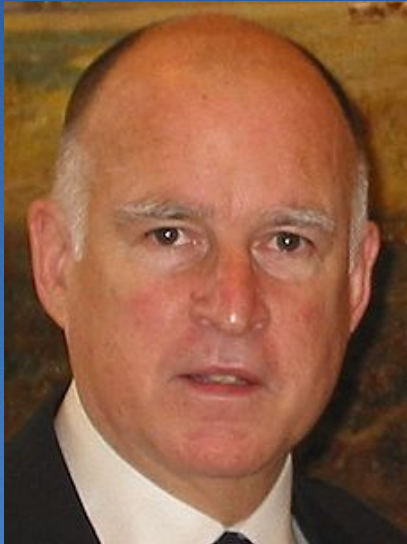
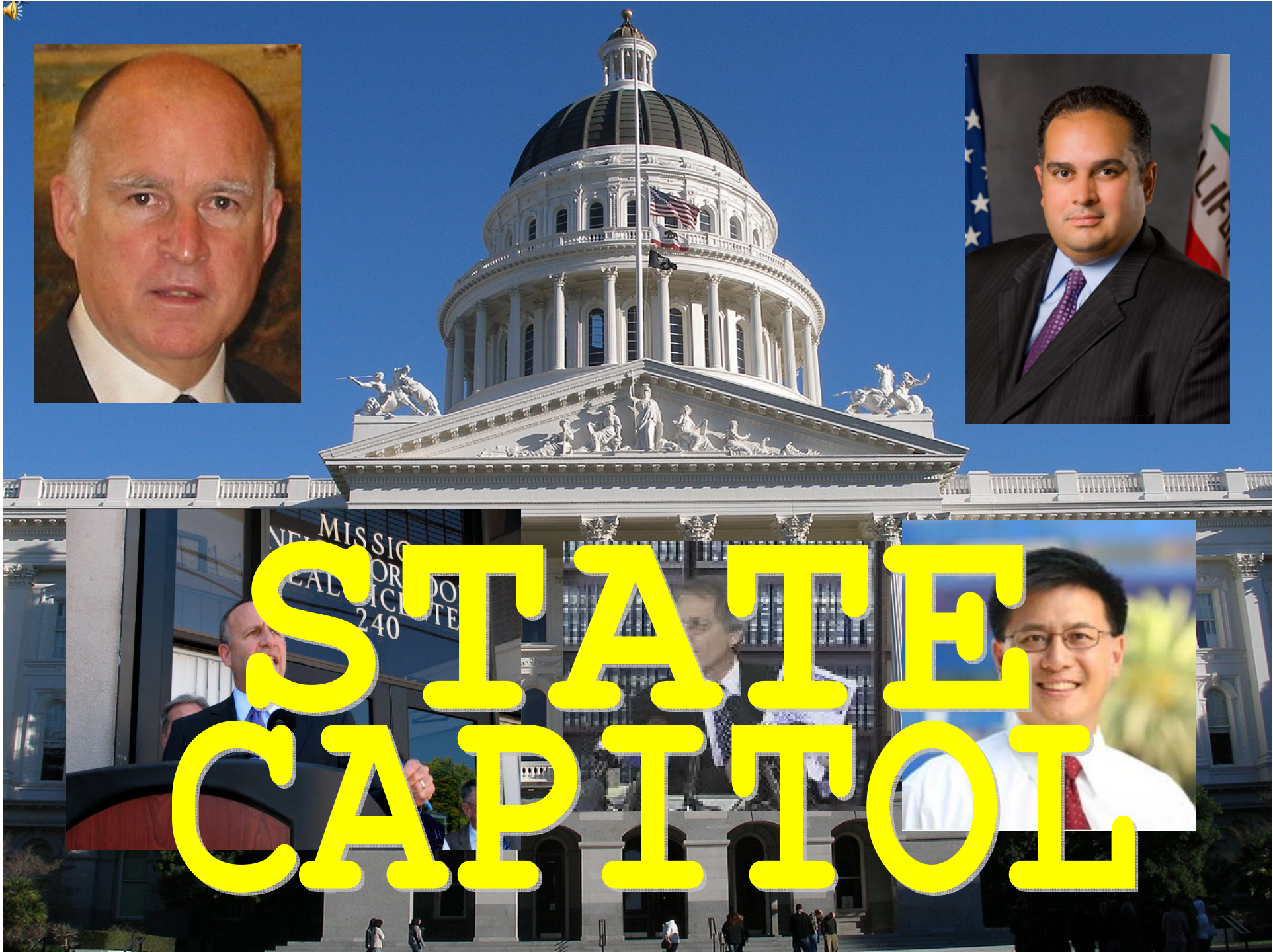

