

To: Board of Education

From: Kathy Johnson, executive director, finance, ext. 2376

Re: Approval of 2017-2018 Budget for USD 497

Date: August 18, 2017

Background:

On August 7, 2017, the Board of Education approved the 2017-2018 budget for publication in the Lawrence Journal-World. A hearing was set for August 22, 2017, at 5:30 p.m. at ESDC 110 McDonald Drive, Lawrence, KS 66044. After the hearing and during the special board meeting, board members will be asked to approve the budget, the maximum mill levy and budget authorities of each budgeted fund, for the school year beginning July 1, 2017 to June 30, 2018.

The mill levy is projected to increase 3.503 mill from 2016-2017. The maximum budget authorities and mill levy are noted on the Code 99 form of the state budget document.

Recommendation:

Administration recommends board approval of the 2017-2018 budget and mill levy as noted on the published state budget document form, Code 99.

Motion:

"I move the Board of Education approve the 2017-2018 budget and mill levy for USD 497 as noted on the State of Kansas Budget Code 99 Form."

**NOTICE OF HEARING 2017-2018 BUDGET**

The governing body of Unified School District 497 will meet on the 22 day of August, 2017 at 5:30pm, at 110 McDonald Drive, Lawrence, KS 66044 for the purpose of hearing and answering objections of taxpayers relating to the proposed use of all funds and the amount of tax to be levied. Detailed budget information (including budget profile) is available at 110 McDonald Drive, Lawrence, KS 66044 and will be available at this hearing.

The Amount of 2017 Tax to be Levied and Expenditures (published below) establish the maximum limits of the 2017-2018 Budget. The "Est. Tax Rate" in the far right column, shown for comparative purposes, is subject to slight change depending on final assessed valuation.

	Code 99 Line	2015-2016 Actual		2016-2017 Actual		PROPOSED BUDGET 2017-2018		
		Actual Expenditures (1)	Actual Tax Rate* (2)	Actual Expenditures (3)	Actual Tax Rate* (4)	Expenditures (5)	Amount of 2017 Tax to be Levied (6)	Est. Tax Rate* (7)
<b>OPERATING</b>								
General	06	80,935,282	20.000	78,680,497	20.000	75,967,077	21,200,000	20.000
Supplemental General (LOB)	08	23,547,672	17.373	23,507,268	14.245	25,318,297	19,009,809	17.126
<b>SPECIAL REVENUE</b>								
Adult Education	10	428,648	0.099	401,793	0.247	700,000	166,500	0.150
Adult Supplemental Education	12	0		0		25,981		
Bilingual Education	14	1,799,070		1,788,749		1,250,000		
Virtual Education	15	4,316,647		4,631,034		6,263,175		
Capital Outlay	16	14,403,897	7.904	13,088,731	7.910	16,500,000	8,880,000	8.000
Driver Training	18	44,071		45,008		105,000		
Extraordinary School Program	22	0		0		0		
Food Service	24	4,795,431		4,859,190		6,000,000		
Professional Development	26	309,574		421,468		810,000		
Parent Education Program	28	214,058		182,766		280,000		
Summer School	29	162,382		37,585		132,000		
Special Education	30	23,633,147		23,948,599		26,100,000		
Career and Postsecondary Education	34	1,940,888		1,901,383		2,600,000		
Special Liability Expense Fund	42	0	0.000	0	0.000	0	0	0.000
School Retirement	44	0	0.000	0	0.000	0	0	0.000
Extraordinary Growth Facilities	45	0	0.000	0	0.000	0	0	0.000
Special Reserve Fund	47	11,445,314		11,409,439				
Federal Funds	07	2,650,993		2,812,118		2,748,000		
Gifts and Grants	35	408,380		507,505		2,418,521		
At Risk (4Yr Old)	11	516,504		479,227		615,000		
Cost of Living	33	1,571,491	1.446	1,307,199	1.400	1,500,000	984,998	0.887
At Risk (K-12)	13	4,085,207		4,935,284		7,134,135		
Declining Enrollment	19	0	0.000	0	0.000	0	0	0.000

Fund—Continued	Code 99 Line	2015-2016 Actual		2016-2017 Actual		PROPOSED BUDGET 2017-2018		
		Actual Expenditures (1)	Actual Tax Rate* (2)	Actual Expenditures (3)	Actual Tax Rate* (4)	Expenditures (5)	Amount of 2017 Tax to be Levied (6)	Est. Tax Rate* (7)
KPERS Special Retirement Contribution	51	6,090,694		5,944,556		10,254,359		
Contingency Reserve	53	80,917		2,750,000				
Textbook & Student Material Revolving	55	779,099		749,557				
Activity Fund	56	1,189,858		1,439,541				
Tuition Reimbursement Fund	57	0		0		0		
DEBT SERVICE								
Bond and Interest #1	62	10,964,619	10.073	14,383,158	9.500	12,497,638	11,876,940	10.700
Bond and Interest #2	63	0	0.000	0	0.000	0	0	0.000
No-Fund Warrant	66	0	0.000	0	0.000	0	0	0.000
Special Assessment	67	14,605	0.011	14,462	0.058	251,000	0	0.000
Temporary Note	68	0	0.000	0	0.000	0	0	0.000
COOPERATIVES**								
Special Education	78	0		0		0		
TOTAL USD EXPENDITURES	100	196,328,448	56.906	200,226,117	53.360	199,470,183	62,118,247	56.863
Less: Transfers	105	54,387,908	xxxxxx	55,127,734	xxxxxx	39,875,310	xxxxxxxx	xxxxxxxx
NET USD EXPENDITURES	110	141,940,540	xxxxxx	145,098,383	xxxxxx	159,594,873	xxxxxxxx	xxxxxxxx
TOTAL USD TAXES LEVIED	115	58,520,881	xxxxxx	56,487,886	xxxxxx	62,118,247	xxxxxxxx	xxxxxxxx
OTHER								
Historical Museum	80	0	0.000	0	0.000	0	0	0.000
Public Library Board	82	0	0.000	0	0.000	0	0	0.000
Public Library Board Employee Benefits	83	0	0.000	0	0.000	0	0	0.000
Recreation Commission	84	0	0.000	0	0.000	0	0	0.000
Rec Comm Emp Benefits & Spec Liab	86	0	0.000	0	0.000	0	0	0.000
TOTAL OTHER	120	0	0.000	0	0.000	0	0	0.000
TOTAL TAXES LEVIED	125	58,520,881		56,487,886		62,118,247		
Assessed Valuation - General Fund	128	\$986,437,070		\$1,020,289,707		\$1,060,000,000		
Assessed Valuation - All Other Funds	130	\$1,045,729,023		\$1,079,898,829		\$1,110,000,000		
Outstanding Indebtedness, July 1		2015		2016		2017		
General Obligation Bonds	135	114,275,000		125,905,000		116,310,000		
Capital Outlay Bonds	140	0		0		0		
Temporary Note	145	0		0		0		
No-Fund Warrant	150	0		0		0		
Lease Purchase Principal	153	6,297,062		7,066,024		7,177,859		
TOTAL USD DEBT	155	120,572,062		132,971,024		123,487,859		

\* Tax Rates are expressed in Mills

\*\* Sponsoring District Only

s/ Shannon Kimball  
President

s/ Dawn Downing  
Clerk of the Board