

School District Cash Balances July 1 - 2006-2011

	USD Total	Non-USD Funds Administered by USDs				
		Historical Museum	Public Lib. Bd.	Pub. Lib. Emp. Ben.	Rec. Comm.	Rec. Com. Emp. Ben.
2006	1,163,505,241	23,088	5,279,368	669,345	9,417,521	1,216,312
2007	1,241,380,417	33,508	5,058,974	876,961	8,938,645	1,488,840
2008	1,375,139,138	36,223	5,194,133	850,339	9,599,757	1,299,345
2009	1,504,829,912	45,233	4,246,678	789,872	9,628,162	1,311,813
2010	1,572,903,869	53,913	5,112,979	742,542	9,348,332	1,181,335
2011	1,713,870,651	59,856	6,209,908	986,851	9,693,551	1,302,004
\$ Change	550,365,410	36,768	930,540	317,506	276,030	85,692
% Change	47.3%	159.3%	17.6%	47.4%	2.9%	7.0%

Constitutionally Restricted Funds (Local Mill Levies)

	Capital Outlay	Bond & Interest 1	Bond & Interest 2	Special Liability	No Fund Warrants	Special Assess.	Adult Education	Group Total	% of Cash Total
2006	364,204,808	283,535,871	15,610,800	7,339,589	49,436	5,865,401	2,505,807	679,111,712	58.4%
2007	383,995,018	290,843,116	16,529,146	8,480,038	50,116	4,991,340	1,217,386	706,106,160	56.9%
2008	449,291,653	300,989,612	19,551,173	8,733,690	0	5,982,252	1,300,921	785,849,301	57.1%
2009	451,672,840	327,700,705	16,550,982	8,693,872	0	5,926,934	1,368,027	811,913,360	54.0%
2010	429,794,605	349,486,618	12,355,705	7,230,830	42,902	5,041,797	1,237,066	805,189,523	51.2%
2011	470,822,923	352,745,579	13,415,458	6,851,816	127,016	3,706,427	983,074	848,652,293	49.5%
\$ Change	106,618,115	69,209,708	-2,195,342	-487,773	77,580	-2,158,974	-1,522,733		
% Change	29.3%	24.4%	-14.1%	-6.6%	156.9%	-36.8%	-60.8%		

Other Effectively Restricted Funds

	Federal Funds	Gifts/Grants	School Retire.	Special Reserve	Textbook	Group Total	% of Cash Total
2006	150,948	21,269,478	314,918	56,697,898	39,054,872	117,488,114	10.1%
2007	2,744,259	23,557,447	257,432	54,221,927	39,971,840	120,752,905	9.7%
2008	3,666,675	22,756,045	438,674	70,604,187	37,781,758	135,247,339	9.8%
2009	3,827,639	23,468,699	504,675	86,098,237	43,286,401	157,185,651	10.4%
2010	1,067,258	24,022,841	440,206	102,361,425	50,621,897	178,513,627	11.3%
2011	4,786,796	20,381,080	889,717	103,063,982	54,257,210	183,378,785	10.7%
\$ Change	4,635,848	-888,398	574,799	46,366,084	15,202,338		
% Change	3071.2%	-4.2%	182.5%	81.8%	38.9%		

Funds to Cover Expenses until Revenues are Received; Funds with Summer Expenses

	Special Ed.	Sped Coop	Summer Sch.	Food Service	Group Total	% of Cash Total
2006	130,416,781	19,056,607	8,202,858	33,900,433	191,576,679	16.5%
2007	149,536,176	22,649,907	7,735,683	38,077,263	217,999,029	17.6%
2008	163,666,930	27,090,889	6,964,103	36,928,843	234,650,765	17.1%
2009	183,341,090	24,114,960	5,971,828	41,223,348	254,651,226	16.9%
2010	181,076,898	35,121,588	5,099,631	46,082,491	267,382,608	17.0%
2011	209,691,371	51,495,094	4,646,232	53,931,627	319,764,324	18.7%
\$ Change	79,274,590	32,438,487	-3,556,626	20,031,194		
% Change	60.8%	170.2%	-43.4%	59.1%		

