



INTERIM BUDGET

2014 - 2015

June 16, 2014

Dr. Lolli Haws, Superintendent of Schools
Racine Unified School District

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
2014 – 2015 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 remain unchanged.
3. It is anticipated membership and enrollment will continue to 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. Using the membership estimate for revenue limit calculations, the three year membership average for revenue limit purposes will decrease by 150 students.
4. The number of open enrollment students coming into the district will decrease to 28. The number of open enrollment students leaving the district will increase from 1,166 to 1,272. Open enrollment tuition payments by RUSD are expected to exceed \$8 million.
5. General state aid is estimated to increase \$11.8 million which represents a 9% increase.
6. The district will experience stable funding in state categorical aid programs, with the exception of the state per pupil adjustment aid which will increase by \$1.55 million to \$3,127,650.
7. The state finance law allows the district to increase per pupil spending by \$150 per student.
8. Title grant funds for the district's two priority schools will continue and will be used to add hours of instruction at Knapp and Goodland elementary schools and to fund 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 with an allowance for cost of living increases and step adjustments. District costs for health coverage are increased 4% over prior year based on actuarial estimates and Board of Adjustments commitments.
11. Over \$800,000 was budgeted to cover replacement textbook costs and curricular materials and \$100,000 for a textbook management system. In addition, \$1.3 million was allocated for Response to Intervention instructional programs to strengthen services to struggling students in the district.
12. Dedicated carryover funds of \$2,343,750 are provided for one-time costs related to: staff training; student information systems implementation;

textbook management system implementation; RTI program for struggling students; developing an alternative education site; furniture for the Case Library; and furniture for a Gilmore Project Lead the Way classroom. (see amounts on page 6)

13. It is estimated the district will receive insurance proceeds of \$1.5 million to rebuild the multi-purpose room and other improvements at the Mitchell building due to the fire.
14. Continued funding and debt is budgeted for the \$9.2 million Phase II facility improvement projects through the Trane and Johnson Controls performance contracts. Over \$200,000 is also dedicated toward completing technology access improvements at schools.
15. The interim budget includes \$660,000 for Educator Effectiveness coaches.

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
Historical Data									
2009-10	270	222	1,540 ▲	18,420	20,452		650	21,102	
2010-11	239	932	1,595 ▲	18,221	20,987	535	690	21,677	575
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)	1050	21,691	109
2013-14	266	957	1,514 ▲	17,335	20,072	(569)	1166	21,238	(453)
Projection									
2014-15*	264	995	1,444	17,032	19,735	(337)	1,272	21,007	(231)
2015-16*	263	983	1,424	16,546	19,216	(519)	1,365	20,581	(425)
2016-17*	263	980	1,416	16,116	18,775	(442)	1,419	20,194	(387)
2017-18*	263	983	1,412	15,772	18,430	(345)	1,459	19,889	(305)
2018-19*	263	985	1,409	15,387	18,044	(386)	1,489	19,534	(355)

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.

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

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 controlled by state imposed revenue limits.

Property taxes are estimated to decrease \$10,642,779 which is 13.51% less than last year. The estimated property tax rate is projected to decrease 13.51%, or \$1.35 per \$1,000 equalized value, for a total estimated property tax rate of \$8.61. The tax rate assumes no change in property value.

The following table shows the history of the district's equalized value, tax levies, and tax rates since the district was first formed in 1961-62. Changes to the tax levy are impacted by changes 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 there was an \$8.4 million aid 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%	79,280	1.50%	\$8.69	3.30%
12-13	8,392,856	-8.05%	81,875	3.27%	\$9.76	12.31%
13-14	7,908,573	-5.77%	78,760	(3.80%)	\$9.96	2.09%
14-15	7,908,573	0.00%	68,117	(13.51%)	\$8.61	(13.51%)

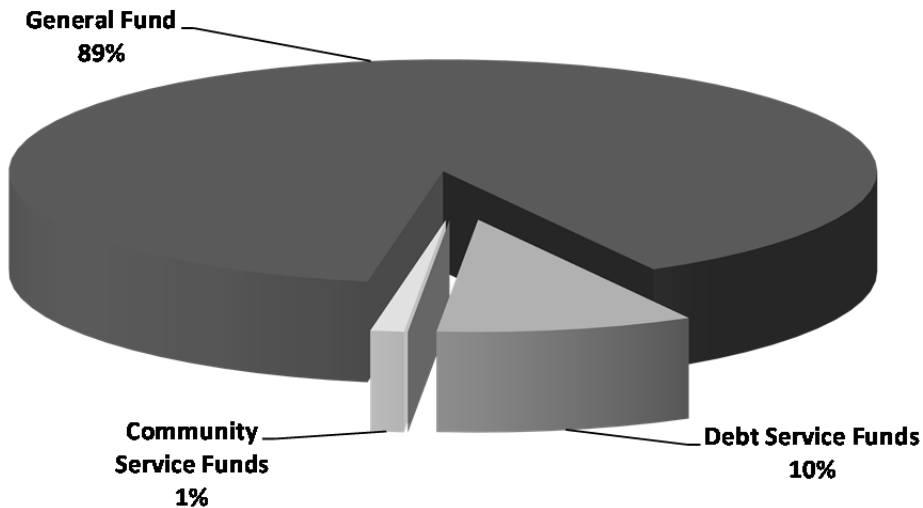
General Fund Dedicated Fund Balance

The proposed budget utilizes dedicated carry over funds approved to fund district priorities. These dedicated reserves are allocated as follows:

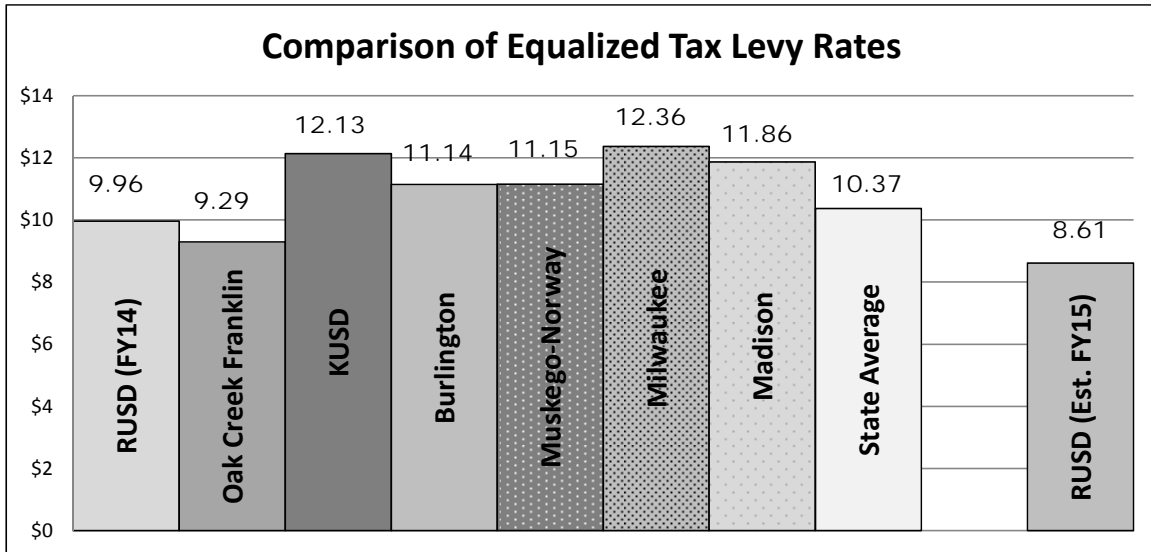
Technology Access materials	200,000
One-Time staff training	112,500
School budget carryover (Horlick, McKinely, & Case)	151,000
RTI materials for struggling students	600,000
Mitchell fire construction additional costs	600,000
Textbook management implementation	100,000
Student Information System implementation	251,250
Alternative Education site costs	300,000
Library & PLTW furniture	29,000
TOTAL	2,343,750

The pie chart below shows the distribution of the property tax levy and how 89% is for the General Fund; 10% 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.

