

2016-2017 Budget Preparations Update: 4/19/16

School Board Work Session



BUDGET TIMELINE MOVING FORWARD:

- MAY 24, 2016 – FINANCE CMTE REVIEW/BOARD ADOPTION PROPOSED FINAL BUDGET/ADVERTISE FINAL ADOPTION DATE AND MAIL CERTIFICATION OF USE TO PDE. *(MUST BE 30 DAYS BETWEEN PROPOSED AND FINAL ADOPTION)*
- JUNE 2016 – FINAL REVIEW OF PROPOSED FINAL BUDGET WITH FINANCE COMMITTEE/SCHOOL BOARD.
- JUNE 28, 2016 – BOARD ADOPTION OF FINAL 2016-17 BUDGET.

2016-17 BUDGET SCENARIOS: Presented 3/15/16

SCENARIO A: ACT 1 + PSERS

- BUDGET SHORT = (\$3.8)M
- 2.4% TAX INC = \$1.6M
- PSERS TAX INC = \$ 887K
- **BUDGET SHORT = (\$1.3)M**
- DEBT RESTRUCT = \$ 575K
- ERIP = \$ 300K
- BUS ROUTE EVAL = \$ 250K
- **BUDGET SHORT = (\$ 188)K**

SCENARIO B: ACT 1

- BUDGET SHORT = (\$3.8)M
 - 2.4% TAX INC = \$1.6M
 - **BUDGET SHORT = (\$2.2)M**
 - DEBT RESTRUCT = \$ 575K
 - ERIP = \$ 300K
 - BUS ROUTE EVAL = \$ 250K
 - **BUDGET SHORT = (\$1.07)M**
- *PSERS = \$887K OF TAX VALUE**

SCENARIO C: NO TAX INC

- BUDGET SHORT = (\$3.8)M
 - **BUDGET SHORT = (\$3.8)M**
 - DEBT RESTRUCT = \$ 575K
 - ERIP = \$ 300K
 - BUS ROUTE EVAL = \$ 250K
 - **BUDGET SHORT = (\$2.67)M**
- *ACT 1 = \$1.6M,
PSERS = \$887K OF TAX VALUE**

2016-17 PRELIMINARY BUDGET MANDATORY ITEMS

<u>BUDGET CATEGORY</u>	<u>BUDGET 2015-16</u>	<u>PRELIM BUDGET 2016-17</u>	<u>4/19/2016 2016-17</u>
SALARIES - INCLUDING STS	44,259,022	45,544,157	45,358,335
PSERS	10,976,579	13,130,851	13,105,079
MEDICAL/DENTAL/RX/VISION/WORK COMP	10,708,128	10,884,596	10,649,456
DEBT PAYMENTS	10,835,749	11,089,256	10,701,411
TRANSPORTATION	6,276,178	6,398,748	6,339,579
SPECIAL EDUCATION/PUPIL SERVICES	4,957,000	4,913,700	4,913,700
EMPLOYER FICA	3,249,645	3,361,728	3,355,162
FACILITIES	2,939,364	3,006,435	2,929,925
NORTH MONTCO TUITION	1,169,299	1,198,531	1,262,149
CHARTER SCHOOLS	1,100,000	1,200,000	1,200,000
STAFF TUITION	390,000	405,000	305,000
EMPLOYEE SEVERANCE	175,000	390,000	390,000
UNEMPLOYMENT	58,739	58,739	58,739
TOTAL MANDATORY	97,094,703	101,581,741	100,568,534
TOTAL BUDGET	101,124,091	106,866,172	105,718,539
% MANDATORY	96%	95%	95%

