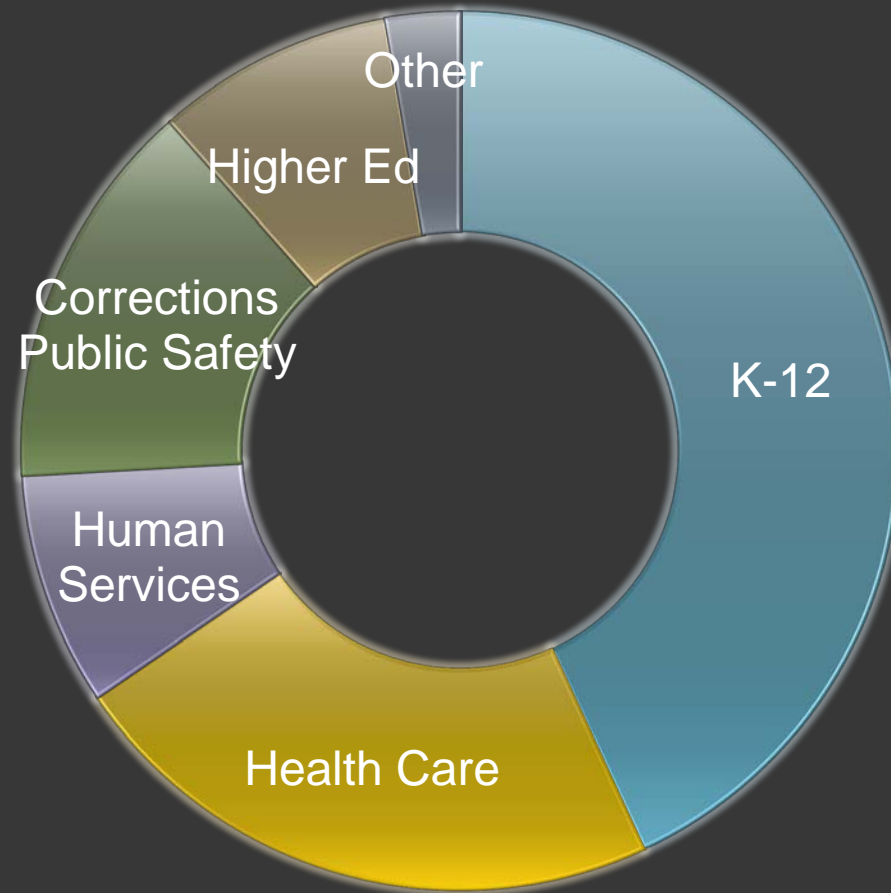


2011-2012 Budget Development Process

**BRUSH SCHOOL
DISTRICT RE-2(J)**

State Budget Breakdown



State Funding Crisis

- End of ARRA Funds
- End of Ed Jobs Funds
- Property Tax Reassessment Impact
- Increase in Statewide Enrollment
- Increase At-Risk Count
- Lagging Income Tax Revenues
- TABOR, Gallagher, and Amendment 23

