

MID-BUCHANAN R-V SCHOOL DISTRICT

Faucett, Missouri

Amended Budget for Fiscal Year 2018

Presented by Dr. Cody G. Hirschi Superintendent

Adopted by the Mid-Buchanan R-V Board of Education October 24, 2017

Mid-Buchanan R-V School District
2018 Fiscal Year Budget

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October 11, 2017

Board of Education
Mid-Buchanan R-V School District
Faucett, MO 64448

Dear Board of Education,

Submitted herein is an amended financial budget for the educational program of the Mid-Buchanan R-V School District for the 2017-2018 school year, (Fiscal Year 2018).

The proposed expenditures, in my opinion, are necessary to maintain District facilities, provide for a quality program and to continue improving the educational offerings of our District. One of the primary goals this year will be to develop and adopt a long term strategic governance plan. The plan will outline goals and actions to ensure that we are moving towards continuous improvement and growth in various areas determined by the planning team. The governance plan will outline how we prioritize funds in the targeted areas.

Recognition should be given to the administrative staff for their assistance and extra time and effort given to aid in the preparation and accounting of this budget.

It must be recognized that this budget is based on the best available information at the time of preparation. Subsequent revisions by the administrative team and Board of Education will be necessary. This budget is simply a working document which will be reviewed and revised continually.

As your Superintendent of Schools and Budget Officer, I recommend the adoption of this amended budget.

Respectfully,

Cody Hirschi, Ed.D.
Superintendent of Schools

BUDGET MESSAGE

The following budget message is intended to provide an overview of the anticipated revenue and expenditures for the 2017-2018 fiscal year with clarification given for areas of large deviation from recent years. The budget is a map to guide the fiscal resources of the District to help ensure that expenditures are made in such a manner as to improve the educational programs of the Mid-Buchanan R-V School District. This message will be divided into three areas: 1. Instructional Plan; 2. Revenue Plan; 3. Expenditure Plan. Due to the extensive number of objects in the budget, I will not take the time to explain each in detail. Rather, I will attempt to highlight certain line items for you and clarify major changes from the past year.

INSTRUCTIONAL PLAN

Current enrollment figures of the Mid-Buchanan R-V School District are:

High School Enrollment:	324
Elementary School Enrollment:	418
Pre-School Enrollment:	20
Total:	762

The educational staff for the 2017-2018 school year consists of the following positions:

5	Administrators
3	Directors (Tech, Maintenance, Food)
32	Elementary School Teachers (
33	High School Teachers (6 part-time)
2	Counselors
1	Nurse
2	Health Aides (2 part-time)
8	Para Professionals (1 part-time)
6	Secretaries (4 full-time)
7	Custodians/Maintenance
3	Cooks

102 TOTAL

Staff utilization for the 2017-2018 school year includes:

* The District will continue to utilize contracted services for existing teaching positions including: Physical Therapist, and Occupational Therapist. These services are provided through UCP of Northwest Missouri and arranged through the Special Education Cooperative.

* The District will utilize Missouri Western for the provision of academic coursework, including dual credit classes.

Instructional programs requiring attention in the new fiscal year include many initiatives which have been focused on in the past. The elementary will be focusing much of their professional development in trainings regarding SW-PBS. This new school-wide behavioral approach requires consistency across the building to ensure success. They will also continue working in data teams. The high school staff will be engaging in professional development centered around the Assessing Capable Learners work. Curriculum work has to be an immediate focus to ensure that our students are not only prepared for state assessments, but also prepared for college and career experiences. The Missouri School Board of Education adopted the new Missouri Learning Standards last spring. We are significantly behind with curriculum development. This work has not been completed so it will need to be a priority and will become part of our governance plan. It is anticipated that curriculum development will be completed by the Spring of 2019 and will be a district-wide priority, superseding all other instructional initiatives.

