



SHAWNEE  
MISSION

SCHOOL DISTRICT

***Finance and Facilities Committee***  
***School Finance 101***

*April 21, 2020*



# SHAWNEE MISSION SCHOOL DISTRICT THE BRIDGE TO UNLIMITED POSSIBILITIES

# DESTINATION

Every student will have a **personalized learning plan** that supports them in being **college/career ready** and having the **interpersonal skills** important to life success.

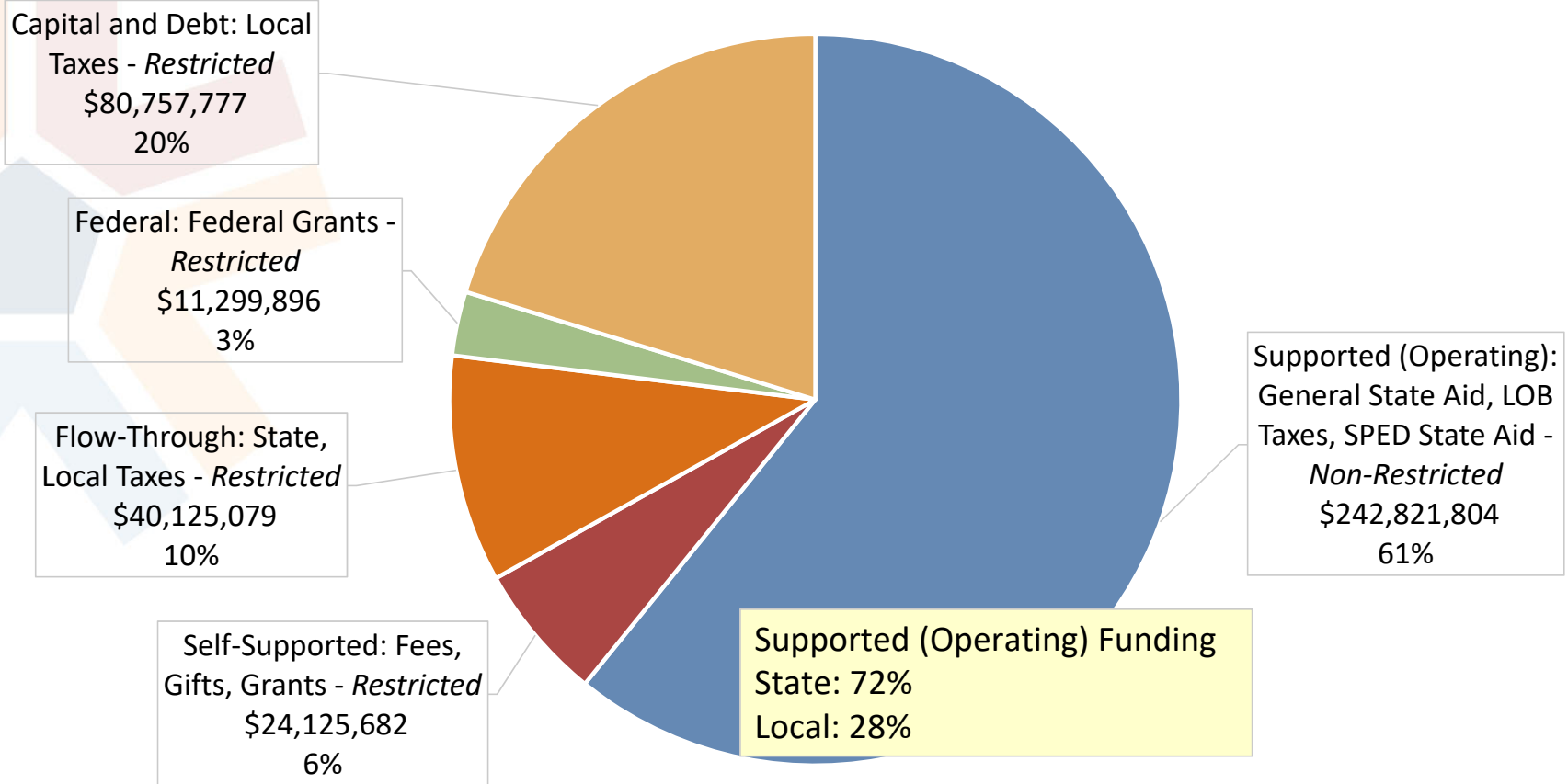
# SMSD BUDGET 2019-2020

<b>SUPPORTING (OPERATING)</b> \$242,821,804 61% (State = 72%)	<b>CAPITAL OUTLAY</b> Local-Restricted \$46,926,311 12% (State = 0%)	<b>BOND (DEBT)</b> Local-Restricted \$223,000,000 \$32,931,466 Debt 8% (State = 0%)	<b>FLOW THROUGH</b> State/Local - Restricted \$40,125,079 - 10% (State = 80%)	<b>FEDERAL Restricted</b> \$11,299,896 3% (Federal = 100%)	<b>SELF SUPPORTED</b> Fees, Gifts, Grants -Restricted \$24,125,682 – 6% (State = 1%)
Unrestricted for these purposes: <ul style="list-style-type: none"> <li>• Salary &amp; benefits 83%</li> <li>• Student transportation 6%</li> <li>• Supplies &amp; services 5%</li> <li>• Utilities 4%</li> <li>• Other 2%</li> </ul>	Restricted by statute for these purposes: <ul style="list-style-type: none"> <li>• Bond Debt &amp; Apple Leases</li> <li>• Construction</li> <li>• Renovation &amp; repair</li> <li>• Maintenance salaries</li> <li>• Technology and software</li> <li>• Furnishings and equipment</li> <li>• Uniform purchases</li> </ul>	Requires voter approval and is restricted for these purposes: <ul style="list-style-type: none"> <li>• Major construction and renovation of facilities</li> <li>• Equip and furnish facilities</li> <li>• Cannot be used for operations</li> <li>• Bond debt is paid from the Bond &amp; Interest Fund</li> </ul>	Restricted by statute for these purposes: <ul style="list-style-type: none"> <li>• KPERS flow-through contribution funded by the state</li> <li>• Cost of living weighting funded by local taxes</li> </ul>	Restricted by grant for these purposes: <ul style="list-style-type: none"> <li>• Title VIB special education</li> <li>• Title I reading &amp; math support in our high poverty schools</li> <li>• Title IIA to develop high qualified teachers and principals</li> <li>• Title III &amp; IV</li> </ul>	Restricted by statute for the revenue specific purposes: <ul style="list-style-type: none"> <li>• Food service and summer school</li> <li>• Textbook rental &amp; student materials</li> <li>• Gift, Donations &amp; non-federal grants</li> <li>• Special liability</li> </ul>

