

California Voting Rights Act of 2001

Escondido Union School District
Progress Report - August 11, 2011

Process Overview

SDCOE Census 2010 Collaborative Assessment Program

	Activity	Est. Completion
	Construction of database using 2010 Census data	✓
Level I	Initial legal review	✓
Level II	Review test trustee areas to identify voter concentrations	✓
Level III	Legal review using residential overlay data	Aug. 16, 2011
Level IV	Racially Polarized Voting Analysis	?
	<i>If change from at-large election system indicated:</i>	
Level V	Drawing trustee areas (addendum to contract required)	?

ESCONDIDO UNION SCHOOL DISTRICT

2011-2012 STATE BUDGET &
FIRST BUDGET REVISION
AUGUST 11, 2011

A TALE OF TWO BUDGETS

©2011 School Services of California, Inc.

THE 2011-2012 EDUCATION BUDGET IS A STUDY IN CONTRASTS – ON THE UPSIDE:

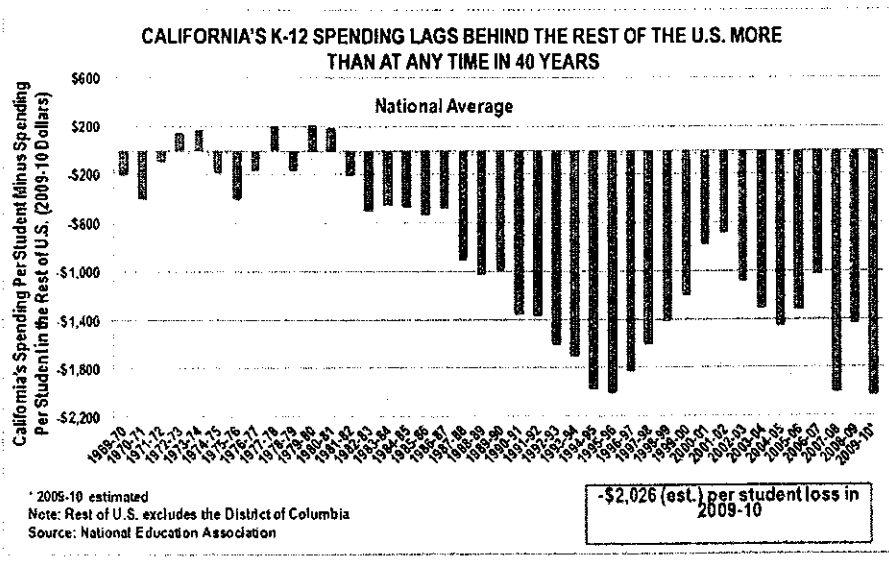
- It was on time
- It provides flat funding for education, unless there are mid-year cuts
- It allows districts to avoid the worst cuts
- About \$80 billion of the \$86 billion spending plan is real money – fewer gimmicks than in previous years

ON THE DOWNSIDE:

- It underfunds Proposition 98 without suspension
- It dictates detailed budget terms to the local school boards
- “Trigger” could result in midyear cuts
- It strips county offices of education (COEs) of fiscal oversight
- It creates more debt to schools – both cash and budget authority
- It continues California’s poor track record of funding education

CALIFORNIA'S EDUCATION SPENDING CONTINUES TO LAG

© 2011 School Services of California, Inc.



A TALE OF TWO BUDGETS

© 2011 School Services of California, Inc.

THE FINANCIAL IMPLICATIONS OF THE BUDGET

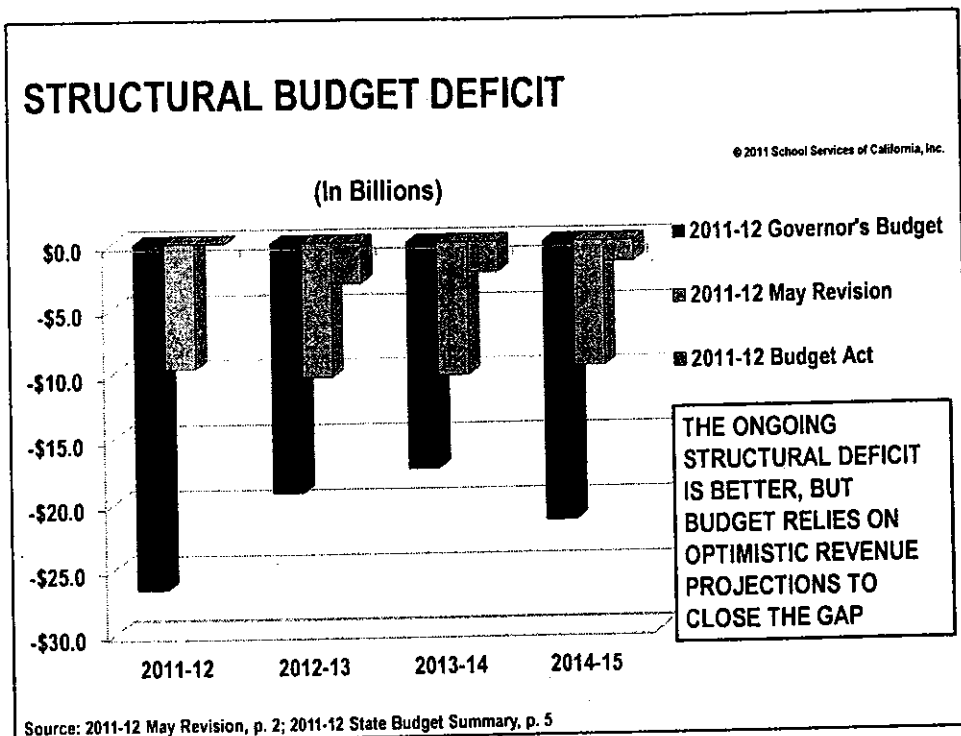
- On the financial side, the state did the best it could to close the budget gap with no bipartisan support for tax extensions
- A difficult task, but it was accomplished

A FEW MONTHS AGO WE WERE BUDGETING FOR BIG REDUCTIONS, AND BEING THREATENED WITH EVEN LARGER ONES, BUT SINCE THAT TIME:

- State revenues have grown and are projected to grow further
- The Proposition 98 formula has grown by more than \$3 billion
- Many districts have laid off teachers and other staff

AT THE MAY REVISION, THE GOVERNOR CONTINUED TO PROPOSE "FLAT" FUNDING FOR EDUCATION, EVEN THOUGH THAT SEEMED UNLIKELY TO BE ACHIEVED

- The State Budget provides "flat" funding, though we wish that the state would guarantee that funding without the potential of midyear cuts



A TALE OF TWO BUDGETS

© 2011 School Services of California, Inc.

