



Review of Legislative Budget Cuts from 2008-2009 to the Present

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History of Base Support Level

Requirements of Proposition 301

- For first 5 years – 2% Inflation Increase
- For FY 2006-07 and each year thereafter, the Legislature is required to increase the Base Level or other RCL components by the lesser of 2% or the price deflator.

History of Base Support Level

| <u>Year</u> | <u>Actual Rate</u> * | <u>Funding Inc.</u> ** | <u>Variation</u> |
|-------------|----------------------|------------------------|------------------|
| 2001-02 | 2.2 | 2.0 | <0.2> |
| 2002-03 | 2.4 | 2.0 | <0.4> |
| 2003-04 | 1.7 | 2.0 | 0.3 |
| 2004-05 | 2.9 | 2.0 | <0.9> |
| 2005-06 | 2.2 | 3.2*** | 1.0 |
| 2006-07 | 3.2 | 4.4**** | 1.2 |
| 2007-08 | 3.2 | 2.98***** | 0.22 |
| 2008-09 | 2.7 | 2.0 | <0.7> |

* Percentage growth in the GNP price deflator

** Percentage increase in the base level funding factor as provided in A.R.S. 15-901

*** Includes an additional 1.2% for retirement/health insurance

**** Includes an additional 2.4% for retirement/health insurance and increase salary for non-administrative personnel

***** Includes 0.98% for increased salary for non-admin. personnel

History of Base Support Level

| Fiscal Year | Base Support Level |
|--|--------------------|
| 2007-2008 | \$3,226.88 |
| 2008-2009 | \$3,291.42 |
| 2008-2009 after cut | \$3,203.65 |
| 2009-2010 | \$3,267.72 |
| 2010-2011 | \$3,267.72 |
| 2010-2011 (w/o Prop 100) | \$3,202.36 |
| 2010-2011 (actual after proposed cuts) | ????????? |

2008-2009

The 2008-2009 Arizona legislative sessions began with stark predictions for the impact which the current recession would have upon the state's finances. These predictions were followed in late January 2009 with legislation (SB 1006) for implementing budget reductions in the current fiscal year (2008-2009). For our statewide system of K-12 public education, a reduction of approximately \$133,000,000 in funding was made.

2008-2009

Through formulas applied by the Arizona Department of Education, Amphitheater's specific portions of the \$133 million cuts were the following:

| | |
|----------------------|--------------------|
| M&O Budget Cut of: | \$1,769,748 |
| Soft Capital Cut of: | \$ 364,276 |
| Building Renewal * | <u>\$2,180,897</u> |
| Total 2008-2009: | \$4,314,921 |

*funding was eliminated prior to mid-year reduction

2009-2010

| | |
|---------------------------------|--------------------|
| Career Ladder Reduction of 0.5% | \$ 340,416 |
| 80% cut to Soft Capital | \$2,686,862 |
| All Day K funding loss | \$2,638,158 |
| Building Renewal | <u>\$2,180,897</u> |
| Total | \$7,846,333 |

2010-2011

| | |
|---------------------------------|--------------------|
| Career Ladder Reduction of 0.5% | \$ 325,408 |
| Soft Capital Reduction | \$2,827,568 |
| All Day K funding loss | \$2,629,290 |
| Building Renewal | <u>\$2,180,897</u> |
| Total So Far for 2010-2011 | \$7,963,163 |

This does not include the loss of revenues to the Classroom Site Fund.