



# Long Beach Unified School District

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## Proposed Budget

**2011-2012**

June 20, 2011

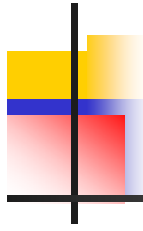


# May Revision Overview

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- Reflects higher revenue but doesn't change the dynamics of the budget
- Funds Prop 98 at \$52.4 billion — \$3 billion higher than January
- Eliminates \$2.5 billion of cash deferrals
- Eliminates \$349/ADA reduction — flat funding
- However — **Assumes taxes are extended** — at this time, we do not have a legislative approval\* or a voters' approval
- LBUSD Response: We cannot budget based on wishful thinking. We must wait for a State approved budget.

\* The Governor vetoed the budget approved by the legislature on June 16, 2011



# Reasons Why Funding Level for Districts Is Not Increased

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The \$3 billion includes:

- Reversal of \$2.5 billion in K-12 apportionment deferrals
  - Provides **no** impact to the Districts' budget
  - Helps with cashflow only — reduces the possibility of cash loans
  - Will receive 2011-2012 money that has already been budgeted and are owed to Districts in 2011-2012 instead of 2012-2013
- Reversal of \$350 million in community college deferrals
- Funding for a new mandate — mental health and out-of-home care for Special Education students, which was previously funded by counties



# LACOE Directives

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- Budget for flat funding for the revenue limit.
- Assume the net funding for a COLA for 2012-2013 @ 3.2% and 2013-2014 @ 2.7%, although Districts may want to assign a reserve for any COLAs reflected in the multi-year projections pending more data for potential funding.
- Reserve in the General Fund, in the budget and two subsequent years, an amount equivalent to the increase in funding (approximately \$330 per ADA). This will provide the District additional resources and flexibility pending the enactment of the State budget.



## LACOE Directives (con'd)

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- Based on the uncertainties surrounding the budget, LACOE strongly recommends that Districts continue to preserve any cost containment measures already taken until a State budget is enacted. Each district should assess its specific situation, and make budget year decisions and out-year plans accordingly.



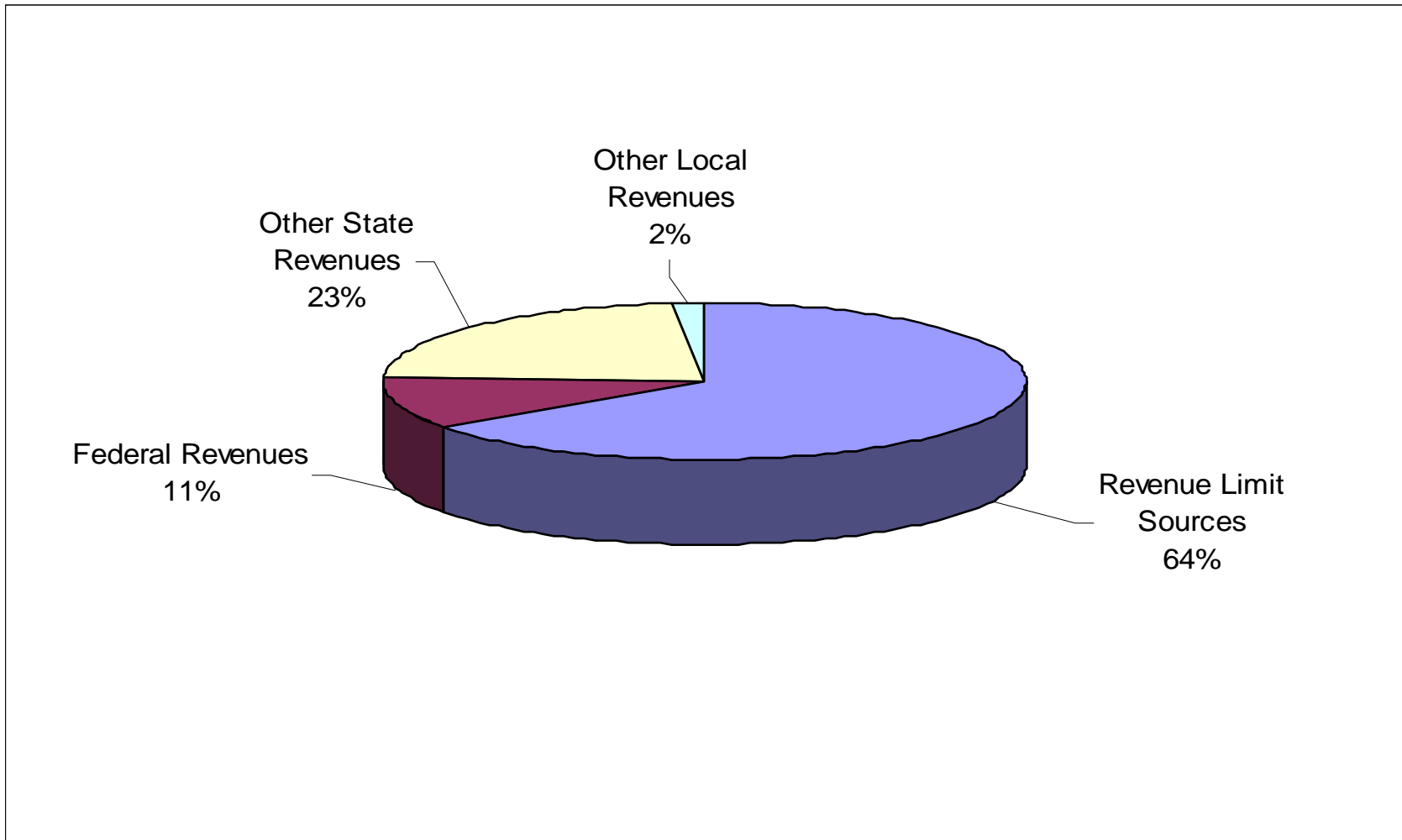
## LACOE Directives (con'd)

