



GOVERNING BOARD AGENDA ITEM AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10

DATE OF MEETING: **June 20, 2019**

TITLE: **Study and Approval of the Proposed Expenditure Budget for Fiscal Year 2019-2020**

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 2019-2020 budget will be 12,862.

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 been adjusted to reflect multiple law changes. The exact impact to individual property owners will be determined by how their property values changed relative to the state average. Overall, most home owners will see a significant increase in their property tax bill.

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Overall, the Maintenance and Operations budget has increased by \$3,621,446 from the 2018-2019 budget revision number 2. This increase in the total budget is the result of inflation funding and an addition funding for teacher pay increases.

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A slight increase to Proposition 301 revenues is projected. This budget anticipates collections of \$6,675,889 in 2019-2020 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.

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The Unrestricted Capital budget assumes a \$1,921,309 budget reduction from the Legislature. The actual number will not be finalized until May of 2020. It is important to note that the Unrestricted Capital funding formula should provide \$6,295,800 in funding rather than the \$4,374,491 that is available with the Legislative reduction.

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 9, 2019.

INITIATED BY:

Scott Little

Scott Little, Chief Financial Officer

Date: June 13, 2019

Todd A. Jaeger

Todd A. Jaeger, J.D., Superintendent