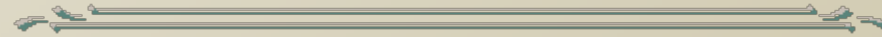


Jordan School District
Board of Education



BUDGET

For the Year Ending June 30, 2010



Presented: June 9, 2009



Financial Challenges

- Poor Economy
 - Reduced State Funds
 - Classified/Administrative Job Cuts
- District Split
 - Transition Costs
 - Assessed Valuation Losses



Financial Challenges, cont.

- Salary and Benefits
 - COLA (no increase)
 - Lane & Step (no increase)
 - Insurance (District pays increase)
- Keeping Up with Student Growth
 - Staffing of New Schools:
 - Silver Crest Elementary School
 - Kauri Sue Hamilton School
 - Other Formula-Driven Staff Growth



Dan Jones Survey

- Preferable:
 - Reducing some administrative and non-teaching staff
 - Increasing property taxes
- Less Preferable:
 - Increasing the number of students in the classroom
 - Eliminating or significantly reducing school programs



Budget Saving Considerations

- Eliminate all programs funded with State money that were cut by the Legislature
- Eliminate or reduce District-funded hazardous transportation
- Increase class size
- Implement cuts in non-classroom expenditures
- Furlough employees, 1-5 days
- No COLA for employees
- No step increases for employees
- No lane changes for teachers
- No teacher professional development days
- Reduce text, supply, and media allocations to schools
- Increase property taxes
- Reduce district-paid travel and food purchases
- Reduce the District's fund balance
- Eliminate the "Attendance Incentive"
- Transfer school antennae lease revenues to the District
- Open Silver Crest Elementary on a traditional rather than a year-round calendar



Purpose

- Major Budget Variables
- Board of Education Mission, Vision, and Beliefs
- Financial Overview
- Funds
- Tax Rates
- Board Action
- Questions

➤ Major Budget Variables



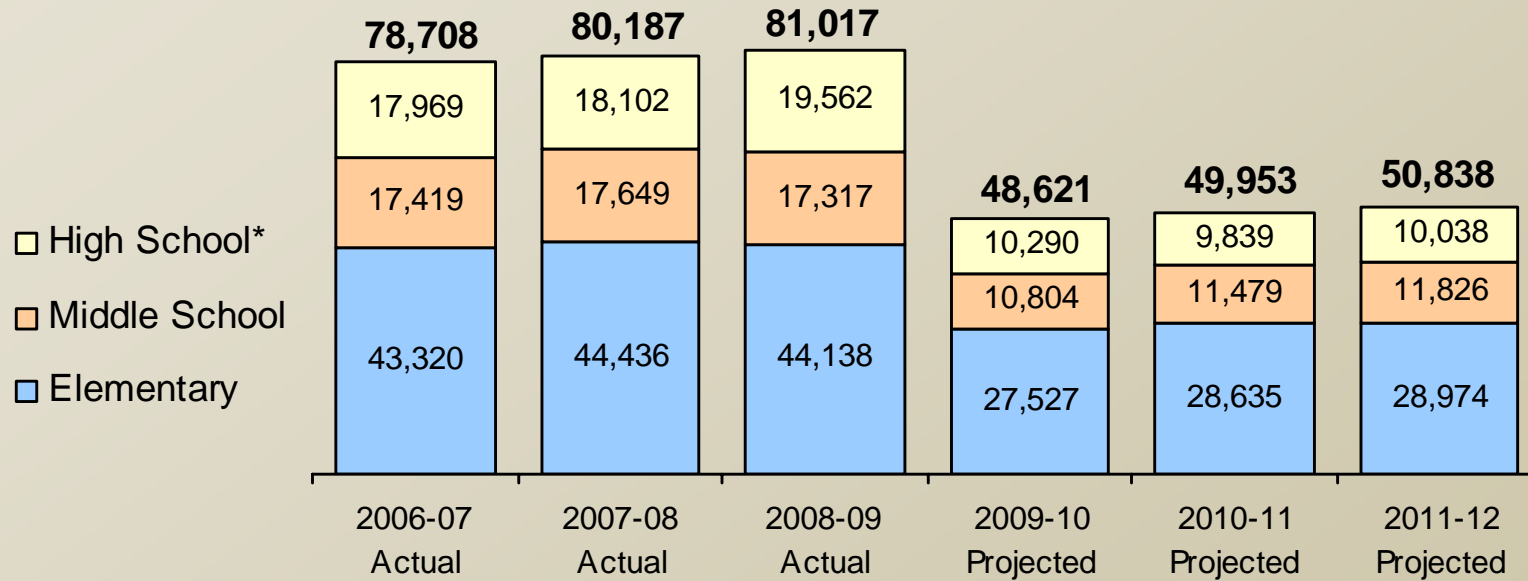
Weighted Pupil Unit (WPU)*

<u>Year</u>	<u>WPU Value</u>	<u>% Change</u>
2000	\$1,901	2.5%
2001	\$2,006	5.5%
2002	\$2,116	5.5%
2003	\$2,132	0.8%
2004	\$2,150	0.8%
2005	\$2,182	1.5%
2006	\$2,280	4.5%
2007	\$2,417	6.0%
2008	\$2,514	4.0%
2009	\$2,577	2.5%
2010	\$2,577	0.0%

*WPU = State Funding Per Pupil

Enrollment History

October 1



*Includes special schools enrollment.



Projected Enrollment

October 1

<u>Actual 2008-09</u>	<u>Projected 2009-10</u>	<u>Increase</u>	<u>Percent Increase</u>
47,622*	48,621	999	2.10%

*Remaining Jordan School District enrollment for the 2008-09 school year.

Note: Enrollment is expected to increase each year for the next decade.



Assessed Valuation



Billions

Assessed Valuation History: Jordan & Canyons

	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	Projected <u>2009-10</u>
Assessed Valuation (billions)	\$25.7	\$32.6	\$34.5	
Jordan				\$15.9
Canyons				\$17.6
Students	78,708	80,187	81,017	
Jordan				48,621
Canyons				32,848
AV / Student	\$326,079	\$406,487	\$425,837	
Jordan				\$327,019
Canyons				\$535,801
Tax Revenue Generated / Student using the 2008-09 tax rate of .006150			\$2,818	
Jordan				\$2,164
Canyons				\$3,545

➤ Board of Education
Mission, Vision, and
Beliefs



MISSION

Provide excellent educational
opportunities for all students and
ensure quality teachers,
administrators, and support staff



VISION

- Continually improve student instruction and learning while maintaining accountability for results.
- Provide safe and appropriate schools.
- Reduce class size.
- Proactively address issues related to changes in student enrollment.
- Build trust, respect, and confidence through effective communication.
- Value and appreciate employees.



