



Mehlville School District

Individually Focused. Committed to All.

**MEHLVILLE SCHOOL DISTRICT
EDUCATIONAL PLAN
AND BUDGET**

2015–2016

MAY 21, 2015

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Budget Adjustments

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May 21, 2015

Agenda Item #8b

Agenda Item Topic Consider 2015-16 Budget Proposal.

a. Statement of Problem

The District must adopt a budget for the 2015-2016 fiscal year prior to June 30, 2015.

b. Background Information

The budget is completed based upon budget requests submitted by each building, department and operational unit (transportation, food service, etc.). Capital items have been included based upon the District's five year facility plan. This budget has been refined from what was included previously in the five year projections.

The budget deficit was reduced by \$5M due to budget adjustments approved on 4/23/15, of which \$4M were operating fund adjustments and \$1M was capital fund deferrals.

A copy of the budget book has been sent to each board member for their review. Please read the Budget Message section of the Budget Book for additional information regarding the FY15-16 budget.

c. Rationale of Purpose and Justification for Need

Adjustments to the preliminary budget can be made.

d. Cost Analysis

There is no cost associated with the adoption of the district budget. The final budget document will, however, guide financial decisions for the coming fiscal year.

e. Recommendation

Move to approve the Mehlville School District Educational Plan and Budget for 2015-2016.

f. Prepared by: Marshall Crutcher, Chief Financial Officer

Action: Motion by _____ seconded by _____

Vote: For _____ Against _____ Abstained _____

Carried _____ Failed _____

BOARD OF EDUCATION

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Mr. Larry FeltonVice President
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Mr. Jamey Murphy Director
Ms. Jean Pretto Director
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Dr. Chris Gaines (Effective July 1, 2015) Superintendent
Dr. Lisa Counts..... Assistant Superintendent-Supervision of Schools
Dr. Brian Lane Assistant Superintendent-Supervision of Schools
Dr. Tina Plummer Assistant Superintendent of Curriculum
Dr. Jeff Bresler Executive Director of Special Services
Mr. Mark CatalanaDirector of Human Resources
Mr. Marshall CrutcherChief Financial Officer

Budget Message



May 21, 2015

Board of Education
Mehlville School District

Dear Members of the Board of Education:

INTRODUCTION:

The FY2015-16 budget is impacted by differences between the current year actual results and adjusted budget. For example, if actual operating cash at June 30 this fiscal year differs from the current adjusted budget, then it impacts next year's budget projection for cash reserve %. The budget also contains variables dependent on information that is not available until later this year or into the next year. Thus, estimates are made and the budget is adjusted once the actual data becomes available. Examples of variables which can impact this budget include, but are not limited to the following:

- Assessed valuation changes that impact tax revenue
- Final student enrollment including VICC & Riverview students
- State Basic Formula Funding State Adequacy Target
- Grant and Title program estimates vs. actual not yet known
- Actual tax levy established by the Board in September
- Medical insurance claims experience
- Unforeseen facility emergencies (HVAC failure, leaking roofs.....)
- Energy (gasoline and heating fuel) price fluctuations

Budgets are based on various assumptions and a range of possible outcomes. There is always a risk of unfavorable variances since we do not control the revenues and a certain amount of non-salary expenses are also not controllable such as energy prices and emergency facility repairs.

SUMMARY:

1. FY2014-15 Update (see page 3)

Before discussing the FY2015-16 budget, the current FY2014-15 is briefly updated. See page 3 for further details.

- Operating cash reserves are projected to be \$17.7M, or 19.1% of annual expenditures as of June 30th (17% is the rough benchmark for the need to borrow).
- The forecast total deficit (expenses > revenues) is \$4.3M (\$3.3M operating) compared to the original budget deficit of \$5M (\$4M operating).
- The favorable variance from the original budget is due to sales tax revenues.
- The capital fund is forecast to decline \$421K to a \$299K ending balance.

2. Budget Adjustments (see page 11)

Due to significant projected deficits for FY2015-16, budget adjustments of about \$5M were made to reduce the deficit. \$4M reduced operating fund deficits and \$1M non-operating fund deficits. The operating fund adjustments comprised expense reductions of \$3M and revenue increases of \$1M. The non-operating reductions were mostly expense reductions.

3. Fund Balances (see page 2)

- The FY2015-16 budget shows an operating deficit of \$2.6M and a non-operating surplus of \$1.3M which nets to a total budget deficit of \$1.3M.
- Operating cash reserves for FY2015-16 is budgeted for 16.6% compared to 19.1% projected for FY2014-15.
- The capital fund increased \$927K to a \$1,226K ending balance, but only due to \$955K capital deferrals (see page 11). Capital needs are outpacing capital funding. See comments in the “Five Year Forecast” and “Financial Considerations” sections.

4. Revenue (see pages 4 & 5)

Revenue is budgeted at \$106M, a \$400K increase, or .4% from this year. Over \$950K was added due to budget adjustments (Riverview, VICC, and student fees). Key changes from this current year are:

- Taxes increased \$675K due to March assessed value (AV) increasing 3.2%. Revenue can only increase up to the CPI (consumer price index) level, which is .8% (based on 2014 costs). Thus, tax rates decrease slightly to offset the additional 2.4% AV increase above CPI. Also, the debt service levy increased from 3.2 cents to 3.9 cents
- Bus fees and increased activity fee increases add \$160K
- Estimated Riverview student decreases reduce \$200K
- Estimated Federal Title I, II, III grants reduce by \$175K

5. Expense (see pages 4 & 5)

Expense is budgeted at 107.3M, a \$2.5M decrease, or -2.3%. About \$4M expenses were reduced due to budget adjustments of which \$3.1M is operating and over \$900K is capital deferrals. Key changes from this current year are:

- \$2M reduced salary and benefits. \$2.3M is due to budget adjustments of reducing 23.5 teachers, classified staff, and administrative staff. This is offset by \$350K for channel change salary/benefits. There are no pay raises for steps, classified or administration except a couple positions that were restructured
- \$550K decrease for operating expenses net of preliminary 1.5% increase less budget adjustments of \$790K
- \$800K increase for health insurance due to a 10% increase, net of reduced staff
- \$900K decrease for capital deferrals of 5 bus purchases (\$500K) and repairs (pool ceiling and asphalt \$400K), and \$140K less food service repairs
- \$300K increase in non-operating debt payments

FUND BALANCE DETAIL (see page 2):

Operating cash reserves comprise the General Fund #110 plus the Teacher Fund #120. These funds are used for the general operations of the district. Operating cash reserves for FY2015-16 is budgeted for 16.6% (June 30, 2016 operating fund balance divided by the annual operating fund expenditures) compared to 19.1% projected for FY2014-15. Cash reserves are at the lowest in early December each year. 17% cash reserves at June 30th is a rough estimate of cash needed to avoid negative balances in December. The projected reserves at 6/30/15 are well above 17%, so TAN (tax advantage notes) short-term borrowing should not be necessary.

Non-operating funds consist of appropriated general funds, restricted debt funds, and restricted capital funds.

1. Appropriated funds consist of food service (fund #500), student activity (fund #600) and athletics (fund #700). Community donations, student fees, and federal/state reimbursements comprise the revenue sources. The funds are earmarked for specific purposes and do not represent taxpayer money.
2. Restricted debt funds for general obligation bonds (fund #300) and certificates of participation (fund #450), which are known as COP's, are funded by tax levies to pay off debt.
3. The restricted capital fund #410 receives money primarily from a portion of the Classroom Trust state revenue and a portion of the VICC program. This fund is restricted to use for capital disbursements. Capital fund concerns are discussed further in the "Five Year Forecast" and "Financial Considerations" sections.

REVENUE DETAIL (see page 9):

Local Taxes – the budget is \$61,625K, an increase of \$675K compared to \$60,950K this year. 2015-16 is a reassessment year. Preliminary March assessed value (AV) increased 3.2%, but the CPI index is only .8%. Revenues are limited to only increase up to the CPI amount of .8%, which is about \$500K. The remaining increase of AV above the CPI percentage serves to reduce the tax rate enough so the net tax bill does not increase. Thus, AV increases up to .8% does increase the tax revenue. But, further AV increases are offset by reduced tax rates to a net zero tax revenue impact.

Additionally, the debt service levy will increase from 3.2 cents to 3.9 cents, which will create about \$125K additional non-operating revenue that will all go into the debt service fund. Furthermore, the collection % is estimated to be 97.12% on about \$63.5M of levied taxes on \$1.71B of assessed value. The collection percentage is slightly higher than 97.05% for the current year budget, which is about a \$50K impact. The 2 year average for actual collections is 97.20% and the 10 year average is 96.82%.

This revenue can be impacted by STL County adjustments to the AV in July and September. Since the AV is so much higher than the CPI however, it would seem like there is a low risk that future adjustments will impact revenue either up or down.

Proposition "C" Sales Tax – the budget is \$9,100K, an increase of \$75K which assumes a 1.5% initial business growth offset by .6% projected WADA decrease. This current year revenue increased due to 3.5% WADA increase due to full day kindergarten impact (one year time lag), and 3.2% business growth. Final revenue budget is subject to legislation which could change.

Desegregation (VICC) – see comments in the “District Enrollment” section. Revenue is expected to be flat. Next year standard reimbursement for VICC students is capped at \$7,250. **Mehlville is the only district in STL County that does not receive the full \$7,250 because we spend so much less per student than any other district.** We actually receive about \$6,500 per student based on the VICC formula.

Other Local Revenue - the budget is increased \$163K due to the budget adjustments to add bus fees and additional student activity fees.

State Basic Formula/Classroom Trust – the budget is a \$125K combined decrease for both revenues. Basic formula is moving to eliminate the funding percentage and only adjust the SAT (state adequacy target). Currently the SAT budget target is \$6,076 per DESE, which compares to \$6,131 this year. Final revenue budget is subject to legislation which could change.

Early Childhood – The District is reimbursed in arrears for this expenditure. Budget is similar to current year revenue. Almost 100% of expenses are reimbursed the following year.

Federal Programs – Title programs are projected to decrease about \$175K and will be adjusted once the actual budget is announced.

