

**2014-2015**

# **Budget Hearing**



**May 6, 2014**



# Budget Goals



- **Maintain existing instructional programs**
- **Support Next STEP strategic plan initiatives**
- **Continue existing athletic and co-curricular programs at all levels**
- **Propose a fully funded budget within the confines of the Tax Levy Cap**



# Enrollment



	2013- 2014 Enrollment	Estimated 2014-2015 Enrollment	# Change	% Change
<b>Pre – K</b>	75	75	0	0.00%
<b>FJC</b>	694	695	1	1.44%
<b>JAE</b>	758	728	(30)	(3.96)%
<b>RPMS</b>	775	760	(15)	(1.93%)
<b>RPHS</b>	1066	1091	25	2.34%
<b>Out of District</b>	44	44	0	0.00%
_____	_____	_____	_____	_____
<b>Total</b>	3,412	3,393	(19)	(.55)%

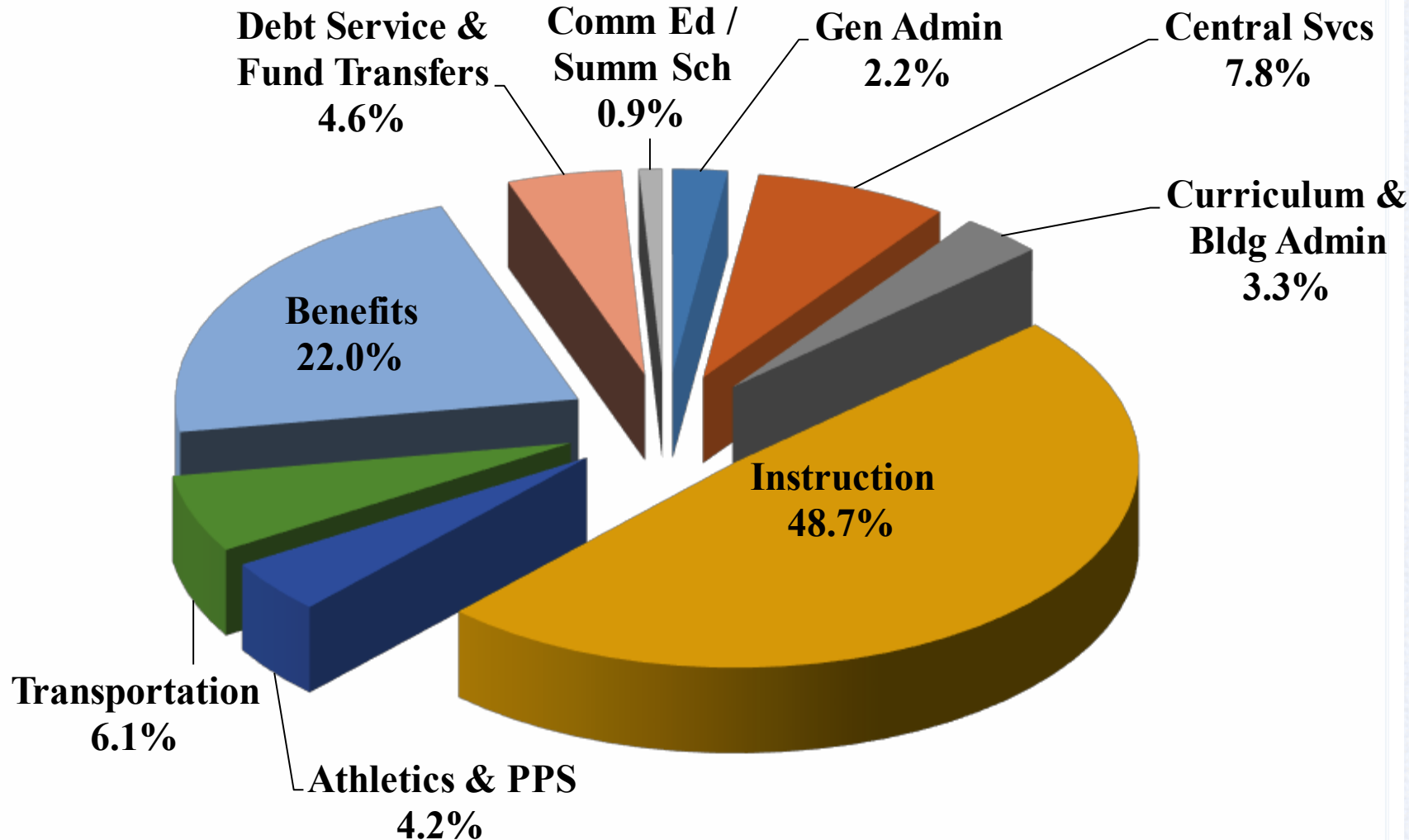
# Expenditure Summary



Approved 2013-2014 Budget	Proposed 2014-2015 Budget	\$ Change	% Change
<b>\$74,261,582</b>	<b>\$76,886,042</b>	<b>\$2,624,460</b>	<b>3.53%</b>



# Expenditures





# Major Expense Categories



	2013-2014 Budget	2014-2015 Prop. Budget	Percentage Change
<b>General Administration</b>	\$1,698,408	\$1,699,028	0.04%
<b>Central Services</b>	\$5,715,094	\$5,996,590	4.93%
<b>Curriculum &amp; Bldg Admin</b>	\$2,510,421	\$2,557,706	1.88%
<b>Instruction – Gen. Ed.</b>	\$22,661,949	\$23,518,311	3.78%
<b>Instruction – Special Ed.</b>	\$13,562,434	\$13,937,313	2.76%
<b>Athletics &amp; PPS</b>	\$3,192,656	\$3,262,622	2.19%
<b>Transportation</b>	\$4,639,037	\$4,726,909	1.89%
<b>Benefits</b>	\$15,978,644	\$16,938,143	6.00%
<b>Debt Service &amp; Fund Trf.</b>	\$3,702,819	\$3,531,881	(4.62%)
