



OVERVIEW OF PRESENTATION

Context and Baseline Information

Why? Focus on Students...

Comparisons

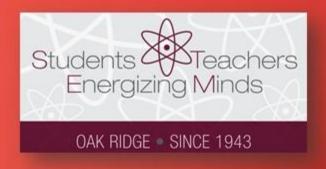
Achievements

Finances

Budget Approach

FY17 Budget Development





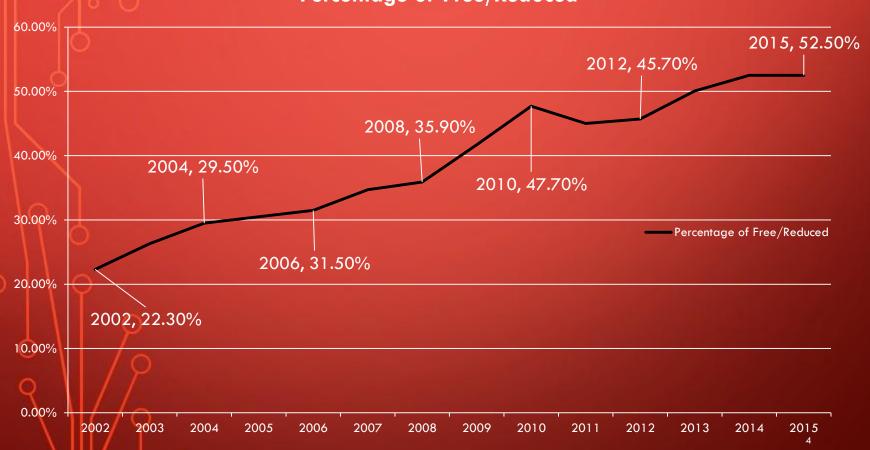
CONTEXT/BASELINE INFORMATION





CHANGES IN OUR STUDENT POPULATION SINCE 1943

Percentage of Free/Reduced



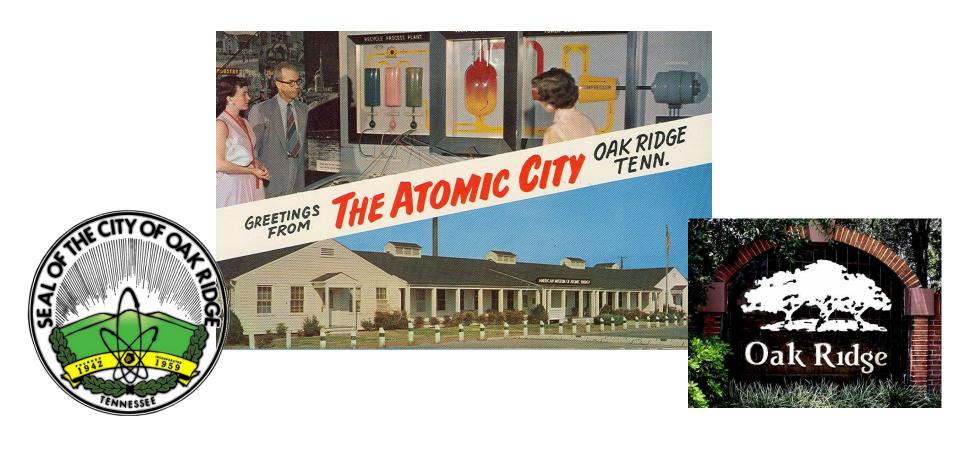


CURRENT YEAR DEMOGRAPHICS BY BUILDING....

OAK RIDGE SINCE 1943

School	# of Students in Poverty	# of Students	% of Poverty
Oak Ridge Pre School	174	190	91.6%
Glenwood Elementary	236	389	60.7%
Linden Elementary	247	441	56.0%
Willow Brook Elementary	341	398	85.7%
Woodland Elementary	207	409	50.6%
Jefferson Middle School	334	718	46.5%
Robertsville Middle School	449	722	62.2%
Oak Ridge High School	585	1393	42.0%
Oak Ridge Schools	2573	4660	55.2%

OAK RIDGE "KEYS" TO SUCCESS





SEVEN KEYS

TO COLLEGE AND CAREER READINESS

Improving the college and career readiness of all Oak Ridge students will provide them with a better foundation of knowledge and skills, allowing them to be prepared for a more technologically sophisticated and internationally competitive working world.



