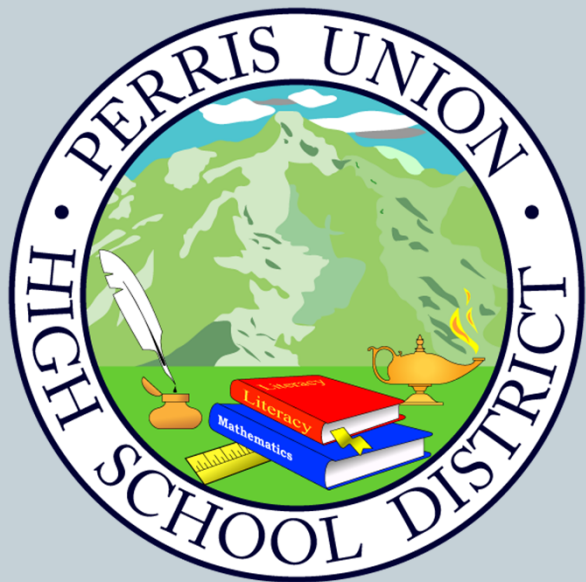


2012-2013 Adopted Budget



June 20, 2012

CALIFORNIA STATE BUDGET

The slide features a light blue background with a faint map of California. At the top, the title "CALIFORNIA STATE BUDGET" is centered in a large, teal, serif font. Below the title is a decorative horizontal line with a double-circle graphic in the center. The main content is a bulleted list on the left side of the slide.

- **Governor's May Revision**

- Continues to rely upon \$6.9 Billion Tax Measure in November
 - ✦ If tax proposal is approved
 - Funding remains relatively flat
 - ✦ If tax proposal fails
 - Schools lose \$5.5 Billion (Est. \$441 per ADA/\$4 M for PUHSD)
- Transportation funding remains intact
- Weighted Student Formula
 - ✦ Significant change to current funding mechanisms
 - ✦ Creates "Winners and Losers"
 - ✦ Legislature rejected this proposal

CALIFORNIA STATE BUDGET



- **Governor's May Revision**
 - Deferrals continue to be part of the state budget solution
 - Proposal “buys down” some existing deferred payments
 - ✦ Deferral schedule changes with the 2 scenarios
 - Details are still being worked out!
 - ✦ Cash flow projections indicate needing to use internal borrowing to maintain positive cash
 - \$6 M in May 2013
- **Outstanding Issues**
 - ✦ Redevelopment (RDA pass-through)
 - ✦ Welfare Cuts

MAJOR ASSUMPTIONS



	2012-2013 Adopted Budget	2013-2014 Projected Budget	2014-2015 Projected Budget
Enrollment	9,640	9,640	9,640
ADA (92.7% average attendance rate)	8,936	8,936	8,936
COLA	3.24%	2.5%	2.7%
Revenue Limit Deficit (Offsets COLA)	22.272%	24.171%	26.168%
Step and Column	\$415,000*	\$650,000	\$600,000
Furlough Days	6	6	6
Budget Reductions – Previously Approved/Implemented	(\$2,169,514)		
Budget Reductions - Contingency Plan (Taxes Fail)	(\$2,387,315)	(\$5,675,346)	
Contingency Plan Furlough Days**	+5	+10	

* Includes PSEA Step Freeze

** Savings for Additional Furloughs included in Budget Reduction Amounts

BUDGET REDUCTION PLAN

Previously Approved/Implemented	2012-2013	2013-2014
Transportation Distance Changes	\$805,000	\$805,000
Supplemental Early Retirement Program (SERP)	\$337,375	\$415,370
Reduce Department/Site Budgets	\$263,528	\$263,528
Delay Computer Replacements	\$300,000	
Facilities Funding Shifts	\$194,403	\$68,559
Campus Supervisor Funding Shifts to Nutrition	\$29,337	\$29,337
Hiring Freeze/Elimination	\$239,872	\$239,872
Eliminate Remaining Home to School Transportation (If Tax Measure Fails)	\$614,283	\$1,228,565
Recommend for Approval Only If Tax Measure Fails		
Contracted Employee Release	\$19,388	\$38,775
Site and District Office Classified/Confidential Layoffs	\$289,368	\$578,735
Management Layoffs	\$155,583	\$507,321
Certificated Layoffs (current overstaffing)		\$775,477
School Closure/Redistribute Services		\$1,300,000
Additional Employee Concessions (12-13 +5 days, 13-14 +10 days)	\$1,308,694	\$3,981,635
Total Budget Reductions	\$4,556,828	\$10,232,174

