



Date: October 14, 2008  
To: Emery USD Governing Board  
From: Joe Frantz, Assistant Superintendent  
Doug D'Amour, Fiscal Director  
Subject: Proposed Budget Revision

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### Purpose

The purpose of item H-2 is to secure Board's approval of budget revisions to the 2008/09 General Fund Budget in accordance with Education Code 42127(i)(4).

### Background

This proposed revision to the Emery USD 08-09 General Fund budget is the first since the Budget Adoption on June 25, 2008. It consolidates personnel changes in the new school year, salary schedule changes, newly planned expenditures, and the impact of the state budget adopted in September.

The accompanying Budget Adjustment worksheet consists of three primary columns: the Adopted Budget, the Current Budget, and the Proposed Budget. Because there have not been any prior budget revisions, right now our Adopted Budget is our Current Budget, except that the Beginning Balance has been updated to reflect the approval by the Board of the Unaudited Actuals. The Proposed Budget is the one put before you for your approval.

The net effect of all these adjustments is to increase Emery's 08-09 operating deficit by \$98,190, from \$104,735 to \$202,925. This will reduce our Ending Balance from \$1,389,633 to \$1,291,443, which is 11.5% of our projected General Fund expenditures and well in excess of the required 4% (\$447,408).

### Revenues

**Revenue Limit** increases by **\$43,164**; \$37,218.83 of this is due to the additional 0.68% COLA, with the remainder a small adjustment in ADA. **Federal** revenues increase by **\$347,753**; \$192,000 is from the new GEARUP grant, \$121,337 is deferred revenue from the 21<sup>st</sup> Century Community Learning Center after school program, and the remainder in a variety of deferred revenue from federal categoricals. **State** revenues increase by **\$35,905** from small carryovers in 27 different state programs. **Local** revenues increase by **\$309,431**. This is primarily \$163,316 in capital facilities funds from the Emeryville Redevelopment Project per AB1290, \$100,000 for the renewed Haas Arts Integration grant, and \$27,900 from the Rogers technology grant.

## Expenditures

### Salaries and Benefits

**Certificated** salaries **drop** by **\$243,641**. This includes \$192.5K (\$77K x 2.5) for unfilled positions which were filled outside of certification: the Speech Therapist was moved to Contracts and Services, the ESS Counselor was replaced by a classified GEARUP Coordinator II, and the Fall Semester PE Instructor who was replaced by a PE Instructional Aide. \$50K reflected the adjustment when the 2.5% set-aside for total compensation increase was reapportioned as a 12.4% increase in Health and Welfare benefits and a 1.38% increase in the salary schedule. Increases in Step and Column and certificated management for the 1.38% salary increase were offset by senior employees who left and were replaced by teachers lower on the salary schedule. **Classified** salaries increased by **\$54,078**. This reflected the net of the two new GEARUP positions and the 1 semester PE Instructional Aide minus the elimination of a 1-to-1 aide for a special needs student who left the District and the decrease in salaries for the total compensation adjustment described for certificated. **Benefits** increased by **\$123,814**. This reflected the \$65K for the total compensation adjustment, additional dependent coverage, higher workers compensation premiums, and increases in benefit levels associated with the transition to our new insurance provider, CVT, which requires coverage for all full time employees.

### Supplies and Services

**Supplies** increased by **\$78,974** due to the additional budgets for new categorical programs and carryovers. **Services** increased by \$779,979, including \$115K for the Speech Therapist contract, \$76K for a nursing services to support a special needs student, and an additional \$24K to increase the Townsend Public Affairs contract from \$3K/mo to \$5K/mo. The remainder is primarily additional budgets for the new revenues recognized.

### Transfers Out

The **contribution** to the **Cafeteria Fund** was increased by **\$41,239**, from \$74,7669 to \$116,008, primarily to reflect lower projected meals served and therefore smaller reimbursement revenues.

Other funds will be updated at First interim. Staff will continue to seek ways to enhance revenues and reduce expenditures in the general fund to curtail the projected operating deficit.

### Staff Recommendation:

Staff recommends that the accompanying Budget Adjustment be approved as presented.

