

BAINBRIDGE ISLAND SCHOOL DISTRICT NO. 303
District Budget Advisory Committee
Meeting Minutes

Date: February 23, 2010
Place: Bainbridge High School Library
Time: 5:30 p.m.

Monthly Financial Reports – January

Director of Business Services Peggy Paige provided an overview of the district's financial reports for January. Related to revenues, Ms. Paige noted total General Fund revenues were .9% less than for the same period last year, but above the average. Tax collections were close to the average. In total, local revenues were above the average due to donations and rental revenues, although there are a few areas that are currently below the average – lunch sales, investment earnings and class fees. Ms. Paige noted that the decline in lunch sales was offset by spending less for labor and supplies and may reflect the current economic environment in which folks are spending less overall. Expenditures for the year are currently 4.3% lower than for the same period last year. Vocational expense is up from last year and above average. Ms. Paige noted the fluctuation in monthly expenses was due to an error in coding the expense for Running Start tuition almost entirely to the Vocational Program in January. After adjusting for this error, the YTD percentage would be 43.2%. Ms. Paige noted she was monitoring a few budget areas including Transportation/Motor Pool expenditures, which were below last January but above average. Two long-term leaves have impacted the rate at which budgeted salary/benefit dollars are being used in this area. Operation – Buildings is reflecting a decrease from last year and is slightly above the expected average. This change is attributable to the increase in unbudgeted extra-time related to rentals at the high school. These costs are reimbursed via the rental fees charged but do impact the percentage of budget used to date. Utilities will continue to reflect the impact of the payment of Stormwater Fees until we receive our reimbursement from the City. Ms. Paige was also transferring funds to the General Fund at the end of the month for capital expenditures and salaries. It was noted that the projected ending fund balance will be 4%. At the conclusion of the financial update, Dr. Clayton Mork, Assistant Superintendent of Instructional Support Services, noted the district received notification of the receipt of \$285K in SafetyNet Grant funds.

State House and Senate Proposed Budgets Summary

Superintendent Faith Chapel shared copies of the recently posted state Senate and House 2009-2011 Revised Omnibus Operating Budget (2010 Supplementary) General Apportionment for Public Schools. What remained consistent in the Governor's, Senate and House budget proposals is the elimination of the Learning Improvement Day for certificated staff and the elimination of the I-728 Student Achievement funds. The Senate proposal is the worst case scenario and differs from the other two proposals by including the elimination of the K-4 staff/student ratios enhancement funding, reducing the funding formula from 53.17 staff per 1,000 FTE students to 49.5 staff per 1,000 FTE students – a loss of \$450K. The Senate's proposal also reduces the

funding formula for classified staffing resulting in a possible net loss in funding for 2.0 FTE classified staff. The House budget proposal also includes elimination of the I-728 Student Achievement funds and the Learning Improvement Day for certificated staff, but it is dramatically better in the area of K-4 enhancement funding. Ms. Chapel noted that both the Senate and House proposals reinstate Levy Equalization and recommend a 4% increase in the local levy lid, keeping the current levy base. The Legislature is scheduled to complete their session on March 11th.

Group Analysis of Subcommittee Work

Committee members were provided with copies of the District Budget Advisory Committee (DBAC) Implementation of Recommendations 2009-2010, and DBAC Subcommittees Proposals for 2010-2011 for review. The committee divided into two work groups to review the additional budget reduction options proposed for 2009 – 2010 but not implemented, and any new proposed budget reductions recommended for consideration by the subcommittees for 2010-2011. The two work groups began discussion regarding how to prioritize the subcommittee recommendations using the “tier 1 – 4” system. At the conclusion of the work group discussions, the recorders for each group shared a summary of their initial review and prioritization of the subcommittee recommendations. It was noted that the State’s final budget could be completed before the next DBAC meeting, which is scheduled for March 16th.

Next Meetings:

March 16
April 6
April 20
May 4
May 18
June 1