



SHAWNEE
MISSION

SCHOOL DISTRICT

2020-21 Budget Workshop
Operating Funds

May 26, 2020



SHAWNEE MISSION SCHOOL DISTRICT THE BRIDGE TO UNLIMITED POSSIBILITIES

DESTINATION

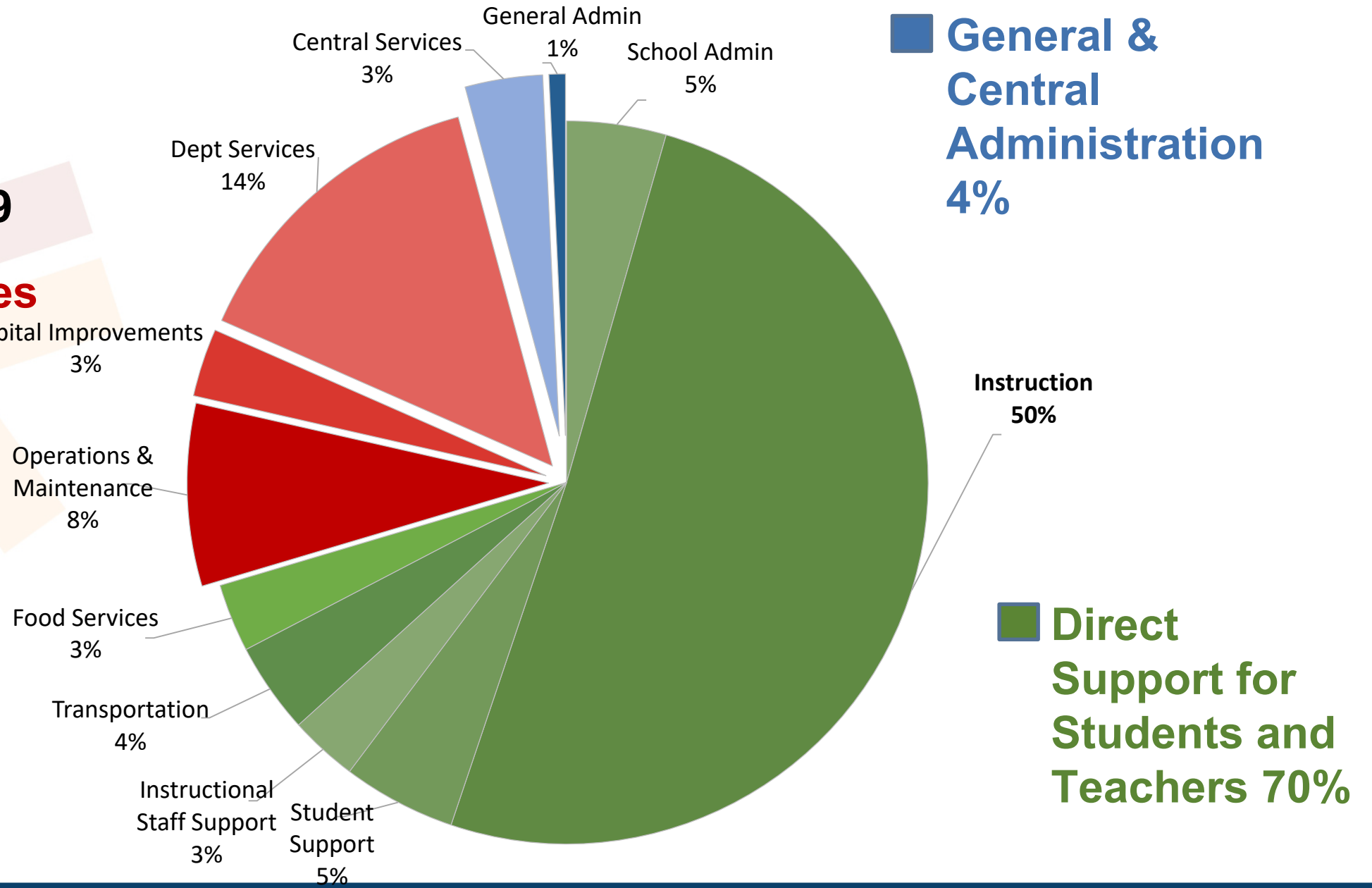
Every student will have a **personalized learning plan** that supports them in being **college/career ready** and having the **interpersonal skills** important to life success.

