

Calendar of Future Board Action

August 7, 2017, Special Meeting Approve Budget for Publication and Notice of Budget Hearing

August 22, 2017, Special Meeting Budget Hearing, 5:30 p.m. ESDC 110 McDonald Drive

Approve Budget Following Budget Hearing

August 25, 2017 Certification with County and KSDE





MILL LEVY FUNDS

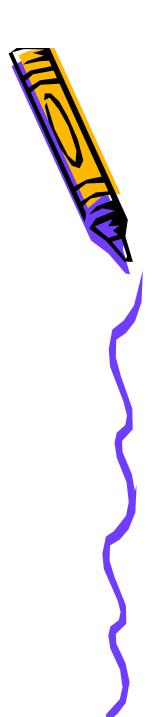
OPERATING FUNDS

- General Fund
- Local Option Budget

OTHER LEVIED FUNDS

- Bond and Interest Fund
- Capital Outlay
- Special Assessments
- Adult Basic Education
- Cost of Living (COLA)

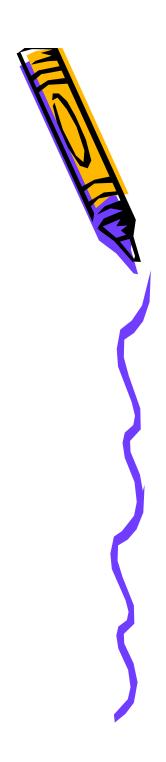




SPECIAL REVENUE FUNDS

- Adult Supplemental
- Bilingual Education
- Virtual Education
- Drivers Training
- Food Service
- Professional Development Fund
- Parent Education
- Summer School
- Special Education
- Career and Postsecondary Education (Vocational)
- Federal Funds
- Gifts and Grants
- KPERS Special Liability Retirement Fund
- At Risk K-12
- At Risk 4 Year Old





Other Special Revenue Funds

Non-Budgeted Special Revenues Funds

- Actual Expenditures reported only
- Textbook/Student Materials Revolving Fund
- Special Reserve Fund (Health Care / Work Comp Reserves)
- Contingency Reserve Fund
- Activity Funds (not inclusive of student organizations/clubs)

At the end of the report, the board will be approving Form Code 99. Code 99 sets the Maximum Budget Authority and the Maximum Mill Levy for 2017-2018.









Food Service Fund

The Food Service Fund tracks all expenditures associated with preparing and serving breakfast and lunch meals in the District. The fund is supported by federal and state aid as well as from the sale of student and adult meals and catering events.

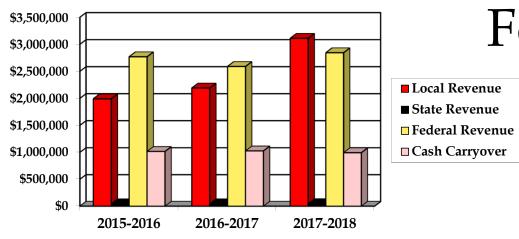
The Food Service budget currently does not require a transfer from general operating funds for support.

The Board of Education approved meal prices for the 2017-2018 school year at the July 3, 2017, Organizational Meeting.

		2014-15	2015-16	2016-17	2017-18
Lunch	Elementary	2.40	2.50	2.60	2.65
	Middle School	2.60	2.70	2.80	2.85
	High School	2.65	2.75	2.85	2.90
	Reduced Price	.40	.40	.40	.40
	Adults	3.45	3.45	3.5	3.55
Breakfast	Elementary	1.4	1.5	1.6	1.65
	Middle School	1.55	1.60	1.70	1.75
	High School	1.55	1.65	1.75	1.80
	Reduced Price	.30	.30	.30	.30
	Adults	2.05	2.15	2.25	2.30

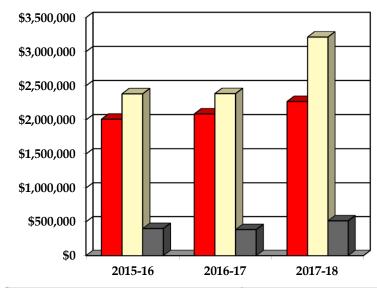






Food Service

	2015-2016 Actual	2016-2017 Actual	2017-2018 Budget
Total Revenues	5,822,372	5,852,613	6,993,524



■ Wages & Benefits	
□Food	
■Other	

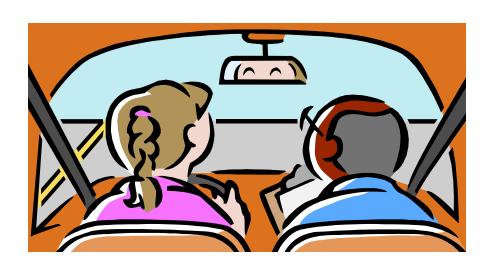
	2015-2016 Actual	2016-2017 Actual	2017-2018 Budget
Total Expenditures	4,795,431	4,859,190	6,000,000



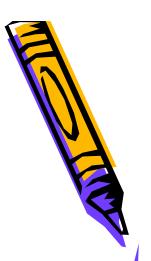
Drivers Training

The Drivers Training Fund tracks the expenditures associated with the driver education program.

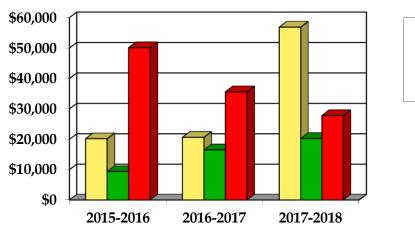
The Drivers Training Fund is supported by state aid and student fees. This program is set up to help provide professional training for students learning to drive.

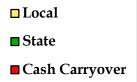




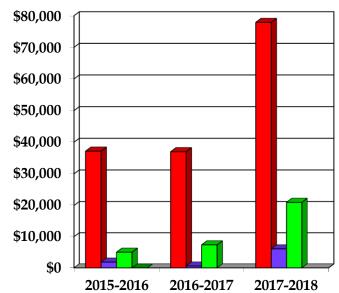


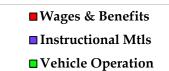
Drivers Training





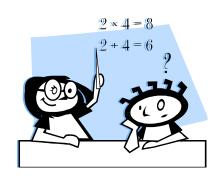
	2015-2016 Actual	2016-2017 Actual	2017-2018 Budget
Total Revenues	79,703	72,836	105,000







	2015-2016 Actual	2016-2017 Actual	2017-2018 Budget
Total Expenditures	44,071	45,008	105,000



Summer School

The Summer School Fund tracks expenditures for the district summer school programs. Revenue sources for this fund are primarily fee collections.

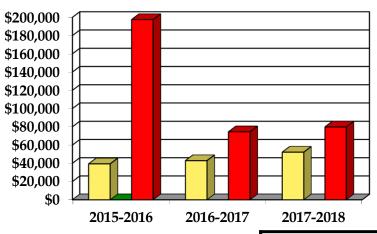


- Summer Music
- Summer High School Weights
- Summer Camp Robotics

Summer Credit Recovery is paid from the K-12 At Risk Fund

Summer school for special needs students is expended within the Special Education Fund.

