

Budget Presentation to Community Council

March 24, 2011



Major issues facing Tacoma

ENROLLMENT DECLINE

- 4000 student decline in past 10 years
 - *3,000 seat capacity at elementary*
 - *High schools will lose 1,600 students by 2016 (over 15 years)*

GREAT RECESSION

- State shortfalls
- Federal stimulus funding disappears

Tacoma revenue losses

- \$20 million – past two years
 - Even though we have lost significant funds, the district has prevented reductions in force and significant reductions to programs by balancing shortfalls with operational efficiencies and savings.
- \$25 million – next three years
 - State cuts
 - Loss of federal stimulus

Budget solutions next three years

Spend Down of Fund Balance (Savings)

- Use \$10 million each year for three years

Planned Program Reductions

- 2011-2012
 - \$13 Million
- 2012-2013
 - \$7.5 Million
- 2013-2014
 - \$6 Million

Budget reduction strategies

2011-2012

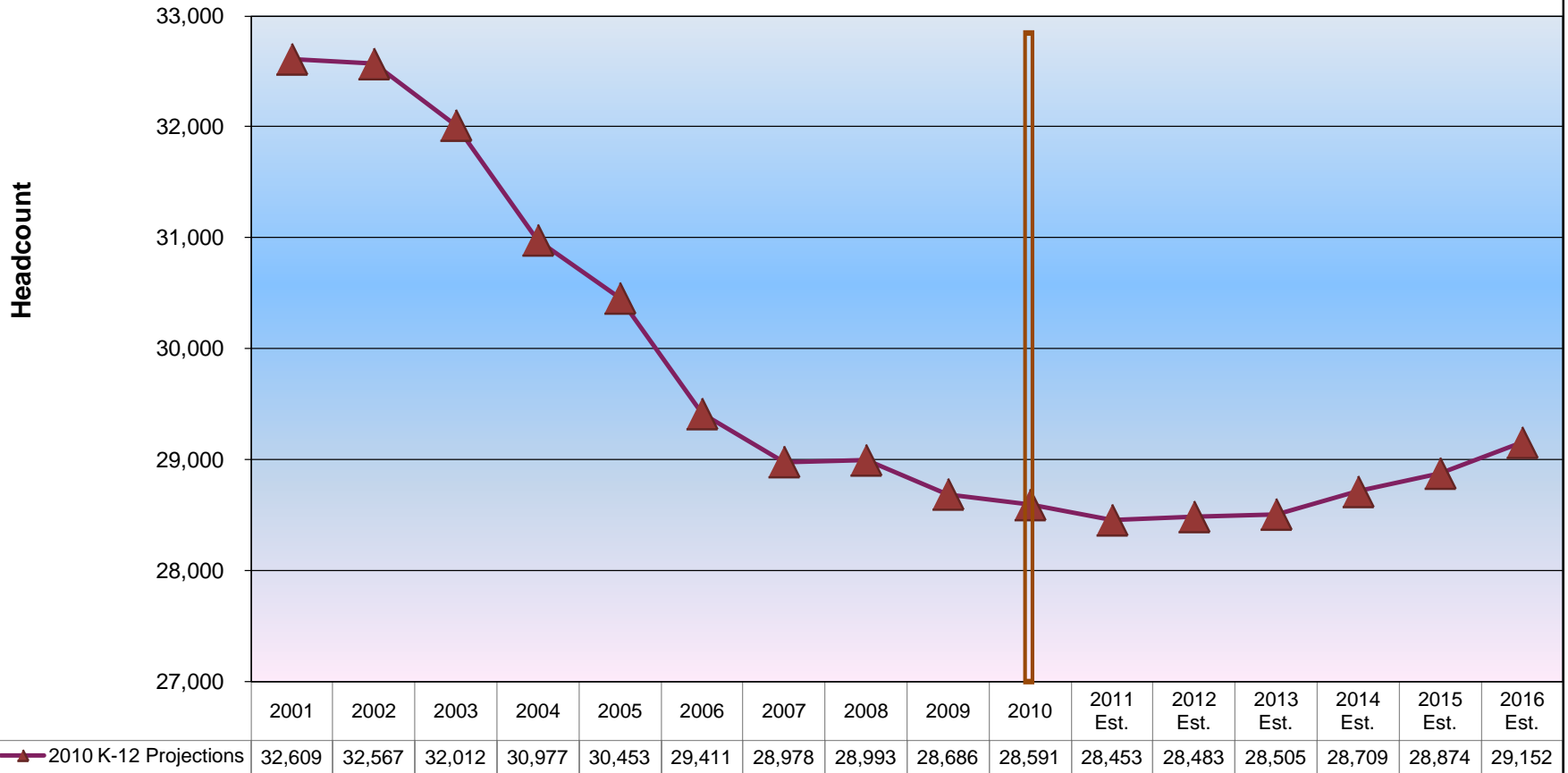
- Reduce \$8 million from “one-time” expenditures
- Reduce \$5 million dollars in basic education programs
 - School consolidations (Target: \$2 million-\$4 million)
 - Administration & operational cuts (Target: \$1 million)
 - Class size increase (Target: \$2 million)
- Offset additional reductions with \$10 million from savings account (fund balance)

