

2011-12 February Budget Update

2012-13 State Cuts

On January 5, Governor Jerry Brown announced the 2012-13 Budget Proposal which includes more cuts to K-12 funding.

The cuts are proposed to be:

- \$370 per ADA
- Home to School Transportation

2012-13 State Cuts Continued

As part of the budget proposal, the Governor plans on attempting a tax increase that would be put on the November 2012 Ballot.

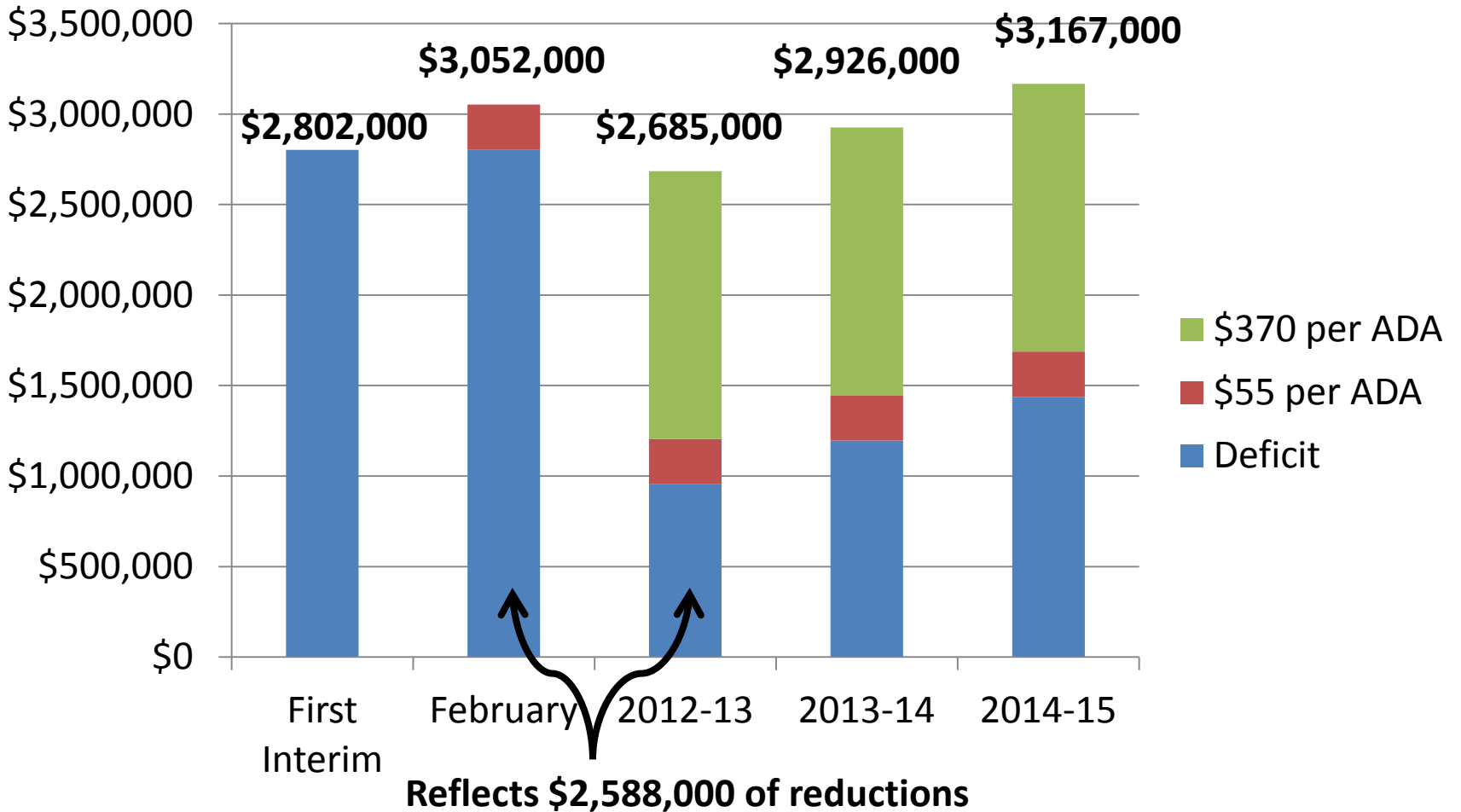
If the measure is put on the Ballot, and if the measure successfully passes, the \$370 cut per ADA will not happen.

Midyear Cuts and Transportation

In December of 2011, the State announced mid-year budget cuts of \$13 per ADA plus a 50% reduction in Transportation funding for the current year.

With the passage of Senate Bill 81, the mid-year cuts are now all based on a per-ADA cut of \$55.

Deficit Projections



Weighted Formula Trailer Bill

On February 13, 2012 a trailer bill was released from the Governor's Office that proposed changes to the funding model for California schools.

This new funding model is called the "Weighted Student Formula". Conceptually, this would eliminate state categorical programs and offer funding on a per-student basis.

Weighted Student Formula Continued

Proposed Formula

\$4,920 per student (base amount)

Plus \$1,820 per ELL and/or SED student
(37% of base amount)

Plus \$364 per student (Concentration Grant*)

*Concentration Grant based on percentage of ELL/SED students above 50% District wide.

Weighted Student Formula

$$\text{\$4,920} \times 4000 \text{ ADA} = \text{\$19,680,000}$$

$$\text{\$1820} \times 2,400 \text{ ELL/SED ADA} = \text{\$4,368,000}$$

$$\text{\$364} \times 2,400 \text{ ELL/SED ADA} = \text{\$873,000}$$

$$\text{Total} = \text{\$24,921,000}$$

Current Model

(Taxes, Categoricals, and Fair Share)

2011-12

Net Taxes	\$24,454,000
Categorical Programs	\$4,379,000
Fair Share*	(\$2,807,000)
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Total	\$26,026,000

* Fair Share includes \$55 per ADA midyear cuts

Potential Impact of Weighted Student Formula

Current model	\$26,026,000
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New proposed model	\$24,921,000
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Loss to SVUSD*	\$1,105,000
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*This does not include the elimination of \$640,000 of Transportation Funding in 2013-14.

Weighted Student Formula Phase In

The Weighted Student Formula is proposed to be phased in over six years based on the following formula:

2012-13	5% based on the new formula
2013-14	15%
2014-15	40%
2015-16	60%
2016-17	80%
2017-18	100%

Phase In Effect of Weighted Formula

Phase in effect		Loss to SVUSD
2012-13	5%	\$55,000
2013-14	15%	\$165,000
2014-15	40%	\$442,000
2015-16	60%	\$663,000
2016-17	80%	\$884,000
2017-18	100%	\$1,105,000

Weighted Student Formula Assumptions

The calculations for the weighted formula assumes that the November 2012 tax measure will pass. If not, the \$370 cut per student is still expected to happen.

The trailer bill also proposes keeping current Transportation funding in place for one more year and going away in 2013-14.

Additional Cuts for 2012-13

Due to the additional State cuts being proposed, and the uncertainty of the tax measure passing, Districts are being advised by School Services of California, as well as the Sonoma County Office of Education, to make additional cuts for next year.

Additional Cuts for 2012-13

One of the reductions the District needs to consider is the reduction of Transportation services next year.

At this point, we need to analyze bus routes and decrease the General Fund encroachment for this program.