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### Two Revenue Limit Projections

- Flat funding
- Based on a potential reduction of \$330 per ADA

# 2011-2012 Projected Revenues

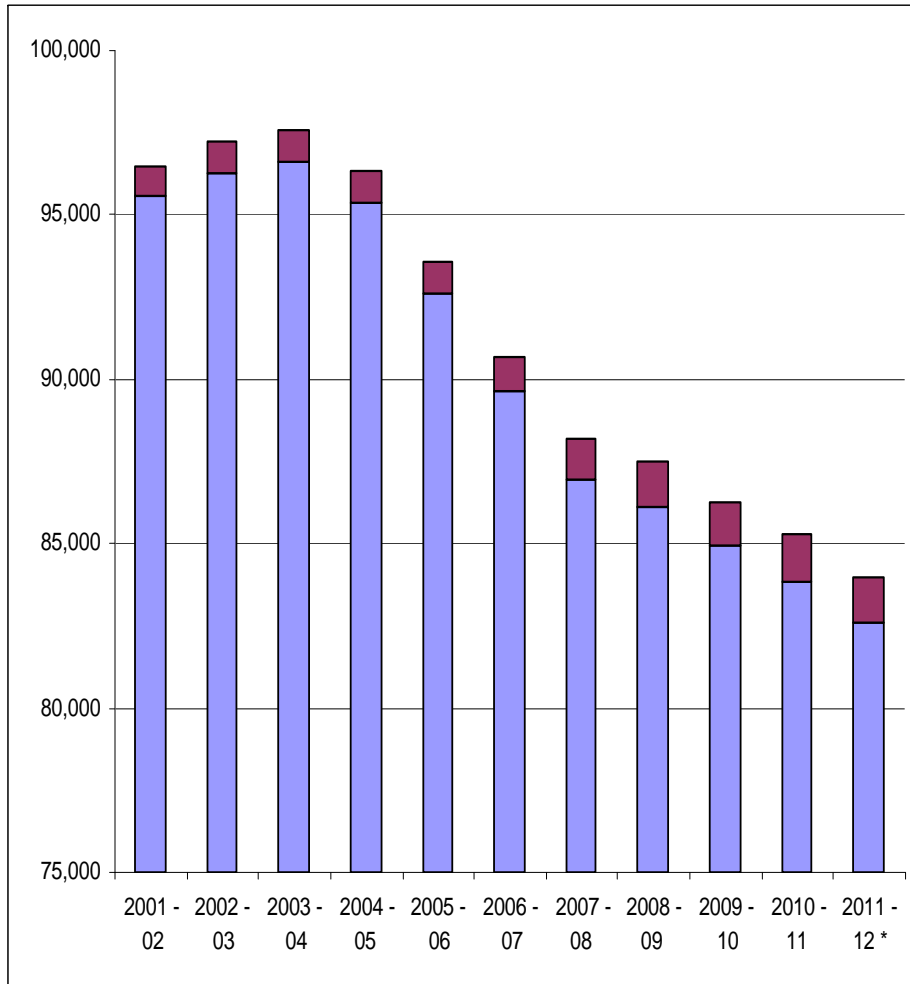


Revenue limit sources and other state revenues make up 87% of total revenues.



# Declining Enrollment

## Long Beach Unified School District



	District Without Charter Schools	Charter	Total	% Change from Prior Year
2001 - 02	95,584	904	96,488	
2002 - 03	96,296	916	97,212	0.8%
2003 - 04	96,616	944	97,560	0.4%
2004 - 05	95,362	957	96,319	-1.3%
2005 - 06	92,622	967	93,589	-2.8%
2006 - 07	89,668	995	90,663	-3.1%
2007 - 08	86,947	1,239	88,186	-2.7%
2008 - 09	86,122	1,387	87,509	-0.8%
2009 - 10	84,936	1,347	86,283	-1.4%
2010 - 11	83,855	1,402	85,257	-1.2%
2011 - 12 *	82,589	1,390	83,979	-1.5%