Mt. Diablo Unified School District

Governor's 2011-12 May Revise

May 24, 2011

Steven Lawrence, Ph.D., Superintendent

Bryan Richards, Director, Fiscal Services



STATE CAPITOL



*\$3 Billion in new State money.
Higher COLA! How much new
money do we get?*

- You guessed it, almost none. (\$1.10 per ADA if the tax extensions pass because we are funded below average)
 - The COLA is 2.24% or \$143 per ADA.
 - The COLA is fully offset by a deficit factor
-

Deficit growing again!

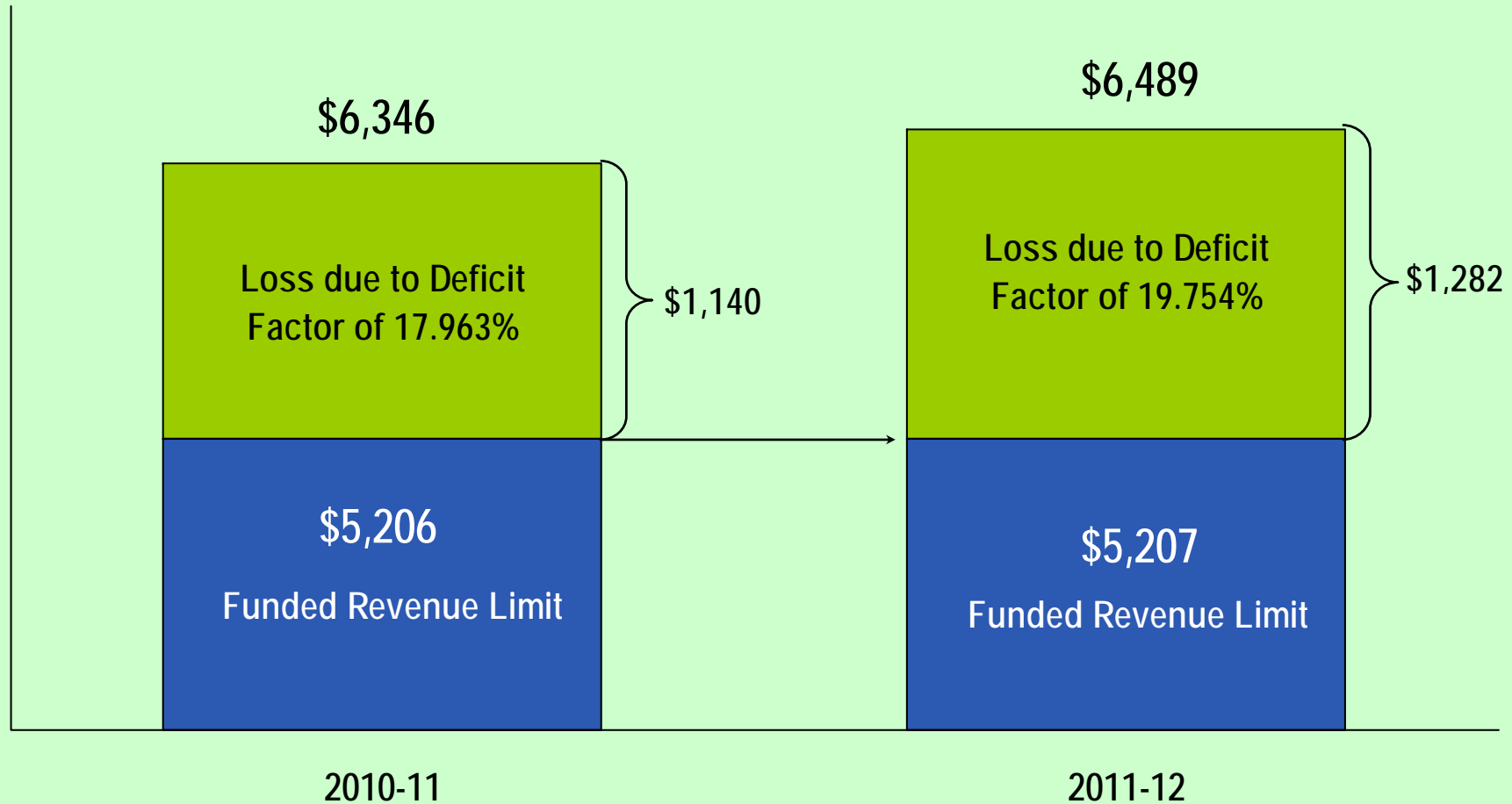
- This year we had a deficit factor of 17.963%. Next year it increases to 19.754% to eliminate the COLA in an average district.
- Because the COLA is a flat dollar amount, but the deficit factor is a percentage of dollars received, below average districts have a slight increase and above average districts have a slight decrease in funding.