[Link to SMSD Strategic Plan](#)

SMSD

Allocation of School Spending 2019

Facilities
25%



General & Central Administration
4%

Direct Support for Students and Teachers
70%

Operational vs Non-Operational Budgets Expenditures

- **Operational Budget** includes the daily expenditures associated with running the school district, primarily salaries & benefits as well as transportation, utilities and supplies & services.
- **Non-Operational** are directed primary to maintaining, repairing, and rebuilding district facilities. Non-operational dollars cannot be used for daily operational expenditures, but for a few specifically defined exceptions.
 - **Capital Budget** include purchases for educational equipment, ongoing facilities upkeep and repairs to buildings according to an established replacement cycle. These funds are typically not large enough for major renovations or reconstruction. Capital outlay dollars cannot be used for operational needs, except for the salaries of maintenance and custodians who maintain the facilities.
 - **Bond Funds** dedicated to new construction and remodel of district facilities. Bond funds cannot be used for operational needs.

see [SMSD Budget and Finance FAQ](#)

SMSD BUDGET 2019-2020

SUPPORTING (OPERATING)
 \$242,821,804
 61%
 (State = 72%)

CAPITAL OUTLAY
Local-Restricted
 \$46,926,311
 12%
 (State = 0%)

BOND (DEBT)
Local-Restricted
 \$223,000,000
 \$32,931,466
 Debt 8%
 (State = 0%)

FLOW THROUGH
State/Local - Restricted
 \$40,125,079 - 10%
 (State = 80%)

FEDERAL
Restricted
 \$11,299,896
 3%
 (Federal = 100%)

SELF SUPPORTED
Fees, Gifts, Grants -Restricted
 \$24,125,682 – 6%
 (State = 1%)

- Unrestricted for these purposes:
- Salary & benefits 83%
 - Student transportation 6%
 - Supplies & services 5%
 - Utilities 4%
 - Other 2%

- Restricted by statute for these purposes:
- Bond Debt & Apple Leases
 - Construction
 - Renovation & repair
 - Maintenance salaries
 - Technology and software
 - Furnishings and equipment
 - Uniform purchases

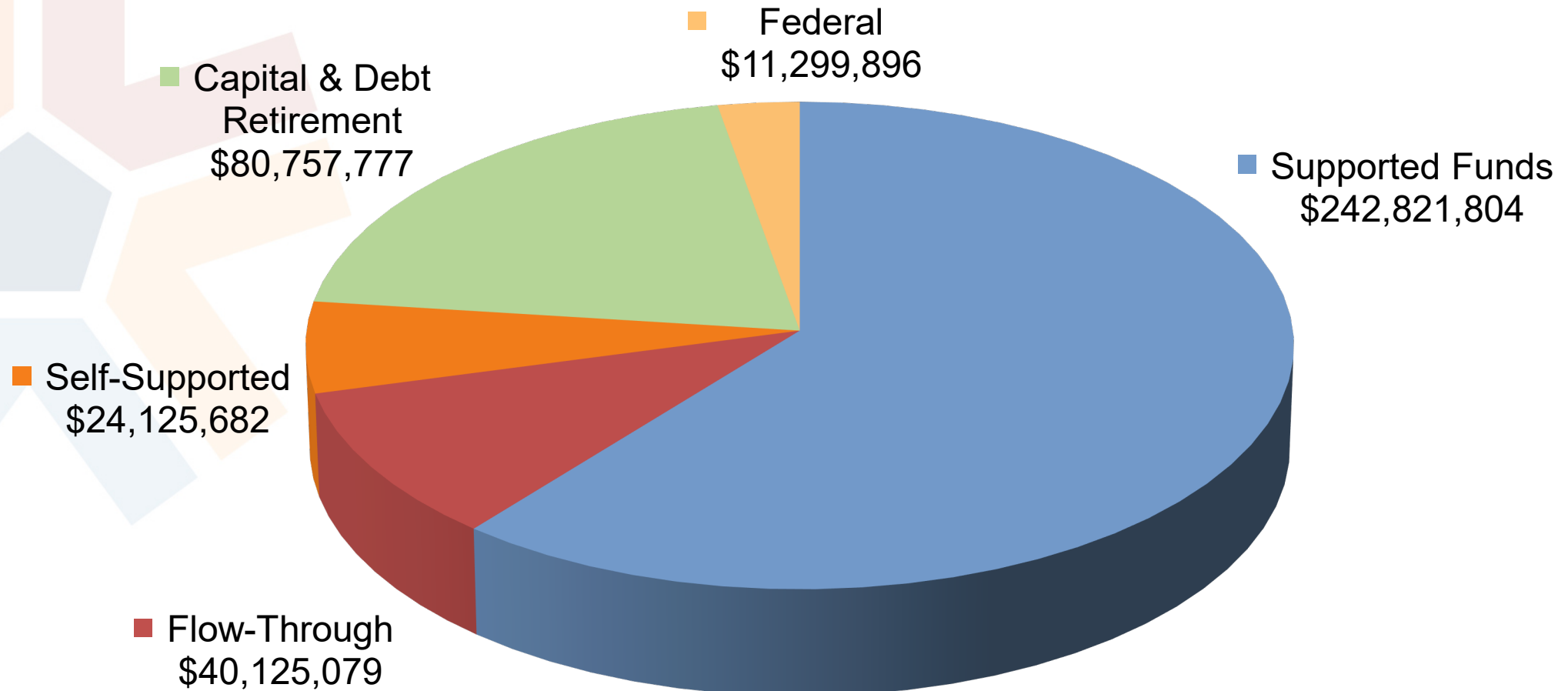
- Requires voter approval and is restricted for these purposes:
- Major construction and renovation of facilities
 - Equip and furnish facilities
 - Cannot be used for operations
 - Bond debt is paid from the Bond & Interest Fund