①—

KEY 1: All students' Reading proficiency at or above grade level by the end of the third grade



KEY 2: All students' Math proficiency at or above grade level by the end of the fourth grade



KEY 3: All students Math and English proficiency at or above grade level by the end of the sixth grade



KEY 4: All students meeting ACT Aspire's "College Readiness" benchmarks by the end of the eighth grade



KEY 5: All students are fluent in financial literacy by high school graduation



KEY 6: All students scoring an ACT composite of 27 or higher

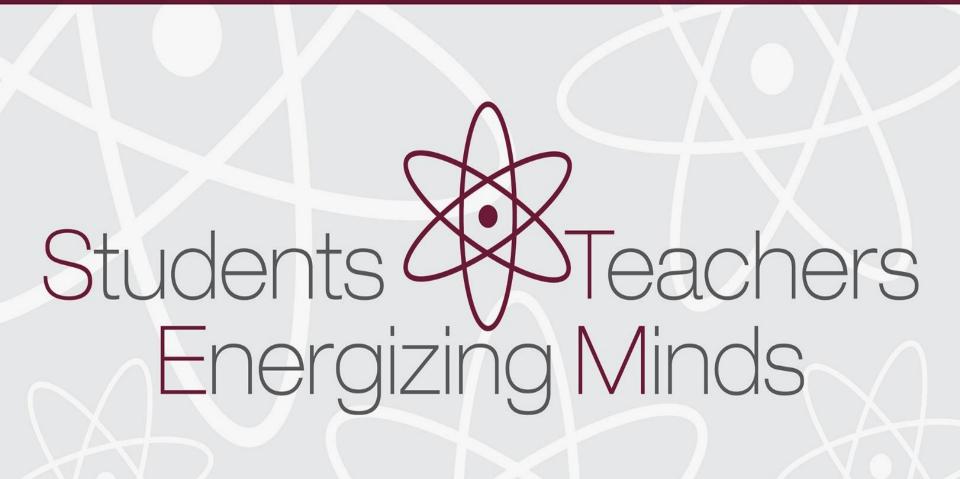


KEY 7: All students participate in a dual enrollment, AP Coursework, industry certification, or military preparation program by graduation

Elementary Keys

Middle School Keys

High School Keys







OAK RIDGE SINCE 1943



Empower all Oak Ridge students with equitable access to digital learning opportunities; to innovate, design, collaborate, and ultimately succeed in local and global communities of the future.



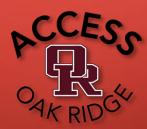
















DIGITAL TECHNOLOGY

- The use of digital technology is intended to support our efforts in STEM, preparing for online state assessments, and achieving the Keys.
- Full rollout at JMS and RMS. Expanding to 9th and 10th grade at ORHS for FY17.





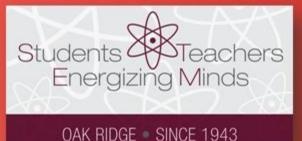
OAK RIDGE SINCE 1943

AUTOMOTIVE TECHNOLOGY TENNESSEE COLLEGE OF APPLIED TECHNOLOGY (TCAT)

The Automotive Technology program provides instruction in current methods of service and repair of automobiles. Students are taught the use of manuals and how to utilize available resources to assist in diagnosis and correction of auto problems. They are instructed in the proper use of equipment and tools. Throughout the course, students are prepared to take the ASE Certifying examination.

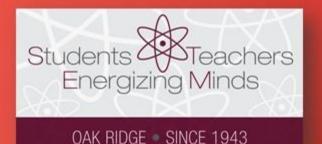






Oak Ridge is known for its academic achievements and the quality of its educational system. It has always been a discriminator in where families choose to live. We want to aggressively pursue academic excellence and offer all we can to our future----today's students. Oak Ridge 2020 is about continuous improvement and achieving excellence in education. It is a strategic framework for education that envisions our future and sets strategic goals to realize that future.





Oak Ridge Schools District-Strategic Roadmap

Mission Statement

Our Core Purpose

Provide an adaptive and challenging learning environment and instruction that prepares each student for excellence in education and the workplace, while cultivating integrity, responsibility and a sustained passion for continued learning.

