



BUSINESS SERVICES DEPARTMENT

45 West Dayton St. Madison, Wisconsin 53703-1995 608.663.1634 www.mmsd.org

Erik J. Kass, Assistant Superintendent for Business Services

Daniel A. Nerad, Superintendent of Schools

To: Board of Education

From: Erik J Kass, Assistant Superintendent for Business

Date: January 10, 2011

Subject: Proposed 2011-12 Budget Development Process

APPENDIX MMM-7-20
January 31, 2011

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:

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| 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 |

March 14, 2011 to April 25, 2011	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
March 28, 2011	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
April 11, 2011 & April 25, 2011	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
May 9, 2011 &	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
May 23, 2011	Final date for layoff notices to be sent out if necessary
May 23, 2011	Preliminary Budget Book provided to Board of Education members
During June 2011	Board of Education approve preliminary 2011-12 budget and tax levy subject to modifications in October.