Riverview Tuition – the budget is \$680K, a decrease of \$200K from the \$880K this year due to fewer students. The current year tuition rate is \$7,927 per student and is reimbursed by actual hours attended by students. Budget variances will arise if the tuition rates, student enrollment, or legislative policies change significantly.

EXPENSE DETAIL (see page 10):

Salaries – the budget decreases \$1.8M, or 2.9% due to 23.5 teacher reductions, classified staff reductions, and central office administration staff reductions. Reductions include eliminating all paid tutoring of \$100K. The only tutoring available to students is from OASIS (retiree volunteers) and other students. There are no step increases for certified or classified staff, and no pay raises for administration except for a couple positions that were restructured. Total budgeted salary and benefits comprise 76% of the total budget. The change in salary expense is attributed to the following:

| | <u>(000's)</u> |
|-------------------------------|-----------------|
| Budget 2015 Salary | \$62,950 |
| Certified staff adjust | (1,700) |
| Classified/Admin staff adjust | (400) |
| Channel changes | 276 |
| Classified – 2 calendar days | 47 |
| Retirements net of reductions | <u>(48)</u> |
| Budgeted 2016 Salary | <u>\$61,125</u> |

Benefits – the budget increases \$614K due to health insurance increasing \$825K, or 10%, offset by a decrease in payroll taxes and pension due to reduced staff. Retirement contribution rates remain at the same level as 2015. Significant changes were made to the health plan deductibles this calendar year so there is a chance there could be favorable variances if expense trends are favorable.

Purchased Services & Supplies – the budget nets a \$545K decrease which is based on an original 1.5% increase, less \$790K of budget adjustments. The adjustments include eliminating \$500K one-to-one computer purchases and \$170K for library books, periodicals and teaching supplies. Several items are highlighted below:

- Textbooks – the budget increases from \$337K to \$390K
- Parents as Teachers – net district expense is about \$170K (\$290K expense offset by \$120K revenue)
- Energy expense includes \$2,123K for electric (5% increase), \$448K for heating fuel (10% increase), and \$639K for gasoline (10% decrease)
- General supplies include \$932K for classroom teaching supplies (\$264K for elementary), a decrease of \$50K (see page 11). Teaching supplies are allotted to schools based on assistant superintendent review.

Capital (see page 7) – the budget decreases \$1.1M (from \$2M to \$900K) mostly due to \$900K deferrals for 5 buses, pool ceiling repairs and asphalt maintenance. Furthermore, almost \$400K is already deferred in FY2015 for gym and stadium bleacher repairs for a combined total of \$1.3M deferred items to “catch-up”. Thus, FY2017 capital needs increase by \$2.4M (from \$900K to \$3.3M) due to \$1.3M for the “catch-up” items, plus \$1.1M for additional buses and roofing. Deferring capital expenses are not savings, but merely moves expense to future years. Deferring bus purchases leads to higher average annual expense over the life of a bus since annual repair costs for older buses exceed annual amortized cost of a bus purchase. However, capital needs outpace capital funding, and deferrals were made to avoid a negative fund balance. The district is falling behind on very basic capital maintenance due to lack of funding.

Debt Service (see page 8) – the budget increases \$335K based on actual pay schedules. The district starts FY2016 with \$61M debt, of which \$58M is from the certificates of participation (COP) debt which is funded by 51 cents of the tax levy. General obligation (G.O) bonds comprise \$1M and uses 3.9 cents tax levy. Debt will be reduced to \$53M before the copier lease is renewed in June 2016. Also, the turf lease is paid off in 2016.

FIVE YEAR FORECAST THROUGH 2019 (see page 6):

The five year forecast includes fiscal years 2015-2019. The forecast after 2016 is a very general estimate. Revenue can vary significantly due to legislation, tax levies, or enrollment for example. The expense forecast represents the lowest expense structure option to operate the district and does not restore any of the \$4M operating reductions made in 2016. However, the 2016 capital deferrals are restored so the school can operate effectively and safely. Also, strategic plan expense estimates are shown, and additional cash needed to maintain a 17% reserve is also shown, which is the benchmark for the district to avoid borrowing money to pay bills.

For 2017-2019, revenues increase about .5% while operating expenses increase about 3%. Operating cash reserves, excluding strategic plan expense, are 11% in 2017, 4% in 2018, and -5% in 2019 which simply means either more revenue must be obtained, or more severe budget adjustments are on the horizon. If 17% cash reserves were maintained, the additional cash needed through 2019 is about \$22M which is equivalent to a 43 cent tax increase starting in 2017 (this excludes the strategic plan).

If the district implemented 100% of the **strategic plan** by 2019, the cash needs grow to \$32.5M instead which is equivalent to a 63 cent tax increase starting in 2017. It is important to note that implementing the strategic plan still does **NOT** restore the \$4M adjustments made in 2015-16. **Action is needed to cover the cash shortfall through 2019 and beyond.**

Furthermore, the capital fund shows a \$290K deficit in 2017 despite operating reserves showing 11%. **Capital needs are outpacing capital funding.** The deficit grows to \$2M by 2019 for basic maintenance. Key projects (in process of being studied and summarized) would add at least an **additional \$35M expense.** **Action is needed to develop plans for funding district capital needs.**

OTHER:

Staff Allocation

There are no additional staffing increases budgeted for now. Budget adjustments are reducing staff as mentioned earlier in the “Summary” expense section.

District Enrollment

District enrollment in April 2015 is 10,450 compared to 10,699 in April 2014. VICC student enrollment is 386 in April 2015 compared to 436 in April 2014. Originally 354 students were targeted for next year; however budget adjustments have added 20 students to target 374. Riverview Gardens’ enrollment is 112 in April 2015 compared to 180 in April 2014. Next year start of school is estimated to be around 90 but can fluctuate.

Tuition Calculation

The current year tuition rate is \$9,875 based on FY2013-14 results. Since FY2014-15 results are not yet final, a tuition rate cannot yet be finalized.

FINANCIAL CONSIDERATIONS:

No Tax Increase (see page 6 footnotes)

2015 is the last year of levying tax for the existing G.O. bond debt which will be paid off in 2017. The district has an opportunity **from August 2015 through August 2016 to pass a 3.9 cent no tax increase** to move the G.O. bond tax levy over to an operating tax levy or a capital fund tax levy. This will provide about **\$650K additional revenue per year** without any additional cost to the taxpayer and it is highly advised that the district pursue this no tax increase given the operating and capital funding needs. Realistically, there are 3 possible ballot dates for this proposal – November 2015, April 2016, or August 2016.

Long-term capital needs – Dedicated tax levy and/or G.O. Bond

I presented bus fleet replacement data to the board in September 2014 (see page 15) which outlined the need for steady **bus replacement to minimize average annual cost** (amortized purchase price plus repairs) over the life of the bus. With almost 80 buses and a target bus life of 16 years (2 years more than industry standard), the district should **pay cash for about 5 buses per year**, which is about \$500K per year. This practice will actually result in less overall cost per year than keeping older buses and incurring significant repair expense for motors and transmissions. Yet, we are deferring the purchase of buses for 2016 which means in 2017 we need to buy 10 buses instead of 5. **Deferring bus purchases compounds the problem and places more burden on upcoming years.**

Likewise, calculations show that **roofing repairs will average about \$750K per year** over a 20 life cycle of all district roofing. Like the buses, this is a fairly predictable expense over a 20 year period.

Finally, **other capital items that are less predictable or non-recurring** need to be identified. HVAC is less predictable but there is work in process to assess the next 5-10 year HVAC and ventilation needs and other non-recurring capital needs. There needs to be a **comprehensive plan** to identify all such items then determine the **best way to finance** these items. **The district is behind in capital maintenance and has “catch-up” to do.**

Current capital funding does not support all the capital needs. The capital fund is forecast to have a deficit by 2017. The district needs more capital revenue. **One option is to have a dedicated tax levy** that pays for ongoing, predictable capital needs. This is more financially prudent to the taxpayer since it avoids bond interest and periodic election costs, and can be reasonably calculated to cover predictable capital needs. **General obligation bonds are another option** although it may be better to use bonds for special, non-recurring projects. **The district needs a capital funding action plan.**

Cash Reserve %

Board guidelines are currently to maintain operating fund cash reserves (General Fund plus Teachers Fund) at 13%-18% of annual expenditures. **I presented data to the board in December 2014 outlining the following:**

- 1) Once cash reserves are **below 17%** (which is measured each year as of June 30th), the District risks having to borrow money, thus paying interest expense that **directly costs taxpayers**
- 2) As cash reserves decline, the District **credit rating is lowered** which results in higher interest rates on loans. Hart and Company estimated in December 2014 that a \$30M loan costs an **additional \$2.5M of interest** expense if reserves were at 9% instead of 23%
- 3) Cash reserves are **recommended to be 17% - 25%** (above 17% avoids borrowing short-term money)

It has been stated that maintaining the higher reserves is a cost to education, since the money would be in a bank instead of being used for education needs. Not maintaining this higher reserve level is a cost to the taxpayers. Both the strategic plan needs and the cash reserve needs need to be maintained.

Calendar

2015-2016 School Calendar



Mehlville School District
Individually Focused. Committed to All.

