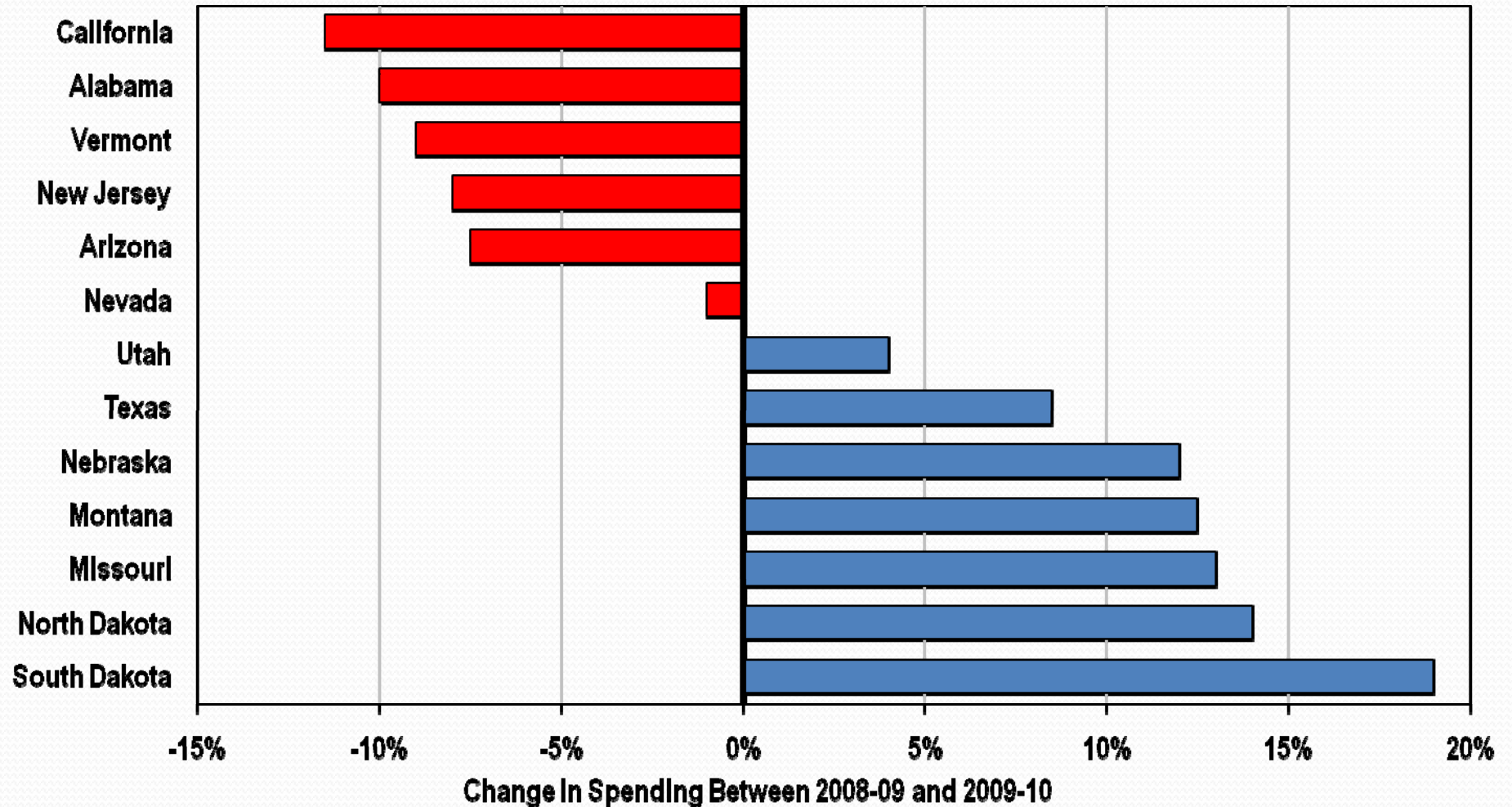


# Education Funding in Other States



Source: Center for Reinventing Public Education



# PUSD Declining Revenues

in millions

Budget Year	2007-2008	2008-2009	2009-2010
Revenue Limit Funding (based on Average Daily Attendance)	\$113.6	\$107.9	\$93.5
State Categorical Funds	\$28.0	\$28.0	\$25.4
Total	\$141.6	\$135.9	\$118.9
Total Loss			\$22.7

