Summary of the Problem

- Two revenue calculation issues
  - Overestimation of revenue
  - Double counting of revenue
- Issues span two fiscal years

Overestimation

- 2011-12
  - Salary revenue off by $995,032
- 2010-11
  - Salary revenue off by $489,132
  - Medicaid off by $548,587

Double Counting

- 2011-12
  - Budgeted MOE revenue of $2,997,859, but funds were already received and applied to previous year
- 2010-11
  - 100% of Jobs Bill revenue budgeted, but only received 50% ($1,245,269)

Bottom Line

- The district should have ended 2010-11 with a deficit. However, MOE funds resulted in an ending fund balance of $1,984,135
- Because MOE funds were counted again in 2011-12, the district will end the year with a negative Fund Balance of $2.8 million
- To balance this year's budget, we must reduce spending by $2.8 million

Spending Cuts

Category	Savings
Attrition (not replacing open positions)	$1,000,000
Substitutes	$500,000
District & School Supplies	$600,000
Reallocation of Federal Funds	$700,000
Transportation	To be determined