



SUSD Budget Update

SUSD Governing Board Meeting
David Peterson, Asst Supt – Operations
15 APRIL 2008



100th Day ADM

- SUSD Budget Projection 25,183.48
- ADE Actual 25,183.95

0.002% Difference!!!!



Classroom Site Fund

- Prop 301 – 0.6% Sales Tax (80%)
- State Trust Land Earnings (20%)
- Carryover (Based on Conservative Estimate)



CLASSROOM SITE FUND

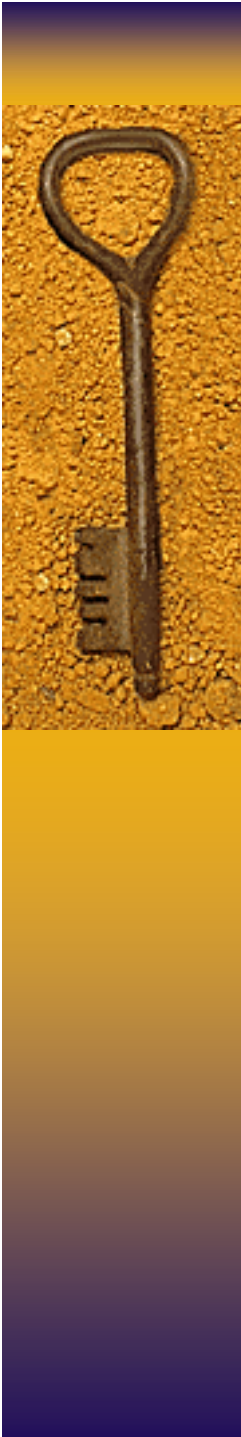
60% Base (\$283,923)

40% Performance (\$189,282)

\$11/Student Reduction

\$401 Down to \$390

(\$473,205)



FY 08-09 BUDGET PROJECTIONS

| <u>M&O Budget</u> | <u>FY08 Rev#1</u> | <u>FY09 Projected</u> | <u>Change</u> |
|-----------------------|----------------------|-----------------------|--------------------|
| RCL | \$126,204,340 | \$128,423,576 | \$2,219,236 |
| CORL in M&O | \$6,189,811 | \$6,109,563 | <\$80,248> |
| M&O Override | \$12,573,551 | \$12,842,358 | \$268,807 |
| K-3 Override | \$3,371,673 | \$3,496,350 | \$124,677 |
| Tuition | \$177,431 | \$177,431 | \$ -0- |
| Desegregation | \$7,037,421 | \$7,178,169 | \$140,748 |
| Budget Carryfwd | \$3,000,000 | \$2,000,000 | <\$1,000,000> |
| Drop-Out Prev | \$221,130 | \$221,130 | \$ -0- |
| Excess Utilities | \$5,464,436 | \$5,464,436 | \$ -0- |
| Career Ldr Cfw | <u>\$129,417</u> | <u>\$129,417</u> | <u>\$ -0-</u> |
| | \$164,369,210 | \$166,042,430 | \$1,673,220 |

Classroom Site Fund Base

<\$283,923>

TEI Impact

\$935,892

IPD ~ 2%



Additional Revenue Sources

| | |
|--|------------------|
| Indirect Costs From Nutritional Services | \$100,000 |
| Indirect Costs From Community Schools | \$100,000 |
| IDEA Basic Indirect | \$ 27,180 |
| CORL in M&O | <u>\$500,000</u> |
| | \$727,180 |

