



Blaine School District 2011-12 Budget Planning

Board Meeting
Process Overview and Update
2-28-11

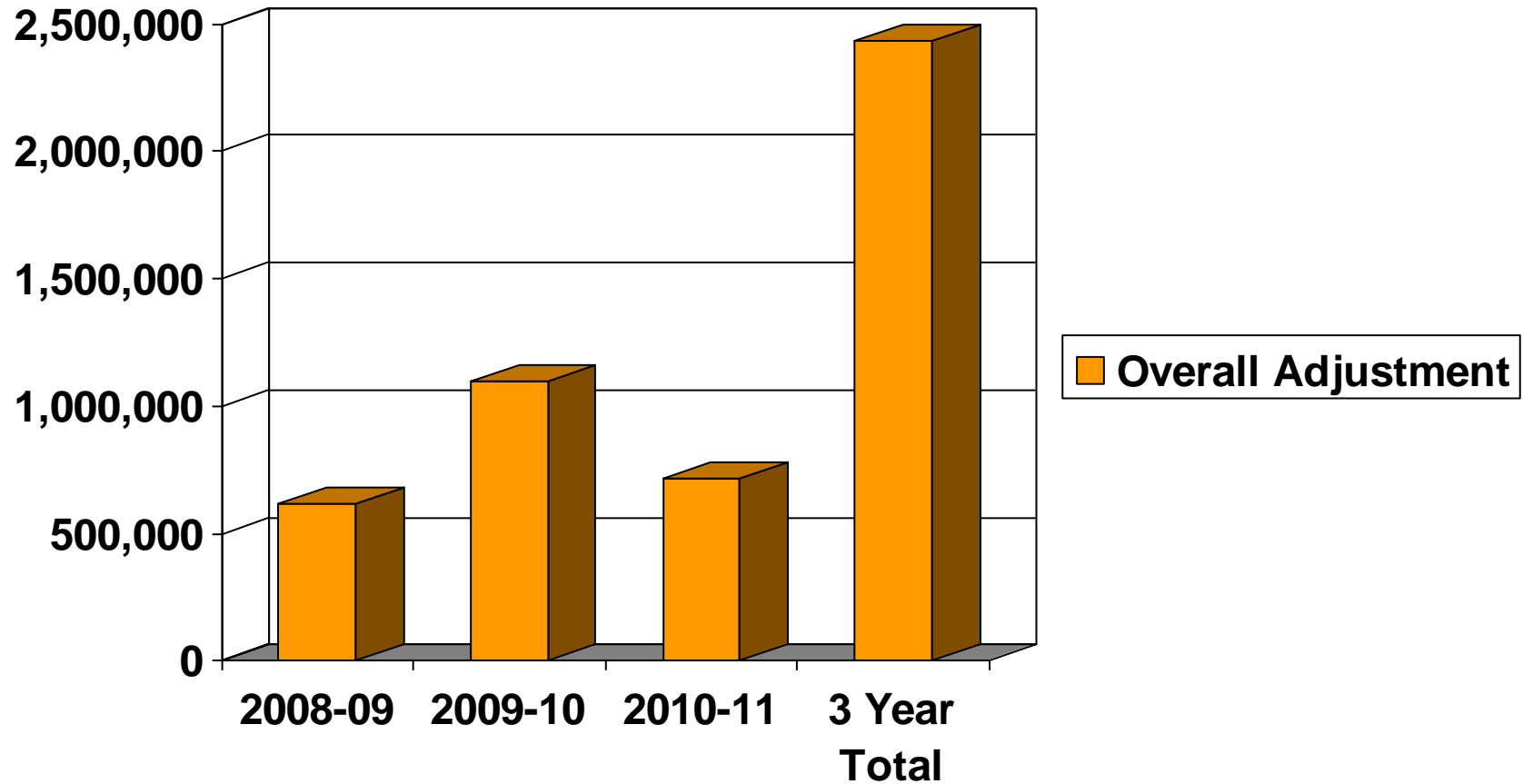
Purpose of Overview

- Update Board on progress in this work and collect Board feedback specific to planning process/progress
- Review of Board expectations for budget planning 2011-12
- Assure that we are adequately prepared for the first “Staff and Community Budget Forum” on March 22

