

**PARKER UNIFIED SCHOOL DISTRICT NO. 27
1608 Laguna Avenue
Parker, AZ 85344**

MINUTES OF THE BUDGET HEARING OF THE BOARD OF EDUCATION

PLACE: District Office Conference Room, 1608 Laguna Avenue
DATE: July 13, 2011
TIME: 9:00 AM

MEMBERS

PRESENT: Mr. Rudy Parker, President
Mrs. Deanna Beaver, Member
Mrs. Dolores Ferris, Member
Mrs. Amelia Flores, Member

MEMBERS

ABSENT: Ms. Margaret Dewey

OTHERS

PRESENT: James Lotts, Superintendent
Brad Sale, Assistant Superintendent
Denyce Cribbs, Executive Assistant

I. OPENING ITEMS

A. Call to Order

The meeting was called to order at 9:10 AM by Mr. Parker, President.

B. Adopt Agenda

Mrs. Beaver moved, seconded by Mrs. Ferris, to adopt the agenda of the Budget Hearing. Motion carried unanimously.

C. Call to the Audience

There was no comment under Call to Audience.

II. DISCUSSION ITEM

A. Pursuant to A.R.S. §15-905, A.R.S. §15-910, and A.R.S. §15-915, hold budget hearing to discuss the FY2012 Expenditure budget.

Mr. Sale reported that the proposed budget has been posted on the ADE website and was also printed in the Parker Pioneer. The currently proposed budget includes some significant changes over last year's budget. One major change employee contribution (53%) vs. employer's contribution rate (47%) to the Arizona State Retirement System (ASRS). The schools had to include a reduction in state aid to their budgets, in order to account for the change from a 50%/50% contribution rate. This amount of \$34,202 was deducted in our Capital Outlay Revenue Limit.

NOTICE: MINUTES ARE NOT OFFICIAL UNTIL ADOPTED BY THE GOVERNING BOARD

Mr. Sale further stated that the M&O budget is showing a modest increase of 3% over last year. Budget capacity is largely based upon student numbers, but due to the manner in which ADE has been calculating student attendance, especially at the high school level, we did not see an increase in funding that would correspond to our increase in Average Daily Membership (ADM). Instead, with the additional inclusion of revenue from California, our budget on the M&O side did increase to \$10,965,906 for FY2012. The Instructional Improvement fund, also known as "Indian Gaming", shows a decrease of 18.6%, or approximately \$53,000. This reduction is to be expected during a recession. Our Structured English Immersion fund is down almost 90%. The amount left in the fund is earmarked by the state for curriculum. The Classroom site fund will be reduced again this year, down another 29.1% to \$628,885. This fund is generated through Arizona State Sales tax. Mr. Sale stated that the capital budget will be reduced by 44.1% this year, or \$699,048. This reduction was part of the state's overall reduction to education. Our Capital budget will have \$887,324. The District will have to look at doing a budget revision in December. After the budget was proposed, the Federal Government alerted us that there would be further reductions to Title II funds. Mrs. Beaver inquired about the status of our Capital projects. Mr. Lotts replied that most of the projects are winding down, with the exception of one project in which the District is splitting costs with the WAVE JTED.

III. ADJOURNMENT

The meeting was adjourned at 9:22AM by Mr. Rudy Parker, President.

Parker Unified School District #27
Governing Board President