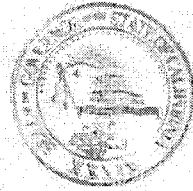


AB 114 "REVISED" 2011-12 ADOPTED BUDGET

On June 30, 2011, the State Budget Act, SB 87, and the Education Trailer Bill, AB 114, were signed by the governor. SB 87 includes provisions that enacted "Trigger Language" that automatically implements reductions in K-12 education funding effective in February 2012 if state revenue forecasts included in the state budget are not met. The Alpine Union School District will lose \$690,000 if the maximum "Trigger Language" reduction is imposed. Unfortunately, AB 114 created Education Code Section 42127 which among other requirements states, "each school district shall project the same level of revenue per unit of average daily attendance as it received in the 2010-11 fiscal year". In addition, AB 114 requires school districts to make available for public review any revisions in revenues and expenditures within 45 days of the signing of the State Budget Act. In accordance with the provisions of AB 114, the 2011-12 Revised Adopted Budget is listed below and does not reflect the fact that up to \$690,000 could be lost in February 2012 due to the implementation of the Trigger Language.

	2010-11 11/10/10 <u>Revised</u>	2011-12 06/09/11 <u>Adopted</u>	AB 114 2011-12 07/22/11 <u>Adopted (Revised)</u>
Beginning Balance July 1	\$ 2,026,315	\$ 2,100,000	\$ 2,100,000
<u>INCOME</u>			
Revenue Limit	10,051,189	9,406,658	10,055,108
Federal	1,485,984	731,269	731,269
Other State	2,324,604	1,975,023	1,975,023
Other Local	707,276	876,700	876,700
Special Education	<u>1,211,691</u>	<u>975,000</u>	<u>975,000</u>
TOTAL INCOME	\$ 15,780,744	\$ 13,964,650	\$ 14,613,100
TOTAL AVAILABLE FUNDS	\$ 17,807,059	\$ 16,064,650	\$ 16,713,100
<u>EXPENDITURES</u>			
Certificated Salaries	\$ 7,727,125	\$ 6,814,660	\$ 6,814,660
Classified Salaries	2,620,471	2,528,167	2,528,167
Employee Benefits	3,306,574	3,259,903	3,259,903
Supplies	631,533	583,882	583,882
Other Operating Expenses	1,287,818	959,110	959,110
Capital Outlay	0	310,000	310,000
Debt Service/Other Outgo	<u>126,181</u>	<u>126,181</u>	<u>126,181</u>
TOTAL EXPENSES	\$ 15,699,702	\$ 14,581,903	\$ 14,581,903
ENDING BALANCE JUNE 30	\$ 2,107,357	\$ 1,482,747	\$ 2,131,197
% Of Ending Balance to Expenses	13.4%	10.2%	14..6%
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Beginning Balance :			
Unrestricted	\$1,732,670	\$2,093,711	\$2,093,711
Restricted	293,645	6,289	6,289
Restricted Balances -			
Economic Impact Aide	\$ 35,568	\$ 6,289	\$6,289
ARRA - SFSF	252,414	0	0
Other Programs	5,663	0	0
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Ending Balance :			
Unrestricted	\$2,066,953	\$1,482,747	\$2,131,197
Restricted	40,404	0	0
Restricted Balances -			
Economic Impact Aide	\$ 34,740	\$ 0	\$0
ARRA - SFSF	0	0	0
Other Programs	5,664	0	0



OFFICE OF THE GOVERNOR

June 30, 2011

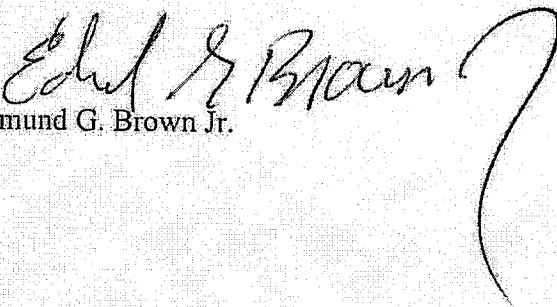
To the Members of the California State Assembly:

AB 114 directs schools to adhere to the level of state funding provided in the Budget and not assume a different, or lower, state funding level. If, in fact, revenues fall far short of projections – something we don't anticipate – this bill reduces funding beginning in February. It also provides schools the authority to shorten the school year by up to 7 days. This approach avoids the harmful effects of unnecessary cuts.

In fashioning their local budgets, school boards may nevertheless need to make reductions due to cost increases, loss of federal funds, enrollment declines or other factors. AB 114 does not interfere with these local school board decisions. School boards should take all reasonable steps to balance their budgets and to maintain positive cash balances.

Let us not forget that schools would have enjoyed billions more in state funding if Republicans in the Legislature had allowed the people of California to vote on tax extensions.

Sincerely,


Edmund G. Brown Jr.