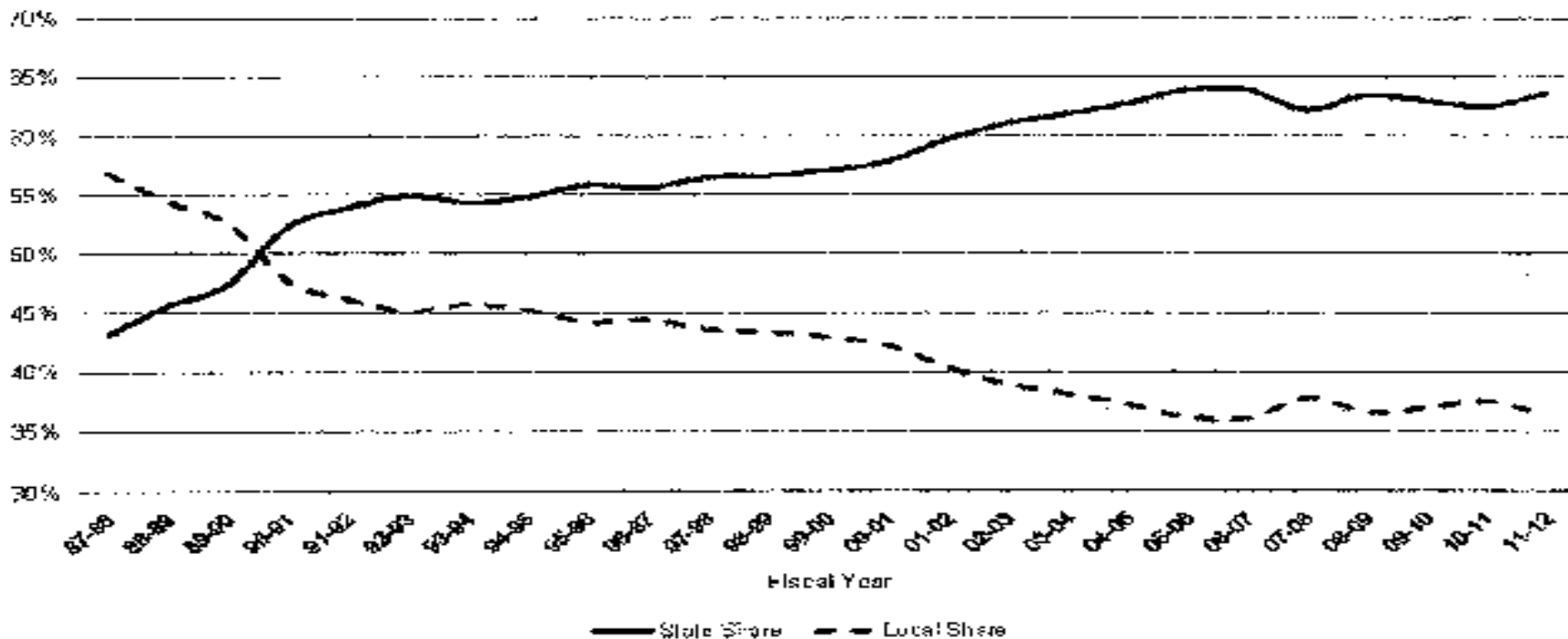
Hickenlooper's Proposal to the Joint Budget Committee

- \$1.1 billion dollar shortfall FY12
- \$332 million cut to K-12 education
- Maintaining state support for higher education
- Maintaining general funds statutory at 2%

