

MINUTES OF THE HOUSE COMMITTEE ON EDUCATION K-12.

The meeting was called to order by Chairperson Ralph Tanner at 9:00 a.m. on March 11, 2002 in Room 313-S of the Capitol.

Committee staff present: Ben Barrett, Legislative Research Department  
Jill Wolters, Revisor of Statutes  
Ann Deitcher, Committee Secretary

Conferees appearing before the committee: Mark Tallman, KASB

**SB 409 - Schools; contingency reserve fund; no-fund warrants; local option budgets.**

Ben Barrett spoke to the Committee in explanation of the Contingency Reserve Fund. (Attachment 1). He called their attention to the attached computer printout which provided the Percentage Contingency Reserve Cash Balance of General Fund.

Dale Dennis of the Department of Education provided additional information regarding the contingency reserve fund.

Mark Tallman spoke as a proponent of **SB 409**. (Attachment 2).

Following a brief question and answer period, the hearing on **SB 409** was closed.

**HB 2765 - concerning school district financing; relating to local effort, general fund and fund balances.**

The Chair asked that the Committee look into this bill and read the terms so that when Representative Williams and/or Representative Campbell present it, the Committee will be informed so that the bill may be worked.

Copies of minutes for the meetings of February 18, 19, 22, 25, 26, 27 and March 7, 2002 were distributed to the Committee.

The motion was made by Representative Mason and seconded by Representative Storm that these minutes be approved. The motion carried on a voice vote.

The meeting was adjourned at 10:20 a.m. The next meeting is scheduled for Tuesday, March 12, 2002.

March 12, 2002

**To:** House Committee on Education

**Re:** School District Finance and Quality Performance Act

## CONTINGENCY RESERVE FUND

**Original Provision.** The 1992 school finance legislation created the school district contingency reserve fund. This fund consists of money deposited in it or transferred to it according to law. In fact, this means money that is transferred from the school district general fund.

A district was authorized to transfer money from its general fund to the contingency reserve fund, subject to the limit that the amount in this fund could not exceed 1.0 percent of the amount of the general fund budget of the district in the current school year.

Money could be spent from this fund only for financial emergencies or contingencies which could not reasonably have been foreseen at the time the general fund budget was adopted.

**1993 Legislation.** A 1993 amendment increased the cap on the contingency reserve fund from 1.0 percent to 2.0 percent of the general fund budget. Further, the amendment provided that if the amount in the contingency reserve fund exceeded the cap due to a decrease in enrollment, the district could maintain the "excess amount" in the contingency reserve fund until the amount was depleted by expenditures from the fund.

**1995 Legislation.** A 1995 amendment increased the contingency reserve fund cap from 2.0 percent to 4.0 percent. Also, the restraints on school district use of the fund were relaxed somewhat. The new (and current) standard for expenditures from the fund is that expenditures must be attributable to financial contingencies not anticipated when the general fund budget was adopted.

**2002 SB 409.** The amendment proposes further relaxation of the requirement governing expenditures from the contingency reserve fund. Under the bill, a school board could determine when a contingency exists prompting expenditures from this fund.



**Kansas State Department of Education**

120 S.E. 10th Avenue  
Topeka, Kansas 66612-1182

January 11, 2002

TO: Ben F. Barrett, Director  
Legislative Research Department

FROM: Dale M. Dennis, Deputy  
Commissioner of Education

SUBJECT: Percentage Contingency Reserve Cash Balance is  
Of General Fund

Attached is a computer printout (L0203) which provides the estimated September 20, 2001, FTE enrollment, the 2001-02 general fund budget, the cash balance of the contingency reserve fund as of July 1, 2001, and the percentage that the contingency reserve fund is of the general fund.

Feel free to contact this office if you have questions.

