



# Poway Unified School District BUDGET UPDATE



August 15, 2011

Malliga Tholandi, Associate Superintendent

# Agenda



- State Budget
- District Budget
- Funding per ADA
- 2011-12 District Budget
- Cuts Needed in 2012-13
- Next Steps



# Final State Budget for 2011-12

- Governor Brown signed an on-time state budget on June 30, 2011.
- He was unable to secure the 4 Republican votes needed to extend the taxes.
- Legislature re-crafted the budget and adopted it on a democratic majority which is allowed under Prop 25.
- Flat funding per ADA for schools / revenue limit funding stays the same in 2011-12 as in 2010-11. \$330 cut per ADA that had been proposed did not materialize.



# Final State Budget for 2011-12

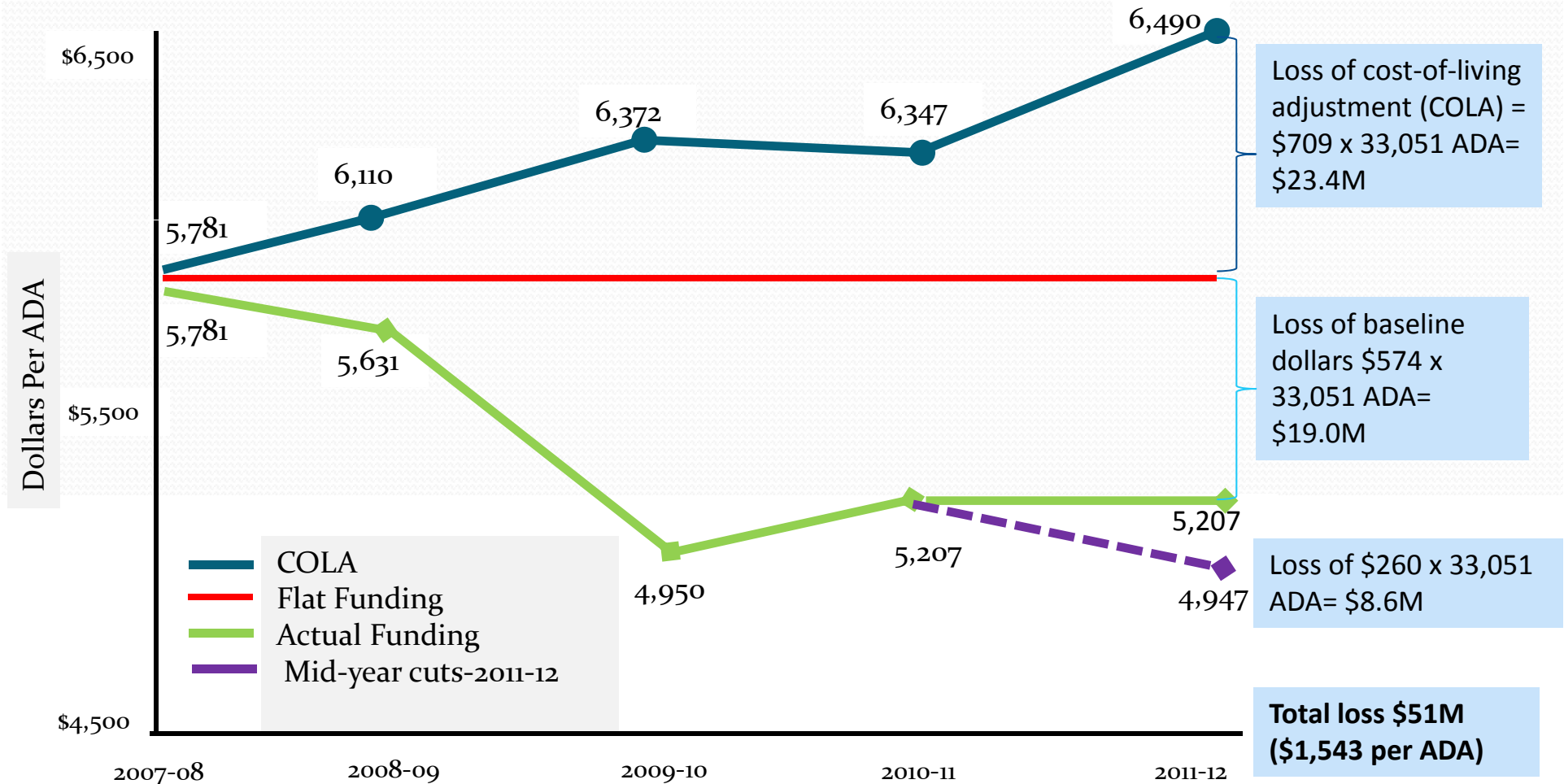
- The most troublesome aspect of the final 2011-12 State Budget is the language that will trigger additional cuts in January (one time mid-year cuts).
- If revenues will not reach a certain target by December 2011, schools will be cut \$1.9 billion or \$260 per ADA (PUSD will lose \$8.6 M).
- In addition, Home to School Transportation and Special Education Transportation will not be funded from January 2012 through June 2012 (PUSD will lose \$1 M).
- Total possible mid-year cuts for PUSD \$9.6 M.



# 2011-12 District Budget

- 2011-12 Revenue Limit is flat funded - \$5,207 per ADA for PUSD.
- \$330 / ADA cut had been built in our original 2011-12 budget (\$10,907,975).
- This amount will now be held in our reserve account:
  - Either to pay for the mid-year cuts in 2011-12
  - Or, to reduce the amount of cuts projected for 2012-13

# Funding Per ADA for PUSD



# 2011-12 Budget



Total Revenues & Transfers In	\$240,432,403
Total Expenditures & Transfers Out	\$255,948,445
Deficit	<b>\$15,516,042</b>
Projected Beginning Balance, 2011-12	\$37,088,921
Ending Balance, 2011-12	\$21,572,880
Reserved for Carryover, Economic Uncertainties	\$10,604,207
Reserve of \$330/ADA	\$10,907,975
Balance	\$60,698

# 2012-13 Budget



Projected amount of budget reductions to balance 2012-13 (June 20, 2011).

-\$33,000,000

Reinstate PSEA 4% salary reductions in 2012-13; this was agreed upon after budget adoption (June 30, 2011).

-\$952,137

County Mental Health Funding, one-time funding for 2011-12. Informed after budget adoption.

\$792,654

If we do not get mid-year cuts in 2011-12; we will be able to use the \$330/ADA amount to reduce the cuts needed (\$10.9 million times 2 – amounts saved in 2011-12 and in 2012-13).

\$ 21,815,950

**Updated projected cuts needed in 2012-13.**

**-\$11,343,533**



# Next Steps

- Finish financials following closing of the 2010-11 books.
- Analyze expenditures in various accounts such as Special Education, Transportation, core staffing.
- Health & Welfare projection rates for 2011-12.
- Monitor state revenues to anticipate whether the trigger level will be met.



## Next Steps (Continued...)

- Continue to share in a transparent way the effects of the state budget on our district to all stakeholders.
- Start conversations with employee groups, and with management teams.
  - APSM – August 11, 2011
  - PFT - August 19, 2011
  - PSEA
  - SEIU