

2016-2017 Community Budget Forum

Chancellor Center Board Room

May 11, 2016, 6:30

Tonight's Agenda

- Historic Perspective – 2011-2012 through 2015-2016
- 2015-2016, 2016-2017 First Draft and Preliminary Comparison
- Projections Moving Forward
- Listing of Budget Changes from 2016-2017 First Draft to Preliminary Budget
- Real Estate Tax Statistics and State Property Reduction Funds
- Questions - budget@crsd.org

How did we get here? Comparison from 2011-2012 to the 2015-2016 Budget

	2011-2012 Budget	2015-2016 Budget	Variance
Estimated Revenues	\$ 194,719,267	\$ 214,047,137	\$ 19,327,870
Appropriations	198,719,267	220,493,881	21,774,614
Fund Balance Used	\$ (4,000,000)	\$ (6,446,744)	\$ (2,446,744)

How did we get here? What changed in revenues?

ESTIMATED REVENUES

	2011-2012 Budget	2015-2016 Budget	Variance
State Share of Retirement	\$ 4,587,188	\$ 14,037,635	\$ 9,450,447
Current Real Estate Taxes	134,733,991	141,223,380	6,489,389
Earned Income Taxes	13,100,000	16,000,000	2,900,000
Basic Education Subsidy	12,928,710	13,807,000	878,290
Realty Transfer	2,200,000	2,600,000	400,000
Per Capita Taxes	460,000	-	(460,000)
	<u>\$ 168,009,889</u>	<u>\$ 187,668,015</u>	<u>\$ 19,658,126</u>

How did we get here? What changed in appropriations?

APPROPRIATIONS

	2011-2012 Budget	2015-2016 Budget	Variance
Retirement	\$ 9,184,852	\$ 28,075,269	\$ 18,890,417
Healthcare	18,495,570	20,743,989	2,248,419
Adjusted Salaries and Wages	108,245,285	108,846,146	600,861
Buildings and Grounds - Purchased			
Property Services	5,855,610	6,590,449	734,839
Debt Service	17,035,321	17,355,467	320,146
Budgetary Reserve	1,000,000	-	(1,000,000)
	<u>\$ 132,136,216</u>	<u>\$ 132,792,062</u>	<u>\$ 21,794,682</u>

How did we get here? Comparison between 2015-2016 and 2016-2017

	2015-2016 Budget	2016-2017 First Draft Budget	2016-2017 Preliminary Budget	Increase (Decrease)	Percent
REVENUES AND OTHER FINANCING SOURCES:					
Revenues:					
Local Sources	\$165,112,412	\$166,927,771	\$170,464,225	\$3,536,454	2.12%
State Sources	47,127,891	49,896,052	49,630,776	(265,276)	-0.53%
Federal Sources	1,806,834	1,765,418	1,765,418	-	0.00%
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>214,047,137</u>	<u>218,589,241</u>	<u>221,860,419</u>	<u>3,271,178</u>	<u>1.50%</u>
EXPENDITURES AND OTHER FINANCING USES:					
Expenditures:					
Instruction	139,696,026	148,473,559	144,956,138	(3,517,421)	-2.37%
Support Services	59,351,774	62,621,568	60,830,748	(1,790,820)	-2.86%
Non Instructional Services	3,618,836	3,835,072	3,650,406	(184,666)	-4.82%
Total Expenditures	<u>202,666,636</u>	<u>214,930,199</u>	<u>209,437,292</u>	<u>(5,492,907)</u>	<u>-2.56%</u>
Other Financing Uses:					
Debt Service	17,827,245	17,660,934	17,660,934	-	0.09%
Fund Transfers	-	-	-	-	N/A
Budgetary Reserve	-	-	-	-	N/A
Total Other Financing Uses	<u>17,827,245</u>	<u>17,660,934</u>	<u>17,660,934</u>	<u>-</u>	<u>-0.93%</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>220,493,881</u>	<u>232,591,133</u>	<u>227,098,226</u>	<u>(5,492,907)</u>	<u>5.55%</u>
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES					
	<u>(\$6,446,744)</u>	<u>(\$14,001,892)</u>	<u>(\$5,237,807)</u>	<u>\$8,764,085</u>	

