



Platte County

TRADITION. PRIDE. VISION.

2018-19 Budget

June 2018



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 2018-19 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 78% 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 2018-19 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 2018-19 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 the local property tax base which accounts for approximately 56% of the District’s entire operating revenue. The District’s assessed valuation increased from \$474,314,144 in FY17 to \$532,713,844 in FY18. It is anticipated the District’s assessed valuation will increase by 2% in FY19 primarily due to new construction.
	District Tax Levy: Operating Levy. The 2017-2018 adjusted operating levy of the District is \$3.4350 per \$100 of assessed valuation which reflects a decrease of \$0.0452 from FY17.
	District Tax Levy: Debt Service Levy. The District’s 2017-2018 debt service levy is \$1.1903 per \$100 of assessed valuation which reflects an increase of just over \$0.0569 from FY17.
	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 2017-18 capital improvements levy is \$0.4186.
	Prop C. Based upon state projections, expected Prop C revenue for 2018-2019 is expected to be \$3,969,850 which would provide an increase of approximately \$201,602.
Revenue: State	Basic Formula. The final 2018-2019 budget has been prepared with state formula revenues expected at \$14.9 million.
Revenue: Federal	Special Education and Title Programs. Title I, Title II, and Title III revenues for 2018-2019 school year are expected to be relatively static but 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. FY19 premiums will remain constant due to in-network utilization, claim history and market trends.
	Other Key Expenditure Increases for FY19 and Associated Goal. New bus purchase, \$270,000 (Goal 2 and 3); Increases in salaries and benefits, \$550,000 (Goal 4), and professional services associated with growth management planning, \$115,000 (Goal 2).



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), Gary Brown (Member), Buffy Smith (Member), Dr. Gwendolyn Cooke (Member), Doug Doll (Member), and Amy MacCuish (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 2018-19 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 2018-19 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 \$474,314,144 in FY17 to \$532,713,844 in FY18. It is anticipated the District’s assessed valuation will increase approximately 2% in FY19 due to new construction and reassessment. New construction numbers indicate an upward trend in 2018-19 similar to 2017-18. A substantial amount of property is currently under construction (both residential and commercial) and will be taxed upon occupancy. Trends from the last three fiscal years illustrate strong growth in assessed valuation. The District experienced two major economic developments, Menards and Costco, which are reflected in the FY18 assessed valuation numbers. FY 19 should continue the positive growth trend but is primarily driven by residential growth. Looking out to FY20, the district will see a major hit to the commercial real estate value due to the closing of Harley Davidson. This closure will certainly have an impact on the overall budget outlook.

Revenue: Local/County, District Tax Levy: Operating Levy. The 2017-2018 adjusted operating levy of the District is \$3.4350 per \$100 of assessed valuation which is \$0.0452 lower than FY17. 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 \$3.7424 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 2017-18 capital improvements levy is \$0.4186. It is anticipated the 2017-18 capital improvements levy will remain at \$0.4186 per \$100 of assessed valuation.

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

The District's 2017-2018 debt service levy is \$1.1903 per \$100 of assessed valuation which reflects an increase of just over \$0.0569 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 \$3.4350 for operating and \$1.1903 for debt service and \$0.4186 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 2014-15	ACTUAL 2015-16	ACTUAL 2016-17	ACTUAL 2017-18	PROJECTED 2018-19
<i>Fund 001 - Operation/Incidental</i>	3.5466	3.5466	3.4802	3.4350	3.4350
<i>Fund 002 - Special/Teachers</i>	0.0000	0.0000	0.0000	0.0000	0.0000
<i>Fund 003 - Debt Service</i>	1.0523	1.0523	1.1334	1.1903	1.1903
<i>Fund 004 - Capital Fund</i>	0.0000	0.4322	0.4303	0.4186	0.4186
Total	4.5989	5.0289	5.0439	5.0439	5.0439

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 2018-2019 Prop C sales tax payment is paid on the 2017-2018 weighted average daily attendance (WADA). An increase in Prop C revenue has been projected for the 2018-2019 fiscal year. Based upon state projections, expected Prop C revenue for 2017-2018 is expected to be \$3,768,248 million which would provide an increase of approximately \$201,602.

