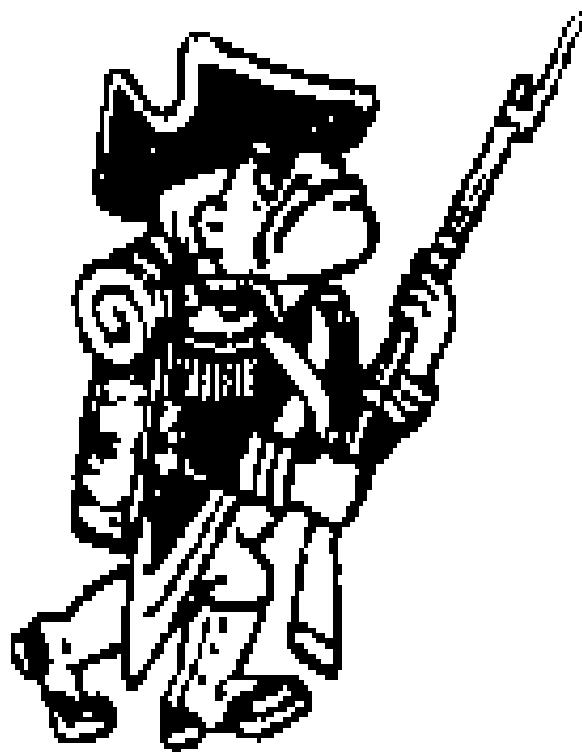


LEXINGTON LOCAL SCHOOL DISTRICT

Financial Plan



Revised: June 2014

Lexington Local School District Financial Plan

Vision

The Lexington Local Schools, through a partnership with our children's families and our community, will achieve a high level of financial health in order to provide the BEST possible curricular and co-curricular opportunities to challenge all students to reach their highest potential.

Purpose











The purpose of a financial plan is to put in writing the goals, objectives, and specific action items that will help guide the decisions of the Board of Education and administration in its pursuit of financial health for the school district.

This plan is evolving and will be reviewed and updated throughout the course of each fiscal year (July through June).











Financial Objectives




- To act as good stewards of the school district's resources
- To ensure fiscal accountability to the students, staff, and community
- To allocate resources in accordance with the district's mission
- To produce and provide credible financial information and regularly communicate with our stakeholders
- To remain transparent and trustworthy in all financial decisions
- To properly plan for the future using timely data and information to the best of our knowledge
- To thoroughly analyze and evaluate options by looking at cost vs. benefit to students

Year 1 February 1, 2012 to June 30, 2012










- 1)  Manage cash flow to pay essential operating expenses through the end of the fiscal year, including repaying the line of credit maximum of \$1,950,000. As of 2/1/12 the draw on the line of credit totals \$1,700,000 leaving available \$250,000.
- 2)  Finalize all appropriation and revenue estimates in the USAS system for better tracking of accounts and cash position.
- 3)  Delay any purchases if not an emergency.
- 4)  Delay paying the Board share of medical premiums to the self-insurance fund until property tax revenues are settled.
- 5)  Evaluate open enrollment and community school deductions which result in a loss of \$960,000 annually. Contact parents about students coming back to Lexington Schools for 2012-13.
- 6)  Evaluate building and department budgets for FY13. Meet with principals and supervisors in March.
- 7) Evaluate special education costs and services and calculate a per student cost. Compare with area districts and state average. [Move to Year 2 - FY13]
- 8)  Evaluate any vacated positions due to retirement or resignation. Absorb any positions or delay hiring if possible.
- 9)  Prepare for negotiations with certificated and classified unions.
- 10)  End the fiscal year with all funds in a positive cash balance, without having to transfer money to or from the general fund. Note: The Permanent Improvement Fund has a deficit balance of \$209,000 as of 2/1/12.
- 11)  Implement recommendations from FY11 audit report.






