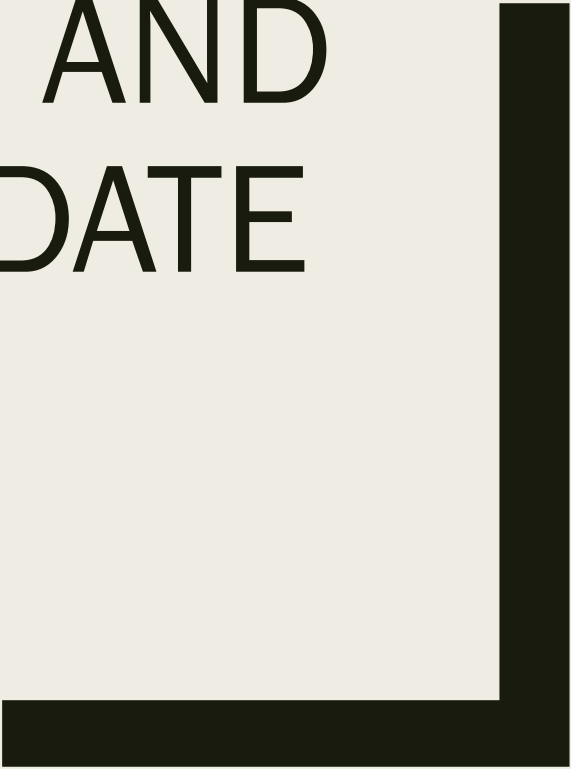




LEGISLATIVE AND BUDGET UPDATE

Board of Education
May 14, 2018



HOUSE SUBSTITUTE FOR SENATE BILL 61

- Base Aid for Student Excellence (BASE)

- 2017-2018 \$4,006
- 2018-2019 \$4,165* increase of \$159
- 2019-2020 \$4,302 increase of \$137
- 2020-2021 \$4,439 increase of \$137
- 2021-2022 \$4,576 increase of \$137
- 2022-2023 \$4,713 increase of \$137

Following 2022-23, the BASE will increase by CPI

* Current Law was \$4,128

HOUSE SUBSTITUTE FOR SENATE BILL 61

LOCAL OPTION BUDGET

- The LOB % formula remains same
- Districts choosing to go above 30%, must publish a resolution and give the patrons the right to petition and vote.
- Districts that were previously approved for 33% (Lawrence) will retain authority at 33%
- LOB state aid is to be computed using current year budget as recommended by Supreme Court.
 - For 2017-2018 the Legislature based LOB state aid on 2016-2017 budget- which for Lawrence was significantly less and caused a Mill increase as a result. *This was a correction made to meet an equity component of the finance law approved for 2017-2018.*
- Formula calculation remains same as current, using an LOB BASE of \$4,490.
 - The LOB BASE will increase by the CPI beginning in 2019-20
- Repeals provision that would count 15 percentage points of LOB in general fund and increase BASE to \$4,900 BUT does provide for a minimum LOB of 15%

CTE Weighting

- College and Technical Education
 - *Weighting will be based on current year (2017-2018) and thereafter*
 - *CTE weighting was scheduled to sunset July 1, 2019. The CTE study has been completed and this bill will delete the sunset.*

Bilingual Weighting

- Bilingual Education
 - Weighting will be based on current year (2017-2018) and thereafter
- Amends the law to require a proportionate share of the general fund weighting for bilingual shall be applied to the LOB and transferred to the bilingual fund.
 - Example: Bilingual weighting is 5% of General Fund, the 5% of LOB Fund will be transferred to Bilingual.

At Risk Weighting

- School Based high density at risk pilot program is extended to July 1, 2020
- The 10% floor for computing free lunch for any school district offering grades K-12 is repealed.
- Amends the law to requires that the proportionate share of the general fund made up by the at risk weighting shall be applied to the LOB and transferred to the at-risk K-12 fund.
 - Example: At Risk weighting is 10% of General Fund, then 10% of LOB Fund will be transferred to At Risk K-12.

Depending on what the at-risk best practice guidelines for 2018-2019 outline, heavier restrictions could make it difficult for districts to spend this increased targeted funding. Also causes additional time and effort/accountability requirements to demonstrate appropriate use.

Special Education

Special Education funding will increase by \$44 million in 2018-2019

- Plus \$7.5 million each year thereafter until 2022-23

KSDE estimates this to be about \$31,250 per certified FTE (Categorical Aid) up from the \$28,250 currently

Transportation

- The transportation formula for students transported over 2.5 miles has been clarified in statute and remains approximately the same dollar amount as computed in prior year.

