

MINUTES OF THE BUDGET HEARING OF THE BOARD OF EDUCATION

PLACE: District Office Conference Room, 1608 Laguna Avenue
DATE: December 9, 2008
TIME: 9:00 AM

MEMBERS

PRESENT: Mr. Rudy Parker, President
Mrs. Kelly Baldenegro, Member
Mrs. Deanna Beaver, Member
Mrs. Dolores Ferris, Member
Mr. Randy Hartless, Member

MEMBERS

ABSENT: None

OTHERS

PRESENT: Kevin Uden, Superintendent
Denyce Cribbs, Executive Assistant
Margaret Dewey, Board Member-elect
LeRoy Shontz, Parker High School Principal
Ron Grimsley, Arizona Operations Manager, Ombudsman

I. OPENING ITEMS

A. Call to Order

The meeting was called to order at 9:00 AM by Mr. Rudy Parker, President.

B. Adopt Agenda

Mrs. Beaver moved, seconded by Mr. Hartless, to adopt the agenda of the December 9, 2008, budget hearing. Motion carried unanimously.

C. Call to Audience

There was no comment under Call to Audience.

II. DISCUSSION ITEM

- A. Pursuant to A.R.S. § 15-905.D and A.R.S. § 15-915, hold budget hearing to discuss the SY 2008/09 Expenditure budget.

Mr. Uden explained that the Arizona Department of Education produces forms called BUDG25 and BUDG75 to reconcile district budgets with their figures. If we are higher than the state figures by \$1,000, we must revise the budget. If we are lower, we may revise the budget. In our case, we need to revise the budget to include increases in tuition from Southwest Regional Coop and San Bernardino County. Mr. Uden further explained that budgets developed in the early summer are subject to estimates, since the budget is actually proposed while we are still spending funds from the prior fiscal year.

Mr. Uden summarized the budget changes and cited the reasons for each increase or decrease: Page 7, Line 1 - Reduce the Revenue Control Limit (RCL) by \$1,343 to substantially agree with ADE calculations. We will probably increase this later in the year when ADE finally corrects an error on a student count. Line 2 - Reduce Capital Outlay Revenue limit by \$32 to \$470,040. Line 3(a) - Reduce M&O Override by \$134 to \$932,382. This is 10% of the RCL, so when the RCL goes down, so does the override. We should be able to restore it to the original amount later in the year when the attendance is corrected. Line 5(b) - Tuition from other districts: Southwest Regional Coop provides us tuition from the regular part of the day for our visually impaired or hearing impaired students that they provide special services to. This is an increase of \$9,000 over the original budget. Line 5(c) - Increase out of state tuition to \$314,724 from \$292,908 as the original tuition quote did not include students attending the alternative school. Mr. Uden corrected the amount and informed San Bernardino County earlier this year. The capital outlay line is also increased (\$1,324). According to the Budg25, we could increase the amount on lines 9(c) and 9(e) but Mr. Uden believes we will be in good enough shape without these increases. As it stands, we should be able to increase the budget by \$29,307. Page 8, Line A17 - Our overall capital outlay budget is reduced to \$2,313,110. The reduction is based on higher expenditures than estimated when the budget was proposed last June. Our capital budget is still very solid. Line B12 - Increase Soft Capital by \$28,258 due to slightly lower expenditures estimated on the proposed budget. The news from Phoenix is that the legislature will go after 10% of this budget in December to help try to balance state funding, but the District should still be fine on this for this year. Line C7 - Reduce the Classroom Site Fund from \$1,311,483 to \$1,134,702 based on being able to make the final performance pay payment for

FY08 during the 60 day encumbrance period. The revenues for this fund are not coming in with the strength of prior years, so it is likely that this fund will not receive the revenue needed to cover expenditures. The Building Renewal Fund has been reduced from \$40,000 to \$34,621 to reconcile with the Annual Financial Report and ADE figures.

III. ADJOURNMENT

The meeting was adjourned at 9:09 AM by Mr. Rudy Parker, President.

Governing Board President
Parker Unified School District #27