

Budget Process

2017 - 2018

A presentation by:

- Rachel Hopper, CFO/COO and
- Cynthia Le, Finance Director

RTT Meeting – January 5, 2017



Budget Calendar



- **July** – School Board approves budget calendar
- **August - October** – Budget Team reviews 16-17 working budget, gathers data, needs and priorities



Budget Calendar (cont.)

- **November**

- Budget team confirms priorities and academic framework
- Superintendent and Finance conduct School Board budget goals workshop.



- **December** –

- School Board reviews and approves budget goals
- Finance projects and reports to ODE:
 - Enrollment (including ELD and SPED estimates)
 - Property Tax
 - Transportation Information



Budget Calendar (cont.)

- **January**

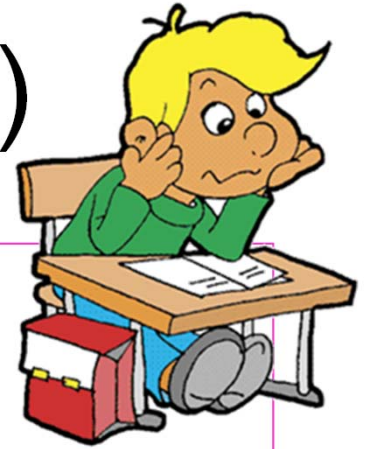
- Finance begins revenue estimate projections
- Finance meets with Budget Team to develop budget
- Budget team receives budget worksheet from Finance



- **February**

- Budget team completes budget worksheets to Finance
- Finance finalizes revenue projections
- Finance completes fixed cost budget

Budget Calendar (cont.)



- **March**

- Finance develops Proposed Budget Document compiling fixed costs budget and department requests as approved
- Finance reviews initial budget framework resources vs. expenditures for 17-18

- **April**

- Budget Team reviews proposed budget
- Finance conducts budget training workshops

Budget Calendar (cont.)

- **May**

- Superintendent and Finance conduct Budget Committee meetings
- Budget Committee approves the Proposed Budget

- **June**

- School Board holds public hearing and adopts budget by Resolution



What is a School Budget?



RSD Fiscal Year (July 1st - June 30th)

Based on Board Approved Budget Priorities in December

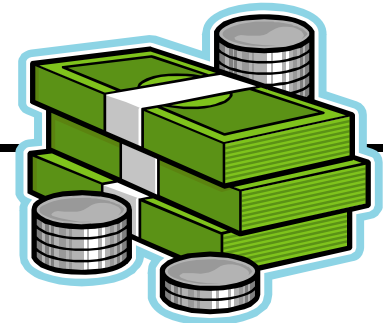
How do we build your Zero-Based Budget?

Step 1 - Estimate SSF & Other Income *(Revenue, other than Local Taxes)*



- + **State School Fund:** Given by Oregon Department of Education based on estimated student enrollment and state budget estimate
- + **Federal Money:** Calculated on trend analysis and projections
- + **Tuition:** Based on current/expected contracts and trend analysis
- + **Other:** Calculated on trend analysis and contractual commitments (includes investment income, building usage and shared services agreements)

TOTAL REVENUE NOT FROM TAXES



How do we build your Budget to begin the Zero-Based Budget Process?

Step 2 - Review Required or Fixed Spending

- + **Contracted Salaries**, (Negotiated)
- + **Contracted Health Benefits** (Negotiated)
- + **Utilities**
- + **Mandated Special Education Spending (MOE)**
- + **Mandated Services:** Utilities, insurance, auditor, lawyer, debt, etc....
- + **Essential Building Maintenance:** Custodial supplies, required inspections & permits
- + **Transportation:** fuel, equipment maintenance, insurance, etc...
- + **Supplies** for basic business functions
- + **Etc...**



TOTAL REQUIRED SPENDING

How do we build your Zero-Based Budget?

