

WRIGHT ELEMENTARY SCHOOL DISTRICT

BOARD ADOPTED

GUIDELINES IN BUDGET DEVELOPMENT FOR THE GENERAL FUND

1. The district is committed to operate within our current year revenues, **not deficit spend.**
2. The budget shall be developed to reflect the “**goals and policies**” as adopted by the Governing Board, incorporating the goals of the Local Control Accountability Plan.
3. In developing the budget, providing **a basic educational program** which meets district and State standards at all grade levels, shall be the **prime consideration.**
4. Funds shall be made available in the budget to **support current and anticipated collective bargaining agreements.**
5. Provisions shall be made for an orderly program to preserve the use and value of existing facilities and equipment through **capital improvements and preventative maintenance.**
6. **Deferred maintenance** allocation is part of Local Control Funding Formula received in the general fund. There is no requirement to move the allocation to the Deferred Maintenance Fund; the .5% match by the state into the Deferred Maintenance Fund has been discontinued.
7. Allowance shall be made for **increases and/or decreases in the cost of services** and supplies such as: gasoline, natural gas, electricity, insurance, water, postage, trash collection, telephone service, lease agreements, debt repayment, employee retirement contributions or other benefits mandated by law or required in contract.
8. All **categorical programs shall be self-supporting** and, where allowable, shall include allocations for indirect costs. General funds used for transportation and special education encroachment, shall be minimized to the extent possible.

In addition to Transportation and Special Education encroachments, Title I funds are not sufficient to cover the cost of salary and benefits for Reading Specialists at RL and WCS, so \$15,880 of these costs is charged to Unrestricted.

*The contribution to Routine Restricted Maintenance equals the greater of:
a) lesser of 3% of total general fund expenditures OR the amount of the 2014-15 contribution OR b) 2% of total general fund expenditures. The requirement that the contribution equals 3% of general fund expenditures comes back into effect in 2020-21.*

9. **New one-time income** shall be identified and shall be appropriated only to support expenditures that are of a non-recurring nature.
10. Separate accounting shall be maintained to portray the receipt and expenditure of lottery funds. **Unrestricted Lottery funds shall be used to reimburse the general fund for STRS expense.**

A separate site budget was established in place of Lottery to pay for classroom supplies, copier lease and maintenance, office supplies and other site related expenses.

A separate Intervention budget was established in place of Lottery to pay for intervention services for student learning.

The cost for the Music Program, testing supplies, and crossing guards, formerly part of the site budget, has been absorbed by Unrestricted funds.

11. The budget include a “General Fund Reserve for Economic Uncertainty” calculated based on a percentage of the total annual General Fund operating expenses and appropriations in classes 1000 through 7000. **The district will maintain a reserve level of at least 5% of its annual operating expenses for 2017-18. ***
12. Any **material change from prior year staffing or expenditure levels shall be reported** in the budget document with explanatory comments.
13. **All other funds**, such as the Building, Cafeteria, Child Development, and Developer Fee funds, etc., shall be included in the budget document.
14. **Special reserve fund**: maintains a designated reserve for Common Core implementation.

**** Reserve level history:***

Revised: 2/19/15 GBM Action to change reserve level to 4.5% for 2015-16, and 5% for 2016-17
Revised: 4/24/14 GBM Action to change reserve level to 3.5% for 2013-14 and 4% for 2014-15
Reviewed: 1/17/13 GBM Reserve continues at 3% (establishment of GASB 54 Classification of Fund Balances)
Revised: 4/19/12 GB M Reserve reduced to 3%
Revised: 12/14/06 GBM Action to certify Interim Report with 5% reserve
Revised: 12/10/02 GBM Action to direct Supt. to change GF reserve to 3%;
Note: The GB voted that these guidelines continue to reflect the 5% reserve level
Revised: 1/08/02 GBM Action to change reserve level back to 5%
Revised: 1/09/01 GBM Action to change reserve level to 3%
Reviewed: 12/12/00 GBM Reserve level continues at 5%