<b>AHS/ALC/Summer/Other</b>	\$600,120	\$717,539	19.56%
<b>Total Expenditures</b>	<b>\$74,261,582</b>	<b>\$76,886,042</b>	<b>3.53%</b>



# Major Revenue Categories



	2013-2014 Budget	2014-2015 Prop. Budget	Percentage Change
<b>State Aid Regular</b>	<b>\$21,959,704</b>	<b>\$23,344,805</b>	<b>6.31%</b>
<b>State Aid Building</b>	<b>\$2,600,522</b>	<b>\$2,717,282</b>	<b>4.49%</b>
<b>Other Revenue</b>	<b>\$293,500</b>	<b>\$311,800</b>	<b>6.24%</b>
<b>Applied Fund Balance</b>	<b>\$2,600,000</b>	<b>\$2,600,000</b>	<b>0.00%</b>
<b>Appropriated Reserves</b>	<b>\$334,000</b>	<b>\$983,195</b>	<b>194.37%</b>
<b>Tax Levy</b>	<b>\$46,473,856</b>	<b>\$46,928,960</b>	<b>0.98%</b>
<b>Total Revenues</b>	<b>\$74,261,582</b>	<b>\$76,886,042</b>	<b>3.53%</b>

# Tax Cap Formula

## Base Formula

$$\left[ \left( \begin{array}{l} \text{Prior school} \\ \text{year} \\ \text{tax} \\ \text{levy} \end{array} \times \begin{array}{l} \text{Tax} \\ \text{base} \\ \text{growth} \\ \text{factor} \end{array} \right) + \begin{array}{l} \text{PILOTs} \\ \text{receivable in} \\ \text{the prior} \\ \text{school year} \end{array} - \begin{array}{l} \text{Capital tax levy} \\ \text{from prior school} \\ \text{year (see "Capital} \\ \text{Expenditures and} \\ \text{Capital Local} \\ \text{Expenditures"} \\ \text{above)} \end{array} \right] \times \begin{array}{l} \text{Allowable} \\ \text{levy} \\ \text{growth} \\ \text{factor} \end{array} - \begin{array}{l} \text{PILOTs} \\ \text{receivable in the} \\ \text{coming school} \\ \text{year} \end{array} = \text{Tax Levy Limit}$$

