



Starkville Oktibbeha Consolidated School District

2016-2017 Budget Presentation

July 14, 2016





School Board Members

- Jenny Turner, President
- Dr. Keith Coble, Vice President
- Anne Stricklin, Secretary
- Dr. Lee Brand, Jr., Assistant Secretary
- Eddie Myles, Member



Student Enrollment

Projected 2% growth per year 2016-17 to 2022-23		
Year	Enrollment	Percent Growth
2022-23	5882	2%
2021-22	5764	2%
2020-21	5649	2%
2019-20	5538	2%
2018-19	5427	2%
2017-18	5320	2%
2016-17	5215	2%
2015-16	5097	16%
2014-15	4387	3%
2013-14	4267	4%
2012-13	4118	1%
2011-12	4090	1%
2010-11	4054	



FY2017 Budget Highlights

Description

Funding

Cost – Salary plus Fringes

New Positions		415,000
Assist. Supt. for Personnel & Secondary Curr.	DM	
Library Assistant – Henderson Ward Stewart	DM	
Secretary – Henderson Ward Stewart	DM	
SPED Teacher – Henderson Ward Stewart	Local SPED	
SPED Teacher – Sudduth Elementary	Local SPED	
SPED TA – Henderson Ward Stewart	SPED – IDEA (Federal)	28,000
8% Salary increases for Custodial staff and School Safety Officers	DM	67,000
8% Salary increase for cafeteria workers	Child Nutrition	65,000
Retirement or % increase for bus drivers	DM	50,000
	TOTAL	625,000



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
 - $\$10 \times \# \text{ of mils} = \text{Approx. amount taxpayer will owe (before homestead exemption or any other credits)}$
 - 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

