

Kyrene School District is not immune to the budget crisis facing Arizona

[Commentary by David K. Schauer](#)

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Our state's budget situation is dominating the news. Many wonder what the impact will be on the Kyrene School District. School districts operate from an expenditure budget limit, which is derived from various formulas determined by the Arizona Department of Education. This expenditure budget is then funded by state equalization funding and local property taxes.

There has recently been some discussion from the Arizona State Legislature about "excess cash" that school districts have and some of the reporting is inaccurate and misleading to the public. We felt it was important to clarify what the term "cash" means in school district finance.

Each July, school districts are required to report to the County Superintendent of Schools the available cash (from state equalization and local property taxes) in fund 001, 610 and 625 minus all encumbrances and approved budget balance carry-forward. Encumbrances are the bills that still need to be paid for services and materials received by June 30 of each year. The county uses this information as well as the approved budget capacity for the following year to establish a primary and secondary tax rate for each school district.

In the event that Kyrene had available cash outside of the approved limit, then this available cash would reduce the community property tax rate the following year.

If these funds are "swept" by the state, then the community would be re-taxed for these dollars already paid to their local school district. Some of our state leaders seem to want to convey that school districts have excess budgetary resources; however, in Kyrene this simply is not true.

As frequently communicated to the school community during the course of this school year, Kyrene School District is not immune to the budget crisis facing Arizona. Necessary steps have been taken to position the district to deal with the funding losses that will most certainly occur. The big question is how severe this will turn out to be and the answer will not be known until the Legislature approves a budget for 2009-2010. Detailed budget information is available on the Kyrene Web site, at www.kyrene.org.

In the meantime, it is important to know that all existing programs in Kyrene will remain the same, although we are scheduling and staffing more efficiently to save as much money as possible. Some class sizes will be slightly higher, but this will vary (as always) because of the unique configurations of students at different grade levels at each school. We are 100 percent committed to providing free all-day kindergarten and want to encourage all parents to enroll their kindergartners right away!

I wish to thank this community for the high level of involvement and support for our schools. We could never do what we do without you, and we want to ensure that this partnership remains strong and healthy.

David K. Schauer is superintendent of the Kyrene School District.