



**2015-2016
BUDGET**

May 18, 2015

Dr. Tiffany Anderson, Superintendent

Mr. Michael O'Connell, CFO

JENNINGS SCHOOL DISTRICT

FY 2015-2016 BUDGET

SCHOOL BOARD MEMBERS

Harold Austin, President
Reggie Hall, Vice President
Yolonda Fountain-Henderson, Secretary
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Rose Mary Johnson, Director
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John Schlereth, Director

SCHOOLS

Jennings Senior High School
Jennings Junior High School
Fairview Elementary
Fairview Intermediate
Northview Elementary
Woodland Elementary
Hanrahan Elementary

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JENNINGS SCHOOL DISTRICT 2015-2016

BUDGET MESSAGE

Introduction

The district provides educational services to students in pre-kindergarten through 12th grade. Facilities include five elementary schools, one junior high school, and one high school.

The Budget Process

Developing and maintaining the district's budget is a year round process. The fiscal year begins on July 1 and ends June 30, but work actually begins in the prior year.

Once school has begun in the fall, planning for the following year begins. Preliminary enrollment and staffing projections are made. New or changing expenditure needs are identified in curriculum and student services. The capital project plan is reviewed to identify those major repairs and improvements that may be made in the coming year.

Late in the calendar year, preliminary revenue estimates are formulated. Enrollment, staffing, program changes and major projects listings are reviewed and refined. During the winter months, analysis and revision of all the information gathered continues.

In early spring, enrollment projections and staffing needs, along with program changes are finalized. Teacher contracts for the coming year are printed and distributed.

A preliminary budget is presented to the Board at the March meeting for discussion and revision. The final budget document is presented at the meeting in May for approval.

The school district budget is a working document that will be constantly reviewed and updated. In future months, the Board will be presented with proposed budget amendments to respond to changing needs.

JENNINGS SCHOOL DISTRICT

2015-2016

Accounting and Reporting

The accounts of the district are organized on the basis of legally established funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures on the modified cash basis of accounting. District resources are allocated to, and accounted for, in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The district revenues and expenditures are maintained in four major funds:

The General Fund is the general operating fund of the district and accounts for expenditures for non-certified employees, pupil transportation cost, operation of plant, student body activities, community services, the food service program, and any expenditure not required or permitted to be accounted for in other funds.

The Special Revenue (Teachers') Fund accounts for revenues derived from specific taxes or other earmarked revenue sources. This fund accounts for expenditures for certified employees involved in administration and instruction, and includes revenues restricted by the state and local tax levy allocations for the payment of teacher salaries and benefits.

The General Fund and Special Revenue (Teachers') Fund are collectively referred to as the Operating Fund.

The Debt Service Fund receives revenues from the debt service tax levy and other earmarked revenue sources, and uses those funds to make principal and interest payments on the district's long-term debt. Money in this fund cannot be used for any other purpose.

The Capital Projects Fund accounts for major capital expenditures. Bond proceeds are placed in this fund and can be used only for land acquisition, building construction and other major capital expenditures outlined in the bond issue documents.

JENNINGS SCHOOL DISTRICT

2015-2016

Revenues

Property Taxes

Property taxes are based on assessed valuation, which is the value placed on real estate and personal property in the district. By May 31, the county assessor must provide assessed valuation amounts for the year, with updated numbers reported in the summer and fall.

The district's tax levy must be filed with the County Clerk prior to October 1. Before establishing the tax rate, the district is required to conduct a public hearing to allow citizens to be heard on the proposed new rate. Public notice must be made at least seven days prior to the hearing.

The actual tax rate will be calculated in late September, using the most up to date numbers available at that time. Using current data, the 2015-2016 tax rate will be \$6.5400 and the breakdown is:

General Fund	\$3.5548
Special Revenue (Teachers') Fund	1.9952
Debt Service Fund	<u>0.9900</u>
Total Tax Levy	<u>\$6.5400</u>

State Funding

Most of the funding from the state is based on student attendance and enrollment. This, along with other data, must be reported to the state by July 15.

