



2013-14 1st Interim Budget Presentation to Board

December 12, 2013

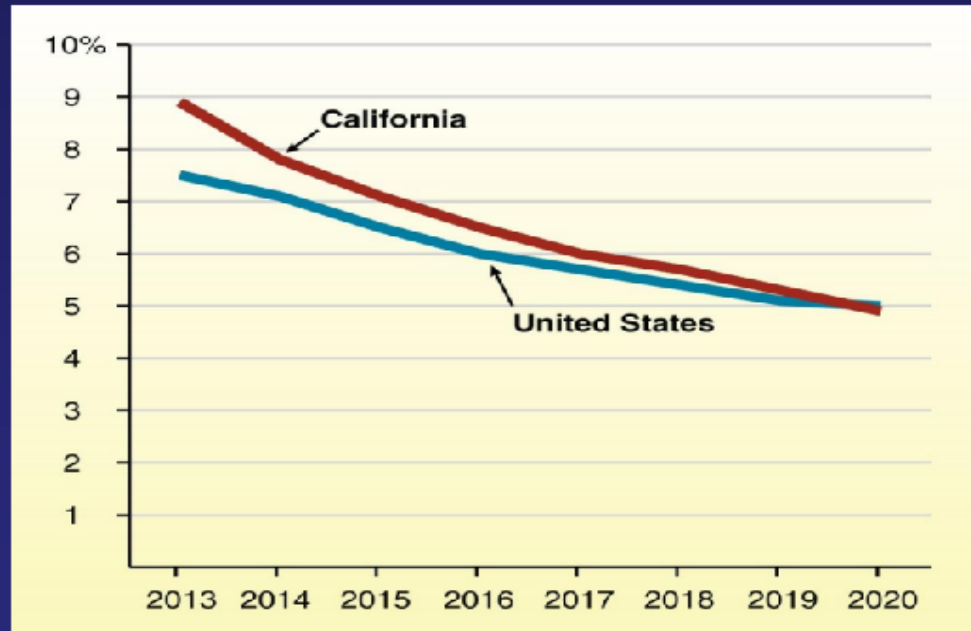
Terese McNamee, Chief Business Officer

Jean Yao, Director of Fiscal Services

Mountain View Whisman School District

State Budget Update

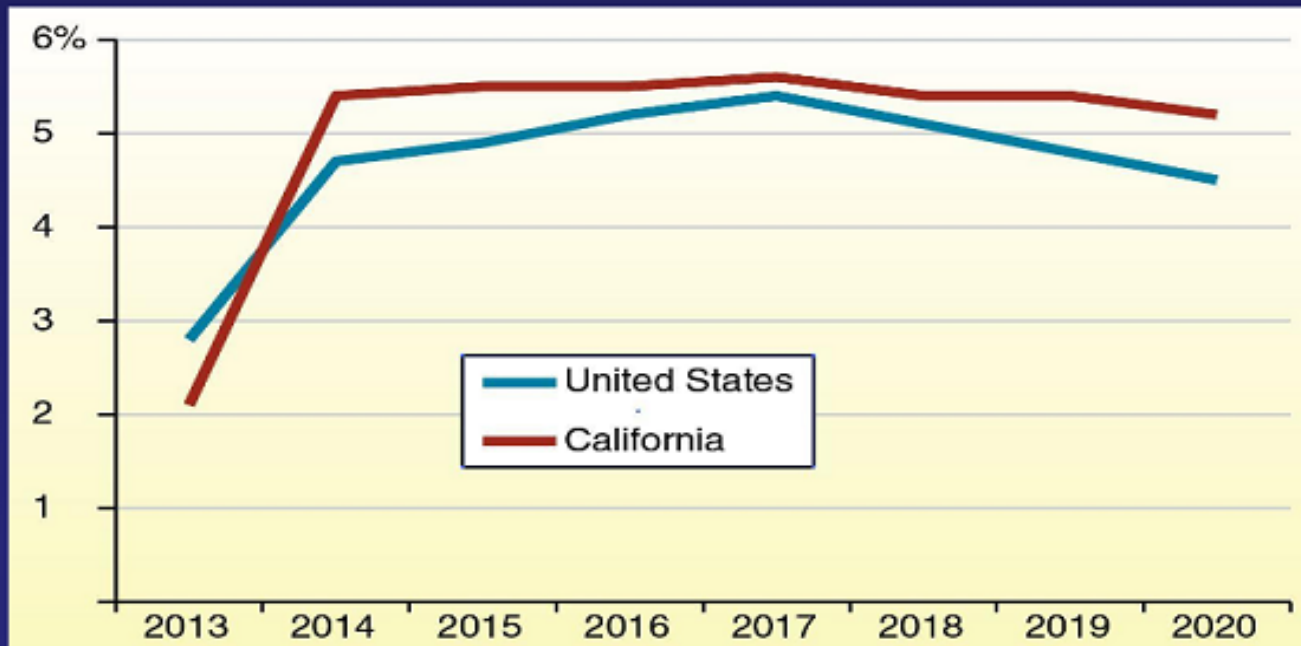
Unemployment Rate Projected to Steadily Decline Over Period