FY15 Property Tax Levy by Fund



The graph below shows how the equalized tax levy rate for RUSD remains below bordering and peer school districts. The graph compares FY14 equalized tax levy rates and shows how the interim FY15 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 FTE levels reported in the original budget document last October. Staffing levels from the 2012-13 original budget are also provided. The table breaks down the information by employee group, fund, and whether the position is federally funded. The table also includes overloads (OL) and contracted employees (PS). The costs associated with the staff are reflected in the budget.

The staffing process generated an overall decrease in staff of 45.37 FTE. The table indicates that the number of certified administrators increased 9.0 FTE, some of which are grant funded positions. Teaching staff has decreased 36.24 FTE while educational assistants decreased 20.34 FTE. There were also decreases in clerical staff (6.54 FTE) and contracted positions. The FTE increased for positions in both Administrative Support (7.76 FTE) and Building and Grounds (1.0 FTE).

Comparison of Staff by Employee Group Fiscal Year 2012-13 through 2014-15

	2012-13	2013-14	2014-15	FY14-FY15 Difference	Notes
Certified Administrators					
- General Fund (F10)	71.50	72.98	78.98	6.00	1
Federal Grant Funded	1.00	1.00	3.50	2.50	2
- Special Education (F27)	3.00	4.00	1.00	-3.00	3
Federal IDEA Grant Funded	3.50	2.50	6.00	3.50	3
Total Cert. Admin (AD)	79.00	80.48	89.48	9.00	
Teaching Staff					
- General Fund (F10)	1150.56	1171.58	1155.27	-16.31	4
Federal Grant Funded	66.32	68.59	74.74	6.15	
- Special Revenue Trust (F21)	0.64	0.00	0.00	0.00	
- Special Education (F27)	406.66	420.82	404.87	-15.95	5
Federal IDEA Grant Funded	31.20	36.20	28.00	-8.20	6
- Community Services (F80)	1.00	0.00	0.00	0.00	
Subtotal (T)	1656.38	1697.19	1662.88	-34.31	
- General Fund (F10)	22.26	22.35	19.22	-3.14	7
Federal Grant Funded	0.00	0.00	0.20	0.20	
- Special Education (F27)	1.80	0.00	0.00	0.00	
Subtotal (OL)	24.06	22.35	19.42	-2.94	
- Special Education (F27)	4.00	2.00	3.00	1.00	
Subtotal (PS)	4.00	2.00	3.00	1.00	
Total Teaching Staff	1684.44	1721.54	1685.30	-36.24	

Educational Assistants					
- General Fund (F10)	105.66	114.35	106.19	-8.16	8
Federal Grant Funded	20.77	24.87	28.10	3.23	
- Special Education (F27)	217.37	229.58	214.00	-15.58	8
Federal IDEA Grant Funded	2.30	0.50	0.50	0.00	
- Food Service (F50)	2.10	2.34	2.51	0.17	
Total Ed Asst Staff (EA)	348.20	371.64	351.30	-20.34	
Secretaries & Clerical					
- General Fund (F10)	132.73	133.48	130.94	-2.54	
Federal Grant Funded	3.14	3.34	3.34	0.00	
- Special Education (F27)	0.00	0.00	0.00	0.00	
Federal IDEA Grant Funded	10.50	9.50	6.50	-3.00	
- Special Projects Fund (F29)	0.70	0.30	0.30	0.00	
- Community Services (F80)	2.25	1.70	1.70	0.00	
Subtotal (SC)	149.32	148.32	142.78	-5.54	9
- General Fund (F10)	0.00	0.00	0.00	0.00	
Federal Grant Funded	1.00	1.00	0.00	-1.00	
Subtotal (PS)	1.00	1.00	0.00	-1.00	
Total Secretarial Staff	150.32	149.32	142.78	-6.54	
Buildings and Grounds					
- General Fund (F10)	185.64	181.80	182.40	0.60	
Federal Grant Funded	0.00	0.00	0.40	0.40	
- Food Service (F50)	4.16	4.47	4.47	0.00	
Total B&G Staff (BG)	189.80	186.27	187.27	1.00	
- General Fund (F10)	0.60	0.60	0.60	0.00	
Subtotal (PS)	0.60	0.60	0.60	0.00	
Total Building & Grounds Staff	190.40	186.87	187.87	1.00	
Administrative Support					
- General Fund (F10)	42.35	41.15	50.05	8.90	10
Federal Grant Funded	1.10	0.20	3.20	3.00	11
- Special Education (F27)	0.00	1.00	0.00	-1.00	
Federal IDEA Grant Funded	1.50	0.00	0.00	0.00	
- Special Projects Fund (F29)	0.30	0.00	0.00	0.00	
- Food Service (F50)	0.75	0.75	0.75	0.00	
- Community Services (F80)	1.00	2.30	1.40	-0.90	
Subtotal (AS)	47.00	45.40	55.40	10.00	
- General Fund (F10)	0.00	1.00	0.00	-1.00	
Federal Grant Funded	1.24	1.24	0.00	-1.24	
Subtotal (PS)	1.24	2.24	0.00	-2.24	
Total Admin Support Staff	48.24	47.64	55.40	7.76	
Confidential Secretaries					
- General Fund (F10)	7.00	7.00	7.00	0.00	
Subtotal (CS)	7.00	7.00	7.00	0.00	
Total	2507.60	2564.49	2519.13	-45.37	

1. Includes certified administrators for positions of Director of Professional Development, Assistant Director of Professional Development, Director of Assessment and Accountability, Directing Principal at Walden, Assistant Director of Curriculum and Instruction, and RCLA Assistant Principal.
2. FTE includes assistant principal positions at priority schools.
3. Funding for special education administrative positions changed to federal IDEA grant.
4. Teaching staff reduced as through staffing process due to lower school enrollment.
5. Adjusted special education teaching staff done as part of the staffing process after reviewing caseloads and student enrollments in service categories.
6. Grant funded positions adjusted, including instructional methods coordinators, inclusion coaches, diagnosticians, and special education support staff.
7. Includes 4 FTE of overload equivalency for Virtual Learning teachers for approximately 600 students enrolled in online courses.
8. Represents a .1 FTE reduction for many educational assistants to align their work hours.
9. Changes to clerical positions include transitioning of some to project manager positions in the administrative support classification.
10. Administrative support positions include project managers, Assistant Director of Information Systems, Benefits Specialist, Transportation & Enrollment Specialist, and Family and Community Engagement Specialist.
11. Includes professional development specialists for priority schools and a district interpreter which was previously a contracted position.

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 \$1,517,348 which can be attributed to using dedicated fund balance to fund district priorities in the areas of technology access, professional development, and facility needs.

