Starkville Oktibbeha Consolidated School District

2017-2018 Budget Presentation

July 31, 2017

School Board Members

- Dr. Keith Coble, President
- Dr. Lee Brand, Jr., Vice President
- John S. Brown, Secretary
- Melissa Luckett, Assistant Secretary
- Vacant, Member

FY2018 Budget Highlights

Description	Funding	Cost – Salary plus Fringes
New Positions		504,924
School Safety Officer - Overstreet Elementary	DM	
SPED Teacher – Armstrong Middle	Local SPED	
SPED Teacher – Overstreet Elementary	Local SPED	
3 SPED Teachers – Starkville High	Local SPED	
Speech Language Pathologist – West Elem.	Local SPED	
Hearing Impaired Teacher – Armstrong Middle	Local SPED	
Law & Public Safety Teacher – Millsaps Vocational	Vocational	
	TOTAL	504,924

Teacher Salary Scale

- $36,140 to $54,985 -- A Certificate
- $38,630 to $62,920 -- AA Certificate
- $39,894 to $66,395 -- AAA Certificate
- $41,058 to $70,120 -- AAAA Certificate

Tax Terminology

- Ad Valorem Tax—tax based on value of real and personal property
- Millage Rate—amount per $1,000 used to calculate taxes on property
    - 10% of the assessed value is the amount on which taxes are paid
    - Example - $100,000 home
        - 10% = $10,000
        - $10,000/1,000 = $10
        - $10 X # of mils = Approx. amount taxpayer will owe (before homestead exemption or any other credits)
        - Millage rate of 66 would = $660

State Funding Terminology

- MAEP—Mississippi Adequate Education Program
- EEF Buildings & Buses—Education Enhancement Funds used for maintenance of buildings or buses
- EEF Instructional Supplies—Education Enhancement Funds used to help purchase supplies for each state funded teacher