State Budget Update

Personal Income Projected to Grow About 5 Percent Annually

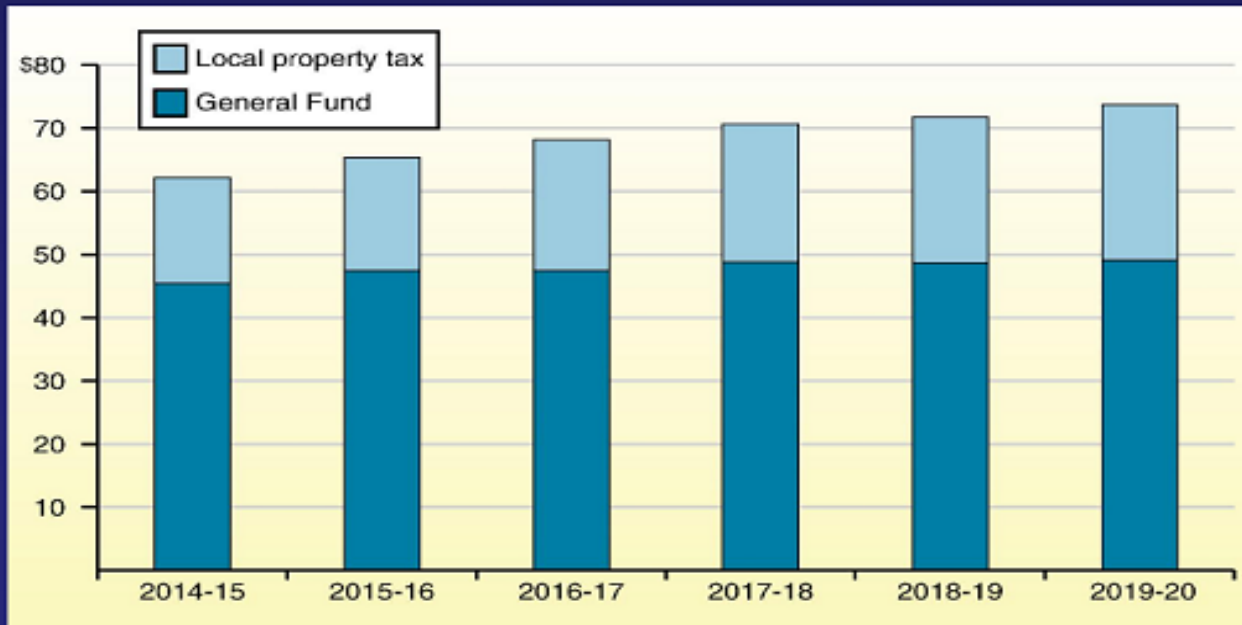
Percent Change From Prior Year



State Budget Update

Proposition 98 Minimum Guarantee Projected to Grow Over Period

(In Billions)