Guiding Principles

Drivers of Our Words and Actions

Students First It's all about the kids

Accountability Responsibility for our actions and results

Equity Opportunity, access, and achievement for all

Excellence Our best individual and collective efforts and results

Engagement Informed, trusting and supportive stakeholders

Integrity Doing the right thing at all times

Teamwork Mutual respect and teamwork are the foundation for success

Vision

What We Intend to Create and Experience

Every student receives the highest-quality education and graduates prepared for college, career and life success.

Strategic Directions

Our Focused Allocation of Resources

Goal 1: <u>Academic Excellence</u>...World-class, balanced curriculum and instruction focused on student achievement

Goal 2: <u>Educator Excellence</u>...Committed, innovative and qualified educators that are the direct link to our students.

Goal 3: <u>Learning Environment Excellence</u>...Safe, secure and effective environment, classrooms and infrastructure that promote learning

Goal 4: <u>Operational Excellence</u>...Excellence in the administration, application, operation, and accountable stewardship of our valued educational resources to meet student needs

Goal 5: <u>Stakeholder Excellence</u>...A strong family, community and school partnership that values and supports excellence in education



Context: How Oak Ridge Compares



District	Ratio	
1. Achievement	\$46,500	
2. Arlington	\$42,343	
2. Bartlett	\$42,343	
2. Collierville	\$42,343	
2. Lakeland	\$42,343	
2. Millington	\$42,343	
2. Shelby	\$42,343	
8. Kingsport	\$41,500	
9. Davidson	\$41,257	
10. Bristol	\$39,399	
27. Oak Ridge	\$36,407	

OAK RIDGE SINCE 1943

CONTEXT: HOW OAK RIDGE COMPARES

Teacher Compensation

- Oak Ridge ranks 27th out of 142 Tennessee school districts for its <u>beginning</u> <u>teacher</u> compensation.
- We ranked 15th in FY' 14
 but have now fallen to
 27th
- Oak Ridge currently has 6 more school days than the other State systems.

Source: TEA State Website 2014-2015



OAK RIDGE SINCE 1943

CONTEXT: HOW OAK RIDGE COMPARES

- Comparison of <u>average Administrator</u><u>Compensation</u>
 - Oak Ridge ranks 13th out of 142
 school districts according to 2014 2015 TEA ranking data

District	Ratio	
1. Arlington	\$107,671	
2. Bartlett	\$107,416	
3. Germantown	\$104 , 317	
4. Collierville	\$102,752	
5. Williamson	\$102,693	
6. Alcoa	\$102,552	
13. Oak Ridge	\$94,770	
23. Knox	\$86,438	
42. Anderson	\$78,658	
47. Roane	\$77,567	

