



INTERIM BUDGET

2015 - 2016

June 15, 2015

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

Prepared by:
Division of Budget and Finance

Marc Duff, Chief Financial Officer
Julie Schattner, Supervisor of Budgets
and Grants

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.

Table of Contents	Page
Fund Financial Statements	1
Budget Assumptions	2
Enrollment Information	4
Property Tax Information	5
- Dedicated Fund Balance Use & Property Tax Graphs	6
Staffing Information	8
Combined Statement of Revenues, Expenditures and Changes in Fund Balance	11
All Governmental Funds	12
- Revenue Summary	15
- Expenditure Summary	16
General Fund	17
Other Special Revenue Funds	19
Special Education Fund	20
Special Revenue Fund	22
Debt Service Funds	24
Capital Expansion Funds	26
Capital Projects Funds	28
Food Service Fund	32
Community Service Fund	34
Required Published Budget	36

RACINE UNIFIED SCHOOL DISTRICT
2015 – 2016 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, 46 & 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 seven 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. The Interim Budget reflects tentative state policies that are part of the Joint Finance Committee approved version of the 2015-17 Biennial state budget.
2. Property values are expected to increase 1.98%.
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 decrease in enrollment in kindergarten and early childhood programs due to lower area birth rates 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 237 students. However, the enrollment decrease may be lower depending on how the state structures the counting of students who leave RUSD using vouchers.
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 1,227 to 1,269. Open enrollment tuition payments by RUSD are expected to exceed \$8 million.
5. General state aid is estimated to decrease \$1.9 million which represents a 1.4% decrease.
6. The district will experience stable funding in state categorical aid programs.
7. The state finance law allows the district no increase per pupil spending.
8. The new state structure for financing private school vouchers in Racine will require the district to fund an estimated 500 new students to the program at a cost of \$3.7 million. The tax levy will increase by \$2.5 million as provided by the state as a revenue limit non-recurring exemption. As a result, the district would absorb \$1.2 million in additional costs to fund new private school voucher students.
9. 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. The interim budget reflects adjustments to all grant revenues and expenses due to revenue changes and expiring grants.
10. Budgeted for school staffing that reduces maximum class sizes by 1.
11. An allowance is provided for labor costs for all employee groups to cover step adjustments and level changes for teaching staff. The allocation of the allowance is to be determined and the bargaining process has not been completed.

12. District costs for health coverage are increased 6% over the prior year adjusted budget based on actuarial estimates. The budget assumes an additional \$1 million in savings from health coverage which are yet to be determined.
13. Maximum use of vacancy allowance and health savings was utilized with little staffing contingency provided.
14. Academic and curricular programs include funds for textbook replacement, curricular materials, continued expansion of Foundations reading programming, curriculum writing and development, and Response to Intervention instructional programs to strengthen services to struggling students in the district.
15. Funding for staff development is provided, including training costs and materials, professional development systems; and substitute teacher coverage.
16. School funding includes a reduction of class size by one, continuation and expansion of Violence Free School Zones, and creating career pathways in high schools.
17. Funds are also allocated for upgrades to high school libraries and to install electrical generators at high schools to sustain the communications structure.
18. Dedicated carryover funds of \$2,570,486 are provided for one-time costs related to: staff training, library upgrades, dedicated substitutes, Violence Free School Zones, school furniture, reading materials, career pathways fees, and electrical generators at high schools. (see amounts on page 6)
19. Over \$45 million of funding and debt is budgeted for new school construction using approved referendum funds.

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. The table does not reflect state changes to the way student enrollment is calculated for pupils attending voucher schools.

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									
2010-11	239	222	1,595	18,221	20,277		690	20,967	
2011-12	311	940	1,524	17,941	20,716	439	866	21,582	615
2012-13	332	1,029	1,640	17,640	20,641	(75)	1050	21,691	109
2013-14	121	1,139	1,533	17,412	20,205	(436)	1166	21,371	(320)
2014-15	121	1,131	1,435	17,164	19,851	(354)	1227	21,078	(293)
Projection									
2015-16*	123	1,131	1,385	16,807	19,446	(405)	1,269	20,716	(362)
2016-17*	121	1,131	1,399	16,506	19,157	(289)	1,329	20,486	(229)
2017-18*	121	1,127	1,392	16,236	18,876	(281)	1,388	20,264	(222)
2018-19*	121	1,124	1,385	15,849	18,479	(397)	1,448	19,927	(337)
2019-20*	121	1,124	1,383	15,642	18,270	(209)	1,510	19,780	(147)

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 increase \$7,790,753 which is 10.10% higher than last year. The estimated property tax rate is projected to increase 8%, or \$.77 per \$1,000 equalized value, for a total estimated property tax rate of \$10.36. The tax rate assumes a 1.98% increase 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.

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	8,041,489	1.58%	77,128	(6.03%)	\$9.59	(3.69%)
15-16	8,198,295	1.98%	84,919	10.10%	\$10.36	8.00%

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:

Academic Achievement Goal

Professional development initiatives	489,000
Ford Next Generation Learning Partnership	180,000
Additional reading materials to non-title schools	107,000

Academic Achievement and School Climate Goals

Elementary school dedicated substitutes	180,000
School furniture reserve	500,000
VFZ program & Hall Monitor Training	365,486

Achievement Gap and Academic Goals

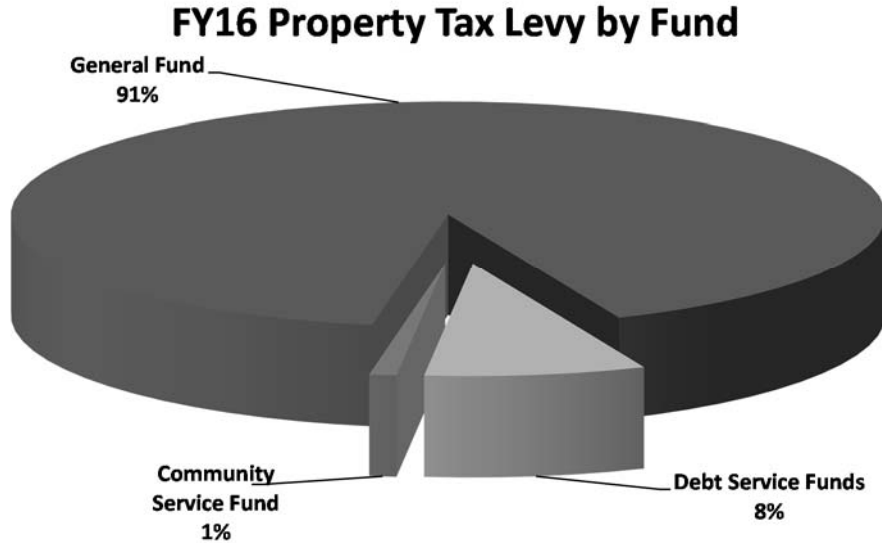
Algebra professional development	200,000
----------------------------------	---------

