

Cupertino Union School District

Budget Update Meeting
October 2009

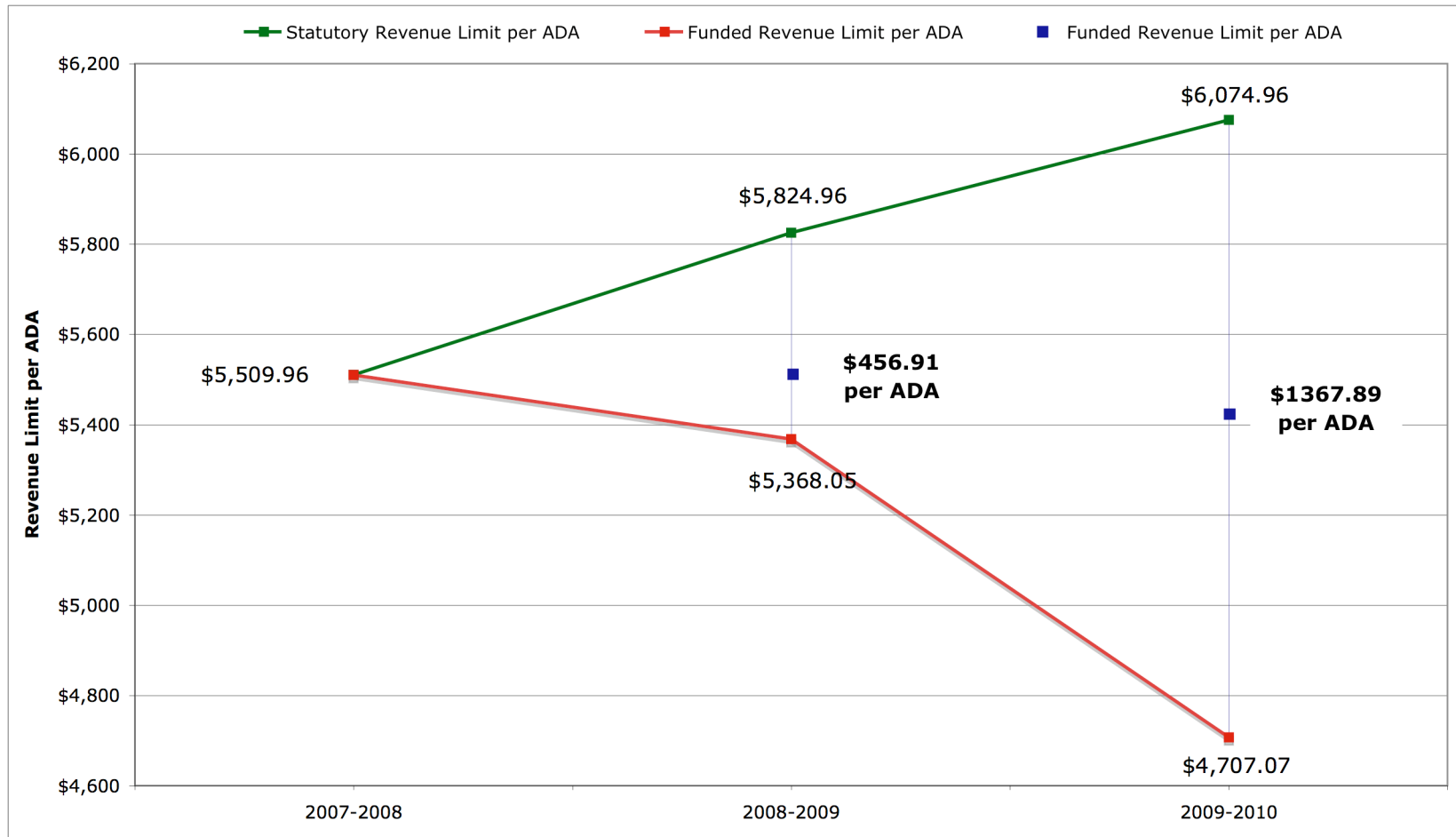
State Budget Crisis Timeline

- **September 2008** - State passes 2008-2009 budget
- **October 2008** - State declares budget unrealistic
- **November 2008** - CUSD Board considers parcel tax
- **January 2009** - Governor proposes 18-month budget solution
- **February 3, 2009** - CUSD Board places Measure B on the May 5th ballot

State Budget Crisis Timeline cont.

- **February 20, 2009** - State passes 18-month budget
 - Cuts CUSD funding by \$3.27 million in 2009-2010
- **May 5, 2009** - Measure B passes with over 70% voter approval. The \$125 parcel tax will generate \$4 million in revenue annually for six years. (Starting 2009-2010)
- **May 19, 2009** - Statewide budget measures fail
- **July 24, 2009** - State passes 2009-2010 budget
 - Cuts CUSD funding by \$11 million

Cupertino Union School District Revenue Limit Deficit



September 2009 Projection Discretionary Ending Balance

	FY '09 - '10	FY '10 - '11 (0.50%)	FY '11 - '12 (2.30%)
Beginning Balance	\$5.80M	\$1.50M	-\$4.46M
Revenue Less Expenditures (Feb. Cuts Included)	-\$3.27M	-\$3.33M	-\$1.57M
Parcel Tax	\$4.00M	\$4.00M	\$4.00M
State Cuts On-going (July '09)	-\$6.63M¹	-\$6.63M	-\$6.63M
State Cuts One-time (July '09)	-\$4.30M²	\$0.00M	\$0.00M
Stimulus SFS F	\$5.30M	\$0.00M	\$0.00M
Stimulus IDEA	\$0.60M	\$0.00M	\$0.00M
Estimated Ending Balance	\$1.50M	-\$4.46M	-\$8.66M

NOTES:

1. Loss of \$6.30M Rev. Limit + \$0.33M Transportation = \$6.63M
2. One-time loss of \$253/ADA = \$4.30M

District Action

- From 2001-2007, the district has saved a total of **\$10.9 million** in non-classroom cuts
- Over the past two years, the district has saved a total of **\$4.98 million** in non-classroom cuts:
 - Reduction in Central Office Positions - **\$2.02 million**
 - Departmental Budget Reductions - **\$2.14 million**
 - Capital Outlay Reductions - **\$0.82 million**
- Implemented spending freezes for:
 - Travel and overnight conferences
 - Hiring/vacancy replacements
 - New equipment purchases
- In addition, the district implemented an energy management program that has yielded almost **\$2 million** in energy savings over the past 4 years

What's Next?

- Despite Parcel Tax, major cuts are unavoidable
- The district is currently evaluating expenditure reduction options
- Budget decisions will have to be made starting in January 2010