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

Change in Fund Balance

	Beginning	Revenues and Other Financing Sources	Expenditures and Other Financing Uses	Ending	Difference
General fund	\$39,156,166	\$229,775,789	\$232,083,251	\$36,848,704	(\$2,307,462)
Special revenue trust fund	96,470	59,400	204,400	(\$48,530)	(\$145,000)
TEACH Fund	0	0	0	\$0	\$0
Special education fund	0	53,911,946	53,911,946	\$0	\$0
Special revenue fund	32,966	1,035,000	1,035,000	\$32,966	\$0
Debt service funds	934,703	6,525,189	6,390,547	\$1,069,345	\$134,642
Capital projects funds	223,202	10,681,285	9,891,559	\$1,012,928	\$789,726
Food service fund	2,617,185	8,712,305	8,678,191	\$2,651,299	\$34,114
Community service fund	79,367	986,500	1,009,868	\$55,999	(\$23,368)
Totals	<u>\$43,140,059</u>	<u>\$311,687,414</u>	<u>\$313,204,762</u>	<u>\$41,622,711</u>	<u>(\$1,517,348)</u>
Overall change in fund balance				(\$1,517,348)	
Change in operating* fund balance				(\$2,441,716)	

* All funds except capital projects and debt service.

General Fund Balance

The projected ending balance for the General fund (Fund 10) is projected to exceed 16% which is within the board guidelines under OE 5.7.

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

	2011-12 ACTUAL	2012-13 ACTUAL	2013-14 ADJ BUDGET	2014-15 INTERIM	Change		NOTES
					Amount	Percent	
Revenues by Source							
Property Taxes	\$81,570,780	\$84,375,946	\$78,759,520	\$68,116,741	(\$10,642,779)	-13.51%	1
Local & intermediate sources	3,052,254	3,170,808	3,141,623	3,119,094	(\$22,529)	-0.72%	
State Sources	144,484,182	142,430,737	150,212,108	163,671,406	\$13,459,298	8.96%	2
Federal Sources	25,563,365	27,117,989	30,075,835	31,749,835	\$1,674,000	5.57%	
Other Sources	1,151,614	2,009,975	4,630,047	1,519,069	(\$3,110,978)	-67.19%	3
Total Revenues	255,822,194	259,105,455	266,819,133	268,176,145	\$1,357,012	0.51%	
Expenditures by Function							
Instruction							
Regular Instruction	86,548,974	87,628,987	95,510,170	95,348,979	(\$161,191)	-0.17%	4
Vocational Instruction	4,330,762	4,706,533	4,717,670	5,011,686	\$294,016	6.23%	
Special Instruction	36,518,471	38,153,849	39,872,543	39,257,079	(\$615,464)	-1.54%	5
Other Instruction	6,468,392	6,736,564	6,708,106	7,224,201	\$516,095	7.69%	
Total Instruction	133,866,599	137,225,933	146,808,489	146,841,945	\$33,456	0.02%	
Support Service							
Pupil Services	13,285,394	14,102,221	15,502,746	16,416,036	\$913,290	5.89%	
Libraries & Instructional Support	11,517,334	13,276,869	16,171,483	18,183,664	\$2,012,181	12.44%	6
General administration	2,222,102	2,172,369	2,821,824	2,346,386	(\$475,438)	-16.85%	7
Building administration	10,343,489	10,607,894	10,588,134	11,921,039	\$1,332,905	12.59%	8
Business & operations	38,518,051	53,775,475	61,163,102	46,198,728	(\$14,964,374)	-24.47%	9
Central services	5,900,712	6,523,244	12,599,254	9,346,677	(\$3,252,577)	-25.82%	10
Insurance	1,379,672	763,081	945,715	902,114	(\$43,601)	-4.61%	
Debt payments	17,169,374	16,024,989	22,424,874	6,503,707	(\$15,921,167)	-71.00%	11
Other support services	738,116	1,795,525	445,381	457,237	\$11,856	2.66%	
Food service	7,671,969	8,046,482	7,902,563	8,678,191	\$775,628	9.81%	
Community service	66,693	1,101,150	1,123,820	1,009,868	(\$113,952)	-10.14%	12
Total Support Services	108,812,906	128,189,299	151,688,896	121,963,647	(\$29,725,249)	-19.60%	
Non-program transactions	7,444,673	8,444,698	9,296,203	10,073,736	\$777,533	8.36%	13
Total Expenditures	250,124,179	273,859,930	307,793,588	278,879,328	(\$28,914,260)	-9.39%	
Excess (deficiency) of							
Revenues over Expenditures	5,698,015	(14,754,475)	(40,974,455)	(10,703,183)	\$30,271,272		
Other financing sources (uses)	7,969,154	60,033,082	264,566	9,185,835	\$8,921,269	3372.04%	14
Net change in fund balance	13,667,169	45,278,607	(40,709,889)	(1,517,348)	\$39,192,541		
Fund Balance Beginning of Year	24,904,174	38,571,343	83,849,950	43,140,061	(\$40,709,889)	-48.55%	
Fund Balance End of Year	\$38,571,343	\$83,849,950	\$43,140,061	\$41,622,713	(\$1,517,348)	-3.52%	

Revenues

- 1 See information beginning on page 6 regarding property taxes.
- 2 Includes estimated increase in state general aid of \$11.8 million and adjustments to state categorical aids.

- 3 The lower amount for FY15 reflects prior year insurance proceeds received due to the Mitchell fire. The reduced funding also represents expired Microsoft funds, and drug settlement funds.

Expenditures

- 4 Reflects adjustments to teaching staff in FY15 when compared to expenses in FY14 which included the replacement of computers for instructional staff.
- 5 Lower amount from adjusted special education staff, some of which is reported in the increased amounts in instructional support.
- 6 Includes staff as part of the CAO plan to hire Educator Effectiveness coaches, school cluster support for special education services, and priority school professional development.
- 7 Lower amount due to FY14 acquisition of replacement computers for non-instructional and administrative staff.
- 8 Higher amount for assistant principals at priority schools and the RCLA charter school, and a directing principal at Walden.
- 9 The decrease reflects declining expenditures for facility improvements as part of the Trane / Johnson Controls performance contracts.
- 10 Decreased expenditures due to prior year expenditures on the technology access initiative and replacement of staff computers.
- 11 Amount reflects the prior year debt refinancing for financing facility improvements as part of the Trane / Johnson Controls performance contracts, prepayment of copy machine lease, and expired computer lease payments.
- 12 Reflects lower costs related to community service programming.
- 13 These amounts are the tuition costs related to increased numbers of open enrollment students leaving the district.
- 14 This amount reflects financing for facility improvements as part of the Phase II Trane / Johnson Controls performance contracts.

The following charts summarize revenues and expenditures into broad categories.

