


Stanwood Camano
School District

TO : BOARD OF DIRECTORS
FROM : JEAN SHUMATE, SUPERINTENDENT
GARY PLATT, EXECUTIVE DIRECTOR – BUSINESS SERVICES
SUBJECT : FY 2013-14 REDUCED EDUCATIONAL PROGRAM
DATE : MAY 7, 2013
TYPE : ACTION/RESOLUTION NO. 2012/13-003



During today's meeting we will be reviewing the estimated FY 2013-14 budget impacts and the plan for meeting the needed educational program reductions. The impacts listed on the attached sheet include the following:

1. Reduced state apportionment funding resulting from enrollment declines.
2. Reduced federal funding due to sequestration cuts and carryover funds that are not available in 2013-14.
3. Estimated cost increases in employee contract obligations.
4. No changes in state funding because the state legislature has failed to pass a conference budget as of the date of this meeting.

Also being reviewed tonight is the plan for reducing the FY 2013-14 educational program. The plan identifies proposed staff and non-staff reductions. The factors we considered to develop the reduced educational program proposal are listed below.

1. Prioritize the instructional core over other budget areas.
2. Honor current contractual obligations.
3. Meet state and federal legal requirements.
4. Assume enrollment will continue to decline next year as it has for the past several years.
5. Maintain the District's fund balance as required by board policy and utilize unassigned funds to offset reductions.

Other unanticipated factors may come to our attention as we develop the FY 2013-14 budget that could affect the recommendations for reductions to the educational program.

We are recommending board approval of the reduced educational program plan for FY 2013-14.

Recommendation:

We recommend the board **move to adopt Resolution No. 2012/13-003.**

STANWOOD-CAMANO SCHOOL DISTRICT NO. 401

ESTIMATED *FY 2013-14* BUDGET DEFICIT

ASSUMING NO K-12 STATE FUNDING FORMULA INCREASES OR DECREASES

GL Acct.	FUND BALANCE CATEGORIES	FY 2012-13 Beginning Actual	Percent of Revenue
821	Restricted for Carryover of Restricted Revenue	8,310	0.02%
840	Nonspendable Inventory and Prepaid Items	254,685	0.58%
872	Committed to Fund Balance Policy (5% minimum)	2,182,217	5.00%
875	Assigned to Contingencies 2012-13 mid year cuts	-	0.00%
884	Assigned to Other Capital Projects	-	0.00%
888	Assigned to Enrollment Shortfall - 2011-12 & 2012-13	237,074	0.54%
888	Assigned - Used to Balance FY 12-13 Budget	995,985	2.28%
888	Assigned to Other Purposes - School Carryover	394,830	0.90%
890	Unassigned - Available to reduce 2013-14 Budget Cuts	<u>952,842</u>	2.18%
	Fund Balance - Total	<u>5,025,943</u>	11.52%
<i>FY 2012-13</i>			
	Estimated Unassigned Fund Balance August 31, 2013		952,842
	REVENUE CHANGES:		
	12-13 Estimated enrollment loss in excess of assigned amount	(239,688)	
	M & O Levy collection at 1.9% above amount budgeted	204,246	
	Safety Net funding - Due in August 2013	<u>285,450</u>	
	Estimated Net Revenue Over Budgeted Amounts FY 12-13		250,008
	EXPENDITURE CHANGES:		
	Un-filled certified positions included in budget (2.0 FTE)		<u>174,832</u>
	Adjusted Estimated Unassigned Funds Available August 31, 2013		<u><u>1,377,682</u></u>
<i>FY 2013-14</i>			
	Estimated Budget Impacts:		
	Carryover of FY 12-13 Budget Deficit	(995,985)	
	REVENUE CHANGES:		
	Federal Sequestration Reductions (5.3% of grant amounts)	(81,043)	
	Federal Title I Remediation - No FY 2012-13 carryover	(58,208)	
	Enrollment decline @ 191 FTE x \$6,000	(1,146,000)	
	Levy funding increase	<u>226,106</u>	
	Net Impact of Revenue Changes		(1,059,145)
	EXPENDITURE CHANGES:		
	Certified staff - Leaves, Retirements, Resignations (8.6 FTE's)	751,778	
	Contractual agreement increases	<u>(695,415)</u>	
	Net Impact of Expenditure Changes		<u>56,363</u>
	Estimated Total Budget Deficit		(1,998,767)
	Adjusted unassigned funds available from prior year		<u>1,377,682</u>
	Estimated FY 2013-14 Budget Reductions Needed		<u>(621,085)</u>

