

3/7/2019



2019-2020 M&O Budget Tentative Approval

March 7, 2019

Jeff Gadd
Interim CFO

Shannon Crosier
Director of Finance

SCOTTSDALE UNIFIED
SCHOOL DISTRICT

2019-2020 M&O Funding



Total Weighted Student Count	28,393.146	
Base Level 2% Inflation	\$ 4,089.76	
5% State Provided Teacher Salary Adjustment	\$ 106.57	\$ 3,025,715.57
Estimated Amt. Per Student	\$ 4,196.33	
Result	\$ 119,146,866.93	
TEI (Estimate based on 18-19 decline of 0.01)	1.0213	
Result	\$ 121,684,695.19	
Audit FY18	\$ 54,603.75	
BSL & BRCL	\$ 121,739,298.94	
Transportation RCL	\$ 8,101,259.69	
Revenue Control Limit	\$ 129,840,558.63	
M&O Override (RCL * 15%)	\$ 19,476,083.80	

2019-2020 M&O Funding



Tuition FY2020	\$	125,000.00	
M&O Deseg	\$	7,382,169.42	
Estimated Budget Balance Carryforward	\$	9,657,605.29	6% FY19 GBL
Dropout Prevention	\$	221,130.00	
Registered Warrants	\$	361.37	
Water Savings Transfer	\$	(3,306,063.59)	
Prop 123 Funds	\$	1,010,000.00	
Estimated 2019-2020 General Budget Limit	\$	164,406,844.92	

2019-2020 Estimated M&O Budget Summary



2018-2019 Anticipated General Budget Limit	\$ 160,960,088.11	
2019-2020 Estimated General Budget Limit	\$ 164,406,844.92	
General Budget Limit Difference	\$ 3,446,756.81	
Estimated Increases	\$ 1,300,000	
Difference	\$ 2,146,756	
5% Salary Increases All Staff	\$ 6,347,039	*
Difference	\$ (4,200,282)	

* \$1.3 Million for teacher 5% - State adjustment & Definitions



Possible M&O Increases

- State Retirement Estimated Increase 0.3% = \$300,000
- Minimum Wage Increase from \$11.00 to \$12.00 = \$300,000
- *Estimated Reserve For Program Increases & Salary Reclassification = \$300,000*
- Contracted Custodial Increase = \$170,000
- SRO Contract Estimated Increase = \$100,000
- Stipends to attract and retain
 - Self-Contained Special Education Teachers = \$160,000
- Total Possible M&O Increases = \$1,330,000

* See Next Slide

Fiscal Year 2019-2020 Program Costs



<u>Program</u>	<u>Costs</u>
Desert Mountain Library IGA	\$5,000
Guidance Counselor Performance Pay (301 increase to what is already allocated)	\$5,000
Superintendent Search	\$5,400
MDA Paper	\$2,000
Athletic Trainers	\$5,000
Mountainside Middle Year IB Program	\$56,930
Anasazi Early Year IB Program	\$68,680
Audit	\$5,000
SPED Transition from School to Work	\$23,335
Copper Ridge AVID	\$30,000
AVID 0.5 Coordinator	\$39,180
Finance Budget Cuts	(\$9,724)
<u>Salary Reclassification & Recruitment</u>	<u>\$60,000</u>
<u>Grand Total</u>	<u>\$295,801</u>
Additional Program Cost Budget	\$300,000
Remaining Balance	\$4,199

M&O Budget Savings



- *Administrative Staff Reductions \$500,000*
- Certified Teaching Staff Reductions \$1,650,000
 - Reductions will be through attrition – staffing standards will not change. Reductions are due to enrollment decline.
- M&O Positions Moved to Cash Accounts \$2,000,000
(Indirect \$800,000, MIPS \$500,000, Civic Center \$100,000, Community Education \$600,000)
- Self-Contained Special Education Teachers Stipend \$160,000
(Paid through Indian Gaming Funds)
- Total Savings \$ 4,310,000
- Projected Budget Deficit 2019/2020 \$(4,200,282)
- Estimated Net Savings \$ 107,718
- **246,943**
- *Actual Attachment \$746,963 Gain of \$246,943

Total Savings \$354,661

Cash Accounts



Cash Account	FY18-19 Beg. Balance	FY18-19 Projected Revenue	FY18-19 Projected Expenses	FY18-19 Projected Ending Balance	Proposed Reduction
Indirect Costs	\$ 7,843,971	\$ 1,892,000	\$ 1,075,000	\$ 8,660,971	\$ 800,000.00
MIPS	\$ 5,199,575	\$ 1,377,000	\$ 700,000	\$ 5,876,575	\$ 500,000.00
Civic Center	\$ 7,165,573	\$ 1,335,500	\$ 500,000	\$ 8,001,073	\$ 100,000.00 *
Community Education	\$ 3,711,508	\$ 6,000,000	\$ 5,300,000	\$ 4,411,508	\$ 600,000.00
	\$ 23,920,628	\$ 10,604,500	\$ 7,575,000	\$ 26,950,128	\$ 2,000,000

* Cell Tower Revenue Only



Highlights

- No Budget Reductions Negatively Affect Instructional Programs
- No Budget Reductions Negatively Affect Class Size Ratios
- Provides A Projected 5% Salary Increase For All Employees
- No Reduction In Benefits
- Estimated 2019/2020 2% Inflation Factor
- No Significant Change In Teacher Experience Index
- Utilizes Same ADM Reduction As This Year (569.21)
- Assumes No District Detrimental Legislation Is Enacted For Next Year



Budget Preparation Calendar

- November 8 – Early Projection of 2019-2020 M&O Budget
- January 15 – Review of proposed 2019-2020 Capital Outlay and M&O Budgets
- February 7 – Review of Proposed 2019-2020 Capital Outlay and M&O Budgets
- February 12 – Review of Restructured 2019-2020 Salary Schedules and Employee Handbook
- March 7 – Tentative Approval of 2019-2020 M&O Budget



Budget Preparation Calendar

- March 19 – Board Approval of 2019-2020 Salary Schedules & Authority to Issue Contracts and Letters of Employment
- April 11 – Tentative Approval of 2019-2020 Capital Outlay Budgets
- June 11 – Approval of 2019-2020 Proposed Budget for Advertisement
- June 25 – Public Hearing and Adoption of the 2019-2020 Proposed Budget