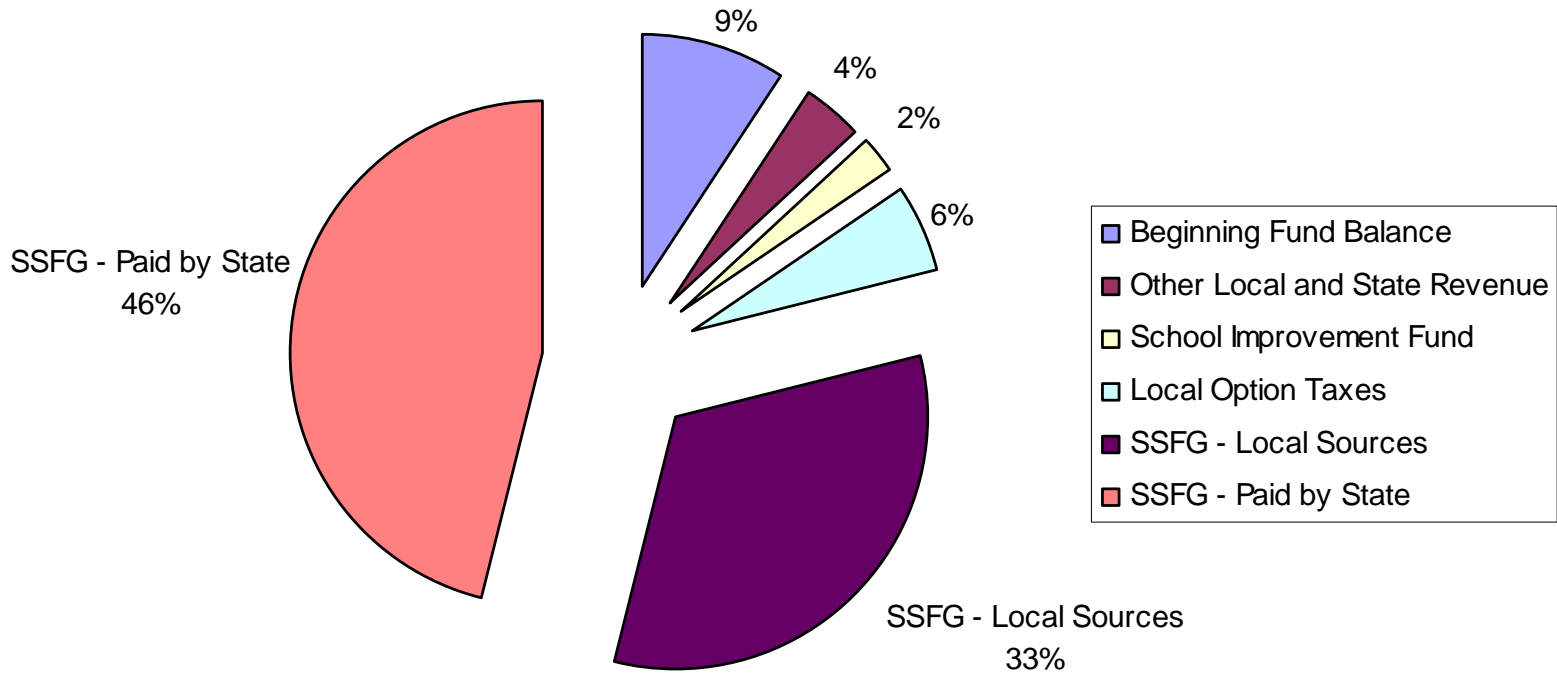


Tigard-Tualatin Schools

2008-09

Budget Information

**2008-09 General Fund
Revenue Budget
\$115,972,416**



State School Fund Grant + Local Option

\$97,170,057 SSF + Local Option

\$91,170,057 State School Fund Grant

\$6,689,000 Local Option

State School Fund Resources

Common School Fund	\$	916,108
County School Fund		250,000
Local Property Taxes		<u>36,589,000</u>
Total Local Revenue		37,755,108
State School Fund Formula Revenue		<u>53,414,949</u>
Total State School Fund Grant	\$	<u>91,170,057</u>

The information on the SSFG is based on the July 2008 estimate. On November 16, 2008 the SSFG was reduced by \$93 per ADMw.

