



Platte County

TRADITION. PRIDE. VISION.

2017-18 Budget

June 2017



Platte County R-3 School District
998 Platte Falls Road
Platte City, MO 64079

www.plattecountyschooldistrict.com

BUDGET SUMMARY

1. EXECUTIVE SUMMARY

1a. Organizational

The Platte County R-3 School District (PCSD or District) is a district with a **tradition** of excellence. We **pride** ourselves on our accomplishments. Our commitment to continuous improvement has created a **vision** for the future. The District has been repeatedly recognized by the Department of Elementary and Secondary Education (DESE) as fully accredited with an Annual Performance Report score well over 90%. Strong financial management allows Platte County R-3 School District to maintain our tradition, establish points of pride, and create an ambitious vision.



The PCSD budget is a fluid document published by the District to provide the Board of Education and the community insight into the budget process from the early stages of development to eventual approval. In summary, the budget provides a financial framework by which resources are allocated to accomplish the mission of the District or PCSD while being mindful of tax stewardship.

The vision, mission, and values depicted in **Figure 1a-1** guided the development of the Platte County R-3 School District's Comprehensive Strategic Improvement Plan (CSIP).

Major Goals and Objectives

This plan includes three strategic focus areas: Academics, Business, and Community. The major goals and objectives are shown in **Figure 1a-2**. The goals and objectives reflect the top priorities of the District over the next five years and support the meeting of the strategic challenges of the District. The goals and objectives were developed and are refined during the plan phase of the strategic plan process. PCSD annually publishes the results of the core measures and any identified refinement in the plan phase of the CSIP cycle.

Figure 1a-1 Strategic Plan On-A-Page.

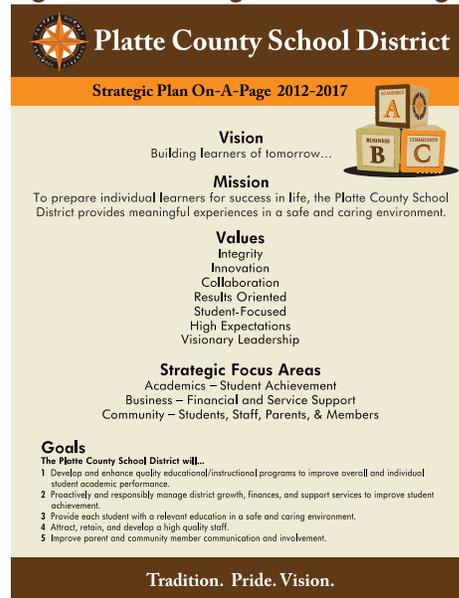


Figure 1a-2 Major Goals and Objectives.

Strategic Focus Area	CSIP Goal/Objective
Academics	Goal 1 - Academics Action Plan Goal: <i>Develop and enhance quality educational/instructional programs to improve overall and individual student academic performance.</i>
	<p>A-1: Annually improve in measure areas related to overall student achievement, measured by assessment performances and survey data.</p> <p>A-2: Annually improve in measure areas related to sub-group student achievement, measured by assessment performances and survey data.</p>



Strategic Focus Area	CSIP Goal/Objective
Goal 2 - Business Action Plan Goal: <i>PCSD will be recognized as a district that proactively and responsibly manages district growth, finances, and support services to improve student achievement.</i>	
Business	B-1: Annually improve in measure areas related to quality continuous improvement, measured by survey and observation data.
	B-2: Annually improve in measure areas related to financial condition and return on investment, measured by financial indicators and survey data.
	B-3: Annually improve in measure areas related to facilities and operations, measured by survey data, financial indicators, and operation efficiency.
Goal 3 - Community-Students Action Plan Goal: <i>PCSD will provide each student with a relevant education in a safe and caring environment.</i>	
Community-Students	C1-1: Annually improve in measure areas related to safe and caring, relevant education, measured by survey data and non-academic student performance (i.e. attendance and discipline).
Goal 4 - Community-Staff Action Plan Goal: <i>PCSD will attract, develop, and retain a high quality staff.</i>	
Community-Staff	C2-1: Annually improve in measure areas related to hire, retain and develop quality staff, measured by survey data and staff indicators (i.e. retention and fill rates).
Goal 5 - Community-Internal and External Stakeholders Action Plan Goal: <i>PCSD will improve internal and external stakeholder communication, involvement, and partnership.</i>	
Community - Internal and External Stakeholders	C3-1: Annually improve in measure areas related to stakeholder engagement, involvement and effective communication, measured by survey data.

Budget Process and Timeline

The 2017-18 budget was developed over a ten-month period with input from various stakeholders through a variety of mediums. Building and program needs are assessed at the site level and final allocations are determined with this information. Ultimately, building principals and program directors are provided with an allocation which takes into account stakeholder input, enrollment projections, CSIP initiatives, Board of Education goals, and preliminary revenue projections.

Throughout the year, the budget is analyzed for discrepancies such as overspending and miscoding. Unbudgeted and/or unexpected capital improvements and maintenance needs are also considered at this time.

The overall budget is primarily driven by staff salaries and benefits, which account for approximately 80% of the operating expenditures of the District. Staff salaries and benefits are determined by a combination of the following factors:

- Revenue Projections
- Department of Elementary and Secondary Education Class Size Standards (MSIP)
- Enrollment Projections
- Market Comparisons



Figure 1a-3 shows the timeline for developing the budget.

Figure 1a-3 Budget Process and Timeline.

