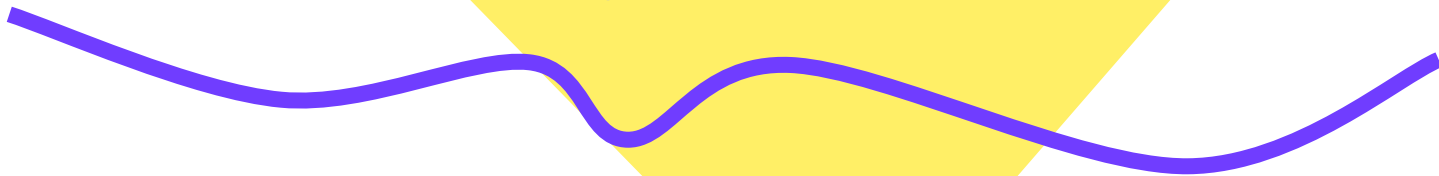




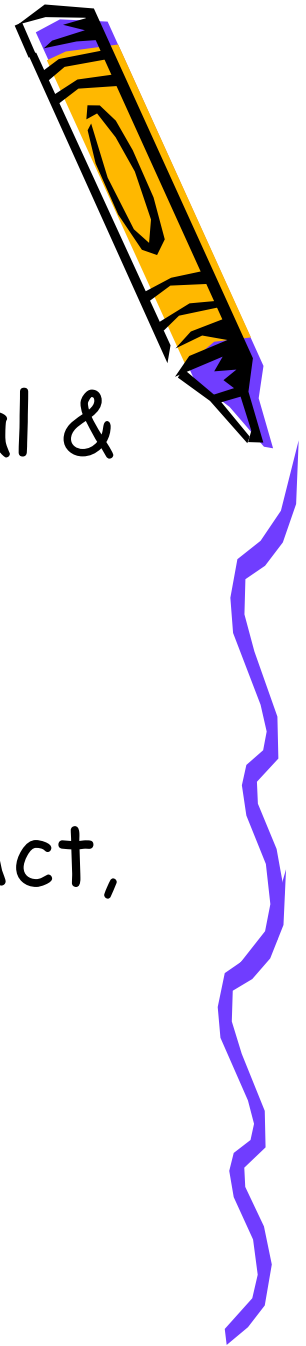
Vicksburg Community Schools

2010-2011
Proposed Budget



Objectives of a Budget Hearing

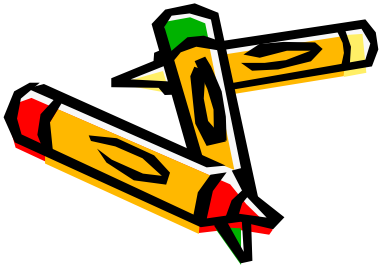
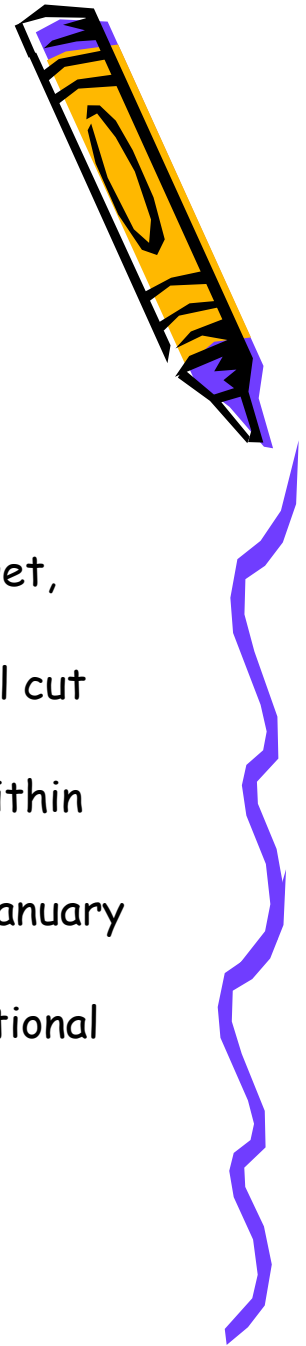
- Communication with public (internal & external): discuss our anticipated sources and uses of funds
- Compliance with applicable laws -
Uniform Budgeting & Accounting Act,
Open Meetings Act, Truth in
Taxation