Year 2 July 1, 2012 to June 30, 2013

- 1)  Evaluate special education costs and services and calculate a per student cost. Compare with area districts and state average. [Began in FY13, continue in FY14]
- 2)  Establish specific fiscal goals and objectives for the year 2012-13. Evaluate periodically.
- 3)  Prepare and submit CCIP Federal Grant applications and coordinate services and planned expenditures with district principals.
- 4)  Establish a Financial Advisory Committee to the Treasurer made up of community members and staff. This committee would also act as an audit committee. [Began in FY13, continue formation in FY14]
- 5)  Begin the process of establishing a long-term facilities plan. This would include all school building repairs, renovations, additions, and/or new construction. [Began in FY13, continue in FY14]
- 6)  Ensure that all funds remain in a positive cash balance. Revenues will be received before expenditures are made.
- 7) Establish/review spending plan for the Permanent Improvement Fund, 3-5 years out.
- 8)  Investigate any shared service or cooperative buying opportunities.
- 9)  Evaluate levy cycles and layout timelines for renewals.
- 10)  Conduct a staffing analysis. [Began in FY13, continue in FY14]
- 11)  Evaluate support services to ensure cost efficiencies in operations, i.e. transportation, technology, maintenance, food service, etc. Prepare and review plans for replacement of equipment and buses, and establish/review facility improvement plans. [Began in FY13, continue in FY14]

- 12)  Evaluate internal controls for the handling of cash and make necessary changes.
- 13)  Prepare for FY13 audit that will be conducted by State Auditors. Incorporate any recommendations or best practices during 2012-13.
- 14) Survey parents of students who reside in the district but choose to attend school elsewhere to gather a better understanding of educational choices (open enrollment, community school, private school, on-line school, home school, etc.)
- 15)  Work with the Health Insurance Committee to evaluate medical insurance options for cost-saving opportunities. [Began in FY13, continue in FY14]

Year 3 July 1, 2013 to June 30, 2014

- 1)  Continue to evaluate special education costs and services and calculate a per student cost. Compare with area districts and state average. Hire a special education coordinator to oversee costs and who can assist with analysis and options for savings, while continuing quality services for students.
- 2)  Establish specific fiscal goals, objectives, and benchmarks for the year 2013-14. Evaluate periodically.
- 3)  Survey parents of students who reside in the district but choose to attend school elsewhere to gather a better understanding of educational choices (open enrollment, community school, private school, on-line school, home school, etc.)
- 4) Establish mid-term spending plan for the Permanent Improvement fund that is 3-5 years out, specifically in the areas of technology, maintenance, vehicles, and buses.
- 5)  Plan for renewal of 2009 emergency tax levy – last date for voters to approve with no lapse of funding for the District is November 2014.
- 6)  Survey district residents about financial and education issues, levies, and facilities expectations.
- 7)  Increase and improve communications with community, parents, staff, etc. on financial issues. Incorporate social media, website, printed material, etc. Work with communications consultants on implementation. [Began in FY14, continue in FY15]
- 8) Continue with staffing analysis (contact ODE in FY15).
- 9)  Prepare for negotiations with LTA, LSA (summer 2014).
- 10)  Continue the process of establishing a long-term facilities plan. This would include all school building repairs, renovations, additions, and/or new construction. Investigate land study. [Continue during FY15, FY16]
- 11)  Evaluate cost and services of preschool for special needs children.

- 12)  Incorporate recommendations from FY13 audit.
- 13)  Investigate financial statement conversion according to GAAP. [Before construction project]
- 14)  Continue work with the Health Insurance committee to evaluate options for cost-savings.
- 15)  Analyze financial operation of the food service department, make recommendations to address cash deficit, and implement before FY15.
- 16)  Establish a Financial Advisory Committee to the Treasurer made up of community members and staff. This committee would also act as an audit committee. [Began meetings in FY14, continue in future]

Years 4-5 July 1, 2014 to June 30, 2016

- 1) Begin to plan for renewal of 2011 emergency tax levy – last date for voters to approve with no lapse of funding for the District is November 2016.