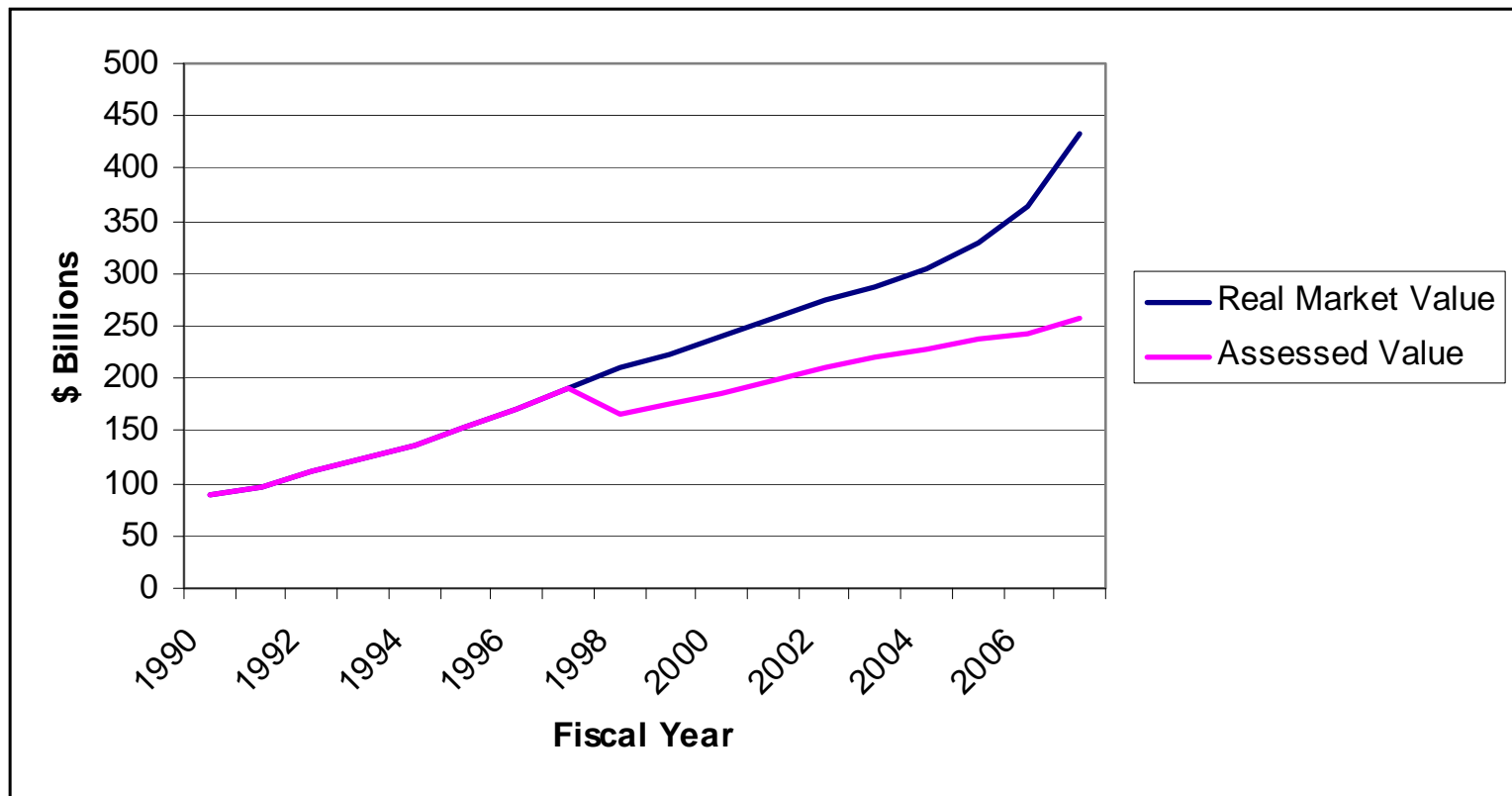
The State School Fund Grant is:
\$91,170,057

If more than \$36,589,000 in local property taxes collected,

the \$53,414,949 in formula revenue is reduced

& the \$91,170,057 grant remains the same

Measure 50 Assessed Values Separated From Market Values



Effects of the Economy

- Local revenue
 - Taxable property values should not reduce under current laws
 - Collection rates are the unknown. Expected to decline statewide
- State level
 - Collection of income taxes will decrease with higher unemployment
 - Stock market losses may affect capital gains tax revenue

Effects of the Economy on the State School Fund Grant

- Although Washington County tax collection history is stable, tax collections statewide may cause districts to be unable to meet local revenue estimates
- Statewide decline in tax collections means less revenue to fund state's portion
- The reduction of both income and property tax collections may make it difficult to maintain funding levels

The Local Option

- Provides the only possibility for additional operating funds
- In the 2008-09 school year Tigard-Tualatin's \$6,689,000 Local Option funds 11.6% of the district's total teaching staff.