School Climate Goal

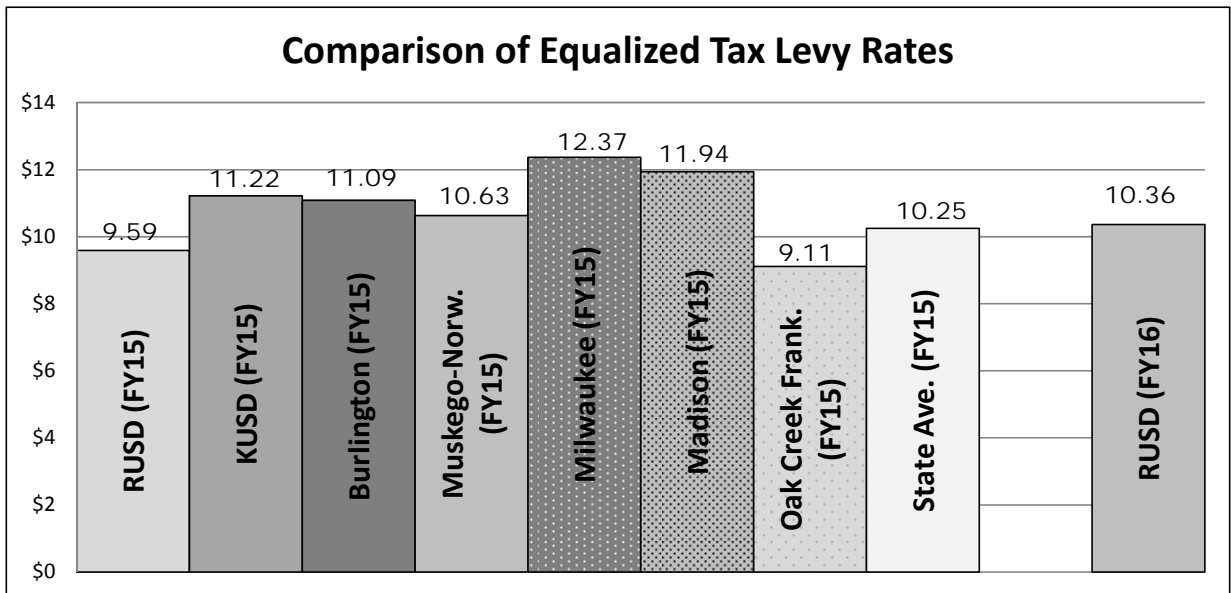
Library Upgrades (Mitchell, Park HS, McKinley, & Schulte)	99,000
High School electrical generator project (Case, Park, & Horlick)	450,000

TOTAL	<u>2,570,486</u>
--------------	------------------

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 were levied into the Capital Expansion Fund (Fund 41) at this time.



The graph below shows FY15 equalized tax levy rates and shows how the interim FY16 equalized tax rate for RUSD compares to peer or bordering school districts. Please note KUSD and Oak Creek-Franklin passed referenda which is not reflected in their tax levies.



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 increase in staff of 25.94 FTE. The table indicates that the number of certified administrators increased 3 FTE, some of which are grant funded positions. Teaching staff has increased 11.80 FTE while educational assistants increased 3.40 FTE. There were also increases in clerical staff (2.27 FTE) and contracted positions. The FTE increased for positions in both Administrative Support (5.0 FTE) and Building and Grounds (.47 FTE). This table does not reflect 17 dedicated substitute teachers that are also funded in the interim budget.

Comparison of Staff by Employee Group Fiscal Year 2012-13 through 2015-16

	2012-13	2013-14	2014-15	2015-16	FY15-FY16 Difference	Notes
Certified Administrators						
- General Fund (F10)	71.50	72.98	81.50	84.50	3.00	1
Federal Grant Funded	1.00	1.00	1.50	1.50	0.00	
- Special Education (F27)	3.00	4.00	1.00	0.00	-1.00	2
Federal IDEA Grant Funded	3.50	2.50	7.00	8.00	1.00	2
Total Cert. Admin (AD)	79.00	80.48	91.00	94.00	3.00	
Teaching Staff						
- General Fund (F10)	1150.56	1171.58	1164.98	1168.81	3.83	3
Federal Grant Funded	66.32	68.59	77.50	79.90	2.40	4
- Special Revenue Trust (F21)	0.64	0.00	0.00	0.00	0.00	
- Special Education (F27)	406.66	420.82	407.40	401.94	-5.46	5
Federal IDEA Grant Funded	31.20	36.20	31.00	35.00	4.00	5
- Community Services (F80)	1.00	0.00	0.00	0.00	0.00	
Subtotal (T)	1656.38	1697.19	1680.88	1685.65	4.77	
- General Fund (F10)	22.26	22.35	17.05	24.47	7.43	6
Federal Grant Funded	0.00	0.00	0.40	0.00	-0.40	
- Special Education (F27)	1.80	0.00	0.00	0.00	0.00	
Subtotal (OL)	24.06	22.35	17.45	24.47	7.03	
- General Fund (F10)	0.00	0.00	1.00	1.00	0.00	
- Special Education (F27)	4.00	2.00	3.00	3.00	0.00	
Subtotal (PS)	4.00	2.00	4.00	4.00	0.00	
Total Teaching Staff	1684.44	1721.54	1702.32	1714.12	11.80	

Educational Assistants						
- General Fund (F10)	105.66	114.35	124.80	115.13	-9.67	7
Federal Grant Funded	20.77	24.87	24.26	26.16	1.90	
- Special Education (F27)	217.37	229.58	212.10	223.10	11.00	8
Federal IDEA Grant Funded	2.30	0.50	0.50	0.50	0.00	
- Food Service (F50)	2.10	2.34	2.51	2.68	0.17	
Total Ed Asst Staff (EA)	348.20	371.64	364.17	367.57	3.40	
Secretaries & Clerical						
- General Fund (F10)	132.73	133.48	131.98	133.40	1.42	9
Federal Grant Funded	3.14	3.34	3.84	4.34	0.50	
- Special Education (F27)	0.00	0.00	0.00	0.00	0.00	
Federal IDEA Grant Funded	10.50	9.50	7.50	7.50	0.00	
- Special Projects Fund (F29)	0.70	0.30	0.30	0.65	0.35	
- Community Services (F80)	2.25	1.70	0.00	0.00	0.00	
Subtotal (SC)	149.32	148.32	143.62	145.89	2.27	
- General Fund (F10)	0.00	0.00	0.00	0.00	0.00	
Federal Grant Funded	1.00	1.00	0.00	0.00	0.00	
Subtotal (PS)	1.00	1.00	0.00	0.00	0.00	
Total Secretarial Staff	150.32	149.32	143.62	145.89	2.27	
Buildings and Grounds						
- General Fund (F10)	185.64	181.80	172.92	173.92	1.00	
Federal Grant Funded	0.00	0.00	0.40	0.40	0.00	
- Food Service (F50)	4.16	4.47	13.42	12.89	-0.53	
Total B&G Staff (BG)	189.80	186.27	186.74	187.21	0.47	
- General Fund (F10)	0.60	0.60	0.60	0.60	0.00	
Subtotal (PS)	0.60	0.60	0.60	0.60	0.00	
Total Building & Grounds Staff	190.40	186.87	187.34	187.81	0.47	
Administrative Support						
- General Fund (F10)	42.35	41.15	52.45	55.95	3.50	10
Federal Grant Funded	1.10	0.20	5.20	6.70	1.50	11
- Special Education (F27)	0.00	1.00	0.00	0.00	0.00	
Federal IDEA Grant Funded	1.50	0.00	0.00	0.00	0.00	
- Special Projects Fund (F29)	0.30	0.00	0.00	0.00	0.00	
- Food Service (F50)	0.75	0.75	0.75	0.75	0.00	
- Community Services (F80)	1.00	2.30	0.00	0.00	0.00	
Subtotal (AS)	47.00	45.40	58.40	63.40	5.00	
- General Fund (F10)	0.00	1.00	0.00	0.00	0.00	
Federal Grant Funded	1.24	1.24	1.00	1.00	0.00	
Subtotal (PS)	1.24	2.24	1.00	1.00	0.00	
Total Admin Support Staff	48.24	47.64	59.40	64.40	5.00	
Confidential Secretaries						
- General Fund (F10)	7.00	7.00	7.00	7.00	0.00	
Subtotal (CS)	7.00	7.00	7.00	7.00	0.00	
Total	2507.60	2564.49	2554.85	2580.79	25.94	

1. Includes certified administrators for positions of Director of Virtual School, Master Scheduler, and rotating principal for Gifford, Knapp, and Olympia Brown.
2. Funding for special education administrative positions changed to federal IDEA grant.
3. Teaching staff increased as through staffing process and due to lower class size efforts.
4. Title funded teachers added, two for non-public school support and another for Families in Transition students.
5. Special education instructional staff funded by federal IDEA funds.
6. Grant funded positions adjusted, including instructional methods coordinators, inclusion coaches, diagnosticians, and special education support staff.
7. Represents office assistant positions converted to clerical staff and reduction of classroom assistants due to class size reductions.
8. Addition of special education assistants during the 2014-15 school year and as part of the staffing process.
9. Clerical positions added at the Welcome Center, RCLA, and Bull Fine Arts.
10. Administrative support positions include Accounting Specialist and positions to support facility improvements and construction, including Director of Construction and project specialist.
11. Amount includes reassignment of positions to grant accountant and family and community engagement specialist.