STANWOOD-CAMANO SCHOOL DISTRICT NO. 401

FY 2013-14

Reduced Educational Program Plan

General Description	Clarification of Cost Reduction	Reduction Amount	Impact
ADMINISTRATIVE			
Building budget reductions	Reduction due to enrollment decline 3.2%.	17,700	Reduces resources for supplies, materials, and professional development due to enrollment decline.
Reduce NWRDC fee - Declining enrollment	\$41.01per FTE X 191 FTE enrollment decline.	7,833	No impact on program or schools.
FEDERAL SEQUESTRATION			
IDEA -B Special Education (-5.3%)	Classified staff reductions - Reduces para educators 1819 hours per year or up to 1.000 FTE	44,595	Fewer staff to work with students.
Pre-school Special Education (-5.3%)	Materials, supplies, & operating costs	1,761	Fewer supplies for classroom use.
Carl Perkins - CTE (-5.3%)	Materials, supplies, & operating costs	1,230	Fewer supplies for classroom use.
Title I - Remediation (-5.3%)	MSOC and classified staff reductions - Reduces para educators 1030 hours per year or up to .600 FTE	25,271	Fewer staff to work with students and fewer supplies for classroom use.
Title II-A - School Improvement (-5.3%)	Materials, supplies, & operating costs	8,185	Reduces staff development funding.
OPERATIONS			
Food Service Department	Reduce food budget by 3.2%.	17,223	Reduces food service budget to reflect declining enrollment.
Transportation Department	Reduce supply budget by 3.2%.	18,751	Reduces all supplies and parts budgets needed to maintain the bus fleet. Does not reduce fuel budget.
Facility Maintenance Department	Reduce supply budget by 3.2%.	7,300	Reduces funding for supplies and parts needed to maintain district facilities.
Technology Department	Reduces specific replacement hardware.	4,538	Reduces funding to maintain technology infrastructure.
Reduce utility budget	Energy savings	175,992	No impact on program or schools. Reduces ability to meet utility cost increases that may occur during the year.
Other district-wide non-salary costs		60,000	Eliminates funding for emergencies and unanticipated costs.
HUMAN RESOURCES			
Reduce substitute budget.	Reduces budget capacity for certified and classified staff substitutes.	115,200	Reduces capacity to provide substitutes for long-term employee illness. Includes payroll taxes.
Classified staffing reductions	Reduce three positions by a total of 2 hours per day. SHS library assistant - 1 hour per day. Two middle level secretarial positions - -30 minutes per day per position. Reduces 382 hours or up to .200 FTE.	9,298	Decreases office and library staff time.
TEACHING AND LEARNING			
Title I Remediation - carryover from 2011-12 used to help balance 2012-13 budget no longer available	Classified staff reductions - Reduces para educators 2374 hours per year or up to 1.25 FTE	58,208	Reduces staff to work with students needing remedial assistance with math and reading.
Contract services - Special Education Program	Reduce contractual services	48,000	No impact - services not needed for current students
Total Reductions		\$ 621,085	

STANWOOD-CAMANO SCHOOL DISTRICT NO. 401

FY 2013-14 REDUCED EDUCATIONAL PROGRAM

RESOLUTION 2012/13-003

WHEREAS, Stanwood-Camano School District does not have the presently assured financial resources to maintain its program and services at the present levels for the 2013-14 school year; and

WHEREAS, in order to maintain the level of School District expenditures within the level of reasonably anticipated revenues, it is necessary to make certain reductions in the District's educational program, including reductions in classified positions for the 2013-14 school year; and

WHEREAS, the Board of Directors has considered the 2013-14 Reduced Educational Program recommended by the Superintendent, which is attached hereto and by this reference made a part hereof.

NOW THEREFORE BE IT RESOLVED by the Board of Directors of the Stanwood-Camano School District as follows:

1. The Board hereby adopts the 2013-14 Reduced Educational Program attached hereto; and
2. The Superintendent is directed to take such action as may be required by law, collective bargaining agreements, or Board policy to implement the plan, including notifying employees who will be affected by the implementation of the 2013-14 Reduced Educational Program.

Adopted at a regular open public meeting of the Board of Directors held May 7, 2013.

STANWOOD-CAMANO SCHOOL DISTRICT NO. 401,
a municipal corporation of the State of Washington

Board President

Board Member

Board Member

Board Member

Board Member

Attest:

Secretary of the Board of Directors