2013-14 1st Interim Budget Report

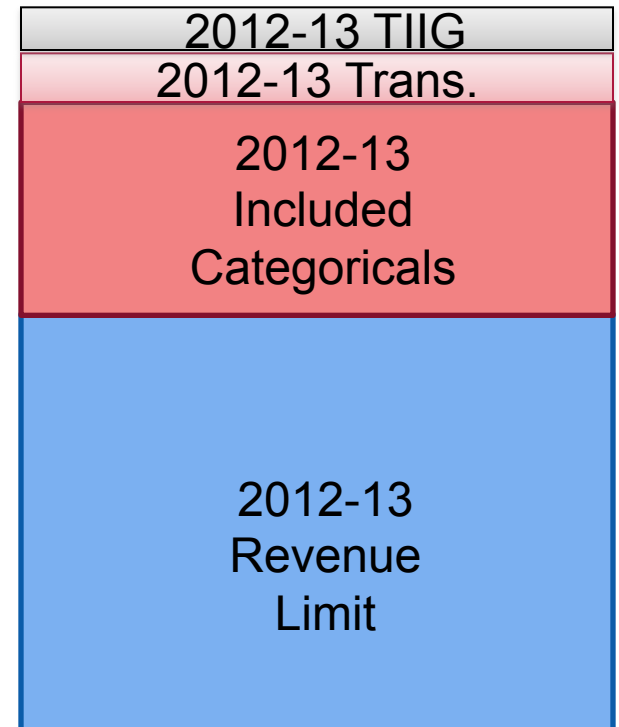
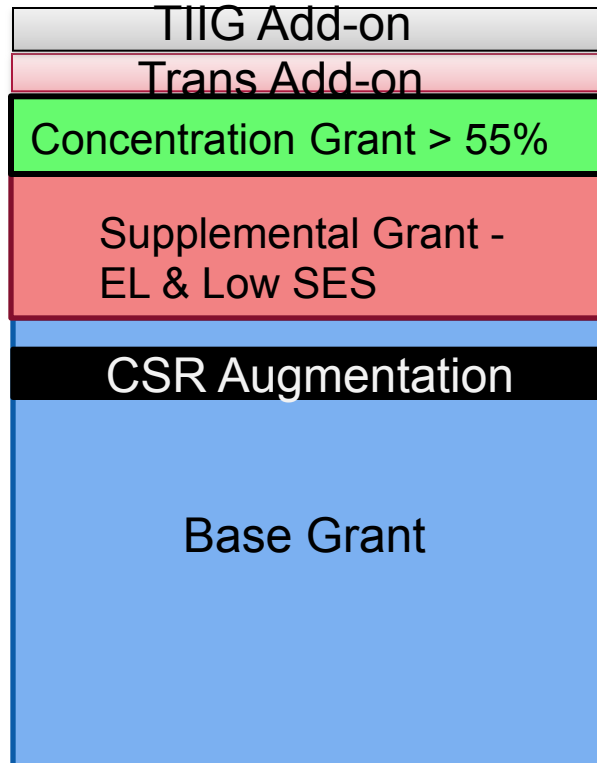
Revenues and Expenditures by Sub-Fund