Budget Development Timeline	
Date/Range	Budget Development Activity
September - December	Budget is analyzed to determine adequacy, assess discrepancies, and project needs by the Superintendent, Executive Director of Business Services, Cabinet and budgetary staff.
January - February 15	Administrators/Program Directors review building and program needs to achieve strategic objectives. Input is solicited from faculty members, either directly or through a representative unit. – decision matrix – building level supplies and materials will be given based on a per pupil allocation tiered for elementary / secondary with consideration given to new teacher vs. returning teacher – cap outlay will be true zero based with requests force ranked – force rank needs to be tied to strategic objectives.
February 15	Administrators/Program Directors submit technology budget requests to Technology Director and Curriculum Instruction & Assessment requests to Assistant Superintendent – Academics/Continuous Improvement. Both types of requests should be aligned to our strategic objectives.
March 1	Administrators/Program Directors enter supplies and materials, purchased services and capital outlay budget requests and rationale into SISFIN.
March	Current year budget/budget requests are analyzed by Superintendent, Executive Director of Business Services, Cabinet and budgetary staff.
April	Building and program budgets are communicated to Administrators/Program Directors. These allocations take into account stakeholder input, enrollment projections, Strategic Plan initiatives, Board of Education goals, and preliminary revenue projections.
May	Preliminary Expenditure Budget is presented to the Board of Education for approval.
June	Preliminary Expenditure/Revenue Budget is presented to the Board of Education for approval; Present budget amendments from the prior year to the Board of Education for approval.
July	Salaries and benefits recommendation to the Board of Education for approval.
August	Board of Education approves tax rate for the upcoming school year at a public tax rate hearing.
Throughout the Year	Budget amendments are identified throughout the year and compiled for the Board of Education to approve at the end of the fiscal year. The budget is analyzed for discrepancies such as overspending and miscoding. Unbudgeted and/or unexpected capital improvements as well as maintenance needs are considered as they occur. Capital budgeting is done in accordance with a five-year facilities maintenance plan which is reviewed annually. Monthly review of unbudgeted facilities, other purchased services and capital outlay by Cabinet.

Budget amendments are identified throughout the year and compiled for the Board of Education to approve at the end of the fiscal year.



Significant Changes and Explanation of Resources to Achieve Goals and Objectives

While developing the 2017-18 budget, a variety of issues and considerations impacted the final product. The final budget was developed balancing the characteristics of the fiscal landscape with the goals and objectives set forth by stakeholders. **Figure 1a-4** includes significant issues impacting the 2017-18 budget.

Figure 1a-4 Significant Issues Impacting the Budget.

Significant Issues Impacting the Budget	
Budget Item	Issue/Summary
Revenue: Local/County	Local Assessed Valuation. The largest portion of revenue for Platte County R-3 School District is derived from local sources accounting for approximately 57% of the District’s entire operating revenue. The District’s assessed valuation increased from \$457,929,679 in FY16 to \$474,314,144 in FY17. It is anticipated the District’s assessed valuation will increase by 5% in FY18 due to new construction and reassessment.
	District Tax Levy: Operating Levy. The 2016-2017 adjusted operating levy of the District is \$3.4802 per \$100 of assessed valuation which reflects a decrease of \$0.07 from FY16.
	District Tax Levy: Debt Service Levy. The District’s 2016-2017 debt service levy is \$1.1334 per \$100 of assessed valuation which reflects an increase of just over \$0.07 from FY16.
	District Tax Levy: Capital Improvements Levy. Voters in the Platte County R-3 School District approved a \$0.4322 capital improvements tax levy increase to fund our growth management project on April, 7, 2015. The 2016-17 capital improvements levy is \$0.4303.
	Prop C. Based upon state projections, expected Prop C revenue for 2017-2018 is expected to be \$3.8 million which would provide an increase of approximately \$159,000.
Revenue: State	Basic Formula. The final 2017-2018 budget has been prepared with state formula revenues expected at \$13.9 million.
Revenue: Federal	Special Education and Title Programs. Title I, Title II, and Title III revenues for 2017-18 school year are always subject to withholdings at the federal and state level.
Expenditures	Salary Enhancements. Competitive salaries and benefits play a significant role in the attraction and retention of a quality work force. Additionally, our annual stakeholder survey identifies this as a top financial priority for the district. Currently Team Platte County is working with Administration to determine market driven salary enhancements.
	Board Paid Health Insurance. FY18 premiums will remain constant due to in-network utilization, claim history and market trends.
	Other Key Expenditures for FY15 and Associated Goal. Initial implementation of One-to-One at PCMS, \$125,000 (Goal 1 and 4); Staff Chromebooks (K-2) and Desktops for hard-wired computer labs and classrooms, \$202,000 (Goal 1 and 4); 46 Northland Center for Advanced Professional Studies (NCAPS) students, \$161,000 (Goal 1, 3 and 5); PCHS roof replacement, \$298,000 (Goal 2 and 3); Shot put and discus safety improvements, \$170,000 (Goal 2 and 3)



Members of the Board of Education

Figure 1a-5 Board of Education. From top to bottom, left to right: Sharon Sherwood (President), Adam McGinness (Vice President), Lori Bogart (Member), Steve Goettling (Member), Gary Brown (Member), Buffy Smith (Member), and Dr. Gwendolyn Cooke (Member).



First Level Administration

Figure 1a-6 First Level Administration. From left to right: Dr. Mike Reik (Superintendent of Schools), Dr. Rob Gardner (Assistant Superintendent - Personnel & Operations), Dr. Mike Brown (Assistant Superintendent - Academics & Continuous Improvement).



1b. Financial
Revenue and Expenditure Summary for All Funds

While developing the 2017-18 budget, a variety of issues and considerations impacted the final product. The final budget was developed balancing the characteristics of the fiscal landscape with the goals and objectives set forth by stakeholders. The following items are significant issues impacting the 2017-18 budget.

Revenue: Local/County, Local Assessed Valuation. The largest portion of revenue for Platte County R-3 School District is generated from the local property tax base. The District’s assessed valuation increased from \$457,929,679 in FY16 to \$474,314,144 in FY17. It is anticipated the District’s assessed valuation will increase approximately 5% in FY18 due to new construction and reassessment. New construction numbers indicate an upward trend in 2017-18 similar to 2016-17. A substantial amount of property is currently under construction (both residential and commercial) and will be taxed upon occupancy. Trends from the last four fiscal years illustrate minimal growth in real estate property and a net loss in personal property. However, the District experienced two major economic developments, Menards and Costco, which will be reflected in the FY18 assessed valuation numbers.