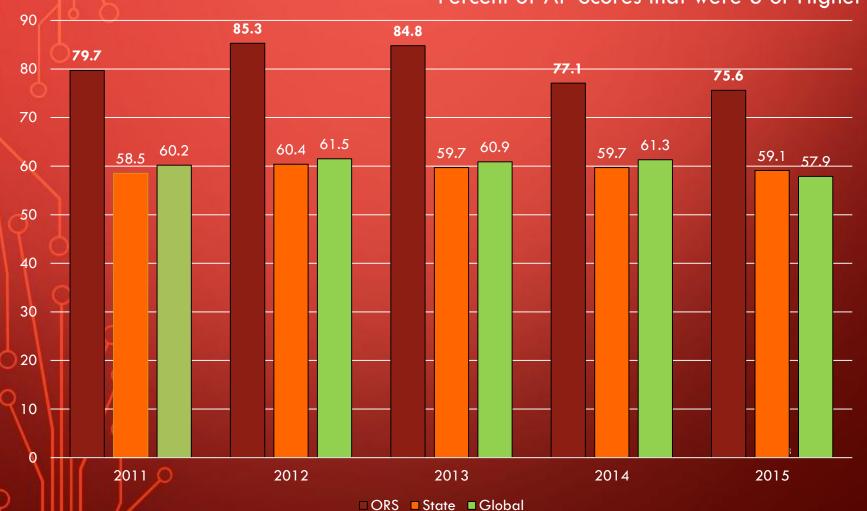
Source: TEA State Website



ACADEMIC ACHIEVEMENT - AP

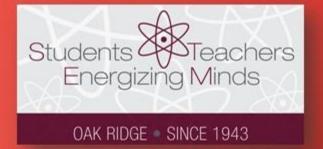
OAK RIDGE SINCE 1943

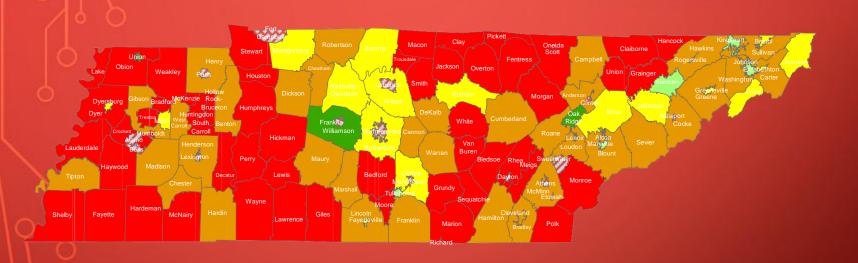
Percent of AP Scores that were 3 or Higher



TENNESSEE PUBLIC SCHOOLS

AP® Success by District: Class of 2015





Sources:

2013–14 NCES 12th–grade district enrollment, 2015 College Board AP Cohort Data, and 2013–14 Proximity School District Boundary Files.

Notes:

The most recent enrollment data available were for the 2013–14 school year. A degree of caution should be exercised when reviewing performance estimates, as data may not reflect district enrollments for the 2014–15 school year. AP cohort data represent public school students from a given graduating class who scored 3 or higher on an AP Exam during high school.

Percentage of 12th–graders who scored 3 or higher on an AP Exam during high school:

Less than 1%

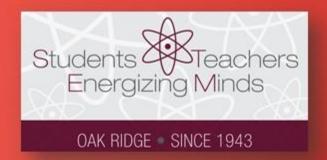
1%–9%

10%–19%

20%–29%

30% or greater

No 12th-grade enrollment data



ACADEMIC ACHIEVEMENT - ACT

ACT Composite Score

Oak Ridge High School students consistently outperform the state and national averages on the ACT college entrance examination.





FINANCING THE BUDGET

Based upon the major revenue and expenditure assumptions, \$1,804,548 is needed to support the recommended FY17 budget. This includes a beginning deficit, offset with staff reductions which were based upon enrollment or student course selections, together with the addition of staff to support technology initiatives, and an adjustment of 3% to salaries.



MAJOR REVENUE ASSUMPTIONS

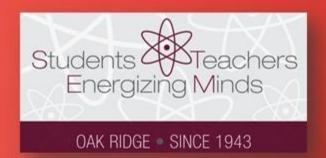
- Projected Sales and Property tax estimates are based upon FY16 actual collections to date and historical trends for receivables
- BEP Funding is based upon the FY17 April estimate received from the State of TN
- <u>City Allocation</u> is based upon the FY16 Funding Level, plus a 3.6% requested increase
- Planned use of <u>Fund Balance</u>



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MAJOR EXPENDITURE ASSUMPTIONS

- <u>Salaries</u> include an experience step for all staff on schedules and a 3% adjustment
- <u>Supplies and services</u> are based on FY16 budget, with some <u>minimal increases included</u>
- Current rates for health insurance, plus 6.2%
- Current rates for dental insurance, plus 10%
- Elimination of the GAP Insurance Program
- Addition of Technology Staff to support Technology Initiatives
- Increased General Fund Support for staffing previously funded through Federal Projects



FY17 POSITION CHANGES

Reductions Due to Enrollment/Student Course Selection

- -4.0 FTE Teachers (Impacts 2.0 FTE current staff)
- -.5 FTE Interpreter

Additions/Other Changes

- 5.0 FTE Technology Positions
- 1.0 FTE Title 1 and Emergency Preparedness Secretary (Federally Funded)
- .25 FTE Teaching and Learning Math Coordinator (Budget Neutral)
- 2.0 FTE Middle School Assistant Football Coaching Supplements

