

CENTER GROVE COMMUNITY SCHOOL CORPORATION

2011 BUDGET PREPARATION SCHEDULE

Scheduled Actual

Feb. 1, 2010	05/10	Enrollment projections completed and reviewed by Cabinet
April 1, 2010	06/08	First draft of staffing decisions made by Cabinet
May 1, 2010	05/17	CPF Budget requests reviewed with Building Principals, Program Directors and Coordinators
May 1, 2010	08/02	General Fund Budgets reviewed with Building Principals, Program Directors and Coordinators
June 1, 2010	05/17	All budget request forms and worksheets completed and returned to the Business Office
June 30, 2010	07/26	Business Office review of all budgets completed
July 1, 2010	07/27	First budget draft presented to Cabinet
July 8, 2010	07/08	Discussion of the budget with Finance Advisory Committee
July 19, 2010	07/19	Public discussion of the budget at regular Board meeting
July 28, 2010	07/28	Discussion of the budget with Finance Advisory Committee
July 29, 2010	07/29	Date of 1st publication of the proposed 2011 Budget, Bus Replacement Plan, and Capital Projects Fund Plan
August 8, 2010	08/08	Discussion of the budget with Finance Advisory Committee
August 5, 2010	08/05	Date of 2nd publication of the proposed 2011 Budget, Bus Replacement Plan, and Capital Projects Fund Plan
August 16, 2010	08/16	Public hearing of the proposed 2011 Budget, Bus Replacement Plan, and Capital Projects Fund Plan
Sept. 17, 2010		Official ADM Enrollment Count
Sept. 20, 2010		Proposed 2011 Budget, Bus Replacement Plan, and Capital Projects Fund Plan adopted by the Board at a regular meeting
Sept. 21, 2010		File adopted budget and tax levies with County Auditor
Sept. 24, 2010		Publish Notice of Adoption of the Capital Projects Plan
November 2010		DLGF hearing
December 2010		Auditor certifies pay-2011 Assessed Values
December 2010		Rates published by the County Auditor
January 2011		DLGF provides 1782 draft notice
February 2011		Final 2011 budget received

Assessed Value History

Pay Year	Amount	Change	Comments
1997	\$298,800,670		
1998	\$314,456,610	5.24%	
1999	\$333,052,510	5.91%	
2000	\$362,445,820	8.83%	
2001	\$378,893,170	4.54%	
2002	\$1,206,194,110	X 3.18	Change to True Tax Value; should have multiplied by 3.
2003	\$2,001,044,580	65.90%	Re-assessment year
2004	\$2,059,118,680	2.90%	
2005	\$2,168,245,180	5.30%	
2006	\$2,295,503,980	5.87%	
2007	\$2,520,158,340	9.79%	Trending make-up year; inventory tax reduction of \$27,906,300
2008	\$2,623,539,190	4.10%	
2009	\$2,087,882,638	-20.42%	Decrease due to a new homeowner's deduction
2010	\$2,105,148,527	0.83%	
The years below are projected:			
2011	\$2,147,000,000	2%	
2012	\$2,190,000,000	2%	
2013	\$2,234,000,000	2%	

2011 BUDGET WORKSHEET

Fund	2010	2011	Change '10 to '11	Notes
General	\$43,050,000 \$0.0000	\$40,881,000 \$0.0000	-\$2,169,000 N/C	This budget is based on no additional cuts from the state before 01-01-2011.
Referendum Fund	\$0 \$0.0000	\$3,350,000 \$0.1500	+\$3,350,000 +\$0.1500	This is a new fund for 2011. Sum of General + Referendum is \$44,231,000
Transp.	\$3,190,000 \$0.1257	\$3,270,000 \$0.1288	+\$80,000 +\$0.0031	Budget for 2011 based on new max levy increased 2.9%.
Bus Replace.	\$835,670 \$0.0338	\$943,000 \$0.0384	+\$107,330 +\$0.0046	The 2010 budget was cut below our original request. New emissions standards are increasing the cost of buses.
Debt Service	\$12,785,000 \$0.5372	\$12,940,000 \$0.5095	+\$155,000 -\$0.0277	Total needs (including cash balance) have decreased so the tax rate is down slightly.
Pension Bond Fund	\$1,057,678 \$0.0460	\$1,056,000 \$0.0471	-\$1,678 +\$0.0011	Bond payments from this fund remain basically unchanged through 2013. Tax rate increases slightly to build a small cash balance.
CPF	\$6,868,643 \$0.2787	\$6,700,000 \$0.2691	-\$168,643 -\$0.0096	The maximum tax rate is determined by a formula, and this determines the maximum budget.
Totals	\$67,786,991 \$1.0214	\$69,140,000 \$1.1429	+\$1,353,009 +\$0.1215	2.00% increase 11.90% increase

Note: The above figures reflect budgets and rates after adjustments for SB199 tax neutrality.

