

2009-10 Second Interim Report

Positive Certification through 2011-12

Presented to the Board of
Education

March 11, 2010

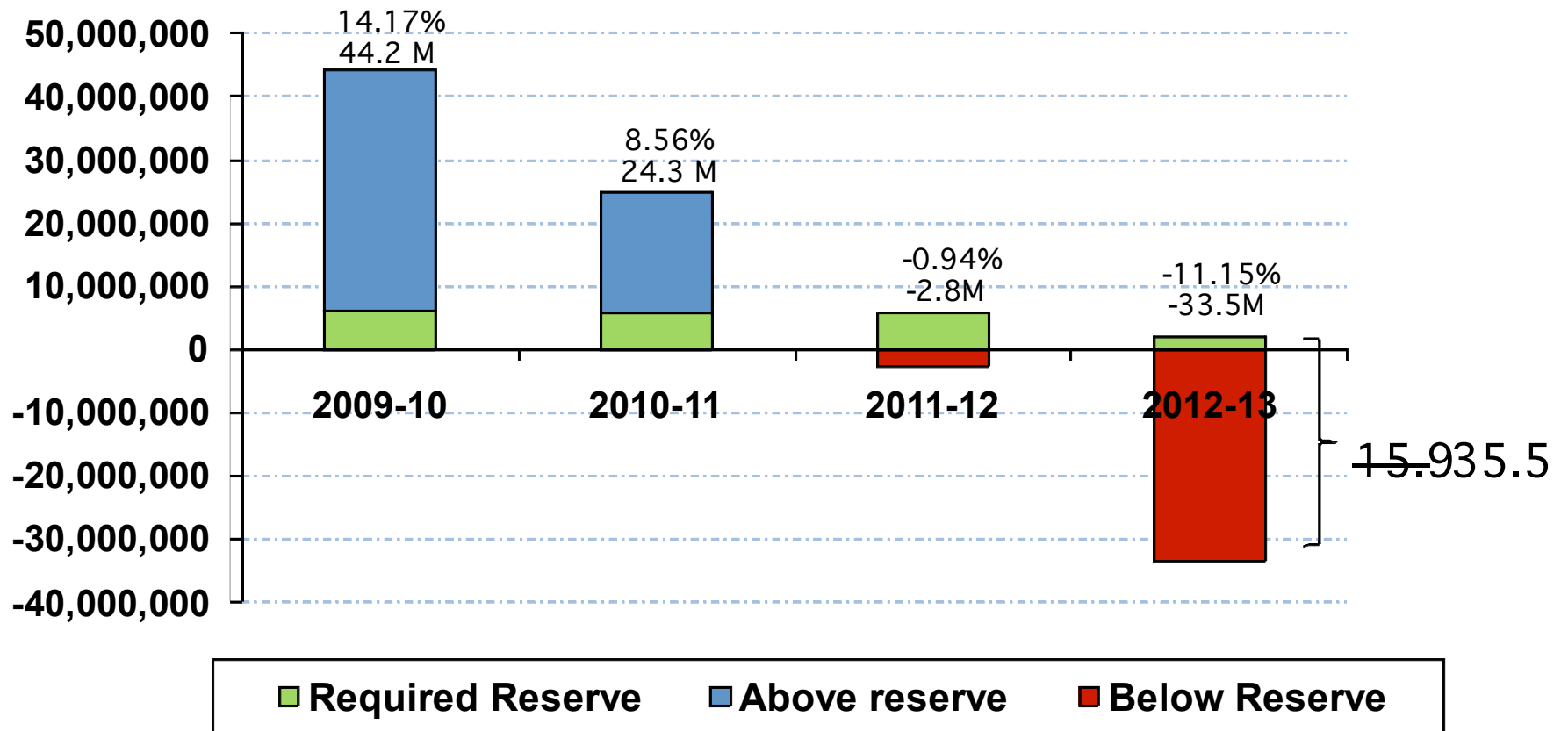
Revenue Limit Per ADA

- 2009-10 Funded RL per ADA - \$4,952.83
 - \$43.2 M less than fully funded RL
 - \$25.5 M less than actually received in 2007-08
- 2009-10 Base RL per ADA - \$6,375.97
 - Deficit factor 18.165%
 - \$1,423.14 more per ADA than current funding
- 2007-08 Funded RL per ADA - \$5,785.97
 - Deficit factor was 0%
 - \$833.12 more per ADA than current funding