\* projected

A 2% declining enrollment is projected for 2012-13 & 2013-2014



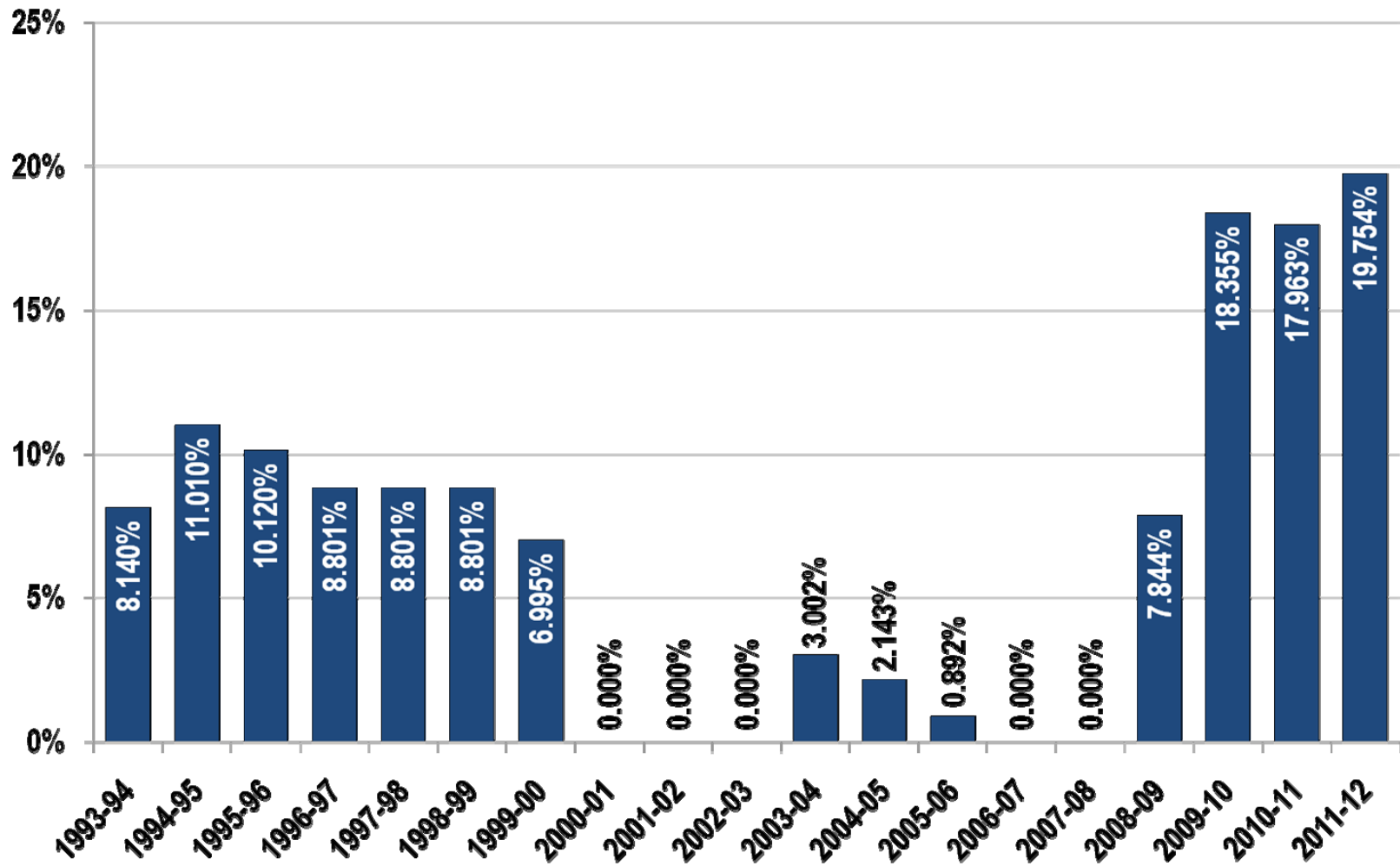


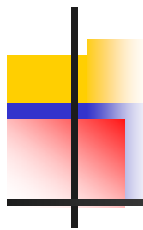
# Revenue Limit

	2011-2012	2012-2013	2013-2014
Statutory COLA	2.24%	3.2%	2.7%
Revenue Limit Deficits	19.754%	19.754%	19.754%
Deficit Factor (Funded)	80.246%	80.246%	80.246%
Net Funded COLA	0%	3.2%	2.7%