JULY 2015

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AUGUST 2015

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SEPTEMBER 2015

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OCTOBER 2015

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NOVEMBER 2015

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DECEMBER 2015

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1st SEMESTER IMPORTANT DATES

| | |
|----------------|--|
| Aug 3-7 | New Teacher Orientation |
| Aug 10 | Professional Development Day |
| Aug 11 | Teacher Workday |
| Aug 13 | First Day of School |
| Sep 4 | 2-Hour Early Dismissal (PD) |
| Sep 7 | No School - Labor Day |
| Oct 12-13 | Elementary Conferences |
| Oct 14 | Middle School Evening Conferences |
| Oct 15 | High School Evening Conferences |
| Oct 16 | No School - Conf. Comp. Day |
| Oct 30 | 2-Hour Early Dismissal (PD) |
| Nov 3 | No School - Prof Dev/Workday |
| Nov 20 | 2-Hour Early Dismissal (PD) |
| Nov 25-27 | No School - Thanksgiving |
| Dec 11 | 2-Hour Early Dismissal (PD) |
| Dec 21-22 | Finals 6-12 |
| Dec 23 - Jan 1 | 2-Hour Early Dismissal/Teacher Workday |
| | No School - Winter Break |

2nd SEMESTER IMPORTANT DATES

| | |
|--------------|--|
| Jan 4 | First day of 2nd Semester |
| Jan 15 | No School - Prof Dev/Workday |
| Jan 18 | No School - Martin Luther King Day |
| Jan 29 | 2-Hour Early Dismissal (PD) |
| Feb 12 | 2-Hour Early Dismissal (PD) |
| Feb 15 | No School - President's Day |
| Feb 29-Mar 1 | Elementary Conferences |
| Mar 2 | Middle School Evening Conferences |
| Mar 3 | High School Evening Conferences |
| Mar 4 | No School - Conf. Comp. Day |
| Mar 11 | 2-Hour Early Dismissal (PD) |
| Mar 15 | No School - Elect Day/Prof Dev/Workday |
| Mar 21-25 | No School - Spring Break |
| Apr 5 | No School - Teacher Workday |
| Apr 15 | 2-Hour Early Dismissal (PD) |
| May 18-19 | Finals 6-12 |
| | 2-Hour Early Dismissal/Teacher Workday |
| May 19 | Last Day of School |
| May 30 | Memorial Day |

JANUARY 2016

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FEBRUARY 2016

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MARCH 2016

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APRIL 2016

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MAY 2016

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JUNE 2016

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First & Last Day of School

Early Dismissal

No School - PreK-12

Snow Day Make-up, if needed

A - DAYS in RED (HS Only)

B - DAYS in BLUE (HS Only)

SIX WEEK GRADING PERIODS

| | |
|--------|----------------------------|
| Sep 25 | Six Week Grading Period |
| Nov 6 | Twelve Week Grading Period |
| Dec 22 | First Semester Ends |
| Feb 12 | Six Week Grading Period |
| Apr 1 | Twelve Week Grading Period |
| May 19 | Second Semester Ends |

176 Student Contact Days
6 Non Pupil Attendance Days
2 Conference Comp Days
198 Total Contract Days

Budget Summary

MEHLVILLE SCHOOL DISTRICT
Cash Flow Summary - Full Year Budget
FY2015-16

Budget

| | General (All) | Special Fund | Capital Projects | Debt Service | Total |
|------------------|---------------|--------------|------------------|--------------|----------------|
| Fund Number | 120 | 300 | | | |
| Balances 6-30-15 | \$ 16,596,539 | \$ 3,370,358 | \$ 7,162,710 | \$ 563,509 | \$ 27,693,116 |
| Revenue | 34,568,000 | 59,465,000 | 11,280,000 | 673,000 | \$ 105,986,000 |
| Expenditures | 35,913,000 | 60,877,000 | 9,904,000 | 602,000 | \$ 107,296,000 |
| Transfers | (30,000) | | 30,000 | | \$ - |
| Net Gain (Loss) | (1,375,000) | (1,412,000) | 1,406,000 | 71,000 | \$ (1,310,000) |
| Balances 6-30-16 | \$ 15,221,539 | \$ 1,958,358 | \$ 8,568,710 | \$ 634,509 | \$ 26,383,116 |

| | General #110 | Food Service | Activities | Athletic | Total General |
|------------------|---------------|--------------|--------------|------------|----------------|
| Fund Number | 110 | 500 | 600 | 700 | |
| Balances 6-30-15 | \$ 14,317,457 | \$ 896,265 | \$ 1,206,142 | \$ 176,675 | \$ 16,596,539 |
| Revenue | 28,923,000 | 3,545,000 | 1,638,000 | 462,000 | \$ 34,568,000 |
| Expenditures | 30,117,000 | 3,628,000 | 1,703,000 | 465,000 | \$ 35,913,000 |
| Transfers | | (30,000) | | | \$ (30,000) |
| Net Gain (Loss) | (1,194,000) | (113,000) | (65,000) | (3,000) | \$ (1,375,000) |
| Balances 6-30-16 | \$ 13,123,457 | \$ 783,265 | \$ 1,141,142 | \$ 173,675 | \$ 15,221,539 |

| | Capital | C.O.P. | Total Capital |
|------------------|--------------|--------------|---------------|
| Fund Number | 410 | 450 | |
| Balances 6-30-15 | \$ 299,070 | \$ 6,863,640 | \$ 7,162,710 |
| Revenue | 2,256,000 | 9,024,000 | \$ 11,280,000 |
| Expenditures | 1,359,000 | 8,545,000 | \$ 9,904,000 |
| Transfers | 30,000 | | \$ 30,000 |
| Net Gain (Loss) | 927,000 | 479,000 | \$ 1,406,000 |
| Balances 6-30-16 | \$ 1,226,070 | \$ 7,342,640 | \$ 8,568,710 |

Cash Reserves (cash % of annual expenditures)

| | General #110 plus Special #120 | Total General plus Special #120 |
|------------------|-----------------------------------|------------------------------------|
| Balances 6-30-15 | \$ 17,687,815 | \$ 19,966,897 |
| Revenue | 88,388,000 | 94,033,000 |
| Expenditures | 90,994,000 | 96,790,000 |
| Transfers | | (30,000) |
| Net Gain (Loss) | (2,606,000) | (2,787,000) |
| Balances 6-30-16 | \$ 15,081,815 | \$ 17,179,897 |

| | | |
|------------------------|-------|-------|
| 6/30/16 Cash Reserve % | 16.6% | 17.7% |
|------------------------|-------|-------|

| | | | |
|------------------------|-------|-------|---------------------------|
| 6/30/15 Cash Reserve % | 19.1% | 24.7% | Based on Forecast |
| 6/30/14 Cash Reserve % | 23.7% | 25.0% | Actual |
| 6/30/13 Cash Reserve % | 23.7% | 25.4% | Actual |
| 6/30/12 Cash Reserve % | 23.7% | 25.5% | Actual |
| 6/30/11 Cash Reserve % | 17.5% | 19.2% | Based on next year budget |

MEHLVILLE SCHOOL DISTRICT
Cash Flow Summary - Full Year Adjusted Budget
FY2014-15

Adjusted Budget

| Fund Number | General (All) | Special Fund | Capital Projects | Debt Service | Total |
|------------------|---------------|--------------|------------------|--------------|---------------|
| | | 120 | | 300 | |
| Balances 6-30-14 | \$ 14,975,539 | \$ 8,629,358 | \$ 7,745,710 | \$ 615,509 | \$ 31,966,116 |
| Revenue | 38,290,000 | 56,736,000 | 9,992,000 | 535,000 | 105,553,000 |
| Expenditures | 36,551,000 | 61,995,000 | 10,693,000 | 587,000 | 109,826,000 |
| Transfers | (118,000) | | 118,000 | | - |
| Net Gain (Loss) | 1,621,000 | (5,259,000) | (583,000) | (52,000) | (4,273,000) |
| Balances 6-30-15 | \$ 16,596,539 | \$ 3,370,358 | \$ 7,162,710 | \$ 563,509 | \$ 27,693,116 |

| Fund Number | General #110 | Food Service | Activities | Athletic | Total General |
|------------------|---------------|--------------|--------------|------------|---------------|
| | 110 | 500 | 600 | 700 | |
| Balances 6-30-14 | \$ 12,350,457 | \$ 1,074,265 | \$ 1,349,142 | \$ 201,675 | \$ 14,975,539 |
| Revenue | 32,745,000 | 3,545,000 | 1,560,000 | 440,000 | 38,290,000 |
| Expenditures | 30,778,000 | 3,605,000 | 1,703,000 | 465,000 | 36,551,000 |
| Transfers | | (118,000) | | | (118,000) |
| Net Gain (Loss) | 1,967,000 | (178,000) | (143,000) | (25,000) | 1,621,000 |
| Balances 6-30-15 | \$ 14,317,457 | \$ 896,265 | \$ 1,206,142 | \$ 176,675 | \$ 16,596,539 |

| Fund Number | Capital | C.O.P. | Total Capital |
|------------------|------------|--------------|---------------|
| | 410 | 450 | |
| Balances 6-30-14 | \$ 720,070 | \$ 7,025,640 | \$ 7,745,710 |
| Revenue | 1,931,000 | 8,061,000 | 9,992,000 |
| Expenditures | 2,470,000 | 8,223,000 | 10,693,000 |
| Transfers | 118,000 | | 118,000 |
| Net Gain (Loss) | (421,000) | (162,000) | (583,000) |
| Balances 6-30-15 | \$ 299,070 | \$ 6,863,640 | \$ 7,162,710 |

Cash Reserves (cash % of annual expenditures)

| | General #110 plus Special #120 | Total General plus Special #120 |
|------------------|-----------------------------------|------------------------------------|
| Balances 6-30-14 | \$ 20,979,815 | \$ 23,604,897 |
| Revenue | 89,481,000 | 95,026,000 |
| Expenditures | 92,773,000 | 98,546,000 |
| Transfers | | (118,000) |
| Net Gain (Loss) | (3,292,000) | (3,638,000) |
| Balances 6-30-15 | \$ 17,687,815 | \$ 19,966,897 |

| | | |
|------------------------|--------------|--------------|
| 6/30/15 Cash Reserve % | 19.1% | 20.3% |
|------------------------|--------------|--------------|

| | | |
|------------------------|--------------|--|
| 6/30/14 Cash Reserve % | 23.7% | 25.0% Actual |
| 6/30/13 Cash Reserve % | 23.7% | 25.4% Actual |
| 6/30/12 Cash Reserve % | 23.7% | 25.5% Actual |
| 6/30/11 Cash Reserve % | 17.5% | 19.2% Based on next year budget |

