



Oak Ridge  
SCHOOLS

# FISCAL YEAR '25 BUDGET

*for Oak Ridge Schools*



2023-24



*Academic Achievement*  
Unprecedented growth  
around the district



*Recognition*  
National and State-Wide  
Recognitions



*What's Ahead?*  
Accommodating growth while  
maintaining excellence

# VISION

Every student prepared for college, career, and life success.



**Oak Ridge**  
SCHOOLS

# MISSION

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.

# CORE VALUES

Students First

Engagement

Excellence

Integrity

Equity

Teamwork

Accountability



**Oak Ridge**  
SCHOOLS


# Academic Achievement



 **12.5%**  
**Glenwood**

3rd & 4th Grade Reading proficiency improved 12.5%



 **> 9%**  
**Linden**

Student moving from 3rd to 4th grade increased by more than 9% in Science and ELA.



 **29.3%**  
**Willow Brook**

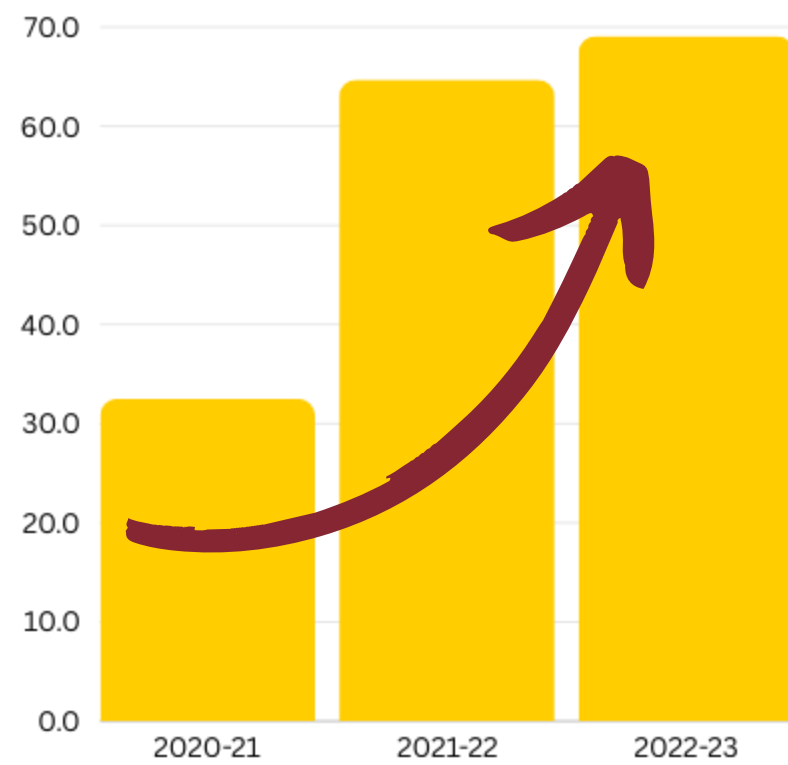
3rd Grade Reading proficiency **DOUBLED**. Math proficiency for students moving from 3rd to 4th Grade increased **31.9%**.



 **> 6%**  
**Woodland**

Grew more than 6% in 2nd Grade Math and ELA. **Leads the district in 2nd grade achievement.**

# Academic Achievement



↑ **x2**

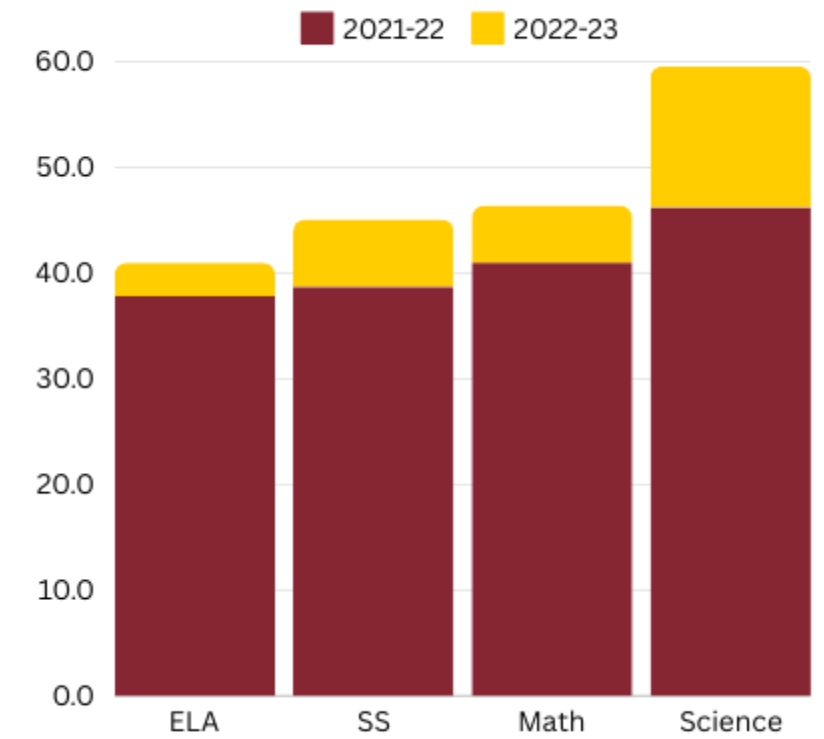
**Jefferson**

5th Grade Math has continuously improved the last three years - more than doubling proficiency.

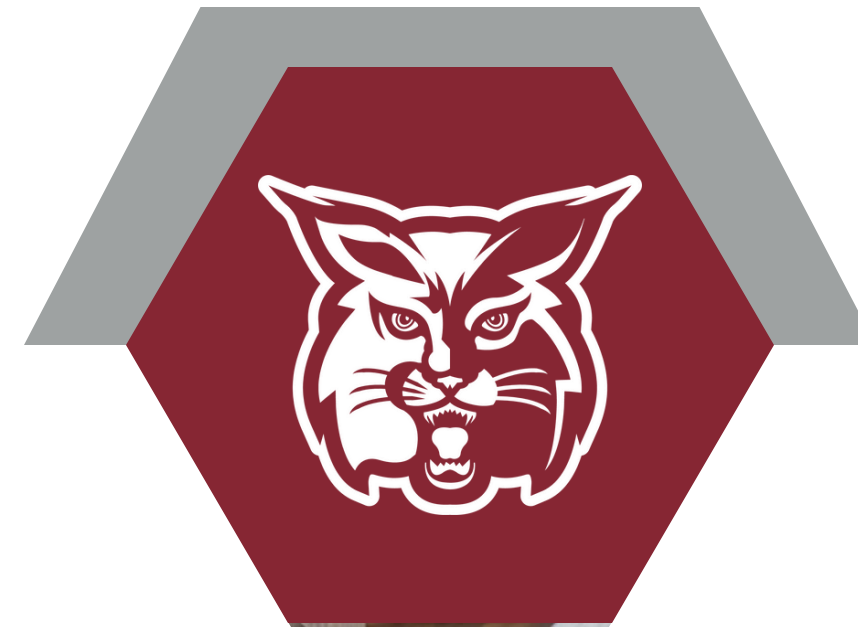
↑ **7.1%**

**Robertsville**

6th Grade increased in all subject areas on TNReady, by an average of 7.1%.



# Academic Achievement



**↑ 16.5%**

**Oak Ridge High School**

Algebra 1 proficiency MORE  
THAN DOUBLED

# Academic Achievement



**81%**

## Preschool

On average, 81% of students performed at or above widely held expectations in the four domains: Social Emotional, Cognitive, Literacy and Math.



**196**

## Secret City Academy

196 new and recovered credits earned last year





# Recognition

National & State-Wide  
Recognition for  
Achievement and Growth



## National Blue Ribbon School

Linden Elementary was named a National Blue Ribbon School honoree, the highest designation given to schools nationally.

