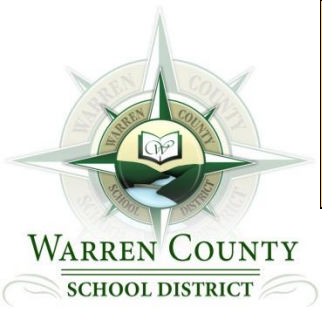


2012-2013

Preliminary

Budget Presentation

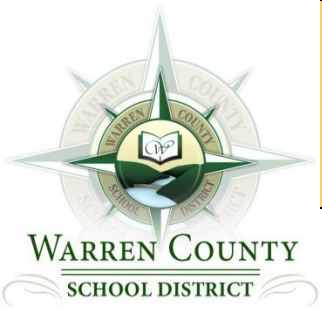


Budget Presentation

Budgeted Revenue = \$65,783,293

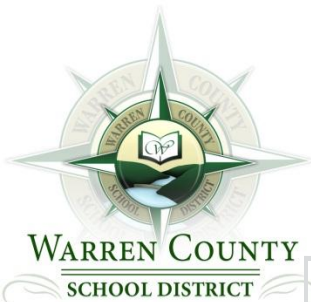
1.224 Increase in Millage

Millage needed to balance the budget
Approximately 13 Mills



We are beginning with a structural deficit of:

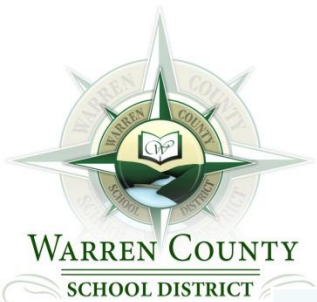
\$ 5,112,247



Salary Freeze

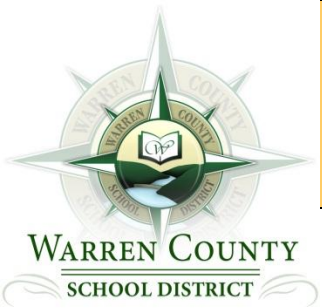
2012-2013 Without Medical, Dental, Or Life Insurance

	No Freeze	Freeze	Savings	
Wage Freeze				
Certificated	27,703,747.65	26,494,822.40	1,208,925.25	80.57%
Support	6,218,762.28	6,025,866.83	192,895.45	12.86%
Act 93	3,414,257.54	3,347,445.16	66,812.38	4.45%
Admin Support	594,037.03	573,948.82	20,088.21	1.34%
Long Term Subs	409,428.52	397,769.54	11,658.97	0.78%
	38,340,233.01	36,839,852.75	1,500,380.26	100.00%



STATE BUDGET PROPOSAL

2012-2013 Proposed Student Achievement Education Block Grant	2012-13 Component A	2012-13 Component B	2012-13 Component C	2012-13 Component D
\$28,959,625	\$23,809,537	\$1,621,157	\$3,392,366	\$136,565
2011-2012 Total Estimated Major Appropriations	2011-2012 Estimated Basic Education Funding	2011-2012 Estimated Social Security Subsidy	2011-2012 Estimated Pupil Transportation Subsidy	2011-2012 Estimated Nonpublic & CS Pupil Transportation Subsidy
\$28,608,816	\$23,809,537	\$1,480,435	\$3,184,864	\$133,980
\$350,809	\$0	\$140,722	\$207,502	\$2,585



STATE BUDGET PROPOSAL

1. Cuts Accountability Block Grant = \$500,000
2. Eliminates 2% Hold Harmless = \$476,000

POTENTIAL REDUCTION OF \$976,000

1. Increase in Transportation Reimbursement = \$208,000
2. Increase in Social Security Reimbursement = \$141,000

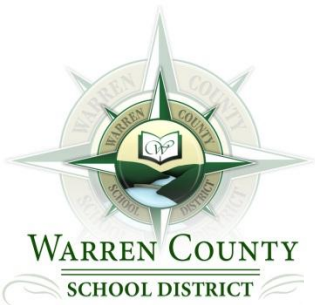
We may not receive these increases . As we reduce staff and transportation costs the reimbursement value decreases also.

POTENTIAL INCREASE OF \$350,000

We now need to wait and see what the legislators alter in the Governor's proposal

Long-Term Solutions versus Short-Term Cost Savings

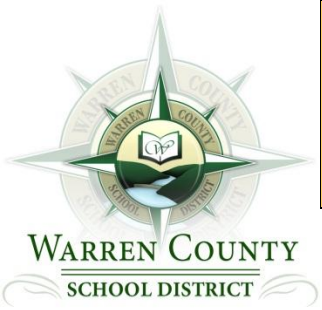
- **Supply, textbooks, building maintenance and technology cuts are temporary and eventually will need reintroduced to the budget. We are only delaying the expenditure to another fiscal year and actually increase future costs.**
- **A one year salary freeze is only a one year savings unless the freeze is continued year after year.**
- **Staffing cuts can be made as long as required/prioritized programs are not eliminated. Staffing cuts fix short-term shortages but create long-term problems.**



SHORT TERM SOLUTIONS TO BALANCE BUDGET

- **Supply cuts**
- **Text book cuts (3rd year)**
- **Technology cuts (3rd year)**
- **Pay freeze**
- **Building maintenance**
- **Fund balance usage**

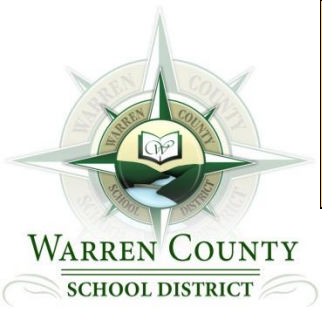
If the Board cuts or uses these options now, which needs to be done, budgeting for these items will need to occur in a future year. We are delaying these expenditures.