Enrollment trends ...

- Enrollment overall has declined by more than 4,000 students since 2001
- K-5 enrollment declined by more than 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 800 students by 2016

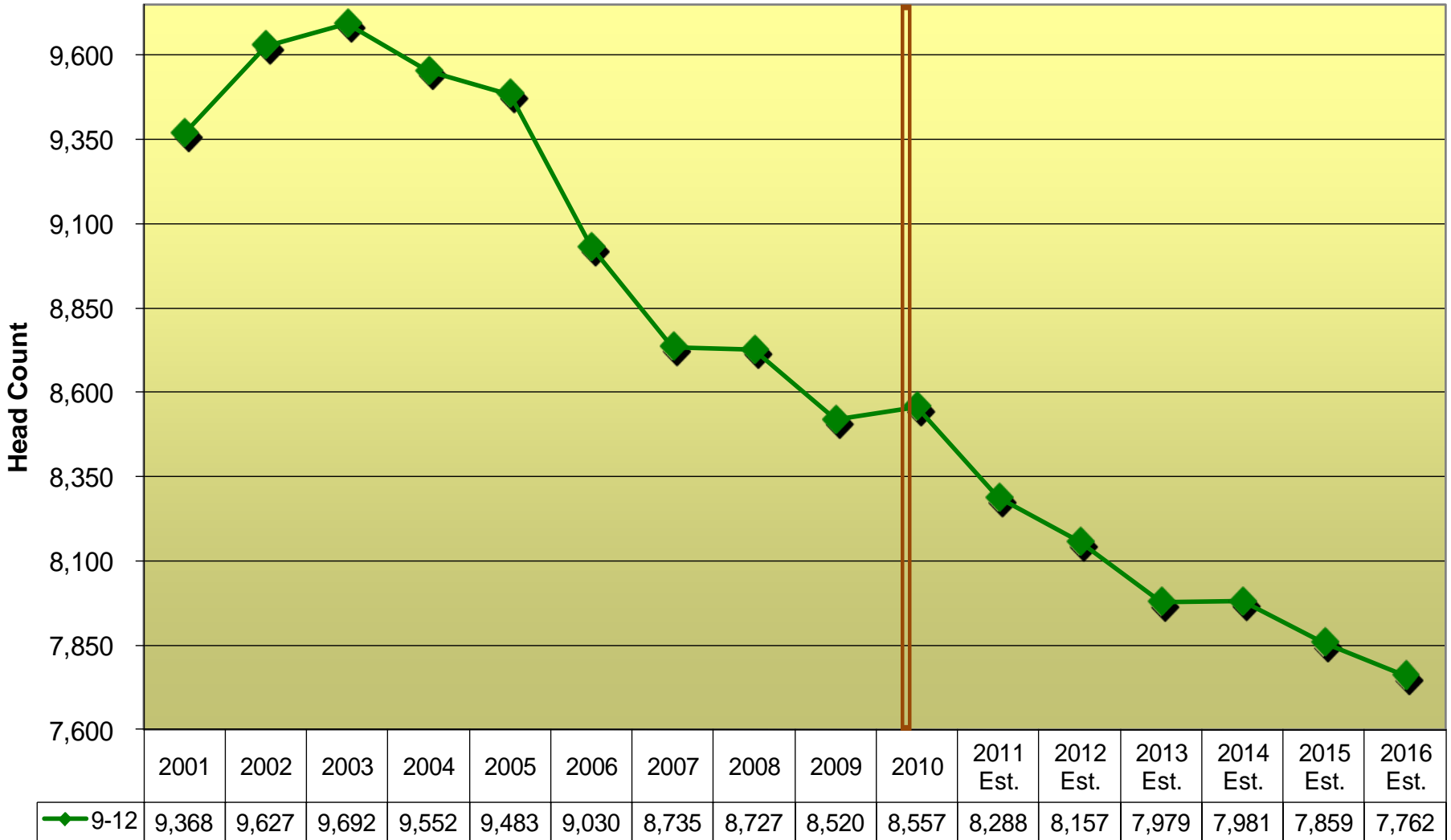
Enrollment

K-12 Enrollment



NOTE: Actuals through 2010

9-12 Enrollment



Footnote: Actual Enrollment thru October 1, 2010.

Elimination of stimulus programs

– \$8 million

- Reduce \$8 million from “one-time” expenditures:
 - Central Admin. – \$225,000 (incl. 3 FTE)
 - Building Admin. – \$412,000 (incl. 3 FTE)
 - Teaching Support – \$7.136 million (incl. 48 FTE)
 - Other Support – \$318,000 (incl. 2 FTE)

Reductions in basic program

Consolidate three elementary schools

– \$1.5 million

- Wainwright
- McKinley
- Franklin

Cost Per Student

– Top 10 Elementary Schools

School	10/09 Headcount	2009-10 Expenditure	Cost Per Student
McKinley	228	\$2,846,347	\$12,484
Birney	325	\$3,780,085	\$11,631
Franklin	290	\$3,341,383	\$11,522
Geiger	172	\$1,817,522	\$10,567
Stanley	312	\$3,219,677	\$10,319
District Average			\$8,255