BELIEFS

- ⌘ Increasing student scholarship and achievement is an attainable goal of the Board of Education.
- ⌘ The Board is accountable to its constituents for the expenditure of public funds in a prudent and responsible manner.
- ⌘ The Board is receptive to creative and progressive thinking that leads to improved student achievement, strengthened character, and acceptance of civic responsibility.
- ⌘ Every child can learn.
- ⌘ Appropriate student behavior is essential to a positive school culture and reflects respect for self and others.
- ⌘ Parental support is a critical force for student achievement.
- ⌘ The views, opinions, and participation of our communities are valued and encouraged.
- ⌘ Quality teaching promotes quality student learning.
- ⌘ The principal is the school's leader and assumes responsibility for its success.
- ⌘ District Office personnel provide leadership and services that support schools in accomplishing their goals.
- ⌘ The education provided must be relevant and responsive to the ever-changing world.
- ⌘ Technology is an essential tool for learning in the 21st Century.

- So, how does this budget reflect the Board's Vision?



Continually improve student instruction and learning while maintaining accountability for results

- Comprehensive School Improvement Plans (CSIP), U-PASS, Accreditation
- Middle School Reform, Smaller Learning Communities
- Professional Development and Teacher Induction Support
- Compliance with No Child Left Behind Requirements
- K-3 Literacy Initiative



Provide safe and appropriate schools

- Construction of:
 - New Silver Crest Elementary School (Herriman)
 - New Kauri Sue Hamilton School (Riverton)
 - New High School (Herriman)



Reduce class size

- No change in class size.

Reduce class size, cont.

Class Size Reduction -- 2005 to 2010

	2004-05		2005-06		2006-07		2007-08		2008-09		2009-10	
	Ratio	Change	Ratio	Change	Ratio	Change	Ratio	Change	Ratio	Change	Ratio	Change
Kindergarten	46.20		46.20		45.20	(1.00)	44.00	(1.20)	44.00		44.00	
Elementary												
Grade 1	22.50		22.00	(0.50)	22.00		22.00		22.00		22.00	
Grade 2	22.80		22.80		22.30	(0.50)	22.00	(0.30)	22.00		22.00	
Grade 3	24.30		24.30		23.80	(0.50)	23.00	(0.80)	22.00	(1.00)	22.00	
Grade 4-6	26.40		26.40		26.40		26.00	(0.40)	26.00		26.00	
Middle School												
Grade 7	26.80		26.80		26.80		26.80		26.00	(0.80)	26.00	
Grade 8	26.80		26.80		26.80		26.80		26.00	(0.80)	26.00	
Grade 9	27.50		27.50		27.00	(0.50)	27.00		27.00		27.00	
High School	27.00		27.00		27.00		27.00		27.00		27.00	



Proactively address issues related to changes in student enrollment

- Development of specific plans to accommodate growth
- Bonding study
- Bond Election



Build trust, respect, and confidence through effective communication

- Continuation of Focus Group meetings with:
 - Employees
 - PTA
 - School Community Councils
 - Cities
- Increased communication with patrons
 - *The Road Ahead*
 - *Current*
 - Enhanced Web site
 - E-mail communications with patrons and employees
 - Superintendent's Blog



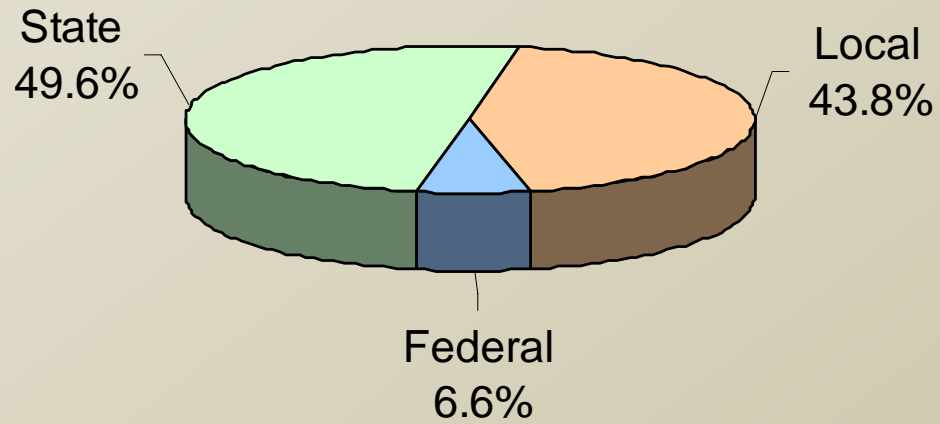
Value and appreciate employees

- Tentative Agreements with:
 - Jordan Classified Professional Association
 - Jordan Administrators
- Five-Star Award Employee Recognition Program
- Continued Support for National Board Teacher Certification
- Reserving Funds for Retiree Benefits