Vicksburg Community Schools

2009-2010 Timeline and Key Developments

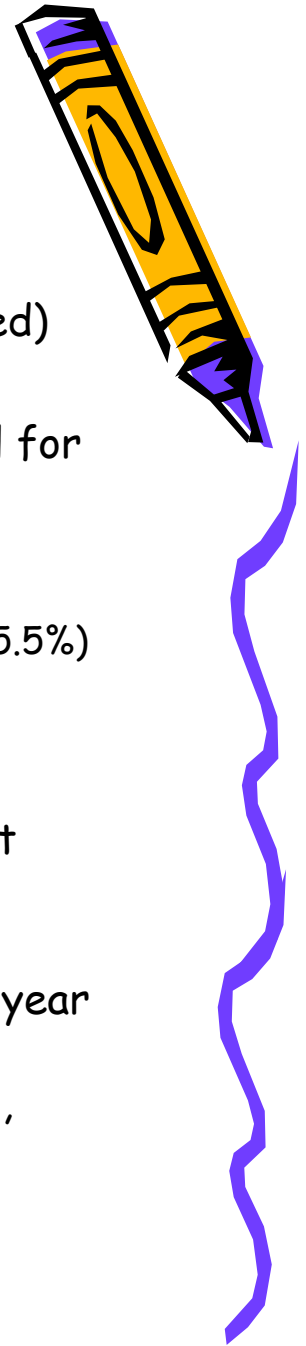
- July 1, 2009 - Beginning of VCS fiscal year
- September 8, 2009 - First day of school
- September 30, 2009 - State's fiscal year ends without enacted budget, resulting in partial shutdown of state government
- October 19, 2009 - Governor signs school aid bill, with \$165 per pupil cut
- October 22, 2009 - State Budget Director issues pro ration letter, notifying Governor that an additional \$127 cut would be necessary within 30 days
- December 10, 2009 - Governor suspends additional pro ration until January revenue consensus
- January 11, 2010 - Revenue consensus meeting confirms that no additional pro ration for 2009-2010 is necessary, but predicts \$268 per pupil reduction for 2010-2011



Vicksburg Community Schools

2009-2010 Timeline and Key Developments (Continued)

- February 11, 2010 - Governor releases details of her budget proposal for 2010-2011:
 - No additional per pupil funding cuts, IF:
 - Increase in retirement rate to 19.41% from 16.94%
 - Sales/use tax reform (expand to services, but reduce rate from 6.0% to 5.5%)
 - Retirement incentives
 - If reform package NOT accepted, then \$255 per pupil cut
- March 24, 2010 - Senate passes its version of 2010-2011 School Aid Budget, with an additional \$118/pupil cut, but sets retirement rate at 17.08%
- May 14, 2010 - Retirement incentive legislation passed
- May 21, 2010 - Revenue Consensus Meeting revises current and next year revenue forecasts by \$291 Million and \$352 Million, respectively
- May 26, 2010 - House passes its version of 2010-2011 School Aid bill, including restoring \$65/pupil for both 09-10 and 10-11



Vicksburg Community Schools

Significant Uncertainties for 2010-2011

- **Enrollment:** Trend is down, projections are down, but preliminary numbers are encouraging
- **Per pupil foundation:** Recent SAF revenue collections are encouraging, past history concerning
- **Retirement rate:** Currently set at 19.41%, expected to change after effect of retirement incentive calculated
- **Collective bargaining:** Approximately 82% of expenditures are for personnel, bargaining decisions will affect budget



