

# Cost of Program Changes

## Unfunded Mandates and Other New Costs:

- APPR software, testing, training and reporting +\$150k
- Licensed security personnel for elementary schools +\$132k
- Shift of Special Aid costs into budget due to federal (Sequestration) cuts +\$61k
- New elementary science program +\$40k
- New expenses based on affordable health care law +\$30k
- Added school nursing costs for trips & activities +\$12k
- Added staff costs for MS summer school +\$5k
- **NEW UNFUNDED MANDATE:** Costs to provide the infrastructure necessary to administer all required state assessments on-line \$0

# Challenge of Automatic Salary and Mandated Benefit Cost Increases

- Before a significant and unprecedented number of staff reductions and reduction in staff hours were proposed, automatic pay increases equaled **+\$1.7M**
- **TRS rates are increasing** from 11.84% to 16.25%, a 37% cost increase totaling **+\$1.6M**
- Blended **ERS rates are increasing** from 18.5% to 20.5%, a 11% cost increase totaling **+\$130K**
- Net **Health Costs grow 7.5%** and FICA increases result in added benefit costs of **+\$470K**
- **TOTAL SALARY & BENEFITS GROWTH: = +\$3.9M**
- **The Initial Tax Levy Cap limited budget growth to \$2M**

# Changes in Expenses for 2013/14

COST CENTER	2012/13 APPROVED BUDGET	REVISED 2013/14 RECOMMENDED BUDGET	CHANGE
SALARIES	40,449,510	<b>40,052,000</b>	(397,510)
BENEFITS	17,121,890	<b>19,496,240</b>	2,374,350
REGULAR SCHOOL	2,830,450	<b>3,021,160</b>	190,710
SPECIAL EDUCATION	3,637,600	<b>3,589,500</b>	(48,100)
PROGRAM ADMIN, AND SUPPORT	1,840,450	<b>2,031,160</b>	197,300
TECHNOLOGY	990,000	<b>990,000</b>	0
ATHLETICS	480,650	<b>465,600</b>	(15,050)
FACILITIES	2,278,000	<b>2,148,000</b>	(130,000)
TRANSFERS TO CAPITAL AND OTHER FUNDS	1,170,000	<b>1,180,000</b>	10,000
CURRENT DEBT SERVICE	3,589,700	<b>3,421,000</b>	(168,700)
<b>New Debt Costs</b>	<u>0</u>	<b><u>1,060,000</u></b>	<u>1,060,000</u>
<b>TOTAL SPENDING BUDGET</b>	73,580,000	<b>76,653,000</b>	3,073,000
<b>% Change Budget to Budget</b>	2.33%	<b>4.18%</b>	