CENTER GROVE COMMUNITY SCHOOL CORPORATION

COMPARISON of ADVERTISED and APPROVED TAX RATES

ADVERTISED

	2006	2007	2008	2009	2010	2011
Assessed Valuation	\$2,275,319,597	\$2,341,414,060	\$2,341,414,060	\$1,685,600,000	\$1,879,000,000	\$2,147,000,000
TAX RATE						
General	0.7674	0.7404	0.7404	0.0000	0.0000	0.0000
Referendum	0.0000	0.0000	0.0000	0.0000	0.0000	0.1500
Debt Service	0.3786	0.4527	0.4527	0.7215	0.6191	0.6368
Pension Debt	0.0429	0.0430	0.0430	0.0561	0.0516	0.0588
Capital Projects	0.3093	0.3217	0.3217	0.4507	0.3322	0.3538
Transportation Operating	0.0856	0.1092	0.1092	0.1626	0.1426	0.1610
Transportation Bus Replacement	0.0786	0.0830	0.0830	0.1031	0.0945	0.1094
SpEd Pre-School	0.0020	0.0024	0.0024	0.0000	0.0000	0.0000
ADVERTISED TOTAL TAX RATE	1.6644	1.7524	1.7524	1.4940	1.2400	1.4698

(Items in red not yet approved)

APPROVED

	2006	2007	2008	2009	2010	2011
Assessed Valuation	\$2,295,503,980	\$2,520,158,340	\$2,623,539,190	\$2,087,882,638	\$2,105,148,527	\$2,147,000,000
TAX RATE						
General	0.6803	0.6622	0.6769	0.0000	0.0000	0.0000
Referendum	0.0000	0.0000	0.0000	0.0000	0.0000	0.1500
Debt Service	0.3166	0.4109	0.4109	0.5599	0.5372	0.5095
Pension Debt	0.0403	0.0379	0.0366	0.0460	0.0460	0.0471
Capital Projects	0.2713	0.2750	0.2730	0.2857	0.2787	0.2691
Transportation Operating	0.0686	0.0817	0.0853	0.1193	0.1257	0.1288
Transportation Bus Replacement	0.0250	0.0302	0.0323	0.0313	0.0338	0.0384
SpEd Pre-School	0.0020	0.0019	0.0019	0.0000	0.0000	0.0000
APPROVED TOTAL TAX RATE	1.4041	1.4998	1.5169	1.0422	1.0214	1.1429
Advertised Rate	1.6644	1.7524	1.7524	1.4940	1.2400	1.4698
Approved Rate	1.4041	1.4998	1.5169	1.0422	1.0214	1.1429
Difference	-0.2603	-0.2526	-0.2355	-0.4518	-0.2186	-0.3269



2011 Budget

CENTER GROVE COMMUNITY SCHOOL CORPORATION



**Budget Hearing
August 16, 2010**

8/18/2010

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This report presents the proposed calendar year 2011 Budget and proposed tax rates for the seven advertised funds.

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Budget Adoption Calendar

- | | |
|-----------------------------|--|
| ◆ June to August | Budget discussed at Finance
Advisory Committee meetings |
| ◆ July 19, 2010 | First draft of budget presented |
| ◆ July 29, 2010 | Budget advertised |
| ◆ August 16, 2010 | Budget Hearing
Bus Replacement Plan Hearing
Capital Projects Plan Hearing |
| ◆ September 20, 2010 | Budget Adoption by the Board
Bus Replacement Plan Adoption
Capital Projects Plan Adoption |

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The 2011 Budget has been under development for some time. We began this process in the spring by gathering data from principals and unit heads and making projections of staffing and enrollment. This year, the budget will be discussed as it is being developed at Finance Advisory Committee meetings in June, July and August. It will also be discussed at the July, August, and September Board meetings as shown above. We will request the Board officially adopt the Budget at its regular meeting on September 20.



The Complete Budget on Our Web Site

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- Go to www.centergrove.k12.in.us

2

- Click on "*Support Services*"

3

- Click on "*Budget and Finance*"

4

- Click on "*2011 Budget*"

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The complete budget for 2011 is now available on our web site. You can look at it by following these directions. Budgets for prior years are also available.



Agenda

◆ 2010 Major Budget Issues

- ① Enrollment and Redistricting Changes
- ② Tax Caps
- ③ General Fund and the Need for Referendum Fund
- ④ Capital Projects Fund (CPF) Needs

◆ Summary and Conclusions

- ⑤ Total Budget Amounts
- ⑥ Total Tax Rates
- ⑦ Operating Balance
- ⑧ Summary

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The report that follows is divided into two parts. In the first part we will discuss some of the major issues impacting the budget this year. And in the second part we will summarize budgets and tax rates.



Major Issues:

① Enrollment & Redistricting Changes

Past Data and 2010-11 Projections

	04-05	05-06	06-07	07-08	08-09	09-10	2010-11 Projected
Enrollment	7,135	7,277	7,338	7,508	7,551	7,618	7,708
Change From Previous Year	+102	+142	+61	+170	+43	+67	+90

Currently Enrolled (August 6): 7,681

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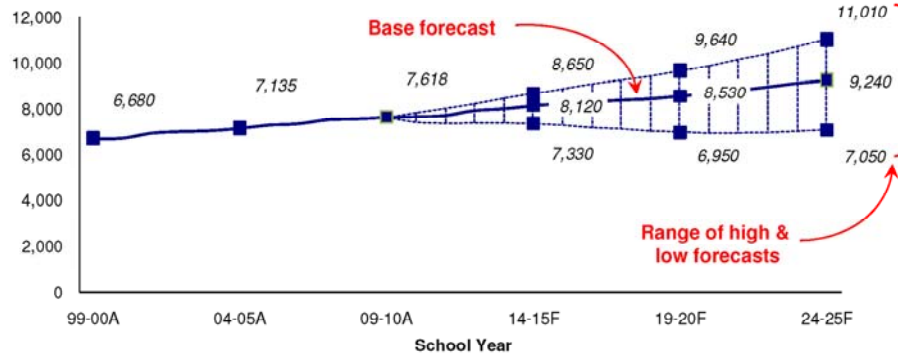
The **first** major budget issue is enrollment. Because our revenue is tied to our enrollment, it is important that we project accurately. This chart shows what has happened over the last few years and what we have projected for 2010-11. Our current enrollment (as of August 6) is 7,681 – an increase of 63 students. We use the date of August 6th because historical data suggests that this date is the most accurate predictor of our final official enrollment.