- ❑ THE NONFINANCIAL SIDE OF THIS STATE BUDGET HAS BEEN DESCRIBED AS A "TRAIN WRECK"
 - The level of intrusion into local fiscal decisions is heretofore unheard of
 - ❖ Dictates revenue, staffing, and program levels
 - ❖ Prohibits budgeting for a known potential loss (mid year cuts)
 - Setting aside any measure of COE oversight at this point in the economic cycle invites future, deeper problems
 - ❖ Throws the multiyear projections aside – but only for the Adopted Budget – still required for interim reports
 - ❖ Dictates factors to be excluded from COE review
 - Flexibility in staffing is constrained
 - ❖ Program and staffing levels specified are not clear
 - ❖ The "second lay-off window" is closed
- ❑ NONE OF THESE DICTATES SAVE MONEY AT THE STATE LEVEL

STATE BUDGET PASSAGE

- **THREE MAIN BILLS COMPRISE THE 2011-2012 EDUCATION BUDGET**
 - Senate Bill 87 (State Budget)
 - Assembly Bill 114 (Education Trailer Bill)
 - Assembly Bill 121 (Contains Trigger Language for possible mid-year reductions)
- **MOST OF THE PROVISIONS OF THE FINAL STATE BUDGET ARE SIMILAR TO THE GOVERNOR'S EARLIER PROPOSAL**
 - Categorical flexibility extended two additional years
 - \$80.4 million provided for education mandates – 9 mandates suspended and another 8 mandates unfunded
 - Potential for additional cash deferrals increases pressure on district cash reserves

SPECIAL EDUCATION

© 2011 School Services of California, Inc.

- **AB 602 SPECIAL EDUCATION FUNDING REMAINS UNCHANGED FROM THE GOVERNOR'S MAY REVISION**
 - Growth is funded, but no COLA
 - ❖ Growing special education local plan areas (SELPAs) would receive \$465.44 per ADA – this rate has not changed since 2008-2009
- **THE 2011-2012 FISCAL YEAR REFLECTS MANY CHANGES FOR SPECIAL EDUCATION:**
 - Repeal of AB 3632 mandate – transfers responsibility to schools
 - ❖ Rebench Proposition 98 to include \$222 million
 - AB 100 (Chapter 5/2011) – provides one-time Proposition 63 funding – \$98.6 million
 - ❖ Formula is based on 2009-2010 actual AB 3632 county mandate reimbursement
 - Special Disabilities Adjustment – unfunded because on July 1, 2011, the formula sunset

REDEVELOPMENT AGENCIES

- STATE BUDGET INCLUDES THE ELIMINATION OF REDEVELOPMENT AGENCIES (RDAs)
 - Assembly Bill of the First Extraordinary Session (ABX1) 26 eliminates RDAs
 - AB1X 27 allows RDAs to continue in existence if the county or city where the RDA resides makes "voluntary" payments to local schools and other agencies
 - In the event that an RDA is dissolved, pass-through payments from the dissolved agency would continue, with payments administered by the county auditor-controller
- IN 2011-2012, STATE SAVES \$1.7 BILLION BECAUSE RDA PAYMENTS REPLACE STATE PROPOSITION 98 FUNDING
- BEGINNING IN 2012-2013, SCHOOLS WOULD RECEIVE AN ESTIMATED \$340 MILLION PER YEAR IN FUNDING OUTSIDE THE PROPOSITION 98 GUARANTEE

MAJOR CHANGES FROM THE MAY REVISION TO THE FINAL STATE BUDGET

© 2011 School Services of California, Inc.

- MAY REVISION: PROPOSED \$2.5 BILLION TO "PAY DOWN" PROPOSITION 98 DEFERRALS
 - Final Budget: Defers additional approximately \$2.1 billion of payments to schools
- MAY REVISION: COUNTED ON \$9.6 BILLION IN TEMPORARY TAXES
 - Final Budget: Assumes \$4 billion more in General Fund revenues above May forecast
- MAY REVISION: DID NOT CONTAIN "TRIGGER CUTS" TO EDUCATION, JUST THE THREAT OF ADDITIONAL CUTS
 - Final Budget: Puts K-12 education at risk of losing \$1.9 billion by triggering a cut if revenues fall short of projections
- MAY REVISION: CONTAINED NO ADDITIONAL FLEXIBILITY PROVISIONS
 - Final Budget: Allows automatic reductions to the school year (seven additional days) if triggered cuts are made – however, would still be subject to collective bargaining

MAJOR CHANGES FROM MAY REVISION TO THE FINAL STATE BUDGET

© 2011 School Services of California, Inc.

- **MAY REVISION: CONTAINED NO LANGUAGE THAT RESTRICTS LOCAL BUDGETING PRACTICES AND FISCAL OVERSIGHT SAFEGUARDS**
 - **State Budget: Places several requirements on the funding level school agencies must budget and staffing levels that must be met in 2011-2012, and suspends various AB 1200 provisions**
- **MAY REVISION: FUNDED PROPOSITION 98 AT THE MINIMUM, WITHOUT SUSPENSION**
 - **Final Budget: Takes away \$2.1 billion from K-12 education through a sales tax shift and reallocates those funds to other areas of the Budget (to fund the shift of certain responsibilities to local governments) without suspension of education's minimum guarantee**
 - **Voters will be asked to affirm the legality of this shift in sales tax**
 - **Approved measure would make Proposition 98 funding "whole" by requiring replacement of the sales tax dollars to the Proposition 98 base**

HISTORY OF PROPOSITION 98 MANIPULATIONS

© 2011 School Services of California, Inc.