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 (\$3,226,239) which can be attributed to using dedicated fund balance to fund district priorities in the areas of professional development, school furniture, violence free zones, and electrical system stability. Fund balance in the food service fund will also be used to construct a central kitchen facility at ASC.

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	\$39,324,301	\$242,674,164	\$245,244,650	\$36,753,815	(\$2,570,486)
Special revenue trust fund	45,995	0	21,830	\$24,165	(\$21,830)
TEACH Fund	0	0	0	\$0	\$0
Special education fund	0	54,467,755	54,467,755	\$0	\$0
Special revenue fund	33,216	927,976	927,976	\$33,216	\$0
Debt service funds	1,011,794	6,996,980	6,655,360	\$1,353,414	\$341,620
Capital projects funds	17,369,252	27,500,000	43,700,000	\$1,169,252	(\$16,200,000)
Food service fund	2,590,352	9,434,036	10,014,781	\$2,009,607	(\$580,745)
Community service fund	164,705	894,000	947,178	\$111,527	(\$53,178)
Totals	<u>\$60,539,615</u>	<u>\$342,894,911</u>	<u>\$361,979,530</u>	<u>\$41,454,996</u>	<u>(\$19,084,619)</u>
Overall change in fund balance				(\$19,084,619)	
Change in operating* fund balance				(\$3,226,239)	

General Fund Balance

The projected ending balance for the General fund (Fund 10) is projected to exceed 15% 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

	2012-13 ACTUAL	2013-14 ACTUAL	2014-15 ADJ BUDGET	2015-16 INTERIM	Change		NOTES
					Amount	Percent	
Revenues by Source							
Property Taxes	\$84,375,946	\$78,759,519	\$77,127,961	\$84,918,714	\$7,790,753	10.10%	1
Local & intermediate sources	3,170,808	3,292,481	2,973,535	2,790,645	(\$182,890)	-6.15%	
State Sources	142,430,737	150,592,581	162,060,156	160,701,739	(\$1,358,417)	-0.84%	2
Federal Sources	27,117,989	30,914,827	31,529,836	32,134,572	\$604,736	1.92%	
Other Sources	2,009,975	4,142,367	8,807,238	609,981	(\$8,197,257)	-93.07%	3
Total Revenues	259,105,455	267,701,775	282,498,726	281,155,651	(\$1,343,075)	-0.48%	
Expenditures by Function							
Instruction							
Regular Instruction	87,628,987	95,482,359	94,548,900	93,654,497	(\$894,403)	-0.95%	4
Vocational Instruction	4,706,533	4,822,830	4,718,539	4,824,892	\$106,353	2.25%	
Special Instruction	38,153,849	39,911,477	38,289,170	39,941,524	\$1,652,354	4.32%	5
Other Instruction	6,736,564	6,696,635	7,587,485	7,515,868	(\$71,617)	-0.94%	10
Total Instruction	137,225,933	146,913,301	145,144,094	145,936,781	\$792,687	0.55%	
Support Service							
Pupil Services	14,102,221	15,280,837	16,637,143	17,416,881	\$779,738	4.69%	
Libraries & Instructional Support	13,276,869	14,402,406	18,800,356	19,701,946	\$901,590	4.80%	6
General administration	2,172,369	2,826,578	2,767,206	2,757,341	(\$9,865)	-0.36%	
Building administration	10,607,894	10,952,694	12,248,149	12,207,770	(\$40,379)	-0.33%	10
Business & operations	53,775,475	61,982,537	54,689,643	86,992,130	\$32,302,487	59.07%	7
Central services	6,523,244	11,912,595	8,282,572	9,247,799	\$965,227	11.65%	8
Insurance	763,081	804,953	906,387	912,563	\$6,176	0.68%	
Debt payments	15,717,291	22,402,387	20,779,583	6,813,832	(\$13,965,751)	-67.21%	9
Other support services	1,795,525	363,771	479,358	428,072	(\$51,286)	-10.70%	
Food service	8,046,482	8,043,849	9,698,953	10,014,781	\$315,828	3.26%	
Community service	1,101,150	1,054,822	148,074	947,178	\$799,104	539.67%	10
Total Support Services	127,881,603	150,027,429	145,437,424	167,440,293	\$22,002,869	15.13%	
Non-program transactions	8,444,698	9,107,812	10,280,278	14,060,139	\$3,779,861	36.77%	11
Total Expenditures	273,552,234	306,048,542	300,861,796	327,437,213	\$26,575,417	8.83%	
Excess (deficiency) of							
Revenues over Expenditures	(14,446,779)	(38,346,767)	(18,363,070)	(46,281,562)	(\$27,918,492)		
Other financing sources (uses)	60,033,082	479,604	32,913,045	27,196,943	(\$5,716,102)	-17.37%	12
Net change in fund balance	45,586,303	(37,867,163)	14,549,975	(19,084,619)	(\$33,634,594)		
Fund Balance Beginning of Year	38,565,752	84,152,056	46,284,893	60,834,868	\$14,549,975	31.44%	
Fund Balance End of Year	\$84,152,056	\$46,284,893	\$60,834,868	\$41,750,249	(\$19,084,619)	-31.37%	13

Revenues

- 1 See information beginning on page 6 regarding property taxes.
- 2 Includes estimated decrease in state general aid of \$1.9 million and adjustments to state categorical aids.

- 3 The lower amount for FY16 reflects prior year insurance proceeds received due to the Mitchell fire.

Expenditures

- 4 Lower amount due to purchase of \$2.2 million of student Chrome books during 2014-15.
- 5 Reflects additional special education educational assistants.
- 6 Includes dedicated funds for professional development initiatives and funds for library improvements.
- 7 Additional amount reflect expenditures for construction of addition to Gifford and new schools for Knapp and Olympia Brown.
- 8 Increase includes software and system expenses for assessments, RTI interventions, administrative leadership training, and career pathway professional development.
- 9 The decrease involves transactions related to prior year refinancing of debt.
- 10 Reflects the shift of funding for Extended Day programs from accounts in the General Fund to the Community Service Fund (Fund 80).
- 11 These amounts are the tuition costs related to \$3.7 million in payments for 500 private school voucher students as well as increased numbers of open enrollment students leaving the district.
- 12 The decrease involves transactions related to prior year refinancing of debt as well as one-time fund transfers in FY15 that are not scheduled for FY16.
- 13 Lower ending fund balance for all funds reflects the expenditure of proceeds on new school construction as well as use of dedicated carryover in the General Fund.

The following charts summarize revenues and expenditures into broad categories.