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	\$3,706,087
2017-2018	\$990 per WADA	\$3,820,039*
2018-2019	\$1,000 per WADA	\$3,969,850*

*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 2018-2019 budget has been prepared with state formula revenues expected at \$14.9 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	\$13,045,223
2016-2017	\$13,901,236	\$13,459,340
2017-2018	\$13,860,550	\$14,437,668*
2018-2019	\$14,949,569	\$14,949,570*

*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. While the state transportation appropriation is increased by 10 million, 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 9 years. It should be noted that during the past 9 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.

The 2016-17 school year resulted in a deficit budget due to a combination of higher than budgeted costs associated with operating new square footage and revenue growth lagging. This resulted in a reduction in year-end fund balances. Consequently, much focus has been devoted to increasing fund balances. The FY18 budget is projected to end with a surplus and the FY19 budget is projecting a surplus. It is a goal of the Leadership to increase fund balances to 18-22% over the next 3-5 years.

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. Premiums will remain constant in FY19 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 2	Purchased professional services to assist with growth management planning	\$115,000
Goal 2 & 3	New bus purchase	\$270,000
Goal 4	Staff salary and benefit enhancement	\$550,000

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*					
FY19	Fund 1 General	Fund 2 Special Revenue	Fund 3 Debt Service	Fund 4 Capital Projects	Total All Funds
Projected Beginning Fund Balances - July 1, 2018	\$5,813,494.17	\$0.00	\$3,605,315.24	\$51,037.25	\$9,469,846.66
Revenues	\$24,773,792.33	\$21,414,235.44	\$5,925,989.64	\$2,764,155.24	\$54,878,172.65
Total Revenues And Balances	\$30,587,286.50	\$21,414,235.44	\$9,531,304.88	\$2,815,192.49	\$64,348,019.31
Transfer To	\$0.00	\$6,813,622.85	\$0.00	\$1,408,514.67	\$8,222,137.52
Transfer From	\$8,222,137.52	\$0.00	\$0.00	\$0.00	\$8,222,137.52
Expenditures	\$16,364,673.74	\$28,227,858.29	\$5,189,100.00	\$4,172,669.91	\$53,954,301.94
Projected Ending Fund Balances - June 30, 2019	\$6,000,475.24	\$0.00	\$4,342,204.88	\$51,037.25	\$10,393,717.37

*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 1b-7 illustrate the fiscal year budget comparisons and forecasts.



Figure 1b-6 Revenues by Source.

Revenues by Source			
Account Code	16-17 Actual	17-18 Budget	18-19 Forecast
5100 - Local	\$31,907,891	\$32,069,721	\$32,903,929
5200 - County	\$1,594,257	\$1,623,000	\$1,830,000
5300 - State	\$15,490,125	\$15,601,752	\$16,756,120
5400 - Federal	\$2,025,611	\$1,951,946	\$1,883,124
5600 - Bonds	\$85,667	\$-	\$150,000
5800 - Tuition/Other	\$1,236,926	\$1,302,750	\$1,355,000
Total	\$52,340,478	\$52,549,169	\$54,878,173

Figure 1b-7 Expenditures by Object.

Expenditures by Object				
Account Code	Account Description	16-17 Actual	17-18 Budget	18-19 Forecast
6111	Certificated - Regular Salaries	\$20,492,274	\$20,945,657	\$21,508,638
6112	Salaries, 1/2 Time	\$4,425	\$-	\$-
6121	Substitute & PT Teacher Salaries	\$396,633	\$193,800	\$400,000
6131	Certificated Supplemental Pay	\$158,027	\$224,585	\$230,582
6150	Salaries - Sec, Cafe, Aide, etc.	\$10,764	\$13,313	\$-
6151	Classified Salaries - Regular	\$6,512,706	\$6,446,676	\$6,668,298
6152	Salaries, Maintenance	\$26,447	\$-	\$-
6161	Classified Salaries - Part-Time	\$106,480	\$61,200	\$62,424
6211	Teachers' Retirement	\$3,237,908	\$3,139,084	\$3,401,866
6221	Non-Teacher Retirement	\$477,931	\$397,626	\$405,578
6231	Social Security - OASDI	\$425,493	\$409,559	\$417,750
6232	Medicare	\$383,490	\$406,564	\$414,695
6241	Employee Insurance	\$2,685,380	\$2,425,008	\$2,788,538
6261	Workers' Compensation Insurance	\$101,658	\$125,000	\$167,000
6271	Unemployment Compensation	\$3,163	\$11,000	\$11,000
6311	Purchased Instructional Services	\$439,383	\$366,750	\$499,000
6312	Instructional Prgm Improvmt Srvcs	\$2,337	\$50,550	\$50,600
6313	Pupil Services	\$44,589	\$32,000	\$24,000
6315	Audit Services	\$10,752	\$14,000	\$14,000
6316	Data Processing/Tech Related Srvcs	\$343,489	\$441,100	\$424,830
6317	Legal Services	\$59,545	\$30,000	\$50,000
6318	Election Services	\$8,143	\$10,000	\$10,000
6319	Other Professional Services	\$18,039	\$12,000	\$10,000
6332	Repairs & Maintenance	\$85,575	\$120,500	\$150,500
6333	Rentals - Land & Buildings	\$232,604	\$232,604	\$232,604