Revenues

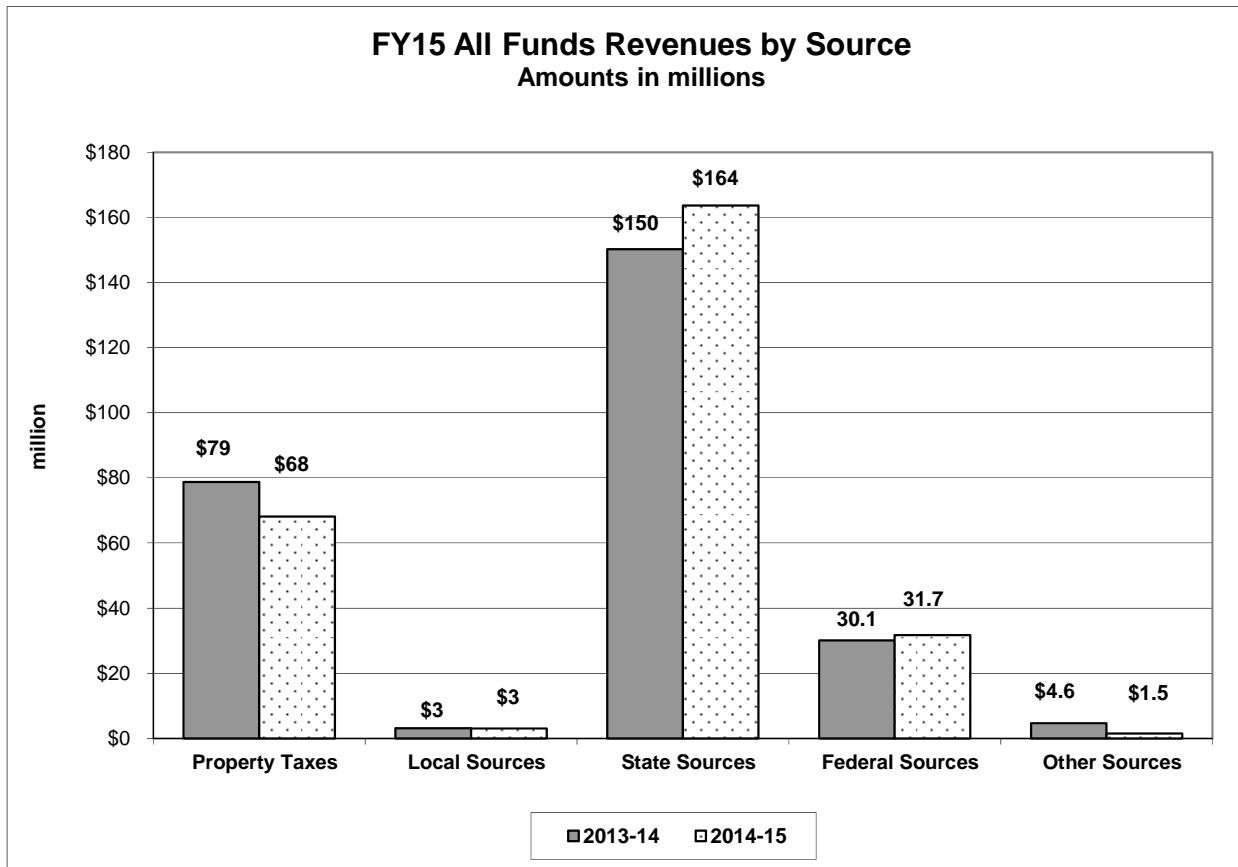
Property taxes: Revenue from taxable property located within the bounds of the school district.

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.

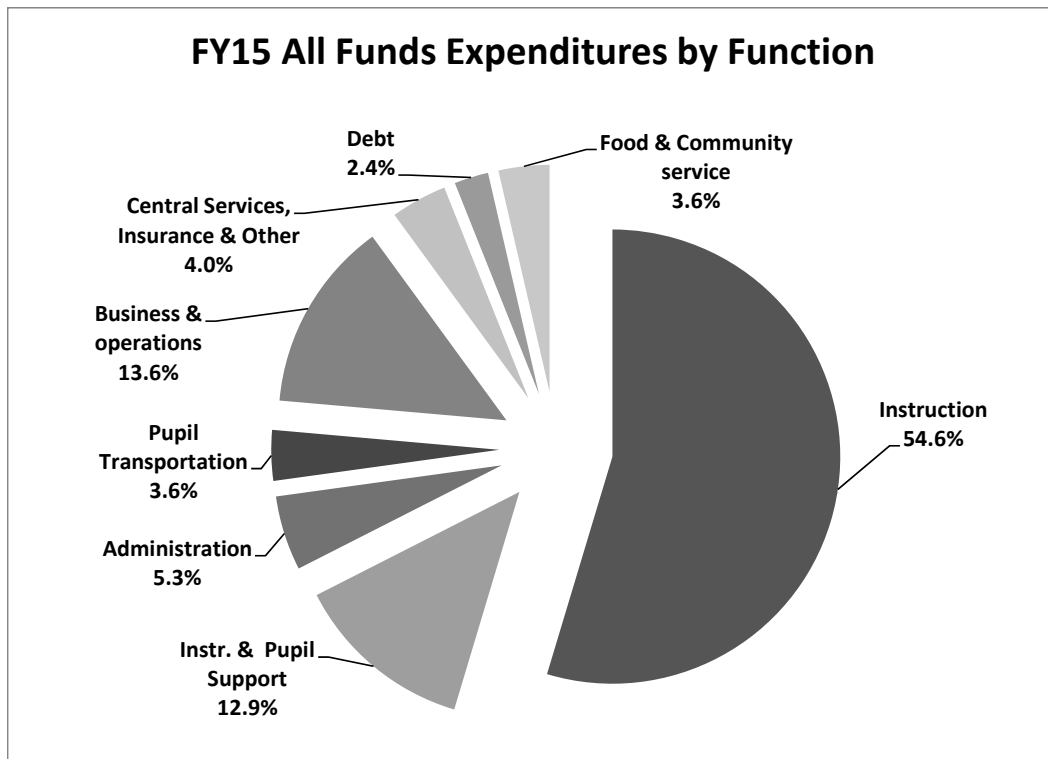
Administration: Involves the cost, including salaries, benefits, supplies and equipment, of administration for schools and the entire school system including administrators, central office staff, board of education, and legal services.

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.

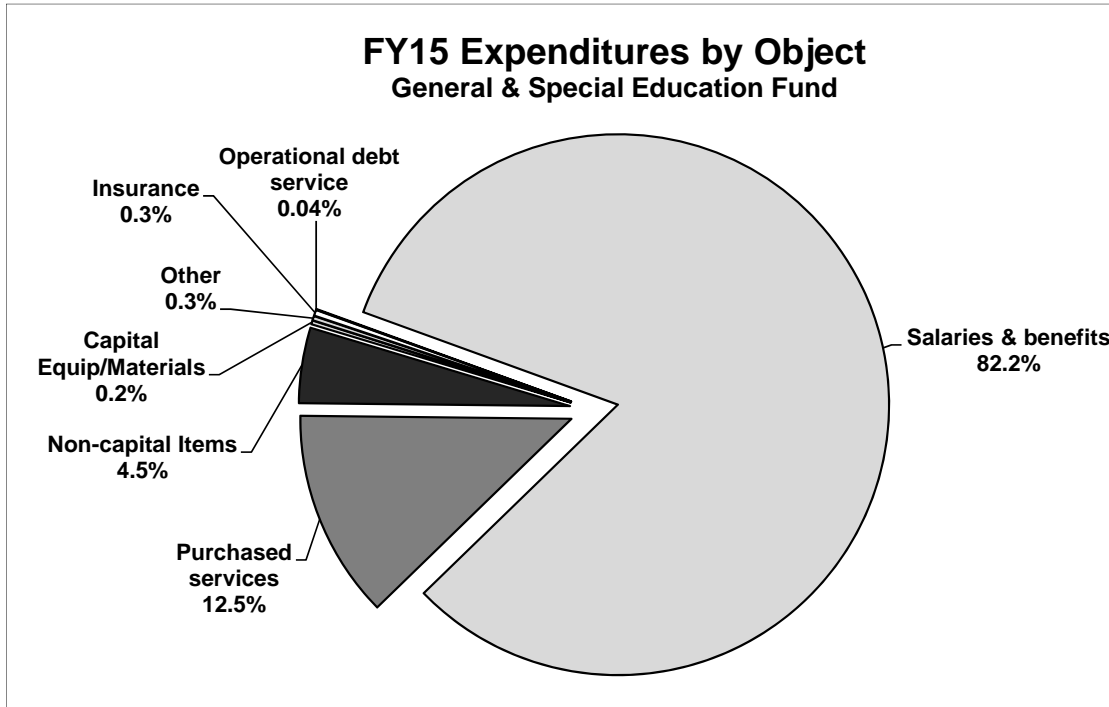
Central, Insurance and Other: Costs related to information systems, human services, insurance, copiers, printing, non-instructional staff training.