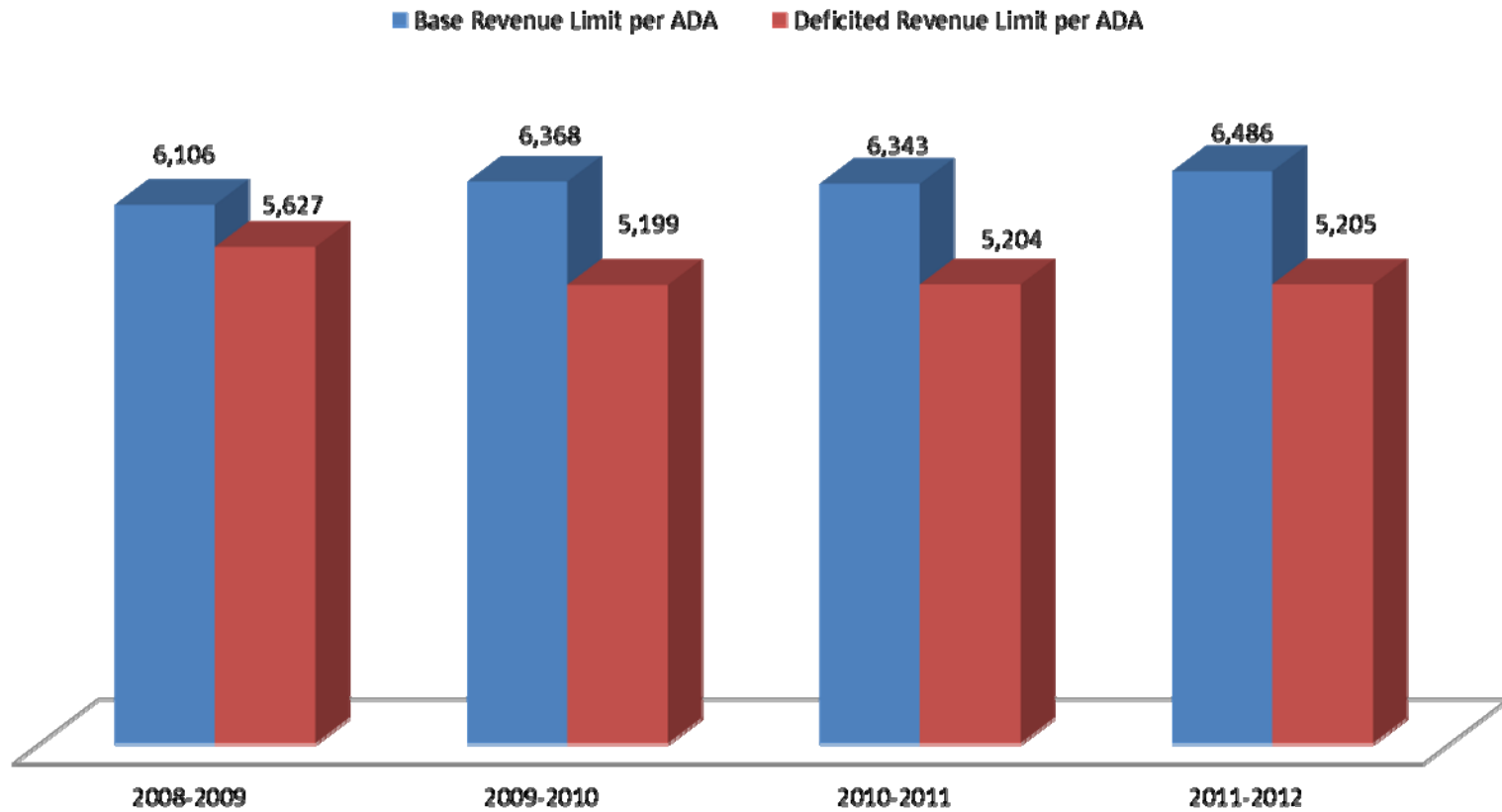


# Deficit Factors





# Revenue Lost Due to Deficit



Revenue Lost: \$40 million

\$96 million

\$92 million

\$102 million

Cumulative Revenue Lost: \$330 million



## Major One-Time Funding & Flexibility for General Fund

Description	Expenditures in Fiscal Years	Funding / Flexibility Ends (Proposed)	Total Funding Amount Projected thru 2013-2014
Federal ARRA \$	2009-2010 thru 2010-2011	Sept. 2011	\$ 90 million
Federal ARRA Education Jobs Bill	2011-2012	Sept. 2012	\$ 16 million
State Class Size Reduction (CSR) Reduced Penalty	2008-2009 thru 2013-2014	June 2014	\$ 46 million
State Tier 3 Flexibility	2008-2009 thru 2014-2015	June 2015	\$ 192 million
State Categorical Ending Balance Sweep	2008-2009 thru 2009-2010	June 2010	\$ 33 million

# State Tier III Programs —2011-2012

TIER III 2011/2012 Adopted Budget				
Resc	Title	Projected Revenue	Projected Expense	Proposed Flexibility
0203-02	Supplemental Hourly Programs	4,236,944	982,741	3,254,203
0717	Oral Health Assessment Program	44,435	-	44,435
0405	SCHL SAFETY & VIOLENCE PREVENTION	1,113,317	-	1,113,317
0430	COMMUNITY DAY SCHOOLS	129,990	320,256	(190,266)
0440	GIFTED & TALENTED EDUCATION (GATE)	648,728	196,478	452,250
0450	ROP APPORTIONMENT	2,805,513	-	2,805,513
0455	CAHSEE INTENSIVE INSTR AND SERVICE*	926,666	-	926,666
0456	INST. MATERIALS REALIGNMENT, IMFRP*	4,791,083	1,000,000	3,791,083
0458	PHYS. ED. TEACHER INCENTIVE GRANTS	293,486	-	293,486
0460	ALTERNATIVE CERT PRGM FOR INTERN T	154,541	-	154,541
0461	ARTS AND MUSIC BLOCK GRANT	1,185,985	-	1,185,985
0467	NATIONAL BOARD INCENTIVE	100,668	65,000	35,668
0470	CAMS SPECIALIZED SECONDARY PRGM	601,500	-	601,500
0471	CALIFORNIA PEER ASSISTANCE & REVIEW	326,093	-	326,093
0480	SUPPLEMENTAL SCHOOL COUNSELING PRO	2,431,923	-	2,431,923
0485	COMMUNITY-BASED EGL TUTORING	581,277	-	581,277
0486	INTERNATIONAL BACCALAUREATE (IB)	20,820	-	20,820
0490	PUPIL RETENTION BLOCK GRANT	187,051	-	187,051
0491	CAL SAFE SUPPORTIVE SERVICES	201,885	-	201,885
0492	CAL SAFE CHILD CARE & DEV SERVICES	201,885	-	201,885
0493	PROFESSIONAL DEVEL. BLOCK GRANT	1,559,850	-	1,559,850
0494	TARGETED INST. IMPROV. BLOCK GRANT	9,648,798	-	9,648,798
0495	STAFF DEV: READING SRVS/BLIND TEACHERS	13,504	-	13,504
0496	TEACHER CREDENTIALING BLK. GRANT	880,847	112,743	768,104
0497	SCHL IMPROV & LIBRARY BLOCK GRANT	5,214,374	250,000	4,964,374
0498	STAFF DEVELOPMENT: MATH AND READING (SB472)	633,503	-	633,503
0011	ADULT EDUCATION	4,190,974	-	4,190,974
0014	DEFERRED MAINTENANCE	3,200,000	3,200,000	-
<b>TOTAL TIER III 11/12 Adopted Budget multi-year (11-12)</b>		<b>46,325,640</b>	<b>6,127,218</b>	<b>40,198,422</b>