		(1)	(2)	(3)	(4)
COUNTY NAME	#	FTE ENROL	2001-02 GENERAL FUND BUDGET	CASH BALANCE CONTINGENCY RESERVE FUND	% OF GEN. FUND (2 / 1)
DISTRICT NAME	#	9/20/01			
*****					
ALLEN	001				
MARMATON VALLEY	D0256	395.5	2,752,344	38,784	1.4
IOLA	D0257	1,544.5	7,561,206	0	0.0
HUMBOLDT	D0258	562.0	3,244,995	45,890	1.4
ANDERSON	002				
GARNETT	D0365	1,108.5	6,248,502	110,004	1.8
CREST	D0479	245.0	1,998,468	0	0.0
ATCHISON	003				
ATCHISON CO COM	D0377	756.5	4,750,812	63,006	1.3
ATCHISON PUBLIC	D0409	1,614.5	8,530,254	0	0.0
BARBER	004				
BARBER COUNTY N	D0254	629.5	4,058,082	78,001	1.9
SOUTH BARBER	D0255	319.5	2,206,674	42,841	1.9
BARTON	005				
CLAFLIN	D0354	336.6	2,173,005	16,272	0.7
ELLINWOOD PUBLI	D0355	548.8	3,527,118	143,894	4.1
GREAT BEND	D0428	3,069.1	16,027,218	0	0.0
HOISINGTON	D0431	632.0	4,171,473	171,967	4.1
BOURBON	006				
FORT SCOTT	D0234	1,993.5	9,881,658	0	0.0
UNIONTOWN	D0235	481.5	3,247,704	41,011	1.3
BROWN	007				
HIAWATHA	D0415	1,029.3	5,773,653	76,966	1.3
SOUTH BROWN COU	D0430	677.5	4,352,202	0	0.0
BUTLER	008				
BLUESTEM	D0205	750.4	4,655,997	0	0.0
REMINGTON-WHITE	D0206	526.5	3,512,799	0	0.0
CIRCLE	D0375	1,493.0	7,389,378	122,747	1.7
ANDOVER	D0385	3,000.1	13,928,130	0	0.0
ROSE HILL PUBLI	D0394	1,787.5	8,106,102	64,911	0.8
DOUGLASS PUBLIC	D0396	860.4	5,084,019	0	0.0
AUGUSTA	D0402	2,153.5	9,420,741	77,997	0.8
EL DORADO	D0490	2,108.8	14,644,467	76,130	0.5
FLINTHILLS	D0492	301.0	2,376,567	0	0.0
CHASE	009				
CHASE COUNTY	D0284	476.4	3,120,768	9,424	0.3

		(1)	(2)	(3)	(4)
COUNTY NAME	#	FTE ENROL	2001-02 GENERAL FUND BUDGET	CASH BALANCE CONTINGENCY RESERVE FUND	% OF GEN. FUND (2 / 1)
DISTRICT NAME	#	9/20/01			
*****					
CHAUTAUQUA 010					
CEDAR VALE	D0285	201.5	1,588,248	53,382	3.4
CHAUTAUQUA COUN	D0286	449.7	3,114,189	132,539	4.3
CHEROKEE 011					
RIVERTON	D0404	833.5	4,758,939	31,392	0.7
COLUMBUS	D0493	1,310.5	7,085,970	0	0.0
GALENA	D0499	766.0	4,507,776	57,972	1.3
BAXTER SPRINGS	D0508	861.5	4,823,181	19,928	0.4
CHEYENNE 012					
CHEYLIN	D0103	179.0	1,522,071	0	0.0
ST FRANCIS COMM	D0297	393.0	2,989,962	109,725	3.7
CLARK 013					
MINNEOLA	D0219	259.0	1,814,256	68,223	3.8
ASHLAND	D0220	248.3	1,844,829	0	0.0
CLAY 014					
CLAY CENTER	D0379	1,506.7	9,011,682	213,054	2.4
CLOUD 015					
CONCORDIA	D0333	1,225.9	8,144,802	79,533	1.0
SOUTHERN CLOUD	D0334	220.0	1,687,707	0	0.0
COFFEY 016					
LEBO-WAVERLY	D0243	591.5	3,816,594	10,128	0.3
BURLINGTON	D0244	881.3	5,688,900	197,485	3.5
LEROY-GRIDLEY	D0245	312.5	2,274,786	79,959	3.5
COMANCHE 017					
COMANCHE COUNTY	D0300	306.0	2,212,479	0	0.0
COWLEY 018					
CENTRAL	D0462	353.5	2,561,940	0	0.0
UDALL	D0463	338.0	2,142,432	32,203	1.5
WINFIELD	D0465	2,610.4	15,002,829	30,000	0.2
USD 470 COWLEY	D0470	2,891.8	13,428,513	451,457	3.4
DEXTER	D0471	192.0	1,529,037	26,978	1.8
CRAWFORD 019					
NORTHEAST	D0246	548.0	3,359,547	73,987	2.2
CHEROKEE	D0247	811.0	4,947,795	93,049	1.9
GIRARD	D0248	1,047.0	6,066,612	0	0.0
FRONTENAC PUBLI	D0249	730.0	4,138,578	64,535	1.6
PITTSBURG	D0250	2,421.2	16,370,874	201,860	1.2

