

Spring Cove School District

2013/14

Budget Workshop

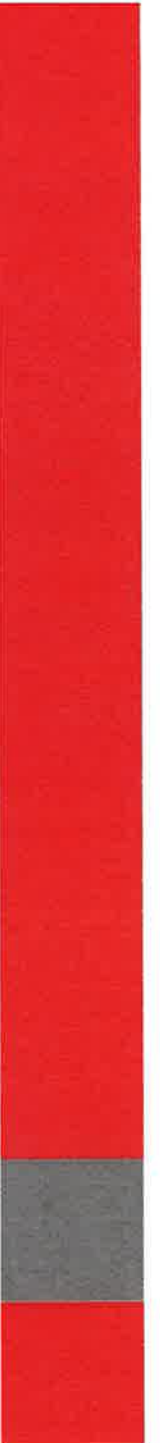
April 30, 2013



Spring Cove
School District

Agenda for the evening:

- Review the Current Preliminary Budget
- Comments and Questions



Spring Cove School District

Board Meetings to Follow

- May 13, 2013- Special Meeting, Committee of the Whole
- May 20, 2013- Regular Board, Preliminary Budget
- June 17, 2013- Special Meeting, Committee of the Whole
- June 24, 2013- Regular Board, Final Budget



Spring Cove School District

Major Budget Factors

Expenditure Side

- Salaries
- Benefits – Retirement and Healthcare
- Energy and Power
- Debt - Interest and Principal

Revenue Side

- Governor's Budget – Basic Education Funding
- Special Education Subsidy
- Local Effort



Spring Cove School District

- 2013/14 Retirement- percentage change from 12.36% to 16.93%
- In the 2014/15 year, retirement costs as a percentage of wages is projected to be 21.18%.
- Total increased cost for the 2013/14 year -- \$207,199