Expenditures by Object				
Account Code	Account Description	16-17 Actual	17-18 Budget	18-19 Forecast
6334	Rentals - Equipment	\$106,325	\$99,279	\$108,597
6335	Water and Sewer	\$107,126	\$82,000	\$100,000
6336	Trash Removal	\$72,471	\$60,000	\$60,000
6338	Rentals - Computers & Related Equip	\$-	\$-	\$260,792
6341	Contracted Pupil Transp To/From LEA	\$69,820	\$55,250	\$67,000
6343	Travel	\$228,199	\$283,145	\$265,258
6351	Property Insurance	\$287,353	\$270,000	\$237,500
6361	Communication	\$227,220	\$83,750	\$81,950
6362	Advertising	\$21,358	\$20,500	\$8,600
6363	Printing and Binding	\$30,173	\$36,625	\$34,100
6371	Dues and Memberships	\$42,915	\$38,000	\$39,000
6391	Other Purchased Services	\$2,394,920	\$2,626,199	\$2,550,248
6398	Other Expenses - PY Adjustments	\$1,801	\$3,200	\$3,100
6411	General Supplies	\$1,985,984	\$1,739,654	\$1,846,788
6412	Supplies - Technology-Related	\$7,753	\$8,700	\$8,700
6431	Textbooks	\$296,208	\$103,000	\$4,960
6441	Library Books	\$92,448	\$85,450	\$85,450
6451	Resource Materials	\$6,032	\$6,085	\$6,085
6481	Electric	\$641,733	\$705,000	\$595,000
6482	Gas - Natural	\$77,656	\$85,000	\$60,500
6486	Gasoline/Diesel	\$177,802	\$187,500	\$227,000
6511	Land	\$31,500	\$31,500	\$31,500
6521	Buildings	\$1,864,961	\$1,820,000	\$1,893,500
6531	Improvements Other Than Buildings	\$518,166	\$-	\$-
6541	Regular Equipment	\$817,597	\$617,755	\$593,718
6552	Pupil Transp Vehicles-School Buses	\$163,928	\$-	\$270,000
6611	Principal - Bonded Indebtedness	\$16,250,000	\$3,715,000	\$3,800,000
6614	Principal - Long Term Loans	\$29,683	\$29,301	\$29,530
6621	Interest - Bonded Indebtedness	\$1,813,481	\$1,603,850	\$1,386,100
6622	Interest - Short Term Loans	\$625,165	\$-	\$-
6623	Interest-Lease Purchase Agreements	\$1,335,779	\$1,393,885	\$1,345,607
6624	Interest - Long Term Loans	\$662	\$1,044	\$815
6631	Fees - Bonded Indebtedness	\$86,125	\$2,800	\$3,000
6633	Fees - Lease Purchase Agreements	\$6,550	\$6,000	\$8,000
Total		\$66,686,126	\$51,908,048	\$53,954,302



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
2018-19	1,891	1,124	1,210	4,225
2019-20	1,941	1,096	1,264	4,301
2020-21	1,995	1,108	1,289	4,392