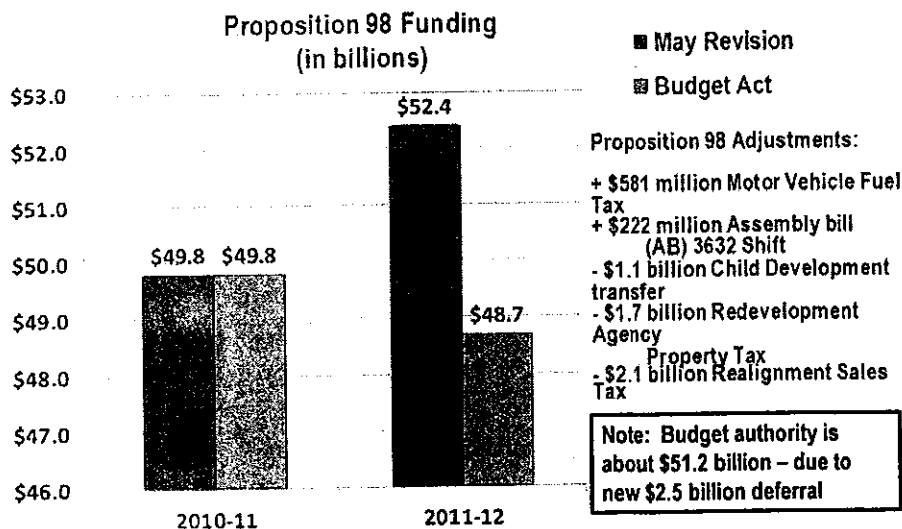
- **SINCE ITS ADOPTION BY STATE VOTERS IN 1988, PROPOSITION 98 HAS BEEN MANIPULATED AND DISTORTED NUMEROUS TIMES**
 - **Cutting and recasting appropriations after the close of a fiscal year**
 - **Suspending the guarantee and negotiating a repayment as non-Proposition 98 expenditure (Quality Education Investment Act – QEIA)**
- **THE 2011-2012 GUARANTEE WAS MANIPULATED IN SEVERAL WAYS WHICH ULTIMATELY LOWERED THE AMOUNT TO BE PROVIDED BY \$3.2 BILLION**
 - **Child care funding was taken out, reducing the guarantee by \$1.1 billion**
 - **\$5.1 billion in General Fund revenues were redirected to the realignment of programs from state to local governments, resulting in a loss of \$2.1 billion**
 - **The Budget Trailer Bill reduced by another \$1.7 billion related to the shift of redevelopment funds – state saves money- but lowers Test 1 guarantee**
- **PAST ACTIONS SET THE STAGE FOR THE LEGISLATURE'S ABANDONMENT OF THE CONSTITUTIONAL MINIMUM FUNDING GUARANTEE, INCLUDING A TWO-THIRDS VOTE FOR SUSPENSION, AS HAPPENED IN 2011-2012**

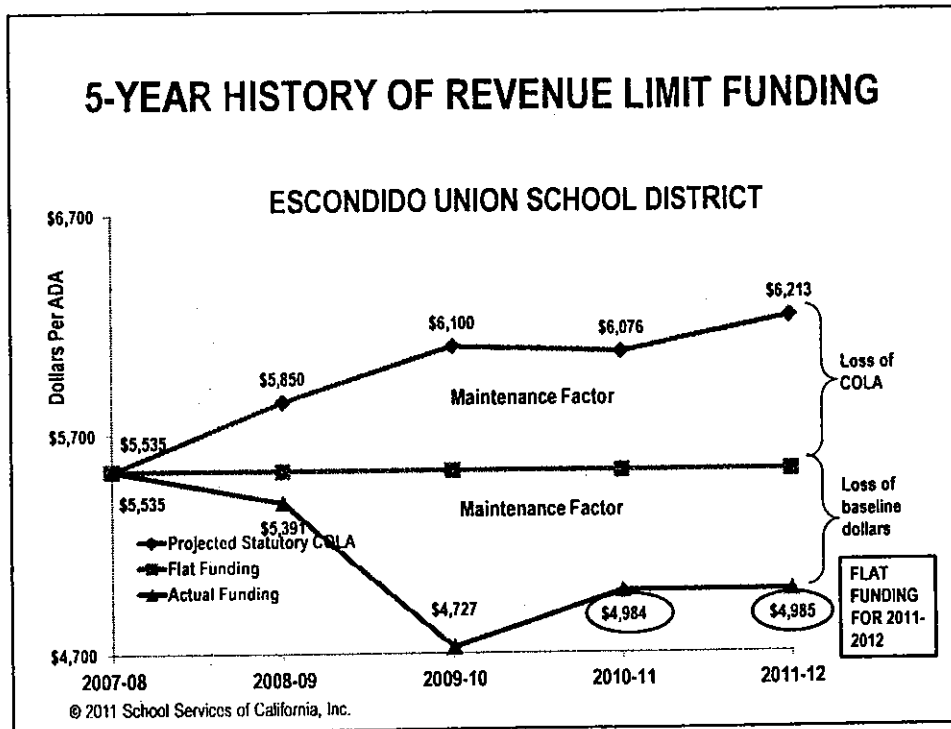
PROPOSITION 98 FUNDING

- ACCORDING TO THE LEGISLATIVE ANALYST'S OFFICE (LAO), TOTAL PROPOSITION 98 FUNDING IN 2011-2012 IS \$48.7 BILLION, A REDUCTION OF \$1.1 BILLION FROM THE 2010-2011 LEVEL
 - K-12 education receives \$43.2 billion
 - Community colleges and other state agencies receive the rest
- THERE WERE TWO POLICY CHANGES THAT WARRANTED ADJUSTMENTS TO PROPOSITION 98
 - \$578 million increase related to the shift in motor vehicle fuel revenues
 - \$222 million increase related to the elimination of the mandate on counties to provide AB 3632 mental health services and the shift in responsibility to schools
- ULTIMATELY, PROPOSITION 98 WAS MADE TO ACCOMMODATE THE GOVERNOR'S AND LEGISLATURE'S PRIORITY TO PROVIDE K-12 EDUCATION WITH FLAT FUNDING IN 2011-2012

PROPOSITION 98 – MAY REVISION VS. STATE BUDGET

© 2011 School Services of California, Inc.





