



2017-2018

Budget Draft Dated: 2/2/17

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Agenda for Presentation

- ✓ Budget Calendar
- ✓ Budget Priorities
- ✓ Budget Challenges
- ✓ 1st Draft Budget (dated 2/2/2017)
- ✓ Impact of Adding Additional Educational Priorities to the Base Budget
- ✓ Unknown Budget Variables
- ✓ Next Steps
- ✓ Discussion



Budget Calendar

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|-------------|--|
| February 16 | Board Meeting (2/16/17 Budget Draft) |
| March 2 | Board Meeting (Discussion on 2/16/17 Budget Draft) |
| March 6-9 | Principal-led Community Budget Meetings |
| March 16 | Board Meeting (3/16/17 Budget Draft) |
| March 30 | Special Budget Forum & Meeting (Discussion on 3/16/17 Draft) |
| April 6 | Board Meeting (4/6/17 Budget Draft) and Budget Adoption |
| April 12 | Special Board Meeting for Budget Adoption (if not adopted on April 6 th) |
| May 4 | Budget Hearing |
| May 5 | Budget Newsletter Mailing |
| May 16 | Budget Vote Day |

2017-18 Budget Priorities



The budget process focuses upon:

- Continuation of existing programs and services
- Providing necessary resources for the new 50 N. Lark Middle School
- Addressing ENL mandates via a Newcomer School
- Considering a re-design of the Alternative Education Program
- Updating the Academic Plan and prioritizing identified needs
- Evaluation of staffing positions coming off from grant funding

2017-18 Budget Challenges

Budget challenges on the expenditure side:

- Necessary staffing for 50 N. Lark Street middle school due to enrollment
- Additional staffing for the ENL program to address mandates
- Additional staffing for the Special Education population to meet mandates
- Increasing costs of student transportation
- The need to re-design the ALC
- Additional resources identified in the Academic Plan to help our students succeed.
- Continuation of some positions that can no longer be supported by grants
- Health insurance costs that historically increase several times the rate of inflation at both the local and national levels

1st Draft Budget 2017-18

Dated: February 2, 2017

| Budget - Presentation 2/2/17 Base Budget | 2016-17 Budget | 2017-18 Budget | Dollar Increase | Percent Change | Tax Levy Increase |
|---|-------------------|---------------------|--------------------|-------------------|----------------------|
| Revenues | \$ 234,053,915 | \$ 237,333,547 | \$ 3,279,632 | 1.40% | |
| Expenses | 234,053,915 | 239,113,292 | 5,059,377 | 2.16% | |
| Projected Deficit | - | \$ 1,779,745 | | | 1.56% |

The resulting tax levy increase required to balance the “base” budget if there are no other changes would be approximately 1.56%. It is still very early in the process and we expect more changes to occur on both the revenue and expense side of the budget.

The numbers provided above represent the cost of continuing existing programs and services in their current form. This proposal is commonly referred to as the “base budget.”

Potential Add Ins for Consideration

Dated: February 2, 2017

| Budget - Presentation 2/2/17 Base Budget | 2016-17 Budget | 2017-18 Budget | Dollar Change | Percent Change | Tax Levy Increase |
|---|-------------------|-------------------|------------------------|---|----------------------|
| Revenues | \$ 234,053,915 | \$ 237,333,547 | \$ 3,279,632 | 1.40% | |
| Expenses | 234,053,915 | 239,113,292 | 5,059,377 | 2.16% | |
| Projected Deficit Before Any Tax Levy Increase | | 1,779,745 | | | 1.56% |
| Highest Priority Potential Add-Ins | | | Dollar Increase | Tax Levy Escalation for Add In's | |
| Projected Deficit from above on the Base Budget | | | \$ 1,779,745 | 1.56% | |
| Add: N. Lark Additional Staffing | | | 997,000 | 0.87% | |
| Add: Newcomer- expansion | | | 387,300 | 0.34% | |
| Add: 3 Asst. Principals for Community Schools model | | | 414,000 | 0.36% | |
| Total Tax Levy Needed to Include "Add-Ins" | | | \$ 3,578,045 | 3.14% | |

Also of great importance is the re-design of the Alternative Education program and continued implementation of the *Academic Plan*.

Staff Retirements

| | <u>Known Retirements</u> |
|---------------------|--------------------------|
| ■ Administrative/MC | 2 |
| ■ Teachers/Nurses | 16 |
| ■ Support Staff | <u>3</u> |
| ■ Total | 21 |

Note: The savings in personnel costs by replacing staff at a lower salary level is \$791,000. However, there will also be additional health insurance costs of \$285,600 for the retiree replacements, which provides a net savings of \$505,400.

Unknown Budget Variables

- State aid (typically not finalized until late March)
- Transportation bid results
- Health Insurance percent increases
- Timing of County payments for delinquent taxes
- Unsettled labor contracts
- Tax Cap (not all relevant information has been released from State agencies)
- Level of increase in tax levy (will be set in early April)

Next Steps

- ✓ Finalize the *Academic Plan* and ENL Newcomer program
- ✓ Incorporate new information as it becomes available
- ✓ Continue reviewing projections, budget estimates, and assumptions
- ✓ Respond to Board questions
- ✓ Incorporate feedback from the Board, community and staff
- ✓ Prepare for the release of the *2nd Draft Budget*.

Discussion



Discussion, Questions and Comments