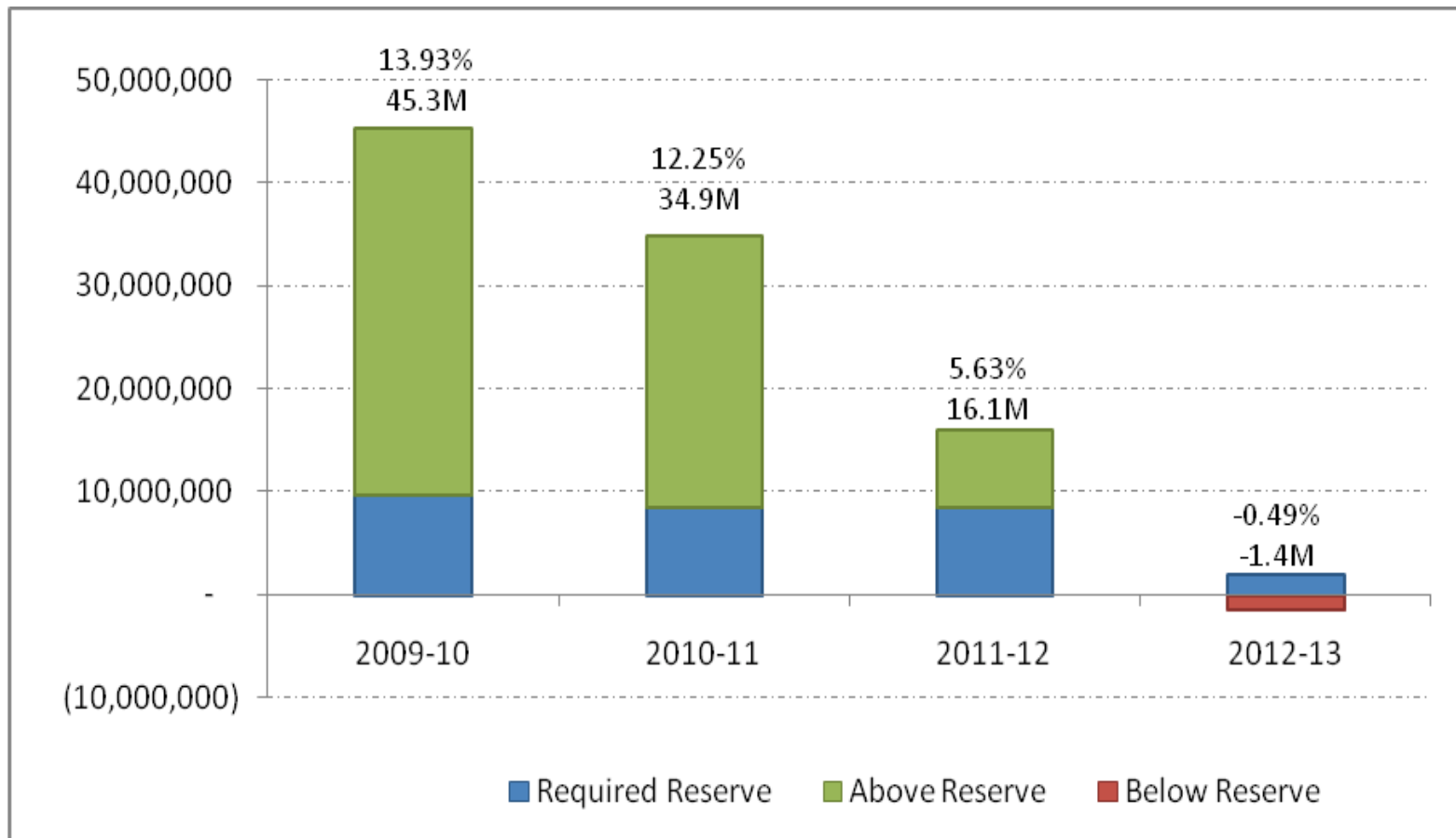
Changes Since First Interim

- 2009-10 Current Year
 - 110 ADA loss due to Fall Flu - \$550,000
 - Increase in Federal MAA Fund - \$500,000
 - Recognized Freeze & Salary Savings - \$2 million
- 2010-11 Budget & Multi Year
 - Includes Governor's proposed \$201 per ADA ongoing loss & \$24 per ADA COLA loss - \$6.9 million loss
 - 175 day Instructional Calendar with five furlough days for all employees - Saves \$4.1 million annually
 - Increased class size at High School to 1:33 - Saves \$1million annually
 - Extension of K-3 CSR relaxed penalties - \$5 million in 2012-13