## + Exclusions

$$\begin{array}{l} \text{Tax Levy} \\ \text{Limit} \end{array} + \begin{array}{l} \text{Tax levy necessary for} \\ \text{expenditures from} \\ \text{court orders/} \\ \text{judgments arising out} \\ \text{of tort actions for any} \\ \text{amount in excess of} \\ \text{5\% of the total taxes} \\ \text{levied in the prior} \\ \text{school year} \end{array} + \begin{array}{l} \text{Capital tax} \\ \text{levy for} \\ \text{coming school} \\ \text{year (see} \\ \text{"Capital} \\ \text{Expenditures} \\ \text{and Capital} \\ \text{Local} \\ \text{Expenditures"} \\ \text{above)} \end{array} + \begin{array}{l} \text{Levy necessary to pay for} \\ \text{additional pension cost} \\ \text{due to increases in the} \\ \text{normal (TRS) or system} \\ \text{average actuarial (ERS)} \\ \text{contribution rate of} \\ \text{pension funds over 2} \\ \text{percentage points} \end{array} = \begin{array}{l} \text{Tax Levy Limit} \\ \text{With Permissible} \\ \text{Exclusions to the} \\ \text{School Tax Levy} \\ \text{Limit (if} \\ \text{Applicable)*} \end{array}$$

\*If school districts propose to exceed this amount, they must get 60% voter approval for an override.



# Tax Cap 2014-15 School Year

Prior Year Tax Levy	\$	46,473,856
Tax Base Growth Factor		1.0020
Sub-Total	\$	46,566,804
Prior Year PILOT	\$	-
Sub-Total	\$	46,566,804
Prior Year Exemptions (Capital Levy)	\$	752,297
Adjusted Prior Year Levy	\$	45,814,507
Allowable Growth Factor (Lesser of CPI or 2%)		1.0146
Sub-Total	\$	46,483,399
PILOTs for the New Year		
Sub-Total	\$	46,483,399
Available Carryover		
Tax Levy Limit Before Exclusions	\$	46,483,399
Tax Levy Limit		
New Year Exemptions (Capital Levy)	\$	449,599
Transfer to Capital		
ERS / TRS Exemption		
Tax Levy Limit, Plus Exclusions	\$	46,932,998
<b>% of Tax Levy</b>		<b>0.99%</b>

# Potential Impact of Contingency Budget

- **Should the proposed budget not receive 50%+1 support from voters:**
  - **Same or revised budget could be proposed by the Board of Education for a second vote**
  - **If final vote does not produce 50%+1 voter support expenditures would be cut by \$455,104**
- **Potential cuts to expenditure areas may include:**
  - **Instruction – loss of additional positions included in proposed budget**
  - **Instructional Support – loss of additional support staff**
  - **Athletics – reduction or elimination of teams**
  - **Deferral of maintenance of facilities**
- **Elimination of free use of facilities by many community organizations.**