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				
	18-19 Budget	19-20 Forecast	20-21 Forecast	21-22 Forecast
Assessed Value	\$532,713,844.00	\$548,695,259.32	\$559,669,164.51	\$576,459,239.44
Total Levy	5.0439	5.0439	5.0439	5.0439
Tax Bill	\$26,869,553.58	\$27,675,640.18	\$28,229,152.99	\$29,076,027.58
Tax Bill (less County Fees)	\$26,466,510.27	\$27,260,505.58	\$27,805,715.69	\$28,639,887.16
Projected District Tax Revenue	\$25,937,180.07	\$26,715,295.47	\$27,249,601.38	\$28,067,089.42
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	FY19	FY18	FY17	FY16
2007 General Obligation Refunding Bonds	\$-*	\$-*	\$-*	\$13,000,000
2008 General Obligation Bonds	\$-*	\$-*	\$-*	\$7,950,000
2009 General Obligation Refunding Bonds	\$-**	\$1,550,000	\$3,100,000	\$4,550,000
2010 General Obligation Refunding Bonds	\$1,000,000	\$3,000,000	\$4,000,000	\$4,750,000
2012 General Obligation Refunding Bonds	\$8,450,000	\$9,700,000	\$9,700,000	\$9,700,000
2014 General Obligation Refunding Bonds	\$-**	\$-**	\$1,165,000	\$2,215,000
2016 General Obligation Refunding Bonds	\$28,645,000	\$28,645,000	\$28,645,000	\$28,645,000
2008 Building Corporation Leasehold Refunding and Improvement Revenue Bonds	\$235,000****	\$2,535,000	\$2,865,000	\$3,175,000
2015 Building Corporation Leasehold Revenue Bonds	\$7,425,000****	\$25,125,000	\$25,825,000	\$26,425,000
2016 Building Corporation Leasehold Revenue Bonds	\$4,625,000	\$4,835,000	\$5,025,000	\$5,230,000
2017 Building Corporation Leasehold Revenue Bonds	\$19,110,000			
DNR Loan #1	\$53,620	\$73,797	\$93,974	\$114,151
DNR Loan #2	\$25,560	\$34,913	\$44,037	\$52,937
Total	\$62,909,180	\$75,498,710	\$80,463,011	\$105,807,088

*Series was refunded in 2016

**Series was paid off in 2017-18

***Series will be paid off in 2018-19

****Partially refunded by Series 2017

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	\$0	\$0	Mar-19
Series 2010	No	N/A	\$1,000,000	\$31,000	Mar-21
Series 2012	No	N/A	\$8,450,000	\$489,000	Mar-24
Series 2016	No	N/A	\$28,645,000	\$7,281,150	Mar-30
Total GO Debt			\$39,095,000	\$7,865,150	
2008 Building Corp	N/A	\$4,985,000	\$235,000	\$9,988	Mar-20
2015 Building Corp	Yes	\$27,425,000	\$7,425,000	\$3,823,000	Apr-29
2016 Building Corp	No	\$5,230,000	\$4,625,000	\$1,211,250	Apr-31
2017 Building Corp	No	\$19,260,000	\$19,110,000	\$5,614,080	Apr-35
DNR Loan #1	N/A	\$184,770	\$53,620	\$0	Feb-22
DNR Loan #2	N/A	\$70,289	\$25,560	\$1,008.62	Apr-22
Total Other Debt			\$31,474,180	\$10,659,326	
Total Long-Term Debt			\$70,569,180	\$18,524,476	



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					
	2012-13	2013-14	2014-15	2015-16	2016-17
Reserve Ratio	20.02%	21.29%	18.06%	17.46%	14.00%

Figure 1c-8 Per Pupil Expenditure.

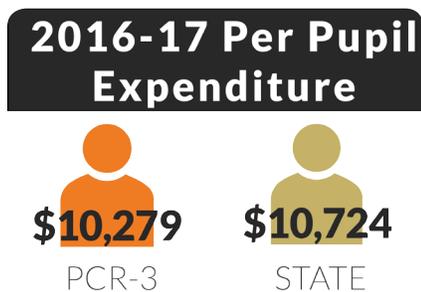


Figure 1c-10 PCR-3 Bond Ratings.

PCR-3 Bond Ratings		
Year	General Obligation Bond Rating	Leasehold Revenue Bond Rating
2012-13	AA	AA-
2013-14	AA	AA-
2014-15	AA	AA-
2015-16	AA	AA-
2016-17	AA	AA-

Figure 1c-9 Expenditures by Object.

