

08-09 Unaudited Actuals and 09-10 Budget

Board Meeting
September 09, 2009

ENDING THE YEAR

- Ending the 2008-09 year with an unappropriated ending balance of \$4.37 million
- Primarily due to the State Budget change. Reduction in Deficit in the 08-09 year. At estimated actuals deficit was 11.428% currently 7.844%.

08-09 UNAUDITED ACTUALS

Beginning Balance	16,653,200
Audit Adjustments	0
Revenues	181,387,680
Expenditures	172,101,709
Increase (Decrease)	9,285,971
Ending Balance	25,939,171
Cash/Stores and Restricted Reserve	16,397,585
3% Reserve	5,163,051
Unappropriated Reserve	4,378,535

09-10 BUDGET ASSUMPTIONS

- Revenue

- COLA 4.25% with a deficit of 18.355% for Rev limit and a
- -4.46% cola on State categoricals
- One time \$252/pupil reduction
- One time \$3 million dollar reduction for QEIA (\$170/student)
- Revenue limit per Student (ADA) now \$4,781.55 as opposed
- to \$6,374.23
- Special Education: No COLA on State and Local funding, yet increasing cost

- Expenditures

- Step and column adjustments to contracts
- Health and Welfare at 5%
- Transportation savings partially added back for added stops
- Staffing adjustments

In Addition

- The State is in crisis mode
- The State's cash flow problem is our problem with ever changing payment dates (Currently district projects to meet financial obligations)
- Possibly looking at mid year cuts and we just closed the books and recalculated the budget for the July cuts

Revenue Limit Loss per ADA

STATUTORY COLA

2007-08	2008-09	Difference From 2007-08	2009-10	Difference From 2008-09	Difference From 2007-08
5784.23	6113.23	329	6374.23	261	590

JULY STATE REVISED BUDGET

2007-08	2008-09	Difference From 2007-08	2009-10	Difference From 2008-09	Difference From 2007-08
5784.23	5633.71	-150.52	4781.41	-852.3	-1002.82

Had the state not had a fiscal crisis our revenue limit would be \$6,374 as opposed to \$4,781 (difference of \$1,423 for revenue limit and \$170 for QEIA)

THE MULTI YEAR BUDGET ASSUMPTIONS

- Assumptions
 - Revenues
 - ADA reduced 100 in 10-11 for Ceiba .
 - Revenue Limits COLAs
 - are: (10-11 .50%, deficit 18.355%, 11-12 2.3%, deficit 18.355%)
 - Colas for State Categorical .50% and 2.3% respectively
 - Expenditures
 - Adjust Salaries for Step and Column
 - Health and Welfare Benefits adjusted 10% for 10-11 and 10% for 11-12
 - All debt payments that are ending eliminated
 - District does not meet the State reserve requirement of 3% in either year

Three Year Budget Summary

	2009-10	2010-11	2011-12
Beginning Balance	25,939,171	14,248,400	3,217,298
Revenues	164,075,023	161,727,676	164,017,399
Expenditures	175,765,794	172,758,779	176,590,345
Increase (Decrease)	-11,690,771	-11,031,103	-12,572,946
Ending Balance	14,248,400	3,217,298	-9,355,648
Cash/Stores and Restricted Reserve	10,144,895	9,534,370	6,405,231
3% Reserve	5,272,974	5,182,763	5,297,710
Unappropriated Reserve	-1,169,468	-11,499,836	-21,058,590

CURRENT BUDGET NOT BALANCED

- We do not have a balanced budget for the next three years
- **County requirement for the district is:**
 - Prioritize future expenditures and determine what we will eliminate in future years to balance our budget and meet our financial obligations
 - A Fiscal Stability Plan must be submitted to the County Office of Education by December 15, 2099

How much over the Years

● 03-04	\$8,400,000
● 04-05	5,300,000
● 07-08	8,000,000
● 08-09	14,000,000
● 09-10/10-11	<u>11,500,000</u>
TOTAL:	<i>\$47,200,000</i>

RECOMMENDATION

- Approve Unaudited Actuals and 09/10 Budget as presented understanding we have a negative budget and must prepare a Fiscal Stability Plan by December 15, 2009

WILL WE SURVIVE