Revenue: Local/County, District Tax Levy: Operating Levy. The 2016-2017 adjusted operating levy of the District is \$3.4802 per \$100 of assessed valuation which is \$0.07 lower than FY16. The operating levy cannot exceed the “tax rate ceiling” for the current year without voter approval. The tax rate ceiling, determined annually, is the rate of levy which, when charged against the newly received assessed valuation of the District for the current year, excluding new construction and improvements, will produce an amount of tax revenues equal to tax revenues for the previous year increased by 5% or the Consumer Price Index, whichever is lower; however, the District cannot be required to reduce its operating levy below the minimum rate required to qualify for the highest level of state aid (currently \$2.75). Without a majority of the voters voting on the proposition, the tax rate ceiling cannot, at any time, exceed the greatest of (a) the tax rate in effect in 1984, (b) the most recent voter-approved tax rate, or (c) \$2.75. Any increase in the District’s operating levy above \$6.00 must be approved by two thirds of the voters voting on the proposition. The current tax rate ceiling is \$3.8638 per \$100 of assessed valuation. In spring of 2008, the Missouri legislature passed Senate Bill 711 that now works in conjunction with the Hancock Amendment and requires all taxing entities to roll back their tax rate from the current tax rate (not the tax rate ceiling) in reassessment years. Taxing entities that are



voluntarily operating below their voter approved tax ceiling are unable to increase their tax rates to their voter approved ceiling without a levy election.

Revenue: Local/County, District Tax Levy: Capital Improvements Levy. Voters in the Platte County R-3 School District approved a \$0.4322 capital improvements tax levy increase to fund our growth management project on April 7, 2015. This levy is for a period of 20 years for the purpose of constructing, renovating, improving, furnishing and equipping school facilities, including the following:

- Repurposing Paxton School (which currently serves grades 4-5 in the northern attendance area) to become part of Platte County High School,
- Building a new, approximate 700-student, Kindergarten-5th Grade Elementary school in Platte City allowing for the closure of Rising Star, and
- Expanding Pathfinder Elementary by adding 14 classrooms, a multi-purpose room, and additional parking, moving Barry School from grades 3-8 to grades 5-8.

The 2016-17 capital improvements levy is \$0.4303.

Revenue: Local/County, District Tax Levy: Debt Service Levy.

The District's 2016-2017 debt service levy is \$1.1334 per \$100 of assessed valuation which reflects an increase of just over \$0.07 from FY16. Once indebtedness has been approved by the voters and bonds are issued, the District is required under Article VI, Section 26(f) of the Missouri Constitution to levy an annual tax on all taxable tangible property therein sufficient to pay the interest and principal of the indebtedness as they fall due and to retire the same within 20 years from the date of issue. The Board of Education may set the tax rate for debt service, without limitation as to rate or amount, at the level required to make such payments. The tax levy for debt service on the District's general obligation bonds is exempt from the calculations of and limitations upon the tax rate ceiling.

PCSD currently has a total tax levy of \$5.0439 per \$100 of assessed valuation. This rate is composed of \$3.4802 for operating and \$1.1334 for debt service and \$0.4303 for capital improvements as described above. **Figure 1b-1** shows a history of the District's tax levy over the past 5 years.

Figure 1b-1 Tax Levy History.

Tax Levy History					
FUND	ACTUAL 2013-14	ACTUAL 2014-15	ACTUAL 2015-16	ACTUAL 2016-17	PROJECTED 2017-18
<i>Fund 001 - Operation/Incidental</i>	3.5389	3.5466	3.5466	3.4802	*
<i>Fund 002 - Special/Teachers</i>	0.0000	0.0000	0.0000	0.0000	*
<i>Fund 003 - Debt Service</i>	1.0600	1.0523	1.0523	1.1334	*
<i>Fund 004 - Capital Fund</i>	0.0000	0.0000	0.4322	0.4303	*
Total	4.5989	4.5989	5.0289	5.0439	5.0439*

*Total levy is expected to remain the same; however, the Hancock Amendment may change the levy by fund for FY18.

Revenue: Local/County, Prop C. Prop C is a sales tax generated by Proposition C in the early 1980s. This revenue is considered a local source even though it is received monthly from the state on a per pupil basis. The 2017-2018 Prop C sales tax payment is paid on the 2016-2017 weighted average daily attendance (WADA). The annual increases in Prop C revenue has not kept pace with increases in enrollment as forecasted due to lagging sales tax generation. However, an increase in Prop C revenue has been projected for the 2017-2018 fiscal year. Based upon state projections, expected Prop C revenue for 2017-2018 is expected to be \$3.8 million which would provide an increase of approximately \$159,000.

Figure 1b-2 Prop C History.

Prop C History		
Year	Prop C WADA Payment	District Prop C Revenue
2010-2011	\$777 per WADA	\$2,483,339
2011-2012	\$834 per WADA	\$2,838,911
2012-2013	\$835 per WADA	\$2,930,007
2013-2014	\$884 per WADA	\$3,130,478
2014-2015	\$860 per WADA	\$3,260,260
2015-2016	\$939 per WADA	\$3,302,917
2016-2017	\$950 per WADA	\$3,660,944*
2017-2018	\$990 per WADA	\$3,820,039*

*projected



Revenue: State, Basic Formula. State revenues are positively impacted by increased average daily attendance and a State Adequacy Target (SAT) that is projected to increase slightly. State revenues are dependent upon income tax and sales tax.

The final 2017-2018 budget has been prepared with state formula revenues expected at \$13.9 million, see **Figure 1b-3**.

Figure 1b-3 Formula Aid.