SALARIES

<u>POSITION</u>	<u># OF FTE POSITIONS</u>	<u>TOTAL PAY</u>	<u>EXPLANATION</u>
TEACHER	422.0	32,015,393	K-12 EDUCATION STAFF
MESPA	149.0	3,705,346	AIDES, SECRETARIES, IA, RECESS AIDES, BUS AIDES
TEAMSTERS:	51.0	2,812,012	CUSTODIANS, GROUNDS, MAINT
CUSTODIANS	37.0	INCD IN ABOVE	BUILDING CUSTODIANS
MAINT/GROUNDS	14.0	INCD IN ABOVE	MAINTENANCE AND GROUNDS CREW
CONFIDENTIAL	9.0	640,881	HR, SUPT OFFICE, TECH
ADMIN	30.0	3,728,648	BLDG PRINCIPALS, CENTRAL ADMIN, DEPT SUPERVISORS
SUB TOTAL	661.0	42,902,281	A
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SPONSORS	158	257,304	EX. BUS DUTY, CHORUS, MATH CLUB
COACHES	114	444,281	ATHLETICS
DEPT CHAIRS	70	141,375	DEPT/SUBJ COORDINATORS
UNPAID LEAVES	25	(1,125,000)	EST. PROFESSIONAL STAFF UNPAID LEAVES
PAID LEAVE BUYOUTS	-	141,000	SICK DAY BUYOUT, VACATION BUYOUT,
COMMUNITY ED	-	77,380	COMMUNITY EDUCATION PROGRAM
OVERTIME	-	540,119	CUSTODIAL
TEACHER COLUMN MOVEMENT	-	100,000	EDUCATIONAL COLUMN MOVEMENT
SUPPLEMENTAL	64	379,596	EX. AFTER SCHOOL LIBRARY, AFTER HOURS DRIVER ED, GUIDANCE EXTRA
STS SUBS	-	1,500,000	DAY TO DAY AND LONG TERM SUBS
SUB TOTAL	431.0	2,456,054	B
GRAND TOTAL		45,358,335	A+B

PSERS

<u>POSITIONS</u>	<u>PSERS CONTRIBUTION</u>
ADMINISTRATORS	1,119,713
PROFESSIONALS	9,614,223
CONFIDENTIALS	192,456
TEAMSTERS	844,447
MESPA	1,112,715
SPONSORS	77,268
DEPT CHAIRS	42,455
COACHES	133,418
UNPAID LVS,PD	
LVS,COMM ED, OT,	
COLUMN MOVE, SUPP	<u>-31,617</u>
TOTAL	13,105,079

MEDICAL/DENTAL/VISIONS/RX/WORK COMP

<u>Positions</u>	<u>Medical</u>	<u>Rx</u>	<u>Dental</u>	<u>Vision</u>
ADMINISTRATORS	382,933	99,474	18,891	1,958
PROFESSIONALS	4,847,479	1,252,186	240,986	23,432
CONFIDENTIALS	119,190	30,964	6,395	619
TEAMSTERS	407,869	106,238	21,458	2,140
MESPA	<u>1,523,169</u>	<u>395,607</u>	<u>77,838</u>	<u>7,308</u>
TOTAL	7,280,641	1,883,469	365,568	35,458
MEDICAL/RX/DENTAL/VISION TOTAL	9,565,135			
RETIREE MEDICAL	556,320			
WORK COMP	<u>528,000</u>			
TOTAL	10,649,456			

DEBT

<u>DEBT CATEGORY</u>	<u>BUDGET</u>
G.O. BOND DEBT	9,556,583
LEASE	1,000,000
ESCO	<u>144,828</u>
TOTAL	10,701,411

TRANSPORTATION

	<u>YEARLY</u>	<u>MEDICAL</u>	<u>SUMMER</u>	<u>SPORTS/TRIPS</u>	<u>TOTAL</u>
16/17	5,311,099	508,812	160,330	124,414	6,104,656
	<u>QTY</u>	<u>PRICE</u>			
FUEL	170,000	1.35			<u>228,786</u>
				SUBTOTAL	6,333,443
				TITLE I	5,136
				OFFICE SUPPLIES	<u>1,000</u>
				TOTAL	6,339,579

SPECIAL EDUCATION/PUPIL SERVICES

<u>BUDGET AREA</u>	<u>BUDGET</u>
PROFESSIONAL SERVICES	3,921,700
REPAIRS/MAINTENANCE	1,500
TUITION/TRAVEL	606,300
SUPPLIES	109,200
EQUIPMENT	25,000
CLAIMS AND JUDGEMENTS	<u>250,000</u>
TOTAL	4,913,700

EMPLOYER FICA

	<u>POSITIONS</u>	<u>FICA</u>
	ADMINISTRATORS	285,242
	PROFESSIONALS	2,449,178
	CONFIDENTIALS	49,027
	TEAMSTERS	215,119
	MESPA	283,459
	SPONSORS	19,684
	DEPT CHAIRS	10,815
	COACHES	33,987
	COMMUNITY ED	5,920
	TEACHER COLUMN MOVEMENT	7,650
	PAID LEAVE BUYOUTS	10,787
	UNPAID LEAVES	(86,063)
	OVERTIME	41,319
	SUPPLEMENTAL	<u>29,039</u>
	TOTAL	3,355,162