		(1)	(2)	(3)	(4)
COUNTY NAME	#	FTE ENROL	2001-02 GENERAL FUND BUDGET	CASH BALANCE CONTINGENCY RESERVE FUND	% OF GEN. FUND (2 / 1)
DISTRICT NAME	#	9/20/01			
*****					
DECATUR	020				
OBERLIN	D0294	495.5	3,477,969	103,488	3.0
PRAIRIE HEIGHTS	D0295	89.5	926,091	32,852	3.5
DICKINSON	021				
SOLOMON	D0393	427.5	2,886,246	0	0.0
ABILENE	D0435	1,382.4	6,890,148	0	0.0
CHAPMAN	D0473	1,077.8	6,376,599	0	0.0
RURAL VISTA	D0481	420.0	2,901,726	23,751	0.8
HERINGTON	D0487	498.6	3,287,565	6,875	0.2
DONIPHAN	022				
WATHENA	D0406	416.5	2,595,609	12,635	0.5
HIGHLAND	D0425	249.0	1,825,866	17,667	1.0
TROY PUBLIC SCH	D0429	386.0	2,481,444	0	0.0
MIDWAY SCHOOLS	D0433	208.5	1,660,230	0	0.0
ELWOOD	D0486	334.0	2,240,730	0	0.0
DOUGLAS	023				
BALDWIN CITY	D0348	1,325.7	6,715,611	34,819	0.5
EUDORA	D0491	1,170.5	5,910,651	225,253	3.8
LAWRENCE	D0497	9,953.1	50,110,308	1,662,944	3.3
EDWARDS	024				
KINSLEY-OFFERLE	D0347	288.5	2,036,394	18,743	0.9
LEWIS	D0502	173.5	1,448,541	56,791	3.9
ELK	025				
WEST ELK	D0282	451.2	4,020,930	78,332	1.9
ELK VALLEY	D0283	235.0	1,705,122	49,999	2.9
ELLIS	026				
ELLIS	D0388	375.4	2,393,982	42,000	1.8
VICTORIA	D0432	318.4	1,993,824	18,519	0.9
HAYS	D0489	3,237.5	16,944,408	0	0.0
ELLSWORTH	027				
ELLSWORTH	D0327	655.5	4,227,201	0	0.0
LORRAINE	D0328	503.0	3,326,265	45,069	1.4
FINNEY	028				
HOLCOMB	D0363	886.8	5,495,400	0	0.0
GARDEN CITY	D0457	7,212.6	37,209,276	0	0.0
FORD	029				
SPEARVILLE	D0381	330.5	2,222,154	0	0.0
DODGE CITY	D0443	5,394.0	25,629,849	250,304	1.0
BUCKLIN	D0459	316.5	2,255,823	0	0.0

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COUNTY NAME	#	FTE ENROL	2001-02 GENERAL FUND BUDGET	CASH BALANCE CONTINGENCY RESERVE FUND	% OF GEN. FUND (2 / 1)
DISTRICT NAME	#	9/20/01			
*****					
FRANKLIN	030				
WEST FRANKLIN	D0287	946.2	5,433,867	108,066	2.0
CENTRAL HEIGHTS	D0288	621.0	4,137,417	89,687	2.2
WELLSVILLE	D0289	739.9	4,543,380	170,391	3.8
OTTAWA	D0290	2,342.5	11,368,125	62,096	0.5
GEARY	031				
JUNCTION CITY	D0475	6,019.6	30,428,649	250,000	0.8
GOVE	032				
GRINNELL PUBLIC	D0291	132.0	1,181,124	51,808	4.4
WHEATLAND	D0292	176.0	1,472,148	59,048	4.0
QUINTER PUBLIC	D0293	357.0	2,632,374	20,000	0.8
GRAHAM	033				
WEST GRAHAM-MOR	D0280	29.0	554,184	36,978	6.7
HILL CITY	D0281	457.0	2,940,813	0	0.0
GRANT	034				
ULYSSES	D0214	1,723.0	7,901,379	95,000	1.2
GRAY	035				
CIMARRON-ENSIGN	D0102	646.1	3,924,954	141,897	3.6
MONTEZUMA	D0371	226.5	1,701,252	12,000	0.7
COPELAND	D0476	115.0	1,027,872	41,602	4.0
INGALLS	D0477	268.5	1,978,731	76,688	3.9
GREELEY	036				
GREELEY COUNTY	D0200	312.0	2,128,887	42,733	2.0
GREENWOOD	037				
MADISON-VIRGIL	D0386	290.0	1,934,613	0	0.0
EUREKA	D0389	724.0	5,072,796	0	0.0
HAMILTON	D0390	97.5	950,859	8,251	0.9
HAMILTON	038				
SYRACUSE	D0494	519.5	3,401,730	20,000	0.6
HARPER	039				
ANTHONY-HARPER	D0361	1,022.8	5,861,889	0	0.0
ATTICA	D0511	114.5	1,113,399	10,719	1.0
HARVEY	040				
BURRTON	D0369	272.1	1,845,990	34,264	1.9
NEWTON	D0373	3,298.5	16,987,365	127,649	0.8
SEDGWICK PUBLIC	D0439	482.5	2,883,150	114,187	4.0
HALSTEAD	D0440	714.0	4,421,475	0	0.0
HESSTON	D0460	799.6	4,665,672	20,000	0.4