It is important to note that the funding formula generates about \$4,800 per student, based on enrollment on September 17. We may see some change in our revenue for 2011 (either up or down), depending on what our enrollment is on September 17.



Demographer's Report March 2010

Total Enrollment



Note: A indicates actual enrollment; F indicates enrollment forecast.

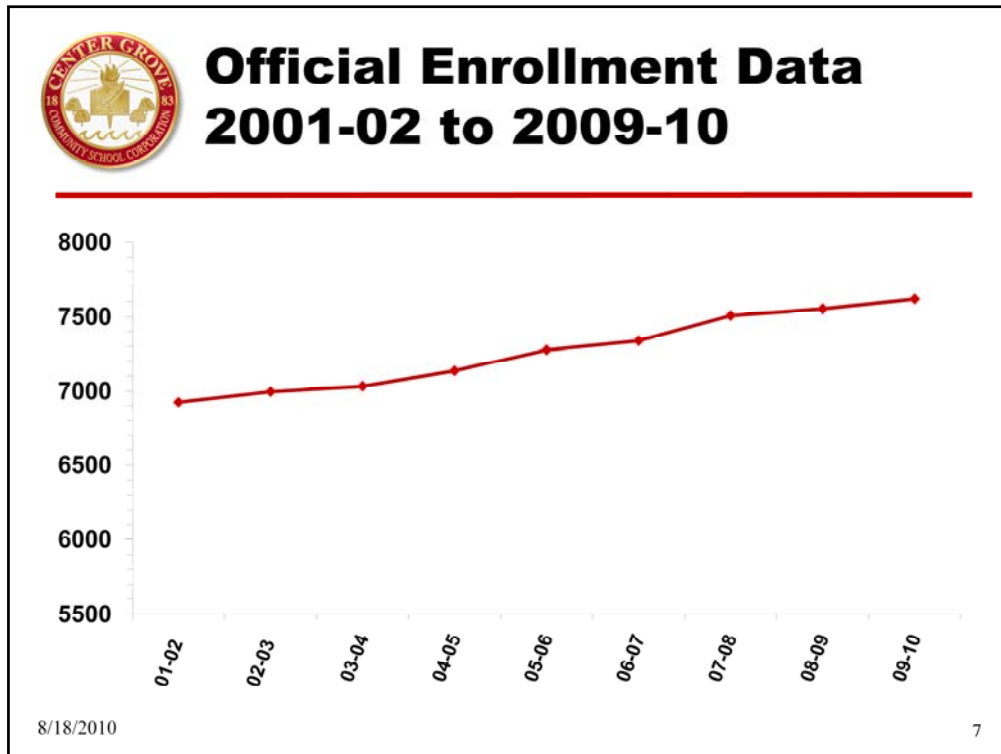
Prepared by: Dr. Susan Brudvig, Ball State University
(2010-11 projection of 7,640 to 7,830)

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This spring, we hired Dr. Susan Brudvig, a professional demographer from Ball State, to do a more thorough examination of our future enrollments. This chart presents a summary of her work. She chose to provide a high and low range for the projected number each year. For 2010-11, her range was 7400 to 7830.

Her base projection for 2010-11 was 7,640.



This chart represents our official enrollment data starting in 2001-02. During this eight-year period, we gained 693 students (an average gain of 87 students per year).

We continue to monitor our enrollment every few days. After the final official enrollment, we will present a more complete discussion of enrollment trends at a future Board meeting.



Johnson County Building Permits Issued in Prior 12 Months



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One of the factors driving our enrollment growth is an increase in the number of homes. This data on building permits is compiled by the Builders Association of Greater Indianapolis and is available on their web site.

This chart shows the 12-month average of the number of building permits issued. The Builders Association uses this measure because it obviously takes some time after a permit is issued to finish construction.

The important point to note is that this indicator hit its low point of 20 permits last September and has been even or increased every month since.



Major Issues:

② Tax Caps

- Tax caps provide tax relief to taxpayers in certain circumstances and result in a loss of revenue to governmental units
- The impact on Center Grove Schools is small but growing quickly
- Summary of tax cap losses
 - **2009:** **-\$8,426** actual
 - **2010:** **-\$156,000** estimated by Johnson County
 - **2011:** **-\$350,000** projected

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The **second** major issue is Tax Caps, which are a topic of much discussion lately. Without going into a lot of detail, they provide tax relief to some taxpayers and result in a loss of revenue to all governmental units including schools.

At some districts, such as Clark-Pleasant, they represent a significant problem. For Center Grove, their current impact is small, but growing quickly. You can see the increase from \$8,000 in 2009 to a projected \$350,000 in 2011.



Tax Cap Revenue Losses Projected for 2011

General Fund	\$0
Referendum Fund	\$0
Debt Service Fund	-\$179,600
Pension Debt Fund	-\$16,603
Capital Projects Fund	-\$94,858
Transportation Fund	-\$45,403
Bus Replacement Fund	-\$13,536
Total	-\$350,000

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This chart shows the potential impact of tax caps on each of our funds for 2011. We are projecting that each of these funds will have a sufficient cash balance to absorb these revenue losses.