2016-2017	2015-2016	Increase
\$22,923,985	\$22,808,529	\$115,456



EEF – Buildings & Buses Comparison

2016-2017	2015-2016	Increase
\$171,912.00	\$167,556.00	\$4,356.00

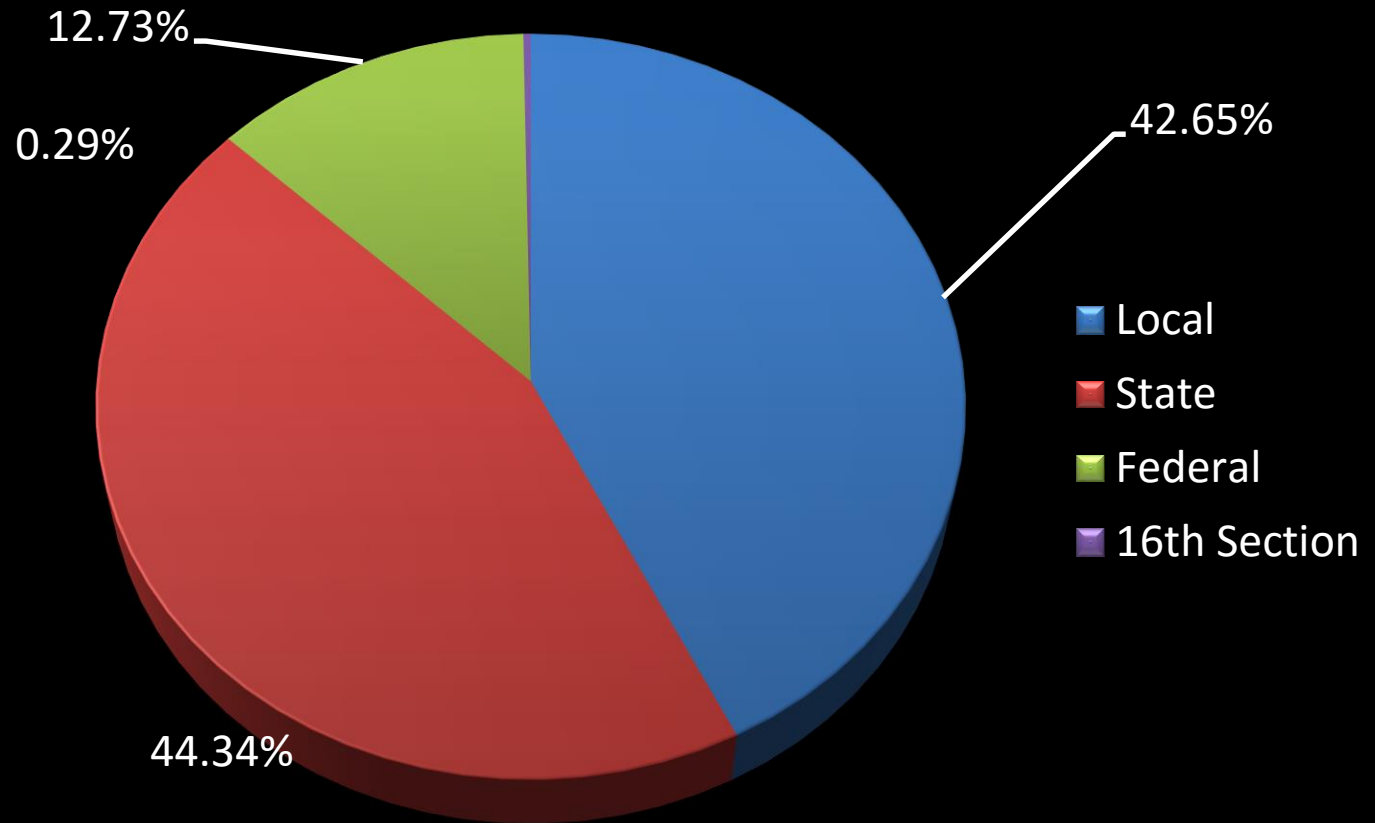


TOTAL REVENUES

	Budget Amount	Budget %
Local Sources (Ad valorem taxes, daily food sales, other)	\$23,804,774	42.65%
State Sources (MAEP, Education Enhancement, Vocational, Homestead Exemption, other)	\$24,747,689	44.34%
Federal Sources (Title I, Title II, IDEA, Child Nutrition, other federal grants)	\$7,103,172	12.73%
Sixteenth Section Sources	\$159,350	0.29%
Total Revenues	\$55,814,985	