The bill amends the transportation weighting in the KSEEA. The transportation weighting will be calculated based on a per capita allowance based on a school district's density figure, which is the area of a school district in square miles divided by the number of transported students. The bill also provides for a statutory minimum level of transportation funding; provides for per capita allowances based on a cost factor of 5.0 for students more than 2.5 miles away from their school (prior law provided for a cost factor of 2.8); and limits the proportion of a school district's State Foundation Aid attributable to the transportation weighting to being no more than 110.0 percent of a school district's total transportation expenditures for the immediately preceding school year

Early Childhood Funding

- Expands early childhood funding by increasing state aid for three and four year old at risk by \$2,000,000
- This funding is received through an application process each year
 - Our funding application is for 75 students = 37.5 FTE
 - Actual is based on audited FTE of qualified students

Capital Improvement

■ Capital Outlay –

- Repeals authority for school districts to make expenditures for utility and property/casualty insurance from capital outlay as recommended by the Supreme Court – *Lawrence did not do this, anticipating this would be repealed as it did not meet the equity criteria at time it was approved as allowable.*

● Bond Cap–

- Amends the bond cap to provide that any school district submitting a bond application in excess of the \$175 million, only \$175 million will go against the cap
- The cap is increased by the amount of bonds retired the preceding year plus the percentage increase in the Producers Price Index for the last five years

Budget considerations

Review of budget considerations has occurred at the April 9 and April 23rd Board Meetings

The ELT Team has taken feedback from the Board and discussed at length the budget considerations and funding available to the district for 2018-2019

The Legislature has passed a school finance plan for 2018-2019 that goes to the courts for review

- Oral arguments schedule with the courts May 22, 2018
- The courts to decide by June 30, 2018

Discussions tonight are around the funding from Legislative action and to establish a draft budget plan for final consideration once the courts rule.

The board may wish to act on some items early and during the board meeting if they determine them to be time sensitive or they may wish to wait.

Funding impact of Finance Bill

REF #	Budget Consideration	FTE	Budget Reduction or NEW Resources	Notes	REF #
	Projected Increase in Funding based on projected info for 18-19		2,633,207	KSDE projections include New Facility funds that we will not be getting next year/so our funding is lower than their projections	A-1
	Projected Increase in Special Education for 18-19		1,265,625		A-2
	Projected LOB on 18-19 projected information		356,392		A-3
			\$ 4,255,224	<i>SUBJECT TO CHANGE - PLANNING ESTIMATE AS OF MAY 14, 2018</i>	A-4

Budget Considerations – off the top and committed for 2018-2019

REF #	Budget Consideration	FTE	Increase	Decrease	Cumulative	Notes
ADDITIONS - MAINTENANCE OF EXISTING STAFFING RATIOS						
A-1	MS Staffing Ratio	0.56	34,243		34,243	
A-2	HS Staffing Ratio	3.50	214,022		248,265	
A-3	CTE Staffing Ratio	0.30	18,345		266,610	
A-4	ESL Staffing Ratio	1.75		107,011	159,599	
ADDITIONS OFFSET BY REDUCTIONS						
A-6	Add Elementary Guidance Counselors	3.00	183,447		343,046	Increase in FTE will give each Elementary School a full time Guidance or School Mental Health Support Professional
A-6	Elementary Contingency (offset Guidance)	3.00		183,447	159,599	Reduce Elementary Contingency Pool of 10FTE to 7 FTE offset addition of Guidance SMHSP FTE
A-11	AVID add section at 7th Grade	0.40	24,460		184,058	
A-11	Reduce Secondary Contingency Staff Pool	0.40		24,460	159,598	
	High School General Fund Social Workers	2.00	122,298		281,896	
	Reduce Secondary Contingency Staff Pool			122,298	159,598	
D-2	Deaf/Hard of Hearing Teacher	0.50	30,575	15,625	174,548	
D-2	Deaf/Hard of Hearing Teacher			14,950	159,598	Use Federal Medicaid Funds to offset the cost in excess of Categorical Aid
G-2	Audiologist	0.40	24,460	12,500	171,558	
G-2	Audiologist			11,960	159,598	Use Federal Medicaid Funds to offset the cost in excess of Categorical Aid

Budget Considerations – off the top and committed for 2018-2019

NEW DURING 2017-2018 - BUDGET ADDITION TO CONTINUE IN 2018-2019

A-5	PE Specials	0.40	24,460		184,057	Provides for a district .40 FTE for elementary PE
A-7	Nurse Facilitator	0.60	36,689		220,747	Reinstates a previous budget cut/added back mid-year 17-18
A-8	Communication Specialist	1.00	50,153		270,900	Added as a new position mid year 17-18
F-2	Registered Nurse	1.00	61,149		332,049	Added new during 17-18 nursing contracted services- new deficit spend/in lieu of continuing high contracted services - the hiring of an additional nurse is necessary to meet student needs
A-10	4 - Tech Team Stipends (supplemental)		15,020		347,069	