- Restricted by statute for these purposes:
- KPERS flow-through contribution funded by the state
 - Cost of living weighting funded by local taxes

- Restricted by grant for these purposes:
- Title VIB special education
 - Title I reading & math support in our high poverty schools
 - Title IIA to develop high qualified teachers and principals
 - Title III & IV

- Restricted by statute for the revenue specific purposes:
- Food service and summer school
 - Textbook rental & student materials
 - Gift, Donations & non-federal grants
 - Special liability

2019-20 Summary of Fund Types



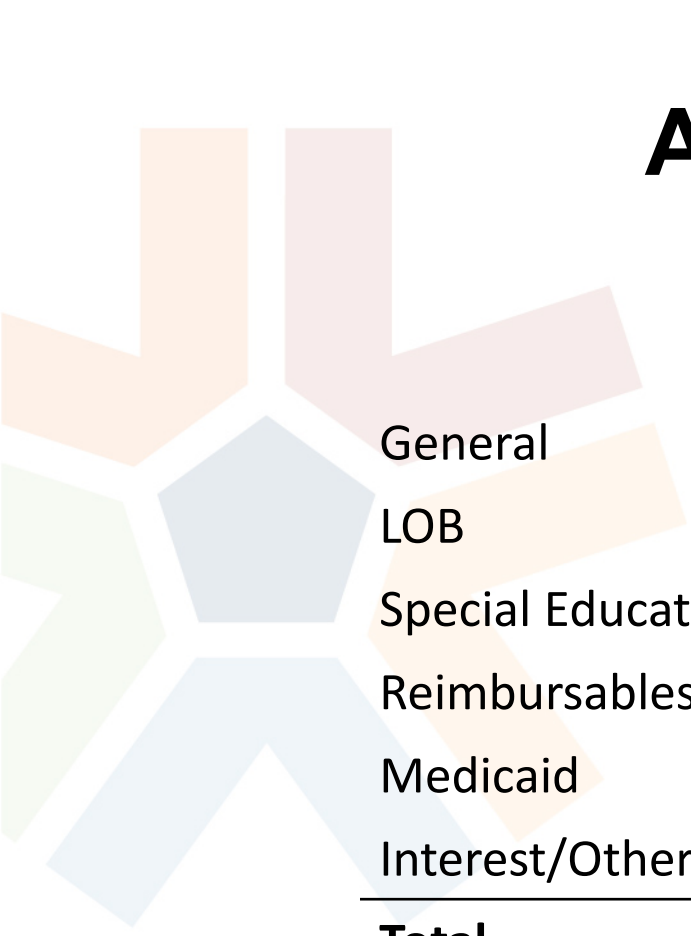
SUPPORTED (OPERATING) FUNDS

- 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, at-risk, bilingual, CTE as well as other funds that are supported by transfers from these funds.
- Main revenue sources -- state aid, local taxes and reimbursable fees.