NEW AB 114 REQUIREMENTS – NEW INTRUSIONS ON LOCAL CONTROL

- WHILE THE STATE BUDGET INCLUDES UNCERTAINTY SURROUNDING THE POSSIBILITY OF MID-YEAR CUTS, LANGUAGE IN THE FORM OF AB114 WAS ALSO ADOPTED THAT PLACES RESTRICTIONS ON HOW AGENCIES MUST HANDLE THAT UNCERTAINTY
 - ◆ Requires each agency to budget same level of revenue limit dollars as received in 2010-2011 – “flat” funding
 - ◆ Requires that agencies maintain staffing levels and programs commensurate with that level of funding
 - ◆ Prohibits school agencies from budgeting for mid-year cuts at this time
 - ◆ Specifies that for 2011-2012 Adopted Budgets county offices of education may not disapprove a budget due to the inability to meet financial obligations for the current and two subsequent fiscal years (multi-year projections - MYPs) – note that this requirement is not removed from interim reporting – so MYPs will still be needed

GOVERNOR'S CLARIFICATION OF AB 114

- ❑ THE SPECIFICATIONS OF AB 114 APPEAR TO DIVERT AUTHORITY AWAY FROM LOCAL GOVERNING BOARDS TO MANAGE THEIR FINANCIAL AFFAIRS LOCALLY
- ❑ IN HIS SIGNING MESSAGE FOR AB 114, GOVERNOR BROWN ATTEMPTED TO CLARIFY THE AMBIGUOUS ASPECTS OF AB 114
 - The Governor stated that local school boards should take all reasonable steps to balance their budget and maintain positive cash balances
 - The Governor made clear that AB 114 pertains only to levels of state funding, and not to federal or local funding sources
 - Thus, for districts that need to make reductions due to increased costs, declining enrollment, exhaustion of one-time federal stimulus dollars, deficit spending, or other issues, the Governor made clear that AB 114 does not interfere with a local board's ability to do so

TRIGGER REDUCTION EXPOSURE

© 2011 School Services of California, Inc.

- ❑ THE 2011-2012 BUDGET ACT PROVIDES FOR AN AUTOMATIC REDUCTION TO STATE APPROPRIATIONS, INCLUDING FUNDING TO SCHOOLS IF STATE REVENUES FALL SHORT OF PROJECTIONS
 - The K-12 reductions are directed at revenue limits (\$1.5 billion) and Home-to-School Transportation (\$248 million)
 - School districts, however, are prohibited from budgeting for these reductions
 - The level of the reduction is linked to the amount of the shortfall in the State Budget revenues and could range from zero to 4% of the undeficit revenue limit
- ❑ IF THE FULL REVENUE LIMIT REDUCTION IS IMPLEMENTED, THE AVERAGE MAXIMUM CUT WOULD BE ABOUT
 - \$250 per ADA for elementary school districts (\$4.2 MILLION FOR EUSD)

RISKS TO THE STATE BUDGET

© 2011 School Services of California, Inc.

- THE STATE AND NATIONAL ECONOMIES COULD EXPERIENCE AN UNFORSEEN EVENT WHICH COULD SLOW THE ECONOMY
 - A natural disaster, political conflict, an oil supply reduction, or a foreign debt default would likely slow economic growth
 - Last Friday's downgrade of the US credit rating by S&P could have a significant and lasting impact on the world economy!
 - State Controller reported revenue collections down significantly in July
- LAWSUITS COULD UNRAVEL THE EXPENDITURE REDUCTIONS AND FUNDING SHIFTS ADOPTED BY THE LEGISLATURE
- SAVINGS IN STATE PROGRAMS MAY NOT MATERIALIZE AS BUDGETED, RESULTING IN CURRENT OPERATION DEFICIENCIES
- FEDERAL BUDGET REDUCTIONS COULD INCREASE THE STATE'S FISCAL BURDEN TO MAINTAIN THE MAJOR SAFETY NET PROGRAMS, SUCH AS MEDI-CAL, CalWORKs*, AND SSI/SSP***
 - *** California Work Opportunity and Responsibility to Kids
 - ** Supplement Security Income/State Supplementary Payment

WHEN WILL WE KNOW IF THERE WILL BE A CUT?


© 2011 School Services of California, Inc.

- AB 121 DEFINES THE TIMELINE THAT WOULD TRIGGER MID-YEAR CUTS
 - Not later than December 15, the Director of Finance shall forecast the General Fund revenues for 2011-12
 - The Director of Finance's revenue forecast will be compared to the LAO's November 2011 General Fund forecast
 - ❖ Based on these two forecasts, the Director of Finance will use whichever forecast is higher
 - The higher revenue forecast will determine if a midyear reduction to education will be made
- BASED ON THIS TIMELINE, REALISTICALLY, THE FIRST TIME LEA'S WILL BE ABLE TO INCORPORATE MIDYEAR CUTS INTO THE BUDGET, IF NECESSARY, WILL BE THE SECOND INTERIM REPORTING PERIOD, OR APPROXIMATELY JANUARY 2012
- CASH REDUCTIONS WOULD COME FROM APRIL /MAY APPORTIONMENT!

PRINCIPAL APPORTIONMENT SCHEDULE - 2011-2012

© 2011 School Services of California, Inc.

