

Ramping Up... 2013-2014 BASD Budget Development

December 3, 2012

Budget Context

- **Goal:** Maintain BASD “assets” and current programming in support of the *Roadmap to Educational Excellence* and the BASD Goals
- **Realities:** Difficult economic times present us with “Structural Deficits” that make it increasingly difficult to achieve our goals.

Structural Budget Issues

- Structural deficit is caused by the growth of mandated and contractual expenses exceeding the natural growth of revenues.
- Revenue into the BASD has remained flat.
- Fixed costs of the BASD (employee salaries & benefits, operating costs, etc.) continue to grow.
- Costs associated with public charter schools and non-public schools continue to grow.
- BASD contributions to the PSERS retirement system continue to grow.
- Act 1 limits millage increases (the “Index”)

Identifying and Prioritizing District Assets

- What are those qualities of the BASD that are “non-negotiable” and must be maintained in 2013-2014?

How do we prioritize all of the things we value?

- Neighborhood schools
- Targeted class sizes
- Transportation services
- Diverse curricular offerings
- Well-maintained facilities
- Professional development opportunities
- Co-curricular activities
- Eliminating variable rate debt
- Up-to-date technology
- Additional supports for struggling students

2011-2012 Budget = Real Pain

- Dramatic reduction in the Pre-K program
- Reduced Full-Day Kindergarten sections
- Eliminated Middle School Teaming
- Reduced number of High School Electives
- Significant reduction in BASD personnel: classroom teachers, librarians, instructional coaches, curriculum office supervisors, teaching assistants, athletic coaches, family development specialists, and secretaries.
- Deferred new bus purchases, facilities projects, and equipment/supplies replacement
- 1.7% Tax Increase

2012-2013 Budget = Sustainable & Efficient

- Maintained Staffing Levels
- Reinstated 6th Grade Teaming
- Leased 20 New School Buses
- \$600,000 for ongoing Facility Repairs and Maintenance
- Technology Replacements
- Savings from Financial Software, In-house Tax Collection, Energy, and Retirements
- PA Trust provided Catastrophic Healthcare Protection at no additional cost
- Cyber Course offerings to serve student needs and reduce Cyber Charter school costs
- Stabilized Fund Balance for improved financial health and Bond ratings
- 4.84% Tax Increase

Budget Balancing Considerations

- Expenditure Reductions
- Greater Operating Efficiency
- Future Cost Avoidance
- Enhancing Revenues
- Raising Taxes

Option: Expenditure Reduction

- Wage and Salary Savings
- Program Reductions/Eliminations
- Defer Cyclical Purchases
- Reduce/Eliminate Non-Mandated Services

Option: Greater Operating Efficiency

- More efficient and equitable tax collection
- Energy/Solar savings
- Reduced material/supply use
- Increased Transportation efficiency
- Improved procurement and renegotiated better pricing

Option: Future Cost Avoidance

- Outsourcing
- Less expensive and more cost efficient collective bargaining agreements
- Insurance Trusts
- Reduce higher long-term interest costs
- Addressing long-term PSERS costs

Option: Enhancing Revenues

- Municipal Appeals
- Payment in lieu of taxes
- Collecting delinquent taxes
- Educational Foundation/Community Partnerships
- Naming Rights
- Advertising allowed by PA School Code

What is the Value of \$1 Million?

- 1/3 Tax Mill
- Approximately 11 Teachers
- 2/3 of all Sports/Activities
- 12 New School Buses
- 833 Laptop Computers or 2,004 iPads

Getting Ready for 2013-14 BASD Budget Development

- Collect Needed Data and Projections
- Meet with Focus Groups (students, teachers, parents, community members, program partners, etc.) to help prioritize district assets
- Meet with Individual Board Members

Outstanding Questions???

- Will State funding be maintained?
- How safe is existing State revenue?
- Will overall local revenue be stronger?
- Will Charter School costs continue to rise?