

BUDGET SUMMARY

- I. Summary of Fiscal Year 2010 Proposed Comprehensive Budget
- II. Comparative Summary of Fiscal Year 2010 Adopted Budget to Proposed Budget
- III. Reconciliation of Adopted Budget to Proposed Budget
(explanation of major changes in the proposed budget)

**SCHOOL DISTRICT OF KANSAS CITY, MISSOURI
SUMMARY OF PROPOSED BUDGET
FISCAL YEAR 2010**

	OPERATING (Funds 1, 2 & 11)	GRANTS (Funds 1, 2 & 11)	ARRA (Funds 3, 9 & 10)	CHILD NUTRITION (Funds 8 & 18)	TOTAL
REVENUE (details in attachment 4)	233,293,218	45,052,761	15,206,926	10,781,106	304,334,011
EXPENDITURES (details in attachment 6)	247,113,499	46,152,143	15,206,926	11,198,357	319,670,925
NET FUND TRANSFERS (details in attachment 5)	155,265	1,099,382	-	995,426	2,250,073
REVENUE OVER/(UNDER) EXPENDITURES	(13,665,016)	-	-	578,175	(13,086,841)
FUND BALANCE:					
Beginning Fund Balance	54,518,960	2,741,641	-	(578,175)	56,682,426
ENDING FUND BALANCE	40,853,944	2,741,641	-	-	43,595,585
Less: Retirement Incentives	5,000,000				5,000,000
Less: Restricted Fund Balance-Operating Capital Projects	12,046,687	-	-	-	12,046,687
Less: Restricted Fund Balance-Grant Activity	-	2,741,641	-	-	2,741,641
GENERAL FUND BALANCE	23,807,257	-	-	-	23,807,257

**SCHOOL DISTRICT OF KANSAS CITY, MISSOURI
COMPARATIVE SUMMARY OF ADOPTED BUDGET TO PROPOSED BUDGET
(OPERATING, GRANTS, CHILD NUTRITIONAL SERVICES AND ARRA FUNDS)
FISCAL YEAR 2010**

	FY10 ADOPTED BUDGET	FY10 PROPOSED BUDGET	FY10 INCREASE (DECREASE)
	As of 11/30/2009	As of 5/31/2010	***
REVENUE:			
Local	158,694,094	164,775,002	6,080,908
County	3,906,829	3,706,661	(200,168)
State	68,790,558	65,919,303	(2,871,255)
Federal	65,769,186	69,913,517	4,144,331
Other	5,209	19,528	14,319
	(a) 297,165,876	304,334,011	7,168,135
EXPENDITURES:			
Administration	6,689,922	6,886,774	196,852
Instruction	164,363,341	168,259,676	3,896,335
Support Services	66,665,646	64,445,284	(2,220,362)
Plant Services	39,239,678	39,950,697	711,019
Pupil Transportation	16,086,414	16,126,017	39,603
Community & Adult Services	10,472,160	11,036,072	563,912
Debt Services	12,966,405	12,966,405	-
	(b) 316,483,566	319,670,925	3,187,359
	(c) 2,825,230	2,250,073	(575,157)
NET FUND TRANSFER			
	(16,492,460)	(13,086,841)	3,405,619
FUND BALANCE:			
Beginning Fund Balance	56,682,426	56,682,426	-
ENDING FUND BALANCE	40,189,966	43,595,585	3,405,619
Less: Retirement Incentives	-	5,000,000	5,000,000
Less: Restricted Fund Balance-Operating Capital Projects	10,653,889	12,046,687	1,392,798
Less: Restricted Fund Balance-Federal Grants	2,741,641	2,741,641	-
Less: Restricted Fund Balance-Child Nutrition	(578,175)	-	578,175
GENERAL FUND BALANCE	27,372,611	23,807,257	(3,565,354)

*** See attachment 2 for explanation of changes in the proposed FY10 budget.

SCHOOL DISTRICT OF KANSAS CITY, MISSOURI
 RECONCILIATION OF FY10 AMENDMENT I TO FY10 AMENDMENT II COMPREHENSIVE BUDGET
 As of May 31, 2010

