

Scotts Valley Unified School District

Second Interim Report
Fiscal Year 2008-2009

First Interim Report - January

Scotts Valley Unified School District General Fund Multi-Year Projection				
<i>First Interim</i>				
<i>General Fund</i>				
		08-09	09-10	10-11
		Projected	Projected	Projected
		Budget	Budget	Budget
				Three
				Year
				Total
A. REVENUES		18,865,321	18,531,864	18,814,333
Revenue Limit Reduction				
State Categorical Reduction				
REVISED REVENUES		18,865,321	18,531,864	18,814,333
B. EXPENDITURES		20,732,967	19,314,795	19,790,496
Expenditure Reductions				
REVISED EXPENDITURES		20,732,967	19,314,795	19,790,496
C. EXCESS (DEFICIENCY) OF REVENUES				
OVER EXPENDITURES (A5 - B9)		-1,867,646	-782,931	-976,163
D. OTHER FINANCING SOURCES/USES/TRANSFERS				
Interfund Transfers in		0	0	73,564
Interfund Transfers out		-116,439	-98,482	-91,745
E. NET INCREASE (DECREASE) IN				
FUND BALANCE (C + D3)		-1,984,085	-881,413	-994,344
F. FUND BALANCE, RESERVES				
Beginning Balance		4,204,043	2,219,959	1,338,545
Ending Balance (E + F1)		2,219,959	1,338,545	344,202
Components of the Ending Balance				
a) Reserved Amounts:				
Revolving Cash		2,000	2,000	2,000
b) Designated Amounts:				
Mandated Costs Reimbursement		300,000	300,000	
JPA Safety Funds		2,569	2,569	2,569
COPS & Local Grants		286,988	259,188	259,188
Categorical Programs		80,444	80,444	80,444
c) Unappropriated Amounts		1,547,957	694,344	0
d) Total, Components (= F2)		2,219,959	1,338,545	344,202

2009-10 Budget Act

- Predicated on 2008-09 Mid-Year Reductions
 - Revenue Reductions 08-09
 - Revenue Limit (Unrestricted Funds)
 - COLA Deficit Factor to .94643
 - Additional Deficit Factor of .97372
 - State Categorical Programs (Restricted Funds)
 - 15.4% to most programs
- Revenue Reductions 09-10
 - Revenue Limit (Unrestricted Funds)
 - Change in COLA Deficit factor to .90117
 - Change in Deficit Factor to .96437
 - State Categorical Programs (Restricted Funds)
 - Additional 4.5% to most programs

2009-10 Budget Act - February

Scotts Valley Unified School District General Fund Multi-Year Projection					
<i>Impact of 2009-10 Budget Act</i>					
<i>General Fund</i>					
		08-09	09-10	10-11	
		Projected	Projected	Projected	
		Budget	Budget	Budget	
				Three	
				Year	
				Total	
A. REVENUES		18,865,321	18,531,864	18,814,333	56,211,517
	Revenue Limit Reduction	-390,841	-471,480	-840,957	
	State Categorical Reduction	-150,318	-187,479	-187,479	
	REVISED REVENUES	18,324,162	17,872,904	17,785,897	53,982,964
B. EXPENDITURES		20,732,967	19,314,795	19,790,496	
	Expenditure Reductions				
	REVISED EXPENDITURES	20,732,967	19,314,795	19,790,496	
C. EXCESS (DEFICIENCY) OF REVENUES					
	OVER EXPENDITURES (A5 - B9)	-2,408,805	-1,441,891	-2,004,599	
D. OTHER FINANCING SOURCES/USES/TRANSFERS					
	Interfund Transfers in	0	0	0	-73,564
	Interfund Transfers out	-116,439	-98,482	-91,745	
E. NET INCREASE (DECREASE) IN					
	FUND BALANCE (C + D3)	-2,525,244	-1,540,372	-2,096,344	
F. FUND BALANCE, RESERVES					
	Beginning Balance	4,204,043	1,678,800	138,428	
	Ending Balance (E + F1)	1,678,800	138,428	-1,957,916	
	Components of the Ending Balance				
a)	Reserved Amounts				
	Revolving Cash	2,000	2,000	2,000	
b)	Designated Amounts for				
	Mandated Costs Reimbursement	300,000	300,000	0	
	JPA Safety Funds	2,569	2,569	2,569	
	COPS & Local Grants	286,988	259,188	259,188	
	Categorical Programs	80,444	80,444	80,444	
c)	Unappropriated Amounts	1,006,798	-505,774	-2,302,118	-2,302,118
d)	Total, Components (= F2)	1,678,800	138,428	-1,957,916	

Flexibility Options:

- To help offset the impact of revenue reductions
 - Categorical program ending balance sweeps
 - Transfer Flexibility
 - Ability to use normally “restricted revenues” for any educational purpose
 - Reduce supplemental program expenditures to preserve core educational services

State Categorical Programs: Ending Balance Sweeps

- Based upon the 2007-08 Ending Balance for State Categorical Programs
- Specific Exceptions:
 - Economic Impact Aid
 - Any categorical whose sole purpose is instructional materials
 - Targeted Instructional Improvement Grant
 - California High School Exit Exam Intervention Grants
 - Deferred Maintenance / Routine Restricted Maintenance
 - Any funding sources for capital outlay or bond funds
- Sweep can be executed in 2008-09 or 2009-10
- Funds may be transferred from eligible programs to any other educational purpose

Scotts Valley Unified School District General Fund Multi-Year Projection

Impact of Categorical Ending Fund Balance Sweep

General Fund

		08-09	09-10	10-11	Three Year Total
		Projected Budget	Projected Budget	Projected Budget	
A.	REVENUES	18,865,321	18,531,864	18,814,333	
	Revenue Limit Reduction	-390,841	-471,480	-840,957	
	State Categorical Reduction	-150,318	-187,479	-187,479	
	REVISED REVENUES	18,324,162	17,872,904	17,785,897	
B.	EXPENDITURES	20,732,967	19,314,795	19,790,496	
	Expenditure Reductions				
	REVISED EXPENDITURES	20,732,967	19,314,795	19,790,496	
C.	EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES (A5 - B9)	-2,408,805	-1,441,891	-2,004,599	
D.	OTHER FINANCING SOURCES/USES/TRANSFERS				
	Interfund Transfers in	0	0	0	
	Interfund Transfers out	-116,439	-98,482	-91,745	
E.	NET INCREASE (DECREASE) IN FUND BALANCE (C + D3)	-2,525,244	-1,540,372	-2,096,344	
F.	FUND BALANCE, RESERVES				
	Beginning Balance	4,204,043	1,678,800	138,428	
	Ending Balance (E + F1)	1,678,800	138,428	-1,957,916	
	Components of the Ending Balance				
a)	Reserved Amounts				
	Revolving Cash	2,000	2,000	2,000	
b)	Designated Amounts for				
	Mandated Costs Reimbursement	0	0	0	
	JPA Safety Funds	2,569	2,569	2,569	
	COPS & Local Grants	286,988	259,188	259,188	
	Categorical Programs	0	0	0	
c)	Unappropriated Amounts	1,387,242	-125,330	-2,221,674	80,444
d)	Total, Components (= F2)	1,678,800	138,428	-1,957,916	

Categorical Flexibility

- Supplemental programs designated within 3 categories:
 - Tier I
 - Tier II
 - Tier III
- Flexibility can be exercised only in programs designated as Tier III
 - Flexibility allowed through 2012-2013 fiscal year
 - Flexibility to transfer up to 100% of allocation to other educational purposes

Flexibility Transfer: 2008-09

Scotts Valley Unified School District General Fund Multi-Year Projection					
Impact of Expenditure Reduction in Year One					
General Fund					
		08-09	09-10	10-11	Three
		Projected	Projected	Projected	Year
		Budget	Budget	Budget	Total
A.	REVENUES	18,865,321	18,531,864	18,814,333	
	Revenue Limit Reduction	-390,841	-471,480	-840,957	
	State Categorical Reduction	-150,318	-187,479	-187,479	
	REVISED REVENUES	18,324,162	17,872,904	17,785,897	
B.	EXPENDITURES	20,732,967	19,314,795	19,790,496	59,838,257
	Expenditure Reductions	-50,000	-50,000	-50,000	-150,000
	REVISED EXPENDITURES	20,682,967	19,264,795	19,740,496	59,688,257
C.	EXCESS (DEFICIENCY) OF REVENUES				
	OVER EXPENDITURES (A5 - B9)	-2,358,805	-1,391,891	-1,954,599	
D.	OTHER FINANCING SOURCES/USES/TRANSFERS				
	Interfund Transfers in	0	0	0	
	Interfund Transfers out	-116,439	-98,482	-91,745	-306,666
	Transfer Reductions	83,439	98,482	91,745	273,666
	REVISED INTERFUND TRANSFERS OUT	-33,000	0	0	-33,000
E.	NET INCREASE (DECREASE) IN				
	FUND BALANCE (C + D3)	-2,391,805	-1,391,890	-1,954,599	
F.	FUND BALANCE, RESERVES				
	Beginning Balance	4,204,043	1,812,239	420,349	
	Ending Balance (E + F1)	1,812,239	420,349	-1,534,250	
	Components of the Ending Balance				
a)	Reserved Amounts				
	Revolving Cash	2,000	2,000	2,000	
b)	Designated Amounts for				
	Mandated Costs Reimbursement	0	0	0	
	JPA Safety Funds	2,569	2,569	2,569	
	COPS & Local Grants	286,988	259,188	259,188	
	Categorical Programs	0	0	0	
c)	Unappropriated Amounts	1,520,681	156,591	-1,798,008	423,666
d)	Total, Components (= F2)	1,812,239	420,349	-1,534,250	

