



# 2011-12 Proposed Budget

Regular School Board Meeting  
June 14, 2011





## Strategic Directions and Budget

- The purpose of budget planning and development is to align our resources with our purpose, vision, and identified needs and directions within our strategic plan, positioning us to make effective decisions now and in the future
- Ultimately, it's about aligning our resources so that we are able to support staff in continuously meeting the needs and improving the learning of each of our students





## Budget Planning and Development

### Assumptions

With the 2011 legislative session headed to a special session without a budget bill, school districts across the state are left with many unknowns in developing their budgets which must be approved by June 30<sup>th</sup>. Estimates used in the following budget proposal reflect no change from current funding levels.

The **per pupil funding** we will receive from the State for the current school year is the estimated to be the same amount as the 2009-10 and 2010-11 school years.

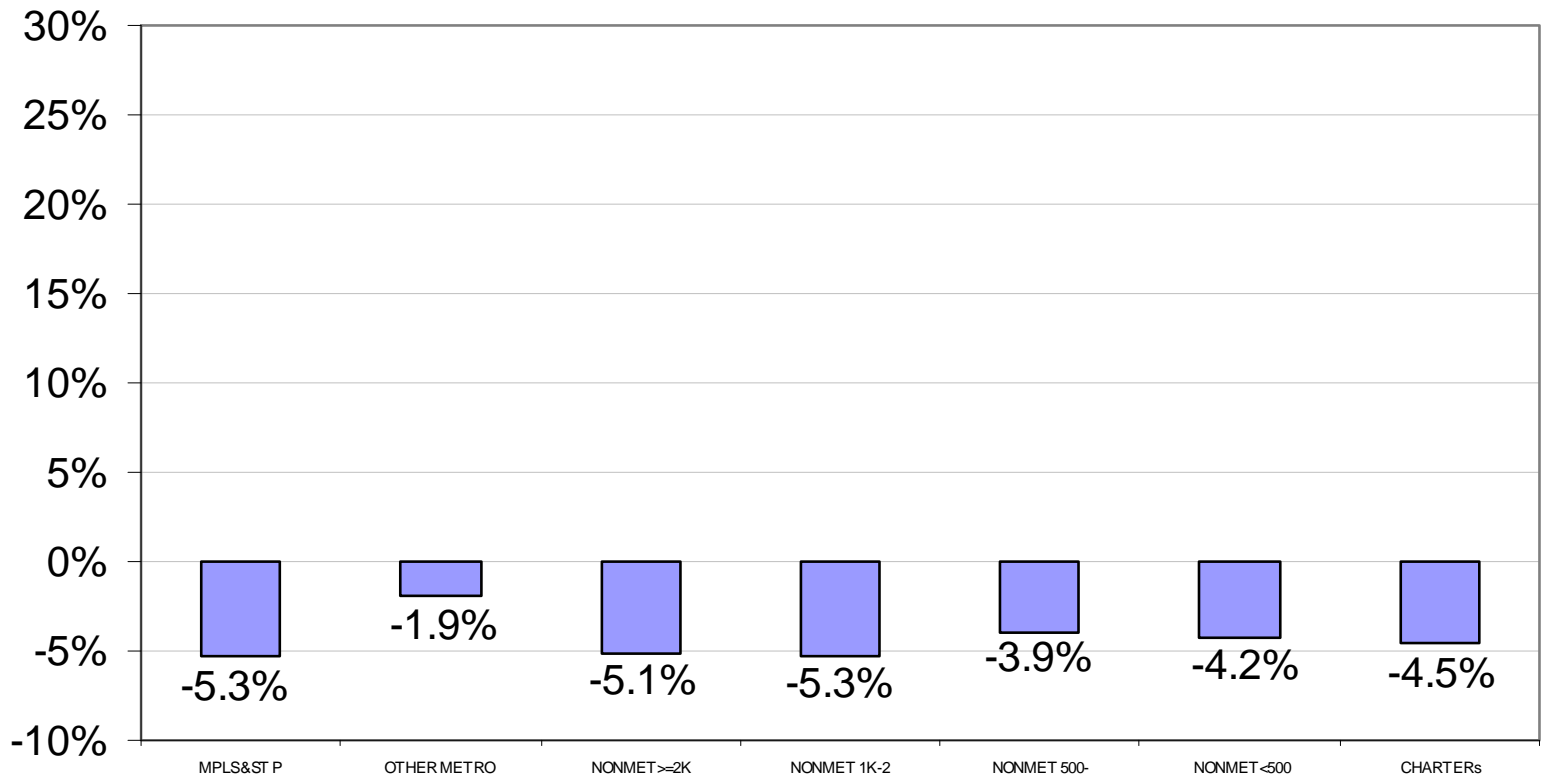
However, **funding shifts and decreasing levels of reimbursement** – such as when we receive payments from the state and how much the district is reimbursed for providing special education services – will result in our having less net revenue for years after 2008-09.