Major Issues:

③ General Fund and the Need for Referendum Fund

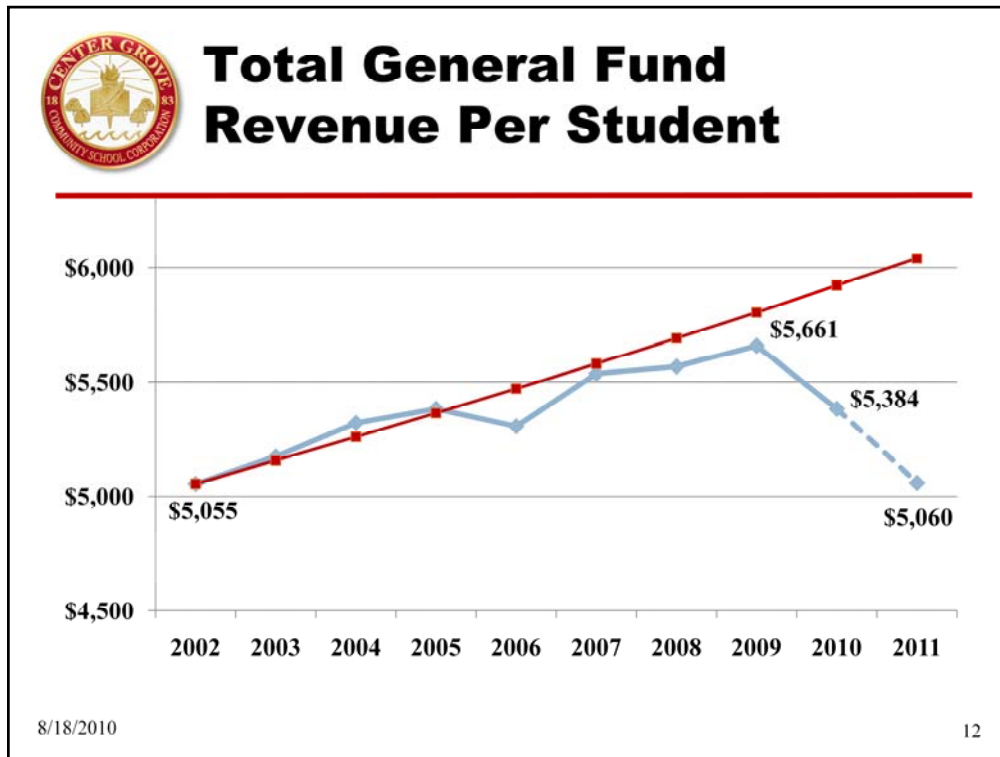
- ✓ Much has already been said about the need for a referendum
- ✓ Our revenues are down, our needs are up, and further revenue cuts are expected
- ✓ We have made significant budget cuts already, but that is not enough to solve our financial difficulties
- ✓ The following slides discuss expenses which are currently in the General Fund

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Third, much has already been said about the need for a General Fund referendum and we won't repeat that here. In summary, our revenues are down, our needs are up, and further revenue cuts are expected. Although we have made significant budget cuts already, it is not enough to solve our financial difficulties.

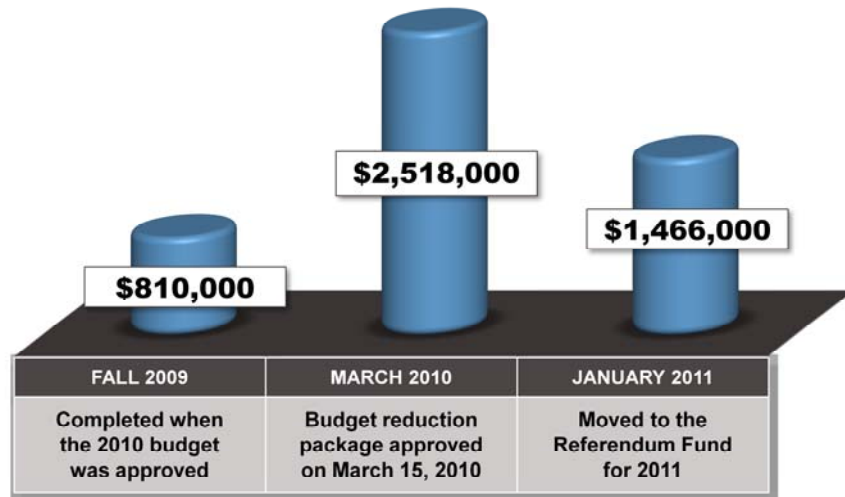
The next few slides discuss what will be happening to the expenses which have in the past been in the General Fund.



This chart shows what has happened to our revenue. The red line shows what a 2% increase per year would be. The blue line shows what is actually happening. The projected figure for 2011 includes just General Fund (not including the Referendum Fund) and assumes an additional cut in revenue from the state.



General Fund Budget Reductions and Cost Savings (Total \$4,794,000)



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This chart shows the work that we have already done in making budget cuts. Our first round of cuts was made in the Fall of 2009. The Board then approved in March a package of permanent reductions in the General Fund to be made immediately. In addition, that reduction package included an additional \$1,466,000 in expenses to be moved to the Referendum Fund on January 1, 2011.



