

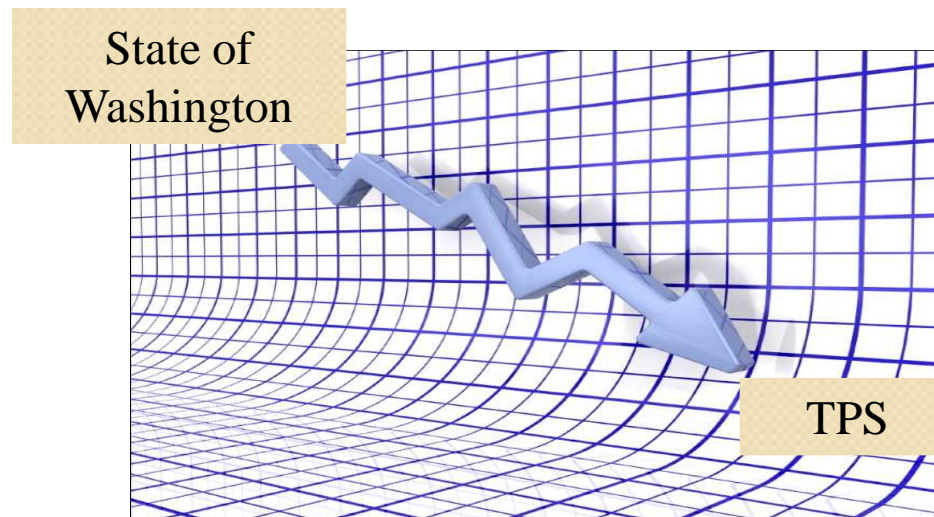


Principals Business Meeting

January 20, 2011



“Great recession” reaches Tacoma Public Schools ...