FY09 Proposed Cuts



| | |
|---|-------------------|
| • Second Semester Vacancy Freeze | \$ 500,000 |
| • ASRS Reduction (0.15%) | \$ 169,000 |
| • 28 Certified FTE Reduction | \$ 1,260,000 |
| • 2 Certified FTE Attrition | \$ 90,000 |
| • 5 Admin Positions Reduction | \$ 325,000 |
| • 20 Classified FTE Attrition | \$ 500,000 |
| • K-3 Override FTE Capacity Adjustment | \$ 500,000 |
| • 10 Certified FTE Ratio Alignment | \$ 450,000 |
| • Student Services Reduction | \$ 26,000 |
| • SIMAR Reductions | \$ 10,000 |
| • SpEd OT/PT Stipend (Salary Comp) | \$ 381,349 |
| • Curriculum Reductions | \$ 50,000 |
| • Propose Math & Science Academy to Saguaro | \$ 180,000 |
| • Reduce IT M&O Contracts | \$ 51,687 |
| • IT FTE Attrition | \$ 150,000 |
| • Athletic Director Realignment | \$ 100,000 |
| • HC Budget Reductions | <u>\$ 100,000</u> |

Total Cuts: \$ 4,843,036

** MS/HS Electives – Minimum Class Size 18 or Section Does not Make



Adjusted FY09 Available Budget

| | <u>M&O</u> | <u>Change</u> |
|-------------------------------|----------------|---------------------|
| Initial Projection | \$165,106,538 | \$ 737,328 |
| Add'l Revenue Sources | \$ 727,180 | \$ 727,180 |
| Total Budget Cuts | \$ 4,843,036 | <u>\$ 4,843,036</u> |
| TOTAL AVAILABLE BUDGET | | \$ 6,307,544 |



FY09 Budget Impacts

| | |
|--|--------------------|
| • Salary & Benefits All Staff (Cert \$500,000 FY07-08) | \$2,911,841** |
| • Health Insurance (Plan Change to all PPO & Co-pay) | \$ 500,000 |
| • Special Education Requirements | \$1,400,000 |
| • ECAP/Freshman Transition | \$ 60,500 |
| • Fox-Lawson & IT Adjustments | \$ 300,000 |
| • Fee Waivers (Including Equip Recertification) | \$ 300,000 |
| • Contingency | \$ 200,000 |
| • Performance Pay Plan (Classified & Admin) | <u>\$ 300,000</u> |
| Total: | \$5,972,341 |

**** No Horizontal Movement on Salary Schedule**



Special Education Impacts

| | |
|----------------------|----------------------|
| • FY 08 SpEd Budget | \$ 30,356,618 |
| • FY 08 SpEd Revenue | <u>\$ 15,341,709</u> |
| Difference | \$ 15,014,909 |




FY09 Budget Balance (To-Date)

| | |
|---|----------------------------|
| Budget Savings & Adjustments | \$ 6,307,544 |
| Budget Impacts | <u>\$ 5,972,341</u> |
| | \$ 335,203 |
| Classroom Site Fund | \$ <283,923> |
| TEI Increase | <u>\$ 935,892</u> |
| | \$ 987,172 |

M&O (001)

Department Adjustments



| | | |
|---------------------------------|--------------------------|----------------------------|
| • Governing Board | \$1,170 | ASBA Policies, Dues, Fees |
| • Legal | \$16,000 | Purchase Legal Services |
| • Communications | <\$520> | |
| • Student Services | \$86,815 | Resource Officers IGA |
| • Curriculum | \$26,000 | Dept Chair Supplemental |
| • Secondary Ed | <\$47,300> | |
| • Elementary Ed | <\$6,100> | |
| • SIMAR | \$43,865 | Pinnacle OnLine |
| • District Library | <\$17,625> | |
| • Except Customer Ser | <\$1,350> | |
| • Service Learning | <\$10,000> | |
| • Human Capital | <\$52,447> | |
| • Internal Audit | <\$4,300> | |
| • Business Services | \$127,745 | Unallocated - Contingency |
| • Finance Services | <\$420,423> | Sub Contingency(\$200,000) |
| • Facilities Management | <\$19,695> | |
| • Building Services | \$265,940 | Contract Custodial |
| • Transportation | <\$147,231> | |
| • CTE | <\$1,650> | |
| TOTAL Savings from FY08: | <\$161,107> | |