## Shawnee Mission School District Summary of Fund Types - Budget FY2020

<b>All Funds</b>		<b>\$399,130,238</b>	<b>100%</b>				
<b>Supported Funds</b>		<b>\$242,821,804</b>	<b>61%</b>	<b>Federal Funds (Except Federal Funds included in Food Service Fund)</b>		<b>\$11,299,896</b>	<b>3%</b>
006	General Fund	\$143,400,558		111	Title I	\$3,177,141	
008	Supplemental General	\$18,047,336		112	Title I Part C - Migrant	\$66,000	
011	At Risk (4 Year Old)	\$1,337,624		115	Title II	\$886,189	
013	At Risk	\$26,024,725		120	Carl Perkins	\$267,814	
014	Bilingual Education	\$2,596,285		130	Title VI-B Grants	\$350,884	
015	Virtual Education	\$141,761		131	Title VI-B (Pass Thru \$)	\$6,116,079	
026	Inservice Education	\$339,722		141	Title III - English Language Acquisition	\$268,708	
028	Parent Education Program	\$622,515		150	Drug Free	\$167,081	
030	Special Education	\$43,606,140		<b>Capital and Debt Retirement</b>		<b>\$80,757,777</b>	<b>20%</b>
034	Vocational Education	\$5,561,747		016	Capital Outlay	\$46,926,311	
052	Sch Wrkr Comp Reserve	\$1,143,391		062	Bond & Interest #1	\$32,931,466	
053	Contingency Reserve	\$0		067	Special Assessment	\$900,000	
<b>Self-Supported Funds</b>		<b>\$24,125,682</b>	<b>6%</b>	<b>Flow-Through Funds to the State</b>		<b>\$40,125,079</b>	<b>10%</b>
012	Adult Supplemental Ed	\$35,421		019	Declining Enrollment	\$0	
023	E-School	\$82,313		033	Cost of Living	\$8,048,909	
024	Food Service	\$15,015,963		051	KPERS Retirement Contribution	\$32,076,170	
029	Summer School	\$773,375					
042	Special Liability Expense	\$1,257,000					
054	Student Materials	\$1,051,989					
056	Textbook Rental	\$3,112,979					
057	Health Reserve	\$1,553,735					
320	Gifts and Donations	\$1,174,022					
350	Drug Free Schools - Local	\$68,885					

## 2019-20 Budgeted Expenditures by Fund Type



## SUPPORTED (OPERATING) FUNDS

- Funds are used to account for the general operation of the district. This includes salaries, benefits, student transportation, utilities, and supplies & services.
- Includes the general, supplemental general (LOB), special education as well as other funds that are supported by transfers from these funds.
- Main revenue sources -- state aid, local taxes and reimbursable fees.

