000          | 500,000           | 0                     | 0                  |                   |       |
| Other financing uses                              | 0                  | 0                 | 0                     | 0                  |                   |       |
| <b>Total other financing sources (uses)</b>       | <b>5,950,000</b>   | <b>500,000</b>    | <b>0</b>              | <b>0</b>           |                   |       |
| Net change in fund balance                        | 1,169,138          | (1,169,137)       | 0                     | 0                  |                   |       |
| Fund balance beginning of year                    | 0                  | 1,169,138         | 0                     | 0                  | 0.00%             |       |
| <b>Fund balance end of year</b>                   | <b>\$1,169,138</b> | <b>\$0</b>        | <b>\$0</b>            | <b>\$0</b>         | <b>0.00%</b>      |       |

**Capital Projects Fund - QZAB Security / Perf. Contract**  
**Combined Statement of Revenues, Expenditures and Changes in Fund Balance**  
**INTERIM BUDGET**

|  | 2010-11<br>ACTUAL | 2011-12<br>ACTUAL | 2012-13<br>ADJ BUDGET | 2013-14<br>INTERIM | PERCENT<br>CHANGE | NOTES |
|--|-------------------|-------------------|-----------------------|--------------------|-------------------|-------|
| <b>Revenues by source</b>                            |                   |                   |                       |                    |                   |       |
| Earnings on investments                              | 0                 | 0                 | 949                   | 250                | -73.66%           |       |
| Other  | 0                 | 0                 | 0                     | 0                  |                   |       |
| <b>Total revenues</b>                                | <b>0</b>          | <b>0</b>          | <b>949</b>            | <b>250</b>         | <b>-73.66%</b>    |       |
| <b>Expenditures by function</b>                      |                   |                   |                       |                    |                   |       |
| Buildings & grounds                                  | 47,392            | 0                 | 18,000,000            | 15,057,051         | -16.35%           | 1     |
| Central services                                     | 0                 | 0                 | 0                     | 0                  |                   |       |
| <b>Total expenditures</b>                            | <b>47,392</b>     | <b>0</b>          | <b>18,000,000</b>     | <b>15,057,051</b>  | <b>-16.35%</b>    |       |
| Excess (deficiency) of revenues<br>over expenditures | (47,392)          | 0                 | (17,999,051)          | (15,056,801)       |                   |       |
| Other financing sources                              | 0                 | 0                 | 34,000,000            | 0                  |                   |       |
| Other financing uses                                 | 0                 | 0                 | 0                     | 0                  |                   |       |
| <b>Total other financing sources (uses)</b>          | <b>0</b>          | <b>0</b>          | <b>34,000,000</b>     | <b>0</b>           | <b>-100.00%</b>   |       |
| Net change in fund balance                           | (47,392)          | 0                 | 16,000,949            | (15,056,801)       | -194.10%          |       |
| Fund balance beginning of year                       | 47,392            | 0                 | 0                     | 16,000,949         |                   |       |
| <b>Fund balance end of year</b>                      | <b>\$0</b>        | <b>\$0</b>        | <b>\$16,000,949</b>   | <b>\$944,148</b>   |                   |       |

**Expenditures & Financing**

- 1 Estimated expenditures for the Trane / Johnson Controls performance contract facility improvements.

**Capital Project Funds - Dark Fiber Project**  
**Combined Statement of Revenues, Expenditures and Changes in Fund Balance**  
**INTERIM BUDGET**

