



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

DATE OF MEETING: December 4, 2012

TITLE: Study and Approval of the Proposed Expenditure Budget Revision #1 for Fiscal Year 2012-2013

BACKGROUND:

The State of Arizona requires governing boards to revise the operating budget for the school year to reflect actual carry forwards and interest earnings.

The Maintenance and Operations fund was adjusted to reflect the actual carry forwards and adjust student counts to reflect actual numbers. The carry forward amounts and interest earnings for the Unrestricted Capital and Soft Capital Funds were estimated for the Budget Adoption in July. These budgets have been revised to actual numbers.

Recently 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 Fiscal Year 2013 Tax Rates have been updated to reflect the actual rates set by the Board of Supervisors.

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The Maintenance and Operations budget is adjusted to reflect the final student counts from the Arizona Department of Education.

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Expenditures have been adjusted in the Classroom Site Funds as a result of final student counts from the Arizona Department of Education. The formula per student has increased by approximately 3.6%. However, an overall drop in enrollment will result in reduced revenues to the Classroom Site Funds from the prior fiscal year.

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The Unrestricted Capital budget was proposed based upon full funding (\$3,584,190). The full funding has increased slightly due to final student counts from the Arizona Department of Education. However, the budget is being lowered to reflect the legislative budget reduction of \$803,278.

The Soft Capital budget was proposed based upon full funding (\$3,070,683). The full funding has increased slightly due to final student counts from the Arizona Department of Education. However, the budget is being lowered to reflect the 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.

The budget for the bond Building Fund has increased to reflect the final carry forward of funds from the prior year.

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Federal and State Project Funds were lowered slightly to reflect the final grant allocations.

RECOMMENDATION:

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

INITIATED BY:

Scott Little

Scott Little, Chief Financial Officer

November 28, 2012

Patrick Nelson

Patrick Nelson, Superintendent