

Kimberly School District December 2023 Board Financial Report

Usually, a December Revised Budget is presented at the December School Board Meeting. This year, we are waiting for some critical information from the State Department of Education. The department is still calculating the cost of Support Unit "protection".

Support Unit protection is a self-funded insurance program for all school districts. Protection was intended to protect districts from large drops in student enrollment and allow time for schools to readjust staffing to a lower enrollment.

Protection ensures funding at 97% of prior year enrollment/attendance. It was anticipated usage was just a few districts every year. When more districts are eligible for protection, the cost share increases.

For example, the cost of our protection last year was -0.08 of a support unit.

FY23: Total Support Units = 99.51 Midterm Units
Cost of Protection - 0.08 Support Units
Final Support Units = 99.43 - This is the support unit number we were funded on last year

For FY24, we are going from an enrollment calculation to an attendance calculation. What this means is almost ALL school districts will need to be protected. So the cost share/district will be high.

October Data:

FY24 Current Year Units = 96.93
Protected at = 97.17 - 97% of prior year ADA (based on enrollment)
Cost of Protection - 4.34 Support Units
Final Support Units = 92.83

We budgeted at 94.43. We were accounting for around a 3% reduction for protection. It is now coming in at 4.47%.

Superintendent Critchfield has requested a 92 million supplemental appropriation in the Public Schools Budget for FY24 to help with this shortfall. It will need to be funded by the legislature.

Note: I attended the Early Bird Business Manager session, and they discussed the protection issue. If the legislature does not fund this shortfall, it will have significant issues for most school districts. They were encouraging School Board members to contact their legislators and ask them to fund this shortfall.

November Financial Statements:

Revenue:

\$2,926,582.00: State November Foundation payment

\$28,971.12: Earnings on Investment

Expenses:

Most accounts look on track. I will need to make some minor adjustments when we revise the budget. One account that will need a budget adjustment is Maintenance. We have added additional grounds employees, a half time secretary, and several student workers to this account. The increase will be approximately \$37,000.

Investment Pool Statements:

General Fund: Ending balance of \$7.2 million. The November State Foundation payment was deposited in this account. Interest is still fantastic at 5.4086%. As of November 30th, the balance of the earnings on investment board fund is \$131,400.23. The KBOA Board Christmas gift certificate expense of \$18,697.50 will come out of this account in December.

Bond Fund: Ending balance of \$1.4 million. Interest at 5.4086%.

Financial Comparison:

November 2023 to November 2022:

- Special Services is higher in 2023 due to an additional .5 FTE teacher.
- Maintenance is higher in 2023 due to additional staff as discussed above.

Year to Date FY24 to FY23:

- Revenues are significantly higher due to Property Tax Relief and Earnings on Investment
- School Activity account has increased due to some new advisory positions.
- Board account was higher last due primarily due to the ISBA conference being in CDA and the additional cost of airline travel.
- Maintenance - previously discussed. This account will be updated.

Overall, expense percentages are very close, which is great considering that Technology expenses were added to the general fund this year.

Please let me know if you have any questions or concerns!

Merry Christmas!

Laurie Wirtz