# Budget Planning and Development

Change in General Revenue Per ADM FY 2003 - 2011  
Excluding Referendums Adjusted for CPI



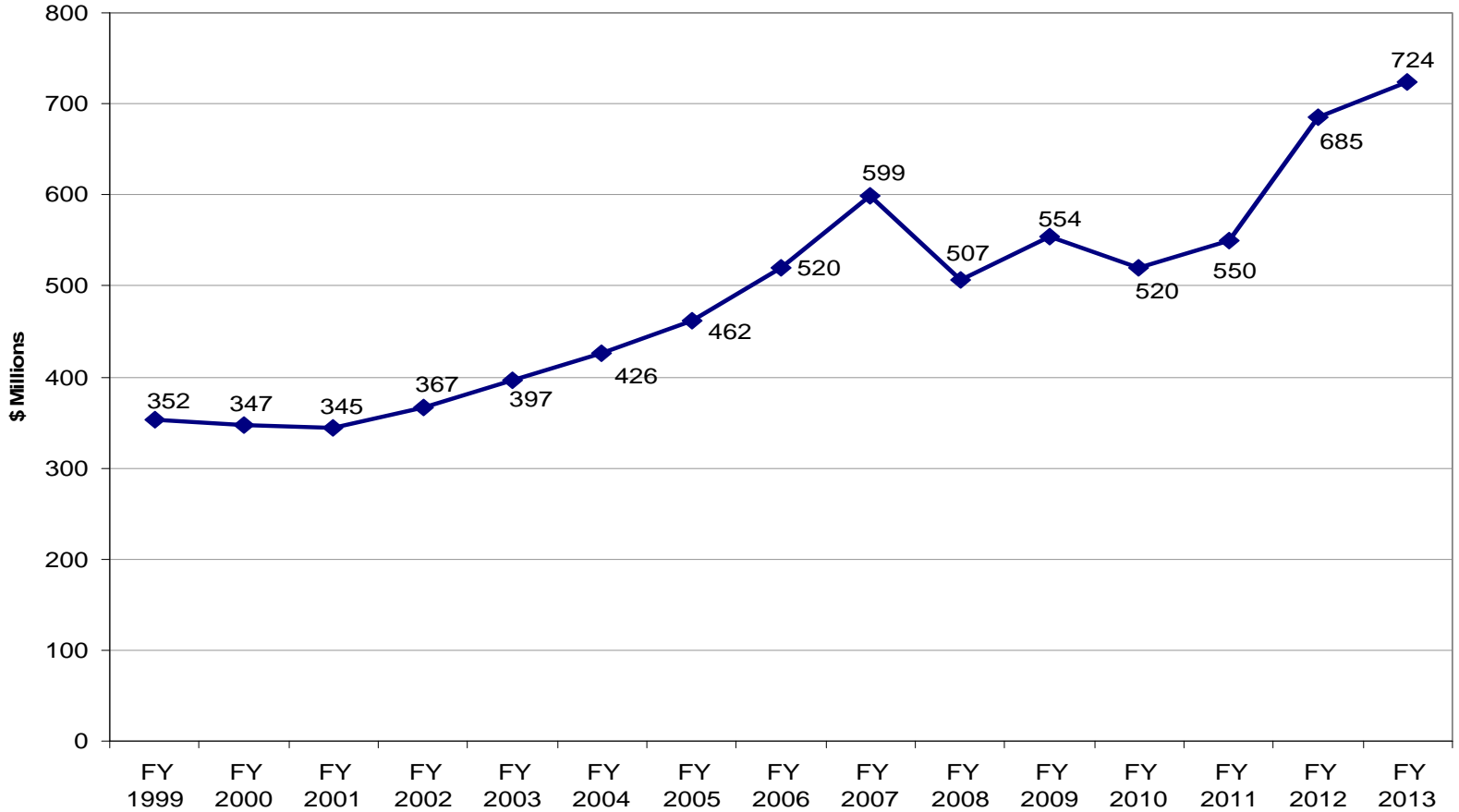
Source: MDE





# Budget Planning and Development

## SPECIAL EDUCATION CROSS SUBSIDIES



Source: MDE      Figures shown are state-wide totals





## Budget Planning and Development

### Current reality

- For 2009-10 and 2010-11 the district made a combined \$3.8 million in budget cuts and modifications. While it was impossible to keep all of these reductions from the classroom, as a percentage of budget, their cuts were much lower than other programs and departments.
- For 2011-12 the districts target for net reductions was \$1.7 million. Much of the planned savings was determined in the spring of 2010, when the board approved the transition to a six period day at the high school and middle school as well as the use of Other Post Employment Benefit (OPEB) funds.





# Budget Planning and Development

## Current reality

- Modifications incorporated into the 2011-12 budget:
    - Administration/Administrative support                   \$ 50,000
      - Restructuring of Middle and High School Administration
    - Educational Services   \$600,000
      - Schedule change to 6 period day
    - Operations   \$750,000
      - Management of Human Resource costs
    - Revenue generation (OPEB)   \$300,000
- TOTAL   \$1,700,000





## Budget Planning and Development

### Calendar of Events

- Spring 2010: School Board and Administration engaged in a long term budget planning model to more effectively make decisions