Step 3 – Identify Variable Costs

Finance performs trend analysis to estimate any increases in current costs

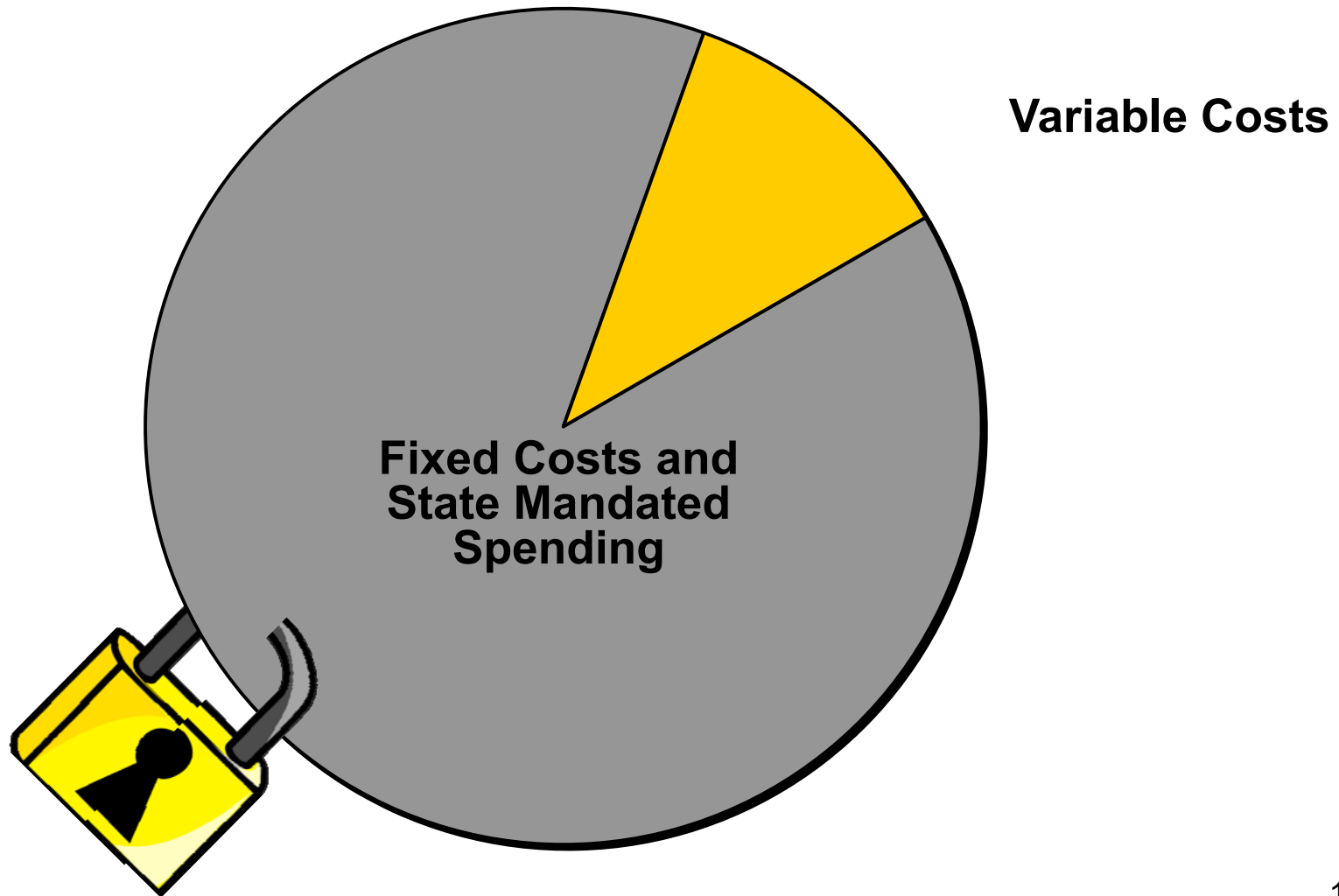
Superintendent, Principals & District Administrators review needs:

- + **Facilities maintenance and capital needs**
- + **Curriculum**
- + **State mandates**
- + **Textbook review cycle**
- + **Professional development**
- + **Building equipment**
- + **Classroom supplies**
- + **Technology**



TOTAL VARIABLE COSTS

Required or Fixed Spending makes up majority of total budget



Variable costs for things like...



- Textbooks
- Teacher Training/Professional Development
- General supplies for departments
- Unexpected State mandates throughout the year
- Or other possible improvements to programs, instruction or facilities.....

How do we build your Zero-Based Budget?

Step 4 - Calculate Tax Levy



$$\begin{aligned} & \text{TOTAL REQUIRED SPENDING} \\ + & \\ & \text{TOTAL VARIABLE COSTS} \\ - & \text{ (TOTAL REVENUE NOT FROM TAXES)} \end{aligned}$$

**LOCAL PROPERTY TAXES NEEDED TO
SUPPORT BUDGET**

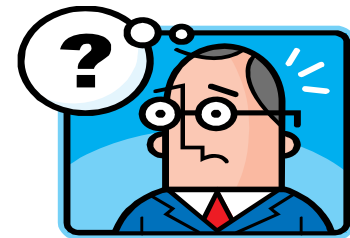
Step 4 - Continued ***Calculation of Your Tax Levy***

