

Fiscal Year 2024 (FY '24)
2023-24 Budget Summary & Information
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06 – General Fund

FY 23 Actual	FY 23 Budget	FY 24 Proposed Budget	\$ Difference	% Difference
13,020,684	14,004,357	14,831,942	827,585	5.9%

- The general fund budget mill levy is set by the State and equalized at **20 mills**. Expenditures from the general fund are limited by state law and may be transferred to numerous program and weighted funds such as K-12 at risk, bilingual education, virtual education, Parents As Teachers, vocational education, professional development, special education, etc.
- Base State Aid per pupil (BSAPP) changes:

Budget Year	BSAPP	BSAPP Change (\$)	BSAPP Change (%)	General Fund
FY '09 (2008-09)	\$4,433 (reduced to \$4,400)	---	---	\$13,172,216 (Budgeted; reduced by \$394,616)
FY '10 (2009-10)	\$4,218 (reduced to \$4,012)	(\$215)	(4.85%)	\$11,982,494 (reduced by \$558,324)
FY '11 (2010-11)	\$3,937	(\$281)	(6.66%)	\$11,540,528
FY '12 (2011-12)	\$3,780	(\$157)	(3.99%)	\$11,444,328
FY '13 (2012-13)	\$3,838	+\$58	+1.53%	\$11,514,768
FY '14 (2013-14)	\$3,838	---	---	\$11,660,228
FY '15 (2014-15)	\$3,852	+\$14	+.36%	\$11,710,080 (republished)
FY '16 (2015-16)	Block Grant	N/A	N/A	\$15,657,287 (net \$11,719,397)
FY '17 (2016-17)	Block Grant	N/A	N/A	\$14,334,082 (net \$11,795,169)
FY '18 (2017-18)	\$4,006	+\$154	3.99%	\$12,581,569
FY '19 (2018-19)	\$4,165	+\$159	3.97%	\$13,439,236
FY '20 (2019-20)	\$4,436	+\$271	6.51%	\$14,224,066
FY '21 (2020-21)	\$4,569	+\$133	3.0%	\$14,077,226
FY '22 (2021-22)	\$4,706	+\$137	3.0%	\$14,319,640
FY '23 (2022-23)	\$4,846	+\$140	3.0%	\$14,004,357
FY '24 (2023-24)	\$5,088	+\$242	4.99%	\$14,831,942
TOTAL CHANGE:		+\$655	14.8% (.93%/year 2008-2024)	

- From FY '09 to FY '24, the BSAPP increased \$655 (14.8%) or .93% per year average. BSAPP is not reflected in FY 16 & 17 due to block grant funding.
- Local Option Budget is also calculated using a BSAPP of \$5,158 plus the current year special ed state aid (excluding virtual state aid).
- Future Base State Aid increases will be determined based on the Consumer Price Increase percentage.**

- Following is a summary of recent district FTE enrollment (Budget Open Page summary):

Year	Actual FTE Enrollment
FY '08 (2007-08)	2,062.5
FY '09 (2008-09)	2,027.9
FY '10 (2009-10)	2,028.1
FY '11 (2010-11)	2,010.3
FY '12 (2011-12)	1,986.6
FY '13 (2012-13)	1,953.3
FY '14 (2013-14)	1,919.0
FY '15 (2014-15)	1,931.0
FY '16 (2015-16)	1,936.1
FY '17 (2016-17)	2,012.5
FY '18 (2017-18)	2,029.0
FY '19 (2018-19)	1,933.4
FY '20 (2019-20)	1,911.1
FY '21 (2020-21)	1,677.8
FY '22 (2021-22)	1,760.0
FY '23 (2022-23)	1,773.0
FY '24 (2023-24)	1,857.0 (budgeted) +92 FTE 1,765.0 (projected)

- FTE Enrollment is calculated using the higher of:
 - 2021-22 Audited enrollment (excluding 4-year-old at risk & virtual students) 1,760.0
 - 2022-23 Audited enrollment (excluding 4-year-old at risk & virtual students) 1,773.0
 - **The 2023-24 budget is based on the higher of the two which is 1,773.0 FTE (2022-23 FTE).**

- Weighted FTE Enrollment comparison (Budget Form 150 summary):