Month	Education Code (E.C) 14041(a)(2)	2010-11 Deferrals Received in 2011-12	Share of 2011-12 Statutory Apportionment
July 2011	5.00%	9.10%	0.00%
August 2011	5.00%	12.10%	0.00%
September 2011	9.00%	7.10%	11.70%
October 2011	9.00%	0.00%	0.00%
November 2011	9.00%	0.00%	9.00%
December 2011	9.00%	0.00%	9.00%
January 2012	9.00%	0.00%	25.30%
February 2012	9.00%	0.00%	0.50%
March 2012	9.00%	0.00%	0.00%
April 2012	9.00%	0.00%	4.60%
May 2012	9.00%	0.00%	1.50%
June 2012	9.00%	0.00%	0.00%
July 2012			22.60%
August 2012			15.80%
Total Principal Apportionment	100.00%	28.30%	100.00%

0% ? 

WHAT STEPS SHOULD WE BE TAKING NOW?

- IN THIS POLITICAL AND FINANCIAL CLIMATE, IT'S DIFFICULT TO PREDICT WHAT WILL HAPPEN NEXT
- SCHOOL SERVICES OF CALIFORNIA, INC. ADVISES:
 - Follow the law – for EUSD this means that a budget revision is necessary by August 15, 2011 to restate Adopted Budget to “flat” funding levels
 - ❖ Board of Education will also consider a plan that would restore certain reductions made to the 2011-2012 Adopted Budget – SOME NOW, AND SOME IF THERE ARE NO MID-YEAR CUTS
 - Maintain a strong cash position
 - ❖ Be ready to borrow
 - ❖ Know the best options for borrowing
 - Continue the use of MYPs for the two subsequent fiscal years
 - ❖ Update assumptions based on local factors
- CONTINUE TO KEEP STAKEHOLDERS APPRAISED OF THE DISTRICT'S FINANCIAL CONDITION

PROPOSED RESTORATIONS TO BE ADDED NOW

OPTION B - No Tax Extensions (REQUIRED BY SDCOE) (Without reopening of collective bargaining)		2011-2012 Proposed Restorations
Ongoing Reductions - Board Approved March 7, 2011		
Education Center Reductions:		
Educational Services	\$140,000	
Business Services	\$110,000	
PPS/Special Ed Clerical	\$90,000	
Human Resources	\$100,000	\$43,300 11 Month/6 Hours per Day
Expulsion Panel Elimination	\$7,723	\$7,723
Pupil Services shifts	\$17,500	
Maintenance Department	\$100,000	
Custodial and additional Maintenance staff reductions (10 FTE)	\$480,000	\$400,000 Custodian - 8 FTE
Eliminate Drinking Water	\$1,000	
Removal of personal appliances in work place/classrooms	\$1,000	
Subtotal Ed Center Reductions	\$1,047,223	\$481,023 Subtotal Ed Center / M&O
School Site Reductions:		
Counselors (6 FTE)	\$0	
Teacher positions (tightening staffing formula, declining enrollment - Grades 4-8 14 FTE x \$62,500)	\$875,000	
Eliminate Site Subs (cost offset with est. addtl. occasional subs)	\$50,000	
Asst. Principals (2 FTE)	\$200,000	\$100,000 Del Dios Middle School
Office staff formula reduction (5 FTE overall)	\$170,000	
Reduce school library techs from 8 to 6 hours	\$240,063	\$240,063 Lib Tech - 8 Hours
Reduce middle school additional allocation for master schedule flexibility (6.0 FTE)	\$406,000	
Special Ed Teacher/Aides	\$79,000	
Removal of personal appliances in work place/classrooms	\$50,000	
Reduce 1 FTE Registered Nurse	\$0	
Consolidate middle school music programs to fewer sites	?	
Reduce elementary music 1 FTE (2 FTE program remains)	\$86,500	\$86,500
Eliminate Community Day School program	\$0	
Eliminate extra clerical support for scanning Edusoft	\$39,155	
Eliminate speech instructional assistants	\$102,105	
Utilize gate program funds flexibility	\$107,000	
Reduce use of consumables in the classroom	\$45,000	
Reduce Special Ed instructional asst. calendar by 2 days	\$30,000	
Subtotal School Site Reductions	\$2,479,823	\$426,563 Subtotal School Sites
Employee Concessions (may be subject to negotiations)		
Step and Column Freeze (eligible emp) Not proposed		
Salary Schedule Reductions		
Work/School Year Reductions (All Emp - 4 furlough days already agreed to - 2 additional days in 2011-12 credited here)	\$900,000	
Management furlough days equity 0.4% salary red. - 0.2% additional for 2011-12 credited here)	\$15,000	
Subtotal Employee Concessions	\$915,000	\$0 Subtotal Emp. Concessions
Other Reduction Strategies:		
Certificated Retirements (10 @ \$22,000 differential)	\$220,000	
Classified Retirements (5 @ \$5,000 differential)	\$25,000	
Early Retirement Incentive	?	
OPEB Normal Costs Charged to Categorical Programs	\$70,000	
Eliminate Rady Children's Hospital contract	\$53,000	
Eliminate COMPACT membership	\$0	
Eliminate CSBA Legal Alliance membership	\$3,121	
Reduce travel/conference expense	\$34,243	
Implement copier efficiencies campaign	\$20,000	
Subtotal Other Strategies	\$425,364	\$0 Subtotal Other Strategies
STATE FLEXIBILITY - available 08/09 to 14/15 (proposed)		
K-3 Class Size - 25:1 (26 FTE reduction - tighten staffing formula, declining enrollment)	\$1,768,316	
Routine Restricted Maintenance at 2.3% - No change proposed		
Deferred Maintenance Contribution	\$200,000	\$200,000
Total State Flexibility	\$1,968,316	\$200,000 Subtotal State Flexibility
Total Ongoing	\$6,835,726	\$1,077,586 Total Ongoing
Other One-Time Only		
Redevelopment Revenue	\$2,253,000	
Fund 17 (GASB 45)	\$1,000,000	
Arbitrage Fund 17-35	\$100,000	
Total One-Time	\$3,353,000	\$0 Subtotal One-Time
TOTAL BUDGET SOLUTIONS 11-12	\$10,188,726	\$1,077,586 Total Proposed Restoration

