



Proposed 15% Maintenance & Operations Override



**COMMUNITY
INFORMATION
MEETING**

Current SUSD Override Status



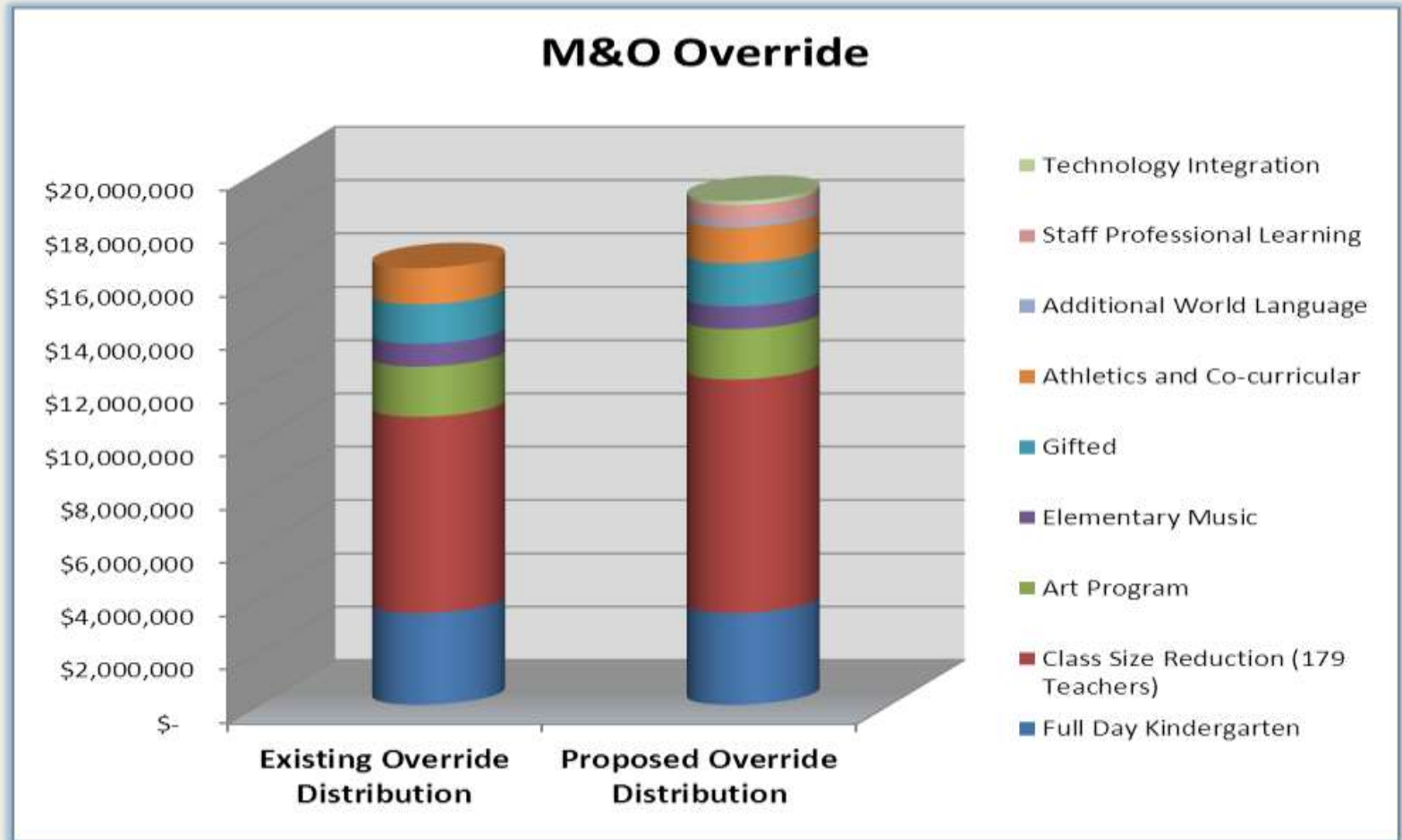
- Currently SUSD has a 10% M&O Override renewed in 2007 and a 5% K-3 Override renewed in 2009. These currently total \$16.3 million in Funding.
- ASRS has changed the Override picture for School Districts in Arizona. Districts can now combine the 10% M&O Override and 5% K-3 Override into a single 15% M&O Override. This does allow for an increase in SUSD's budget capacity of \$3.2 million per year if a 15% Override is approved by voters.
- The current 10% M&O Override begins to phase out in FY 2014 (July 1, 2013) if not renewed.