2013-14 1st INTERIM BUDGET											
	BEGINNING BALANCE	\$8,652,923	\$1,005,206	\$3,986,156		\$81,400	\$6,226,464	\$0	\$0		\$19,952,149
		General Fund	Parcel Tax	Tier III Flex	Total Unrestricted	Routine R. Maint	Categoricals	Transportation	Special Ed.	Total Restricted	AMS
		03-01,03-02,03-03	03-04	03-05		06-05	06-06	06-07	06-08		TOTAL
REVENUE											
	LCCF Grant: 8010-8099	\$ 30,831,966			\$ 30,831,966				\$ 1,988,150	\$ 1,988,150	\$ 32,820,116
	Other State Sources: 8300-8599	\$ 764,268		\$ 100,981	\$ 865,249		\$ 1,828,173	\$ 482,318	\$ 252,645	\$ 2,563,136	\$ 3,428,385
	Federal Sources: 8100-8299	\$ 161,506			\$ 161,506		\$ 368,487		\$ 1,055,797	\$ 1,424,284	\$ 1,585,790
	Local Sources: 8600-8799	\$ 2,938,169	\$ 2,800,000		\$ 5,738,169		\$ 4,908,231	\$ 359,205	\$ 668,288	\$ 5,935,724	\$ 11,673,893
	TOTAL REVENUES	\$ 34,695,909	\$ 2,800,000	\$ 100,981	\$ 37,596,890	\$ -	\$ 7,104,891	\$ 841,523	\$ 3,964,880	\$ 11,911,294	\$ 49,508,184
EXPENDITURE											
	1000-1999 Certificated Salaries	\$ 15,478,714	\$ 1,006,044	\$ 22,530	\$ 16,507,288	\$ -	\$ 1,545,812	\$ -	\$ 3,016,596	\$ 4,562,408	\$ 21,069,696
	2000-2999 Classified Salaries	\$ 3,151,315	\$ 757,984	\$ -	\$ 3,909,299	\$ 316,627	\$ 586,091	\$ 302,047	\$ 1,860,106	\$ 3,064,871	\$ 6,974,170
	3400 Health/Welfare	\$ 3,476,023	\$ 230,210	\$ -	\$ 3,706,233	\$ 75,136	\$ 226,481	\$ 103,435	\$ 963,508	\$ 1,368,560	\$ 5,074,793
	3000-3999 Others Fringes	\$ 2,657,903	\$ 257,907	\$ 2,668	\$ 2,918,478	\$ 63,567	\$ 253,776	\$ 81,500	\$ 784,408	\$ 1,183,251	\$ 4,101,729
	4000-4999 Supplies	\$ 746,124	\$ 19,355	\$ 364,543	\$ 1,130,022	\$ 80,000	\$ 1,170,602	\$ 55,000	\$ 55,500	\$ 1,361,102	\$ 2,491,124
	5000-5999 Contracts	\$ 1,988,622	\$ 586,161	\$ 20,000	\$ 2,594,783	\$ 181,595	\$ 1,344,981	\$ 222,336	\$ 1,912,070	\$ 3,660,982	\$ 6,255,765
	6000-6999 Capital	\$ -	\$ -	\$ -	\$ -	\$ 40,000	\$ 80,000	\$ 329,205	\$ -	\$ 449,205	\$ 449,205