PROPOSED RESTORATIONS IF NO MID-YEAR REDUCTIONS

OPTION B - No Tax Extensions (REQUIRED BY SDCOE) (Without re-opening of collective bargaining) Ongoing Reductions - Board Approved March 7, 2011			2011-2012 Proposed Restoration	
Education Center Reductions:				
Educational Services	\$140,000			
Business Services	\$110,000			
PPS/Special Ed Clerical	\$90,000			
Human Resources	\$100,000		\$43,300	11 Month/8 Hours per Day
Expulsion Panel Elimination	\$7,723		\$7,723	
Pupil Services shifts	\$17,500			
Maintenance Department	\$100,000			
Custodial and additional Maintenance staff reductions (10 FTE)	\$480,000		\$400,000	Custodian - 8 FTE
Eliminate Drinking Water	\$1,000			
Removal of personal appliances in work place/classrooms	\$1,000			
Subtotal Ed Center Reductions		\$1,047,223	\$451,023	Subtotal Ed Center / M&O
School Site Reductions:				
Counselors (6 FTE)	\$0			
Teacher positions (tightening staffing formula, declining enrollment - Grades 4-8 14 FTE x \$62,500)	\$875,000			
Eliminate Site Subs (cost offset with est. addtl. occasional subs)	\$50,000			
Asst. Principals (2 FTE)	\$200,000		\$100,000	Del Dios Middle School
Office staff formula reduction (5 FTE overall)	\$170,000			
Reduce school library techs from 8 to 6 hours	\$240,063		\$240,063	Lib Tech - 8 Hours
Reduce middle school additional allocation for master schedule flexibility (5.0 FTE)	\$406,000			
Special Ed Teacher/Aides	\$79,000			
Removal of personal appliances in work place/classrooms	\$50,000			
Reduce 4 FTE Registered Nurse	\$0			
Consolidate middle school music programs to fewer sites	?			
Reduce elementary music 1 FTE (2 FTE program remains)	\$86,500		\$86,500	
Eliminate Community Day School program	\$0			
Eliminate extra clerical support for scanning Edusoft	\$39,155			
Eliminate speech instructional assistants	\$102,105			
Utilize gate program funds flexibility	\$107,000			
Reduce use of consumables in the classroom	\$45,000			
Reduce Special Ed instructional asst. calendar by 2 days	\$30,000			
Subtotal School Site Reductions		\$2,479,823	\$426,563	Subtotal School Sites
Employee Concessions (may be subject to negotiations)				
Step and Column Freeze (eligible emp) Not proposed				
Salary Schedule Reductions				
Work/School Year Reductions (All Emp - 4 furlough days already agreed to - 2 additional days in 2011-12 credited here)	\$900,000		\$900,000	ADDITIONAL ITEM Two furlough days to be restored if no mid-year reductions
Management furlough days equity 0.4% salary red. - 0.2% additional for 2011-12 credited here)	\$15,000		\$15,000	
Subtotal Employee Concessions		\$915,000	\$915,000	Subtotal Emp. Concessions
Other Reduction Strategies:				
Certificated Retirements (10 @ \$22,000 differential)	\$220,000			
Classified Retirements (5 @ \$5,000 differential)	\$25,000			
Early Retirement Incentive	?			
OPEB Normal Costs Charged to Categorical Programs	\$70,000			
Eliminate Rady Children's Hospital contract	\$53,000			
Eliminate COMPACT membership	\$0			
Eliminate CSBA Legal Alliance membership	\$3,121			
Reduce travel/conference expense	\$34,243			
Implement copier efficiencies campaign	\$20,000			
Subtotal Other Strategies		\$425,364	\$0	Subtotal Other Strategies
STATE FLEXIBILITY - available 08/09 to 14/15 (proposed)				
K-3 Class Size - 25:1 (28 FTE reduction - tighten staffing formula, declining enrollment)	\$1,768,316			
Routine Restricted Maintenance at 2.3% - No change proposed				
Deferred Maintenance Contribution	\$200,000		\$200,000	
Total State Flexibility		\$1,968,316	\$200,000	Subtotal State Flexibility
Total Ongoing		\$6,835,726	\$1,992,586	Total Ongoing
Other One-Time Only				
Redevelopment Revenue	\$2,253,000		\$800,000	ADDITIONAL ITEM Use less Redevelopment if no mid-year reductions
Fund 17 (GASB 45)	\$1,000,000			
Arbitrage Fund 17-35	\$100,000			
Total One-Time		\$3,353,000	\$800,000	Subtotal One-Time
TOTAL BUDGET SOLUTIONS 11-12		\$10,188,726	\$2,792,586	Total Proposed Restoration

