

Beaverton School District
Budget Assumptions
2010-11

General Fund - Revenue

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| 1. <i>Student Enrollment</i> | September 30, 2010 enrollment is estimated at 38,429 <u>38,410</u> students, an increase of 339 <u>320</u> students from September 30, 2009 actual enrollment of 38,090. Average Daily Membership Weighted (ADM(w)) will be 44,042 <u>44,030</u> . This is up from 42,980 <u>42,861</u> in 2009-10. |
| 2. <i>State School Fund</i> | <p>Estimated State School Fund (SSF) will be based on \$6.0 billion statewide for the biennium.</p> <p>Estimated State School Fund (SSF) will be based on the February and May 2010 State economic forecasts. SSF could be reduced by \$13.5 million for 2010-11 if the \$200 million transfer from the Rainy Day Fund to the State School Fund is not made. The economic forecast will determine if the state's general fund will be sufficient to support the transfer.</p> <p>An adjustment for 2008-09 SSF will be made in May 2010, <u>for + \$720,000</u>, and the amount is yet to be determined.</p> |
| 3. <i>Property Taxes</i> | Assessed value for property taxes are anticipated to remain flat and property tax collections are projected to <u>remain at a 95% collection rate</u> decline from a 95% to a 94% collection rate. |
| 4. <i>Interest Earnings</i> | Interest earnings will remain significantly low due to the near-zero Federal Funds rate set by the Federal Reserve. |
| 5. <i>Beginning Fund Balance</i> | The estimated Beginning Fund Balance as of July 1, 2010 will be 5.5% of 2010-11 revenue or \$14,900,000. This may be adjusted due to economic forecast adjustments and availability of the Rainy Day Fund transfer to the State School Fund (see #2 above). |

Beaverton School District
Budget Assumptions
2010-11

General Fund - Expenditures

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| 1. | <i>Current Service Level</i> | The estimated cost to roll the Current Service Level (CSL) forward is \$290.1 million plus a contingency fund of \$14.5 million for total requirements of \$304.6 million. |
| 2. | <i>Evidenced Based Budget</i> | The District is working with Allan Odden and Larry Picus to align budget resources to the District Strategic Plan and District Goal for 2010-15. Allocation adjustments may be phased-in in response to this process. |
| 3. | <i>Salaries</i> | By contract, Classified employees will not receive a step increase and may receive a cost of living increase, only if approved for Administrators. Certified staff is currently in negotiations and salary is yet to be determined. Cost of step and COLA for all employee groups: 1% \$5.3 million, 2% \$7.1 million. |
| 4. | <i>Retirements and Resignations</i> | Due to the PERS actuary tables changing, we are estimating a slight increase from the current year in the number of employees retiring from the District next year. This may result in slightly lower salary projections overall as retirees typically are in the higher step levels. |
| 5. | <i>Health Insurance</i> | The health insurance cap is to be determined pending negotiations with employee groups. We anticipate a 12% insurance premium rate increase. Monthly cost to employees is still to be determined. The District received a waiver from having to participate in the Oregon Educators Benefit Board (OEBB) insurance, thus avoiding significant health insurance expense increases. |
| 6. | <i>PERS</i> | The PERS Board released employer contribution rates for the biennium beginning July 1, 2009. The District's rate for Tier 1 and Tier 2 employees is set at 5.39% of eligible salary. The rate for OPSRP (Tier 3) employees is 5.91% resulting in a blended rate of 5.46% for a total 10.5 million. <u>The PERS Board is anticipating an estimated 3-4% increase in PERS rates beginning July 2011 due to the October 2008 global market decline.</u> The PERS Unfunded Actuarial Liability (UAL) debt service rate is still being calculated for 2010-11. |

General Fund - Expenditures Continued

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| 7. | <i>Staffing Allocation</i> | Staffing will be adjusted to respond to declining SSF revenue, and will be allocated based on projected number of students (including self contained Special Education students) adjusted by ADM historical trends. |
| 8. | <i>Utilities</i> | We anticipate a zero percent adjustment for all utility costs in 2010-11. However, square footage will be added to buildable space but will not result in an increase in the total utility budget. We are pursuing rate confirmations with utility companies. |
| 9. | <i>Transportation</i> | At this time, there are no additional fuel cost increases anticipated. |
| 10. | <i>New Capacity</i> | Springville K-8 opened in 2009-10 and will add 6 th grade in 2010-11. Health Sciences High School will add 8 th and 12 th grades in September 2010. Expenses for additional instructional materials and technology may be allocated to accommodate new grade levels. |
| 11. | <i>School Non-Salary</i> | Non-salary allocations for schools will be allocated at 90% of projected number of students (including self contained Special Education students) adjusted by ADM historical trends. |
| 12. | <i>Central Non-Salary</i> | Non-salary reductions of 15% will continue in 2010-11. |
| 13. | <i>ELL Translation Services</i> | Contracted ELL translator services expenses will be determined by the number of conference days in the school calendar up to an additional <u>\$60,000</u> \$250,000 . |
| 14. | <i>Substitute Expenses</i> | Substitute expenses will be adjusted to reflect additional needs as incurred in the 2009-10 budget. |
| 15. | <i>Contingency</i> | The contingency fund is calculated at approximately \$14.5 million based on an assumption of 5% of 2010-11 projected revenue. |
| 16. | <u><i>GASB 54 Requirement</i></u> | <u><i>The Governmental Accounting Standards Board (GASB) is implementing new fund balance reporting and governmental fund type changes. The District will need to change some special revenue funds to a sub-fund of general fund and will need to be in effect for 2010-11.</i></u> |