# A

## “A” Letter Grade Schools

Six Oak Ridge schools earned an “A” letter grade, the highest possible rating, and three earned perfect Level 5 scores in every scored component contributing to the overall grade.



## Reward Schools

Three schools were named reward schools by the state of Tennessee, the top state distinction a school can earn.

# 5

## Level 5 Growth District

The highest available rating given to a school district based on TVAAS based on growth rather than student proficiency on the state assessment

# What's Ahead?

## A Growing Population

- Report of New Industries in Oak Ridge shows potential for significant job growth 2022-2030
- Based on current growth rates and existing/planned projects, Oak Ridge could add ~2000 new households by 2030

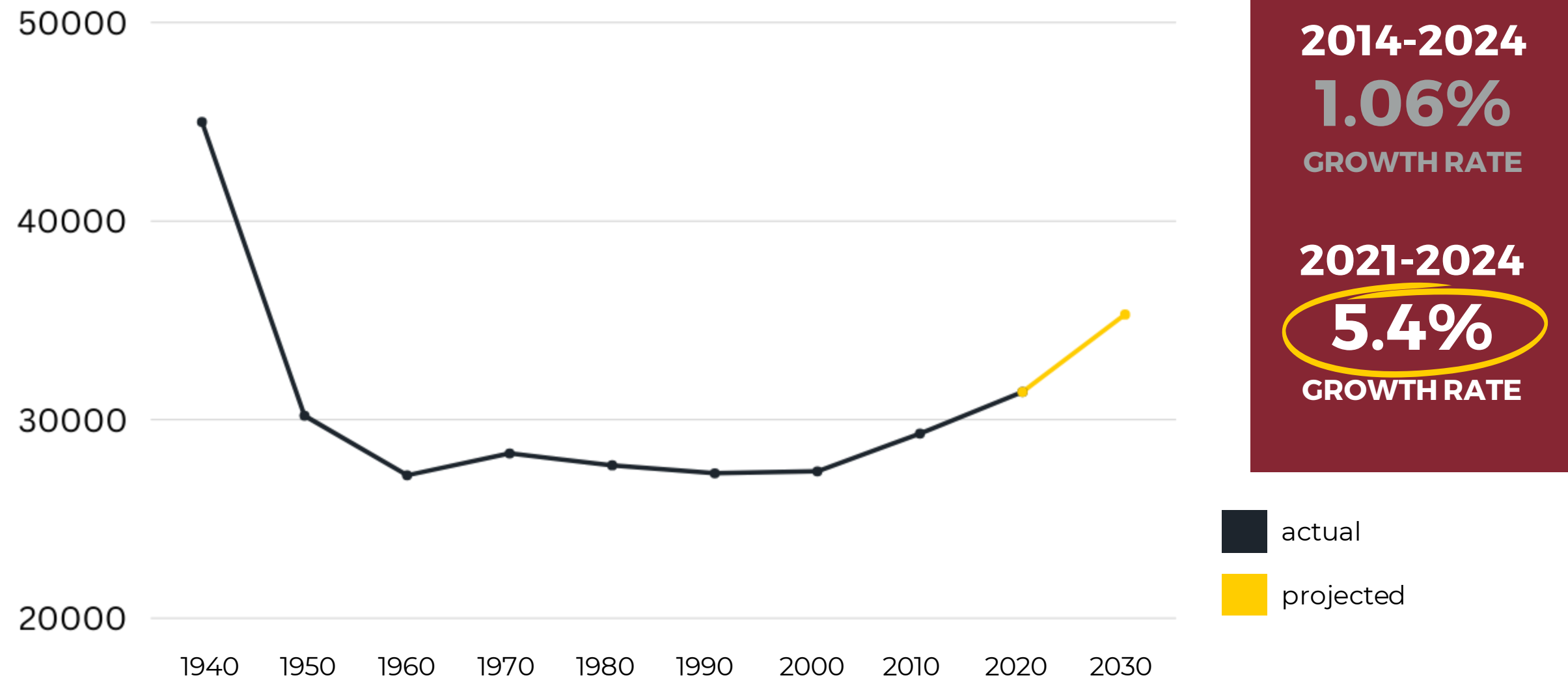


[www.ortn.edu/growth](http://www.ortn.edu/growth)