Flexibility Transfer: 2009-10

Scotts Valley Unified School District General Fund Multi-Year Projection					
Impact of Expenditure Reduction in Year Two					
General Fund					
		08-09	09-10	10-11	Three
		Projected	Projected	Projected	Year
		Budget	Budget	Budget	Total
A.	REVENUES	18,865,321	18,531,864	18,814,333	
	Revenue Limit Reduction	-390,841	-471,480	-840,957	
	State Categorical Reduction	-150,318	-187,479	-187,479	
	REVISED REVENUES	18,324,162	17,872,904	17,785,897	
B.	EXPENDITURES	20,732,967	19,314,795	19,790,496	59,838,257
	Expenditure Reductions	-50,000	-800,000	-800,000	-1,650,000
	REVISED EXPENDITURES	20,682,967	18,514,795	18,990,496	58,188,257
C.	EXCESS (DEFICIENCY) OF REVENUES				
	OVER EXPENDITURES (A5 - B9)	-2,358,805	-641,891	-1,204,599	
D.	OTHER FINANCING SOURCES/USES/TRANSFERS				
	Interfund Transfers in	0	0	0	
	Interfund Transfers out	-116,439	-98,482	-91,745	
	Transfer Reductions	83,439	98,482	91,745	
	REVISED INTERFUND TRANSFERS OUT	-33,000	0	0	
E.	NET INCREASE (DECREASE) IN				
	FUND BALANCE (C + D3)	-2,391,805	-641,890	-1,204,599	
F.	FUND BALANCE, RESERVES				
	Beginning Balance	4,204,043	1,812,239	1,170,349	
	Ending Balance (E + F1)	1,812,239	1,170,349	-34,250	
	Components of the Ending Balance				
a)	Reserved Amounts				
	Revolving Cash	2,000	2,000	2,000	
b)	Designated Amounts for				
	Mandated Costs Reimbursement	0	0	0	
	JPA Safety Funds	2,569	2,569	2,569	
	COPS & Local Grants	286,988	259,188	259,188	
	Categorical Programs	0	0	0	
c)	Unappropriated Amounts	1,520,681	906,591	-298,008	1,500,000
d)	Total, Components (= F2)	1,812,239	1,170,349	-34,250	

Flexibility Transfer: 2010-11

Scotts Valley Unified School District General Fund Multi-Year Projection				
Impact of Expenditure Reduction in Year Three				
General Fund				
	08-09	09-10	10-11	Three
	Projected	Projected	Projected	Year
	Budget	Budget	Budget	Total
A. REVENUES	18,865,321	18,531,864	18,814,333	
Revenue Limit Reduction	-390,841	-471,480	-840,957	
State Categorical Reduction	-150,318	-187,479	-187,479	
REVISED REVENUES	18,324,162	17,872,904	17,785,897	
B. EXPENDITURES	20,732,967	19,314,795	19,790,496	59,838,257
Expenditure Reductions	-50,000	-800,000	-900,000	-1,750,000
REVISED EXPENDITURES	20,682,967	18,514,795	18,890,496	58,088,257
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES (A5 - B9)	-2,358,805	-641,891	-1,104,599	
D. OTHER FINANCING SOURCES/USES/TRANSFERS				
Interfund Transfers in	0	0	0	
Interfund Transfers out	-116,439	-98,482	-91,745	
Transfer Reductions	83,439	98,482	91,745	
REVISED INTERFUND TRANSFERS OUT	-33,000	0	0	
E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D3)	-2,391,805	-641,890	-1,104,599	
F. FUND BALANCE, RESERVES				
Beginning Balance	4,204,043	1,812,239	1,170,349	
Ending Balance (E + F1)	1,812,239	1,170,349	65,750	
Components of the Ending Balance				
a) Reserved Amounts				
Revolving Cash	2,000	2,000	2,000	
b) Designated Amounts for				
Mandated Costs Reimbursement	0	0	0	
JPA Safety Funds	2,569	2,569	2,569	
COPS & Local Grants	286,988	259,188	259,188	
Categorical Programs	0	0	0	
c) Unappropriated Amounts	1,520,681	906,591	-198,008	100,000
d) Total, Components (= F2)	1,812,239	1,170,349	65,750	