2016-2017 Revenues



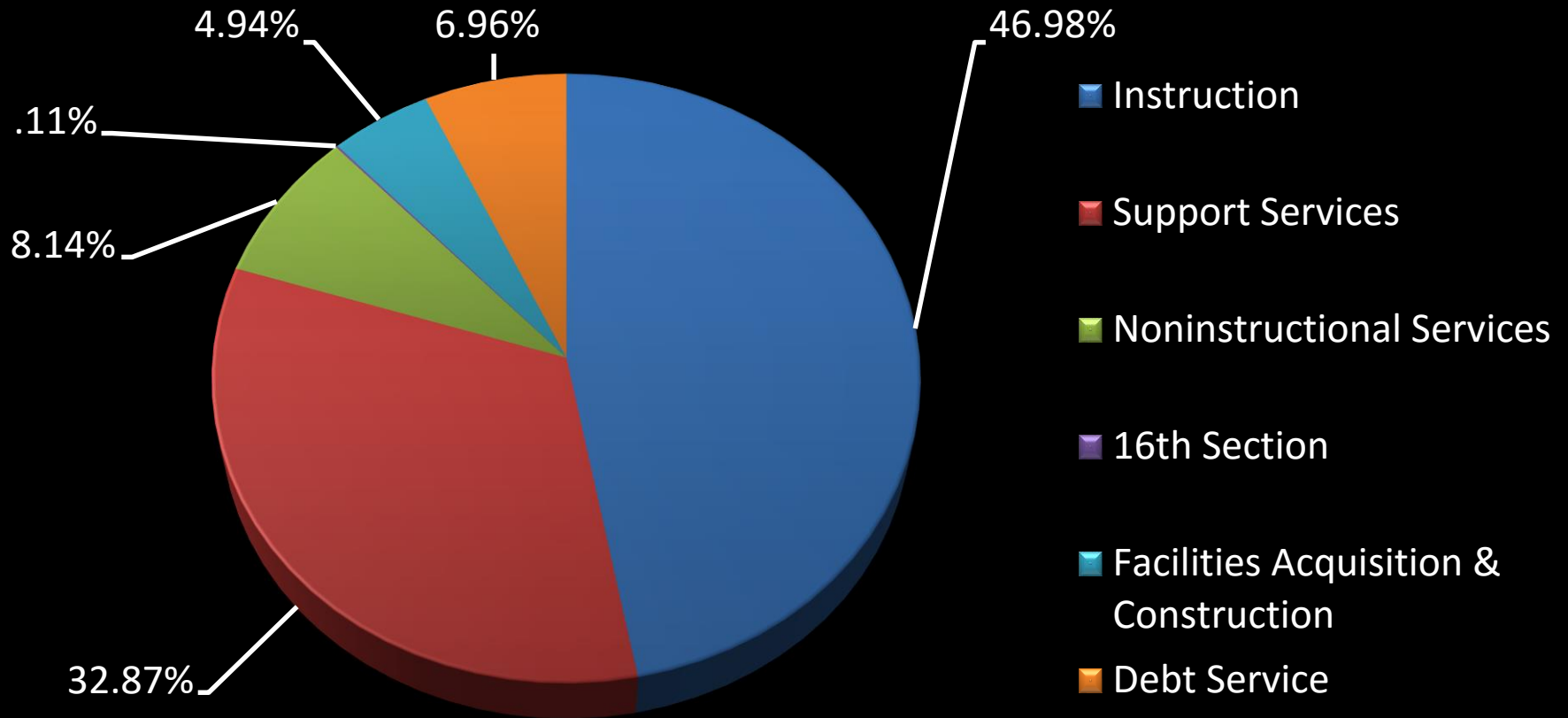


TOTAL EXPENDITURES

	BUDGET AMOUNT	BUDGET %
Instruction	27,907,899	46.98%
Support Services	19,527,358	32.87%
Noninstructional Services	4,836,220	8.14%
Sixteenth Section	66,975	.11%
Facilities acquisition and construction	2,934,223	4.94%
Debt Service		
Principal	3,274,286	5.51%
Interest	846,889	1.42%
Other	12,500	.02%
Total	\$59,406,350	



2016-2017 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	18,397,658	42.75%
MAEP	22,496,399	52.28%
Vocational		1.63%
Ad Valorem Tax	331,767	
State Vocational Funds	370,000	
Other	1,434,949	3.33%
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	\$43,030,773	



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 \$35,342,323
81.02%
- 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)
 - 8% raise for custodial staff and school safety officers
 - \$50,000 for either retirement or % raise for bus drivers
 - Includes amounts for overtime, substitutes and mentor pay



Two Accreditation Standards That Apply to Budgeting

- Early Childhood Education:
 - \$200 per kindergarten classroom for supplies and materials appropriate for that age group
- Classroom Supplies and Materials:
 - \$20 per student for instructional/library supplies, materials, and equipment



The Proposed Budget Exceeds These Accreditation Standards

- Classroom Supplies and Materials \$244,775
 - **Elementary Schools**
 - \$25 per student
 - + \$4.50 per student for art, music and PE supplies/materials
 - **Middle School**
 - \$35 per student
 - + \$4.50 per student for art, music and PE supplies/materials
 - **High School**
 - \$40 per student
 - +\$4.50 per student for art, music and PE supplies/materials
 - + Choral, Drama, JROTC, Art Competition, Speech & Debate (At the same level as prior year)



The Proposed Budget Exceeds These Accreditation Standards (cont.)

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



Teacher 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, 2017. 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 to remind principals to remind the teachers to spend the balances left on their cards.