Revenues

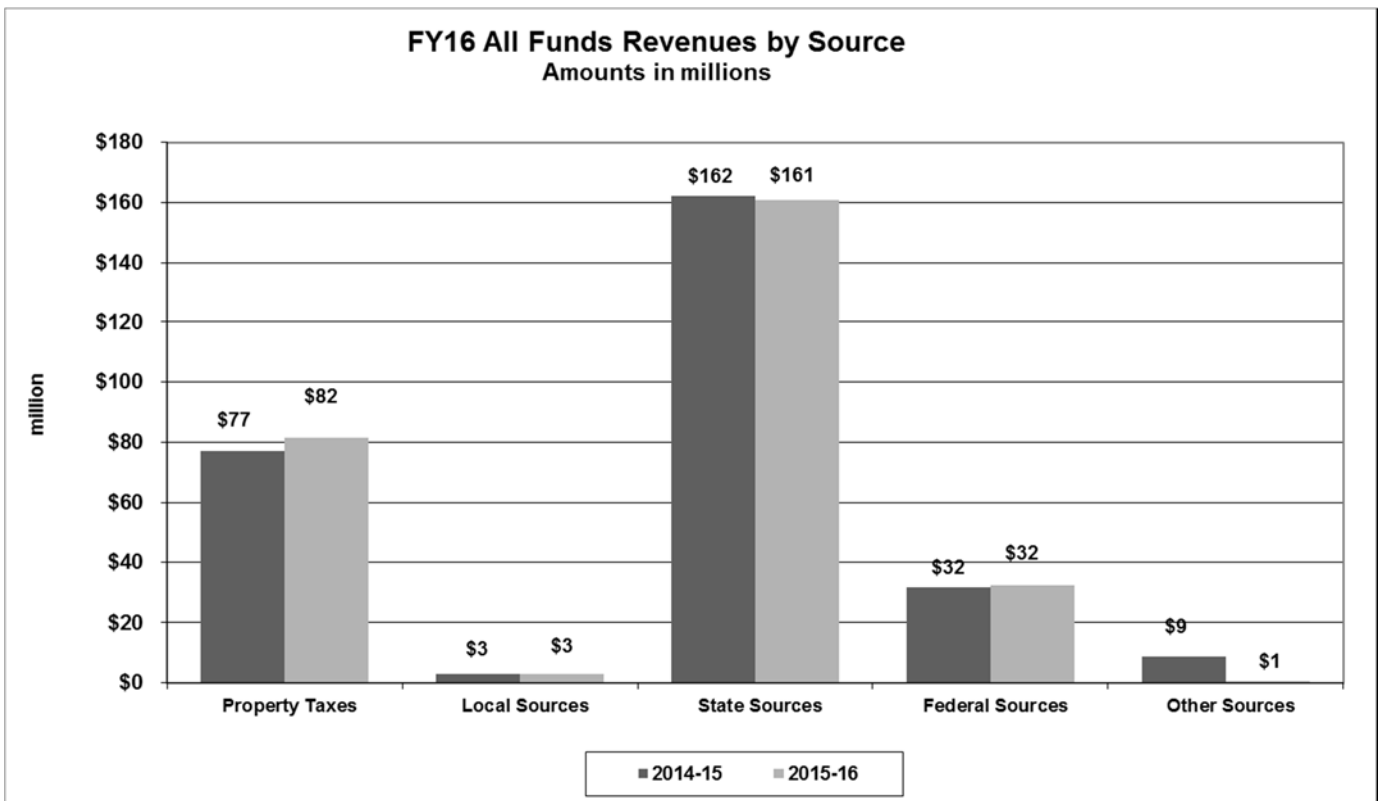
Property taxes: Revenue from taxable property located within the bounds of the school district.

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.

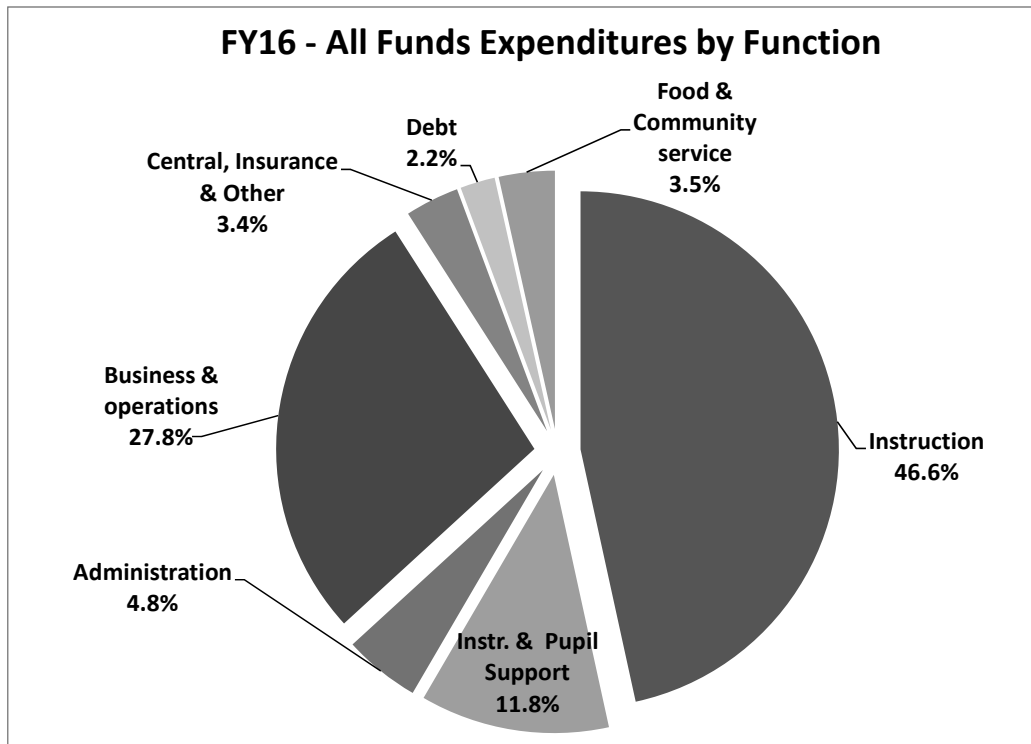
Administration: Involves the cost, including salaries, benefits, supplies and equipment, of administration for schools and the entire school system including administrators, central office staff, board of education, and legal services.

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.