Declining Enrollment Less Steep than at P-1

- For P-2 we were down 96.96 ADA
 - We are down 0.3% from prior year
 - This is one of the shallowest declines in years.
 - We have a slight uptick in projected Kindergarten, but not as big as the outbound senior class.
-

Funded Revenue Limit 2010-11 vs. 2011-12

Mt. Diablo Unified School District



Graph courtesy of School Services of California, Inc.

2011/12 K-12 Revenue Limit – MDUSD

	Mt. Diablo Unified SD for 2011-12	Base Revenue Limit per ADA (A)	Proration Factor (B)	Funded Base Revenue Limit (C) = (A) x (B)
1.	2010-11 Base Revenue Limit	\$6,346.02	0.82037*	\$5,206.08
2.	2011-12 COLA per ADA	\$ 143.00	—	—
3.	2011-12 Base Revenue Limit	\$6,489.02	0.80246**	\$5,207.18
4.	Net 2010-11 Funded Revenue Limit (Line 1, Column C)			\$5,206.08
5.	Dollar Change (Line 3, Column C, Minus Line 4, Column C)			\$ 1.10
6.	Percentage Change (Line 5, Column C, Divided by Line 4, Column C)			0.02%

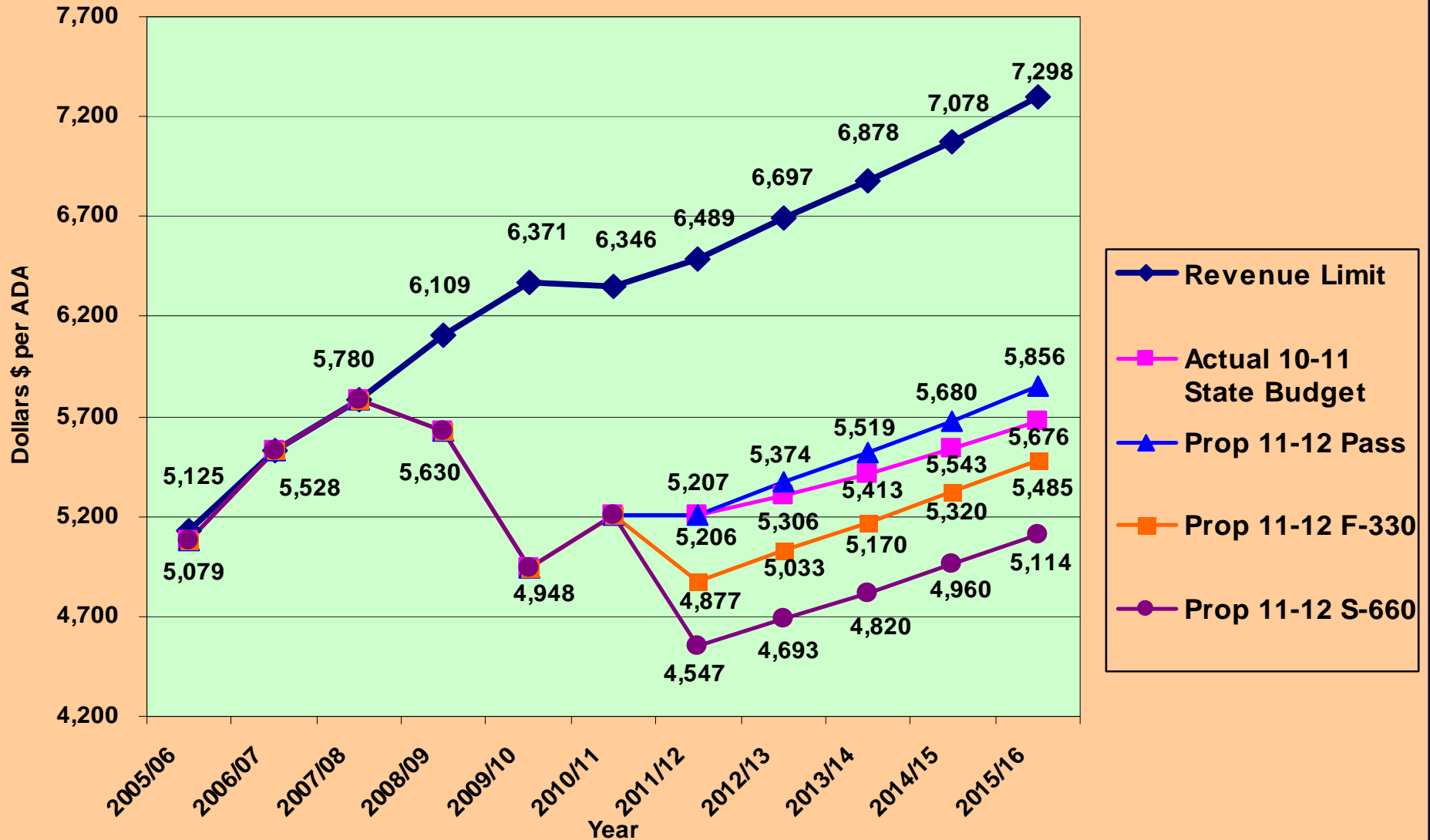
* $0.82037 = 1 - 0.17963$ (2010-11 deficit factor)

** $0.80246 = 1 - 0.19754$ (2011-12 deficit factor)

Chart courtesy of School Services of California, Inc.

11/12 revenue limit cut deepens to \$1,282(P) or \$1,612(F)/ADA

MDUSD Revenue Limit Funding per ADA



Where is the \$3 billion going?

- Department of Finance corrected its failure to account for Statewide Growth and eliminated the resulting \$19 per ADA cut
- \$3 billion in new State revenue
 - \$2.1 billion offsets the “new” deferrals in the January budget
 - \$0.4 billion offsets part of the “old” deferral from February to July
 - \$0.3 billion offsets some community college deferrals
 - \$0.2 billion to cover shift of AB 3632 to Districts
 - Unclear whether this will cover Districts based on actual costs
 - Part of proposition is to use a per ADA allocation