Local option approved by voters

- The current local option expires 6/30/2010
- In November 2008 voters approved the same local option levy rate (not to exceed \$1.00 per thousand) for an additional 5 years through 6/30/2015

Demographer's Estimate

- The current demographer's estimate is for 0.5% growth for the 2009-10 year.
- The demographer is preparing a new estimate to be presented at the December 11, 2008 school board meeting.
- Enrollment is the basis for our state school fund grant.

The State School Funding Formula

- Students are weighted (ADMw)
 - Kindergarten (Full day or ½ day) 0.5
 - Grades 1-12 1.0
- Additional weights
 - ELL 0.5
 - Special Ed 1.0
 - Pregnant and Parenting 1.0
 - Students in Poverty 0.25
 - Foster Care or Delinquent 0.25
 - Talented and Gifted 0.00

* High kindergarten growth in the 2008-09 school year.

The Formula 2008-09

14,345.6 ADMw

X \$6,080 General Purpose Grant

87,215,057

+ 3,955,000 Transportation Grant

91,170,057

School Improvement Fund

- \$191.82 per ADMw
- Funds
 - 7 FTE full day kindergarten staff
 - 18.31 FTE for literacy programs
 - 5.5 FTE for closing the achievement gap programs (EBIS)
 - \$ 300,000 for extended day programs
- ***This grant was reduced by an average of \$12.11 per ADMw November 16, 2008.***

Sustainability Fund

- Goal is a Sustainability Fund equal to 5% of our budget (\$5.2 M)
- FY09 balance is \$3,000,000
- FY09 is the second year of funding
- Board policy DBDB was adopted January 11, 2007

Excerpt from Policy DBDB

The proposed budget will create fund balances in an amount sufficient to:

1. Allow the district to deliver a sustainable level of program through anticipated recessionary periods; and
2. Protect the District from unnecessary borrowing in order to meet cash-flow needs; and
3. Provide prudent reserves to meet unexpected emergencies and protect against catastrophic events; and
4. Meet the uncertainties of state and federal funding; and
5. Help ensure a district credit rating that would qualify the District for lower interest costs and greater marketability of bonds that may be necessary in the construction and renovation of school facilities.

Calculation of Fund Balance Policy DBDB Based on Board Target or Fully Funded for 2008-09