Current Budget Assumptions: *Funding*

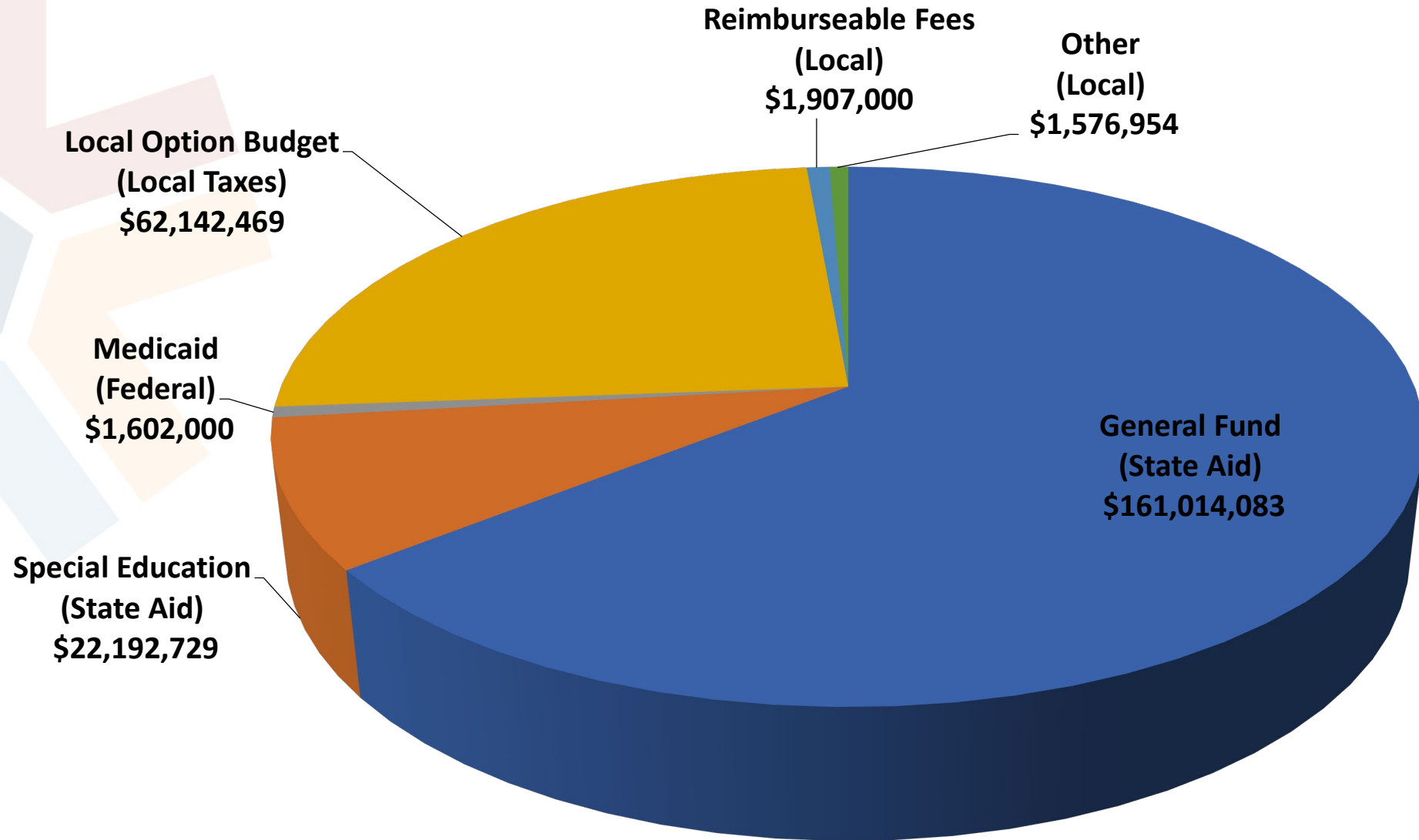
- BASE increases \$133 to \$4,569 (\$1 change = \$35,000)
- Weighted FTE decrease 232.7 (FTE enrollment -75.1, at-risk -69.1, new facilities -63.8)
- Special Education reimbursement rate remain the same at \$29,800. Funding increased due to adding 8.1 SPED FTE, and an increase in SPED transportation cost.
- LOB BASE increases 1.0% based on CPI to \$4,604
- Decreased other revenues – interest, facilities rentals, Little Horizons