# General Fund Budget 2019-20

## Weighted FTE

FTE Enrollment	26,970.0
Student Growth Reserve	199.9
Bilingual	503.0
CTE (Vocational)	489.4
At-Risk (4 Year Old)	111.5
At-Risk	3,481.4
High Density At-Risk	208.8
New Facilities	158.6
Transportation	676.8
High Enrollment	948.9
Cost of Living	1,814.5
Special Education	4,915.4
<b>Total</b>	<b>40,478.2</b>

Statutes eliminated New Facilities weighting. Last year receiving.



# General Fund Budget 2019-20

## General Fund Authority

Weighted FTE	40,478.2
BASE	x \$4,436
Subtotal	<u>\$179,561,295</u>
Virtual State-Aid	\$106,350
<b>General Fund Authority</b>	<b>\$179,667,645</b>

YEAR	BASE
2020-21	\$4,569
2021-22	\$4,706
2022-23	\$4,846
2023-24	CPI

# Supplemental General Fund Budget 2019-20

## “LOB – Local Option Budget”

### LOB Fund Authority

Weighted FTE	40,478.2
Less Special Education	(4,915.4)
Subtotal	35,562.8
LOB BASE	x \$4,558
Adjusted General Fund	\$162,095,242
Special Education FY09	\$26,103,306
<b>LOB Base</b>	<b>\$188,198,548</b>
<b>LOB %</b>	<b>33%</b>
<b>LOB Authority</b>	<b>\$62,105,521</b>

“Fake BASE” adjusted by CPI until real BASE catches up

Higher of FY09 or current year SPED

## Special Education (SPED) State-Aid 2019-20

SPED Teachers	370.20 FTE	\$29,800	\$11,031,960
SPED Paraprofessionals	363.25 FTE	@40%-\$11,920	\$4,329,940
Subtotal			\$15,361,900
SPED Transportation	\$7,719,744	80%	\$6,175,795
Medicaid Replacement State-Aid			\$191,000
Catastrophic State-Aid			\$76,000
<b>Special Education State- Aid</b>			<b>\$21,804,695</b>