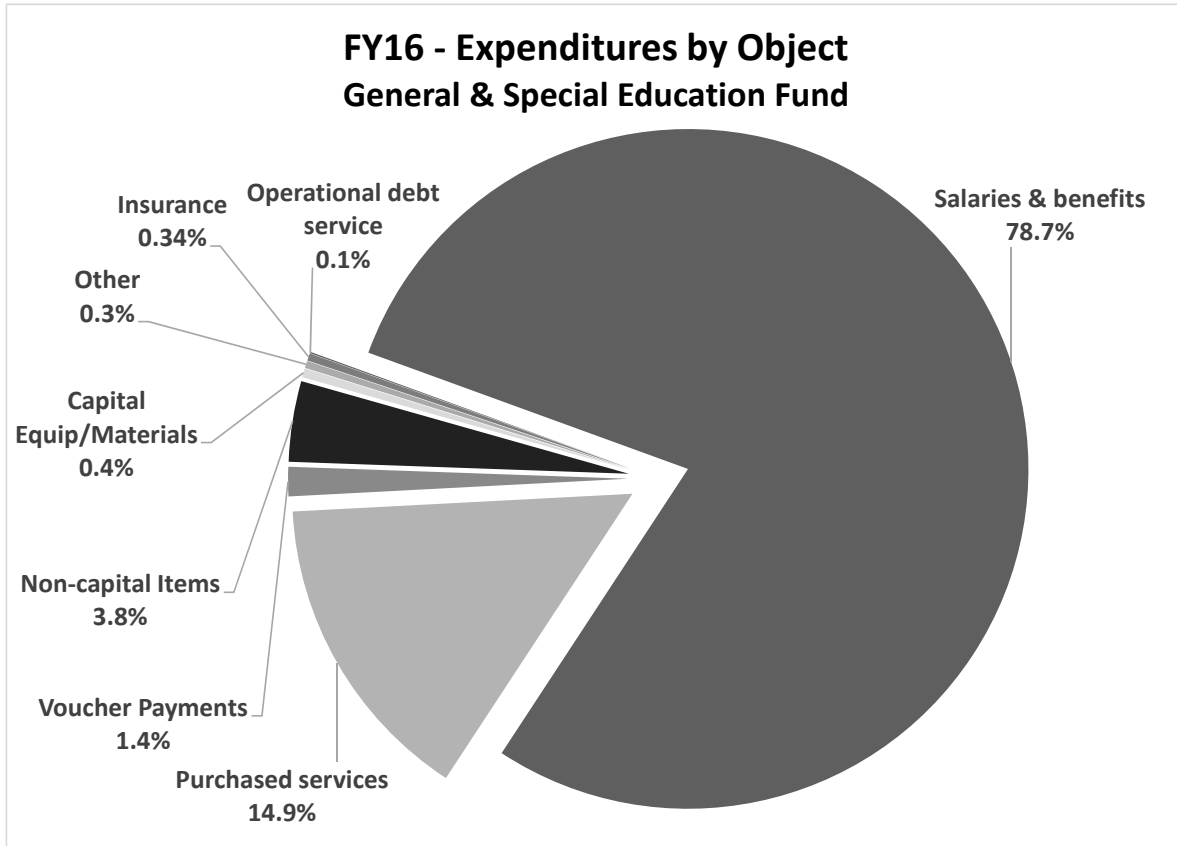
Central, Insurance and Other: Costs related to information systems, human services, insurance, copiers, printing, non-instructional staff training.

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 78.7% of the 2015-16 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 14.9% of the district budget in these funds. The new state system of financing private school vouchers will represent 1.4% of budgeted expenditures.



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

	2012-13 ACTUAL	2013-14 ACTUAL	2014-15 ADJ BUDGET	2015-16 INTERIM	PERCENT CHANGE	NOTES
Revenues by source						
Property taxes	\$79,179,207	\$71,529,472	\$ 71,826,562	\$ 77,139,402	7.40%	1
Local sources	1,136,440	1,113,144	1,172,718	1,307,372	11.48%	
Intermediate sources	0	205,468	0	0		
State sources	129,569,555	137,639,636	148,947,340	147,412,049	-1.03%	1
Federal sources	12,452,471	16,336,544	16,997,180	16,041,537	-5.62%	2
Other sources	1,563,605	4,142,367	7,091,705	546,069	-92.30%	3
Total revenues	223,901,278	230,966,631	246,035,505	242,446,429	-1.46%	
Expenditures by function						
Instruction						
Regular instruction	87,593,930	95,467,319	94,508,616	93,654,497	-0.90%	4
Vocational instruction	4,660,906	4,765,727	4,661,564	4,767,843	2.28%	
Special instruction	106,299	43,378	149,663	249,013	66.38%	5
Other instruction	6,186,340	6,246,895	6,834,913	6,834,881	0.00%	
Total instruction	98,547,475	106,523,319	106,154,756	105,506,234	-0.61%	
Support service						
Pupil services	8,844,323	9,779,788	10,855,557	11,718,606	7.95%	6
Libraries & instructional support	9,710,798	10,935,359	14,533,212	15,486,523	6.56%	7
General administration	2,139,394	2,748,553	2,722,106	2,729,431	0.27%	
Building administration	10,607,829	10,952,694	12,248,149	12,207,770	-0.33%	
Business & operations	32,774,418	38,957,763	42,040,654	39,081,689	-7.04%	8
Central services	6,287,296	11,865,572	8,192,803	9,216,424	12.49%	9
Insurance	546,362	600,444	671,848	722,875	7.60%	10
Debt payments	1,318,449	2,095,699	173,314	158,472	-8.56%	
Other support services	1,795,525	363,771	479,358	428,072	-10.70%	
Total support services	74,024,394	88,299,643	91,917,001	91,749,862	-0.18%	
Non-program transactions	7,951,898	8,678,405	9,757,781	13,484,309	38.19%	11
Total expenditures	180,523,767	203,501,367	207,829,538	210,740,405	1.40%	
Excess (deficiency) of revenues over expenditures	43,377,511	27,465,264	38,205,967	31,706,024	-17.01%	
Other financing sources (uses)						
Transfer from other funds	179,677	110,899	117,523	222,735		
Other financing sources	1,765,632	477,095	11,234	5,000	-55.49%	
Transfers to other funds	(31,643,763)	(33,525,218)	(40,335,959)	(34,504,245)	-14.46%	12
Total other financing sources (uses)	(29,698,454)	(32,937,224)	(40,207,202)	(34,276,510)		
Net change in fund balance	13,679,057	(5,471,960)	(2,001,235)	(2,570,486)		13
Fund balance beginning of year	33,118,439	46,797,496	41,325,536	39,324,301	-4.84%	
Fund balance end of year	\$46,797,496	\$41,325,536	\$39,324,301	\$36,753,815	-6.54%	

Revenues

- 1 Includes estimated decrease in state general aid of \$1.9 million and adjustments to state categorical aids. Under state school financing laws, state aid lowers local school property taxes. Also includes voucher levy of \$2.5 million.
- 2 Reduced amount due to Safe and Healthy and Inspire Grant had one time carryover funds in FY15. Reduction also due to expiring Safe and Supportive Schools grant.
- 3 The lower amount for FY16 reflects prior year insurance proceeds received due to the Mitchell fire.

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 Lower amount due to purchase of \$2.2 million of student Chrome books during 2014-15.
- 5 Reflects additional expenditures in the Title IIIa English Acquisition grant and for instructional staff for homebound students.
- 6 Higher amount due to grant funded initiatives for School Age Parent programming and Violence Free School Zones.
- 7 Includes additional staff to implement Educator Effectiveness, district instructional professional development, Title Ia funded professional development, and library improvements.
- 8 Budget reduced due to completion of Mitchell Fire related restoration.
- 9 Increase includes software and system expenses for assessments, RTI interventions, administrative leadership training, and career pathway professional development.
- 10 Additional budget to cover higher property insurance costs.
- 11 These amounts are the tuition costs related to \$3.7 million in payments for 500 private school voucher students as well as payments for open enrollment students leaving the district.
- 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 Revenues by Source, Expenditures by Function INTERIM BUDGET

	2012-13 ACTUAL	2013-14 ACTUAL	2014-15 ADJ BUDGET	2015-16 INTERIM	PERCENT CHANGE	NOTES
Revenues by source						
Local & intermediate sources	\$177,400	\$151,435	\$88,778	\$0	100.00%	1
Other sources	0	0	12,444	0	-100.00%	
Total revenues	177,400	151,435	101,222	0	100.00%	
Expenditures by function						
Regular instruction	4,606	15,040	40,284	0	-100.00%	
Vocational instruction	4,892	0	0	0	0.00%	
Total Instruction	9,498	15,040	40,284	0	100.00%	
Pupil services	0	0	3,778	0	-100.00%	
Instructional & staff support	95,550	37,269	94,356	21,830	-76.86%	2
General administration	12,000	26,000	24,000	0	0.00%	
Business & Operations	0	0	26,479	0	0.00%	
Central services	0	17,000	55,000	0	-100.00%	
Total support services	107,550	80,269	203,613	21,830	-89.28%	
Non-Program Transactions	0	52,121	0	0		
Total expenditures	117,048	147,430	243,897	21,830	-91.05%	
Excess (deficiency) of revenues over expenditures	60,352	4,005	(142,675)	(21,830)		
Fund balance beginning of year	124,313	184,665	188,670	45,995	-75.62%	
Fund balance end of year	\$184,665	\$188,670	\$45,995	\$24,165	-47.46%	

Revenues & Expenditures

- 1 Additional special revenues for district projects not anticipated at this time. Funds have come from Project Cape and the Johnson Foundation.
- 2 Expenditures by schools using previously received Project Cape grant revenues.

