

May Revised Budget



May 24, 2011

John Collins, Superintendent
Malliga Tholandi, Associate Superintendent

May Revised Budget

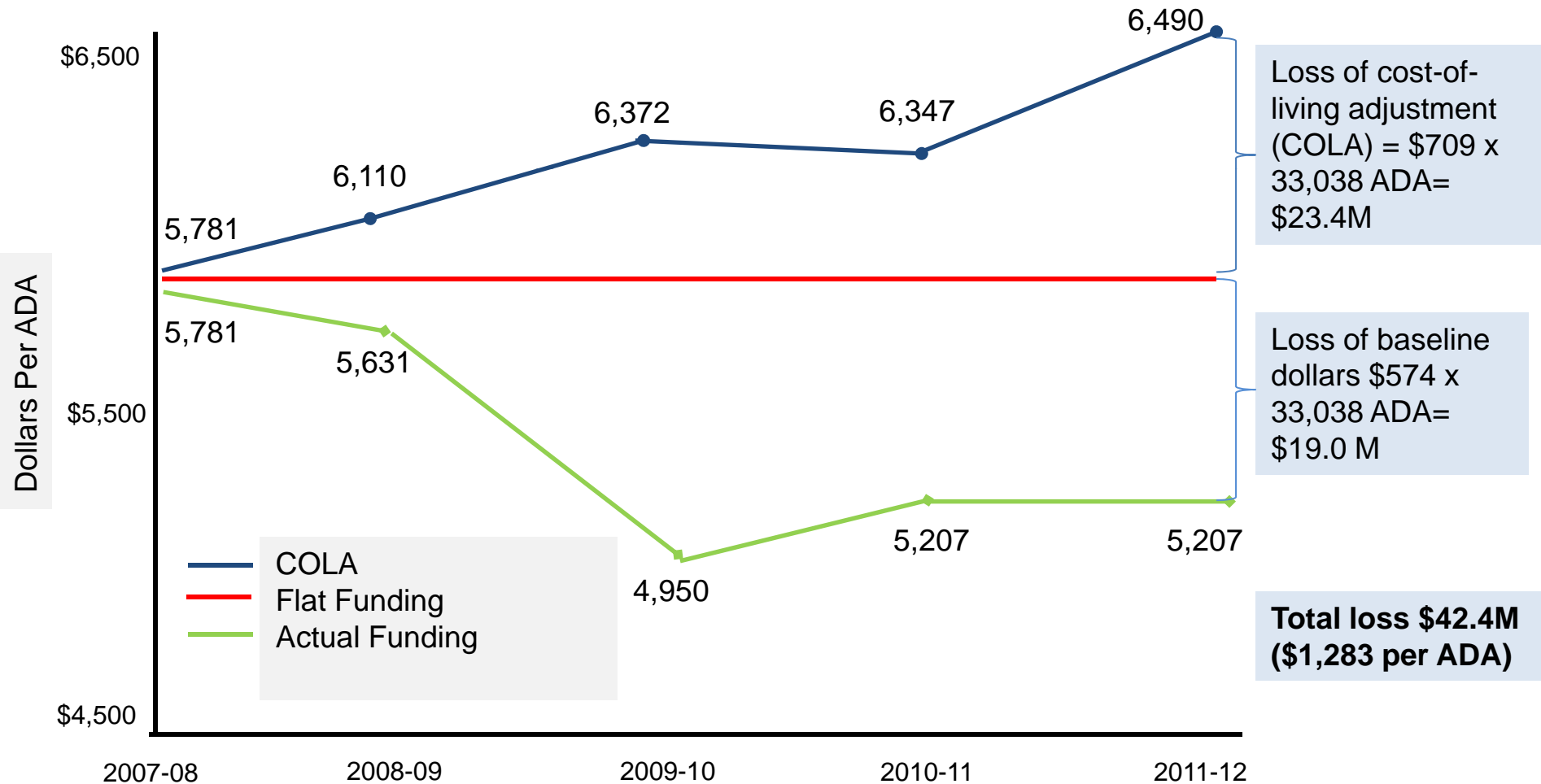
- The May revised budget provides a slightly more stable budget than the January proposed budget since the state deficit has been reduced