MDUSD

Revenues

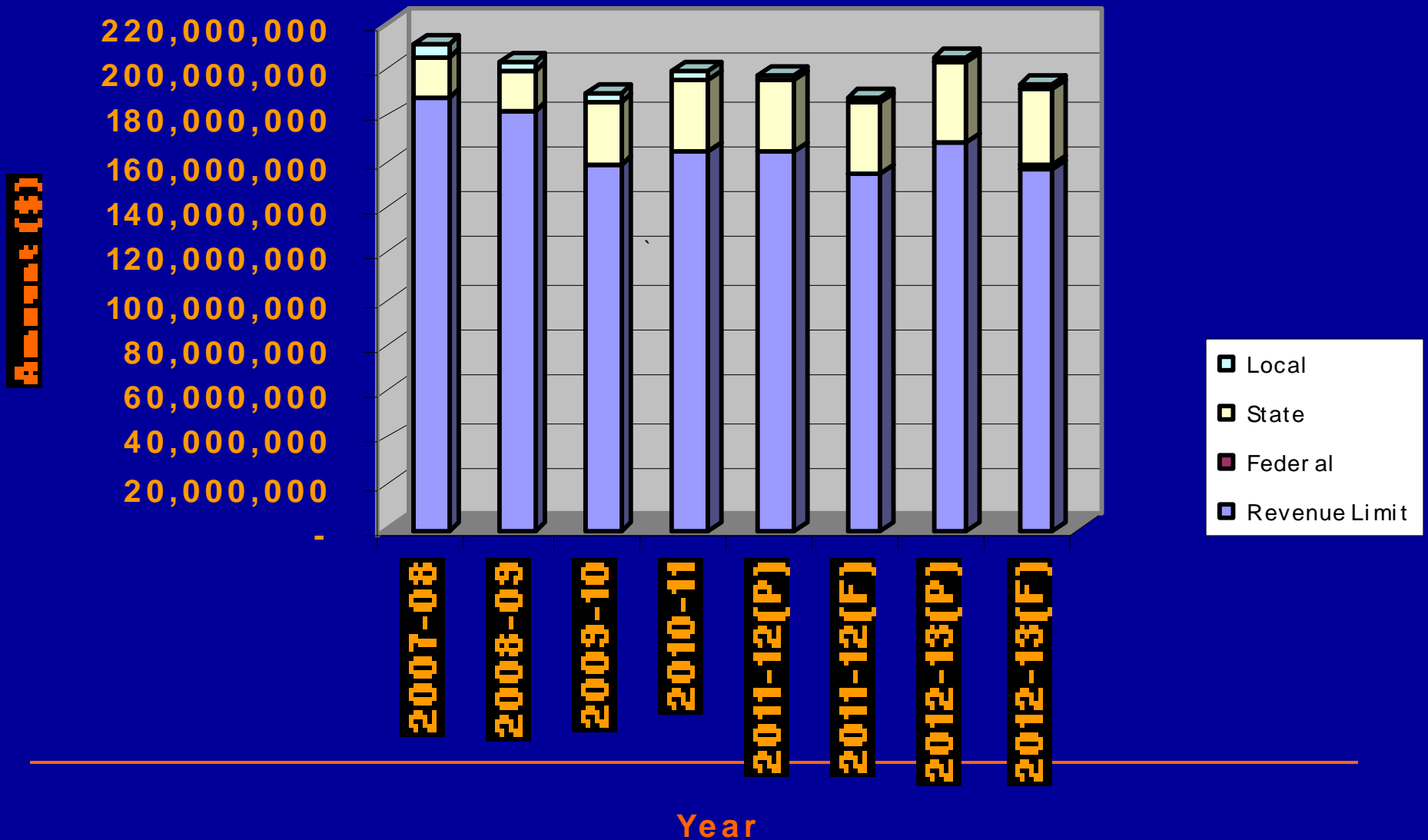
				Projected	Gov Prop	Gov Prop
Unrestricted	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Revenue Limit	187,893,543	182,218,757	158,397,730	164,611,092	164,286,234	168,350,583
Federal	605,858	402,858	82,901	337,273	336,269	333,937
State	17,404,849	16,894,600	27,990,450	31,194,238	31,101,416	33,874,092
Local	<u>5,667,289</u>	<u>4,524,339</u>	<u>3,935,717</u>	<u>2,535,869</u>	<u>2,535,869</u>	<u>2,535,869</u>
Total Unrestricti	211,571,539	204,040,555	190,406,798	198,678,472	198,259,788	205,094,481
Restricted	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Revenue Limit	7,450,041	7,189,798	6,720,651	7,071,893	6,923,517	7,145,445
Federal	15,055,764	28,266,945	27,849,149	37,860,149	20,630,325	20,487,268
State	54,769,197	54,986,527	34,999,484	38,076,288	37,962,987	37,699,738
Local	<u>5,495,204</u>	<u>5,602,383</u>	<u>8,344,178</u>	<u>10,180,330</u>	<u>10,148,719</u>	<u>10,078,344</u>
Total Restrict	82,770,206	96,045,653	77,913,463	93,188,660	75,665,548	75,410,795
Combined	294,341,745	300,086,208	268,320,261	291,867,132	273,925,336	280,505,276

