

Budget Presentation



Poway Unified School District **FOUNDATION**



October 16, 2012

Malliga Tholandi, Associate Superintendent

Agenda



- 2012-13 State Budget
- District Budget
- Funding per ADA
- Tax Initiatives
- Next Steps



Final State Budget for 2012-13

- Governor Brown signed an on-time state budget for 2012-13 on June 27, 2012
- The budget is balanced on the assumption that the Governor's tax initiatives or Proposition 30 will pass in the November elections (Schools & Local Public Protection Act)



2012-2013 District Budget

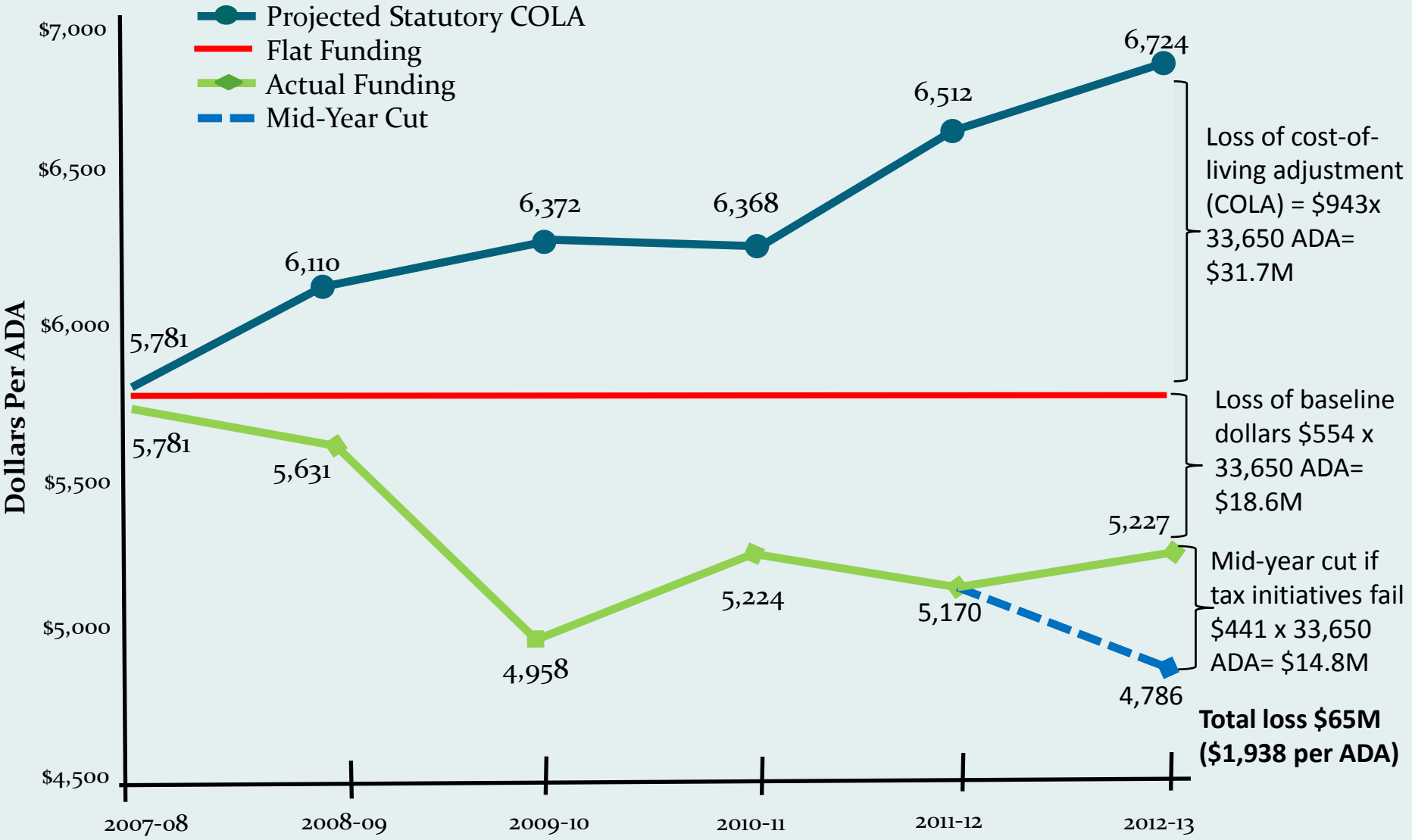
- What does this mean for Poway and other school districts?
 - If Governor's tax initiative fails - \$441/ADA ongoing mid-year cut for K-12 districts
 - For PUSD = \$(14.8) million ongoing revenue loss starting this fiscal year
 - Our budget is in balance this year, so we will not be making mid-year reductions



2013-2014 Projection

	<u>2013-2014</u>
Projected amount of budget cuts if Proposition 30 fails	\$39,000,000
Projected amount of budget cuts if Proposition 30 passes	\$9,500,000

Funding Per ADA for PUSD



Budget Standards Per Child

	<u>2007-2008</u>	<u>2012-2013</u>	<u>Difference</u>
Elementary Schools	\$42.23	\$29.59	(\$12.64)
Middle Schools	\$72.63	\$39.95	(\$32.68)
High Schools	\$97.78	\$68.47	(\$29.31)
Continuation High School	\$88.40	\$61.90	(\$26.50)

Staffing Ratio

	<u>2007-2008</u>	<u>2012-2013</u>	<u>Difference</u>
Elementary Schools	20.0	26.0	6.0
Middle Schools	27.7	32.7	5.0
High Schools	29.5	37.5	8.0
Continuation High School	23.0	23.5	.5



Tax Initiatives

- There will be two tax initiatives related to school finances on the November ballot
- Proposition 30, the Governor's Tax Initiative is supported by the CTA, CFT, CSEA, CSBA, ACSA, League of Women Voters, California Nurses Association
- Proposition 38, Molly Munger's tax initiative is supported by the PTA, The Advancement Project, and CSBA

The Tax Initiatives

Proponent and Title	Source of Additional Revenues	Total Revenues Generated	Duration
<p>Governor Jerry Brown – “The Schools and Local Public Protection Act of 2012” (PROP 30)</p>	<p>Quarter-cent sales tax increase. Up to 3% increase in personal income tax rate for high-income earners (\$250,000 and above)</p>	<p>\$8.5 billion in 2012-13</p>	<p>4 years sales tax, expires in 2016 (2013-2016) 7 years income tax, expires in 2018 (2012-2018)</p>
<p>Molly Munger - “Our Children, Our Future: Local Schools and Early Education Investment and Bond Debt Reduction Act” (PROP 38)</p>	<p>Increase in personal income tax rate for all but low-income earners.</p>	<p>\$5 billion in 2012-13</p>	<p>12 years, expires in 2024 (2013-2024)</p>

What If They Both Pass?

- If both initiatives pass - the one with the most votes will prevail
- If the Governor's initiative passes
 - Flat funding for school districts
 - No additional funds
 - No cuts of \$441 per ADA
- If Molly Munger's initiative passes
 - School sites will get \$500/student this year and \$1,000/student starting next year
 - Cuts of \$441 per ADA



Next Steps

- It is incumbent on all of us to continue to educate the community on the consequences if Proposition 30 fails
- Continue to share in a transparent way the effects of the state budget on our district to all stakeholders



*What lies behind us and what
lies before us are tiny
matters compared to what
lies within us*

...Ralph Waldo Emerson