Anticipated Funding 2020-21



General	\$161,014,083	State Aid
LOB	62,142,469	Local Taxes
Special Education	22,192,729	State Aid
Reimbursables	1,907,000	Local
Medicaid	1,602,000	Federal
Interest/Other	1,576,954	Local
Total	\$250,435,235	
Increase over 2019-20 Projected	\$4,240,329	


2020-21 Anticipated Operating Funding



Current Budget Assumptions: *Expenditures*


Professional Growth (column movement for additional education)	\$600,000
Maintains health cap at \$694 and new participants in 2020	\$1,002,007
Early retirement payments ended in 2019-20	-\$1,729,879
Includes 3% increase for transportation	\$422,747
Includes increase for supplies & services	\$448,625
Personnel Changes of 0.375 FTE	\$47,527
Total	\$791,027

Current Budget Assumptions: *Personnel Changes*



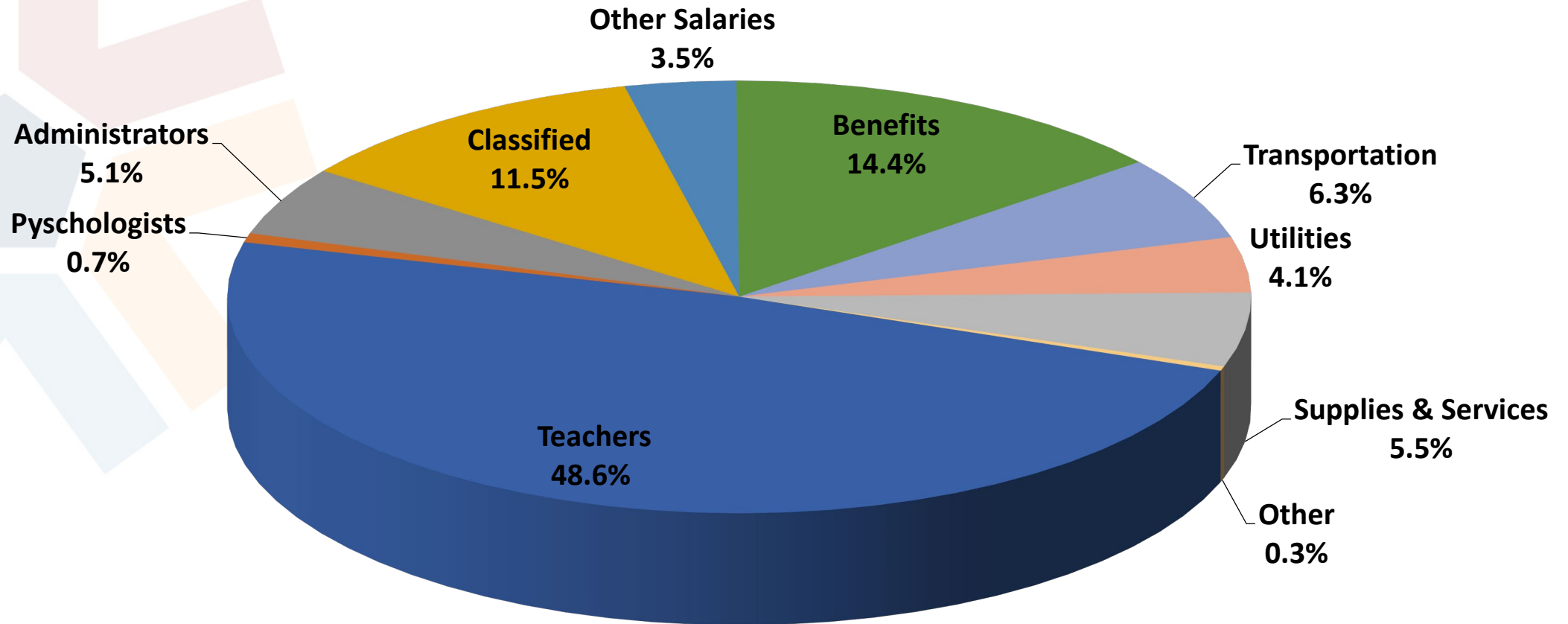
	FTE	Increase
Teacher Staffing	1.00	\$75,356
Special Education Staff	11.25	625,568
Administrative Positions Eliminated	-3.00	-507,551
Principal – Early Childhood Center	1.00	119,876
Positions Moved To/From Federal	0.13	92,896
Little Horizons Eliminated	-10.75	-358,618
<i>Total Personnel Changes</i>	<i>-0.37</i>	<i>\$47,527</i>