FACILITIES	<u>BUDGET AREA</u>	<u>BUDGET AMOUNT</u>
	PROFESSIONAL SERVICES	30,000
	UTILITIES/REPAIRS	2,073,100
	TRAVEL	67,025
	SUPPLIES	749,600
	EQUIPMENT	5,000
	DUES/FEES	<u>5,200</u>
	TOTAL	2,929,925

NORTH MOTCO TCC

TUITION	1,194,699
ROOF REPLACE	<u>67,450</u>
TOTAL	1,262,149

CHARTER SCHOOLS

STUDENTS

67 REG ED

14 SP ED

TOTAL

BUDGET

804,000

392,000

1,196,000

EMPLOYEE SEVERANCE

ERIP EMPLOYEE SEVERANCE **390,000**

UNEMPLOYMENT

UNEMPLOYMENT **58,739**

STAFF TUITION

CATEGORY

BUDGET

ADMIN

75,000

TEACHERS

230,000

TOTAL

305,000

PRIOR YEAR BUDGET REDUCTIONS

- ARAMARK – FOOD SERVICE - \$0 GF CONTRIBUTION
- ACTIVITY FEE – PAY TO PLAY - \$77K
- STS – PROF LTS - \$175K SAVINGS
- EARLY RETIRMENT INCENTIVES - \$1+MILLION SAVINGS
- BUCKS/MONTCO HEALTH CONSORT - \$1.4 MILLION SAVINGS
- FIRST STUDENT (BUSING) - \$600K+ IN 14/15
- REDUCED BLDG BUDGETS – \$10K IN 13/14 AND 10% IN 14/15
- REDUCING PROF. STAFF – 445 IN 10/11; 422 PRESENT, ELIMINATED CENTRAL COPY CLERK, COORD DISTRICT SVCS, TRANSP CLERK.

2016-17 PRELIM BUDGET REDUCTIONS:

DEBT REFUNDING -	\$425K
STS SUB REDUCTIONS –	\$270K
CPO POSITION ELIMINATION -	\$240K
TRANSPORTATION SUBSIDY	\$223K
STAFF TUITION REIMB -	\$100K
ATHLETIC FIELD ESCROW -	\$ 67K
BUILDING AND DEPARTMENT BUDGET REDUCTIONS –	<u>\$ 60K</u>
TOTAL 16/17 REDUCTIONS:	\$1.38M

2016-17 BUDGET SUMMARY – AS OF 4/19/16

AS OF 4/19/16 – ACT 1 + PSERS

TOTAL EXPENDITURES	105,718,539
TOTAL REVENUES	102,372,783
SHORT	(3,345,756)*
INDEX 2.4%**	1,622,764
PSERS 1.28%***	887,420
SHORT	(835,572)

+

ERIP SAVINGS

SHORT	(835,572)
ERIP	231,716
SHORT	(603,856)

**BUDGET SHORT AS OF 3/15/16 WAS \$3.8 MILLION*

***AVG TAX BILL INC = \$121.11*

****AVG TAX BILL INC = \$64.66*

TOTAL RE TAX = 3.68% OR \$185.77 PER AVG HOMEOWNER

BUDGET CONSIDERATIONS TO ADDRESS SHORTFALL

BUDGET SHORT:

(\$603,856)

RECOMMENDED ITEMS:

- STAFFING TERMINATIONS, RESIGNATIONS	\$257,589
- ELIMINATION OF SRO PROGRAM IN JANUARY 2017	\$ 99,000
- ADVERTISEMENTS	\$ 25,000
- RESTORE ATHLETIC IMPROVEMENT ALLOCATION TO \$117K	(\$ 50,000)

BUDGET SHORT:

(\$272,267)

POTENTIAL ADDITIONAL ITEMS:

- REDUCTION TO ELEM, ARCOLA, HS BUDGETS	\$ 15,000
- PAY TO PLAY	\$ 26,250
- USE OF FACILITIES	\$ 10,000

BUDGET SHORT:

(\$221,017)

BUDGET ESTIMATES:

- BUS ROUTE REVIEW- <i>NOT FINALIZED UNTIL JUNE 2016</i>	\$300,000*
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BUDGET SURPLUS:

\$ 78,983

*DEPENDING ON FINALIZATION OF BUS ROUTE REVIEW IN JUNE 2016. ACTUAL SAVINGS MAY VARY FROM ESTIMATE.