|  | 2010-11<br>ACTUAL | 2011-12<br>ACTUAL | 2012-13<br>BUDGET | 2013-14<br>INTERIM | PERCENT<br>CHANGE | NOTES |
|--|-------------------|-------------------|-------------------|--------------------|-------------------|-------|
| <b>Revenues by source</b>                            |                   |                   |                   |                    |                   |       |
| Earnings on investments                              | \$0               | \$0               | \$0               | \$0                |                   |       |
| Other  | 0                 | 0                 | 0                 | 0                  |                   |       |
| <b>Total revenues</b>                                | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>           |                   |       |
| <b>Expenditures by function</b>                      |                   |                   |                   |                    |                   |       |
| Business & operations                                | 0                 | 999,887           | 0                 | 0                  |                   |       |
| Central services                                     | 0                 | 0                 | 0                 | 0                  |                   |       |
| Other  | 0                 | 0                 | 0                 | 0                  |                   |       |
| <b>Total expenditures</b>                            | <b>0</b>          | <b>999,887</b>    | <b>0</b>          | <b>0</b>           |                   |       |
| Excess (deficiency) of revenues<br>over expenditures | 0                 | (999,887)         | 0                 | 0                  |                   |       |
| Other financing sources                              | 0                 | 999,887           | 0                 |                    |                   |       |
| Other financing uses                                 | 0                 | 0                 | 0                 | 0                  |                   |       |
| <b>Total other financing sources (uses)</b>          | <b>0</b>          | <b>999,887</b>    | <b>0</b>          | <b>0</b>           |                   |       |
| Net change in fund balance                           | 0                 | 0                 | 0                 | 0                  |                   |       |
| Fund balance beginning of year                       | 0                 | 0                 | 0                 | 0                  |                   |       |
| <b>Fund balance end of year</b>                      | <b>\$0</b>        | <b>\$0</b>        | <b>\$0</b>        | <b>\$0</b>         |                   |       |

**Capital Project Funds - Fratt Project**  
**Combined Statement of Revenues, Expenditures and Changes in Fund Balance**  
**INTERIM BUDGET**

|  | 2010-11<br>ACTUAL | 2011-12<br>ACTUAL | 2012-13<br>BUDGET | 2013-14<br>INTERIM | PERCENT<br>CHANGE | NOTES |
|--|-------------------|-------------------|-------------------|--------------------|-------------------|-------|
| <b>Revenues by source</b>                            |                   |                   |                   |                    |                   |       |
| Earnings on investments                              | \$0               | \$0               | \$0               | \$0                |                   |       |
| Other  | 0                 | 0                 | 0                 | 0                  |                   |       |
| <b>Total revenues</b>                                | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>           |                   |       |
| <b>Expenditures by function</b>                      |                   |                   |                   |                    |                   |       |
| Business & operations                                | 3,096,384         | 88,645            | 0                 | 0                  |                   |       |
| Central services                                     | 0                 | 0                 | 0                 | 0                  |                   |       |
| Other  | 0                 | 0                 | 0                 | 0                  |                   |       |
| <b>Total expenditures</b>                            | <b>3,096,384</b>  | <b>88,645</b>     | <b>0</b>          | <b>0</b>           |                   |       |
| Excess (deficiency) of revenues<br>over expenditures | (3,096,384)       | (88,645)          | 0                 | 0                  |                   |       |
| Other financing sources                              |                   | 0                 | 0                 | 0                  |                   |       |
| Other financing uses                                 | 0                 | 0                 | 0                 | 0                  |                   |       |
| <b>Total other financing sources (uses)</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>           |                   |       |
| Net change in fund balance                           | (3,096,384)       | (88,645)          | 0                 | 0                  |                   |       |
| Fund balance beginning of year                       | 3,185,029         | 88,645            | 0                 | 0                  |                   |       |
| <b>Fund balance end of year</b>                      | <b>\$88,645</b>   | <b>\$0</b>        | <b>\$0</b>        | <b>\$0</b>         |                   |       |

**Capital Project Funds - Computer Equipment and Land Proceeds**  
**Combined Statement of Revenues, Expenditures and Changes in Fund Balance**  
**INTERIM BUDGET**

|  | 2010-11<br>ACTUAL | 2011-12<br>ACTUAL | 2012-13<br>BUDGET | 2013-14<br>INTERIM | PERCENT<br>CHANGE | NOTES |
|--|-------------------|-------------------|-------------------|--------------------|-------------------|-------|
| <b>Revenues by source</b>                            |                   |                   |                   |                    |                   |       |
| Earnings on investments                              | \$0               | \$0               | \$200             | \$200              |                   |       |
| Other  | 0                 | 0                 | 0                 | 0                  |                   |       |
| <b>Total revenues</b>                                | <b>0</b>          | <b>0</b>          | <b>200</b>        | <b>200</b>         |                   |       |
| <b>Expenditures by function</b>                      |                   |                   |                   |                    |                   |       |
| Business & operations                                | 0                 | 0                 | 0                 | 0                  |                   |       |
| Central services                                     | 0                 | 0                 | 0                 | 0                  |                   |       |
| Other  | 0                 | 0                 | 0                 | 0                  |                   |       |
| <b>Total expenditures</b>                            | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>           |                   |       |
| Excess (deficiency) of revenues<br>over expenditures | 0                 | 0                 | 200               | 200                |                   |       |
| Other financing sources                              | 447,415           | 410,890           | 0                 | 0                  |                   |       |
| Other financing uses                                 | 0                 | 0                 | 0                 | 0                  |                   |       |
| <b>Total other financing sources (uses)</b>          | <b>447,415</b>    | <b>410,890</b>    | <b>0</b>          | <b>0</b>           |                   |       |
| Net change in fund balance                           | 447,415           | 410,890           | 200               | 200                |                   |       |
| Fund balance beginning of year                       | 0                 | 447,415           | 858,305           | 858,505            |                   |       |
| <b>Fund balance end of year</b>                      | <b>\$447,415</b>  | <b>\$858,305</b>  | <b>\$858,505</b>  | <b>\$858,705</b>   |                   |       |