Formula Aid		
Year	Formula Calculation	Actual Payment
2013-2014	\$11,534,434	\$11,982,983
2014-2015	\$12,446,239	\$12,446,239
2015-2016	\$13,359,542	\$12,999,375
2016-2017	\$13,901,236	\$13,901,236*
2017-2018	\$13,860,550	\$13,860,550*

*projected

Revenue: State, Transportation. The DESE transportation program provides public school districts with 75% maximum reimbursement entitlement of their allowable costs eligible for state aid. The District is not expecting a significant variance in Transportation funding.

Revenue: Federal, Special Education and Title Programs. Title I, Title II, and Title III revenues for 2017-18 school year are always subject to withholdings at the federal and state level.

Expenditures. This budget is developed with the best and most recent information available to school district officials and the Board of Education. As referenced, budget revisions may be made during the year to accommodate for unforeseen circumstances. The District is proud to call itself a “Quality Continuous Improvement” organization. The District has been engaged in this

approach since 2011 when it was used for revising the CSIP. Within the framework of “Quality”, the expenditures are determined based on aligning to organizational goals and objectives which are annually revised based on cycles of learning that reveal the effectiveness of each approach.

Goal 4 of the CSIP is to attract, retain, and develop a high quality staff. Competitive salaries and benefits play a significant role in the attraction and retention of a work force that we expect much from. Over the past 5 years, increases have been lean due to budget constraints and uncertainty directly stemming from the recession. Through conservative budgeting and proactive measures, Platte County has successfully navigated the stormy recession with fiscal health firmly intact. This could only be accomplished by containing personnel costs. Lean increases have been achieved by freezing certified staff vertical schedule movement 3 of the past 8 years. It should be noted that during the past 8 years, performance expectations for all staff have increased and they have delivered. Our student achievement trend lines are positive in most areas. In some areas, we have set the standard for improvement across the metropolitan area. This is attributable to teachers, support staff, and administrators who are making continuous improvement of student learning their top priority.

To continually improve our ability to attract, retain, and develop a high quality staff, it is anticipated salary enhancements will be determined based on a market analysis and a collaborative process with Team Platte County.

The District also provides board paid health insurance to interested employees. Following a 5.73% increase in FY16 and an increase of 3.1% in FY17, premiums will remain constant in FY18 due to in-network utilization, claim history and market trends. **Figure 1b-4** shows additional factors that affected the development of this year’s budget.



Figure 1b-4 Key Factors Affecting Budget.

Key Factors Affecting Budget		
Goal	Key Factor	Approximate Cost
Goal 1, Goal 4	Initial implementation of One-to-One at PCMS	\$125,000
Goal 1, Goal 4	Staff Chromebooks(K-2) and Desktops for hard-wired computer labs and classrooms	\$202,000
Goal 1, Goal 3, Goal 5	46 Northland Center for Advanced Professional Studies (NCAPS) students	\$161,000
Goal 2, Goal 3	PCHS roof replacement	\$298,000
Goal 2, Goal 3	Shot put and discus safety improvements	\$170,000

Figure 1b-5 shows the project summary of revenues, expenditures, balances and transfers for all funds.

Figure 1b-5 Projected Summary of Fund Revenues, Expenditures, Balances, and Transfers.

Projected Summary of Fund Revenues, Expenditures, Balances, and Transfers*					
FY18	Fund 1 General	Fund 2 Special Revenue	Fund 3 Debt Service	Fund 4 Capital Projects	Total All Funds
Projected Beginning Fund Balances - July 1, 2017	\$7,335,222.69	\$0.00	\$11,443,264.00	\$209,907.61	\$18,988,394.30
Revenues	\$23,343,383.38	\$20,198,299.47	\$5,847,166.32	\$3,160,320.22	\$52,549,169.39
Total Revenues And Balances	\$30,678,606.07	\$20,198,299.47	\$17,290,430.32	\$3,370,227.83	\$71,537,563.69
Transfer To	\$0.00	\$6,512,081.56	\$0.00	\$737,664.78	\$7,967,518.41
Transfer From	\$7,249,746.34	\$0.00	\$0.00	\$0.00	\$7,967,518.41
Expenditures	\$15,978,032.43	\$26,710,381.03	\$5,321,650.00	\$3,897,985.00	\$51,908,048.46
Projected Ending Fund Balances - June 30, 2018	\$7,450,827.30	\$0.00	\$11,968,780.32	\$209,799.84	\$19,629,407.46

*Opening balances represent projections and will be amended at the end of the fiscal year.



Fiscal Year Budget Comparisons and Forecasts

Figure 1b-6 and B1b-7 illustrate the fiscal year budget comparisons and forecasts.

Figure 1b-6 Revenues by Source.

Revenues by Source								
Account Code	12-13 Actual	13-14 Actual	14-15 Actual	15-16 Actual	16-17 Budget	17-18 Forecast	18-19 Forecast	19-20 Forecast
5100 - Local	\$26,107,405	\$26,558,223	\$27,426,310.34	\$34,195,471	\$30,961,867	\$32,069,721	\$32,993,686	\$33,944,607
5200 - County	\$1,375,094	\$1,387,801	\$1,366,983.45	\$1,789,688	\$1,647,000	\$1,623,000	\$1,623,000	\$1,623,000
5300 - State	\$12,419,649	\$14,132,999	\$13,648,766.19	\$15,225,823	\$15,878,447	\$15,601,752	\$16,069,805	\$16,551,899
5400 - Federal	\$2,009,848	\$1,879,337	\$2,027,906.52	\$2,171,104	\$2,166,048	\$1,951,946	\$1,951,946	\$1,951,946
5600 - Bonds	\$9,702,384	\$4,336,475	\$2,345.19	\$28,647,935	\$-	\$-	\$-	\$-
5800 - Tuition/Other	\$1,006,095	\$1,143,844	\$1,151,997.55	\$1,278,150	\$1,257,000	\$1,302,750	\$1,328,805	\$1,355,381
Total	\$52,620,476	\$49,438,678	\$45,624,309.24	\$83,308,171	\$51,910,363	\$52,549,169	\$53,967,242	\$55,426,833

Figure 1b-7 Expenditures by Object.

