

Financial Affairs
Richard H. Hinds, Chief Financial Officer

**SUBJECT: PROPOSAL TO INCREASE THE DISTRICT'S CONTINGENCY
RESERVE**

COMMITTEE: FINANCIAL AFFAIRS

Agenda Item D-13 was approved by the Board at their October 23, 2002 meeting directing the Superintendent to prepare a plan of action for addressing the anticipated budgetary shortfall primarily associated with the 2002-03 decline in student enrollment and for increasing the District's contingency reserve. On October 22, 2002, the Board received the latest calculation of the impact of the enrollment drop on our budget reflecting that the revenue reduction is offset by appropriation reductions.

Staff is currently reviewing proposals to increase the District's Contingency reserve. Copies of the agenda will be available no later than noon, November 15, 2002.