



**SWEETWATER COUNTY
SCHOOL DISTRICT #1**

Consent Agenda Item 7-b

Approval of Minutes from the July 20, 2016 Budget Hearing

**BUDGET HEARING MINUTES
CENTRAL ADMINISTRATION BUILDING
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MEMBERS PRESENT: Max Mickelson, Lenny Hay, Neil Kourbelas, Paul Kauchich and Joyce Corcoran

**MEMBER PRESENT
VIA CONFERENCE**

CALL: Brady Baldwin

MEMBERS ABSENT: Emma Waldner

ALSO PRESENT: Kelly McGovern, Nicole Bolton, Mark Portillo, Scot Duncan, Gina Harvey, Dan Selleroli, Stephanie Tolman, Fernando Moreno, Angie Erramouspe, Shannon Garrison, Kayci Arnoldi, Darrin Peppard, Terry Bernatis and Zach Gunyan. Also in attendance were staff members, students, constituents of the District and members of the media.

CALL MEETING TO ORDER – Mr. Lenny Hay, Vice-Chairman of the Board opened the Budget Hearing at at 7:05 p.m.

Mr. Scot Duncan, Chief Financial Officer thanked Gina Harvey and all of his support staff for the many hours they spent in putting the budget together.

Mr. Duncan presented a summary of the 2016-2017 budget. A brief review of the General Fund for the 2015-2016 Fiscal Year shows actual expenditures and transfers of \$80,804,980 (92.85% of the budget) and revenues and other sources of \$80,014,679 (101.16% of the budget). The current cash carryover of \$10,423,737 is the direct result of reduced spending, specifically in unfilled classified employee positions, fuel, and special education placements. The District's Insurance Fund experienced a 14.63% increase in claims over the prior fiscal year.

The 2016-2017 General Fund Budget shows revenues of \$82,891,339 and expenditures of \$88,315,076. Once again expenditures exceed revenues. The District will rely on the cash carryover to balance the budget.

The District's Foundation Guarantee for FY 2017 is estimated to be \$82,458,324. This amount will be reduced by excess taxes collected in 2015-2016 of \$296,485. District funding for 2015-2016 was based on 5,620 ADM's compared to 5,811 ADM's for 2016-2017.

The General Fund Cash Reserve Accounts clearly show the District's effort to fund its share of future expenses and follow District Policy DA - Fiscal Management Goals.

The District must prepare for the implementation of the State mandate 16:1 student to teacher ratio in grades kindergarten through three. Additionally, the District is required to comply with the Patient Protection and Affordable Health Care Act (PPACA). These mandates will require the District to evaluate every position to ensure that student needs are met now and in the future. The District will not be able to rely on Cash Reserves for these ongoing staff expenses, and will be challenged to fund both initiatives with no new funding sources.

The State of Wyoming is currently experiencing an economic downturn that could have serious repercussions for the District. The current economic climate could have a negative impact on School Foundation Program funding and the construction of new school buildings. The District will continue to plan carefully and prudently to provide the resources to meet the needs of students in the years ahead.

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The District will continue to fund its Health Plan benefit at a high level and closely monitor claims during the 2016-2017 fiscal year. The District will also study supplemental plans for Medicare eligible retirees in the upcoming fiscal year. Beginning September 1, 2015, three new health plan options were offered in an effort to control increasing health care costs.

Capital Construction Funds reflect the current planning and construction of the District's building needs, including the completion of the new K-12 school in Farson. The District will also be completing the design phase of the Satellite High School in Rock Springs.

The Capital Projects fund continues to play an important role in fulfilling the District's technology plan; securing additional fixtures, furniture, and equipment (FF&E) in new buildings; and balancing the budget in the General Fund. This fund provides funding for current and future technology refreshes, minor building repairs, and other equipment needs that were previously funded in the General Fund. As such, the General Fund is able to reduce the budget for these line items.

The remaining Funds in the 2016-2017 Annual Budget appear to be healthy. Again, the Insurance Fund is budgeted at a high level to meet anticipated claims. This fund will continue to be monitored closely. Food Service has been self-sustaining since fiscal year 1994-95 and will continue to be so in 2016-17.

There being no further business to come before the Board, the meeting was adjourned at 7:22 p.m.

Chairman

Clerk