# State Tier III Programs —2012-2013

TIER III 2012/2013 - Multi-Year Projection				
Resc	Title	Projected Revenue	Projected Expense	Proposed Flexibility
0203-02	Supplemental Hourly Programs	4,236,944	999,645	3,237,299
0717	Oral Health Assessment Program	44,435	-	44,435
0405	SCHL SAFETY & VIOLENCE PREVENTION	1,113,317	-	1,113,317
0430	COMMUNITY DAY SCHOOLS	133,210	333,302	(200,092)
0440	GIFTED & TALENTED EDUCATION (GATE)	648,728	202,427	446,301
0450	ROP APPORTIONMENT	2,805,513	-	2,805,513
0455	CAHSEE INTENSIVE INSTR AND SERVICE*	926,666	-	926,666
0456	INST. MATERIALS REALIGNMENT, IMFRP*	4,791,083	1,500,000	3,291,083
0458	PHYS. ED. TEACHER INCENTIVE GRANTS	293,486	-	293,486
0460	ALTERNATIVE CERT PRGM FOR INTERN T	154,541	-	154,541
0461	ARTS AND MUSIC BLOCK GRANT	1,185,985	-	1,185,985
0467	NATIONAL BOARD INCENTIVE	100,668	45,000	55,668
0470	CAMS SPECIALIZED SECONDARY PRGM	601,500	-	601,500
0471	CALIFORNIA PEER ASSISTANCE & REVIEW	326,093	-	326,093
0480	SUPPLEMENTAL SCHOOL COUNSELING PRO	2,431,923	-	2,431,923
0485	COMMUNITY-BASED EGL TUTORING	581,277	-	581,277
0486	INTERNATIONAL BACCALAUREATE (IB)	20,820	-	20,820
0490	PUPIL RETENTION BLOCK GRANT	187,051	-	187,051
0491	CAL SAFE SUPPORTIVE SERVICES	201,885	-	201,885
0492	CAL SAFE CHILD CARE & DEV SERVICES	201,885	-	201,885
0493	PROFESSIONAL DEVEL. BLOCK GRANT	1,559,850	-	1,559,850
0494	TARGETED INST. IMPROV. BLOCK GRANT	9,648,798	-	9,648,798
0495	STAFF DEV: READING SRVS/BLIND TEACHERS	13,504		13,504
0496	TEACHER CREDENTIALING BLK. GRANT	880,847	116,862	763,985
0497	SCHL IMPROV & LIBRARY BLOCK GRANT	5,214,374	253,195	4,961,179
0498	STAFF DEVELOPMENT: MATH AND READING (SB472)	633,503	-	633,503
0011	ADULT EDUCATION	4,190,974	-	4,190,974
0014	DEFERRED MAINTENANCE	3,200,000	3,200,000	-
<b>TOTAL TIER III 11/12 Adopted Budget multi-year (12-13)</b>		<b>46,328,860</b>	<b>6,650,431</b>	<b>39,678,429</b>

# State Tier III Programs —2013-2014

TIER III 2013/2014 Adopted Budget Multi-Year				
Resc	Title	Projected Revenue	Projected Expense	Proposed Flexibility
0203-0717	Supplemental Hourly Programs	4,236,944	1,016,860	3,220,084
0717	Oral Health Assessment Program	44,435	-	44,435
0405	SCHL SAFETY & VIOLENCE PREVENTION	1,113,317	-	1,113,317
0430	COMMUNITY DAY SCHOOLS	135,965	347,808	(211,843)
0440	GIFTED & TALENTED EDUCATION (GATE)	648,728	208,852	439,876
0450	ROP APPORTIONMENT	2,805,513	-	2,805,513
0455	CAHSEE INTENSIVE INSTR AND SERVICE*	926,666	-	926,666
0456	INST. MATERIALS REALIGNMENT, IMFRP*	4,791,083	1,500,000	3,291,083
0458	PHYS. ED. TEACHER INCENTIVE GRANTS	293,486	-	293,486
0460	ALTERNATIVE CERT PRGM FOR INTERN T	154,541	-	154,541
0461	ARTS AND MUSIC BLOCK GRANT	1,185,985	-	1,185,985
0467	NATIONAL BOARD INCENTIVE	100,668	45,000	55,668
0470	CAMS SPECIALIZED SECONDARY PRGM	601,500	-	601,500
0471	CALIFORNIA PEER ASSISTANCE & REVIEW	326,093	-	326,093
0480	SUPPLEMENTAL SCHOOL COUNSELING PRO	2,431,923	-	2,431,923
0485	COMMUNITY-BASED EGL TUTORING	581,277	-	581,277
0486	INTERNATIONAL BACCALAUREATE (IB)	20,820	-	20,820
0490	PUPIL RETENTION BLOCK GRANT	187,051	-	187,051
0491	CAL SAFE SUPPORTIVE SERVICES	201,885	-	201,885
0492	CAL SAFE CHILD CARE & DEV SERVICES	201,885	-	201,885
0493	PROFESSIONAL DEVEL. BLOCK GRANT	1,559,850	-	1,559,850
0494	TARGETED INST. IMPROV. BLOCK GRANT	9,648,798	-	9,648,798
0495	STAFF DEV: READING SRVS/BLIND TEACHERS	13,504		13,504
0496	TEACHER CREDENTIALING BLK. GRANT	880,847	121,369	759,478
0497	SCHL IMPROV & LIBRARY BLOCK GRANT	5,214,374	256,760	4,957,614
0498	STAFF DEVELOPMENT: MATH AND READING (SB472)	633,503	-	633,503
0011	ADULT EDUCATION	4,190,974	-	4,190,974
0014	DEFERRED MAINTENANCE	3,200,000	3,200,000	-
<b>TOTAL TIER III 11/12 Adopted Budget multi-year (13-14)</b>		<b>46,331,615</b>	<b>6,696,649</b>	<b>39,634,966</b>