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

	2012-13 ACTUAL	2013-14 ACTUAL	2014-15 ADJ BUDGET	2015-16 INTERIM	PERCENT CHANGE	NOTES
Revenues by source						
Local & intermediate sources	\$0	\$67,669	\$71,491	\$0	-100.00%	1
State sources	12,713,173	12,799,773	12,940,032	13,116,906	1.37%	2
Federal sources	7,063,390	7,012,347	5,614,324	7,339,324	30.72%	3
Other sources	0	0	0	0		
Total revenues	19,776,563	19,879,789	18,625,847	20,456,230	9.83%	
Expenditures by function						
Regular instruction	0	0	0	0		
Vocational instruction	40,735	57,103	56,975	57,049	0.13%	
Special instruction	38,047,550	39,868,099	38,139,507	39,692,511	4.07%	4
Total Instruction	38,088,285	39,925,202	38,196,482	39,749,560	4.07%	
Pupil services	5,248,314	5,498,840	5,754,858	5,686,775	-1.18%	
Instructional & staff support	3,251,080	3,304,001	3,954,861	4,033,047	1.98%	
School administration	20,975	50,025	21,100	27,910	32.27%	
Business & operations	3,940,690	3,941,434	3,917,407	4,180,815	6.72%	
Central services	4,980	4,312	16,300	24,130	48.04%	
Insurance	216,719	204,509	234,539	189,688	-19.12%	
Debt Payments	0	0	0	0		
Other Support Services	0	0	0	0		
Total support services	12,682,760	13,003,121	13,899,065	14,142,365	1.75%	
Non-program transactions	492,800	377,286	522,497	575,830		
Total expenditures	51,263,845	53,305,609	52,618,044	54,467,755	3.52%	
Excess (deficiency) of revenues over expenditures	(31,487,282)	(33,425,820)	(33,992,197)	(34,011,525)		
Transfer from general fund	31,643,763	33,525,092	34,100,468	34,196,121	0.28%	
Transfers to other funds	(156,481)	(99,272)	(108,271)	(184,596)		
	31,487,282	33,425,820	33,992,197	34,011,525	0.06%	
Fund balance end of year	\$0	\$0	\$0	\$0		

Revenues

- 1 Anticipated open enrollment revenues for services provided. Student will age out in FY16.

- 2 State special education aid increased by \$176,874 due to higher costs in the prior year.
- 3 Federal revenues increased due to additional federal IDEA flow through fund carryover due to levy assumptions. Includes Priority School funding for extra hours of instruction at Goodland and Knapp.

Expenditures by function

- 4 Increase due to educational assistants of an additional 11 FTE.

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, the General Fund, and the community services fund. The total cost of the program is estimated at approximately \$1,723,499 with an estimated \$900,000 being paid by federal funding and accounted for here.

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

	2012-13 ACTUAL	2013-14 ACTUAL	2014-15 ADJ BUDGET	2015-16 INTERIM	PERCENT CHANGE	NOTES
Revenues by source						
Local & intermediate sources	\$0	\$0	\$0	\$0		
State sources	0	0	0	0		
Federal sources	888,826	641,985	1,091,179	927,976	-14.96%	1
Other sources	0	0	0	0		
Total revenues	888,826	641,985	1,091,179	927,976	-14.96%	
Expenditures by function						
Regular instruction	30,451	0	0	0		
Other	550,224	449,740	752,572	680,987	-9.51%	2
Total Instruction	580,675	449,740	752,572	680,987	-9.51%	
Pupil services	9,584	2,209	22,950	11,500	-49.89%	2
Instructional & staff support	219,441	125,777	217,927	160,546	-26.33%	2
General administration	0	2,000	0	0		
Building administration	65	0	0	0		
Business & operations	25,626	24,966	33,964	29,626	-12.77%	2
Central services	29,878	25,711	18,469	7,245	-60.77%	2
Other support services	0	0	0	0		
Total support services	284,594	180,663	293,310	208,917	-28.77%	
Non-program transactions	0	0	0	0		
Total expenditures	865,269	630,403	1,045,882	889,904	-14.91%	
Excess (deficiency) of revenues over expenditures	23,557	11,582	45,297	38,072		
Transfer to other funds	(23,196)	(11,332)	(45,297)	(38,072)		
Net change in fund balance	361	250	0	0		
Fund balance beginning of year	32,605	32,966	33,216	33,216		
Fund balance end of year	\$32,966	\$33,216	\$33,216	\$33,216		

Revenues

- 1 Includes federal grant funds used by the Extended Day program. Decrease in revenues are associated with less anticipated carryover grant funds and the expiration of the grant award for the Extended Day programs at Julian Thomas and Starbuck. CDBG with the county will also expire in FY15.

Expenditures

- 2 Lower amount reflects decrease in instructional Extended Day programming expenditures due to decrease in 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

	2012-13 ACTUAL	2013-14 ACTUAL	2014-15 ADJ BUDGET	2015-16 INTERIM	PERCENT CHANGE
Revenues by source					
Property taxes	\$1,469,920	\$3,146,421	\$2,209,342	\$3,650,539	65.23%
Earnings on investments	0	0	1,164	1,340	15.12%
Other sources	280	0	159,843	63,912	-60.02%
Total revenues	1,470,200	3,146,421	2,370,349	3,715,791	56.76%
Expenditures for debt payments					
Principal	10,676,868	15,988,586	15,965,322	1,807,075	-88.68%
Interest	551,905	1,134,248	1,321,646	1,493,427	13.00%
Agent paying fees	0	0	130,045	0	-100.00%
Total expenditures	11,228,773	17,122,834	17,417,013	3,300,502	-81.05%
Excess (deficiency) of revenues over expenditures	(9,758,573)	(13,976,413)	(15,046,664)	415,289	
Other financing sources	24,506,881	0	15,223,347	0	
Other financing uses	0	0	0	0	
Total other financing sources (uses)	24,506,881	0	15,223,347	0	-100.00%
Net change in fund balance	14,748,308	(13,976,413)	176,683	415,289	135.05%
Fund balance beginning of year	281,401	14,797,047	745,599	922,282	23.70%
Fund balance end of year	\$15,029,709	\$820,634	\$922,282	\$1,337,571	45.03%

Revenues, Expenditures and Fund Balance

- 1 Tax levy is higher to fund the debt financing for the performance contract facility improvements and new school construction.
- 2 Principal payments related to the performance contract facility improvements.
- 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

	2012-13 ACTUAL	2013-14 ACTUAL	2014-15 ADJ BUDGET	2015-16 INTERIM	PERCENT CHANGE	NOTES
Revenues by source						
Property taxes	\$2,926,819	\$3,233,626	\$3,092,057	\$3,278,773	6.04%	
Earnings on investments	0	0	2,252	2,416	7.28%	
Total revenues	2,926,819	3,233,626	3,094,309	3,281,189	6.04%	
Expenditures for debt payments						
Principal	2,465,000	2,575,000	2,695,000	2,985,000	10.76%	
Interest	703,980	607,765	494,256	369,858	-25.17%	
Agent paying fees	1,089	1,089	0	0		
Total expenditures	3,170,069	3,183,854	3,189,256	3,354,858	5.19%	
Excess (deficiency) of revenues over expenditures	(243,250)	49,773	(94,947)	(73,669)		
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	(243,250)	49,773	(94,947)	(73,669)		
Fund balance beginning of year	377,936	134,686	184,459	89,512	-51.47%	
Fund balance end of year	\$134,686	\$184,459	\$89,512	\$15,843	-82.30%	