Weighting	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Enrollment (<i>Sept 20th</i>)	Block Grant	Block Grant	2,009.5	2,029.0	2,029.00	1,933.4	1,911.1	1,760.0	1,773.0
Enrollment used	Block Grant	Block Grant	Average	Prior Year	2 nd preceding	2 nd preceding	2 nd preceding	Prior Year	Prior Year
High Enrollment	N/A	N/A	70.4	71.1	71.1	67.7	67.0	61.7	62.1
Bilingual Education (<i>headcount</i>)	N/A	N/A	2.0	5.6	5.6	5.6	5.6	5.6	5.6
Vocational Education (<i>hours</i>)	N/A	N/A	39.7	37.5	44.2	44.2	45.8	54.2	54.2
At-Risk (<i>free lunch</i>) .484 FTE	N/A	N/A	284.1	290.4	290.4	242.0	242.0	290.4	314.6
Non-Proficient (<i>testing</i>)	N/A	N/A	0	0	0	0	0	0	0
New Facilities	0	32.9	37.5	0	0	0	0	0	0
Transportation (>2.5 <i>miles</i>)	N/A	N/A	155.7	150.0	150.8	134.5	124.8	122.4	126.0
Special Education	N/A	N/A	529.3	625.1	598.5	620.8	540.3	537.8	521.8
FHSU Math & Science Academy	N/A	N/A	0	0	0	0	0	0	0
TOTAL WEIGHTED FTE:	N/A	N/A	3,128.2	3,208.7	3,189.6	3,048.2	2,936.6	2,832.1	2,857.3
x BSAPP	N/A	N/A	\$4,006	\$4,165	\$4,436	\$4,569	\$4,706	\$4,846	\$5,088
= GENERAL FUND	\$15,657,287	\$14,334,082	\$12,531,569	\$13,364,236	\$14,149,066	\$13,927,226	\$13,819,640	\$13,724,357	\$14,537,942
Virtual State Aid*			\$50,000	\$75,000	\$75,000	\$150,000	\$500,000	\$280,000	\$294,000
TOTAL GEN FUND			\$12,581,569	\$13,439,236	\$14,224,066	\$14,077,226	\$14,319,640	\$14,004,357	\$14,831,942

- *For 2023-24, the estimated virtual state aid is based on 50 full time virtual students and 5 part-time students for total estimated virtual aid of \$280,000.
- Virtual State Aid:
 - Full Time students: 50 x \$5,600 = \$280,000
 - Part Time students: 5 x \$2,800 = \$14,000
 - TOTAL: \$294,000

- District's calculated free lunch percentage

Students	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Students eligible for free lunches (estimated)	645	589	618	618	563	587	600	600	500	500	600	650
Projected Enrollment (budgeted)	1,986	1,963	1,925	1,955	1,934	1,950	2,054	1,960	1,937	1,773	1,760	1,857
Free Lunch Percentage	32.5%	30.0%	32.1%	31.6%	29.1%	30.1%	29.2%	30.6%	25.8%	28.2%	34.1%	35.0%
Audited free lunch students	589	642	618	548	555	623	571	504	434	469	547	TBD

- General Fund Revenue Summary: General State Aid (\$12,176,891) and Special Education Aid (\$2,655,029) for a total of \$14,831,920 + \$22 cash balance= \$14,831,942
- General Fund Expense Summary: Salaries/Benefits \$9,159,877 (61%), Transfers \$4,557,214 (31%), Transportation \$721,000 (5%), and Supplies/Misc. \$393,851 (3%)
- Transfers from General Fund: Virtual Education (\$294,000), Prof Dev (\$7,500), Special Education (\$2,655,029), and At-Risk (\$1,600,685) for a total of \$4,557,214.

- District assessed valuation history (Miami & Franklin County):

Year	Assessed Valuation (all funds)	Increase/Decrease	%
2008	\$133,432,513	---	---
2009	\$132,273,894	(\$1,158,619)	(.87%)
2010	\$130,610,152	(\$1,663,742)	(1.26%)
2011	\$129,616,864	(\$993,288)	(.76%)
2012	\$128,895,556	(\$721,308)	(.56%)
2013	\$128,620,538	(\$275,018)	(.21%)
2014	\$129,108,957	\$488,419	.38%
2015	\$131,461,696	\$2,352,739	1.82%
2016	\$134,241,286	\$2,779,590	2.11%
2017	\$140,445,128	\$6,203,842	4.62%
2018	\$149,152,760	\$8,707,632	6.20%
2019	\$159,969,259	\$10,816,499	7.25%
2020	\$168,704,299	\$8,735,040	5.46%
2021	\$183,296,779	\$14,592,480	8.65%
2022	\$208,590,231	\$25,293,452	13.8%
TOTAL:		\$75,157,718	56.3% (3.75%/year avg.)

- Average Tax Delinquency Percentage for Miami County:

Miami County									
Year	2021	2020	2019	2018	2017	2016	2015	2014	2013
Delinquency	0.82%	0.67%	0.62%	0.81%	0.69%	0.80%	0.73%	1.28%	1.23%

- The delinquent tax rate used for the 2023-24 budget is 4%.

08 – Supplemental General (Local Option Budget)

FY 23 Actual	FY 23 Budget	FY 24 Proposed Budget	\$ Difference	% Difference
4,287,401	4,579,070	4,851,508	272,438	5.95%