Summer School



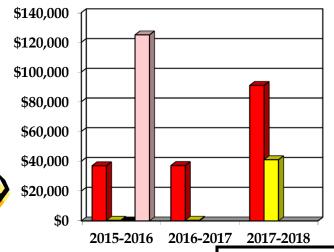
■ Local

■ Cash Carryover





	2015-2016 Actual	2016-2017 Actual	2017-2018 Budget
Total Revenues	236,898	117,431	132,000



■Wages & Benefits

□ Instructional Materials

■ Transfer to General





	2015-2016 Actual	2016-2017 Actual	2017-2018 Budget
Total Expenditures	162,382	37,585	132,000

Parent Education

The Parent Education Fund is the district's Parents as Teacher matching state grant.

Parents as Teachers is a free early childhood education program available to anyone who is pregnant or has a child under the age of three and who lives within USD 497's boundaries.

It is designed to give children the best possible start in life and to prepare them for school success by supporting parents in their role as their children's first and most influential teachers.

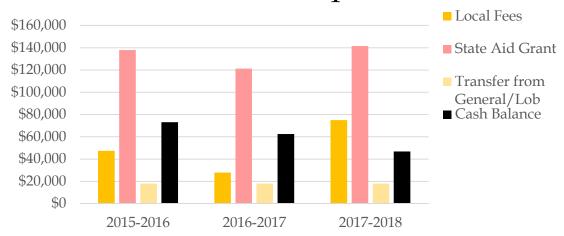
Lawrence Parents as Teachers is an affiliate program of the Parents as Teachers National Center, which uses an evidence-based curriculum infused with the most current neuroscience research to support child development and parent education.

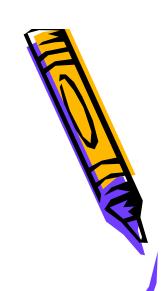
The program offers personalized visits, screenings, group connections and resource connections.



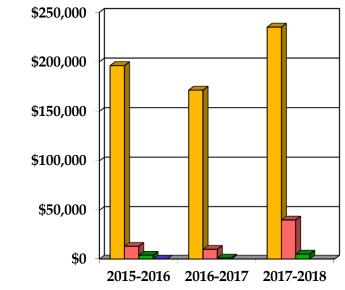


Parents as Teachers Expenditures





	2015-2016 Actual	2016-2017 Actual	2017-2018 Budget
Total Revenues	276,485	229,589	281,414



■ Wages & Benefits
■ Supplies & Materials
■ Staff Travel

	2015-2016 Actual	2016-2017 Actual	2017-2018 Budget
Total Expenditures	214,058	182,766	280,000

KPERS Special Retirement Contribution Fund

Through the 2005 Omnibus Appropriations Bill, the Kansas Legislature amended the procedures by which the state pays school districts' employer share of KPERS.

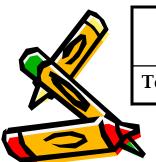
The change required KPERS to certify to the Kansas State Department of Education the employer's share of KPERS for every school district on a quarterly basis.

The Kansas State Department of Education sends the money to the district, which in turn immediately returns the money to KPERS.

During the past two years the state has only paid three of the four quarterly payments.

The 2017-2018 budget is for a full four quarters.

During the Block Grant, KPERS was a part of the General Fund, and the state aid was a "pass-through." In 2017-2018, state aid will again be a direct payment to the KPERS Contribution Fund and not pass through the General Fund.



	2015-2016	2016-2017	2017-2018
	Actual (3 Qtrs)	Actual (3 Qtrs)	Budget (4 Qtrs)
Total Expenditures	6,090,694	5,944,556	10,254,359

Professional Development Fund

The In-Service Fund was established in 1985. A district was required to have an approved in-service plan on file with the Kansas State Board of Education before the In-Service Fund could be used.

Eligible expenses include:

- Consultants' honorariums and travel expenses
- Cost of materials used in training
- Salaries for substitute teachers for certified staff who have filed an Individual Development Plan (IDP), (not to exceed 25% of total in-service expenditures)
- Salary of secretarial personnel (not to exceed 1 hour per certified IDP on file)
- Registration fees and travel expenses for in-service workshops for certified employees who have plans on file

770,000

385,000

385,425

385,000

77,000

In 2003-2004, the fund name changed from the In-Service Fund to the **Professional Development Fund** and no state funding was provided. The fund revenues were entirely a transfer from General/LOB Funds and some reimbursement revenues.

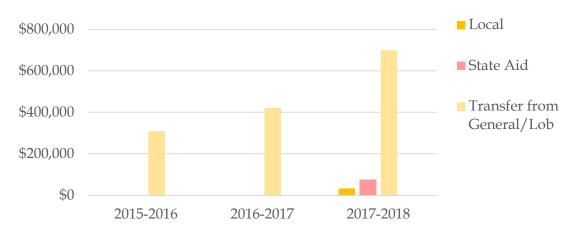
From 2005-2006 through about 2008-2009, a small amount of state aid funding was provided for eligible expenditures, and then the state aid stopped, and again, the revenue stream was solely a transfer until 2017-2018. Under SB 19, there will again be some state aid based on eligible expenditures.

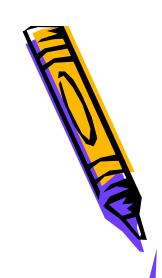
D. Professional Development Aid (Approved Programs Only)

		<u></u>			
1. Total estimated 2017-18 expenditures approved profes	sional develop	ment p	orogram	=	
2. Total potential state aid (Line 1 X 0.5)				=	
Multiply legal maximum general fund budget X 0.005				=	
4. Estimated state (lower of Lines 2 or 3)				=	;
5. Estimated prorated state aid (Line 4 X 0.2) to be paid	on June 15, 20)18		=	

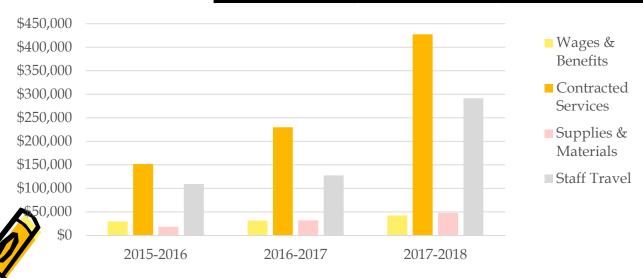


Professional Development Fund





	2015-2016 Actual	2016-2017 Actual	2017-2018 Budget
Total Revenues	309,574	421,468	810,000



	2015-2016 Actual		2017-2018 Budget	
Total Expenditures	309,574	421,468	810,000	

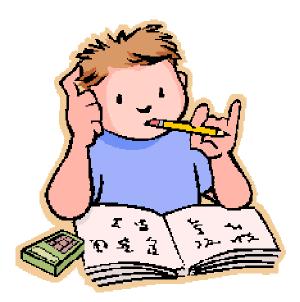
WEIGHTED Special Revenue Funds are Part of the District's Published Legal Max Authority for the General Fund

All weighting calculations for the funds below will be based on audited 2017-2018 counts.

