



# Newton Public Schools USD 373

**Community Budget Education Session**

**April 5, 2010**

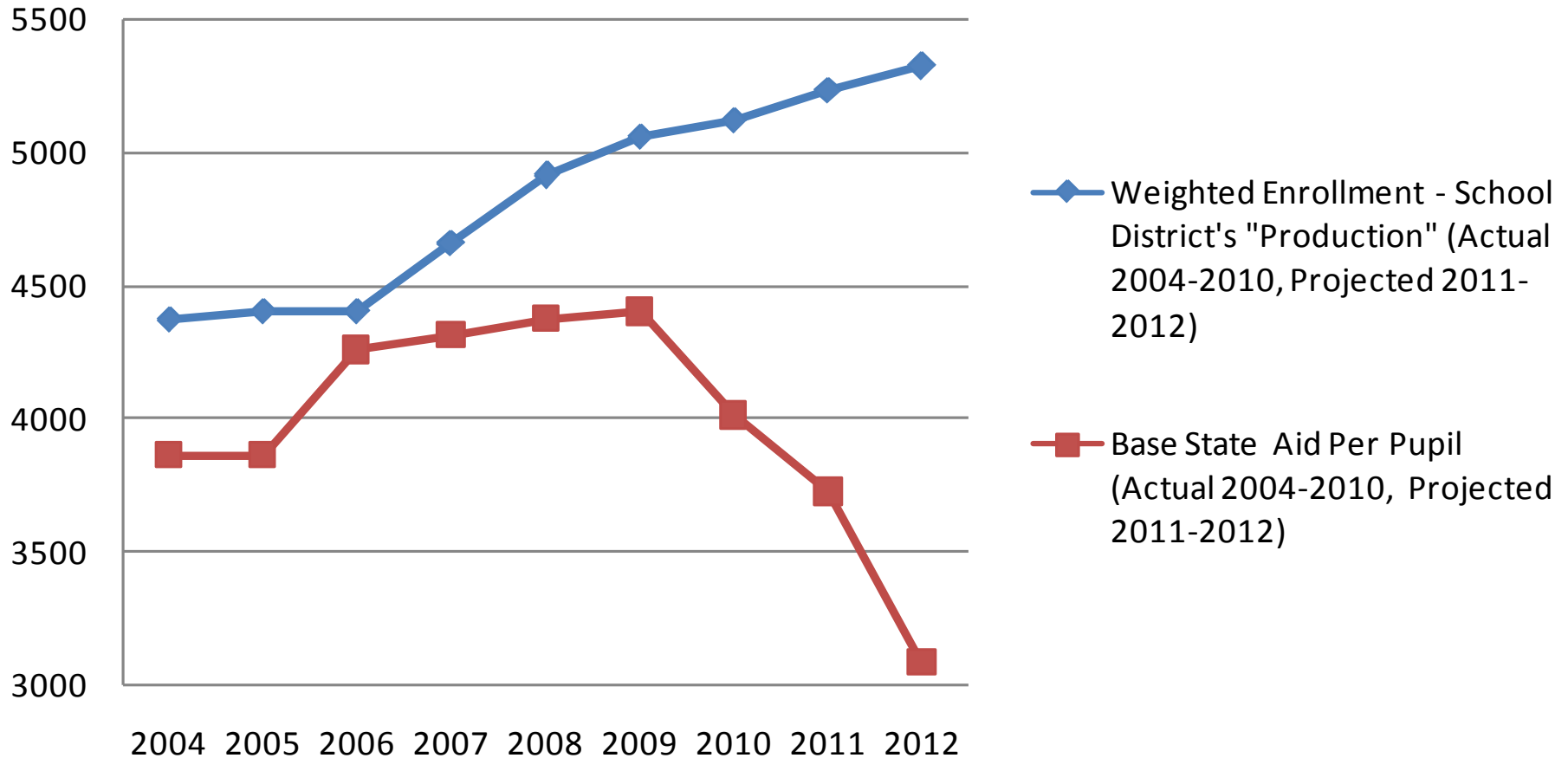
# Cumulative Impact of Various Budget Scenarios - 2009 - 2012