## FOOD SERVICE FUND

All revenues and expenditures related to pupil and elderly food service activities are recorded in this fund. The Food Service Fund is completely self-sufficient with all expenditures paid from revenues of the fund.

### Food Service Fund Combined Statement of Revenues, Expenditures and Changes in Fund Balance INTERIM BUDGET

|  | 2010-11<br>ACTUAL  | 2011-12<br>ACTUAL  | 2012-13<br>ADJ BUDGET | 2013-14<br>INTERIM | PERCENT<br>CHANGE | NOTES |
|--|--------------------|--------------------|-----------------------|--------------------|-------------------|-------|
| <b>Revenues by source</b>                            |                    |                    |                       |                    |                   |       |
| Local sources  | \$2,027,722        | \$1,844,310        | \$1,887,836           | \$1,824,411        | -3.36%            | 1     |
| State sources  | 125,032            | 142,328            | 153,418               | 154,542            | 0.73%             |       |
| Federal sources                                      | 5,873,164          | 6,317,755          | 5,991,710             | 6,308,707          | 5.29%             | 1     |
| Other revenues                                       | (6)                | 0                  | 0                     | 0                  |                   |       |
| <b>Total Revenues</b>                                | <b>8,025,912</b>   | <b>8,304,393</b>   | <b>8,032,964</b>      | <b>8,287,660</b>   | <b>3.17%</b>      |       |
| <b>Expenditures for food service</b>                 |                    |                    |                       |                    |                   |       |
| Salaries & benefits                                  | 857,731            | 516,056            | 525,724               | 483,566            | -8.02%            | 2     |
| Purchased services                                   | 6,266,692          | 6,132,404          | 6,423,329             | 6,594,352          | 2.66%             | 3     |
| Non-capital objects                                  | 547,734            | 976,230            | 805,211               | 691,024            | -14.18%           | 4     |
| Capital objects                                      | 42,799             | 31,086             | 300,725               | 160,000            | -46.80%           |       |
| Debt service   | 1,479              | 0                  | 0                     | 0                  |                   |       |
| Other  | 13,351             | 16,193             | 15,911                | 16,911             | 6.28%             |       |
| <b>Total expenditures</b>                            | <b>7,729,786</b>   | <b>7,671,969</b>   | <b>8,070,900</b>      | <b>7,945,853</b>   | <b>-1.55%</b>     |       |
| Excess (deficiency) of revenues<br>over expenditures | 296,126            | 632,424            | (37,936)              | 341,807            |                   |       |
| Fund balance beginning of year                       | 803,300            | 1,099,426          | 1,731,850             | 1,693,914          | -2.19%            |       |
| <b>Fund balance end of year</b>                      | <b>\$1,099,426</b> | <b>\$1,731,850</b> | <b>\$1,693,914</b>    | <b>\$2,035,721</b> | <b>20.18%</b>     |       |

### Revenue

- Local food service revenues are lower due to increased proportion of free and reduced pupil participation which then prompts higher federal funds.

### Expenditures

- Lower salaries and benefits due to lower food service costs and partial staff allocation to the general fund.
- Purchased services reflect new contract payments to Arbor food service management services.
- Funding reduced over prior year during which new trucks were acquired.



## COMMUNITY SERVICE FUND

This fund is used to account for activities that benefit the entire community, including community recreation programs, community use of facilities, elderly food service programs, non-special education preschool, day care services, non-educational after school programs. This fund was first created with the 2006-07 school year.

It should be noted the current version of the state budget would preclude a tax levy for the community service fund. The final district budget will be adjusted for this fund depending on final action on the state budget.

