




Board Report and Recommendation

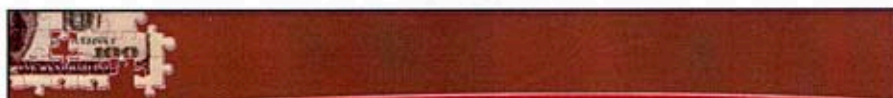
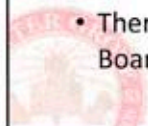
2010 and 2011 Budget Cuts

April 19, 2010



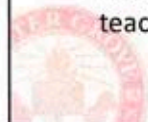
Key Assumptions

- The referendum will take place in November instead of July.
- Even though the date has moved, the money from the referendum will still be available for calendar year 2011.
- There will be another revenue cut from the State in December 2010 of about the same amount as last December (\$1,881,000).
- There will be a health insurance increase of at least 10% starting July 1 (\$300,000 in the General Fund).
- There will be no changes to the list of cuts approved by the Board in March.



Actions to be Taken

- Our focus right now is on developing a balanced budget for calendar year 2011.
- We will use cash (from the General Fund and others) to get through the referendum in November.
- Permanent cuts will be made immediately.
- Almost all cuts to be restored by the referendum will not be made unless the referendum fails.
- We will start 2010-11 with same number of classroom teachers that we have now.



