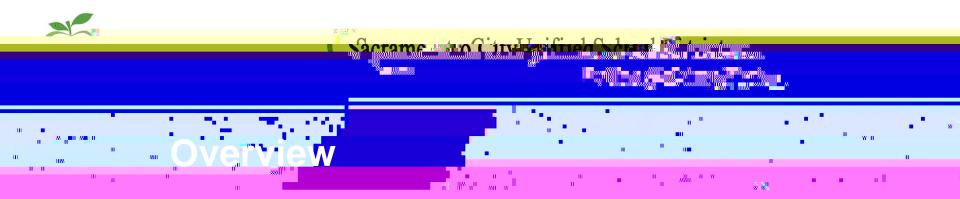


2011-12 Third Interim Financial Report and Preliminary May Revise Update

Board Item #10.2



Education Code Section 42130 requires report Provides early warning system District certifies Positive, Qualified or Negative Qualified certification submitted May not meet financial obligations for current or two subsequent fiscal years Requires Third Interim Report as of April 30



Assumptions are based on best information available Third Interim multi-year projections may be different than Adopted Budget

- Balanced at this time
- Mid-year reductions included in budget



- Maintain same level of Average Daily Attendance as revised 2011-12
- Projected \$370 (\$55 for 2011-12 plus \$315 for 2012-13) per ADA reduction in state revenue



- Maintain 2% Reserve for Economic Uncertainties
 - \$43 million in reductions needed assuming tax initiative doesn t pass
- February 2 Board approved reductions of \$28 million
- Additional reductions needed of \$15 million



- Maintain same level of Average Daily Attendance as 2012-13
- Step and Column cost increases
- Health and Welfare cost increases
- 2% Reserve for Economic Uncertainties requirement not met
 - Estimated \$8 million in reductions required
 - Board action will be needed

Sagrame - maintint transferration and the second second second second second second second second second second

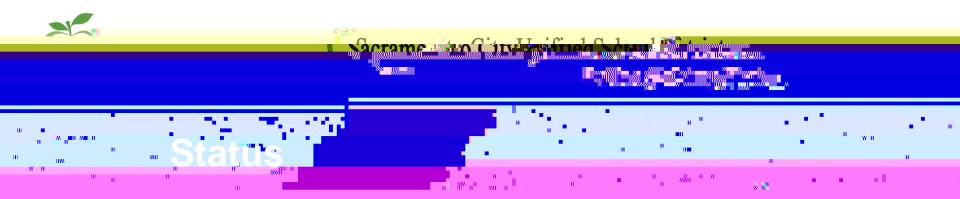
Preliminary May Revise Update

Tax Initiative Passes

- Weighted Student Formula implemented
- Transportation funding becomes flexible
- Deferrals are paid down

Tax Initiative Doesn t Pass

- Weighted Student Formula not implemented
- Transportation funded flexible?
- No deferrals are paid down
- Estimated reduction of \$398 per ADA
 - Legislation to reduce school year by three weeks over two year period
- No improvement in state budget picture



District is dangerously close to a negative certification

- Continuing dialogue with Sacramento County Office of Education
- Continuing working relationship with fiscal expert



See Attachment



Serame-sun l'instruitinitenten 1 Ministruiten.

· · · · ·	1			•• ×
100 C 100 C	•	III II I	• * * * *	н
		н " _{Мійо} w w		