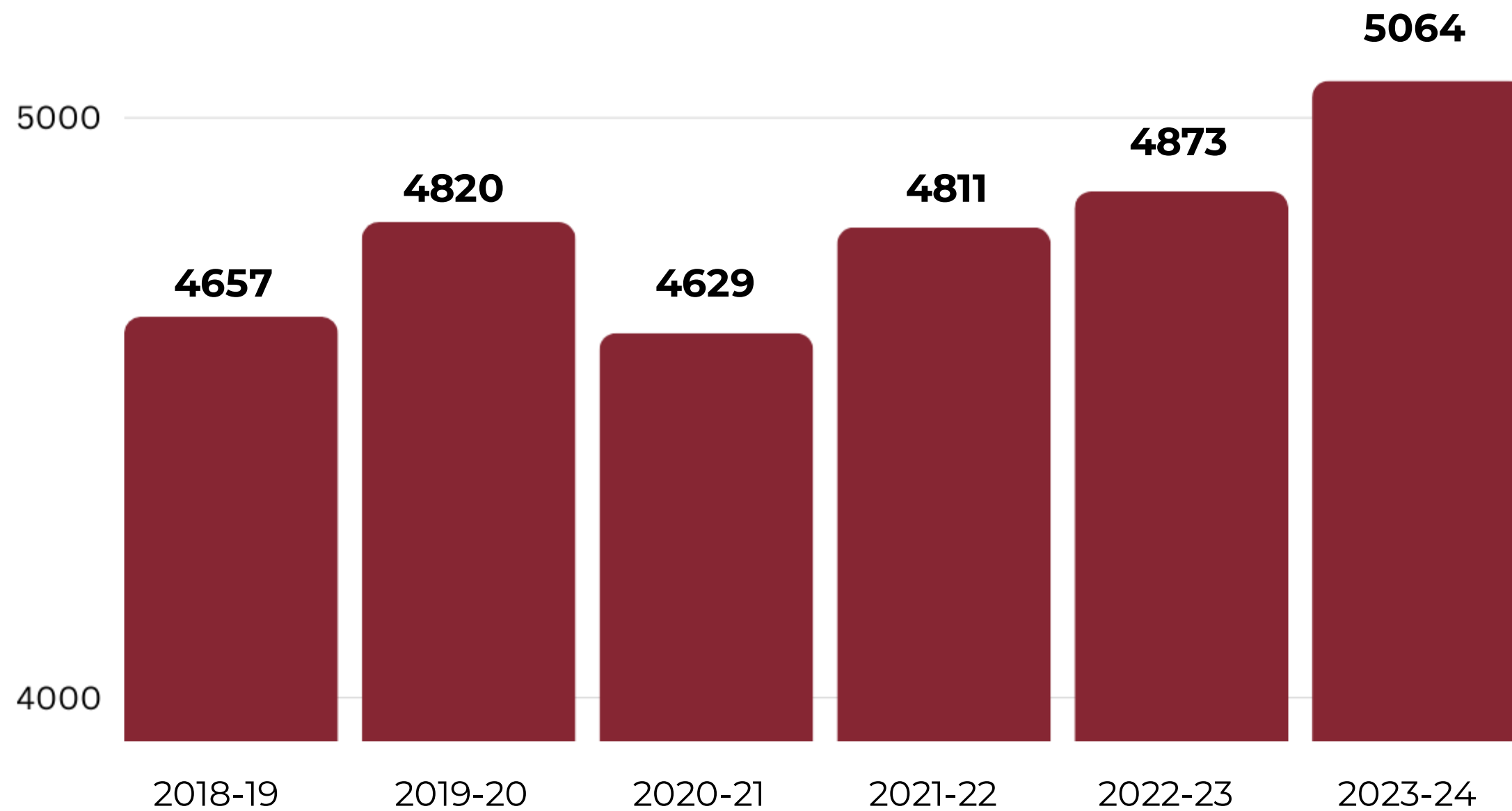
# Population Growth

## CITY OF OAK RIDGE GROWTH RATE

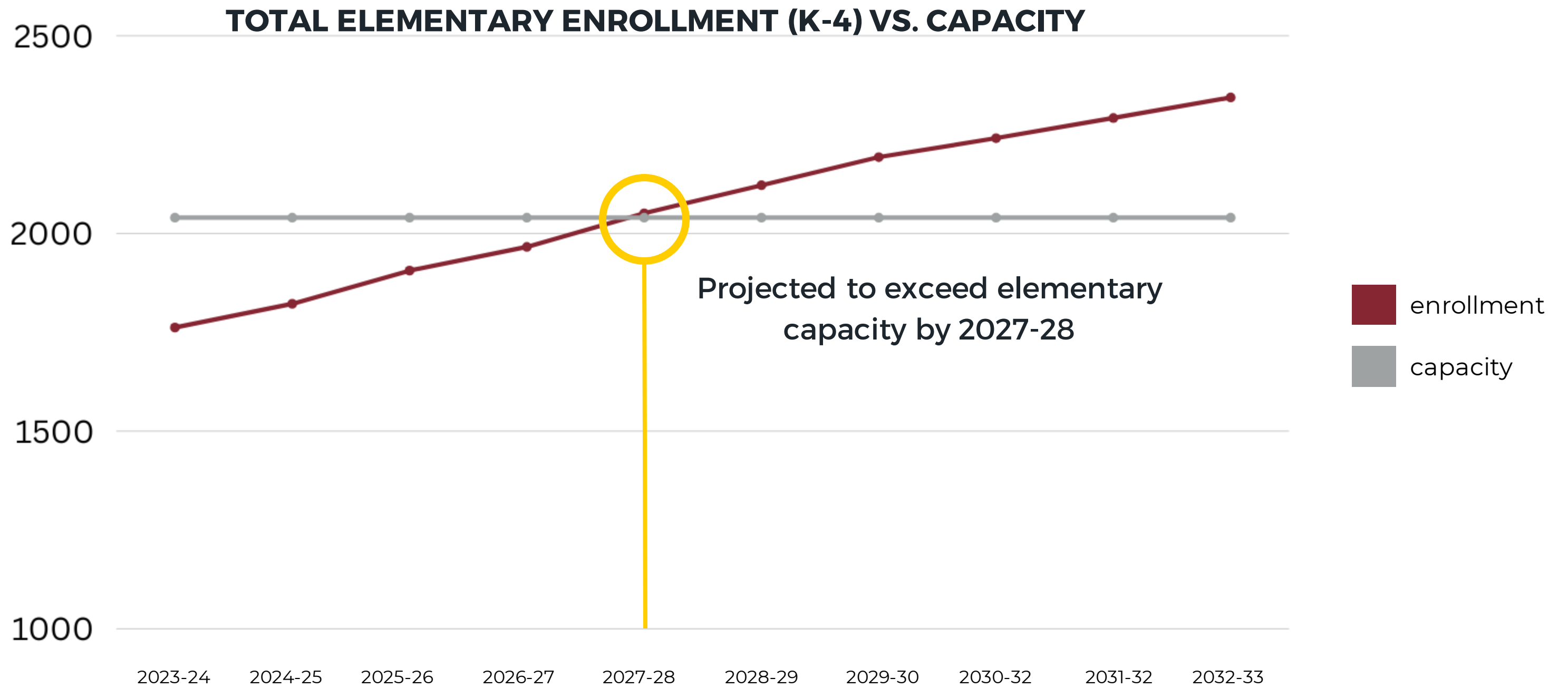
ACCORDING TO US CENSUS DATA



# Enrollment Growth



# Enrollment Growth

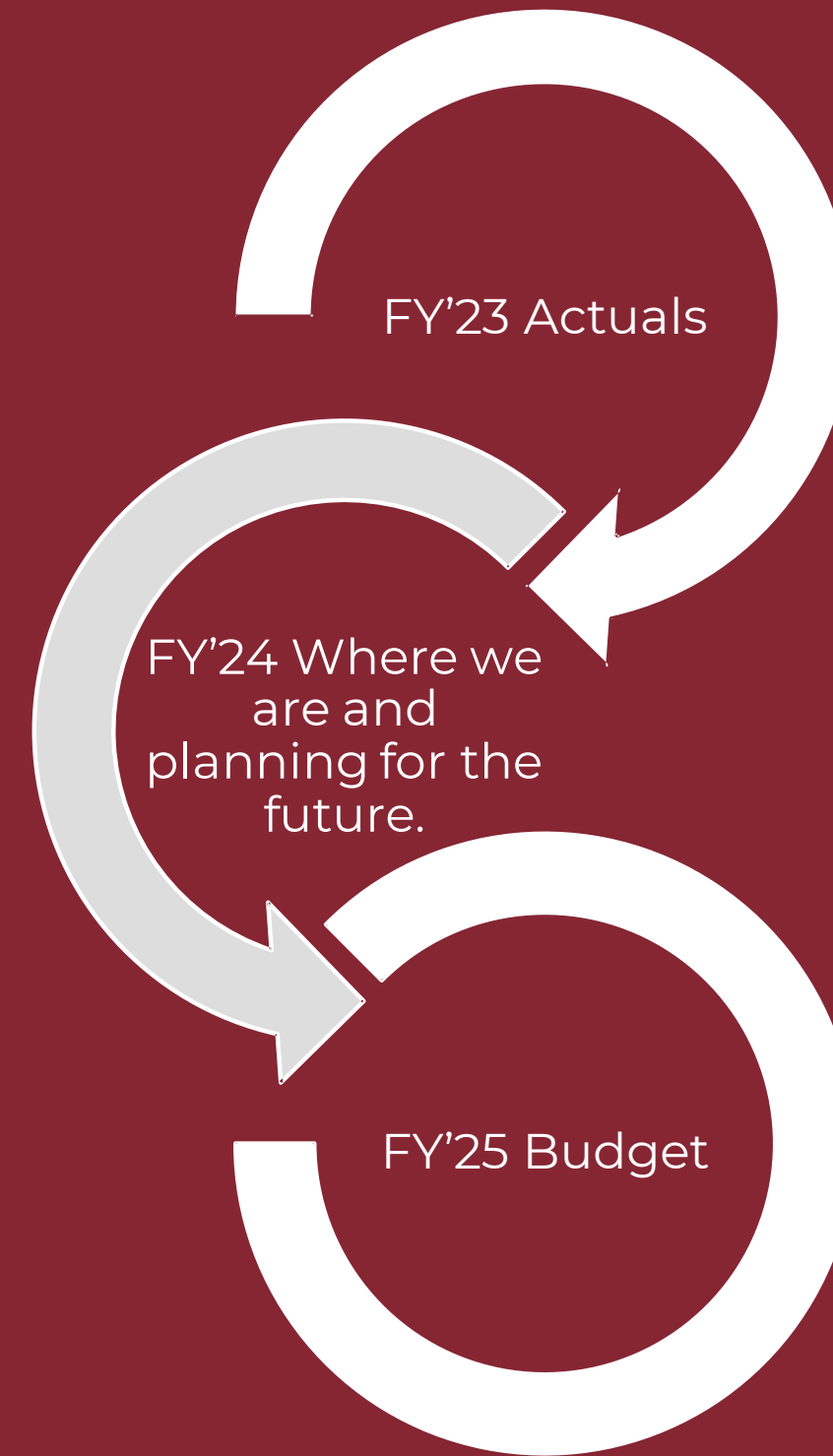




**Oak Ridge**  
SCHOOLS

**THANK  
YOU**

# Fiscal Year '25 Budget



# Budget and a Growing District

WHERE WE HAVE BEEN... (Prior Year FY'23)