Impact of the Governor's Budget on 1st Interim

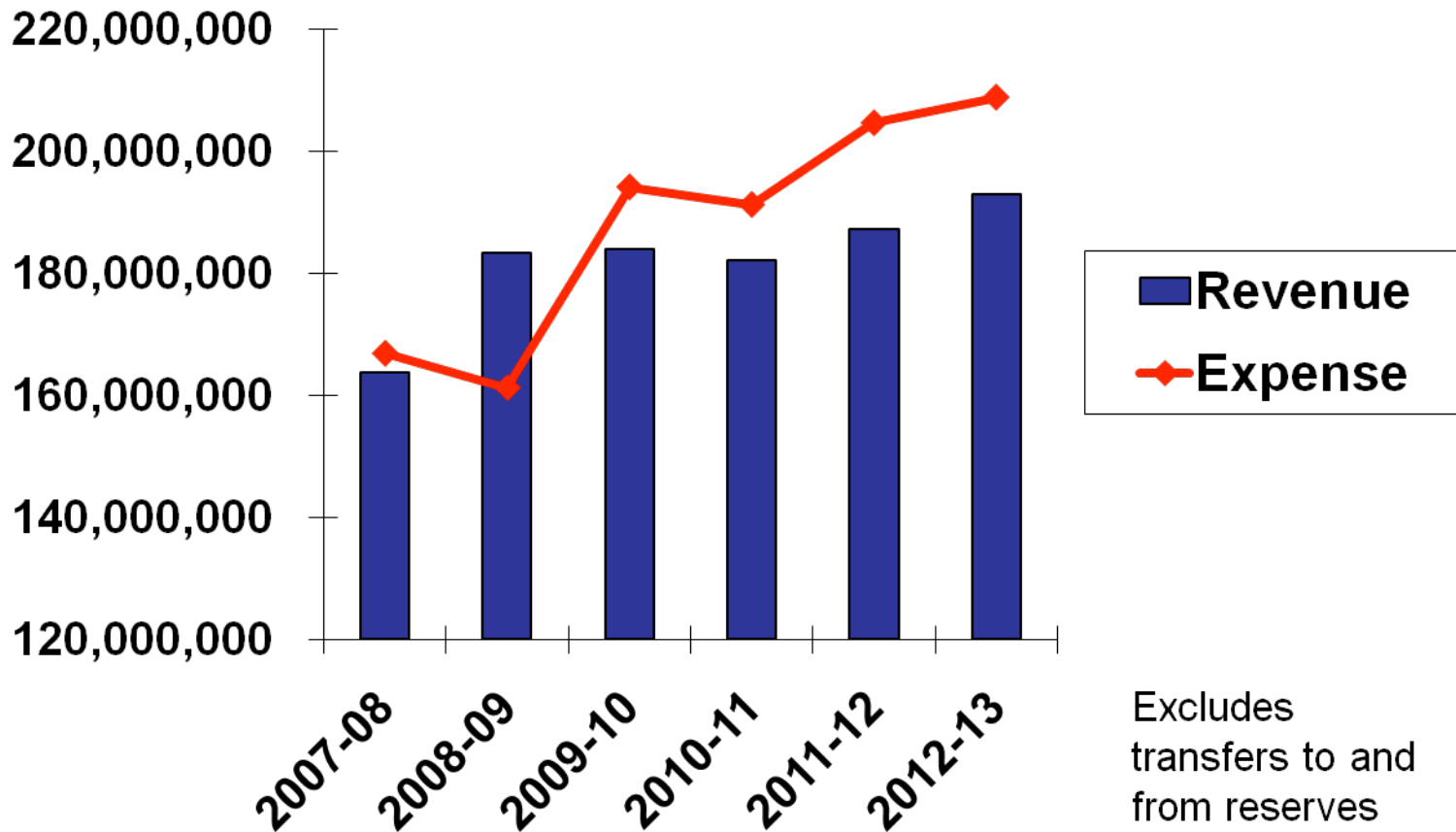


Reserve Projection at Second Interim



Deficit Spending

Multi Year Revenue/Expense for Funds 031 & 032



Deficit Spending

- Fund 031-Unrestricted General Fund
 - 2009-10 - \$19.1 million
 - 2010-11 - \$15.5 million
 - 2011-12 - \$16.9 million
 - 2012-13 - \$15.7 million
- Fund 032-Tier III Categorical
 - 2011-12 - \$ 2.2 million
 - 2012-13 - \$ 1.9 million
- 4th Year combined deficit spending is -\$17.6 million, with a combined beginning reserve of \$16.1 million

Multi Year to 2012/13

- Negative Fund Balance of (\$1.4) is projected
- Super-minimum 1/3 of 2% reserve = \$1.9 M
 - Currently SHORT \$3.4 M
 - Need Cuts of \$1.1 M annually to close this gap
- Minimum 2% reserve = \$5.9 M
 - Currently SHORT \$7.3 M
 - Need cuts of \$2.4 M annually to close this gap

Next Steps

- March 11th Board Meeting
 - MOU with SJTA presented for Board approval
 - Negotiations continue with other employee groups
- March 25th Board Meeting - 2010-11 Instructional Calendar & Administrative Program reductions presented for Board approval
- April 22nd Board Meeting - Additional reductions proposed for Board approval
- May 27th Board Meeting - Proposed Adoption Budget presented for information based on May Revise
- June 10th - Proposed Adoption Budget presented for Board approval

Next Steps

- Targeted Admin Reductions - March 25th
 - Magnet Grant ends
 - Reorganization in Instructional Services
 - Reorganization in Fiscal
 - Custodial Supervision
 - Site funded budget reductions
- Transportation - April 22nd
 - Bell time changes provide opportunity for efficiency
 - Site funded budget reductions