

**Tacoma School District  
2010-2011 School Year Budget Revisions  
Based on Governor's Supplemental Budget Cuts**

**January 7, 2011**

Governor Gregoire released her 2011 Supplemental Operating Budget Dec. 15. The revised budget closed a \$1.14 billion budget shortfall statewide by making cuts in a wide range of government services.

For Tacoma Public Schools, the total impact of Gregoire's cuts equals \$9,935,000.

The attached chart summarizes the impact to Tacoma Public Schools from each budget category cut in Gregoire's Supplemental Budget and shows how our district will continue operations through the end of the 2011 school year with a combination of expenditure reductions and use of fund balance reserves.

The upper half of the chart shows the cuts by category. The largest cut is \$3,031,000 in funding for smaller class sizes in grades K-4.

In addition, Gregoire cut \$5.62 million in federal stimulus money, commonly referred to as EduJobs funds. While Tacoma Public Schools had not budgeted the EduJobs money to cover operations in 2010-2011, we intended to reserve the funding for operations in the 2011-2012 school year. Given that, the actual impact to the current school year budget from Gregoire's cuts is \$4,315,000.

The lower half of the chart shows how Tacoma Public Schools plans to/will revise the 2010-2011 school year budget.

Even before Gregoire's cuts, the district planned to draw down various categories of fund balances – or savings accounts – totaling \$15.84 million to cover a shortfall in revenue to fund district operations.

Now, through a combination of measures, the district plans to save an estimated \$9 million. This means the district will draw down its fund balance by \$11,092,000 this school year – less than originally planned.

Through the deferral of hiring and vacancies, the district will save in the range of \$4.5 million. Through a combination of savings in operational efficiencies – reducing expenditures on supplies, materials, contractual services, as examples – we will save an estimated \$4 million. Finally, we anticipate receiving approximately \$500,000 in new unanticipated revenues.

**Tacoma Public Schools**  
**Governor's Supplemental Budget Cuts**  
**2010-11**  
in millions

	Increase/ (Decrease)
Revenue Impact	
K-4 Funding	\$ (3.031)
All Day Kindergarten	(0.242)
Highly Capable	(0.248)
Medicaid	(0.363)
I-728 - Carryover	(0.045)
Levy Equalization Assistance (LEA)	(0.352)
Other (e.g., Navigation 101; Superintendent/ Principal Internship, etc.)	(0.034)
Subtotal Revenue Cuts	\$ (4.315)
EduJobs (reallocation)	(5.620)
Total Reductions/Reallocations	\$ (9.935)

**2010/11 Budget Plan - Revised**  
in millions

	Increase/ (Decrease)
Fund Balances Uses	
Designated Reserves	\$ (8.321)
IDEA	(3.770)
Curriculum & Instruction (01.991)	(3.075)
Carryover	(0.611)
Subtotal Fund Balances Uses (Budget)	(15.777)
Additional Revenue Cuts by Governor	(4.315)
Subtotal Fund Balances Uses (Revised)	\$ (20.092)
Budget Savings - Revenue/Expenditures	9.000
Uses of Fund Balance Reserves after Governor's Cuts & Mid-Year Adjustments	\$ (11.092)