General Education Operating Funds

	Contingency Res.	General Fund	Supp. General	Virtual Ed.	Declining Enroll.	Cost of Living	Ancillary	Prof. Develop.	Tuition Reimb.	Activities
2006	97,636,498	1,600,933	39,358,766		0	0		10,184,305	209,739	
2007	107,425,894	1,281,800	38,845,906		0	0		11,644,420	336,372	
2008	119,016,020	1,381,116	42,148,769		0	0		12,617,382	44,409	
2009	175,712,033	1,435,657	42,183,718	915,204	0	0		13,400,850	65,878	
2010	194,276,118	598,170	43,091,299	2,112,120	0	0		15,165,095	14,349	
2011	198,767,766	1,670,107	40,873,956	4,064,565	661,279	1,183,772	2,571,600	15,055,381	15,822	8,250,908
\$ Change	101,131,268	69,174	1,515,190	4,064,565	661,279	1,183,772	2,571,600	4,871,076	-193,917	8,250,908
% Change	103.6%	4.3%	3.8%	N.A.	N.A.	N.A.	N.A.	47.8%	-92.5%	N.A.

Special Education; Restricted Weightings; Early Childhood

	At Risk (4yr Old)	At Risk (K-12)	Bilingual	Extra Sch.	Voc. Ed.	Area Vocational	PAT	Adult Supp. Ed.	Driver Training	Group Total
2006	602,051	3,720,615	661,051	2,178,502	2,668,059	6,891,671	2,005,311	233,599	7,377,636	175,328,736
2007	1,082,436	9,625,158	1,324,905	2,332,468	4,497,365	7,880,680	2,275,155	233,430	7,736,334	196,522,323
2008	1,741,581	12,572,940	1,668,342	2,659,790	6,575,701	8,558,360	2,130,185	204,911	8,072,227	219,391,733
2009	2,532,263	17,388,282	3,435,130	2,385,556	10,827,870		2,220,704	252,131	8,324,399	281,079,675
2010	3,651,510	28,565,629	5,832,170	2,389,785	15,771,083		2,516,827	267,311	7,566,645	321,818,111
2011	4,835,973	41,527,138	6,858,050	2,368,448	20,989,708		3,145,624	290,794	7,944,358	362,075,249
\$ Change	4,233,922	37,806,523	6,196,999	1,189,946	18,321,649	-6,891,671	1,140,313	57,195	566,722	
% Change	703.2%	1016.1%	937.4%	54.6%	686.7%	-100.0%	56.9%	24.5%	7.7%	



- School districts increased this balance because of chronic late payments by the state in recent years. As the state's general fund ending balance dropped from the statutory 7.5% or more to zero or below, the state delayed aid payments to schools, which required districts to have cash on hand to meet their own expenses, such as payroll, on time. In effect, higher school district balances substituted for the state's general fund balance for cash flow purposes.
- Districts may have identified savings last year and increased beginning balances in order to reduce transfers into various funds during the current year. In other words, higher beginning balances in these special funds can free up resources for other operating costs.
- Districts may be making cuts in on-going expenditures rather than using one-time cash balance transfers because they will be unable to replace those transfers in the future.
- Like many businesses, districts may be maintaining or increasing cash balances because of economic uncertainty. Boards adopted budgets this summer in the following circumstances:
 - Fears of a "double-dip" recession that could reduce state revenues and require further budget cuts.
 - Scheduled expiration of the one-cent sales tax increase next year and calls for elimination of the state income tax would significantly reduce state revenue.
 - Proposals to alter the school finance formula without additional funding could result in significant reductions for some districts, such as last session's proposal to cut \$140 million in at-risk funding. Although Governor Brownback's proposed school finance change would provide each district with a baseline budget level equal to the current formula, that proposal had not been released this summer. Moreover, the Governor's plan provides no increase in funding over the current level next year (FY 2013) except in the areas of vocational education, and many districts (with the most students) would receive no additional state funding in FY 2014. These districts will have to operate well below their 2009 operating budget levels after five years, despite inflation and higher achievement targets.
 - Congressional action to reduce the national deficit could result in substantial cuts in federal education aid.

In conclusion, we believe school boards have acted as responsible stewards of public fund, including the management of cash balances and contingency reserves. Extending the current authority as districts face continuing financial uncertainty is a reasonable and prudent step.

Thank you for your consideration.