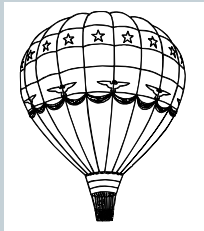


# Multi-Year Budget Update and Considerations 2009-12



**CENTRAL SCHOOL  
DISTRICT**

# What has happened since June 2009



- Legislative Analyst's Office *November Update* projects a deficit for 2009-10 and 2010-11 of \$20.7 Billion
  - Expected one-time savings have not materialized
    - ✦ \$1.2 billion – Department of Corrections
    - ✦ \$1 billion – Sale of State Worker's Comp Program
    - ✦ Projected revenue receipts have not materialized
- Revenue Limit Cost of Living Adjustment (COLA) is zero for 2010-11 and 2011-12
  - 2010-11 – 0.5%
  - 2011-12 – 2.3%

# What has happened since June 2009



- Home-to-School Transportation Committee has formalized its recommendation for 2010-11 and beyond
- Board approved an early retirement incentive
  - 49 eligible employees
  - Informed decisions
  - Closes January 15, 2010

# Overview



- First Interim Draft – Budget Overview
- Five-Year History of Revenues and Expenditures
- Budget Considerations
- Concluding Thoughts
- Next Steps

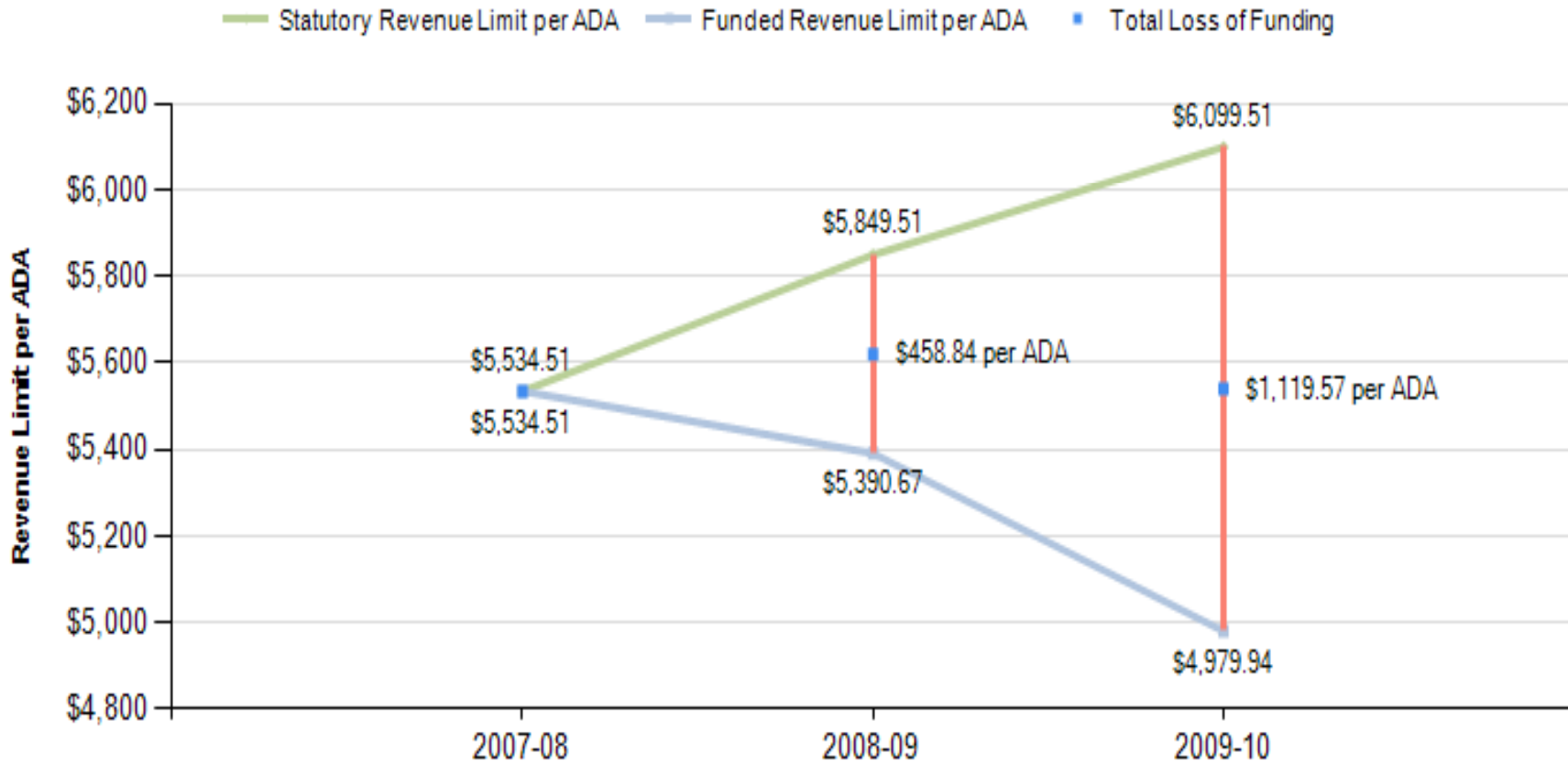
# First Interim Draft

	2009-10	2010-11	2011-12
Revenues	\$29,790,420	\$29,361,189	\$29,133,966
Expenditures	\$34,590,313	\$29,342,396	\$29,183,770
Variance: Income Greater/Less than Expenditures	(\$4,799,893)	\$18,793	(\$49,804)
Ending Balance	\$4,141,431	\$4,160,225	\$4,110,421
Components – Ending Balance			
3% Reserve for Econ Uncertainties	\$1,037,709	\$880,272	\$875,513
Revolving Cash, Stores, Prepaid Expenses	\$136,639	\$136,639	\$136,639
Carryovers, Restricted & Designated Reserves	\$2,899,000	\$2,912,158	\$2,877,294
Unappropriated Balance	\$68,083	\$231,156	\$220,975