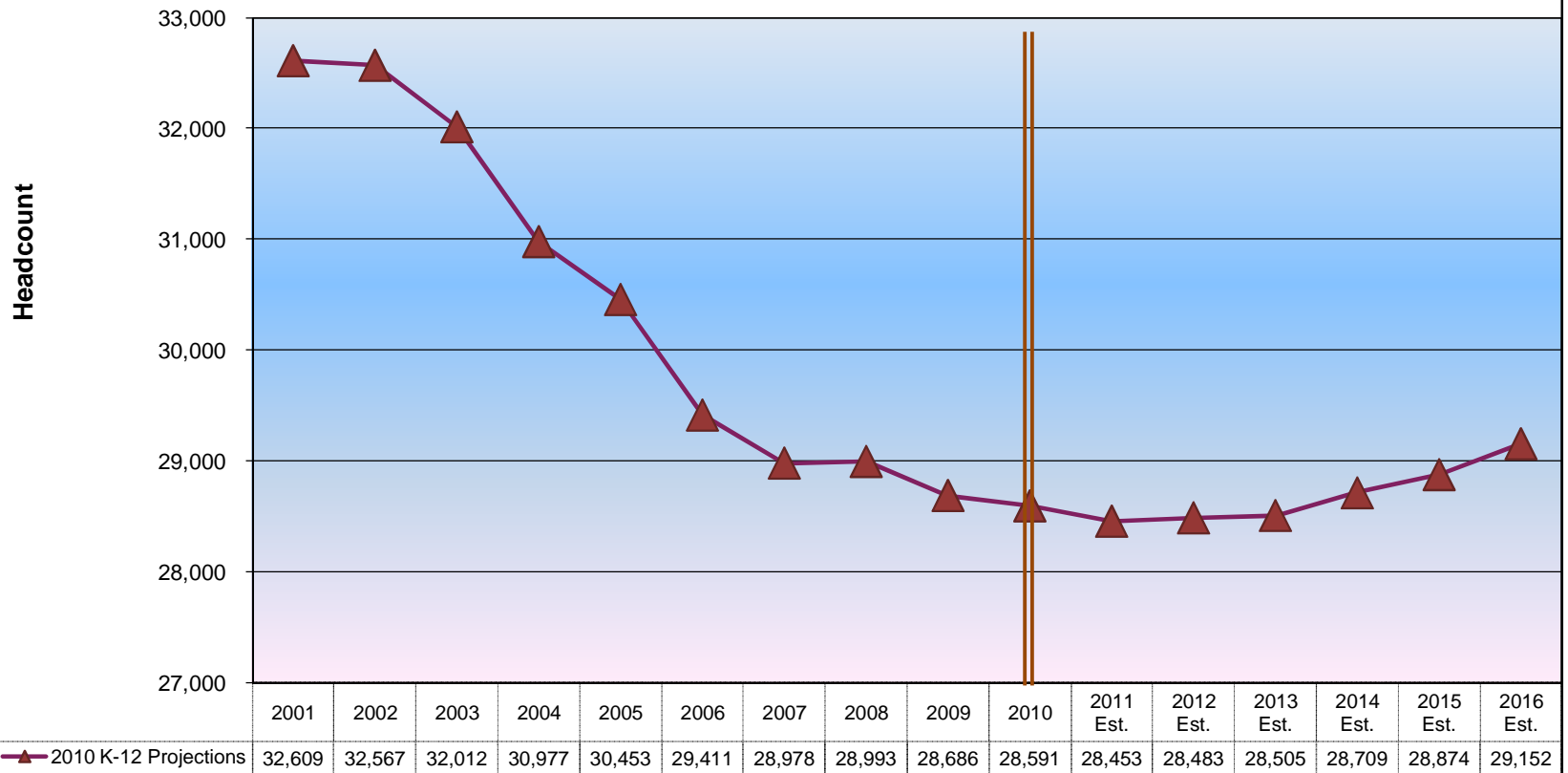


Enrollment trends ...

- Enrollment has declined by over 4,000 students from 2001
- K-5 enrollment declined by over 1,600
 - Building capacity for 3,000 more students
- Middle schools have lost almost 1,600 students
 - Consolidated/closed 2 schools in last two years
- High schools have lost more than 800 students
 - Projected to lose another 500 students by 2016