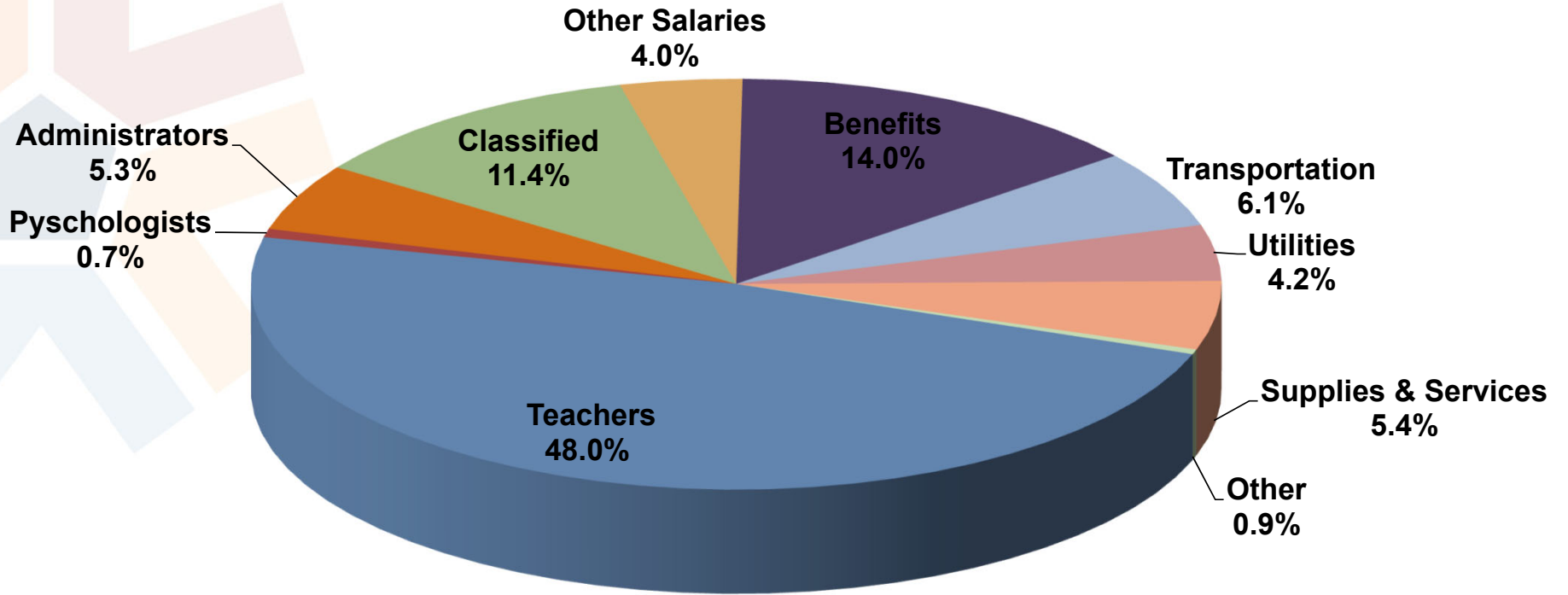
## Special Education Excess Cost

- The state attempts to fund the appropriation at 92% of the excess cost of special education. In 2017, the state was at 81%.
- Since most of the appropriation is used to reimburse a portion of special education and paraprofessional salaries and the amount is fixed for all school districts, those districts with higher salaries (i.e. large, urban) receive much less than 92% of our excess costs.
- The latest legislative post audit report showed a reimbursement range of 45% to 207% with Shawnee Mission's reimbursement around 66%.
- Shawnee Mission would need to receive an additional \$8 million in special education state-aid to be at 92% of our excess costs.

## Budgeted Operating Funding 2019-20

General	\$157,862,950	State Aid
LOB	62,105,521	Local Taxes
Special Education	21,715,295	State Aid
Reimbursables	2,281,000	Local
Medicaid	1,565,000	Federal
Interest/Other	1,985,995	Local
<b>Total</b>	<b>\$247,515,761</b>	

# 2019-20 Budgeted Operating Expenditures



**83.4% of Budget for Salaries and Benefits –\$202,512,463**

Salary Cost Factors (For Illustrated Purposes Only)					
Pay Group	Step %	Step Only	1% Base	Soc. Sec. & Unemployment	Total by Group
Certified	1.31%	\$1,509,739	\$1,154,759	\$206,499	\$2,870,996
Administrators	0.00%	-	132,652	10,281	142,933
Psychologists	2.14%	34,046	15,908	3,871	53,825
Classified	2.15%	608,881	283,069	69,126	961,076
PAT	2.30%	8,136	3,535	905	12,576
<b>Total</b>		<b>\$2,160,802</b>	<b>\$1,589,923</b>	<b>290,681</b>	<b>\$4,041,407</b>
Soc. Sec. & Unemployment		167,462	123,219		
<b>Total by Factor</b>		<b>\$2,328,264</b>	<b>\$1,713,143</b>		<b>\$4,041,407</b>

## Budgeted Operating Expenditures 2019-20

Salaries	\$168,494,814
Benefits	34,017,649
Student Transportation	14,841,553
Utilities	10,236,931
Supplies and Services	13,067,732
Property Insurance/Other	920,000
Student Growth Reserve	1,243,125
<b>Total</b>	<b>\$242,821,804</b>