➤ Financial Overview

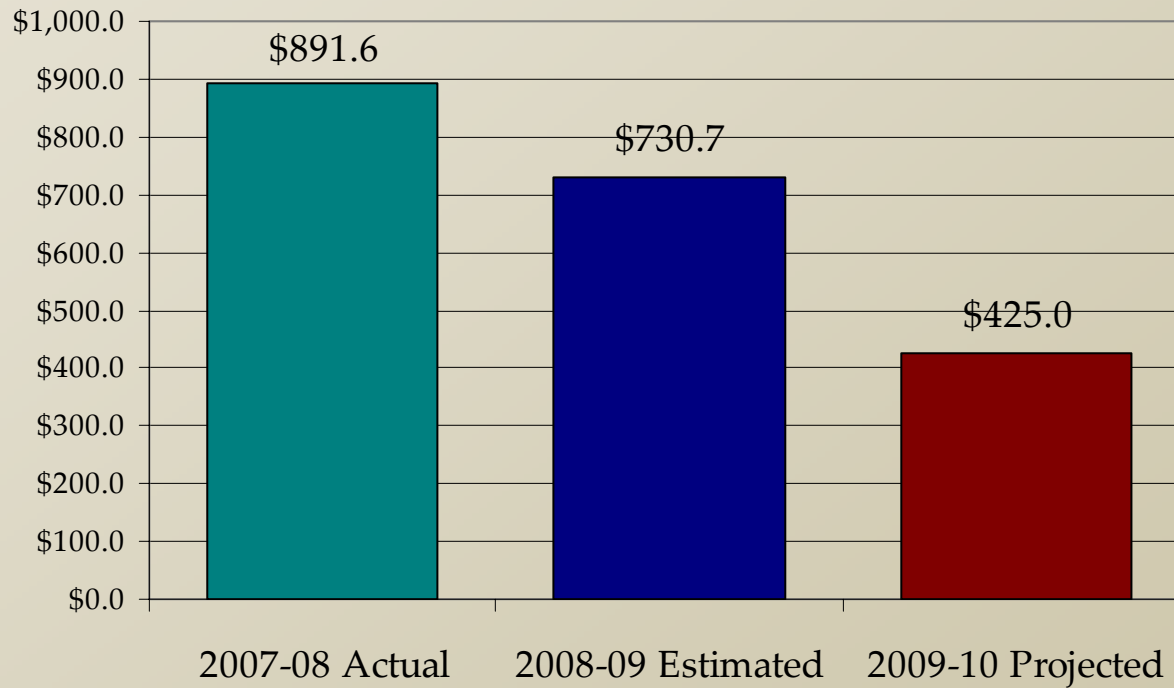
Revenue Sources 2009-10

Total District



Revenue & Other Financing Sources

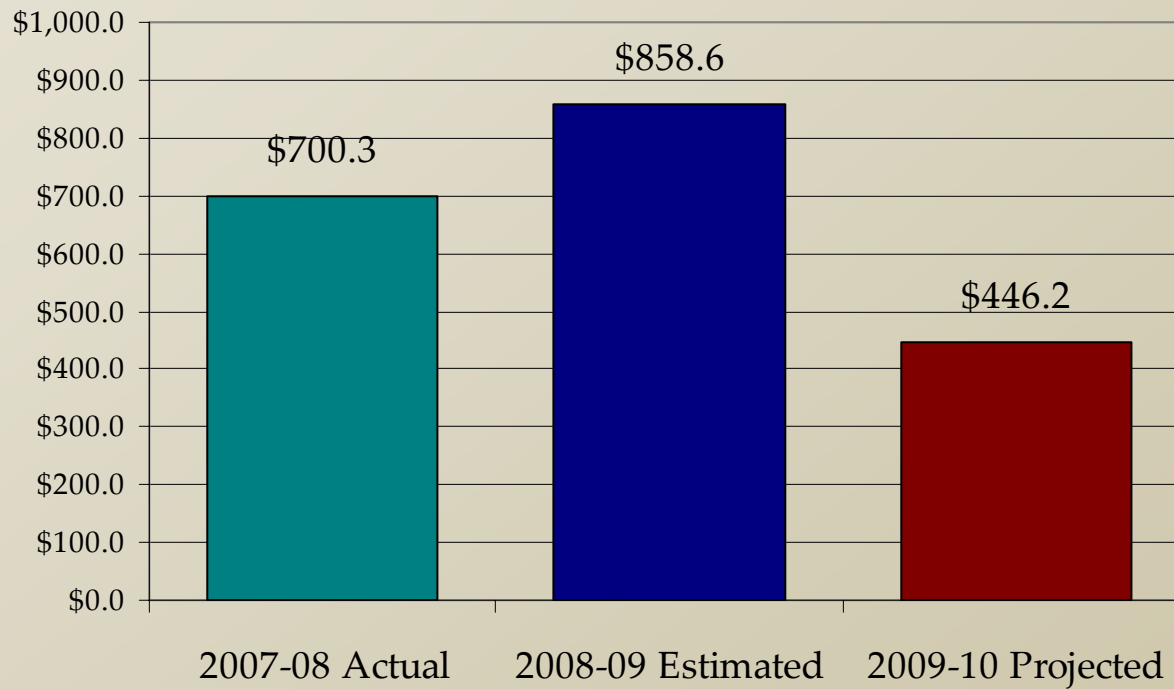
Total District



Millions

Expenditures

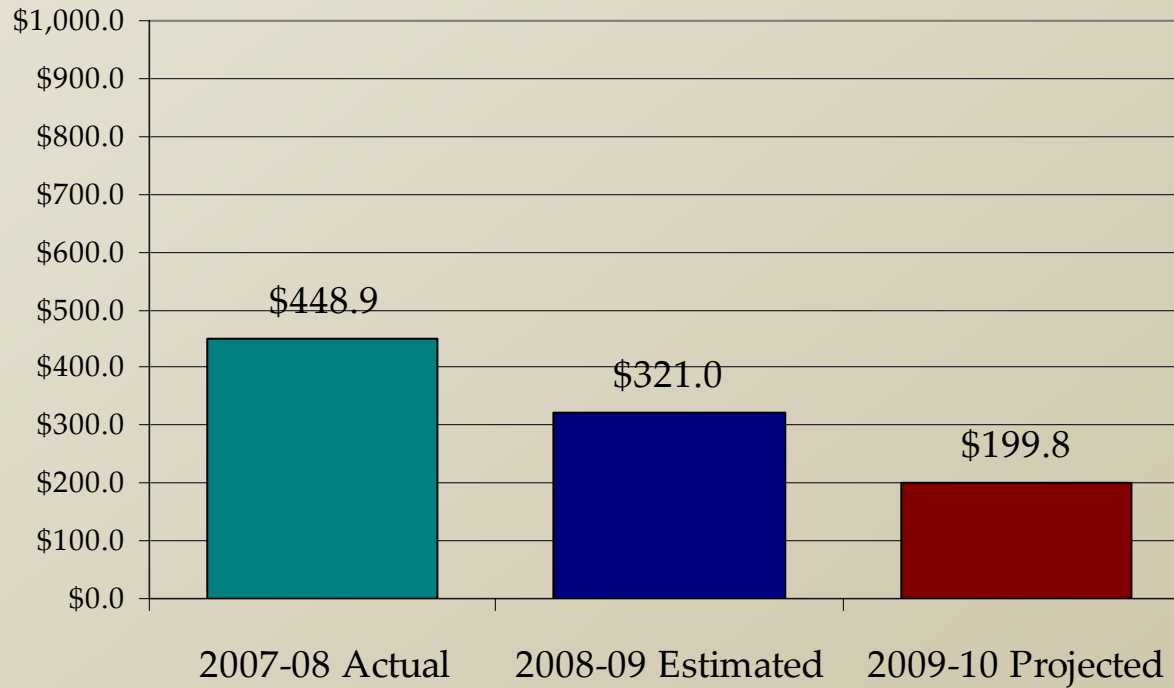
Total District



Millions

Fund Balance

Total District



Millions

➤ Funds

- ▶ General
- ▶ Debt Service
- ▶ Capital Projects
- ▶ Nutrition Services
- ▶ Self-Insurance
- ▶ Other Funds

▶ General Fund

- Salaries
- Benefits
- Supplies
- Textbooks
- Utilities



Major Changes

General Fund

- Revenue

State

Legislative Cuts	\$(16.2)
WPU Increase (\$0 or 0%)	0.0
WPU (new students)	2.5
State Leeway Subsidy	1.4

Local

AV Decline (due to district split)	(7.8)
Employee Insurance Contributions	0.0
Tax Increase	19.0

Millions



Major Changes, cont.