Cost Per Student

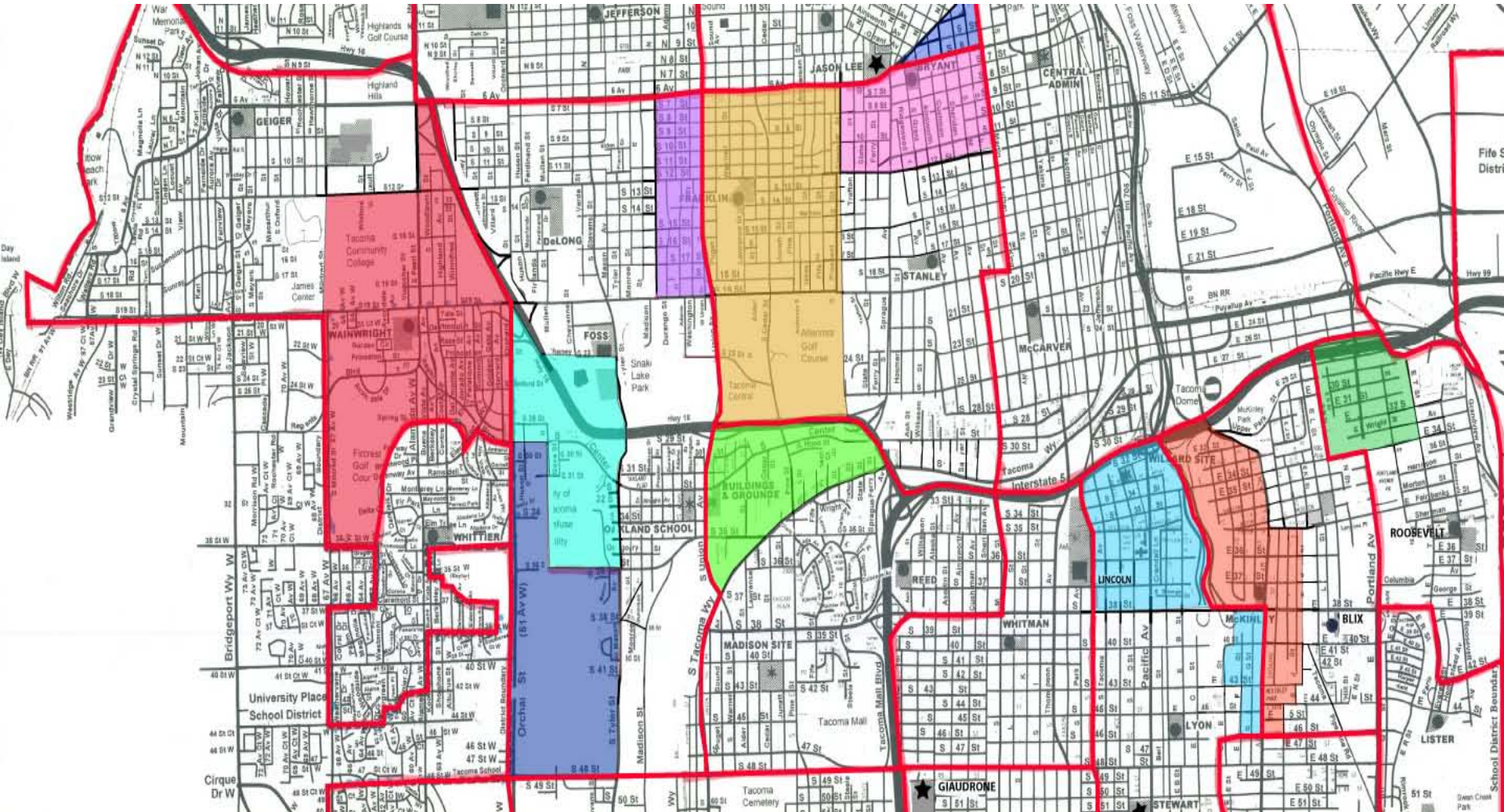
– Top 10 Elementary Schools

School	10/09 Headcount	2009-10 Expenditure	Cost Per Student
Skyline	321	\$3,280,577	\$10,220
Jefferson	240	\$2,405,606	\$10,023
Arlington	263	\$2,614,855	\$9,942
Roosevelt	255	\$2,485,792	\$9,748
Lister	397	\$3,849,886	\$9,697
District Average			\$8,255

Cost Per Student – High Schools

School	10/09 Headcount	2009-10 Expenditure	Cost Per Student
Foss	1,102	\$9,690,627	\$8,794
Mt. Tahoma	1,598	\$12,333,177	\$7,718
District Average			\$7,337
Wilson	1,330	\$9,606,187	\$7,223
Lincoln	1,516	\$10,863,368	\$7,166
Stadium	1,759	\$11,106,887	\$6,314

Revised attendance areas



Reductions in basic programs

(continued)

Administrative cuts/operational efficiencies

- \$2.09 million

- Exempt administrative staff forego salary increases (1%) for third year in a row - \$70,000
- Central Administration/Support 6 FTE - \$385,000
- Food Services - \$700,000
- Transportation - \$400,000
- Other Operational Efficiencies - \$531,000

Reductions in basic programs

(continued)

- Increase class size ratios by 1
 - \$2 million to \$3.4 million
(dependent upon labor negotiations)
 - Grades K-5 equivalent to 20 -25 teachers
 - Grades 6-8 equivalent to 10 teachers
 - Grades 9-12 equivalent to 8 teachers

Reductions in basic program

(continued)

- Offset additional reductions with \$10 million savings (fund balance)
 - Central Admin. – \$209,000 (incl. .6 FTE)
 - Building Admin. – \$440,000 (incl. 3 FTE)
 - Teaching Support – \$8.646 million (incl. 102 FTE)
 - Other Support – \$705,000 (incl. 13 FTE)

Change in Reserve Funds (Savings Account) by Year