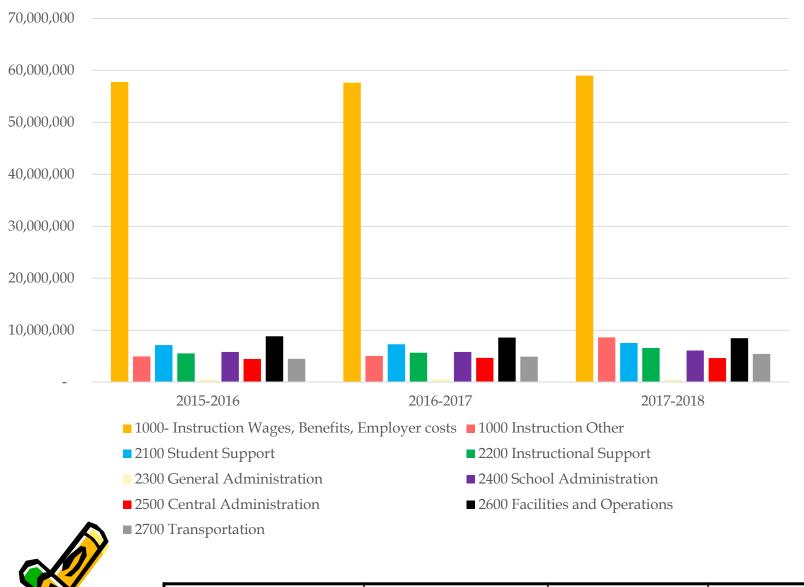
Unlike the base enrollment, which under SB19, will be based on the audited 2016-2017 FTE enrollment.

- At Risk 4 Year Old
- Bilingual Education
- Career and Postsecondary Education (Vocational)
- At Risk K-12
- Virtual Education
- Special Education





General Fund, LOB & Weighted Special Revenue Funds-Less Transfers



Source Individual Code Pages with in State Forms	2015-2016 Actual	2016-2017 Actual	2017-2018 Budget
Total Expenditures	99,555,791	100,210,945	106,872,374

Form 150 General Fund Budget Authority

The 2017-2018 budget will be built based on the prior fiscal year's audited enrollment, with Kindergarten being counted 1.0 instead of .50 FTE for funding.

USD Form 150								
2017-2018								
ESTIMATED LEGAL MAXIMUM GENERAL FU	LIND BUDGET							
	OND DODGET							
General Fund Budget - Lines 1 through 21								
1. 2017-18 Adjusted FTE enrollment (Excludes 4 yr old at-risk.) (from Table I or								
Table IV)	= 10,70	04.8						
2. Estimated 9-20-2017 4yr old at risk FTE enrollment (f) (Must be approved.)(At	t-risk							
students count as .5 FTE)								
35.0 + 0.0	(A) = 3	35.0						
3. 2017-18 Total Adjusted FTE Enrollment including 4 year old at risk (Line 1 +								
Line 2)	= 10,7%	39.8						

(A) The At Risk 4 Year Old program is a state "Program Weighted Fund." The weighted funding is transferred from the General Fund to a Special Revenue Fund, where expenditures for the district's at risk 4 year old program are to be recorded.

High/Low Enrollment Weighting is based on the above Enrollment Number

Estimated 9-20-2017 weighted low enrollment and high enrollment. (from line 3) 10,739.8x 0.035040

factor (from Table II)

376.3

Bilingual Education Weighting

The Bilingual Education Fund tracks expenditures for the district's English as a Second Language program.

The Bilingual Fund is a state "Program Weighted Fund." The sole source of revenue is a transfer from the General Fund. Weighted funding is based on student contact hours with an ELL-endorsed staff member.

2017-2018 Bilingual Education Weighting is based on the higher number of student contact hours or headcount of enrolled and eligible students. (Audited 2017-18 and not prior year, like base enrollment)

5	5. Estimated 2017-18 Bilin	ngual Weig	shting (a) (b)					=	•	178.7
	A. (9/20/17 Contact		+ 2/20/18							
	Hrs	2,305.0	Contact Hours	0.0)	/ 6 x 0.395	=	151.7			
	B. (9/20/17 ELL		+ 2/20/18 ELL							
	Headcount	966	Headcount	0)	x .185	=	178.7			
	Note: Bilingual weight	ing is base	d on the higher of	contact hours or headcount.						





Career & Technical Education (CTE)

formerly known as the Vocational Education Fund



The Career and Technical Education Fund tracks all expenditures associated with the instruction of high-tech, equipment-intensive programs such as computers for business education and machines for auto classes and shop programs. Vocational Education or CTE (Career and Tech Education) courses typically require smaller class sizes as well.

The Career and Technical Education Fund is a state "Program Weighted Fund." Funding is based on contact hours for state-approved courses only.

The sole source of revenue in this fund is a transfer from the General/LOB Funds and a small amount of state aid funding for special transportation mileage.

6. Estimated 2017-18 weighted Career Technical Education (CTE)
weighting (c)
(9/20/17 CTE + 2/20/18
contact hours 2,421.0 contact hours 0.0) / 6 x 0.5 = 201.8





At Risk Fund (K-12)

The At Risk Fund (K-12) is a state "Program Weighted Fund." The weighted funding is transferred from the General Fund to a Special Revenue Fund, where expenditures for the district's at risk programs (K-12) are to be recorded.

Beginning in 2017-2018, since full-day Kindergarten is now funded within the base enrollment, these funds cannot be used for the .5 FTE that was unfunded. Guidelines have been expanded slightly and in 2018-2019, the state will require all districts to spend these funds ONLY on what are considered "best practices" for use of At Risk K-12 Funds.

This weighting will be audited during 2017-18 and is estimated HIGH in order to capture all audited

budget authority; It is not expected that the full published authority will be realized, and we
should not commit expenditures to the fully published authority.

7. Estimated 2017-18 At-R	isk Student	weighting (d)				
A. 9/20/17 Headcnt	10,858	+ 2/20/18 Hdct	0 x 10%	=	1,086	
		+ 2/20/18 Free				
B. 9/20/17 Free Lunch	3,400	Lunch	0	=	3,400	
C. 2017-18 Adjusted Free Lunch Headcount						
(Max 7A or 7B)			3,400	x 0.484	=	1,645.6

A few examples of how Lawrence uses the At Risk Fund include but are not limited to extended day, tutoring, credit recovery during the summer, pro-rated share of certified teacher salaries based on below proficient students K-12, instructional learning coaches pro-rated based on below proficient students K-12, elementary instructional support services math and reading.





