

Budget Reductions facing K-12 Education IN ADDITION to proposed state budget cuts

School Districts across Arizona are looking at budget options locally due to revenue shortfall from a variety of sources, in addition to state budget reductions.

Lower sales tax revenues for Prop 301 dollars. Based on current projections these funds will be reduced by approximately 15% for FY2010. The reductions impact the following:

- Teacher base salary increases
- Teacher Performance Pay
- Specific classroom based programs for Maintenance & Operations purposes, i.e.
Class Size Reduction (Designed to reduce the ratio of pupils to classroom teachers)
Teacher compensation increases
AIMS intervention programs (Summer programs, before and after-school programs; tutoring programs to ensure pupils meet the Arizona academic standards)
Teacher development
Dropout prevention programs
Teacher liability insurance premiums

Lower Indian Gaming dollars:

The Instructional Improvement Fund is designated to fund teacher compensation increases and instructional programs such as developing minimum reading skills for students by the end of third grade. Funding is down by 16% in the last quarter.

Elimination of the current Excess Utilities Formula per Prop 301:

If the legislature eliminates the new funding formula for a realistic utility cost factor included in the original FY09 budget bill, the reduction to districts statewide would be approximately \$81 M.

Districts that are experiencing a decrease in students:

Although there are districts statewide that are increasing student enrollment; other districts are experiencing a reduction in student enrollment which results in decreased funding. Upon review and analysis a major factor contributing to the lower student count is the high foreclosure rates within school district boundaries,

Loss of revenue for new school construction and Building Renewal:

The moratorium on new school construction places a burden on districts that continue to increase student enrollment. These students cannot be turned away due to lack of facilities; nor can those students be denied the teaching and learning opportunities mandated by the State and Federal governments. The reduction and basic elimination of Building Renewal dollars over the past several years has impacted the maintenance and safe environment for students. Without proper preventative maintenance and building renewal dollars for our schools the cost to renovate or replace facilities down the road will be at a higher cost to taxpayers.