



Scotts Valley Unified School District
Fiscal Year 2017-18 to 2019-20

BUDGET REVIEW

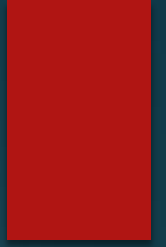
Budget Overview

- ▶ Information only: Board to be updated on state approved budget from June and the projected impact to SVUSD for the current year plus two more.
- ▶ Year end close for FY 2016-17 is in progress and will come to the Board at the end of September.
- ▶ Budget changes from the state adopted budget will be included in the 1st Interim report coming in December 2017.
- ▶ The current budget overview includes FY 2017-18, FY 2018-19 and FY 2019-20.

Changes to the June 2017 Adopted Budget Include:

- ▶ The addition of state one time revenue of \$147 per 2,394 ADA \$351,986
- ▶ A decrease in Federal Title II for FY 2017-18 of (\$9,362)
- ▶ An increase in Federal Title I for FY 2017-18 of \$14,234
- ▶ The cost of proposed increases in City Sewer and Water rates estimated at \$14,000, roughly 10% per fiscal year.

Revenue and Expenditure Funding Categories



- ▶ **General Fund:** Local Control Funding Formula is driven by average daily attendance. The State is attempting to restore school funding to fiscal year 2007-08 revenue levels.
- ▶ **State Categoricals:** State education code has both grant programs and mandated programs.
 - ▶ State grant programs provide revenue. District expenditures do not exceed the revenue received. Therefore, when revenues decrease, program expenditures decrease.
 - ▶ State mandated programs are under funded or unfunded and require contributions from the District General Fund. The total contribution in FY 2017-18 is (\$834,985).
- ▶ **Title I, II, III:** Federal grant programs provide revenue. District expenditures do not exceed the revenue. Reductions in Federal grants require cuts in District expenditures.
- ▶ **Special Education:** The district receives funding from state and federal grants. The mandated program requires contributions from the District General Fund. The total contribution in FY 2017-18 is (\$3,763,715).

Future Budget Impacts

- ▶ The governor has one more year in office. Educational advocates project that the new governor will change the current funding formula.
- ▶ District costs and unfunded mandates, continue to increase at a rate that significantly outpaces revenue growth.