Items Moved to the Referendum Fund

Budget Reductions Approved by the Board March 15, 2010

5. Reductions to be Funded by Referendum:

(37) Reduce custodial hours/days	\$74,000
(38) Eliminate corp. PR Specialist	\$24,900
(39) Elim. 2 nd corp. half-time Receptionist	\$22,000
(40) Eliminate 2 M.S. Deans	\$170,000
(41) Reduce Professional Development	\$29,000
(42) Eliminate some secondary Office Asst.	\$75,000
(43) Eliminate some elem. Instr. Asst.	\$67,500
(44) Do not fill some ECA positions	\$200,000
(45) Pay-to-participate at sec. schools	\$126,000
(46) Eliminate staff recognition	\$7,200
(47) Reduce supply accounts	\$54,000
(48) Increase parking fees (to security)	\$10,000
(49) Reduce Finance Sec. to half-time	\$30,000
(50) Eliminate H.S. Clinic Assistant	\$20,000
(51) Reduce MS/HS Athletic Director	\$57,000
(52) Eliminate 10 teaching positions	\$500,000
	\$1,466,600

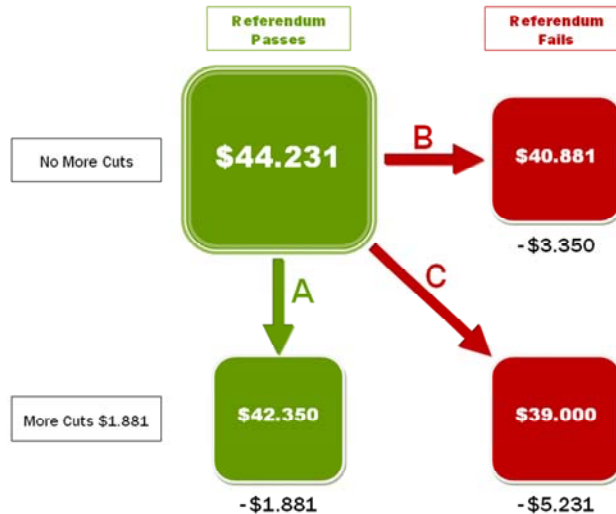
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This chart shows the items to be moved to the Referendum Fund for 2011. If the referendum passes, these programs will continue as they are now. If the referendum fails these programs will be cut. In either case, these items will no longer be in the General Fund.



Budget Reduction Alternatives



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❖ Reduction Package A:

- We will need to make reductions of \$1.881M to make up for state cuts. This will come from the referendum budget parts 2 and 3.

❖ Reduction Package B:

- We will need to make reductions of \$3.35M to make up for the failed referendum. In this scenario, all expenses budgeted in the referendum fund will not be done.

❖ Reduction Package C:

- Total reductions in this scenario are \$5.231M.
- We will need to make reductions of \$3.35M by eliminating all expenses budgeted in the referendum.
- We will need to make additional reductions of \$1.881M to make up for state cuts.



Budget Reduction Alternatives

- **Reduction Package A:**

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- **Reduction Package B:**

- We will need to make reductions of \$3.35M to make up for the failed referendum. In this scenario, all expenses budgeted in the referendum fund will not be done.

- **Reduction Package C:**

- Total reductions in this scenario are \$5.231M.
- We will need to make reductions of \$3.35M by eliminating all expenses budgeted in the referendum.
- We will need to make additional reductions of \$1.881M to make up for state cuts.



Referendum Budget

Summary by Category

Part 1	Items approved by the Board in March to be funded by the Referendum	\$1,508,756
Part 2	Items needed to balance the 2011 General Fund budget	\$304,822
Part 3	Additional items that meet Board established goals (teachers, aides, social workers, technology)	\$1,536,422
Total		\$3,350,000

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Here is a summary of the budget for the Referendum Fund. The first part includes all the items that the Board has previously approved to be funded by the referendum. The second part includes \$304,422 of new items that were put in the Referendum Fund because they could not fit in the General Fund in 2011. The third part includes teachers, aides, social workers, and technology that meet the goals that the Board established for the Referendum Fund. As previously stated, this is the first area to be cut if the state further cuts our revenue. If the state does not make further cuts, this is the part that will allow us to lower class size and make other improvements in the district.



General Fund: Account Categories with Largest Change

<u>Object</u>	<u>Description</u>	<u>Amount</u>
110	Certified Salaries	-\$1,042,214
120	Non-Certified Salaries	-\$479,219
135	Teacher Stipends	-\$299,642
211/212	FICA (Social Security)	-\$160,073
222	Health Insurance	+\$209,265
319	Consultants/Contracted Service	-\$121,000
600's	Supplies	-\$72,686

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Before leaving this discussion of the General Fund, there are a few other topics I would like to mention briefly. The first of these is shown on the above chart. Each year, I try to summarize the major changes in the General Fund. This year, the largest changes are decreases because of the cuts that have been made and the expenses that have been moved to the Referendum Fund. Here you see the largest decreases and one increase: health insurance. This increase of \$209,000 represents the corporation's share of the 8.1% increase in the total premium that is paid from the General Fund.