Original State Deficit (January)	\$26.6 billion
Cuts Made to Non-Education Items	\$13.4 billion
New State Revenues	\$6.6 billion
Transfer to Prop 98	\$3.0 billion
Transfer to Reserves	\$1.2 billion
New State Deficit (May)	\$10.8 billion

- The State budget is still unbalanced
- We do not know education's share of the \$10.8 billion deficit

Funding Per ADA for PUSD

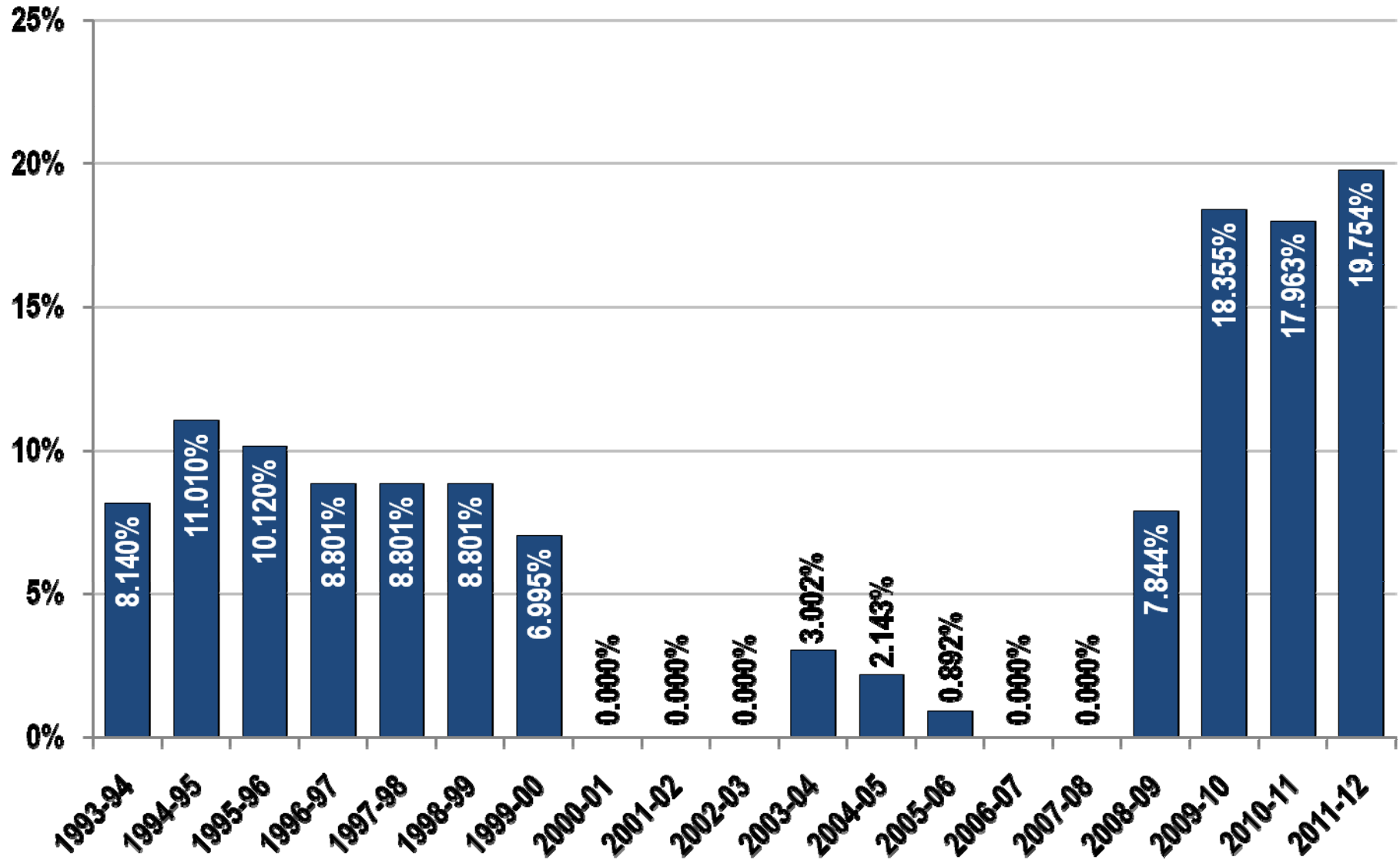
May Revised 2011-12 Budget



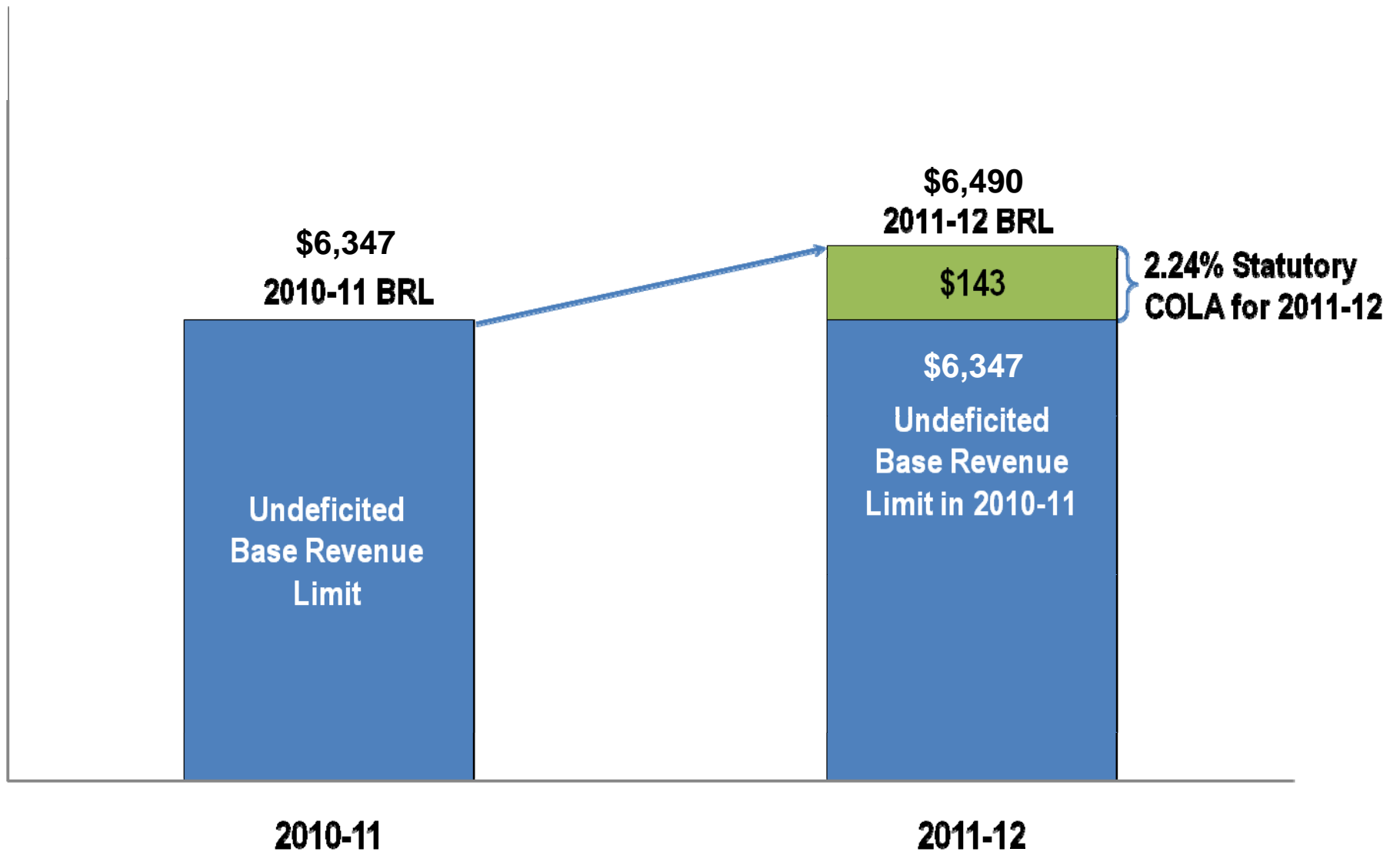
Proposition 98

- For 2011-12, the May Revision acknowledges an increase in General Fund revenues, resulting in an increase to Proposition 98 above the January Governor's Budget Proposal of \$3 billion to \$52.4 billion
- The boost in Proposition 98, however, will not result in an increase in per-pupil funding at the district level because the Governor's May Revision proposes to allocate the increase in Proposition 98 to:
 - ❖ Reverse \$2.5 billion in K-12 apportionment deferrals
 - ❖ Reverse \$350 million in community college deferrals
 - ❖ Fund mental health and out-of-home care for special education students, which was previously funded by counties
- Our per ADA funding stays flat in 2011-12