### Community Service Fund Combined Statement of Revenues, Expenditures and Changes in Fund Balance INTERIM BUDGET

|  | 2010-11<br>ACTUAL | 2011-12<br>ACTUAL  | 2012-13<br>ADJ BUDGET | 2013-14<br>INTERIM | PERCENT<br>CHANGE | NOTES |
|--|-------------------|--------------------|-----------------------|--------------------|-------------------|-------|
| <b>Revenues by source</b>                            |                   |                    |                       |                    |                   |       |
| Property taxes                                       | \$0               | \$850,000          | \$0                   | \$850,000          |                   | 1     |
| Local sources  | 105,096           | 156,372            | 202,599               | 166,149            | -17.99%           | 2     |
| Other revenues                                       | 0                 | 0                  | 0                     | 0                  |                   |       |
| <b>Total Revenues</b>                                | <b>105,096</b>    | <b>1,006,372</b>   | <b>202,599</b>        | <b>1,016,149</b>   | <b>401.56%</b>    |       |
| <b>Expenditures for community service</b>            |                   |                    |                       |                    |                   |       |
| Salaries & benefits                                  | 150,698           | 43,551             | 906,860               | 926,599            | 2.18%             | 3     |
| Purchased services                                   | 77,521            | 20,116             | 133,986               | 43,700             | -67.38%           |       |
| Non-capital objects                                  | 24,505            | 3,026              | 125,678               | 48,597             | -61.33%           | 4     |
| Capital objects                                      | 0                 | 0                  | 10,000                | 0                  | -100.00%          | 4     |
| Other  | 0                 | 0                  | 7,676                 | 8,300              | 8.13%             |       |
| <b>Total expenditures</b>                            | <b>252,724</b>    | <b>66,693</b>      | <b>1,184,200</b>      | <b>1,027,196</b>   | <b>-13.26%</b>    |       |
| Excess (deficiency) of revenues<br>over expenditures | (147,628)         | 939,679            | (981,601)             | (11,047)           |                   |       |
| Fund balance beginning of year                       | 302,131           | 154,503            | 1,094,182             | 112,581            | -89.71%           |       |
| <b>Fund balance end of year</b>                      | <b>\$154,503</b>  | <b>\$1,094,182</b> | <b>\$112,581</b>      | <b>\$101,534</b>   | <b>-9.81%</b>     |       |

### Revenue

- 1 The community service tax levy is restored and is dedicated for:
  - a. The cost of utilities and custodial services related to community use of facilities and not paid by rental charges assessed to the user, such as scout troops, parent-teacher organizations, etc.
  - b. Community information and outreach, including district televised services.
  - c. Costs for the Lighted Schoolhouse program that is not paid with federal funds. The property tax revenue is a dollar for dollar replacement of federal funds that are no longer available for this program
  - d. Some expenses related to the Lighthouse Brigade.

- 2 Local revenues are largely from building rental fees and other community service related fees. The lower amount is due to receiving grants in FY13.

**Expenditures**

- 3 Increased expenditures related to funding instructional and administrative expenses for the Extended Day program from the Community Services Fund rather than grant funds. There is also an increase for district communications.
- 4 Funds for telecommunications equipment not acquired in FY13 will be carried over to be expended in FY14.

**RACINE UNIFIED SCHOOL DISTRICT**  
**Budget Summary for the School Year 2013-14**  
**INTERIM BUDGET**

*A budget hearing on the budget is scheduled for Monday, August 19th at 6:00 pm in the Board Room at the Administrative Service Center, 3109 Mount Pleasant Street. Detailed copies of this budget are available at [www.Racine.K12.wi.us](http://www.Racine.K12.wi.us) or can be obtained at the Administrative Service Center.*