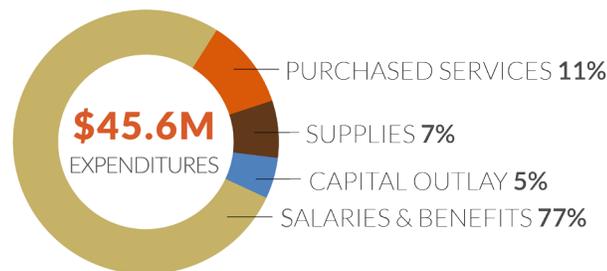


Figure 1c-11 PCR-3 Audit Findings.

PCR-3 Audit Findings		
Year	Material Weaknesses	Written Findings for Federal Programs
2012-13	1	0
2013-14	0	0
2014-15	0	0
2015-16	0	0
2016-17	0	0



Figure 1c-12 Tax Levy by District.

Tax Levy by District	
Liberty	\$6.4550
North Kansas City	\$6.4284
Raytown	\$6.3200
Lee's Summit	\$5.9957
Independence	\$5.9130
Grandview	\$5.8047
Blue Springs	\$5.7286
Fort Osage	\$5.7000
Park Hill	\$5.5290
Grain Valley	\$5.4579
Kearney	\$5.3461
Excelsior Springs	\$5.1044
Platte County	\$5.0439
North Platte	\$4.7400
Smithville	\$4.4275
West Platte	\$4.1000

Figure 1c-13 Parent and Staff Survey Results.

(Parents)					
The District uses our strategic plan to determine where tax dollars are spent.					
Cycle	Responses	Top Level(s) Percent	Neutral Percent	Bottom Level(s) Percent	Survey Performance Index (SPI)*
2014-15	945	70.48%	21.06%	8.47%	383.7
2015-16	1111	81.91%	12.42%	5.67%	412.78
2016-17	1031	76.62%	16.97%	6.40%	396.8
2017-18	1019	74.58%	18.06%	7.36%	392.15

(Parents)					
The District is proactively managing student enrollment growth.					
Cycle	Responses	Top Level(s) Percent	Neutral Percent	Bottom Level(s) Percent	Survey Performance Index (SPI)*
2014-15	949	55.22%	27.82%	16.97%	351.53
2015-16	1114	77.83%	15.89%	6.28%	404.94
2016-17	1029	72.98%	18.27%	8.75%	389.41
2017-18	1018	66.01%	23.97%	10.02%	378



(Certified Staff)**The District uses our strategic plan to determine where tax dollars are spent.**

Cycle	Responses	Top Level(s) Percent	Neutral Percent	Bottom Level(s) Percent	Survey Performance Index (SPI)*
2014-15	307	59.93%	26.71%	13.36%	358.96
2015-16	239	64.02%	29.71%	6.28%	370.71
2016-17	285	67.02%	29.12%	3.86%	375.44
2017-18	216	68.52%	25.00%	6.48%	371.3

(Certified Staff)**The District is proactively managing student enrollment growth.**

Cycle	Responses	Top Level(s) Percent	Neutral Percent	Bottom Level(s) Percent	Survey Performance Index (SPI)*
2014-15	306	59.15%	21.57%	19.28%	345.42
2015-16	238	75.63%	16.81%	7.56%	381.51
2016-17	283	75.97%	14.13%	9.89%	380.92
2017-18	216	72.22%	17.59%	10.19%	372.69

(Classified Staff)**The District uses our strategic plan to determine where tax dollars are spent.**

Cycle	Responses	Top Level(s) Percent	Neutral Percent	Bottom Level(s) Percent	Survey Performance Index (SPI)*
2014-15	147	61.90%	29.25%	8.84%	363.27
2015-16	122	57.38%	36.07%	6.56%	359.84
2016-17	130	61.54%	36.92%	1.54%	374.62
2017-18	112	49.11%	45.54%	5.36%	359.82

(Classified Staff)**The District is proactively managing student enrollment growth.**