	7100-7299 Other Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	7300-7399 Indirect Costs	\$ (286,651)	\$ -	\$ -	\$ (286,651)	\$ -	\$ 145,460	\$ -	\$ 12,374	\$ 157,834	\$ (128,817)
	7400-7499 Interest & Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	7600 Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL EXPENDITURES	\$ 27,212,050	\$ 2,857,661	\$ 409,741	\$ 30,479,452	\$ 756,925	\$ 5,353,203	\$ 1,093,523	\$ 8,604,562	\$ 15,808,213	\$ 46,287,665
	EXCESS OF REVENUE/EXPENDITURE	\$ 7,483,859	\$ (57,661)	\$ (308,760)		\$ (756,925)	\$ 1,751,688	\$ (252,000)	\$ (4,639,682)		\$ 3,220,519
INTERFUND	To OPEB	\$ (867,200)			\$ (867,200)						\$ (867,200)
	TOTAL OUTGO	\$ (867,200)	\$ -	\$ -	\$ (867,200)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (867,200)
CONTRIBUTION	1, 06-08 Special Ed	\$ (4,639,682)			\$ (4,639,682)				\$ 4,639,682		\$ 4,639,682
TO RESTRICTED	2, 06-07 Transportation	\$ (252,000)			\$ (252,000)			\$ 252,000			\$ 252,000
SUB-FUND	3, 06-05 Routine Maintenance	\$ (675,525)			\$ (675,525)	\$ 675,525					\$ 675,525
	4, 01-01 General Fund	\$ -			\$ -						\$ -
	TOTAL CONTRIBUTION	\$ (5,567,207)	\$ -	\$ -	\$ (5,567,207)	\$ 675,525	\$ -	\$ 252,000	\$ 4,639,682		\$ 5,567,207
RESERVE	BALANCE	\$ 9,702,374.81	\$ 947,544.81	\$ 3,677,396.15	\$ 14,327,316	\$ -	\$ 7,978,152.39	\$ -	\$ -		\$ 22,305,468
	3% Designated Reserve	\$ 1,388,629.96	\$ -	\$ -	\$ 1,388,630						\$ 1,388,630
	Revolving Cash	\$ 8,000									\$ 8,000
	Prepaid Expense	\$ 50,000									\$ 50,000
	Designated- Site	\$ 200,507		\$ 250,000			\$ 27,785				\$ 478,292
	Designated- Flex			\$ -							\$ -
	Designated- Routine R. Maint.					\$ -					\$ -
	Designated- Def Maint										\$ -
	Designated- Categorical						\$ 7,950,368				\$ 7,950,368
	Designated Reserve-						\$ -				\$ -
	Parcel Tax Reserves		\$ 947,545								\$ 947,545
	Undesignated	\$ 8,055,238	\$ -	\$ 3,427,396	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 11,482,634

