



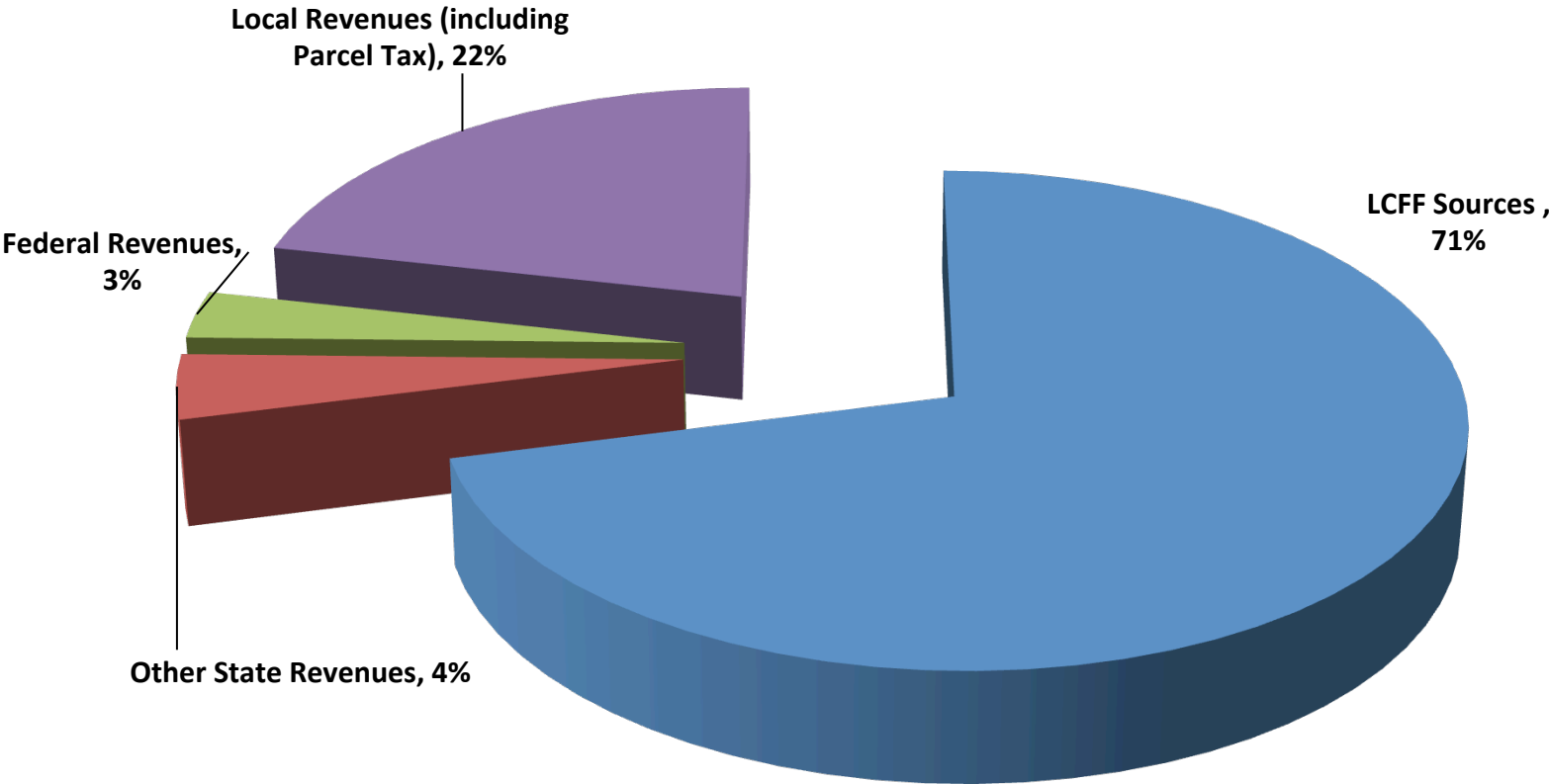
2014-15 First Interim Budget Presentation

December 11, 2014

Terese McNamee-Chief Business Officer
Maria Liu-Director of Fiscal Services
Mountain View Whisman School District