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DISTRICT NAME	#	9/20/01			
*****					
HASKELL 041					
SUBLETTE	D0374	479.3	3,154,050	0	0.0
SATANTA	D0507	426.0	2,832,453	0	0.0
HODGEMAN 042					
JETMORE	D0227	328.6	2,216,349	87,356	3.9
HANSTON	D0228	126.3	1,138,554	21,058	1.8
JACKSON 043					
NORTH JACKSON	D0335	429.5	2,916,819	0	0.0
HOLTON	D0336	1,118.5	7,403,697	0	0.0
ROYAL VALLEY	D0337	861.5	5,265,135	40,717	0.8
JEFFERSON 044					
VALLEY FALLS	D0338	433.5	2,805,363	0	0.0
JEFFERSON COUNT	D0339	500.1	3,135,861	50,034	1.6
JEFFERSON WEST	D0340	932.5	5,282,550	88,226	1.7
OSKALOOSA PUBLI	D0341	670.5	4,374,261	0	0.0
MCLOUTH	D0342	542.5	3,516,669	121,496	3.5
PERRY PUBLIC SC	D0343	1,011.0	5,698,188	68,189	1.2
JEWELL 045					
WHITE ROCK	D0104	143.5	1,413,324	0	0.0
MANKATO	D0278	263.5	1,841,346	34,000	1.8
JEWELL	D0279	166.0	1,451,250	29,253	2.0
JOHNSON 046					
BLUE VALLEY	D0229	17,160.4	90,536,715	1,928,740	2.1
SPRING HILL	D0230	1,492.8	8,058,501	131,533	1.6
GARDNER-EDGERTO	D0231	2,958.2	15,526,053	171,644	1.1
DESOTO	D0232	3,468.5	18,525,690	601,207	3.2
OLATHE	D0233	20,437.3	104,643,252	2,352,510	2.2
SHAWNEE MISSION	D0512	29,300.9	141,138,513	4,864,864	3.4
KEARNY 047					
LAKIN	D0215	732.5	4,371,165	37,706	0.9
DEERFIELD	D0216	294.5	2,344,446	0	0.0
KINGMAN 048					
KINGMAN-NORWICH	D0331	1,163.0	6,395,562	0	0.0
CUNNINGHAM	D0332	298.0	2,107,215	19,400	0.9
KIOWA 049					
GREENSBURG	D0422	320.5	2,060,775	84,225	4.1
MULLINVILLE	D0424	88.0	815,796	15,610	1.9
HAVILAND	D0474	178.5	1,390,104	8,382	0.6