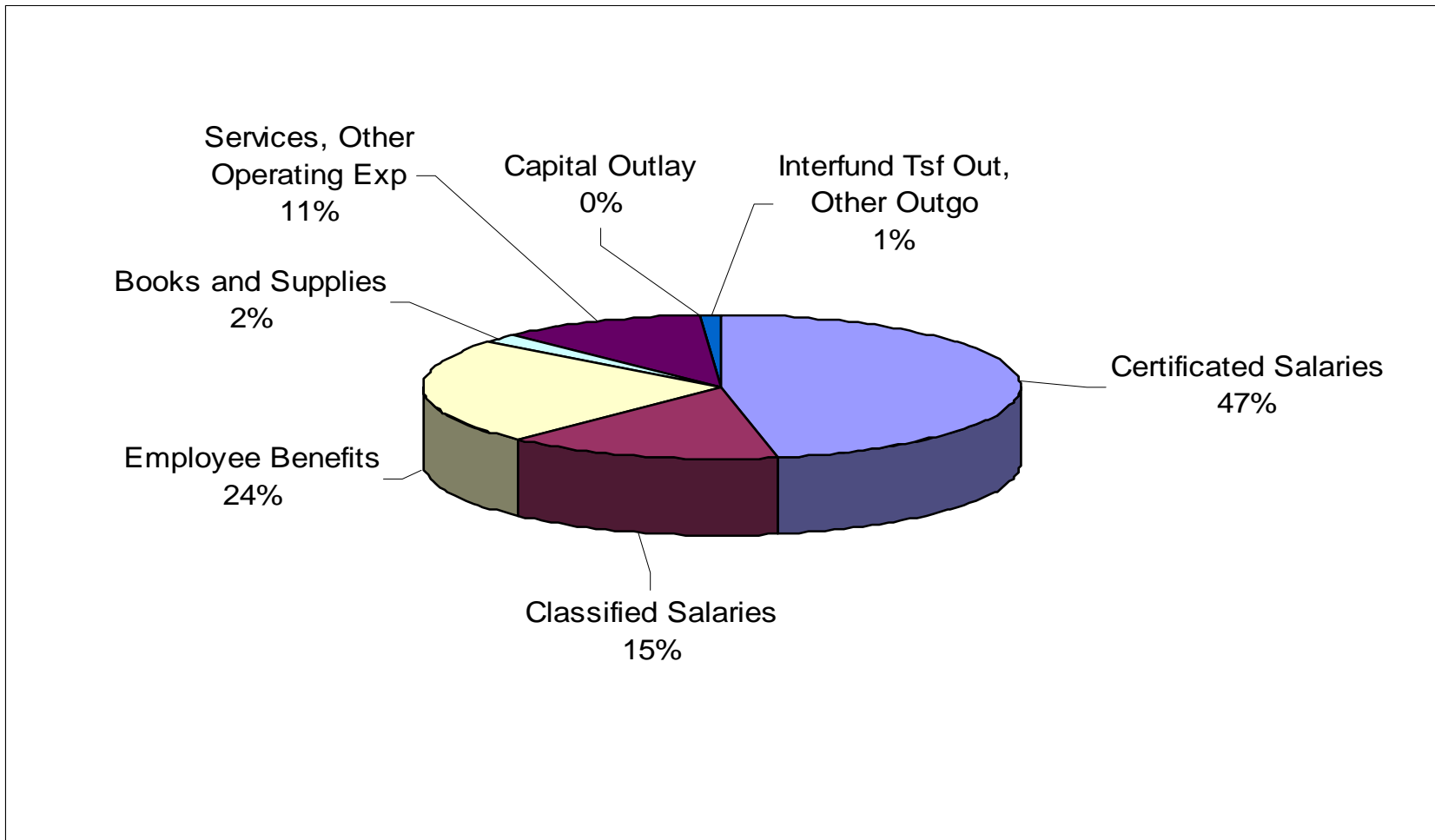
## Other Revenue Assumptions

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- Reduced Title I Revenue — \$4 million per year, or \$12 million for 3 years
- Reduced Title II Revenue — \$1 million per year, or \$3 million for 3 years
- Class Size Reduction — \$12 million using state reduced penalty provision
- State Mandated Costs Reimbursements — none projected for future years (cash basis)



# 2011-2012 Projected Expenditures



Salaries and employee benefits make up 86% of total expenditures.



# Expenditure Assumptions

FY 2011-2012	Certificated Salaries	Classified Salaries
COLA	None	None
Furlough	TALB—None Non-Rep—7 days	CSEA—7 days Non-Rep—7 days
Step & Column Advancement	TALB—Included Non-Rep—Suspended	CSEA—Suspended * Non-Rep—Suspended *
Declining Enrollment	Included	

\* Column advancement does not apply to Classified employees.

# A Closer Look — Certificated Salaries

General Fund

Amount in Millions

Item	FTE	Unrestricted	Restricted	Combined
2nd Interim Projections		229.0	121.3	350.3
Reductions				
Increase Class Size - K - 3	274	(7.2)	(10.6)	(17.8)
Increase Class Size - 4 - 5	22		(1.4)	(1.4)
Increase Class Size - 6 - 12	133	(9.3)		(9.3)
Support Services	162	(1.3)	(10.3)	(11.6)
Subtotal - Reductions	591	(17.8)	(22.3)	(40.1)
Additions				
Step and Column		4.0	1.8	5.8
Furlough Days - from 5 to 0 Days		4.8	2.0	6.8
Additional Substitute Costs		7.0		7.0
Subtotal - Additions		15.8	3.8	19.6
Subtotal		227.0	102.8	329.8
Carryovers Included in Interim but not in Budget			(15.0)	(15.0)
Other		(1.0)	0.2	(0.8)
2011-2012 Adopted Budget		226.0	88.0	314.0



# Expenditure Assumptions

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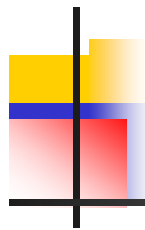
- Health and Welfare Benefits
  - 5% employee contribution effective 1-1-2012 for all employees except for certificated represented employees
  - Rate increases projected at 12%
- Site supply budget—Maintained at the same level
- Textbook adoption—Estimated at \$10 million; assumed none needed through 2013-2014. Replacement costs for lost and damaged textbooks and other needs are projected at \$1 million to \$1.5 million per year



# Expenditure Assumptions

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- Services — Some were reduced by Board-approved budget reductions
- Election expense — Estimated @ \$460,000 for 2011-2012 and \$690,000 for 2013-2014
- Mental Health Services (AB3632) — New requirement — Estimated income of \$3 million and expenditures of \$6.6 million with additional encroachment of \$3.6 million per year, or \$10.8 million for 3 years
- Utilities — 3% increase