For budgeting purposes, total number of students is estimated at 2,500, about the same as the previous year. Prior to the 2006-2007 school year, the state revised their method of funding school districts. The Jennings School District was receiving more money per student under the old formula than the new one. So the district is considered "hold-harmless" and continued to receive the per student amount under the old formula. The hold harmless amount for Jennings is about \$5,600 per student.

The state does not have sufficient money to fully fund the formula. They have modified the formula to reduce the overall cost, but even with those changes, the funding level was 93.2% for 2013-2014. The funding level for 2014-2015 was increased to 97.8%. For 2015-2016, the state has added about \$70 million to the formula which should raise the funding level to 100%.

JENNINGS SCHOOL DISTRICT

2015-2016

The district is paid based on the highest average daily attendance (ADA) number from the current and two preceding years plus the 2015 summer school ADA numbers. These amounts are weighted, or increased, for districts with high free and reduced lunch percentages. For 2013-2014, the weighted ADA was 2,909.16. The 2014-2015 payments are based on a weighted ADA of 2728.59.

For budgeting purposes, the 2015-2016 weighted ADA is projected at the same 2,728.59. If the 2014-2015 enrollment increases, the payments would be based on that higher number.

Expenditures

Major changes to the 2015-2016 operating budget over the current year include:

- Step movement on the salary schedules for most employees, approximately 2.4 percent.
- An additional step, averaging 2.4%, for teachers whose salaries were frozen in the past.
- Net reduction of five positions.
- An approximate three percent reduction in the cost of employee health insurance with no change in benefits.
- Increase in food service revenues and expenditures
- Moneys allocated in the Capital Projects Fund for capital improvements funded by the voter approved bond issue.

Fund Balances

For the 2015-2016 school year, the district is estimating a slight operating surplus of \$1,247. So the projected end of the year operating fund balance will remain virtually unchanged at \$7.4 million, which is about 26.3 percent of expenditures for the year.

JENNINGS SCHOOL DISTRICT 2015-2016

Bonded Indebtedness

In April 2011, voters approved an \$11.5 million bond issue for renovations and improvements. In June 2011, the district sold \$5.6 million of those bonds with the funds deposited in the Capital Projects Fund. The remaining \$5.9 million in bonds were sold in the spring of 2012.

The district's total bonded indebtedness is \$11,870,000. Principal and interest payments are made from the Debt Service Fund. The levy in the Debt Service Fund is sufficient to make the required payments.

This is the final budget and approval from the Board of Education will be requested at the May 18, 2015 meeting.

A school district budget is a working document that will be constantly reviewed and updated. During the year, the Board will be presented with proposed budget amendments to respond to changing needs.

REVENUES, EXPENDITURES, TRANSFERS AND FUND BALANCE

The first page is a summary of all funds combined, followed by a separate page for each of the individual funds.

**JENNINGS SCHOOL DISTRICT
SUMMARY OF 2015-2016 BUDGET
REVENUES, EXPENDITURES, TRANSFERS AND FUND BALANCE**

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TOTAL ALL FUNDS
Estimated Balance 6-30-2015	7,399,286	-	536,192	455,445	8,390,923
Revenues	13,458,029	14,682,381	923,179	297,341	29,360,930
Expenditures	11,951,383	16,137,780	891,150	544,633	29,524,946
Balances Before Transfers	8,905,932	(1,455,399)	568,221	208,153	8,226,907
Transfers	(1,505,399)	1,455,399	-	50,000	-
Budgeted Balance 6-30-2016	7,400,533	-	568,221	258,153	8,226,907
Operating Funds Surplus	<u>1,247</u>				

FUND BALANCE ANALYSIS - COMBINED GENERAL & SPECIAL FUNDS

Estimated Balance 6-30-2015	7,399,286
Revenues	28,140,410
Expenditures	28,089,163
Transfers	(50,000)
Budgeted Balance 6-30-2016	7,400,533
Balance as a Percent of Expenditures	26.30%