New to Lawrence in 2017-2018 is the ability to realize some High Density Student Weighting on any building with a free lunch count % between 35% -50% and above 50%

				>=35% and			N.
			2017-2018	<50%	>= 50%	2017-2018	1
					High	High	
USD#	497		Percent	High Density	Density	Density	
LEA_I	State_Scho						
d	ol_Id	School Name	Free Lunch	At Risk	At Risk	WTD FTE	
497	8185	Lawrence Virtual School	0.0%	0.0	0.0	0.0	
497	8189	Sunflower Elementary	34.2%	0.0	0.0	0.0	
497	8190	Prairie Park Elem	30.8%	0.0	0.0	0.0	
497	8191	Broken Arrow Elem	35.9%	0.6	0.0	0.6	
497	8194	Cordley Elem	38.0%	1.9	0.0	1.9	
497	8195	Deerfield Elem	16.1%		0.0	0.0	
497	8198	Hillcrest Elem	50.8%	0.0	17.4	17.4	
497	8200	Kennedy Elem	60.0%	0.0	15.4	15.4	
497	8202	Quail Run Elementary	18.2%	0.0	0.0	0.0	
497	8204	New York Elem	53.2%	0.0	12.3	12.3	
497	8206	Pinckney Elem	47.8%	10.5	0.0	10.5	
497	8208	Schwegler Elem	54.7%	0.0	22.6	22.6	
497	8210	Sunset Hill Elem	31.4%	0.0	0.0	0.0	
497	8212	Woodlawn Elem	39.7%	2.9	0.0	2.9	
497	8213	Langston Hughes Elem	7.1%	0.0	0.0	0.0	
497	8214	Lawrence Liberty Memorial Central Mid School	47.7%	20.8	0.0	20.8	
497	8215	Lawrence South Middle School	38.5%	5.9	0.0	5.9	
497	8216	Lawrence West Middle School	25.7%	0.0	0.0	0.0	
497	8217	Lawrence Southwest Middle School	14.7%	0.0	0.0	0.0	
497	8218	Lawrence High	32.6%	0.0	0.0	0.0	
497	8224	Lawrence Free State High	22.1%	0.0	0.0	0.0	



8. Estimated 2017-18 High-Density At-Risk Student Weighting (from Table VI, Line 2) = 110.3

This weighting will be audited during 2017-18 and is estimated HIGH in order to capture all audited budget authority; It is not expected that the full published authority will be realized, and we should not commit expenditures to the fully published authority.

Transportation Weighting

Transportation weighting is based on number of students who reside in the district 2.5 miles or more from school and a density factor computed by the state. The weighting does not fully cover the cost of district transportation.

		TABLE	III - Transportation Weightin	ng			
1 Amon of district in same	ro miles 0.2	0.2017					175.2
1. Area of district in squa	ne mines 9-2	20-2017					1/5.2
2. All public pupils transp 9-20-2017	ported or fo	or whom transporta	ation is being made available				
who reside in the distri	ict 2.5 miles	or more					
(Estimated)			2,700.0) + 2-20-18	0.0	=	2,700.0
2. Indoughdone				4:: 4 a 4 1			
3. Index of density = Line 2			2,700.0	divided by	175.2	_	15.41
LINE Z			<i>2,7</i> 00.0	LIIIC I	175.2		15.41
4. Using index of density	(Line 3), de	etermine transporta	ation weighting factor.			=	0.1351
		•	S S				
5. Estimated weighted FT	TE for transp	portation. 9-20-201	17 number of resident				
students over							
2.5 miles (line 2)	2,700.0	X	0.1351	factor (Line 4) (t	to Line 10, Page 1)) =	364.8
(TI 1 1 1 1 (2047 10			204 (47 H				
6. Take higher of 2017-18		4.44.000	or 2016-17 Transportation	1 110 000	. I. 10 D		4 464 500
Transportation State Aid		1,461,389	State Aid	1,418,306(to Line 10, Page 1) =	1,461,389



New Facilities Weighting

Lawrence USD 497 is eligible for Year 2 of New Facilities Weighting for new classroom additions in several of our elementary schools that received construction improvements from the 2013 bond issue.

Deerfield Elementary

Woodlawn Elementary

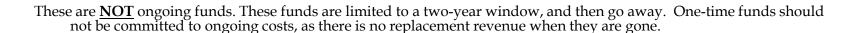
Sunset Hill Elementary

And Year 1 of Additions to:

Pinckney Elementary

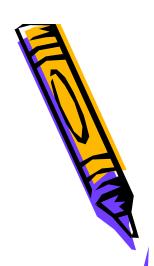
Sunflower Elementary

Schwegler Elementary Art Room



9. Estimated 2017-18 Scl	nool Facilitie	s Weighting (e)					
	9/20/17						
	School						
	Facilities						
	FTE	709.7	+ 2/20 School Facilities FTE	0.0x	0.25	=	177.4





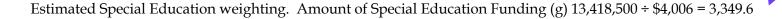
Special Education

The Special Education Fund tracks all expenditures associated with the special education programs in the district. Included in the Special Education Fund is special transportation for students with special needs.

The source of revenue for Special Education is local money, federal grants, and a transfer from General Funds, which includes state aid.

Beginning in 2001-2002, the state aid for Special Education was converted to a weighted FTE and is part of the General Fund legal max calculation. The state aid funds are transferred to the Special Education Fund when received.

FORM 118						
2017-2018 ESTIMATED SPECIAL EDUCATION REVENUE						
GENERAL FUND —SPECIAL EDUCATION AID						
1. Estimated number of Special Education Teachers (FTE*)	232.0					
2. Estimated (FTE*)Special Education Paraprofessionals 345.0 times .4 =	138.0					
3. Total number of Special Education Teachers (Line 1 + Line 2)	370.0					
4. Estimated State Aid due from 7-1-2017 to 6-30-2018 (Line 3 x \$28,250)	\$10,452,500					
*Full-time equivalency						
TRANSPORTATION AID — SPECIAL EDUCATION						
Reimbursed Transportation Costs for Special Education.						
6. Contractual Services (includes mileage paid to parents)	\$3,200,000					
12. Teacher travel (in-district)	\$70,000					
13. Total of Lines 5 through 12	\$3,270,000					
14. Less: Transportation reimbursement (include cash sale of buses, EXCLUDE State Aid)						
15. Net Transportation Cost (Line 13 minus Line 14)	\$3,270,000					
16. Total Estimated Transportation Aid (7-1-2017 to 6-30-2018) (Line 15 x 80%)	\$2,616,000					
17. Estimated Catastrophic State Aid (7-1-2017 to 6-30-2018)	\$100,000					
18. Estimated Medicaid Replacement State Aid	\$250,000					
19. Estimated Special Education State Aid on behalf of Cooperative/Interlocal (Form 120)						
(7-1-2017 to 6-30-2018)						
20. Total Estimated Special Education Aid (7-1-2017 to 6-30-2018) (Line 4+16+17+18+19)	\$13,418,500					



Virtual Education Weighting

2017-2018 Virtual Education Weighting will be at the same funding level as 2016-2017 under the Block Grant Formula; The only change is the amount for students over age 18, as this was decreased.