MDUSD

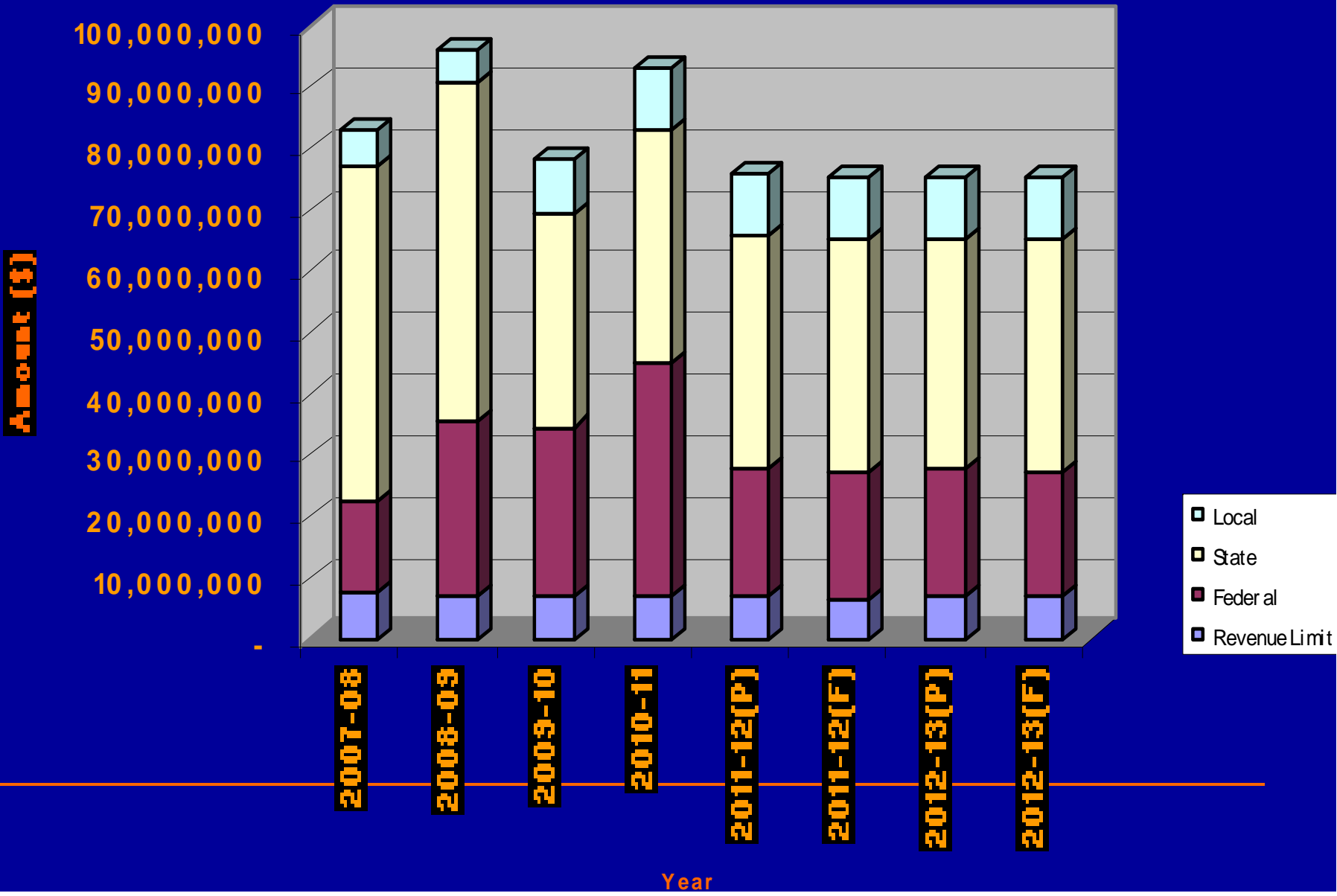
Revenues

				Projected	Gov Fail	Gov Fail
Unrestricted	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Revenue Limit	187,893,543	182,218,757	158,397,730	164,611,092	153,835,727	157,642,476
Federal	605,858	402,858	82,901	337,273	336,269	333,937
State	17,404,849	16,894,600	27,990,450	31,194,238	31,101,416	33,874,092
Local	<u>5,667,289</u>	<u>4,524,339</u>	<u>3,935,717</u>	<u>2,535,869</u>	<u>2,535,869</u>	<u>2,535,869</u>
Total Unrestricti	211,571,539	204,040,555	190,406,798	198,678,472	187,809,281	194,386,374