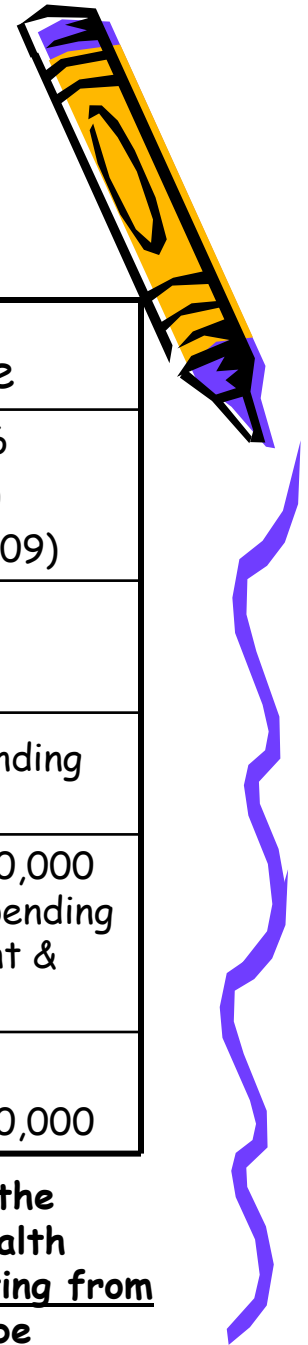
General Fund

Significant Assumptions for 2010-2011

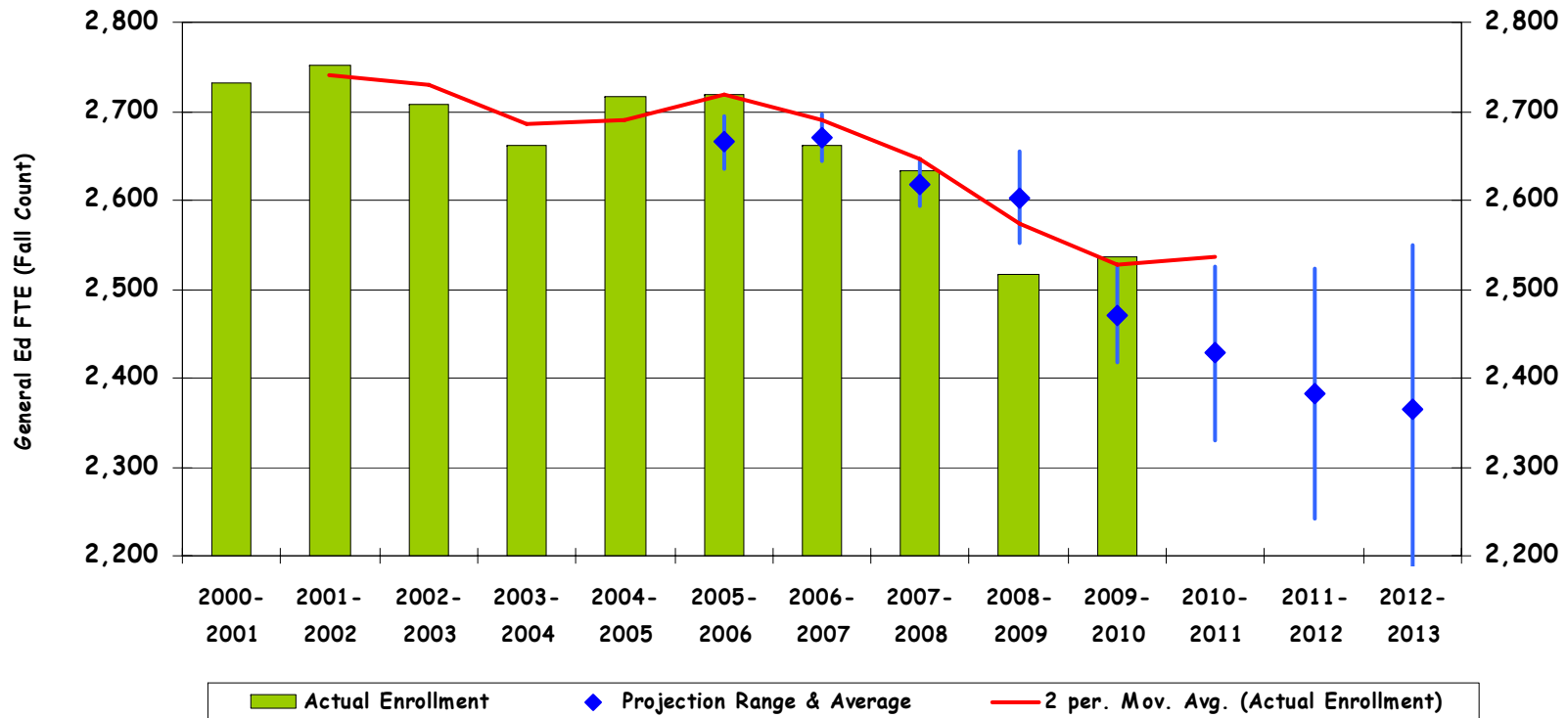
	Assumption Used	Likely Range
Foundation Allowance - Pending State Aid Bill	\$7,151 (Flat)	\$7,033-\$7,216 (\$-118 to +65) (vs. \$7,316 in 08-09)
Blended enrollment	2,547 (DOWN 40)	2,537-2,612 (-50 to +25)
Compensation <u>Levels</u> (tied to funding levels)	Flat (See Note)	-1.6% to +0.9% (funding dependent)
Overall Compensation Costs (effect of limited layoffs and retirement incentive)	-3.6% (\$640,000)	-\$700,000 to -\$400,000 (-4.0% to -2.3%) depending on final enrollment & staffing
Changes to non-comp items (elimination of transfers)	-6.3% (-\$255,000)	-\$300,000 to -\$200,000