**JENNINGS SCHOOL DISTRICT
REVENUES, EXPENDITURES,
TRANSFERS AND FUND BALANCES
TOTAL ALL FUNDS**

DESCRIPTION	BUDGET 2015-2016	BUDGET 2014-2015	ACTUAL 2013-2014	ACTUAL 2012-2013
REVENUE				
Property Taxes	5,907,266	5,864,865	5,861,121	5,995,457
Sales Tax (Prop C)	2,527,053	2,360,436	2,379,187	2,424,544
Other Local	971,058	1,012,975	845,182	3,379,716
County	384,549	392,521	393,781	391,262
Basic Formula	15,284,002	14,921,544	15,125,851	15,524,314
Other State	31,218	39,016	62,930	97,989
Federal	4,215,784	4,620,994	3,812,423	4,176,972
Other	40,000	40,000	309,524	53,326
Bond Proceeds	-	-	-	-
TOTAL REVENUE	29,360,930	29,252,351	28,789,999	32,043,580
EXPENDITURES				
Administration	3,442,592	3,430,121	3,247,718	3,763,895
Instruction	14,026,340	14,098,212	13,311,799	13,824,863
Support Services	3,841,379	3,810,306	3,593,205	4,510,361
Operation/Maintenance of Plant	3,812,245	3,707,531	3,741,958	3,559,137
Transportation	222,724	263,724	292,419	352,815
Food Service	1,771,382	1,614,657	1,546,991	1,512,918
Community Services	1,072,501	1,178,814	1,115,958	1,003,883
Construction/Renovation	200,000	2,000,000	3,233,000	2,220,797
Debt Service	1,135,783	1,276,183	1,292,354	1,277,976
TOTAL EXPENDITURES	29,524,946	31,379,548	31,375,402	32,026,645
REVENUE OVER(UNDER) EXPENDITURES	(164,016)	(2,127,197)	(2,585,403)	16,935
TRANSFERS	-	-	-	-
BEGINNING FUND BALANCE	8,390,923	10,318,120	12,903,523	12,886,588
PROJECTED ENDING BALANCE	8,226,907	8,190,923	10,318,120	12,903,523

**JENNINGS SCHOOL DISTRICT
REVENUES, EXPENDITURES,
TRANSFERS AND FUND BALANCES
GENERAL FUND**

DESCRIPTION	BUDGET 2015-2016	BUDGET 2014-2015	ACTUAL 2013-2014	ACTUAL 2012-2013
REVENUE				
Property Taxes	3,210,879	3,187,832	3,171,013	3,194,012
Sales Tax (Prop C)	1,607,169	1,501,203	1,486,992	1,515,340
Other Local	656,336	711,429	497,284	521,974
County	206,923	206,923	204,156	209,880
Basic Formula	4,641,624	4,548,649	4,519,065	4,605,141
Other State	31,218	39,016	51,021	86,636
Federal	3,063,880	3,232,433	2,628,401	2,989,458
Other	40,000	40,000	309,524	53,326
Bond Proceeds	-			
TOTAL REVENUE	13,458,029	13,467,485	12,867,456	13,175,767
EXPENDITURES				
Administration	1,604,856	1,633,093	1,589,827	1,638,281
Instruction	1,880,186	1,908,318	1,932,211	2,005,325
Support Services	2,012,069	2,015,054	1,989,969	2,022,214
Operation/Maintenance of Plant	3,812,245	3,707,531	3,741,958	3,559,137
Transportation	222,724	263,724	292,419	352,815
Food Service	1,721,382	1,614,657	1,538,369	1,508,987
Community Services	697,921	792,289	699,649	581,255
Construction/Renovation	-	-	-	-
Debt Service	-	-	-	-
TOTAL EXPENDITURES	11,951,383	11,934,666	11,784,402	11,668,014
REVENUE OVER(UNDER) EXPENDITURES	1,506,646	1,532,819	1,083,054	1,507,753
TRANSFERS	(1,505,399)	(1,530,320)	(355,082)	(1,415,813)
BEGINNING FUND BALANCE	7,399,286	7,396,787	6,668,815	6,576,875
PROJECTED ENDING BALANCE	7,400,533	7,399,286	7,396,787	6,668,815