Five Year Budget Projection Comparison

PRELIMINARY BUDGET WITH RETIREMENT SAVINGS

	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Estimated Total Revenues	\$ 221,639,393	\$ 227,516,489	\$ 232,159,469	\$ 237,134,926	\$ 242,233,859
Less:					
Total Appropriations	225,574,166	231,958,920	233,563,737	237,389,171	241,229,035
Use of Fund Balance From Operations	<u>(3,934,773)</u>	<u>(4,442,431)</u>	<u>(1,404,268)</u>	<u>(254,245)</u>	<u>1,004,824</u>
Transfer to Capital Reserve	<u>(3,000,000)</u>	<u>(3,000,000)</u>	<u>(3,000,000)</u>	<u>(3,000,000)</u>	<u>(3,000,000)</u>
Total Use of Fund Balance	<u>(6,934,773)</u>	<u>(7,442,431)</u>	<u>(4,404,268)</u>	<u>(3,254,245)</u>	<u>(1,995,176)</u>
Estimated Beginning Fund Balance	<u>24,564,945</u>	<u>17,630,172</u>	<u>10,187,741</u>	<u>5,783,473</u>	<u>2,529,228</u>
Estimated Ending Fund Balance	<u>\$ 17,630,172</u>	<u>\$ 10,187,741</u>	<u>\$ 5,783,473</u>	<u>\$ 2,529,228</u>	<u>\$ 534,052</u>

PROJECTION BASED ON MORE LIMITED REDUCTIONS

	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Estimated Total Revenues	\$ 221,827,732	227,471,844	\$ 232,071,623	\$ 237,085,444	242,181,922
Less:					
Total Appropriations	228,403,086	234,353,106	235,973,447	239,814,717	243,670,732
Use of Fund Balance From Operations	<u>(6,575,354)</u>	<u>(6,881,262)</u>	<u>(3,901,824)</u>	<u>(2,729,273)</u>	<u>(1,488,810)</u>
Transfer to Capital Reserve	<u>(3,000,000)</u>	<u>(3,000,000)</u>	<u>(3,000,000)</u>	<u>(3,000,000)</u>	<u>(3,000,000)</u>
Total Use of Fund Balance	<u>(9,575,354)</u>	<u>(9,881,262)</u>	<u>(6,901,824)</u>	<u>(5,729,273)</u>	<u>(4,488,810)</u>
Estimated Beginning Fund Balance	<u>24,564,945</u>	<u>14,989,591</u>	<u>5,108,329</u>	<u>(1,793,495)</u>	<u>(7,522,768)</u>
Estimated Ending Fund Balance	<u>\$ 14,989,591</u>	<u>\$ 5,108,329</u>	<u>\$ (1,793,495)</u>	<u>\$ (7,522,768)</u>	<u>\$ (12,011,578)</u>

How did we get here? Comparison Between 2015-2016 and 2016-2017 First Draft and Preliminary Budgets

	2015-2016		First Draft 2016-2017		Preliminary Budget 2016-2017		Variance	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Salaries								
CREA	855.5	\$81,135,689	857.9	\$83,305,483	839.60	\$82,263,963	(18.30)	\$(1,041,520)
CRESPA	467.21	15,635,307	468.81	16,034,576	447.40	15,426,736	(21.41)	(607,840)
Administration	46.00	6,101,351	45.00	6,229,269	44.00	6,097,303	(1.00)	(131,966)
Confidential Employees	6.00	388,302	6.40	419,891	6.40	419,891	-	-
Other		5,585,497		5,486,097		5,379,563	-	(106,534)
Total Salaries	<u>1,374.71</u>	<u>108,846,146</u>	<u>1,379.11</u>	<u>111,475,316</u>	<u>1,337.40</u>	<u>109,587,456</u>	<u>(40.71)</u>	<u>(1,887,860)</u>
Employee Benefits								
Healthcare		20,743,989		21,677,544		20,977,898		(699,646)
Dental		1,516,464		1,646,146		1,600,287		(45,859)
Vision		-		107,542		105,039		(2,503)
403 (b) Contributions		99,400		116,358		116,358		-
Flex Contributions		138,000		138,500		138,500		-
Life Insurance		87,836		166,508		163,421		(3,087)
Disability		103,176		103,464		100,389		(3,075)
Social Security		8,014,348		8,215,806		8,075,581		(140,225)
Retirement		28,075,269		33,410,134		32,843,213		(566,921)
Tuition Reimbursement		-		100,000		100,000		-
Unemployment		271,265		278,159		273,442		(4,717)
Worker's Compensation		543,256		557,348		547,914		(9,434)
Total Employee Benefits		<u>59,593,003</u>		<u>66,517,509</u>		<u>65,042,042</u>		<u>(1,475,467)</u>
Total Salaries and Benefits		<u>168,439,149</u>		<u>177,992,825</u>		<u>174,629,498</u>		<u>(3,363,327)</u>
300-900 Objects		<u>52,054,732</u>		<u>54,598,308</u>		<u>52,468,728</u>		<u>(2,129,580)</u>
Total Budget		<u>\$220,493,881</u>		<u>\$232,591,133</u>		<u>\$227,098,226</u>		<u>\$ (5,492,907)</u>

Changes to the Budget

- Revenues:
 - 2.4% Increase in Real Estate Tax Mil Rate - \$3,386,454
 - Increase in Realty Transfer tax - \$150,000
 - Increase in Basic Education Subsidy - \$88,296
 - Decreases in State Share Social Security and Retirement – (\$353,572) – Due to Reduction in Wages

Budget Reductions

- Total of net reductions equal \$5,139,332.
- Reductions reflect the work of our full administrative team and other employees
- Priority is placed on protecting teaching and learning while making these reductions
- District administration is working with CREA and CRESPA leadership to place as many impacted employees as possible into other vacancies within the district

* We also continue to work with CREA and CRESPA leadership to finalize an additional \$129,918 worth of budgetary reductions beyond those presented this evening.

