

Thoughts to consider while analyzing the budget comparisons!!

1. Tables “A” & “B” represent financial numbers which allow us to fund current expenditures. For the duration of its 4 year analysis it does not take into account an increase in any expenditures.
2. Such things as increases to utilities, bus contracts, fuel, pay increases to staff and teachers, church leases, etc., are inevitable during this 4 year period. Basically, with these tables, all cost increases in all goods and services used or consumed by the district are not taken into account. More than likely cost increases will occur in all areas and the numbers shown in the “M” column, “OVERAGE or **SHORTAGE**” will not be accurate, meaning we will have to raise more LOB money than is shown to keep up with inevitable increases.
3. Current law allows for us to raise 30% of our “General Fund” via the LOB. Table B, columns K & M show numbers in red, meaning we have exceeded our budget authority. We could not operate as a school district that 3rd (2011-2012) and 4th (2012-2013) year in Table B.
4. Current law allows for us to raise 30% of our “General Fund” via the LOB. Table A, columns K & M, show numbers in red, meaning we have exceeded our budget authority. We could not operate as a school district that 4th (2012-2013) year in Table A. TABLE “A” DOES NOT REFLECT ANY CUT IN THE CURRENT BSAPP OF \$4218.
5. Both Table A & Table B do not take into account that the BSAPP most likely will be cut by the state, as forewarned by the handout I gave you at the 7-22-09 special board meeting. In that handout the Legislative Budget Committee states “state programs – including education – should prepare for another round of deep budget cuts.” This is in reference to the Legislative session of 2010 and their statement of “have to cut another 500 million to balance the budget next year.”
6. My best estimate is that we will be in the red on Table B before school year 2011-2012, thus we will not be able to run our district that year. That means we have only 2 years left.
7. My best estimate is that we will be in the red on Table A before 2012-2013, thus we will not be able to run our district that year. For our district to last that long, some government entity, the feds or the state, will have to make up the \$216 per student lost from the ARRA money which is only available through 2010-2011. Also, we need for all goods and services to be kept frozen at their current rates, which is highly unlikely.