Spring Cove School District

SPRING COVE SCHOOL DISTRICT FIVE YEAR FINANCIAL PROJECTIONS DISTRICT SELECTED MILLAGE INCREASES YEARS 13-14 TO 16-17

	Dash ID		Initial		6 Yr Run ID		Initial		
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	
	Actual	Estimated	Budget	Preliminary	Projected	Projected	Projected	Projected	
MILLAGE									
INPUT MILLAGES TO BE LEVIED UNDER ACT 1 IN YELLOW CELLS									
Max Millage % Increase under Act 1 - District Adjusted	5.5%	3.9%	1.9%	2.3%	2.2%	2.5%	2.6%	2.7%	
Max Allowable Act 1 Millage Increase w/out Exceptions		5.4795	2.0591	2.4926	2.4390	2.8326	3.0195	3.2172	
Increase in Act 1 Millage Levied		(32.1250)	0.0000	2.4900	2.4390	2.8326	3.0195	3.2172	
% of Maximum Increase Allowed		-22.86%	0.00%	99.90%	100.00%	100.00%	100.00%	100.00%	
Exception Millage Can Be Levied ONLY if Maximum Act 1 Millage Is Levied	Maximum Retirement Exception Millage			1.3666	2.0574	1.9202	0.6853	0.0000	
	Maximum Other Exception Millage			0.0000	0.0000	0.0000	0.0000	0.0000	
Exceptions: Retirement Contributions	Exception may be entered if cell is yellow			0.0000	0.0000	0.0000	0.0000	0.0000	
Other Exceptions	Exception may be entered if cell is yellow			0.0000	0.0000	0.0000	0.0000	0.0000	
Total Millage Increase		(32.1250)	0.0000	2.4900	2.4390	2.8326	3.0195	3.2172	
Total Millage Levied	140.5000	108.3750	108.3750	110.8650	113.3040	116.1366	119.1561	122.3733	
Total Millage Levied % Increase		-22.86%	0.00%	2.30%	2.20%	2.50%	2.60%	2.70%	
SURPLUS OR DEFICIT	44,672	1,147,083	461,562	(0)	(800,303)	(1,239,863)	(1,502,347)	(1,687,250)	
ENDING FUND BALANCE - Unassigned	4,731,433	5,878,516	6,340,078	5,991,043	5,190,741	3,950,878	2,448,531	761,281	
Ending % of Expenditures	22.1%	27.1%	29.9%	26.7%	22.2%	16.2%	9.7%	2.9%	
EXPENDITURES									
Code	Object of Expenditure	2009-10 Actual	2010-11 Estimated	2011-12 Budget	2012-13 Preliminary	2013-14 Projected	2014-15 Projected	2015-16 Projected	2016-17 Projected
100	Salaries	9,897,061	10,052,239	9,585,077	9,852,607	10,056,556	10,268,749	10,474,124	10,683,607
200	Employee Benefits	3,519,384	3,701,326	3,698,762	4,222,375	4,819,645	5,470,933	5,937,325	6,249,505
210/270	Insurance	2,026,581	2,136,675	1,899,666	1,970,051	2,088,254	2,223,991	2,368,550	2,522,506
220	Social Security	757,642	757,937	731,426	753,724	769,327	785,559	801,271	817,296
230	Retirement	462,098	556,843	826,363	1,217,782	1,678,439	2,174,921	2,478,178	2,617,484
	Other Benefits	273,063	249,871	241,307	280,817	283,625	286,461	289,326	292,219
300	Purchased Prof & Technical Services	955,812	1,126,188	1,051,389	1,077,982	1,110,321	1,143,631	1,177,940	1,213,278
400	Purchased Property Services	671,288	1,232,617	1,162,637	661,368	681,209	701,645	722,695	744,376
500	Other Purchased Services	2,188,170	2,296,675	2,502,941	2,511,362	2,578,473	2,634,561	2,692,054	2,750,993
510	Transportation	1,139,215	1,063,703	1,444,138	1,276,428	1,327,485	1,367,310	1,408,329	1,450,579
	Other	1,048,954	1,232,972	1,058,803	1,234,934	1,250,988	1,267,251	1,283,725	1,300,414
600	Supplies	1,317,084	959,645	863,838	983,787	1,001,495	1,019,522	1,037,873	1,056,555
700	Property	524,922	346,093	237,280	122,922	124,766	126,637	128,537	130,465
800	Other Objects	1,041,077	761,461	903,587	1,551,486	1,560,000	1,560,000	1,560,000	1,560,000
830	Interest - Bonds (\$)	0	665,071	725,951	689,576	690,000	690,000	690,000	690,000
	Other	1,041,077	96,390	177,636	861,910	870,000	870,000	870,000	870,000
900	Other Uses of Funds	1,330,000	1,190,000	1,210,000	1,428,554	1,435,000	1,510,000	1,510,000	1,510,000
910	Principal - Bonds (\$)	1,330,000	1,190,000	1,210,000	1,285,000	1,285,000	1,285,000	1,285,000	1,285,000
920	Authority Obligations (\$)	0	0	0	0	0	0	0	0
930	Fund Transfers (\$)	0	0	0	143,554	150,000	225,000	225,000	225,000
	Other	0	0	0	0	0	0	0	0
	TOTAL EXPENDITURES	21,444,798	21,666,245	21,215,511	22,412,443	23,367,466	24,435,678	25,240,548	25,898,778