- Supplemental General’s (“LOB”) balance of \$300,272 is carried over from the prior year due to receiving more property tax than necessary to fund the budget (budgeted 91% tax collection in 2022-23). The balance is carried over to reduce the succeeding year’s property tax.
- The LOB was calculated by using the BSAPP of \$5,158 per state statute.
- The district passed a successful Local Option Budget election on 5/1/2015 which provided authority to increase the LOB from 30% to 33% of General Fund.
- After state aid, the balance of the LOB revenue is generated with a local levy.
- The estimated levy for 2023-24 is 12.848 mills, an increase of .184 mills.
- Supplemental General (LOB) Fund Revenue Summary: Balance \$300,272 (6%); Local \$3,156,913 (65%); State \$1,394,323 (29%)
- Supplemental General (LOB) Fund Expense Summary: Transfers \$2,527,591 (52%), Transportation/fuel \$135,000 (2.8%), Electricity/Heating \$717,000 (14.8%), Maintenance salaries \$366,300 (7.6%), Insurance \$330,000 (6.8%), Repairs/Maintenance/Cleaning \$115,000 (2.4%), Water \$109,000 (2.2%), Textbooks \$125,000 (2.6%), Technology \$110,000 (2.3%) and \$316,617 (6.5%) for remaining LOB expenses (instructional equipment, supplies, etc.).
- Transfers from LOB include Bilingual (\$9,703), Parents As Teachers (\$31,200), Special Education (\$1,210,700), Vocational Education (\$741,837), and At- Risk (\$534,151).

07 – Federal Funds

FY 23 Actual	FY 23 Budget	FY 24 Proposed Budget	\$ Difference	% Difference
1,838,714	2,847,281	2,199,783	(647,498)	(22.7%)

- This fund is a consolidated reporting of the various Federal Title programs the District receives funding for through applications.
- Programs include Title I Reading (\$304,079) Title II-a Teacher Quality (\$38,142), Title IV 21st Century (\$26,220), ESSER III funds (\$2,032,718), KDHE health/testing grant (\$108,889), and KDHE HVAC grant (\$634,610) for a total of \$3,144,658.
- The Title I budget amount includes funds for the District and Lakemary Center neglected funds. The amount for Neglected for 2023-24 is \$65,586.
- **Federal Funds in 2020-21 included CARES (Coronavirus Aid, Relief and Economic Security) Act funds (ESSER I) of \$255,538 and SPARK (Strengthening People and Revitalizing Kansas) funds from Miami County of \$477,926. Federal Funds in 2021-22 included ESSER II funds. Federal Funds in 2022-23 and 2023-24 include ESSER III funds.**
- The ending balance for Federal Funds was **-\$944,875** as of 6/30/23. Although prior to ESSER it normally did not, Federal Funds can end the year with a negative balance. This was due to spending ESSER III funds before they were draw down as required by the federal/state reimbursement process.
- **The total Federal funds budgets of \$3,144,658 less the ending balance of **-\$944,875** equals the 2023-24 federal budget of \$2,199,783.**

010 – Adult Education

FY 23 Actual	FY 23 Budget	FY 24 Proposed Budget	\$ Difference	% Difference
263,254	258,700	281,885	23,185	8.96%

- The District serves as host for an adult education consortium providing services for Paola and Osawatomie USD #367.
- The consortium does not impact our mill levy. Each district contributes according to the services provided to them. However, the additional expenses from the consolidated program overstate our overall budget and expenses per pupil. This is similar to the Parents As Teachers consortium and the Special Education Cooperative which the Paola district also hosts.
- The District is required to provide financial support in order to receive federal and state aid. In prior years, this was achieved by a transfer of \$32,500 from LOB. In 2013-14 and forward, expenses for the adult education will be charged directly to LOB (utilities & custodial expenses) in order to meet the required district contribution (approx. \$20,000).
- FY 24 proposed budget amount includes the carryover balance for this fund. District does not plan to expend the carryover balance but must have the budget authority to do so if necessary.

012 – Adult Supplementary Education

FY 23 Actual	FY 23 Budget	FY 24 Proposed Budget	\$ Difference	% Difference
21,703	105,616	101,996	(3,620)	(3.4%)

- This fund is used for the District’s adult alternative education program.
- Revenue from this fund is generated by SRS programs such as Life Skills Job Club and Vocational Rehab as well as Adult contract courses and GED student testing.
- For 2019-20, the program received an AO-K @ Work grant for \$24,350 to provide training for Circle C Café, Paola Inn & Suites, and Miami County Auto.
- In the past, District supported this fund with a transfer from LOB. This transfer was eliminated in 2011-12.
- FY 24 proposed budget amount includes the carryover balance for this fund. District does not plan to expend the carryover balance but must have the budget authority to do so if necessary.

013 – At Risk

FY 23 Actual	FY 23 Budget	FY 24 Proposed Budget	\$ Difference	% Difference
1,711,048	2,376,633	2,634,836	258,203	10.9%

- At-Risk funds are transferred from the General Fund (\$1,600,685) and LOB (\$534,151) for total revenue of \$2,134,836. The revenue generated by at-risk students must be spent on programs for students that meet the definition of at-risk and are charged to this fund. Funding is calculated by and must be spent on at-risk students as defined by State guidelines.
- Programs included are: Foster Grandparents, Jumpstart and after school tutoring, in-school suspension, Alternative school, Supplemental reading, Instructional aides, MAP testing services, secondary reading intervention program and general education salary allocations.
- At Risk Funding for 2023-24 is based on the following:

Estimated students eligible for free lunches (650 students)	<u>FTE</u> 650 students x .484 weighting = 314.6 x \$5,088 = \$1,600,685
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- **In 2023-24, due to the mandatory General Fund and LOB transfers, the revenue for the fund of \$2,134,386 exceeds the FTE funding of \$1,600,685 by \$534,151.**
- At-Risk funding is based on the number of eligible students that qualify for free lunches (see table below).
- District’s calculated free lunch percentage:

Students	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Students eligible for free lunches (estimate used for budget)	645	589	618	618	563	587	600	600	500	500	600	650
Projected Enrollment (budgeted)	1,986	1,963	1,925	1,955	1,934	1,950	2,054	1,960	1,937	1,773	1,760	1,857
Free Lunch Percentage	32.5%	30.0%	32.1%	31.6%	29.1%	30.1%	29.2%	30.6%	25.8%	28.2%	34.1%	35.0%
Audited free lunch students	589	642	618	548	555	623	571	504	434	469	547	TBD

- FY 24 proposed budget amount includes a portion of the carryover balance for this fund. District does not plan to expend the carryover balance but must have the budget authority to do so if necessary.

014 – Bilingual Education

FY 23 Actual	FY 23 Budget	FY 24 Proposed Budget	\$ Difference	% Difference
15,837	41,145	38,975	(2,170)	(5.3%)

- Funding is calculated based on the number of hours of bilingual education services provided to qualifying students or the ELL headcount, whichever is higher.
- For 2023-24, the bilingual FTE is 5.6 (30 ELL headcount x .185 = 5.6) resulting in a budget of \$28,492 for this fund (5.6 FTE x \$5,088 = \$28,492).
- The 2023-24 budgeted revenue is the \$9,703 mandatory LOB transfer plus the fund balance of \$29,272 for a total of \$38,975.
- District can only pay actual salaries and expenses associated with those teachers who are providing bilingual services and who are ELL certified.
- FY 24 proposed budget amount includes the carryover balance for this fund. District does not plan to expend the carryover balance but must have the budget authority to do so if necessary.

015 – Virtual Education

FY 23 Actual	FY 23 Budget	FY 24 Proposed Budget	\$ Difference	% Difference
82,460	520,139	585,424	65,285	12.5%

- Funding is calculated based on the number of virtual education students.
- For 2023-24, the estimated number of virtual education students used for budget authority is 50 full time and 5 part time students.
- **Virtual State Aid:**
 - **Full Time students: 50 x \$5,600 = \$280,000**
 - **Part Time students: 5 x \$2,800 = \$14,000**
 - **TOTAL: \$294,000**
- Revenue for 2023-24 is state aid (\$294,000), plus miscellaneous revenue (\$10,000) and fund balance (\$281,424) = \$585,424.
- Fund was originally established in 2016-17 through budget republication.
- FY 24 proposed budget amount includes the carryover balance for this fund. District does not plan to expend the carryover balance but must have the budget authority to do so if necessary.

016 – Capital Outlay

FY 23 Actual	FY 23 Budget	FY 24 Proposed Budget	\$ Difference	% Difference
2,350,023	4,308,895	4,131,219	(177,676)	(4.1%)

- Per state statutes, the maximum mill levy is 8 mills. Funds must be spent for capital outlay items as identified in state statutes. Revenue in this fund cannot be spent for operating expenses. Can be used to build up reserves to fund special projects, reducing the need for issuing bonded indebtedness.
- The capital outlay resolution authorizing 8 mills was approved 7/28/2014 and has continuous & permanent authorization. The resolution passed also included the expanded use language, which allows for greater usage of capital outlay funds which makes some operational expenses (custodians & maintenance salaries) a valid expenditure.
- The capital outlay mill levy for 2023-24 will be 6.88 mills, a reduction of 1.12 mills.
- Capital outlay availability continues to be important. Without this critically important funding, district facilities could suffer as repairs/renovations might be delayed or would reduce the funds available for general education expenses if general funds had to be used in lieu of capital outlay.
- Capital Outlay state aid was eliminated effective for the 2009-10 fiscal year and was reinstated for the 2014-15 budget and forward.
- For 2023-24, capital outlay state aid is estimated at \$150,114 a decrease of -\$66,668 from 2022-23.
- FY 24 proposed budget amount includes a portion of the carryover balance for this fund. In order to expend the carryover balance, the District must have the budget authority to do so if necessary.

018 – Driver Training

FY 23 Actual	FY 23 Budget	FY 24 Proposed Budget	\$ Difference	% Difference
34,633	89,195	92,082	2,887	3.2%

- Expenses remain stable from year to year but do carryover into different budget years due to one session of the class being in June and the other session in July.
- The District eliminated the transfer to this fund for it to be self-supporting in 2009-10.
- The revenue for this fund consists of the carryover balance and student-paid driver’s education fees (\$240/student) as well as \$13,500 state safety aid (\$135/student).
- The enrollment for the 2023-24 budget is based on 100 students.
- FY 24 proposed budget amount includes the carryover balance for this fund. District does not plan to expend the carryover balance but must have the budget authority to do so if necessary.
- During fiscal year 2020-21, the district received a federal KDOT grant to provide up to \$2,000 for driver’s ed program fee reimbursement for qualifying families.
- During fiscal year 2021-22, the district received a federal KDOT grant to provide up to \$4,000 for driver’s ed program fee reimbursement for qualifying families.
- During fiscal year 2022-23, the district received a federal KDOT grant to provide up to \$5,000 for driver’s ed program fee reimbursement for qualifying families.
- The district will receive a \$5,000 KDOT reimbursement grant for 2023-24. KDOT grant payments are paid out during the following fiscal year in which they are awarded (following driver’s ed course completion).