**JENNINGS SCHOOL DISTRICT
REVENUES, EXPENDITURES,
TRANSFERS AND FUND BALANCES
SPECIAL REVENUE FUND**

DESCRIPTION	BUDGET 2015-2016	BUDGET 2014-2015	ACTUAL 2013-2014	ACTUAL 2012-2013
REVENUE				
Property Taxes	1,802,168	1,789,232	1,779,798	1,872,382
Sales Tax (Prop C)	919,884	859,233	892,195	909,204
Other Local	14,337	18,776	8,323	5,638
County	151,710	159,682	164,056	157,747
Basic Formula	10,642,378	10,372,895	10,606,786	10,919,173
Other State	-	-	11,909	11,353
Federal	1,151,904	1,388,561	1,180,701	1,187,514
Other	-	-	-	-
Bond Proceeds	-	-	-	-
TOTAL REVENUE	14,682,381	14,588,379	14,643,768	15,063,011
EXPENDITURES				
Administration	1,837,736	1,797,028	1,657,891	2,125,614
Instruction	12,146,154	12,189,894	11,374,224	11,799,207
Support Services	1,779,310	1,745,252	1,541,804	2,127,444
Operation/Maintenance of Plant	-	-	-	-
Transportation	-	-	-	-
Food Service	-	-	3,757	3,931
Community Services	374,580	386,525	416,309	422,628
Construction/Renovation	-	-	-	-
Debt Service	-	-	-	-
TOTAL EXPENDITURES	16,137,780	16,118,699	14,993,985	16,478,824
REVENUE OVER(UNDER) EXPENDITURES	(1,455,399)	(1,530,320)	(350,217)	(1,415,813)
TRANSFERS	1,455,399	1,530,320	350,217	1,415,813
BEGINNING FUND BALANCE	-	-	-	-
PROJECTED ENDING BALANCE	-	-	-	-

**JENNINGS SCHOOL DISTRICT
REVENUES, EXPENDITURES,
TRANSFERS AND FUND BALANCES
DEBT SERVICE FUND**

DESCRIPTION	BUDGET 2015-2016	BUDGET 2014-2015	ACTUAL 2013-2014	ACTUAL 2012-2013
REVENUE				
Property Taxes	894,219	887,801	910,310	929,063
Sales Tax (Prop C)	-	-	-	-
Other Local	3,044	6,366	3,992	2,738
County	25,916	25,916	25,569	23,635
Basic Formula	-	-	-	-
Other State	-	-	-	-
Federal	-	-	-	-
Other	-	-	-	-
Bond Proceeds	-	-	-	-
TOTAL REVENUE	923,179	920,083	939,871	955,436
EXPENDITURES				
Administration	-	-	-	-
Instruction	-	-	-	-
Support Services	-	-	-	-
Operation/Maintenance of Plant	-	-	-	-
Transportation	-	-	-	-
Food Service	-	-	-	-
Community Services	-	-	-	-
Construction/Renovation	-	-	-	-
Debt Service	891,150	1,031,550	1,029,875	1,000,458
TOTAL EXPENDITURES	891,150	1,031,550	1,029,875	1,000,458
REVENUE OVER(UNDER) EXPENDITURES	32,029	(111,467)	(90,004)	(45,022)
TRANSFERS	-	-	-	-
BEGINNING FUND BALANCE	536,192	647,659	737,663	782,685
PROJECTED ENDING BALANCE	568,221	536,192	647,659	737,663

**JENNINGS SCHOOL DISTRICT
REVENUES, EXPENDITURES,
TRANSFERS AND FUND BALANCES
CAPITAL PROJECTS FUND**

DESCRIPTION	BUDGET 2015-2016	BUDGET 2014-2015	ACTUAL 2013-2014	ACTUAL 2012-2013
REVENUE				
Property Taxes	-	-	-	-
Sales Tax (Prop C)	-	-	-	-
Other Local	297,341	276,404	335,583	2,849,366
County	-	-	-	-
Basic Formula	-	-	-	-
Other State	-	-	-	-
Federal	-	-	3,321	-
Other	-	-	-	-
Bond Proceeds	-	-	-	-
TOTAL REVENUE	297,341	276,404	338,904	2,849,366
EXPENDITURES				
Administration	-	-	-	-
Instruction	-	-	5,364	20,331
Support Services	50,000	50,000	61,432	360,703
Operation/Maintenance of Plant	-	-	-	-
Transportation	-	-	-	-
Food Service	50,000	-	4,865	-
Community Services	-	-	-	-
Construction/Renovation	200,000	2,000,000	3,233,000	2,220,797
Debt Service	244,633	244,633	262,479	277,518
TOTAL EXPENDITURES	544,633	2,294,633	3,567,140	2,879,349
REVENUE OVER(UNDER) EXPENDITURES	(247,292)	(2,018,229)	(3,228,236)	(29,983)
TRANSFERS	50,000	-	4,865	-
BEGINNING FUND BALANCE	455,445	2,273,674	5,497,045	5,527,028
PROJECTED ENDING BALANCE	258,153	255,445	2,273,674	5,497,045