Spring Cove School District

Healthcare

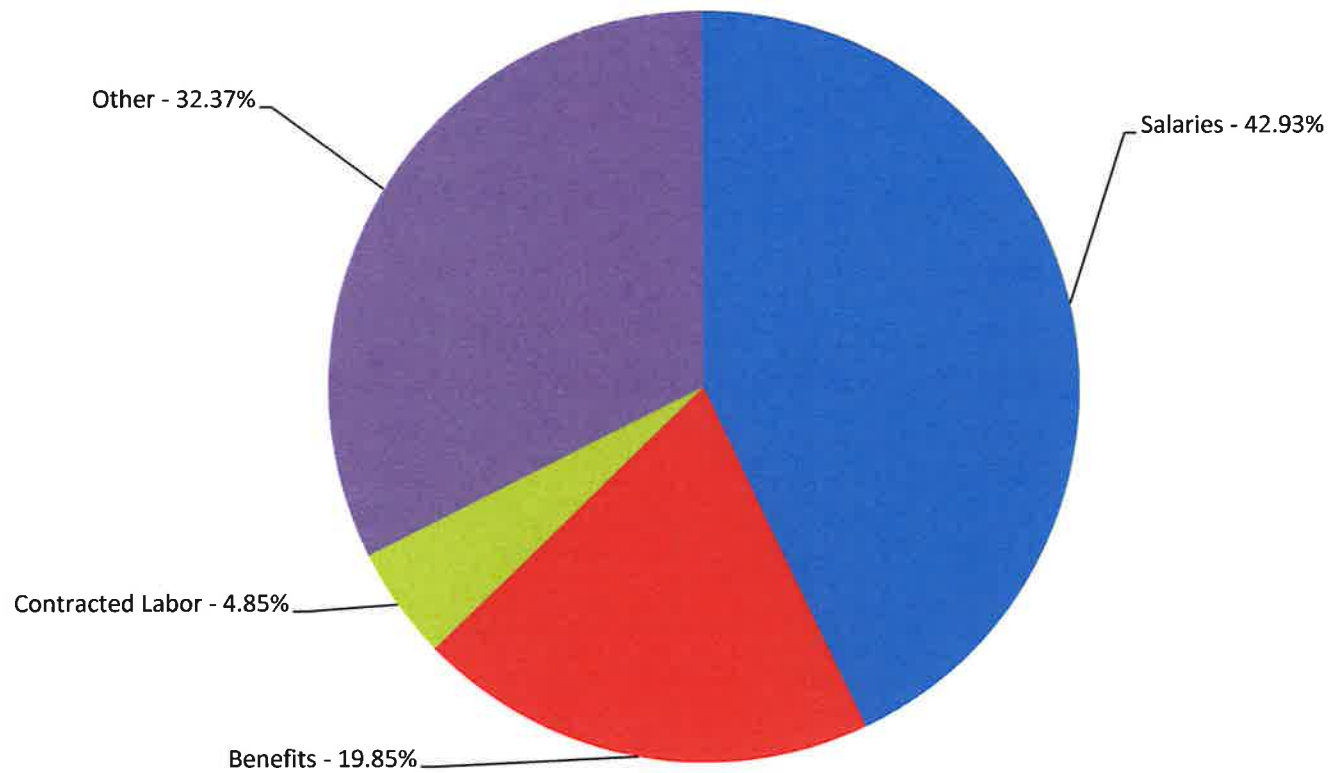
Format of Coverage

- Administrators and Teachers - An IRS high-qualifying plan with deductibles of \$1,250 and \$2,500. Every dollar paid up to the deductible.
- Support Staff – Non-qualifying plan with a deductible of \$2,000 and \$4,000. Copays do apply to this plan.
- Employees working more than 1,274 hours.
- Employees pay \$600 per year.
- PPACA - Not this year.
- Combined annual premium is \$1,657,484
- **Increase is 4 percent \$66,299**



Spring Cove School District

2013/14 BUDGET -- LABOR COSTS



Spring Cove School District

Energy and Power

The District relies primarily on natural gas for heating purposes and electricity for cooling and domestic use.

Natural gas is purchased on the futures market by the District and electricity is likewise purchased through a cooperative on the futures market.

Oil heating is available source at the Martinsburg Elementary school and Central High school.

Recent projects that upgraded the domestic hot water systems at MES and CHS are budgeted to save over \$60,000 in this year's budget.



Spring Cove School District

Energy and Power

- Budgeted cost for 2012-13 -- \$642,798
- Budgeted cost for 2013-14 -- \$584,298
- Energy conservation has been a considerable factor in financing capital improvement projects district wide.



Spring Cove School District

Special Education Costs

- The cost of providing for the needs of a Special Education student in fulfilling their Individual Education Plan (IEP) continues to carry a cost significantly higher than that for the cost of a regular education student.