024 – Food Service

FY 23 Actual	FY 23 Budget	FY 24 Proposed Budget	\$ Difference	% Difference
1,113,360	1,512,582	1,576,592	64,010	4.2%

- The transfer to this fund was eliminated for 2010-11 and the program has been self-supporting since that time. This transfer had been as high as \$70,000 in the past.
- Food Service Revenue Summary: Meal Sales (\$571,510), State school food assistance (\$6,610), Federal Child Nutrition Programs (\$519,359), and Interest (\$10,000)
- Food Service Expense Summary: Salaries/Benefits \$579,979 (36.8%), Food Service Management fees \$500,000 (31.7%), Food & Supplies/Other \$496,613 (31.5%)
- District meal prices for 2023-24 are not increasing (breakfast and lunch prices).
- Following is a summary of the meal reimbursement rates, number of meals served, and meal prices:

	2019-20	2020-21	2021-22	2022-23	2023-24
Federal Reimbursement Rate (per meal)	.6025	.6275	\$4.50	.82	\$1.15
State Reimbursement Rate (per meal)	.04	.04	.04	.04	.04
Lunches Served (prior year)	181,373 (2018-19)	165,508 (2019-20)	Not available	194,418 (2021-22)	171,137 (2022-23)
Breakfasts Served (prior year)	50,207 (2018-19)	46,983 (2019-20)	Not available	90,014 (2021-22)	53,178 (2022-23)
Total Meals Served	231,580 (2018-19)	212,491 (2019-20)	Not available	284,432	224,315
Lunch Price (elementary/middle school/high school)	\$2.75 / \$2.80 / \$2.90	\$2.75 / \$2.80 / \$2.90	\$2.75 / \$2.80 / \$2.90	\$2.75 / \$2.80 / \$2.90	\$2.75 / \$2.80 / \$2.90
Breakfast Price (K-5/6-12)	\$1.95 / \$2.00	\$1.95 / \$2.00	\$1.95 / \$2.00	\$1.95 / \$2.00	\$1.95 / \$2.00

- Meals served in 2019-20 were “grossed up” by 25% to allow for the early school closure due to COVID-19 (approximately 25% of school year via remote learning).
- Meals served in 2021-22 were based on the total number of meals served in 2021-22 and the percentage by building for 2019-20 meals served as the per building information was not collected in 21-22 due to all students eating free meals.
- In 2020-21 and 2021-22, all students were eligible for free lunches due to the federal lunch program pandemic funding (ended for the 2022-23 school year).
- FY 24 proposed budget amount includes the carryover balance for this fund. District does not plan to expend the carryover balance but must have the budget authority to do so if necessary.

026 – Professional Development

FY 23 Actual	FY 23 Budget	FY 24 Proposed Budget	\$ Difference	% Difference
24,217	106,228	93,391	(12,837)	(12.1%)

- Past professional development activities were funded via transfer and estimated state aid.
- The budgeted transfer amount for 2020-21 was \$50,000 from General Fund, although no transfer was made. State aid for 2020-21 was \$8,528.
- For 2021-22, professional development state aid was not funded by the legislature. State aid was reinstated for 2023-24 and is estimated at \$7,500.
- The remainder of the fund expenses will be paid from the fund balance and/or fund transfer.
- FY 24 proposed budget amount includes the carryover balance for this fund. District does not plan to expend the carryover balance but must have the budget authority to do so if necessary.

028 – Parent Education

FY 23 Actual	FY 23 Budget	FY 24 Proposed Budget	\$ Difference	% Difference
315,365	379,859	428,460	48,601	12.8%

- The District is the sponsoring district for several area school districts’ Parents As Teachers programs, including Central Heights, Prairie View, Osawatomie, Louisburg, Jayhawk Linn, Garnett and Paola. USD #368’s anticipated portion of the budget after state aid is \$31,200 for 2023-24.
- This fund remains stable unless additional children are added to the program or when additional grant opportunities are available (Bright Futures grant, etc.)
- Hosting this consortium does not impact our mill levy. Each district contributes according to the services provided to them. However, the additional expenses from the consortium overstate our overall budget and expenses per pupil. This is similar to the Adult Education consortium and the Special Education Cooperative which the Paola district also hosts.
- FY 24 proposed budget amount includes the carryover balance for this fund. District does not plan to expend the carryover balance but must have the budget authority to do so if necessary.