General Fund

- Expenditures

Health Insurance (5.0%) (100% District-paid)	\$ 1.6
COLA Increase (0.0%)	0.0
Lanes and Steps	0.0
Formula-Driven Staff Growth	2.5
New Schools Opening	0.9

Millions



Major Changes, cont.

General Fund

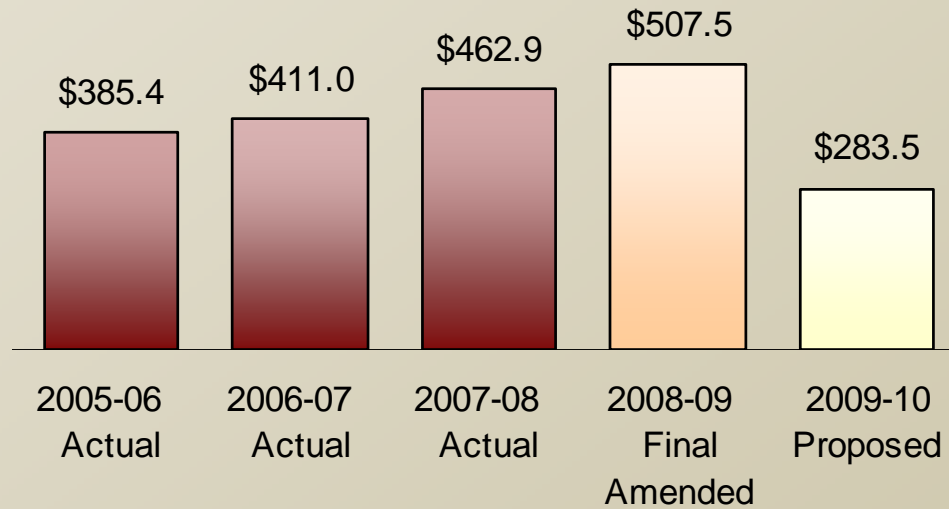
- Expenditures, cont.

Class Size Reduction (No Change)	0.0
Textbooks and Supplies	0.0
Professional Development Days	1.6
Classified/Administrative Job Cuts	(7.0)
Travel and Food	(0.2)

