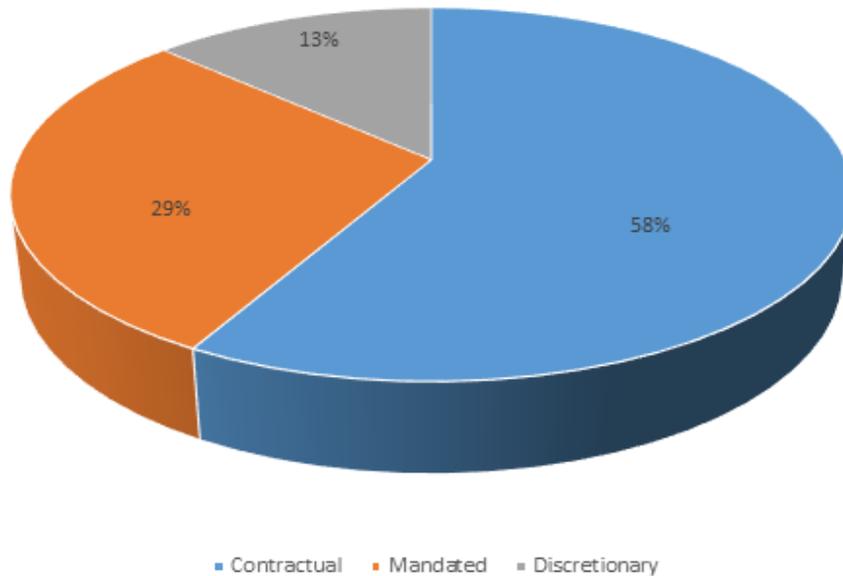


Expenditure Breakdown



Contractual includes: salaries, health benefits, Social Security, retiree benefits, etc.

Mandated includes: special education, charter school, transportation, PSERS, etc.

Discretionary includes: books, supplies, advertising, postage, etc.

As of April 9, 2018, there is an \$829,638 gap between our anticipated revenues and our anticipated expenditures for the 2018-2019 school year.

This gap can be closed via two different sources - an increase in taxes and/or a reduction in our expenditures. Many legal mandates, like PSERS costs, increases in Special Education costs, and contractual obligations cannot be removed from the budget.

Over the past few years, we have been able to reduce expenditures through things like rebidding contracts, addressing delinquent taxes, creative programming, energy savings programs and attrition. Most of these served as “one time pops” in the budget.

At this point in time, there are no magic tricks left to pull out of the hat. There are no untapped resources that we can use to offset expenditures.

We will need to make some tough decisions and keep our priorities in mind as we make these decisions.

Some questions we need to examine:

- What can we legally cut from the budget that still allows us to maintain the integrity and quality of the education we provide to our students, as per our Strategic Plan?
- How much of a tax increase is fair and is needed?
- What, if any, combination of reductions and a tax increase will balance the budget and still provide our students with a quality education?

Accomplishing this important goal will require that we all work together.

We must continue to make decisions that support academic excellence, provide our students with a safe learning environment, customize student learning, and provide students with opportunities beyond the classroom walls. We must also be responsible to all of our taxpayers.

Respectfully,

Peggy DiNinno