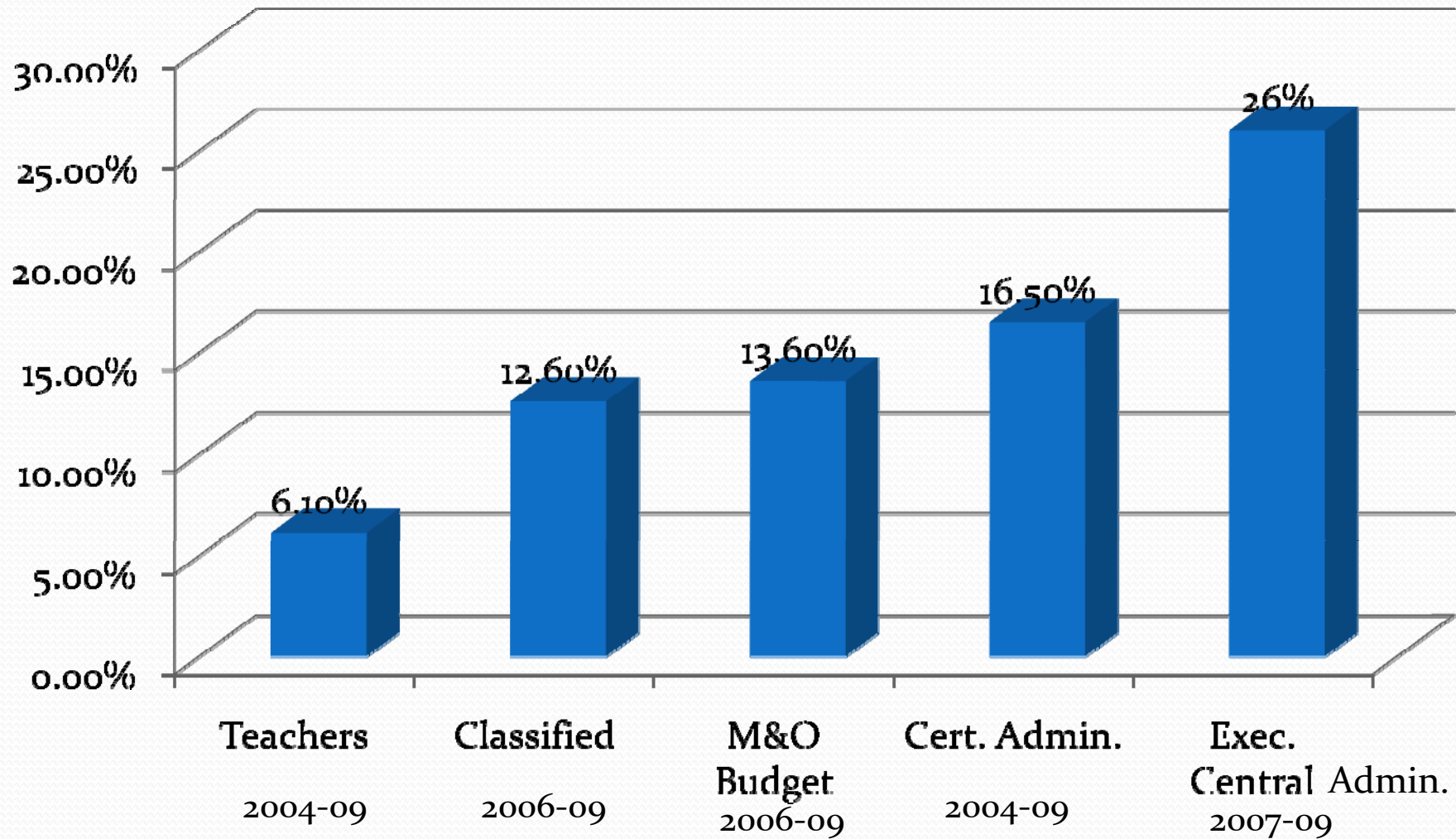
\$1,211 per Student

# Past Reductions



- Over 5 years from 2004 – 2009, Certificated Administration went from 85 to 71 employees – a 16.5% reduction
- Over 5 years from 2004 – 2009, Teachers went from 1,114 to 1,046 – a 6.1% reduction
- Over 3 years from 2006 – 2009, Classified employees went from 1,291 to 1,128, a 12.6% reduction
- Over 3 years from 2006 – 2009, the Maintenance and Operations budget went from \$9,296,000 to \$8,029,000, a 13.6% reduction
- Executive level central office staff was reduced from 23 to 17 between 2007-08 and 2008-2009, a 26% reduction

# PUSD Past Reductions



# Budget Projections 2009-2012



Description	2009-2010 Revised Budget	2010-2011 Budget Projection	2011-2012 Budget Projection
Projected/ Beginning Balance	\$34,183,059	\$7,562,871	\$5,507,579
Revenues	180,037,147	176,023,091	177,501,344
Expenditures	206,657,335	196,876,619	178,824,157
Revenue/Expense Balance	-26,620,188	-20,853,528	-1,322,813
Projected Ending Balance	\$7,562,871	-\$13,290,657	4,184,766
Necessary Reductions *		-\$18,800,000	-\$1,200,000

\* Based on a minimum 3% Reserve for Economic  
Uncertainty

January 19, 2010 - Joint Meeting



# Reduction Criteria

- Maintain Fiscal Solvency
- Prioritize Jobs
- Alignment with Strategic Priorities
- Prioritize Student and Staff Safety
