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The Budgetary Refinement Process in the St. Francis School District
November 4, 2014

In 2011-2012, St. Francis School District lost about \$800,000 as a result of the reduction in funding by the State. Balancing our budget meant cutting this \$800,000 as well as, another \$500,000 due to the District's health insurance premium rate being increased by 28%. The District was given tools to help offset these costs. The Act 10 tools included requiring employees to pay half of their retirement benefit (5.8%) and requiring employees to make a 10% contribution to their health insurance premium.

The District made reductions in the following areas for 11-12:

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| Reduced compensation for all athletics and extra-curricular programs by approximately 2%; | Reduced building budgets by 15%; |
| Reduced 1 Art teacher, from 3 FTE to 2 FTE; | Targeted the reduction of attorney fees by 50%; |
| Reduced .5 Music teacher, from 3 FTE to 2.5 FTE; | Will revise health insurance plan to create additional savings by January 1 and again July 1; |
| Reduced 1 Physical Education teacher, from 5FTE to 4 FTE; | Reduced Speech and Language Teacher from 1 FTE to .6 FTE; |
| Reduced Family and Consumer Education Program, from 1.7 FTE to 1 FTE; | Eliminated the pay for student technology interns during the school year; |
| Reduced Japanese at the High School, from 1 FTE to .2 FTE; | Eliminated all overload pay; |
| Eliminated 1 FTE from the custodial/maintenance staff; | Reduction in the qualifying areas for extra teacher pay, as well as, the hourly rate; |
| Restructured the Athletic and Recreation Department; | Reduction in summer school hourly rate. |
| Eliminated the \$3,000 tax shelter annuity benefit to employees in lieu of insurance; | |

For the 2012-2013 school year, the State increased the per pupil revenue limit authority \$50 per resident student. During this year, the revenue limit authority decreased 1.86% and the District received \$190,000 less in Open Enrollment revenue. The District was forced to reduce the budget by another \$358,000. At the same time, the District had to offset increases to the budget in areas such as utilities, potential employee compensation, increased FTE of an At-Risk Teacher, increase of supervision positions at the High School, and liability insurance/legal fees.

The District made reductions in the following areas for 12-13:

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| Two teacher retirements with replacement staff members with lower total compensation packages; | The District paid off a 4-year computer buyout lease; |
| Temporary reduction in the area of high-cost special education services due to less students in the program; | Elimination of the Japanese language program; |
| Reduction in reading consultant fees; | Three teacher resignations with replacement staff members at lower total compensation packages. |
| Eliminated the Family and Consumer Science Program | |

For 2013-14 school year, the State increase the per pupil revenue limit authority \$75 per resident student. Even with the increase to the revenue limit the District was forced to reduce another \$508,000 in 2013-14.

The District made reductions in the following areas for 13-14:

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| Reduce .16 Foreign Language Teacher; | Reduce .5 Kindergarten (K4) Teacher from 2 to 1.5 FTE; |
| Reduce Physical Education from 4 FTE to 3 FTE; | Reduce .22 Math Teacher; |
| Reduce 1.0 Language Arts Teacher; | Reduce Classroom Supplies and Materials Budgets \$15,750 |
| Reduce Curriculum Budget \$10,000 | Reduce Maintenance Budget \$45,000 |
| Reduce Technology Budget \$30,000 | |

For 2014-15 school year, the State increase the per pupil revenue limit authority \$75 per resident student. Even with the increase to the revenue limit the District was forced to reduce another \$656,000 in 2014-15

The District made reductions in the following areas for 14-15:

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| Refinement of Custodial Staff; | Reduce .Legal Budget \$30,000; |
| Replacement of Retired Teachers, savings on Salaries and Benefits; | Reduce .78 Math Teacher; |
| Reduce .35 Social Studies Teacher; | Reduce Short-Term Borrowing Costs \$7,991; |
| Reduce Waste and Recycling Contract \$7,750; | |

The SFSD remains committed to setting the conditions to attract and retain resident and non-resident students, as well as, attract and retain high quality employees under the current funding conditions and programming restrictions. However, the current commitment to public education is jeopardizing this commitment. Continued restrictions on revenue limits will require additional budgetary reductions by the District, further impacting student programming, sustainability and performance.

Summary – Based upon the reductions made over the last three school years the next set of reductions will impact our students and programs even more.