Property Taxes:

Estimate based on trend analysis and by assessed Value from Multnomah County Assessment

Budget Cap:

Legally, the property tax increase cannot exceed **3%** of taxable per year

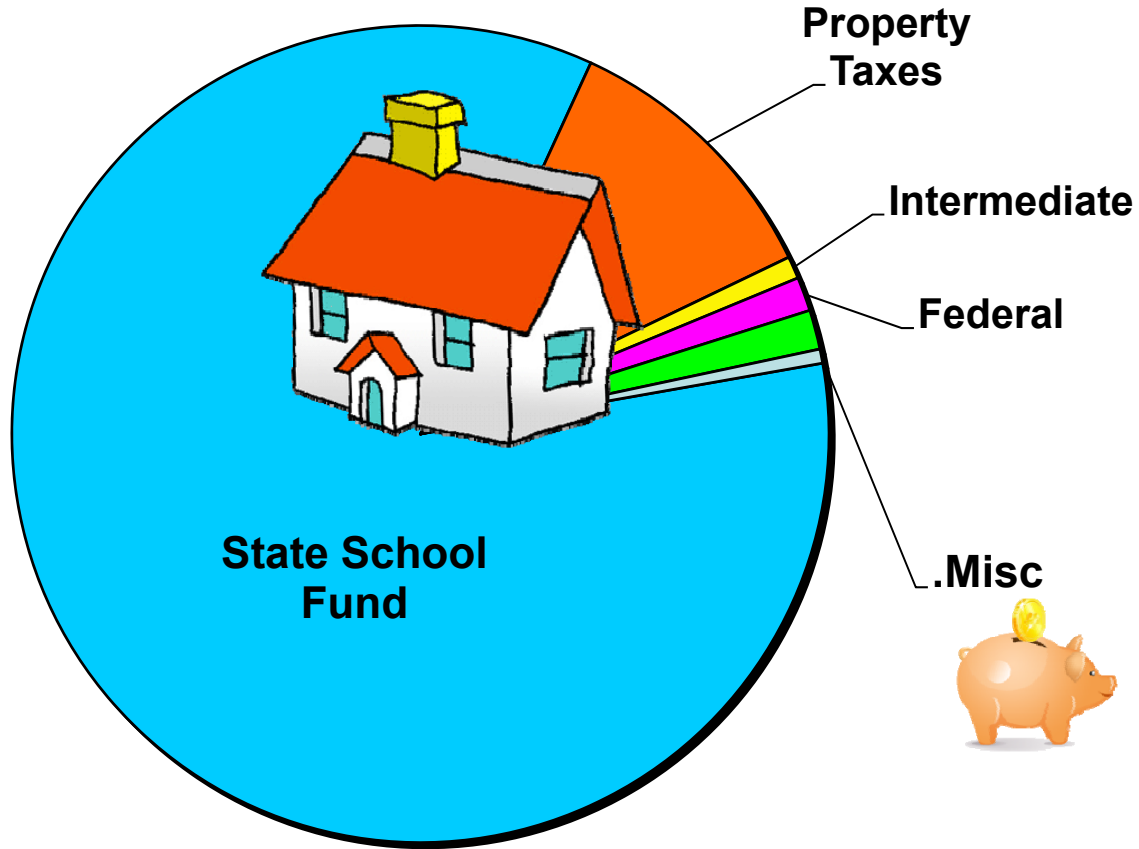


Proposed Budget = Anticipated Revenues
less Proposed Expenditures (NTE Revenues)

** No spend down of reserves for ongoing expenses*



Where does your school budget revenue come from?



Where does the money go?



Salaries



Benefits



Debts



Professional Services /
Charter Schools



Utilities



Repairs &
Maintenance



Transportation
& Equipment



Supplies

Next Meeting Dates



- **April 13, 2017** 6:00 p.m. - Budget Workshop 101 - PDC
- **April 20, 2017** 6:00 p.m. - Budget Workshop 201 - PDC
- **May 4, 2017** 6:00 p.m. - Budget Committee Meeting 1– RHS Multi-Purpose Room
- **May 11, 2017** 6:00 p.m. - Budget Committee Meeting 2– RHS Multi-Purpose Room
- **May 18, 2017** 6:00 p.m. - Budget Committee Meeting 3 – RHS Multi-Purpose Room
- **June 14, 2017** 7:00 p.m. - Public Hearing – Fairview City Hall

We want to hear from you!

Thank you for reviewing this presentation with us!
If you should have any questions, please do not
hesitate to let us know.



*We are sharpening our pencils and
working on the next steps....*