## Summary of Fund Balances

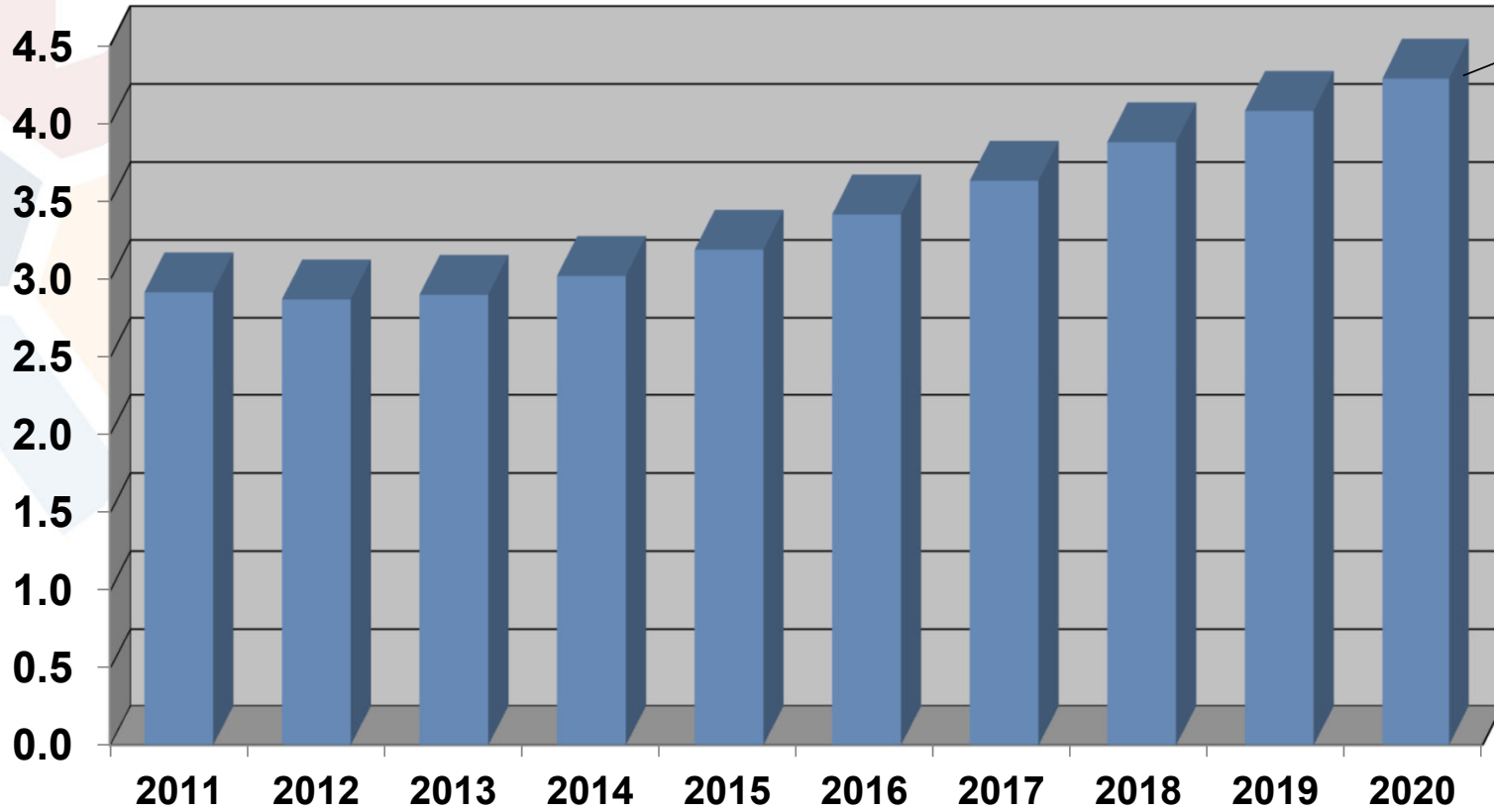
	<u>Actual 2017-18</u>	<u>Actual 2018-19</u>	<u>Budget 2019-20</u>
Base State Aid Per Pupil	\$4,006	\$4,165	\$4,436
Revenues	\$231,342,401	\$236,639,787	\$247,515,761
Expenditures	\$232,584,556	\$237,766,101	\$242,821,804
Surplus / (Deficit)	(\$1,242,155)	(\$1,126,314)	\$4,693,957
Beginning Fund Balance	\$15,501,775	\$14,259,620	\$13,133,306
Ending Fund Balance	\$14,259,620	\$13,133,306	\$17,827,263
Balance as % of Expenditures (Ending FB + Cont. Reserve)	8.56%	7.89%	9.66%
Workers Comp Reserve	\$2,600,000	\$2,600,000	\$2,600,000
Contingency Reserve	\$5,638,052	\$5,638,052	\$5,638,052

Budget 2019-20, does not include salary increases for all pay groups, except the classified pay group.

# CAPITAL & DEBT RETIREMENT FUNDS

- Capital Outlay fund - receives local taxes for the purpose of construction, repair, remodeling, furnishings, equipment, software, uniforms and technology for district facilities.
- Debt Retirement fund (Bond & Interest Fund) - receives local taxes for the payment of interest & principal on general long-term debt and special assessments.
- These funds can not be used for operating expenditures.