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		(1)	(2)	(3)	(4)
COUNTY NAME	#	FTE ENROL	2001-02 GENERAL FUND BUDGET	CASH BALANCE CONTINGENCY RESERVE FUND	% OF GEN. FUND (2 / 1)
DISTRICT NAME	#	9/20/01			
*****					
LABETTE	050				
PARSONS	D0503	1,608.5	7,516,701	200,000	2.7
OSWEGO	D0504	489.0	3,130,443	3,630	0.1
CHETOPA	D0505	290.5	1,896,687	34,296	1.8
LABETTE COUNTY	D0506	1,746.0	8,228,781	86,183	1.0
LANE	051				
HEALY PUBLIC SC	D0468	114.0	1,018,971	15,015	1.5
DIGHTON	D0482	275.7	1,926,486	44,233	2.3
LEAVENWORTH	052				
FT LEAVENWORTH	D0207	1,925.5	8,006,256	0	0.0
EASTON	D0449	684.9	4,236,489	4,119	0.1
LEAVENWORTH	D0453	4,066.5	23,745,933	210,936	0.9
BASEHOR-LINWOOD	D0458	1,981.7	9,226,080	65,315	0.7
TONGANOXIE	D0464	1,423.7	7,269,021	0	0.0
LANSING	D0469	1,873.0	8,370,036	103,673	1.2
LINCOLN	053				
LINCOLN	D0298	401.5	2,673,009	17,905	0.7
SYLVAN GROVE	D0299	159.5	1,458,216	47,627	3.3
LINN	054				
PLEASANTON	D0344	396.0	2,632,761	99,423	3.8
JAYHAWK	D0346	619.5	3,964,428	154,603	3.9
PRAIRIE VIEW	D0362	963.0	5,925,357	0	0.0
LOGAN	055				
OAKLEY	D0274	467.5	3,274,407	61,639	1.9
TRIPPLAINS	D0275	93.0	1,041,030	0	0.0
LYON	056				
NORTH LYON COUN	D0251	687.5	4,345,623	72,929	1.7
SOUTHERN LYON C	D0252	609.0	3,976,425	102,760	2.6
EMPORIA	D0253	4,711.0	25,850,439	380,377	1.5
MARION	057				
CENTRE	D0397	294.0	2,111,472	33,264	1.6
PEABODY-BURNS	D0398	454.0	2,861,478	51,559	1.8
MARION-FLORENCE	D0408	718.3	4,316,211	0	0.0
DURHAM-HILLSBOR	D0410	694.5	4,250,421	0	0.0
GOESSEL	D0411	293.4	2,002,338	0	0.0
MARSHALL	058				
MARYSVILLE	D0364	845.1	5,974,893	161,300	2.7
VERMILLION	D0380	588.5	3,794,922	73,805	1.9
AXTELL	D0488	328.5	2,265,498	0	0.0
VALLEY HEIGHTS	D0498	440.8	3,111,480	20,574	0.7

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DISTRICT NAME	#	9/20/01			
*****					
MCPHERSON	059				
SMOKY VALLEY	D0400	996.7	5,557,707	95,462	1.7
MCPHERSON	D0418	2,533.8	13,811,643	91,837	0.7
CANTON-GALVA	D0419	428.9	2,731,446	0	0.0
MOUNDRIDGE	D0423	567.7	3,266,280	0	0.0
INMAN	D0448	447.8	2,944,296	89,503	3.0
MEADE	060				
FOWLER	D0225	174.9	1,388,556	10,204	0.7
MEADE	D0226	483.8	3,035,628	37,000	1.2
MIAMI	061				
OSAWATOMIE	D0367	1,211.0	6,369,633	61,319	1.0
PAOLA	D0368	2,038.6	13,532,229	0	0.0
LOUISBURG	D0416	1,356.0	6,810,426	239,021	3.5
MITCHELL	062				
WACONDA	D0272	503.4	3,340,971	31,000	0.9
BELOIT	D0273	743.0	5,698,188	98,316	1.7
MONTGOMERY	063				
CANEY VALLEY	D0436	933.0	5,292,225	0	0.0
COFFEYVILLE	D0445	2,035.5	9,746,595	0	0.0
INDEPENDENCE	D0446	2,058.0	9,618,885	176,272	1.8
CHERRYVALE	D0447	585.0	3,848,328	32,730	0.9
MORRIS	064				
MORRIS COUNTY	D0417	956.8	5,702,832	102,282	1.8
MORTON	065				
ROLLA	D0217	238.0	1,726,794	7,232	0.4
ELKHART	D0218	627.4	3,542,598	0	0.0
NEMAHA	066				
SABETHA	D0441	972.0	5,572,800	0	0.0
NEMAHA VALLEY S	D0442	497.4	3,832,074	127,435	3.3
B & B	D0451	253.5	1,887,786	0	0.0
NEOSHO	067				
ERIE-ST PAUL	D0101	1,118.0	6,303,854	223,210	3.5
CHANUTE PUBLIC	D0413	1,897.2	8,225,298	225,349	2.7
NESS	068				
NES TRE LA GO	D0301	47.5	512,001	26,209	5.1
SMOKY HILL	D0302	126.5	1,147,842	13,474	1.2
NESS CITY	D0303	303.9	1,924,164	21,337	1.1
BAZINE	D0304	92.5	840,177	16,000	1.9