- Assist Students in Meeting Graduation Requirements
- Maintain a Broad Based Educational Experience
- Maintain some level of Supplemental Services for Students and Families



Category	General Fund Savings	Amount	Description	Est. FTE	Cummulative
1	Workers' Compensation	450,000	Potential 2010-2011 Savings based on current performance - Actual amount determined by Actuarial Study in February.	0	450,000
1	Utilities	200,000	Potential Savings based on energy conservation measures	0	650,000
1	Food Services to pay for "custodial" at sites	175,000	Current, 0 custodians. .125% at 28 sites (3.5 FTE)	0	825,000
1	Child Development to pay for "custodial" at sites	106,250	Current = 2.50 FTE custodial for 4 Children's Centers. .125% at 17 other sites.	0	931,250
<b>Category Total</b>		<b>931,250</b>		<b>0</b>	

Category	General Fund Savings	Amount	Description	Est. FTE	Cummulative
2	Central Office reductions	2,175,000	Various Central office reductions across all divisions	13.5	3,106,250
2	Contracted Services (50%)	450,000	Total contracts General Fund \$900,000	0	3,556,250
2	Reduce Overtime	250,000	Prior Approval/Only Essential Overtime approved	0	3,806,250
2	Legal Fees (30% reduction)	360,000	Coordinate efforts, reduction in rates, and reduction in usage.	0	4,166,250
<b>Category Total</b>		<b>3,235,000</b>		<b>13.5</b>	