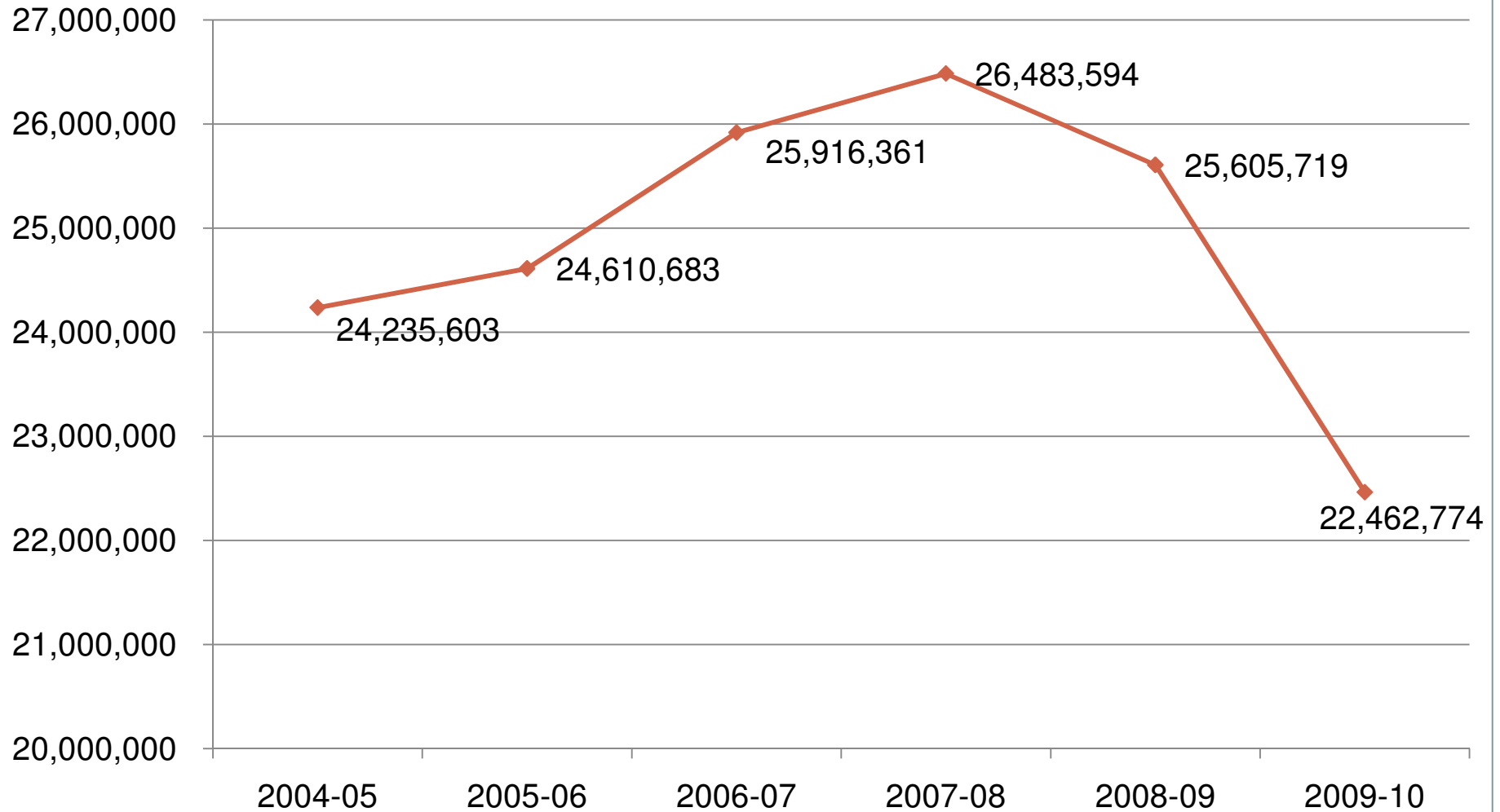
# Impact to Central School District

***Loss of \$5,288,394 in Revenue