

School Board Meeting/Workshop Date:

May 23, 2011

Subject:

Preliminary 2011-12 General Fund Budget

Presenter:

**Gary Kawlewski
Tina Burkholder**

SUGGESTED SCHOOL BOARD ACTION:

Report only

DESCRIPTION:

We are proposing a slight change in the process for presenting the preliminary 2011-12 general fund budget. Over the past several years, this report has basically been a review of the budget forecast projection for the next year. The final budget was then presented for approval at the last board meeting in June. We are proposing to change this slightly. We are proposing to make the workshop in June be the date for presenting our first look at the actual budget projection for the upcoming year rather than the last meeting in May. The board, in essence, would have a first and then a final reading on the final budget proposal.

This is proposed for several reasons. By statute, the legislature has to be done in May unless the governor calls a special session. By moving our date back, we would be better able to incorporate the changes that are made by the legislature into the next year's budget before the board is asked to act on the budget adoption. Secondly, by presenting the actual proposed budget at the workshop in June rather than the forecast, the board would have several weeks to review the budget proposal rather than several days as it currently comes out with the board packet for the last board meeting in June. Additionally, it would allow us to have more accurate staffing numbers for special education and our title grants due to having a little more time to get entitlements and adjust the upcoming budget projection based on those new entitlements.

As you know, the legislature is still in session as I write this and the attachment is a summary of the omnibus education bill proposal as it came out of the House/Senate conference committee. Many of the proposals we discussed earlier this spring are included in the omnibus education proposal. Many of the items will impact how we do business going forward. It is felt by many that the governor is likely to veto the proposal and it remains to be seen where the process will go from there.

A quick recap of the budget parameters for next year's budget are as follows:

- No increase in the basic general education formula
- A slight decrease in enrollment and a slight decrease in staffing due to the enrollment projection

- Stimulus funding ends at the end of the 2010-11 year
- Education Jobs bill funding for 11-12 only that will help to offset some of the stimulus fund loss
- Inflationary increases for contract settlements
- Funds transferred in from the OPEB trust with Bremer Trust
- Superintendent's staffing contingency for needs that arise
- Special education staffing contingency for needs that arise

Again, we cannot emphasize enough that the forecast is a preliminary look at next year's budget. We're still working with Human Resources, Special Education, and Teaching and Learning to get the staffing finalized for next year and also nail down our revenue projections. As indicated earlier, we will present the first review of the general fund budget at the June 13 workshop.

ATTACHMENT(S):

- 2011edconfcmteproposal