LCFF Entitlement Versus Annual Funding

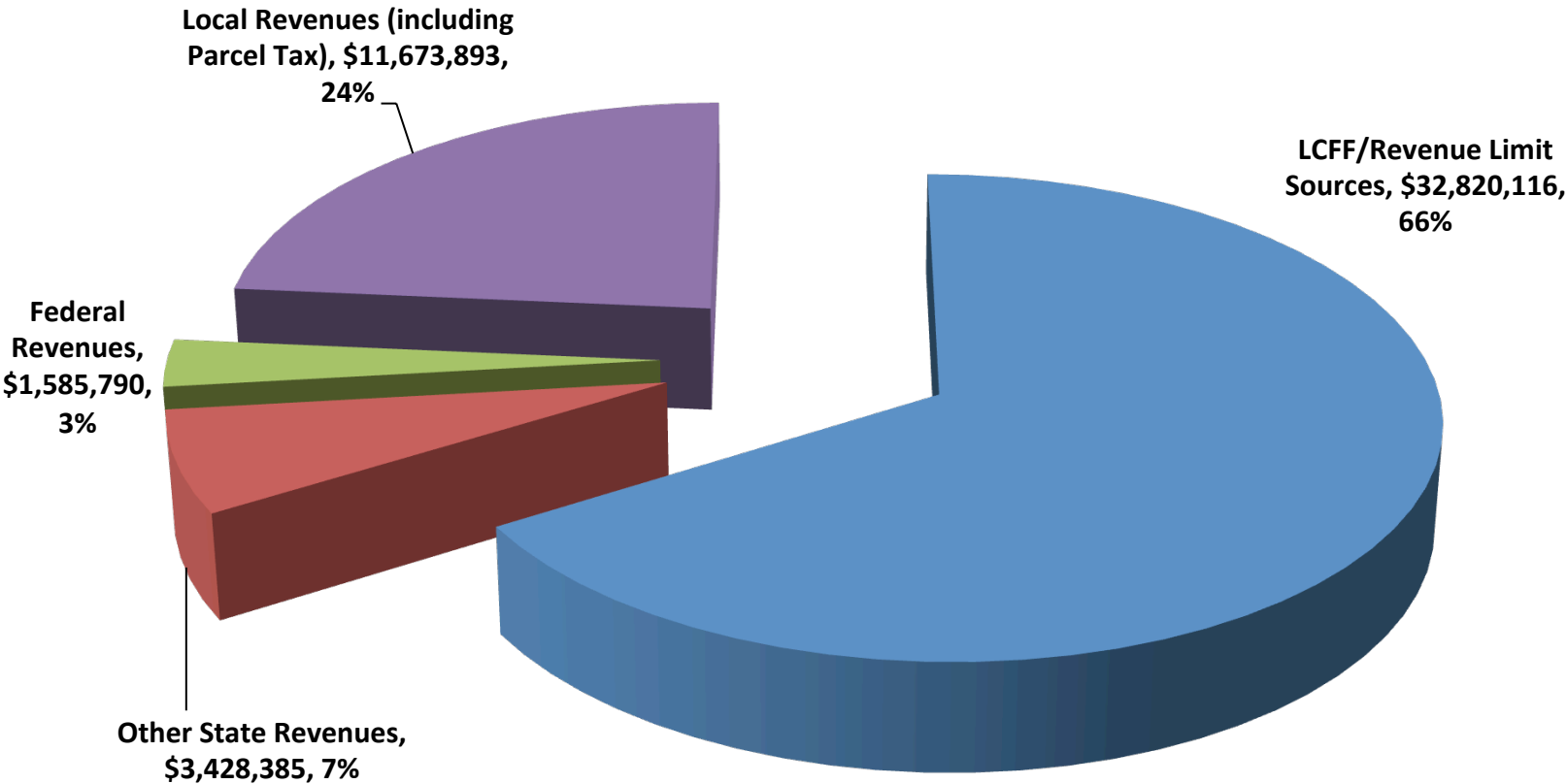
Entitlement Target
\$40,448,674

Funded LCFF
\$32,820,116

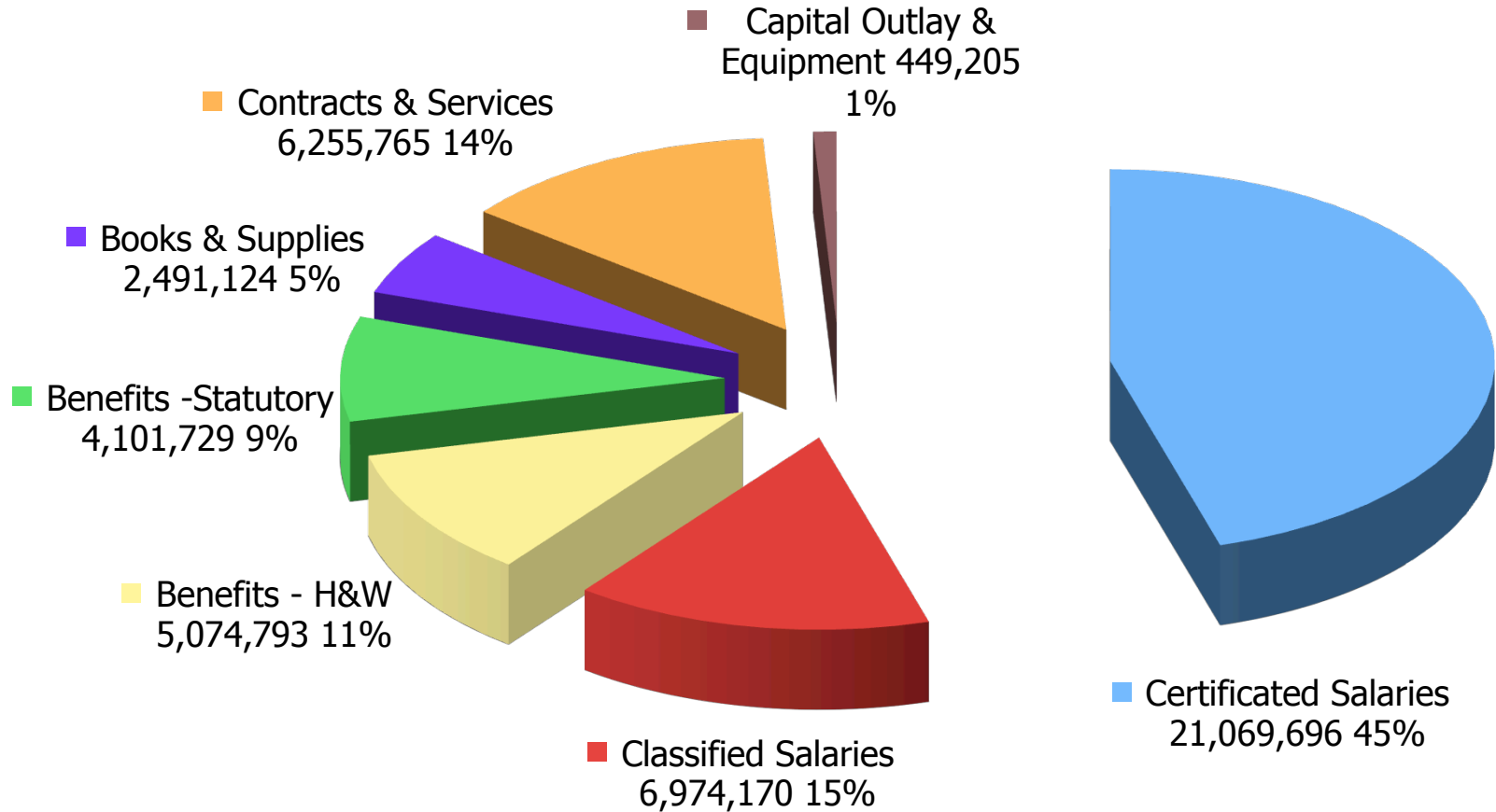


2013-14 1st Interim Budget Report

Sources of Revenue (All Sub-funds)



2013-14 1st Interim Budget Report - Summary of Expenditures (All Sub-funds)



Other Funds

Fund #	Fund Name	2013-14 Actual Beginning Balance	2013-14 June Budget Revenues & Transfers	2013-14 Estimated Expenditures	2013-14 Estimated Ending Balance
10-80	General Fund	19,952,149	49,508,184	47,154,865	22,305,468
120	Child Development	70,869	935,340	772,264	233,945
130	Child Nutrition	210,775	2,208,134	2,126,302	292,607
140	Deferred Maintenance	587,709	151,300	260,000	479,009
170	Special Reserve Fund for Other Than Capital Outlay Projects	118,686	800	-	119,486
200	Special Reserve for Post-Employment Benefits	4,082,659	887,200	-	4,969,859
210	Building-Developer Fees	669,812	3,000	10,000	662,812
211	GO Bond Fund-Measure G	49,615,004	-	6,792,104	42,822,900
250	Capital Facilities- Developer Fees	1,693,775	753,000	210,000	2,236,775
730	Whisman Sports Center Special Purpose	253,481	16,591	150,000	120,072