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.



The pie chart below shows how 82.2% of the 2014-15 interim budget is allocated for salaries and benefits in the General and Special Education funds. Purchased services, which includes pupil transportation, utilities, copy machines, and repair services, represents 12.5% of the district budget in these funds.



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

	2011-12 ACTUAL	2012-13 ACTUAL	2013-14 ADJ BUDGET	2014-15 INTERIM	PERCENT CHANGE	NOTES
Revenues by source						
Property taxes	\$76,722,205	\$79,179,207	\$ 71,529,472	\$ 60,744,968	-15.08%	1
Local sources	895,514	1,136,440	1,033,267	1,110,897	7.51%	
Intermediate sources	0	0	0	0		
State sources	131,365,296	129,569,555	137,721,042	150,907,020	9.57%	1
Federal sources	12,202,634	12,452,471	15,993,479	16,876,918	5.52%	2
Other sources	1,151,614	1,563,605	4,630,047	19,069	-99.59%	3
Total revenues	222,337,263	223,901,278	230,907,307	229,658,872	-0.54%	
Expenditures by function						
Instruction						
Regular instruction	86,160,135	87,593,930	95,495,170	95,288,579	-0.22%	4
Vocational instruction	4,293,244	4,660,906	4,669,227	4,954,711	6.11%	
Special instruction	35,854	106,299	63,506	95,180	49.88%	5
Other instruction	6,378,698	6,186,340	6,175,729	6,424,205	4.02%	
Total instruction	96,867,931	98,547,475	106,403,632	106,762,675	0.34%	
Support service						
Pupil services	8,056,904	8,844,323	9,966,009	10,665,017	7.01%	
Libraries & instructional support	8,783,950	9,710,798	12,318,834	13,703,136	11.24%	6
General administration	2,151,955	2,139,394	2,750,144	2,294,071	-16.58%	7
Building administration	10,343,163	10,607,829	10,587,534	11,921,039	12.60%	8
Business & operations	31,841,572	32,774,418	37,932,602	32,261,162	-14.95%	9
Central services	5,681,387	6,287,296	12,538,826	9,271,789	-26.06%	10
Insurance	1,193,724	546,362	657,722	667,184	1.44%	
Debt payments	6,652,917	1,318,449	2,119,274	113,160	-94.66%	11
Other support services	651,850	1,795,525	445,381	457,237	2.66%	
Total support services	75,357,422	74,024,394	89,316,326	81,353,795	-8.91%	
Non-program transactions	7,209,209	7,951,898	8,873,199	9,656,354	8.83%	12
Total expenditures	179,434,562	180,523,767	204,593,157	197,772,824	-3.33%	
Excess (deficiency) of revenues over expenditures	42,902,701	43,377,511	26,314,150	31,886,048	21.17%	
Other financing sources (uses)						
Transfer from other funds	61,535	179,677	213,849	111,917		
Other financing sources	0	1,765,632	52,031	5,000	-90.39%	
Transfers to other funds	(30,053,661)	(31,643,763)	(34,221,360)	(34,310,427)	0.26%	13
Total other financing sources (uses)	(29,992,126)	(29,698,454)	(33,955,480)	(34,193,510)		
Net change in fund balance	12,910,575	13,679,057	(7,641,330)	(2,307,462)		14
Fund balance beginning of year	20,207,864	33,118,439	46,797,496	39,156,166	-16.33%	
Fund balance end of year	\$33,118,439	\$46,797,496	\$39,156,166	\$36,848,704	-5.89%	

Revenues

- 1 Includes estimated increase in state general aid of \$11.8 million and adjustments to state categorical aids. Under state school financing laws, state aid lowers local school property taxes.
- 2 Assumed additional federal Medicaid cost settlement revenues.
- 3 Reduced amount due to assumed lower Medicaid cost settlement revenues and 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 Reflects adjustments to teaching staff in FY15 when compared to expenses in FY14 which included the replacement of computers for instructional staff.
- 5 Higher amount due to grant funded initiatives for School Age Parent programming.
- 6 Includes additional staff as part of the CAO reorganization plan to implement Educator Effectiveness and priority school professional development.
- 7 Lower amount due to FY14 acquisition of replacement computers for non-instructional and administrative staff.
- 8 Higher amount for assistant principals at priority schools and the RCLA charter school, and a directing principal at Walden.
- 9 Budget reduced to account for prior year expenditures on science lab updates and reduced availability of referendum approved facility improvement and repair funds.
- 10 Decreased expenditures due to prior year expenditures on the technology access initiative and replacement of staff computers.
- 11 Decreased debt payment costs due to prior year prepayment of copy machine lease and expired lease payments for district staff and instructional computers.
- 12 This increase reflects the higher open enrollment tuition costs from increased numbers of open enrollment students leaving the district
- 13 This amount reflects the General Fund transfer to cover special education expenses.
- 14 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 Revenues by Source, Expenditures by Function INTERIM BUDGET						
	2011-12 ACTUAL	2012-13 ACTUAL	2013-14 ADJ BUDGET	2014-15 INTERIM	PERCENT CHANGE	NOTES
Revenues by source						
Local & intermediate sources	\$122,000	\$177,400	\$110,435	\$59,400	100.00%	1
Other sources						
Total revenues	122,000	177,400	110,435	59,400	100.00%	
Expenditures by function						
Regular instruction	23,121	4,606	15,000	60,400	302.67%	
Vocational instruction	0	4,892	0	0	0.00%	
Total Instruction	23,121	9,498	15,000	60,400	100.00%	
Pupil services	0	0	0	57,500		2
Instructional & staff support	40,710	95,550	100,407	0	-100.00%	
General administration	48,000	12,000	24,000	24,000	0.00%	3
Business & Operations	0	0	0	7,500	0.00%	2
Central services	0	0	25,000	55,000	120.00%	3
Total support services	88,710	107,550	149,407	144,000	-3.62%	
Non-Program Transactions	0	0	39,816	0	-100.00%	
Total expenditures	111,831	117,048	204,223	204,400	0.09%	
Excess (deficiency) of revenues over expenditures	10,169	60,352	(93,788)	(145,000)		
Fund balance beginning of year	119,737	129,906	190,258	96,470	-49.30%	
Fund balance end of year	\$129,906	\$190,258	\$96,470	(\$48,530)	-150.31%	4

Revenues & Expenditures

- 1 The revenues reflect donations annually received for board coherent governance. Project Cape funds also received for initiatives at schools.
- 2 Expenditures largely related to Project Cape grant revenues received for high school freshman cohort programming.
- 3 Funds for board coherent governance and Panasonic consultants.
- 4 Fund balance does not reflect Project Cape revenues received in FY14 for high school freshman cohort programming.

