

The Excel Center – Shelbyville
Budget Narrative

State Funding:

Fixed assumptions by ICSB have reduced the funding to \$6,412.50 for Year 6, \$6,547.50 for Years 7 and 8, and \$6,682.50 for the final two years of the projection. Based on the fixed scenario of reduced funding, it is assumed Excel Center seats remain capped at the current level.

Federal Funding:

Federal funding includes funding through the Part B Federal Special Education grants. Funding within the five-year budget is projected to increase 2%.

Other Revenue:

Includes the correcting offset to the ICSB Administrative Fee calculation in expenses, and the expected E-Rate Reimbursement for internet.

Inflation:

While certain expenses are likely to increase annually due to inflation. The budget model is using fairly flat expenses through the 5-year period except for salary and wage cost which were assumed to increase 3% per year.

Salaries/Wages:

As noted above, salaries and wages are assumed to increase approximately 3% per year. In the current job market we have not seen significant savings when positions turn over, so the 3% is assumed on the current staffing mix.

Instructional Supplies and Resources, Support Supplies, and Purchased or Contracted Services:

Prior year actual and current year budget were used to develop the 5-year projection. Expenses, such as internet, were budgeted at full cost rather than the discounted e-rate expense, and the expected reimbursement was recorded in Other Income.

Depreciation:

Depreciation is planned to decrease over this period as the original furniture and equipment coming to the end of its depreciable life, and very little furniture needs replaced. Technology refreshes and additions will be covered by CSP and GEER grants.

Rent and Occupancy:

We are currently in negotiation with our landlord to reduce the rent increase in the first option period of the lease. The 5-year projected amount is at the higher rate in our current lease.