Revenue Limit Deficit Factors

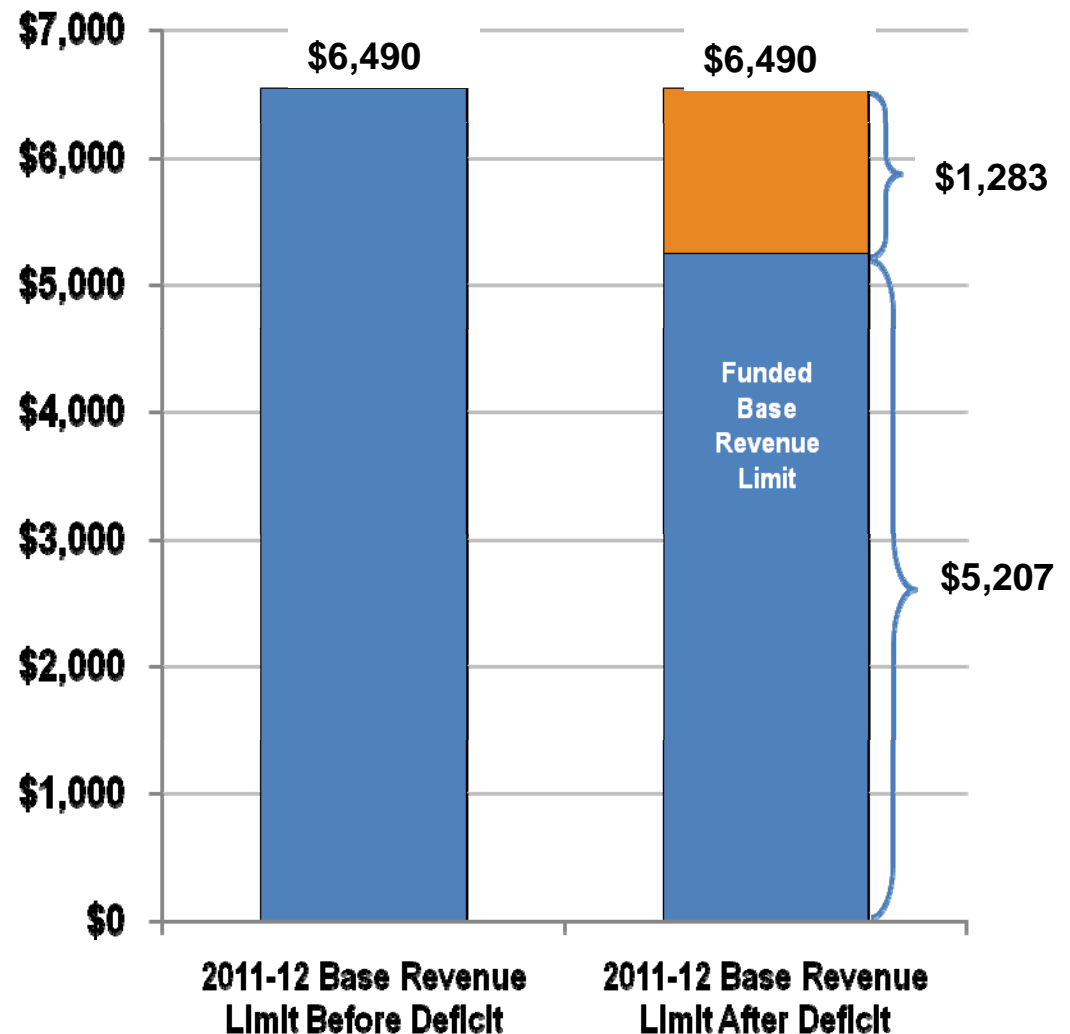


Undeficited Base Revenue Limit (BRL)