DESCRIPTION	OPERATING FTE	OPER BUDGET	CAP OPER BUDGET	OPERATING TOTAL	GRANTS FTE	GRANTS BUDGET	CNS FTE	CNS BUDGET	ARRA FTE	ARRA BUDGET	TOTAL FTE	TOTAL BUDGET	VARIANCE EXPLANATION
REVENUE:													
BOARD APPROVED REVENUE BUDGET		222,762,885	6,757,463	229,520,348		41,405,052		11,563,237		14,677,239		297,165,876	
LOCAL COUNTY		5,411,320 (200,168)	1,406,603 -	6,817,923 (200,168)		(351,281) -		(385,734) -		- -		6,080,908 (200,168)	The projection reflects actual collection for the period July 1 through May 31 and an estimate for the month of June. The variance is mainly attributed to the flow of tax receipts from taxpayers.
STATE		(2,872,255)	-	(2,872,255)		1,000		-				(2,871,255)	The State of Missouri's FY10 appropriation is not enough to fully fund the education formula. The lack of funding resulted to a decrease in each school district's entitlement.
FEDERAL		13,051	-	13,051		3,997,990		(396,397)		529,687		4,144,331	The increase is due to the following federal funding: (1) approval of Head Start contract with MARC; (2) federal funds for school improvement allocated to the schools; and (3) ARRA funding for ECSE, Headstart & Homeless programs.
OTHER SOURCES		14,319	-	14,319		-		-		-		14,319	
TOTAL REVENUE CHANGES		2,366,267	1,406,603	3,772,870		3,647,709		(782,131)		529,687		7,168,135	
TOTAL REVENUE PROJECTION (a)		225,129,152	8,164,066	233,293,218		45,052,761		10,781,106		15,206,926		304,334,011	
EXPENDITURES:													
BOARD APPROVED EXPENDITURES BUDGET	2,640.52	232,488,775	15,257,775	247,746,550	476.77	42,496,540	152.50	11,563,237	113.27	14,677,239	3,383.06	316,483,566	
ADMINISTRATION													
EXECUTIVE ADMINISTRATION		68,852	15,000	83,852		113,000						196,852	This amount includes a donation from the Kaufman Foundation \$50,000 for "Reform Public Education", establishes the Strategic Planning office budget \$53,000, special audit of schools \$50,000, and curriculum design services in the office of the Chief Academic Officer \$33,852.
TOTAL ADMINISTRATION	-	68,852	15,000	83,852	-	113,000	-	-	-	-	-	196,852	
INSTRUCTION													
BUILDING LEVEL ADMINISTRATION		(9,960)		(9,960)		125,961						116,001	Increase is due to the approval of the Head Start contract with MARC by the Board in February, 2010.
ELEMENTARY SCHOOLS		(623,613)	10,429	(613,184)	0.20	548,238				995,667	0.20	930,721	Contingency funds (\$614,946) were transferred to fund moving costs for the close school sites. Exceptional Education ARRA funds for maintenance of effort transferred to fund District reading program year one-\$1,545,667. These funds have to be utilize by June 30, 2010.
MIDDLE SCHOOLS		(2,376)	(8,000)	(10,376)	1.00	63,731				(392,397)	1.00	(339,042)	Classroom teacher at Lincoln middle funded by Title I carryover for \$56,355. Exceptional Education ARRA funds for maintenance of effort transferred to fund District reading program year one - (\$395,397). These funds have to be utilize by June 30, 2010.
HIGH SCHOOLS	9.00	583,245		583,245	2.00	289,743				27,981	11.00	900,969	Teenage Parent Center budget 9.00 FTEs moved from Exceptional Ed function to the High School function-\$559,000. Two high schools Lincoln College Prep and East High School funded positions with their Title I carryover funds. The High schools funded their after school tutoring programs with Title I and ARRA funds.

SCHOOL DISTRICT OF KANSAS CITY, MISSOURI
 RECONCILIATION OF FY10 AMENDMENT I TO FY10 AMENDMENT II COMPREHENSIVE BUDGET
 As of May 31, 2010

