

Governor's Budget Proposals for 2010-11



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- For the current year, 2009-10, the Governor's January Budget proposes no change in revenue limit funding, with the deficit factor remaining at 18.355%
- In 2010-11, the statutory cost of living adjustment (COLA) is negative 0.38% and is fully "funded"
- The deficit factor of 18.355% remains unchanged in the 2010-11 budget
- In addition to the negative COLA and the continuation of the 18.355% deficit factor, the Governor's Budget proposes an ongoing targeted cut of \$1.5 billion in 2010-11
 - \$1.2 billion is aimed at "school district administrative costs"
 - \$300 million assumed to follow from the "elimination of administrative costs"
- The Governor's budget provides no specifics on how this will be implemented

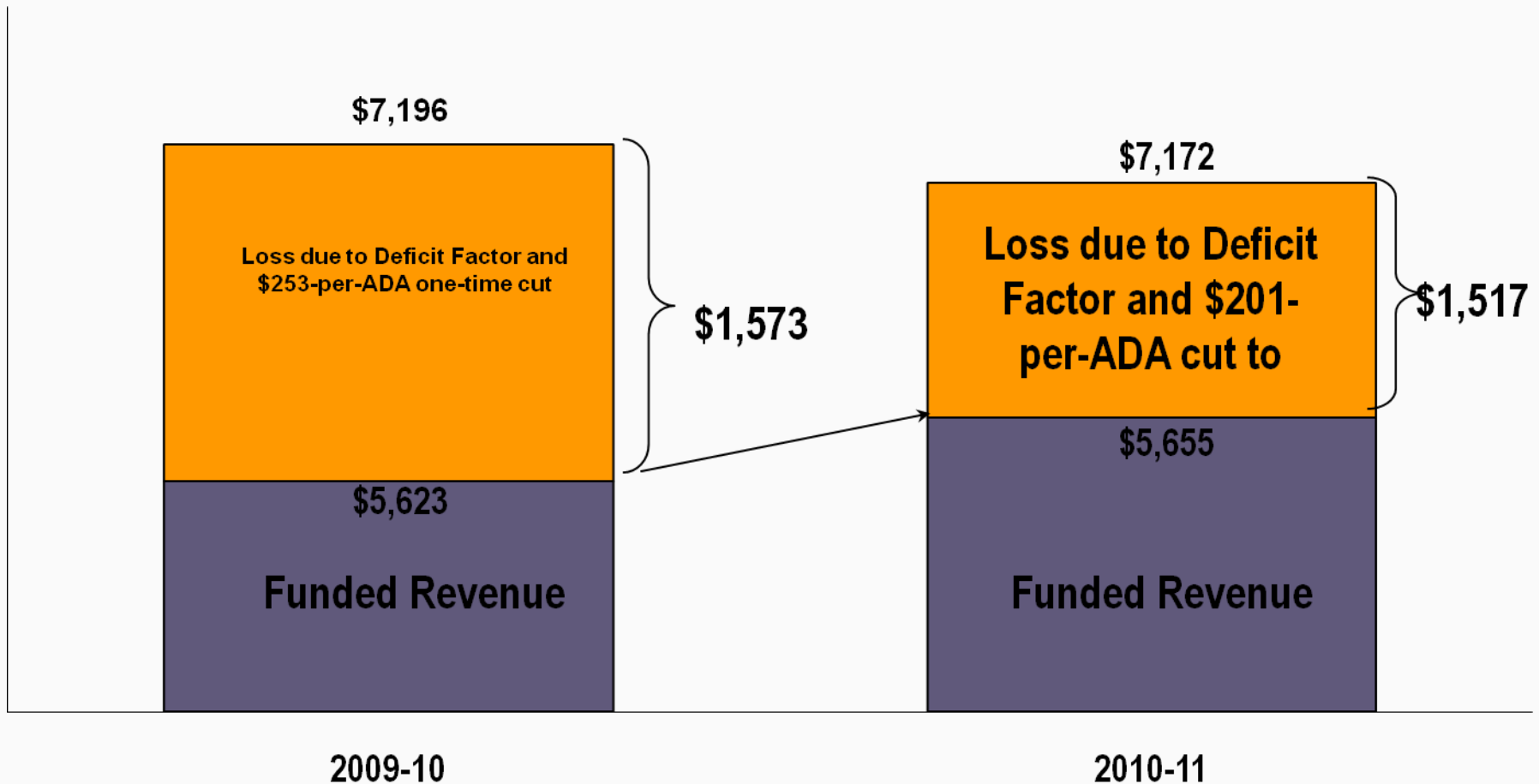
2010-11 January Proposals

	2010-11 January Budget
Proposition 98	\$50.0 Billion
Revenue Limit COLA	-0.38%, funded
Enrollment	0.11%*
Deficit Factor	18.355%
Mandates	Only CASHEE and Intra/Inter District Transfers
Categorical COLA	-0.38%, funded