# Assessed Valuation (In Billions)



**\$4.29 billion**  
5.1%

## Capital Outlay: Revenue

<i>Beginning Fund Balance</i>		<i>\$13,660,866</i>
<i>Revenues:</i>		
Property/MV Taxes	\$35,659,858	
Miscellaneous/Interest	174,853	
Apple Repair/Replacement Fees	125,000	
Apple Trade-In	1,750,000	
<i>Total Revenues</i>	<hr/>	<i>\$37,709,711</i>
<i>Total Budget Available</i>		<hr/> <i>\$51,370,577</i>

## Capital Outlay: *Expenditures*

*Total Budget Available*

**\$51,370,577**

*Expenditures:*

Schools/Departments

\$ 1,783,096

Technology

4,238,119

Operations and Maintenance

13,000,000

Salaries and Benefits

4,529,308

Bond and Apple Lease Payments

17,235,373

Unallocated Projects

5,584,681

*Total Expenditures*

**\$46,370,577**

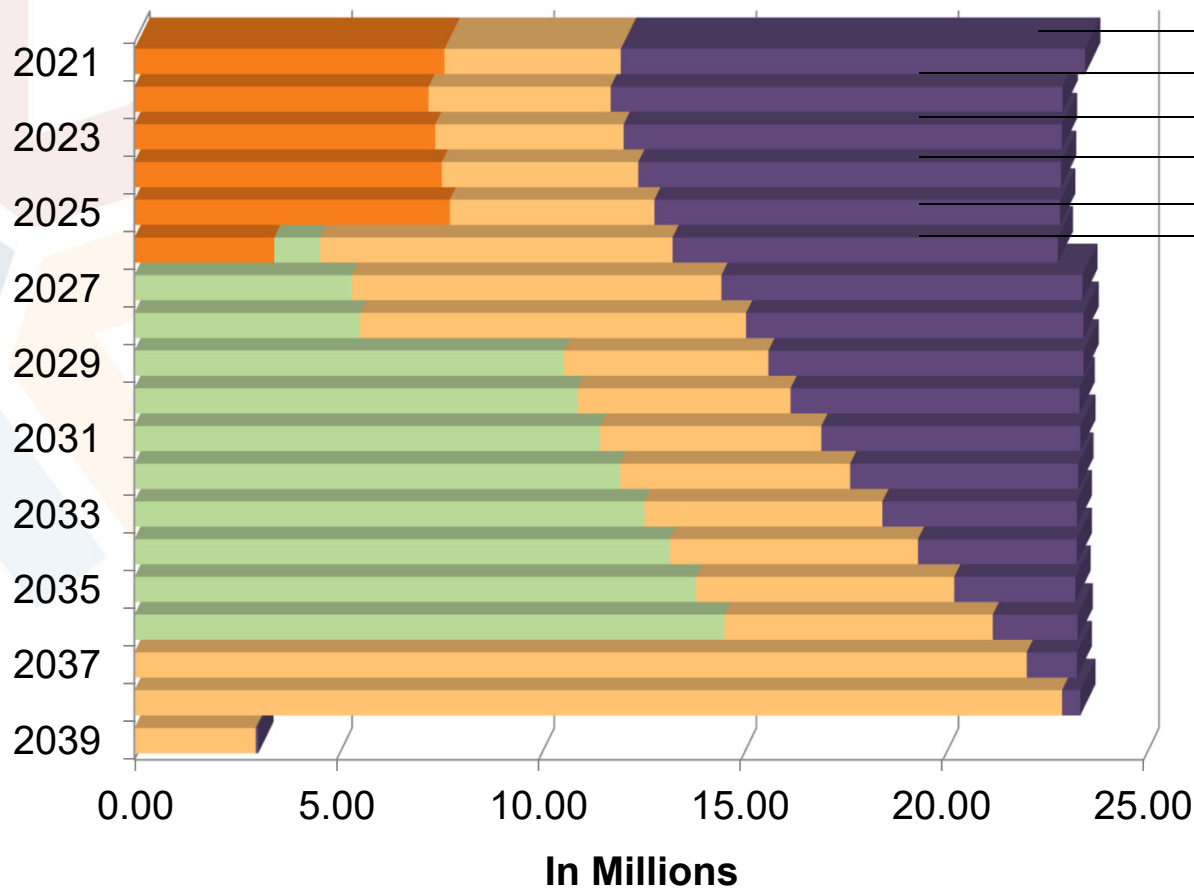
*Ending Fund Balance*

**\$5,000,000**

## BOND REFERENDUM

- Requires voter approval of 50%
- Restricted for the purpose of major construction and renovation of facilities and equipping and furnishing of facilities
- Bond proceeds cannot be used for operations
- 20 year term general obligations bonds are issued
- Bond debt is retired from the Bond & Interest Fund which is funded from local taxes
- 2015 \$233 million bond referendum will be spent by the end of this summer

