



First Interim Report FY 2010-2011

Scotts Valley Unified School District



First Interim Format

- Original Budget (June 2010)
- Board Approved Operating Budget
- Actuals To Date (financial transactions to 10/31)
- Projected Year Totals (June 2011)
- Difference
 - Board Approved vs. Projected Year Totals



Original Budget vs. 1st Interim Revenue:

- Revenue Limit Sources

- Eliminates ongoing reduction of \$244 per ADA

- Federal Revenue


- ARRA Jobs Act Funding

- First round (estimated to represent 90% of funds)

- Local Revenue

- Health JPA Rebate

- Restricted Local Donations




Original Budget vs. 1st Interim Expenditures:

- Prior year carryover budgeted
- Special Education
 - IEP service changes
 - Student population changes
- Donation expenditures budgeted
- Staffing changes
 - Special Education
 - Additional Teachers (Vine Hill & SVHS enrollment)
- Health Insurance costs
 - Reduction of employee premium co-payment



Original Budget vs. 1st Interim Beginning Fund Balance:

- Actual vs. Estimated
 - Results of year end closing



Multi-Year Projection: Primary Assumptions

- Revenue Limit Cost of Living Adjustment
 - 2011-12 (0.0%)
 - 2012-13 (1.9%)
- Enrollment
 - Relatively Static
- Attendance
 - Based upon prior year experience
- Staffing
 - Enrollment changes by grade level
- Employee Compensation
 - Longevity and Educational Units



Primary Assumptions: Enrollment

Fiscal Year	07-08	08-09	09-10	10-11	11-12	12-13
Elementary	1,172	1,203	1,164	1,167	1,169	1,165
Middle	598	578	602	601	617	603
High	874	810	802	802	793	820
Non-Public	1	4	4	4	4	4
Total:	2,645	2,595	2,572	2,574	2,583	2,592
Change	-73	-50	-23	2	9	9



Staffing

- Fairly static enrollment
- Change due to grade progression
 - Increase of .234 FTE in 11-12
 - Increase of .5 FTE in 12-13



Compensation:

- Step and longevity
- Column
 - Certificated only
 - Estimated to be same as prior year
- No COLA on salary schedules
- Health & Welfare (District Share)
 - Increase due to rolling CAP
 - Prior year HMO premium + 50% of premium increase
 - 12.5% premium increase budgeted in 11-12 & 12-13



Other:

- Identify and eliminate one-time revenues or expenditures in subsequent years
 - Grants, Donations, Special Programs
 - Carryover
 - Leaves of absence
- Identify any cyclical expenditures and adjust in subsequent years
- Identify & estimate probable cost increases
 - Utilities



Multi-Year Projection: General Fund Summary

Fiscal Year	10-11	11-12	12-13
Revenues	17,317,299	16,065,422	15,968,024
Expenditures	18,045,929	17,422,307	18,092,467
<i>Operating Surplus / (Deficit)</i>	(728,630)	(1,356,885)	(2,124,443)
Interfund Transfers In	0	0	0
Interfund Transfers Out	0	0	0
<i>Net change in Fund Balance</i>	(728,630)	(1,356,885)	(2,124,443)
Beginning Fund Balance	4,318,201	3,589,571	2,232,686
Ending Fund Balance	3,589,571	2,232,686	108,243



Deficit Spending:

Fiscal Year	10-11	11-12	12-13
<i>Deficit Spending</i>	728,630	1,356,885	2,124,443
Unrestricted	240,611	879,037	2,115,139
Restricted	488,019	477,848	9,305

Components of Ending Balance

Fiscal Year	10-11	11-12	12-13
Ending Fund Balance	3,589,571	2,232,686	108,243
Revolving Cash	2,000	2,000	2,000
Unrestricted Designated Programs	10,113	10,113	10,113
COP Repayment	259,657	259,657	259,657
Site Donations / Fundraising	24,000	24,000	24,000
<i>Categorical Programs</i>	573,309	95,462	86,157
Unappropriated Amount	2,720,492	1,841,454	(273,684)

Required Reserve Levels:

Fiscal Year	10-11	11-12	12-13
Reserve Fund Balance	718,116	724,116	730,116
GF Expenditures / Transfers Out	18,045,929	17,422,307	18,092,467
3% Reserve Requirement	541,378	522,669	542,774
General Fund Unappropriated deficit	0	0	(273,684)
<i>Reserves in excess of required level</i>	176,738	201,447	(86,342)
Reserve Percentage	3.979%	4.156%	2.523%



Further Budget Considerations:

- Budget Act Revenues, not yet budgeted by district
 - ARRA – \$50/ADA \$123,000 (*Cash basis*)
 - Federal Jobs Act – Final 10% \$48,000 (*Cash basis*)
 - Mandate reimbursements (\$300M statewide)
- Special Education
 - IEP changes
 - Student population changes
 - Program changes
- Staffing changes – Leaves, resignations



State Budget Considerations:

- 2010-11
 - Failure to address structural deficit
 - Actual Revenues lower than budgeted
 - Expenditure reductions lower than budgeted
 - Transfer of mental health service costs to schools
- 2011-12
 - Budget Act tax provisions expire



The Budget Outlook: Summary

- State budget deficits will require reductions to education
 - 09-10 \$244 per ADA one-time revenue limit reduction could again become ongoing (\$600,000)
 - Proposition 98 is suspended
- Expect January budget to span two fiscal years
- Positive certification given current information