MAEP Comparison

2017-2018	2016-2017	Decrease
$22,792,576	$22,923,985	$131,409

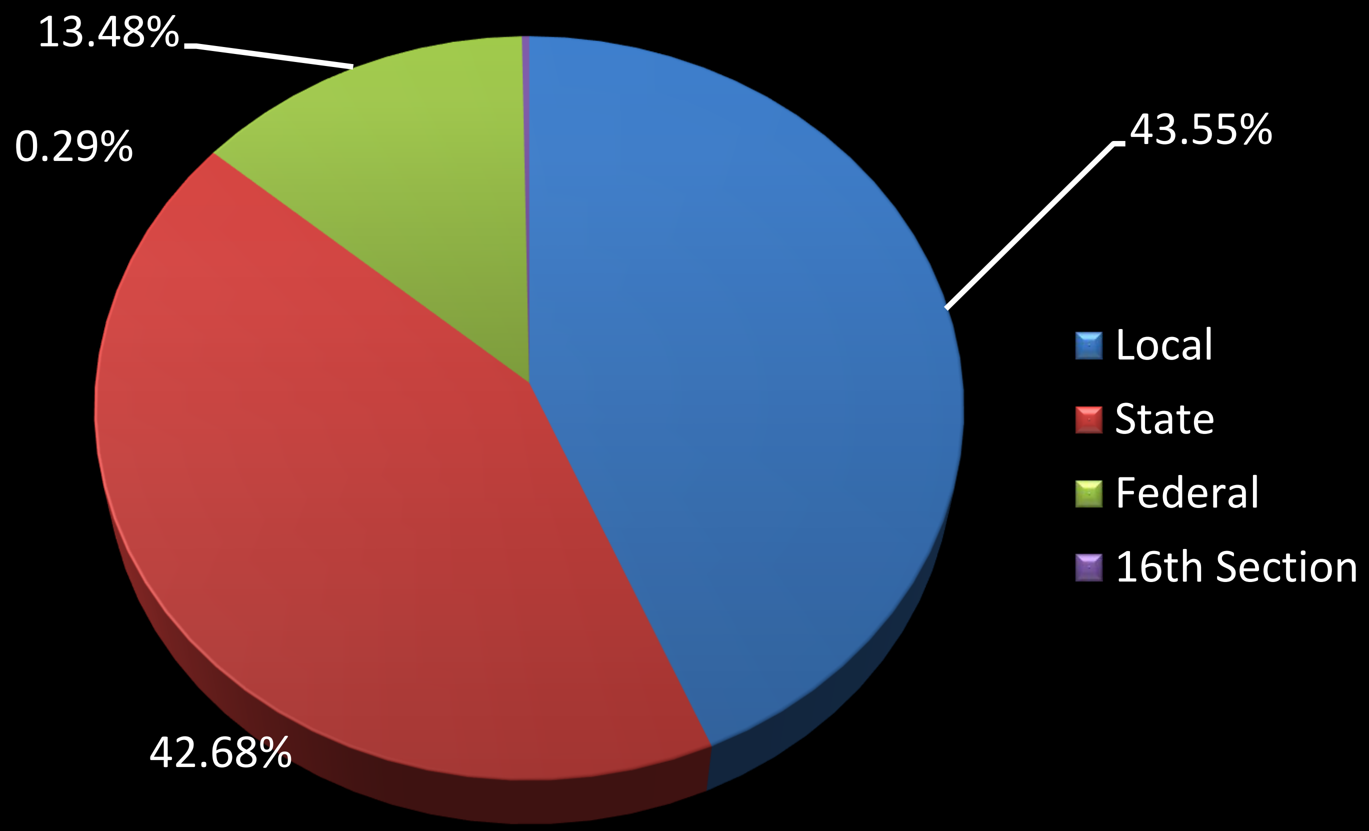
EEF – Buildings & Buses Comparison

2017-2018	2016-2017	Increase/Decrease
$171,912	$171,912	$0

TOTAL REVENUES

	Budget Amount	Budget %
Local Sources (Ad valorem taxes, daily food sales, other)	$25,289,185	43.55%
State Sources (MAEP, Education Enhancement, Vocational, Homestead Exemption, other)	$24,782,537	42.68%
Federal Sources (Title I, Title II, IDEA, Child Nutrition, other federal grants)	$7,823,985	13.48%
Sixteenth Section Sources	$167,800	0.29%
Total Revenues	$58,063,507	