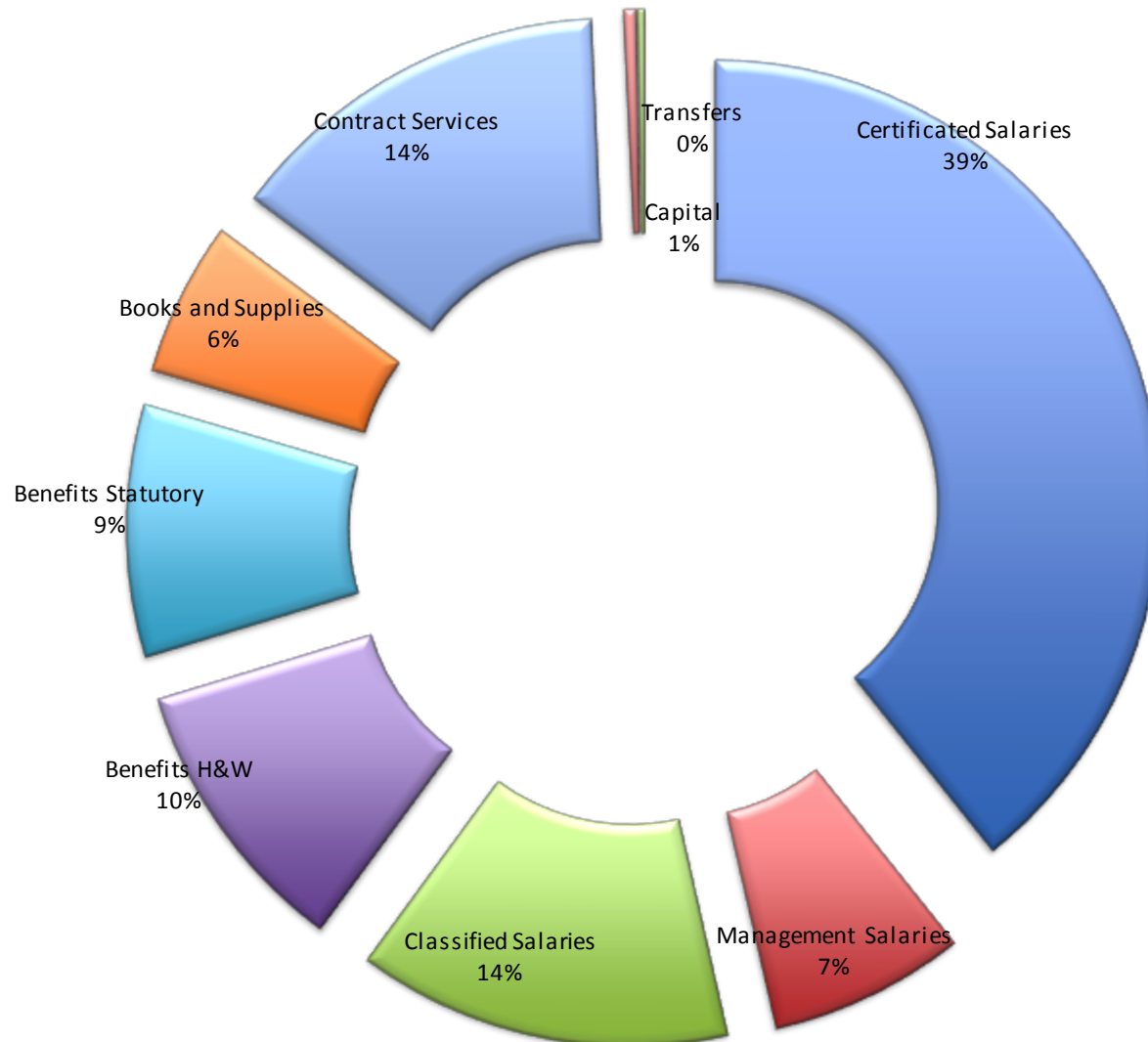
2014-15 1st Interim Budget Report

Sources of Revenue (All Sub-funds)



2014-15 1st Interim Report

Summary of Expenditures (All Sub-funds)