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DISTRICT NAME	#				
*****					
NORTON	069				
NORTON COMMUNIT	D0211	724.5	4,132,386	0	0.0
NORTHERN VALLEY	D0212	175.0	1,502,721	13,213	0.9
WEST SOLOMON VA	D0213	72.5	709,758	4,674	0.7
OSAGE	070				
OSAGE CITY	D0420	753.0	4,440,825	175,170	3.9
LYNDON	D0421	485.0	3,018,600	60,785	2.0
SANTA FE TRAIL	D0434	1,296.2	6,726,060	20,000	0.3
BURLINGAME	D0454	334.4	2,219,832	91,424	4.1
MARAIS DES CYGN	D0456	284.0	1,917,198	58,486	3.1
OSBORNE	071				
OSBORNE COUNTY	D0392	461.0	2,910,240	40,011	1.4
OTTAWA	072				
NORTH OTTAWA CO	D0239	660.0	4,078,593	6,216	0.2
TWIN VALLEY	D0240	645.0	4,066,596	0	0.0
PAWNEE	073				
FT LARNED	D0495	975.3	9,111,141	0	0.0
PAWNEE HEIGHTS	D0496	160.5	1,348,695	0	0.0
PHILLIPS	074				
EASTERN HEIGHTS	D0324	179.0	1,473,696	25,127	1.7
PHILLIPSBURG	D0325	635.0	3,920,310	5,000	0.1
LOGAN	D0326	208.0	1,642,428	63,396	3.9
POTTAWATOMIE	075				
WAMEGO	D0320	1,348.0	8,254,710	62,096	0.8
KAW VALLEY	D0321	1,089.0	6,705,549	228,864	3.4
ONAGA-HAVENSVIL	D0322	367.5	2,564,262	0	0.0
ROCK CREEK	D0323	755.0	4,741,911	55,234	1.2
PRATT	076				
PRATT	D0382	1,160.0	6,462,513	252,967	3.9
SKYLINE SCHOOLS	D0438	389.5	2,690,037	79,602	3.0
RAWLINS	077				
HERNDON	D0317	91.5	866,880	5,001	0.6
ATWOOD	D0318	352.5	2,567,358	0	0.0
RENO	078				
HUTCHINSON PUBL	D0308	4,577.4	23,157,306	120,000	0.5
NICKERSON	D0309	1,179.3	6,621,957	250,285	3.8
FAIRFIELD	D0310	378.7	2,905,983	0	0.0
PRETTY PRAIRIE	D0311	323.5	2,113,407	22,616	1.1
HAVEN PUBLIC SC	D0312	1,103.0	5,944,320	0	0.0

		(1)	(2)	(3)	(4)
COUNTY NAME	#	FTE ENROL	2001-02 GENERAL FUND BUDGET	CASH BALANCE CONTINGENCY RESERVE FUND	% OF GEN. FUND (2 / 1)
DISTRICT NAME	#	9/20/01			
*****					
RENO	078				
BUHLER	D0313	2,201.5	10,205,964	45,900	0.4
REPUBLIC	079				
PIKE VALLEY	D0426	272.5	1,989,567	42,198	2.1
BELLEVILLE	D0427	529.9	3,494,223	50,000	1.4
HILLCREST RURAL	D0455	129.7	1,270,521	50,069	3.9
RICE	080				
STERLING	D0376	501.0	3,203,586	0	0.0
CHASE	D0401	170.0	1,422,612	0	0.0
LYONS	D0405	874.9	6,679,620	125,000	1.9
LITTLE RIVER	D0444	276.5	1,911,006	29,022	1.5
RILEY	081				
RILEY COUNTY	D0378	606.0	3,762,801	7,800	0.2
MANHATTAN	D0383	5,242.0	27,542,403	383,419	1.4
BLUE VALLEY	D0384	267.5	1,977,570	84,531	4.3
ROOKS	082				
PALCO	D0269	159.5	1,414,872	2,436	0.2
PLAINVILLE	D0270	383.2	2,600,253	18,622	0.7
STOCKTON	D0271	386.0	2,712,483	0	0.0
RUSH	083				
LACROSSE	D0395	339.8	2,344,833	59,824	2.6
OTIS-BISON	D0403	277.5	2,019,753	85,000	4.2
RUSSELL	084				
PARADISE	D0399	150.5	1,306,899	38,770	3.0
RUSSELL COUNTY	D0407	1,047.5	6,279,462	236,515	3.8
SALINE	085				
SALINA	D0305	7,344.0	39,266,568	273,059	0.7
SOUTHEAST OF SA	D0306	632.0	4,124,259	55,638	1.3
ELL-SALINE	D0307	437.2	2,896,308	0	0.0
SCOTT	086				
SCOTT COUNTY	D0466	984.0	5,625,819	43,800	0.8
SEDGWICK	087				
WICHITA	D0259	45,910.8	233,582,751	5,255,252	2.2
DERBY	D0260	6,470.9	31,584,618	607,612	1.9
HAYSVILLE	D0261	4,242.7	21,744,369	734,684	3.4
VALLEY CENTER P	D0262	2,299.2	10,197,837	180,694	1.8
MULVANE	D0263	1,921.5	8,880,102	44,899	0.5
CLEARWATER	D0264	1,185.0	6,215,994	65,066	1.0
GODDARD	D0265	3,668.6	17,329,473	373,516	2.2