2011-2012 PRELIMINARY ADOPTED

	2011-12 BUDGET UNRES/RES	2011-12 BUDGET RESTRICTED	2011-12 BUDGET TOTAL
REVENUES			
Revenue Limit	\$ 78,084,795.00	\$ 2,849,446.00	\$ 80,934,241.00
Federal	\$ 85,000.00	\$ 20,002,094.00	\$ 20,087,094.00
State	\$ 14,388,097.00	\$ 5,840,465.00	\$ 20,228,562.00
Local	\$ 967,436.00	\$ 12,812,394.00	\$ 13,779,830.00
Total Revenues	\$ 93,503,328.00	\$ 41,304,399.00	\$ 134,807,727.00
EXPENDITURES			
Certificates	\$ 51,889,268.00	\$ 18,234,871.00	\$ 70,124,139.00
Classified	\$ 11,310,282.00	\$ 6,531,588.00	\$ 17,841,870.00
Benefits	\$ 19,594,682.00	\$ 7,632,384.00	\$ 27,227,066.00
Supplies	\$ 2,737,089.00	\$ 10,489,140.00	\$ 13,226,229.00
Other Services	\$ 7,280,921.00	\$ 9,058,455.00	\$ 16,339,376.00
Equipment	\$ 268,152.00	\$ 728,786.00	\$ 996,940.00
Other Outgo	\$ 298,521.00	\$ 1,045,885.00	\$ 1,344,406.00
Indirect/Support	\$ (2,034,782.00)	\$ 1,594,562.00	\$ (440,220.00)
Total Expenditures	\$ 91,244,153.00	\$ 55,151,473.00	\$ 146,395,626.00
REVENUES OVER EXPENDITURES	\$ 2,159,175.00	\$ (13,847,074.00)	\$ (11,687,899.00)
OTHER SOURCE/USES			
Transfers In	\$ 4,428,633.00	\$ 924,367.00	\$ 5,353,000.00
Transfers Out	\$ (1,674,601.00)	\$ -	\$ (1,674,601.00)
Other Source	\$ -	\$ -	\$ -
Other Use	\$ (7,506,004.00)	\$ 7,506,004.00	\$ -
Contributions to Restricted	\$ -	\$ -	\$ -
Total Other Sources/Uses	\$ (4,751,972.00)	\$ 8,430,371.00	\$ 3,678,399.00
NET INCREASE/DECREASE (DEFICIT)	\$ (2,982,737.00)	\$ (5,416,703.00)	\$ (8,399,510.00)
BEGINNING BALANCE (POS)	\$ 24,042,467.52	\$ 11,013,785.75	\$ 35,056,253.27
ENDING BALANCE (POS)	\$ 21,449,670.52	\$ 5,597,072.75	\$ 27,046,743.27

2011-2012 STATE BUDGET PASSAGE (BRT)

	2011-12 BUDGET UNRES/RES	2011-12 BUDGET RESTRICTED	2011-12 BUDGET TOTAL
REVENUES			
Revenue Limit	\$ 83,589,968.00	\$ 2,849,446.00	\$ 86,439,414.00
Federal	\$ 85,000.00	\$ 19,991,879.00	\$ 20,076,879.00
State	\$ 14,375,797.00	\$ 5,840,465.00	\$ 20,216,262.00
Local	\$ 969,621.00	\$ 12,782,320.00	\$ 13,751,941.00
Total Revenues	\$ 99,020,386.00	\$ 41,264,110.00	\$ 140,284,496.00
EXPENDITURES			
Certificates	\$ 51,908,952.00	\$ 17,289,576.00	\$ 69,198,528.00
Classified	\$ 11,380,982.00	\$ 6,375,555.00	\$ 17,756,537.00
Benefits	\$ 19,650,750.00	\$ 7,451,208.00	\$ 27,101,958.00
Supplies	\$ 2,753,929.00	\$ 11,818,406.00	\$ 14,572,335.00
Other Services	\$ 7,326,064.00	\$ 9,000,983.00	\$ 16,327,047.00
Equipment	\$ 268,152.00	\$ 725,500.00	\$ 993,652.00
Other Outgo	\$ 298,521.00	\$ 1,045,885.00	\$ 1,344,406.00
Indirect/Support	\$ (2,038,862.00)	\$ 1,590,637.00	\$ (448,225.00)
Total Expenditures	\$ 91,228,468.00	\$ 55,297,780.00	\$ 146,526,248.00
REVENUES OVER EXPENDITURES	\$ 7,791,918.00	\$ (14,033,670.00)	\$ (6,241,752.00)
OTHER SOURCE/USES			
Transfers In	\$ 4,428,633.00	\$ 924,367.00	\$ 5,353,000.00
Transfers Out	\$ (1,674,601.00)	\$ -	\$ (1,674,601.00)
Other Source	\$ -	\$ -	\$ -
Other Use	\$ (7,389,648.00)	\$ 7,389,648.00	\$ -
Contributions to Restricted	\$ -	\$ -	\$ -
Total Other Sources/Uses	\$ (4,615,616.00)	\$ 8,294,015.00	\$ 3,678,399.00
NET INCREASE/DECREASE (DEFICIT)	\$ 2,876,302.00	\$ (5,739,655.00)	\$ (2,863,353.00)
BEGINNING BALANCE (POS)	\$ 24,042,467.52	\$ 11,013,785.75	\$ 35,056,254.00
ENDING BALANCE (POS)	\$ 26,918,770.00	\$ 5,274,131.00	\$ 32,192,901.00

2011-2012 STATE BUDGET PASSAGE (BRT)

	2011-12 BUDGET UNRES/RES	2011-12 BUDGET RESTRICTED	2011-12 BUDGET TOTAL
REVENUES			
Revenue Limit	\$ 83,589,968.00	\$ 2,849,446.00	\$ 86,439,414.00
Federal	\$ 85,000.00	\$ 19,991,879.00	\$ 20,076,879.00
State	\$ 14,375,797.00	\$ 5,840,465.00	\$ 20,216,262.00
Local	\$ 969,621.00	\$ 12,782,320.00	\$ 13,751,941.00
Total Revenues	\$ 99,020,386.00	\$ 41,264,110.00	\$ 140,284,496.00
EXPENDITURES			
Certificates	\$ 51,908,952.00	\$ 17,289,576.00	\$ 69,198,528.00
Classified	\$ 11,380,982.00	\$ 6,375,555.00	\$ 17,756,537.00
Benefits	\$ 19,650,750.00	\$ 7,451,208.00	\$ 27,101,958.00
Supplies	\$ 2,753,929.00	\$ 11,818,406.00	\$ 14,572,335.00
Other Services	\$ 7,326,064.00	\$ 9,000,983.00	\$ 16,327,047.00
Equipment	\$ 268,152.00	\$ 725,500.00	\$ 993,652.00
Other Outgo	\$ 298,521.00	\$ 1,045,885.00	\$ 1,344,406.00
Indirect/Support	\$ (2,038,862.00)	\$ 1,590,637.00	\$ (448,225.00)
Total Expenditures	\$ 92,000,056.00	\$ 55,297,780.00	\$ 147,297,836.00
REVENUES OVER EXPENDITURES	\$ 8,414,330.00	\$ (14,033,670.00)	\$ (7,619,340.00)
OTHER SOURCE/USES			
Transfers In	\$ 4,428,633.00	\$ 924,367.00	\$ 5,353,000.00
Transfers Out	\$ (1,674,601.00)	\$ -	\$ (1,674,601.00)
Other Source	\$ -	\$ -	\$ -
Other Use	\$ (7,389,648.00)	\$ 7,389,648.00	\$ -
Contributions to Restricted	\$ -	\$ -	\$ -
Total Other Sources/Uses	\$ (4,615,616.00)	\$ 8,294,015.00	\$ 3,678,399.00
NET INCREASE/DECREASE (DEFICIT)	\$ 1,788,714.00	\$ (5,739,655.00)	\$ (3,950,941.00)
BEGINNING BALANCE (POS)	\$ 24,042,467.52	\$ 11,013,785.75	\$ 35,056,254.00
ENDING BALANCE (POS)	\$ 25,841,182.00	\$ 5,274,131.00	\$ 31,115,313.00