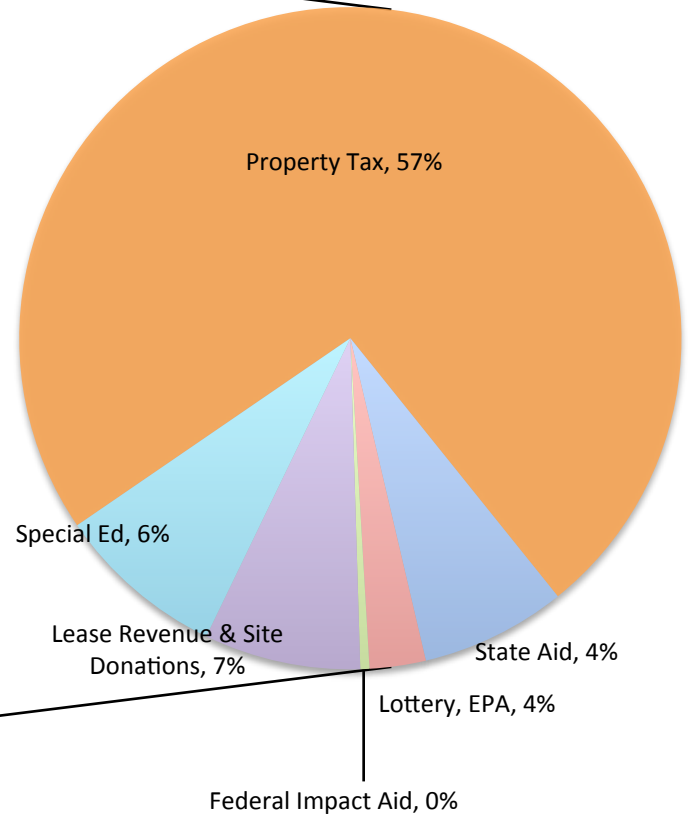
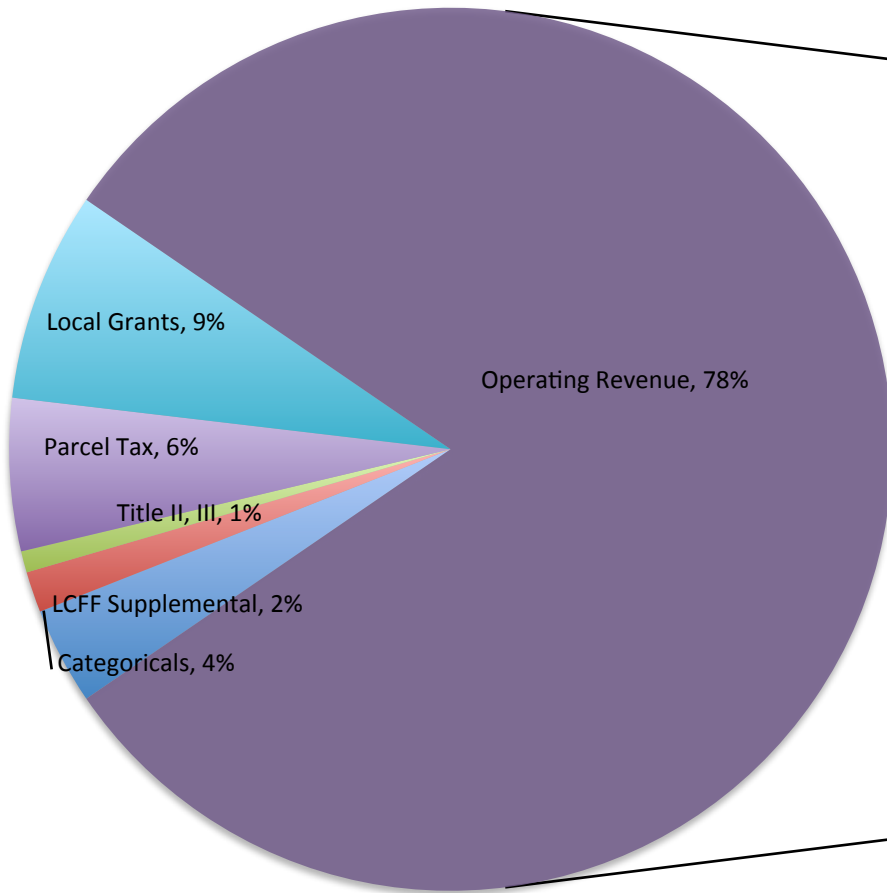


1st Interim Budget Highlights

- Received additional 13-14 State Aid to repay outstanding mandated costs
 - Using for Instructional Materials as recommended by Governor
- Increased Certificated Salaries-5% on schedule, 2% off schedule
- Increased Classified Salaries by Step, Column and COLA
- Increased Management and Supervisory 2% off schedule
- Increased ongoing STRS to match July Revisions from 9.81% to 10.7% in 2015-16 and from 11.81% to 12.6% in 2016-17
- Changed H&W increase on average 7.5% to reflect actual premium costs for 2015
- Increased Expenses \$75k for Board approved Castro Restructuring funding
- Increased expenses to reflect Board approved settlement and rehiring of Superintendent
- Revised CN meal counts to reflect current participation