Category

	General Fund Savings	Amount	Description	Est. FTE	Cummulative
3	Transportation	800,000	Regular Education = Summer: \$209,000, and School Year: \$1,400,000	0	4,966,250
3	Custodial Services (20 FTE)	1,000,000	20 FTE Reduction Districtwide	20	5,966,250
3	Hourly Teacher Reduction	200,000	Total hourly intervention programs (Backfill with Stimulus until Sept. 2011)	0	6,166,250
3	Deferred Maintenance + District Match	1,300,000	State Deferred Maintenance money flexible until 2012-13	0	7,466,250
3	Reduce Site Operating budget (20%)	180,000	\$900,000 Total	0	7,646,250
3	Eliminate AD allocation	80,000	.8 FTE (.2 FTE each HS)	0.8	7,726,250
3	Reduce Administrator allocations	500,000	3-5 FTE Administration	4	8,226,250
3	Reduce Athletics (50%)	345,000	\$680,000 Districtwide	0	8,571,250
<b>Category Total</b>		<b>4,405,000</b>		<b>24.8</b>	



Category	General Fund Savings	Amount	Description	Est. FTE	Cummulative
4	Reduce encroachment by Rose City	345,000	\$853,507 in 08-09.	5	8,916,250
4	Special Education	1,500,000	Based on Special Education Audit. Contract NPS/NPA reductions	7	10,416,250
4	Eliminate All Summer school	460,000	Amount of budget for 09-10. Elementary mostly paid by Title I and Learns	0	10,876,250
4	Tier III	3,545,000	50% of Tier III programs	17.5	14,421,250
4	Class Size Reduction 9th Grade	581,000	Reduce additional HS allocations	8.3	15,002,250
4	CSR K-3 31:1	3,516,604	Increase Staffing Ratio at K-3 to 31:1	82	18,518,854
4	Counselors 600:1	500,000	Increase Staffing Ratio to 600:1	5	19,018,854
4	Security (50%)	500,000	Reduce 50% of all security personnel	12.5	19,518,854
4	Library Services	1,400,000	Reduce all Library Personnel - Close Libraries	17	20,918,854
Category Total		12,347,604		154.3	
Grand Total		20,918,854		192.6	

### 2011-2012 Reductions

General Fund Savings	Amount	Description	Cummulative
Close 3 small elementary schools 2011-12	1,200,000	\$400,000 per school	1,200,000



## 2010-2011 Governor's Budget Proposals

- California Budget deficit - \$19.9 billion
- Governor: "... In particular, my budget proposal protects education, including higher education, from additional deep cuts."
- Continues the 18.355% Revenue Limit DEFICIT
- The Governor is proposing to "fund" the COLA for 2010-2011, which is estimated at a **negative** .38%.
- -.38% COLA = \$24 reduction per ADA
- At about 18,740 ADA, this represents a loss of about \$449,760 for PUSD



# 2010-2011 Governor's Budget Proposals

- Calls for \$300 million in savings
  - ❖ by relaxing contracting out requirements of current law
- Calls for \$1.2 billion in savings
  - ❖ for school district administrative costs-- no defined plan.
- The Department of Finance (DOF ) stated the \$1.5B reduction will be to revenue limit funding in 2010-2011 – **A cut of \$201 per ADA for unified school districts**
- A loss of about \$3,766,740 for PUSD
- In total: reductions of an additional **\$4,216,500** in revenues for PUSD in 2010-2011

# Parcel Tax Recommendations



- Amount: \$120 per parcel (@59,700 parcels = \$7,164,000)
- Length : 5 years
- Date of Election: May 4, 2010 – Mail ballot only election
- Include a senior citizen needs based exemption
- Include a provision for an “Independent Community Oversight Committee”.

# Parcel Tax Purposes and Uses



- Preserve quality education and protect academic programs against State budget cuts.
- Continue funding for advanced math, science, technology courses and arts and music programs.
- Keep school libraries open.
- Attract and retain the best qualified teachers.
- Provide other financial support to the extent of available funds to maintain and support the District's academic programs, including the purchase of instruction equipment and supplies.

# Conclusions



- A Resolution will be presented at the January 26, 2010 Board of Education Meeting
- A Public Hearing will be held.
- The Board of Education will discuss and take action on the Parcel Tax Resolution.