To: Board of Education
From: Erik J Kass, Assistant Superintendent for Business
Date: January 10, 2011
Subject: Proposed 2011-12 Budget Development Process

The process outlined below is intended to provide adequate and timely information to the Board of Education and Community relative to the development of the 2011-12 Budget. This process will create transparency, credibility around data, and provide options for the Board of Education along the way. This process as you will see, also leans very heavily on the 5 year model worked on and completed by the 5 Year Budget Model Ad Hoc Committee.

The goal of this upcoming budget process is comprised of five phases: planning, preparation, approval/adoption, implementation, and review/evaluation. The proposed timeline and list of activities below are aimed at meeting the goals for planning, preparation, and approval/adoption. It is important to note that all phases of the process will be completed by utilizing the PMA Model and its summary reports only. The proposed process and timeline are as follows:

January 10, 2011
At the regular committee meeting for the Operation Support Committee release the PMA Model (Model) to show the impact of revenue limits on MMSD for the next five years

February 14, 2011
Provide Reductions & Efficiencies from the 2010-11 school year

Provide understandable breakdown of the projected property tax increase for the 2011-12 school year

Provide percentage options for property tax increases for the 2011-12 school year. These options will all be input into the Model and proper summary reports provided to the Board. From these options, the Board will choose a level of property tax increase to set a target for budget reductions and efficiencies

Board of Education identification of areas not to be considered for reduction

March 14, 2011
The Superintendents Recommendation for Reductions & Efficiencies is presented to the Board.

The original Model will be updated to reflect this recommendation and summary reports provided to the Board.
Administration will run any proposed Reductions & Efficiencies and/or scenarios requested by the Board of Education through the PMA 5 Year Model to provide updated projections and summary reports provided to the Board

The Board may begin to take action on specific Reductions & Efficiencies at the regular Board of Education Meeting

Any actions taken will be input into the Model to provide updated summary reports at the next meeting

The Committee and Board will continue to discuss and take action on reductions

Any actions taken will be input into the Model to provide updated summary reports at the next meeting

The Committee and Board will continue to discuss and take final action on reductions

Any actions taken will be input into the Model to provide updated summary reports at the next meeting

Final date for layoff notices to be sent out if necessary

Preliminary Budget Book provided to Board of Education members

Board of Education approve preliminary 2011-12 budget and tax levy subject to modifications in October.