PDE-363 Calculation

- | | |
|-----------------------------|-------------|
| • Regular Education Student | \$ 7,454.69 |
| • Special Education Student | \$14,991.52 |



Spring Cove School District

Cyber Charter Schools

Current enrollment and cost:

Regular Education	30 students	\$ 223,641
<u>Special Education</u>	<u>3 Students</u>	<u>\$ 44,974</u>
Total Cost		\$ 268,615

Spring Cove Cyber -- 25 students -- up from 16 in 2011/12.



Spring Cove School District

Athletic Programs

- Major new accounting responsibilities will be in effect with the summer of 2013 and additional requirements in the 2013/14 school year.
- This is due to significant updates in the new disclosure of athletic opportunities requirements documentation under Title IX.
- Athletic departments across the state are being required to delineate the resources allocated to male and female sports.
- For the 2013/14 school year, the tracking of booster group contributions to athletic programs will begin and this mandate will significantly increase the documenting and tracking of expenditures and contributions by the Business Office as well as Athletic Department.



Spring Cove School District

Athletic Program Costs

- Athletic Fund Net Costs \$ 19,897
- General Fund Athletic Costs \$ 265,150
- Property Maintenance \$ 63,202
- Athletic Office Staff Costs \$ 69,309

- Total Program Cost \$ 417,558

- Percentage of budget -- 1.78%



Spring Cove School District

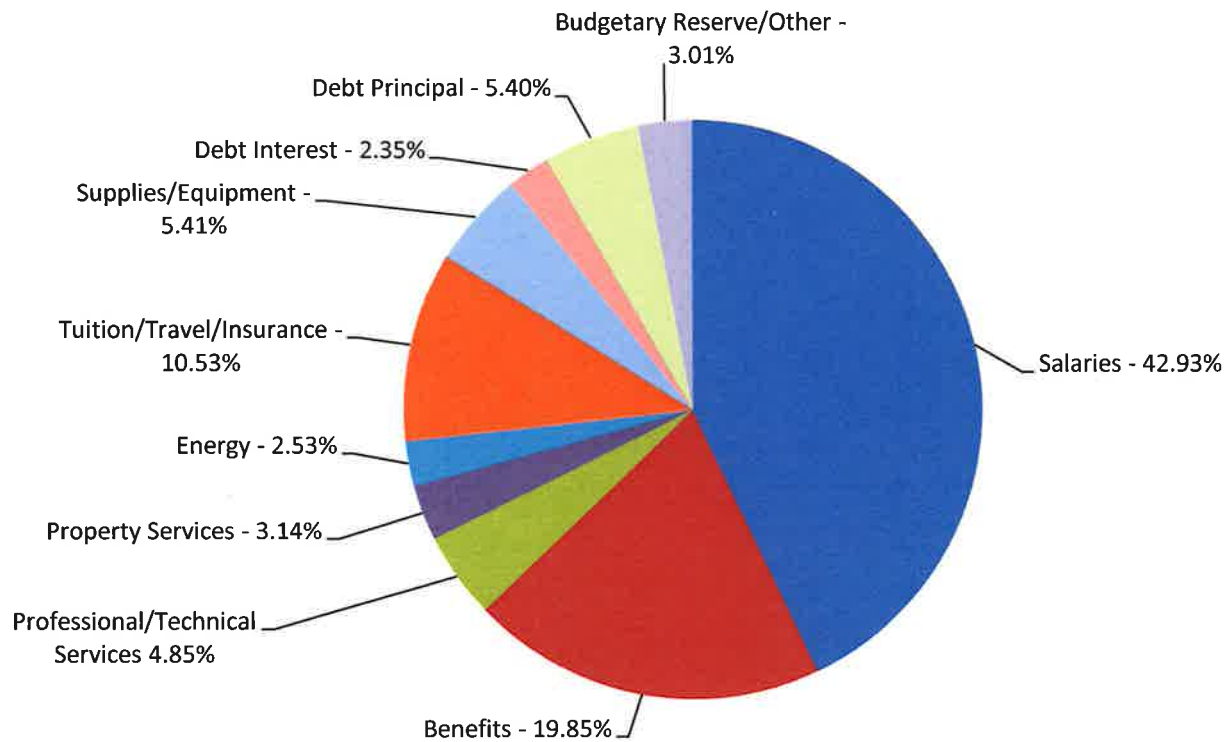
Current Proposed Budgeted Expenditures

Instruction	\$	13,138,093.69
Support Services	\$	7,046,056.12
Operation of Non-Instructional Services	\$	429,356.77
Facilities Acq/Construction/Improvements	\$	41,500.00
Financing/Budgetary Reserve	\$	2,591,082.76
Total Expenditures	\$	23,246,089.34