Cycle	Responses	Top Level(s) Percent	Neutral Percent	Bottom Level(s) Percent	Survey Performance Index (SPI)*
2014-15	146	61.64%	28.77%	9.59%	364.38
2015-16	120	75.83%	20.00%	4.17%	387.5
2016-17	130	72.31%	23.85%	3.85%	386.15
2017-18	112	60.71%	29.46%	9.82%	364.29



Revenue By Fund

Fund	Actual 2016-17	Budgeted 2017-18	Projected 2018-19
<i>Fund 001 - Operation/Incidental</i>	\$23,157,146	\$25,126,561	\$24,726,452
<i>Fund 002 - Special/Teachers</i>	\$19,865,263	\$20,250,962	\$21,461,576
<i>Fund 003 - Debt Service</i>	\$5,811,806	\$6,687,331	\$5,925,990
<i>Fund 004 - Capital Funds</i>	\$3,506,262	\$2,568,403	\$2,764,155
Total	\$52,340,478	\$54,633,258	\$54,878,173

Expenses By Fund

FUND	Actual 2016-17	Budgeted 2017-18	Projected 2018-19
<i>Fund 001 - Operation/Incidental</i>	\$16,417,536	\$16,907,441	\$16,439,034
<i>Fund 002 - Special/Teachers</i>	\$26,718,810	\$27,318,799	\$28,153,521
<i>Fund 003 - Debt Service</i>	\$18,774,771	\$14,569,711	\$5,189,100
<i>Fund 004 - Capital Funds</i>	\$4,768,826	\$3,920,326	\$4,172,670
Total	\$66,679,943	\$62,716,277	\$53,954,325

Expenditures By Function

Account Code	Account Description	Actual 2016-2017	Budget 2017-2018
1111	Elementary	\$7,153,931	\$6,549,805
1131	Middle/Junior High	\$4,404,494	\$4,526,278
1151	High School	\$5,198,886	\$6,182,533
1191	Summer School - Regular	\$5,415	\$336,175
1211	Gifted & Talented	\$217,279	\$207,117
1221	SPED & Related Services	\$2,684,888	\$3,313,054
1224	Proportionate Share Services	\$0	\$2,000
1251	Tilte I Supplemental Instruction	\$618,718	\$602,618
1271	Title III LEP Bilingual	\$237,466	\$238,146
1281	Early Childhood Special Education	\$575,414	\$528,565
1301	Vocational Instruction Teacher Sal	\$71,701	\$71,004
1311	NCC Agricultural Education	\$90,414	\$73,322
1321	NCC Business Education	\$4,100	\$8,775
1331	NCC Family & Consumer Sciences Ed	\$143,468	\$146,396
1341	NCC Health Sciences Education	\$272,576	\$140,475
1351	NCC Marketing & Coop Education	\$200,924	\$101,113
1361	NCC Trade & Industrial Education	\$749,155	\$751,195
1371	Project Lead The Way - PLTW	\$108,702	\$100,567
1381	NCC Career Education Special Needs	\$109,758	\$99,151
1391	NCC Other Career Education	\$709,424	\$589,785
1392	C&CC	\$93,450	\$0
1411	Student Activities	\$970,222	\$980,742
1421	School-Sponsored Athletics	\$523,278	\$261,117
1611	NCC Adult Education	\$163,172	\$153,867
1671	Community Education/Life Enrichment	\$41,527	\$62,500
1911	Tuition to Other Districts In State	\$82,298	\$75,000
1921	Area Career Center Fees	\$49,000	\$44,750
1931	Tuition for SPED Services in State	\$0	\$11,000
1933	Tuition SPED Srvcs Private Agencies	\$150,412	\$100,000
2111	Attend & Social Work Srvc Area Dir	\$3,928	\$8,700
2112	Attendance Services	\$66,975	\$63,474
2113	Social Work Services	\$374,456	\$381,556
2119	Other Attend & Soc Wk	\$0	\$0
2121	Guidance Services - System Support	\$1,039,475	\$1,047,384
2131	Health Services	\$17,554	\$29,346
2132	Medical Services	\$374,325	\$351,253
2142	Psychological Testing Services	\$289,206	\$111,835
2152	Speech Pathology Services	\$542,785	\$7,829
2162	OT Services	\$98,064	\$0
2182	Vision Services	\$19,361	\$0
2211	Improvement of Instruction Services	\$299,804	\$293,828
2212	Instruction & Curriculum Dev Srvcs	\$561,660	\$486,214
2213	Instructional Staff Training Svcs	\$6,050	\$7,050

