



# **Public Hearing and Adoption of Proposed Fiscal Year 2012-13 Budget for All Funds**

## **Board Item #10.1**

Board of Education

June 21, 2012



# Summary of 2012-13 Budget Process

- ‡ December 8 Budget Timeline and Process for 2012-13 ± Action
- ‡ December 14 2011-12 First Interim Financial Report ± Qualified Status ± Action
- ‡ January 12 2011-12 and 2012-13 Budget Recommendations and Reductions ± Conference
- ‡ January/  
February Parents, Students, Staff Surveyed  
Five Community Forums



## Summary of 2012-13 Budget Process cont'd

- ‡ February 2      2011-12 and 2012-13 Budget Recommendations and Reductions ± Action
- ‡ March 15      2011-12 Second Interim Financial Report ± Qualified Status ± Action
- ‡ April 19      Budget Overview - Information
- ‡ May 17      2011-12 Third Interim Financial Report and Preliminary May Revise Update ± Action
- ‡ June 14      Public Hearing and Action on State Categorical Program Flexibility ± Action
- ‡ June 21      Approval of 2012



## Board Approved Reductions to Balance 2012-13 Budget

PARS Payments Charged to Retiree Benefits Fund	\$ 3.740 M
‡ Reduce Contracts and Central Office Operating Budgets	\$ 1.000 M
‡ Use Reserve for Retiree Benefits Unfunded Liability (One-time)	\$ 1.000 M
‡ Reduce Central Office Staffing or Equivalent	\$ .500 M
‡ Five Furlough Days and Freeze Step Increases for Unrepresented Management, Supervisors, Confidential (One-time)	\$ .190 M
‡ 25% Reduction of Board Stipend for Calendar Year	\$ .008 M



## Board Approved Reductions to Balance 2012-13 Budget cont'd

### Tier III Programs

- |  |           |
|--|-----------|
| ± Eliminate Adult Education                              | \$ 2.90 M |
| ‡ Reflects elimination of revenue contribution           |           |
| ‡ CAJ Ed Center to be self supporting                    |           |
| ± Eliminate Deferred Maintenance Contribution (One-time) | \$ .75 M  |
| ‡ Needs will be compounded                               |           |
| ± Eliminate School Library Improvement Block Grant       | \$ .72 M  |
| ‡ Eliminates Librarians from middle schools              |           |
| ‡ Eliminates literacy support at K-8 schools             |           |



## Board Approved Reductions to Balance 2012-13 Budget cont'd

Eliminate Arts and Music Grant	\$ .57 M
‡ Eliminates Music Teachers	
± Reduce ROP by 5%	\$ .08 M
± Reduce GATE program by 5%	\$ .02 M
‡ Increase Class Sizes to Contract Maximum ± K-3	\$ 4.79 M
‡ Eliminate 50% Custodial Staff	\$ 3.40 M
‡ Eliminate 50% Plant Managers	\$ 2.09 M



Eliminate Middle and High School Counselors	\$ 1.680 M
‡ Reduce Maintenance Staff by 20%	\$ 1.270 M
‡ Reduce Co-Curricular Support	\$ .257 M
‡ Eliminate 50% Middle/High School Assistant Principals	\$ 1.130 M
‡ Eliminate Home-to-School Transportation	\$ .981 M
‡ Eliminate Middle/High School Librarians	\$ .820 M
‡ Closure of Freeport Elementary	<u>\$ .442 M</u>
<b>Subtotal</b>	<b>\$28.338 M</b>



# Additional Reductions to Balance 2012





# General Fund Revenue Summary

‡ Beginning Fund Balance	\$ 10.525 M
‡ Revenues	\$347.436 M
‡ Transfers In	
± Charter School Fees	<u>\$ .711 M</u>
<b>Total Revenues</b>	<b>\$358.672 M</b>



## General Fund Summary

‡ Total Revenues	\$358.672 M
‡ Less Expenditures	<u>\$349.147 M</u>
<b>Ending Fund Balance</b>	<b>\$ 9.525 M</b>



