



**GOVERNING BOARD AGENDA ITEM  
AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10**

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**DATE OF MEETING:        June 20, 2017**

**TITLE:    Study and Approval of the Proposed Expenditure Budget for Fiscal Year 2017-2018**

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**BACKGROUND:**

The State of Arizona requires governing boards to formally approve and adopt a proposed operating budget for the school district. The final enrollment numbers for the current school year from the Arizona Department of Education have not been issued. The District anticipates that the Average Daily Membership (ADM) for the 2017-2018 budget will be 13,258.

Therefore, the proposed budget represents an estimate and the budget will require a revision in September. The significant changes in budget are listed below:

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The property tax rates have declined to reflect the increase in property values. The exact impact to individual property owners will be determined by how their property values changed relative to the state average. Overall, most tax payers will likely see no change in their property tax bill.

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Overall, the Maintenance and Operations budget has increased by \$516,709 from the 2016-2017 budget revision number 3. This increase in the total budget is the result of inflation funding and additional funding for teacher pay increases.

In general, the actual increase in the district's budget is larger than it appears because the 2016-2017 budget had a large budget balance carryforward from 2015-2016 (Proposition 123).

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A slight increase to Proposition 301 revenues is projected. This budget anticipates collections of \$6,291,978 in 2017-2018 and which is significantly lower than the peak collection of \$7,754,546 in fiscal year 2007-2008. Hopefully, the sale tax increases will continue into future years.

This additional funding will provide all Proposition 301 Eligible employees a \$390 (Full Time amount) increase in their base pay and a \$210 (Full Time amount) one-time payment.

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The Unrestricted Capital budget assumes a \$5,540,722 budget reduction from the Legislature. The actual number will not be finalized until May of 2018. It is important to note that the Unrestricted Capital funding formula should be adding \$6,480,376 to the fund rather than the \$939,654 that is being added to the fund after the Legislative reduction.

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**RECOMMENDATION:**

It is the recommendation of the Administration that the Governing Board approves this proposed budget and directs that a summary of the budget be published. It is also recommended that the Governing Board schedule a public hearing on the proposed budget immediately prior to the adoption at the scheduled board meeting on July 11, 2017.

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**INITIATED BY:**

*Scott Little*

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Scott Little, Chief Financial Officer

Date: June 14, 2017

*Patrick Nelson*

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Patrick Nelson, Superintendent