With a continued emphasis on student performance, specifically related to the Missouri School Improvement Plan (MSIP) 5 and state accreditation, the District must closely monitor student achievement on the MAP and EOC testing. Based on previous AYP reports, communication arts, math, and science must be an area of focus for improvement at both the elementary and secondary levels. High school students must be challenged to engage in a rigorous schedule of courses which will either prepare them for the work force or for extended learning beyond their high school years. Student participation in advanced coursework must be carefully monitored as well as student preparation for taking the ASVAB, ACT, SAT and/or the COMPASS. While drop-out rates have not been a pressing issue for the past few years, the District must continue to identify and meet the needs of at-risk students, assuring that all students are connected to learning. Efforts to maintain the state's attendance goal of 90% at 90% must continue and will be a focus of the faculty and staff.

The District provides students the opportunity to receive vocational training through the Area Career and Technical College (Hillyards) and additional coursework on the Mid-Buchanan campus. With the support of the guidance office, the District must encourage students to pursue such training opportunities related to their post-graduate plans. The District will continue to support students in the A+ program and will continue to recruit student participation. Students participating in this program must be closely monitored and guided to meet all requirements of this program prior to their graduation from high school. Technology will play a major role in the future within the instructional environment of the classroom as teachers use this tool to best prepare students for life in the 21st century. The district needs to develop a plan to ensure that our infrastructure can support devices in the classroom. A technology plan will be developed to ensure this is part of our long range planning.

REVENUE PLAN

LOCAL - Current taxes for FY18 are currently projected to be \$2,816,394 generated in Operating and \$541,823 in Debt Service. The total levy being assessed to the property owners of the District is currently \$5.5782 which is separated with \$4.6782 in fund 1 and \$.9000 in fund 3.

The district will need to analyze our debt repayments to ensure that there are adequate funds levied in the future to meet debt obligations. This analysis will be conducted this school year. In August, the Board of Education conducted a tax rate hearing and determined how to set the rate for the 2017-2018 school year.

Prop C funding is budgeted at \$701,418.00. The Governor's Budget has projected an increase Prop C revenues, which will be paid based on our 2016-2017 weighted ADA, which has increased in FY17. Prop C funding is based on approximately \$985 per weighted average daily attendance. The \$985 per WADA is \$50 higher than what was budgeted going into FY17. This anticipated increase is based off of actual DESE projections and current calculations.

The local food service proposed revenue is budgeted at \$175,000. This proposed budget is based off of actual FY17 receipts.

Student Activity accounts need significant work to ensure accurate accounting. Student activity fund balances carry-over from year to year so what is not spent in one year may be spent in the next. This is an account that needs to be evaluated closely over the next few years. This proposed budget makes a clear distinction between district money and student activity/fund raising money. It is the goal of the district to not mix the two funds together. Several corrections are being made to fix these accounts.

Bottom Line on Local Revenue: The proposed budget shows local revenue of \$4,569,537.00. This equated to about 57% of all our revenues.

COUNTY - Revenue from Fines, Forfeitures, Etc. and Railroad & Utilities have been budgeted for the 2018 fiscal year at \$244,000 based on FY17 revenue

STATE – For the FY18 budget, the District has currently estimated revenue of \$2,936,993.00. These numbers are based on projections provided by the state and our ADA calculations. An estimated \$2,489,493 will be generated through the state funding formula and \$288,400 is anticipated in Classroom Trust (Gaming) funds.

Transportation revenue budgeted for FY18 is lower than in FY17. This is an area that has been cut significantly over the years. The FY18 budget is \$63,400 compared to \$75,000 budgeted last year.

Bottom Line on State Revenue: The proposed budget shows State revenue at \$2,936,993.00 compared to \$3,042,944.37 recorded in FY17 ASBR. Proposed budget figures are based on the previous year receipts and state funding projections. Total State revenues account for about 36% of the budgeted revenues.

FEDERAL - The Federal revenue area is comprised of several entitlement areas such as IDEA, Title I, and Title II A - Teacher and Principal Training and Recruiting Fund. Additionally, \$10,000 has been allocated for Title VI, which will be used towards technology. Each of these grant programs have been budgeted based on allocation information from DESE. It is important

to note that these Title funds have been lumped together in the budget. DESE allows this as an option. The increase in Title funds allows for the district to cover the salaries of both Title teachers and allows around \$4000 to be allocated towards materials. Federal lunch and breakfast revenues are projected based on revenue during past years. The District will continue to encourage families to participate in the Free and Reduced Lunch Program if eligible.

