



# *Setting Priorities for Budget Reductions*

*Using the \$100 Budget Model*

*Looking Ahead to 2006-07*

# Objectives

- Generate **community priorities** to utilize in the formal budget document
- Provide **opportunity** for individuals to express budget priorities.
- Demonstrate **difficulty** in making \$6-10 million in budget cuts.
- Improve understanding of **educational impact** of budget reductions.
- Develop awareness of **size & complexity** of operating budget.

# Activities

- **Overview** 25 Minutes
- **Budget Cuts - Individual (worksheet 1)**  
15 Minutes
- **Budget Cuts - Group (worksheet 2)**  
30 Minutes
- **Individual Priorities (worksheet 3)**  
10 Minutes

# Board Goals

- All students complete **3<sup>rd</sup> Grade reading** at grade level or beyond
- All students complete **Algebra** by the end of 9<sup>th</sup> grade and **Geometry** by the end of 10<sup>th</sup> grade
- The district-wide **attendance** rate is at least 94%

# Board Strategic Priorities

- *Instructional Excellence*
  - *Improving student achievement*
  - *Offering challenging, diverse and contemporary curriculum and instruction*
- *Student Support*
  - *Assuring a safe, respectful and welcoming learning environment*
- *Staff Effectiveness*
  - *Recruiting, developing and retaining a highly competent workforce that reflects the diversity of our students*
- *Home and Community Partnerships*
  - *Strengthening community and family partnerships and communication*
- *Fiscal Responsibility*
  - *Using resources efficiently and strategically*

# *The Ceiling*

**REVENUE  
LIMITS**

# Revenue Limits



Per Student (3 year  
average)

2005-06	\$9,690.45
Statutory Increase (+2.6%)	<u>251.95</u>
2006-07	\$9,942.40

# *The Floor*

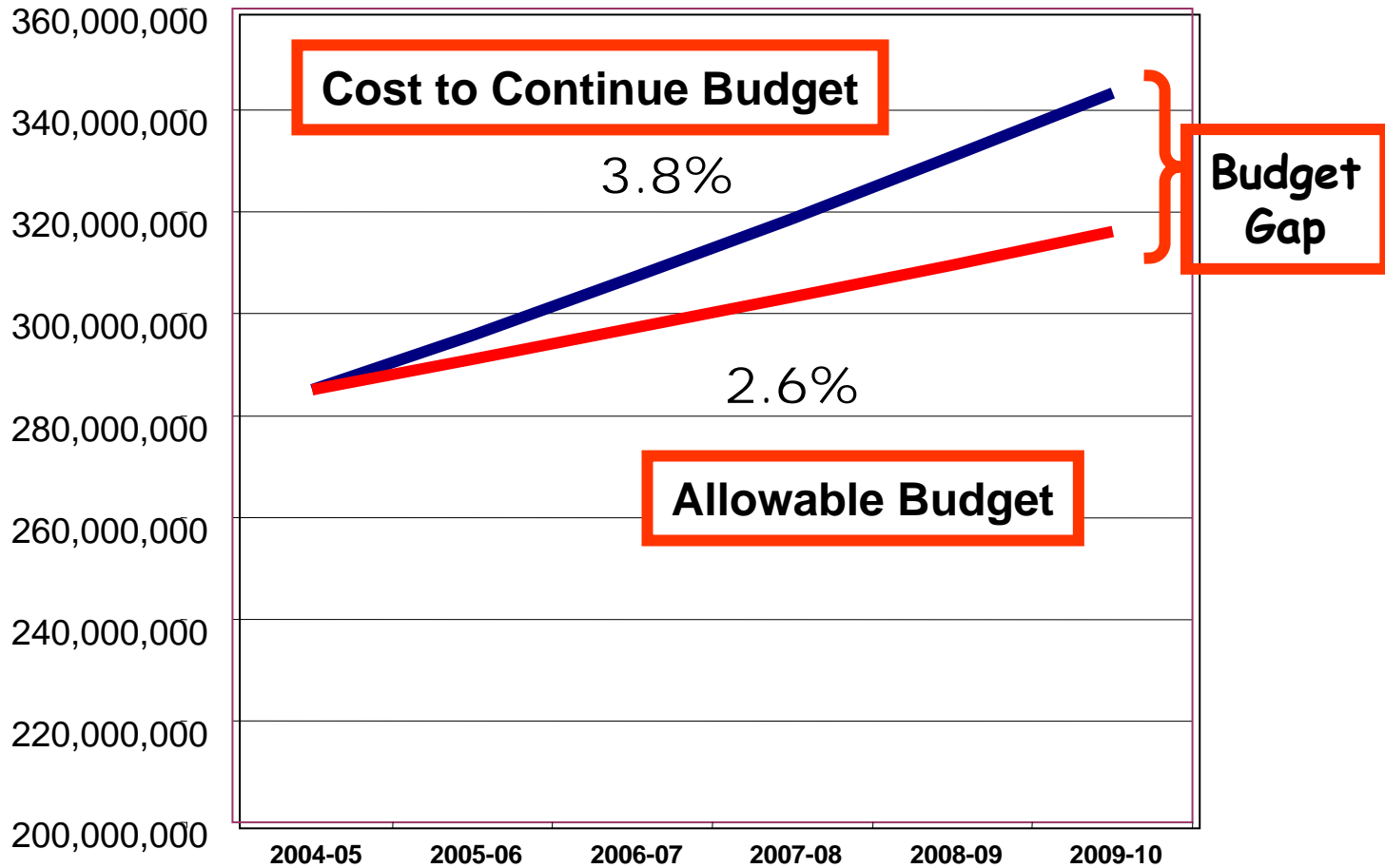
**QUALIFIED  
ECONOMIC  
OFFER  
(QEO)**