	2011-12 BUDGET UNRES/RES	2011-12 BUDGET RESTRICTED	2011-12 BUDGET TOTAL	%
COMPONENTS OF ENDING FUND BALANCE				
RESERVE FOR REVOLVING CASH	\$ 50,000.00	\$ -	\$ 50,000.00	0.000%
RESERVE FOR STORES (INVENTORY)	\$ 65,000.00	\$ -	\$ 65,000.00	0.000%
LEGALLY RESTRICTED BALANCES				
DESIGNATED FOR ECONOMIC UNCERTAINTY	\$ 5,597,072.75	\$ 5,597,072.75	\$ 11,194,145.50	3.777%
DESIGNATED - DECLINING ENROLLMENT	\$ -	\$ -	\$ -	0.000%
DESIGNATED - SPECIAL EDUCATION	\$ -	\$ -	\$ -	0.000%
DESIGNATED - 1-TM CARRYOVER BALANCES	\$ -	\$ -	\$ -	0.000%
DESIGNATED - 2011-2012 COLUMN CHANGES	\$ -	\$ -	\$ -	0.000%
DESIGNATED - REMAINING 2006-2007 TECHNOLOGY PLAN	\$ -	\$ -	\$ -	0.000%
DESIGNATED - ROUTINE DEFERRED MAINTENANCE	\$ -	\$ -	\$ -	0.000%
DESIGNATED FOR ECONOMIC UNCERTAINTY	\$ 5,926,809.00	\$ -	\$ 5,926,809.00	4.000%
UNAPPROPRIATED AMOUNT	\$ 15,407,861.52	\$ -	\$ 15,407,861.52	10.389%

	2011-12 BUDGET UNRES/RES	2011-12 BUDGET RESTRICTED	2011-12 BUDGET TOTAL	%
COMPONENTS OF ENDING FUND BALANCE				
RESERVE FOR REVOLVING CASH	\$ 50,000.00	\$ -	\$ 50,000.00	0.000%
RESERVE FOR STORES (INVENTORY)	\$ 65,000.00	\$ -	\$ 65,000.00	0.000%
LEGALLY RESTRICTED BALANCES				
DESIGNATED FOR ECONOMIC UNCERTAINTY	\$ 5,274,131.00	\$ 5,274,131.00	\$ 10,548,262.00	3.592%
DESIGNATED - DECLINING ENROLLMENT	\$ -	\$ -	\$ -	0.000%
DESIGNATED - SPECIAL EDUCATION	\$ -	\$ -	\$ -	0.000%
DESIGNATED - 1-TM CARRYOVER BALANCES	\$ -	\$ -	\$ -	0.000%
DESIGNATED - 2011-2012 COLUMN CHANGES	\$ -	\$ -	\$ -	0.000%
DESIGNATED - REMAINING 2006-2007 TECHNOLOGY PLAN	\$ -	\$ -	\$ -	0.000%
DESIGNATED - ROUTINE DEFERRED MAINTENANCE	\$ -	\$ -	\$ -	0.000%
DESIGNATED FOR ECONOMIC UNCERTAINTY	\$ 5,940,034.00	\$ -	\$ 5,940,034.00	4.000%
UNAPPROPRIATED AMOUNT	\$ 20,863,736.00	\$ -	\$ 20,863,736.00	14.050%

	2011-12 BUDGET UNRES/RES	2011-12 BUDGET RESTRICTED	2011-12 BUDGET TOTAL	%
COMPONENTS OF ENDING FUND BALANCE				
RESERVE FOR REVOLVING CASH	\$ 50,000.00	\$ -	\$ 50,000.00	0.000%
RESERVE FOR STORES (INVENTORY)	\$ 65,000.00	\$ -	\$ 65,000.00	0.000%
LEGALLY RESTRICTED BALANCES				
DESIGNATED FOR ECONOMIC UNCERTAINTY	\$ 5,274,131.00	\$ 5,274,131.00	\$ 10,548,262.00	3.226%
DESIGNATED - DECLINING ENROLLMENT	\$ -	\$ -	\$ -	0.000%
DESIGNATED - SPECIAL EDUCATION	\$ -	\$ -	\$ -	0.000%
DESIGNATED - 1-TM CARRYOVER BALANCES	\$ -	\$ -	\$ -	0.000%
DESIGNATED - 2011-2012 COLUMN CHANGES	\$ -	\$ -	\$ -	0.000%
DESIGNATED - REMAINING 2006-2007 TECHNOLOGY PLAN	\$ -	\$ -	\$ -	0.000%
DESIGNATED - ROUTINE DEFERRED MAINTENANCE	\$ -	\$ -	\$ -	0.000%
DESIGNATED FOR ECONOMIC UNCERTAINTY	\$ 5,983,582.00	\$ -	\$ 5,983,582.00	4.000%
UNAPPROPRIATED AMOUNT	\$ 19,742,600.00	\$ -	\$ 19,742,600.00	13.195%