## Staffing

- Federal Grant funds continued to supplement additional positions aimed at tackling COVID related learning loss.
- Instructional Technology Coaches, PLC Coaches, Graduation Coach, & Coordinators

## Funding Considerations

- Received continued federal COVID Relief funds for Summer Learning Camps
- Planning for the new TISA funding model
- Saw increases in property & sales tax revenues

## Successes

- Continued to see benefits of additional staffing to address student learning loss and social/emotional well-being
- Saw increases in District enrollment resulting in additional funding



# Budget and New Funding

WHERE WE ARE... (Current Year FY'24)

## TISA

- Additional funds received in TISA allowed for continued support of PLC Coaches, Coordinators, & ITC positions added for learning loss
- Additional positions and investment in existing staff was also facilitated by the new funding model

## Current Revenues

- Property Tax revenue increases continue from Roane County. Sales tax revenues have increased in both Roane & Anderson County.
- Continuation of ESSER 3 and increased allocation in IDEA-B grant in Federal Funding
- Received State Funding for Summer Learning Camps for the 4th year in a row

## Current Expenditures

- On track with budget in most accounts
- Continuing to see rising costs in materials and services due to high inflation

# Budget and Preparing for the Future

WHERE WE ARE GOING... (Next Year FY'25)

## Budget Planning

- Planning for growth
- Multiple new teaching positions added due to increased enrollment
- Contingency for potential additional teacher positions based on enrollment
- Investment in Staff Salaries
- Investment in Technology:
  - Teacher, staff, Kindergarten, & 1st grade device replacement
- Investment in Facilities & one-time large projects

## Looking Ahead

- **TISA**
  - State increased the base rate to \$7,075 per student
  - A "Hold Harmless" for economically disadvantaged numbers is in effect for FY25
- Planning for continued growth
- Evaluating facilities
- Partnering with the City of Oak Ridge on future plans to handle the continued enrollment increases

# FY '25 Budget Goals

- Focus on opportunities that will **improve and enhance** the District's Portrait of a Graduate and Forward Oak Ridge
- Focus on finding the best possible **alignment of resources and student success.**
- **Expand opportunities** for students.
- Increase opportunities for **partnership with local industries.**
- Increase **efficiency and effectiveness.**
- Maintain **effective strategy for cohesive operation** and allow for flexibility for future budget implications.



# FY '25 Budget Development

Administration and Board of Education develop expenditure and revenue guidelines considering:



**Instructional and Budgetary Goals**



**Salary Analysis and Evaluations**



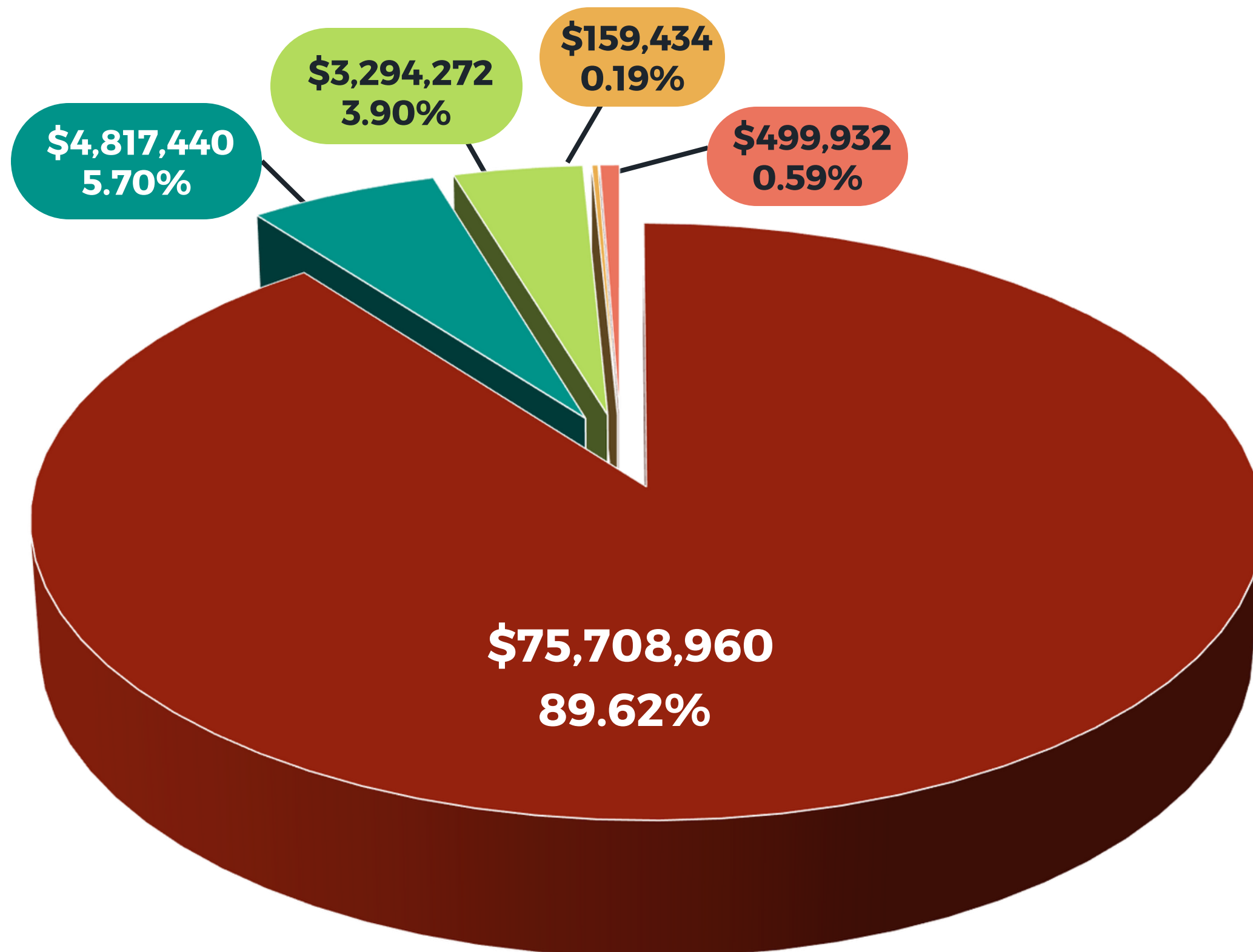
**Estimated State TISA Funding and Anticipated Sales and Property Tax Revenues**



**Use of Fund Balance/Reserves**  
(including savings and surplus revenue from FY'23 & FY'24)

# FY 25 Budget Summary - ALL Funds

**FY 25 BUDGET ALL FUNDS - \$84,330,038**



## General Purpose School

\$75,708,960 - 89.62%

## Federal Grants

\$4,817,440 - 5.70%

## Cafeteria Program

\$3,294,272 - 3.90%


## Other Funds

\$159,434 - 0.19%

## Extended Childcare Program

\$499,932 - 0.59%

# Major Revenue Assumptions

- Projected Sales and Property tax estimates are based upon FY'24 actual collections to date and historical trends for receivables, with the most current information available during budget development. **(Student enrollment decrease of 88 students in Anderson County and an increase of 185 students in Roane County)**
  - The TISA funding estimate is based upon the FY24 April TISA estimate received from the State as well as an estimate for projected incentive payments **(\$2,450,000 increase over FY24 budgeted amount)**
  - City Allocation is based on the FY24 Funding Level – **No increase expected**
  - Planned use of Fund Balances for one-time projects
  - Revenues will be closely monitored, with recalculations made on a monthly and quarterly basis, with adjustments to spending made to align with revenue trends
- 

# Increases & Decreases in Budgeted Funds for FY25

## General Fund

### Increases:

- Overall increase of 3.12% over FY24 Amended Budget
- Proposed Salary Increases for all staff
- Inflationary cost increases in all departments
- Increased State funding (TISA)
- Addition of anticipated Paid Parental Leave revenues
- Increased interest revenue