Expenditures by Object									
Account Code	Account Description	12-13 Actual	13-14 Actual	14-15 Actual	15-16 Actual	16-17 Budget	17-18 Forecast	18-19 Forecast	19-20 Forecast
6111	Certified Teacher - Reg Salaries	\$17,413,042	\$17,975,340	\$19,399,906	\$20,233,300	\$20,920,125	\$21,030,492	\$21,451,102	\$21,880,124
6112	Salaries - 1/2 Time	\$81,586	\$84,090	\$-	\$2,150	\$-	\$-	\$-	\$-
6113	NCC & PDC Mentor Salaries	\$217,450	\$187,649	\$191,832	\$-	\$-	\$-	\$-	\$-
6121	Salaries, Non-Contract (Subs)	\$293,263	\$327,594	\$412,330	\$444,387	\$190,000	\$193,800	\$197,676	\$201,630
6131	Salaries, Other Duties	\$-	\$-	\$-	\$104,961	\$122,448	\$139,750	\$142,545	\$145,396
6151	Classified Salaries - Regular	\$4,441,813	\$5,005,257	\$5,460,444	\$6,032,418	\$6,333,322	\$6,459,989	\$6,589,188	\$6,720,972
6152	Salaries, Maintenance	\$35,711	\$26,571	\$7,919	\$21,220	\$-	\$-	\$-	\$-
6161	Classified Salaries - Part-time	\$44,038	\$44,338	\$134,032	\$101,960	\$60,000	\$61,200	\$62,424	\$63,672
6211	Teacher Retirement	\$2,776,238	\$2,869,673	\$3,075,411	\$3,192,191	\$3,117,351	\$3,139,084	\$3,201,866	\$3,265,903
6221	Non Teacher Retirement	\$315,253	\$346,820	\$390,226	\$436,842	\$389,829	\$397,626	\$405,578	\$413,690



Expenditures by Object									
Account Code	Account Description	12-13 Actual	13-14 Actual	14-15 Actual	15-16 Actual	16-17 Budget	17-18 Forecast	18-19 Forecast	19-20 Forecast
6231	Social Security	\$292,720	\$324,382	\$359,969	\$398,278	\$401,529	\$409,559	\$417,750	\$426,105
6232	Medicare	\$307,357	\$323,644	\$350,462	\$371,758	\$402,658	\$406,564	\$414,695	\$422,989
6241	Group Health/Dental/Life Insurance	\$1,791,237	\$2,096,662	\$2,316,901	\$2,499,593	\$2,575,996	\$2,425,008	\$2,522,008	\$2,622,889
6261	Workers Compensation	\$109,490	\$107,271	\$103,099	\$127,333	\$115,000	\$125,000	\$127,500	\$130,050
6271	Unemployment Compensation	\$5,349	\$800	\$16,106	\$12,486	\$11,000	\$11,000	\$11,220	\$11,444
6311	Tuition, Area Vocational School	\$478,585	\$424,919	\$347,618	\$337,319	\$416,000	\$366,750	\$370,418	\$374,122
6312	Instructional Pgm Improvement Svcs	\$-	\$-	\$165	\$-	\$-	\$-	\$-	\$-
6313	Pupil Services	\$47,425	\$44,231	\$19,039	\$44,910	\$93,000	\$32,000	\$32,320	\$32,643
6314	Staff Services	\$-	\$3,291	\$2,677	\$3,146	\$3,400	\$3,000	\$3,030	\$3,060
6315	Audit Services	\$13,602	\$13,970	\$13,276	\$13,834	\$14,000	\$14,000	\$14,140	\$14,281
6316	Data Processing Services	\$311,555	\$279,196	\$369,238	\$348,192	\$387,735	\$441,100	\$445,511	\$449,966
6317	Legal Services	\$27,115	\$36,915	\$43,719	\$36,244	\$30,000	\$30,000	\$30,300	\$30,603
6318	School Election	\$-	\$6,508	\$5,376	\$-	\$15,000	\$10,000	\$10,100	\$10,201
6319	Building Appraisal	\$16,454	\$13,197	\$14,892	\$16,883	\$24,000	\$9,000	\$9,090	\$9,181
6332	Repairs & Maintenance	\$143,631	\$138,689	\$81,068	\$116,360	\$175,500	\$120,500	\$121,705	\$122,922
6333	Building Rental	\$18,932	\$10,766	\$239,980	\$232,604	\$232,604	\$232,604	\$234,930	\$237,279
6334	Equipment Rental	\$118,242	\$110,637	\$119,306	\$102,136	\$113,110	\$99,279	\$100,272	\$101,275
6335	Water and Sewer	\$80,384	\$71,166	\$76,341	\$76,367	\$71,450	\$82,000	\$82,820	\$83,648
6336	Trash Hauling	\$49,463	\$68,705	\$61,608	\$78,520	\$64,800	\$60,000	\$60,600	\$61,206
6339	Other Property Services	\$32,592	\$25,967	\$59,081	\$-	\$-	\$-	\$-	\$-
6341	Contracted Transportation	\$21,210	\$14,515	\$32,965	\$44,179	\$55,500	\$55,250	\$55,803	\$56,361
6343	Travel	\$234,488	\$213,082	\$246,283	\$256,530	\$265,205	\$281,345	\$284,158	\$287,000
6344	Travel & Other	\$1,481	\$1,645	\$912	\$84	\$2,300	\$1,800	\$1,818	\$1,836
6351	Property Insurance	\$161,405	\$269,798	\$192,929	\$155,239	\$219,000	\$270,000	\$272,700	\$275,427