# Multi-Year Projection — Optimistic

General Fund	2011-2012			2012-2013			2013-2014		
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined
Revenue Limit Sources	403,099,964	21,515,806	424,615,770	407,586,251	21,862,690	429,448,941	410,133,010	22,108,726	432,241,736
Federal Revenues	1,856,923	67,035,173	68,892,096	1,856,923	67,273,745	69,130,668	1,856,923	63,875,615	65,732,538
Other State Revenues	68,839,923	81,012,173	149,852,096	69,082,502	81,060,277	150,142,779	69,309,321	81,113,038	150,422,359
Other Local Revenues	10,100,729	67,897	10,168,626	9,786,354	67,897	9,854,251	9,850,135	67,897	9,918,032
Total Revenues	483,897,539	169,631,049	653,528,588	488,312,030	170,264,609	658,576,639	491,149,389	167,165,276	658,314,665
Certificated Salaries	226,430,081	87,581,105	314,011,186	242,448,516	88,249,642	330,698,158	246,508,569	86,466,039	332,974,608
Classified Salaries	62,075,061	37,182,837	99,257,898	62,573,021	37,361,315	99,934,336	62,873,372	37,333,505	100,206,877
Employee Benefits	108,233,609	49,790,188	158,023,797	122,354,517	53,748,019	176,102,536	133,576,814	57,139,780	190,716,594
Books and Supplies	6,998,625	7,848,977	14,847,602	7,498,625	7,899,911	15,398,536	7,498,625	7,779,290	15,277,915
Services, Other Operating Exp	26,420,950	47,660,994	74,081,944	25,959,832	47,546,826	73,506,658	26,649,832	47,154,221	73,804,053
Capital Outlay	649,933	139,855	789,788	649,933	139,855	789,788	649,933	139,855	789,788
Other Outgo	-	155,050	155,050	-	155,050	155,050	-	155,050	155,050
Transfers-Indirect&Direct Costs	(9,526,850)	8,153,861	(1,372,989)	(10,889,976)	9,470,598	(1,419,378)	(10,938,231)	9,511,069	(1,427,162)
Other Adjustments	-	-	-	-	-	-	(48,000,000)	-	(48,000,000)
Total Expenditures	421,281,409	238,512,867	659,794,276	450,594,468	244,571,216	695,165,684	418,818,914	245,678,809	664,497,723
Interfund Transfers	8,394,530	-	8,394,530	8,394,530	-	8,394,530	8,394,530	-	8,394,530
Contributions	(69,098,899)	69,098,899	-	(74,049,795)	74,049,795	-	(78,558,188)	78,558,188	-
Total Other Financing/Uses	(77,493,429)	69,098,899	(8,394,530)	(82,444,325)	74,049,795	(8,394,530)	(86,952,718)	78,558,188	(8,394,530)
Net Inc/(Dec) to Fund Balance	(14,877,299)	217,081	(14,660,218)	(44,726,763)	(256,812)	(44,983,575)	(14,622,243)	44,655	(14,577,588)
Beginning Fund Balance	90,498,688	11,070,305	101,568,993	75,621,389	11,287,386	86,908,775	30,894,626	11,030,574	41,925,200
Ending Fund Balance	75,621,389	11,287,386	86,908,775	30,894,626	11,030,574	41,925,200	16,272,383	11,075,229	27,347,612

## Selected Major Assumptions:

- Flat Funding for 2011-2012 revenue limit
- Net funded COLA for 2012-2013 @ 3.2% and 2013-2014 @ 2.7%
- 7 furlough days for CSEA & Non-Rep Employees
- Board approved reductions are included except for classified employee reductions

# Multi-Year Projection — Conservative

General Fund	2011-2012			2012-2013			2013-2014		
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined
Revenue Limit Sources	376,667,258	21,515,806	398,183,064	368,516,905	21,862,690	390,379,595	373,511,587	22,108,726	395,620,313
Federal Revenues	1,856,923	67,035,173	68,892,096	1,856,923	67,273,745	69,130,668	1,856,923	63,875,615	65,732,538
Other State Revenues	68,839,923	81,012,173	149,852,096	69,082,502	81,060,277	150,142,779	69,309,321	81,113,038	150,422,359
Other Local Revenues	10,100,729	67,897	10,168,626	9,786,354	67,897	9,854,251	9,850,135	67,897	9,918,032
Total Revenues	457,464,833	169,631,049	627,095,882	449,242,684	170,264,609	619,507,293	454,527,966	167,165,276	621,693,242
Certificated Salaries	226,430,081	87,581,105	314,011,186	242,448,516	88,249,642	330,698,158	246,508,569	86,466,039	332,974,608
Classified Salaries	62,075,061	37,182,837	99,257,898	62,573,021	37,361,315	99,934,336	62,873,372	37,333,505	100,206,877
Employee Benefits	108,233,609	49,790,188	158,023,797	122,354,517	53,748,019	176,102,536	133,576,814	57,139,780	190,716,594
Books and Supplies	6,998,625	7,848,977	14,847,602	7,498,625	7,899,911	15,398,536	7,498,625	7,779,290	15,277,915
Services, Other Operating Expenses	26,420,950	47,660,994	74,081,944	25,959,832	47,546,826	73,506,658	26,649,832	47,154,221	73,804,053
Capital Outlay	649,933	139,855	789,788	649,933	139,855	789,788	649,933	139,855	789,788
Other Outgo	-	155,050	155,050	-	155,050	155,050	-	155,050	155,050
Transfers - Indirect and Direct Costs	(9,526,850)	8,153,861	(1,372,989)	(10,889,976)	9,470,598	(1,419,378)	(10,938,231)	9,511,069	(1,427,162)
Other Adjustments	-	-	-	(51,000,000)	-	(51,000,000)	(98,000,000)	-	(98,000,000)
Total Expenditures	421,281,409	238,512,867	659,794,276	399,594,468	244,571,216	644,165,684	368,818,914	245,678,809	614,497,723
Excess (Deficiency) of Rev over Exp	36,183,424	(68,881,818)	(32,698,394)	49,648,216	(74,306,607)	(24,658,391)	85,709,052	(78,513,533)	7,195,519
Other Financing Sources/Uses									
Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers	8,394,530	-	8,394,530	8,394,530	-	8,394,530	8,394,530	-	8,394,530
Other Uses	-	-	-	-	-	-	-	-	-
Contributions	(69,098,899)	69,098,899	-	(74,049,795)	74,049,795	-	(78,558,188)	78,558,188	-
Total Other Financing/Uses	(77,493,429)	69,098,899	(8,394,530)	(82,444,325)	74,049,795	(8,394,530)	(86,952,718)	78,558,188	(8,394,530)
Net Inc/(Dec) to Fund Balance	(41,310,005)	217,081	(41,092,924)	(32,796,109)	(256,812)	(33,052,921)	(1,243,666)	44,655	(1,199,011)
Fund Balance									
Beginning Fund Balance									
Beginning Fund Balance	90,498,688	11,070,305	101,568,993	49,188,683	11,287,386	60,476,069	16,392,574	11,030,574	27,423,148
Audit Adjustments	-	-	-	-	-	-	-	-	-
Other Restatements	-	-	-	-	-	-	-	-	-
Adjusted Beginning Balance	90,498,688	11,070,305	101,568,993	49,188,683	11,287,386	60,476,069	16,392,574	11,030,574	27,423,148
Ending Fund Balance	49,188,683	11,287,386	60,476,069	16,392,574	11,030,574	27,423,148	15,148,908	11,075,229	26,224,137

