

# *Cypress School District*

*...A Great Place To Make A Difference*

## **2011/12 Budget Report**

**June 23, 2011**

# May Revision...

- Big cuts have been made (not to education) on the expenditure side of the State Budget
- Attempts to extend the Temporary Taxes
  - Legislature?
  - Vote of the People?
- The Governor has had no success in attaining the necessary support for taxes
- Tax Revenues have increased, independent of tax extension
- Overall, K-12 Education is safer now than at 2<sup>nd</sup> Interim

# The Guessing Game??

Cypress SD has currently budgeted for this scenario

- **Scenario 1: No Tax Extension = (- \$330/ADA)**

We are hoping for this scenario!

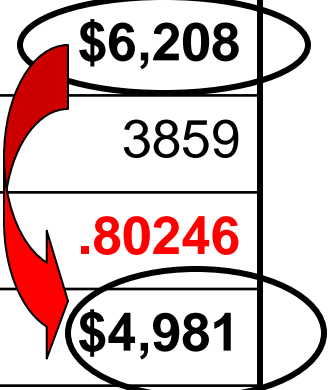
- **Scenario 2: Tax Extension = Flat Funding**

Not happening!

- **Scenario 3: All Cuts Budget = (- \$890/ADA)**

# The *Base Revenue Limit* Challenge!

	2007/08	2008/09	2009/10	2010/11	2011/12
<b>BRL</b>	\$5,289	\$5,530	\$5,845	\$6,095	\$6,071
<b>COLA</b>	+ \$241	+ \$315	+ \$250	- (\$24)	+ \$137
<b>Tot per ADA</b>	<b>\$5,530</b>	<b>\$5,845</b>	<b>\$6,095</b>	<b>\$6,071</b>	<b>\$6,208</b>
<b># Students</b>	4135	4019	4019	3924	3859
<b>Deficit Factor</b>	1.0	<b>.92156</b>	<b>.81645</b>	<b>.82037</b>	<b>.80246</b>
<b>\$\$ Actual</b>	<b>\$5,530</b>	<b>\$5,386</b>	<b>\$4,976</b>	<b>\$4,980</b>	<b>\$4,981</b>
<b>BRL before</b>	\$ 22.8	\$ 23.5	\$ 24.5	\$ 23.8	\$ 23.8
<b>BRL after</b>	\$ 22.8	\$ 21.6	\$ 20.0	\$ 19.5	\$ 19.2
<b>Difference</b>	0	<b>- (\$ 1.9)</b>	<b>- (\$ 4.5)</b>	<b>- (\$ 4.3)</b>	<b>- (\$ 4.6)</b>



# Challenge with Declining Enrollment

Year	ADA Reduction	\$\$\$
2007/08	<b>-23</b>	<b>- \$129,073</b>
2008/09	<b>-116</b>	<b>- \$624,043</b>
2009/10	0	+ \$1,791
2010/11	<b>-95</b>	<b>- \$473,304</b>
2011/12	<b>-65</b>	<b>- \$328,399</b>
2012/13	<b>-120</b>	<b>- \$616,887</b>

- Of the last 8-years, 7 have been declining years
- We anticipate 2013/14 being the year we level out

# *Cypress School District*

## **2011/12 Budget Report**

### Key Assumptions

- Assumes No Tax Extension (minus \$330/per ADA) = \$1,273,476
- Continues trend with declining enrollment (minus 65 ADA) = \$328,399
- 2.24% COLA and Deficit Factor 19.754%
- Continued Flexibility to Class Size Reduction (through 2013-14)
- Reduced encroachment by Special Ed & Transportation
- Lottery = \$111 per ADA (unrestricted) and \$17.50 per ADA (restricted)

# Cypress School District

## 2011/12 Budget Report

- Projected Revenues (Unrestricted & Restricted)

Includes reduction of  
minus \$330/per ADA

Description	Obj Codes	Amounts
Revenue Limit Source	8010-8099	\$ 18,179,408
Federal Revenues	8100-8299	\$ 1,477,932
Other State Revenues	8300-8599	\$ 5,249,773
Local Revenues	8600-8799	\$ 2,609,128
<b>TOTAL</b>		<b>\$ 27,516,240</b>

# Cypress School District

## 2011/12 Budget Report

- Projected Expenditures (Unrestricted & Restricted)

Description	Object Codes	Amounts
<b>Certificated Salaries</b>	1000-1999	<b>\$ 14,602,996</b>
<b>Classified Salaries</b>	2000-2999	<b>\$ 3,905,539</b>
<b>Employee Benefits</b>	3000-3999	<b>\$ 4,749,883</b>
Books & Supplies	4000-4999	\$ 779,968
Services & Operating Expenses	5000-5999	\$ 2,707,684
Capital Outlay	6000-6999	\$ 0
Other Outgo & Other Financing Uses	7000-7999	\$ 1,989,601
<b>TOTAL</b>		<b>\$ 28,735,671</b>

Equates to  
**80.9%**  
of all  
projected  
expenses

# *Cypress School District*

## **2011/12 Budget Report**

- Cypress still maintains the minimum 3% Reserve for Economic Uncertainties
- Multiyear projections are looking ahead two years using today's assumptions
  - *As assumptions change, so will projections*

# Cypress School District

## 2011/12 Budget Report

- Multiyear Projection  
(Unrestricted & Restricted)

Includes reduction of  
minus \$330/per ADA

	2010/11	2011/12	2012/13	2013/14
Revenues	\$30,160,359	\$27,516,240	\$28,706,147	\$29,320,533
Expenditures	\$30,402,544	\$28,735,671	\$29,159,327	\$29,595,989
Increase/ (Decrease)	(\$242,185)	(\$1,219,430)	(\$453,179)	(\$275,455)
Beginning Fund Balance	\$4,048,536	\$3,806,351	\$2,586,921	\$2,133,740
Ending Fund Balance	\$3,806,351	\$2,586,921	\$2,133,740	\$1,858,285

# Cypress School District

## 2011/12 Budget Report

### Components of Ending Fund Balance

	<i>If minus \$330/per ADA</i>	<i>If Flat-Funded</i>
Revolving Cash	\$15,000	\$15,000
Assigned	\$1,546,890	\$2,468,640
• <i>CEF</i>	• \$739,000	• \$739,000
• <i>Deferred Maintenance</i>	• \$600,000	• \$600,000
• <i>Lottery</i>	• \$207,890	• \$207,890
• <i>BRL</i>	• 0	• \$921,750
3% Reserve	\$865,000	\$865,000
Unassigned Amount	\$160,031	\$351,726
<b>TOTAL</b>	<b>\$2,586,921</b>	<b>\$3,860,397</b>

# District's Priorities

- **GOALS**

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graph LR; GOALS((GOALS)) --> G1[Continued Vigilance during State Budget Enactment]; GOALS --> G2[No Additional Layoffs to Staffing (relating to state fiscal crisis)]; GOALS --> G3[Reduce Furlough Days]; GOALS --> G4[TOSA Learning Specialist (depending on Categorical Carryover amounts)];
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**Continued Vigilance during  
State Budget Enactment**

**No Additional Layoffs to Staffing  
(relating to state fiscal crisis)**

**Reduce Furlough Days**

**TOSA Learning Specialist  
(depending on Categorical Carryover amounts)**