- Full-Time Students 18 and under FTE X \$5,000
- Part-Time Students 18 and under FTE X \$1,700
- Students over 18, determine number of 1 hour credit courses pupil has passed and multiply the total credits by \$709 (down from \$933.)
- Add calculated amounts for total funds
- Estimates are HIGH. Enrollment for Virtual School doesn't end until September. The budget needs to be published high enough to capture all growth. Spending authority will only be the 2017-18 realized audited enrollment.

TABLE V Virtual Enrollment Weighting (K.S.A. 72-37	715, 72-3716)	USD#	497
1. Estimated 9/20/2017 FTE enrollment for full-time students enrolled in virtual programs.	1,175.0X	\$5,000	= 5,875,000
 Estimated 9/20/2017 FTE enrollment for part-time students enrolled in virtual programs. Estimated Virtual Credits* (19 years and older). Estimated Virtual State Aid 	78.0X 75.00X	\$1,700 \$709	= 132,600 $= 53,175$ $= $6,060,775$

*No student shall be counted for more than 6 credits er year.



"VIRTUAL SCHOOL" means any kindergarten or grades one through 12 course offered for credit that uses distance-learning technologies which predominantly use internet-based methods to deliver instruction for which the course content is available on an "anytime, anyplace" basis, but the instruction occurs asynchronously with the teacher and pupil in separate locations, not necessarily located within a local education agency. (K.S.A. 72-6407) A pupil enrolled in a virtual school in a district but who is not a resident of the state of Kansas shall not be counted. (K.S.A. 72-6407)

Cost of Living Levy Fund

This fund is based on the following formula:

The Kansas State Board of Education will determine (per KSA 72-6449)

- Statewide average appraised value of single family residences for the calendar year proceeding the current school year
- Multiply the amount by 1.25
- Average appraised value of single family residences for the district for the calendar year proceeding the school year
- Subtract from the school value the state value at 1.25
- If the amount is a positive number, the district is authorized to adopt the COLA fund; The district must be at the maximum LOB % as prescribed by the state.

Calculation Example from 2005-06 School Year, the first year of the COLA Levy

State Average 118,581 X 1.25 = 148,226

Lawrence Average 216,338

Difference 216,338 – 148,226 = 68,112

Factor 68,112 / 148,226 = .4595 X .095 = 4.37% maximum allowed

\$1,275,000 was used the first year, about 2.18%, and the amount used has continued to be about the same, although the maximum allowed % has decreased from the 4.37%.

In 2017-2018, Lawrence is projected to lose, for the first time, some of the COLA authority realized in 2016-2017.



17. Estimated Cost of Living
weighting (Must have 31% LOB)
\$1,218,406
\$1,218,406 \$4,006 = 304.1

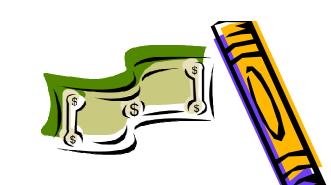
(maximum allowed (Amount district will use, up to the for this district)

maximum)

Cost of Living Levy Fund

			COLA C-						
			COLA - CO	st of Living					
						2016-2017	2016-2017		
				2016-2017		Actual	Actual	2017-2018	
		% of	2016-2017	Published	2016-2017	Declining	Extra-Ordinary	COLA Max	Revenue
NO.	District	General	Mill Levy	Budget	Actual	Enrollment	Growth	Authority	Loss
203	Piper	2.82%							
229	Blue Valley	5.00%	2.20	7,310,787	6,836,685		10,567,670		
230	Spring Hill	4.13%					2,528,640		
231	Gardner Edgerton	0.57%	0.55	148,230	141,679		1,540,199		
232	DeSoto	5.00%	3.62	1,994,682	1,920,565		10,585		
233	Olathe	4.26%	3.26	7,610,754	7,308,439		9,508,006		
265	Goodard	0.08%							
266	Maize	1.30%							
323	Westmoreland	0.22%							
348	Baldwin City	0.78%							
368	Paola	0.07%							
383	Manhattan	1.97%							
385	Andover	5.00%							
416	Louisburg	2.30%							
437	Auburn Washburn	1.99%							
458	Basehor-Linwood	2.62%							
464	Tonganoxie	0.42%							
469	Lansing	1.33%							
489	Hays	0.59%				483,454			
497	Lawrence	1.63%	1.40	1,700,000	1,307,199			1,218,406	(88,793)
E12	Shawnee Mission	3.97%	1.75	6,730,835	5,963,513	3,187,219			

Form 150 General Fund Budget Authority



					+	
18. Total 2017-2018 operating budget. (Include Cost of I	Living and FHSU)	17,450.4	X	\$4,006	6,060,775 =	\$75,967,077
	,					
19. 2017-18 Extraordinary Need State Aid (General Fundamental Fund	d)				=	\$0
i i						
20. Total General Fund Budget Authority (Form 150 Lin	e 18 + Line 19)				=	\$75,967,077
8-1-1-5 (1	,					. , , , , ,





Form 155 LOB Budget Authority

Local Option Budget – See Form 155

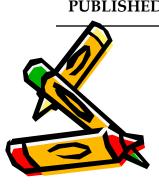
21. Estimated 2017-2018 LOB General Fund budget (excludes Virtual & FHSU weighting & includes higher of 2008-09 Special Education or current year Special Education)

(Lines 3 through 11 + 13 + 17) = 14,098.8 x 4,490 = (Spec \$63,303,612 + 13,418,500 Ed) = \$76,722,112

FORM 155		
2017-2018 LOCAL OPTION BUDGET		
1. Authorized percent for 2017-18 school year (Max 30%)	=	30.00
2. Authorized percent due to Election to increase LOB authority (Max 33%)		
Expires 999	9=	33.00
3. As authorized by 2017 SB19, the Board adopted a resolution with no protest to increase LOB authority. (Max 33)	6)	
School year it expires Expires		0.00
4. Max LOB percent authority (Max of Lines 1, 2 or 3) (Max 33%)	-	33.00
5. COMPUTED LOB FOR 2017-2018		
(2017-18 LOB Base General Fund \$ 76,722,112 X Line 4)	\$	25,318,297
6. ADOPTED LOB FOR 2017-2018 IF LESS THAN Line 5	\$	

Total Budget Authority 2017-2018 General Fund and Local Option Budget

2015-2016 General Fund and LOB Legal Max	Amount
2015-2016 General Fund	56,912,917
2015-2016 Special Education	12,483,723
Total 2015-2016 thru 2016-2017 (Block Grant)	69,396,640
Total 2015-2016 thru 2016-2017 Local Option Authority	23,297,182
Total 2015-2016 General and LOB Operating Budgets	92,693,822
2017-2018 General Fund and LOB Legal Max	Amount
2017-2018 General Fund	62,548,577
2017-2018 Special Education	13,418,500
Total 2017-2018 SB19 Formula Calculation	75,967,077
2017-2018 Local Option Authority	25,318,297
Total 2017-2018 Published Budget Authority	101,285,374
PUBLISHED Increase over 2015-2017 Block Grant (two-year)	8,591,552



