



GOVERNING BOARD AGENDA ITEM
AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10

DATE OF MEETING: **May 7, 2013**

TITLE: Addendum to Adoption of the FY 2012-2013 Expenditure Budget Revision 2
(revised: May 2, 2013)

BACKGROUND:

The State of Arizona requires governing boards to make a final revision of the operating budget for the school year no later than May 15th.

The most significant change to the budget is contained in the Maintenance and Operations fund and the Unrestricted Capital fund. Prior to this budget revision the district anticipated the costs for the new Textbooks would be a capital expenditure. However, many portions of the purchase are consumable materials which are considered to be supply expenses and must be charged to the Maintenance and Operations funds. This revision moves \$2,625,000 from the Unrestricted Capital fund to the Maintenance and Operations fund. This change also has the effect of improving the dollars in the classroom calculations for this fiscal year.

The district is adding \$43,206 in budget capacity for increased student counts in Group B (special needs) students. The Special Education budget has been increased to account for the services provided for these additional students.

In addition, the Arizona Department of Education recalculated the enrollment numbers for school districts for the enrollment of our students in charter school programs over the summer. This recalculation lowered our student counts for funding purposes.

The significant changes in budget are listed below:

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The Maintenance and Operations budget is adjusted to reflect the final student counts from the Arizona Department of Education. Supplies increased in Regular Education to reflect Textbook adoption materials. Special Education increased for additional students.

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The Unrestricted Capital budget was lowered to reflect Textbook adoption materials. This budget reflects state budget reductions of \$803,278.

The Soft Capital budget reflects a legislative budget reduction of \$1,694,144.

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The Building Renewal Fund has a zero budget. The Building Renewal formula has been subject to many modifications and suspensions since its creation in 1998. Since 1998, the school district has been shorted over \$19,000,000. The suspension of funding for Building Renewal by the Legislature will require that the district keep uncommitted balances in the Unrestricted Capital and Soft Capital Budgets.

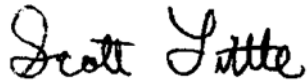
2013-2014 Budget Projections

The legislature has made very little progress towards the budget for next year. This prolonged stalemate over the expansion of ACCHS and Medicaid has the legislature working only 3 days per week. The district is required to adopt a proposed budget in the middle of June even if the legislature has not set final numbers. Additional 2013-2014 budget information, if available, will be presented at the Governing Board meeting.

RECOMMENDATION:

It is the recommendation of the Administration that the Governing Board approve the second revision of the 2012-2013 Expenditure Budget.

INITIATED BY:



Scott Little, Chief Financial Officer

Date: May 6, 2013



Patrick Nelson, Superintendent