Mehlville School District
Budget by Source/Object (Amounts in Thousands)
FY2016

| REVENUE BY SOURCE | FY2016 Budget Full Year | FY2015 Adj Budget Full Year | FY2014 Actual Full Year | FY2013 Actual Full Year | FY2012 Actual Full Year | FY2011 Actual Full Year | FY2010 Actual Full Year |
|--------------------------|--|--|--|--|--|--|--|
| Local | \$ 80,798 | \$ 79,757 | \$ 79,529 | \$ 80,366 | \$ 79,742 | \$ 80,790 | \$ 78,540 |
| County | 1,625 | 1,616 | 1,705 | 1,551 | 1,834 | 1,099 | 1,328 |
| State | 17,622 | 17,801 | 17,759 | 14,846 | 15,668 | 14,040 | 12,543 |
| Federal | 3,731 | 3,954 | 3,780 | 3,966 | 4,110 | 5,550 | 6,075 |
| Other | 2,210 | 2,425 | 2,708 | 1,707 | 1,666 | 1,454 | 1,300 |
| Total | \$ 105,986 | \$ 105,553 | \$ 105,481 | \$ 102,436 | \$ 103,020 | \$ 102,933 | \$ 99,786 |

| | | | | | | |
|-----------|--------|-------|----------|----------|-------|----------|
| % Change | 0.4% | 0.1% | 3.0% | -0.6% | 0.1% | 3.2% |
| \$ Change | \$ 433 | \$ 72 | \$ 3,045 | \$ (584) | \$ 87 | \$ 3,147 |

EXPENDITURE BY OBJECT

| | | | | | | | |
|---------------------|-------------------|-------------------|-------------------|------------------|-------------------|-------------------|------------------|
| Salaries | \$ 61,125 | \$ 62,950 | \$ 61,096 | \$ 59,771 | \$ 58,713 | \$ 59,720 | \$ 58,582 |
| Benefits | 19,925 | 19,311 | 18,127 | 16,947 | 16,379 | 16,288 | 15,753 |
| Salaries & Benefits | 81,050 | 82,261 | 79,223 | 76,718 | 75,092 | 76,008 | 74,335 |
| Purchased Services | 4,785 | 4,821 | 4,408 | 4,178 | 4,135 | 4,671 | 4,889 |
| Supplies | 10,955 | 11,464 | 10,656 | 10,206 | 9,176 | 9,799 | 9,731 |
| Capital | 911 | 2,020 | 1,561 | 2,168 | 1,188 | 1,585 | 2,152 |
| Debt Service | 9,595 | 9,260 | 9,190 | 6,402 | 10,541 | 8,050 | 7,567 |
| Total | \$ 107,296 | \$ 109,826 | \$ 105,038 | \$ 99,672 | \$ 100,132 | \$ 100,113 | \$ 98,674 |

| | | | | | | |
|-----------|------------|----------|----------|----------|-------|----------|
| % Change | -2.3% | 4.6% | 5.4% | -0.5% | 0.0% | 1.5% |
| \$ Change | \$ (2,530) | \$ 4,788 | \$ 5,366 | \$ (460) | \$ 19 | \$ 1,439 |

| | | | | | | | |
|-----------------|------------|------------|--------|----------|----------|----------|----------|
| Net Gain (Loss) | \$ (1,310) | \$ (4,273) | \$ 443 | \$ 2,764 | \$ 2,888 | \$ 2,820 | \$ 1,112 |
|-----------------|------------|------------|--------|----------|----------|----------|----------|

Mehlville School District
Budget by Fund (Amounts in Thousands)
FY2016

| REVENUE BY FUND | FY2016 Budget Full Year | FY2015 Adj Budget Full Year | FY2014 Actual Full Year | FY2013 Actual Full Year | FY2012 Actual Full Year | FY2011 Actual Full Year |
|------------------------------|--|--|--|--|--|--|
| 110 General | \$ 28,923 | \$ 32,745 | \$ 29,269 | \$ 27,973 | \$ 29,071 | \$ 29,930 |
| 120 Teachers | 59,465 | 56,736 | 59,909 | 58,337 | 58,998 | 57,718 |
| Total Operating Funds | 88,388 | 89,481 | 89,178 | 86,310 | 88,069 | 87,648 |
| 300 Debt Service | 673 | 535 | 532 | 566 | 581 | 545 |
| 410 Capital | 2,256 | 1,931 | 1,833 | 2,022 | 1,149 | 1,337 |
| 450 COP's | 9,024 | 8,061 | 8,007 | 7,947 | 7,774 | 7,947 |
| 500 Food Service | 3,545 | 3,545 | 3,687 | 3,554 | 3,426 | 3,417 |
| 600 Activity | 1,638 | 1,560 | 1,749 | 1,574 | 1,560 | 1,621 |
| 700 Athletics | 462 | 440 | 495 | 463 | 461 | 418 |
| Total All Funds | \$ 105,986 | \$ 105,553 | \$ 105,481 | \$ 102,436 | \$ 103,020 | \$ 102,933 |
| | 0.4% | 0.1% | 3.0% | -0.6% | 0.1% | |

| EXPENDITURE BY FUND | | | | | | |
|--------------------------------|-------------------|-------------------|-------------------|------------------|-------------------|-------------------|
| 110 General | \$ 30,117 | \$ 30,778 | \$ 28,594 | \$ 27,845 | \$ 26,339 | \$ 27,956 |
| 120 Teachers | 60,877 | 61,995 | 59,912 | 57,907 | 56,919 | 57,461 |
| Total Operating Funds | 90,994 | 92,773 | 88,506 | 85,752 | 83,258 | 85,417 |
| 300 Debt Service | 602 | 587 | 575 | 564 | 550 | 552 |
| 410 Capital | 1,329 | 2,352 | 1,978 | 2,606 | 1,396 | 1,352 |
| 450 COP's | 8,545 | 8,223 | 8,170 | 5,399 | 9,783 | 7,724 |
| 500 Food Service | 3,658 | 3,723 | 3,603 | 3,457 | 3,334 | 3,170 |
| 600 Activity | 1,703 | 1,703 | 1,733 | 1,476 | 1,396 | 1,504 |
| 700 Athletics | 465 | 465 | 473 | 418 | 415 | 394 |
| Total All Funds | \$ 107,296 | \$ 109,826 | \$ 105,038 | \$ 99,672 | \$ 100,132 | \$ 100,113 |
| | -2.3% | 4.6% | 5.4% | -0.5% | 0.0% | |
| Net Gain (Loss) | \$ (1,310) | \$ (4,273) | \$ 443 | \$ 2,764 | \$ 2,888 | \$ 2,820 |
| Operating Fund Gain (Loss) | (2,606) | (3,292) | 672 | 558 | 4,811 | 2,231 |
| Non-Operating Gain (Loss) | 1,296 | (981) | (229) | 2,206 | (1,923) | 589 |
| Net Gain (Loss) | (1,310) | (4,273) | 443 | 2,764 | 2,888 | 2,820 |

MEHLVILLE SCHOOL DISTRICT

Five Year Forecast

May 21, 2015

(AMOUNTS IN THOUSANDS)

| REVENUE BY SOURCE | 2019 Forecast | 2018 Forecast | 2017 Forecast | 2016 Budget | 2015 Adj Budget | 2014 Actual | 2013 Actual | 2012 Actual |
|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|-------------------|-------------------|-------------------|
| Local | \$ 82,150 | \$ 81,900 | \$ 81,058 | \$ 80,798 | \$ 79,757 | \$ 79,529 | \$ 80,366 | \$ 79,742 |
| County | 1,625 | 1,625 | 1,625 | 1,625 | 1,616 | 1,705 | 1,551 | 1,834 |
| State | 18,049 | 17,905 | 17,763 | 17,622 | 17,801 | 17,759 | 14,846 | 15,668 |
| Federal | 3,731 | 3,731 | 3,731 | 3,731 | 3,954 | 3,780 | 3,966 | 4,110 |
| Other | 1,530 | 1,530 | 1,830 | 2,210 | 2,425 | 2,708 | 1,707 | 1,667 |
| TOTAL | \$ 107,085 | \$ 106,691 | \$ 106,007 | \$ 105,986 | \$ 105,553 | \$ 105,481 | \$ 102,436 | \$ 103,021 |
| | 0.4% | 0.6% | 0.0% | 0.4% | 0.1% | 3.0% | -0.6% | |

EXPENDITURES BY OBJECT

| | | | | | | | | |
|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|-------------------|
| Salaries | \$ 65,184 | \$ 63,783 | \$ 62,415 | \$ 61,125 | \$ 62,950 | \$ 61,096 | \$ 59,771 | \$ 58,713 |
| Benefits | 23,175 | 21,995 | 20,886 | 19,925 | 19,311 | 18,127 | 16,947 | 16,379 |
| Purchased Services | 5,223 | 5,072 | 4,926 | 4,785 | 4,821 | 4,408 | 4,178 | 4,135 |
| Supplies | 12,057 | 11,676 | 11,309 | 10,955 | 11,464 | 10,656 | 10,206 | 9,176 |
| Operating Expenses | 105,639 | 102,526 | 99,536 | 96,790 | 98,546 | 94,287 | 91,102 | 88,403 |
| | 3.0% | 3.0% | 2.8% | -1.8% | 4.5% | 3.5% | 3.1% | |
| Capital | 2,250 | 2,538 | 3,329 | 911 | 2,020 | 1,561 | 2,168 | 1,188 |
| Debt Service | 13,884 | 9,779 | 9,893 | 9,595 | 9,260 | 9,190 | 6,402 | 10,541 |
| TOTAL | \$ 121,773 | \$ 114,843 | \$ 112,758 | \$ 107,296 | \$ 109,826 | \$ 105,038 | \$ 99,672 | \$ 100,132 |
| | 6.0% | 1.8% | 5.1% | -2.3% | 4.6% | 5.4% | -0.5% | |

Net Gain (Loss)

(combined operating + non-operating)

FUND BALANCE (Cash and Cash Equivalents)

| | | | | | | | | |
|---------------------------|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Operating Funds #110/#120 | \$ (5,275) | \$ 3,926 | \$ 10,488 | \$ 15,082 | \$ 17,688 | \$ 20,979 | \$ 20,308 | \$ 19,750 |
| Non- Op Capital Fund #410 | (1,890) | (1,228) | (290) | 1,226 | 299 | 720 | 866 | 1,119 |
| Non-Op Debt & Activity | 3,958 | 8,783 | 9,434 | 10,075 | 9,706 | 10,267 | 10,349 | 7,891 |
| Total Fund Balance | \$ (3,208) | \$ 11,480 | \$ 19,632 | \$ 26,383 | \$ 27,693 | \$ 31,966 | \$ 31,523 | \$ 28,760 |
| Operating Cash Reserve % | -5.3% | 4.1% | 11.2% | 16.6% | 19.1% | 23.7% | 23.7% | 23.7% |
| Add'l Cash Needed for 17% | 22,203 | 12,489 | 5,434 | 387 | | | | |