Millions

Revenue

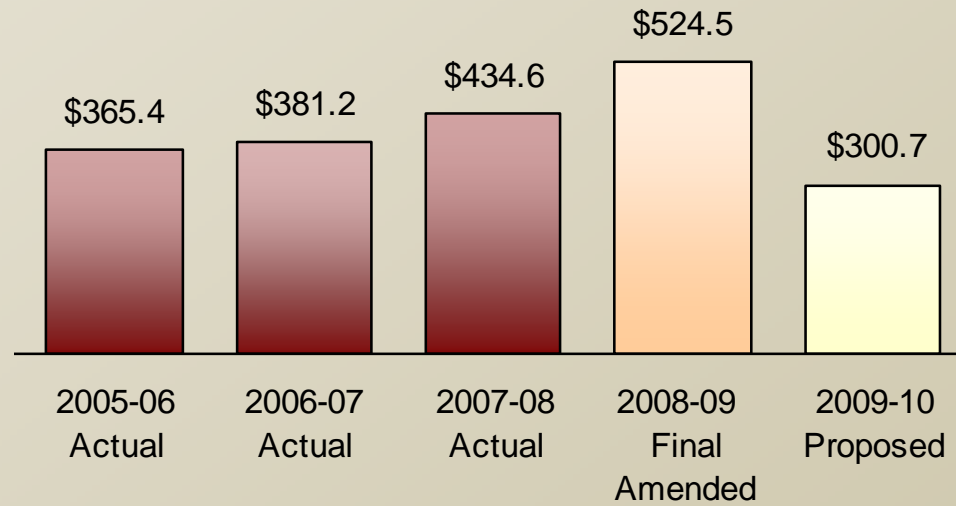
General Fund



Millions

Expenditures

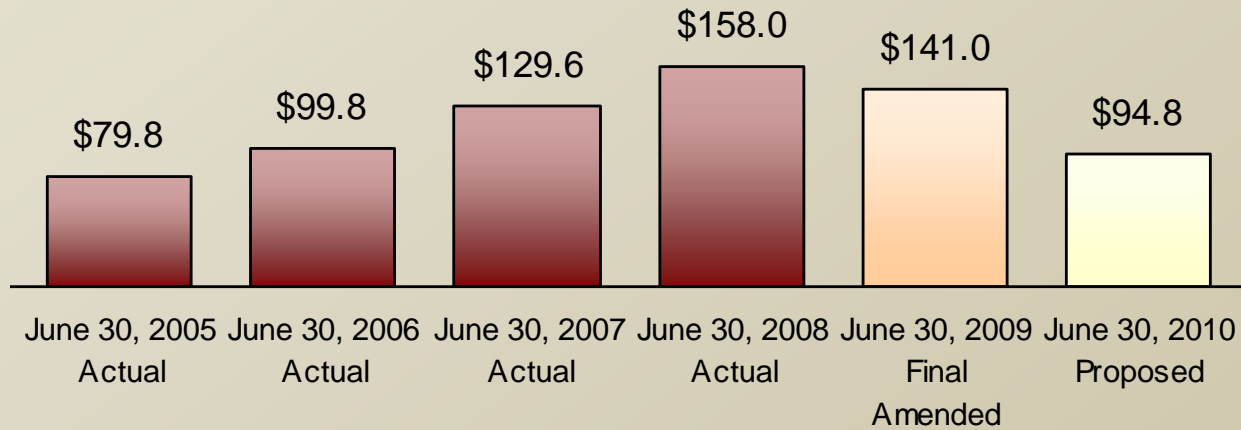
General Fund



Millions

Fund Balance

General Fund



Millions



Fund Balance Details

General Fund

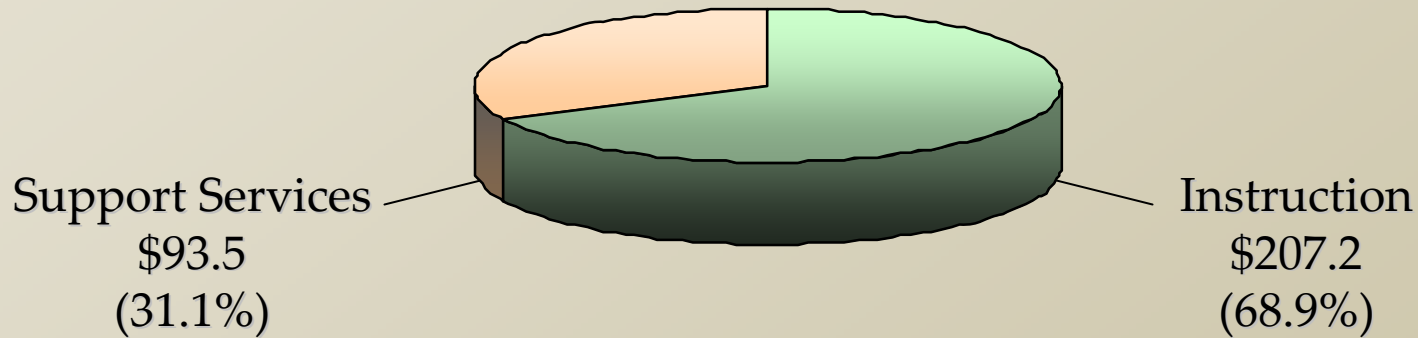
	Projected <u>2009-10</u>	<u>Purpose</u>
Inventories	\$ 1.7	Inventory Items
Undistributed Reserve	14.5	Rainy Day Fund (5% legal maximum = \$15m)
Programs	2.6	Industrial and Tort Insurance
	8.0	Health Insurance
Absences	8.0	Vacation Accrual
Retiree Benefits	<u>60.0</u>	Frozen Retirement Reserve
TOTAL	<u>\$ 94.8</u>	

Millions

Proposed Expenditures 2009-10

General Fund

Total Expenditures: \$300.7



Millions



Expenditures Per Pupil

General Fund

	<u>2007-08</u>	<u>Estimated 2008-09</u>	<u>Projected 2009-10</u>
Per Pupil	\$5,420	\$6,474*	\$6,184
WPU Value	\$2,514	\$2,577	\$2,577

* The 2008-09 estimated per pupil expenditures are overstated by the deferred revenue that will be determined as of June 30, 2009.

▶ Debt Service Fund

- Mortgage Payments for Bonded Indebtedness



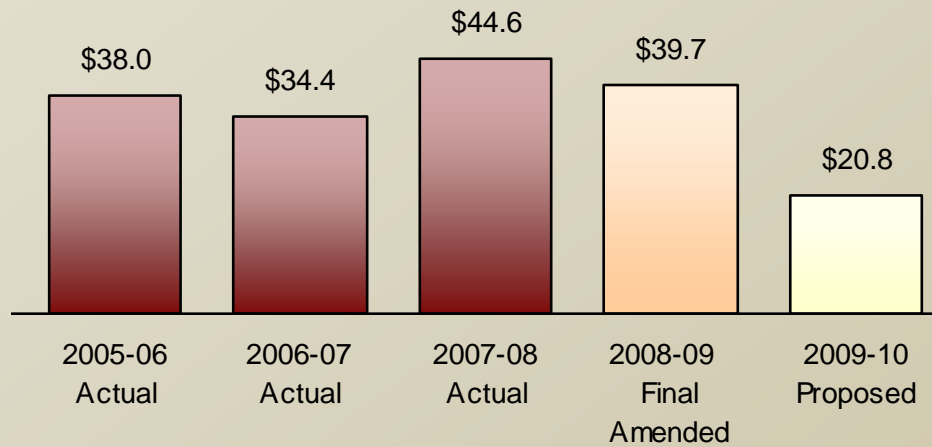
Major Changes

Debt Service

- General Obligation Debt divided between Jordan and Canyons Districts

Revenue

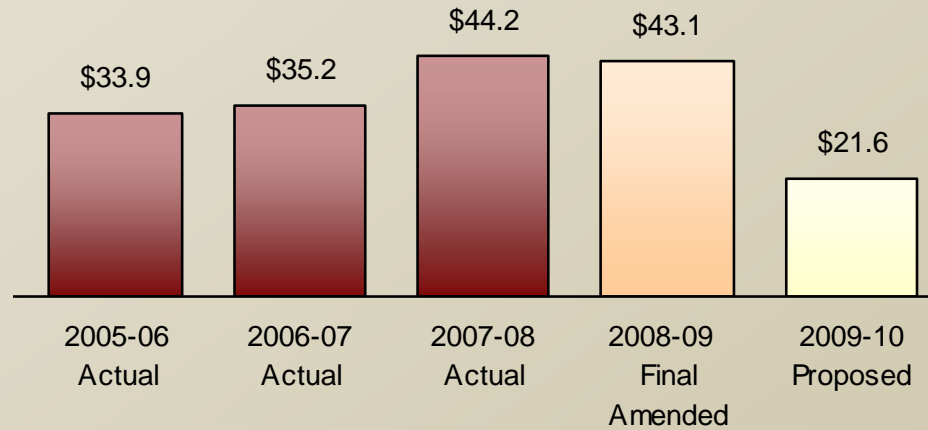
Debt Service



Millions

Expenditures

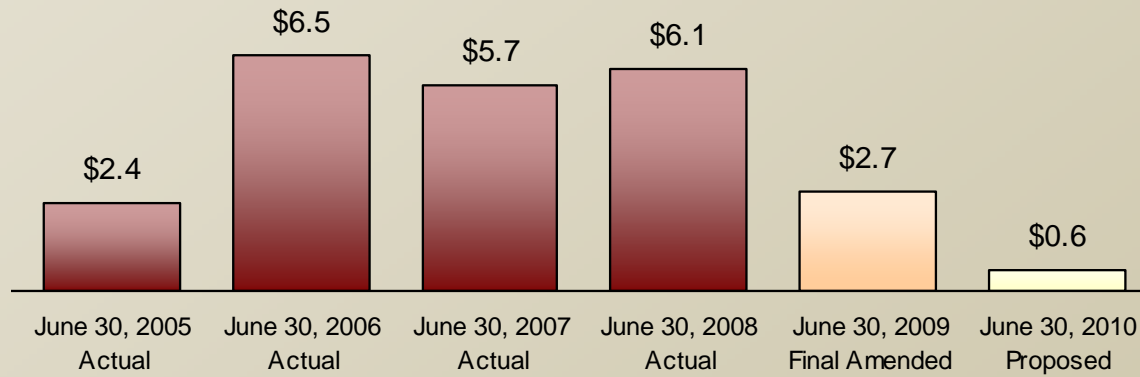
Debt Service



Millions

Fund Balance

Debt Service



Millions



Outstanding Debt

Debt Service

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
6/30/2009	\$293.0	\$79.3	\$372.3
6/30/2010	\$131.0	\$33.6	\$164.6