Enrollment

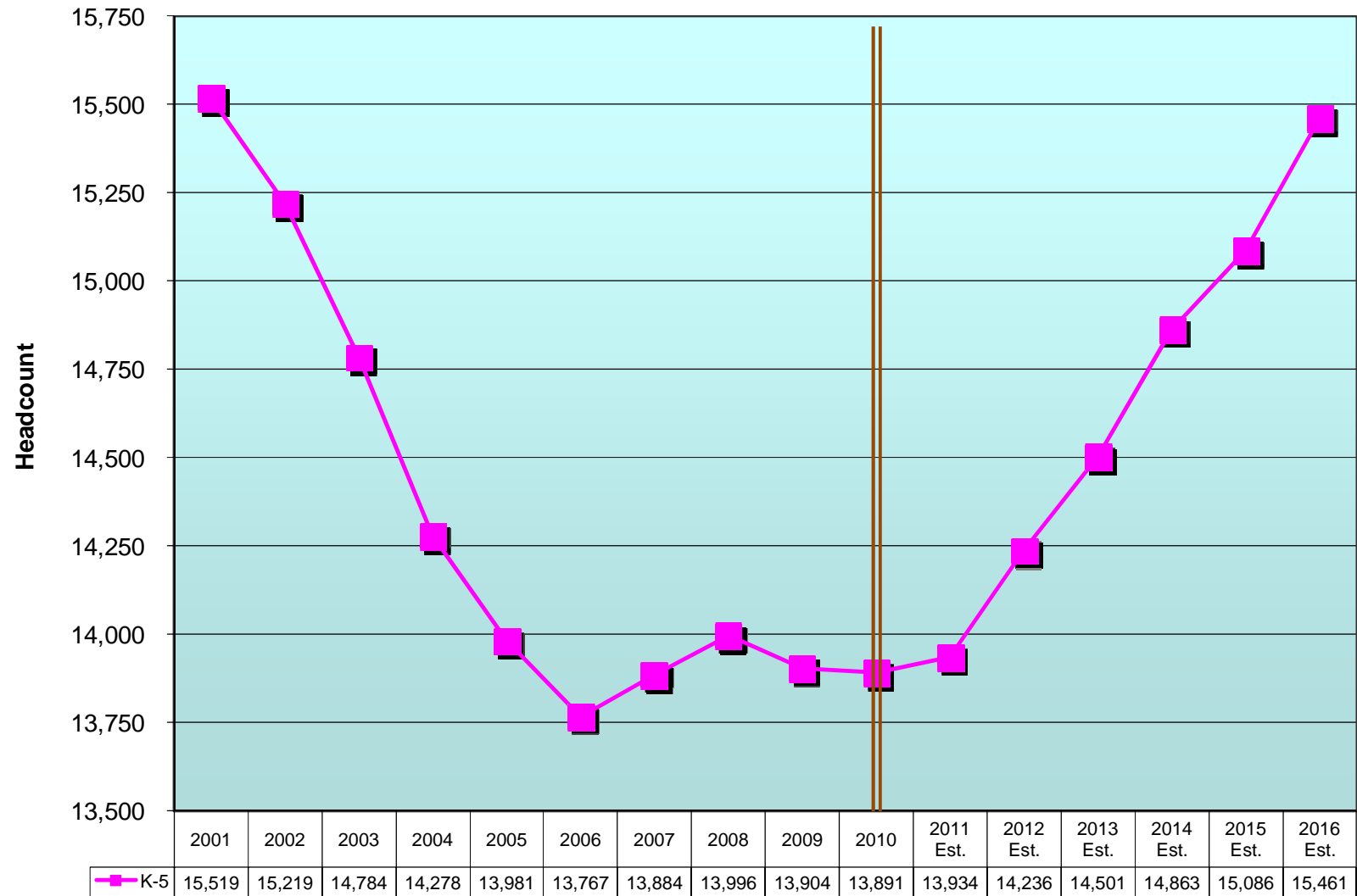
K-12 Enrollment
Excluding Running Start



NOTE: Actuals through 2010