Total Budget Authority 2017-2018 General Fund and Local Option Budget

Published Authority vs. Planned and Estimated	Amount
Published Increase of Funds	8,591,552
Planning Increase of Funds	6,164,678
Increase within Publication - Unavailable until Realized in AUDIT	2,426,874
Virtual Education FTE - Published Above Expected Estimate	(306,950)
Virtual Education FTE – 33% (LOB)	(101,294)
At Risk and High Density FTE - Published Above Expected Estimate Unaudited	(441,862)
At Risk and High Density FTE - 33% LOB	(145,815)
NEW Facilities Funding – Should NOT be committed to Ongoing Expenditures	(710,664)
NEW Facilities Funding – 33% (LOB)	(234,519)
Special Education – Published Above Expected Estimate	(360,760)
Special Education - 33% (LOB)	(119,051)
Estimated Total of Unavailable Authority within Published Increase of Funds	(2,420,915)
Change of Funding Increase from Planning	5,959
ESTIMATED New Funds Available for 2017-18	6,170,637

Unencumbered Cash Balance by Fund

Source: KSDE State Budget Document

Source: KSDE State Budget Document Fund Name	Fund #	1-Jul-16	1-Jul-17	Change over 2016-2017
General	6	19,404	0	(19,404)
Federal Funds	7	-253,812	-788,235	(534,423)
Supplemental General	8	1,760,032	1,210,262	` /
Adult Education	10	753,770	775,633	21,863
At Risk (4yr Old)	11	246,482	147,692	(98,790)
Adult Supplemental Education	12	25,981	25,981	0
At Risk (K-12)	13	0	0	0
Bilingual Education	14	0	0	0
Virtual Education	15	0	0	0
Capital Outlay	16	4,432,670	4,375,069	(57,601)
Driver Training	18	35,632	27,828	
Food Service	24	1,026,941	993,423	(33,518)
Professional Development	26	0	0	0
Parent Education Program	28	62,427	46,823	(15,604)
Summer School	29	74,516	79,846	5,330
Special Education	30	5,511,810	5,431,860	(79,950)
Cost of Living	33	60,371	377,464	
Career and Postsecondary Education	34	0	19,960	
Gifts/Grants	35	1,394,827	1,168,521	(226,306)
Special Reserve	47	6,706,195	4,508,233	(2,197,962)
KPERS Spec. Ret. Contribution	51	0	0	0
Contingency Reserve	53	6,408,307	3,671,596	(2,736,711)
Text Book & Student Material	55	951,924	1,045,171	93,247
Activity Fund	56	101,522	126,241	24,719
Bond and Interest #1	62	14,936,281	12,852,799	(2,083,482)
Special Assessment	67	434,953	494,849	59,896
USD TOTAL		44,690,233	36,591,016	(8,099,217)
Cash Balances to Zero before using Contingency Reserve			19,960	
Secondary Cash Balance Reductions specific Programs			(178,740)	
Reserve Balances used before Contingency Reserve		(2,197,962)		
Net Change to Contingency Reserve			(2,736,711)	
Sub Total Net Changes - Estimated Deficit Spending		(5,093,453)		
Other Changes/Bond and Interest - Natural Change based of	on Debt Sche	dule	(2,083,482)	-
Other Funds - Natural Changes		(922,282)		
Overall NET Change in Cash Balances			(8,099,217)	-

Board Approved Net Additions to 2017-2018 Budget Expenditures – Approved 07/03/2017

	Description	FTE	Addition	Reduction
a.	Professional Development for Equity Training		40,000	
b.	Professional Development for Technology Integration		75,000	
d.	Professional Development for CRT		20,000	
e.	Diploma Completion – unused allocation/no program impact			20,000
f.	Rate and Usage increase for Internet Services & Utilities		400,000	
g.	Classified Market Study Implementation		248,000	
h.	Elementary Contingency FTE – increase from 8 to 10	2.00	116,814	
İ.	Secondary Contingency FTE – increase from 3 to 5	2.00	116,814	
j.	Elementary Teacher FTE – due to enrollment	(2.00)		116,814
k.	Middle School Teacher FTE – due to enrollment/ratio	(8.55)		499,380
I.	High School Teacher FTE – due to enrollment and ratio	(3.20)		186,902
m.	ESL FTE – due to enrollment	(0.20)		11,681
n.	Administrative Reorganization – net			30,389
0.	Farm 2 School Garden Programs		58,000	
p.	Human Resources Temporary support for archiving/scanning		10,000	
q.	Modern Teacher Digital Subscription/Instructional Resources		40,000	
r	Technology Systems/Licensing and Professional Services		175,000	
S.	COLA Adjustment of Transportation Contract		100,000	
	Total		1,399,628	865,167
	Part 1 - NET Additions –2017-2018 Budget Plan			534,461

