

WASHOE COUNTY SCHOOL DISTRICT
Reno, Nevada

REGULAR MEETING
May 26, 2009

TITLE: Approval of the Fiscal Year 2009-10 Final Budget

FROM: Gary S. Kraemer, Chief Financial Officer

PRESENTER & PRESENTATION TIME:

Gary S. Kraemer, Chief Financial Officer
(15 minutes)

DATE REPORT WRITTEN: May 14, 2009

SUMMARY: Nevada Revised Statute 354.596 requires the District to file a final budget by a majority vote on or before June 8, 2009. This item requests approval of the final budget.

PREVIOUS BOARD ACTION:

Date: April 8, 2009

Action: Board approval of fiscal year 2009-10 Tentative Budget.

ADDITIONAL BACKGROUND INFORMATION: The budget process and updates for FY 2009-10 have been previously presented and approved by the Board. Numerous Board of Trustee, Executive Cabinet and Budget Review Technical Team meetings have also occurred. The Tentative Budget was presented and approved by the Board on April 8, 2009. An update to the Tentative Budget was provided to the Board on May 12, 2009. In addition, a public hearing on the Tentative Budget will occur on May 20, 2009.

The Tentative Fiscal Year 2009-10 Budget included funding for the continuation of all existing significant programs and negotiated items (including rollups), the opening of the new Kendyl DePoali Middle School and other various items.

It also included an Unresolved Budget Shortfall of \$34.2 million. As of the date this Staff Report was written, no final budget had been approved by the Legislature or the Governor. The latest information on the closing of the State budget is that the Legislature plans on passing the entire funding package no later than May 21st or May 23rd. It is anticipated that because the package will include tax increases, the Governor will veto it. If this occurs, the Legislature must pass the package again by a two-thirds majority in order to override the Governor's anticipated veto. The Legislature must override the Governor's anticipated veto no later than the scheduled date of adjournment of the Legislature, which is June 1, 2009.

Additional detailed information on the proposed Final Budget for fiscal year 2009-10 will be provided once the funding has been finalized. The latest projections, if current

proposals are passed intact, indicate that the Unresolved Budget Shortfall will be reduced from the \$34.2 million in the Tentative Budget for fiscal year 2009-10, to an amount estimated to be between \$22 million and \$25 million. These estimates may change upon further review. The District is holding a Budget Workshop on May 18, 2009 to review the various proposed budget reductions alternatives that have been prepared by the Superintendent and the Executive Cabinet.

If sufficient information is not available to adopt the Final Budget on May 26, 2009, the budget reduction decisions will be delayed to a later date. If this occurs the District will recommend approval of the Tentative Budget for fiscal year 2009-10 as the Final Budget, and then an Amended Final Budget will be approved within thirty days of adjournment of the Legislature.

ATTACHMENTS: None.

BOARD POLICY/DISTRICT GOAL: This item addresses the areas of focus defined in the Washoe County School District's Blueprint for Student Success and Blueprint Action Plan as they relate to the budget process and the alignment of the budget with the District's goals.

LEGAL: As required by NRS 354.598, "The final budget for school districts must be adopted on or before June 8 of each year by a majority of all members of the governing body." In addition, local government entities must prepare and file a "balanced" budget. This means that the combination of proposed expenditures and proposed ending fund balance must be equal to and not exceed the combination of estimated revenues and opening fund balance.

FINANCIAL: The budget provides for the continuation of all existing programs other than discontinued grants and provides for legally required priorities.

ALTERNATIVES: None.

SUPERINTENDENT RECOMMENDATION: That the Board of Trustees approve the Final Budget for FY 2009-10 as submitted.