Expenditures by Object									
Account Code	Account Description	12-13 Actual	13-14 Actual	14-15 Actual	15-16 Actual	16-17 Budget	17-18 Forecast	18-19 Forecast	19-20 Forecast
6361	Communication	\$239,390	\$177,963	\$188,740	\$214,298	\$203,528	\$83,750	\$84,588	\$85,433
6362	Advertising	\$16,374	\$14,796	\$22,553	\$16,616	\$23,850	\$20,500	\$20,705	\$20,912
6363	Printing & Binding	\$15,684	\$16,031	\$24,681	\$23,096	\$35,500	\$36,625	\$36,991	\$37,361
6371	Dues & Memberships	\$31,835	\$26,352	\$44,953	\$53,165	\$37,000	\$38,000	\$38,380	\$38,764
6391	Other Purchased Services	\$1,752,572	\$1,874,938	\$2,135,713	\$2,133,952	\$2,187,007	\$2,676,749	\$2,703,516	\$2,730,551
6397	Wilson Ground Lease	\$31,500	\$31,500	\$31,500	\$31,500	\$31,500	\$31,500	\$31,815	\$32,133
6398	Other Expenses - PY Adjustments	\$1,694	\$994	\$2,297	\$129,479	\$3,200	\$3,200	\$3,232	\$3,264
6411	Student Activity Accounts/ Supp & Mat	\$1,592,943	\$1,453,236	\$1,735,348	\$1,717,170	\$1,677,056	\$1,653,854	\$1,670,393	\$1,687,097
6412	Supplies & Materials	\$33,845	\$36,396	\$29,623	\$20,086	\$18,550	\$16,500	\$16,665	\$16,832
6413	Supplies & Materials- Transportation	\$-	\$4,755	\$-	\$-	\$-	\$-	\$-	\$-
6414	Bus Video Equipment	\$235	\$240	\$-	\$-	\$-	\$-	\$-	\$-
6415	Supplies & Materials- Maintenance	\$69,975	\$78,928	\$108,673	\$86,814	\$78,000	\$78,000	\$78,780	\$79,568
6417	Non-Bus Repair/Lic	\$881	\$199	\$-	\$-	\$-	\$-	\$-	\$-
6418	Transportation Tires/ Installation & Services	\$3,224	\$17,673	\$-	\$978	\$-	\$-	\$-	\$-
6431	Textbooks	\$81,616	\$155,880	\$113,312	\$196,046	\$274,640	\$103,000	\$104,030	\$105,070
6441	Library Books	\$42,366	\$43,039	\$79,109	\$59,736	\$94,100	\$85,450	\$86,305	\$87,168
6442	Library Barry Supplies/ Materials	\$5,698	\$5,966	\$-	\$-	\$-	\$-	\$-	\$-
6443	Library Rising Star Sup/Mat	\$4,397	\$4,385	\$-	\$-	\$-	\$-	\$-	\$-
6444	Library Paxton Supplies/ Materials	\$6,615	\$6,050	\$-	\$-	\$-	\$-	\$-	\$-
6445	Library Siegrist Supplies/ Materials	\$7,999	\$7,995	\$-	\$-	\$-	\$-	\$-	\$-



Expenditures by Object									
Account Code	Account Description	12-13 Actual	13-14 Actual	14-15 Actual	15-16 Actual	16-17 Budget	17-18 Forecast	18-19 Forecast	19-20 Forecast
6446	Library PCMS Supplies/ Materials	\$9,422	\$10,472	\$-	\$-	\$-	\$-	\$-	\$-
6451	Resource Materials - Periodicals	\$5,732	\$2,859	\$6,639	\$4,625	\$6,085	\$6,085	\$6,146	\$6,207
6452	Library Barry Periodicals	\$1,641	\$785	\$-	\$-	\$-	\$-	\$-	\$-
6453	Library Rising Star Periodicals	\$1,320	\$652	\$-	\$-	\$-	\$-	\$-	\$-
6454	Library Paxton Periodicals	\$1,290	\$714	\$-	\$-	\$-	\$-	\$-	\$-
6455	Library Siegrist Periodicals	\$1,276	\$716	\$-	\$-	\$-	\$-	\$-	\$-
6456	Library PCMS Periodicals	\$1,609	\$935	\$-	\$-	\$-	\$-	\$-	\$-
6481	Electric	\$809,498	\$881,147	\$919,274	\$852,859	\$759,400	\$705,000	\$712,050	\$719,171
6482	Natural Gas	\$82,899	\$123,157	\$89,529	\$62,125	\$101,600	\$85,000	\$85,850	\$86,709
6486	Bus Gasoline	\$277,154	\$272,336	\$216,532	\$149,778	\$197,500	\$187,500	\$189,375	\$191,269
6521	Building-Upkeep & Maintenance	\$799,201	\$1,456,754	\$1,298,059	\$1,851,546	\$1,665,000	\$1,820,000	\$1,838,200	\$1,856,582
6531	Buildings, Related Services	\$32,405	\$1,460	\$-	\$-	\$-	\$-	\$-	\$-
6541	Equipment & Furniture	\$1,161,485	\$562,571	\$1,153,747	\$1,395,275	\$984,655	\$617,755	\$623,933	\$630,172
6552	Pupil Transportation Vehicles	\$352,474	\$184,482	\$155,596	\$247,190	\$164,116	\$-	\$150,000	\$150,000
6553	ARRA Bus	\$11,053	\$-	\$-	\$-	\$-	\$-	\$-	\$-
6611	Retirement of Bonds	\$1,950,000	\$26,100,000	\$2,725,000	\$13,215,000	\$3,250,000	\$3,715,000	\$3,752,150	\$3,789,672
6614	DNR Energy Loan Principal	\$10,089	\$20,177	\$28,848	\$28,858	\$29,077	\$29,301	\$29,594	\$29,890
6621	Interest on Bonds	\$2,746,388	\$2,694,738	\$2,159,885	\$2,166,368	\$1,413,896	\$1,603,850	\$1,619,889	\$1,636,087
6622	Interest - Short Term Loans	\$497,139	\$593,600	\$-	\$-	\$-	\$-	\$-	\$-
6623	Interest on Lease Purchase	\$187,154	\$173,679	\$162,330	\$909,213	\$1,394,600	\$1,393,885	\$1,407,824	\$1,421,902
6624	DNR Energy Loan Interest	\$-	\$-	\$1,497	\$1,487	\$1,268	\$1,044	\$1,055	\$1,065
6631	Paying Agent's Fee, Bond	\$126,245	\$76,259	\$6,250	\$190,193	\$5,750	\$8,800	\$8,888	\$8,977
Total		\$42,885,426	\$68,582,097	\$47,584,800	\$61,598,873	\$51,458,739	\$51,908,048	\$52,823,620	\$53,757,732