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

	2011-12 ACTUAL	2012-13 ACTUAL	2013-14 ADJ BUDGET	2014-15 INTERIM	PERCENT CHANGE	NOTES
Revenues by source						
Local & intermediate sources	\$0	\$0	\$50,500	\$50,000	-0.99%	1
State sources	12,976,558	12,713,173	12,339,420	12,613,386	2.22%	2
Federal sources	6,402,435	7,063,390	6,893,783	7,035,043	2.05%	3
Other sources	0	0	0	0		
Total revenues	19,378,993	19,776,563	19,283,703	19,698,429	2.15%	
Expenditures by function						
Regular instruction	916	0	0	0		
Vocational instruction	37,518	40,735	48,443	56,975	17.61%	4
Special instruction	36,482,617	38,047,550	39,809,037	39,161,899	-1.63%	5
Total Instruction	36,521,051	38,088,285	39,857,480	39,218,874	-1.60%	
Pupil services	5,227,484	5,248,314	5,525,787	5,688,719	2.95%	
Instructional & staff support	2,546,934	3,251,080	3,579,676	4,308,299	20.35%	6
School administration	22,147	20,975	45,680	28,315	-38.01%	
Business & operations	3,892,472	3,940,690	3,828,725	4,006,407	4.64%	7
Central services	212,603	4,980	7,700	9,020	17.14%	
Insurance	185,948	216,719	287,993	234,930	-18.43%	8
Debt Payments	464,683	0	0	0		
Other Support Services	86,266	0	0	0		
Total support services	12,638,538	12,682,760	13,275,561	14,275,690	7.53%	
Non-program transactions	235,464	492,800	383,188	417,382		
Total expenditures	49,395,053	51,263,845	53,516,229	53,911,946	0.74%	
Excess (deficiency) of revenues over expenditures	(30,016,061)	(31,487,282)	(34,232,526)	(34,213,517)		
Transfer from general fund	30,053,661	31,643,763	34,338,921	34,310,427	-0.08%	
Transfers to other funds	(37,600)	(156,481)	(106,395)	(96,910)		
	30,016,061	31,487,282	34,232,526	34,213,517	-0.06%	
Fund balance end of year	\$0	\$0	\$0	\$0		

Revenues

- 1 Anticipated open enrollment revenues for services provided.
- 2 State special education aid increased by \$274,000 due to higher costs in the prior year.
- 3 Federal revenues increased due additional federal IDEA flow through fund allocation. Includes Priority School funding for extra hours of instruction at Goodland and Knapp.

Expenditures by function

- 4 Additional costs related to student workers in special education vocational programming.
- 5 Reduction due to educational assistant FTE adjustment and assignment of diagnostic staff to school support roles.
- 6 Higher amounts over prior year due to additional special education supervisors and assigning diagnostic and support positions to instruction and support area.
- 7 Higher amount due to increased special education transportation costs.
- 8 Increase reflects the lower 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 \$1,761,590 with an estimated \$1 million 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

	2011-12 ACTUAL	2012-13 ACTUAL	2013-14 ADJ BUDGET	2014-15 INTERIM	PERCENT CHANGE	NOTES
Revenues by source						
Local & intermediate sources	\$0	\$0	\$0	\$0		
State sources	0	0	0	0		
Federal sources	640,541	888,826	794,141	1,035,000	30.33%	1
Other sources	0	0	0	0		
Total revenues	640,541	888,826	794,141	1,035,000	30.33%	
Expenditures by function						
Regular instruction	364,802	30,451	0	0		
Other	89,694	550,224	532,377	799,996	50.27%	2
Total Instruction	454,496	580,675	532,377	799,996	50.27%	
Pupil services	1,006	9,584	10,950	4,800	-56.16%	
Instructional & staff support	145,740	219,441	172,566	172,229	-0.20%	
General administration	0	0	2,000	0	-100.00%	
Building administration	326	65	600	0	-100.00%	
Business & operations	8,656	25,626	33,100	32,100	-3.02%	
Central services	6,722	29,878	27,728	10,868	-60.80%	
Other support services	0	0	0	0		
Total support services	162,450	284,594	246,944	219,997	-10.91%	
Non-program transactions	0	0	0	0		
Total expenditures	616,946	865,269	779,321	1,019,993	30.88%	
Excess (deficiency) of revenues over expenditures	23,595	23,557	14,820	15,007		
Transfer to other funds	(23,935)	(23,196)	(14,820)	(15,007)		
Net change in fund balance	(340) ^F	361	0	0		
Fund balance beginning of year	32,945	32,605	32,966	32,966		
Fund balance end of year	\$32,605	\$32,966	\$32,966	\$32,966		

Revenues

- 1 Includes federal grant funds used by the Extended Day program. Additional revenues are associated with the use of carryover grant funds and obtaining an additional grant award for an Extended Day program at Case High School.

Expenditures

- 2 Higher amount reflects additional instructional Extended Day programming expenditures due to additional federal grant funding.

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

	2011-12 ACTUAL	2012-13 ACTUAL	2013-14 ADJ BUDGET	2014-15 INTERIM	PERCENT CHANGE	NOTES
Revenues by source						
Property taxes	\$872,267	\$1,469,920	\$3,146,422	\$3,394,716	7.89%	1
Earnings on investments	1,079	0	1,348	1,164	-13.65%	
Other sources	0	280	0	0		
Total revenues	873,346	1,470,200	3,147,770	3,395,880	7.88%	
Expenditures for debt payments						
Principal	6,480,165	10,676,868	15,988,586	2,015,322	-87.40%	2
Interest	334,908	551,905	1,134,248	1,185,969	4.56%	
Agent paying fees	67,719	307,698	0	0		
Total expenditures	6,882,792	11,536,471	17,122,834	3,201,291	-81.30%	
Excess (deficiency) of revenues over expenditures	(6,009,446)	(10,066,271)	(13,975,064)	194,589		
Other financing sources	6,058,377	24,506,881	0	0		
Other financing uses	0	0	0	0		
Total other financing sources (uses)	6,058,377	24,506,881	0	0		
Net change in fund balance	48,931	14,440,610	(13,975,064)	194,589		
Fund balance beginning of year	232,470	281,401	14,722,011	746,947	-94.93%	
Fund balance end of year	\$281,401	\$14,722,011	\$746,947	\$941,536	26.05%	3

Revenues, Expenditures and Fund Balance

- 1 Tax levy is higher to fund the debt financing for the Phase II Trane / Johnson Controls performance contract facility improvements.
- 2 Financing related to the Trane / Johnson Controls performance contract.
- 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

	2011-12 ACTUAL	2012-13 ACTUAL	2013-14 ADJ BUDGET	2014-15 INTERIM	PERCENT CHANGE	NOTES
Revenues by source						
Property taxes	\$3,126,308	\$2,926,819	\$3,233,626	\$3,127,057	-3.30%	
Earnings on investments	0	0	2,210	2,252	1.90%	
Total revenues	3,126,308	2,926,819	3,235,836	3,129,309	-3.29%	
Expenditures for debt payments						
Principal	2,380,000	2,465,000	2,575,000	2,695,000	4.66%	
Interest	787,893	703,980	607,766	494,256	-18.68%	
Agent paying fees	1,089	1,089	0	0		
Total expenditures	3,168,982	3,170,069	3,182,766	3,189,256	0.20%	
Excess (deficiency) of revenues over expenditures	(42,674)	(243,250)	53,070	(59,947)	-212.96%	
Other financing sources	0	0	0	0		
Other financing uses	0	0	0	0		
Total other financing sources (uses)	0	0	0	0		
Net change in fund balance	(42,674)	(243,250)	53,070	(59,947)	-212.96%	
Fund balance beginning of year	420,610	377,936	134,686	187,756	39.40%	
Fund balance end of year	\$377,936	\$134,686	\$187,756	\$127,809	-31.93%	

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 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

