

Recommended Tax Rate
Fiscal Year 2009

Red Clay Consolidated
School District

July 9, 2008

Rate development considerations

- Tax Warrant required by New Castle County
July 10, 2008
- State budget update – SB300
- Red Clay's assessed property \$5,063,604,229.
Net value of assessment increased by \$18.7M
or .35%.
- Tax pool allocation factor increased from
.28096 to .2845134174 or 1.3%

SB300 Budget Bill Highlights

- State share of full-day K funded
- Budget reductions:
 - student success grants including discipline and extra time
 - professional development, skills and knowledge clusters, tuition reimbursement
 - 5% Division II funds
 - reading cadre, student mentoring
 - Transportation bus replacement, choice transportation, driver's education, non-public transportation
 - DOE pass through grants
 - DSTP reductions and elimination of requirements (i.e. no mandatory summer school)
- Cuts included \$7M give-back statewide
- Deseg positions – 3 units; vacancies unfilled after July 1, 2009 cannot be replaced
- Minor capital improvement funded in Bond Bill

Rate development considerations

Four rate categories:

- Current Expense
 - local operating funds
 - .15 rate increase approved by February, 2008 Referendum
 - State funding provided by SB 300 for full-day Kindergarten
- Minor Capital Improvement
 - Local share based on match of state funds
 - Includes minor capital improvements, technology and Minner reading and math teachers
- Tuition
 - Local funds for special schools tuition eligible programs including Meadowood, Central, Richardson Park ILC, Bilingual, First State School, private placement and consortium, attendance in schools outside Red Clay (i.e. Delaware Autistic Program)
- Debt service
 - Local share of principal and interest payments for capital improvement bonds

Current Expense

TAX CATEGORY	2007- 2008 RATES	2008- 2009 RATES	DIFFERENCE
Current Expense - with Full Day K	\$0.976	\$1.126	\$0.150
(Per \$100 of Assessed Value)			
<i>Includes both residential and non-residential properties.</i>			

Minor Capital Improvements

- Minor Cap \$570,623
- Technology \$617,760
- Minner Teachers \$369,055

	TAX CATEGORY	2007- 2008 RATES	2008- 2009 RATES
	Minor Cap.	\$0.030	\$0.030
	(Per \$100 assessed value)		
	<i>Includes both residential and non-residential properties.</i>		

Debt Service

Provides local share of principal and interest payments through October 2009

TAX CATEGORY	2007- 2008 RATES	2008- 2009 RATES	DIFFERENCE
Debt Service	\$0.157	\$0.141	(\$0.016)
(Per \$100 assessed value)			
<i>Includes both residential and non-residential properties.</i>			

Tuition

TAX CATEGORY	2007-2008 RATES	2008-2009 RATES	DIFFERENCE
Tuition	\$0.320	\$0.327	\$0.007
(Per \$100 assessed value)			
<i>Includes both residential and non-residential properties.</i>			

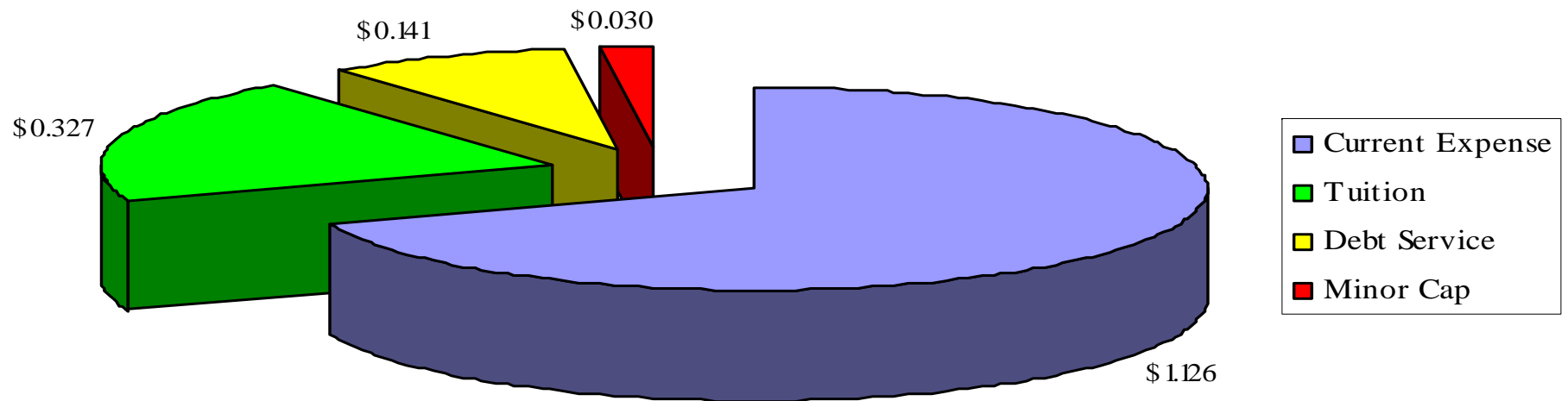
Tuition

	<u>FY09 Preliminary Budget</u>	<u>FY08 Final Budget</u>	<u>Difference</u>
Revenue			
Opening Balance -Tuition Funds	1,050,809	480,102	570,707
Tuition Tax	16,144,036	16,146,931	(2,895)
Tuition billing	656,650	500,000	156,650
Total Tuition Revenue	17,851,495	17,127,033	724,461
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Expenses			-
Payable from FY07*	600,000	500,000	100,000
Tuition Payments to Other Agencies	2,771,561	2,696,583	74,978
Unique Alternatives/Private Placemen	515,000	500,000	15,000
Consortium	309,000	300,000	9,000
Meadowood Program	5,265,000	4,950,000	315,000
Intensive Learning Centers	5,200,000	5,500,000	(300,000)
Bilingual Program	1,442,000	1,400,000	42,000
First State School	622,899	622,899	-
Tuition Contingency	500,000	500,000	-
Total Expenditures	17,225,460	16,969,482	255,978
Percent Increase FY09 over FY08 - .92%			
Ending Balance - FY 2009	626,034	157,551	468,483
Remaining Payable to 32	587,114	1,187,114	

All rates – with Full Day K

Tax Category	2007-2008 Rates	2008-2009 Rates	Difference	Dollar Value
Current Expense	\$0.976	\$1.126	\$0.150	\$53,795,750
Tuition	\$0.320	\$0.327	\$0.007	\$16,144,036
Debt Service	\$0.157	\$0.141	(\$0.016)	\$6,961,190
Minor Cap.	\$0.030	\$0.030	\$0.000	\$1,481,104
TOTAL	\$1.483	\$1.624	\$0.141	\$78,382,080
(Per \$100 assessed value)				
<i>Includes both residential and non-residential properties.</i>				
<i>Assumes 97.5% collection rate</i>				

All rates – with Full Day K



Next Steps

- Tax Warrant to New Castle County
July 10, 2008
- Preliminary Budget presentation
August 20, 2008 board meeting