2214	Professional Development	\$218,151	\$281,290
2216	Instructional Leadership	\$87	\$0
2219	Other Improv of Instruction Svcs	\$4,444	\$5,500
2222	Library Services	\$806,864	\$789,665
2311	Board of Education Services	\$140,965	\$108,500
2321	Office of the Supt Services	\$1,211,513	\$1,028,972
2322	Community Relations Services	\$109,259	\$118,645
2329	Other Exec Administration Services	\$143,231	\$140,919
2331	Administrative Technology Services	\$1,234,785	\$1,336,575
2411	Office of the Principal Services	\$2,431,823	\$2,469,628
2521	Fiscal Services (Accounting)	\$275,603	\$258,136
2529	Other Fiscal Services	\$3,261	\$3,000
2540	Operation of Plant	\$1,405	\$0
2541	Oper & Maint of Plant Srvc Area Dir	\$3,810,070	\$3,705,136
2542	Care & Upkeep of Building	\$189,972	\$0
2543	Care & Upkeep of Grounds Services	\$0	\$0
2546	Security Services	\$117,840	\$153,515
2551	Contracted Transportation Services	\$49,620	\$28,000
2552	Transportation Svcs - Non-Disabled	\$1,829,190	\$1,673,954
2553	Contracted Transportation Disabled	\$20,201	\$27,000
2554	Transportation Services - Disabled	\$247,454	\$220,867
2559	ECSE Transportation Services	\$79,242	\$16,786
2561	Food Services	\$1,688,841	\$1,723,884
2644	PD for Classified Staff	\$0	\$0
3011	Northland Summer Externship	\$1,044	\$0
3511	Early Childhood Program - PAT	\$70,004	\$65,599
3512	Early Childhood Instruction	\$106,634	\$100,078
3711	Nonpublic Services	\$0	\$500
3912	Parental Involvement	\$2,654	\$3,000
4021	Land Acquisition & Development Srvc	\$31,500	\$31,500
4051	Bldg Acquisition, Const & Improv	\$1,864,961	\$1,820,000
4091	Othr Facilities Acquisition & Const	\$518,166	\$0
5111	Principal - Bonded Indebtedness	\$16,250,000	\$3,715,000
5122	Principal - Long Term Loans (DNR)	\$29,683	\$29,301
5211	Interest - Bonded Indebtedness	\$2,438,646	\$1,603,850
5222	Interest - Long Term Loans (DNR)	\$662	\$1,044
5231	Interest - Lease Purchase Agreement	\$1,335,779	\$1,393,885
5311	Fees - Bonded Indebtedness	\$86,125	\$2,800
5331	Fees - Lease Purchase Agreements	\$6,550	\$6,000
	Total	\$66,679,943	\$51,908,048

Budget 2018-2019
\$7,312,188
\$4,693,615
\$5,865,112
\$204,689
\$223,464
\$2,731,669
\$2,000
\$548,405
\$203,064
\$635,015
\$0
\$80,652
\$66,271
\$162,402
\$156,237
\$103,572
\$721,293
\$104,165
\$120,794
\$573,955
\$0
\$978,345
\$256,225
\$122,647
\$51,200
\$65,000
\$170,000
\$0
\$131,000
\$1,755
\$73,640
\$363,447
\$34,005
\$1,103,390
\$61,310
\$314,188
\$366,879
\$515,463
\$105,220
\$24,000
\$318,211
\$341,275
\$7,933

\$343,679
\$0
\$6,639
\$815,047
\$133,500
\$1,315,782
\$121,151
\$183,705
\$1,256,563
\$2,645,534
\$275,749
\$4,000
\$0
\$3,631,662
\$45,300
\$0
\$163,713
\$40,000
\$2,182,117
\$27,000
\$257,611
\$44,757
\$1,844,856
\$1,638
\$0
\$70,597
\$122,540
\$5,439
\$4,000
\$31,500
\$1,893,500
\$0
\$3,800,000
\$29,530
\$1,386,100
\$815
\$1,345,607
\$3,000
\$8,000
\$53,954,325