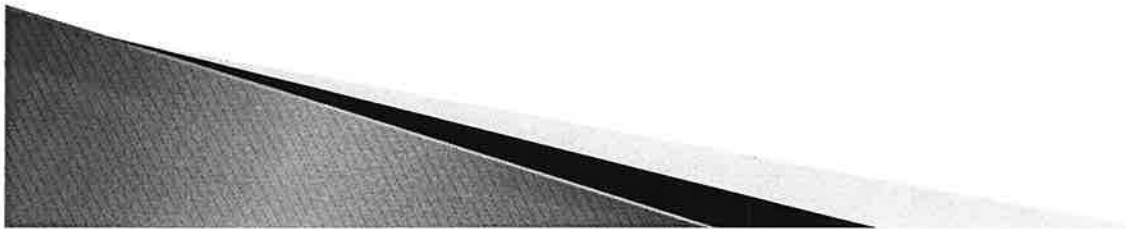


Summary of the Problem

- ▶ 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

