

**SUPERINTENDENT'S REPORT**  
**April 10, 2017**

- I will provide preliminary information concerning the 2017-2018 Budget

The Preliminary budget reflects the following

1. State Adequacy Target of \$6145, (The district would need a SAT above \$6172 to be on the formula, below \$6172 the district will be Hold Harmless. We have heard discussions the State Legislature would like to fully fund the education formula, which would require the SAT to be paid out at \$6241). This budget includes conservative local assessed valuation. Because this is a reassessment year local revenues should be better than currently projected.
2. Continued decrease in student enrollment, but this looks to be reaching normal.
3. Included are three budget options containing three salary scale scenarios. All three budgets reflect movement on the salary schedule for all employees. The budgets also take into account the changes in administration assignments, Sub rate increases, as well as increasing the continuing education reimbursement rate. These items are also reflected in all three budget proposals.
4. Other adjustments have been made reflecting normal inflationary impacts.

This is the first run at the 2017-2018 budget. We are at the level that will most likely make Holden hold harmless. This would be a worse case scenario, but at the same time it is a floor, meaning the district will not fall below this amount of funding. This budget will be revised throughout the year to reflect actual numbers as the district receives State, Local and Federal payments throughout the year. If the Board feels comfortable, they can make salary schedule recommendations at this time. This information is dynamic but we continue to hear positive discussion regarding school funding at least at the state level. We will have better information to base the 2017-2018 budget as the Legislators finish State budgets in May. The Budget(s) presented at this time do(es) meet the district CSIP guidelines.

- April MSBA video, <http://www.msbanet.org>