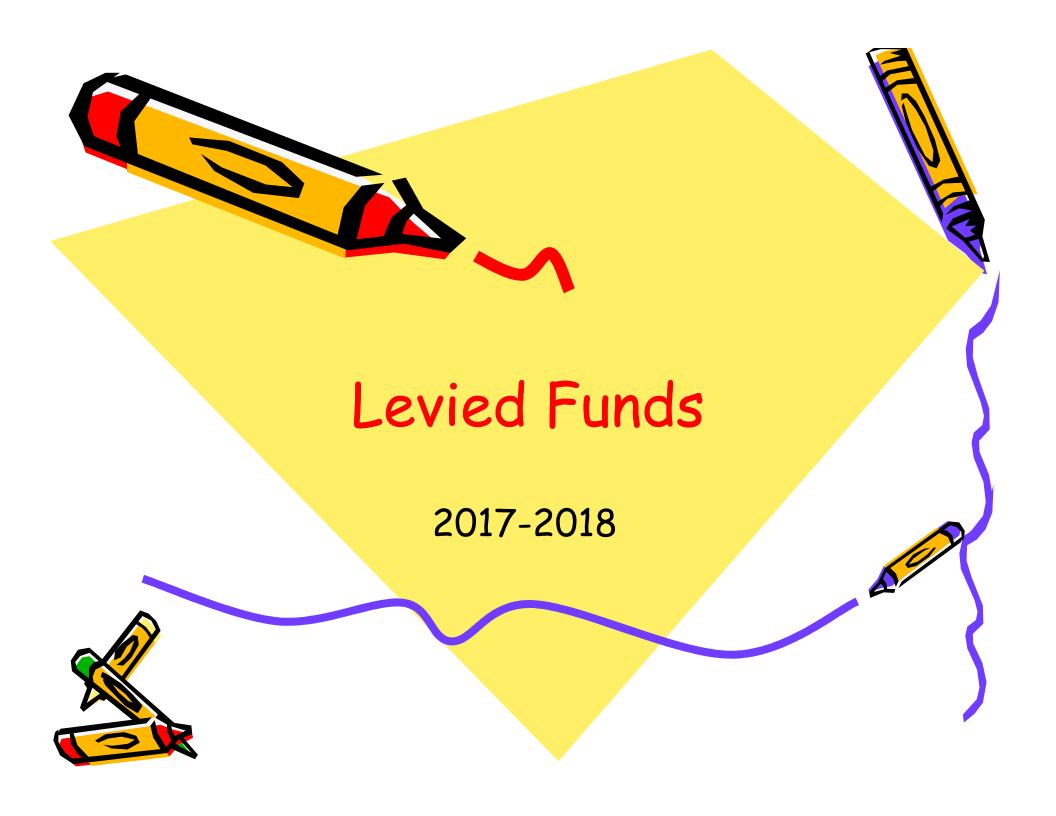


Total Budget Authority 2017-2018 General Fund and Local Option Budget

Use of Increased Funding	Amount
ESTIMATED New Funds Available for 17-18	6,170,637
Net Budget Additions Board Approved July 3, 2017	534,461
Health Benefit Increase Board Approved July 24, 2017	452,827
Estimated Deficit Spending	5,093,453
Use of Funds	6,080,741
Balance	89,896
Pending Decisions:	
Wage Compensation Package – Teachers – Benefits are already approved above	
Wage Compensation Package - Classified - Benefits are already approved above	
Wage Compensation Package - Administration - Benefits are already approved above	
Other:	

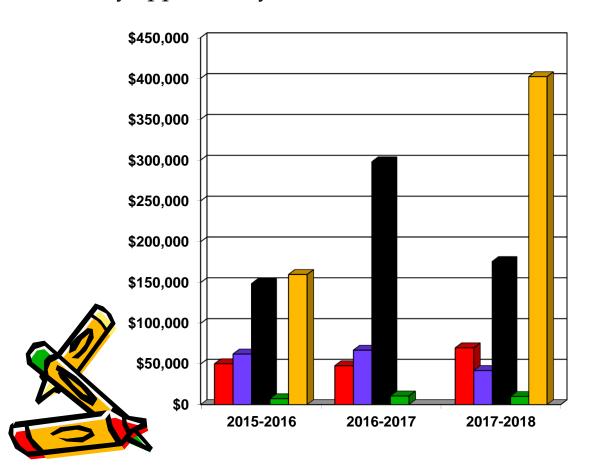


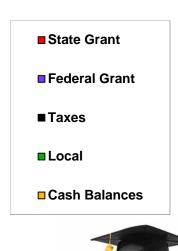
Pending decisions with financial impact will reduce the amount going to deficit spending and balancing of the budget.



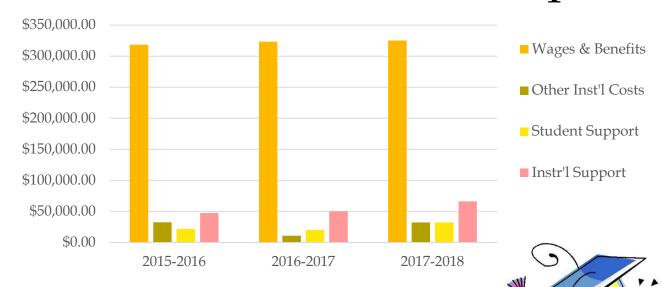
Adult Basic Education

The Adult Basic Education Fund is a special revenue fund for expenditures related to the GED program. The revenue into this fund is from fees for GED scoring, state aid, federal aid and a small mill levy approved by the Board of Education.





Adult Basic Education Expenditures



The Maximum mill levy authorized for this fund is .500

	2015-2016	2016-2017	2017-2018
	Actual	Actual	Budget
Total Expenditures	428,648	401,793	700,000



Mill Levy	.099	.247	.150 Projected



Capital Outlay

The Capital Outlay Fund is used for maintaining facilities, purchasing new equipment and replacement of old equipment, along with meeting growth concerns when a bond issue cannot be passed.

The Board of Education has authority to levy a maximum of 8 mills in the Capital Outlay Fund for perpetuity.

A report on Capital Outlay is part of the Capital Improvement Plan that comes to the board sometime in December or January each year.

This budget is published high to ensure there is budget authority if there is an unforeseen facilities emergency.

	2015-2016 Actual	2016-2017 Actual	2017-2018 Budget
Total Expenditures	14,403,897	13,088,731	16,500,000

Mill Levy	7.904	7.910	8.000 Projected

Special Assessments

The Special Assessment Fund is to pay for public improvements benefiting such real property owned by the district. This includes sewer, storm water drainage, sidewalks, etc. Assessments could be county or city.

The district has the authority to issue whatever mill levy it takes to fund the payment of these assessments.

	2015-2016	2016-2017	2017-2018
	Actual	Actual	Budget
Special Assessment Taxes	14,605	14,462	251,000

Mill Levy	.011	.058	.000 projected
-----------	------	------	----------------





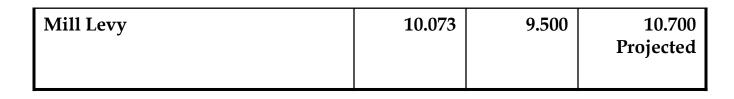
Bond & Interest
The Bond and Interest Fund is used to make principal and interest payments on

The Bond and Interest Fund is used to make principal and interest payments on long-term obligations. The district is authorized to issue whatever mill levy is required to fund the payment of principal and interest on these outstanding general obligation bonds. In 2017, the community approved an \$87 million bond issue, projecting a 2.4 mill increase to the B&I Fund. We are planning to sell only half of the bonds this fall, so only half of the projected mill levy increase is projected for 2017-2018. The remaining half of the bonds will be sold in 2018-2019, and the mill levy will be adjusted at that time for the second sale.

	7/1/2015	7/1/2016	7/1/2017
Balance of: General Obligation Bonds	114,275,000	125,905,000	116,310,000



* Required to look at 18 months when setting Mill Levy to meet Cash Flow obligations for Debt	2015-2016 Actual	2016-2017 Actual	2017-2018 Budget	07-01-18 to 12-31-2018 Budget
Principal	7,050,000	9,595,000	7,280,000	8,295,000
Interest & Commissions	3,914,619	4,788,158	5,217,638	3,159,669
Total	10,964,619	14,383,158	12,497,638	11,454,669



2017-18 Local Option Budget

Local Option Budget State Aid will again be allowed to follow the formula: 33% of the General Fund. This is the first time in three years any new authority has been realized from the LOB.