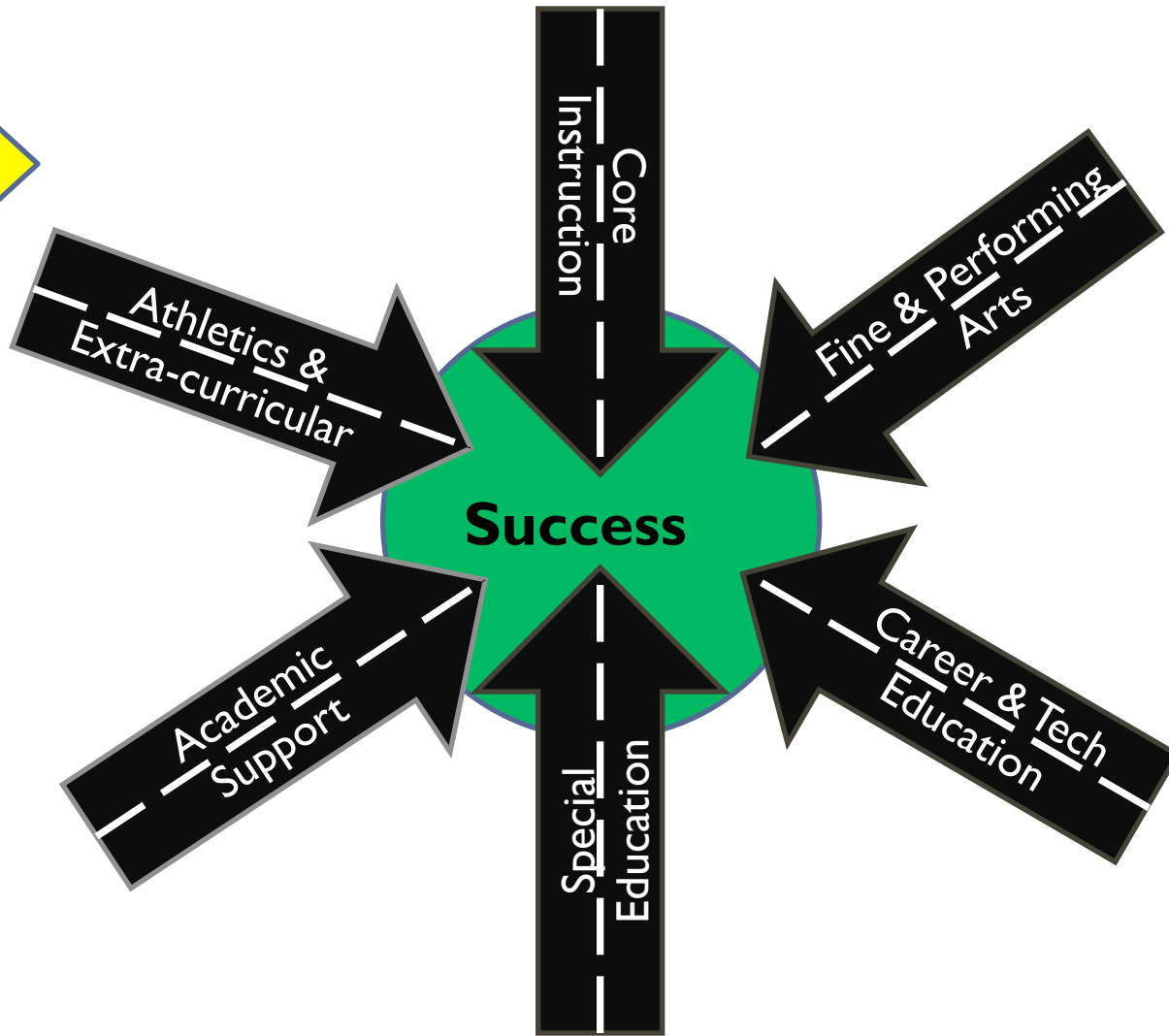
# The proposed budget: Efficient and effective



- **Efficient level of spending per pupil**
- **Continuing to build a high quality school system through:**
  - **Increased rigor (New A.P. courses, common core, improved alignment)**
  - **Academic support (ICARE, SHARP, ALC, AHS, credit recovery)**
  - **Organizational development**
  - **Co-curricular opportunities (maintenance of athletics, fine and performing arts, clubs and organizations)**

# The overarching goal: Success for all students

Success is found at the intersection of many roads





# Budget Summary

- Proposed Budget.....\$76,886,042\*
- Proposed Budget to Budget Increase.....3.53%
- Proposed Estimated Tax Levy.....\$46,928,960
- Year Over Year Est. Tax Levy Increase.....0.98%\*\*

\*Requires 50%+ 1 voter approval

\*\*Complies with the tax levy cap

# Dates to Remember

School Budget Vote & Board of Education  
Elections

May 20, 2014, 7:00 a.m. – 9:00 p.m.

Rocky Point High School Gymnasium