

## **Sanborn Regional School District Seeks to Establish Reserve Funds**

The Sanborn Regional School District has proposed warrant articles for voter approval this year, to establish and begin to fund Reserves for the District.

Budgets are best estimates of what will be needed in the coming year. They are formulated with a process that begins in early fall, just as the school year prior is beginning. They do provide for some possible expansion of costs that are not anticipated, which is considered a good budgeting procedure.

In past years, prior to NKTA being established in 2015, past school boards and administrators practiced taking some of that unspent money at year-end to spend on capital improvements, prepay fuel and more recently for unbudgeted chrome books to be placed in the hands of students. Putting in full-day Kindergarten with those monies, a year after the plan was rejected by the voters at the polls, also caused past angry reactions and distrust.

Taxpayers were angry at this lack of prior planning and transparency, believing that if a capital improvement or a technology change is a good idea in the opinion of the District leaders, it was more transparent to bring the proposal before the voters for approval, rather than spend taxpayer dollars not in the original approved budget plan, at year-end.

Even though some of the expenditures may have been good ideas, the way they were done was considered deceitful by some. The result was divisiveness in the District, rejection of proposed budgets and rejection of staff contracts.

With the current Administration and elected District officials, the goal is more transparency and planning. Year-end spending sprees have stopped, with the advent of NKTA and our combined political pressure. Instead of actions that invited anger and distrust in the past, the Administration, School Board and Budget Committee are working with all members of the community to implement transparent planning and budgeting for the District.

Article 9 that will be on your ballots on March 12 asks voters to establish an Unanticipated Educational Expenses Capital Reserve Fund. The fund is designed to be a transparent way to provide for emergency money should a needed and unplanned expense arise during the academic and fiscal year. The funding request is for \$75,000, to be funded with unspent budgeted money at year-end. As a result, there will be no tax impact for the coming year.

Article 10 asks voters to allow funding of up to \$25,000 out of year-end unspent money, for the existing Capital Reserve Fund.

It needs to be pointed out, there will be a tax impact in the following year. Both the \$75,000 and the \$25,000, if funded, will come out of money that would otherwise be returned to the towns to partially offset taxes for the following year.

<http://NKTA.vpweb.com>