| <b>GENERAL FUND</b>                                  | <b>2011-12 Audited Actual</b> | <b>2012-13 Budget</b> | <b>2013-14 Proposed Budget</b> |
|--|-------------------------------|-----------------------|--------------------------------|
| Beginning Fund Balance                               | 20,207,864                    | 33,118,439            | 38,524,676                     |
| <b>Ending Fund Balance</b>                           | <b>33,118,439</b>             | <b>38,524,676</b>     | <b>33,598,284</b>              |
| <b>REVENUES &amp; OTHER FINANCING SOURCES</b>        |                               |                       |                                |
| Transfers-In (Source 100)                            | 61,535                        | 1,736,476             | 176,000                        |
| Local Sources (Source 200)                           | 77,617,719                    | 80,254,861            | 72,330,464                     |
| Inter-district Payments (Source 300 + 400)           | 0                             | 0                     | 0                              |
| Intermediate Sources (Source 500)                    | 0                             | 0                     | 0                              |
| State Sources (Source 600)                           | 131,365,296                   | 129,566,096           | 137,505,149                    |
| Federal Sources (Source 700)                         | 12,202,634                    | 13,356,837            | 14,199,491                     |
| All Other Sources (Source 800 + 900)                 | 1,151,614                     | 950,748               | 44,069                         |
| <b>TOTAL REVENUES &amp; OTHER FINANCING SOURCES</b>  | <b>222,398,798</b>            | <b>225,865,018</b>    | <b>224,255,173</b>             |
| <b>EXPENDITURES &amp; OTHER FINANCING USES</b>       |                               |                       |                                |
| Instruction (Function 100 000)                       | 96,867,931                    | 100,512,232           | 105,416,015                    |
| Support Services (Function 200 000)                  | 75,357,422                    | 78,216,057            | 79,339,193                     |
| Non-Program Transactions (Function 400 000)          | 37,262,870                    | 41,730,493            | 44,426,357                     |
| <b>TOTAL EXPENDITURES &amp; OTHER FINANCING USES</b> | <b>209,488,223</b>            | <b>220,458,782</b>    | <b>229,181,565</b>             |

| <b>SPECIAL PROJECTS FUND</b>                   | <b>2011-12 Audited Actual</b> | <b>2012-13 Budget</b> | <b>2013-14 Proposed Budget</b> |
|--|-------------------------------|-----------------------|--------------------------------|
| Beginning Fund Balance                         | 147,090.00                    | 156,919               | 105,005                        |
| <b>Ending Fund Balance</b>                     | <b>194,519.40</b>             | <b>266,535</b>        | <b>200,203</b>                 |
| <b>REVENUES &amp; OTHER FINANCING SOURCES</b>  | <b>50,195,194.50</b>          | <b>54,256,679</b>     | <b>55,920,697</b>              |
| <b>EXPENDITURES &amp; OTHER FINANCING USES</b> | <b>50,147,765.10</b>          | <b>54,147,063</b>     | <b>55,825,499</b>              |

| <b>DEBT SERVICE FUNDS</b>                      | <b>2011-12 Audited Actual</b> | <b>2012-13 Budget</b> | <b>2013-14 Proposed Budget</b> |
|--|-------------------------------|-----------------------|--------------------------------|
| Beginning Fund Balance                         | 653,080                       | 659,337               | 14,539,320                     |
| <b>Ending Fund Balance</b>                     | <b>659,337</b>                | <b>14,539,320</b>     | <b>817,764</b>                 |
| <b>REVENUES &amp; OTHER FINANCING SOURCES</b>  | <b>10,058,031</b>             | <b>28,419,489</b>     | <b>6,383,606</b>               |
| <b>EXPENDITURES &amp; OTHER FINANCING USES</b> | <b>10,051,774</b>             | <b>14,539,506</b>     | <b>20,105,162</b>              |

| <b>CAPITAL PROJECTS FUND</b>                   | <b>2011-12 Audited Actual</b> | <b>2012-13 Budget</b> | <b>2013-14 Proposed Budget</b> |
|--|-------------------------------|-----------------------|--------------------------------|
| Beginning Fund Balance                         | 2,642,567                     | 1,810,972             | 18,612,371                     |
| <b>Ending Fund Balance</b>                     | <b>1,810,972</b>              | <b>18,612,371</b>     | <b>3,556,020</b>               |
| <b>REVENUES &amp; OTHER FINANCING SOURCES</b>  | <b>943,869</b>                | <b>34,801,399</b>     | <b>700</b>                     |
| <b>EXPENDITURES &amp; OTHER FINANCING USES</b> | <b>1,775,463</b>              | <b>18,000,000</b>     | <b>15,057,051</b>              |