Enrollment

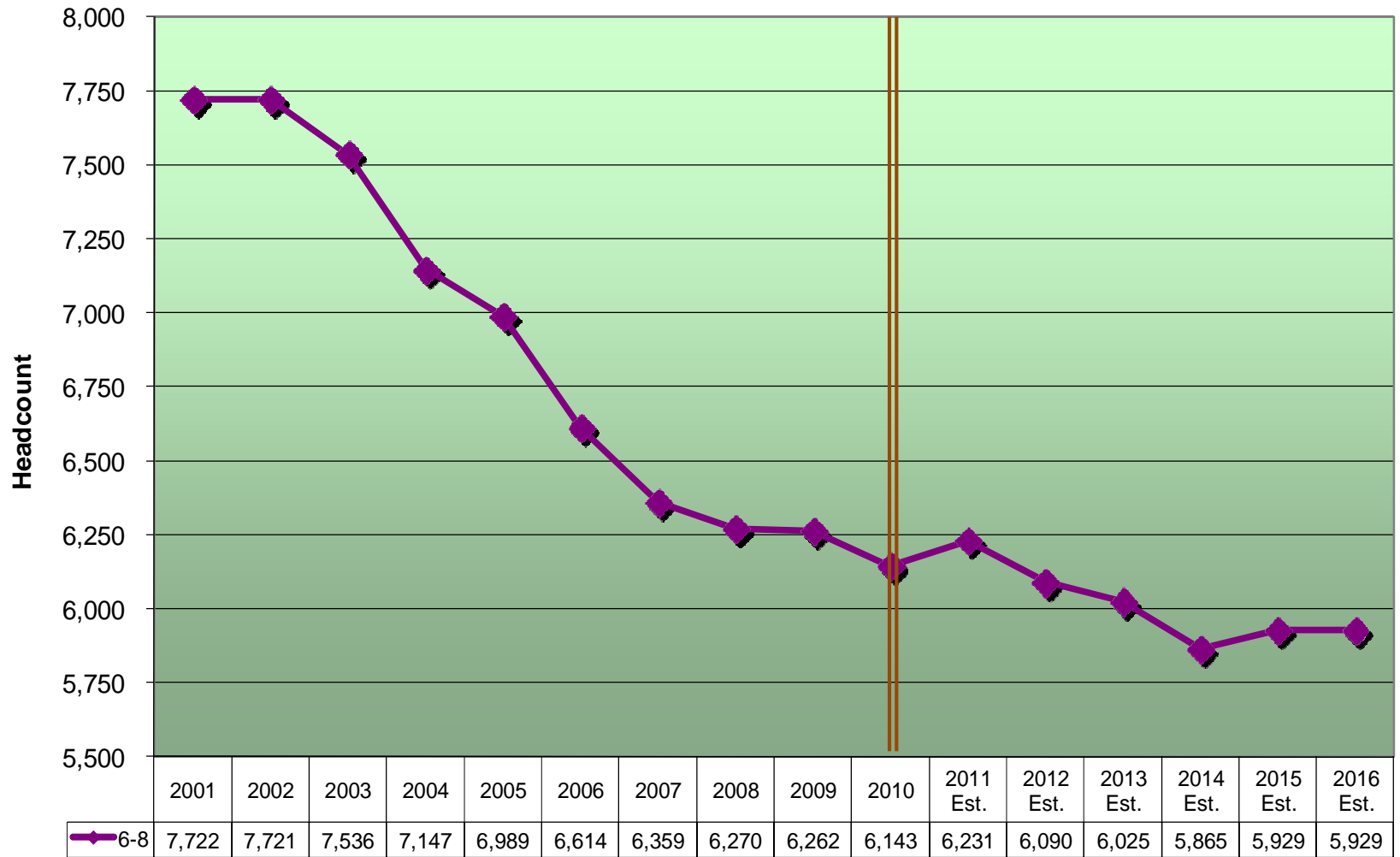
K-5 Enrollment



Footnote: Actual Enrollment thru October 1, 2010.