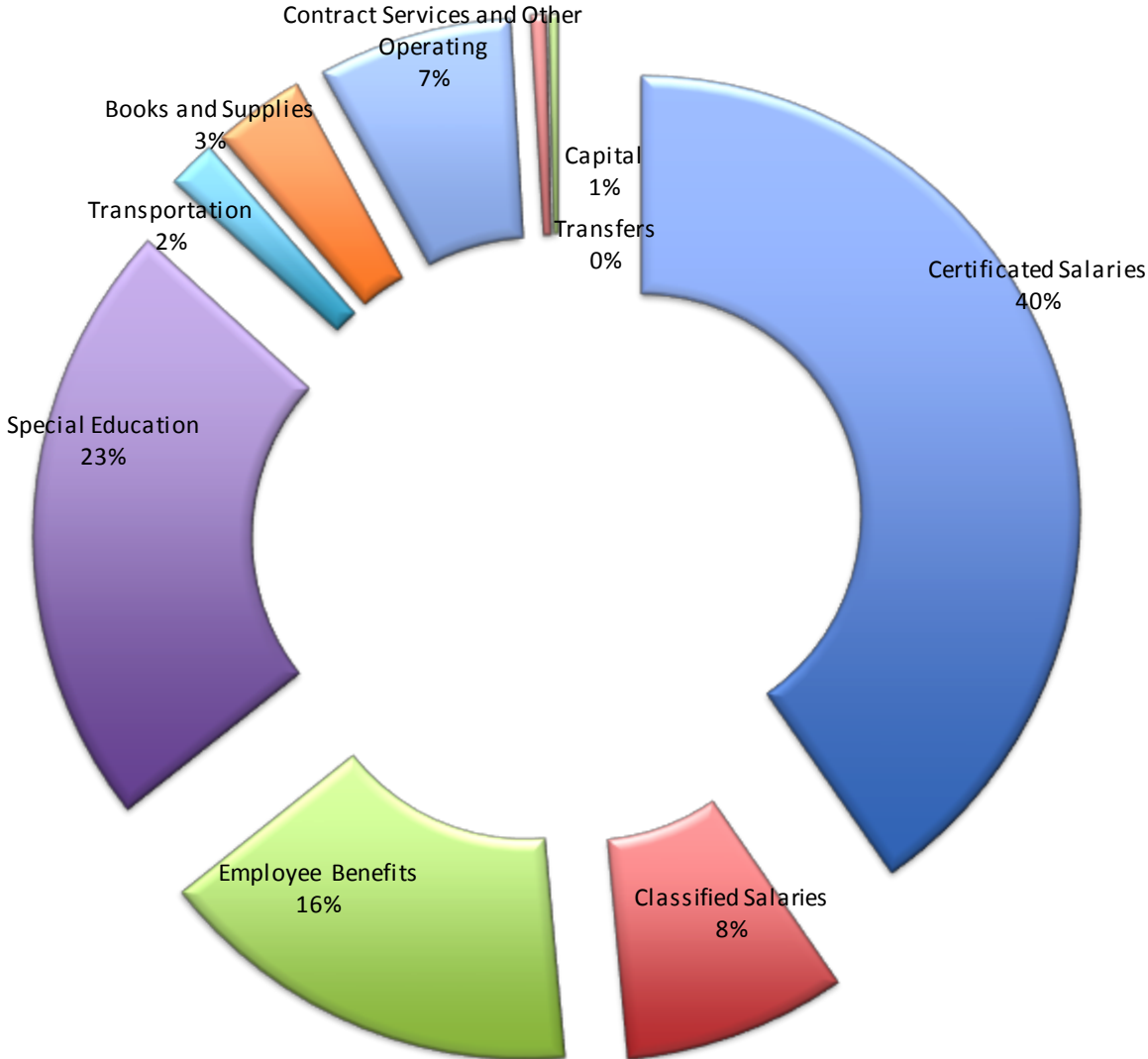
2014-15 1st Interim Report

Sources of Revenue for Operations and Targeted/ Restricted Use (General Fund)