Note: Compensation increases/decreases are tied to changes in the foundation allowance, and account for changes in retirement, health insurance, and the base salary scale -excluding pay raises resulting from step increments. All three collective bargaining agreements to be negotiated in upcoming year



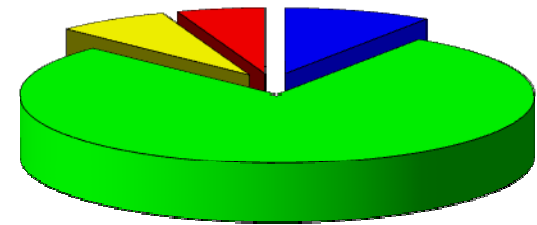
Vicksburg Community Schools Enrollment Trends



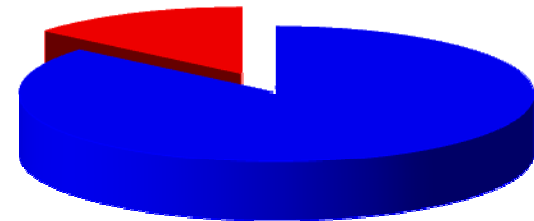
General Fund Revenue

Revenue	6/30/09 Actual	June 2010 Amended	June 2011 Proposed
Local	\$ 1,972,070	\$ 2,001,635	\$ 2,119,770
State	17,043,659	16,753,301	17,237,270
Federal	1,365,665	1,535,374	441,315
Other	1,067,570	1,187,229	1,093,905
Total Revenue	\$ 21,448,964	\$ 21,477,539	\$ 20,892,260

Total Revenue: 2009-2010

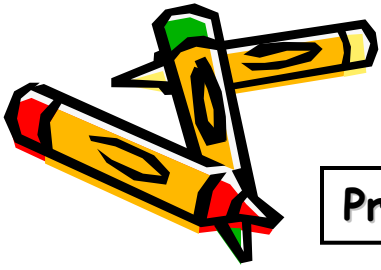


■ Local ■ State ■ Federal ■ Other



■ **Foundation Allowance 86%**
 ■ **All Other Sources 14%**

Note: GASB 54 requires inclusion of athletic activities in General Fund Budget. Approximately \$163,000 of athletic revenues are included in local revenues