NEW INVESTMENTS

SALARY- (Includes Salary and Benefits)

- Experience Step \$373,197
- Adjustment of 3% \$1,103,706

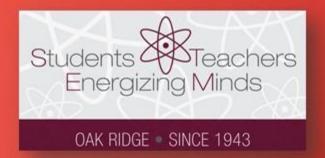
TOTAL - \$1,476,903

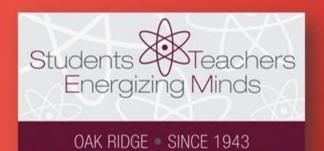


- Repair Technician for Devices
- Tier II Technician ORHS
- Tier I Technician ORHS
- Two Tier I Technicians RMS & JMS
- Federal Projects Staffing now paid from the General Fund

TOTAL - \$427,998

GRAND TOTAL NEW INVESTMENTS- \$1,904,901





HISTORY OF ORS SALARY ADJUSTMENTS

Fiscal Year	Salary Adjustments
FY'16	3.0%
FY '1 <i>5</i>	0%
FY '14	0%
FY '13	2.5%
FY '12	1.6%
FY '1 1	0%
FY '10	1.5%
FY '09	0%



Use of FUND BALANCE

- The State of TN requires that a fund balance representing 3% of operating expenditures is maintained.
- Best School Business Management practices support maintaining a fund balance of 8-10%.
- Ending fund balance for FY15 was 11.37% of operating expenditures.
- Ending fund balance for FY16 is expected to be 7.55%.
- Fund balances cannot be a
 permanent solution when additional
 revenue is needed; it can be used as a
 tool to deal with a revenue shortfall, but
 only for non-recurring expenses.

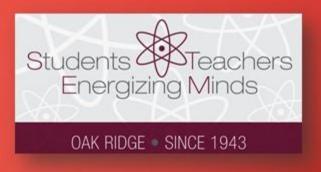
The district should maintain sufficient financial reserves to provide for prudent financial management and for adequacy of cash flow to support operations. These reserves shall include two separate components: an operating reserve and a financial stabilization reserve.

Operating Reserve

Because of the cyclical nature of district revenues and expenses, the purpose of the operating reserve is to cover cash flow needs for normal district operations during each fiscal year. The operating reserve component should be approximately six percent (6%) of the budget's expenditures for these funds.