Advantages of Combining Overrides



- Only one election every 5 years.
- Provides additional \$3.2 million in funding for SUSD that is being recommended to:
 - a. Implement the Middle School Concept
 - b. Reduce class size in K-5 by 1
 - c. Reduce class size in 9-12 by 1
 - d. Provide additional Gifted Services
 - e. Provide additional World Language Study
 - f. Technology Integration
 - g. Staff Professional Learning

SUSD Override Distribution



SUSD Override Distribution (M&O and K-3)

Override Distribution	Existing Override Distribution	Proposed Override Distribution	
Full Day Kindergarten	\$3,436,860	\$3,436,860	
Class Size Reduction (179 Teachers)	\$7,364,516	\$8,769,111	<i>24 Additional teachers to lower class size/including librarians</i>
Art Program	\$1,885,488	\$1,885,488	
Elementary Music	\$854,487	\$854,487	
Gifted	\$1,482,592	\$1,615,359	
Athletics and Co-curricular	\$1,352,638	\$1,352,638	
Additional World Language		\$150,000	
Staff Professional Learning		\$686,057	
Middle School Concept		\$600,000	
Technology Integration		\$150,000	
Total	\$16,376,581	\$19,500,000	

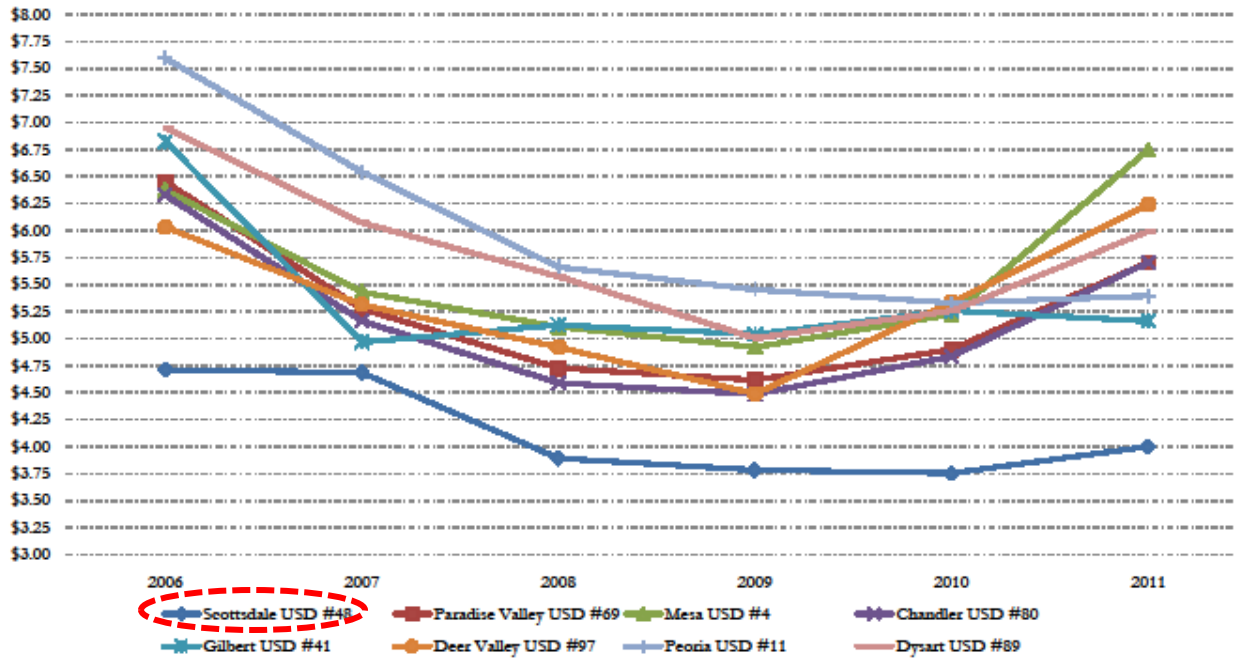
What Will This Cost Our SUSD Home Owner?



- Based upon an average home assessed value of \$320,698 -
It will be an additional \$.07 per \$100 of assessed value.
- This is about \$23 more per year for the average home owner.
- Some home owners may not see an increase at all because their home's assessed value has declined at a greater rate than the District's.