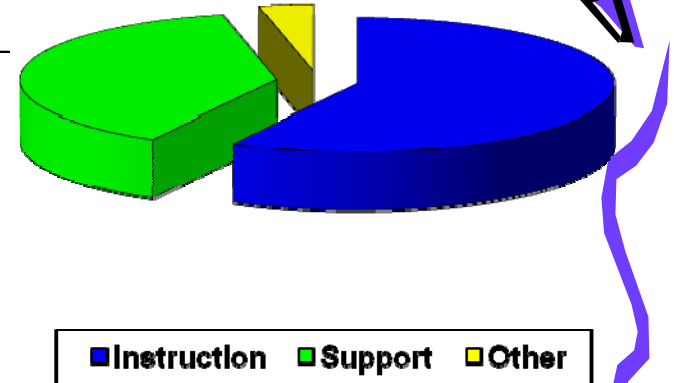
Property Tax Levy: 18.0000 Mills (Non-Homestead)



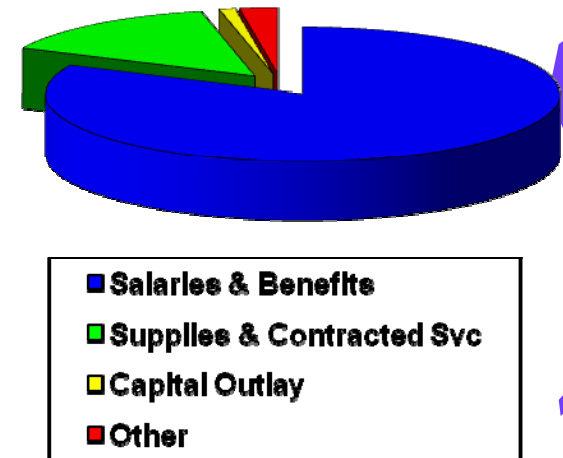
General Fund Expenditures

	6/30/09 Actual	June 2010 Amended	June 2011 Proposed
Instruction:			
Basic Programs	\$ 10,196,578	\$ 9,860,195	\$ 9,693,748
Added Needs	2,199,772	2,344,995	2,243,710
Adult & Continuing Ed	96,356	101,996	87,547
Total instruction	12,492,706	12,307,186	12,025,005
Supporting Services:			
Pupil Services	56.0% 1,222,240	56.9% 1,180,504	58.0% 1,166,861
Instructional Staff	766,452	851,529	767,958
General Administration	528,469	514,583	507,589
School Administration	1,338,008	1,308,950	1,229,140
Business	468,456	461,643	417,395
Operations & Maintenance	2,189,947	2,035,093	1,995,362
Transportation	1,557,370	1,495,005	1,487,830
Athletics	-	-	449,160
Central Services	514,895	425,762	426,707
Total supporting services	8,585,837	8,273,069	8,448,002
Community Services	280,115	269,659	276,846
Other financing uses	942,519	772,690	137,108
Total expenditures/other uses	\$ 22,301,177	\$ 21,622,604	\$ 20,886,961

Function Summary



Object Summary

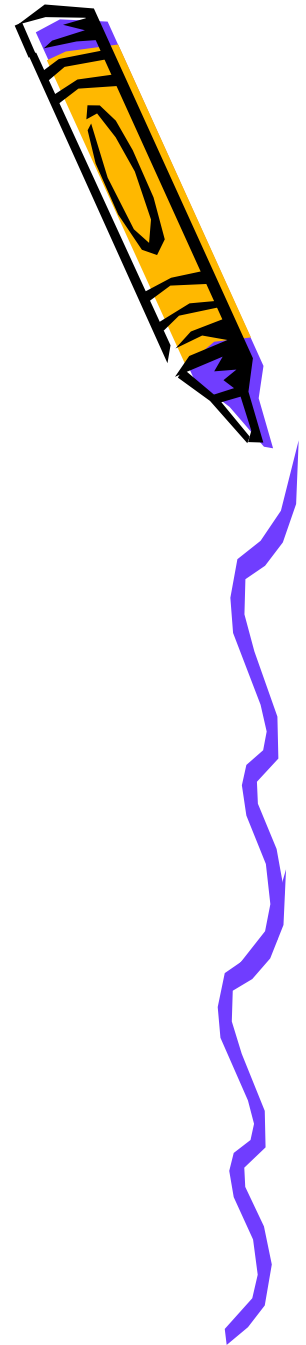


Note: GASB 54 requires inclusion of athletic activities in General Fund Budget.