DESCRIPTION	OPERATING			OPERATING TOTAL	GRANTS FTE	GRANTS BUDGET	CNS FTE	CNS BUDGET	ARRA FTE	ARRA BUDGET	TOTAL FTE	TOTAL BUDGET	VARIANCE EXPLANATION
	G FTE	OPER BUDGET	CAP OPER BUDGET										
SPECIAL EDUCATION	(9.00)	(561,903)	3,050	(558,853)	(11.00)	168,050				(253,338)	(20.00)	(644,141)	The operating part of the budget represents a variance of \$559,000, primarily the result of a realignment of the FTEs budget for the Teenage Parent Center realigned to the High School category. The primary program impacted for grants is the "Entitlement - Federal & State" program, representing a net increase of \$156,000. A net reduction of \$253,000 for the ARRA funding for the "ARRA - Entitlement" program.
OTHER INSTRUCTION		(72,350)		(72,350)	2.00	2,039,218				57,773	2.00	2,024,641	Increase is due to the approval of the Head Start contract with MARC by the Board in February, 2010.
CULTURALLY DIFFERENT		1,481		1,481	12.00	(632,292)				1,537,781	12.00	906,970	Federal funds for school improvement allocated to the schools.
VOCATIONAL EDUCATION		(2,218)		(2,218)		10,601						8,383	
STUDENT ACTIVITIES		11,309		11,309		(1,414)						9,895	
TOTAL INSTRUCTION	-	(676,385)	5,479	(670,906)	6.20	2,611,836	-	-	-	1,973,467	6.20	3,914,397	
SUPPORT SERVICES													
ATTENDANCE/PLACEMENT		4,228		4,228		285,655				41,617		331,500	Increase is due to the approval of the Head Start contract with MARC by the Board in February, 2010.
GUIDANCE/COUNSELING		(6,204)		(6,204)		(49,875)						(56,079)	A reduction in the "Title IV, Safe & Drug Free" program of \$18,000 for salaries and an additional reduction of \$31,000 for salaries and fringe benefits for the "Workforce Investment Act" program.
HEALTH/PSYCH/SPEECH		(5,000)	5,000	-	(6.00)	(20,553)					(6.00)	(20,553)	
CURRICULUM DEVELOPMENT	(2.00)	(26,831)	(167,700)	(194,531)	(3.25)	32,311			1.00	(1,315,917)	(4.25)	(1,478,137)	Move the balances in non-salary budgets for ARRA funding into a contingency account to be carried over in school year FY11.
STAFF TRAINING		24,894		24,894		15,033				(41,838)		(1,911)	
EDUCATIONAL MEDIA SERVICES		167,645	(20,054)	147,591								147,591	Increase in purchase services for moving books from close school sites.
OTHER SUPPORT SERVICES		(399,962)	(403,761)	(803,723)		7,768		(364,880)				(1,160,835)	The variances are due to the following: 1.) Budget realignment to provide funds for moving expenses associated with the "Right Sizing" plan; 2.) A portion of FY10 planned expenditures will be carried over to FY11; 3.) Reallignment of Child Nutrition budget based on actual and estimated expenditures through June 30, 2010.
TOTAL SUPPORT SERVICES	(2.00)	(241,230)	(586,515)	(827,745)	(9.25)	270,339	-	(364,880)	1.00	(1,316,138)	(10.25)	(2,238,424)	
OPERATION/MAINTENANCE OF PLANT		746,345	809	747,154		(36,135)						711,019	1.) Realignment of budget funds to provide monies for moving expenses associated with the "Right Sizing" plan. An allotment of \$715,000 was allowed for moving expenses for FY10 and an amount of \$28,000 was allotted for moving boxes; and 2.) A decrease in the Kauffman Math & Science grant in the amount of \$36,000.
TRANSPORTATION		24,988		24,988		104,145				(89,530)		39,603	
COMMUNITY AND ADULT SERVICES		9,606		9,606	7.70	592,418			(1.00)	(38,112)	6.70	563,912	The net increase represents additional federal funding from "Title III-Language Instruction-Immigrant" and "Medicaid Program".
TOTAL EXPENDITURES CHANGES	(2.00)	(67,824)	(565,227)	(633,051)	4.65	3,655,603	-	(364,880)	-	529,687	2.65	3,187,359	
TOTAL EXPENDITURES PROJECTION (b)	2,638.52	232,420,951	14,692,548	247,113,499	481.42	46,152,143	152.50	11,198,357	113.27	15,206,926	3,385.71	319,670,925	

SCHOOL DISTRICT OF KANSAS CITY, MISSOURI
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 As of May 31, 2010

DESCRIPTION	OPERATING G FTE	OPER BUDGET	CAP OPER BUDGET	OPERATING TOTAL	GRANTS FTE	GRANTS BUDGET	CNS FTE	CNS BUDGET	ARRA FTE	ARRA BUDGET	TOTAL FTE	TOTAL BUDGET	VARIANCE EXPLANATION
FUND TRANSFERS:													
BOARD APPROVED FUND TRANSFER		(7,463,611)	9,189,459	1,725,848		1,099,382						2,825,230	
TOTAL FUND TRANSFER CHANGES		(991,551)	(579,032)	(1,570,583)		-		995,426				(575,157)	1.) Represents funds for technology plan to be carried over from FY10 into FY11 operating budget; and 2.) A transfer from General Fund to Child Nutrition Fund is needed to eliminate prior year deficit and any estimated loss for the current fiscal year.
NET FUND TRANSFERS (c)		<u>(8,455,162)</u>	<u>8,610,427</u>	<u>155,265</u>		<u>1,099,382</u>		<u>995,426</u>		<u>-</u>		<u>2,250,073</u>	
REVENUES OVER/(UNDER) EXPENDITURES - (a - b + c)		<u>(15,746,961)</u>	<u>2,081,945</u>	<u>(13,665,016)</u>		<u>-</u>		<u>578,175</u>		<u>-</u>		<u>(13,086,841)</u>	
FUND BALANCE:													
BEGINNING FUND BALANCE		44,554,218	9,964,742	54,518,960		2,741,641		(578,175)		-		56,682,426	
Less: RETIREMENT INCENTIVES		5,000,000	-	5,000,000		-		-		-		-	
PROJECTED ENDING BALANCE		<u>23,807,257</u>	<u>12,046,687</u>	<u>35,853,944</u>		<u>2,741,641</u>		<u>-</u>		<u>-</u>		<u>43,595,585</u>	