Expected Budget for 2009-10 = \$20,872,351		2009-10 Budget with Unaudited Enrollment & Expected Base	2009-10 Budget with Governor's Rescission	2010-11 Governor's Budget Without New Revenue	2011-12 Budget if K-12 is Cut 50% of Expected State Deficit
1	Unadjusted Enrollment	3405.7	3405.7	3390.7	3381.3
2	Adjusted Enrollment	3412.7	3412.7	3405.7	3392.6
3	High Enrollment Weighting	119.6	119.6	119.3	118.9
4	Bilingual weighted enrollment	43.7	43.7	43.7	43.7
5	Vocational weighted enrollment	63.5	63.5	63.5	63.5
6	At-risk weighting	662.1	662.1	662.1	662.1
7	High Density At-Risk	87.1	87.1	87.1	87.1
8	At-risk non-proficient weighting	10.1	10.1	10.1	10.1
9	New facilities weighting	41.2	41.2	115	75.9
10	Transportation weighting	70.7	70.7	70.7	70.7
11	Total weighted enrollment	4,510.7	4,510.7	4,577.2	4,524.5
12	Base State Aid	4,218	4,012	3,726	3,084
13	General Fund Budget Authority w/o Sp Ed	19,026,198	18,096,991	17,054,780	13,953,688
14	Special Education State Aid	2,456,241	2,456,241	2,456,241	2,456,241
15	Total General Fund Budget Authority	21,482,439	20,553,232	19,511,021	16,409,929
16	Cumulative Change in Gen Fund		<b>-929,207</b>	<b>-1,971,418</b>	<b>-5,072,510</b>

Cumulative Cut in General Fund Per Pupil State Aid*	-\$206/student	-\$492/student	-\$1,134/student
Additional Cuts for 2010			
Parents as Teachers State Aid		-65,848	-65,848
Mentor Teacher State Aid		-17,000	-17,000
Total Cumulative State Aid Cut Since September 2009	-929,207	-2,054,266	-5,155,358
<b>Total Cumulative State Aid Cut from Expected Budget</b>	<b>-319,119</b>	<b>-1,444,178</b>	<b>-4,462,422</b>

# Weighted Enrollment and State Funding

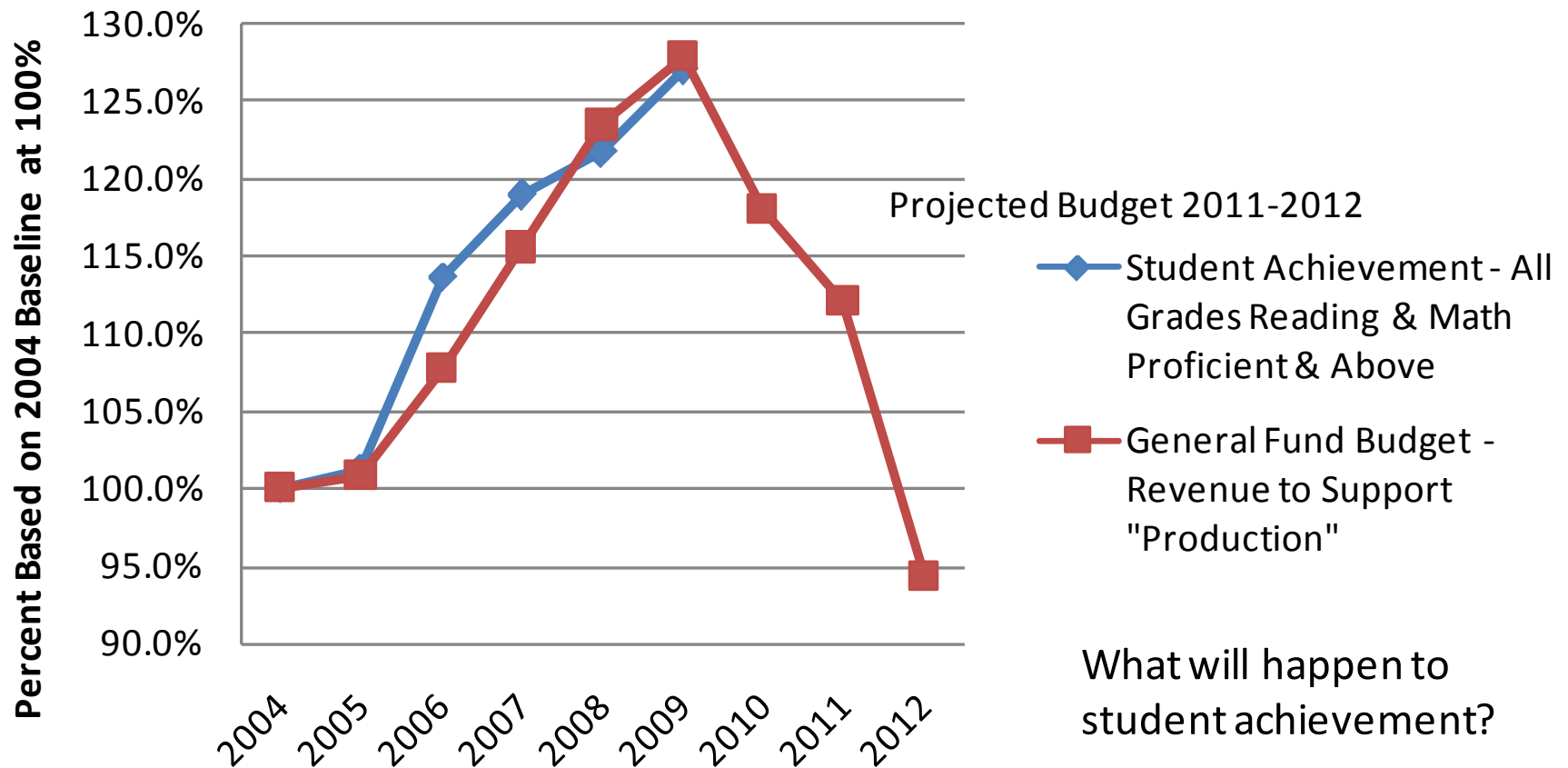
## Newton Schools "Production" (Weighted Enrollment) & State Funding