Cumulative Add'l Cash Needed 2016-2019

40,514 without Strategic Plan
60,798 with Strategic Plan

STRATEGIC PLAN (implemented over 3 years)

| | | | | | | | | |
|----------------------------|----------|----------|----------|--------|--|-----------|-------------------------------|--|
| Budgeted Expense | \$ 4,750 | \$ 3,500 | \$ 2,250 | | | | | |
| Adjusted Operating Funds | (15,775) | (1,824) | 8,238 | 15,082 | | \$ 20,266 | 3 Year Average Shortfall | |
| Adjusted Op Cash Reserve % | -15.1% | -1.8% | 8.6% | 16.6% | | \$ 1.183 | Tax Levy for 17% reserves and | |
| Add'l Cash Needed for 17% | 33,510 | 18,834 | 8,066 | 387 | | | cover Strategic Plan 50% | |

Summary: The 2017-2019 forecast represents the lowest expense structure option to operate the district. It does not restore any operating expenses that were reduced in the 2016 adjustments. The "Strategic Plan" section shows the more optimal expense structure needed to drive student achievement. The "Cumulative Add'l Cash Needed" section shows how much cash is needed to support cash reserves that avoid short-term borrowing to pay bills, and to achieve the Strategic Plan.

Assumptions: Years 2017-2019 can vary significantly due to revenue. Use of this data should be limited to broadbase strategic planning.

Revenue: Taxes assume a 1% increase in the 2018 reassessment year, and minimal increases in 2017/2019 non-reassessment years for new construction. Prop C assumes 2% increases after 2016. VICC assumes flat revenue instead of past 10% decreases. Basic formula assumes 1% increases after 2016. Riverview student tuition assumes \$300K in 2017, and zero thereafter.

No Tax Increase: In 2017, revenue **assumes \$650K from a 3.9 cent no tax increase** due to G.O. bonds maturing. While revenue is the same, it **now goes to operating funds instead of debt funds. The no tax increase needs voter approval no later than August 2016.**

Operating Expense: Salaries for 2017-2019 increase each year by 1 step for certified and classified staff, and 2.5% for administration.

Salaries do not assume restoration of any staff cuts made in 2016. Health insurance assumes 8% increases after 2016.

Operating costs increase 3% after 2016 due to increases of 2.5% most items, and 5% for commercial insurance and energy.

2016 budget adjustments of \$790K are not restored in 2017-2019 unless revenue is increased.

Capital: 2017 increases \$2.4M due to **\$1.3M of "catch-up" items that were deferred in 2015 and 2016** (.5M buses, .4M OHS gym and pool ceiling, and .4M for facility plan projects), and \$1.1M for current projects (\$.5M buses, \$.5M roofing, .1M facility plan).

2018 capital includes \$1M facility plan projects, \$.5M for 5 buses, and \$.5M roofing. 2019 capital is the same as 2018 except roofing decreases to \$.2M. Each year assumes 2.5% inflation.

Debt: Copier lease renews after 2016. Turf lease is paid off in 2016. G.O. bonds are paid off in 2017 (see No Tax Increase above).

Mehlville School District Capital Expense Budget - FY2016

| | <u>Amount</u> | <u>Total</u> | <u>Revenue Source</u> |
|---|------------------|-----------------------|-----------------------|
| <u>Building and Site Improvement</u> | | | |
| Fire Alarms | 184,000 | | |
| Roof Maintenance | 100,000 | | |
| Parking Lot/Playgrounds | 50,000 | | |
| Building Stabilization | 21,000 | | |
| Boiler Replacement | 15,000 | | |
| Asphalt/Concrete maintenance | deferred 200,000 | | |
| Pool Ceiling Repair | deferred 200,000 | | |
| MHS Stadium Bleachers | deferred 180,000 | | |
| OHS Gym Floor | deferred 180,000 | | |
| Other | 110,000 | | |
| Total | | 480,000 | Capital Allocation |
| <u>Equipment - General</u> | | | |
| Food Service | 30,000 | | Food Service |
| IT | 120,000 | | Capital Allocation |
| Maintenance/Facilities | 55,000 | | Capital Allocation |
| School Buildings | 48,000 | | Capital Allocation |
| Total | | 253,000 | |
| <u>Equipment - Instructional</u> | | | |
| School Buildings | 45,000 | | Capital Allocation |
| IT | 30,000 | | Capital Allocation |
| Total | | 75,000 | |
| <u>School Bus Lease (Principal)</u> | | 103,000 | Capital Allocation |
| 5 Buses Purchased | deferred 500,000 | | |
| Total Capital | | <u><u>911,000</u></u> | |

Note> This budget excludes \$500K for 5 school buses, \$200K for pool ceiling repair, \$200K for asphalt/concrete maintenance, and \$20K for music instruments > \$1K. The exclusion of buses, and repairs merely defers the expense to future years and is not a savings. Deferring bus purchases actually leads to higher average annual expenses over the life of a bus due to annual repair costs exceeding annual cost of amortized bus purchases over the life of the bus.

Summary:

Total capital expense will increase \$2.4M from \$911K in 2016 to \$3.3M in 2017. This is due to \$1.3M of catch up that is deferred in 2016 above. The remaining \$1.1M increase is due to \$500K for current year portion of bus purchases, \$500K for roofing, and \$100K for general maintenance projects. However, there is not adequate funding to the capital fund. **It is critical that financial plans be made for funding district capital needs. As of now, the forecast shows the 2017 Capital Fund #410 to have a \$290K deficit.**

**Mehlville School District
Debt Summary
FY2016 Budget**

| | <u>Amount</u> | <u>Total</u> | <u>Fund</u> | <u>Code</u> |
|--|---------------|---------------------|--------------|-------------------|
| <u>General Obligation Bonds through 2/15/2017</u> | | | | |
| Principal | \$ 550,000 | | | 300-5100-6611-801 |
| Interest | 51,905 | \$ 601,905 | Debt Service | 300-5200-6621-801 |
| <u>Certificates of Participation through 3/1/2029</u> | | | | |
| Principal | 6,865,000 | | | 450-5100-6611-801 |
| Interest | 1,675,615 | 8,540,615 | COP Fund | 450-5231-6624-801 |
| <u>St. John's Building Lease through 5/2/2017</u> | | | | |
| Principal | 96,142 | | | 410-5100-6611-801 |
| Interest | 8,346 | 104,488 | Capital Fund | 410-5221-6624-801 |
| <u>DNR Energy Loans through 2/1/2021</u> | | | | |
| Principal | 32,689 | | | 410-5100-6611-801 |
| Interest | 6,772 | 39,461 | Capital Fund | 410-5221-6624-801 |
| <u>Turf Lease through 6/30/2016</u> | | | | |
| Principal | 185,452 | | | 410-5100-6611-801 |
| Interest | 8,018 | 193,469 | Capital Fund | 410-5221-6624-801 |
| <u>Copier Lease through 6/28/2016</u> | | | | |
| Principal | 98,599 | | | 410-5131-6613-809 |
| Interest | 2,297 | 100,896 | Capital Fund | 410-5231-6623-809 |
| <u>Bus Lease (Existing) through 7/15/2020</u> | | | | |
| Principal | 102,971 | | | 410-2552-6552-606 |
| Interest | 10,098 | 113,069 | Capital Fund | 410-5231-6623-606 |
| Total Debt Payments | | <u>\$ 9,693,903</u> | | |
| Total Principal | | \$ 7,930,853 | | |
| Total Interest | | <u>1,763,050</u> | | |
| | | <u>\$ 9,693,903</u> | | |
| Capital | | \$ 102,971 | | |
| Debt Service | | <u>9,590,931</u> | | |
| | | <u>\$ 9,693,903</u> | | |