*Projected statewide increase in enrollment

Funded Revenue Limit 2009-10 vs. 2010-11

Emery Unified School District



2009-10 K-12 Revenue Limits – EUSD

	EUSD Unified District for 2009-10	Base Revenue Limit per ADA (A)	Proration Factor (B)	Funded Base Revenue Limit (C) = (A) x (B)
1.	2008-09 Base Revenue Limit	\$6,935.89	0.92156	\$6,391.84
2.	2009-10 COLA per ADA	261.00	–	–
3.	2009-10 Base Revenue Limit	7,196.89	0.81645*	5,875.90
4.	2009-10 One-Time Reduction	–	–	<252.83>
5.	Net 2009-10 Funding (C3 minus C4)			\$5,623.07
6.	Dollar Change (Line 5, Column C minus Line 1, Column C)			<\$768.77>
7.	Percentage Change (Line 6, Column C divided by Line 1, Column C)			<12.03%>

*0.81645 = 1 - .18355 (deficit factor)

2010-11 K-12 Revenue Limits – EUSD

	EUSD Unified District for 2010-11	Base Revenue Limit per ADA (A)	Proration Factor (B)	Funded Base Revenue Limit (C) = (A) x (B)
1.	2009-10 Base Revenue Limit	\$7,196.89	0.81645	\$5,875.90
2.	2010-11 COLA per ADA	<24.00>	–	–
3.	2010-11 Base Revenue Limit	7,172.89	0.81645*	5,856.31
4.	2010-11 Ongoing Administration Cost Reductions	<201.00>	–	<201.00>
5.	Net 2010-11 Funding (C3 minus C4)			\$5,655.31
6.	Net 2009-10 Funded Revenue Limit (Slide TK Line 5, Column C)			5,623.07
7.	Dollar Change (Line 5, Column C Minus Line 6, Column C)			\$32.24
8.	Percentage Change (Line 7, Column C Divided by Line 1, Column C)			0.55%

*0.81645 = 1 - .18355 (deficit factor)

EUSD Budget Overview – Based on Governor’s 2010-11 Budget Proposals

	2009-10 Adopted Budget	2009-10 Adjusted Budget	2010-11 Budget	Net Change
Beginning Fund Balance	\$ 1,372,386	\$ 2,036,986	\$ 1,653,611	\$ (383,357)
Revenues:				
Revenue Limit	\$ 4,879,911	\$ 4,697,024	\$ 4,728,080	\$ 31,056
Federal	\$ 818,095	\$ 1,187,264	\$ 647,278	\$ (539,986)
State	\$ 902,390	\$ 919,141	\$ 916,153	\$ (2,988)
Other Local	\$ 3,810,781	\$ 3,906,214	\$ 3,701,003	\$ (205,211)
Total Revenues	\$10,411,177	\$10,709,643	\$ 9,992,514	\$ (717,129)
Expenditures	\$10,358,568	\$10,922,404	\$10,541,921	\$ (380,483)
Other Financing Sources	\$ (170,613)	\$ (170,613)	\$ (170,613)	\$ 0
+/- Revenues to Expenses	\$ (118,004)	\$ (383,374)	\$ (720,020)	\$ (336,646)
Ending Fund Balance	\$ 1,254,382	\$ 1,653,611	\$ 933,591	\$ (720,020)

Key Budget Assumptions

- Following are key budget assumptions for 2010-11 based on the Governor's Budget:

ADA	730.89 P-2 Projection
COLA	-.38%
Deficit	18.355%
Step and Column	2.25% Certificated .75% Classified
Health and Welfare	10%
Staffing Levels	Certificated 58.70 Classified 29.5
Utilities	5%
Other Use of AARA	\$ 307,000

Other Significant Policy Reforms

- **The Governor's Budget proposal includes significant policy reforms**
 - **Reforms will:**
 - **Eliminate seniority as a consideration in employment decisions**
 - **Allow layoff notification for teachers up to 60 days after the state budget is adopted**
 - **Eliminate the requirement to give laid-off teachers priority as substitute teachers at their former pay rate**
 - **Suspend most education mandates**

- **Balanced budget must be adopted by district prior to June 30, 2010**
 - **State Budget will most likely not be in place by then**
- **Developing the budget requires:**
 - **Clarifying assumptions**
 - **How much revenue?**
 - **How will expenditures change?**
- **Once the State Budget is adopted, the district makes adjustments to its budget within 45 days**

Questions?



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