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						
	2012-13	2013-14	2014-15	2015-16	PERCENT	
	ACTUAL	ACTUAL	ADJ BUDGET	INTERIM	CHANGE	NOTES
Revenues by source						
Property taxes	\$800,000	\$0	\$0	\$0		
Earnings on investments	0	5,208	532	0		
Other	0	0	0	0		
Total revenues	800,000	5,208	532	0		
Expenditures by function						
Buildings & grounds	0	0	0	1,450,000		1
Central services	0	0	0	0		
Other	0	0	0	0		
Total expenditures	0	0	0	1,450,000		
Excess (deficiency) of revenues over expenditures	800,000	5,208	532	(1,450,000)		
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	800,000	5,208	532	(1,450,000)		
Fund balance beginning of year	952,667	1,752,667	1,757,875	1,758,407		2
Fund balance end of year	\$1,752,667	\$1,757,875	\$1,758,407	\$308,407	-82.46%	

Revenues, Expenditures and Fund Balance

- 1 Expenditures related to the new building construction for Olympia Brown, Gifford, and Knapp. Approximately \$1 Million of these costs will consist of the construction management fees, architect fees, inspection fees, permit

fees, and any other non-tangible items. Another \$450,000 will be for other building maintenance projects.

- 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 Performance Contract building improvement projects (Fund 43), the referendum funded new school construction (Fund 45), Long Term Capital Improvement Fund (Fund 46), Mitchell fire and proceeds from the sale of replaced computers and from the sale of the diagnostic center (Fund 49).

Capital Projects Fund - Performance Contract Building Improvements Combined Statement of Revenues, Expenditures and Changes in Fund Balance INTERIM BUDGET

	2012-13 ACTUAL	2013-14 ACTUAL	2014-15 ADJ BUDGET	2015-16 INTERIM	PERCENT CHANGE	NOTES
Revenues by source						
Earnings on investments	3,165	5,130	269	0	-100.00%	
Other	446,090	0	0	0		
Total revenues	449,255	5,130	269	0	-100.00%	
Expenditures by function						
Buildings & grounds	17,034,741	19,058,374	7,115,449	0	-100.00%	
Central services	0	0	0	0		
Other	201,090	0	0	0		
Total expenditures	17,235,831	19,058,374	7,115,449	0	-100.00%	
Excess (deficiency) of revenues over expenditures	(16,786,576)	(19,053,244)	(7,115,180)	0		
Other financing sources	33,755,000	0	9,200,000	0		
Other financing uses	0	0	0	0		
Total other financing sources (uses)	33,755,000	0	9,200,000	0	-100.00%	
Net change in fund balance	16,968,424	(19,053,244)	2,084,820	0	-100.00%	
Fund balance beginning of year	0	16,968,424	(2,084,820)	0		
Fund balance end of year	\$16,968,424	(\$2,084,820)	\$0	\$0		

Capital Project Funds - Ref Funded School Construction
Combined Statement of Revenues, Expenditures and Changes in Fund Balance
INTERIM BUDGET

	2012-13 ACTUAL	2013-14 ACTUAL	2014-15 BUDGET	2015-16 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	0	0	0	42,250,000		1
Central services	0	0	0	0		
Other	0	0	0	0		
Total expenditures	0	0	0	42,250,000		
Excess (deficiency) of revenues over expenditures	0	0	0	(42,250,000)		
Other financing sources	0	0	14,750,000	27,500,000	86.44%	2
Other financing uses	0	0	0	0		
Total other financing sources (uses)	0	0	14,750,000	27,500,000	86.44%	
Net change in fund balance	0	0	14,750,000	(14,750,000)		
Fund balance beginning of year	0	0	0	14,750,000		
Fund balance end of year	\$0	\$0	\$14,750,000	\$0		

Expenditures & Financing

- 1 Estimated expenditures for the new Olympia Brown, Knapp and Gifford school construction.
- 2 Bond proceeds to finance new school construction.

Long Term Capital Improvement Fund
Combined Statement of Revenues, Expenditures and Changes in Fund Balance
INTERIM BUDGET

	2012-13 ACTUAL	2013-14 ACTUAL	2014-15 BUDGET	2015-16 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	0	0	0	0		
Central services	0	0	0	0		
Other	0	0	0	0		
Total expenditures	0	0	0	0		
Excess (deficiency) of revenues over expenditures	0	0	0	0		
Other financing sources	0	0	5,000	0	-100.00%	
Other financing uses	0	0	0	0		
Total other financing sources (uses)	0	0	5,000	0	-100.00%	
Net change in fund balance	0	0	5,000	0	-100.00%	
Fund balance beginning of year	0	0	0	5,000		1
Fund balance end of year	\$0	\$0	\$5,000	\$5,000		

Expenditures & Financing

1 Fund balance from initial fund transfer during FY15.

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

	2012-13 ACTUAL	2013-14 ACTUAL	2014-15 BUDGET	2015-16 INTERIM	PERCENT CHANGE	NOTES
Revenues by source						
Earnings on investments	\$0	\$0	\$200	\$0		
Other	0	0	1,555,690	0	-100.00%	1
Total revenues	0	0	1,555,890	0		
Expenditures by function						
Business & operations	0	0	1,555,690	0		1
Central services	0	0	0	0		
Other	0	0	0	0		
Total expenditures	0	0	1,555,690	0	-100.00%	
Excess (deficiency) of revenues over expenditures	0	0	200	0		
Other financing sources	0	2,340	0	0		
Other financing uses	0	0	0	0		
Total other financing sources (uses)	0	2,340	0	0		
Net change in fund balance	0	2,340	200	0		
Fund balance beginning of year	858,305	858,305	860,645	860,845		
Fund balance end of year	\$858,305	\$860,645	\$860,845	\$860,845		

Expenditures & Financing

- 1 Reduced due to prior year 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

	2012-13 ACTUAL	2013-14 ACTUAL	2014-15 ADJ BUDGET	2015-16 INTERIM	PERCENT CHANGE	NOTES
Revenues by source						
Local sources	\$1,661,866	\$1,614,513	\$1,433,413	\$1,435,517	0.15%	
State sources	148,009	153,172	172,784	172,784	0.00%	
Federal sources	6,713,302	6,923,951	7,827,153	7,825,735	-0.02%	1
Other revenues	0	0	0	0		
Total Revenues	8,523,177	8,691,636	9,433,350	9,434,036	0.01%	
Expenditures for food service						
Salaries & benefits	530,198	529,262	1,106,600	1,119,605	1.18%	2
Purchased services	6,361,793	6,733,641	7,721,506	7,966,888	3.18%	3
Non-capital objects	846,699	744,363	658,588	643,288	-2.32%	
Capital objects	297,203	22,910	198,000	275,000	38.89%	4
Debt service	0	0	0	0		
Other	10,589	13,673	14,259	10,000	-29.87%	
Total expenditures	8,046,482	8,043,849	9,698,953	10,014,781	3.26%	
Excess (deficiency) of revenues over expenditures	476,695	647,787	(265,603)	(580,745)		
Other financing sources	5,569	0	0	0		
Other financing uses	0	0	0	0		
Total other financing sources (uses)	5,569	0	0	0		
Net change in fund balance	482,264	647,787	(265,603)	(580,745)		
Fund balance beginning of year	1,725,904	2,208,168	2,855,955	2,590,352	-9.30%	
Fund balance end of year	\$2,208,168	\$2,855,955	\$2,590,352	\$2,009,607	-22.42%	

Revenue

1 Federal food service funds from for free & reduced population.

Expenditures

- 2 Higher due to custodial staff costs allocated to food service with the added Breakfast in the Classroom Program (BIC) due to the Community Eligibility Provision (CEP).
- 3 Purchased services reflect new contract payments to Arbor food service management services and the ASC central kitchen renovation.
- 4 Funding provided for food service capital equipment replacement and two delivery truck replacements.

