

Budgetary Discussion Topics

As result of Mr. Power's "wrap up" at the April 26, 2004 budget meeting, the Board appeared to be in consensus in assigning the administration some specific tasks to report on for discussion at this meeting of May 12, 2004. What follows is my attempt to address those specifics. The actual cost of salary and benefits for the secretaries, receptionist and three aides cut by eliminating Media aides is \$141,000.

Fees

Please see the report of area school districts' fee structure. Based on the Board's interest in pursuing material's fees, I recommend we establish an \$40 fee for Kindergarten, \$80 material's fee for grades one through five, and a \$120 fee for grades six through eight (includes the former Encore fees). These fees would be charged for the two oldest children in any family. All subsequent children from that family would have their fees waived. If every child paid every fee with 100% collection, the fees would raise \$43,600. Since families would receive the "multiple child" discount and free lunch students would be excluded from paying, we may realistically expect about 85% collection or \$37,000.

Phone Systems

There were two phone systems included in the tentative budget: one for the district office and one for Peacock. If the Board chooses to put off the purchase of the district office system, \$23,000 in expense can be eliminated from the budget. This is not a reoccurring budget savings.

Secretarial Hours

A proposal was brought forward to cut the hours of all six building secretaries from eight to six in lieu of releasing two secretaries. The following compares options.

6 secretaries @ 8 hours/day X 214 days	= 146,564 in salary <u>33,000</u> in benefits 179,564
4 secretaries @ 8hours/day X 214 days + PT	=115,000 in salary <u>22,600</u> in benefits 137,600
6 secretaries @ 6 hours/day X 214 days	=110,000 in salary <u>33,000</u> in benefits 143,000

AVID Contract

I do not feel good about breaking the contract. However, I will find funds in this year's budget to make the payment thereby eliminating the \$3,600 in the FY05 budget.

Board Travel

There is currently \$8,000 in this line item. If the Board limited itself to two members attending the national, that would be about \$4,000. Five members attending the state conference would be about \$2,000. With those limitations this could be cut by \$2,000.

Memberships

We budget a total of \$11,400 for memberships. Of that, the Board has the largest line item at \$5000. Actual Board memberships include Sam's Club (\$280), Itasca Business Council (\$200), National School Board Association (\$1,100), and EdRed (\$1,470) for a total of \$3050. All other memberships are for state or national professional organizations for staff. As you know, I do not recommend cutting these any further. To do so would only isolate District 10 and drop us out of contact with current professional practices. We could cut \$1,500 and still keep all Board memberships.

Receptionist Responsibilities

I was asked to review who, specifically, would fulfill the responsibilities of the receptionist. I am unable to answer this yet since the process of answering this questions involves all of us at the district office. I plan on having some meetings with the entire group to be certain the responsibilities are covered to the best of our ability. Jean was kind enough to prepare a comprehensive list of her responsibilities for us to work off of.

Insurance Benefits

As a result of restructuring our benefit plan along with offering choices, I believe the district will save at least \$16,000. This amount can be deducted from the FY05 tentative budget.

Outside Staff Development

I have verified that all of our district level outside staff development is paid for by grants. Therefore, cutting the expense would cut the revenue an equal amount. There are no savings here.

Technology (Not requested, but new news)

We receive yet another unexpected grant recently which will allow us to make FY05 technology plan purchases in the fiscal year again. That will allow us to cut an additional \$10,000 from the technology line item.

Summary

The fees, the insurance costs, advanced technology plan purchase and the putting off the district office phone system will help the FY05 tentative budget by \$86,000. AVID, Board travel and memberships will help another \$7,100.