LIBRARY BOOKS AND SUPPLIES

- \$175,195
 - 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

- \$175,000
 - Based on needs assessment by Dr. Jody Woodrum and Administrative staff
 - \$204,245 less than prior year. Purchases made with remaining 2015-2016 funds
 - Emphasis:
 - High School – Math, Science, Foreign Language
 - Middle School – Science
 - Elementary Schools – Books for all students coming from East Elementary and books at West Elementary consistent with other Elementary schools
 - Anticipated increase for 2017-2018
 - English resources
 - 5th Grade Social Studies



ATHLETICS & BAND

- Athletics (Mr. Milton Smith)
 - \$156,500 to be transferred to Athletic Budget
- Band (Mr. Shawn Sullivan)
 - \$70,600



COUNSELORS & PRINCIPALS' OFFICE SUPPLIES

- Counselors
 - Supplies @ \$200 per counselor
 - Travel @ \$500 per counselor

- Principals' Office Supplies
 - \$10 per student
 - Travel @ \$500 per principal



OPERATION & MAINTENANCE OF PLANT

- Mr. Elvis Kinard
- \$4,169,356
 - 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

- Mr. Kelvin Gibson
- \$2,820,036
 - Bus driver salaries
 - Bus shop salaries
 - Gasoline
 - Repair parts and supplies for bus shop
 - Purchased services for repairs done outside the bus shop
 - New buses
 - \$542,300 to purchase 6 new air-conditioned buses (\$500,000 borrowed from 16th Section Principal Fund – to be paid back over 3 years at 4% interest)



SECURITY

- Dr. Toriano Holloway
- \$526,840
 - Security staff salaries and fringe benefits
 - Purchased services
 - Travel
 - Supplies



TECHNOLOGY

- Mr. David Hill
- \$1,374,936
 - Technology staff salaries and fringe benefits
 - Teacher computers
 - 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



OTHER BUDGETS

- School Food Service & Summer Feeding Program
 - Budget prepared by Ms. Ginny Hill and her staff
- Extended Day Program, Emerson Family School, Building Strong Family Grants, Adult Education Grant and other Grants
 - Budgets prepared by Dr. Joan Butler and her staff.
- Title I and 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 2016-2017 BUDGET CONSISTS OF 65
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 2017 Year

- Operational ad valorem/homestead
 - Base Year runs from October 1, 2015 – September 30, 2016
 - We estimate collections in July, August and September 2016
 - Combined Base \$18,397,658
 - Homestead Exemption estimated based upon prior year collections - \$383,249
- No increase to base because we are currently at 55 mils
- Total operational ad valorem/homestead request of \$18,780,907



Ad Valorem Taxes for 2017 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 2016 year
 - Beginning balances in debt service funds: \$558,072
 - Requirements for principal and debt payments: \$3,358,751
 - Funds needed for debt payments related to GO Bond that will be issued for the new partnership school: \$518,447
 - Resulting request: \$3,319,126



Ad Valorem Taxes for 2017 Year

- Recap
- Operational Request \$18,780,907 (includes homestead of \$383,249 and ad valorem of \$18,397,658)
- Debt Service Request \$3,319,126
- Request for support of Millsaps Vocational \$331,767
- Total Request \$22,431,800



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

	FY 16-17	FY 15-16	Difference
Operational	\$18,780,907	\$18,182,443	\$ 598,464
Debt Service	\$ 3,319,126	\$ 3,319,126	\$0



Net Effect

- Total ad valorem/homestead increase of \$598,464
- New property should take care of this increase
 - Our formulas assumed no new property

Net effect = no tax increase



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

Year	Starkville	Oktibbeha	Combined	Percentage
2013	\$1,306,819	\$1,398,112		4.28% / 17.4%
2014	\$283,017	\$1,068,443		0.9% / 13.66%
2015	\$547,520	\$901,018		1.07%/ 12%
2016			\$2,368,465 projected	5.73%
Projected 2017			\$3,188,985	7.58%



Fund Balance

- Why is a fund balance important?
 - Helps to minimize the amount needed 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