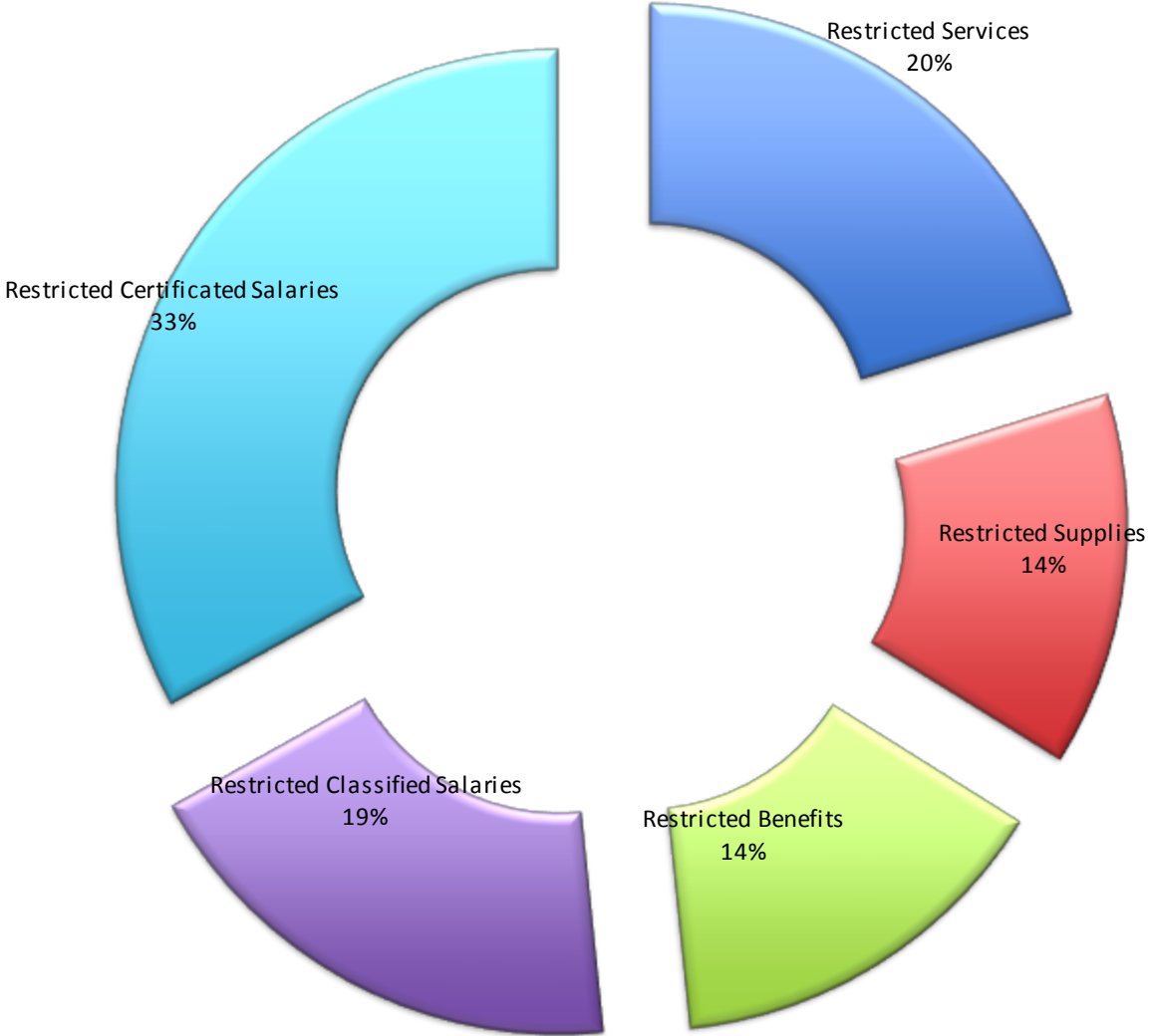
2014-15 1st Interim Report

Expenses for Operational Use (General Fund)



2014-15 1st Interim Report

Expenses for Restricted Use (General Fund)