Bottom Line on Federal Revenue: Fiscal year 2018 federal revenues are budgeted at \$352,019. Comparatively, the 2017 indicated revenues of \$554,908.00. The difference reflects deductions in \$188,937 in FEMA funds that were used for the safe room construction. Total Federal revenues represent about 4.3% of the district's budgeted revenues.

OTHER - Additional revenues to the District include tuition paid to our District from a couple of tuition students. At this time, we have two students paying tuition.

EXPENDITURE PLAN

STAFF - Salaries: Certificated salaries have been budgeted with the previously approved \$500 increase to the base salary. Teachers were allowed to move on the schedule as they are eligible. Retirement benefits remain the same as last year at 14.5%. Health insurance rates are budgeted based on actual rates provided by MEUHP. The district currently pays \$528.47 towards employee health, dental, and life insurance.

Non-certificated staff salaries have been budgeted with the previously approved step down on the salary schedule and increase to the base salary per position. Retirement benefits are 6.68%, social security 6.2% and Medicare 1.45%. Health insurance rates are budgeted based on actual rates provided by MEUHP.

Salary and benefit expenditures account for nearly 69% of the district's expenditures. The state average in this category was 62.65% in the prior year. Our staff is compensated above the state average.

The District will pay \$2,250 to Hillyard Technical Center for each of our students to receive vocational education. We currently have 29 students attending, which costs the district \$65,250.00

CONTRACTED SERVICES: A physical therapist and occupational therapist will be contracted through UCP of Northwest Missouri, with the Special Education Co-Op serving as the fiscal agent. In addition, the District has contracted with the Co-Op to assist in the implementation of Early Childhood Special Education, Special Education and Parents as Teachers programs. In certain cases, the District contracts additional services related to students with special needs which can not be adequately addressed by personnel within the District. In total, the fiscal year 2018 budget includes contracted service expenses which would include those specified areas as identified above as well as other expenditures such as: transportation; travel; copy machine usage; testing expenditures; liability insurance; audit, election, and legal services; advertising

costs; postage; telephone; water; property insurance; and repair expenses for plant and transportation related items. Of total budget expenditures, approximately 10.8% are related to contracted or purchased services.

MATERIALS AND SUPPLIES: Material and supply expenditures include instructional supplies, all student activity expenses, library materials, building and district office supply expenses, transportation supplies (including fuel), food supplies, and plant materials (inclusive of general supplies, electricity and gas). 10.7% of the budget is attributed to material and supply expenditures. This budget is more than sufficient to complete some projects and can be changed after the strategic plan is adopted by the BOE. The goal is to spend conservatively during this fiscal year and then use the plan to determine needs and budgeting priorities.

EQUIPMENT/CAPITAL PROJECTS: The draft budget for fiscal year 2018 designates fund 4 expenditures of \$152,750 which includes money for anticipated district improvements. This comprises 2% of the budget. This is an area that the Board and administration will need to consider to ensure adequate funds are available to address improvements in the adopted plan.

DEBT SERVICE: Debt service payments (fund 3) this year will be \$546,905.00, or 7.08% of the budget towards principal and interest of debt.

Total expenditures budgeted for the FY18 total \$7,715,755.00. Total budgeted revenue for FY 18 is \$8,070,329.00.

Anticipated reserves for FY18 will be around 20%, which is aligned to previous board discussion. The strategic plan will ensure that we are making sound fiscal decision to drive the district forward.

It must be kept in mind that all revenues and expenditures are estimates which are subject to change. New information is received regularly in reference to local, state and federal revenues. Accordingly, the budget must be reviewed monthly to assure that the District is operating in a wise fiscal manner. One of the challenges has been to really understand what our current reality is with our finances. This is largely due to budgeting and accounting issues that are being discovered. It is anticipated that it will take a couple of years to really align the budget to our new philosophies and strategic planning.

In summation, it appears that the Mid-Buchanan R-V School District will be able to continue to provide the students of our district with a quality educational program. The Board of Education and school community should be optimistic about our future. However, at the same time, the Board must face the reality that the maintenance of our aging facilities and cost of educating children will only get more expensive as time moves on. It is our desire to provide our students with the quality education which they deserve, while maintaining a balanced budget.