Restricted	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Revenue Limit	7,450,041	7,189,798	6,720,651	7,071,893	6,484,704	6,692,566
Federal	15,055,764	28,266,945	27,849,149	37,860,149	20,630,325	20,487,268
State	54,769,197	54,986,527	34,999,484	38,076,288	37,962,987	37,699,738
Local	<u>5,495,204</u>	<u>5,602,383</u>	<u>8,344,178</u>	<u>10,180,330</u>	<u>10,148,719</u>	<u>10,078,344</u>
Total Restrict	82,770,206	96,045,653	77,913,463	93,188,660	75,226,735	74,957,916
Combined	294,341,745	300,086,208	268,320,261	291,867,132	263,036,016	269,344,290

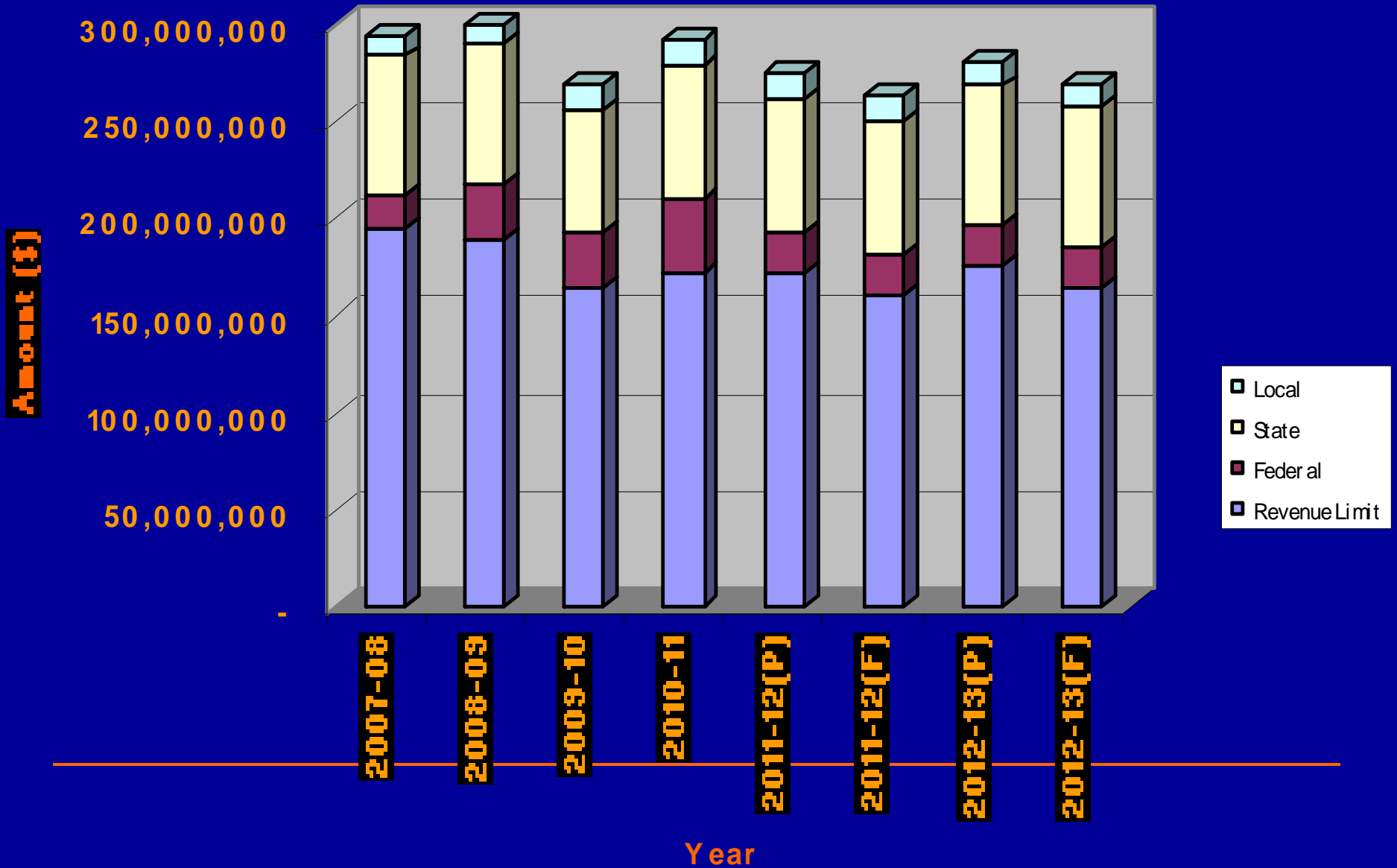
MDUSD Unrestricted Revenue 2007/08 - 2012/13