DISTRICT BUDGET SUMMARY

Combined General Fund

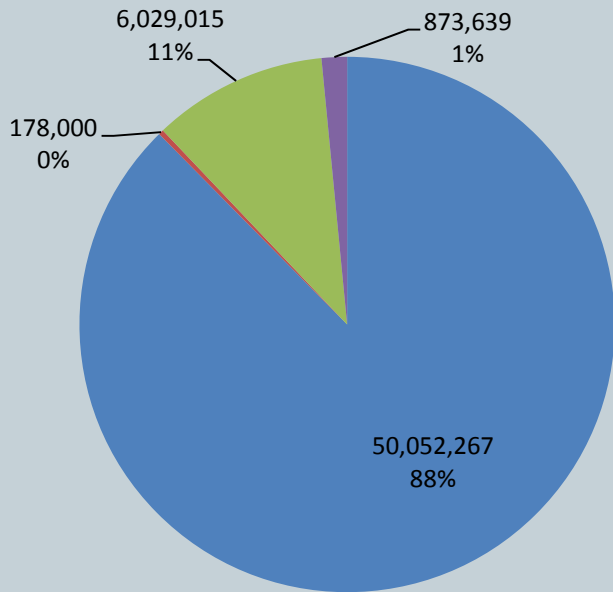


	2011-2012 Estimated Actuals	2012-2013 Adopted Budget	2013-2014 Projected Budget	2014-2015 Projected Budget
Beginning Balance	\$12,721,914	\$6,895,716	\$2,618,565	\$2,637,675
Revenue	\$74,714,322	\$69,106,850	\$68,992,680	\$68,959,493
Total Expenditures	\$80,540,520	\$73,384,001	\$68,973,569	\$72,321,391
Net Increase/ (Decrease) to Ending Balance	(\$5,826,198)	(\$4,277,151)	\$19,110	(\$3,361,898)
Total Ending Balance	\$6,895,716	\$2,618,565	\$2,637,675	(\$724,222)
<i>Restricted Ending Balance</i>	\$352,692	\$408,018	\$558,610	\$711,958
<i>3% Required Reserve</i>	\$2,416,216	\$2,210,547	\$2,079,065	\$2,169,642
<i>Excess/Shortfall of 3% Reserve</i>	\$4,126,808	0	0	(\$3,605,822)

