

**2008-09 BUDGET  
REVISION #3  
LEGISLATIVE  
MANDATED FUNDING  
REDUCTION**

SUSD Governing Board Meeting  
03 March 2009

# BUDGET REVISION DUE TO MANDATED FUNDING REDUCTION

- ◉ The Arizona State Legislature has mandated specific cuts to Arizona School Districts in an effort to reduce the State's budget deficit.
- ◉ SUSD's reductions according to this mandate are \$2,846,356 to the Base Support Level and \$583,884 to Soft Capital.
- ◉ This is a total of \$3,440,239

# SOFT CAPITAL FUNDS USED TO OFFSET OPERATING EXPENSES

- ◉ The Legislature has removed the requirement that Soft Capital Funds are restricted to capital purchases
- ◉ SUSD plans to use Soft Capital Funds to complete the 2009 fiscal year without cuts to the operating budget
- ◉ All remaining 2008-09 purchases in Soft Capital in the current fiscal year have been suspended

# SUSPENSION OF SOFT CAPITAL WILL RESULT IN THE FOLLOWING LOSSES THIS FISCAL YEAR - \$3,440,239

- ◉ Library Materials \$ 47,393
- ◉ Contracted Land & Building (includes playground upgrades) \$ 123,287
- ◉ Equipment (includes money set aside for copier overages) \$ 130,978
- ◉ Instructional Aides/Textbooks \$1,412,320
  - Includes losses of: next year's science adoption, updates
  - to social studies materials, EBSCO library updates,
  - replacement for Galileo, \$350,000 for consumables,
  - journals for Everyday Math K-5, math manipulative kits, and
  - completion of a technology project at Arcadia that was
  - partially funded by a parent group.
- ◉ We will also lose unallocated M&O and Soft Capital dollars of \$1,726,261



# ADM CORRECTION

- ◉ ADM has been corrected and adjusted down to 25,191.66.
- ◉ This is a reduction of 17.4 ADM from Budget Revision #2 and will be a loss of \$62,411.

# BUDGET LIMIT

○ General Budget Limit	\$167,456,064
○ Unrestricted Capital	\$11,805,905
○ Soft Capital Allocation	\$7,160,557
○ Federal Projects	<u>\$11,356,323</u>
<b>Total Aggregate Budget \$197,778,849</b>	



**REVENUES AND PROPERTY TAXATION**

(This section is not applicable to budget revisions)

1. Total Budgeted Revenues for Fiscal Year 2008		\$	<u>28,502,400</u>
2. Estimated Revenues by Source for Fiscal Year 2009 (excluding property taxes)			
Local	1000	\$	<u>850,000</u>
Intermediate	2000	\$	<u>5,000</u>
State	3000	\$	<u>34,500,000</u>
Federal	4000	\$	<u>0</u>
<b>TOTAL</b>		\$	<u><b>35,355,000</b></u>

3. District Tax Rates for Current and Budget Fiscal Years (A.R.S. §15-903.D.4)

	Current FY 2008	Est. Budget FY 2009
Primary Tax Rate:	<u>3.4107</u>	<u>2.7139</u>
Secondary Tax Rates:		
M&O Override:	<u>.2015</u>	<u>.1796</u>
K-3 Override:	<u>.0546</u>	<u>.0481</u>
Capital Override:	<u>.0000</u>	<u>.1379</u>
Class A Bonds:	<u>.9654</u>	<u>.8127</u>
Class B Bonds:	<u>.0402</u>	<u>.0339</u>
Total Secondary Tax Rate:	<u>1.2617</u>	<u>1.2122</u>

**A. TOTAL AGGREGATE SCHOOL DISTRICT BUDGET LIMIT (A.R.S. §15-905.H)**

1. General Budget Limit (from Budget page 7, line 11)	\$	<u>167,456,064</u>
2. Unrestricted Capital Budget Limit (from Budget page 8, line A.17)	\$	<u>11,805,905</u>
3. Soft Capital Allocation Limit (from Budget page 8, line B.12)	\$	<u>7,160,557</u>
4. Subtotal (line A.1 + A.2 + A.3)	\$	<u>186,422,526</u>
5. Federal Projects (from Budget page 6, line 16)	\$	<u>11,356,323</u>
6. Total Aggregate School District Budget Limit (line A.4 + A.5)	\$	<u><b>197,778,849</b></u>

**B. BUDGETED EXPENDITURES**

1. Maintenance and Operation (from Budget page 1, line 31)	\$	<u>167,456,064</u>
2. Unrestricted Capital Outlay (from Budget page 4, line 10)	\$	<u>11,810,905</u>
3. Soft Capital Allocation (from Budget page 4, line 19)	\$	<u>7,160,557</u>
4. State Board Approval to Budget for Construction, Building, Renovation, or Soft Capital (A.R.S. §15-962.F) (from Budget page 8, line A.13)	\$	<u>0</u>
5. Revenue Control Limit and Capital Outlay Revenue Limit used for Capital Purposes (from Budget page 8, line A.15)	\$	<u>5,000</u>
6. Total Budget Subject to Budget Limits (line B.1 + B.2 + B.3 - B.4 - B.5) (This line cannot exceed line A.4)	\$	<u><b>186,422,526</b></u>

# UPCOMING CHALLENGES

- ◉ SUSD 100 Day ADM up 261.59
- ◉ ADE 100 Day ADM up 107.279
- ◉ On-line Concurrent Enrollment Validation
  
- ◉ Special Education Funding
  - Additional Budget Capacity Added - \$ 1,544,396
  - Currently Over-Encumbered \$ 983,058
  
- ◉ May Revision to include \$ 1,433,808 growth

# Request Board Adopt Budget Revision #3