2014-15 1st Interim Budget Report

Revenues and Expenditures by Sub-Fund

BEGINNING BALANCE	\$14,549,564	\$159,784	\$0	\$0	\$14,709,348	\$1,042,958	\$0	\$559,763	\$8,395,314	\$9,996,035	\$ 24,707,384	
CORE OPERATIONS					TARGETED & RESTRICTED							
	General Fund	Special Ed.	Routine Maint	Transportation	Total	Parcel Tax	LCFF Supplemental	CCSS	Categoricals	Total	TOTAL	
	03-01,03-02,03-03, 03-05	06-08	06-05	06-07	Operations	03-04			06-06	Target Restrict		
REVENUE												
	LCFF Grant: 8010-8099	\$32,810,784	\$1,039,888			\$33,850,672		\$1,788,308	\$0	\$1,788,308	\$ 35,638,980	
	Other State Sources: 8300-8599	\$1,111,661	\$290,498		\$0	\$1,402,159			\$0	\$748,417	\$ 2,150,576	
	Federal Revenue: 8100-8299	\$180,000	\$1,004,345			\$1,184,345				\$391,565	\$ 1,575,910	
	Local Revenue: 8600-8799	\$3,064,220	\$1,022,265		\$36,000	\$4,122,485	\$2,800,000			\$3,856,738	\$ 10,779,223	
	TOTAL REVENUES	\$37,202,665	\$3,356,996	\$0	\$36,000	\$40,559,661	\$2,800,000	\$1,788,308	\$0	\$4,996,720	\$ 50,144,689	
EXPENDITURE											\$10,450,772	
	1000-1999 Certificated Salaries	\$16,463,175	\$3,155,775	\$0	\$0	\$19,618,950	\$933,714	\$1,121,258	\$183,621	\$1,216,004	\$3,454,597	\$ 23,073,547
	2000-2999 Classified Salaries	\$3,016,349	\$2,103,652	\$330,109	\$322,700	\$5,772,810	\$787,015	\$421,950		\$731,550	\$1,940,515	\$ 7,713,325
	3400 Health and Welfare	\$3,355,511	\$933,244	\$77,955	\$97,228	\$4,463,938	\$366,720	\$132,565		\$281,553	\$780,838	\$ 5,244,776
	3000-3999 Other Fringe Benefits	\$2,947,957	\$894,269	\$66,467	\$67,840	\$3,976,533	\$273,714	\$162,356	\$20,379	\$278,720	\$735,169	\$ 4,711,702
	4000-4999 Supplies	\$1,302,743	\$50,500	\$80,000	\$25,000	\$1,458,243	\$19,355	\$71,607	\$300,000	\$1,038,600	\$1,429,562	\$ 2,887,805
	5000-5999 Contracts	\$2,343,975	\$2,007,413	\$557,805	\$222,150	\$5,131,343	\$668,588	\$67,000	\$30,431	\$1,344,072	\$2,110,091	\$ 7,241,434
	6000-6999 Capital	\$0	\$0	\$160,000	\$0	\$160,000	\$0	\$0		\$75,000	\$75,000	\$ 235,000
	7300-7399 Indirect Costs	-\$330,191	\$16,078	\$0	\$0	-\$314,113	\$0	\$0	\$25,332	\$165,452	\$190,784	\$ (123,329)
	7600 Transfers	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$ -
	TOTAL EXPENDITURES	\$29,099,519	\$9,160,931	\$1,272,336	\$734,918	\$40,267,704	\$3,049,106	\$1,976,736	\$559,763	\$5,130,951	\$10,716,556	\$ 50,984,260
	EXCESS OF REVENUE/EXPENDITURE	\$8,067,146	-\$5,803,935	-\$1,272,336	-\$698,918	\$291,957	-\$249,106	-\$188,428	-\$559,763	-\$134,231	-\$1,131,528	\$ (839,571)
	OTHER FINANCING SOURCE										\$0	
INTERFUND	To Deferred Maintenance @. 5%	-\$254,786				-\$254,786				\$0	\$0	\$ (254,786)
	To OPEB	-\$849,693				-\$849,693				\$0	\$0	\$ (849,693)
	TOTAL OUTGO	-\$1,104,479				-\$1,104,479				\$0	\$0	\$ (1,104,479)
CONTRIBUTION TO RESTRICTED SUB FUND												
	1. 06-08 SPECIAL ED	-\$5,819,124	\$5,819,124			\$0				\$0	\$0	\$ -
	2.LCFF Supplemental	-\$188,428				-\$188,428		\$188,428		\$0	\$188,428	\$ -
	3. Transportation	-\$703,280			\$703,280	\$0				\$0	\$0	\$ -
\$ 1,274,606	4.ROUTINE MAINTENANCE	-\$1,277,061		\$1,277,061		\$0				\$0	\$0	\$ -
	TOTAL CONTRIBUTION	-\$7,987,893	\$5,819,124	\$1,277,061	\$703,280	-\$188,428	\$0	\$188,428	\$0	\$0	\$188,428	\$ -
RESERVE	BALANCE	\$13,524,338	\$174,973	\$4,725	\$4,362	\$13,708,398	\$793,852	\$0	\$0	\$8,261,083	\$9,054,935	\$ 22,763,334
	3% Designated Reserve	\$1,529,528				\$1,529,528				\$0	\$0	\$ 1,529,528
	Revolving Cash	\$8,000				\$8,000				\$0	\$0	\$ 8,000
	Prepaid Expense	\$23,856				\$23,856				\$0	\$0	\$ 23,856
	Assigned-Middle School Construction	\$0				\$0				\$4,920,466	\$4,920,466	\$ 4,920,466
	Designated-Site	\$449,132				\$449,132				\$203,618	\$203,618	\$ 652,750
	Designated-Targeted /Restricted	\$0	\$159,784	\$4,725		\$164,509				\$3,186,355	\$3,186,355	\$ 3,350,864
	Parcel Tax Reserves	\$0				\$0	\$793,852			\$793,852	\$793,852	\$ 793,852
	Undesignated	\$11,513,823	\$15,189	\$0	\$4,362	\$11,533,374	\$0	\$0	\$0	-\$49,356	-\$49,356	\$ 11,484,018
LCAP	Art, Music, PE, Enrichment	\$0				Art, Music, PE, Enrichment	\$406,385			\$573,695	\$	\$ 980,080
	Coaches	\$0				Coaches		\$447,111		\$627,338	\$	\$ 1,074,449
	Ed Services Coordinator	\$139,633				Ed Services Coordinator				\$	\$	\$ 139,633
	Instructional Materials	\$522,147				Instructional Materials			\$181,318	\$	\$	\$ 703,465
	Intervention	\$0				Intervention		\$1,001,331		\$	\$	\$ 1,001,331
	LCAP Facilitators/Parent Engagement	\$110,000				LCAP Facilitators/Parent Engagement	\$408,105			\$15,000	\$	\$ 533,105
	Math Pathways	\$0				Math Pathways				\$281,158	\$	\$ 281,158
	Professional Development	\$3,000	\$5,000			Professional Development			\$204,000	\$280,607	\$	\$ 502,607
	SARB	\$10,000				Site Discretionary				\$	\$	\$ -
	Software	\$0				Software			\$50,000	\$205,324	\$	\$ 255,324
	Summer School	\$0				Summer School		\$107,881		\$	\$	\$ 107,881
	Technology Equipment	\$0				Technology Equipment			\$100,000	\$600,000	\$	\$ 700,000