2011-12 Budget Variables (Preliminary Estimates)

- Sunset of ARRA (Federal) Funding (\$308,000)
- Loss of K-4 Enhancement (\$230,000)
- Increased Contributions to Retirement System/6.14% to 12.25% (\$287,000)
- Non Paid Local Property Tax Revenue (\$170,000)
- 2010-11 Fund Balance Draw Down (\$250,000)
- Obligation to Salary Step Increases (TBD)

Budget Reduction/Adjustment History



Overall Program Impacts 2008-09

- Non Employee Related Costs \$148,000
- Certificated Administration/Central Support \$111,800
- Certificated (Basic Ed) 2.0 FTE
- Classified (Basic Ed) \$64,000
- Categorical Classified \$104,000
- Athletics \$31,600
 - MS Coaching Compensation
 - Uniform Purchase

Overall Program Impacts 2009-10

- Non-Employee Related Costs (NERCS) \$355,000
- Certificated Administration \$60,000 Net
 - Athletic Director/VP Merged
- Certificated Staffing 2.5 FTE
 - Enrollment Related Adjustments
- Classified Staffing \$160,000
 - District Office
 - Food Service and Transportation
 - Custodial
 - Buildings

Overall Program Impacts 2009-10 (Continued)

- Athletics and Facility Adjustments \$80,000
- Lunch Price Increases \$20,000
- Athletic Fees Initiated \$20,000
- Stimulus Enhancement \$120,000
- Leveraged Reserve \$100,000

Overall Program Impacts 2010-11

- Non Employee Related Cost Reductions \$76,000
- Certificated Instructional Staff Reduction 1.8 FTE
- Classified Staff Adjustments (Basic Ed) \$112,000
 - District Office
 - Maintenance
 - Transportation
 - Food Service

Overall Program Impacts 2010-11 (Continued)

- Classified Staff Reductions (LAP) \$25,000
- Professional Development Fund Reduction of \$39,000
- Coach's Salary Schedule Adjustment (Long Term Impact)
- Increased Athletic Fees \$8,000-\$10,000
- Fund balance Draw Down \$250,000

Preliminary Board Action/Direction

1-24-11

- The Blaine School District Board of Directors has established 5% as a minimum threshold for ending fund balance and the District has now reached that level
- On January 24, 2011, the Board took action on a resolution to reduce 2010-11 program year expenditures by \$391,000 (Response to State level action and the unanticipated loss of local property tax revenue)
- Future (2011-12) revenue gaps will need to be addressed through additional expenditure reductions (not fund balance)

Board Directive Implications

- Non-employee related costs have been leveraged disproportionately over the past three years
- It is inevitable that staff and related programs will be more directly impacted this time around
- The intent in this fourth consecutive year of significant reduction is that the Board, our staff and the community have a reasonable opportunity to view and consider all options
- It is understood that the comprehensive summary of considerations for reduction will surface a number of program areas that ultimately will not be cut, yet all options must be taken into consideration

Contributing Revenue Factors

- Levy year-four increase (\$200,000)
- (Potential) Applicable Bond Initiative impact to General Fund (\$250,000)
- (Potential) Restoration of approved property tax revenue (\$170,000)
- Reduced LGO payment obligation (TBD)
- Enrollment levels (TBD)

Unknown Variables/Factors

- The work of the Legislature
 - We will not know the status of overall reductions until later in the budget process
- Staff attrition levels (retirements and resignations are not typically known until late may or early in June)
- Impact of pending collective bargaining agreements

Staff and Community Forums (March 22 and April 18)

- Summary of driving variables w/specific emphasis on “known” economic factors
- Presentation of list of program reduction alternatives (to ultimately be prioritized for April 18 meeting)
- Opportunity for small group discussion and collective feedback to Board