- July-December 2010: Property tax levy was set (taxes payable 2011 for revenue 2011-12)
- June 2010 – May 2011: School Board and Administration discussed budget assumptions and parameters at work sessions
- May 2011: School Board reviewed proposed 2011-12 budget during their public work session
- June 14, 2011: Recommending School Board approval of 2011-12 budget





# Proposed Budget 2011-2012 School Year

	Projected Fund Balance 6/30/2011	Revenue Budget 2011-2012	Expenditure Budget 2011-2012	Change in Fund Balance	Projected Fund Balance 6/30/2012
<b>Operating Funds</b>					
<b>General Fund</b>					
Unreserved/Undesignated Operating fund Balance	\$2,631,528	\$43,386,369	\$43,380,965	\$ 5,404	\$2,636,932
<b>Reserved/Designated Fund Balance</b>					
Reserve - Health & Safety	33,434	293,993	185,428	108,565	141,999
Reserve - Operating Capital	450,643	1,595,631	1,999,391	(403,760)	46,883
Reserve - LA Program	79,226	-	-	-	79,226
Designated - Student Activities	53,750	50,000	50,000	-	53,750
Designated - Voc Land	75,000	-	-	-	75,000
<b>General Fund</b>	<b>\$3,323,581</b>	<b>\$45,325,993</b>	<b>\$45,615,784</b>	<b>\$(289,791)</b>	<b>\$3,033,790</b>
Food Service Fund	359,607	2,030,315	2,030,315	-	359,607
Community Service Fund	5,940	2,396,083	2,396,083	-	5,940
<b>Total Operating Funds</b>	<b>\$3,689,128</b>	<b>\$49,752,391</b>	<b>\$50,042,182</b>	<b>\$(289,791)</b>	<b>\$3,399,337</b>
<b>Non Operating Funds</b>					
Debt Service Fund	1,190,937	9,014,295	8,556,670	457,625	1,648,562
Trust and Agency Fund	59,833	100,000	100,000	-	59,833
<b>Total All Funds</b>	<b>\$4,939,898</b>	<b>\$58,866,686</b>	<b>\$58,698,852</b>	<b>\$ 167,834</b>	<b>\$5,107,732</b>