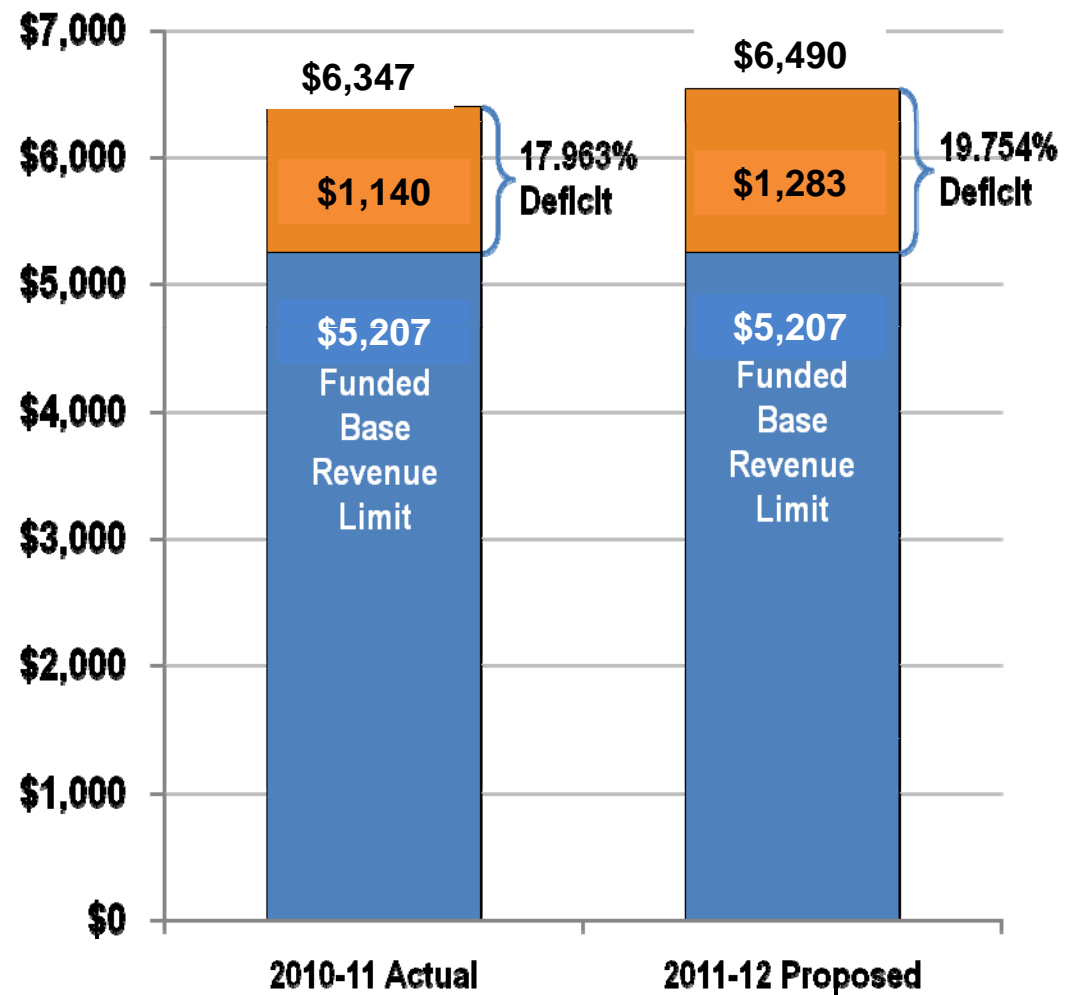
Base Revenue Limit After Deficit Factor for 2011-12

- Apply the 2011-12 deficit of 19.754% to the undeficit base revenue limit



Proposed 2011-12 Funding vs. 2010-11 Actual

- The Governor's Budget does not fund the 2.24% statutory COLA (\$143 for unified districts) for 2011-12
- The funded base revenue limit is flat between 2010-11 and 2011-12



Next Steps

- Build our 2011-12 budget and our multi-year projection based on recommendations from SDCOE
- June 20, 2011
 - ❖ Budget Adoption