# BUDGET ADJUSTMENTS 2008-09

REVENUE	Object	Adopted Budget	Current Budget	Proposed Budget
Revenue Limit	8000	\$5,458,618	\$5,458,618	\$5,501,782
Federal	81-8200	\$436,908	\$436,908	\$784,661
State	83-8500	\$891,846	\$891,846	\$927,751
Local	8600	\$3,442,158	\$3,442,158	\$3,751,589
Trans In	8900	\$16,500	\$16,500	\$16,500
<b>Total Rev &amp; Trans</b>		<b>\$10,246,030</b>	<b>\$10,246,030</b>	<b>\$10,982,283</b>

Revenue +(-)	Adjustments
Revenue Limit	\$43,164
Federal	\$347,753
State	\$35,905
Local	\$309,431
Trans In	\$0
<b>Total Revenue</b>	<b>\$736,253</b>

EXPENDITURES	Adopted Budget	Current Budget	Proposed Budget
Certificated Salaries	1000	\$4,775,020	\$4,775,020
Classified Salaries	2000	\$1,402,390	\$1,402,390
Employee Benefits	3000	\$1,759,541	\$1,759,541
Books & Supplies	4000	\$394,289	\$394,289
Other Services	5000	\$1,778,483	\$1,778,483
Capital Outlay	6000	\$0	\$0
Other Outgo	71-7500	\$97,273	\$97,273
Transfers Out	7600	\$143,769	\$143,769
<b>Total Exp &amp; Trans</b>		<b>\$10,350,765</b>	<b>\$10,350,765</b>

Expenditure +(-)	Adjustments
Cert Sal	(\$243,641)
Classif Sal	\$54,078
Emp Benefits	\$123,814
Books & Supp	\$78,974
Other Serv	\$779,979
Cap Outlay	\$0
Other Outgo	\$0
Transfers Out	\$41,239
<b>Total Exp/Reserve</b>	<b>\$834,443</b>

Inc(Dec) Fund Bal		(\$104,735)		(\$202,925)
Beginning Balance	9791	\$1,700,684	\$1,494,368	\$1,494,368
Ending Balance		\$1,595,949	\$1,389,633	\$1,291,443
4% Reserve	9740	\$414,031	\$414,031	\$447,408
Designations	9740	\$209,989	\$209,989	\$131,002
Unappropriated Amt	9790	\$971,929	\$765,613	\$713,033

Reserve +(-)	Designations
Parcel Tax	\$121,002
Revol Fund	\$10,000
	\$0
<b>Total</b>	<b>\$131,002</b>

Revenue Adjustments

Federal Resources

Res #	Adopt	Revised	Prior Yr	Total Curr	Incr(Decr)
3010	Title I	\$ 65,884.00	\$ -	\$ 65,884.00	\$ -
3310	SpEd Local Assistance	\$ 124,756.00	\$ -	\$ 124,756.00	\$ -
3315	SpEd Pre School 619	\$ 849.00	\$ 3,072.00	\$ 3,921.00	\$ 3,072.00
3320	SpEd Pre School 611	\$ -	\$ 5,299.00	\$ 5,299.00	\$ 5,299.00
3385	SpEd Early Intervention	\$ -	\$ 1,904.00	\$ 1,904.00	\$ 1,904.00
3515	Title II Voc Ed	\$ -	\$ 1,224.00	\$ 1,224.00	\$ 1,224.00
3550	Vocational Ed	\$ -	\$ 343.00	\$ 343.00	\$ 343.00
4035	Title II Teacher Quality	\$ 31,182.00	\$ 5,826.00	\$ 37,008.00	\$ 5,826.00
4036	Principal Training	\$ 900.00	\$ 900.00	\$ 900.00	\$ -
4045	Ed Tech	\$ 937.00	\$ 4,346.00	\$ 5,283.00	\$ 4,346.00
4050	CA Math & Science	\$ -	\$ 124.00	\$ 124.00	\$ 124.00
4110	Innovative Ed Strat	\$ 2,159.00	\$ -	\$ 2,159.00	\$ -
4124	21st Century	\$ 200,000.00	\$ 121,337.00	\$ 321,337.00	\$ 121,337.00
4201	Immigrant Ed	\$ -	\$ 21.00	\$ 21.00	\$ 21.00
4203	Limited English Prof	\$ 10,241.00	\$ 12,257.00	\$ 22,498.00	\$ 12,257.00
5810	GEAR UP	\$ -	\$ -	\$ 192,000.00	\$ 192,000.00
		\$ -	\$ -	\$ -	\$ -
	<b>Total</b>	<b>\$ 436,908.00</b>	<b>\$ 156,653.00</b>	<b>\$ 784,661.00</b>	<b>\$ 347,753.00</b>