Based on the 2008-09 Adopted Revenue Budget

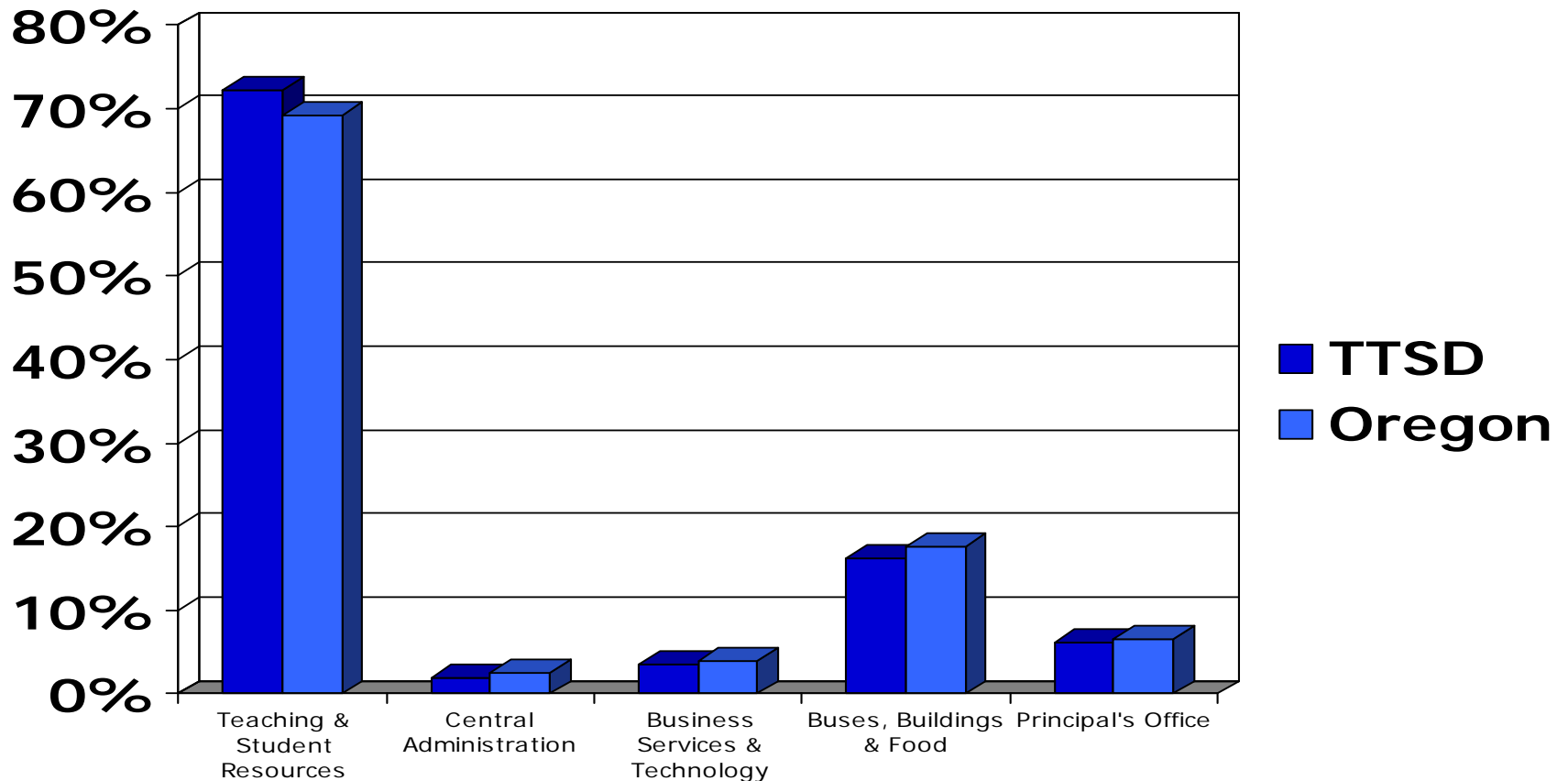
Resources net of beginning fund balance		105,329,783
Contingency	2%	2,106,596
Sustainability Fund	5%	5,266,489
Unappropriated Ending Fund Balance	5%	5,266,489

Rationale

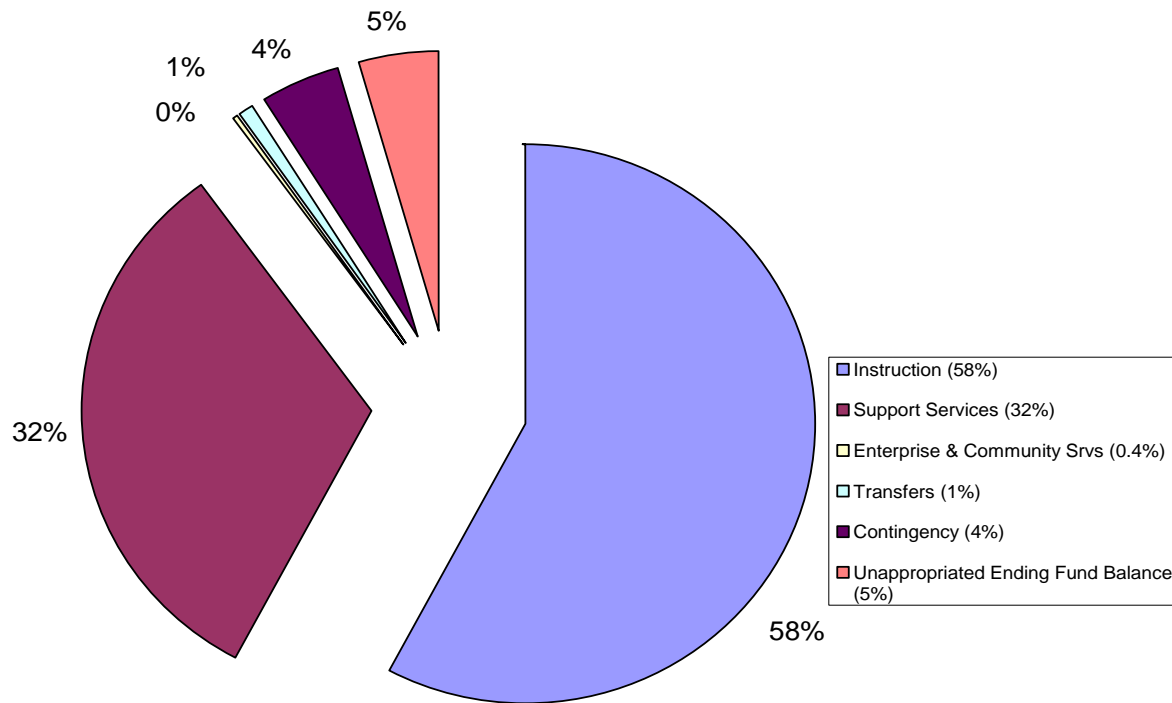
- State's rainy day fund is only projected to be \$340 million at the end of the 2007-09 biennium and is capped at 7.5% of general fund revenue.
- State's educational stability fund is projected to be \$396 million at the end of the 2007-09 biennium and is capped at 5% of general fund revenue
- It costs about \$600,000 per day to operate our schools.
- Goal is to have enough money set aside to operate a full school year with minimal program cuts during the next economic downturn
- A decision to use sustainability funds should include a commitment to replenish the funds. (Board decision)