Revenue

Mehlville School District
Budget - Revenues
FY2016

| | FY2016 | FY2015 | FY2014 | FY2013 | FY2012 | | |
|--------------------------|------------------|-------------------|-------------------|-------------------|-------------------|-----------------|--------------|
| | Budget | Adj Budget | Actual | Actual | Actual | FY2016 | FY2016 |
| REVENUES (000's) | <u>Full Year</u> | <u>Full Year</u> | <u>Full Year</u> | <u>Full Year</u> | <u>Full Year</u> | <u>Inc(Dec)</u> | <u>%</u> |
| Current Taxes | \$ 61,625 | \$ 60,950 | \$ 60,478 | \$ 61,291 | \$ 60,322 | \$ 675 | 1.1% |
| Delinquent Taxes | 650 | 650 | 734 | 734 | 792 | - | 0.0% |
| Prop C Sales Tax | 9,100 | 9,025 | 8,461 | 7,939 | 7,957 | 75 | 0.8% |
| Fin Inst Taxes | 90 | 86 | 129 | 96 | 78 | 4 | 4.7% |
| M & M Surtax | 1,625 | 1,625 | 1,641 | 1,584 | 1,629 | - | 0.0% |
| Earnings on Invest. | 15 | 20 | 38 | 86 | 99 | (5) | -25.0% |
| Food Service-Program | 1,225 | 1,215 | 1,178 | 1,151 | 1,258 | 10 | 0.8% |
| Food Service-Non-Pro | 800 | 785 | 854 | 850 | 853 | 15 | 1.9% |
| Student Activities | 2,100 | 2,000 | 2,244 | 2,037 | 2,021 | 100 | 5.0% |
| Community Service | 400 | 380 | 447 | 982 | 459 | 20 | 5.3% |
| VICC | 2,430 | 2,446 | 2,752 | 2,867 | 3,091 | (16) | -0.7% |
| Other | 738 | 575 | 573 | 749 | 1,183 | 163 | 28.3% |
| Total Local | <u>80,798</u> | <u>79,757</u> | <u>79,529</u> | <u>80,366</u> | <u>79,742</u> | <u>1,041</u> | <u>1.3%</u> |
| Fines etc | 125 | 117 | 210 | 134 | 172 | 8 | 6.8% |
| State Assessed Util | 1,500 | 1,499 | 1,495 | 1,417 | 1,662 | 1 | 0.1% |
| Total County | <u>1,625</u> | <u>1,616</u> | <u>1,705</u> | <u>1,551</u> | <u>1,834</u> | <u>9</u> | <u>0.6%</u> |
| Basic Formula | 10,575 | 10,675 | 10,163 | 7,835 | 8,052 | (100) | -0.9% |
| Transportation | 840 | 840 | 823 | 780 | 875 | - | 0.0% |
| Early Childhood | 2,500 | 2,495 | 2,676 | 2,453 | 2,803 | 5 | 0.2% |
| Classroom Trust | 3,500 | 3,525 | 3,795 | 3,506 | 3,666 | (25) | -0.7% |
| Educational Screen (PAT) | 110 | 120 | 161 | 160 | 148 | (10) | -8.3% |
| Career Education | - | 70 | 36 | 28 | - | (70) | -100.0% |
| Food Service | 20 | 20 | 28 | 29 | 22 | - | 0.0% |
| Enhancement Grant | 69 | 48 | 67 | 51 | 82 | 21 | 43.8% |
| Other | 8 | 8 | 10 | 4 | 20 | - | 0.0% |
| Total State | <u>17,622</u> | <u>17,801</u> | <u>17,759</u> | <u>14,846</u> | <u>15,668</u> | <u>(179)</u> | <u>-1.0%</u> |
| Medicaid | 60 | 50 | 87 | 44 | 85 | 10 | 20.0% |
| Vocational Edu (Perkins) | 119 | 119 | 108 | 67 | 123 | - | 0.0% |
| Early Childhood | 475 | 475 | 297 | 392 | 350 | - | 0.0% |
| School Lunch | 1,275 | 1,300 | 1,358 | 1,258 | 1,293 | (25) | -1.9% |
| School Breakfast | 225 | 225 | 270 | 265 | - | - | 0.0% |
| Title I | 1,150 | 1,225 | 1,202 | 1,337 | 1,523 | (75) | -6.1% |
| Title III | 137 | 140 | 171 | 150 | - | (3) | -2.1% |
| Title II | 240 | 340 | 226 | 424 | 422 | (100) | -29.4% |
| Other | 50 | 80 | 61 | 29 | 314 | (30) | -37.5% |
| Total Federal | <u>3,731</u> | <u>3,954</u> | <u>3,780</u> | <u>3,966</u> | <u>4,110</u> | <u>(223)</u> | <u>-5.6%</u> |
| Sale of Property | 5 | 11 | 14 | 5 | 2 | (6) | -54.5% |
| Tuition - Riverview | 680 | 880 | 1,245 | - | - | (200) | -22.7% |
| Contracted Educational | 450 | 459 | 378 | 468 | 395 | (9) | -2.0% |
| Trans From Others | 1,075 | 1,075 | 1,071 | 1,234 | 1,269 | - | 0.0% |
| Total Other | <u>2,210</u> | <u>2,425</u> | <u>2,708</u> | <u>1,707</u> | <u>1,666</u> | <u>(215)</u> | <u>-8.9%</u> |
| GRAND TOTAL | <u>\$105,986</u> | <u>\$ 105,553</u> | <u>\$ 105,481</u> | <u>\$ 102,436</u> | <u>\$ 103,020</u> | <u>433</u> | <u>0.4%</u> |
| Inc(Dec) From Prior Year | \$ 433 | \$ 72 | \$ 3,045 | \$ (584) | | | |
| | 0.4% | 0.1% | 3.0% | -0.6% | | | |

Mehlville School District

Revenue Preliminary Budget Adjustment 2016

| | FY2016 Preliminary <u>Budget</u> | <u>Adjustment</u> | FY2016 Final <u>Budget</u> | <u>Ref #</u> |
|--------------------------|--|-------------------|----------------------------------|----------------------------|
| REVENUES | | | | |
| Current Taxes | \$ 61,625 | | \$ 61,625 | |
| Delinquent Taxes | 650 | | 650 | |
| Prop C Sales Tax | 9,100 | | 9,100 | |
| Fin Inst Taxes | 90 | | 90 | |
| M & M Surtax | 1,625 | | 1,625 | |
| Earnings on Invest. | 15 | | 15 | |
| Food Service-Program | 1,225 | | 1,225 | |
| Food Service-Non-Pro | 800 | | 800 | |
| Student Activities | 2,100 | | 2,100 | |
| Community Service | 400 | | 400 | |
| VICC | 2,300 | 130 | 2,430 | (95 operating, 35 capital) |
| Other | 575 | 163 | 738 | |
| Total Local | 80,505 | \$ 293 | \$ 80,798 | |
| Fines etc | 125 | | \$ 125 | |
| State Assessed Util | 1,500 | | 1,500 | |
| Total County | 1,625 | \$ - | \$ 1,625 | |
| Basic Formula | 10,575 | | \$ 10,575 | |
| Transportation | 840 | | 840 | |
| Early Childhood | 2,500 | | 2,500 | |
| Classroom Trust | 3,500 | | 3,500 | |
| Educational Screen | 110 | | 110 | |
| Enhancement FACS Grant | - | | - | |
| Food Service | 20 | | 20 | |
| Enhancement Sci Grant | 69 | | 69 | |
| Other | 8 | | 8 | |
| Total State | 17,622 | \$ - | \$ 17,622 | |
| Medicaid | 60 | | \$ 60 | |
| Vocational Edu (Perkins) | 119 | | 119 | |
| Early Childhood | 475 | | 475 | |
| School Lunch | 1,275 | | 1,275 | |
| School Breakfast | 225 | | 225 | |
| Title I | 1,150 | | 1,150 | |
| Title III | 137 | | 137 | |
| Title II | 240 | | 240 | |
| Other | 50 | | 50 | |
| Total Federal | 3,731 | \$ - | \$ 3,731 | |
| Sale of Property | 5 | | \$ 5 | |
| Tuition - Riverview | - | 680 | 680 | |
| Contracted Educational | 450 | | 450 | |
| Trans From Others | 1,075 | | 1,075 | |
| Total Misc | 1,530 | \$ 680 | \$ 2,210 | |
| TOTAL ALL | \$ 105,013 | \$ 973 | \$ 105,986 | |

Expenditures

Mehlville School District

Budget - Expenses

FY2016

Exp By

OBJECT

| | FY2016 Budget Full Year | FY2015 Adj Budget Full Year | FY2014 Actual Full Year | FY2013 Actual Full Year | FY2012 Actual Full Year |
|---------------------------------|-------------------------------|-----------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Expenses (000's) | | | | | |
| Certified Salaries | \$ 46,560 | \$ 48,050 | \$ 46,787 | \$ 45,572 | \$ 44,897 |
| Non-Certified Salaries | 14,565 | 14,900 | 14,309 | 14,199 | 13,816 |
| Total Salaries | 61,125 | 62,950 | 61,096 | 59,771 | 58,713 |
| | | | | | |
| Teacher Retirement | 7,475 | 7,635 | 7,365 | 7,093 | 6,969 |
| Non-Teacher Retirement | 1,100 | 1,120 | 1,031 | 1,010 | 964 |
| Social Security | 950 | 966 | 922 | 909 | 899 |
| Medicare | 860 | 885 | 838 | 818 | 790 |
| Medical-Dental Etc | 9,125 | 8,300 | 7,620 | 6,741 | 6,299 |
| Work Comp/Unemploy | 415 | 405 | 351 | 376 | 458 |
| Total Benefits | 19,925 | 19,311 | 18,127 | 16,947 | 16,379 |
| | | | | | |
| Tuition | 415 | 400 | 378 | 416 | 403 |
| Professional Services | 169 | 193 | 142 | 164 | 263 |
| Audit | 12 | 15 | 12 | 12 | 15 |
| Technical Services | 552 | 527 | 473 | 452 | 445 |
| Legal Services | 90 | 85 | 146 | 47 | 89 |
| Property Services | 1,366 | 1,437 | 1,411 | 1,236 | 1,268 |
| Contracted Trans | 163 | 160 | 121 | 93 | 54 |
| Travel | 189 | 216 | 98 | 117 | 134 |
| Property Insurance | 432 | 403 | 361 | 374 | 337 |
| Liability Insurance | 430 | 410 | 374 | 386 | 364 |
| Fidelity | 2 | 2 | 2 | 2 | 2 |
| Other Purch Services | 965 | 973 | 890 | 879 | 761 |
| Total Purchased Services | 4,785 | 4,821 | 4,408 | 4,178 | 4,135 |
| | | | | | |
| General Supplies | 1,749 | 1,898 | 1,457 | 1,548 | 1,519 |
| One - to - One | - | 500 | 515 | 499 | - |
| Regular Textbooks | 390 | 337 | 422 | 421 | 530 |
| Library Books | - | 112 | 107 | 117 | - |
| Periodicals | - | 9 | 9 | 10 | 10 |
| Food Supplies | 1,675 | 1,675 | 1,592 | 1,469 | 1,512 |
| Energy | 3,210 | 3,048 | 2,776 | 2,653 | 2,487 |
| Other | 3,931 | 3,885 | 3,778 | 3,489 | 3,118 |
| Total Supplies | 10,955 | 11,464 | 10,656 | 10,206 | 9,176 |
| | | | | | |
| Building | 480 | 626 | 791 | 907 | 185 |
| Site Improvement | - | 254 | 168 | 928 | 123 |
| Equip- General | 252 | 392 | 217 | 182 | 677 |
| Equip- Instructional | 76 | 204 | 257 | 124 | 160 |
| Vehicles | - | - | 48 | 27 | 43 |
| School Buses | 103 | 544 | 80 | - | - |
| Total Capital | 911 | 2,020 | 1,561 | 2,168 | 1,188 |
| | | | | | |
| Principal | 7,828 | 7,266 | 6,425 | 3,549 | 6,394 |
| Interest | 1,763 | 1,991 | 2,750 | 2,852 | 4,146 |
| Other Debt Service | 4 | 3 | 15 | 1 | 1 |
| Total Debt Service | 9,595 | 9,260 | 9,190 | 6,402 | 10,541 |
| | | | | | |
| TOTAL ALL | \$ 107,296 | \$ 109,826 | \$ 105,038 | \$ 99,672 | \$ 100,132 |
| | | | | | |
| Inc(Dec) From Prior Year | \$ (2,530) -2.3% | \$ 4,788 4.6% | \$ 5,366 5.4% | \$ (460) -0.5% | |