### Decreases:

- Innovative Schools Model Grant budget reduced to match estimated funds remaining
- Decrease in TCRS contribution rates (resulting in cost savings)

# Increases & Decreases in Budgeted Funds for FY25

## Federal Funds

### Increases:

- Additional IDEA-B funding due to increased enrollment

### Decreases:

- Overall decrease of 35.85% over FY24 Amended Budget
  - Mainly driven by expiration of COVID Relief grants
- Reduced Title I allocations

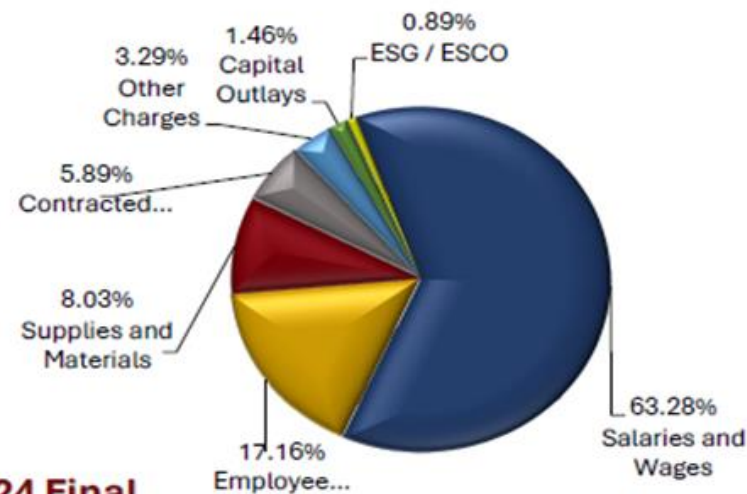


# FY'25 General Fund Proposed Budget compared to FY'24 Budget

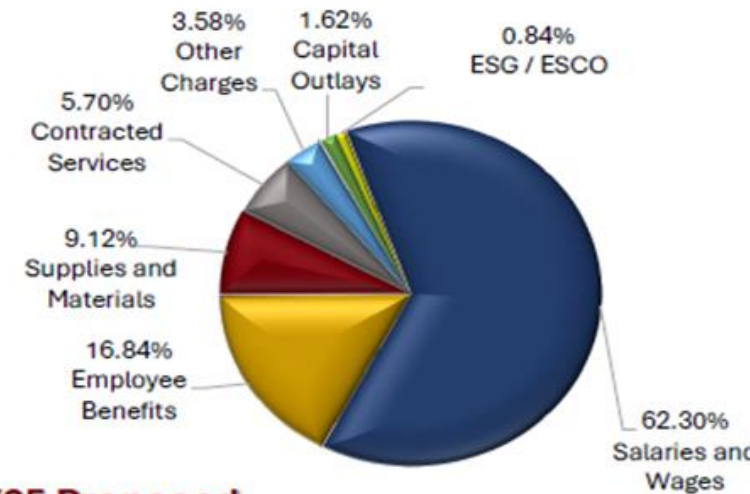
## General Purpose School Fund Operating Budget Fiscal Year 2024-25

Major Categories of Spending

	Original Budget 2023-24	% Original Budget	Increase		Proposed Budget 2024-25	% Proposed Budget	Y2Y Increase / Decrease	% Y2Y Increase / Decrease
			(Decrease) Line Item Transfers	Final Budget 2023-24				
Salaries and Wages	\$45,152,585	63.51%	(\$79,472)	\$45,073,113	\$47,119,412	62.30%	\$2,046,299	4.34%
Employee Benefits	\$12,311,777	17.32%	(\$90,400)	\$12,221,377	\$12,733,933	16.84%	\$512,556	4.03%
Supplies and Materials	\$5,528,957	7.78%	\$188,513	\$5,717,470	\$6,900,908	9.12%	\$1,183,438	17.15%
Contracted Services	\$3,897,195	5.48%	\$299,854	\$4,197,049	\$4,309,272	5.70%	\$112,223	2.60%
Other Charges	\$2,637,442	3.71%	(\$291,787)	\$2,345,655	\$2,707,230	3.58%	\$361,575	13.36%
Capital Outlays	\$928,000	1.31%	\$110,938	\$1,038,938	\$1,228,000	1.62%	\$189,062	15.40%
ESG / ESCO	\$637,205	0.90%	\$0	\$637,205	\$637,205	0.84%	\$0	0.00%
<b>Grand Total</b>	<b>\$71,093,161</b>	<b>100.00%</b>	<b>\$137,647</b>	<b>\$71,230,808</b>	<b>\$75,635,960</b>	<b>100.00%</b>	<b>\$4,405,152</b>	<b>5.82%</b>




Compared to




FY24 Final Major Categories of Spending

FY25 Proposed Major Categories of Spending

# Major Expenditure Assumptions

- All eligible employees receive an experience **step increase**
  - **2.5% salary increase** for all staff
  - Supplies and services are based on FY24 budget with projections for inflationary increases
  - **No increase in rates** over FY24 employee insurance benefits for vision, dental, and life
  - **4.0% health insurance rate increase** over FY24 (estimated)
  - 0.45% Decrease in retirement benefit rates for Licensed Staff over FY24
  - No change in non-licensed staff benefit rate
- 

# Major Expenditure Assumptions (Continued)

- **Staffing additions and reductions** to support District Goals and Initiatives
  - **Increases to cover high-priority needs**, including additional staffing requirements
  - **ESCO Agreement with City** – seventh payment of \$287,205
  - **ESCO Agreement with City Phase II** – fourth payment of \$350,000
  - **Science & CTE Textbook Adoptions**
  - **Increases made in departmental budgets** to support District Goals and Initiatives
  - Multiple **facility improvement** projects
- 

# Staffing

Oak Ridge Schools strives to support salaries that are competitive with Districts throughout the Region and State