# Expenditures and Achievement

## Newton General Fund Expenditures vs. Newton Student Achievement

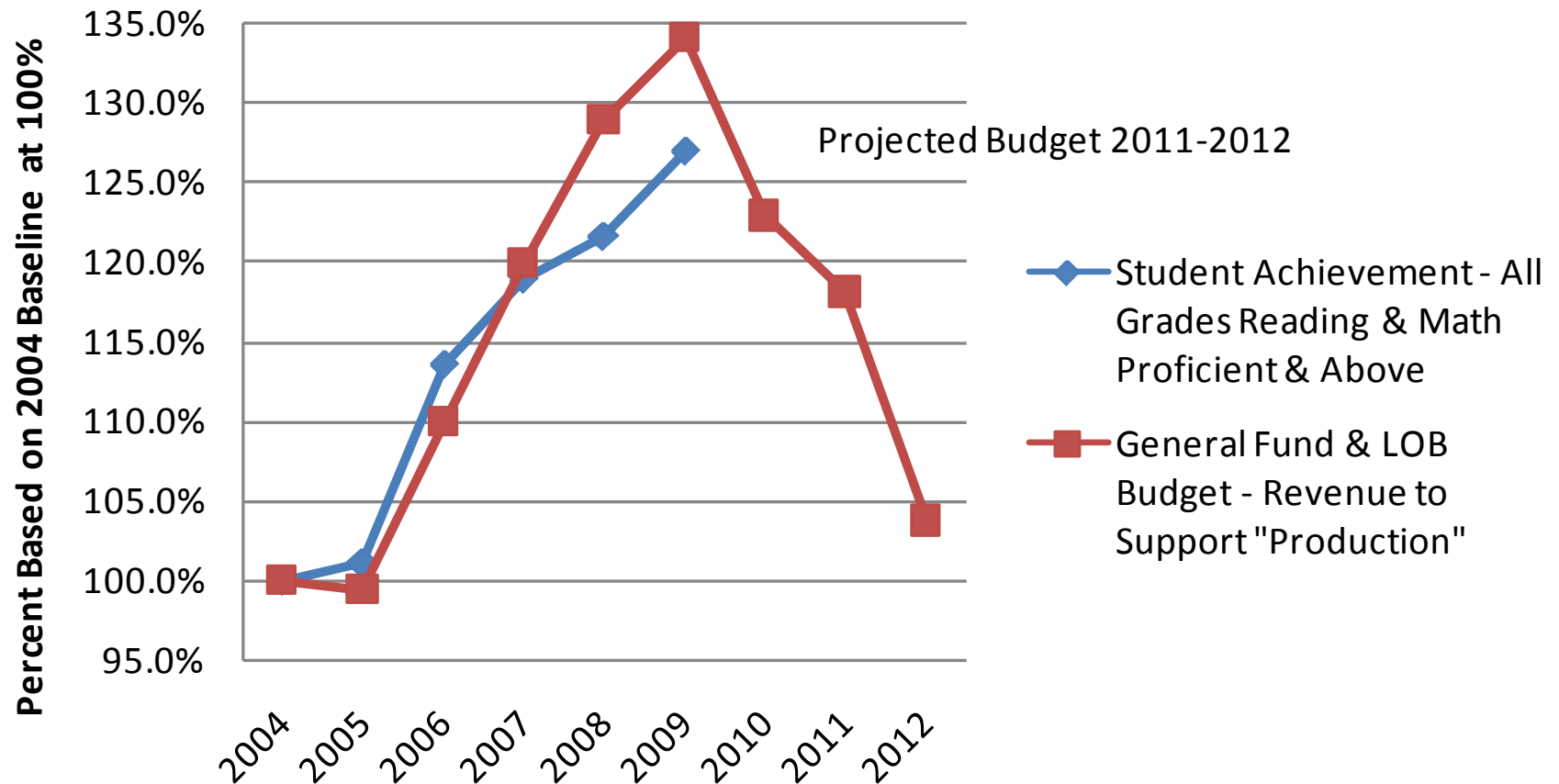
Percentage Comparison with 2004 Baseline at 100%



