

Snapshot of WCSD Budget and Superintendent's Preliminary Budget Recommendations

WCSD Budget Outlook

- Due to anticipated loss of local, state and federal funding, the WCSD is facing a \$75 million budget shortfall for each of the next two fiscal years.
- These cuts are in addition to \$73 million in reductions during the last four years, including a \$37 million cut due to the 2010 Special Session.

Superintendent's Recommendations

- Superintendent Dr. Heath Morrison announced his preliminary recommendations to begin addressing the shortfall on April 25, 2011. The proposals will be discussed further during WCSD Board of Trustees meetings in the upcoming weeks.

Recommendations	Approx. Savings
Use the Contingency Fund	\$13.3 million
Reduce the Fund Balance	\$2.9 million
Use Savings from Health Care Negotiations	\$3 million
Defer New Textbooks for Another Year	\$2 million
Increase Class Size in Grades 1-3 by Two Students (Compared to 2009-2010 school year) (Loss of 94 positions)	\$6.6 million
Cuts to Central Services and Direct School Support Services Proposals Include: <i>Staffing Reductions (Approximately 85 positions lost)</i> <ul style="list-style-type: none"> • Reducing central office administrators, mid-level managers and program coordinators • Reducing secretarial positions and clerical aides • Reducing staff that support schools • Cuts to central service and school-based custodial staff <i>Program Reductions</i> <ul style="list-style-type: none"> ▪ Eliminating SHARE program ▪ Deferring computer refurbishment ▪ Making reductions to middle school sports and reducing funding for after-school swimming, golf and skiing <i>Departmental Budget Reductions</i>	\$7 million
Total Approximate Savings from Preliminary Recommendations **Loss of approximately 200 positions	\$34.8 million
WCSD is still left with a <u>\$40.2 million</u> shortfall.	

Next Steps

- WCSD continues to advocate in Carson City for the final budget to maintain current funding.
- WCSD currently is negotiating with its employee associations and is continuing to work with all associations on issues in the Legislature.
- The District is also working on final recommendations to fill the remaining \$40.2 million in the budget. Budget decisions will be driven by the strategic plan, *Envision WCSD 2015 – Investing In Our Future*.

Debt Reserve Proposal

- In 2002, Washoe County voters approved the issue of WCSD capital improvement bonds. Money raised from these bonds would revitalize older schools, upgrade technology, build new schools when needed and make other capital improvements.

Debt Reserve Proposal

- \$302 million would be transferred out of Nevada school districts' reserve accounts. The money would go back to school districts to help pay for operating costs, which, according to the law, is prohibited right now.
- The proposal also includes taking the government service tax revenue from school districts for 2012 and 2013. This equates to \$2.8 million and \$2.9 million respectively for WCSD. The funding is normally used for emergency repairs. This money would go toward operating costs. The idea behind this proposal is that it will temporarily plug the operating budget shortfall, but then the money will be returned in the future.

Concerns:

- WCSD has expressed concerns that it would be unable to issue a bond until well after 2014 if this proposal passes in the Legislature. School site capital improvement projects would be underfunded and would have to be postponed or canceled. Approximately 761 jobs (construction, painting, asphalt and roofing) during the next two to three years would not be generated without these bond issuances.
- WCSD also is concerned that tax revenue may not come back as quickly as anticipated, so it will take years to replenish the account.

How to provide input and where to find additional WCSD budget information

- WCSD website: <http://www.washoe.k12.nv.us/community/legislative-session>
 - Includes updated budget information, budget FAQs and ways to provide your feedback, including the WCSD budget survey (open until Friday, April 29 at 5 p.m.)
- WCSD Legislative Blog: <http://wcsdlegislature.blogspot.com/>
- WCSD Budget Townhalls in May
 - Galena High School: Wednesday, May 4 at 6:30 p.m.
 - Wooster High School: Saturday, May 7 at 10:30 a.m.
 - McQueen High School: Wednesday, May 11 at 6:30 p.m.
 - Reed High School: Thursday, May 19 at 6:30 p.m.
 - Hug High School: Wednesday, May 25 at 6:30 p.m.