Central Office Programs

Reduction:

Supervisor of Special Education – 1.0 FTE	\$	157,853
Realign Federal Program Responsibilities – 1.0 FTE		90,877
Superintendent's Office		9,500

Buildings and Grounds

Reduction:

Security Camera Replacement	\$ 204,500
Service Contract Efficiencies	15,000
Repairs and Maintenance	35,000
Equipment	98,000
Maintenance Supplies	230,000
Elimination of Aramark Day Time Staffing	468,000

Technology

Reduction:

Instructional Software and Repairs	\$ 12,500
Library Software	12,000
Equipment Purchases	400,508
Administrative Technology	14,005

Elementary Education

Reduction:

Classroom Teachers – 2.0 FTE	\$ 181,754
Special Education Teachers– 4.5 FTE	408,946
Special Education Instructional Assistants – 10.0 FTE	513,014
Librarian – 1.0 FTE	90,877
STEM Specialist – 1.0 FTE	90,877
7% Reduction in Building Allocations	63,120

Middle School Education

Reduction:

Classroom Teacher – 1.0 FTE	\$ 90,877
Special Education Teacher – 1.0 FTE	90,877
Special Education Instructional Assistants – 3.0 FTE	153,904
7% Reduction in Building Allocations	26,580

High School Education

Reduction:

Classroom Teachers – 2.1 FTE	\$	190,842
Special Education Teacher– 1.3 FTE		118,140
Special Education Instructional Assistants – 2.0 FTE		102,603
Reduction of Hours for Hall Monitors – 1.44 FTE		34,396
After School Detention Offerings – EDRPP		10,392
7% Reduction in Building Allocations		55,515
4 PM Buses (Middle School on Thursdays Only)		90,000
Transportation Efficiencies To and From School		10,000

Districtwide Education

Reduction:

Reduction in the Number of Clerical Aides – 6.0 FTE	\$	312,965	
Special Education Contracted Services		200,000	
Staff Nurses will Replace Certified Nurses		55,338	
Homebound Instruction Wage and Benefit Reduction		59,795	
Music Equipment		20,000	(1)
Math Textbook		9,179	(1)
Foundations of Chemistry Textbook		42,951	(1)
Collections Reading Program		111,667	
New Middle School Fiction Book Collection		20,757	

(1) These items will be purchased during the 2015-2016 year. We were able to rearrange priorities and gain efficiencies to be able to make these purchases early.

Extra Curricular Activities

Reduction:

Adjustment to Athletic Budget to 2015-2016 Level	\$ 10,000
North Band Uniform to be purchased in 2015-2016	78,000 (1)
7% Reduction in Athletic Budget	36,561
Transportation of Newtown Middle Athletes to Playing Fields During Construction	(18,256)

(1) These items will be purchased during the 2015-2016 year. We were able to reprioritize and gain efficiencies to be able to make these purchases early.

2016-2017 Homestead Farmstead Rebate

	2016-2017
Total Allocation	\$5,525,911.95
Homesteads	20,131
Farmsteads	45
Total	<u>20,176</u>
Reduction for Each Homestead and Farmstead	<u>\$273.82</u>

Fiscal Year	Homestead/Farms Annual Increase	
	tead Reduction	(Decrease)
2008-2009	274.71	
2009-2010	252.39	(22.32)
2010-2011	279.03	26.64
2011-2012	245.27	(33.76)
2012-2013	281.10	35.83
2013-2014	249.36	(31.74)
2014-2015	259.60	10.24
2015-2016	264.75	5.15
2016-2017	273.82	9.07

Average Increase in Property Taxes

2.40% Increase

<u>Assessed Value</u>	<u>Increase in Milage Rate</u>	<u>Gross Tax Increase</u>	<u>Adjustment in Homestead Rebate</u>	<u>Net Tax Increase</u>
\$ 30,000	2.76	82.80	\$ (9.07)	\$ 73.73
38,400	2.76	105.98	(9.07)	96.91
40,000	2.76	110.40	(9.07)	101.33
50,000	2.76	138.00	(9.07)	128.93
60,000	2.76	165.60	(9.07)	156.53
70,000	2.76	193.20	(9.07)	184.13
80,000	2.76	220.80	(9.07)	211.73
90,000	2.76	248.40	(9.07)	239.33
100,000	2.76	276.00	(9.07)	266.93

The final segment of this Forum allows community members watching this presentation on television to e-mail your questions. The administration will answer these question to best of our ability. Please e-mail your questions to the follow address:

budget@crsd.org