

2017-18 Budget Frequently Asked Questions

What are the big ideas and take away points about the budget?

- Revenue is shrinking
- Costs are increasing
- The district needs state revenue of \$8.5 Billion for K-12 education to meet our current service level (same programs, class sizes, staffing.)

Why is revenue shrinking?

- Declining enrollment
- Smaller beginning fund balance
- Loan funds for facilities improvements totaling \$2 million in 2016-17, which are not available in 2017-18

Why are costs increasing?

- Costs for PERS are increasing from the unfunded liability, which is the amount needed to cover former retirees benefits.
- The cost of payroll, utilities, materials trend up each year. Employees earn step raises for years of experience and increased educational attainment.

How will the budget be balanced?

- Many strategies to balance the 2017-18 budget are being considered.
 - Reducing costs and delaying purchases
 - Reducing or eliminating programs or activities
 - Restricting travel
 - Restructuring the way services are provided
 - Across the board % cuts for supplies/materials
 - Reducing staffing using attrition and/or reductions in force

What you need to know about equivalents?

- Established to help the legislators and the public understand the impact of the level of funding being proposed at this time.
- Equivalents are not cuts! The District will use multiple methods to balance the budget, it will not be a reduction of staffing alone.

How can we continue with the bond projects and make budget cuts?

- The voters approved the 2015 Bond project and the district must complete the projects as stated in the voter approved bond measure.
- No operating dollars are being used for the bond program.
- No bond dollars may be used for non-construction district operations.

How much does a furlough day save the district?

- Approximately \$500,000 per day

What does it mean when you say steps and modest COLA?

- Labor contracts are expiring with licensed and classified staff. Negotiations are underway at this time.
- The presentation includes information that explains our needs. Steps and a modest COLA explain that our staffing costs increase over time. The amount is unknown until our collective bargaining agreements are negotiated and approved by the school board.

Is the district considering selling any property to increase revenue?

- The district has declared Natural Resources Academy and a portion of the Edgefield property surplus.
- Corbett School District has offered to buy the Natural Resources Academy and the next step in the process is having the property appraised.
- The Edgefield Property was purchased with a loan. The debt service on that property is \$1.6 million per year. If the district were to list and sell that property the funds would need to be used to pay the loan off.

How many Reynolds students currently attend Charter Schools?

- The District works with three charter schools that serve grades K-8.
- As of April 5, 2017, there are 1,055

Have we explored a four-day school week to defray Operations costs on Fridays?

- Not at this time. This would be a subject of bargaining and would require approval prior to implementing and impacting the budget.
- In order to realize significant savings from a four-day school week employees would need to not work or be paid for the fifth day.

Have we explored any sort of corporate partnerships to put supports into buildings or for extra revenue that could ease some strain on the general fund?

- The district has been successful in earning grants that are funding a variety of programs including school improvement, professional development, technology, and math instruction.
- The district is not home to the large, national organizations that typically provide large sustaining streams of funding. The capacity to manage this would require additional staffing.

At what level is the state funding Measure 98? Fully? 50%?

- The legislature has provided draft estimates for the funding level for Measure 98 and the District will propose a budget at the 50% funding level.
- The State has not identified a funding source to pay for Measure 98 and will not until the Legislative 2017-19 Budget is adopted.
- The district will not plan to collect and expend Measure 98 funds for 2017-18, but will only budget a placeholder.
- The Legislature is considering a bill to radically change Measure 98.

Information at: http://www.osba.org/News-Center/Announcements/2017-04-14_LH_BilltoRadicallyChangeMeasure98 (Updated 4/15/17)

Is the district obligation for charter school funding at 100% of per pupil allotment, or a lower percentage because RSD has to provide Special Education services for charter school students?

- The State establishes a charter pass-through rate per student.
- That amount is paid through less the administrative percentage deduction that is negotiated within each charter agreement
- The fee varies from 5% to 11%

Are Music and PE classes at the elementary level in jeopardy?

- The proposed budget will not include reducing elementary music or physical education. The budget committee and school board have the final say on the approved budget.

In 2007 the legislature passed an unfunded mandate for all K-8 students to participate in 150 minutes of PE per week for the entire school year. How are we going to meet those requirements considering the cuts we face?

- The legislature is considering a bill to delay the implementation of this unfunded mandate. The proposed budget will not include additional staffing to increase physical education minutes. The budget committee and school board have the final say on the approved budget.
- The Legislature is considering a modified timeline for districts to comply with the mandate. Details at: http://www.osba.org/News-Center/Announcements/2017-04-14_LH_PhysicalEducationStandards
(Updated 4/15/17)

How are we going to move forward on the new reading adoption in light of all the possible cuts?

- The proposed budget will include funding to purchase elementary reading materials. How many grades the funds will cover will be determined by the committee's material selection. The budget committee and school board have the final say on the approved budget.

Will there be funding for professional development to support the implementation of Bridges Math? (Updated 4/14/17)

- The proposed budget will not include funds to hire guest trainers on Bridges. Professional development on Bridges Math will be available through New Teacher Orientation, the Pre-Instructional Conference and late start professional development sessions.