Budget Timeline

- Preliminary Budget
  - Presented January 13, 2010
  - Available for public January 27, 2010
  - Approved February 17, 2010
Budget Timeline

- Tentative Budget
  - Presented & Approval Requested April 14, 2010
  - PDE 2028 available for public inspection April 22, 2010
  - Budget Hearing preceding April 28, 2010 board meeting
  - Final Budget Approval requested May 12, 2010
5.5% real estate tax increase

Assumptions included:
- Closing of Marion & Coldbrook
- Return of Academic Center students
- Delay of Academic Center construction
- $1M reduction in supplies; textbook & technology cuts
- No increase in salary budget
- $1.3 M deficit – to be addressed through staffing cuts
  - These cuts were undetermined at the time; retirement incentive was not in place therefore vacancies were not identified.
5.5% real estate tax increase

Changes from Preliminary Budget:
- Marion: (+$75,000)
- Academic Center students: (+$212,000)
- Debt Service for Academic Center: (+$124,000)
- Contracted salary obligations: (+$120,000)
- Awarded/Pending Real Estate Tax Appeals: (+$1,183,719)
  • ($584,175 paid in 09-10 for appeals; unbudgeted expenses)

- $1,300,000 deficit + $1,714,719 additional expenses above

= $3,014,719 deficit
The retirement incentive passed by the board in early 2010:

- Allowed us to address deficit with specific staffing reductions
- By March we knew of 30 retirements and 12 resignations
- Allowed us to prepare accurate staffing plans and budgets before final budget approval in May
- Limited furloughs to one
Addresses deficit through staffing reductions

<table>
<thead>
<tr>
<th>Employee Group</th>
<th>Payroll Reductions</th>
<th>% of Payroll Reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>TEACHERS</td>
<td>$2,186,274</td>
<td>6.6%</td>
</tr>
<tr>
<td>ADMINISTRATION</td>
<td>$600,383</td>
<td>14.6%</td>
</tr>
<tr>
<td>SUPPORT</td>
<td>$228,061</td>
<td>6.5%</td>
</tr>
<tr>
<td><strong>TOTAL:</strong></td>
<td><strong>$3,014,719</strong></td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>POSITION CHANGES</th>
<th>39</th>
</tr>
</thead>
<tbody>
<tr>
<td>ATTRITION/TRANSFERS</td>
<td>38</td>
</tr>
<tr>
<td>FURLOUGH/POSITIONS ABOLISHED</td>
<td>1</td>
</tr>
</tbody>
</table>
Personnel Realignment

- Positions and assignments may change
- All employee groups affected
- Specific staffing plans known to date will be announced after budget approval in May
Balanced Budget

- Goal is to bring revenues and expenditures back into balance
- Tentative budget reflects maintaining fund balance at $2.8 M – same as last audited amount from end of 2008-2009
Revenue

- No major changes from Preliminary to Tentative
- Recommended Real Estate Tax 5.5% increase

<table>
<thead>
<tr>
<th>Revenue Source</th>
<th>$ Budgeted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earned Income Tax</td>
<td>$14,250,000</td>
</tr>
<tr>
<td>Real Estate Transfer Tax</td>
<td>$800,000</td>
</tr>
<tr>
<td>Investment Income</td>
<td>$103,300</td>
</tr>
<tr>
<td>Real Estate Tax (includes 5.5% increase)</td>
<td>$47,690,061</td>
</tr>
<tr>
<td>Other Local Revenue</td>
<td>$2,712,697</td>
</tr>
<tr>
<td>State Revenue</td>
<td>$37,091,138</td>
</tr>
<tr>
<td>Federal Revenue</td>
<td>$2,778,955</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$105,426,151</strong></td>
</tr>
</tbody>
</table>
Revenue Sources

- Local effort: $65,556,058
- State Effort: $37,091,138
- Federal Effort: $2,778,955
## Balanced Tentative Budget

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>$105,426,151</td>
</tr>
<tr>
<td>Expenditures</td>
<td>$105,426,151</td>
</tr>
<tr>
<td>Real Estate Tax Rate 5.5% (mills)</td>
<td>89.621</td>
</tr>
</tbody>
</table>
Budget Timeline

What’s Next?

- April 22, 2010 – PDE 2028 available for public inspection
- April 28, 2010 – Budget hearing preceding board meeting
- May 12, 2010 – Final adoption of General Fund Budget
- Staffing changes announced after Final Budget approval
Proposed Tentative Budget

2010-2011

April 14, 2010