Anticipated Budget 2020-21



Salaries	\$168,975,538
Benefits	35,083,867
Student Transportation	15,264,300
Utilities	10,081,034
Supplies and Services	13,516,357
Property Insurance/Other	782,788
Total	\$243,703,884
Increase over 2019-20 Projected	\$308,298

2020-21 Anticipated Operating Expenditures



83.8% of Budget for Salaries and Benefits –\$204,059,404

Summary of Fund Balances

	Actual <u>2017-18</u>	Actual <u>2018-19</u>	Projected <u>2019-20</u>	Anticipated Range 2020-21	
				Pre-COVID19 <u>2020-21</u>	KASB COVID19 <u>Loss Scenario</u>
BASE	\$4,006	\$4,165	\$4,436	\$4,569	\$3,986
Revenues	\$231,342,401	\$236,639,787	\$246,194,906	\$250,435,235	\$230,632,265
Expenditures	\$232,584,556	\$237,766,101	\$243,395,586	\$243,703,884	\$243,703,884
Surplus (Deficit)	(\$1,242,155)	(\$1,126,314)	\$2,799,320	\$6,731,351	(\$13,071,619)
Beginning Fund Balance	\$15,501,775	\$14,259,620	\$13,133,306	\$15,932,626	\$15,932,626
Ending Fund Balance	\$14,259,620	\$13,133,306	\$15,932,626	\$22,663,977	\$2,861,007
Balance as % of Expenditures*	8.56%	7.89%	8.86%	11.61%	3.49%
Workers Comp Reserve	\$2,600,000	\$2,600,000	\$2,600,000	\$2,600,000	\$2,600,000
Contingency Reserve	\$5,638,052	\$5,638,052	\$5,638,052	\$5,638,052	\$5,638,052

**

Estimated BASE amount if K-12 funding is reduced by \$400 million.

Does not include salary and health increases for 2020-21

* Ending Fund Balance + Contingency Reserve divided by Expenditures

** [KASB Tallman Education Report, April 30, 2020](https://youtu.be/bjUc0l1fCLE) COVID economic crisis threatens Kansas school budgets; KASB Youtube, May 15, 2020 at <https://youtu.be/bjUc0l1fCLE> (“grim math” starting at 43 min mark).

Items Requested for Consideration

<u>Cost Factors</u>			
Step – For All Pay Groups		2,317,688	Operating
Base – For Each 1% to All Pay Groups		1,750,977	Operating
Health Insurance – 1%/\$7 Increase in District Contribution		159,499	Operating
<u>Items for Future Budget Consideration</u>	<u>FTE</u>	<u>Amount</u>	<u>Source</u>
Move HS from 6 Periods to 5 Periods	39.0	2,938,886	Operating
Move MS from 6 Periods to 5 Periods	22.0	1,657,833	Operating
Reduce Elementary Staffing Guidelines Cap by 2	31.0	2,336,037	Operating
Elementary Additional Plan Time	0.0	Possible Bussing	Operating
Elementary Counselors	34.0	2,490,008	Operating
High School Counselors – Add 1 FTE per HS	5.0	366,178	Operating
Social Workers – Every school would have a SW	7.0	542,447	Operating
Special Education Reduce Caseload	17.5	1,342,961	Operating
Middle School Administrative Interns	3.0	233,571	Operating
Director of Professional Development	1.0	120,892	Operating/Federal
RTI Coordinator	1.0	102,811	Operating
BIST – Recovery Room Interventionist	9.0	418,148	Federal
Total	169.5	\$12,549,772	