## General Fund Summary cont'd

‡ Ending Fund Balance	
± Reserves:	
‡ Revolving Cash and Stores	\$ .545 M
‡ Reserve for Economic Uncertainties	<u>\$ 8.980 M</u>
<b>Total Reserves</b>	<b>\$ 9.525 M</b>



## Revenue Limit in General Fund

± Total Revenue Limit	\$203.533 M
± Includes reduction of \$441 per Average	



## Federal Revenue in General Fund

‡ Special Education Entitlement	\$ 8.616 M
‡ Special Education Discretionary Grants	\$ 1.423 M
‡ No Child Left Behind	\$24.903 M
± Title I, Title II and Title III	
‡ Vocational Technology	\$ .481 M
‡ Safe and Drug Free Schools	<u>\$ .130 M</u>
<b>Sub-Total Federal Revenue</b>	<b>\$35.553 M</b>



## Federal Revenue in General Fund cont'd

‡ Other Federal Revenue	
± Medi-Cal	\$ 1.796 M
± Smaller Learning Communities	\$ 1.751 M
± Project Thrive	\$ .400 M
± Department of Rehab TPP	\$ .192 M
± ROTC	\$ .298 M
± Indian Education	\$ .021 M
± Independent Living/ILP	\$ .137 M
± Good Behavior	<u>\$ .052 M</u>
<b>Total Federal Revenue</b>	<b>\$40.200 M</b>



## State Revenue in General Fund - Restricted

‡ Special Education	\$ 22.524 M
‡ Special Education Transportation	\$ 2.868 M
‡ Economic Impact Aid	\$ 9.499 M
‡ Lottery	\$ 1.119 M
‡ After School Education/Safety	\$ 6.920 M
‡ Drug/Alcohol/Tobacco	\$ .150 M
‡ Quality Education Investment Act	<u>\$ 5.051 M</u>
<b>Sub-Total Restricted State Revenue</b>	<b>\$ 48.131 M</b>



## State Revenue in General Fund – Restricted cont'd

‡ Other State Revenue	
‡ Medi-Cal Activities	\$ 1.269 M
‡ Special Education Mental Health	\$ 1.831 M
‡ Special Education Workability	\$ .362 M
‡ Foster Youth	<u>\$ .276 M</u>
<b>Total Restricted State Revenue</b>	<b>\$51.869 M</b>





## State Revenue in General Fund - Unrestricted

‡ K-3 Class Size Reduction	\$ 7.047 M
‡ Lottery	\$ 5.658 M
‡ Other State Revenue:	
± Tier III Revenue/Other	\$32.759 M
± Supplemental Hourly Programs	\$ 3.831 M
± STAR Testing	<u>\$ .089 M</u>
<b>Total Unrestricted State Revenue</b>	<b>\$49.384 M</b>



## State Revenue in General Fund

‡ Total State Revenue	
± Restricted	\$ 51.869 M
± Unrestricted	\$ <u>49.384 M</u>
<b>Total State Revenue</b>	<b>\$101.253 M</b>



## Local Revenue in General Fund

‡ Interest*	\$ .176 M
‡ Other Local Revenue	
± Charter School Fees/Leases/ Other Misc. Revenue	\$ .984 M
± Multiple Pathways	\$ .540 M
± California Endowment/Wellness	\$ .449 M
± CHIPRA	\$ .114 M
± PE Initiative	\$ .057 M
± Special Education Local	\$ .094 M
± GRIP Grant	\$ <u>.036 M</u>
<b>Total Local Revenue</b>	<b>\$ 2.450 M</b>

\*Includes interest earned on Tax Revenue Anticipation Note (TRAN)



## Expenditures Included in 2012-13 Budget

‡ Certificated Salaries	\$150.517 M
‡ Classified Salaries	\$ 44.745 M
‡ Employee Benefits	<u>\$ 96.655 M</u>