Enrollment

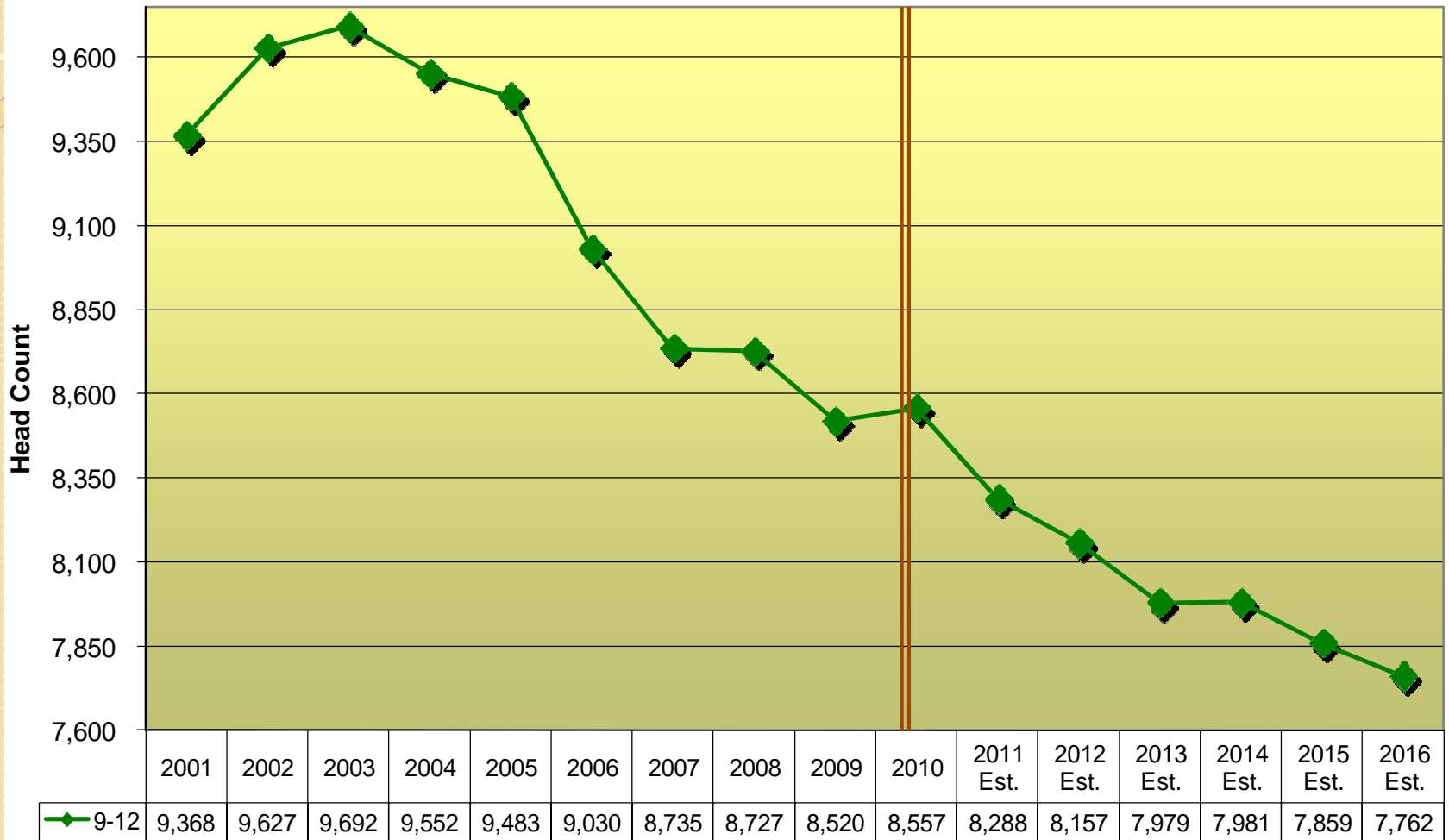
Grade 6-8 Enrollment



Footnote: Actual Enrollment thru October 1, 2010.

Enrollment

9-12 Enrollment
Excluding Running Start



Footnote: Actual Enrollment thru October 1, 2010.



We are resourceful and responsible!

- Saved \$10 million in 2008-09
- Saved another \$11.2 million in 2009-10
- Through a combination of ...
 - Administrative and operational efficiencies
 - Deferred hiring
 - Left positions vacant
 - Reallocation of resources
- Total savings of \$21 million over last two years!



Mid-year cuts – first time in over thirty years

- Governor recommends cuts to Tacoma of \$9.9 million in 2010-11
 - K-4 funding (\$3 million)
 - All day kindergarten (\$242,000)
 - Highly capable (\$248,000)
 - Medicaid (\$363,000)
 - Levy equalization (\$352,000)
 - Other (\$79,000)
 - EduJobs (reallocation) (\$5.62 million)



How do we offset mid-year budget cuts?

- Continue to employ same savings strategies
 - Defer hiring
 - Operational efficiencies
 - Reallocate resources/revenues
- Goal of \$9 million in savings for 2010-11
- Reduce spend down of savings account from \$20 million to \$11 million

Governor recommends revenue cuts of \$4.6 billion for 2011-12

Projected impact to Tacoma of \$6.2 million or 3.3%

Major legislative changes:

K-3 funding	\$ (3.300)
Retirement rates	\$ 0.955
Highly capable	\$ (0.248)
Transportation	\$ 0.900
Levy equalization	\$ (1.700)
Local levy	\$ (1.400)
National board stipends	\$ (1.000)

