



Budget Update
October 7, 2010

Folsom Cordova Unified
School District

2010-11 Budget



- Budget Deal !?
 - Almost 100 days late
 - Legislative oversight committee convened Wednesday afternoon to finalize details of budget agreement
 - Floor votes are scheduled for today
 - No written details have been made available yet – information is very “fuzzy”
 - If budget passes through both houses, the Governor could sign Friday or over the weekend.

2010-11 Budget



- Relies on new projected federal revenues and revised forecast for tax collections (both higher)
- Some concessions on state employee pensions
- Spending reform initiative for voters
- Differing opinions on result of the suspension of Prop. 98 funding
- Mandate reimbursements average \$50 per ADA (one-time funds for school sites)

2010-11 Deferrals



- Cash Flow and Prop. 98 manipulation
 - October 2010 accelerated to September 2010 (already happened)
 - Additional deferral of unknown amount from October 2010 to November 2010 (new)
 - April & May 2011 apportionment to July 2011 (new)
 - Cash flow for FCUSD – a problem October-December and April-June (borrowing comes at a cost)

Multi-Year Projections



- Need to exercise caution
- Categorical flexibility options set to expire after 2012-13
- Lack of federal one-time funding after 2011
- California's continued fiscal crisis and prolonged recovery
- New Governor with new agenda in 2011 and immediate deficit (tricky)

2011-12 Budget



- 2011/12 Assumptions
 - Step/column salary increases (\$1.7m)
 - Declining enrollment (\$1.9m)
 - No furlough days (\$1.5m)
 - No COLA (\$2.4m)
 - First round of ARRA ending balances used
 - Loss of one-time revenue (Tier 3, cell tower, etc) (\$1.0m)
 - No repayment of state cuts/deficit factor
 - No cuts in 11/12 or mid-year 10/11 ☺

Total = \$8.5m gap

2011-12 Budget



- 2011/12 Solutions
 - Federal Jobs Bill +\$3.0m (\$.5m used in 10/11)
 - If SFSF Final Installment +\$.2m - \$.5m
 - Anything left from 10/11?

Now What?



- Seems to be agreement to finalize a budget, but it remains to be seen if it will actually be passed by the legislature
- Actual budget language has not been seen
- Once it has been reviewed, more information will be made available