MDUSD Restricted Revenue 2007/08 - 2012/13



MDUSD General Fund Revenue 2007/08 - 2012/13



Multi Year Projection – Pass vs. Fail

	PASS	FAIL
■ Tax extensions		
■ Undesignated @ 6/11	\$ 20,105,322	\$ 20,105,322
■ Oper'g (Deficit) 2011/12	(2,003,624)	(12,892,944)
■ Adjustment in 2% reserve	<u>485,494</u>	<u>485,494</u>
■ Unappr'd Balance 6/12	18,587,192	7,697,872
■ Gain/(Deficit) 2012/13	5,438,009	(5,722,977)
■ Adjustment in 2% reserve	<u>17,234</u>	<u>17,234</u>
■ Unappr'd Balance 6/13	\$ 24,042,435	\$ 1,992,129

Note: In 2012/13 CSI credits begin for 5 years & electricity expense reduced.
Includes furlough days based on 7 teacher days for 2011/12 and 2012/13

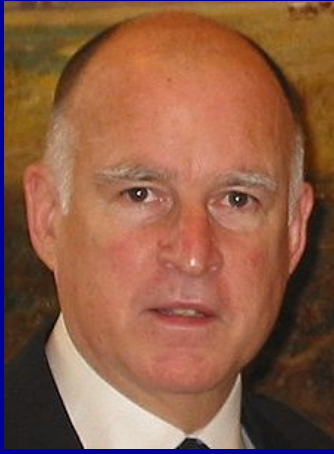
How do the out years look?

■ Tax Extensions	PASS	FAIL
■ Unapp Balance 6/13	\$24,042,435	\$1,992,129
■ Gain/(Deficit) 2013/14	<u>1,126,544</u>	<u>(10,233,993)</u>
■ Unapp Balance 6/14	25,168,979	(8,241,864)
■ Gain/(Deficit) 2014/15	<u>(2,958,127)</u>	<u>(14,539,640)</u>
■ Unapp Balance 6/15	22,210,852	(22,781,504)
■ Gain/(Deficit) 2015/16	<u>(3,059,943)</u>	<u>(14,900,051)</u>
■ Unapp Balance 6/16	\$19,150,909	\$(37,681,555)

Note: Furloughs expire after 2012/13 and K3 CSR returns in 2014/15

How much less must we spend?

- Enrollment declines projected to continue through 2016 at rates between 0.69% and 0.94% per year
- Expenditure budgets continue to assume 7 furlough days for 2011-12 and 2012-13
- The state measures must pass, OR
- We must cut an additional \$11M per year in ongoing annual spending,



What next? More from Sacramento



- ✓ Both houses work on their proposals
- ✓ Trying to shorten route to conf. committee
- ✓ Budget due by June 15
 - ✓ Will new “hold the paychecks rule” help?
- ✓ Governor’s signature due June 30



Meanwhile back in Concord...

- We must adopt balanced budget by June 30th
 - First Budget Hearing will be June 14th
 - Final Budget Hearing will be June 28th
 - We must plan an additional contingency if the State suspends Proposition 98 in 2011-12 and drops funding below the “FAIL” numbers above
-



Starring

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