Mehlville School District
Expense Preliminary Budget Adjustments 2016

| Expenses | FY2016 Preliminary | | FY2016 Final | |
|---------------------------------|-----------------------|-------------------|-------------------|--|
| | <u>Budget</u> | <u>Adjust</u> | <u>Budget</u> | |
| Certified Salaries | \$ 48,001 | \$ (1,441) | \$ 46,560 | |
| Non-Certified Salaries | 14,947 | (382) | 14,565 | |
| Total Salaries | 62,948 | (1,823) | 61,125 | |
| Teacher Retirement | 7,705 | (230) | 7,475 | |
| Non-Teacher Retirement | 1,128 | (28) | 1,100 | |
| Social Security | 970 | (20) | 950 | |
| Medicare | 879 | (19) | 860 | |
| Medical-Dental Etc | 9,281 | (156) | 9,125 | |
| Work Comp/Unemploy | 415 | | 415 | |
| Total Benefits | 20,378 | (453) | 19,925 | |
| Tuition | 415 | | 415 | |
| Professional Services | 169 | | 169 | |
| Audit | 12 | | 12 | |
| Technical Services | 552 | | 552 | |
| Legal Services | 90 | | 90 | |
| Property Services | 1,426 | (60) | 1,366 | |
| Contracted Trans | 163 | | 163 | |
| Travel | 189 | | 189 | |
| Property Insurance | 432 | | 432 | |
| Liability Insurance | 430 | | 430 | |
| Fidelity | 2 | | 2 | |
| Other Purch Services | 965 | | 965 | |
| Total Purchased Services | 4,845 | (60) | 4,785 | |
| General Supplies | 1,799 | (50) | 1,749 | |
| One - to- One | 500 | (500) | - | |
| Regular Textbooks | 390 | | 390 | |
| Library Books | 110 | (110) | - | |
| Periodicals | 10 | (10) | - | |
| Food Supplies | 1,675 | | 1,675 | |
| Energy | 3,210 | | 3,210 | |
| Other | 3,991 | (60) | 3,931 | |
| Total Supplies | 11,685 | (730) | 10,955 | |
| Building | 880 | | 880 | |
| Site Improvement | - | (400) | (400) | |
| Equip- General | 252 | | 252 | |
| Equip- Instructional | 96 | (20) | 76 | |
| Vehicles | - | | - | |
| School Buses | 603 | (500) | 103 | |
| Total Capital | 1,831 | (920) | 911 | |
| Principal | 7,828 | | 7,828 | |
| Interest | 1,763 | | 1,763 | |
| Other Debt Service | 4 | | 4 | |
| Total Debt Service | 9,595 | - | 9,595 | |
| TOTAL ALL | \$ 111,282 | \$ (3,986) | \$ 107,296 | |

Appendix

Mehlville School District

FY2015-16 Budget Adjustments

Presented to BOE 4/23/2015, updated 4/28/2015

| <u>Operating Expense/Revenue Adjustments</u> | <u>Amount</u> |
|---|---------------------|
| 1 23.5 Certified Staff salary & benefits, net of \$345K channel changes | \$ 1,334,000 |
| 2 One-to-One Technology | 500,000 |
| 3 Library books and periodicals | 120,000 |
| 4 School supplies | 50,000 |
| 5 Admin Staff - Central Office salary & benefits | 238,000 |
| 6 Classified staff salary & benefits | 266,000 |
| 7 Tutoring salaries & benefits | 100,000 |
| 8 Stipends for student clubs (ACS) | 75,000 |
| 9 Misc Additional Comp Stipends | 128,000 |
| 10 Other Technology | 50,000 |
| 11 Part-time holiday pay eliminated | 114,000 |
| 12 Secondary Officers | 81,000 |
| 13 Music Instruments < \$1000 | 10,000 |
| 14 Riverview Students | 680,000 |
| 15 VICC Students increased by 20 (73% General Fund) | 95,000 |
| 16 Transportation fees for students < 1 mile from school at \$218 per student | 100,000 |
| 17 Student Activity Fee increased by \$70 to \$100 | 63,000 |
| Total Operating Adjustments | \$ 4,004,000 |

Capital Deferrals

| | |
|---|----------------|
| School Buses | 500,000 |
| Pool Ceiling | 200,000 |
| Asphalt/Concrete Maintenance | 200,000 |
| Music Instruments | 20,000 |
| VICC students - 27% Capital Fund Allocation | 35,000 |
| Total Capital Deferrals | 955,000 |

| | |
|--------------------------|---------------------|
| Total Adjustments | \$ 4,959,000 |
|--------------------------|---------------------|

| | (000's) | | |
|---------|------------------|----------------|--------------|
| | <u>Operating</u> | <u>Capital</u> | <u>Total</u> |
| Revenue | 938 | 35 | 973 |
| Expense | 3,066 | 920 | 3,986 |
| Total | 4,004 | 955 | 4,959 |

**MEHLVILLE SCHOOL DISTRICT
HISTORY OF FUND BALANCES
(IN THOUSANDS)**

| <u>Fiscal Year</u> | <u>General</u> | <u>Food Service</u> | <u>Activity</u> | <u>Athletics</u> | <u>Total Incidental</u> | <u>Teachers</u> | <u>Debt Service</u> | <u>Capital</u> | <u>COPS</u> | <u>Grand Total</u> | <u>General & Teachers</u> | <u>Reserve Balance</u> |
|------------------------|----------------|---------------------|-----------------|------------------|-----------------------------|-----------------|-------------------------|----------------|-------------|------------------------|-----------------------------------|----------------------------|
| 2016 Budget | \$ 13,123 | \$ 783 | \$ 1,141 | \$ 174 | \$ 15,222 | \$ 1,958 | \$ 635 | \$ 1,226 | \$ 7,343 | \$ 26,383 | \$ 15,082 | 16.6% |
| 2015 Forecast | \$ 14,317 | \$ 896 | \$ 1,206 | \$ 177 | \$ 16,597 | \$ 3,370 | \$ 564 | \$ 299 | \$ 6,864 | \$ 27,693 | \$ 17,688 | 19.1% |
| 2014 | \$ 12,351 | \$ 1,074 | \$ 1,349 | \$ 202 | \$ 14,976 | \$ 8,629 | \$ 615 | \$ 720 | \$ 7,026 | \$ 31,966 | \$ 20,980 | 23.7% |
| 2013 | \$ 11,676 | \$ 990 | \$ 1,333 | \$ 180 | \$ 14,179 | \$ 8,632 | \$ 658 | \$ 865 | \$ 7,189 | \$ 31,523 | \$ 20,308 | 23.7% |
| 2012 | \$ 11,548 | \$ 1,224 | \$ 1,235 | \$ 135 | \$ 14,142 | \$ 8,202 | \$ 656 | \$ 1,119 | \$ 4,641 | \$ 28,760 | \$ 19,750 | 22.6% |
| 2011 | \$ 8,815 | \$ 1,296 | \$ 1,073 | \$ 88 | \$ 11,272 | \$ 6,122 | \$ 625 | \$ 1,202 | \$ 6,651 | \$ 25,872 | \$ 14,937 | 17.5% |
| 2010 | \$ 6,840 | \$ 1,099 | \$ 956 | \$ 64 | \$ 8,959 | \$ 5,866 | \$ 632 | \$ 1,166 | \$ 6,427 | \$ 23,050 | \$ 12,706 | 15.1% |
| 2009 | \$ 5,707 | \$ 702 | \$ 876 | \$ 95 | \$ 7,380 | \$ 6,840 | \$ 553 | \$ 1,014 | \$ 6,152 | \$ 21,939 | \$ 12,547 | 15.8% |
| 2008 | \$ 5,096 | \$ 419 | \$ 936 | \$ 75 | \$ 6,526 | \$ 5,773 | \$ 5,464 | \$ 1,339 | \$ 4,993 | \$ 24,095 | \$ 10,869 | 13.5% |
| 2007 | \$ 5,271 | \$ 342 | \$ 1,007 | \$ 72 | \$ 6,692 | \$ 5,365 | \$ 4,628 | \$ 1,531 | \$ 3,540 | \$ 21,756 | \$ 10,636 | 14.2% |
| 2006 | \$ 3,794 | \$ 405 | \$ 1,067 | \$ 58 | \$ 5,324 | \$ 3,256 | \$ 4,263 | \$ 1,738 | \$ 2,002 | \$ 16,583 | \$ 7,050 | 9.5% |

MEHLVILLE SCHOOL DISTRICT ADJUSTED TAX LEVY RATE HISTORY

BY FUND

| YEAR | | <u>TOTAL</u> | <u>GENERAL</u> | <u>TEACHERS</u> | <u>CAPITAL</u> | <u>DEBT SERVICE</u> |
|---------|--------|--------------|----------------|-----------------|----------------|-----------------------------|
| 2015-16 | Budget | 3.7038 | 0.9948 | 2.1600 | 0.5100 | 0.0390 |
| 2014-15 | | 3.7819 | 1.2200 | 2.0599 | 0.4700 | 0.0320 |
| 2013-14 | ** | 3.7610 | 1.2000 | 2.0600 | 0.4700 | 0.0310 |
| 2012-13 | | 3.6881 | 1.1661 | 2.0400 | 0.4500 | 0.0320 |
| 2011-12 | ** | 3.6661 | 1.1606 | 2.0300 | 0.4425 | 0.0330 |
| 2010-11 | Recoup | 3.5763 | 1.1089 | 1.9973 | 0.4401 | 0.0300 |
| 2009-10 | ** | 3.4282 | 1.0446 | 1.9305 | 0.4231 | 0.0300 Tax Transfer Apprv'd |
| 2008-09 | | 3.2804 | 1.1100 | 1.6400 | 0.1924 | 0.3380 |
| 2007-08 | ** | 3.2731 | 1.1100 | 1.6400 | 0.1831 | 0.3400 |
| 2006-07 | | 3.6443 | 0.9838 | 1.8320 | 0.4885 | 0.3400 |
| 2005-06 | ** | 3.6531 | 1.1495 | 1.6750 | 0.4886 | 0.3400 |