Mountain View Whisman School District General Fund (Restricted & Unrestricted Combined) Multi-year Projection for 2013-14 @ 1st Interim prepared as of November 14, 2013		2012-13 Actuals Except As Noted \$ Amount	2013-14 @ 1st Interim Except As Noted \$ Amount	2014-15 @ 1st Interim Except As Noted \$ Amount	2015-16 @ 1st Interim Except As Noted \$ Amount
	Budget ADA	4848.74	4875.19	4875.19	4875.19
	BEGINNING FUND BALANCE	\$ 15,035,170	\$ 19,952,149	\$ 22,305,468	\$ 20,749,142
REVENUES	LCFF Grant	28,864,764	32,820,116	33,410,878	34,012,274
	Other State Revenues	6,459,233	3,428,385	2,421,562	2,425,974
	Federal Revenues	1,487,320	1,585,790	1,485,790	1,608,077
	Local Revenues (including Parcel Tax)	11,451,144	11,673,893	10,540,482	10,716,804
	TOTAL REVENUES	\$ 48,262,462	\$ 49,508,184	\$ 47,858,712	\$ 48,763,129
EXPENDITURES	Certificated Salaries	19,378,216	21,069,696	21,595,062	22,113,468
	Classified Salaries	6,483,872	6,974,170	7,204,616	7,377,565
	Benefits - H&W	4,746,578	5,074,793	5,836,012	6,711,414
	Benefits - Statutory	4,183,942	4,101,729	4,630,763	5,240,260
	Books & Supplies	1,707,332	2,491,124	2,550,911	2,361,926
	Contracts & Services	5,769,179	6,255,765	6,405,904	6,328,899
	Capital Outlay & Equipment	227,598	449,205	459,986	471,946
	Other Outgo/Indirect Cost Recovery	(111,037)	(128,817)	(131,909)	(135,338)
	SUB-TOTAL EXPENDITURES	\$ 42,385,679	\$ 46,287,665	\$ 48,551,345	\$ 50,470,139
	Excess (Deficiency) of Revenue over Expenditures	5,876,783	3,220,519	(692,633)	(1,707,010)
TRANSFERS OUT	Transfer Out to Deferred Maintenance	0	0	0	0
	Transfer Out to OPEB	959,803	867,200	863,693	897,624
	Total Transfers Out	959,803	867,200	863,693	897,624
	TOTAL EXPENDITURES & TRANSFERS OUT	\$ 43,345,482	\$ 47,154,865	\$ 49,415,038	\$ 51,367,763
	Excess (Deficiency) of Revenue over Outgo & Expenditures	4,916,979	2,353,319	(1,556,326)	(2,604,634)
TRANSFERS IN	TIER III TRANSFERS IN		0	0	0
	ENDING BALANCE with current budget projections	\$ 19,952,149	\$ 22,305,468	\$ 20,749,142	\$ 18,144,508
BALANCES	Revolving Cash, Stores & Prepaid Exp.	23,968	58,000	61,458	61,458
	Assigned-Site Discretionary	422,915	228,292	200,507	200,507
	Assigned-Tier III Categorical	342,320	250,000	183,991	112,543
	Assigned-Routine Repair & Maintenance	81,400	0	0	0
	Restricted Categorical	6,170,895	7,950,368	7,441,882	7,032,499
	Assigned Reserve				
	Restricted Parcel Tax Reserves	856,310	947,545	669,797	351,569
	UNRESTRICTED and UNASSIGNED Reserve for Economic Uncertainties	\$ 12,054,341	\$ 12,871,264	\$ 12,191,508	\$ 10,385,933
	Reserve as % of Total Expense	28.44%	27.81%	25.11%	20.58%
	% of Required Reserve for this school district	3%	3%	3%	3%
	\$ Amount of Required Reserve for this school district	\$ 1,271,570	\$ 1,388,630	\$ 1,456,540	\$ 1,514,104
	ADDITIONAL Reserves above that needed to maintain required reserve	\$ 10,782,770	\$ 11,482,634	\$ 10,734,967	\$ 8,871,828

Other Current Issues Likely to Impact District Financial Condition

- State budget and proposed LCFF increase for 2014-15
- Performance Based Budgeting begins in 2014-15 with LCAP
- Incorporating achievement into budgeting. Ability to sustain programs and evaluate effectiveness
- Stakeholder engagement and collaboration amongst groups
- Ongoing negotiations with bargaining units and ability to recruit and retain talent
- Common Core State Standards and new testing protocol
- Federal Health Care- Expect short-term that rates may increase and long-term the plans will change and may possibly stabilize rates

Key Messages

- State recovery is strong and is showing a healthy income and has begun increasing funding for education. This is expected to continue with one-time funding for programs such as CCSS.
- New funding formula will increase State funding to the District and is projected to take 8 years to fully implement. Once State taxes expire, State revenue will be more volatile.
- With increased State funding and Shoreline commitments, we continue to have a slight ongoing structural deficit.
- Plan to maintain all key operational programs including professional development, instructional coaches, and expand short-term on Common Core implementation.
- We will plan for conservative assumptions with the goal to maintain 3% required reserve for the three-year projections.
- We anticipate the need to maintain high reserves in order to avoid fluctuations in the State education budget.