

MULTI-YEAR BUDGET REDUCTIONS BASED ON THE FEBRUARY 20, 2009 STATE-ADOPTED BUDGET

March 12, 2009



Agenda

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- **Historical Progression of 2008-09 Budget Including Two Year Projection**
- **Approved Level 1- Administrative Funding Adjustments**
- **Staff Recommendation for Level 2 – Board of Education Funding Adjustments**
- **Staff Recommendation for Level 3 – Negotiable Funding Adjustments**
- **Public Comment**
- **Board of Education Discussion & Approval**

Multi-Year Budget Projection

Adopted Budget – June 19, 2008

	<u>2008-09</u> Deficit 5.36%	<u>2009-10</u> Deficit 5.36%	<u>2010-11</u> Deficit 5.36%
Revenues	\$229,280,015	\$239,355,732	\$244,597,788
Less: Expenditures	241,622,057	242,506,738	247,669,334
Increase/(Decrease) in Fund Balance	(12,342,042)	(3,151,006)	(3,071,546)
Beginning Fund Balance	26,773,800	14,431,758	11,280,752
Ending Balance	14,431,758	11,280,752	8,209,206
Less: Restricted Reserves	(10,327,053)	(8,006,329)	(8,161,207)
Unrestricted Balance	\$4,104,705	\$3,274,423	\$47,999

Multi-Year Budget Projection

Governor's Proposal – January 09, 2009

	<u>2008-09</u> Deficit 9.685%	<u>2009-10</u> Deficit 16.161%	<u>2010-11</u> Deficit 16.161%
Revenues	\$229,620,841	\$219,868,075	\$221,404,062
Less: Expenditures	251,196,525	244,200,001	248,978,782
Increase/(Decrease) in Fund Balance	(21,575,684)	(24,331,926)	(27,574,720)
Beginning Fund Balance	29,517,255	7,941,571	(16,390,355)
Ending Balance	7,941,571	(16,390,355)	(43,965,075)
Less: Restricted Reserves	(8,667,022)	(8,057,127)	(8,200,490)
Unrestricted Balance	(\$725,451)	(\$24,447,482)	(\$52,165,565)

Multi-Year Budget Projection

State Adopted Budget - February 20, 2009

	<u>2008-09</u> Deficit 7.844%	<u>2009-10</u> Deficit 13.094%	<u>2010-11</u> Deficit 13.094%
Revenues	\$232,379,114	\$224,567,412	\$226,120,136
Less: Expenditures	251,196,525	244,200,001	248,978,782
Increase/(Decrease) in Fund Balance	(18,817,411)	(19,632,589)	(22,858,646)
Beginning Fund Balance	29,517,255	10,699,844	(8,932,745)
Ending Balance	10,699,844	(8,932,745)	(31,791,391)
Less: Restricted Reserves	(8,667,022)	(8,057,127)	(8,200,490)
Unrestricted Balance	\$2,032,822	(\$16,989,872)	(\$39,991,881)

2008-09 Working Budget With Two Year Projection 5

March 12, 2009

	<u>2008-09</u> Deficit 7.844%	<u>2009-10</u> Deficit 13.094%	<u>2010-11</u> Deficit 13.094%
Revenues	\$233,991,260	\$222,581,274	\$222,492,472
Less: Expenditures	251,196,525	242,213,863	245,351,118
Increase/(Decrease) in Fund Balance	(17,205,265)	(19,632,589)	(22,858,646)
Beginning Fund Balance	29,517,255	12,311,990	(7,320,599)
Ending Balance	12,311,990	(7,320,599)	(30,179,245)
Less: Restricted Reserves	(8,667,023)	(7,997,543)	(8,091,661)
Unrestricted Balance	\$3,644,967	(\$15,318,142)	(\$38,270,906)

Level 1: Administrative

	2008-09	2009-10	2010-11
● Reduce Site/Department Discretionary Budgets	1,317,466	608,000	608,000
● Reduce Staffing to Contractual/Legal Required	125,000	815,000	815,000
● Sweep Expenditures from Unrestricted General Fund	425,000	90,000	90,000
● Eliminate Double Busing at Canyon High School	0	115,000	115,000
● TOTAL LEVEL 1	<u>\$1,867,466</u>	<u>\$1,628,000</u>	<u>\$1,628,000</u>

