

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

**Date:** December 13, 2011  
**Place:** District Board Room – Commodore Campus  
**Time:** 5:30 – 7:00 PM

**INFORMATION**

*Overview of District Budget Advisory Committee Roles and Responsibilities*

Superintendent Faith Chapel opened the meeting with introductions and distributed the District Budget Advisory Committee (DBAC) *Mission, Membership, Roles and Responsibilities* document for committee review. It was noted the mission of the committee was to support and advise the board, superintendent, and other district staff and committees in the development, review, and revision of the General Fund operating budget. One of the goals for this meeting was to have all committee members share the same foundation materials for the work to be done beginning in January. Ms. Chapel stressed communication is and will continue to be, a critical element of the budget committee. To support communication, meeting minutes and materials, both historical and current, will be posted on the district’s new website throughout the year.

*Budget Development – Strategic Assumptions for 2012-13*

The draft *Budget Development – Strategic Assumptions for 2012-13* document was shared with the committee. Ms. Chapel invited committee members to share the information and noted the document will be posted on the district’s website. Guidelines from the document include: a) Focus financial resources on programs that directly support student learning, as outlined in the *District Mission, Vision, and Guiding Principles*, and the *District Improvement Plan*; b) Maintain a safe learning and working environment for students and staff; c) Retain an essential level of support services for district operations; d) Maintain the district’s financial integrity and investment in facilities, technology, and other physical assets; e) Assure revenue generating programs break-even; and f) Maintain unrestricted, unreserved balance of 3% of General Fund revenues. Ms. Chapel also provided draft copies of the *District’s Mission, Vision and Guiding Principles* documents, as well as the *2011-12 District Improvement Goals*, which focuses on student learning. She noted that the district continues work on the development of a student profile. Committee members suggested the budget implications of the district improvement goals should be part of the budget development work for 2012-13.

*4-Year History of Budget Adjustments (2008/2012)*

Ms. Chapel shared documents that provided a 4-year history of budget adjustments from 2008 through 2012. As the group reviewed the budget reductions through the past four years, it was noted the list of areas to be reduced has grown shorter, with the majority of budget reductions last year related to enrollment. The 4-year historical overview of past budget adjustments reflected total adjustments to revenue and expenditures for the period of 2008 – 2012 of \$6.7 million. Ms. Chapel underscored the significant support provided by the Bainbridge Schools Foundation, which helped to support staffing, professional development and other programs. She also noted the support provided by school PTOs, giving the example of when the district cut outdoor education funding, due to state budget reductions, and PTOs provided funding for those programs.

*District Enrollment and Financial Data*

The October 2011 enrollment data was distributed to the group. Ms. Chapel explained the district was in the process of obtaining a demographic update with an anticipated delivery date of mid-January. The group reviewed the October enrollment and it was noted the district was below budget by fourteen students – an estimated budget shortfall of \$75K. In addition to the enrollment report, Director of Business Services Peggy Paige presented the *2010-2011 Fiscal Year End Report* for committee review. She explained the district's ending fund balance was reserved in several categories per the new accounting guidelines provided by the Office of the Superintendent of Public Instruction. In the area of *Committed to Minimum Fund Balance Policy*, the balance was \$1,100,000 (3%). *Assigned to Other Purposes* was \$1,125,000 (3%), which is the portion of fund balance committed to Fiscal Year 2011-12, as well as grant and building carryovers. Ms. Paige reviewed several other areas of the year-end outcomes including the *Unassigned* fund balance of \$435,138 (1.2%), *Inventory Reserve* with \$185,000, and *Restricted for Carryover* of \$71,200.

#### *State and Federal Budgets – Status Report*

Ms. Chapel distributed a special edition of the This Week In Olympia (TWIO), a publication of the Washington Association of School Administrators (WASA) that provides information about budget issues and legislation impacting K-12 education. The TWIO noted budget writers for both houses unveiled identical budget proposals, which would save \$479.7 million as a first-step to closing the current \$1.4 billion projected budget shortfall. The proposed major reductions to the K-12 budget have been avoided at this point; however, the Legislature has a long way to go to completely close the budget gap. Some of the K-12 policy level reductions include the following: a) school bus depreciation (\$49M); b) enrollment reporting change (\$1.3M); c) education jobs funding (\$3.1M); d) OSPI administration (\$600K); e) local effort assistance (\$11.7M); f) transitional bilingual instruction program (\$10.2M).

#### *District Budget for 2012-13 – Anticipated Cost Increases*

Ms. Chapel talked about funding reductions in the areas of state and federal support including Alternative Learning Experience (ALE), transportation, and categorical programs (LAP). Increased costs are anticipated in the areas of staff salary and benefits (positions not funded by state), L & I, unemployment, pensions, utilities, water and stormwater fees, and state-mandated changes in assessments, accountability, and staff evaluation processes. Also to be considered is the need for curriculum materials and the related training and implementation costs for those materials. It was noted the district must continue to identify and enact strategies that can bridge the budget shortfall in the short-term, and can be sustained for what appears to be a long-term process of economic recovery in Washington State.

#### *Next Steps*

It was noted that unless more specific budget information is forthcoming from the Legislature, the committee will not meet on January 17<sup>th</sup>. Information will be sent out to committee members as it becomes available.

#### **Next Meeting:**

January 17  
February (14 or 28)  
March 13  
March 27  
April 10  
April 24  
May 8  
May 22  
June 5