	2011-12 ACTUAL	2012-13 ACTUAL	2013-14 ADJ BUDGET	2014-15 INTERIM	PERCENT CHANGE	NOTES
Revenues by source						
Property taxes	\$0	\$800,000	\$0	\$0		
Earnings on investments	15,298	0	4,811	0		
Other	0	0	0	0		
Total revenues	15,298	800,000	4,811	0		
Expenditures by function						
Buildings & grounds	0	0	150,000	1,455,595	870.40%	1
Central services	0	0	0	0		
Other	0	0	0	0		
Total expenditures	0	0	150,000	1,455,595	870.40%	
Excess (deficiency) of revenues over expenditures	15,298	800,000	(145,189)	(1,455,595)		
Other financing sources	0	0	0	0		
Other financing uses	0	0	0	0		
Total other financing sources (uses)	0	0	0	0		
Net change in fund balance	15,298	800,000	(145,189)	(1,455,595)		
Fund balance beginning of year	937,369	952,667	1,752,667	1,607,478		2
Fund balance end of year	\$952,667	\$1,752,667	\$1,607,478	\$151,883	-90.55%	

Revenues, Expenditures and Fund Balance

- 1 Expenditures on facility maintenance and repairs.
- 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

	2011-12 ACTUAL	2012-13 ACTUAL	2013-14 ADJ BUDGET	2014-15 INTERIM	PERCENT CHANGE	NOTES
Revenues by source						
Earnings on investments	0	0	0	0		
Other	17,681	0	0	0		
Total revenues	17,681	0	0	0		
Expenditures by function						
Buildings & grounds	1,686,818	0	0	0		
Central services	0	0	0	0		
Total expenditures	1,686,818	0	0	0		
Excess (deficiency) of revenues over expenditures	(1,669,138)	0	0	0		
Other financing sources	500,000	0	0	0		
Other financing uses	0	0	0	0		
Total other financing sources (uses)	500,000	0	0	0		
Net change in fund balance	(1,169,138)	0	0	0		
Fund balance beginning of year	1,169,138	0	0	0	0.00%	
Fund balance end of year	\$0	\$0	\$0	\$0	0.00%	

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

	2011-12 ACTUAL	2012-13 ACTUAL	2013-14 ADJ BUDGET	2014-15 INTERIM	PERCENT CHANGE	NOTES
Revenues by source						
Earnings on investments	0	3,165	5,130	250	-95.13%	
Other	0	446,090	0	0		
Total revenues	0	449,255	5,130	250	-95.13%	
Expenditures by function						
Buildings & grounds	0	17,034,741	19,218,675	6,935,964	-63.91%	1
Central services	0	0	0	0		
Other	0	201,090	0	0		
Total expenditures	0	17,235,831	19,218,675	6,935,964	-63.91%	
Excess (deficiency) of revenues over expenditures	0	(16,786,576)	(19,213,545)	(6,935,714)		
Other financing sources	0	33,755,000	0	9,180,835		2
Other financing uses	0	0	0	0		
Total other financing sources (uses)	0	33,755,000	0	9,180,835		
Net change in fund balance	0	16,968,424	(19,213,545)	2,245,121		
Fund balance beginning of year	0	0	16,968,424	(2,245,121)		
Fund balance end of year	\$0	\$16,968,424	(\$2,245,121)	\$0		

Expenditures & Financing

- 1 Estimated expenditures for the Phase II Trane / Johnson Controls performance contract facility improvements.
- 2 Debt financing for the Phase II 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

	2011-12 ACTUAL	2012-13 ACTUAL	2013-14 BUDGET	2014-15 INTERIM	PERCENT CHANGE	NOTES
Revenues by source						
Earnings on investments	\$0	\$0	\$0	\$0		
Other	0	0	0	0		
Total revenues	0	0	0	0		
Expenditures by function						
Business & operations	999,887	0	0	0		
Central services	0	0	0	0		
Other	0	0	0	0		
Total expenditures	999,887	0	0	0		
Excess (deficiency) of revenues over expenditures	(999,887)	0	0	0		
Other financing sources	999,887	0	0			
Other financing uses	0	0	0	0		
Total other financing sources (uses)	999,887	0	0	0		
Net change in fund balance	0	0	0	0		
Fund balance beginning of year	0	0	0	0		
Fund balance end of year	\$0	\$0	\$0	\$0		

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

	2011-12 ACTUAL	2012-13 ACTUAL	2013-14 BUDGET	2014-15 INTERIM	PERCENT CHANGE	NOTES
Revenues by source						
Earnings on investments	\$0	\$0	\$0	\$0		
Other	0	0	0	0		
Total revenues	0	0	0	0		
Expenditures by function						
Business & operations	88,645	0	0	0		
Central services	0	0	0	0		
Other	0	0	0	0		
Total expenditures	88,645	0	0	0		
Excess (deficiency) of revenues over expenditures	(88,645)	0	0	0		
Other financing sources		0	0	0		
Other financing uses	0	0	0	0		
Total other financing sources (uses)	0	0	0	0		
Net change in fund balance	(88,645)	0	0	0		
Fund balance beginning of year	88,645	0	0	0		
Fund balance end of year	\$0	\$0	\$0	\$0		

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

	2011-12 ACTUAL	2012-13 ACTUAL	2013-14 BUDGET	2014-15 INTERIM	PERCENT CHANGE	NOTES
Revenues by source						
Earnings on investments	\$0	\$0	\$200	\$200		
Other	0	0	0	1,500,000		1
Total revenues	0	0	200	1,500,200		
Expenditures by function						
Business & operations	0	0	0	1,500,000		1
Central services	0	0	0	0		
Other	0	0	0	0		
Total expenditures	0	0	0	1,500,000		
Excess (deficiency) of revenues over expenditures	0	0	200	200		
Other financing sources	410,890	0	2,340	0		
Other financing uses	0	0	0	0		
Total other financing sources (uses)	410,890	0	2,340	0		
Net change in fund balance	410,890	0	2,540	200		
Fund balance beginning of year	447,415	858,305	858,305	860,845		
Fund balance end of year	\$858,305	\$858,305	\$860,845	\$861,045		

Expenditures & Financing

- 1 Estimated expenditures and insurance proceeds for construction related to the Mitchell fire.

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

	2011-12 ACTUAL	2012-13 ACTUAL	2013-14 ADJ BUDGET	2014-15 INTERIM	PERCENT CHANGE	NOTES
Revenues by source						
Local sources	\$1,844,310	\$1,661,866	\$1,765,504	\$1,758,431	-0.40%	
State sources	142,328	148,009	151,646	151,000	-0.43%	
Federal sources	6,317,755	6,713,302	6,394,432	6,802,874	6.39%	1
Other revenues	0	0	0	0		
Total Revenues	8,304,393	8,523,177	8,311,582	8,712,305	4.82%	
Expenditures for food service						
Salaries & benefits	516,056	530,198	511,132	1,067,154	108.78%	2
Purchased services	6,132,404	6,361,793	6,501,213	6,749,663	3.82%	3
Non-capital objects	976,230	846,699	797,497	708,613	-11.15%	
Capital objects	31,086	297,203	80,460	140,000	74.00%	4
Debt service	0	0	0	0		
Other	16,193	10,589	12,261	12,761	4.08%	
Total expenditures	7,671,969	8,046,482	7,902,563	8,678,191	9.81%	
Excess (deficiency) of revenues over expenditures	632,424	476,695	409,019	34,114	-91.66%	
Other financing sources	0	5,569	0	0		
Other financing uses	0	0	0	0		
Total other financing sources (uses)	0	5,569	0	0		
Net change in fund balance	632,424	482,264	409,019	34,114		
Fund balance beginning of year	1,093,478	1,725,902	2,208,166	2,617,185	18.52%	
Fund balance end of year	\$1,725,902	\$2,208,166	\$2,617,185	\$2,651,299	1.30%	

Revenue

- 1 Federal food service funds from higher free & reduced population.