# Expenditures and Achievement

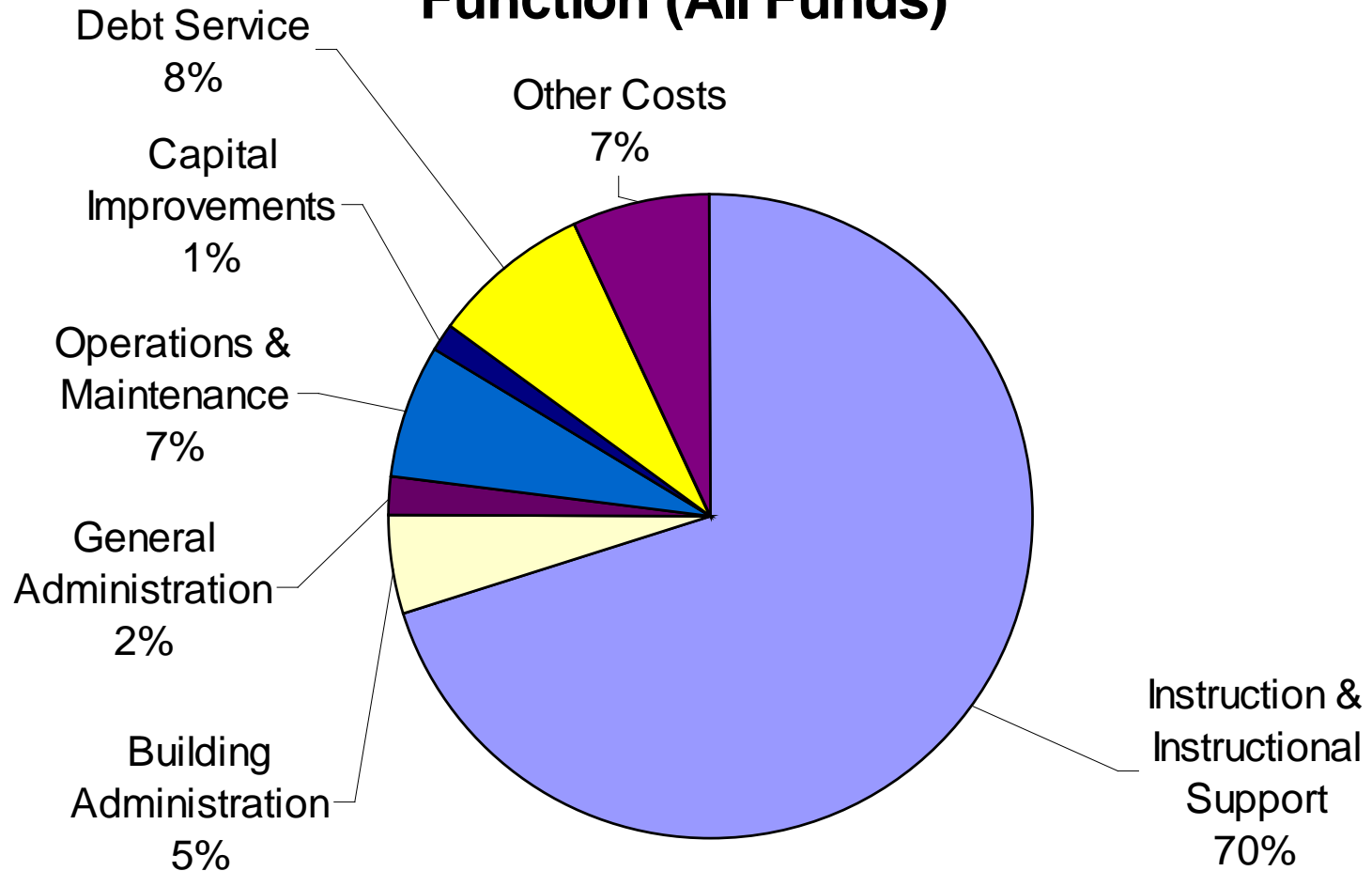
## Newton General Fund & LOB Expenditures vs. Newton Student Achievement

