

Riverside Unified School District
Business and Governmental Relations Division

Board Finance Subcommittee Meeting

Superintendent's Office

June 14, 2010

10:30 a.m.

CALL TO ORDER – Dr. Beaty called the meeting to order at 10:40 a.m.

PRESENT: Ms. Kathy Allavie, Dr. Charles Beaty (Chair), Dr. Rick Miller,
Mr. Mike Fine, Ms. Sandie Meekins, and Mrs. Joyce Threadgold
(recorder)

INFORMATION

1. 2010/2011 All Funds Final Budget

The Committee will review the 2010/2011 All Funds Budget

Mr. Fine distributed the 2010-11 Initial Budget presentation. He went over each slide with the Committee.

Mr. Fine explained the May Revised Prop 98 Proposals. The Governor's January Budget Proposal for the 2010 budget is estimated to be an adverse \$11.7 million; \$10.2M from an on-going base revenue limit adjustment; 1.0M from the application of a negative COLA in general purpose funding; \$106,600 from the application of a negative COLA in state restricted funding. He stated that the Governor is no longer proposing to tie some cuts to specific areas; leaving the decision on where to reduce to local governing boards.

Mr. Fine stressed that the May Revision also contains a few references to accountability and assessment reforms. The reinstatement of the fourth-grade writing test that was eliminated in 2009-10 as a budget savings, is being restored without funding, and the elimination of the Alternative Schools Accountability Model, which will now be consistent with Race to the Top requirements, all schools must use the same measurement system.

Mr. Fine stated that the May Revised is not the State Budget, but the Governor's latest proposal. No matter what course RUSD selects, the numbers and details will change.

Mr. Fine gave a general fund overview. The estimated beginning fund balance was \$68,105,734. The ending fund balance is estimated at \$48,897,181. Of the \$48M that is left, \$21M is categorical and schools carryover, slightly higher than last year, the other designated amount is \$20M which includes such categories as substitute costs and mandated cost contingency.

Mr. Fine discussed the deficit spending in the Out Years. He stated that the general fund deficit spending increases in the out-years due to one-time budget solutions, enrollment decline and continued state deficits. The estimated deficit for 2011-12 is \$19.1M.

Mr. Fine stated that given the deficits and fund balance in 2011-12 and 2012-13, we will need to begin budget discussions in July or when a 2010-11 state budget is adopted. One of the concerns for 2012-13 is the class size reduction flexibility going away.

PUBLIC RELATIONS

1. Unscheduled Communications

There were no unscheduled communications.

ADJOURNMENT

The meeting was adjourned at 12:10 p.m.