| <b>FOOD SERVICE FUND</b>                       | <b>2011-12 Audited Actual</b> | <b>2012-13 Budget</b> | <b>2013-14 Proposed Budget</b> |
|--|-------------------------------|-----------------------|--------------------------------|
| Beginning Fund Balance                         | 1,099,426                     | 1,731,850             | 1,693,914                      |
| <b>Ending Fund Balance</b>                     | <b>1,731,850</b>              | <b>1,693,914</b>      | <b>2,035,721</b>               |
| <b>REVENUES &amp; OTHER FINANCING SOURCES</b>  | <b>8,304,393</b>              | <b>8,032,964</b>      | <b>8,287,660</b>               |
| <b>EXPENDITURES &amp; OTHER FINANCING USES</b> | <b>7,671,969</b>              | <b>8,070,900</b>      | <b>7,945,853</b>               |

| <b>COMMUNITY SERVICE FUND</b>                  | <b>2011-12 Audited Actual</b> | <b>2012-13 Budget</b> | <b>2013-14 Proposed Budget</b> |
|--|-------------------------------|-----------------------|--------------------------------|
| Beginning Fund Balance                         | 154,503                       | 1,094,182             | 112,581                        |
| <b>Ending Fund Balance</b>                     | <b>1,094,182</b>              | <b>112,581</b>        | <b>101,534</b>                 |
| <b>REVENUES &amp; OTHER FINANCING SOURCES</b>  | <b>1,006,372</b>              | <b>202,599</b>        | <b>1,016,149</b>               |
| <b>EXPENDITURES &amp; OTHER FINANCING USES</b> | <b>66,693</b>                 | <b>1,184,200</b>      | <b>1,027,196</b>               |

| <b>Total Expenditures and Other Financing Uses</b>                        |                               |                       |                                |
|---|-------------------------------|-----------------------|--------------------------------|
| <b>ALL FUNDS</b>  | <b>2011-12 Audited Actual</b> | <b>2012-13 Budget</b> | <b>2013-14 Proposed Budget</b> |
| <b>GROSS TOTAL EXPENDITURES -- ALL FUNDS</b>                              | <b>279,201,888</b>            | <b>316,400,451</b>    | <b>329,142,326</b>             |
| <b>Interfund Transfers (Source 100) - ALL FUNDS</b>                       | <b>(30,077,596)</b>           | <b>(33,895,668)</b>   | <b>(35,007,260)</b>            |
| <b>Refinancing Expenditures (FUND 30)</b>                                 | <b>0</b>                      | <b>0</b>              | <b>0</b>                       |
| <b>NET TOTAL EXPENDITURES -- ALL FUNDS</b>                                | <b>249,124,292</b>            | <b>282,504,783</b>    | <b>294,135,066</b>             |
| <b>PERCENTAGE INCREASE -- NET TOTAL FUND EXPENDITURES FROM PRIOR YEAR</b> |                               | <b>13.40%</b>         | <b>4.12%</b>                   |

**PROPOSED PROPERTY TAX LEVY**

| <b>FUND</b>  | <b>2011-12 Audited Actual</b> | <b>2012-13 Budget</b> | <b>2013-14 Proposed Budget</b> |
|--|-------------------------------|-----------------------|--------------------------------|
| General Fund   | 76,722,205                    | 79,178,293            | 71,462,902                     |
| Non-Referendum Debt Service Fund                         | 872,267                       | 1,469,920             | 3,146,422                      |
| Referendum Debt Service Fund                             | 3,126,308                     | 2,926,819             | 3,233,626                      |
| Capital Expansion Fund                                   | 0                             | 800,000               | 0                              |
| Community Service Fund                                   | 850,000                       | 0                     | 850,000                        |
| <b>TOTAL SCHOOL LEVY</b>                                 | <b>81,570,780</b>             | <b>84,375,032</b>     | <b>78,692,950</b>              |
| <b>PERCENTAGE INCREASE -- TOTAL LEVY FROM PRIOR YEAR</b> |                               | <b>3.44%</b>          | <b>-6.73%</b>                  |

The below listed new or discontinued programs have a financial impact on the proposed 2013-14 budget:

| <b>DISCONTINUED PROGRAMS</b>                      | <b>FINANCIAL IMPACT</b> |
|---|-------------------------|
| Expiration of federal EdJobs stimulus funds       | \$1.6 million           |
| Closure of Wind Point Elementary School           | \$400,000               |
| <b>NEW PROGRAMS</b>                               | <b>FINANCIAL IMPACT</b> |
| Special education inclusion model in High Schools | \$1.5 million           |
| Comprehensive counseling model staff              | \$500,000               |
| Technology access improvements                    | \$800,000               |
| Middle School science lab improvements            | \$1.4 million           |