**Step** Increase for all eligible Employees

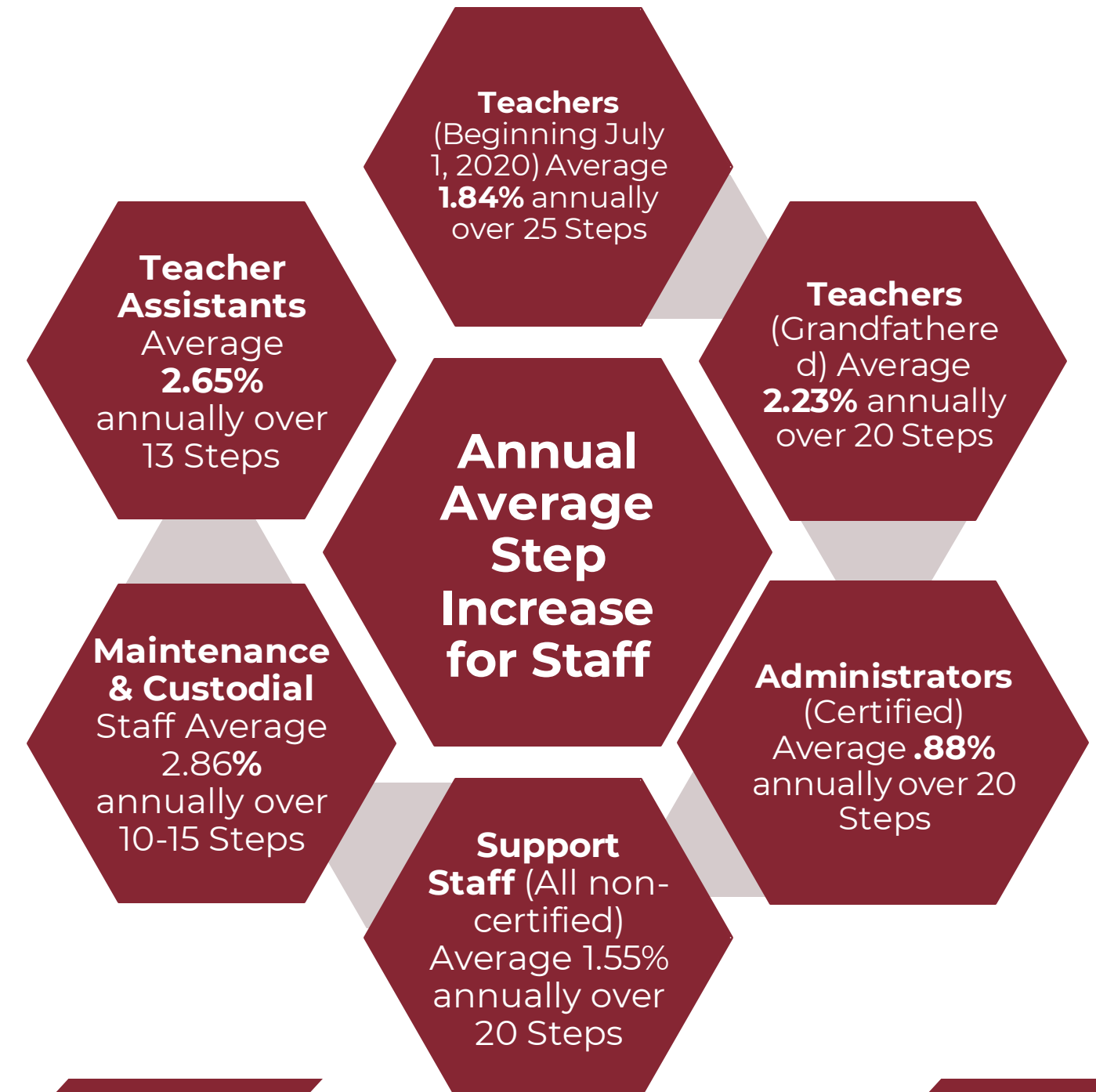
**2.5%** Salary Increase for all Staff



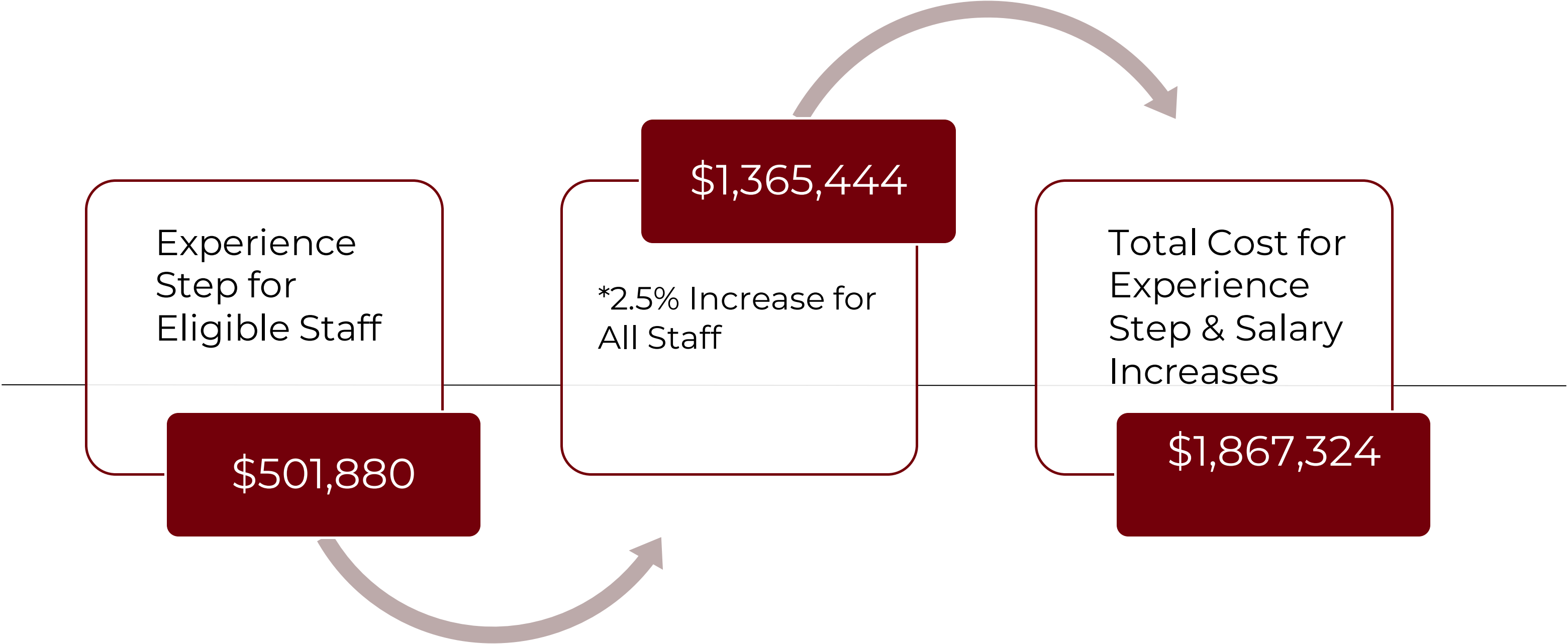
# Annual Salary & Step Increase Information

Salary % Increases	
Fiscal Year	Percentage Increase
FY'24	2.5%
FY'23	4.0%
FY'22	1.0%
FY'21	1.0%
FY'20	2.5%

5 year  
Average  
**2.2%**



# Experience Step (if eligible) plus Salary Increases for all Employees



# FY25 Proposed Staffing Changes

FTE	Position
2.00	Teacher at Woodland
1.00	SPED Teacher at RMS
1.00	SPED Teacher at ORHS
1.00	SPED TA at Linden
1.00	ELL Teacher - District
1.00	iSchools Teacher at ORHS
0.50	CTE TA at ORHS
1.00	Executive Director of Student Services
-1.00	ELL TA
-1.00	Data Technician
-4.00	Instructional Technology Coaches
4.00	Innovation Coaches
<b>6.50</b>	<b>Net General Fund Positions</b>





