



District's Budgeting Cycle and Process

3 Year Plan

**Budget Development Cycle
includes the Current and
Subsequent Two Years**



Formal Board Action

Budget Adoption	June 30 th
Statutory Amendment	45 days after State Budget Adoption
1 st Interim Revision	December 15 th
Analyze Impact of Governor's Proposed Budget	
2 nd Interim Revision	March 15 th
Analyze Impact of "May Revise"	
Budget Adoption	June 30 th

- Additionally, the budget is reviewed and modified on an on-going basis to adjust for shifts in entitlement, the establishment of categorical programs, and departmental transfers.

Budget Development Key Factors

Revenue: State Funding - Enrollment
98.8% of all revenue in the General Operating Fund is derived from enrollment
99% of all revenue in the General Operating Fund is from the State
Expenditures: Enrollment – Salaries – Employee Benefits
Demographic Analysis – enrollment projections
<ul style="list-style-type: none">▪ Staffing Allocations (2,112 monthly FTE.....87% of budget)▪ Textbooks▪ Furniture▪ Facilities – classroom requirements
Workers Compensation and Health Insurance Rates



Note: the 2005-06 enrollment decrease was 1,119 students. The external demographic projection indicates the 2006-07 decline will be 580 to 812 students. The District (as of April 5, 2006) had already declined 590 students.



Budget Development Key Factors

State Requirements:
Mandated to use revenue estimates provided by State for “Cost of Living Adjustment” (COLA) and other State funding
The District <u>must</u> spend 3% of the budget on Maintenance and Operations
Ending Fund Balance <u>must</u> always be 3% or higher





Budget Process

Business Services Division:

- Prepares “Base Line” budget using staffing and expenditure allocations
- Meets with Principals and Division leaders to review and amend budgets
- Prepares cost analysis of various program options being proposed