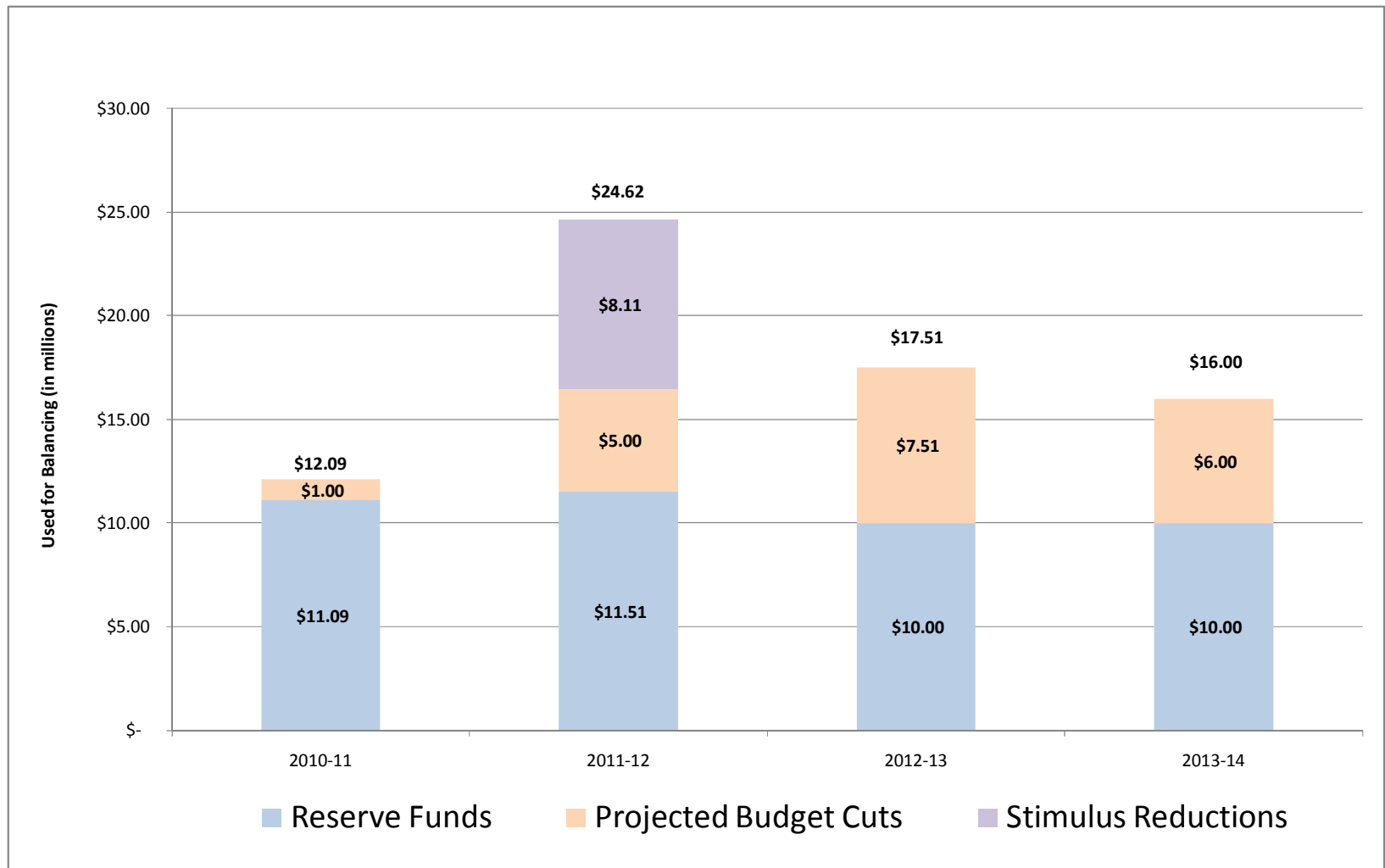
Staff mix freeze (No salary increases)