030 – Special Education

FY 23 Actual	FY 23 Budget	FY 24 Proposed Budget	\$ Difference	% Difference
3,098,273	4,490,339	4,515,729	25,390	.56%

- Funds for Special Education are transferred into this fund to help operate special education programs for the first 3.5 months of the fiscal year. The state does not provide any aid for special education until at least October 15 of each year. The carryover balance in this fund is needed in order to operate for the first 3.5 months of the fiscal year.
- Special Education categorical aid funding is figured on a per teacher basis, not a per student basis method used for regular education funding. The funding amount based on the number of teachers is then divided by the BSAPP to arrive at an FTE.
- Categorical aid per teacher for 2022-23 was \$31,915 and is estimated to be \$30,800 for 2023-24.
- The special education FTE results in a \$2,655,029 transfer from General Fund to Special Education and a LOB transfer of \$1,210,700.
- ESSER funds by fiscal year were: 2020-21: \$38,018 (ESSER I), 2021-22: \$57,317 (ESSER II) and 2022-23: \$114,634 (ESSER II).
- This fund includes expenditures for Coop payments/USD 368 assessments (\$1,210,700), special education contracted transportation (\$653,500), mileage/fuel transportation expenses (\$18,500) pass through of USD 368 special education entitlement aid to the Coop and Greenbush Special Education flow through state aid (\$2,095,029), Salaries for special education teacher substitutes (\$37,000), and Misc. (\$501,000) for a total budget of \$4,515,729.
- FY 24 proposed budget amount includes a portion of the carryover balance for this fund. District does not plan to expend the carryover balance but must have the budget authority to do so if necessary.

034 – Vocational Education

FY 23 Actual	FY 23 Budget	FY 24 Proposed Budget	\$ Difference	% Difference
757,841	1,290,199	1,323,200	33,001	2.5%

- This fund includes salary and course expenditures for approved district vocational programs, including business education, vo-ag, family and consumer science (FACS), trade/industry, and journalism. Carl Perkins grant revenue for USD 368 is also included in this fund (budgeted at \$10,000). In the past, USD #368 administered the Carl Perkins grant for Osawatomie, Louisburg, and Paola. These funds now flow through Greenbush and Paola’s portion returns to us.
- FY 24 proposed budget amount includes a portion of the carryover balance for this fund. District does not plan to expend the carryover balance but must have the budget authority to do so if necessary.

035 – Gifts and Grants

FY 23 Actual	FY 23 Budget	FY 24 Proposed Budget	\$ Difference	% Difference
73,215	285,731	353,074	67,343	23.6%

- This fund represents charitable grants or gifts provided to the District. Contributions each year are typically spent in the year received.
- Revenue & Expense Summary:

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Revenue	\$59,764	\$54,570	\$56,920	\$59,482	\$104,633	\$72,118	\$148,486	\$98,444	\$62,416	\$108,322
Expense	\$57,478	\$52,588	\$53,640	\$48,197	\$90,117	\$44,087	\$122,163	\$61,532	\$49,762	\$73,215

- Budget for FY 24 is the ending balance of \$236,314 plus estimated revenue of \$116,760 = \$353,074 budget.
- FY 24 proposed budget amount includes the carryover balance for this fund. District does not plan to expend the carryover balance but must have the budget authority to do so if necessary.

047 – Special Reserve Fund (Health Insurance)

FY 23 Actual	FY 23 Budget	FY 24 Proposed Budget	\$ Difference	% Difference
2,837,612	0	0	0	0

- Prior to 2021-22, USD #368 was semi self-insured utilizing a third-party claims administrator, insurance broker, and stop loss (re-insurance) carrier. For the plan year 10/1/22 – 9/30/23 and following, the district is fully insured with Blue Cross Blue Shield.
- Following is a summary of the health insurance fund:

	<u>2014-15</u> <u>Actual</u>	<u>2015-16</u> <u>Actual</u>	<u>2016-17</u> <u>Actual</u>	<u>2017-18</u> <u>Actual</u>	<u>2018-19</u> <u>Actual</u>	<u>2019-20</u> <u>Actual</u>	<u>2020-21</u> <u>Actual</u>	<u>2021-22</u> <u>Actual</u>	<u>2022-23</u> <u>Actual</u>
Beginning Balance	\$1,042,338	\$1,000,826	\$1,380,426	\$1,231,717	\$736,961	\$565,353	\$676,419	\$620,711	\$400,040
Revenue	\$1,930,699	\$2,040,775	\$2,249,262	\$2,264,260	\$3,037,890	\$2,843,439	\$3,316,299	\$3,335,808	\$3,007,718
Expenses	\$1,972,211	\$1,661,175	\$2,397,971	\$2,759,016	\$3,209,499	\$2,732,373	\$3,372,007	\$3,556,479	\$2,837,612
Ending Balance	\$1,000,826	\$1,380,426	\$1,231,717	\$736,961	\$565,353	\$676,419	\$620,711	\$400,040	\$570,146
Stop Loss (per person)	\$85,000	\$85,000	\$85,000	\$95,000	\$110,000	\$110,000	\$110,000	\$110,000	Fully Insured

- During 2022-23, revenue exceeded expenses, resulting in a reserve balance increase of \$170,106.
- Actual expenses only are reported for this fund, therefore, there are no budgeted amounts shown.
- For 2023-24, district contributions will remain at \$600 (no change) and employee contributions **will not increase**.
- Projections are for the health insurance fund balance to continue to increase during 2023-24 to provide a cushion for expected rate increases for the 2024-25 plan year.
- Original contingency funds of \$345,800 were earmarked for the health insurance fund. In 2018-19, \$147,374 from contingency was used for health insurance, leaving \$198,426 of the original amount for health insurance.