# Balancing the FY25 Budget

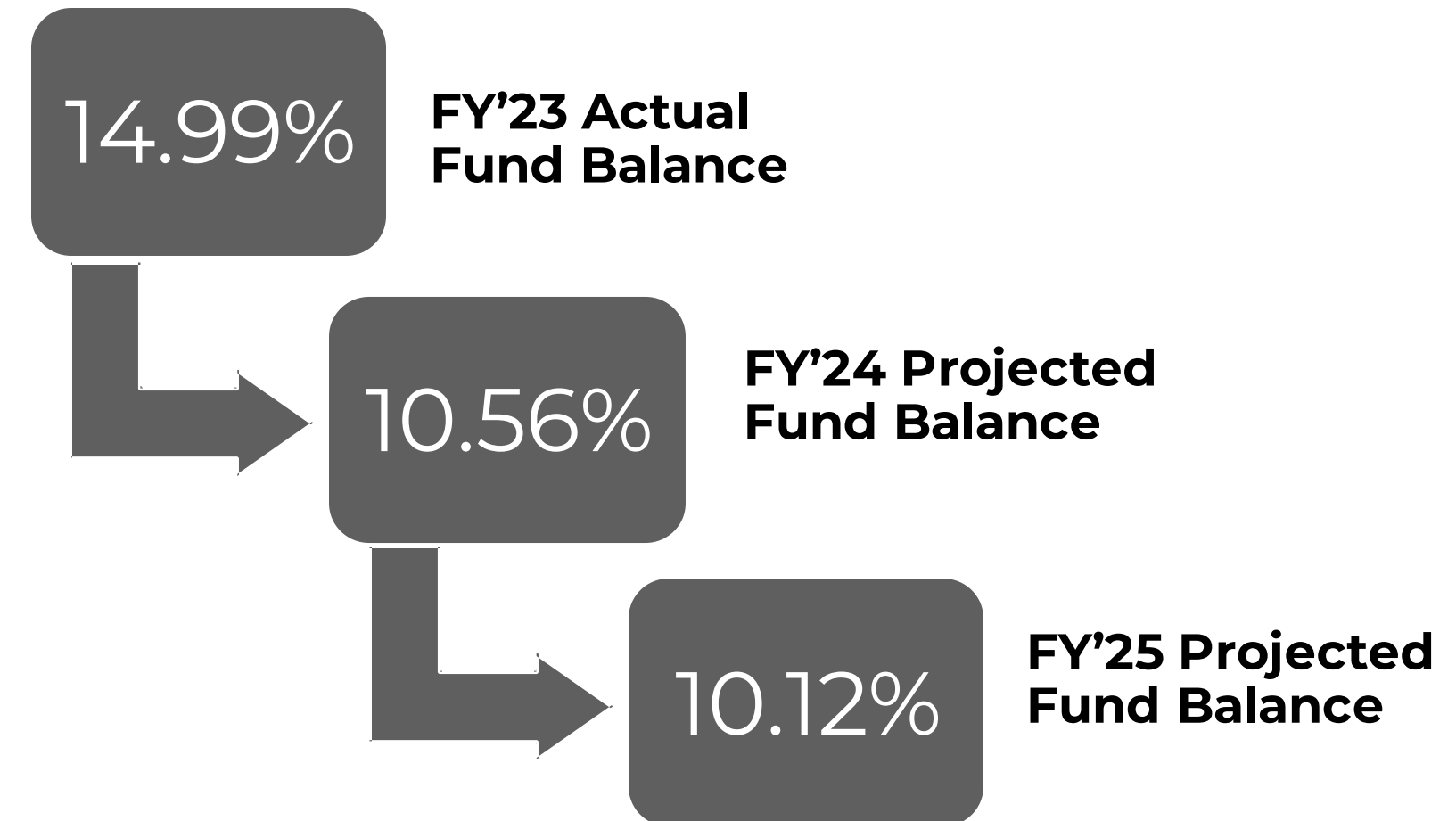
<b>FY25 Proposed Budget Deficit</b> .....	<b>(\$2,824,323)</b>
<b>Use of District Designated Fund Balance</b> .....	<b>\$1,267,000</b>
Device Replacement	
<b>Use of District Undesignated Fund Balance</b> .....	<b>\$1,557,323</b>
<b>Request to City Council</b> .....	<b>\$0</b>

**Note:** Use of \$1,557,323 from Undesignated Fund Balance would leave approximately \$7,711,900 for operational cash flow requirements and emergencies in the general fund, or 10.12% of the total operating budgeted expenditures.

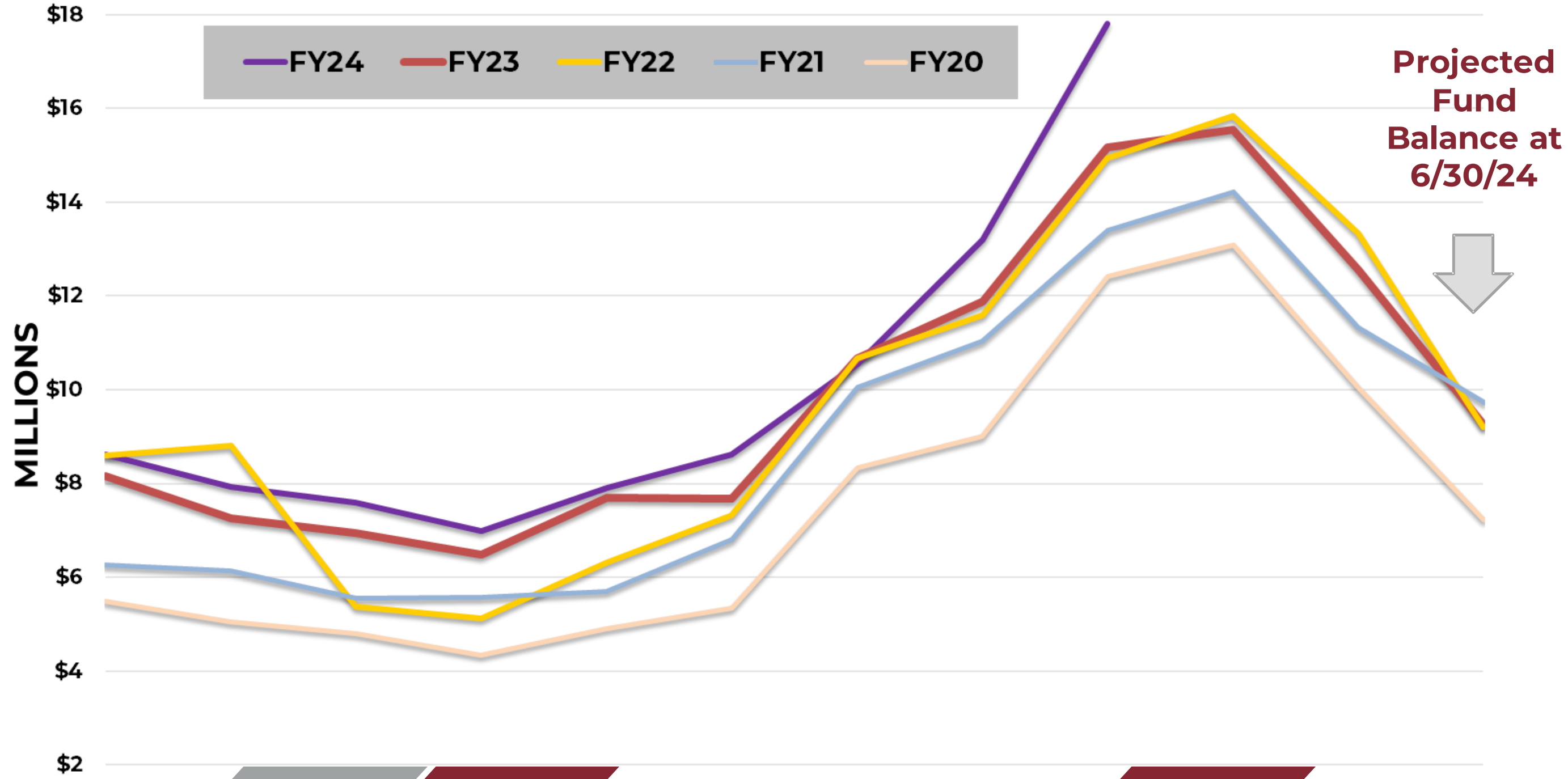


# Fund Balance Recommendations

- GFOA recommends, at a minimum, that school districts maintain unrestricted fund balance of no less than 10% of **regular general fund operating expenditures and operating transfers out**.
- (Dropping below 10.00% overall (including 3% reserve) would cause district cash flow concerns and is not recommended.
- While Fund Balances are not a permanent solution; they can be used as a tool to deal with short-term revenue shortfalls.