2008-09 Expenditure Budget

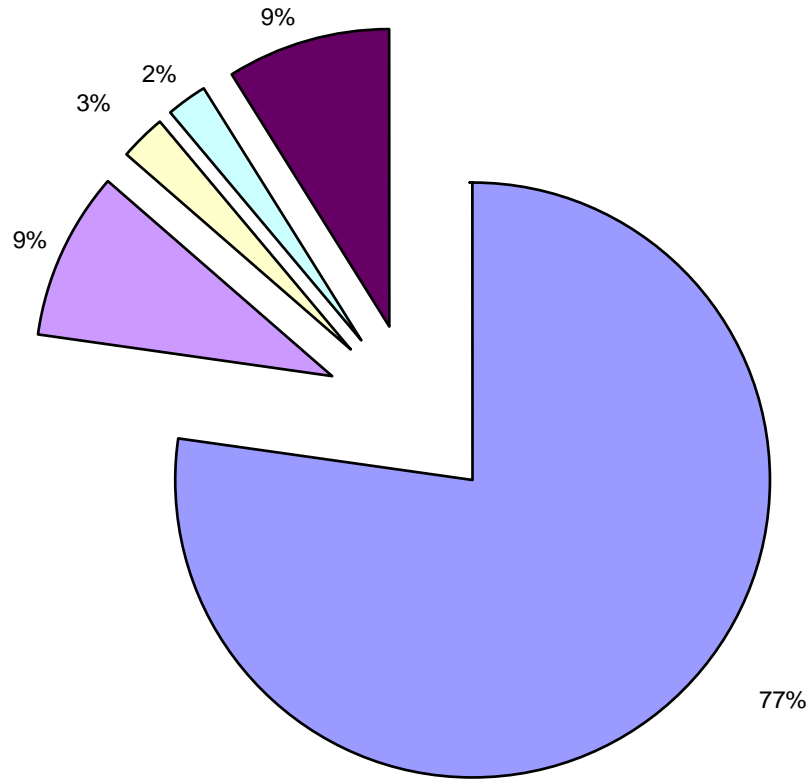
Chalkboard Project – Comparison TTSD to Oregon School District Average (2006-07 School Year)



General Fund Expenditures by Appropriation Level FY 2008-09



General Fund Expenditure by Object FY 2008-09



■ Salaries and Associated Payroll Costs (77%)