051 – KPERS Contribution Fund

FY 23 Actual	FY 23 Budget	FY 24 Proposed Budget	\$ Difference	% Difference
3,416,566	4,145,911	4,099,879	(46,032)	(1.1%)

- This is a pass-through fund to show State financial support of KPERS payments.
- District normally receives four quarterly KPERS payments. However, past payments have been deferred resulting in fluctuations to the fund expenses.
- Budget includes the estimated increase in the KPERS state rate (none for 23-24) and any additional change based on salary increases or staff changes (20% cushion).

053 – Contingency Reserve

FY 23 Actual	FY 23 Budget	FY 24 Proposed Budget	\$ Difference	% Difference
0	0	0	0	0

- The contingency reserve fund may be used for emergency or unanticipated expenditures.
- The current balance is \$987,148 (had been \$1,144,000 before \$147,374 transfer for health insurance expenses and \$28,871 encumbered for the February 2021 natural gas bills subject to ongoing negotiation with the KASB KJUMP natural gas program and Symmetry Energy – reclaimed \$19,393 in 21-22 due to gas settlement).
- Original contingency funds of \$345,800 were earmarked for the health insurance fund. In 2018-19, \$147,374 from contingency was used for health insurance, leaving \$198,426 of the original amount for health insurance.

055 – Student Materials Revolving

FY 23 Actual	FY 23 Budget	FY 24 Proposed Budget	\$ Difference	% Difference
125,381	0	0	0	0

- Revenues are generated by student enrollment fees and were \$125,555 in 2022-23. These fees support textbook purchases, workbooks, some required classroom materials and replacement textbooks as well as Chromebook maintenance and rotation.
- Actual expenses only are reported for this fund, therefore, there are no budgeted amounts shown.
- Future K-12 textbook replacement initiatives will increase the expenses in this fund by based on planned textbook replacement schedule.

056 – Activity Fund

FY 23 Actual	FY 23 Budget	FY 24 Proposed Budget	\$ Difference	% Difference
243,866	0	0	0	0

- This was a new budget reporting fund beginning in 2010-11. Reporting is of actual expenses only – no budgeted figures for 2023-24 are included.
- Expenses reflect PHS and PMS expenses as defined by statutory requirements.
- The term “activities” means activities, events, and competitions in such fields as athletics, music, forensics, and dramatics, and other interschool or intra-school extracurricular activities in which pupils may participate directly or indirectly. Does not include student organizations or clubs (only district funds).
- Majority of expenses are supplies, officials/referees, and equipment.

• Activity Fund Summary:

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Revenue	\$222,421	\$235,750	\$221,740	\$202,016	\$211,367	\$214,299	\$216,079	\$204,192	\$173,941	\$205,566	\$221,372
Expenses	\$169,882	\$251,606	\$234,501	\$201,961	\$214,162	\$208,149	\$210,923	\$210,242	\$181,587	\$189,342	\$243,866

062 – Bond and Interest

FY 23 Actual	FY 23 Budget	FY 24 Proposed Budget	\$ Difference	% Difference
2,190,163	2,190,163	2,165,412	(24,751)	(1.13%)

- Revenue in this fund is generated by a mill levy and is available for payment of bond principal and interest.
- The proposed levy for this fund is 9,818 mills, a reduction of .185 mills.
- The budgeted amount is necessary to meet the bond repayment schedule for the next 18 months.

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Budget	2019-20 Budget	2020-21 Budget	2021-22 Budget	2022-23 Budget	2023-24 Budget
Expenditures (pmts)	\$1,536,136	\$2,192,765	\$2,950,743	\$2,739,714	\$1,769,032	\$2,204,434	\$2,196,512	\$2,196,062	\$2,197,137	\$2,190,162	\$2,165,412
State aid factor (%)	24%	25%	27%	31%	32%	32%	30%	24%	16%	13%	9%
State aid (\$)	\$368,673	\$548,191	\$796,701	\$849,311	\$566,090	\$705,419	\$658,954	\$527,055	\$351,542	\$284,721	\$194,887
Outstanding Debt	\$7,860,000	\$23,550,000	\$22,030,000	\$19,835,000	\$18,365,000	\$17,145,000	\$15,470,000	\$13,755,000	\$11,985,000	\$10,160,000	\$8,280,000
Mill Levy	11.117	11.128	9.034	13.78	10.447	11.924	10.886	10.789	10.004	10.004	9.818

- Assessed valuation changes along with student enrollment changes impact the bond & interest state aid percentage.
- No state aid would be received on bonds passed after 7/1/22.

067 – Special Assessment

FY 23 Actual	FY 23 Budget	FY 24 Proposed Budget	\$ Difference	% Difference
0	26,436	26,436	0	0%

- The levy for this fund was previously eliminated at which time the cash balance in this fund was \$29,107.
- Expenses in 2013-14 were made for the installation of sidewalks (8-foot asphalt trails) along Hedge Lane on the East side of PHS and Sunflower and along the Adult Education property. USD #368 was assessed for the cost of the sidewalk installation of \$28,830.
- The mill levy was reinstated in 2014-15 to fund crosswalk safety enhancements planned by the City of Paola (\$7,050).
- No revenue will be levied for 2023-24.
- Any remaining cash balance will be used for future special assessments due.
- FY 24 proposed budget amount includes the carryover balance for this fund. District does not plan to expend the carryover balance but must have the budget authority to do so if necessary.