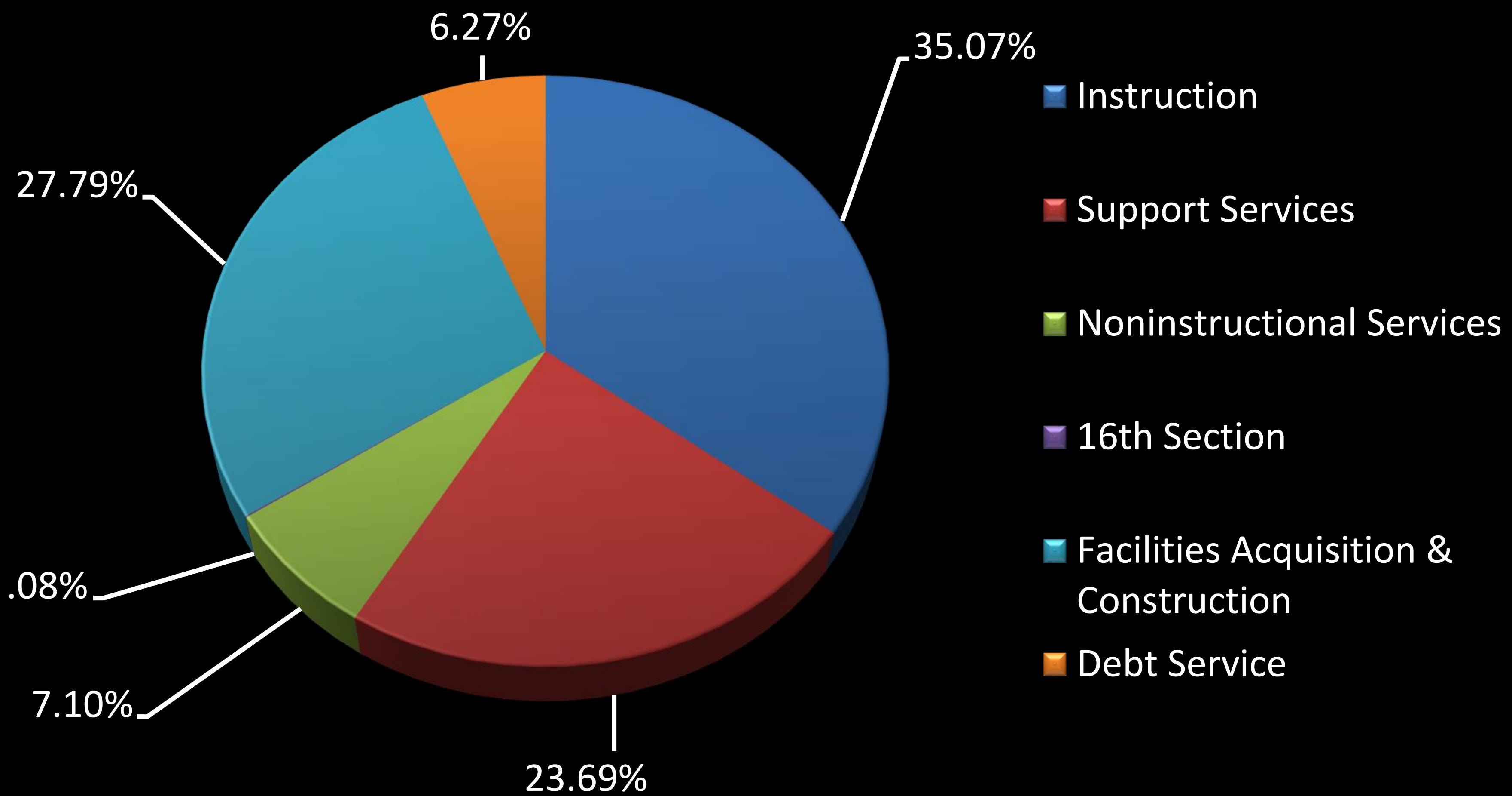
2017-2018 Revenues



TOTAL EXPENDITURES

	BUDGET AMOUNT	BUDGET %
Instruction	28,418,622	35.07%
Support Services	19,197,343	23.69%
Noninstructional Services	5,753,742	7.10%
Sixteenth Section	64,350	.08%
Facilities acquisition and construction	22,518,560	27.79%
Debt Service		
Principal	3,915,719	4.83%
Interest	1,139,081	1.41%
Other	19,300	.03%
Total	$81,026,717	

2017-2018 Expenditures



BUDGET HIGHLIGHTS

- DISTRICT MAINTENANCE FUND – FUND 1120
- STATE FUNDED SPECIAL EDUCATION FUND – FUND 1130
- ALTERNATIVE SCHOOL FUND – FUND 1140
- VOCATIONAL EDUCATION FUND – FUND 2711

Revenue – Funds 1120, 1130, 1140 & 2711	BUDGET AMOUNT	BUDGET %
Ad Valorem Tax	19,512,202	44.25%
MAEP	22,364,990	50.72%
Vocational		1.57%
Ad Valorem Tax	361,483	
State Vocational Funds	329,000	
Other	1,526,652	3.46%
Homestead Exemption		
Master Teacher Reimbursement		
Rail Car, Heavy Truck, Rental Car Privilege Tax		
ROTC		
TVA		
E-Rate		
Educable Child		
Carl Perkins Grant		
Miscellaneous Revenue		
Total	$44,094,327	

MAEP DEBT SERVICE

- In the late 1990s, both Starkville and Oktibbeha County school boards pledged a portion of their MAEP money for 20 years to make needed capital improvements. This amount is currently $427,586.
  - These debts will pay out in 2018
  - These funds will then become available for general fund use.