Capital Outlay Salary Allocation Scenarios

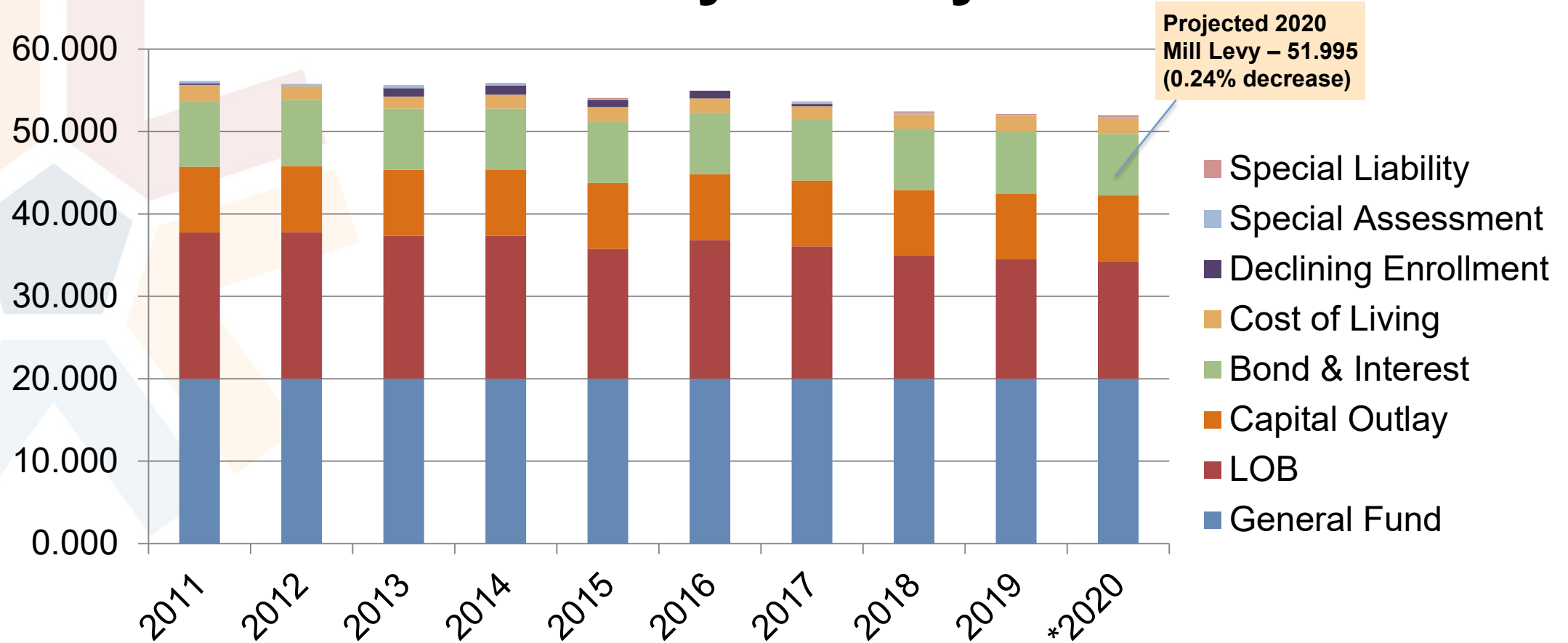
Capital Outlay Tax Revenue	\$35,659,859		
Percentage of Tax Revenue Allocated for Salary & Benefits	Current 12.7%	Scenario @ 25%	Scenario @ 38.8%
Amount Available for Salary & Benefits	\$4,529,308	\$8,914,965	\$13,829,308
Less: Current Salary & Benefits Charged to Capital Outlay	\$4,529,308	\$4,529,308	\$4,529,308
Additional Salary & Benefits	\$0	\$4,385,657	\$9,300,000
<p>\$9.3 million of custodial salary & benefits are paid out of operating funds that meet the guidelines to be paid out of the Capital Outlay Fund.</p>			

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	\$3,186,603	← Increase \$8,930
Title I – Migrant	66,000	
Title IIA – Teacher Quality	645,228	
Title III – ELL	249,067	
Title IVA – Prof. Development	155,676	
Title VIB – SPED IDEA	6,164,889	
Carl Perkins – CTE	187,682	
ESSER – CARES Act	2,640,674	← Spend until 9/30/2021

Mill Levy History



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

Budget Timeline

Budget Workshop – Non Operating Funds May 11, 2020

Budget Workshop – Operating Funds May 26, 2020

Approval of Publication July 20, 2020 (tentative)

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)

Budget Submission Deadline August 25, 2020

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



SHAWNEE
MISSION

SCHOOL DISTRICT