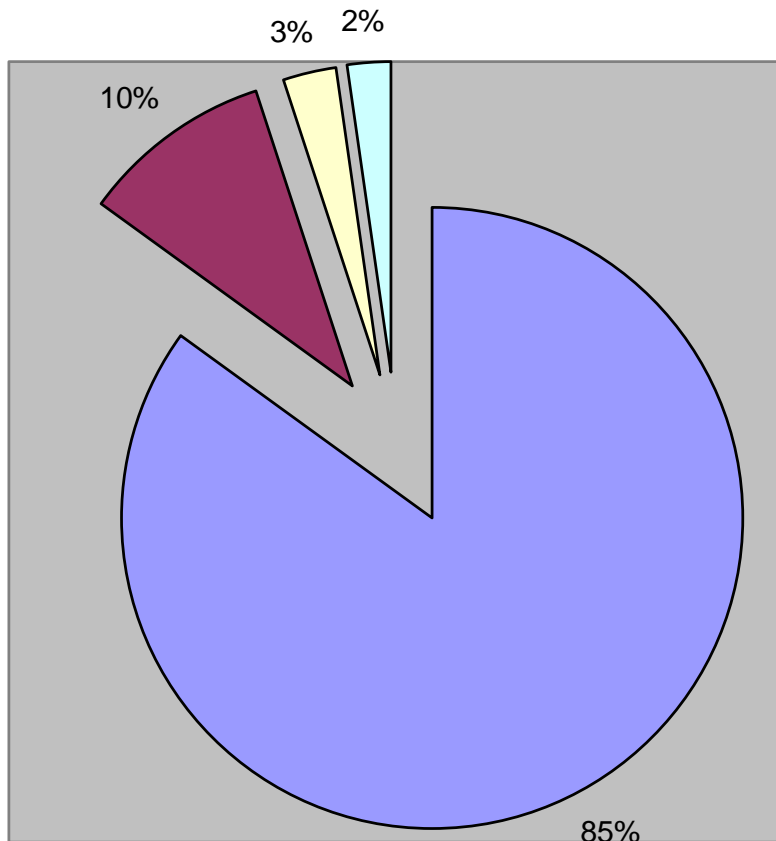
■ Purchased Services (9%)

■ Supplies and Materials (3%)

■ Capital Outlay, Other Objects and Transfer of Funds (2%)

■ Sustainability Reserve, Contingency and Ending Fund Balance (9%)

General Fund Expenditures for Programs Only
(this graph excludes Contingency, Sustainability Fund and Ending Fund Balance)



- Salaries and Associated Payroll Costs
- Purchased Services
- Supplies and Materials
- Capital Outlay, Other Objects and Transfer of Funds

Salaries and Benefits

- Budgeted salaries are for licensed, classified, administrators, confidential employees and managers.
- Salaries also include extra assignments, substitute pay and part-time classified employees that are not assigned FTE.
- Benefits include health insurance for those who qualify, PERS retirement plan, and state and federally mandated taxes.

<u>Category</u>	<u>FTE</u>
Licensed Salaries	673.46
Classified Salaries	337.99
Administrative Salaries	33.90
<u>Managerial Salaries</u>	<u>16.50</u>
<u>Total Salaries</u>	<u>1,061.85</u>

<u>Category</u>	<u>\$100 Budget</u>	<u>FTE</u>	<u>2008-09 Adopted Budget</u>	<u>Student Count</u>	<u>Amount per Student</u>
Elementary Schools					
Salaries and Benefits	24.09	313.21	27,940,304		
Materials, Supplies, Capital Items	0.43		499,808		
Purchased Services	0.26		299,981		
All Other	0.01		11,823		
Utilities	0.84		969,483		
Full Day Kindergarten	0.78	10.50	907,136		
<u> Total Elementary Schools</u>	<u>26.41</u>	<u>323.71</u>	<u>30,628,535</u>	5,771	\$ 5,307.32
Middle Schools					
Salaries and Benefits	12.62	167.92	14,630,206		
Materials, Supplies, Capital Items	0.26		303,262		
Purchased Services	0.18		204,817		
All Other	0.01		8,527		
Utilities	0.45		517,839		
<u> Total Middle Schools</u>	<u>13.51</u>	<u>167.92</u>	<u>15,664,651</u>	2,891	\$ 5,418.42

<u>Category</u>	<u>\$100 Budget</u>	<u>FTE</u>	<u>2008-09 Adopted Budget</u>	<u>Student Count</u>	<u>Amount per Student</u>
High Schools					
Salaries and Benefits	16.51	212.65	19,146,465		
Materials, Supplies, Capital Items	0.45		527,475		
Purchased Services	0.26		299,954		
All Other	0.01		13,790		
Utilities	0.62		715,212		
Athletics	1.16	5.50	1,349,347		
<u> Total High Schools</u>	<u>19.02</u>	<u>218.15</u>	<u>22,052,243</u>	3,931	\$ 5,609.83
K-12 Textbooks and Technology					
Textbooks	0.48		559,653	12,595	\$ 44.43
Technology Replacement Plan	0.45		525,825	12,595	\$ 41.75
<u> Total K-12 Textbooks and Technology</u>	<u>0.94</u>		<u>1,085,478</u>	12,595	\$ 86.18

Elementary, Middle, and High Schools

- Textbook purchases can vary from year to year. For example in the 2007-08 fiscal year the textbook adoption was for grades 6-10 math only.
- The technology replacement plan replaces technology on a cycle based on the age of the equipment not the location of the equipment.
- Custodial supplies are included in the school programs but custodial staffing is budgeted separately under Maintenance and Operations.