Percentage Comparison with 2004 Baseline at 100%



# District Expenditures

## 2009-2010 Summary of Total Expenditures By Function (All Funds)



# Budget Fund Categories

## 1. **Operating funds – General and Supplemental General**

- ❑ These are the two primary funds in the district budget.
- ❑ The money in these funds can be used for any educational purpose.
- ❑ Most of our operating expenditures such as utilities, general education expenses, administrative costs, insurance and maintenance services are paid from these funds.
- ❑ Transfers from these two funds are also the source of revenue for many of the restricted funds.

# Budget Fund Categories (con't)

## 2. Restricted Funds

- ❑ These funds can only be used for specific, restricted purposes – Special Education, At-Risk, Bilingual Education, Capital Outlay, Food Service, Vocational Education, Bond & Interest, KPERS, Textbook, Summer School, Adult Education, Federal Funds
- ❑ Money for these funds is either transferred from the general operating funds or there are special revenue sources or fees

# Budget Reductions in State Aid

- ❑ When state aid is cut, most of the reductions must come from the general or LOB funds.
- ❑ We cannot cut many of the restricted funds such as KPERS, federal funds or bond & interest.
- ❑ Since salaries make up nearly 85% of the general funds, it is nearly impossible to make significant cuts without impacting staff and students.

# Total per pupil costs

- ❑ There have been numerous references recently that the district budget per pupil is around \$13,000. While that is technically accurate, much of that cost is in restricted funds that the district cannot use for other purposes.
- ❑ Also, the total special education cooperative is included in the district budget even though we serve all districts in the cooperative and our share of the costs are already included in the regular special education fund. This unfairly adds over \$2,000 to our budget per pupil costs.

## Accurate per pupil costs

- ❑ A more accurate reflection of the district's discretionary budget per pupil is the general and LOB funds.
- ❑ Last year that figure was \$8,235. This year the amount will be around \$7,650 per student. Overall, that is a 7.1% reduction.
- ❑ All of that reduction is in the general fund which has seen a 9.5% cut in the base state aid per pupil since January of 2009.

# Cash Balance Requirements

- ❑ Over 2/3 of cash balances are restricted by law to particular purposes – bond & interest payments, capital outlay, gifts & grants, textbook funds, adult education, parents as teachers, driver education
- ❑ Local Option Budget (LOB) balances in excess of spending authority cannot be spent. They serve as revenue to the fund the following year.
- ❑ Other balances cover costs until districts receive revenue – first special education state aid payment is not received until October 15. The same holds true for food service federal reimbursements.
- ❑ Reserves also allow us to meet payroll when state aid payments are late or reduced.
- ❑ Late payments from the state are continuing this year.

# Examples of District Efforts to Improve Efficiency

- ❑ An energy education program has been in effect for nearly 8 years. The program has resulted in a 22% reduction in energy costs for the district.
- ❑ The district is part of a natural gas purchasing pool that purchases natural gas at a reduced rate.
- ❑ The district is working with Westar to reduce electric rates for many buildings.
- ❑ Competitive bids are solicited on large ticket items and large volume purchases.
- ❑ Purchasing through state contracts is utilized when bidding is not feasible or advantageous.
- ❑ Overtime paid to employees has been limited & requires prior approval.
- ❑ Bus routes have been consolidated.
- ❑ The district has applied for and receives a 70% E-Rate discount for eligible telecommunication and internet access services. This saves the district in excess of \$50,000 per year.

## What's next?

- April 12– Legislative letter writing opportunity at the Educational Technology Center (ETC), 116 West 7<sup>th</sup> in the large conference room from 4 to 7 p.m. This is an opportunity to draft a letter to our state representatives in support of adequate funding for all of our students in USD 373. A template will be provided with major points to address in letters.