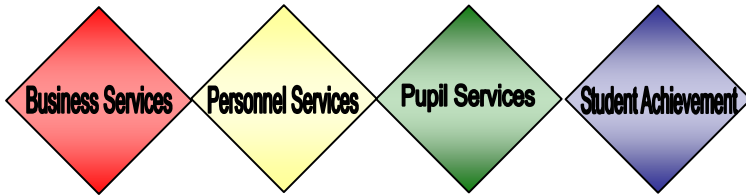


# School District of New London



## BOARD OF EDUCATION

### MONTHLY UPDATE

By: Joseph Marquardt  
Director of Business Services

Date: July 2011

#### July 1 Equalization Aid Estimate

The School Finance Team from the Department of Public Instruction releases a July 1 Equalization Aid Estimate to school districts. Our estimate is \$15,249,620 for 2011-12. This is only an estimate and often changes once all school districts have completed their audits and final budget reports have been submitted.

This is a valuable estimate for school districts when having discussions on the levy and mill rate. The estimate I have been using since February is \$14,982,747. My preference is to stay with this estimate until the actual amount is provided on October 15. Experience has shown me the July 1 estimate is volatile and in a new biennium I can see this amount changing.

With these current figures, the total levy and mill rate appears to be flat for 2011-12. The more state support, the less the local property tax burden is. Further discussions will be held at future Board meetings in preparation for the Budget Hearing.

#### Summer Cleaning and Maintenance Crews

Our summer crew and BSG's crew have made great progress in preparing our buildings for students and staff to return. I have been impressed with how well everyone has worked together and the quality of work. I have had four emails from District staff indicating how great the schools are looking. There is still more progress to be made and I will update the BOE in a later report.

#### 2011-12 Budget and Revenue Limit

We have had numerous discussions with the Board, staff and community groups about the impending shortfall for the 2011-12 and 2012-13 fiscal year

budgets. The recent passage of the "Governor's Budget" has brought a little more clarity to a lot of uncertainty over the last five months. The passage of this historic budget will have a dramatic impact on the way we develop our budget as a school district.

One major piece of a school district's budget is the revenue allowed to be raised per pupil. New London's amount per pupil is decreasing by \$527 for 2011-12 which equates to \$1.3 million in lost revenue limit authority. Add the lost revenue of the ARRA stimulus dollars, the natural increase of expenditures such as utilities, insurance, fuel, and the increase loss in open enrolled out students and other costs we arrive at an approximate \$2.0 million shortfall.

After school begins in September we will have final variables needed to have an accurate shortfall calculation to develop a balanced budget. I will provide a summary of the where the District made the \$2.0 million in cuts.

#### Future Outlook

The next few fiscal years will be challenging for all school districts. This presents an opportunity to look at education differently and work collaboratively to become more efficient and effective. There will be a lot of difficult conversations and alterations to long-standing practices that will undoubtedly create differing viewpoints and hard feelings. However, we have children and staff who need all stakeholders to work together to provide the best education for all of our students, and an attractive, appreciating environment for our employees.