

November 17, 2011



Dear Key Communicators:

As promised last spring, the District is studying the current and projected state and local budgetary situations. One key element of this study is the audit of the District's finances during the 2010-2011 fiscal year. The audit began on October 24, with results coming in time to meet the state filing deadline of December 31, 2011. The audit results, current enrollment numbers, and State funding projections for 2012-2013 will be key ingredients of the budget process.

We are also monitoring the impact of several District budget-cutting measures that have been implemented during the current school year:

- *One Principal for the 2 in-town elementary schools;
- *Elimination of 2 Title I reading specialists;
- *Elimination of 1 of 5 K-12 English Language Learner elementary specialists;
- *Elimination of some EHS vocational elective classes;
- *Blended classrooms in all three elementary schools at grades 2/3 and 4/5;
- *Elimination of the School Resource Officer position;
- *Elimination of 9 coaching salaries with the resulting need to raise substantial funding in order to keep these coaches' sports from being eliminated;
- *Elimination of some intervention classes at EHS and EJHS;
- *Reduction of some core and elective classes at EHS and EJHS.

A complicating factor in projecting the District's financial health for FY 2011-12 goes beyond the receipt of our Annual Audit. The Oregon Legislature will be in session shortly after 2012 arrives, and this could greatly affect the state's funding for K-12 education in 2012-2013. In Estacada, we have the additional challenge of dealing with declining K-12 enrollment numbers.

We want to be able to present a well-researched and "transparent" view of the fiscal future for the students, parents, staff, and community at large as a backdrop to the Budget Committee process. Typically, we have been able to sustain the status quo in terms of direct services to students. That was not possible for the current fiscal year. Next year remains a question.

In order to "inform" this fiscal detective process, the District will be surveying parents, District staff, Board & Budget Committee members; and perhaps EHS students as to their priorities for restoring lost offerings/ services if funding projections come in higher than expected or for further elimination of offerings/services if funding projections come in lower than expected for the 2012-13 fiscal year.

Professionally,

*Howard Fetz
Superintendent*