Expenditures

- 2 Higher due to custodial staff costs allocated to food service.
- 3 Purchased services reflect new contract payments to Arbor food service management services.
- 4 Funding provided for food service capital equipment replacement and possible delivery truck replacement.

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

	2011-12 ACTUAL	2012-13 ACTUAL	2013-14 ADJ BUDGET	2014-15 INTERIM	PERCENT CHANGE	NOTES
Revenues by source						
Property taxes	\$850,000	\$0	\$850,000	\$850,000	0.00%	1
Local sources	156,372	191,937	168,218	136,500	-18.86%	2
Other revenues	0	0	0	0		
Total Revenues	1,006,372	191,937	1,018,218	986,500	-3.12%	
Expenditures for community service						
Salaries & benefits	43,551	879,435	819,095	708,636	-13.49%	3
Purchased services	20,116	115,943	169,620	217,360	28.15%	4
Non-capital objects	3,026	96,602	109,276	78,872	-27.82%	5
Capital objects	0	0	15,478	0	-100.00%	5
Other	0	9,170	10,351	5,000	-51.70%	
Total expenditures	66,693	1,101,150	1,123,820	1,009,868	-10.14%	
Excess (deficiency) of revenues over expenditures	939,679	(909,213)	(105,602)	(23,368)		
Fund balance beginning of year	154,503	1,094,182	184,969	79,367	-57.09%	
Fund balance end of year	\$1,094,182	\$184,969	\$79,367	\$55,999	-29.44%	

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 reduced facility rental.

Expenditures

- 3 Lower amount due to reduced administrative position for Extended Day programs.
- 4 Additional funds allocated for community partnerships in the extended day program.
- 5 Reduced amount from prior year completion of board communications systems.

RACINE UNIFIED SCHOOL DISTRICT
Budget Summary for the School Year 2014-15
INTERIM BUDGET

A budget hearing on the budget is scheduled for Monday, August 18th 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 or can be obtained at the Administrative Service Center.

GENERAL FUND	2012-13 Audited Actual	2013-14 Budget	2014-15 Proposed Budget
Beginning Fund Balance	33,118,439	46,797,496	39,156,166
Ending Fund Balance	46,797,496	39,156,166	36,848,704
REVENUES & OTHER FINANCING SOURCES			
Transfers-In (Source 100)	1,945,309	265,880	116,917
Local Sources (Source 200)	80,315,647	72,562,739	61,855,865
Inter-district Payments (Source 300 + 400)	0	0	0
Intermediate Sources (Source 500)	0	0	0
State Sources (Source 600)	129,569,555	137,721,042	150,907,020
Federal Sources (Source 700)	12,452,471	15,993,479	16,876,918
All Other Sources (Source 800 + 900)	1,563,605	4,630,047	19,069
TOTAL REVENUES & OTHER FINANCING SOURCES	225,846,587	231,173,187	229,775,789
EXPENDITURES & OTHER FINANCING USES			
Instruction (Function 100 000)	98,547,475	106,403,632	106,762,675
Support Services (Function 200 000)	74,024,394	89,316,326	81,353,795
Non-Program Transactions (Function 400 000)	39,595,661	43,094,559	43,966,781
TOTAL EXPENDITURES & OTHER FINANCING USES	212,167,530	238,814,517	232,083,251

SPECIAL PROJECTS FUND	2012-13 Audited Actual	2013-14 Budget	2014-15 Proposed Budget
Beginning Fund Balance	162,511.00	223,224	129,436
Ending Fund Balance	379,705.00	235,831	81,346
REVENUES & OTHER FINANCING SOURCES	52,486,552.00	54,527,200	55,103,256
EXPENDITURES & OTHER FINANCING USES	52,269,358.00	54,514,593	55,151,346

DEBT SERVICE FUNDS	2012-13 Audited Actual	2013-14 Budget	2014-15 Proposed Budget
Beginning Fund Balance	659,337	14,856,697	934,703
Ending Fund Balance	14,856,697	934,703	1,069,345
REVENUES & OTHER FINANCING SOURCES	28,903,900	6,383,606	6,525,189
EXPENDITURES & OTHER FINANCING USES	14,706,540	20,305,600	6,390,547

CAPITAL PROJECTS FUND	2012-13 Audited Actual	2013-14 Budget	2014-15 Proposed Budget
Beginning Fund Balance	1,810,972	19,579,396	223,202
Ending Fund Balance	19,579,396	223,202	1,012,928
REVENUES & OTHER FINANCING SOURCES	35,004,255	12,481	10,681,285
EXPENDITURES & OTHER FINANCING USES	17,235,831	19,368,675	9,891,559

FOOD SERVICE FUND	2012-13 Audited Actual	2013-14 Budget	2014-15 Proposed Budget
Beginning Fund Balance	1,725,902	2,208,166	2,617,185
Ending Fund Balance	2,208,166	2,617,185	2,651,299
REVENUES & OTHER FINANCING SOURCES	8,528,746	8,311,582	8,712,305
EXPENDITURES & OTHER FINANCING USES	8,046,482	7,902,563	8,678,191

COMMUNITY SERVICE FUND	2012-13 Audited Actual	2013-14 Budget	2014-15 Proposed Budget
Beginning Fund Balance	1,094,182	184,969	79,367
Ending Fund Balance	184,969	79,367	55,999
REVENUES & OTHER FINANCING SOURCES	191,937	1,018,218	986,500
EXPENDITURES & OTHER FINANCING USES	1,101,150	1,123,820	1,009,868

Total Expenditures and Other Financing Uses			
ALL FUNDS	2012-13 Audited Actual	2013-14 Budget	2014-15 Proposed Budget
GROSS TOTAL EXPENDITURES -- ALL FUNDS	305,526,891	342,029,768	313,204,762
Interfund Transfers (Source 100) - ALL FUNDS	(31,666,959)	(34,236,180)	(34,325,434)
Refinancing Expenditures (FUND 30)	0	0	0
NET TOTAL EXPENDITURES -- ALL FUNDS	273,859,932	307,793,588	278,879,328
PERCENTAGE INCREASE -- NET TOTAL FUND EXPENDITURES FROM PRIOR YEAR		12.39%	-9.39%

PROPOSED PROPERTY TAX LEVY

FUND	2012-13 Audited Actual	2013-14 Budget	2014-15 Proposed Budget
General Fund	79,179,207	71,529,472	60,744,968
Non-Referendum Debt Service Fund	1,469,920	3,146,422	3,394,716
Referendum Debt Service Fund	2,926,819	3,233,626	3,127,057
Capital Expansion Fund	800,000	0	0
Community Service Fund	0	850,000	850,000
TOTAL SCHOOL LEVY	84,375,946	78,759,520	68,116,741
PERCENTAGE INCREASE -- TOTAL LEVY FROM PRIOR YEAR		-6.66%	-13.51%

The below listed new or discontinued programs have a financial impact on the proposed 2014-15 budget:

DISCONTINUED PROGRAMS	FINANCIAL IMPACT
Transportation savings	\$300,000
Textbook savings due to management system	\$200,000
Computer & copy machine lease payments	\$1,140,798
NEW PROGRAMS	FINANCIAL IMPACT
Reconstruction of damage from Mitchell fire	\$2.1 million
Community Engagement	\$135,000
RTI instructional programs for struggling students	\$1.3 million
Educator Effectiveness coaches	\$660,000
Phase II performance contract facility improvements	\$9.2 million