



FY 2012 Tentative Budget Recommendations

March 24, 2011

What has happened so far

Online Survey

March 1- 15

School Community Meetings

March 1 - 15

Town Hall Meetings

March 15

Review of Input

March 17

Where are we?

Short \$400 million

State Funds	- \$196 million
Loss of room tax	- \$35 million
Property tax decrease	- \$48 million
Fund balance no longer available	- \$62 million
Employee Contractual provisions (step, increments, PERS)	- \$68 million

What we heard from the **survey**

12,958 responses

- Average recommended cuts = **\$237million**
- Do **not** cut athletics or activities
- Do **not** cut textbook & supply budgets
- Increase class size by 3 students
- Do **not** cut ECS's, Spec. Ed. Facilitators or Librarians
- **Do** cut Literacy Specialists & ELL Facilitators
- Do **not** cut teacher prep periods (ES-Art, Music, & PE)
- Reduce transportation provided
- Cut salaries by **2 percent** and 3 furlough days
- Reduce administration by **9 percent**
- **Would** support additional revenue sources

Tentative Recommendations

(\$ millions)

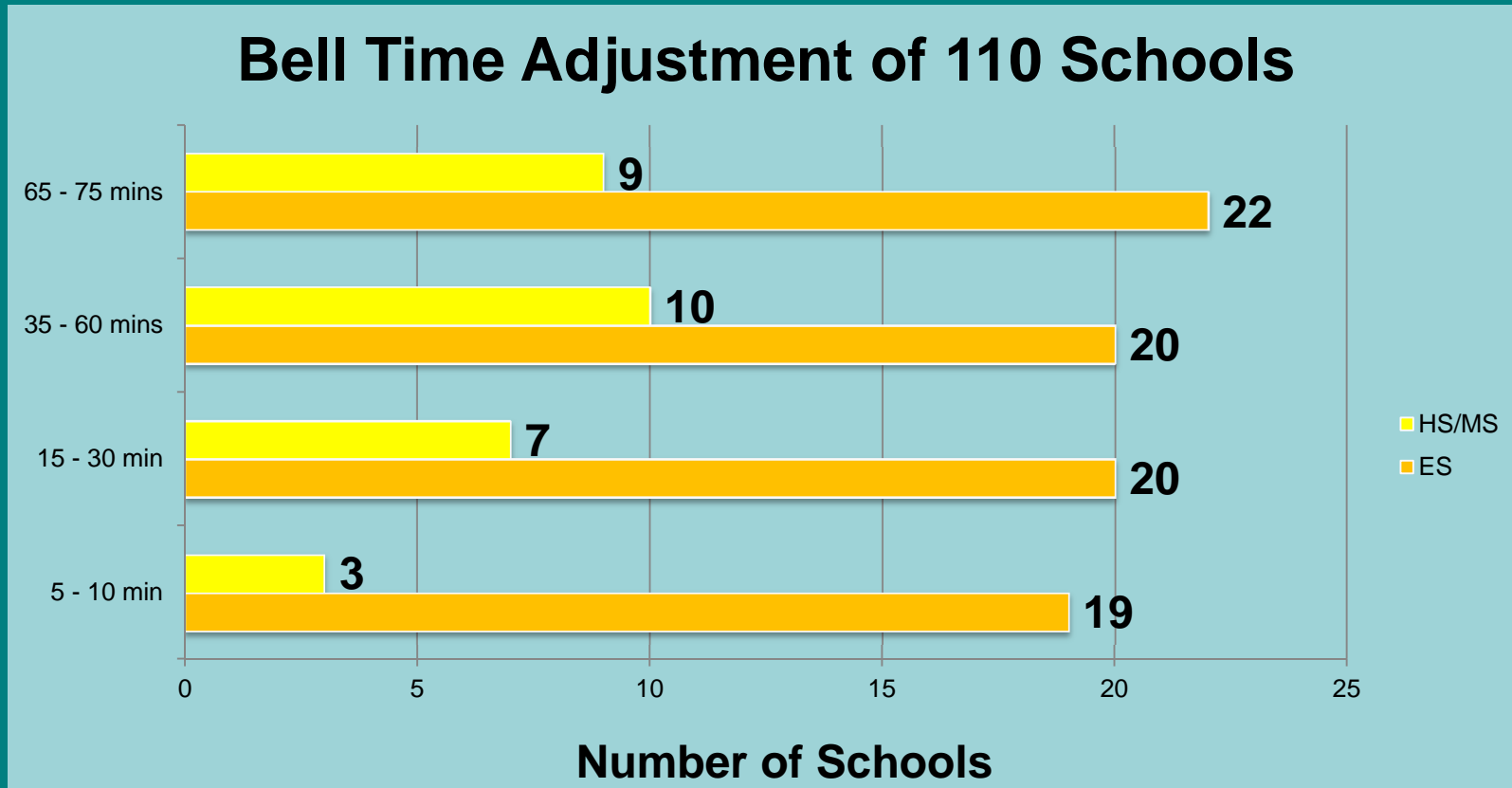
1. Consolidate school bell times	\$ 10.0
2. Pass along ½ cost of PERS increase	14.5
3. Administrative department budgets (cut 20%)	48.7
4. School textbook/supply budgets (cut 25%)	12.0
5. Ed. Comp. Strat. & Literacy Spec. (cut 50%)	17.7
6. Salary steps and ed. increments (freeze)	39.9
7. Health ins.-employees assume part (12%)	23.2
8. Reduction in salaries (7.8%)	128.3
9. Staff counselors & sch. support staff at 97%	2.1
10. Increase class size	114.6