General Fund Summary

	6/30/09 Actual	June 2010 Amended	June 2011 Proposed
Total Revenue and other Financing Sources	21,448,964	21,477,539	20,892,260
Total Expenditures and Other Financing Uses	22,301,177	21,622,604	20,886,961
Excess (deficiency)	(852,213)	(145,065)	5,299
Fund Balance			
Beginning	2,682,206	1,829,993	1,686,637
Ending	\$1,829,993	\$1,684,928	\$1,691,936
Beginning Fund Balance as a % of Expenditures	12.0%	8.5%	8.1%

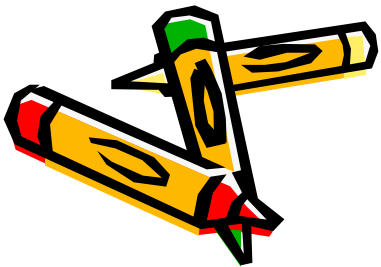
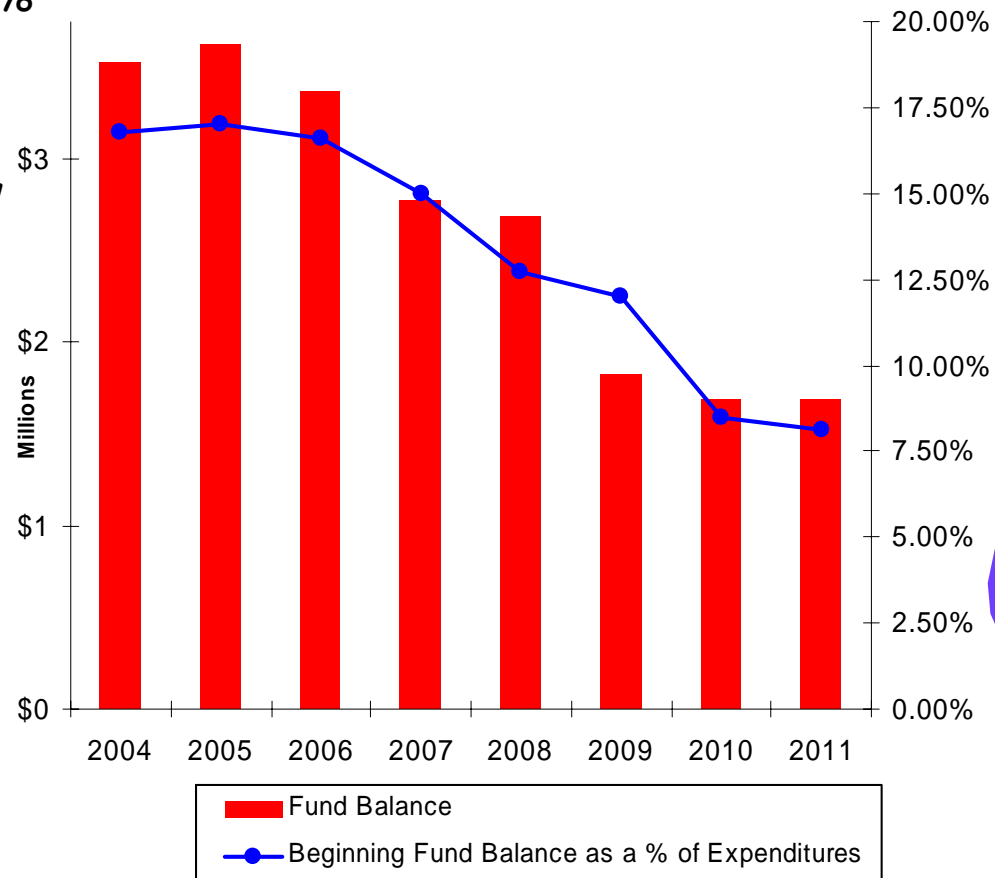
Note: GASB 54 requires inclusion of athletic activities in General Fund Budget. July , 2010 beginning fund balance is restated to include \$1,709 of projected athletic fund balance