# Debt Service Requirements by Year and Issue



7.436 Current Mill Rate

7.434

6.934

6.934

6.934

6.934

6.934

Projected Mill Rates

- 2012A - Refunding
- 2015A - Construction
- 2016B - Construction
- Interest

## SELF-SUPPORTED FUNDS

- Revenue received equals (or exceeds) the expenditure budget
- Receive no transfers from general or LOB fund
- Revenue received is for a specific purpose
- Revenue includes:
  - Fees
  - Local Taxes
  - Interest
  - Gifts, Grants, and/or Donations



## Shawnee Mission School District Summary of Fund Types - Budget FY2020

**All Funds** **\$399,130,238** **100%**

**Supported Funds** **\$242,821,804** **61%**

006	General Fund	\$143,400,558
008	Supplemental General	\$18,047,336
011	At Risk (4 Year Old)	\$1,337,624
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**Self-Supported Funds** **\$24,125,682** **6%**

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023	E-School	\$82,313
024	Food Service	\$15,015,963
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350	Drug Free Schools - Local	\$68,885

**Federal Funds (Except Federal Funds included in Food Service Fund)** **\$11,299,896** **3%**

111	Title I	\$3,177,141
112	Title I Part C - Migrant	\$66,000
115	Title II	\$886,189
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131	Title VI-B (Pass Thru \$)	\$6,116,079
141	Title III - English Language Acquisition	\$268,708
150	Drug Free	\$167,081