Alternative Education

- Currently 79 students are served at Durham Center.
- The District contracts for 34 ADM at Portland Community College for
 - GED
 - Multicultural GED
 - Gateway to College or high school completers
- It is expected that 80 students will participate in the PCC programs.

<u>Category</u>	<u>\$100 Budget</u>	<u>FTE</u>	<u>2008-09 Adopted Budget</u>	<u>Student Count</u>	<u>Amount per Student</u>
Alternative Education Programs					
Salaries and Benefits	1.19	19.32	1,382,410		
Textbooks	0.00		3,000		
Materials, Supplies, Capital Items	0.04		48,103		
Purchased Services	0.21		246,104		
All Other	0.00		800		
Utilities	0.01	-	11,953		
Total Alternative Education Programs	1.46	19.32	1,692,370	113	\$ 14,976.73
Student Services					
Salaries and Benefits	7.43	128.96	8,611,190		
Materials, Supplies, Capital Items	0.02		18,900		
Purchased Services	0.14		157,600		
All Other	0.03		37,000		
Legal, Audit, Insurance	0.03	-	40,000		
Total Student Services	7.64	128.96	8,864,690	1,250	\$ 7,091.75

<u>Category</u>	<u>\$100 Budget</u>	<u>FTE</u>	<u>2008-09 Adopted Budget</u>	<u>Student Count</u>	<u>Amount per Student</u>
English Language Learners Program					
Salaries and Benefits	3.14	53.95	3,643,341		
Textbooks	0.02		18,000		
Materials, Supplies, Capital Items	0.01		7,000		
Purchased Services	0.00	-	5,400		
<u> Total English Language Learners Program</u>	<u>3.17</u>	<u>53.95</u>	<u>3,673,741</u>	1,636	\$ 2,245.56
Talented and Gifted					
Salaries and Benefits	0.37	4.32	428,964		
Materials, Supplies, Capital Items	0.00		1,000		
Purchased Services	0.00	-	2,750		
<u> Total Talented and Gifted</u>	<u>0.37</u>	<u>4.32</u>	<u>432,714</u>	1,658	\$ 260.99

<u>Category</u>	<u>\$100 Budget</u>	<u>FTE</u>	<u>2008-09 Adopted Budget</u>	<u>Student Count</u>	<u>Amount per Student</u>
Curriculum and Instruction					
Salaries and Benefits	1.26	8.10	1,466,293		
Textbooks	0.08		89,000		
Materials, Supplies, Capital Items	0.16		188,920		
Purchased Services	0.16		186,546		
All Other	0.02	-	21,850		
<u>Total Curriculum and Instruction</u>	<u>1.68</u>	<u>8.10</u>	<u>1,952,609</u>	12,595	\$ 155.03

<u>Category</u>	<u>\$100 Budget</u>	<u>FTE</u>	<u>2008-09 Adopted Budget</u>	<u>Student Count</u>	<u>Amount per Student</u>
Student Transportation					
Regular	3.78	1.70	4,386,618	6,961	\$ 630.17
Student Services	1.11	18.30	1,282,696	276	\$ 4,647.45
After School	0.02		26,947		
EBS Extended Day	0.06		70,800		
Extended Day Program	0.03	-	30,000		
<u> Total Student Transportation</u>	<u>5.00</u>	<u>20.00</u>	<u>5,797,061</u>		
Maintenance and Operations					
Salaries and Benefits	4.20	74.51	4,868,020		
Materials, Supplies, Capital Items	0.32		367,598		
Purchased Services	0.23		262,557		
All Other	0.01		6,828		
Utilities	0.14	-	167,944		
<u> Total Maintenance and Operations</u>	<u>4.89</u>	<u>74.51</u>	<u>5,672,947</u>	12,595	\$ 450.41

<u>Category</u>	<u>\$100 Budget</u>	<u>FTE</u>	<u>2008-09 Adopted Budget</u>	<u>Student Count</u>	<u>Amount per Student</u>
Staff Development					
Salaries and Benefits	0.15	1.00	172,770		
Textbooks	0.01		6,828		
Materials, Supplies, Capital Items	0.12		140,000		
Purchased Services	0.12		142,500		
Tuition	0.30	-	347,976		
<u> Total Staff Development</u>	<u>0.70</u>	<u>1.00</u>	<u>810,074</u>	12,595	\$ 64.32
Human Resources					
Salaries and Benefits	0.45	5.00	519,685		
Materials, Supplies, Capital Items	0.03		34,639		
Purchased Services	0.06		70,800		
All Other	0.01	-	8,500		
<u> Total Human Resources</u>	<u>0.55</u>	<u>5.00</u>	<u>633,624</u>	12,595	\$ 50.31