Expenditures – Funds 1120, 1130, 1140 & 2711

- Salaries & Fringe Benefits $35,765,882

  81.27%

- Salary Increases
  - Teachers and other certified staff step increase on applicable salary guide
  - Non-certified staff step increase on applicable salary guide (teacher assistants, clerical, custodial staff)

School Allocations

- Classroom Supplies and Materials $215,168
  - **Elementary Schools**
    - $22.50 per student (10% cut from prior year)
    - + $4.05 per student for art, music and PE supplies/materials (10% cut from prior year)
  - **Middle School**
    - $31.50 per student (10% cut from prior year)
    - + $4.05 per student for art, music and PE supplies/materials (10% cut from prior year)
  - **High School**
    - $36 per student (10% cut from prior year)
    - +$4.05 per student for art, music and PE supplies/materials (10% cut from prior year)
    - + Choral, Drama, JROTC, Art Competition, Speech & Debate (Cut 10% from the prior year’s allocation)

School Allocations

- In addition, (not included in this budget) principals will have the opportunity to budget for supplemental classroom supplies/materials and equipment from their ESSA (Every Student Succeeds Act) Title I and other federal project allocations.

Teacher EEF Debit Cards – (Not included in this budget)

- The teachers will receive an individual "debit card" from $300+ to be spent at each teacher's discretion.
- These funds must be spent by March 31, 2018. Any unspent funds will revert to the state to be reallocated statewide in the subsequent year.
- The unspent funds no longer remain with the school district.
- In January, Mrs. McGarr will begin sending reminders to principals that teachers need to spend any balances left on their cards.

LIBRARY BOOKS AND SUPPLIES

- $157,676 (10% cut from prior year)
  - Based upon needs assessment of school media specialists
  - Emphasis on updating nonfiction
  - High school and middle school - research topic materials, particularly in the areas of science and medicine
  - Elementary schools – emphasis on providing additional nonfiction books based on student interest and standards-based instructional topics

TEXTBOOKS & CONSUMMABLES

- $100,000 (Other textbook needs are funded by federal funds)
  - Based upon needs assessment by Administrative staff
    - High School – AP Art History, US Govt., Geometry, Algebra, Marine Science
    - Middle School – Literature, Grammar, American History
    - Elementary Schools – Phonics, Math, Science, Reading
    - Millsaps – Business & Marketing, Health Sciences, Sports Medicine

ATHLETICS & BAND

- Athletics
  - $63,135 general fund budget for student athletic insurance, coaches travel, and office supplies (10% cut from prior year)
  - $140,850 to be transferred to Athletic Activity Fund to help fund student athletic supplies and travel expenses for student sports (10% cut from prior year)
  - Memorial Brick Fund – Funded by Donor Revenue - $140,836 current fund balance

- Band
  - $69,930 to help fund band camp expenses, instrument repair, student transportation expenses and band supplies

COUNSELORS & PRINCIPALS' OFFICE SUPPLIES

- Counselors
  - Supplies @ $180 per counselor (10% cut from prior year)
  - Travel @ $450 per counselor (10% cut from prior year)

- Principals' Office Supplies
  - $9 per student (10% cut from prior year)
  - Travel @ $450 per principal (10% cut from prior year)
    - Additional travel funds in the amount of $900 allocated to West Elementary due to the location of the school facility.
    - Additional travel funds in the amount of $2,700 allocated to Starkville High School for administrative travel to extra-curricular activities.

OPERATION & MAINTENANCE OF PLANT

- $4,102,870 (5% cut from prior year on supplies/materials)
  - Maintenance shop salaries and fringe benefits
  - Custodial staff salaries and fringe benefits
  - Utilities
  - Operation and maintenance supplies/materials
  - Purchased services for outside repairs
  - Property insurance (based on actual quote)

TRANSPORTATION

- $2,552,229 (3% cut from prior year on supplies)
  – Bus driver salaries and fringe benefits
  – Bus shop salaries and fringe benefits
  – Gasoline
  – Repair parts and supplies for bus shop
  – Purchased services for repairs done outside the bus shop
  – New buses
    - $270,000 to purchase 3 new buses (6 buses purchased in the prior year)

SECURITY

- $548,898 (10% cut from prior year on supplies/services)
  - Security staff salaries and fringe benefits
  - Purchased services
  - Travel
  - Supplies

TECHNOLOGY

- $1,023,170 (10% cut from prior year on supplies/services)
  - Technology staff salaries and fringe benefits
  - Teacher computers
    - Teacher computers were purchased in the prior year for $502,000
    - Anticipate new purchase every 4-5 years
    - $125,500 set aside each year
  - Technology equipment replacement
  - Technical services

