

Homer Central School District Budget Presentation

Fund Balance Projection
Budget with 2014-15 State Aid

April 1, 2014

What Is Fund Balance?

How Is It Used

- A Fund Balance is a reserve much like a homeowner's savings account. When a school district's expenses are less than what was expected or revenues are higher than expected, the money is held in the Fund Balance.
- Districts use Fund Balance each year as revenue in the budget to minimize spending cuts and stabilize tax increases. The money is also used for unforeseen expenses throughout the school year. By law, a school district's Fund Balance cannot exceed 4% of the next year's budget. In challenging economic times like the present, school districts must plan carefully how they use their fund balance to ensure it does not run out.

Projected Fund Balance

Total Beginning Fund Balance 6/30/13		\$ 9,478,111
<i>Plus: Projected Total Revenues</i>		\$ 38,055,163
<i>Less: Projected Total Expenditures</i>		\$ 36,992,949
Projected Ending Fund Balance - 6/30/14		\$ 10,540,325
<i>Reserved Fund Balance</i>		
Reserve for Encumbrances		\$ 400,000
Employee Liability Reserve		\$ 1,835,851
Reserve for ERS		\$ 1,603,945
Reserve for W/C & Unemployment		\$ 2,514,303
Capital Reserve		\$ 930,180
Tax Certiorari Reserve 2012		\$ 11,752
Tax Certiorari Reserve 2013		\$ 200,146
Total Reserved Fund Balance:		\$ 7,496,177

Projected Fund Balance

<i>Unreserved Fund Balance</i>		
Appropriated		\$ 800,000
Unappropriated		\$ 2,244,148
Total Unreserved Fund Balance: (4% max):		5.79%
	<i>4% of 2013 - 2014 Budget</i>	\$ 1,549,584
	<i>\$ above 4%</i>	\$ 694,564
Projected Total Ending Fund Balance 6/30/14		\$ 9,740,325



Budget Gap with 2014-15 State Aid

Budget Gap with 2014-15 State Aid

REVENUES	2013-14 Budget	2014-15 Budget	Notes
State Aid	\$ 19,906,014.00	\$ 20,553,890.00	2014-15 Aid Run
Local Sources/E-Rate/Misc.	\$ 416,819.00	\$ 650,000.00	3 Year Average
Tax Levy/STAR	\$ 15,697,990.00	\$ 15,992,597.00	Assumption 1.88% Inc to Tax Levy
Reserves	\$ 2,318,781.00	\$ -	Amount of Reserves to use?
Medicaid-Federal Sources	\$ -	\$ 20,000.00	
Fund Balance	\$ 400,000.00	\$ 800,000.00	
Audited/Approved Revenue	\$ 38,739,604.00	\$ 38,016,487.00	Without Reserves
		Change 13-14 to 14-15	
		-1.87%	
Audited/Budgeted Expense	\$ 38,739,604.00	\$ 38,739,604.00	
		Change 12-13 to 13-14	
		0.00%	
		\$ 723,117.00	Potential GAP

Budget Gap with 2014-15 State Aid and Reserves Added

REVENUES	2013-14 Budget	2014-15 Budget	Notes
State Aid	\$ 19,906,014.00	\$ 20,553,890.00	2014-15 Aid Run
Local Sources/E-Rate/Misc.	\$ 416,819.00	\$ 650,000.00	3 Year Average
Tax Levy/STAR	\$ 15,697,990.00	\$ 15,933,460.00	1.50 % Inc to Tax Levy
Reserves	\$ 2,318,781.00	\$ 782,254.00	
Medicaid-Federal Sources	\$ -	\$ 20,000.00	
Fund Balance	\$ 400,000.00	\$ 800,000.00	
Audited/Approved Revenue	\$ 38,739,604.00	\$ 38,739,604.00	With Reserves
		Change 13-14 to 14-15	
		0.00%	
Audited/Budgeted Expense	\$ 38,739,604.00	\$ 38,739,604.00	
		Change 13-14 to 14-15	
		0.00%	
		\$ 0	GAP



Questions ?