# *QEO - What is it?*

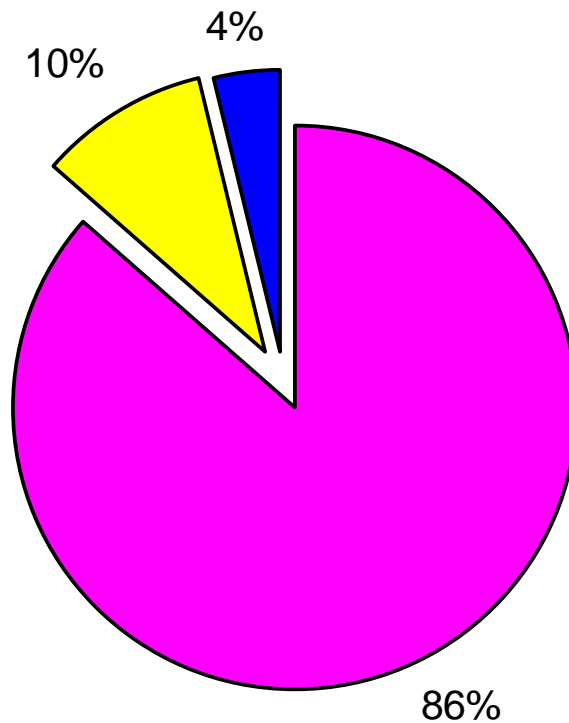
Qualified Economic Offer of  
3.8% for  
SALARY AND  
BENEFITS

"Minimum" OFFER

# The Best Case Result



# Budget



■ Salaries & Fringes

■ Fixed Costs

Utilities,  
Pupil Transportation,  
Maintenance, etc

■ Balance of Budget

## *Since Revenue Limits Began in 1993. . .*

*. . . the Madison School District has*

- eliminated over 526 positions and*

- cut nearly \$45.8 million*

*from its "cost-to-continue" budget.*

# *Budget Process*

**September 2005**

**Board Approves Budget Timeline**

**And**

**Utilization of \$100 Budget Model**

**To**

**Involve community in Budget Process  
for setting priorities.**

# *The Budget Process (Admin)*

**November 2005** - Administration develops \$100 Budget Model

**December 2005** - \$100 Budget model tested and refined

**January-March 2006** - \$100 Budget Model used to gather input through multiple public sessions

**March- April 2006** - Management Team develops Administration Recommendation for 2006-07 Budget

**May 1, 2006** - Administration submits budget to the BOE

# *The Budget Process (BOE)*

**May 1, 2006** - BOE receives full budget document and supplemental information

**May 2006** - BOE hold public forums

**May 2006** - BOE submits budget amendments

**June 2006** - BOE approves working budget

**October 2006** - BOE approves final budget

*The final result. . .*

. . . **we have to reduce  
services by  
\$6-10 million  
for next year.**

# The \$100 Budget Model

- The model is designed to improve **awareness** of the size and scope of the budget.
- The operating budget has been reduced to a **single page** \$100 budget.
- Costs and the proportionate share (%) of the budget are designated for **47 major program areas**.

# *The \$100 Budget Model*

- For Example. . .
  - Elementary Teachers is \$22.95,
  - Special Education Transportation is \$1.03, and
  - Custodial Services is \$6.21

. . .of the \$100 Budget.

# *Definitions/Information*

- Each major program is defined in the handout including:
  - Definition
  - Key Facts
  - Impacts

## *Our Goal. . .*

- Is to identify where we would make cuts in the \$100 Budget that add up to \$3.85.

# *Let's Begin. . .*

- **Budget Cuts - Individual (worksheet 1)**  
**15 Minutes**
- **Budget Cuts - Group (worksheet 2)**  
**30 Minutes**
- **Individual Priorities (worksheet 3)**  
**10 Minutes**

# Thank You for Your Participation

Please. . .

- Turn in Budget Cuts - Group  
Worksheet #2
- Turn in Individual Priorities Survey,  
Worksheet #3

*More Information about the Madison School District  
Budget is Available on the District website:*

[www.mmsd.org](http://www.mmsd.org)