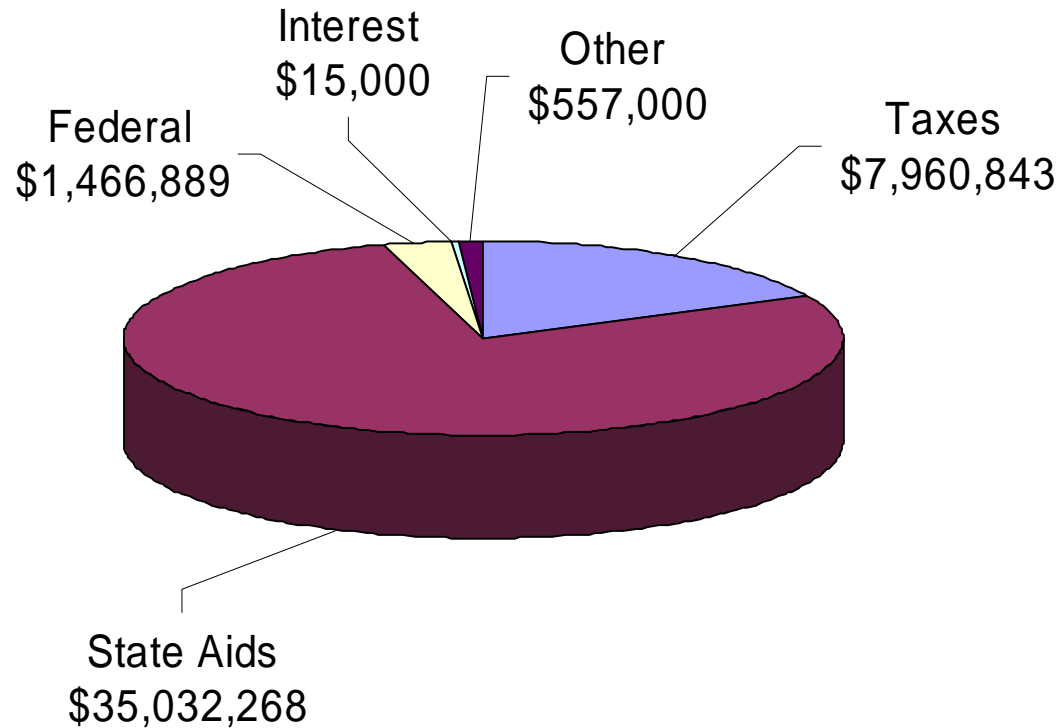




# Proposed Budget 2011-2012 School Year

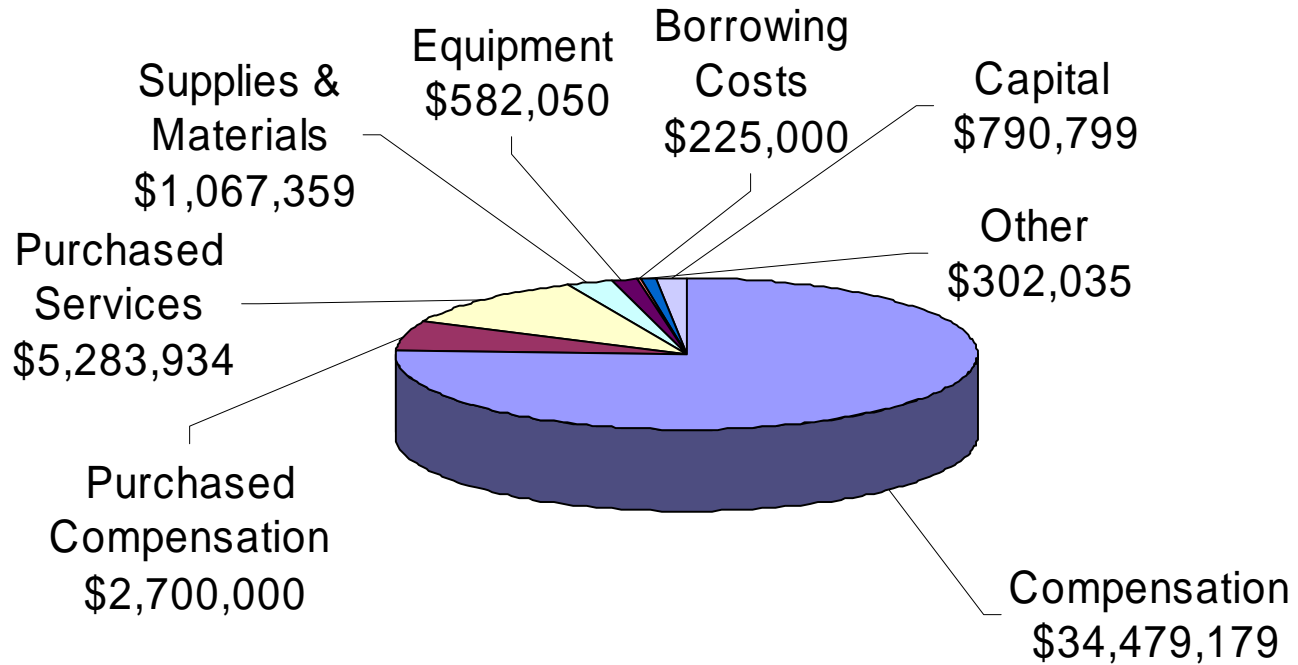


## 2011-2012 GENERAL FUND REVENUES (Excluding Health & Safety)



## Proposed Budget 2011-2012 School Year

### 2011-2012 GENERAL FUND EXPENDITURES (Excluding Health & Safety)





## Long-term Budget Planning

- While we have been developing the 2011-2012 budget based on Board parameters and assumptions established throughout the year, we are also looking to future years.
- Decisions made for the 2011-2012 school year should not only provide for educational opportunities during that school year, but also set us up to be able to offer the same level of opportunities for students in future years.
- Budget reductions have been made each of the past four years. Looking forward to 2012-2013 it is anticipated that the District will need to control costs, seek further reductions, and explore additional revenue options.
- We anticipate flat funding from the state will continue for the next two to four school years.





## Long-term Budget Planning

### Continued

- We will continue to seek out the greatest levels of efficiencies at all levels. Further reductions that would not impact effectiveness will be limited.
  - Schools For Energy Efficiency (SEE) program to reduce energy
  - Program areas review to best align resources to the needs of our students and staff