Personnel Changes (General Fund & Ref. Fund) From 2009-10 to 2010-11

Teachers	Change
Elementary	+1.50
H.S. Foreign Lang.	+0.25
Total	+1.75
Counselors	-1.0

Non-Teachers	Change
Classroom Aides	+11.5
Principal	-1.0
Non-Classroom Aides	-1.0
Custodians	-3.0
Secretary	-2.5
Total	-7.5

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This slide shows the staffing changes that affect the General Fund and the Referendum Fund combined. It shows our emphasis on supporting the classroom. We have increased classroom positions by 1.75 teachers and 11.5 aides. Positions outside the classroom have decreased by 8.5 positions as shown above.



Average Class Size Across the District by Year

Grade Level	2003	2004	2005	2006	2007	2008	2009	Est. 2010
K	21	19	20	20	22	21	22	23
1	20	20	20	20	21	24	23	22
2	20	22	20	21	22	24	24	25
3	22	21	21	23	24	25	25	25
4	27	26	26	27	26	25	28	25
5	25	29	26	26	25	25	25	25

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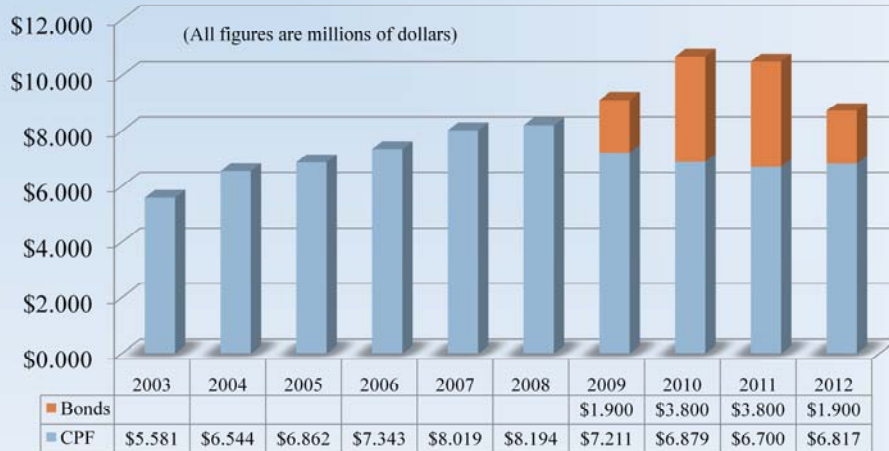
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Class size is also an important issue. Combining our enrollment projections with our teacher changes provides an estimate of class sizes for this year. This chart gives a historical perspective on our class sizes. For 2010-11 there will be very little change.



Major Issues:

④ CPF Total Revenue With Bonds



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The **last** major issue deals with meeting our needs in the Capital Projects Fund (CPF). This chart shows that, since 2008, we have been getting less CPF revenue each year. During this time, our CPF needs have been growing each year. It is important to note that all of our technology staff and many other technology expenses are in CPF.

Beginning in 2009, we have sold bonds to help fund the many needs of CPF. The CPF plan in the budget book shows the projects that will be funded from CPF and those which will be funded by bonds. We will have a more complete report on these bonds at the next Board meeting. Note that the Debt Service budget for 2011 includes the required payments for these bonds.



Agenda

◆ 2010 Major Budget Issues

- ① Enrollment and Redistricting Changes
- ② Tax Caps
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The balance of this report includes a discussion of projected tax rates and the General Fund cash balance.



Budget Comparison 2010 - 2011 (after adjustments for SB199)

	<u>2010 Budget</u>	<u>2011 Budget</u>	<u>Change</u>	<u>Percent</u>
General Fund	\$43,050,000	\$40,881,000	-\$2,169,000	-5.0%
Referendum Fund	-0-	\$3,350,000	+3,350,000	N/A
Capital Projects	\$6,868,643	\$6,700,000	-\$168,643	-2.5%
Transportation	\$3,190,000	\$3,270,000	+\$80,000	+2.5%
Bus Replacement	\$835,670	\$943,000	+\$107,330	+12.8%
Debt Service	\$12,785,000	\$12,940,000	+\$155,000	+1.1%
Pension Bonds	<u>\$1,057,678</u>	<u>\$1,056,000</u>	<u>-\$1,678</u>	+0.2%
Total	\$67,786,991	\$69,140,000	+\$1,353,009	+2.0%

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This slide summarizes the budgets for the seven advertised funds. Note that the combined budget for these funds has increased \$1,353,009 or 2% for 2011.

Remember that this is the maximum that our budgets can be, assuming that the referendum passes and we receive no more state cuts for 2011.



Comparison Tax Rates 2010-2011 (after adjustments for SB199)

	<u>2010 Rate</u>	<u>2011 Rate</u>	<u>Change</u>	<u>Adver.</u>
General Fund	\$0.0000	\$0.0000	\$0.0000	\$0.0000
Referendum Fund	\$0.0000	\$0.1500	+\$0.1500	\$0.1500
Capital Projects	\$0.2787	\$0.2691	-\$0.0096	\$0.3538
Transportation	\$0.1257	\$0.1288	+\$0.0031	\$0.1610
Bus Replacement	\$0.0338	\$0.0384	+\$0.0046	\$0.1094
Debt Service	\$0.5372	\$0.5095	-\$0.0277	\$0.6368
Pension Bond Fund	<u>\$0.0460</u>	<u>\$0.0471</u>	<u>+\$0.0011</u>	<u>\$0.0588</u>
Total	\$1.0214	\$1.1429	+\$0.1215	\$1.4698

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The next part of this report discusses tax rates. This slide shows the tax rates for all seven tax-rated funds.