Second Interim Tentative Reductions

Categorical Flexibility / Budget Reductions reflected in Second Interim Report MYP			
	08-09	09-10	10-11
<u>07-08 Categorical Balance Sweeps</u>			
CBET	\$1,588		
Safety and Violence Prevention	\$9,009		
Reading/Professional Development	\$150		
Art, Music & P.E. Supplies & Equipment	\$136,525		
Supplemental Counseling	\$21,592		
Gifted and Talented	\$40,195		
Professional Development Block Grant	\$10,322		
One Time School Site Discretionary Block Grant	\$10,547		
One Time District Discretionary Block Grant	\$25,007		
One Time Inst Materials, Llibrary Materials, Educational Technology Block Grant	\$1,213		
<u>Designated Balance Sweep</u>			
Mandated Cost Reimbursement reserve for Post Employment Benefits	\$300,000		
<u>Categorical Flexibility- Revenue Impacts</u>			
California High School Exit Exam Intensive Instruction	\$6,814	\$6,507	\$6,507
Gifted and Talented	\$3,589	\$19,124	\$19,124
Targeted Instructional Improvement	\$24,105	\$110,474	\$110,474
Pupil Retention Block Grant		\$4,795	\$4,795
Peer Assistance and Review		\$10,671	\$10,671
School & Library Improvement (50% of allocation)		\$87,658	\$87,658
Instructional Materials Fund		\$148,329	
Class Size Reduction Penalties		-\$128,520	-\$128,520
<u>Categorical Flexibility- Expenditure Reductions</u>			
K-3 CSR from 20 to 22 (4 FTE)		-\$209,896	-\$209,896
Routine Restricted Maintenance/Deferred Maintenance from 3.0% to 2.0%	-\$136,423	-\$136,423	-\$136,423
Gifted and Talented		-\$16,436	-\$16,436
Targeted Instructional Improvement		-\$86,984	-\$86,984
Pupil Retention Block Grant		-\$5,021	-\$5,021
Peer Assistance and Review		-\$11,174	-\$11,174
School & Library Improvement		-\$98,422	-\$98,422
Instructional Materials Fund		-\$155,318	\$148,329
<u>Declining Enrollment - Expenditure Reductions</u>			
High School Staffing (Loss of students & 08-09 overstaffing) 4 FTE		-\$209,896	-\$209,896

Second Interim: Unrestricted

Scotts Valley Unified School District General Fund Multi-Year Projection			
Second Interim			
Unrestricted			
	2008-09	2009-10	2010-11
	Projected	Projected	Projected
	Budget	Budget	Budget
A. REVENUES			
Revenue Limit Sources	14,056,760	13,650,126	13,565,021
Federal	0	0	0
Other State	1,092,371	960,128	956,953
Other Local	131,102	131,102	131,102
TOTAL, REVENUES	15,280,233	14,741,356	14,653,075
B. EXPENDITURES			
TOTAL, EXPENDITURES	13,277,402	12,762,091	13,119,749
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES (A5 - B9)	2,002,831	1,979,266	1,533,326
D. OTHER FINANCING SOURCES/USES/TRANSFERS			
1) Interfund Transfers in	0	0	0
Interfund Transfers out	0	0	0
2) Other Sources	0	0	0
Other Uses	0	0	0
3) Contributions	-2,752,303	-2,746,253	-2,854,662
Transfers of Restricted Balances	256,148	0	0
Categorical Flexibility Transfers	34,508	387,558	239,229
TOTAL, OTHER	-2,461,647	-2,358,695	-2,615,433
E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D3)	-458,816	-379,429	-1,082,107
F. FUND BALANCE, RESERVES		0	0
1) Beginning Balance	2,513,316	2,054,499	1,675,070
2) Ending Balance (E + F1)	2,054,499	1,675,070	592,963
Components of the Ending Balance			
a) Reserved Amounts			
Revolving Cash	2,000	2,000	2,000
b) Designated Amounts for			
Designated Programs			
Mandated Costs Reimbursements			
Workers Compensation Safety Funds	2,569	2,569	2,569
c) Unappropriated Amounts	2,049,930	1,670,501	588,394
d) Total, Components (= F2)	2,054,499	1,675,070	592,963
			-489,144

Second Interim: Summary

	2008-09	2009-10	2010-11	2011-12	Cummulative
	Projected	Projected	Projected	Projected	Expenditure
Expenditure Reduction	Budget	Budget	Budget	Budget	Reduction
Commencing in 08-09	-122,286	-122,286	-122,286	-122,286	-489,144
Commencing in 09-10		-163,048	-163,048	-163,048	-489,144
Commencing in 10-11			-244,572	-244,572	-489,144
Commencing in 11-12				-489,144	-489,144