Tax Rate Comparisons (Scottsdale Unified is the lowest)

Historical Property Tax Rate Comparison



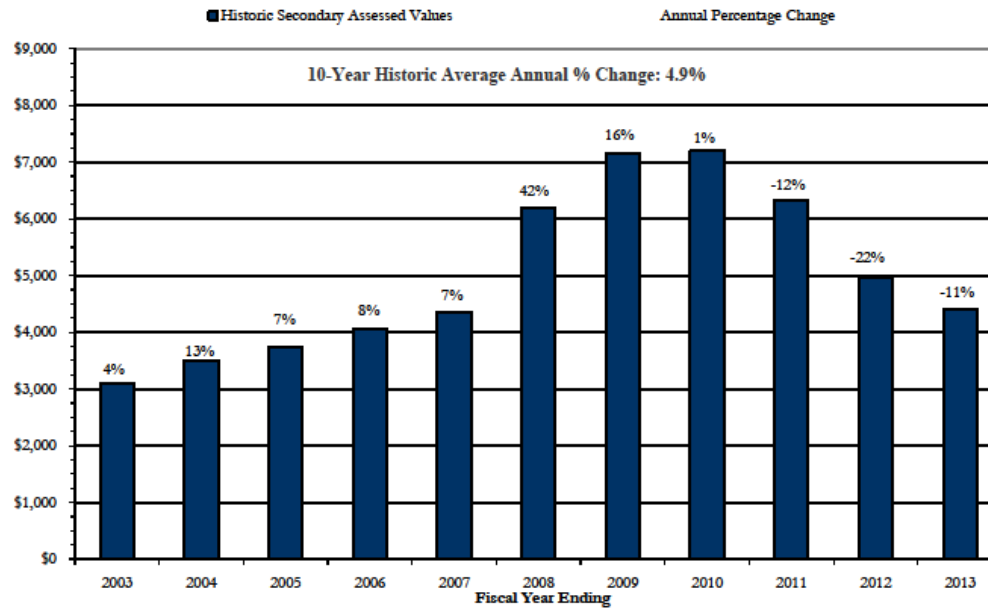
SUSD is Lowest!

History of Assessed Values



SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48

Historic and Projected Secondary Assessed Value Growth*



* In millions. Provided by the ADOR, Abstract of the Assessment Roll. 2012/13 estimated by the County.
Stone & Youngberg
2/28/2012

The SUSD Budget is Very Lean



- Due to Legislative cuts related to the economy we have cut **over \$20 million** from our operating budget over the past 5 years.
- More cuts will require additional reductions to instructional programs.
- Special Education and transportation costs continue to increase each year.

Historical SUSD M&O Budget

Maintenance & Operations Budget & Expenditures by Year



**Funding Level has fallen
to 2006 Level**

■ Expenditures ■ Revenue ■ Budget

**11-12 Expenditures & Revenues are estimated*

Special Education Costs



Special Education Revenue & Expenditures All Funds by Year



Funding Does Not Match Needs

**11-12 Revenues & Expenditures are estimated*

What Happens If the 15% M&O Override Is Not Approved



Phase Out of 1/3 of the current 10% M&O Override
\$4.3 million loss in school year 2013-14.

- Increase class size.
- Reduce Art and Music.
- Reduce Gifted programs.

What Happens If the 15% M&O Override is Not Approved



(Detail of First Year Phase Out \$4,313,240)

• Cut 67 FTE Certified Staff	\$2,741,408
• Cut 17 FTE Art Certified Staff	\$ 701,865
• Cut 8 FTE Elementary Music Certified Staff	\$ 318,079
• Cut 13 FTE Gifted Certified Staff	<u>\$ 551,888</u>
Total Cuts	\$4,313,240

Benefits of 15% Override to Students



- Lower student teacher ratio.
- More opportunities for students to deepen their understanding of the arts, world languages, and participate in physical education.
- Students deepen their knowledge of academic standards by using technology as a learning tool.
- Elective course opportunities that are interest based and aligned with 21st Century Standards.
- Middle school structure that supports team building, mentoring, connection with adult advocates, study and organizational skills, goal setting, etc.

Required Board Action



- The Governing Board must call for the 15% M&O Override at the June 5th board meeting.
- Election is Nov 6, 2012.



Questions