EEF BUILDINGS AND BUSES – 1 CENT SALES TAX – NOT INCLUDED IN THESE BUDGETS

- $171,912
- Used for payments on debt service

FAMILY CENTERED PROGRAMS/ EMERSON FAMILY SCHOOL

Director – Dr. Joan Butler

- Extended Day Program – Tuition Based – Expenditures consist of salaries/benefits and supplies - Approximate fund balance of $405,000
- Emerson Family School – Tuition Based – Expenditures consist of salaries/benefits, consultants and professional services for community classes, and supplies - Approximate fund balance of $546,000
- Family Center Projects – Funded by contributions and donations – Expenditures consist of office supplies - Approximate fund balance of $159,000
- Grants
  - Project Care
  - Early Learning Collaborative
  - Reading to Succeed
  - 21st Century
  - Dollar General Literacy

OTHER BUDGETS

- School Food Service & Summer Feeding Program
  - Budget prepared by Ms. Ginny Hill and her staff
- Federal Programs (Title I, Title II)
  - Project applications are being prepared by Dr. Toriano Holloway and his staff
- IDEA & Preschool
  - Project applications are being prepared by Dr. Julie Jones and her staff

THE TOTAL 2017-2018 BUDGET CONSISTS OF 52 INDIVIDUAL BUDGETS

TWO MS CODE SECTIONS THAT PERTAIN TO BUDGETING AND BUDGET MANAGEMENT

- Section 37-61-19
  - “Expenditures shall be limited to budgeted amounts; personal liability for excess.”

- Section 37-61-21
  - Revision of budget

Ad Valorem Taxes for 2018 Year

- Operational ad valorem/homestead
  - Base Year runs from October 1, 2016 – September 30, 2017
  - We estimate collections in July, August and September 2017
  - Combined Base $19,335,824
  - Homestead Exemption estimated based upon prior year collections - $369,363
- Only increase to base was on estimated tax on new property
- Total operational ad valorem/homestead request of $19,881,565

Ad Valorem Taxes for 2018 Year

- Debt Service ad valorem
  - Limited tax notes (3 mill levy)
  - General obligation bonds
  - 2 Qualified School Construction Bonds – 1 issued as a limited tax note and the other issued as a general obligation bond
- Requirements for the 2018 year
  - Beginning balances in debt service funds: $940,066
  - Requirements for principal and interest payments for 2017-2018 fiscal year: $4,162,368
  - Funds needed for debt payments due within county's tax year but after end of 2018 school district fiscal year: $392,528
  - Resulting request: $3,614,830

Ad Valorem Taxes for 2018 Year

- Recap
- Operational Request $19,881,565 (includes homestead of $369,363 and ad valorem of $19,512,202)
- Debt Service Request $3,614,830
- Request for support of Millsaps Vocational $361,483

- Total Request $23,857,878

How does the Request Change from Last Year for Ad Valorem Funds only?

	FY 17-18	FY 16-17	Difference
Operational	$19,881,565	$19,024,335	$857,230
Debt Service	$3,614,830	$3,476,265	$138,565
Millsaps	$361,483	$345,897	$15,586

Net Effect

- Total ad valorem/homestead increase of $857,230 for operations

- Increase is due to new property

Net effect = no tax increase

Fund Balance – Unassigned in DM and 16th Section – at June 30

Year	Starkville	Oktibbeha	SOCSD	Percentage
2014	$283,017	$1,068,443		0.9% / 13.66%
2015	$547,520	$901,018		1.07% / 12%
2016			$4,212,764	10.03%
Projected 2017			$6,000,000	14.19%
Projected 2018			$8,000,000	18.52%

Fund Balance

- Why is a fund balance important?
  - Helps to eliminate the need for a tax anticipation note
  - Promotes a higher bond rating
  - Provides the district with the operating capital to take advantage of educational opportunities for students
  - The district is at **the 55-mill cap**, which means that local taxation for operations will be capped and the district will receive more dollars only through the reassessment process and from new growth

Conclusion

Public Comments