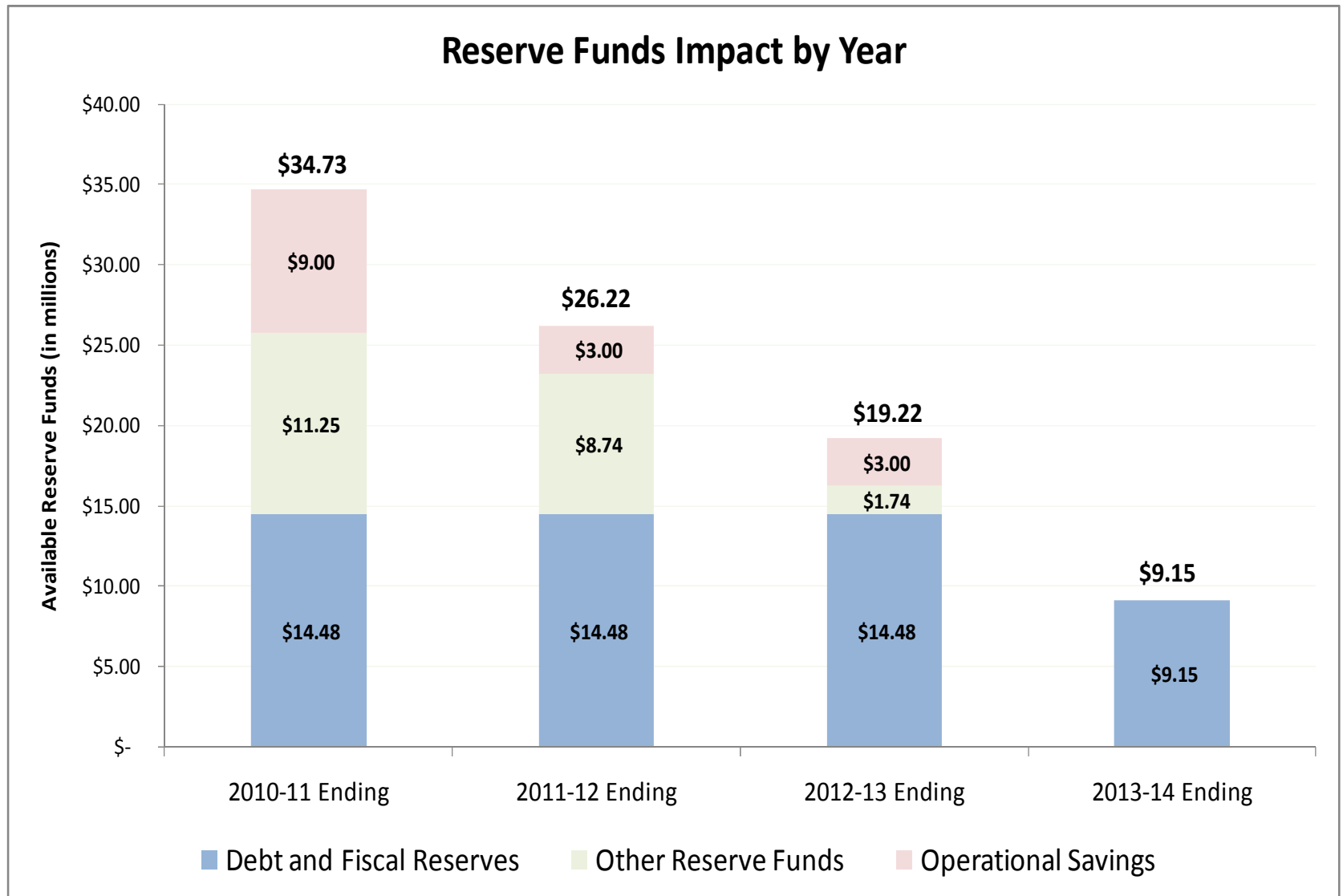
Tacoma to lose significant state funding

- Revenue reductions of nearly \$20 million in the last three years
- Projected \$25 million shortfall over the next three years

Multi-year budget balancing plan



Multi-year fund balance plan





Strategies being considered to address budget shortfalls through 2014

- Administrative cuts
- Increase class size ratios
- Temporary closure of low enrollment schools
- Development of new three-year budget plan
 - Spend down of savings accounts



Recommended options for consideration in 2011-12

- Administrative cuts - \$1.0 million
- Increase class size ratios by 1 in grades K-5 – 20-25 teachers or \$2 million
- Temporary closure of low enrollment schools – 1 high school and/or 4 elementary schools – \$2 - \$4 million
- Eliminate funding for stimulus programs – \$8.5 million

