

**5. The District will remain fiscally healthy through prudent and conservative fiscal management. Indicators of such management will be:**

- \* Maintenance of a modest, yet healthy fund balance in the General Fund (4%-6%).**
- \* Operating with a balanced budget (revenues, without inter-fund transfers, equaling expenditures).**
- \* Identifying and implementing efficiencies in purchasing, contracting, and operations.**

Over the past year, the district will continue to increase the fund balance, as we have for the past 9 years. The district has increased the fund balance from 3.6% in 2000 to a projected unreserved fund balance at the end of this year of over 8%. The steady increase to fund balance has continued, even with the struggling state and federal economy. This has not been easy, nor could it have been done without the help and support of the board, superintendent, administrators and classified supervisors.

As you know, all departments and buildings have made cuts over the past two years. I have worked hard with the Budget Advisory Team, the board and the administrative team to make cuts in areas that would affect student learning the least. From working with custodial and maintenance with some creative ways to make big cuts without loss of jobs to working with Special Ed and coming up with some creative ways to provide the required services to our students. I believe that working closely with these individuals and groups, and the incredible input from the board and public, have made the cuts easier to accept. It was a painful process for all, but I believe the BAT, Board and Administrators made the right decisions to serve the district and to continue to ensure that the district remains fiscally healthy.

I was able to develop a balanced budget in the current year, without using interfund transfers, while also continuing to increase the fund balance. The increases to the fund balance over the past couple of years (increasing to more than 8%) will allow the district to move forward in the next couple years with the ability to use a small portion of fund balance (if needed) to provide the current level of service to our students, despite the imminent cuts which will be coming from the state. Although the goal is to operate without interfund transfers, the goal also states that the district will maintain a healthy fund balance and will remain fiscally healthy.

The 10-11 Budget Advisory Team recommended to the board that, if needed, the district should use interfund transfers to balance the budget. If the deficit is greater than the allowed amount of transfers, then the district should spend down a portion of the fund balance. It is the hard work to become fiscally healthy that will allow the district to do this in 10-11.

District departments and buildings continue to look at purchasing procedures and looking at ways to ensure that the district is getting the "best bang for their buck." We have implemented the procurement card system in a minimal number of departments to streamline the purchasing process and also to earn back rebates on all purchases. The tech department especially has identified a number

of vendors that have lower prices that we could not use in the past because they would only take a procurement or credit card. The tech department alone spent over \$30,000 in the month of May. We will continue to issue cards slowly to the highest volume departments, including transportation, custodial/maintenance and food service. As our volume increases, so does the rebate.

We are working with some vendors who have a direct link into the fiscal system, especially in the area of office and classroom supplies, streamlining the purchasing process. We also work exclusively with office and classroom supply vendors who have free shipping and most orders are delivered in 2-3 days (or sooner). We are a member of the State Purchasing Co-op, which gives us the best pricing on supplies and fuel. I am also looking at our custodial and maintenance suppliers and looking at some interlocal agreements to decrease some costs in this area.

As you know, we are working with the Department of Early Learning to have the before and after school daycare certified so that our low income parents can take advantage of state assistance to aid them in daycare. Missy has worked tirelessly to get the application packet in to the state and to meet the certification requirements. She feels that if we are certified, not only will the district no longer need to subsidize the low income families, but that the program will grow. Many families in the area would like to use WCC, but are not able to because it is not certified and they can't get assistance if their students attend there. I will continue to keep you updated as we progress with this program.

There are currently a couple of food service Co-ops in the works. The head cooks and I will be attending a food service conference in August and I will be gathering some information in this area. We have worked with a local dairy vendor, who has agreed to give us competitive pricing, in order to keep our business. He has great customer service and good products and we will continue to work with him.

Overall, I believe that all district staff are well aware of this goal, and strive to meet this goal. In tough economic times many staff members have thought outside of the box to get more with less. We have some teachers who have gotten private donations to cover some of the areas that were cut last year (field trips being at the top of the list). Missy has also worked hard to find outside donations and she also plans a couple of fundraisers each year to pay for additional programs, such as Mad Science. The citizens and parents have also been affected, but understand the position the district (and the state) is in and have stepped up to help out. I will continue to work with the administrators, superintendent and board to ensure the continued fiscal health of the district.