2010 Additional Legal Debt Incurring Capacity: \$817 million

Millions

▸ Capital Projects Fund

- Building Remodeling and Renovation
- New Construction
- Equipment Purchases



Major Changes

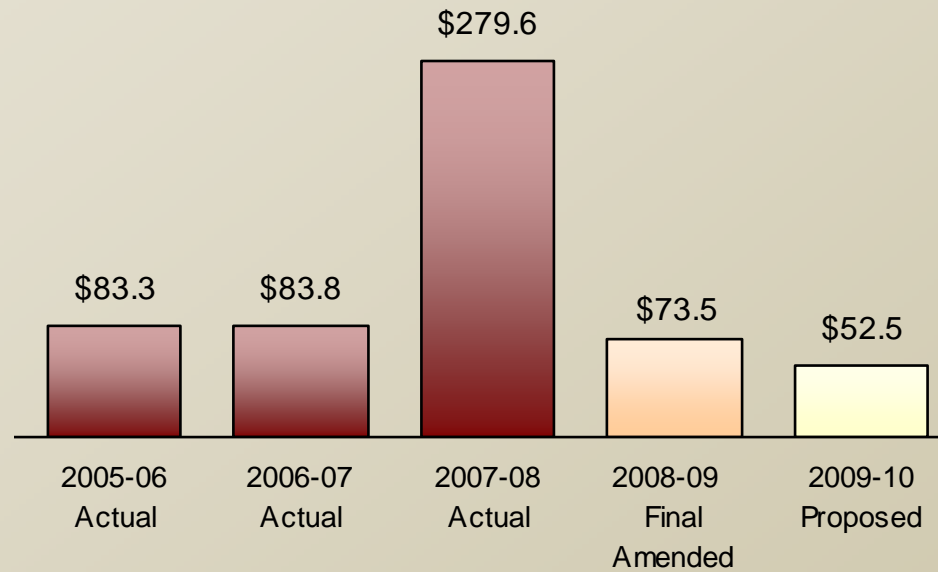
Capital Projects

District Split Assessed Valuation Losses	\$ (9.0)
Tax Increase	6.0
Countywide Equalization from Other Salt Lake County School Districts	12.0

Millions

Revenue

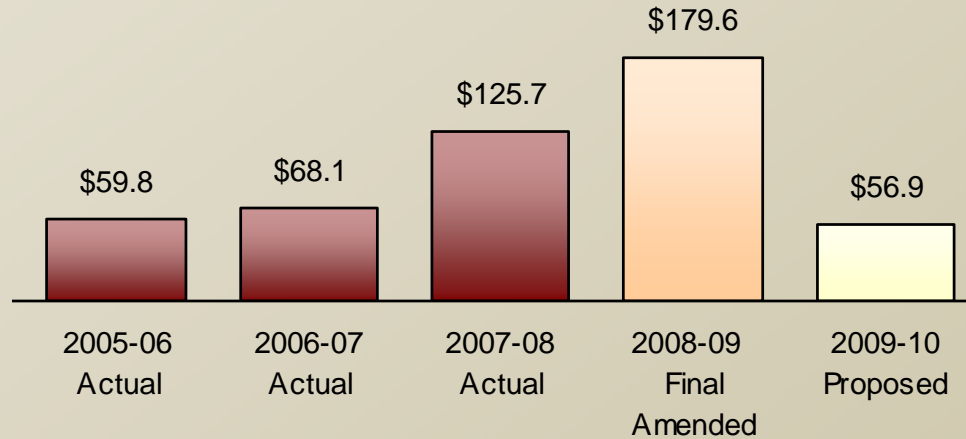
Capital Projects



Millions

Expenditures

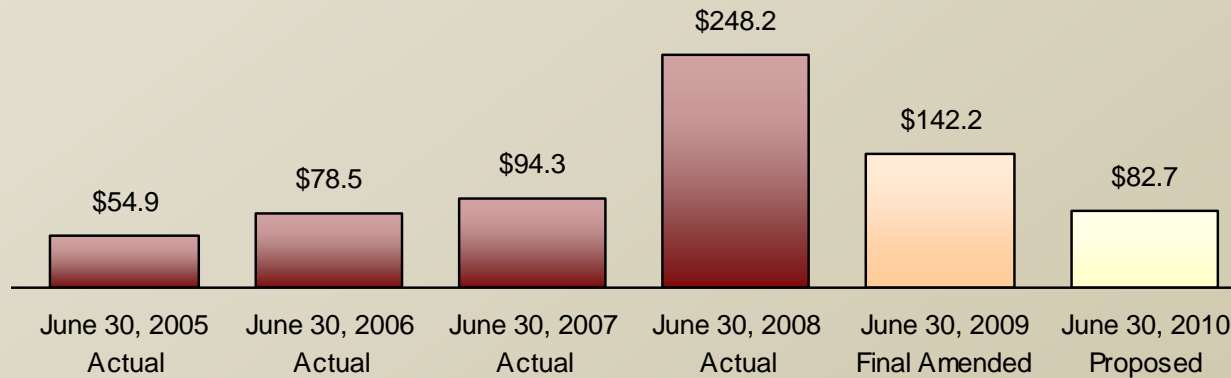
Capital Projects



Millions

Fund Balance

Capital Projects



Millions



February 2003 Bond Election Status

Capital Projects

	<u>Original Plan</u>	<u>Completed or Under Construction</u>
Elementary Schools	13	12
Middle Schools	4	2
High Schools	1	1
Other Buildings	<u>4</u>	<u>4</u>
TOTAL	22	19



New Facilities Status

Capital Projects

Completed – 2003:

South Valley Rebuild
Foothills Elementary
Copper Canyon Elementary

Completed – 2004:

Columbia Elementary Rebuild
Oakcrest Elementary
South Jordan Elementary Rebuild (not 2003 Bond)

Completed – 2005:

Sunset Ridge Middle School
Fort Herriman Middle School
Daybreak Elementary
New West Jordan JATC #2



New Facilities Status, cont.

Capital Projects

Completed – 2006:

Butterfield Canyon Elementary
Willow Springs Elementary

Completed – 2007:

Midas Creek Elementary

Completed – 2008:

Eastlake Elementary
Falcon Ridge Elementary
Heartland Elementary Rebuild
New Valley High



New Facilities Status, cont.

