
Memorandum

To: Charles Glaes, Superintendent
Board of Education

From: Stephen Goss, Assistant Superintendent

Date: January 11, 2010

Re: Proposed January Budget Amendment

Attached for your review is the proposed January General Fund budget amendment for the year ending June 30, 2010. The following is a summary of the significant adjustments and assumptions used in developing this amendment:

Revenues: At this time, General Fund revenue is expected to total approximately \$21,350,000, which represents an increase of approximately \$323,000 from the initial budget adopted in June. This estimate is based on a Foundation Allowance of \$7,151 per pupil, and does not include a contingency for possible future executive order cuts.

Of this increase, approximately \$230,000 resulted from variances between projected and actual amounts for per pupil funding and enrollment, as illustrated by the following table:

Description	Projected	Actual	Est increase (decrease) to revenue
Enrollment, (blended FTE)	2,492	2,588	\$ 702,000
Per pupil funding	7,316	7,151	(427,000)
Declining enrollment funding	45,000	-	(45,000)
Net increase to projected revenue			<u>\$ 230,000</u>

Federal revenues are projected to increase by approximately \$695,000; however, this increase is primarily attributable to ARRA stabilization funding, and is offset by a corresponding reduction in state aid. This does NOT result in an increase to our revenue budget.

The projection for other revenues increased by approximately \$146,000, primarily as a result of revisions to the anticipated payouts from Education for Employment and Special Education. There are other revisions throughout the revenue accounts that are individually insignificant to the budget as a whole.

Expenditures: Total estimated General Fund expenditures are projected to increase by approximately \$109,000, or 0.5%, to \$21,424,813. This net increase is the result of various revisions throughout the budget in the normal course of business.

Based on current information, we expect a reduction to fund equity of \$74,747 to \$1,755,246 at June 30, 2010. This level of fund balance would represent approximately 8% of our 2009-2010 budgeted expenditures and remains significantly below the 15%-20% level generally recommended for governmental entities, including school districts. Please remember that this amendment is neither a best-case nor worst-case scenario; it represents our best estimates based on the information currently available. As we have seen this year, our funding situation can change dramatically with little advance notice. Changes in assumptions over the remainder of the school year may significantly impact on our final results.

We are continuing to prepare for significant enrollment declines and state funding cuts for the 2010-2011 fiscal year. We look forward to discussing our plans with you in the near future. In the meantime, please do not hesitate to contact me if you have any questions or comments.

VICKSBURG COMMUNITY SCHOOLS

General Fund

January 2010 Budget Amendment

Proposed January 11, 2010

	2008-2009 June Amendment	2008-2009 Actual	2009-2010 June Adopted	2009-2010 January Amendment
Revenue				
Local	1,966,150	1,972,070	1,982,000	1,998,889
State	18,019,603	17,043,659	17,233,600	16,698,037
Federal	499,541	1,365,665	716,500	1,412,382
Other	1,093,396	1,067,570	1,094,646	1,240,758
Total Revenue	21,578,690	21,448,964	21,026,746	21,350,066
Expenditures				
Instruction:				
Basic Programs	10,303,274	10,196,578	9,864,324	9,782,842
Added Needs	2,249,858	2,199,772	2,137,802	2,274,747
Adult & Continuing Education	100,263	96,356	102,297	105,102
Total instruction	12,653,395	12,492,706	12,104,423	12,162,691
Supporting Services:				
Pupil Services	1,227,594	1,222,240	1,208,714	1,188,090
Instructional Staff	851,372	766,452	760,824	787,278
General Administration	504,721	528,469	529,983	494,657
School Administration	1,353,905	1,338,008	1,311,040	1,303,598
Business	435,272	468,456	455,726	436,023
Operations & Maintenance	2,272,845	2,189,947	2,084,052	2,090,731
Transportation	1,565,231	1,557,370	1,432,077	1,484,793
Central Services	525,458	514,895	420,724	449,881
Total supporting services	8,736,398	8,585,837	8,203,140	8,235,051
Community Services	291,361	280,115	285,189	280,273
Payments to other governmental units	114,040	145,579	64,400	77,836
Debt retirement	34,950	31,378	29,450	39,400
Transfers to other funds	765,562	765,562	629,562	629,562
Total expenditures & other uses	22,595,706	22,301,177	21,316,164	21,424,813
Deficiency of revenues over expenditures	(1,017,016)	(852,213)	(289,418)	(74,747)
Fund balance - beginning	2,682,206	2,682,206	1,829,993	1,829,993
Fund balance - ending	1,665,190	1,829,993	1,540,575	1,755,246