

2011-12 Budget Book and Budget Update

Board Item # 10.3

**Board of Education
October 20, 2011**

2011-12 Budget Book

Available on-line September 7

Adopted Budget not revised budget

2011-12 Budget

“Trigger”

Use of Reserves

2012-13 Budget

Estimated Shortfall

Improvements Over Last Year

Going Green

Student Achievement Section

State testing

College entrance exams

Academic Performance Index (API)

Adequate Yearly Progress (AYP)

Comparative Analysis

- Expenditures by year

- Net ending balances

- Comparisons to 21 similar districts

School Site Budgets

- Narrative

- More detail

- Categorical funds allocated

“Trigger” Potential

Less than \$2 billion below projection

No impact to K-12 education

More than \$2 billion below projection

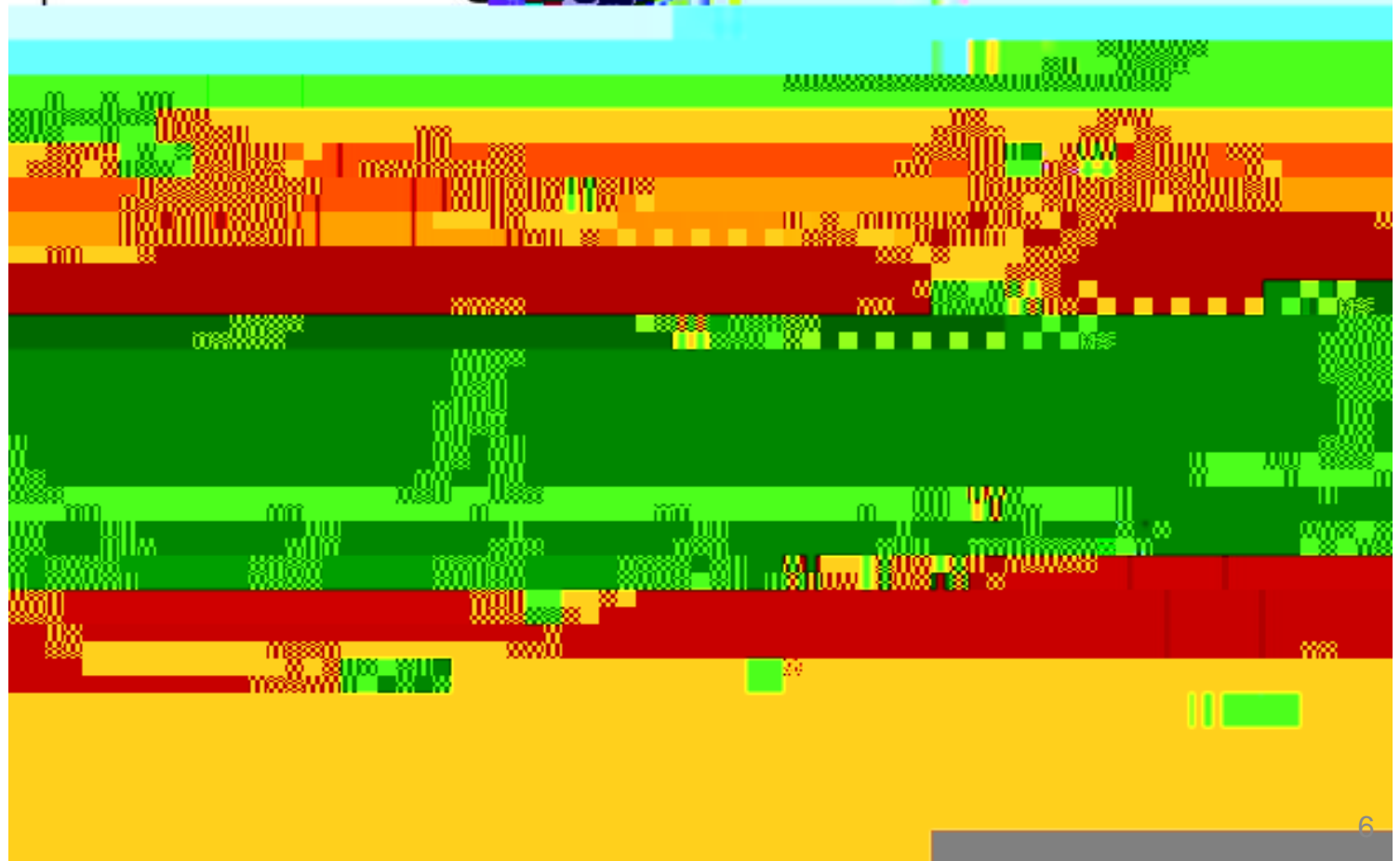
4% reduction to revenue limits

Sliding scale up to \$250 per ADA

50% of transportation revenue

Potential \$10-\$12 million revenue
reduction for our district

Things to do



Will the Mid-year "Trigger" Be Pulled?

Opinions vary

State Controller's Office, Department of
Finance

Interpretation of information

September - \$654 million below projection

Personal income tax - up

Options if "Trigger" Pulled

Immediate spending/hiring freeze

Use all reserves

Including 2% required reserve for economic uncertainties

Negotiations with bargaining units

Shorter school year?

Additional furlough days?

Other?

Start Discussions and Planning Earlier

Revenue increases

Expenditure reductions

Another Difficult Year

Expenditures

Step/Column/Attrition	\$ 2.50m
Estimated 10% increase on Health & Welfare benefits	\$ 6.04m
Furlough/Salary reduction agreements end June, 2012	<u>\$ 3.07m</u>

Total Expenditure Increase \$11.61m