Total

\$ 411

2,486.1 positions

1. Consolidate School Bell Times



Total Savings = **\$10.0 million**

125.0 positions

Survey? **Yes**

2. Pass Along ½ Cost of Retirement (PERS) Increase

Current Rate
21.50 %

New Rate
23.75 %

A total increase of 2.25 %
Employees' share would be 1.125%

Note: For POA employees, the rate increases from 37.0% to 39.75%

**Must be
Bargained**

Survey? na

Total Savings = \$14.5 million
0.0 positions

3. Administrative Department Budgets

Targeted Cuts

totaling

20%

of all non-school-based
budgets

Total Savings = **\$48.7 million**

449 positions

Survey? **Yes**

4. School **Textbook** and Supply Budget

25%

of

Funds allocated to schools

Anywhere from \$22,000 at an elementary school
...to \$87,000 at a high school

Total Savings = \$12.0 million

0.0 positions

Survey? **No**

5. ECS & Literacy Specialists

Educational Computer Strategists (ECS)

Allocated: 1 per school (secondary) and 1 per 2 schools (elementary)
Budgeted FTE's: 226 positions Recommended Cut: 113 positions

Literacy Specialists

Allocated: 1 per ES school, at principals' discretion
Budgeted FTE's: 200 positions Recommended Cut: 100 positions

Total Savings = \$17.7 million

Survey? **No (ECS) & Yes (Literacy)**

213 positions

6. Salary Steps & Educational Increments

Salary Step Increases

Earned for years of service	
Licensed	\$22.6 million
Support	9.6
Administrators	1.1
Police	<u>0.9</u>
Total	\$33.3 million

Educational Increments

Earned for attaining advanced degrees and education

Licensed	\$6.6 million
----------	----------------------

Must be Bargained

Survey? na

Total Savings = \$39.9 million
0.0 positions

7. Health Insurance Costs

Employees would assume...

12% of the cost

paid by the district on employees' behalf

Employees'
Monthly
Share

Support Staff and POA - \$63.20

Licensed Staff - \$64.66

Administrators - \$80.47

**Must be
Bargained**

Survey? No

Total Savings = \$23.2 million

0.0 positions

8. Reduction in **Salaries**

7.8%

Reduction
in pay for all employees

Must be Bargained

Survey? **2%** (average)

Total Savings = \$128.3 million

0.0 positions

9. Staffing at 97%

Counselors

Allocated: 1 per 400 students (secondary)
1 per 500 students (elementary)

Budgeted FTE's: 575 positions Recommended Cut: 17 positions

School-Based Support Staff

School clerical and office staff

Budgeted FTE's: 1,500 positions Recommended Cut: 45 positions

Total Savings = \$2.1 million
62 positions

Survey? na

10. Increase Class Sizes

Grades 1-3 (by 3)

From 18:1 to 21:1 in grades 1 and 2

From 21:1 to 24:1 in grade 3

Recommended Cut: 471.4 positions

Grades 4-5 (by 5)

From 30:1 to 35:1

Recommended Cut: 235.7 positions

Grades 6-12 (by 7)

From 32:1 to 39:1

Recommended Cut: 930.0 positions

Total Savings = \$114.6 million

1,637.1 positions

Survey? 3 students

Recommendations if **No Concessions**

(\$ millions)

1. Consolidate school bell times	\$ 10.0
2. Pass along 1/2 cost of PERS increase	14.5
3. Administrative department budgets (cut 40%)	97.4
4. School textbook/supply budgets (cut 50%)	24.0
5. Ed. Comp. Strat. & Literacy Spec. (cut 100%)	35.3
6. Salary steps and ed. increments (freeze)	0.0
7. Health ins. employees assume part (12%)	0.0
8. Reduction in salaries (7.8%)	0.0
9. Staff counselors & sch. support staff at 97%	2.1
10. Increase class size	114.6
11. Additional Cuts needed...	113.1
Total	\$ 411

at least 3,925.4 positions

11. Additional Cuts Needed if No Concessions are achieved

(\$ millions)

a. Increase high school transp. radius	\$ 3.0
b. Special education facilitators (163 pos.)	13.4
c. Magnet school off-ratio staffing (197 pos.)	18.6
d. English language facilitators (160 pos.)	13.0
e. Transp. to select/magnet schools (98 pos.)	10.6
f. Transp. to career/tech schools (24 pos.)	2.6
g. Yet-to-be identified	51.9

Total

\$ 113.1

Recommendations **Summary**

\$ 411 million

in Budget Cuts

19.8% of \$2.1 billion
General Fund Budget

Between

2,486 & 5,428

positions eliminated

out of a total of 25,486 positions
in the General Fund

Recommendations **Summary**

\$ 411 million cut

2,486.1 positions

x 2.25

5,593 possible total jobs lost

(including indirect & induced)

\$889 million

in annual lost economic output

Source: Applied Analysis

What is next?

Adoption of Tentative Budget

April 6 – 8:00 am

State Economic Forum Meets

May 2

Adoption of Final Budget

May 18 – 5:30 pm