## Long-term Budget Planning

### Continued

- In November 2011 the district will seek to renew an operating levy that will expire after the 2012-2013 school year
  - Generates \$2.8 million in annual revenue
  - Discussions are occurring on whether to ask for additional funding to cover the ongoing needs of the district
  - Is this the right time to ask our community for additional financial support?





## Proposed 2011-2012 Budget

		Revenue Budget 2011-2012	Expenditure Budget 2011-2012
General Fund	*	<u>\$45,325,993</u>	<u>\$45,615,784</u>
Food Service Fund		2,030,315	2,030,315
Community Service Fund		2,396,083	2,396,083
Debt Service Fund		9,014,295	8,556,670
Trust and Agency Fund		100,000	100,000
Total All Funds		<u><u>\$58,866,686</u></u>	<u><u>\$58,698,852</u></u>
* General Operations		\$ 43,436,369	\$ 43,430,965
Capital Account		1,595,631	1,999,391
Health & Safety Account		293,993	185,428
		<u>\$ 45,325,993</u>	<u>\$ 45,615,784</u>





## Moving Forward With Pride and Dedication

- We continue to have one of Minnesota's finest school districts and quite possibly it's best staff.
- District has made a lot of progress this past year and in recent years.
- We could not be prouder of our great, hard-working, and committed staff
- We will continue to make progress, to work harder than ever before, continue to align our resources, however limited, with improving student learning.