Limit funding***

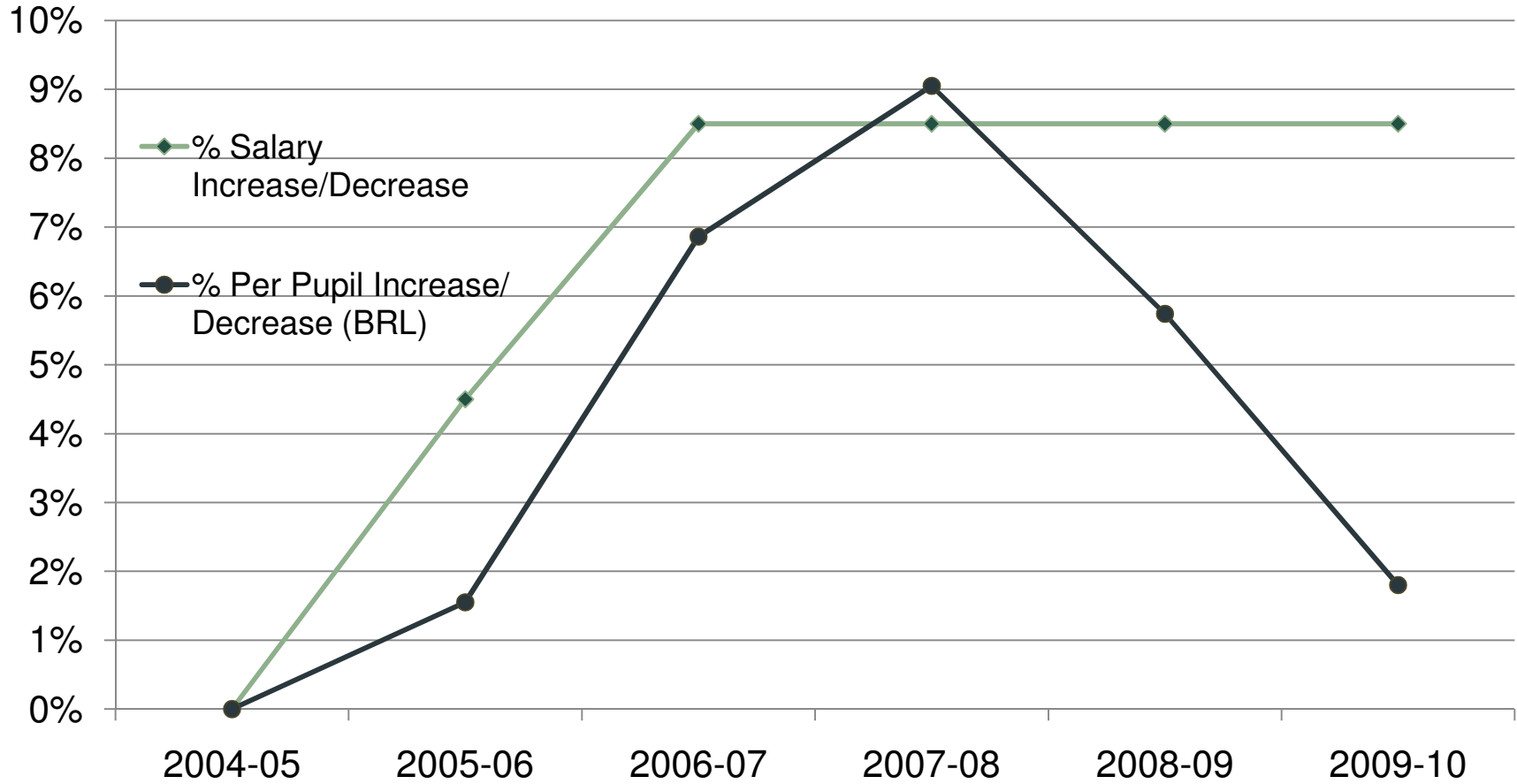
Revenue Limit Comparison for Central Elementary