SHORT TERM SOLUTIONS TO BALANCE BUDGET

Pay Freeze

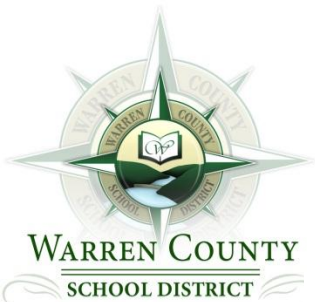
- **Single Year Solution to fix a short term deficit**
- **Teachers (without additional furlough)**
\$1,200,000
- **Administrators (without a reduction in staff)**
\$66,000
- **Support Staff (without additional layoffs)**
\$190,000
- **Administrative support (without layoffs)**
\$20,000



What Can We Do Right NOW!

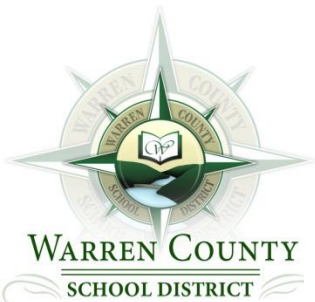
Sugar Grove-Russell Reconfiguration

- **Consolidate grade levels in each building or use an attendance boundary change**
 - **K-2**
 - **3-5**
- **Class sizes of (See handout)**
- **Cost Savings to the district of \$465,000**
- **Concerns with this move:**
 - **Bear Lake/Lottsville students going to Russell**
 - **Scandia students going to Sugar Grove**



MEDICAL BENEFITS

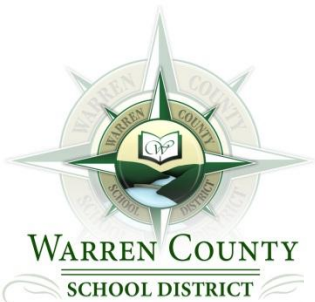
- **Look into other consortiums or trusts to see if there is a savings**
- **Negotiate changes in the medical plan offered to employees**
 - **Copay**
 - **Deductibles**
 - **Employee contributions**
- **Alteration would give the district continuous savings**



LONG TERM PLANNING

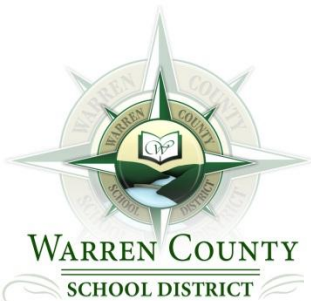
WHAT WE KNOW

- 1. Local tax revenue is declining**
- 2. Pennsylvania is in a revenue shortfall**
- 3. State dollars to support schools has been cut in recent years**
- 4. Salaries, benefits, contracted services are increasing every year**
- 5. The student population is declining**



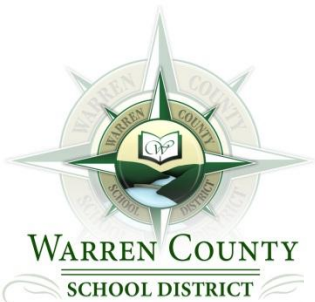
Without a long term plan both financially and academically we will be having the same discussion for many years to come.

- **What do we want to provide for the students of Warren County?**
- **How much are we willing to pay for the desired education?**
- **How will we pay for increasing costs of education in Warren County?**



WHAT DO WE WANT TO HAVE ACCOMPLISHED IN THE NEXT 5 YEARS

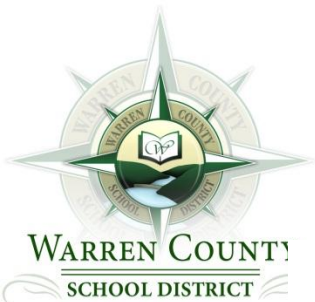
- 1. High school reform**
- 2. Curriculum updates**
- 3. Technology supports**
- 4. Building maintenance and renovation**
- 5. Increasing educational opportunities for students to meet the challenges of the 21st Century**
- 6. All schools will make or exceed AYP**



Restructuring the District

Sample Model (5 Year Plan)

- **Staffing efficiency**
- **Resource efficiency**
- **Increased educational opportunities**



5 Year Plan

- **K-12 in Sheffield**
- **K-12 in Eisenhower**
- **Restructure the Central Attendance Area**
- **Building improvements**
- **Staffing efficiency**
- **Resource efficiency**
- **Begin planning for WAHS renovation**
- **Plan for maintenance of YHS, YEMS, WAEC**