Capital Projects

Completed – 2009:

Silver Crest Elementary (Herriman)
Kauri Sue Hamilton School (Riverton)

Construction in 2009-10:

New High School (Herriman)



Bond Sale Schedule

Capital Projects

**\$281 Million of General
Obligation Bonds
(Approved February 2003)**

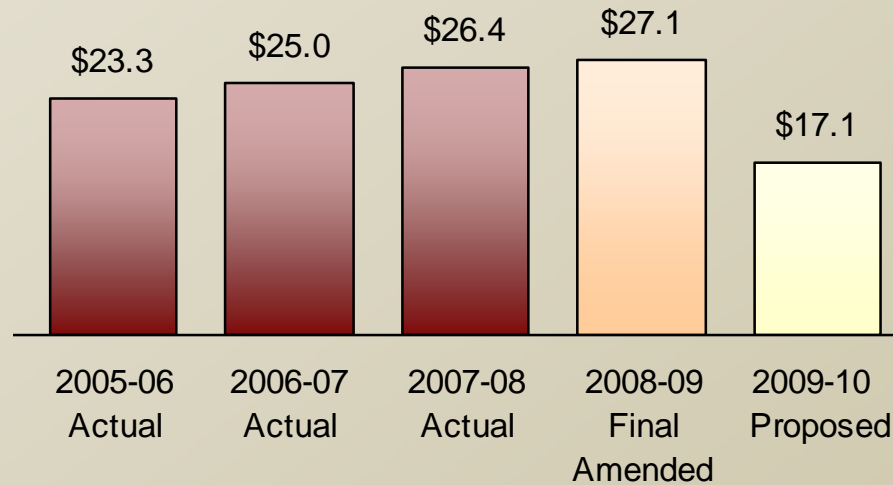
<u>FY</u>	
2003	\$ 10 million
2004	20 million
2005	15 million
2006	25 million
2007	15 million
2008	<u>196 million</u>
	\$281 million

All of the 2003 authorized bonds have been issued.

- ▶ Nutrition Services Fund
 - School Lunch and Breakfast Programs

Revenue

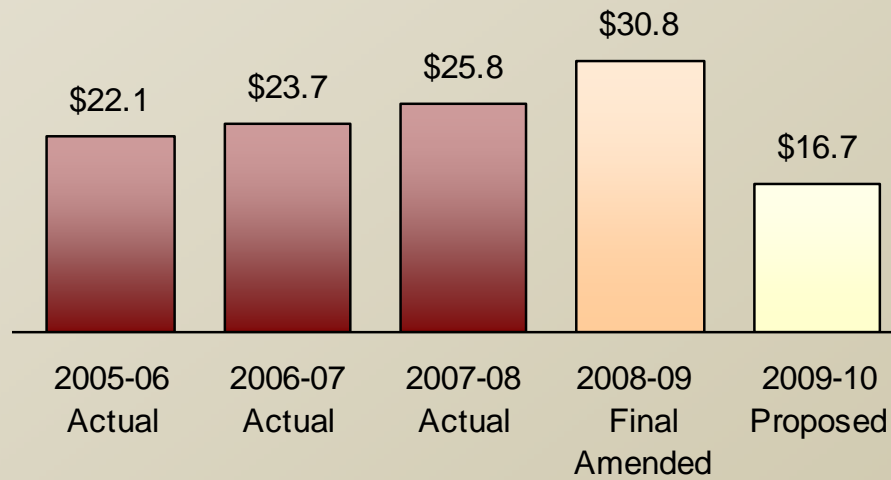
Nutrition Services



Millions

Expenditures

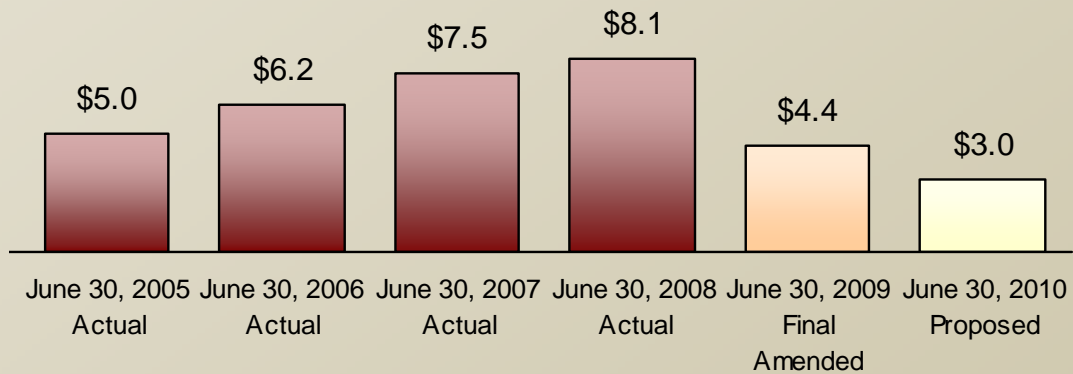
Nutrition Services



Millions

Fund Balance

Nutrition Services



Millions

Lunch/Breakfast Prices

Nutrition Services

	<u>2008-09</u>	<u>Proposed 2009-10</u>	<u>Change From Prior Year</u>
<u>LUNCH</u>			
Elementary	\$1.50	\$1.75	\$.25
Secondary	1.75	2.00	.25
Reduced Price	.40	.40	-
Adult	2.50	3.00	.50
<u>BREAKFAST</u>			
Elementary	.70	.80	.10
Secondary	.90	1.00	.10
Reduced Price	.30	.30	-
Adult	1.60	2.00	.40

Note: Price increases are periodically necessary to keep up with increased food and salary costs. Last price increase was in 2005-06 (four years ago).

▸ Self-Insurance Fund

- Health and Accident
- Unemployment
- Workers' Compensation
- Disability
- Life Insurance



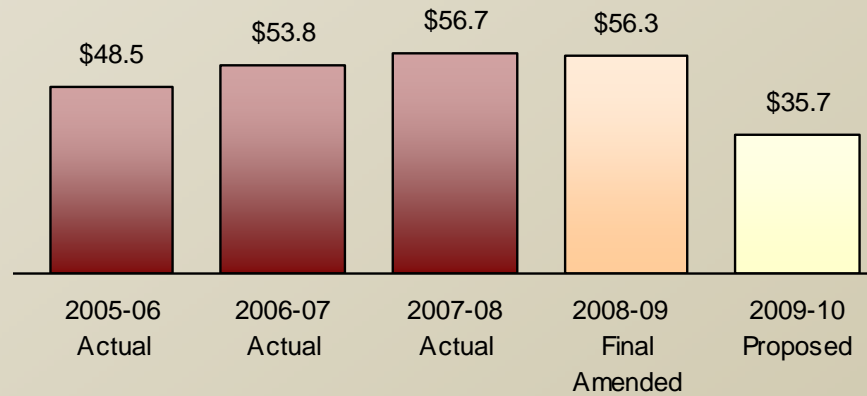
Major Changes

Self-Insurance

- Insurance costs are expected to increase about 5%.
- District has agreed to absorb all insurance cost increases.
- Employees will not see any increase in premiums next year. Future increases beyond next year will be shared 50/50 between the district and employee groups.