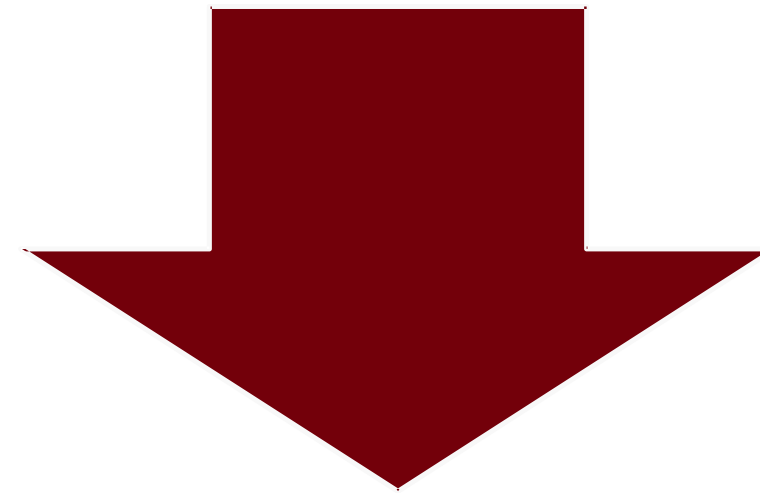


# General Fund Undesignated Fund Balance Summary



# Fund Balance Necessity

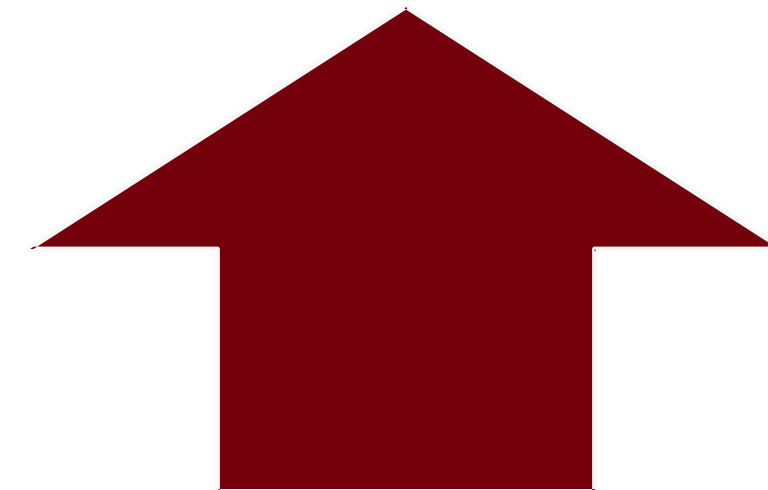
- Within a fiscal year, fund balance fluctuates because of the timing for two major sources of revenue.
- Expenditures and salary obligations are paid each month throughout the year.
- Additionally, both State and Federal grants are on a “reimbursement basis” with the General Fund fronting those costs... reimbursement lag-time can be 30-90 days.



The majority of these one-time reductions in General Fund were added back in FY24. Those additional expenses as well as planned one-time projects have reduced available fund balance from the high seen in 2023



Additional federal grants resulted in lowered General Fund budgeted expenditures in FY22 & FY23



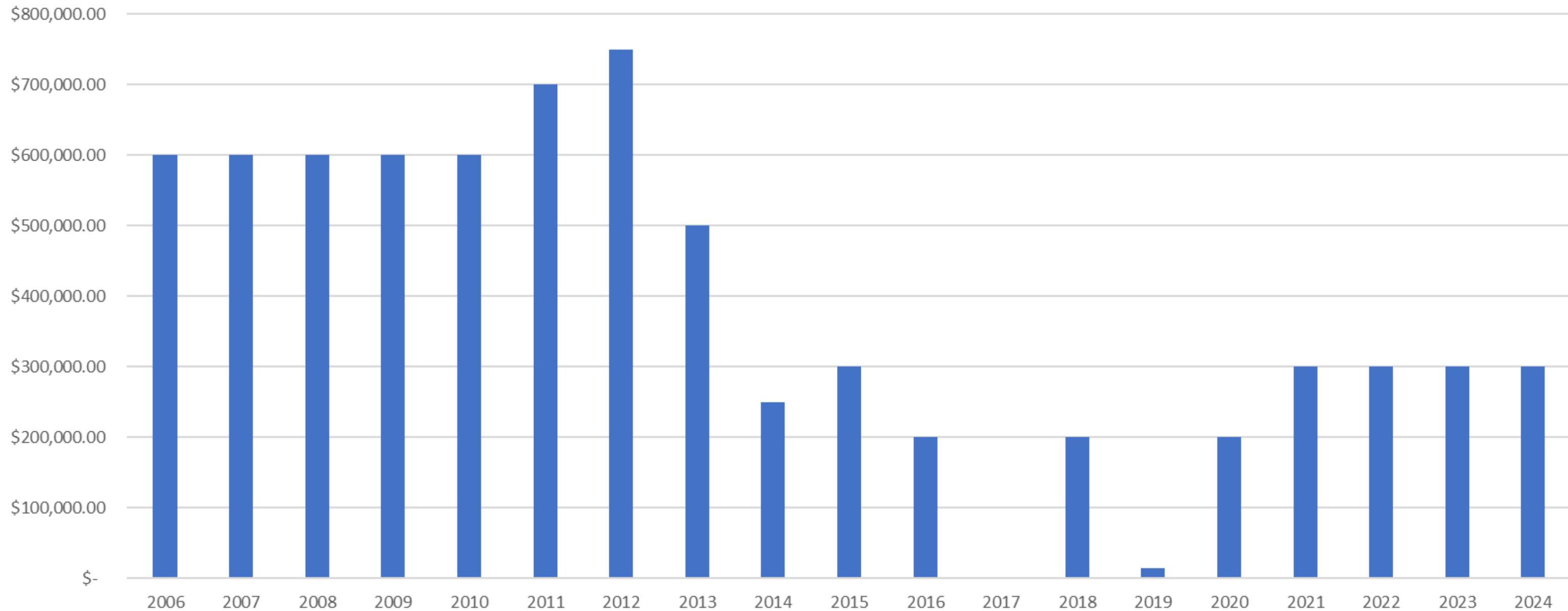
# CAPITAL PROJECTS & FUNDING

- The School District and the City of Oak Ridge continue a cooperative approach toward **improving facilities such as Blankenship Field and the Oak Ridge Baseball/Softball complex.**
- Successfully developed a **roofing replacement plan** with the City of Oak Ridge that is continuing to work through the most critical needs for both organizations. **Completed projects for the School District include Robertsville Middle School, Willow Brook Elementary, Glenwood Elementary, Secret City Academy, and portions of ORHS.** Future roofing plans will include Woodland Elementary, Jefferson Middle School, and additional sections of ORHS.
- Continue to utilize the **Facility Study and Capacity Study** for all District buildings to adjust the recommendations for the district's Capital Improvement Plans.



# CIP – Historical Investment

## CONTRIBUTIONS FROM THE CITY





## Future Possibilities for CIP Funding

- New SAB building
- New school or additions to current schools to handle student population growth within the city
- Renovations and upgrades of district athletic venues
- Remodeling of district facilities for new or expanding instructional programs
- Scheduled replacement of district HVAC equipment at or beyond useful life
- Improvements to district ADA access, parking lots, and driveways

# Roofing Update

- The City and School District roof evaluation was completed by RoofConnect (2018), providing a plan for scheduling roof replacements on all City and School buildings.
- The plans for updating School District roofs will resume this year with an initial focus on Woodland Elementary School. Future plans for Jefferson Middle School and additional sections of ORHS will follow in the schedule.



# ESG Update

With the success of the Phase I and Phase II energy services projects, the **possibility of a phase III project is currently under review with ESG** with a focus on ORHS HVAC equipment replacement and systems design.





# Budget Process *Next Steps*

## MAY

- **May 6 - 5:00 p.m.** Special BOE Meeting – Budget Presented to Board; City Council will visit for Budget Presentation
- **May 13 - 5:00 p.m.** Special BOE Meeting – Budget Work Session... Line by Line Review of Budget and 1st Reading
- **May 20 - 5:00 p.m.** Regular BOE Meeting – Adoption of FY25 Budget – 2<sup>nd</sup> Reading
- **May 21** - Budget Transmitted to City
- **May 21 – 6:00 p.m.** City Council Work Session – City Manager presents Budget to City Council

## JUNE

- **June 3 - 7:00 p.m.** City Council Meeting... 1<sup>st</sup> Reading of FY25 Appropriations Ordinance & FY24 Budget Amendment 1st Reading
- **June 10 - 7:00 p.m.** City Council Meeting... 2<sup>nd</sup> Reading of FY25 Appropriations Ordinance & FY24 Budget Amendment 2nd Reading



**Oak Ridge**  
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**THANK  
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