Budget Reductions Approved by the Board on 03-15-10

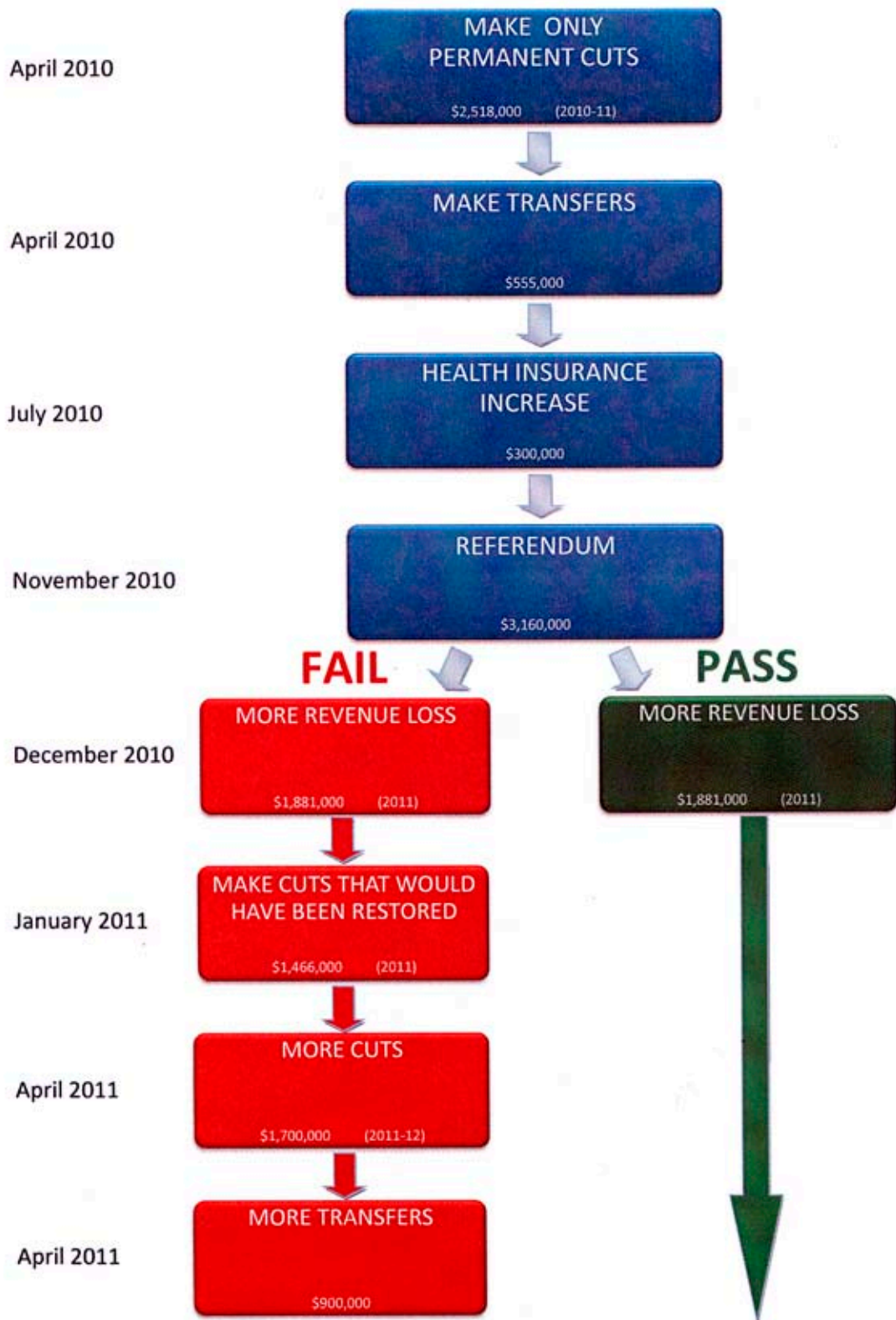
	Board Approved	Effective Date	Savings in 2010	Savings in 2011
2. Adjustments:				
(01) Move band uniforms to Rainy Day #45	\$10,000	1/1/2010	\$10,000	\$10,000
(02) Remove 09-10 teacher pay increase #55	\$125,000	8/1/2009	\$125,000	\$125,000
(03) Move Security to Title 4 and Parking #58	\$27,000	7/1/2010	\$35,000	\$45,000
(04) Teacher retirement incentive #69	\$350,000	7/1/2010	\$206,667	\$620,000
(05) Re-evaluate FDK fees #125	\$35,000	6/1/2010	\$27,600	\$46,000
(06) Move staff to Food Service #147	\$60,000	4/1/2010	\$46,127	\$65,120
	\$607,000		\$450,394	\$911,120
3. Permanent Cuts:				
(07) Eliminate temp. grounds position #1	\$16,000	5/1/2010	\$17,000	\$17,084
(08) Cut back community newsletter #3	\$25,000	3/1/2010	\$20,000	\$25,000
(09) Heightened energy practices #10	\$90,000	various	\$45,000	\$90,000
(10) Reduce travel in the General Fund #14	\$37,000	2/1/2010	\$37,000	\$37,000
(11) Reduce Superintendent annuity #15	\$20,000	1/1/2011	\$0	\$20,000
(12) Elim. 1 corp. half-time Receptionist #17	\$22,000	5/1/2010	\$17,907	\$27,213
(13) Eliminate elem. Asst. Principal #20	\$79,000	7/1/2010	\$26,134	\$78,403
(14) Eliminate corp. Purchasing Agent #29	\$43,400	4/1/2010	\$32,893	\$45,899
(15) Admin. pay more for health insurance #36	\$112,000	7/1/2010	\$56,000	\$141,700
(16) Elim. Admin. individual memberships #37	\$4,000	2/1/2010	\$4,000	\$4,000
(17) Reduce overtime #40	\$10,000	4/1/2010	\$7,500	\$10,000
(18) No Lit. Coaches in General Fund #42	\$275,000	7/1/2011	\$0	\$275,000
(19) Reduce Alt. Ed. Asst. to half-time #46	\$8,300	6/1/2010	\$2,129	\$7,989
(20) Eliminate Sp. Programs Coordinator #51	\$60,000	7/1/2010	\$28,895	\$57,790
(21) Reduce School Board stipends #52	\$1,500	7/1/2010	\$750	\$1,500
(22) Admin. .5% salary reduction #55	\$13,500	7/1/2010	\$6,750	\$13,500
(23) Reduce number of cell phones #68	\$10,500	5/1/2010	\$6,300	\$10,500
(24) Reduce Dues/Fees accounts #99	\$15,000	2/1/2010	\$9,000	\$11,000
(25) Eliminate gas for Superintendent #100	\$3,000	2/1/2010	\$2,400	\$3,000
(26) Reduce consultants/services #115	\$47,000	2/1/2010	\$39,500	\$47,000
(27) Admin. retirement benefit #129	\$36,000	7/1/2010	\$19,295	\$38,589
(28) Elim. admin. ins. retirement benefit #143	\$21,600	7/1/2010	\$10,800	\$21,600
(29) Eliminate admin. cancer insurance #144	\$7,700	7/1/2010	\$3,850	\$7,700
(30) Eliminate uniform allowances #146	\$1,500	7/1/2010	\$1,500	\$1,500
	\$959,000		\$394,603	\$992,967
4. Close WGES:				
(31) Administrators: eliminate 1 Principal #27	\$90,000	7/1/2010	\$39,000	\$90,000
(32) Teachers: 1 counselor #27	\$50,000	7/1/2010	\$27,500	\$73,600
(33) Cost Avoidance: 3 specials teachers #27	\$150,000	2/1/2010	\$0	\$150,000
(34) Support: eliminate 7 support staff #27	\$172,500	7/1/2010	\$95,761	\$220,933
(35) Other: utility savings #27	\$64,300	7/1/2010	\$26,792	\$64,300
(36) Other: supplies savings #27	\$14,900	7/1/2010	\$7,900	\$15,100
	\$541,700		\$196,953	\$613,933
New Permanent Cuts (to be done ASAP)	\$2,107,700		\$1,041,949	\$2,518,020