AETNA'S CURRENT PLANS

| PLAN DESIGN | PPO | | HMO | |
|---------------------------|--|----------------------------|----------------|----------------|
| | In-Network | Out-of-Network | In-Network | Out-of-Network |
| Deductible | \$300/\$600 | \$450/900 | None | N/A |
| Coinsurance | 20% | 40% | 10% | N/A |
| Out-of-Pocket Max | \$2000/\$4000 | \$4000/\$8000 | \$2000/\$4000 | N/A |
| PCP | \$25 copay | 40% after deductible | \$25 copay | N/A |
| Spec | \$35 copay | 40% after deductible | \$35 copay | N/A |
| UC | \$50 copay; deductible waived 20% after \$100 copay; | 40% after deductible | \$50 copay | N/A |
| ER | deductible waived | Same as In-Network | \$100 copay | N/A |
| Outpatient Surgery | 20%; deductible applies 20% after \$250 per confinement; deductible applies | 40% after deductible | 10% | N/A |
| Hospital | | 40% after deductible | 10% | N/A |
| RX | \$10/\$30/\$60 | 40% after applicable copay | \$10/\$30/\$60 | N/A |
| Mail Order | 1X | N/A | 1X | N/A |

2,683 Participants

Plan Designs Effective 7/1/2008

District Funding to Base PPO only

| PLAN DESIGN | BASE PPO | | BUY-UP PPO | |
|---------------------------|--|----------------------------|--|----------------------------|
| | In-Network | Out-of-Network | In-Network | Out-of-Network |
| Deductible | \$750/\$1500 | \$1500/\$3000 | \$300/\$600 | \$450/900 |
| Coinsurance | 30% | 50% | 20% | 40% |
| Out-of-Pocket Max | \$3500/\$7000 | \$9000/\$18000 | \$2000/\$4000 | \$4000/\$8000 |
| PCP | \$30 copay | 50% after deductible | \$25 copay | 40% after deductible |
| Spec | \$40 copay | 50% after deductible | \$35 copay | 40% after deductible |
| UC | \$75 copay; deductible waived 30% after \$150 copay; | 50% after deductible | \$50 copay; deductible waived 20% after \$100 copay; | 40% after deductible |
| ER | deductible waived | Same as In-Network | deductible waived | Same as In-Network |
| Outpatient Surgery | 30%; deductible applies 30% after \$350 per confinement; deductible applies | 50% after deductible | 20%; deductible applies 20% after \$250 per confinement; deductible applies | 40% after deductible |
| Hospital | | 50% after deductible | | 40% after deductible |
| RX | \$15/\$35/\$60 | 50% after applicable copay | \$15/\$35/\$60 | 40% after applicable copay |
| Mail Order | 2X | N/A | 2X | N/A |

Current District Cost \$11,260,699.68
Proposed District Cost \$11,672,981.76

FY08 - \$4,197

FY09 - \$4,350

3.6%



K-3 Override Impact

- Lost 180 K-3 ADM
- Budget Increase ~ \$78,140
- 2% Salary Increase for K-3 ~ <\$129,000>
- Workers Comp for K-3 ~ <\$109,000>

Overall K-3 Impact ~ <\$150,860>



FY09 Budget Balance

| | |
|------------------------|--------------------------|
| Previous Balance | \$ 987,172 |
| Department Adjustments | \$ 161,107 |
| Fuel Costs | \$ <275,000> |
| Insurance Revision | <u>\$ 87,718</u> |
| Balance to Date | \$ 960,997 |
| K-3 Override Impact | <u><\$150,860></u> |
| | \$ 810,137 |



FY10 Budget Issues

- Workers Comp - \$ 946,120
- Liability Premium - \$1,197,596
- Medicaid - \$500,000
- **Excess Utilities - \$5,464,436**

DISCUSSION

