

**2010-2011 Budget Planning
February 22, 2010 Update**

Scenario A: Approval of May 4 Ballot Initiatives

Items Known or Fairly Certain

Item	Impact
Projected Deficit for 2009-2010 that carries over to 2010-2011	- \$540,000
Retirement Rate increase from 16.94% (FY 2009-10) to 19.41% (FY 2010-11). This is an increase of 14.6% for which we are billed and over which we have no contro.	- \$200,000
\$268 per student decrease in foundation allowance	- \$320,000
Contractual steps/raises	- \$170,000
Subtotal	- \$1,230,000

Items Roughly Estimated

Item	Impact
Student loss (of 25 students, based on 2-3 year trends)	- \$185,000
Insurance Rate Increase of five percent, which assumes provider utilizes accumulated rate stabilization funds	- \$70,000
Subtotal	- \$255,000

Total Estimated Deficit: - \$1,485,000

Items Unknown

Item	Impact
Retirements, including possible impact(s) of changes to state school employee retirement system	+ \$100,000 per retired teacher who is not replaced + \$30,000 per retired teacher who is replaced by a "rookie" teacher
Whether Governor's budget proposal will be approved by legislature	+ \$320,000 (elimination of \$268 per student reduction)

Strategies for Balancing

Item	Impact
Reductions to teaching staff of 4-6 positions	+\$300,000 - +\$600,000 depending on whether it is 3 or 6 teachers and whether it is accomplished through retirements or lay offs

Item	Impact
Revenue: Implement a student activities fee for all non-athletic extra curricular activities at HS. This would be a one-time fee that would cover any and all activities.	\$100/student x 400 students = \$20,000. This is an example only.
If administrative retirements, then replace with contracted administrative support	\$25,000 - \$50,000 depending on which administrative staff members retired.
Eliminate grade 9 sports teams: Other like sized high schools either never had or have already eliminated such teams	\$10,000
Move from May to November Election Date for School Board Members	\$3,500

**Deficit after implementing identified strategies,
using middle of savings estimates:
-\$1,101,500**

Bottom Line: We need to identify additional spending reductions.

Ideas?

Scenario B: If May 4 Ballot Initiatives Are Not Approved

Total Estimated Deficit from Scenario A: - \$1,485,000

Loss of non-homestead local revenue: - \$1,160,000

TOTAL DEFICIT: - \$2,645,000

If 13 teaching positions (1 per grade level), all athletics, and all general education transportation were eliminated:

NET DEFICIT: - \$885,000

BOTTOM LINE: Without May 4 approval of non-homestead renewal, the budget situation goes from serious to dire.