FY 17 Adopted Budget

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CFO
## M&O Budget Capacity Changes

- Inflation increase: $1,043,094
- Removal of additional inflation amount: ($1,699,482)
- Prop. 123: $5,423,027
- TEI reduction: ($1,002,597)

**Increased Budget:** $3,764,042
## Budget Expenditure Changes

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased Budget</td>
<td>$3,764,042</td>
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<tr>
<td>Increased Expenditures (Prop. 123)</td>
<td>$5,423,027</td>
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<tr>
<td>Subtotal</td>
<td>($1,658,985)</td>
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</tbody>
</table>
Balance Carry Forward

- How do we reach a carry forward? It is created through position vacancies, budget closure and delaying expenditures etc.
- Why do you have Balance Carry Forward? Fiscal Responsibility for Contingencies – Legislative Shifts such as CY Funding, Opening of Charter Schools, Emergencies, Decline in Enrollment, Bond Rating
- Prior years statute has capped carryover at 4% ($4.9 million)
- Statue change this legislative session to no cap
- 5 year average in Scottsdale is $3.6 million
Balance Carry Forward FY 2016-17

5.6 m
<1.7> (Budget Expenditure Changes)

3.9 m
3.9 m

3.9 m
1.38 m
300
Student Loss
Enrollment

2.78 m
600
Student Loss
Enrollment

3.9 – 1.38 = 2.52

3.9 – 2.78 = 1.12

BALANCE CARRY FORWARD FY 17-18

Potentially
1.12 – 2.52

Fiscal Planning
2.5 – 3.0

Historical Potential
3.62 – 5.52
Next Step

- Working with board to create a Fiscal Planning Procedure
  - Approved by Board
  - Defines fund balance carryover
  - Defines uses when balances are greater or less than predefined amounts
SUSD Proposed Budget

- Base level increase up to $3,681.09
- ADM at 22,960.628
- Second year of 15% M&O Override
- TEI decreased from 1.0426 to 1.0336
- Classroom Site Fund at $332
- State DAA Reductions Continued
Funds with no changes

- Other funds with no significant changes
  - Federal Grants (Title, IDEA, etc.)
  - Food Services
  - State Grants
  - Prop. 301
  - Auxiliary
Academic Success Planning

• Preschool Programs
  ○ Additional all day preschool
  ○ Expansion to additional sites
  ○ Funding sources: Title I, Community Ed, 21st Century grant
Transportation

- **FY 2015 – 2016**
  - Fuel underspending of $498,500
  - Route reductions
  - Efficiencies

- **FY 2016 – 2017**
  - Route reductions (7 estimated)
  - Efficiencies
  - Procedural change to tracking of cost for repairing busses
Prop. 123

- May 2016 general election to settle lawsuit on school funding
  - Increase base support level starting in FY 16
  - Proposition in place for 10 years
  - Additional $50 million statewide for first 5 years

New Dollars in FY17: $5,423,027
Proposition 123

Certified Compensation Increases (3% to 6.5%) $3,913,309
Classified Salary Increases (3%) $ 740,340
Administration Salary Increases (2%) $ 265,216
SRO $ 300,000
Instructional Resource Assistants $ 30,000
Program Innovation (Mandarin) $ 100,000

Total Prop. 123 Expenses $5,348,865
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certified Staff (3%-6%)</td>
<td>$4,013,309</td>
<td>75%</td>
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<tr>
<td>Classified Staff (3%)</td>
<td>$770,340</td>
<td>14.5%</td>
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<tr>
<td>Administration (2%)</td>
<td>$265,216</td>
<td>5%</td>
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<tr>
<td>SRO</td>
<td>$300,000</td>
<td>5.5%</td>
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Certified Compensation Increases

- 3% increase to the salary schedule  $2,179,309
- 2% increase to 7+years of service $930,000
- One additional PD contract day (.5%) $400,000
- FY17 Horizontal Movement (estimated) $404,000

$3,913,309

*Cost includes Salary, Taxes, ASRS
Classified Salary Increases

- 3% Salary increase to all classified employees

$740,340

*Cost includes Salary, Taxes, ASRS*
Administrative Salary Increases

- 2% Salary increase to all administrative employees

$265,216

*Cost includes Salary, Taxes, ASRS
Covering the entire cost of SRO’s $300,000
Instructional Resource Assistants (IRA’s)

- Move all IRA’s up a pay grade on the salary schedule

$30,000

*Cost includes Salary, Taxes, ASRS,*
Program Innovation

- Mandarin Immersion program at Desert Canyon Elementary

$100,000

*Cost includes Salary, Taxes, ASRS*
### Tax Rates

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<tr>
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<th>2015-16</th>
<th>2016-17 estimated</th>
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<tbody>
<tr>
<td>Primary Tax</td>
<td>$2.84</td>
<td>$2.89</td>
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<tr>
<td>Secondary Tax</td>
<td>$1.02</td>
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<tr>
<td>Total Tax</td>
<td>$3.86</td>
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Historical Property Tax Rate Comparison

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<td>Scottsdale USD #48</td>
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<td>Paradise Valley USD #69</td>
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<td>Chandler USD #80</td>
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<td>Dysart USD #89</td>
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<td>$12.50</td>
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District Additional Assistance

- DAA(Capital Override)* $6,930,343
  - Capital Override Carryover $3,045,438
  - Unrestricted Capital Carryover $2,306,389
  - Unrestricted Capital Budget Limit $11,169,603
  - State Reduction $9,875,335
  - Unrestricted Capital Budget $1,294,268
  - Desegregation Capital $284,248
# FY 16-17 Proposed Budget

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Maintenance &amp; Operation</td>
<td>$ 154,276,034</td>
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<tr>
<td>DAA (Capital Override)*</td>
<td>$ 6,930,343</td>
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<tr>
<td>Federal Grants</td>
<td>$ 12,088,929</td>
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<tr>
<td><strong>Proposed Total</strong></td>
<td>$ 173,295,306</td>
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Questions