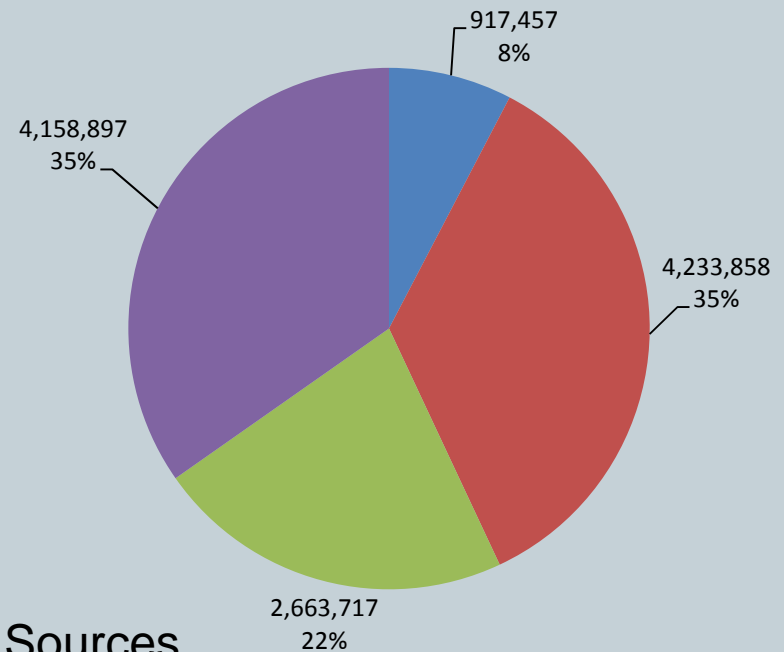
2012-2013 Budgeted Revenues



Unrestricted Revenue



Restricted Revenue

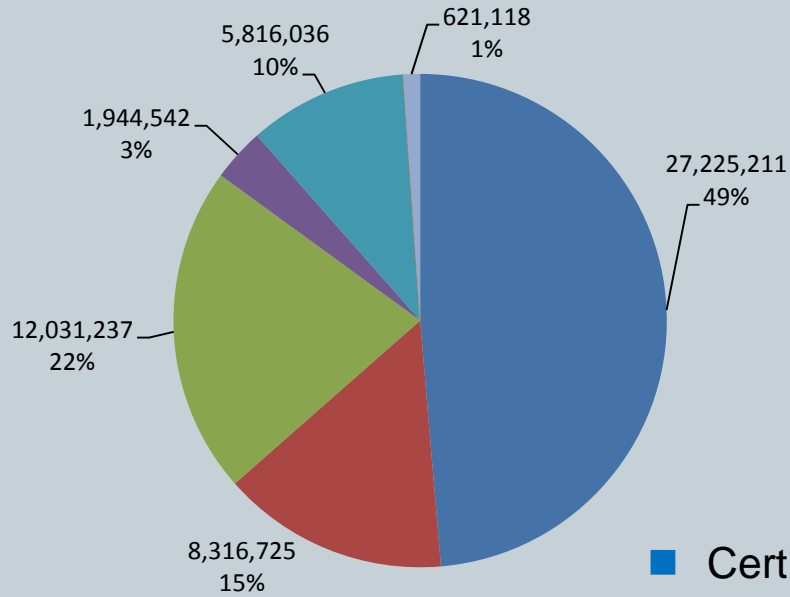


- Revenue Limit Sources
- Federal Revenues
- Other State Revenues
- Other Local Revenues

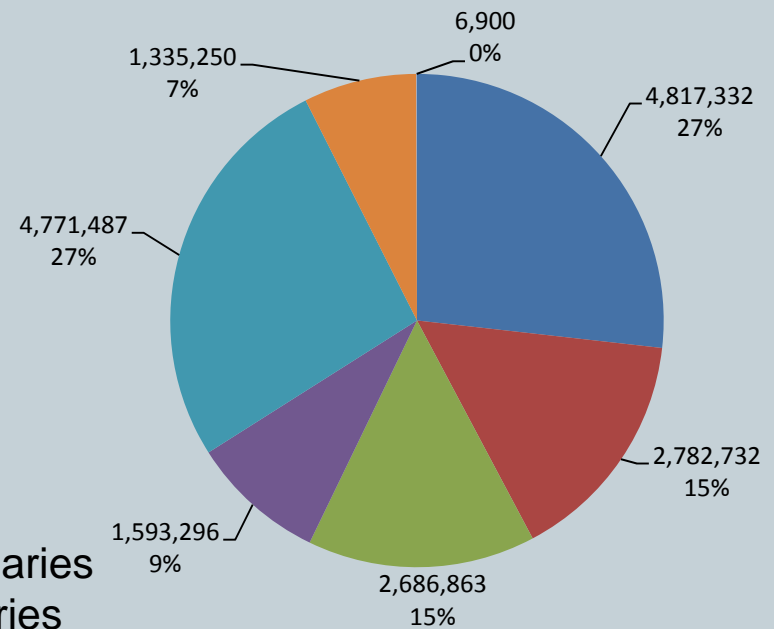
2012-2013 Budgeted Expenditures



Unrestricted Expenditures



Restricted Expenditures



- Certificated Salaries
- Classified Salaries
- Employee Benefits
- Books and Supplies
- Services/Other Operating
- Capital Outlay
- Other Outgo

Summary of Other District Funds



Fund	2012-2013 Beginning Fund Balance	Total Revenues	Total Expenditures	Change in Fund Balance	2012-2013 Ending Fund Balance
Charter Schools	\$1,602,520	\$6,191,523	\$6,778,204	(\$586,681)	\$1,015,839
Adult Education	0	\$134,755	\$134,755	0	0
Cafeteria	\$486,511	\$3,760,241	\$3,515,650	\$244,591	\$713,102
Capital Facilities	\$9,604,278	\$4,418,767	\$6,234,017	(\$1,815,250)	\$7,789,028
County School Facilities	\$3,863,023	\$1,515,280	\$1,503,275	\$12,005	\$3,875,028
Debt Service Fund	\$665,657	\$4,800	\$613,394	(\$608,594)	\$57,063

FISCAL HEALTH OF THE DISTRICT



- Absent implementation of reductions included within the 2012-2013 budget, we will not meet our financial obligations in the current year
- Even with the extreme reductions already put into place, 2014-2015 will require \$3.6 M of additional budget reductions

AGENDA ITEM 14.8



- At the conclusion of this report, open a Public Hearing to receive testimony relating to the Proposed Budget
- Consider adoption of the 2012-2013 Budget (*balanced budget must be adopted by the Board prior to June 30, 2012*)
- Consider adoption of Resolution 46:11-12
 - Implements the 2012-2013 Budget as presented, including the Budget Reduction Plan
 - States the intent to implement additional budget reductions if the November Tax Measure does not pass
 - Recognizes the need for \$3.6 M of additional budget reductions in 2014-2015
 - States the Board's commitment to maintain ongoing fiscal solvency

NEXT STEPS FOR PUHSD



- After the California State Budget is adopted, the District's budget will be revised and presented to the Board for approval
- The District will continue to be prudent to ensure the proper use of its available resources
- Plan for the worst, hope for the best