Revenue

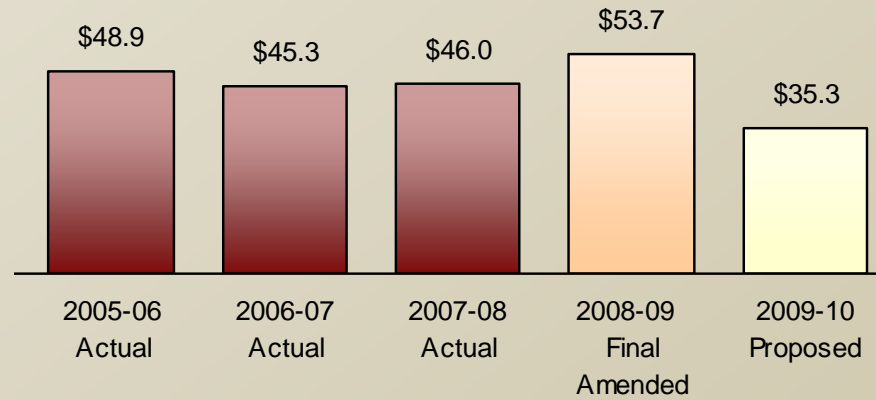
Self-Insurance



Millions

Expenditures

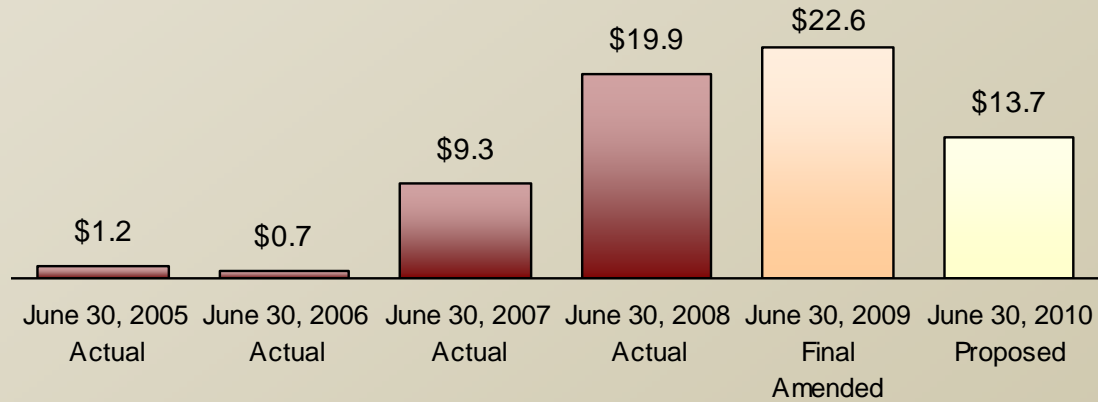
Self-Insurance



Millions

Fund Balance

Self-Insurance



Millions

▶ Other Budget Funds

- Non-K through 12 (Community Recreation)
- Jordan Education Foundation
- Student Activities (School Funds)

No Significant Changes

➤ Tax Rates

- ▶ **The proposed 2009-10 tax rate, as shown in the Budget Book and this presentation, is 0.008194 (33% increase).**
- ▶ **The actual tax rate for 2009-10 is still undetermined because the 2009 assessed valuation has not been received from Salt Lake County.**
- ▶ **We are projecting an actual tax rate increase for 2009-10 of about 30%.**



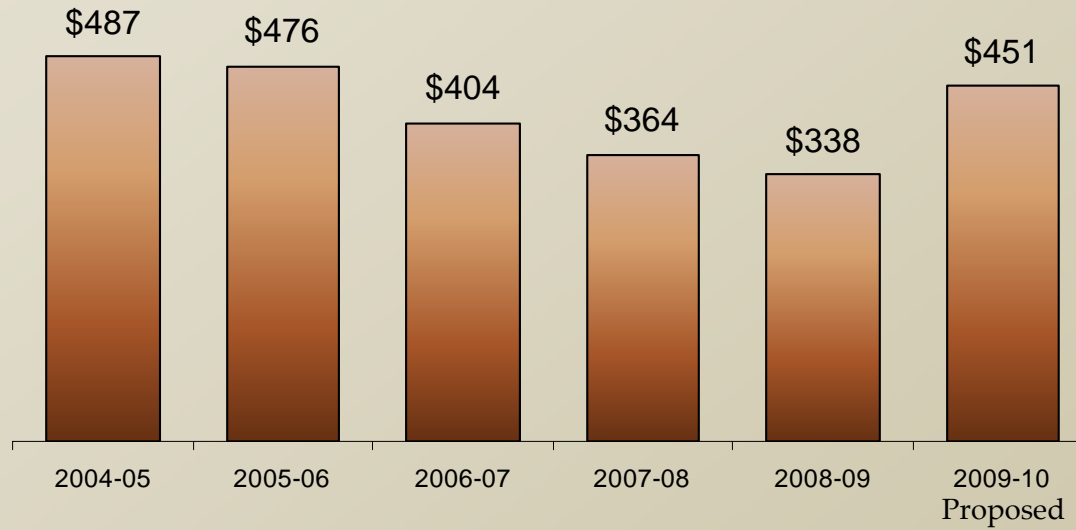
Tax Rates

Jordan School District

	<u>Actual 2008-09</u>	<u>Proposed 2009-10</u>	<u>Change From Prior Year</u>
General Fund			
Basic Program	0.001250	0.001303	0.000053
Voted Leeway	0.001200	0.001600	0.000400
Board Leeway	0.000521	0.000521	none
Special Transportation	0.000001	0.000050	0.000049
Tort Liability	0.000001	0.000028	0.000027
Non K-12			
Recreation	0.000051	0.000081	0.000030
Capital Projects			
Capital Outlay	0.001978	0.002400	0.000422
10% of the Basic Program	0.000006	0.000981	0.000975
Debt Service			
General Obligation Debt	<u>0.001142</u>	<u>0.001230</u>	<u>0.000088</u>
TOTAL	<u><u>0.006150</u></u>	<u><u>0.008194</u></u>	<u><u>0.002044</u></u>

Property Tax History

Jordan School District



Property Tax Per \$100,000 of Home Value

Assessed Valuation History: Jordan & Canyons

	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	Projected <u>2009-10</u>
Assessed Valuation (billions)	\$25.7	\$32.6	\$34.5	
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Canyons				\$17.6
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Canyons				32,848
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Jordan				\$327,019
Canyons				\$535,801
Tax Revenue Generated / Student using the 2008-09 tax rate of .006150			\$2,818	
Jordan				\$2,164
Canyons				\$3,545



Truth-in-Taxation Hearing

August 4, 2009 (Tentative)
6:00 p.m.

Jordan School District
Auxiliary Services Building
Board Room

➤ Board Action

- 1. Adopt the 2008-09 Final Amended Budget**
- 2. Adopt the 2009-10 Proposed Budget**
- 3. Authorize the administration to set the 2009 property tax rates necessary to generate the 2009-10 Board-approved budgeted property tax revenues.**

➤ Questions

