Approve 2011-12 District Budget Update and Revision - State Budget Approval

Board Item # 10.4

Board of Education August 4, 2011

Requirements for Revision Education Code 42127

Governor signed budget on June 30, 2011

2011-12 one of the earliest

2010-11 was latest in history

Assumptions cause some concern Optimistic state revenues State budget deficit estimated at \$27.2 billion

Balancing included:

Program reductions and reforms

Expenditure reductions

Revenue solutions

Improvement in state revenue outlook

Four billion dollars in revenue above the May Revise forecast

Revenue limit deferrals

\$2.1 billion deferred from 2011-12 to 2012-13

In addition to \$1.7 billion deferred in 2010-11

Requires many districts to borrow funds to ensure adequate cash flow

Tax Revenue and Anticipation Note will be needed this spring

Fiscal Oversight

-year projections as a condition of approval of the Adopted Budget

Revenues No Change

Expenditures

Restoration of positions

94 Teachers for reduced class sizes at grades 4-12

14.6 Counselors

3 Assistant Principals

Reinstatement of proposed salary reductions less three furlough days or equivalent

7.05 M

\$ 1.24 M

\$.32 M

\$ 3.39 M

Adopted Budget Reserve
Restoration of programs
Funding for potential
enrollment decline and
cash deferrals

\$13.95 M

(\$12.00) M

(\$ 1.95) M

December

Director of Finance will assess tax

First Interim Report 2012-13 Budget Calendar

January

2012-13 Budget released

Continue to monitor legislative action and impact to district