State's K-12 Share Increasing

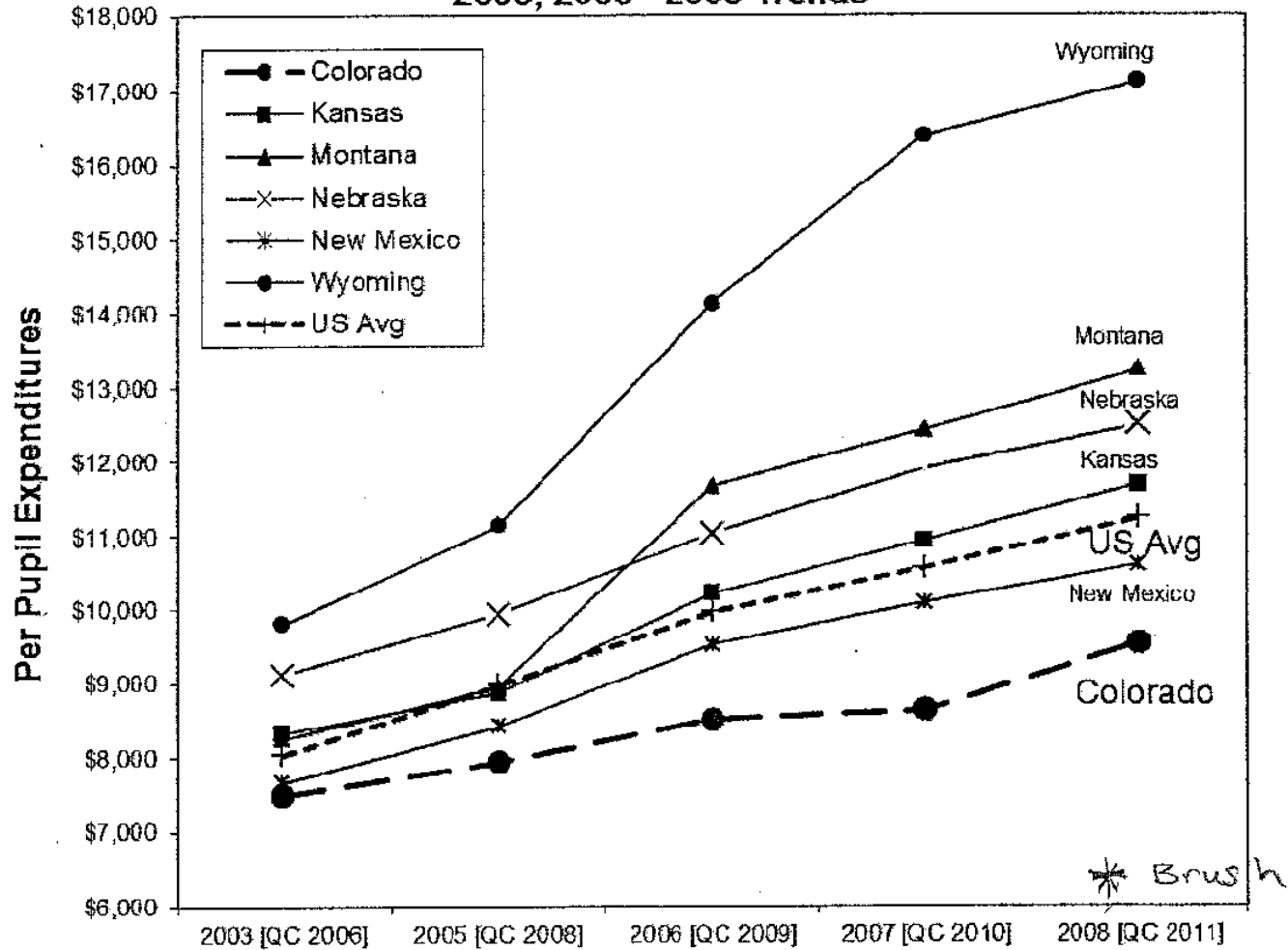


State's K-12 Share Increasing



Nearby State PPR

Nearby States Spending More Per Pupil Than Colorado
2003, 2005 - 2008 Trends



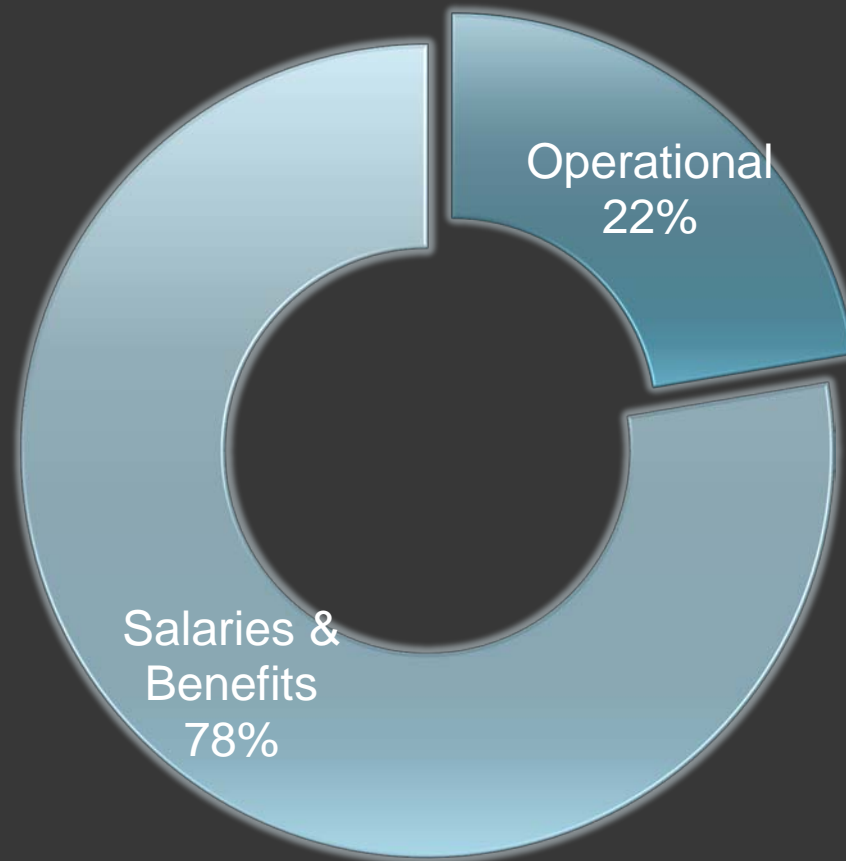
What other districts in the state are doing...