** Reassessment year

Note 1 : In fiscal 2008 and 2009 the General Fund Levy is gross before transfer of approximately 22 cents to the Capital fund to cover COP debt service requirements and remaining renovation projects

BY PROPERTY CLASS

| Tax Rate Ceiling | | 3.7500 | 3.7500 | 4.0600 | 3.9761 | Total | AV % | Debt |
|------------------|----------------|--------------------|-------------------|--------------------|----------------------|---------------------------|-----------------|----------------|
| | <u>Blended</u> | <u>Residential</u> | <u>Commercial</u> | <u>Agriculture</u> | <u>Pers Property</u> | <u>Assessed Valuation</u> | <u>Inc(Dec)</u> | <u>Service</u> |
| 2015 Budget | 3.7038 | 3.6717 | 3.5711 | 4.0990 | 4.0151 | \$ 1,713,132,010 | 3.2% | 0.0390 |
| 2014 | 3.7819 | 3.7621 | 3.6641 | 4.0919 | 4.0081 | \$ 1,660,594,330 | 0.4% | 0.0320 |
| 2013 Note 2 | 3.7610 | 3.7610 | 3.5727 | 4.0910 | 3.9871 | \$ 1,654,174,190 | -3.3% | 0.0310 |
| 2012 | 3.6881 | 3.6494 | 3.5716 | 4.0920 | 4.0081 | \$ 1,709,961,760 | 1.1% | 0.0320 |
| 2011 Note 1 | 3.6661 | 3.6634 | 3.4372 | 4.0897 | 3.9678 | \$ 1,690,944,000 | -3.4% | 0.0330 |
| 2010 *** | 3.5763 | 3.5470 | 3.3947 | 4.0900 | 3.9648 | \$ 1,749,833,000 | -1.4% | 0.0300 |
| 2009 | 3.4282 | 3.4522 | 2.8935 | 2.9289 | 3.9648 | \$ 1,775,340,000 | -5.8% | 0.0300 |
| 2008 | 3.2804 | 3.1467 | 3.2745 | 4.0880 | 3.9628 | \$ 1,884,409,000 | 1.3% | 0.3380 |
| 2007 | 3.2731 | 3.1414 | 3.2552 | 4.0900 | 3.9648 | \$ 1,859,930,000 | 16.8% | 0.3400 |
| 2006 | 3.6443 | 3.5755 | 3.6049 | 4.0900 | 3.9648 | \$ 1,593,043,000 | 2.8% | 0.3400 |
| 2005 | 3.6531 | 3.5893 | 3.6112 | 4.0900 | 3.9678 | \$ 1,549,102,000 | 13.2% | 0.3400 |

Note: Tax rate ceiling excludes debt service rate, but yearly tax rates do include debt service amounts.

| | | | | | | |
|-------------------|--------|--------|--------|--------|--------|---------------------|
| *** Recoupment of | 0.0440 | 0.0123 | 0.2013 | 0 | 0 | |
| Note 1> | 0.0254 | 0.0000 | 0.1145 | 0.0000 | 0.0413 | Voluntary Reduction |
| Note 2> | 0.0200 | 0.0200 | 0.0200 | - | 0.0200 | Voluntary Reduction |

Reduction was reversed the following year.

**Mehlville School District
Assessed Value (000's)**

| <u>Tax Year</u> | <u>FY</u> | | | | | | | | (Current/Delinquent/M&M) |
|-----------------|-----------|--------------------|-----------|-------------------|------------------------------|--------------|---------------|--------------------------|--------------------------|
| | | <u>Residential</u> | <u>Ag</u> | <u>Commercial</u> | <u>Personal Property</u> | <u>Total</u> | <u>Change</u> | <u>Tax Collected</u> | |
| 2015 | 2016 | \$ 1,170,292 | \$ 184 | \$ 296,065 | \$ 246,591 | \$ 1,713,132 | 3.2% | \$ 61,625,000 | Budget |
| 2014 | 2015 | \$ 1,128,456 | \$ 293 | \$ 285,069 | \$ 246,776 | \$ 1,660,594 | 0.4% | \$ 60,950,000 | Adj Budget |
| 2013 | 2014 | 1,124,462 | 293 | 289,074 | 240,345 | 1,654,174 | -3.3% | 60,477,570 | |
| 2012 | 2013 | 1,171,524 | 336 | 291,139 | 246,962 | 1,709,961 | 1.1% | 63,604,406 | |
| 2011 | 2012 | 1,167,548 | 338 | 291,696 | 231,362 | 1,690,944 | -3.4% | 62,743,362 | |
| 2010 | 2011 | 1,209,229 | 335 | 306,391 | 233,878 | 1,749,833 | -1.4% | 63,555,126 | |
| 2009 | 2010 | 1,206,410 | 491 | 308,428 | 260,011 | 1,775,340 | -5.8% | 61,744,409 | |
| 2008 | 2009 | 1,328,700 | 353 | 291,043 | 264,313 | 1,884,409 | 1.3% | 62,821,290 | |
| 2007 | 2008 | 1,315,877 | 352 | 285,847 | 257,854 | 1,859,930 | 16.8% | 62,189,936 | |
| 2006 | 2007 | 1,090,672 | 343 | 242,435 | 259,593 | 1,593,043 | 2.8% | 58,437,867 | |
| 2005 | 2006 | 1,065,565 | 453 | 236,426 | 246,658 | 1,549,102 | 13.2% | 57,388,129 | |
| 2004 | 2005 | 929,188 | 488 | 195,355 | 243,885 | 1,368,916 | 0.7% | 55,998,552 | |
| 2003 | 2004 | \$ 910,444 | \$ 525 | \$ 198,909 | \$ 250,064 | \$ 1,359,942 | | \$ 52,926,546 | |

Note> 2015 preliminary March assessed valuation (AV) is 3.2% above prior year. The CPI index for 2014 inflation is .8%.

Thus, revenue can only increase .8% up to the CPI index amount. The additional increased AV results in lowering the actual tax rates per property class to reduce revenue to the .8% amount.

Mehlville School District Bus Fleet - Replacement Schedule

Presented Initial Plan on September 23, 2014 (This is updated)

Target Buy Plan

| Qty | Model Year | Replacement Year (16 Yr Target) | Target # to Buy | Unit Cost of Bus (2% inflation) | Target Capital Purchase Amount | New Model Year |
|-----|------------|------------------------------------|-----------------|------------------------------------|--------------------------------|----------------|
| 4 | 1996 | 2011 | | | | |
| 4 | 1998 | 2013 | | | | |
| 8 | 1999 | 2014 | | \$ 95,000 | | |
| 5 | 2000 | 2015 | | 96,900 | - | 2015 |
| 0 | 2001 | 2016 | 21 | 98,838 | 2,075,598 | 2016 |
| 5 | 2002 | 2017 | 5 | 100,815 | 504,074 | 2017 |
| 5 | 2003 | 2018 | 5 | 102,831 | 514,155 | 2018 |
| 5 | 2004 | 2019 | 5 | 104,888 | 524,438 | 2019 |
| 2 | 2005 | 2020 | 2 | 106,985 | 213,971 | 2020 |
| 3 | 2006 | 2021 | 3 | 109,125 | 327,375 | 2021 |
| 3 | 2007 | 2022 | 3 | 111,308 | 333,923 | 2022 |
| 9 | 2008 | 2023 | 9 | 113,534 | 1,021,804 | 2023 |
| 4 | 2009 | 2024 | 4 | 115,804 | 463,218 | 2024 |
| 15 | 2010 | 2025 | 15 | 118,121 | 1,771,808 | 2025 |
| 0 | 2011 | 2026 | 0 | 120,483 | - | 2026 |
| 0 | 2012 | 2027 | 0 | 122,893 | - | 2027 |
| 1 | 2013 | 2028 | 1 | 125,350 | 125,350 | 2028 |
| 1 | 2014 | 2029 | 1 | 127,857 | 127,857 | 2029 |
| 4 | 2015 | 2030 | 4 | 130,415 | 521,659 | 2029 |
| 78 | Total | | 78 | | <u>\$ 8,525,232</u> | |

Actual Buy Plan

| Actual Buy Plan | Actual Capital Purchase Amount | # of Buses > 16 yrs |
|-----------------|--------------------------------|---------------------|
| | | |
| | - | 0 |
| 10 | 988,380 | -10 |
| 5 | 504,074 | -10 |
| 5 | 514,155 | -10 |
| 5 | 524,438 | -10 |
| 5 | 534,927 | -13 |
| 5 | 545,626 | -15 |
| 5 | 556,538 | -17 |
| 5 | 567,669 | -13 |
| 5 | 579,022 | -14 |
| 5 | 590,603 | -4 |
| 5 | 602,415 | -9 |
| 5 | 614,463 | -14 |
| 5 | 626,752 | -18 |
| 4 | 511,430 | -21 |
| 4 | 521,659 | -21 |
| 78 | <u>\$ 8,782,152</u> | |

Note > We have 21 buses that are older than 16 years, 27% of our regular fleet. This results in extra cost to the taxpayer for higher maintenance costs that outweigh the cost of buying new buses, when measured over a 16 year period per industry studies.

Summary

The industry standard life for a bus is 14 years. If we use 16 years as a target, the schedule above shows the annual purchases required to keep our buses at 16 years or less. Why is this important? The cost is higher to maintain older buses than to buy new buses. Over a 16 year life cycle, the combination of purchase cost plus maintenance cost is less for newer fleets. So, it pays to keep a newer fleet closer to the 14 year industry standard. It actually saves taxpayer money to maintain a fleet no older than 16 years.

The other key point is that bus purchases need to be made annually to balance out the capital payments evenly. If bus purchases are deferred, the danger is that a future year will require excessive capital amounts to catch up the bus purchases, which is not good capital planning. If the fleet is allowed to be older than the targeted plan above, then repair costs will outweigh the purchase costs and be more costly to taxpayers.