



## Program and Budget Committee Report

The KEA Program and Budget Committee is a standing committee authorized by the KEA Constitution Article IV Section 1 B-6.2 b-5, which states that the *Program and Budget Committee shall*:

- *Prepare the annual budget of the Association for approval of the Delegate Assembly*
- *Articulate annual financial goals of the Association for approval of the Delegate Assembly*

The Program and Budget Committee will recommend to the 2018 Delegate Assembly a balanced Program and Budget that is based on the Mission, Vision, and Values of the association. This budget reflects the optimal use of KEA resources to accomplish the work of each of the four goal areas of Professional Excellence, Leadership Development, Membership Organizing, and Organizational Capacity.

During the 2017 – 2018 membership year, the KEA Program and Budget committee conducted meetings both electronically and in person to analyze membership, dues revenue, and expenditures and of the association. Below is a list of meetings and actions of the KEA Program and Budget Committee.

### **September:**

- Committee was introduced to Paul Mortell, who was hired as KEA's CFO in July 2017
- Budget Process Review
- Review of the 2016 – 2017 unaudited expenditures report
- Review of the 2017 – 2018 Budget
- Houston NEA-RA Stipend cost - identified items that needed to be included in the costing to determine the stipend for KEA Board approval
- Reviewed the Budget Survey of KEA Leadership – a survey to be taken by KEA Leadership to help guide the budget process
- Reviewed membership as of end of year 2016 - 2017
- Set meeting dates for the year

### **December:**

- Reviewed the current revenue and expenditures of the 2016 – 2017 budget (first quarter)
- Approved the final draft of the survey for leadership. This survey was made into a google form to make the gathering of data easier. The survey was taken by the KEA Board, Standing Committees, and District Presidents.
- Reviewed cost information for the 2019 NEA-RA in Houston, TX and recommended a stipend of \$1675.00 for the delegate stipend to cover expenses for delegates – this recommendation was presented to the KEA Board of Directors at the January meeting as per KEA Board Policy
- Committee was updated on the following:

- Annual classroom teacher salary, \$52,812, as reported by the Kentucky Department of Education
- The increase in staff retirement contributions from 29.1% to 30.8% an increase 1.7 percentage points, and
- An approximate 5% increase in health insurance cost.

**February:**

- Committee reviewed historic membership trends for the association for the last 10 years and the average monthly membership report provided by Vice President Eddie Campbell. The committee recommended and approved membership projection for the 2018 – 2019 budget of 25,367 Certified (a reduction 36 from the 2017 – 2018 budget) and 3,640 ESP (a reduction of 160 from the 2017 – 2018 budget). The Budget Committee also discussed that these projected membership numbers will move the association closer to the goal of projecting income on Full Time Equivalent (FTE) dues. FTE is the total dues income divided by the full time certified dues amount.
- Using the projected membership, the committee reviewed the anticipated revenue for the 2018 – 2019 budget
- Committee was updated on the following:
  - Annual classroom teacher salary, \$53,450, as reported by the Kentucky Department of Education – this is a 1.2% increase over the previous year.
  - The decrease in staff retirement contributions from 30.8% to 30.2% an decrease 0.6 percentage points, and
  - An approximate 5% increase in health insurance cost.
- Committee reviewed the projected budget as presented by Vice-President Eddie Campbell, Paul Mortell, KEA CFO, and Mary Ruble, KEA Executive Director. The committee reviewed the recommendations of each line of budget and participated in detailed discussions on each item. After discussion, the committee recommended the reallocation of expenditures based on the data and best use of the financial resources to accomplish the stated mission, vision, and values of the association
- At the end of the meeting, the KEA Program and Budget Committee completed their constitutional duty of presenting a balanced budget that reflected revenue and expenditures that will allow the association to meet the directives of the KEA mission, vision and values

**March:**

- Committee Chair and Program and Budget committee members presented the proposed KEA Program and Budget at district pre-delegate caucuses around the Commonwealth.

See KEA Proposed Program and Budget for details on budget allocations.

Respectfully Submitted,

Becky Nuckolls, 1<sup>st</sup> District  
 Veronica Buckner, 2<sup>nd</sup> District  
 Diane Poindexter, 3<sup>rd</sup> District  
 Ken Hardman, 4<sup>th</sup> District  
 Stacy Hieb, 5<sup>th</sup> District

Julie Egleston, EKEA  
 Jo McKim, JCTA  
 Liz Buckler, KEA Central District  
 Charles Ludwig, KEA-Retired  
 Michael Weaver, KEA Student Program  
 Eddie Campbell, Chair KEA Vice-President

Denise Gray, KESPA  
 Janet New, MCEA  
 Amy Lutes, NKEA  
 Lori McKeegan, UCEA  
 Harry Collins, UKREA  
 Paul Mortell, CFO