**Capital and Debt Retirement** **\$80,757,777** **20%**

016	Capital Outlay	\$46,926,311
062	Bond & Interest #1	\$32,931,466
067	Special Assessment	\$900,000

**Flow-Through Funds to the State** **\$40,125,079** **10%**

019	Declining Enrollment	\$0
033	Cost of Living	\$8,048,909
051	KPERS Retirement Contribution	\$32,076,170

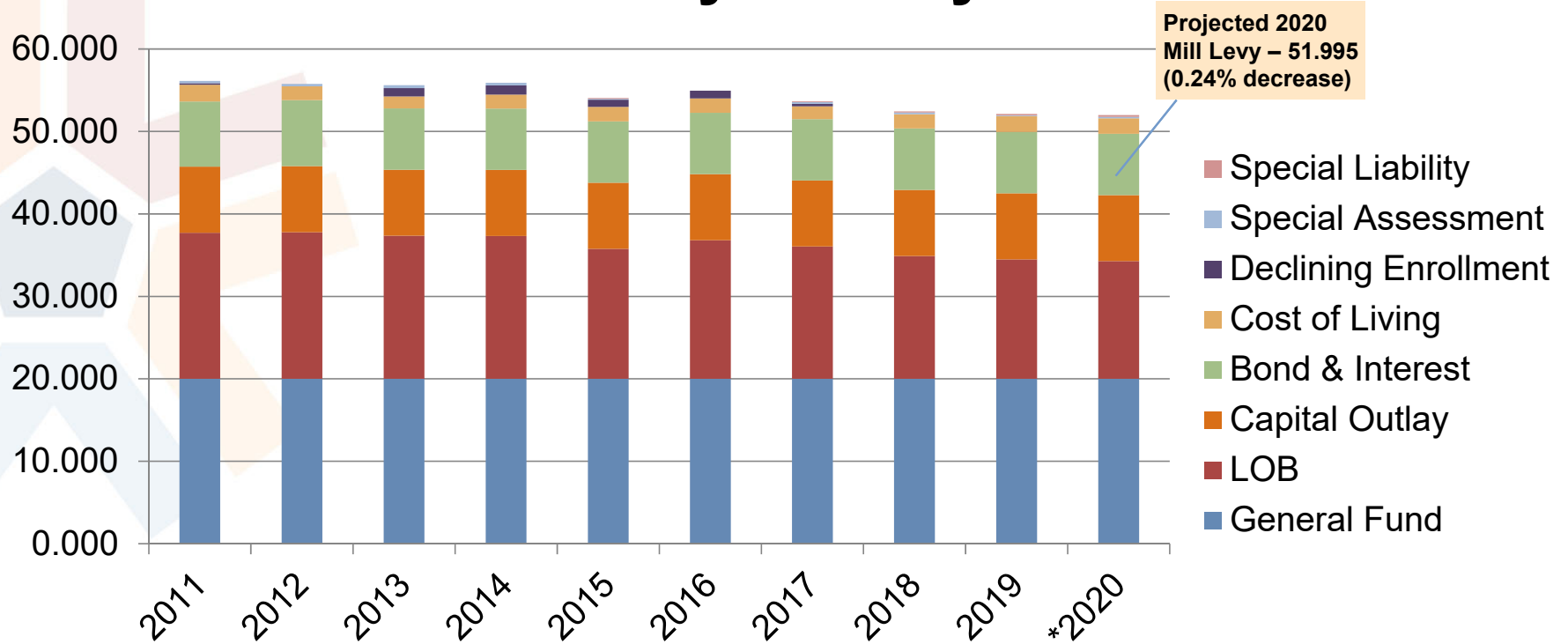
## FEDERAL FUNDS

- Federal grants received directly from the federal government or passed through the state of Kansas.
- Restricted to the specific use detailed in the grant documents.

Title I – Low Income	\$3,177,141
Title I – Migrant	66,000
Title IIA – Teacher Quality	886,189
Title III – ELL	268,708
Title IVA – Prof. Development	167,081
Title VIB – SPED IDEA	6,466,963
Carl Perkins – CTE	267,814

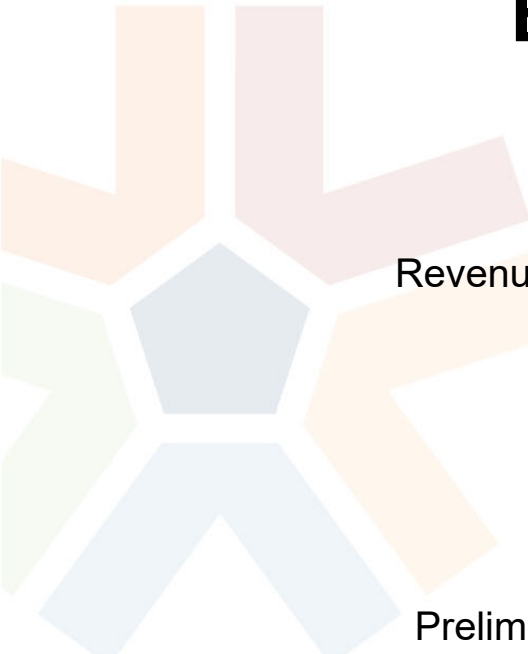
Mill Levies				
Fund	17-18	18-19	19-20	How Determined
General	20.000	20.000	20.000	Statute
LOB	16.058	14.905	14.492	LOB at maximum 33%, Board can set it lower
Capital Outlay	8.000	8.000	8.000	8.000 Mill Limit, Board can set it lower
Special Liability	0.104	0.126	0.160	Maintain \$2 Million Reserve
Cost of Living	1.550	1.733	1.944	Set by Formula
Declining Enrollment	0.290	0.000	0.000	Fund Eliminated beginning 18-19
Bond & Interest	7.440	7.454	7.436	Set by Debt Requirement
Special Assessment	0.221	0.209	0.089	Set by Expenditure Authority
<b>Total</b>	<b>53.663</b>	<b>52.427</b>	<b>52.121</b>	
Assessed Valuation	\$3,634,217,615	\$3,868,993,707	\$4,083,896,792	
JOCO Schools Range from 52.121 to 69.851 with the average being 63.626 mills.				

# Mill Levy History




\* Anticipated 2020 cost to owner of \$200,000 home -- \$1,150

# Budget Development Process



Budget requests made by departments.	November
Projected enrollment finalized.	November
Revenue projections made. Accurate estimates cannot be made until funding is finalized by the legislature.	January
Cabinet reviews preliminary budget.	January – March
Staffing allocations reviewed.	February
Negotiations for teachers begin.	April
Preliminary rate quotes are received for health insurance	May
Finalize budget for transportation, utilities, other large items.	May
Budget workshop with board and public.	May
Budget approval.	July - August

# Budget Timeline



Budget Workshop – Non Operating Funds	May 11, 2020 (BOE Meeting)
Budget Workshop – Operating Funds	May 26, 2020 (BOE Meeting)
Approval of Publication	July 20, 2020 (tentative) (BOE Meeting)
Publication of Notice of Hearing in KC Star	July 24, 2020 (approximately)
10-day Publication Noticed Ends	August 3, 2020
Budget Hearing and Adoption	August 10, 2020 (tentative) (BOE Meeting)
Budget Submission Deadline	August 25, 2020

Presentation can be found at [SMSD.org – Budget & Finance Section](https://www.smsd.org/Budget-Finance-Section)



# SHAWNEE MISSION

SCHOOL DISTRICT