Significant Trends, Events, and Initiatives; Financial and Demographic Changes

Significant trends and issues impacting the budget are described in **Figure 1b-4**.

1c. Informational

Enrollment Trends and Forecasts

PCSD is currently one of the smaller districts in the metro area, but is poised to see significant growth over the next several years. This growth is expected to change student demographics and customer requirements, as well as impact district financial realities. Elementary, middle, high school, and district level student enrollment projected for the proposed budget school year and following two years is shown in **Figure 1c-3**.

Figure 1c-3 Enrollment Data Proposed Budget Year.

Enrollment Data Forecasts				
Enrollment Year	ES	MS	HS	Total
2017-18	2,017	1,006	1,212	4,235
2018-19	2,063	1,023	1,247	4,333
2019-20	2,114	1,024	1,321	4,459

In response, on April 7, 2015, voters in the Platte County R-3 School District approved a \$0.4322 capital improvements tax levy increase to fund our growth management project.

Tax Base and Rate Trends

Figure 1c-4 provides prior year, current budgeted and two years forecasted figures for assessed valuation, tax rate, and collections, showing a projected stable tax rate and a slight increase in tax base.

Figure 1c-4 Current Budgeted and Three Years of Forecast for Assessed Valuation, Tax Rate, and Collections.

Current Budgeted and Forecast Assessed Valuation, Tax Rate, and Collections				
	17-18 Budget	18-19 Forecast	19-20 Forecast	20-21 Forecast
Assessed Value	\$474,314,144.00	\$483,800,426.88	\$498,314,439.69	\$508,280,728.48
Total Levy	5.0439	5.0439	5.0439	5.0439
Tax Bill	\$23,923,931.11	\$24,402,409.73	\$25,134,482.02	\$25,637,171.66
Tax Bill (less County Fees)	\$23,565,072.14	\$24,036,373.59	\$24,757,464.79	\$25,252,614.09
Projected District Tax Revenue	\$23,093,770.70	\$23,555,646.11	\$24,262,315.50	\$24,747,561.81
Collection Rate	98.00%	98.00%	98.00%	98.00%

Debt Changes

The District’s sustained enrollment growth caused the District to go to its voters in 2014-15 to get authority to issue debt to build facilities to educate our students on a regular basis. Of the total outstanding debt of \$75,498,710, \$42,895,000 is paid through the Debt Service Fund with proceeds from the annual Debt Service taxes (\$1.1334 cents per \$100 assessed valuation in 2016-2017) collected. In 2008-09 the District also began funding the lease purchase for the District Education Center by merging it with the Stadium Corporation.

In 2015-16 the District began funding the lease purchase for a new elementary in Platte City (Compass Elementary) which was approved by voters on April 7, 2015. This lease purchase does the following:

- Repurpose Paxton School (which currently serves grades 4-5 in the northern attendance area) to become part of Platte County High School,
- Build a new, approximate 700-student, Kindergarten-5th Grade Elementary school in Platte City allowing for the closure of Rising Star, and
- Expand Pathfinder Elementary by adding 14 classrooms, a multi-purpose room, and additional parking, moving Barry School from grades 3-8 to grades 5-8.

The District closed on a leasehold revenue bond for an energy conservation project on June 14, 2016. The 2017-18 budget includes principal payments for this project in the amount of \$190,000.

Figure 1c-5 shows the District’s debt obligations.



Figure 1c-5 Debt Obligations.

Debt Obligations				
Debt Obligations	FY18	FY17	FY16	FY15
2006 General Obligation Refunding Bonds	\$*	\$*	\$-	\$9,990,000
2007 General Obligation Building Bonds	\$*	\$*	\$13,000,000	\$13,000,000
2008 General Obligation Refunding Building Bonds	\$-	\$-	\$-**	\$875,000
2008 General Obligation Bonds	\$*	\$*	\$7,950,000	\$7,950,000
2009 General Obligation Refunding Bonds	\$1,550,000	\$3,100,000	\$4,550,000	\$5,100,000
2010 General Obligation Refunding Bonds	\$3,000,000	\$4,000,000	\$4,750,000	\$5,450,000
2012 General Obligation Refunding Bonds	\$9,700,000	\$9,700,000	\$9,700,000	\$9,700,000
2014 General Obligation Refunding Bonds	\$-***	\$1,165,000	\$2,215,000	\$3,315,000
2016 General Obligation Refunding Bonds	\$28,645,000	\$28,645,000	\$28,645,000	\$-
2008 Building Corporation Leasehold Refunding and Improvement Revenue Bonds	\$2,535,000	\$2,865,000	\$3,175,000	\$3,470,000
2015 Building Corporation Leasehold Revenue Bonds	\$25,125,000	\$25,825,000	\$26,425,000	\$-
2016 Building Corporation Leasehold Revenue Bonds	\$4,835,000	\$5,025,000	\$5,230,000	\$-
DNR Loan #1	\$73,797	\$93,974	\$114,151	\$134,328
DNR Loan #2	\$34,913	\$44,037	\$52,937	\$61,618
Total	\$75,498,710	\$80,463,011	\$105,807,088	\$59,045,946

*Series was refunded in 2016

**Series was paid off in 2015-16

***Series will be paid off in 2017-18

Figure 1c-6 Bond Issue History.