- School Closures
- Staff reductions (administrators, teachers, and support staff)
- Increased class size
- Staff salary and benefit reductions
- Program reductions or eliminations
- Reduction of services
- Using a percentage of fund balance

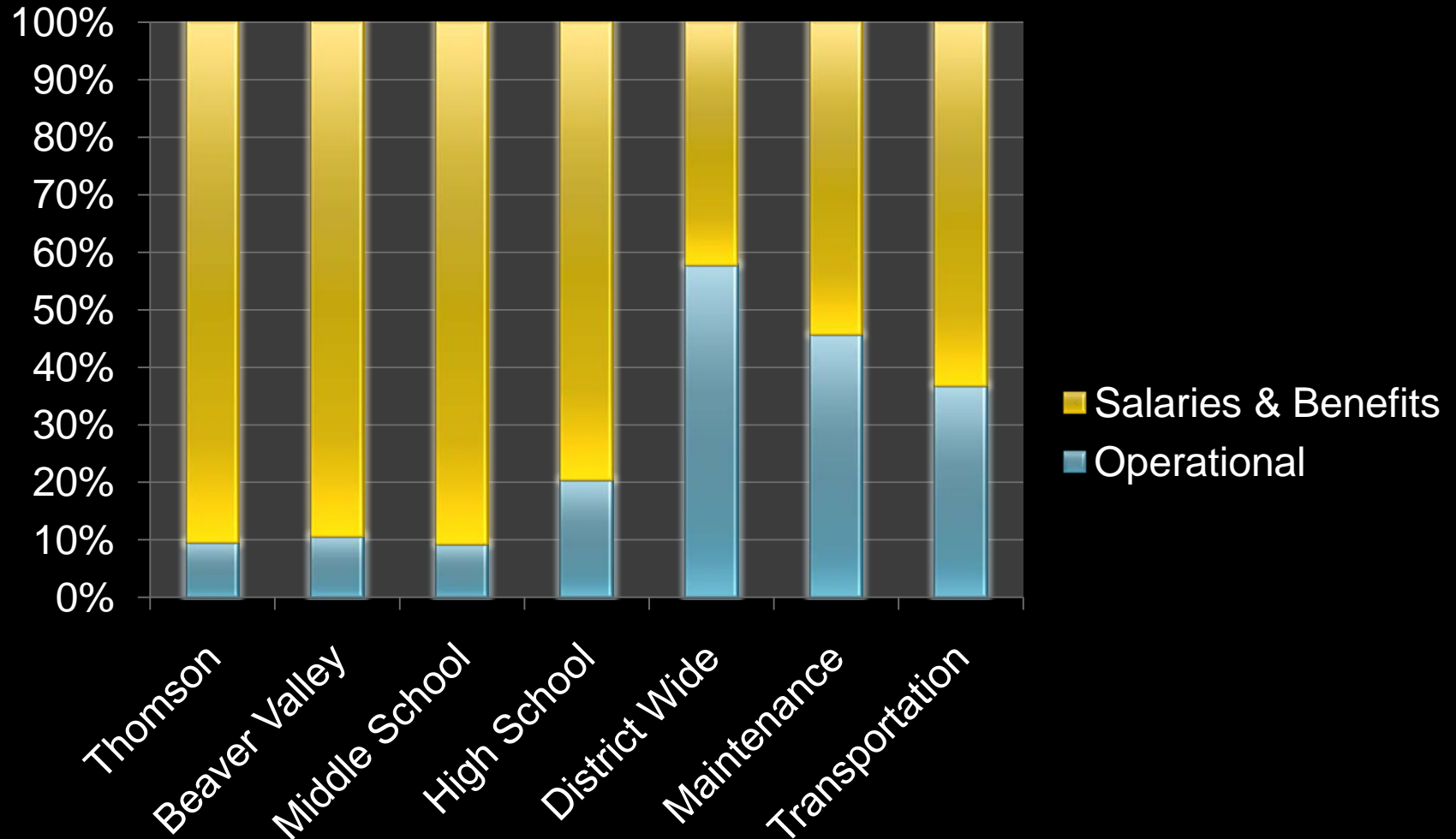
What This Means for Brush

- ⦿ Projected \$800,000 to \$1 million reduction in state funding
- ⦿ Increases in:
 - PERA costs by .9% or approximately \$62,000
 - Health Insurance costs by 8%
 - Cost of living
 - Utilities

