

PROJECTED STATUS OF
PVUSD MULTI-YEAR
BUDGET
AS OF 2008/09 SECOND
INTERIM FINANCIAL
REPORT

APRIL 22, 2009

First....A Word About Upcoming Timelines

- 1st Week of May: Report of State Income Tax Receipts
- May 4: ARRA Statement of Assurances Due to CDE
- By May 9: Legislature to approve Budget adjustment to incorporate Federal funds
- May 15: Certificated Rescission Notice Date
- May 19: State Special Election
- May 28- June 8 (?): Governor's "May Revise" of 2009/10 State Budget Plan
- June 24: PVUSD Budget Adoption Date
- June 30: Final Date to Change Classified Staff Assignments Prior to Implementing Reductions

The Problem...

- March 13: LAO projected an \$8 billion 2009/10 State Budget shortfall, and due to the declining revenues, Prop. 98 "overfunded" by \$3.6 billion
- As of April 20, State income tax collections short \$4 billion
- Mid-to-late May: 50% of ARRA Title I and IDEA funds should be apportioned to LEA's and available for 2009/10, final 50% available in fall. (Note: heavily restricted in their use and must serve targeted populations.)
- Six of the May 19 Ballot Measures are already budgeted by the State. Should they fail, then immediate impact is \$5.8 billion loss to the State Budget for 2009/10 and continuing
- ARRA Unrestricted Funding (SFSS) per LEA amount will likely not be known until mid-late May. 66% is to be distributed to LEA's sometime after. Balance to be distributed in the fall.

And Finally...

The following items could impact the 2009/10 State Budget:

- LAO projection of \$8.0 billion shortfall
- Income tax shortfall of up to \$4 billion
- Defeat of Ballot Measures - \$5.8 billion

Total Effect: \$8.0 to \$14.0 billion

This is where we were one year ago, which resulted in a State Budget solution in February with unprecedented reductions in school funding and significant tax increases.

What will be the solutions this time?

**PAJARO VALLEY UNIFIED SCHOOL DISTRICT
UNRESTRICTED GENERAL FUND
WITHOUT DISTRICT PROPOSED BUDGET REDUCTIONS**

	2008/09	2008/09	2008/09	2009/10	2010/11
	BUDGET	1ST INTERIM	2ND INTERIM	BUDGET	BUDGET
	(Sept. 12)	(Oct. 31)	(Jan. 31)	PROJECTED	PROJECTED
TOTAL REVENUES	\$91.5 M	\$91.9 M	\$88.8 M	\$84.6 M	\$84.1 M
(After contributions to Unrestricted Programs are deducted)					
TOTAL EXPENSES	\$92.5 M	\$93.0 M	\$93.0 M	\$96.2 M	\$98.3 M
EXCESS/(DEFICIENCY)	<\$1.0 M>	<\$1.1 M>	<\$4.2 M>	<\$11.6 M>	<\$14.2 M>
BEGINNING BALANCE	\$8.1 M	\$8.1 M	\$8.1 M	\$3.9 M	<\$7.7 M>
ENDING BALANCE	\$7.1 M	\$7.0 M	\$3.9 M	<\$7.7 M>	<\$21.9 M>
MINIMUM REQUIRED RESERVE	\$5.1 M	\$5.7 M	\$5.7 M	\$5.3 M	\$5.4 M
AMOUNT ABOVE/(BELOW) RESERVE*	\$1.7 M*	\$0.9 M*	<\$2.1 M>	<\$13.2 M>	<\$27.6 M>
*Note: Does not include set-asides for revolving cash/stores accounts.					

PAJARO VALLEY UNIFIED SCHOOL DISTRICT			
UNRESTRICTED GENERAL FUND			
WITH DISTRICT PROPOSED BUDGET REDUCTIONS			
REFLECTS \$14.9 MILLION IN REDUCTIONS PER FSP IN 2009/10, CONTINUING AS			
\$12.9 MILLION IN 2010/11			
	2009/10	2009/10	2010/11
	PROJECTED	WITH	WITH
	BUDGET	REDUCTIONS	REDUCTIONS
TOTAL REVENUES	\$84.6 M	\$84.6 M	\$84.1 M
TOTAL EXPENDITURES	\$96.2 M	\$81.3 M	\$85.4 M**
EXCESS/(DEFICIENCY)	<\$11.6 M>	\$3.3 M	<\$1.3 M>
BEGINNING BALANCE	\$3.9 M	\$3.9 M	\$7.2 M
ENDING BALANCE	<\$7.7 M>	\$7.2 M	\$5.9 M
MINIMUM REQUIRED RESERVE	\$5.3 M	\$4.9 M	\$5.0 M
AMOUNT ABOVE/(BELOW) RESERVE	<\$13.2 M>	\$2.0 M*	0.6 M*
*Note: Does not include set-asides for revolving cash/stores accounts.			
**The FSP indicates that a portion of the 2009/10 reductions are not ongoing.			

**PAJARO VALLEY UNIFIED SCHOOL DISTRICT
UNRESTRICTED GENERAL FUND
WITH PROPOSED BUDGET REDUCTIONS
HYPOTHETICAL POTENTIAL TREATMENT OF
ARRA-DISCRETIONARY FUNDING**

	2009/10 WITH REDUCTIONS	2009/10 WITH ARRA	2010/11 WITH REDUCTIONS & ARRA
TOTAL REVENUES	\$84.6 M	\$89.6 M**	\$89.1 M**
TOTAL EXPENSES	\$81.3 M	\$86.3 M***	\$87.9 M***
EXCESS/(DEFICIENCY)	\$3.3 M	\$3.3 M	\$1.2 M
BEGINNING BALANCE	\$3.9 M	\$3.9 M	\$7.2 M
ENDING BALANCE	\$7.2 M	\$7.2 M	\$8.4 M
MINIMUM REQUIRED RESERVE	\$4.9 M	\$5.0 M	\$5.1 M
AMOUNT ABOVE RESERVES	\$2.0 M*	\$1.9 M*	\$3.0 M*

*Note: Does not include set-asides for revolving cash/stores accounts.

**Note: Counts \$5 million in ARRA Revenues in 2009/10 and 2010/11, and then they end.

***Note: Spends \$5 million in ARRA funding in 2009/10 and only \$2.5 million in 2010/11