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		(1)	(2)	(3)	(4)
COUNTY NAME	#	FTE ENROL	2001-02 GENERAL FUND BUDGET	CASH BALANCE CONTINGENCY RESERVE FUND	% OF GEN. FUND (2 / 1)
DISTRICT NAME	#	9/20/01			
*****					
SEDGWICK	087				
MAIZE	D0266	5,275.5	23,576,814	0	0.0
RENWICK	D0267	1,911.5	9,066,249	55,034	0.6
CHENEY	D0268	763.7	4,528,674	0	0.0
SEWARD	088				
LIBERAL	D0480	4,165.3	20,052,792	472,064	2.4
KISMET-PLAINS	D0483	734.9	4,752,360	0	0.0
SHAWNEE	089				
SEAMAN	D0345	3,289.2	16,175,439	0	0.0
SILVER LAKE	D0372	700.0	4,521,708	34,766	0.8
AUBURN WASHBURN	D0437	4,879.2	24,282,315	225,320	0.9
SHAWNEE HEIGHTS	D0450	3,265.1	16,280,703	137,510	0.8
TOPEKA PUBLIC S	D0501	13,445.8	68,434,758	2,319,977	3.4
SHERIDAN	090				
HOXIE COMMUNITY	D0412	374.0	2,891,664	99,995	3.5
SHERMAN	091				
GOODLAND	D0352	1,046.4	6,493,860	100,000	1.5
SMITH	092				
SMITH CENTER	D0237	519.0	3,505,446	0	0.0
WEST SMITH COUN	D0238	207.5	1,586,313	41,283	2.6
STAFFORD	093				
STAFFORD	D0349	327.4	2,207,835	0	0.0
ST JOHN-HUDSON	D0350	433.3	2,727,963	0	0.0
MACKSVILLE	D0351	287.0	1,990,341	0	0.0
STANTON	094				
STANTON COUNTY	D0452	547.1	3,532,923	135,134	3.8
STEVENS	095				
MOSCOW PUBLIC S	D0209	251.8	1,719,828	0	0.0
HUGOTON PUBLIC	D0210	1,002.3	5,503,527	80,000	1.5
SUMNER	096				
WELLINGTON	D0353	1,792.7	9,346,437	0	0.0
CONWAY SPRINGS	D0356	552.4	3,612,258	12,036	0.3
BELLE PLAINE	D0357	825.0	4,791,834	0	0.0
OXFORD	D0358	382.5	2,561,166	0	0.0
ARGONIA PUBLIC	D0359	215.5	1,733,760	58,830	3.4
CALDWELL	D0360	303.5	2,066,967	0	0.0
SOUTH HAVEN	D0509	247.0	1,844,829	72,632	3.9

		(1)	(2)	(3)	(4)
COUNTY NAME	#	FTE ENROL	2001-02 GENERAL FUND BUDGET	CASH BALANCE CONTINGENCY RESERVE FUND	% OF GEN. FUND (2 / 1)
DISTRICT NAME	#	9/20/01			
*****					
THOMAS	097				
BREWSTER	D0314	148.2	1,340,568	0	0.0
COLBY PUBLIC SC	D0315	1,069.4	6,129,693	12,224	0.2
GOLDEN PLAINS	D0316	183.5	1,456,281	10,000	0.7
TREGO	098				
WAKEENEY	D0208	452.0	3,400,569	66,457	2.0
WABAUNSEE	099				
MILL CREEK VALL	D0329	526.1	3,354,516	137,381	4.1
WABAUNSEE EAST	D0330	510.1	3,991,518	34,185	0.9
WALLACE	100				
WALLACE COUNTY	D0241	247.5	1,895,526	36,626	1.9
WESKAN	D0242	132.0	1,132,362	14,763	1.3
WASHINGTON	101				
NORTH CENTRAL	D0221	124.5	1,222,533	47,733	3.9
WASHINGTON SCHO	D0222	355.5	2,314,647	14,615	0.6
BARNES	D0223	369.8	2,635,857	0	0.0
CLIFTON-CLYDE	D0224	324.5	2,313,873	22,696	1.0
WICHITA	102				
LEOTI	D0467	473.8	3,017,052	124,046	4.1
WILSON	103				
ALTOONA-MIDWAY	D0387	313.5	2,240,730	93,345	4.2
NEODESHA	D0461	818.0	4,737,019	30,000	0.6
FREDONIA	D0484	835.0	5,075,892	0	0.0
WOODSON	104				
WOODSON	D0366	563.5	3,602,196	0	0.0
WYANDOTTE	105				
TURNER-KANSAS C	D0202	3,460.4	18,087,219	0	0.0
PIPER-KANSAS CI	D0203	1,256.0	6,440,454	256,291	4.0
BONNER SPRINGS	D0204	2,101.5	9,875,466	256,175	2.6
KANSAS CITY	D0500	19,985.2	104,183,496	2,083,421	2.0
*****					
STATE TOTALS		447,016.1	2,434,480,152	39,624,878	