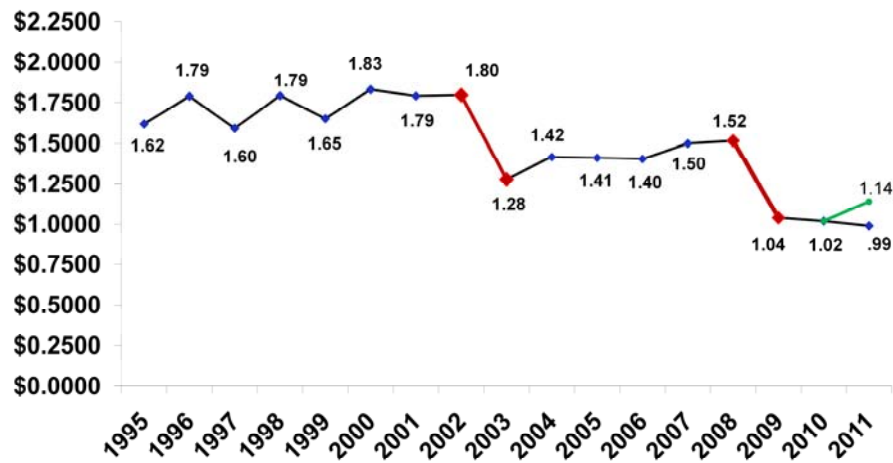
Note that the total tax rate for next year is now expected to be about \$1.1429 for every \$100 of assessed value, up about \$.12 cents or 12% above 2010. This includes the \$.15 cents for the referendum fund.

As we have said before, 2010 rates are only estimates at this time. Also, keep in mind that these rates have been developed with the assumption of a 2% increase in total assessed value. A different assessed value for 2011 would result in different tax rates.

We also show here our “advertised” rates. While we don’t actually advertise a rate, we do advertise the tax levy that these rates would generate. We always advertise a higher-than-needed levy, to guard against errors in estimation or procedure in developing the advertisement. The final rate, we believe, will be very close to the projection of \$1.1429.



Total School Tax Rates 1995-2011



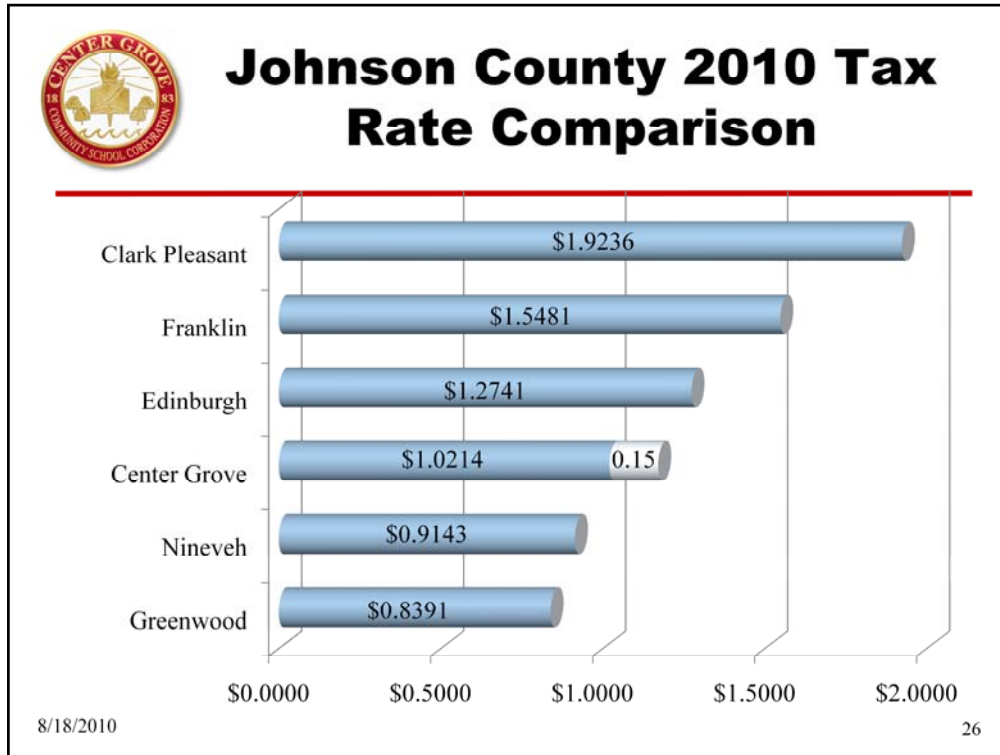
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Tax rates for 1995 – 2001 have been divided by three to reflect the change to true tax value that took place in 2001.

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Here you can see what is expected to happen to our tax rate in 2011. The red line from 2002 to 2003 represents the decrease due to reassessment. As a general rule, this represents a major change for which we cannot take credit or blame. Similarly, the red line from 2008 to 2009 represents the state taking over the General Fund tax rate.

The final point on this graph shows the projected tax rate of \$0.99 for 2011 if the referendum fails, and \$1.14 if the referendum passes.



Oftentimes we are asked how we compare to other districts. This chart shows our current tax rate compared to the other districts in the county. Our position has stayed generally in the middle of the group for the last few years.

Note that this chart is for 2010 tax rates, since that is the most current information we can get about the other districts. For comparison purposes, we have shown the additional 15 cents that would be added to the tax rate if the referendum passes.



Impact–Sample Homeowner



Assume a \$300,000
home 2008 pay 2009

This shows an
increase of 12%
for 2011 in this
example.