Other Current Issues Likely to Impact District Financial Condition

- State Budget Fluctuations and Implementation of LCFF
- Stable enrollment but changing student demographics
- Negotiations with Collective Bargaining Units
- Implementation of Pension Funding (STRS & PERS)
- Managing Operating and Targeted/Restricted Reserves
- Expiration of the Parcel Tax in 2017
- Board decisions around increasing expenses
- Implementation of ACA and premium health benefits penalty in 2018
- Collaboration and Alignment around LCAP priorities to Serve Children

State Budget Update

- State revenue is \$2.5 billion above projections but in line with LAO projections.
 - State economy is stable and growing at about 3% annually. Growth expected through 2019 when temporary taxes fully expire.
- Governor will likely use additional revenue for one time expenses:
 - Payoff of existing deferrals
 - Possible acceleration of LCFF
 - Additional funding for the Common Core State Standards (CCSS) – PD, Materials, Technology
- Reserve Cap goes into effect, but Governor willing to revisit and modify.

Multi-Year Budget Assumptions

	2014-15	2015-16	2016-17
REVENUE			
ADA	4,895.92	4,895.92	4,895.92
LCFF % of Unduplicated Students	47.52%	47.52%	47.52%
LCFF % of Unduplicated Students-Average	49.23%	48.66%	47.52%
COLA	0.85%	2.19%	2.14%
TARGET			
LCFF Target	\$40,729,813	\$41,565,538	\$42,357,656
LCFF Base	\$37,132,516	\$37,932,060	\$38,136,295
LCFF Supplemental	\$3,597,298	\$3,633,460	\$3,624,473
LCFF Target per ADA	\$8,319	\$8,490	\$8,652
LCFF Base Grant K-3 per ADA	\$7,741	\$7,910	\$8,080
LCFF Base Grant 4-6 per ADA	\$7,116	\$7,272	\$7,428
LCFF Base Grant 7-8 per ADA	\$7,328	\$7,489	\$7,649
FUNDED			
LCFF Funded/State Funded	\$34,619,614	\$35,250,148	\$37,061,141
LCFF Base Grant	\$32,831,306	\$33,635,636	\$35,287,091
LCFF Base Grant Funded per ADA	\$7,071	\$7,200	\$7,570
LCFF Supplemental 20%	\$1,788,308	\$1,614,512	\$1,774,050
LCFF New Funding	\$597,478	\$630,534	\$1,810,993
% Increase in Base Income	-1%	2%	5%
% Increase in Supplemental Income	79%	-10%	10%
% Gap Closure	29.56%	20.68%	25.48%
% Increase of new Funding	1.76%	1.82%	5.14%
Property Tax	\$ 29,925,973	\$ 30,524,492	\$ 31,134,982
State Aid	\$ 3,714,457	3,746,471	\$ 4,946,975

Key Messages

- More than 75% of Revenue from State Resources so revenue is volatile depending on State financial position.
- Revenue has been increasing annually at approximately 1%-2% while expenses have been increasing annually at 9%-11%. This is causing an operating deficit.
- Long-Term objective is to sustain all key operational programs.
- We continue to be in a sound financial position, and the undesignated reserve, the Parcel Tax, lease revenue, and MVEF will be critical to ongoing solvency
- Implementation of key initiatives, including common core and technology upgrades, will require additional funding over next few years. Will help reduce deficit if additional State funding is received for CCSS
- Notwithstanding strong cash balances, District projects operating in a deficit and using cash reserves to fund deficit and maintain state required reserves.