SCHEDULE OF BONDED INDEBTEDNESS

**JENNINGS SCHOOL DISTRICT
BOND PAYMENT SCHEDULE
AS OF JUNE 30, 2015**

DATE	Issue 2006		Issue 2011		Issue 2012		TOTAL		FISCAL YEAR TOTAL	
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST		
Sep-15	-	7,400	-	95,206	-	80,469	-	183,075		
Mar-16	370,000	7,400	-	95,206	150,000	80,469	520,000	183,075	2016	886,150
Sep-16	-	-	-	95,206	-	78,969	-	174,175		
Mar-17	-	-	350,000	95,206	200,000	78,969	550,000	174,175	2017	898,350
Sep-17	-	-	-	91,706	-	76,969	-	168,675		
Mar-18	-	-	440,000	91,706	125,000	76,969	565,000	168,675	2018	902,350
Sep-18	-	-	-	86,756	-	75,719	-	162,475		
Mar-19	-	-	350,000	86,756	240,000	75,719	590,000	162,475	2019	914,950
Sep-19	-	-	-	82,381	-	73,319	-	155,700		
Mar-20	-	-	375,000	82,381	240,000	73,319	615,000	155,700	2020	926,400
Sep-20	-	-	-	77,225	-	70,919	-	148,144		
Mar-21	-	-	375,000	77,225	270,000	70,919	645,000	148,144	2021	941,288
Sep-21	-	-	-	71,600	-	67,881	-	139,481		
Mar-22	-	-	360,000	71,600	310,000	67,881	670,000	139,481	2022	948,963
Sep-22	-	-	-	65,750	-	64,200	-	129,950		
Mar-23	-	-	400,000	65,750	305,000	64,200	705,000	129,950	2023	964,900
Sep-23	-	-	-	59,000	-	60,388	-	119,388		
Mar-24	-	-	325,000	59,000	410,000	60,388	735,000	119,388	2024	973,775
Sep-24	-	-	-	52,500	-	54,750	-	107,250		
Mar-25	-	-	500,000	52,500	275,000	54,750	775,000	107,250	2025	989,500
Sep-25	-	-	-	42,500	-	50,625	-	93,125		
Mar-26	-	-	525,000	42,500	290,000	50,625	815,000	93,125	2026	1,001,250
Sep-26	-	-	-	32,000	-	46,275	-	78,275		
Mar-27	-	-	300,000	32,000	555,000	46,275	855,000	78,275	2027	1,011,550
Sep-27	-	-	-	26,000	-	37,950	-	63,950		
Mar-28	-	-	250,000	26,000	640,000	37,950	890,000	63,950	2028	1,017,900
Sep-28	-	-	-	21,000	-	28,350	-	49,350		
Mar-29	-	-	450,000	21,000	485,000	28,350	935,000	49,350	2029	1,033,700
Sep-29	-	-	-	12,000	-	21,075	-	33,075		
Mar-30	-	-	300,000	12,000	680,000	21,075	980,000	33,075	2030	1,046,150
Sep-30	-	-	-	6,000	-	10,875	-	16,875		
Mar-31	-	-	300,000	6,000	725,000	10,875	1,025,000	16,875	2031	1,058,750
TOTALS	370,000	14,800	5,600,000	1,833,663	5,900,000	1,797,463	11,870,000	3,645,925		15,515,925
Int. Rates Range	4.00%	4.00%	2.00%	4.00%	2.00%	3.00%	2.00%	4.00%		