Vicksburg Community Schools Fund Balance Summary



- MSBO Recommends 15%-20%
- Insufficient levels result in borrowing to meet cash flow needs - increased costs
- Provides flexibility for:
 - Declining enrollment
 - Mid-year funding cuts
 - Unanticipated expenses



	6/30/09 Actual	June 2010 Amended	June 2011 Proposed
Revenue			
Local	\$ 784,042	\$ 701,398	\$ 523,350
State	40,392	36,725	36,725
Federal	387,131	406,000	406,000
Transfers in	350,000	357,000	-
Total Revenue	1,561,565	1,501,123	966,075
Expenditures			
Food service activities	991,062	937,232	968,700
Athletic activities	571,236	531,548	-
Auditorium activities	26,033	15,675	15,050
Transfers out	10,000	14,000	-
Total expenditures	1,598,331	1,498,455	983,750
Excess of revenue over expenditures	(36,766)	2,668	(17,675)
Fund Balance			
Beginning	360,282	323,516	324,475
Ending	\$ 323,516	\$ 326,184	\$ 306,800

School Service Funds:

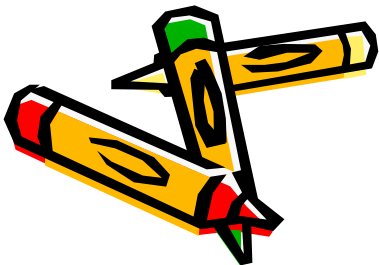
- ✓ **Food Service Fund**
- ✓ **Athletics ('09 & '10)**
- ✓ **Auditorium Fund**



	6/30/09 Actual	June 10 Amended	June 11 Proposed
Revenue			
Local property tax levy - debt	\$ 2,266,878	\$ 2,295,000	\$ 2,250,000
KRESA Enhancement millage	-	-	293,163
Other revenue	56,404	184,970	34,279
Total Revenue	2,323,282	2,479,970	2,577,442
Transfers from other funds	275,562	303,562	12,000
Total revenue & transfers	2,598,844	2,783,532	2,589,442
Expenditures			
Principal	1,759,884	1,824,143	1,759,979
Interest	902,804	1,040,109	1,056,884
Other expenditures	4,927	24,200	24,200
Total expenditures	2,667,615	2,888,452	2,841,063
Excess (deficiency) of revenue over expenditures	(68,771)	(104,920)	(251,621)
Fund Balance			
Beginning	1,325,036	1,256,265	1,151,345
Ending	\$ 1,256,265	\$ 1,151,345	\$ 899,724

Debt Service Funds:

- ✓ **1991 Debt/Durant**
- ✓ **2000 Debt**
- ✓ **2005 Debt**
- ✓ **2007 Debt**



Property Tax Levy: 4.57 Mills – All Properties



Building & Site Fund

	6/30/09 Actual	June 2010 Amended	June 2011 Proposed
Revenue			
Local Sources	\$ 917,812	\$ 1,062,500	\$ 602,000
Other financing sources:			
Transfers in	161,741	-	-
Total revenues and other financing sources	1,079,553	1,062,500	602,000
Expenditures			
Capital outlay	392,160	1,200,000	900,000
Excess (deficiency) of revenue and other sources over expenditures	687,393	(137,500)	(298,000)
Fund Balance			
Beginning	101,233	788,626	651,126
Ending	\$ 788,626	\$ 651,126	\$ 353,126





2010-2011 Budget

Final Thoughts and Additional
Comments