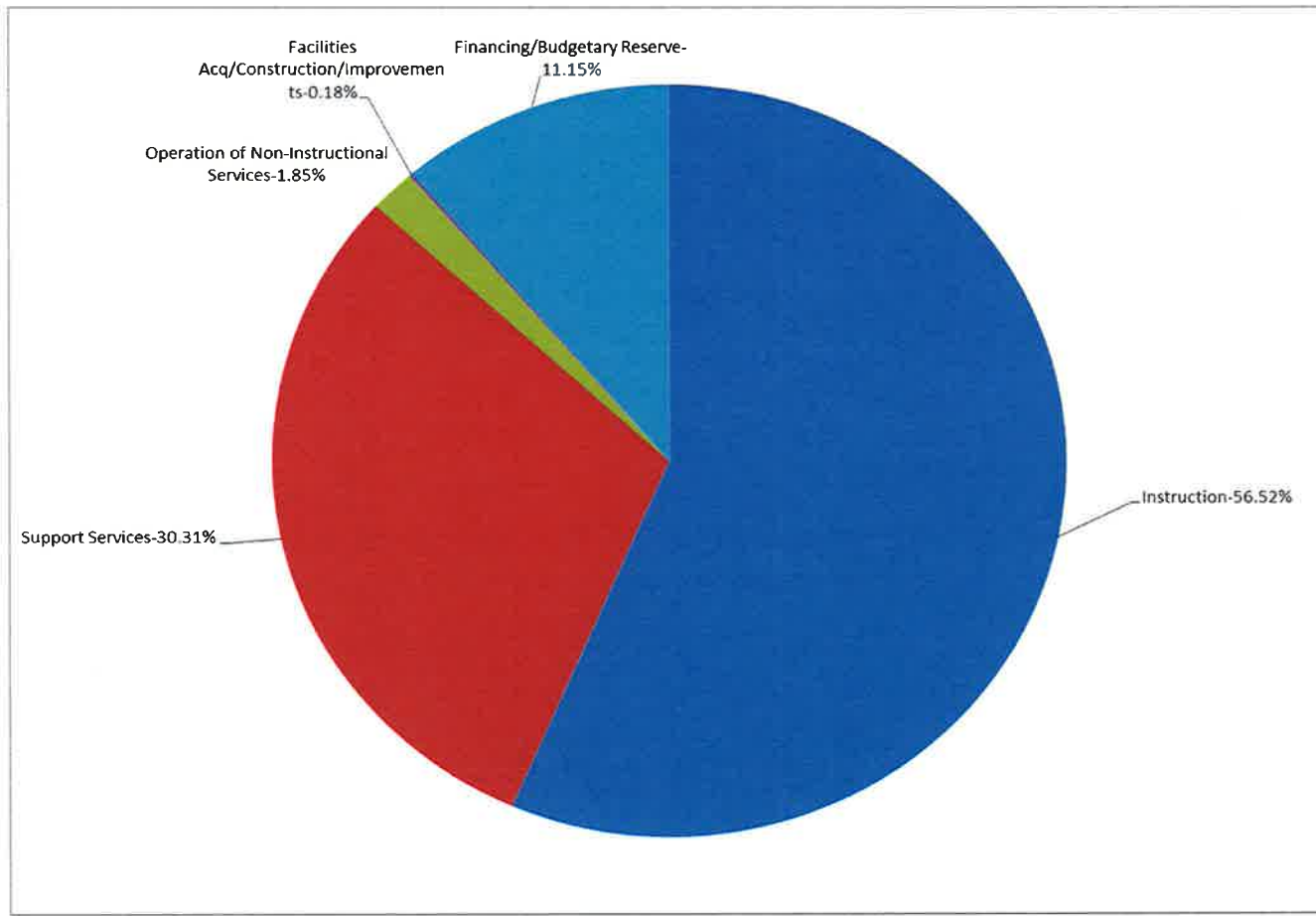
Spring Cove School District

2013/14 Expenditures Budget -- Total Expenditures of \$23,057,307



Spring Cove School District

2013/14 Expenditures Budget – Total Expenditures of \$23,246,089.37



Spring Cove School District

Revenues

- Federal Funding -- very little change in the 2013/14 budget from the 2012/13.
- State Funding -- the Governor is currently proposing a \$105,436 increase in Basic Education Funding.
- No further changes in other funding areas are expected.
- There is still uncertainty concerning this funding.



Spring Cove School District

Local Funding

- Property Tax at the Current Millage \$8,264,420
 - Capital Projects Fund Transfer \$ 143,554
 - Earned Income Tax \$ 975,000
 - Other taxes, Per Cap etc. \$ 619,788
-
- Act 1 Index Maximum \$ 191,284



Spring Cove School District

Effect of Millage Imposed at Less than the Act 1 Index.											
Year	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	Total
Index	5.9	5.5	3.9	1.9	2.3	2.3	2.3	2.3	2.3	2.3	
Index Mills	5.82	5.5125	5.48	2.059	2.49	2.5498	2.608	2.6685	2.7299	2.7927	34.7104
SCSD Mills	4.1	2.625	3	0	2.49	0	0	0	0	0	12.215