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, and 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

	2012-13 ACTUAL	2013-14 ACTUAL	2014-15 ADJ BUDGET	2015-16 INTERIM	PERCENT CHANGE	NOTES
Revenues by source						
Property taxes	\$0	\$850,000	\$0	\$850,000		1
Local sources	191,937	129,914	202,718	44,000	-78.29%	2
Other revenues	0	0	0	0		
Total Revenues	191,937	979,914	202,718	894,000	341.01%	
Expenditures for community service						
Salaries & benefits	879,435	767,574	79,723	645,354	709.50%	3
Purchased services	115,943	160,404	59,543	241,127	304.96%	4
Non-capital objects	96,602	102,693	8,808	55,697	532.35%	5
Capital objects	0	15,478	0	0		
Other	9,170	8,673	0	5,000		
Total expenditures	1,101,150	1,054,822	148,074	947,178	539.67%	
Excess (deficiency) of revenues over expenditures	(909,213)	(74,908)	54,644	(53,178)	-197.32%	
Fund balance beginning of year	1,094,182	184,969	110,061	164,705	49.65%	
Fund balance end of year	\$184,969	\$110,061	\$164,705	\$111,527	-32.29%	

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.
 - 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 that will be recorded to the General Fund (Fund 10).

Expenditures

- 3 Staff costs largely for Extended Day programs.
- 4 Funds allocated for community partnerships in for Extended Day Programs.
- 5 Funds allocated for facility use software and community outreach program materials.

RACINE UNIFIED SCHOOL DISTRICT
Budget Summary for the School Year 2015-16
INTERIM BUDGET

A budget hearing on the budget is scheduled for Monday, August 17th 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	2013-14 Audited Actual	2014-15 Budget	2015-16 Proposed Budget
Beginning Fund Balance	46,797,496	41,325,536	39,324,301
Ending Fund Balance	41,325,536	39,324,301	36,753,815
REVENUES & OTHER FINANCING SOURCES			
Transfers-In (Source 100)	587,994	128,757	227,735
Local Sources (Source 200)	72,642,616	72,999,280	78,446,774
Inter-district Payments (Source 300 + 400)	205,468	0	0
Intermediate Sources (Source 500)	0	0	0
State Sources (Source 600)	137,639,636	148,947,340	147,412,049
Federal Sources (Source 700)	16,336,544	16,997,180	16,041,537
All Other Sources (Source 800 + 900)	4,142,367	7,091,705	546,069
TOTAL REVENUES & OTHER FINANCING SOURCES	231,554,625	246,164,262	242,674,164
EXPENDITURES & OTHER FINANCING USES			
Instruction (Function 100 000)	106,523,319	106,154,756	105,506,234
Support Services (Function 200 000)	88,299,643	91,917,001	91,749,862
Non-Program Transactions (Function 400 000)	42,203,623	50,093,740	47,988,554
TOTAL EXPENDITURES & OTHER FINANCING USES	237,026,585	248,165,497	245,244,650

SPECIAL PROJECTS FUND	2013-14 Audited Actual	2014-15 Budget	2015-16 Proposed Budget
Beginning Fund Balance	217,631.00	221,886	79,211
Ending Fund Balance	321,158.00	187,482	241,977
REVENUES & OTHER FINANCING SOURCES	54,198,301.00	53,918,716	55,580,327
EXPENDITURES & OTHER FINANCING USES	54,094,774.00	53,953,120	55,417,561

DEBT SERVICE FUNDS	2013-14 Audited Actual	2014-15 Budget	2015-16 Proposed Budget
Beginning Fund Balance	14,931,733	930,058	1,011,794
Ending Fund Balance	1,005,093	1,011,794	1,353,414
REVENUES & OTHER FINANCING SOURCES	6,380,047	20,688,005	6,996,980
EXPENDITURES & OTHER FINANCING USES	20,306,688	20,606,269	6,655,360

CAPITAL PROJECTS FUND	2013-14 Audited Actual	2014-15 Budget	2015-16 Proposed Budget
Beginning Fund Balance	19,579,396	533,700	17,369,252
Ending Fund Balance	533,700	17,369,252	1,169,252
REVENUES & OTHER FINANCING SOURCES	12,678	25,506,691	27,500,000
EXPENDITURES & OTHER FINANCING USES	19,058,374	8,671,139	43,700,000

FOOD SERVICE FUND	2013-14 Audited Actual	2014-15 Budget	2015-16 Proposed Budget
Beginning Fund Balance	2,208,168	2,855,955	2,590,352
Ending Fund Balance	2,855,955	2,590,352	2,009,607
REVENUES & OTHER FINANCING SOURCES	8,691,636	9,433,350	9,434,036
EXPENDITURES & OTHER FINANCING USES	8,043,849	9,698,953	10,014,781

COMMUNITY SERVICE FUND	2013-14 Audited Actual	2014-15 Budget	2015-16 Proposed Budget
Beginning Fund Balance	184,969	110,061	164,705
Ending Fund Balance	110,061	164,705	111,527
REVENUES & OTHER FINANCING SOURCES	979,914	202,718	894,000
EXPENDITURES & OTHER FINANCING USES	1,054,822	148,074	947,178

Total Expenditures and Other Financing Uses			
ALL FUNDS	2013-14 Audited Actual	2014-15 Budget	2015-16 Proposed Budget
GROSS TOTAL EXPENDITURES -- ALL FUNDS	339,585,092	341,243,052	361,979,530
Interfund Transfers (Source 100) - ALL FUNDS	(33,536,550)	(40,381,256)	(34,542,317)
Refinancing Expenditures (FUND 30)	0	0	0
NET TOTAL EXPENDITURES -- ALL FUNDS	306,048,542	300,861,796	327,437,213
PERCENTAGE INCREASE -- NET TOTAL FUND EXPENDITURES FROM PRIOR YEAR		-1.69%	8.83%

PROPOSED PROPERTY TAX LEVY

FUND	2013-14 Audited Actual	2014-15 Budget	2015-16 Proposed Budget
General Fund	71,529,472	71,826,562	77,139,402
Non-Referendum Debt Service Fund	3,146,421	2,209,342	3,650,539
Referendum Debt Service Fund	3,233,626	3,092,057	3,278,773
Capital Expansion Fund	0	0	0
Community Service Fund	850,000	0	850,000
TOTAL SCHOOL LEVY	78,759,519	77,127,961	84,918,714
PERCENTAGE INCREASE -- TOTAL LEVY FROM PRIOR YEAR		-2.07%	10.10%

The below listed new or discontinued programs have a financial impact on the proposed 2015-16 budget:

DISCONTINUED PROGRAMS	FINANCIAL IMPACT
Phase II performance contract facility improvements Expiring grants (Safe & Supportive, Safe & Healthy) Completed Mitchell Fire construction and restoration	
NEW PROGRAMS	FINANCIAL IMPACT
New School Construction	\$42.5 million
Career Pathway initiative	\$250,000
Expanded Violence Free School Zones	\$180,000
Security System Upgrade	\$85,000
School furniture replacement	\$500,000