Budget Reductions Approved by the Board on 03-15-10

For planning purposes, assume that all permanent cuts will be made ASAP, and that the 2010-11 school year will start **WITHOUT** making any of the cuts below. These cuts will be made only if the November referendum does not pass.

	Board Approved	Effective Date	Savings in 2010	Savings in 2011
5. Reductions to be Funded by Referendum:				
(37) Reduce custodial hours/days #8	\$74,000	1/1/2011	\$0	\$75,377
(38) Eliminate corp. PR Specialist #16	\$24,900	1/1/2011	\$0	\$24,900
(33) Elim. 2nd corp. half-time Receptionist #17	\$22,000	1/1/2011	\$0	\$17,131
(40) Eliminate 2 M.S. Deans #19	\$170,000	7/1/2011	\$0	\$56,443
(41) Reduce Professional Development #24	\$29,000	2/1/2010	\$14,500	\$29,000
(42) Eliminate some secondary Office Asst. #33	\$75,000	1/1/2011	\$0	\$77,074
(43) Eliminate some elem. Instr. Asst. #34	\$67,500	1/1/2011	\$0	\$78,922
(44) Do not fill some ECA positions #38	\$200,000	6/1/2011	\$0	\$66,349
(45) Pay-to-participate at sec. schools #39	\$126,000	6/1/2011	\$0	\$63,000
(46) Eliminate staff recognition #44	\$7,200	2/1/2010	\$7,200	\$7,200
(47) Reduce supply accounts #48	\$54,000	2/1/2010	\$54,000	\$54,000
(48) Increase parking fees (to security) #58	\$10,000	6/1/2011	\$0	\$8,000
(49) Reduce Finance Sec. to half-time #61	\$30,000	1/1/2011	\$0	\$24,457
(50) Eliminate H.S. Clinic Assistant #80	\$20,000	1/1/2011	\$0	\$20,350
(51) Reduce MS/HS Athletic Director #114	\$57,000	6/1/2011	\$0	\$26,125
(52) Eliminate 10 teaching positions #11	\$500,000	6/1/2011	\$0	\$166,667
	\$1,466,600		\$75,700	\$794,995
 Total Proposed Cuts	 \$3,574,300		 \$1,117,649	 \$3,313,015


Make Only Permanent Cuts Immediately



RESULTS



- **Balanced General Fund** \$39,100,000 (2011)
- **No Referendum Fund**
- **Teaching Staff Decreases by 44** (2011-12)
- **Cash Balance 12/31/2011** \$393,000
- **Spent \$1,455,000 from Other Funds**

- **Balanced General Fund** \$39,100,000 (2011)
- **Referendum Fund** \$3,300,000 (2011)
- **Teaching Staff Increases by 3** (2011-12)
- **Cash Balance 12/31/2011** \$1,114,000
- **Spent \$555,000 from Other Funds**



Recommendation

The administration is authorized to hold the cuts to be restored by the referendum until after November 2nd, and to make appropriate plans to implement them only if the referendum fails, as soon as possible after that date.



Summary of Key Points

- All permanent cuts will be made as soon as possible.
- The “cuts to be restored” will be put on hold until after the referendum.
- Failed referendum could mean about 44 less teachers and a cash balance of \$400,000.
- Successful referendum means 3 more teachers and a cash balance of \$1.1 million.
- No teacher RIFs or reductions will occur this fall.