## Selected Major Assumptions:

- Revenue Limit funding for is reduced by \$330/ADA, or a potential revenue loss of \$26 million each year or \$78 million for 3 years
- Net funded COLA for 2012-2013 and 2013-2014 @ 0 %, or a potential revenue loss of \$37 million for 3 years
- 7 furlough days for CSEA & Non-Rep Employees
- All Board approved reductions are included, including classified employee reductions



# General Fund Ending Balance Without ARRA \$

	08-09 Unaudited Actuals	09-10 Unaudited Actuals	10-11 Estimated Actuals	11-12 Budget	12-13 Multi-Year	13-14 Multi-Year
Revenues without ARRA	731,086,509	682,456,672	679,385,384	653,528,588	658,576,639	658,314,665
Expenditures and Other Adj	751,129,023	703,803,507	705,903,270	684,613,314	703,560,214	672,892,253
Net Increase (Decrease) to Fund Balance	(20,042,514)	(21,346,835)	(26,517,886)	(31,084,726)	(44,983,575)	(14,577,588)
Fund Balance Beginning Fund Balance	79,155,639	59,113,124	37,766,289	11,248,403	(19,836,323)	(64,819,898)
Ending Fund Balance without ARRA	59,113,125	37,766,289	11,248,403	(19,836,323)	(64,819,898)	(79,397,486)
Ending Balance with ARRA	104,611,190	99,971,376	101,568,993	86,908,775	41,925,200	27,347,612
Difference (ARRA)	45,498,065	62,205,087	90,320,590	106,745,098	106,745,098	106,745,098

The beginning balance for FY 2009-10 includes \$13.7 million of audit adjustment for categorical funding based on state reductions after the 2008-09 books were closed.



# Cash Deferrals of 2011-2012 State Apportionment Impact to LBUSD — Optimistic

	From	To	Cash Deferral
1	July 2011	Sept 2011 & Jan. 2012	\$ 20,480,233
2	August 2011	January 2012	20,480,233
3	October 2011	January 2012	36,864,415
4	February 2012	July 2012	25,067,805
5	March 2012	April 2012	22,487,296
6	April 2012	July & August 2012	17,694,921
7	May 2012	July & August 2012	29,122,893
8	June 2012	July 2012	36,864,415
Total			\$ 209,062,211

Amount deferred within FY 2011-2012	\$ 100,312,177	24%
Amount deferred to FY 2012-2013	<u>108,750,034</u>	<u>27%</u>
Total Cash Deferral	\$ 209,062,211	51%
Amount not deferred	<u>200,542,433</u>	<u>49%</u>
Total Apportionment	\$ <u>409,604,644</u>	<u>100%</u>

# Cash Deferrals of 2011-2012 State Apportionment Impact to LBUSD — Conservative

	<b>From</b>	<b>To</b>	<b>Cash Deferral</b>
1	July 2011	Sept 2011 & Jan. 2012	\$ 19,152,797
2	August 2011	January 2012	19,152,797
3	October 2011	January 2012	34,475,030
4	February 2012	July 2012	23,443,023
5	March 2012	April 2012	21,029,772
6	April 2012	July & August 2012	16,548,017
7	May 2012	July & August 2012	27,235,280
8	June 2012	July 2012	34,475,029
<b>Total</b>			<b>\$ 195,511,745</b>

Amount deferred within FY 2011-2012	\$ 93,810,396	24%
Amount deferred to FY 2012-2013	<u>101,701,349</u>	<u>27%</u>
Total Cash Deferral	\$ 195,511,745	51%
Amount not deferred	<u>187,544,176</u>	<u>49%</u>
Total Apportionment	<u>\$ 383,055,921</u>	<u>100%</u>



# Frequently Asked Question

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If the District budget has been reduced, why is the District budget still not balanced? (Revenues are reducing while costs are going up.)

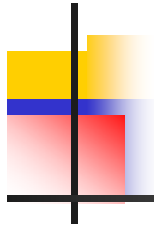
- Reduced federal funding for Title I and Title II—\$5 million per year, or \$15 million for 3 years
- Mental Health Services—additional encroachment of \$3.6 million per year, or \$10.8 million for 3 years
- Additional substitute teacher costs (salaries and statutory benefits)—\$8 million per year, or \$24 million for 3 years
- Step and column increases—average \$6.5 million per year
- Health & welfare benefit increases—12% per year or around \$15 million a year
- ARRA funding ending
- Gear Up funding ending
- Furlough savings are one-time



# Pending

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- Preliminary multi-year drafts assume flat funding and have not addressed uncertainties of tax extensions, potential COLAs not materializing, and potential revenue limit reduction of \$330 per ADA
- How to deal with Budget Reductions still needed in the multi-year projections
- How to solve structural deficits (when revenues exceed expenditures)



The End