1-B

KANSAS  
ASSOCIATION



OF  
SCHOOL  
BOARDS



1420 SW Arrowhead Road • Topeka, Kansas 66604-4024  
785-273-3600

Testimony on  
SB 409 (Options for Reductions in School District Budgets)

Before the  
House Committee on Education

By  
Mark Tallman, Assistant Executive Director/Advocacy  
Kansas Association of School Boards

March 11, 2002

Mr. Chairman, Members of the Committee:

We appreciate the opportunity to testify on SB 409, which would allow districts more flexibility in the use of the contingency reserve fund. KASB supports this measure.

Currently, state law allows those funds only to be used for “financial contingencies, which were not anticipated at the time of adoption of the general fund budget.” The bill would allow contingency reserve funds to be used at the discretion of the local school board. KASB supports the change because it gives local boards more flexibility in managing their budget, especially at this time of unprecedented financial challenges facing the state.

It is also important for the Legislature to understand that school district contingency reserves are quite modest. There has been much discussion in the past several days about school districts having hundreds of million of dollars in reserve. The implication may be that these funds are sitting in some kind of school district savings account. In reality, the majority of those dollars are earmarked for capital outlay expenditures that districts maintain for large capital projects or emergencies. Most of the other funds are used for essentially cash flow purposes. If some districts have placed additional funds in special accounts beyond those needs, it is probably because the use of contingency reserve funds is so restricted. SB 409 would improve this situation.

It is extremely frustrating for school leaders when they are criticized for “excessive” reserves. The Legislature mandates a 7.5 percent ending balance in the state general fund for exactly the same reason schools maintain reserve funds: financial contingencies such as shortfalls in projected revenues, and maintaining cash flow. In both business and not-for-profit organizations, a healthy reserve is a positive sign. Yet school districts are criticized for doing the same thing. It is also important to remember that using reserve funds at the school district level has the same problem as doing so at the state level: these are on-time funds that must be replaced in the next year.

Thank you for your consideration.

House Education Committee

Date: 3/11/02

Attachment # 2



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**TO:** Members of the House Education Committee  
**FROM:** *Brilla* Brilla Highfill Scott, Executive Director  
**DATE:** March 11, 2002  
**SUBJECT:** SB 409 (Contingency Reserve Fund)

Dr. Kent Hurn, Superintendent of Seaman-Topeka USD 345, was scheduled to testify on Tuesday, March 12. Because of a prior commitment, he will be unable to testify before the committee at the rescheduled time on March 11.

Dr. Hurn's written testimony is attached. Thank you for your support of SB 409.



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## SB 409: Contingency Reserve Funds

Testimony presented before the House Education Committee

by

Kent Hurn, Superintendent of Seaman-Topeka USD 345  
on behalf of  
United School Administrators of Kansas

March 11, 2002

**Mister Chairman and  
Members of the House Education Committee:**

I am Kent Hurn, superintendent of Seaman School District in north Topeka. I represent United School Administrators of Kansas in support of the contingency reserve fund portion of SB 409.

By allowing the elected Board of Education members to determine how these funds will be spent, you are providing appropriate flexibility at the local level. The local board is accountable for these funds and should have budget authority to make this decision.

We believe that this change would encourage further local involvement in determining district needs and provide additional flexibility for local Boards of Education.

United School Administrators of Kansas asks that you favorably report the contingency reserve fund portion of SB 409.

House Education Committee

Date: 3/11/02

Attachment # 3



Kansas Association of  
Elementary  
School Principals  
(KAESP)

Kansas Association of  
Middle School  
Administrators  
(KAMSA)

Kansas Association of  
School Administrators  
(KASA)

Kansas Association of  
School Business  
Officials  
(KASBO)

Kansas Association for  
Supervision and  
Curriculum Development  
(KASCD)

Kansas Association of  
Special Education  
Administrators  
(KASEA)

Kansas Association of  
Secondary School  
Principals  
(KASSP)

Kansas Council of  
Vocational  
Administrators  
(KCVA)

Kansas School  
Public Relations  
Association  
(KanSPRA)