<u>Category</u>	<u>\$100 Budget</u>	<u>FTE</u>	<u>2008-09 Adopted Budget</u>	<u>Student Count</u>	<u>Amount per Student</u>
Information Technology Services					
Salaries and Benefits	0.43	5.00	493,560		
Materials, Supplies, Capital Items	0.10		114,629		
Purchased Services	0.40		469,071		
All Other	0.00	-	300		
<u> Total Information Technology Services</u>	<u>0.93</u>	<u>5.00</u>	<u>1,077,560</u>	12,595	\$ 85.55
Central Administration					
Salaries and Benefits	1.17	13.38	1,357,286		
Materials, Supplies, Capital Items	0.05		57,285		
Purchased Services	0.19		215,762		
All Other	0.02		20,360		
Legal, Audit, Insurance	0.54	-	622,125		
<u> Total Central Administration</u>	<u>1.96</u>	<u>13.38</u>	<u>2,272,818</u>	12,595	\$ 180.45
Business and Payroll Services					
Salaries and Benefits	0.97	13.13	1,125,950		
Materials, Supplies, Capital Items	0.02		27,067		
Purchased Services	0.05		57,349		
All Other	0.02	-	25,780		
<u> Total Business and Payroll Services</u>	<u>1.07</u>	<u>13.13</u>	<u>1,236,146</u>	12,595	\$ 98.15

<u>Category</u>	<u>\$100 Budget</u>	<u>FTE</u>	<u>2008-09 Adopted Budget</u>	<u>Student Count</u>	<u>Amount per Student</u>
Aquatics Programs					
Salaries and Benefits	0.39	5.41	455,565		
Textbooks	0.00		1,200		
Materials, Supplies, Capital Items	0.03		33,477		
Purchased Services	0.01		14,955		
All Other	0.00		1,470		
Utilities	0.14	-	166,770		
<u> Total Aquatics Programs</u>	<u>0.58</u>	<u>5.41</u>	<u>673,437</u>	12,595	\$ 53.47

<u>Category</u>	<u>\$100 Budget</u>	<u>FTE</u>	<u>2008-09 Adopted Budget</u>	<u>Student Count</u>	<u>Amount per Student</u>
Other Payments					
Charter School Payments	0.53		609,500	123	\$ 4,955.28
Fund Transfers - To Debt Service	0.68		793,340	12,595	\$ 62.99
<u> Total Other Payments</u>	<u>1.21</u>		<u>1,402,840</u>		
Contingency and Reserves					
Contingency	1.81		2,099,679	12,595	\$ 166.71
Sustainability Reserve	2.59		3,000,000	12,595	\$ 238.19
Ending Fund Balance	4.53		5,249,199	12,595	\$ 416.77
<u> Total Contingency and Reserves</u>	<u>8.92</u>		<u>10,348,878</u>		
<u>Total \$100 Budget</u>	<u>100.00</u>	<u>1,061.85</u>	<u>115,972,416</u>		

If budget reductions are necessary the value of the reduction is:

<u>Amount of Reduction if Required</u>	<u>\$100 Budget</u>	<u>FTE</u>	<u>2008-09 Adopted Budget</u>	<u>Student Count</u>	<u>Amount per Student</u>
\$1,000,000	0.86		1,000,000	12,595	\$ 79.40
\$2,000,000	1.72		2,000,000	12,595	\$ 158.79
\$5,000,000	4.31		5,000,000	12,595	\$ 396.98
\$7,500,000	6.47		7,500,000	12,595	\$ 595.47

Capital Projects Fund Additional Funding Construction Excise Tax

- FY 2008-09 collected to date \$220,000
- \$1 per square foot on new homes construction
- \$0.50 per square foot on commercial construction; \$25,000 cap

Uses of Construction Excise Tax Proceeds

- Facility construction, reconstruction, or improvements
- Acquiring and installing equipment or property with a useful life of more than one year
- Architects, engineers, and lawyers who provide services that are needed to acquire, install, or construct capital improvements
- Capital project debt service and issuance costs

These funds cannot be used for:

- Operating costs
- Routine maintenance