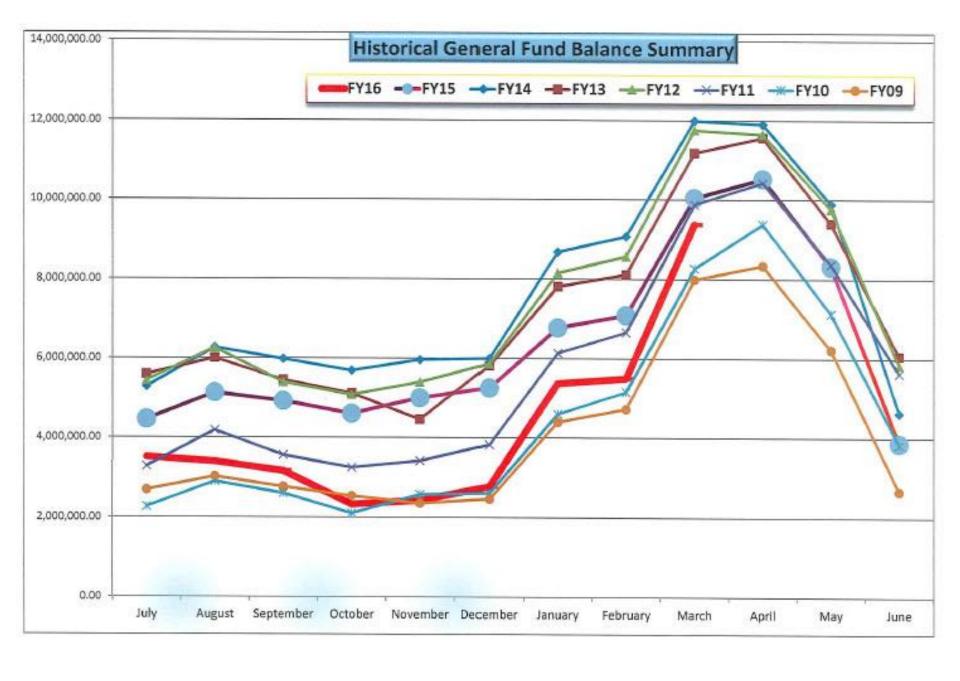
Financial Stabilization Reserve

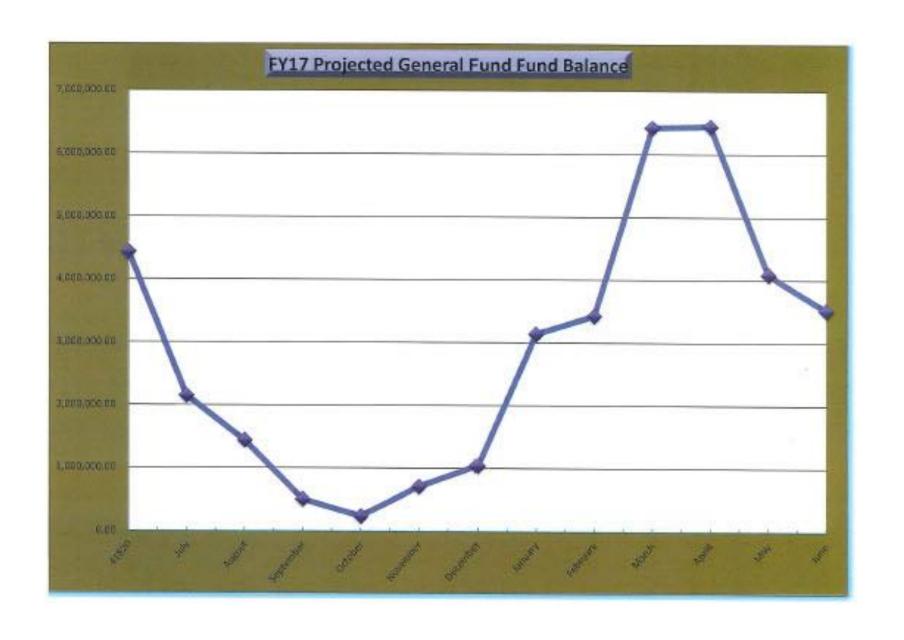
A separate financial stabilization reserve should be established to minimize the disruptive impact of major adverse financial changes on district programs and budget. Such adverse financial changes might be related to emergency facility repairs, student enrollment changes, reductions in state or local funding, etc. The funding goal for this reserve should be four percent (4%) of annual operating expenditures (excluding carryovers), but may increase based on the potential needs of the district, the condition of facilities, economic prospects and/or other pertinent factors. Any funds drawn from this reserve during a fiscal year must be approved by the Board and should be replenished in succeeding years as part of the regular budget process.

