



2018-19

PRELIMINARY BUDGET ASSUMPTIONS



*The mission of Cambridge-Isanti Schools, AS THE leader IN **innovative** EDUCATION, OFFERING UNLIMITED OPTIONS AND OPPORTUNITIES IS TO DEVELOP WELL-ROUNDED INDIVIDUALS WHO EXCEL IN **leadership, achieve** AT THE HIGHEST LEVELS, AND ARE RESPONSIBLE CITIZENS THROUGH HIGHLY EFFECTIVE STAFF ADDRESSING THE **unique** NEEDS OF EACH INDIVIDUAL IN **partnership** WITH PARENTS, STUDENTS, AND A UNIFIED COMMUNITY.*

The General Fund Budget Process

The administrative team worked collaboratively in February and March to form a recommendation for the 2018-19 preliminary budget that supports the mission of our district and considers district-wide needs.

The budgeting process provides the opportunity to identify standard practices the district needs to preserve; what it needs to strategically abandon/adapt in order to grow; and, what it needs to introduce to support student achievement. Whether we are able to add to the budget or need to reduce current expenditures in order to maintain the budget, the administrative team is tasked to identify these things from a district-wide framework to prioritize how we spend our general fund budget of approximately \$46 million. While \$46 million is a large projected number, it does represent a deficit of about \$1.5 million which requires budget adjustments from the current year expenditures in order to maintain our board policy of a 12.5% fund balance. Below you will see the administrative team recommendations to accomplish this task.

Making every day matter for every student continues to be a philosophy that is ingrained in decision-making. Both short-term and long-term implications are evaluated throughout the budgeting process as the immediate needs of students, and the future of our schools, must be considered.

Budget Basics

The general fund is the primary operating budget for the district. Operating capital (equipment and facilities) is accounted separately. Operating capital proposals will be made at a later date. The largest source of funding for our schools comes from the state and is based on student enrollment formulas. The district receives approximately 80% of its funding from state aid.

The district's largest expenditures are salaries and benefits for district employees. This cost, approximately 80% of expenditures, is expected due to being an educational organization that serves students—this requires personnel. The district carefully considers personnel decisions, and evaluates these decisions based upon the needs of our organization, and ultimately the needs of our students.

What's Next

On March 22nd, the board will be asked to approve the budget assumptions for 2018-19. The budget is based on enrollment projections and estimates of revenues. Financing our schools is complex and education finance can vary greatly due to many uncontrollable variables. Therefore, school budgets are developed based on many assumptions and projections. Continued work will go into creating the 2018-19 budget from these assumptions and recommendations, with the school board adopting the budget on June 21st.



2018-19 Budget Assumptions

- K-12 enrollment projections: 4,789 students
- Employee contracts: 12 open (at the time of budget projections)
- General education revenue/state aid: 2% increase
- Salaries and benefits (excluding health and dental insurance, based on settled contracts): 2.95% increase
- Health insurance expenditures (based on settled contracts): 2% increase
- Dental insurance expenditures: 0% change
- Class size ranges continue at current level
- Maintain our 12.5% unrestricted fund balance policy (approximately 6-8 weeks of operating costs)
- Title II federal funding re-purpose
- Gifted & talented funding re-purpose

2018-19 ADMINISTRATIVE TEAM BUDGET RECOMMENDATIONS

PRIORITIES:

Based on current budget assumptions.

	Cost	Running Total
5-year curriculum cycle	\$240,000	\$240,000
Increase school nurses (net of Medical Assistance billing)*	\$147,000	\$387,000
Alignment of special education staffing	(\$770,000)	(\$383,000)
Bus purchases - shift of current budget to operating capital	(\$300,000)	(\$683,000)
Assume FY 2017-18 budget-to-actual variance	(\$200,000)	(\$883,000)
Title II (use for current expenses instead of re-purposing, as stated above)	(\$100,000)	(\$983,000)
Estimate of 80% of Oak Land Cooperative fund balance to districts	(\$100,000)	(\$1,083,000)
Shift of current technology expenditures to operating capital	(\$83,800)	(\$1,166,800)
1% supply budget reduction	(\$80,000)	(\$1,246,800)
Not filling a 1.0 teacher FTE (per elementary enrollment and class sections projections)	(\$65,000)	(\$1,311,800)
Finance Department & ESC re-organization	(\$50,000)	(\$1,361,800)
ELL Staffing (2.6 FTE to 2.0 FTE)	(\$39,000)	(\$1,400,800)
Reduce and re-structure the Technology Instructional Leadership Team (TILT)	(\$29,200)	(\$1,430,000)
Eliminate Resource Training and Solutions membership	(\$25,000)	(\$1,455,000)
Eliminate Technology Academy	(\$15,000)	(\$1,470,000)
Eliminate test proctors	(\$15,000)	(\$1,485,000)
Eliminate Naviance	(\$15,000)	(\$1,500,000)

OTHER PRIORITIES:

These recommendations reflect items to maintain or add with no costs.

CPI (Crisis Prevention Intervention) training for special education staff and bus drivers

Maintain technology integrationist 1.0 FTE at CIHS (added in FY 2017-18 budget process)

Maintain technology integrationists additional 5 days/year at the SFAS and MNC programs

NOTES: Continued on the next page.

NOTES:

- Staffing is currently 4 – 0.80 FTE. This increase would result in a 1.0 FTE school nurse in each school building (7 – 1.0 FTE).
- In the beginning of this school year, an analysis of special education programming for each student was completed in order to ensure consistency in supporting student needs. This resulted in a recommendation to adjust IA schedules to the full student contact day and streamline program needs which results is an overall reduction of hours in consideration of student needs at each school.