STAFF RESTRUCTURING

A-9	Maintenance Grounds Arborist (vacant)	(1.00)		42,464	304,605	
A-9	Grounds Manager Position (new)	1.00	51,942		356,547	
J-1	Director of Middle School	1.00		118,336	238,211	
J-1	Director of Curriculum	0.65	76,918		315,129	
J-3	Administrative Assistant Teach/Learning	1.00	39,686		354,815	
K-1	CHANGE from Assistant Director Special Education TO Director Early Childhood	1.00	8,067		362,882	Restructure within Students Services and ECH; add of Tiny K - NET Change
O-3	Supervisor of Technology	1.00		73,695	289,187	
T-1	Assistant Director Student Services	1.00		99,738	189,449	
T-1	Director of Equity, Instruction, Student Services	1.00	109,457		298,906	
T-2	Assistant Director Curriculum, Instr & Assessment	1.00		105,521	193,385	
T-2	Director Instruction, Educational program, technology	1.00	109,458		302,843	

OFF THE TOP ITEMS

302,843

Deficit Spending – Benefits, Salaries

For planning the board agreed on April 9, 2018 to tentatively apply ½ of projected 2.8M of deficit spending, \$1,400,000

The cost to maintain fringe benefits for all employee groups is known and included in the worksheet

Negotiations are pending – Amounts are blank

Z-1	Deficit Spending i.e. Utilities, operating expense using cash balances, etc		1,400,000		1,702,843	Deficit Spending aproximately \$2.8 Million
B-2	Fringe Increase (Health, Dental, Vision) - Maintaining board paid at same FTE levels as current		1,114,231		2,817,074	Adjusted to Include Early Retirement Fringe Increase -- approximately 10.5% increase
B-1	Certified Compensation (V&H)				2,817,074	NEGOTIATIONS PENDING
B-1	Classified Compensation				2,817,074	
B-1	Administration Compensation				2,817,074	
B-3	CE Supplemental Assignments				2,817,074	

Additional Considerations 2018-2019

P-1	Custodians	1.00	31,701		2,848,775	Based on increased square footage and high turnover of custodians this will potentially become deficit spending in 18-19 either as contracted services or unbudgeted position
D-1A	Special Education Teachers	3.00	183,447	93,750	2,938,472	Split into increments - phase1 of the original 9 FTE
C-7	Reinstate Contingency	3.00	183,447		3,121,919	Make Class size a part of strategic plan, add back contingency to assit with hot spots across all grades for 18-19
H-3	Interventionist (Certified) - Edited	2.00	122,298		3,244,217	Original Request was 4 Classified positions (\$137,500)/Propose to make this 2.0 = Certified - .5 each school/phase another 2.0 2.0 19-20; Meet the support needs at MS better with this model change
R-3	Contracted Service District wide ALICE Training		25,000		3,269,217	ALICE training will get the district started in training staff on basic active shooter situations - reduced from \$50,000 to \$25,000
R-2	Safety and Security Consultant		25,000		3,294,217	2018-2019 hire consultant - the consultant will help establish the district safety and security needs that can be used in the district's strategic plan -- Original request was 1.0 \$68,398
I-2	Student Services Facilitator, plus 10 Days	1.00	64,437		3,358,654	
I-1	Equity Facilitator, plus 10 days	1.00	64,437		3,423,091	
G-1	Speech Language Pathologist	1.00	61,149	31,250	3,452,990	
E-1A	(PAT) Parents as Teachers Phase1		30,000		3,482,990	Reduced from \$35,000 to \$30,000/State Funding likely to move from 65/35 to 50/50 match
L-1	Library Media Assistants 6.5 hours total	0.81	21,725		3,504,715	
C-8	MS FACS/Health FTE	2.00	122,298		3,627,013	
O-4	IT Building Technicians	2.00	90,420		3,717,433	
P-2	Lead Floater	2.00	71,913		3,789,346	Hiring of two Rovers will assist with minimizing Overtime and Manpower Services - OT is deficit spending/Manpower is currently a part of F&O budget - reduce for like amount
J-2A	Curriculum Facilitators (new) w/ 10 extra days				3,789,346	Remove the 2.0 FTE for Curriculum Facilitators 2/10 days (\$128,873) -- Will reallocate existing Teaching and Learning funds used for curriculum development and course shells development in lieu of curriculum facilitators and pay existing teachers for time spent on curriculum -- Review again in 19-20
P-5	Locksmith				3,789,346	WAIT for hire and continue to internally support the existing Locksmith position during peak times. Re-evaluate as part of the strategic plan for safety and security. (1.0 FTE \$46,764)

QUESTIONS