078 – Coop Special Education

FY 23 Actual	FY 23 Budget	FY 24 Proposed Budget	\$ Difference	% Difference
17,034,300	19,719,625	20,168,840	449,515	2.3%

- The District is the sponsoring district of the East Central Kansas Special Education Cooperative for seven other area school districts (Central Heights, Garnett, Jayhawk, Louisburg, Osawatomie, Paola, Pleasanton, and Prairie View).
- Coop Revenue Comparison (budgeted):

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Interest	\$10,000	\$15,000	\$25,000	\$30,000	\$30,000	\$30,000	\$30,000	\$100,000
Payments from participating school districts	\$8,886,387	\$9,437,118	\$9,961,987	\$10,960,635	\$11,501,412	\$12,100,504	\$12,175,683	\$12,210,588
Payments from USD #368	\$2,617,973	\$2,578,823	\$3,048,765	\$3,130,184	\$3,229,090	\$3,063,070	\$3,136,069	\$3,074,174
Federal aid/Medicaid	\$2,200,823	\$2,273,940	\$2,288,528	\$2,296,863	\$2,334,516	\$2,361,984	\$2,418,203	\$2,687,523
Greenbush state aid flow through & Miscellaneous	\$779,888	\$780,874	\$857,086	\$974,208	\$1,054,327	\$879,535	\$959,670	\$1,096,555
TOTAL REVENUE:	\$14,495,071	\$15,085,755	\$16,181,366	\$17,391,890	\$18,149,345	\$18,435,093	\$18,719,625	\$19,168,840

- Sponsoring the special education coop does not impact our mill levy. Each district contributes according to the services provided to them. However, the additional expenses from the special education coop overstate our overall budget and expenses per pupil. This is like the Parents As Teachers consortium and the Adult Education consortium which the Paola district also hosts.
- FY 24 proposed budget amount includes a portion of the carryover balance for this fund. The coop does not plan to expend the carryover balance but must have the budget authority to do so if necessary.

TOTAL EXPENDITURES & BUDGET AUTHORITY:

FY 23 Actual	FY 23 Budget	FY 24 Proposed Budget	\$ Difference	% Difference
54,855,916	63,278,104	64,500,663	1,222,559	1.9%

- As noted, the FY 24 proposed budget amounts include the carryover balance for most funds. District does not plan to completely expend the carryover balances but must have the budget authority to do so if necessary. As the Notice of Hearing states, the expenditures establish the maximum limits of the 2023-24 Budget.
- To illustrate this, the 2022-23 proposed budget was \$63,886,436 and the actual expenditures were \$54,855,916, a difference of \$9,039,520 less than the published budget amount. FY 24 actual expenditures will most likely be less than the published budget of \$64,500,663 as the fund balances are not expected to be completely expended.
- Estimated FY 24 net expenditures are \$57,415,858 after budgeted transfers of \$7,084,805.

Summary:

- Following is a summary of the mill levy history and total taxes levied:

	2015-16 (actual)	2016-17 (actual)	2017-18 (actual)	2018-19 (actual)	2019-20 (actual)	2020-21 (actual)	2021-22 (actual)	2022-23 (actual)	2023-24 (projected)
General Fund	20.000	20.000	20.000	20.000	20.000	20.000	20.000	20.000	20.000
Supplemental General (LOB)	21.606	14.830	17.119	14.598	14.106	13.153	12.528	12.664	12.848
Capital Outlay	8.000	7.992	7.996	8.000	7.980	8.000	8.000	7.999	6.880
Bond and Interest	9.034	13.780	10.442	11.931	10.858	10.789	10.004	10.003	9.818
Special Assessment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Mill Levy	58.64	56.602	55.557	54.529	52.944	51.942	50.532	50.666	49.546
Change from prior year	4.347 increase	2.038 decrease	1.045 decrease	1.028 decrease	1.585 decrease	1.000 decrease	1.410 decrease	.1340 increase	1.120 decrease
Total Taxes Levied	\$7,531,319	\$7,435,839	\$7,637,034	\$7,956,501	\$8,278,544	\$8,593,601	\$9,096,946	\$10,198,603	\$11,570,411

- The proposed budget is the maximum amount which can be adopted should the hearing notice be approved for publication.
- The estimated tax rate (mill levy) is subject to slight change depending on final assessed valuation.
- Exceeding the Revenue Neutral Tax Rate hearing will be held on August 28th at 6:00 PM.
- Budget hearing to approve the 2023-2024 budget will be held on August 28th at 6:15 PM.

Questions:

- Questions may be directed to Jimmy Hay, USD #368 Director of Finance at 913-294-8090 or via email to jimmy_hay@usd368.org.
- Complete budget information is available on the USD #368 district website homepage at www.usd368.org.