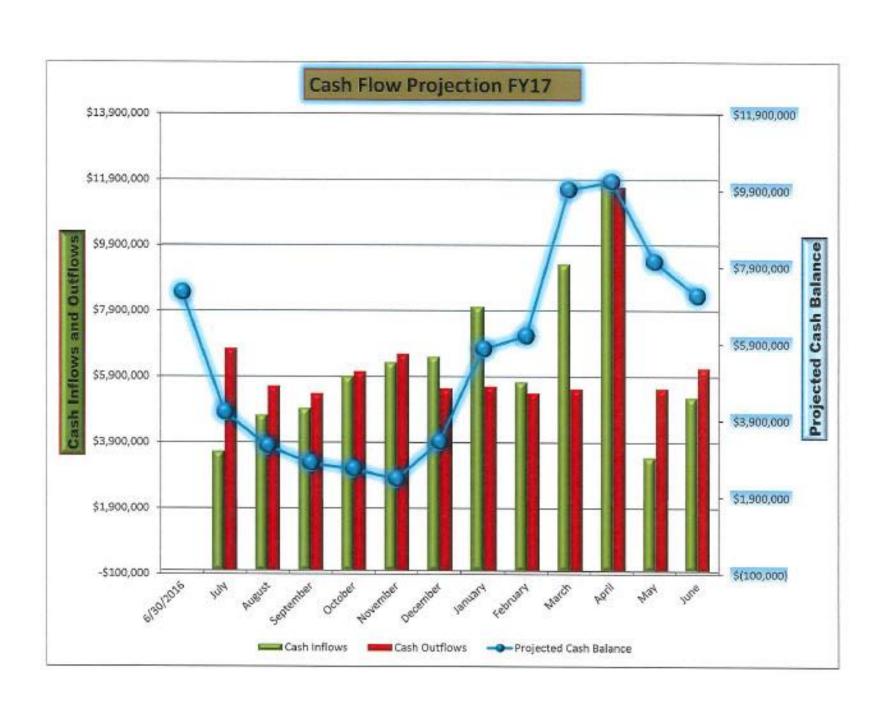


FY17 PROJECTED FUND BALANCE

Within a fiscal year, fund balance fluctuates because a major source of revenue, local property taxes, is not received until January and March and because BEP funds from the State are not received during the months of May and July. Expenditures are paid each month throughout the year averaging \$4.1 million per month (payroll and benefits average \$3.6 million per month).







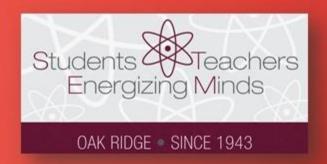


EXPENDITURES FUNDED WITH FUND BALANCE

Debt Service	\$425,000
Site Development-Equipment	\$25,000
Capital Outlay -Building Improvement	\$186,000
Capital Outlay -Engineering	\$10,000
Capital Outlay -Consultants	\$5,000
District Potential IRS Liability	\$100,000
Instructional Equipment-Furniture	\$65,000
Textbooks	\$450,000

GRAND TOTAL

\$1,266,500



BALANCING THE BUDGET

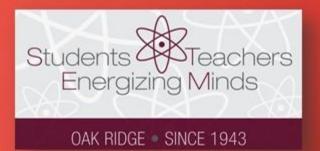
FY17 PROPOSED BUDGET DEFICIT -\$1,804,548

USE OF DISTRICT FUND BALANCE +\$1,266,500

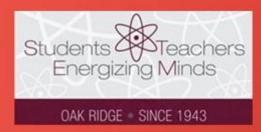
REQUEST TO CITY COUNCIL - \$ 538,048

Note: Use of \$1,266,500 from Fund Balance would leave approximately \$2,500,000 for operational cash flow requirements and \$500,000 for emergencies in the general fund, or 5.72% of the operating expenditures. It is not recommended to drop below this level.





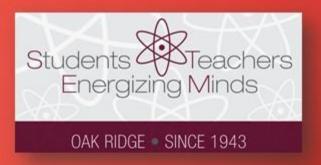
- The School District and the City of Oak Ridge are currently working together to implement an (Energy Service Company) ESCO plan which utilizes utility savings to replace major HVAC equipment.
- The School District and the City of Oak Ridge are working together to implement an inclusive roofing replacement plan based upon priority and available funding.
- Remaining Capital Projects will be addressed through a Joint Capital Improvement Plan developed by the School District and The City of Oak Ridge.



BUDGET APPROACH







BUDGET PROCESS

- Executive Committee met with all <u>Principals, Supervisors and Directors</u> to review budget requests.
- Executive Committee used the district's scorecard performance indicators to evaluate potential reductions with the goal to minimize the negative impact to student learning.
- Difficult process considering \$3.4 million in previous reductions and competing priorities within the budget.

NEXT STEPS

- Students Teachers
 Energizing Minds
 - OAK RIDGE SINCE 1943

- May 12: Special Board of Education Mtg, 5:30 pm
 - Work Session: Budget Development Discussion
- May 16: Special Board of Education Mtg, 5:30 pm
 - Line by Line Review of Budget
- May 18: Special Board of Education Mtg, 5:30 pm
 - Public Hearing of Budget-First Reading
- May 23: Special Board of Education Mtg, 5:30 pm
 - Adoption of Budget
 Second Reading
- May 23: Regular Board of Education Mtg., 6:00 p.m.

City Council Budget Meeting Dates TBD





OAK RIDGE SINCE 1943

WHAT WE KNOW TODAY DOES NOT MAKE
YESTERDAY WRONG; IT MAKES TOMORROW BETTER.
- CAROL COMMODORE