(Tax rates and
bills reference
school taxes only.)

	2010	2011
Gross A.V.	\$300,000	\$300,000
- Homestead Deduction	(\$45,000)	(\$45,000)
- New Supplemental Ded. (35%)	(\$89,250)	(\$89,250)
- Mortgage Deduction	(\$3,000)	(\$3,000)
Equals Net A.V.	\$162,750	\$162,750
District Tax Rate	\$1.0214	\$1.1429
School Tax Obligation	\$1,662	\$1,860

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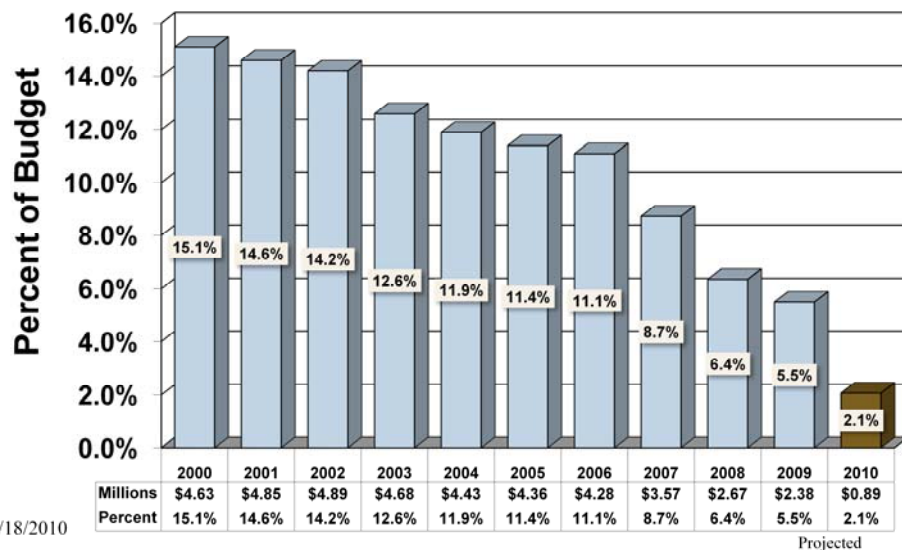
This slide shows the impact of the property tax increase on a sample taxpayer. For this example of a \$300,000 home, the school tax bill for 2010 would be about \$1,662 per year. The 2011 amount (which includes the additional rate for the referendum) would be \$1,860, an increase of \$198 or \$16.50 per month.

This is a difficult time to predict what will happen to an individual property's assessed value from one year to the next. For this example we have assumed no change. An increase in individual AV, for example, would result in a corresponding increase in taxes.

Keep in mind that this example deals with only the school portion of the tax bill. The remaining portion would vary based on other taxing districts where the home was located. Also note that the computation of tax bills is a complicated process; these are only estimates.



2000-2010 General Fund Operating Balance Percent



This slide shows our current projections for the cash balance position of the district.

We estimate our cash balance on the last day of the calendar year, December 31.

Consideration of cash balance was an important part of the budget reduction package that the Board approved in March. While we don't like to see a cash balance this low, this was a decision that we made when we decided to start this school year with the same resources in place that we had last year and take a referendum to the community.



Projected 2010 End-of-year Cash Balance

Beginning Cash Balance This is the unencumbered cash balance on December 31, 2009.	\$2,375,469
Adopted Budget Deficit This is the "built-in" deficit in the adopted budget last fall.	-\$200,000
Change in Projected Revenue +\$57,000 - Revenue changes after budget approval -\$1,895,000 - State cut announced in December 2009	-\$1,838,000
Change in Projected Expense +\$247,000 - Expense changes after budget approval +\$150,000 - New fall expense - Increase in health insurance +\$50,000 - New fall expense - TRF increase -\$1,000,000 - Impact of budget reduction package on 2010	-\$553,000
Ending Cash Balance	\$890,469

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This chart shows the various factors affecting the cash balance in 2010. This analysis is the same computation that was done when the budget reduction package was discussed.



Budget Summary

✓ If the Referendum passes

- Our total budget for the seven funds will go up about \$1.3 million to \$69.1 million.
- Our tax rate will go up by \$.12 to \$1.1429.
- If we have no further budget cuts from the state, the referendum budget includes 20 more teachers to reduce class size.

✓ If the Referendum fails

- Our total budget for the seven funds will go down about \$2 million.
- Our tax rate will go down by \$.03.
- The referendum budget which includes a total of 31 teachers will not exist, and class size will increase.

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This slide summarizes information included in other slides and the individual budgets.

If the referendum passes, we can expect our total budget to go up about \$1.3 million and the tax rate to go up about \$.12. If we don't receive further budget cuts from the state, this will allow us to do the things listed in the referendum budget including hiring 20 more teachers to reduce class size.

If the referendum fails, our total budget will go down about \$2 million and the tax rate will go down by \$.03. The referendum budget which includes a total of 31 teachers will not exist.



Future Activities

- ◆ **Aug. 16 – Budget Hearing**
- ◆ **Sept. 20 – Budget Approval**

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The Board will be asked to approve the budget at their regularly scheduled Board meeting on September 20.

Please direct any questions or comments to:

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For the complete budget documents on the web, go to:

- 1 • Go to www.centergrove.k12.in.us
- 2 • Click on “Support Services”
- 3 • Click on “Budget and Finance”
- 4 • Click on “2011 Budget”