

## STATUS OF THE SUPERINTENDENT'S FY'16 PROPOSED BUDGET

On March 30, 2015 Dr. Gaddis will present his FY'16 proposed 'DRAFT' budget to the Board for their consideration. The proposed budget is still a work in progress as the administrators continue to work on creating a balanced budget. An explanation of expected revenues and proposed expenditures is given below to help staff, parents and community members see why this process is so challenging.

### EXPECTED REVENUE FOR 2015-16

Local Revenue	\$9,499,088	Includes level funding from the county Does <u>NOT</u> include any Non-recurring funds Approximately \$261,256 LESS THAN FY15
State Revenue*	\$27,765,472	Approximately \$226,982 MORE THAN FY15

The expected State and Local revenues total approximately \$34,274 LESS THAN FY'15.

The FY'16 budget will also include the \$1,091,405 Fund Balance from 2013-14 which will offset the reduction in revenue from the other sources. However, it is important to remember that we are not guaranteed a fund balance every year. Therefore, the \$1,091,405 cannot be used to support ongoing costs in the operating budget. These funds need to be used for one time expenditures.

### PROPOSED EXPENDITURE REQUESTS FOR 2015-16

The budget process begins with staff submitting requests to be included in the budget for the following year. This year those requests included adding 55 new positions, increasing the technology budget by over \$1 million, an increase in Special Education spending of close to \$500,000, increasing the Materials of Instruction and Textbook categories by over \$350,000, salary increases for staff totaling almost \$600,000 as well as an estimated increase in Fixed Charges of about \$500,000. Including all of these requests would increase the FY'16 budget by about \$5 million over the current year budget. Expected revenue will not be enough to cover an increase of that size. Therefore the next step in the budget process is to begin scaling back on proposed requests and cutting out what cannot be funded.

In order to get closer to a balanced budget significant cuts have been made to the list of requests for Technology, Materials of Instruction, Maintenance, and Fixed Charges. In addition, the majority of the line items in the proposed budget (70%) have either been reduced or kept at the same level as FY15. Although the administration thinks it is important to have adequate staff in our schools, the proposed budget also does not include any of the newly requested positions.

### THE FINAL DECISION MAKING PROCESS TO FINALIZE THE BUDGET

Staff, parents and community members will have a chance to tell the Board of Education what their priorities are for the proposed budget at a Public Input session on Monday, March 23<sup>rd</sup> at 6:00 pm at the Board Office. The Board will consider the public input at their next work session on Tuesday, March 24<sup>th</sup> at 1:00 pm as they continue to work to balance the proposed budget. The Board is then scheduled to adopt a budget at a special called meeting on Monday, March 30<sup>th</sup> at 1:00 pm.