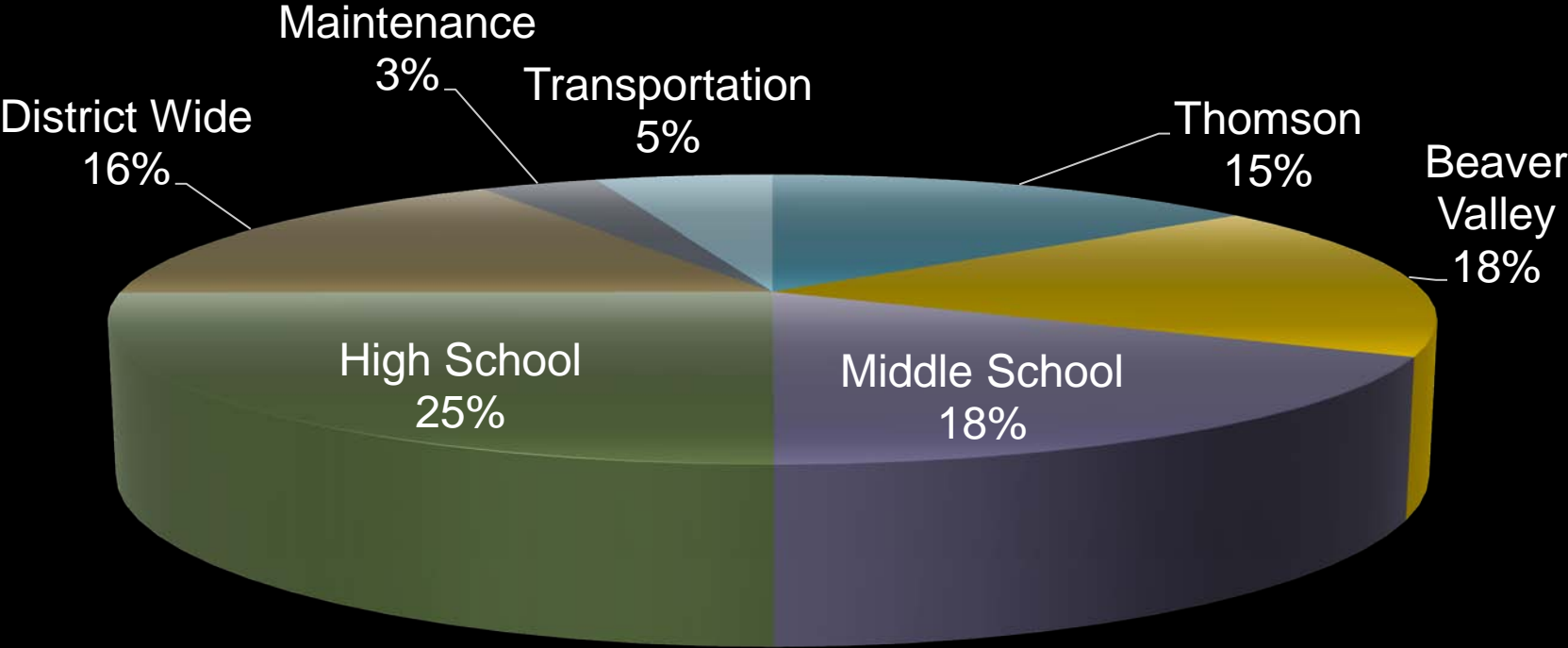
Budget Breakdown



Budget Breakdown by Department



Total General Fund Budget



Potential Budget Savings

Potential Reduction In Force

Number of FTE

**\$45,000 Avg.
Certified FTE Salary & Benefits**

● 20	\$900,000.00
● 18	\$810,000.00
● 17	\$765,000.00
● 15	\$675,000.00
● 13	\$585,000.00
● 10	\$450,000.00

Class Size Comparison (15 Colorado Districts)

District Ratio

Trinidad 17.5

Sheridan 17.2

Platte Canyon 16.7

Garfield 16.6

Lake County 16

Bayfield 15.6

Eaton 15.5

Archuleta 15.2

Florence 15.1

East Otero 15

Manitou Springs 14.6

Lamar 14.3

Brush 14.2

East Grand 13

Aspen 12.1

Average of Districts 15.2

State Average 16.84

Possible Salary Reductions

- Salaries, PERA, and Medicare:

1% **\$79,900.46**
-Would save about 1.75 FTE

2% **\$159,800.93**
-Would save about 3.50 FTE

3% **\$239,701.39**
-Would save about 5.33 FTE

Furlough Days

Savings possible by implementing 1 to 3 furlough days:

- One day = \$42,000
- Two days = \$84,000
- Three days = \$126,000

- Each Furlough day would save about 1 FTE

Reduction in Stipends

Current coaching stipends - \$141,891

\$28,378 at 20% reduction

\$42,567 at 30% reduction

Clubs, sponsorships, and workload stipends- \$58,480

\$11,696 at 20% reduction

\$17,544 at 30% reduction

**Potential savings at 30% of \$60,111 or approximately
1.33 FTE**

Possible Transportation Cuts

- ⦿ Savings if the town route is eliminated = \$13,938.00
- ⦿ Reduce the number of activities by a percentage.
 - 25% yields \$16,034.00
 - 50% yields \$32,068.00
- ⦿ Charge students to ride:
 - \$10.00 per student per year based on 556 students yields \$5,560.00
 - \$20.00 per student per year based on 556 students yields \$11,120.00

Other District Wide Savings

- \$11,000 savings if General Leave days are reduced by one, district wide
- \$104,452 if school building operational budgets are reduced by 10%

Percent of Fund Balance to Consider

FY-11 Beginning Fund Balance	1% Reduction	2% Reduction	4% Reduction
2,479,274	24,793	49,585	99,171
Approx. Fund Balance Remaining	2,454,481	2,429,689	2,380,103

Four Day School Week

Approximately 2.7% savings if the buildings are closed the fifth day

- Bus drivers \$23,263
- Paraprofessionals \$73,407
- Custodial \$18,527
- Secretaries \$45,029
- Utilities \$91,958
- Fuel \$17,000

Total = \$269,184

Revenue Ideas

- Mill Levy Override
- Bond Issue for Capital Improvement Projects
- Advertising
- Charging for transportation for activity trips
- Increase Funded Pupil Count
 - 7 new funded pupils saves 1 FTE

Conclusions

- K-12 education in Colorado is losing ground
- This is the fifth consecutive year for K-12 cuts across the state
- PPR will be back to the 05-06 level
- Last year the district was able to make most of the cuts out of operations
- This year, deeper personnel cuts have to be considered

But there's some hope

- In FY 11 our student count rose
- We've been able to retain lower class sizes than most of our comparable districts to date
- There's a little TABOR cap room
- We've been able to offer a retirement incentive for the second year in a row
- Staff members have worked diligently to find creative budget solutions