Millage Level	102.75	105.375	108.375	108.375	110.865	110.865	110.865	110.865	110.865	110.865	
1										\$ 209,453	\$ 209,453
2									\$ 204,743	\$ 204,743	\$ 409,485
3								\$ 200,138	\$ 200,138	\$ 200,138	\$ 600,413
4							\$ 195,600	\$ 195,600	\$ 195,600	\$ 195,600	\$ 782,400
5						\$ 191,235	\$ 191,235	\$ 191,235	\$ 191,235	\$ 191,235	\$ 956,175
6					\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7				\$ 154,425	\$ 154,425	\$ 154,425	\$ 154,425	\$ 154,425	\$ 154,425	\$ 154,425	\$ 1,080,975
8			\$ 186,000	\$ 186,000	\$ 186,000	\$ 186,000	\$ 186,000	\$ 186,000	\$ 186,000	\$ 186,000	\$ 1,488,000
9		\$ 216,563	\$ 216,563	\$ 216,563	\$ 216,563	\$ 216,563	\$ 216,563	\$ 216,563	\$ 216,563	\$ 216,563	\$ 1,949,067
10	\$ 129,000	\$ 129,000	\$ 129,000	\$ 129,000	\$ 129,000	\$ 129,000	\$ 129,000	\$ 129,000	\$ 129,000	\$ 129,000	\$ 1,290,000
Total	\$ 129,000	\$ 345,563	\$ 531,563	\$ 685,988	\$ 685,988	\$ 191,235	\$ 386,835	\$ 586,973	\$ 791,715	\$ 1,001,168	
5 year -Past					\$ 2,378,102						
5 year -Future										\$ 2,957,925	
5 year past effect on future										\$ 3,429,940	
Past and Future Total						\$ 8,765,967					\$ 8,765,967
Assumes a common mill value at \$75,000											