Revenue Adjustments

State Resources

Res#	Adopt	Revised	Prior Yr	Total Curr	Incr(Decr)
1100	State Lottery	\$ 88,612.00	\$ -	\$ 93,649.00	\$ 5,037.00
1300	Class Size Reduction	\$ 217,841.00	\$ -	\$ 217,841.00	\$ -
6010	After School Prop 49	\$ 209,000.00	\$ -	\$ 209,250.00	\$ 250.00
6275	Teacher Recruitment	\$ 10,846.00	\$ -	\$ 10,133.00	\$ (713.00)
6285	Community Based Tutoring	\$ -	\$ (1.00)	\$ (1.00)	\$ (1.00)
6286	English Language Acquisition	\$ 3,387.00	\$ -	\$ 3,387.00	\$ -
6300	Lottery: Instructional Materials	\$ 12,714.00	\$ -	\$ 15,079.00	\$ 2,365.00
6405	School Safety & Violence Prevention	\$ 12,621.00	\$ -	\$ 13,498.00	\$ 877.00
6500	Special Education	\$ 4,143.00	\$ -	\$ 4,143.00	\$ -
6515	SpEd Infant Discretionary	\$ -	\$ 544.00	\$ 544.00	\$ 544.00
6530	SpEd Low Incidence	\$ 184.00	\$ 147.00	\$ 331.00	\$ 147.00
6535	SpEd Staff Development	\$ -	\$ 28.00	\$ 28.00	\$ 28.00
6660	TUPE Grades 6-8	\$ -	\$ 1,371.00	\$ 1,371.00	\$ 1,371.00
6760	Art & Music Block Grant	\$ 12,608.00	\$ -	\$ 13,485.00	\$ 877.00
7026	CA School Gardens	\$ -	\$ 3,313.00	\$ 3,313.00	\$ 3,313.00
7055	CAHSEE	\$ 10,577.00	\$ -	\$ 11,312.00	\$ 735.00
7080	Supplemental School Counseling	\$ 29,321.00	\$ -	\$ 31,359.00	\$ 2,038.00
7091	Economic Impact Aid	\$ 58,751.00	\$ -	\$ 62,835.00	\$ 4,084.00
7156	Instructional Materials	\$ 46,789.00	\$ -	\$ 50,042.00	\$ 3,253.00
7240	SpEd Transportation	\$ 22,241.00	\$ -	\$ 22,241.00	\$ -
7271	CA Peer Assistance & Review	\$ 5,554.00	\$ -	\$ 5,940.00	\$ 386.00
7276	Certificated Staff Mentoring	\$ 12,313.00	\$ -	\$ 13,169.00	\$ 856.00
7280	Beginning Tch Support & Assessment	\$ 16,082.00	\$ -	\$ 17,200.00	\$ 1,118.00
7294	Staff Development Reading & Math	\$ 4,675.00	\$ -	\$ 5,000.00	\$ 325.00
7390	Pupil Retention	\$ 2,007.00	\$ -	\$ 2,147.00	\$ 140.00
7393	Professional Development Block Grnt	\$ 42,630.00	\$ -	\$ 45,594.00	\$ 2,964.00
7395	School & Library Improvement	\$ 63,450.00	\$ -	\$ 67,861.00	\$ 4,411.00
7810	Other State - CBO Training Program	\$ -	\$ -	\$ 1,500.00	\$ 1,500.00
9016	English Language Development	\$ 500.00	\$ -	\$ 500.00	\$ -
0000	Unrestricted	\$ 5,000.00	\$ -	\$ 5,000.00	\$ -
		\$ -	\$ -	\$ -	\$ -
<b>Total</b>		<b>\$ 891,846.00</b>	<b>\$ 5,402.00</b>	<b>\$ 922,349.00</b>	<b>\$ 35,905.00</b>

Revenue Adjustments

Local Resources

Res #	Adopt	Revised	Prior Yr	Total Curr	Incr(Decr)
9010	\$ 20,000.00	\$ 37,000.00	\$ -	\$ 37,000.00	\$ 17,000.00
9014	\$ 18,500.00	\$ 55,615.00	\$ -	\$ 55,615.00	\$ 37,115.00
9015	\$ 89,955.00	\$ 253,271.00	\$ -	\$ 253,271.00	\$ 163,316.00
9017	\$ 380,000.00	\$ 372,000.00	\$ -	\$ 372,000.00	\$ (8,000.00)
9019	\$ -	\$ 100,000.00	\$ -	\$ 100,000.00	\$ 100,000.00
9100	\$ 846,555.00	\$ 876,795.00	\$ -	\$ 876,795.00	\$ 30,240.00
0000	\$ 120,000.00	\$ 120,000.00	\$ -	\$ 120,000.00	\$ -
0100	\$ 1,528,705.00	\$ 1,498,564.00	\$ -	\$ 1,498,564.00	\$ (30,141.00)
	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 3,003,715.00</b>	<b>\$ 3,313,245.00</b>	<b>\$ -</b>	<b>\$ 3,313,245.00</b>	<b>\$ 309,530.00</b>