

Santee School District Reserve Levels

A District's ability to respond to economic downturns is often measured by its reserve percentage. Reserves are equivalent to an individual setting aside money for unforeseen circumstances.

Sound, Prudent Budgeting:

Particularly noteworthy, is that the salary increases previously provided to teachers came on the heels of a devastating recession. Through sound, prudent budgeting in years prior to and during the recession, the District was able to avoid deeper cuts and recover faster than other districts. A quick study of economics illustrates another economic decline will happen, and we need to prepare for the future now.

As evidenced by the data below, the District reserve level is considered adequate for weathering future economic downturns and is consistent with other Elementary School Districts in the State:

- A 19.28% reserve on June 30, 2007, provided a level of financial stability during the Great Recession
- Elementary School Districts throughout the State have an average reserve level of 21.13%
- Santee School District's reserve is estimated to be 18.70% with our current proposal

The Great Recession and District Reserves:

- On June 30, 2007, just before the stock market crash, massive home foreclosures and skyrocketing unemployment rates, Santee School District's Reserve was 19.28%.
- Without a doubt, this reserve level significantly helped the District safeguard employees' jobs, weather years of devastating economic turmoil, and rebound from the recession quicker than many districts.

Average Reserve Levels for Districts throughout California:

State Certified Reserve for Economic Uncertainties Averages for Type of District 2013-14	
Unified School Districts	13.13%
High School Districts	16.82%
<i>Elementary School Districts</i>	<i>21.13%</i>

Santee School District's Estimated Reserve Level:

Santee School District Reserves <i>5.65% total compensation package fully implemented</i>		
2015-16	2016-17	2017-18
18.70%	16.52%	14.73%

Frankly, public school funding will never match the wants and needs of a District. Thus, the District must balance the needs of a high-quality education program with the need to provide salary increases to employees, while providing an adequate level of protection against economic downturns. This balance involves highly complex, yet delicate decisions.