OPTIONS FOR ELIMINATING THE DEFICIT
2009/10 FINANCIAL CONDITION OF THE DISTRICT

- ESTIMATED ENDING FUND BALANCE: $4.6M
- 2009/10 ESTIMATED RESERVE: 10.5%

Includes 2009/10 funding for:
- DSPS: $281K
- Economic Dev. (Food Systems): $172K
- Community Services: $119K
- Child Care Fund: $77K
- Other Categorical Programs: $148K
2010/11 FINANCIAL CONDITION OF THE DISTRICT

- **2010/11 ANTICIPATED DEFICIT** $930K
  - INCLUDES FUNDING FOR CHILD CARE FUND & PUENTE
  - EXCLUDES FUNDING FOR OTHER CATEGORICAL PROGRAMS

- **IF DEFICIT IS NOT ELIMINATED, RESERVE DROPS TO** 7.4%

- **DEFICIT OF $2.25 MILLION, RESERVE DROPS TO** 5.0%
  - DECISION TO FUND CATEGORICAL PROGRAMS

- **5% RESERVE LEVEL:**
  - DOES NOT ALLOW FOR UNANTICIPATED EVENTS, SUCH AS UNFUNDED ECONOMIC DEVELOPMENT PROGRAM (FARM)
  - DOES NOT COMPLY WITH BOARD POLICY
OPTIONS FOR ELIMINATING THE DEFICIT

- REDUCE NON-INSTRUCTIONAL AREAS
  - LIMITED SUSTAINABILITY; THIS WAS DONE A FEW YEARS AGO

- REDUCE FUNDING FOR CATEGORICAL PROGRAMS
  - IF NEED TO REDUCE PERMANENT STAFF, DELAYED IMPACT

- REDUCE INSTRUCTIONAL UNITS
  - ACROSS THE BOARD OR SPECIFIC PROGRAMS?
  - REVIEW CLASS ENROLLMENT LEVELS?

- TRANSFER CLASSES TO FEE-BASED

- REDUCE OR CANCEL SUMMER SESSION
  - ALLOW TRANSFER CLASSES ONLY?
  - REVIEW NECESSITY OF FIELD TRIPS?

- REDUCE PERMANENT STAFF IN UNRESTRICTED FUND

- FREEZE VACANT POSITIONS
TIMING OF DECISIONS IMPACTS POTENTIAL SAVINGS

- PART-TIME STAFF REDUCTIONS RESULTS IN MORE IMMEDIATE SAVINGS

- REDUCTIONS IN PERMANENT STAFF
  - SAVINGS ARE NOT IMMEDIATE – MAY BE DELAYED FROM 45 DAYS TO OVER 15 MONTHS
  - APPLIES TO BOTH CATEGORICAL AND UNRESTRICTED FUNDS

- POTENTIAL TIME LAG IN REDUCING INSTRUCTIONAL UNITS
  - ONCE A SEMESTER IS IN PROGRESS, COST OF THAT SEMESTER IS FIXED
  - SAVINGS ARE LIMITED TO THE FOLLOWING SEMESTER BUT THERE IS SIGNIFICANT LEAD TIME INVOLVED

- REDUCTION OR CANCELLATION OF SUMMER SESSION
  - COST OF SUMMER SESSION OVERLAPS FISCAL YEARS
  - 50% REDUCTION FOR SUMMER 2011 WOULD RESULT IN 25% SAVINGS IN FY 2010/11
OPTIONS FOR ELIMINATING THE 2010/11 DEFICIT

- $369K  ELIMINATE OVERLOAD NOT MANDATED BY AGREEMENTS
- $135K  CONVERT NONCREDIT, PE AND ART AVOCATIONAL CLASSES TO CES IN SPRING 2011
- $250K  REDUCE SUMMER SESSION 50% *
- $295K  DSPS SELF-FUNDED
- $190K  10% ACROSS BOARD CUT
- $1,239K TOTAL OTHER OPTIONS

* Summer school savings overlaps fiscal years
OPTIONS FOR ELIMINATING FUTURE DEFICITS

- DECISIONS ABOUT THE DISTRICT’S MISSION AND PURPOSE
- DECISIONS ABOUT LIMITING ENROLLMENT GROWTH
- DECISIONS ABOUT EXTENT OF PROGRAM OFFERINGS
- EVALUATE NECESSITY OF STAFF REDUCTIONS, TIMING AND SAVINGS
  - IMPACT ON CATEGORICAL PROGRAMS AND REQUIREMENT TO BE SELF-FUNDING
  - IMPACT ON UNRESTRICTED FUND
- EVALUATE POTENTIAL TRANSFER OF ADDITIONAL CLASSES TO FEE-BASED