# Total Revenue Limit History 2005-2009



# Percent Increase/Decrease Comparison Per Pupil Funding Levels and Salary Settlements



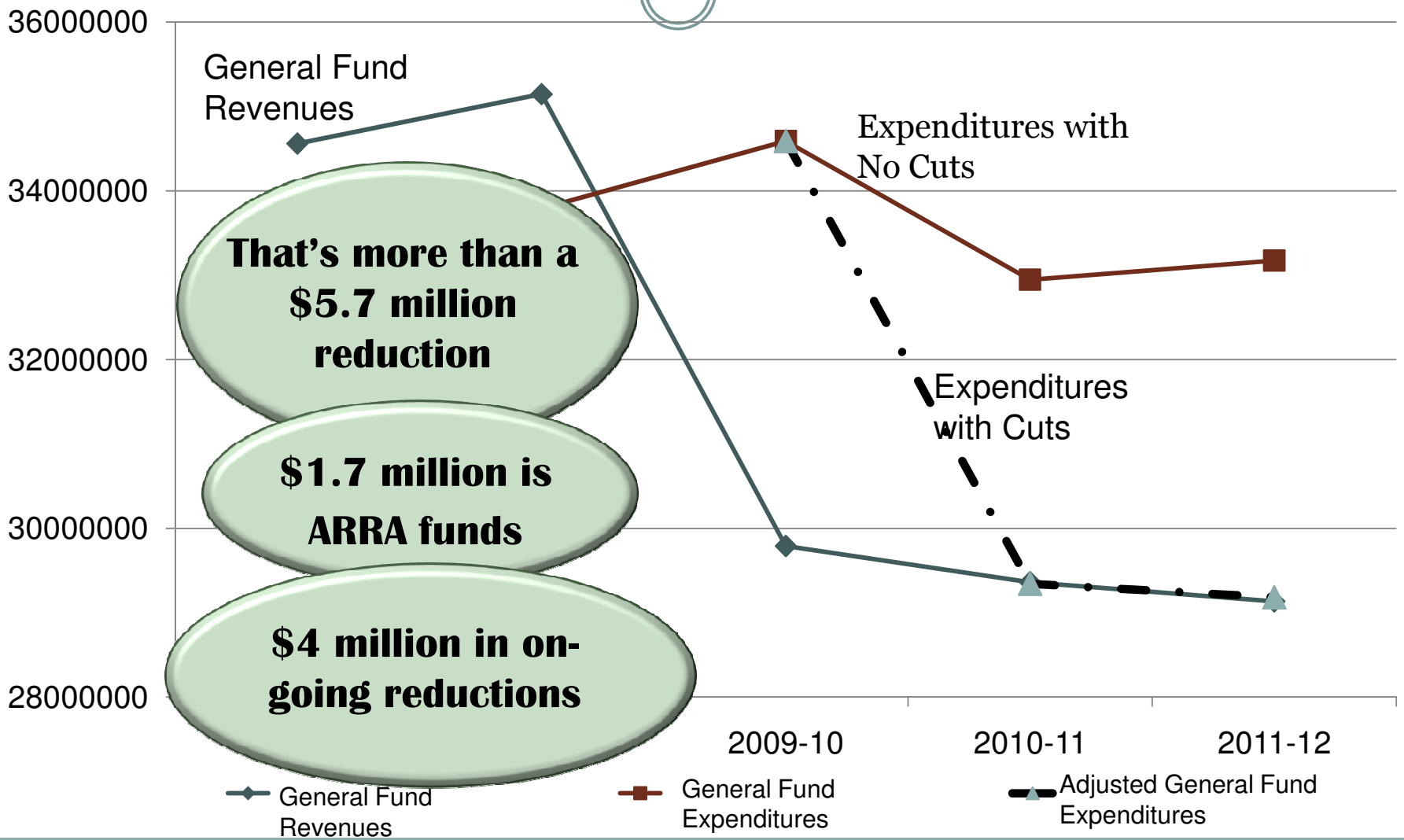
% Salary	1.2%	4.5%	4%	0%	0%	0%
Per Pupil	\$4,865	\$4,904	\$5,294	\$5,535	\$5,390	\$4,980