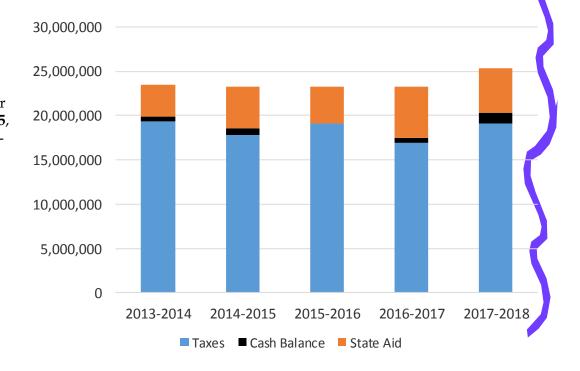
	2013-2014 Actual	2014-2015 Actual	2015-2016 Actual	2016-2017 Actual	2017-2018 Estimate
Budget	23,517,384	23,297,182*	23,297,182*	23,297,182*	25,318,297
State Aid	3,681,369	**4,768,517	4,203,557	5,775,047	5,004,235
Taxes	19,327,863	17,832,131	19,093,625	16,972,041	19,103,800
Cash Balance	508,152	696,534	0	550,094	1,210,262
Total Legal Max	23,517,384	23,297,182	23,297,182	23,297,182	25,318,297
Mill Levy	17.836	15.897	17.373	14.245	17.126

*Block Grant Funding

 The revenue for this fund comes from two basic sources: State Aid and Local Taxes.

**When the mill levy was set for this budget year the district expected and budgeted for \$5,985,375, but the state of Kansas reduced the amount midyear, causing the district to use more cash reserves to fill the gap in lost revenue which triggered a higher mill levy in the following budget year to recoup the loss.







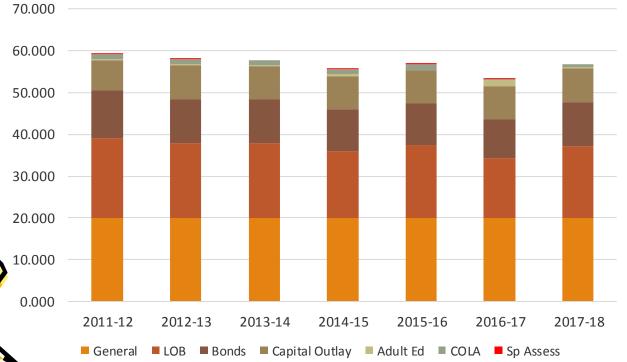
Assessed Valuation History

Fiscal Year	% Change	All Levied Funds Except General	General Fund
2007-2008	3.35%	973,752,838	916,451,969
2008-2009	0.13%	975,007,225	917,605,285
2009-2010	-1.23%	963,038,628	904,943,774
2010-2011	0.59%	968,755,909	910,616,955
2011-2012	0.97%	978,187,698	919,687,576
2012-2013	0.76%	985,579,241	926,932,768
2013-2014	.69%	992,393,634	937,696,549
2014-2015	2.408%	1,016,292,269	957,231,832
2015-2016	2.896%	1,045,729,023	986,437,070
2016-2017	3.268%	1,079,898,829	1,020,289,707
2017-2018 (Estimate)	2.787%	1,110,000,000	1,060,000,000



Mill	Levy	History
	— · ,	

# \$7		7-Year I					
ry	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Actual 2015-2016	Actual 2016-2017	Budget 2017-2018
General	20.000	20.000	20.000	20.000	20.000	20.000	20.000
LOB	18.992	17.939	17.836	15.897	17.373	14.245	17.126
B&I	11.700	10.577	10.539	10.208	10.073	9.500	10.700
Cap Out	6.999	7.952	7.972	7.902	7.904	7.910	8.000
Cost of Living	1.105	1.058	1.192	1.185	1.446	1.400	.887
ABE	0.400	0.398	0.249	0.494	0.099	0.247	.150
SPA	0.242	0.081	-	0.066	0.011	0.058	.000
Total	59.438	58.005	57.788	55.752	56.906	53.360	56.863
Mill Levy Increase	(0.208)	(1.433)	(0.217)	(2.036)	1.154	(3.600)	3.503





Comparing Actual to Budget

- •Remember that school districts must budget "high" for authority, and cannot exceed the published amount, even if there are revenues that would allow them to exceed it.
- •To exceed the maximum authority, the budget would have to be republished, and in some cases, certain levied funds cannot be republished.
- If a published budget authority is exceeded, beyond any reimbursement income, it is a statutory violation and is a financial red flag when agencies such as Moody's review audited financials for bond ratings.





Approving Code 99 for Publication

- Code 99 Page 2 Line 110 NET USD Expenditures shows the District Expenditures and budget after removing transfers between funds NET Expenditures
- Also note that the budget is published High, levied funds cannot be republished, and a school district cannot spend more than the published amount, even if there are revenues available to spend.

Budget Less Transfers	2017-2018	\$1	59,594,873	
Actual Less Transfers	2016-2017	\$1	45,098,383	
Highlighted Changes				
Capital Outlay		\$	3,411,269	
Special Education		\$	2,151,401	
Virtual Education		\$	1,632,141	
KPERS 3 quarters Actua	l/vs. 4 Quarters Budget	\$	4,309,803	
Gifts and Grants (publish	ed high for possible future grants and donations)	\$	1,911,016	
Various (up and down for	or all other budgeted funds)	\$	2,520,401	
Total change from prior	year actual			\$ 15,936,031



STATE OF KANSAS				USD#	497
Budget Form USD-A					
2017-2018					

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.

help		2015-2016 Actual		2016-2017 Actual		PROPOSED BUDGET 2017-2018		
liela			Actual		Actual		Amount of 2017	Est.
	Code	Actual	Tax	Actual	Tax		Tax to	Tax
	99	Expenditures	Rate*	Expenditures	Rate*	Expenditures	be Levied	Rate*
	Line	(1)	(2)	(3)	(4)	(5)	(6)	(7)
OPERATING								
General	06	80,935,282		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
SPECIAL REVENUE								
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		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

STATE OF KANSAS							USD#	497
Budget Form USD-A								
2017-2018		2015-2016 Actual		2016-2017 Ac	2016-2017 Actual		BUDGET 2017-2	2018
			Actual		Actual		Amount of 2017	Est.
	Code	Actual	Tax	Actual	Tax		Tax to	Tax
Fund—Continued	99	Expenditures	Rate*	Expenditures	Rate*	Expenditures	be Levied	Rate*
	Line	(1)	(2)	(3)	(4)	(5)	(6)	(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		12,497,638	11,876,940	10.700
Bond and Interest #2	63	0	0.000	0		0	0	0.000
No-Fund Warrant	66	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	XXXXXXX
NET USD EXPENDITURES	110	141,940,540	XXXXXX	145,098,383	XXXXXX	159,594,873	XXXXXXXX	XXXXXX
TOTAL USD TAXES LEVIED	115	58,520,881	xxxxxx	56,487,886	XXXXXX	62,118,247	xxxxxxx	XXXXXXX
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	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		
			s are exp	pressed in Mills		, - ,200		
				District Only				
President						Clerk	of the Board	

Calendar of Future Board Action

August 7, 2017, Special Meeting Approve Budget for Publication and Notice of Budget Hearing

August 22, 2017, Special Meeting Budget Hearing, 5:30 p.m. ESDC 110 McDonald Drive

Approve Budget Following Budget Hearing

August 25, 2017 Certification with County and KSDE



