

**SANTA CRUZ CITY SCHOOLS**  
**BUDGET ADVISORY COMMITTEE MEETING**  
**District Office, Room 312**  
**Tuesday, February 20, 2018**  
**Minutes**

**Attendance at Meeting**

**BAC Members:**

Casey Carlson, GSCFT  
Greg Torr, Finance  
Kat McElwee, Middle Schools  
Michelle Poirier, High Schools  
Patrick Gaffney, Asst. Supt., Business Services  
Robert Chacanaca, SCCCE

**Absent:**

Deedee Perez-Granados, Board Trustee  
Desiree Dominguez, AMA  
Elementary Schools Representative  
Frank Wells, Educational Services  
Jean Gardner, Santa Cruz Co. Office of Education  
Molly Parks, Human Resources  
Rocco Cappalla, Santa Cruz Ed Foundation

**Visitors:**

Kris Munro, Superintendent  
Monika Adam, SCCCE

I. Agenda

Asst. Supt. Pat Gaffney called the meeting to order in Room 312 at the District office at 6:07 pm. He previewed the agenda, including a selected slides from a School Services of California presentation given on the Governor's Proposals for the 2018-19 Budget, Multi-Year Projection Assumptions for years 2017-18, 2018-19 and 2019-20 as of 2/20/18, a 2/14/18 Board presentation on 2018-19 Enrollment Projections, and a 2/23/18 Fiscal Report article entitled "State Revenues Way up in January".

II. Governor's Proposed 2018-19 State Budget

Asst. Supt. Gaffney presented slides from the School Services 1/16/18 workshop on the Governor's proposed State budget for 2018-19. Federal policy will create challenges for the top 1% of California taxpayers, who previously were able to deduct State income tax on their Federal tax returns. The national economic outlook is "sunshine" for 2018, but could be "cloudy" in 2019. Because the elementary district is a basic aid district, it will probably be OK. The proposed State budget includes ~\$3 billion for full implementation of the LCFF, 2 years ahead of schedule. Approximately \$2 billion in 1-time fund are proposed to schools, equating to \$295 per ADA. Special Ed will need funds, as there is not plan to increase funding based on student needs. The State budget is in good shape due to conservative funding and the establishment of a rainy day fund. Projected increases for CalPERS and CalSTRS were discussed.

III. Enrollment Projections

Asst. Supt. Gaffney presented the 2018-19 Enrollment Projections powerpoint which was originally received by the Board on 2/14/18. ARK and AFE were not included in projections by DecisionInsite. Attendees noted the increase projected for Soquel High, and asked if feeder districts were also growing. The feeder districts are in similar decline, but not as dramatic as that projected for SCCS. There has been an increase in students transferring in from PVUSD. Reductions in staffing will be built in to correspond to decline in enrollment.

IV. Fiscal Report Article: "State Revenues Way Up in January"

This article reports that personal income tax is 22.4% above the forecast. The second interim report is reflective of an adjustment to utilize general fund dollars that had initially been set aside to place into a deferred maintenance account, and utilize them to purchase items associated with the curriculum master plan

The Governor dissolved the RDAs. A flexible law allows RDA funds to be used for overall maintenance. Districts can decide how to use the funds.

A question was asked about where revenue for free/reduced students and for transportation would be shown.

It was commented that the District's water bill was up by \$250,000. This is being investigated.

V. Adjournment

The meeting was adjourned at 6:40 pm.

Respectfully Submitted,

Catherine Meyer-Johnson  
Administrative Assistant  
Business Services

Patrick K. Gaffney  
Asst. Superintendent  
Business Services