Bond Issue History					
Bond Issue	Election	Authorized	Debt Remaining (Principal)	Debt Remaining (Interest)	Debt Retired
Series 2009	No	N/A	\$1,550,000	\$49,600	Mar-19
Series 2010	No	N/A	\$3,000,000	\$188,000	Mar-21
Series 2012	No	N/A	\$9,700,000	\$683,000	Mar-24
Series 2016	No	N/A	\$28,645,000	\$10,380,150	Mar-30
Total GO Debt			\$46,610,000	\$12,644,895.83	
2008 Building Corp	N/A	\$4,985,000	\$2,535,000	\$645,163	Mar-28
2015 Building Corp	Yes	\$27,425,000	\$25,125,000	\$12,487,000	Apr-35
2016 Building Corp	No	\$5,230,000	\$4,835,000	\$1,272,900	Apr-31
DNR Loan #1	N/A	\$184,770	\$73,797	-	Feb-22
DNR Loan #2	N/A	\$61,618	\$34,913	\$1,823.36	Apr-22
Total Other Debt			\$32,603,710	\$14,406,886	
Total Long-Term Debt			\$75,498,710	\$25,707,636	

Relationship Between Current Debt Levels and Legal Debt Limits. Article VI, Section 26(b) of the Constitution of Missouri, limits the outstanding amount of authorized general obligation bonds of a district to 15% of the assessed valuation of a district (including state assessed railroad and utilities).



Effect of Existing Debt Levels on Current and Future Budgets. Current debt levels are adequately serviced through dedicated revenue sources. Since Platte County maintains a debt service levy (\$1.1334) that is well below the state auditor’s calculated ceiling of \$1.7934, existing debt is not anticipated to have a positive or negative effect on current and future budgets. In the next nine years, 66% of total debt is scheduled to be paid down.

Results

The following measures are used to monitor the fiscal health of Platte County School District.

Figure 1c-7 Fund Balance Reserve Ratio.

Fund Balance Reserve Ratio					
	2011-12	2012-13	2013-14	2014-15	2015-16
Reserve Ratio	17.51%	20.02%	21.29%	18.06%	17.46%

Figure 1c-8 Per Pupil Expenditure.

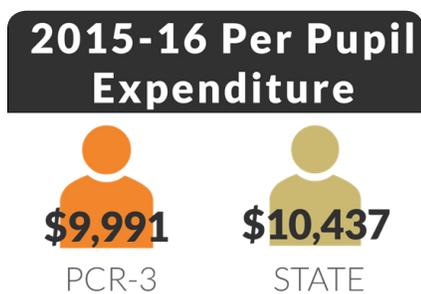


Figure 1c-10 PCR-3 Bond Ratings.

PCR-3 Bond Ratings		
Year	General Obligation Bond Rating	Leasehold Revenue Bond Rating
2011-12	AA	AA-
2012-13	AA	AA-
2013-14	AA	AA-
2014-15	AA	AA-
2015-16	AA	AA-

Figure 1c-9 Expenditures by Object.

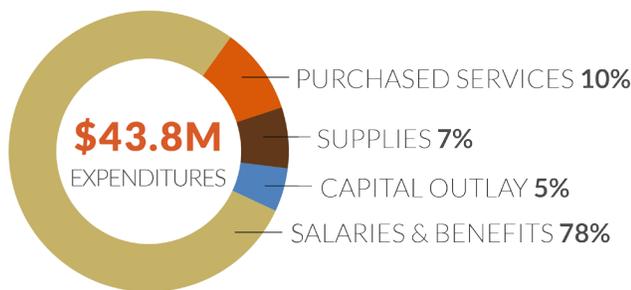


Figure 1c-11 PCR-3 Audit Findings.

PCR-3 Audit Findings		
Year	Material Weaknesses	Written Findings for Federal Programs
2011-12	3	0
2012-13	1	0
2013-14	0	0
2014-15	0	0
2015-16	0	0



Figure 1c-12 Tax Levy by District.

Tax Levy by District	
Liberty	\$6.4550
North Kansas City	\$6.4333
Raytown	\$6.3200
Lee's Summit	\$5.9813
Independence	\$5.9130
Grandview	\$5.7856
Blue Springs	\$5.7286
Fort Osage	\$5.7000
Park Hill	\$5.5650
Grain Valley	\$5.4612
Kearney	\$5.3461
Excelsior Springs	\$5.1724
Platte County	\$5.0439
North Platte	\$4.7400
Smithville	\$4.3988
West Platte	\$4.1000

Figure 1c-13 Parent and Staff Survey Results.

Parent Survey Results (Agree and Strongly Agree)					
	Fall 2012	Fall 2013	Fall 2014	Fall 2015	Fall 2016
<i>The district is proactively managing student enrollment growth.</i>	59%	63%	55%	78%	73%
<i>The district provides value for the tax dollars spent.</i>	65%	77%	71%	82%	76%

Certified Staff Survey Results (Agree and Strongly Agree)					
	Fall 2012	Fall 2013	Fall 2014	Fall 2015	Fall 2016
<i>The district is proactively managing student enrollment growth.</i>	-	60%	59%	76%	86%
<i>The district uses our strategic plan to determine where tax dollars are spent.</i>	-	63%	60%	64%	67%

Classified Staff Survey Results (Agree and Strongly Agree)					
	Fall 2012	Fall 2013	Fall 2014	Fall 2015	Fall 2016
<i>The district is proactively managing student enrollment growth.</i>	-	63%	62%	76%	72%
<i>The district uses our strategic plan to determine where tax dollars are spent.</i>	-	65%	62%	58%	62%