# Reductions Made in 2009-10



<b>Reduction</b>	<b>Savings Generated</b>
Eliminated seven teaching positions	\$635,153
Eliminated one Asst Supt position	\$169,289
Eliminated twelve Paraprofessional positions	\$99,446
Eliminated one Maintenance position	\$66,043
Combined Purchasing/Food Services Director positions	\$90,500
<b>Total Savings</b>	<b>\$1,060,431</b>

# Revenues and Expenditures



A large cyan arrow points from the left towards a target graphic on the right. The target consists of four concentric circles: a small innermost circle, followed by a white ring, a cyan ring, and a white outermost ring. A horizontal dashed line is positioned above the target.

**The reduction target is...**

**\$4,000,000**

A solid dark teal horizontal bar spans the width of the slide at the bottom.

# How Might We Solve This



Total to be Reduced	\$4,000,000
Eliminate 13 Teaching positions (eliminate Class Size Reduction)	\$900,000
Live Within Home-to-School Transportation State Funding	\$300,000
Remaining Amount To Be Reduced	\$2,800,000

# How Might We Solve This



- Amount remaining to be reduced - \$2,800,000
- 1 Furlough Day = \$118,000
  - Equals 24 days district-wide
- 1% Salary Reduction = \$231,000
  - Equals 12% reduction district-wide
- Combination of efforts
- Cash flow issues

# How Might We Solve This



	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>
Estimated Target	\$500,000	\$3,000,000	\$500,000
Board Considerations Target Eliminate CSR & Transportation savings (\$1.2 million) Need another \$800,000		\$2,000,000	\$500,000
Negotiable Target	\$500,000	\$1,000,000	
Estimated Totals	\$500,000	\$3,000,000	\$500,000

Board Determinations	2010-11	2011-12
Eliminate three Counselors	\$306,170	\$306,170
Eliminate seven part time Clerk Typists	\$95,460	\$95,460
Eliminate seven PCI (parent volunteer coordinators)	\$90,420	\$90,420
Eliminate one Nurse position	\$89,551	\$89,551
Eliminate one Maintenance position	\$66,043	\$66,043
Close the Warehouse (includes 1.5 positions and savings from insurance and utilities)	\$90,374	\$90,374
Close a School		\$400,000
Total	\$738,018	\$1,138,018

# Concluding Thoughts



- Governor and Legislature have no easy solutions to solve the almost \$21 billion shortfall
- Loss of Federal Stimulus funding in 2010-11
- Temporary tax increases sunset in 2011-12
- K-3 CSR flexibility sunsets in 2011-12 eliminating the estimated revenue by \$959,540 beginning in 2012-13
- Flexibility for Instructional Materials (Tier III) sunsets in 2012-13
- All other Tier III Flexibility sunsets in 2012-13, which may have an impact on 2013-14 budget
- Projections will change based on Governor's proposal

# What's Next



- **Continue to gather reliable information**
  - Governor's Proposed Budget Workshop – January
  - Various fiscal updates
- **Per Education Code Section 42127 & 42130**
  - 1<sup>st</sup> Interim Report due December 15<sup>th</sup>
  - 2<sup>nd</sup> Interim Report due March 15<sup>th</sup>
  - Adopted Budget due June 30<sup>th</sup>
- **Continue to work with**
  - Employee Associations
  - District Advisory Committee
  - School Site Councils
- **Regularly communicate with staff and community**



# Questions