2008-09 Working Budget With Two Year Projection After Level 1

	<u>2008-09</u> Deficit 7.844%	<u>2009-10</u> Deficit 13.094%	<u>2010-11</u> Deficit 13.094%
Beginning Balance	\$29,517,255	\$14,179,456	(3,825,133)
Revenues	233,991,260	222,581,274	222,492,472
Less: Expenditures	251,196,525	242,213,863	245,351,118
▪ Level 1	(1,867,466)	(1,628,000)	(1,628,000)
▪ Level 2	(0)	(0)	(0)
▪ Level 3	<u>(0)</u>	<u>(0)</u>	<u>(0)</u>
Expenditures-Adjusted	<u>249,329,059</u>	<u>240,585,863</u>	<u>243,723,118</u>
Inc./(Dec.) in Fund Bal.	(15,337,799)	(18,004,589)	(21,230,646)
Ending Balance	14,179,456	(3,825,133)	(25,055,779)
Less: Rest. Reserves	(8,610,999)	(7,948,703)	(8,042,821)
Unrestricted Balance	\$5,568,457	(\$11,773,836)	(\$33,098,600)

Level 2: Board of Education Funding Adjustments

	2008-09	2009-10	2010-11
● District-Wide Calendar-Approved 2/26	0	456,616	456,616
● Eliminate Middle School Athletics	0	90,000	90,000
● Charge HS Students \$30 Athletic Fee	0	200,000	200,000
● Close Silverado Elementary School	0	263,000	263,000
● Reduce District Administration Staff:			
■ Superintendent's Office	0	98,000	98,000
■ Business Services	0	563,000	563,000
■ Educational Services	0	871,000	871,000
■ Human Resources	0	255,000	255,000
■ Pupil Services	0	114,000	114,000
● Reduce School Site Staffing		420,000	420,000
● Tier III Flexibility	2,206,752	3,711,210	3,711,210
● Restructure CSR Program to 25:1		900,000	900,000
● TOTAL LEVEL 2	<u>\$2,206,752</u>	<u>\$7,941,826</u>	<u>\$7,941,826</u>

2008-09 Working Budget With Two Year Projection 9

After Level 1 and 2

	<u>2008-09</u> Deficit 7.844%	<u>2009-10</u> Deficit 13.094%	<u>2010-11</u> Deficit 13.094%
Beginning Balance	\$29,517,255	\$16,386,208	6,323,445
Revenues	233,991,260	222,581,274	222,492,472
Less: Expenditures	251,196,525	242,213,863	245,351,118
▪ Level 1	(1,867,466)	(1,628,000)	(1,628,000)
▪ Level 2	(2,206,752)	(7,941,826)	(7,941,826)
▪ Level 3	<u>(0)</u>	<u>(0)</u>	<u>(0)</u>
Expenditures-Adjusted	<u>247,122,307</u>	<u>232,644,037</u>	<u>235,781,292</u>
Inc./(Dec.) in Fund Bal.	(13,131,047)	(10,062,763)	(3,288,820)
Ending Balance	16,386,208	6,323,445	(6,965,375)
Less: Rest. Reserves	(8,544,796)	(7,710,448)	(7,804,566)
Unrestricted Balance	\$7,841,412	(\$1,387,003)	(\$14,769,941)

Level 3 – Negotiable

	2008-09	2009-10	2010-11
● Reduce the Number of Work Days Due Calendar Change	0	321,435	321,435
● Revise Elementary LMT Staffing Formula	0	170,000	170,000
● Eliminate 3 ½ Hour Middle School Xerox Clerks	0	34,800	34,800
● Eliminate 4 High School Counselors	0	300,000	300,000
● Reduce the Total Number of Work Days by One (1) Day	0	800,000	800,000
● Reduce All Salaries by 3.75%	0	6,000,000	6,000,000
● TOTAL LEVEL 3		\$7,626,235	\$7,626,235

2008-09 Working Budget With Two Year Projection After Level 1, 2, and 3

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	<u>2008-09</u> Deficit 7.844%	<u>2009-10</u> Deficit 13.094%	<u>2010-11</u> Deficit 13.094%
Beginning Balance	\$29,517,255	\$16,386,208	\$13,949,680
Revenues	233,991,260	222,581,274	222,492,472
Less: Expenditures	251,196,525	242,213,863	245,351,118
▪ Level 1	(1,867,466)	(1,628,000)	(1,628,000)
▪ Level 2	(2,206,752)	(7,941,826)	(7,941,826)
▪ Level 3	(0)	<u>(7,626,235)</u>	<u>(7,626,235)</u>
Expenditures-Adjusted	<u>247,122,307</u>	<u>225,017,802</u>	<u>228,155,057</u>
Inc./ (Dec.) in Fund Bal.	(13,131,047)	(2,436,528)	(5,662,585)
Ending Balance	16,386,208	13,949,680	8,287,095
Less: Rest. Reserves	(8,544,796)	(7,481,661)	(7,575,779)
Unrestricted Balance	\$7,841,412	\$6,468,019	\$711,316

Public Comment

Board of Education Discussion & Action