**Sub-Total** **\$291.917 M**

± 84% of Total Expenditures

‡ Unrestricted Funding ± 90%

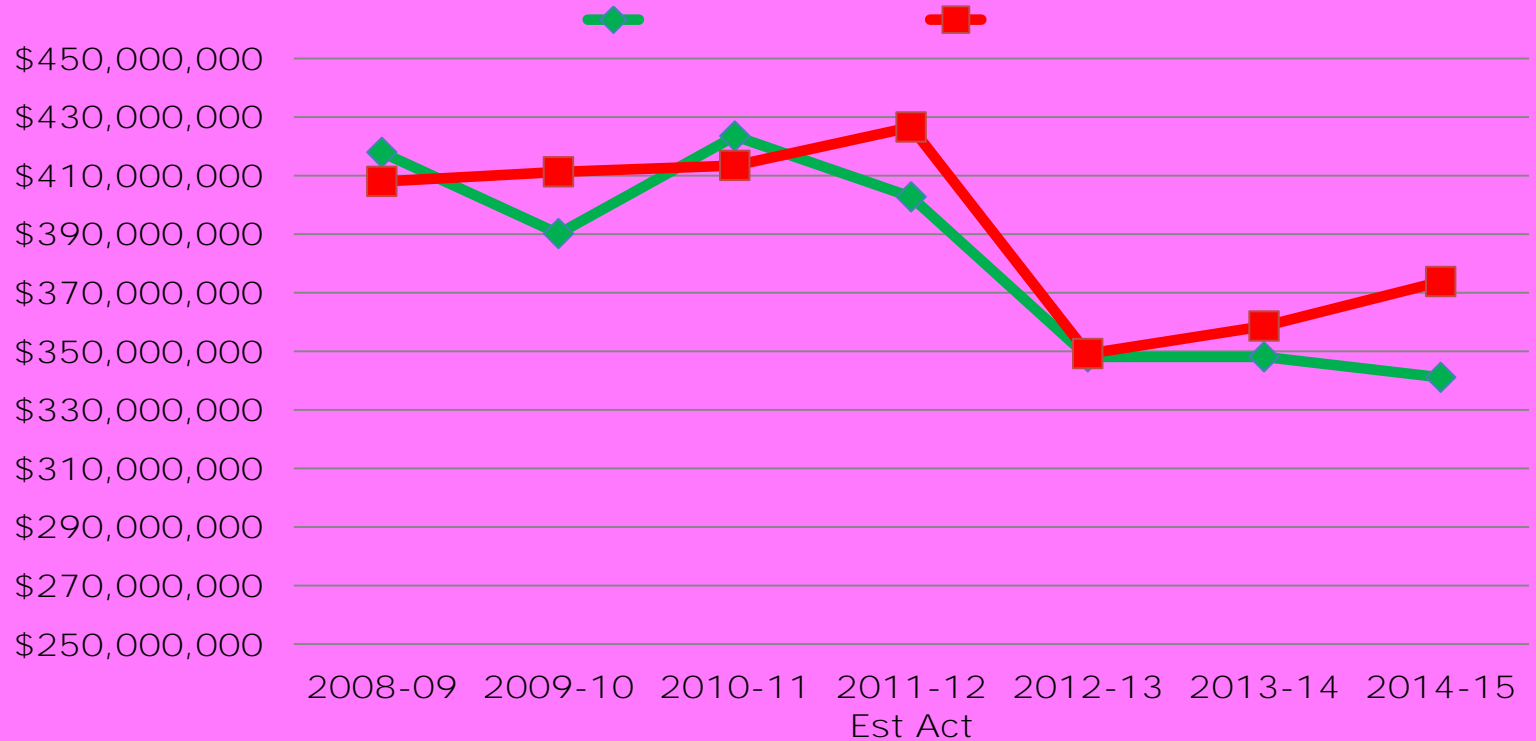


## Expenditures Included in 2012-13 Budget cont'd

± Salaries/Benefits	\$ 291.917 M
± Books and Supplies	\$ 10.180 M
± Services/Other Operating Expenditures	\$ 46.071 M
± Capital Outlay	\$ .240 M
± Other Outgo	\$ 2.125 M
‡ Debt Service Payment	
± Indirect Costs	<u>(\$ 1.386) M</u>



# Deficit Spending (with no 2013-14 and 2014-15 reductions)





# Fund Balance (with no 2013-14 and 2014-15 reductions)





