



Budget Projections 2019-2020

MARCH 18, 2019

3 Budget Scenarios

Scenario 1:

Flat student enrollment (projections by Stanfred Consultants)

Zero foundation increase

Scenario 2:

Flat student enrollment (projections by Stanfred Consultants)

\$120 per student foundation increase (Gov. Whitmer's proposal - we are one of only 4 districts in KISD that would receive less than the \$180 per student increase)

Scenario 3:

Same as Scenario 2

Addition of 2.5 FTE staffing positions (Middle School Dean of Students, Band Teacher, and .5 Trainer)

Budget Considerations

- Historically the district has applied additional revenues, as it was received, to cover various areas of need at the time.
- Moving forward over the next 2-3 years we would like to transition to a more proactive budgeting approach by analyzing what should be covered at the base level through general funds and and reassigning supplemental revenue dollars to the most appropriate expenditures whenever possible.
 - **At Risk 31a funds:** analyze all the expenditures that qualify for 31a funding and if possible move these expenditures under the appropriate classification of 31a.
 - **Enhancement funds:** analyze all the expenditures to determine if any are considered part of our base level of operations and transition those expenditures to general fund and truly have those expenditures over and above the base level of operations fall within the Enhancement funding category.
 - **Title Funds:** reanalyze current usage to best optimize future district budget usage

Budget Considerations

- Over the years during lean economic times the district has made wise decisions to reduce to the budget in areas as far away from the classroom as possible, thereby creating the least dramatic impact on our students.
- These reductions have largely remained in tact as the district has grown. To date we are now experiencing a lack sufficient operational and instructional resources in some areas.
- The 2018-2019 budget is the first budget that has actually exceeded that of the 2005-2006 budget with regards to operational expenditures.
 - Special Note: Since 2006 the district has added 3 buildings (approx. 200,000 more sq. footage to maintain) and
 - 1100 more students to educate as compared to 2006.

Budget Considerations - Impact Over Time

Instructional

Subpar financial support for various instructional endeavors:

- Curriculum/materials purchases for teachers
- Teacher Professional Development Supports
- Instructional Coaching

Student Activities

Subpar financial support for various student activity programming:

- Social Emotional/Supports (improving)
- Music/Fine Arts support
- Athletics supports

District Operations

Subpar financial support for various district operations:

- Transportation Replacement
- Operations Budget
- Technology Replacement Cycle (staff & students)
- Building Safety Upgrades

Finalizing 2014 Bond Work

Remaining Bond Items Update:

- Replacement of HVAC controls (DLMS) - starting soon
- Repave bus loop around main parking area (KMMS) - summer 2019
- Replace 1 chiller (DLMS) - completed
- Replace H.S. Track - summer 2019
- Upgrade Girls Softball field - summer 2019
- Replace DLMS fire panel - summer 2019

* The district anticipates that all remaining bond funds will be exhausted with the above mentioned items. Public Improvement Funds will be utilized if necessary to absorb any fiscal shortage of bond funds for identified projects.

Budget Considerations

Thinking differently ~ the Public Improvement Fund was established with a portion of the general 2018 fund balance to take care of some long term inadequately funded facilities needs that could not be absorbed with the remaining bond funds such as:

Scheduled or In process

- Upgrade security entries in our buildings - starting soon
- Duncan Lake Middle School PA system - in process
- Upgrade sound system at the football stadium - summer 19
- Upgrade High School gym speakers - summer 19
- Updated card access - in progress
- Dutton Office work area update - in progress

Completed

- Purchased 3 new buses - in process
- Office environmental issues in Admin Office - completed