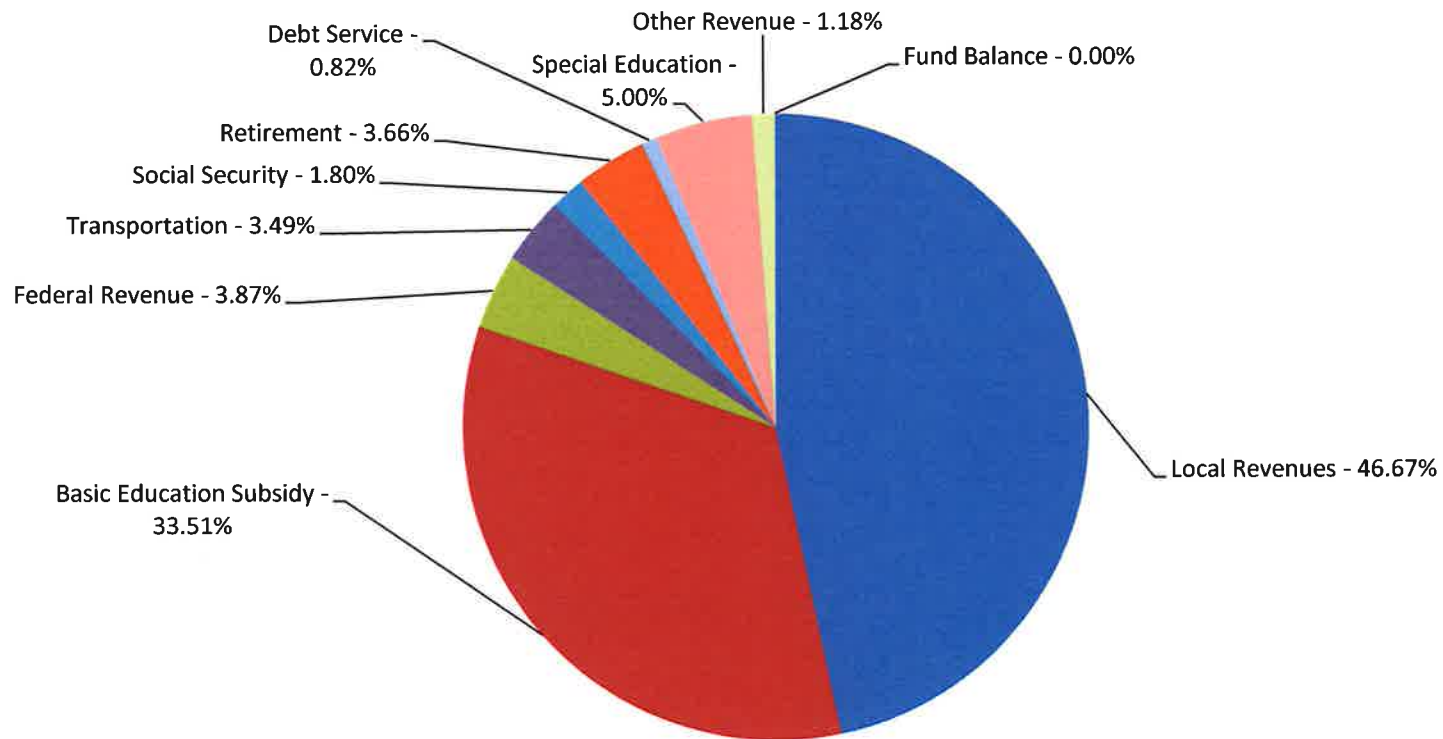
Spring Cove School District

	2012/13	2012/13	2013/14	2013/14
	APPROVED	INC/DEC OVER	PROPOSED	INC/DEC OVER
	BUDGET	2011/12	BUDGET	2012/13
FUNCTION 6000 -- LOCAL REVENUES	10,079,490	282,124	10,317,288	237,798
FUNCTION 7000 -- STATE REVENUES	10,985,740	518,803	10,934,015	(51,725)
FUNCTION 8000 -- FEDERAL REVENUES	998,179	8,527	855,832	(142,347)
TOTAL REVENUES	22,063,409	809,454	22,107,135	43,726



Spring Cove School District

2013/14 Revenues Budget -- Total Revenues of \$22,107,135



Spring Cove School District

Current Budget Imbalance



Spring Cove School District

Funds of the District

• Cafeteria Fund	\$ 335,468
• Athletic/Activities Fund	\$ 90,521
• Capital Projects Fund	\$ 143,554
• General Fund	\$ 6,840,584



Spring Cove School District

General Fund Budget Balance -- \$6,840,584

- Restricted -- \$ 102,992
- Assigned -- \$ 1,974,576 -- Long Term Debt
\$ 750,000 -- Capital Projects
- Unassigned -- \$ 2,613,016
- Committed -- \$ 400,000 -- Employee Benefits
\$1,000,000 -- Fiscal Stabilization