Mountain View Whisman School District General Fund (Restricted & Unrestricted Combined) Multi-year Projection for 2014-15 1st Interim Budget prepared as of November 24, 2014		2013-14 Year End Except As Noted \$ Amount	2014-15 1st Interim Budget Except As Noted \$ Amount	2015-16 1st Interim Budget Except As Noted \$ Amount	2016-17 1st Interim Budget Except As Noted \$ Amount
	Budget ADA	4868.96	4905.42	4905.42	4905.42
	BEGINNING FUND BALANCE	\$ 19,901,270	\$ 24,707,377	\$ 22,508,541	20,797,992
REVENUES	LCFF Base Grant (Including EPA)	34,323,296	33,850,672	34,694,242	36,399,686
	LCFF Supplemental	964,157	1,788,308	1,614,512	1,774,050
	Other State Revenues	2,832,004	2,150,576	1,850,533	1,854,178
	Federal Revenues	1,754,357	1,575,910	1,498,049	1,620,519
	Local Revenues (Including Parcel Tax)	12,245,253	10,779,223	10,970,724	11,191,334
	TOTAL REVENUES	\$ 52,119,067	\$ 50,144,689	\$ 50,628,060	\$52,839,767
EXPENDITURES	Certificated Salaries	21,110,470	23,073,547	22,872,740	23,426,320
	Classified Salaries	7,012,655	7,713,325	8,077,308	8,272,799
	Benefits - H&W	4,980,790	5,244,776	6,031,492	6,936,216
	Benefits - Statutory	3,979,969	4,711,702	5,067,991	5,486,786
	Books & Supplies	2,381,398	2,887,805	1,952,010	1,998,859
	Contracts & Services	6,502,462	7,241,434	7,103,964	7,473,259
	Capital Outlay & Equipment	366,393	235,000	490,170	501,934
	Other Outgo/Indirect Cost Recovery	(125,102)	(123,329)	(154,691)	(158,404)
	SUB-TOTAL EXPENDITURES	\$ 46,209,035	\$ 50,984,260	\$ 51,440,984	\$53,937,770
	Excess (Deficiency) of Revenue over Expenditures	5,910,032	(839,571)	(812,925)	(1,098,004)
TRANSFERS OUT	Transfer Out to Deferred Maintenance	234,682	254,786	0	0
	Transfer Out to OPEB	869,235	849,693	897,624	897,624
	Total Transfers Out	1,103,917	1,104,479	897,624	897,624
	TOTAL EXPENDITURES & TRANSFERS OUT	\$ 47,312,952	\$ 52,088,739	\$ 52,338,608	\$54,835,394
	Excess (Deficiency) of Revenue over Outgo & Expenditures	4,806,114	(1,944,050)	(1,710,549)	(1,995,628)
TRANSFERS IN		0	0	0	0
	ENDING BALANCE with current budget projections	\$ 24,707,384	\$ 22,763,327	\$ 20,797,992	\$18,802,365
BALANCES	Revolving Cash, Stores & Prepaid Exp.	55,036	31,856	31,856	31,856
	Designated-Site Discretionary	478,292	652,750	200,507	200,507
	Designated-Reserve for Economic Uncertainties	1,386,271	1,529,528	1,543,230	1,618,133
	Assigned-Middle School Innovation Centers		4,920,466	4,920,466	4,920,466
	Restricted Categorical	8,955,077	3,350,864	3,929,698	4,463,865
	Restricted Parcel Tax Reserves	1,042,958	793,852	405,371	218,576
UNRESTRICTED and UNASSIGNED Reserve for Economic Uncertainties		\$ 12,789,750	\$ 11,484,011	\$ 9,766,865	\$ 7,348,961
	Reserve as % of Total Expense	27.68%	22.52%	18.99%	13.62%
	% of Required Reserve for this school district	3%	3%	3%	3%
	\$ Amount of Required Reserve for this school district	\$ 1,386,271	\$ 1,529,528	\$ 1,543,230	\$1,618,133

Mountain View Whisman School District		2014-15	2015-16	2016-17	2017-18	2018-19
General Fund (Restricted & Unrestricted Combined)		1st Interim Budget	1st Interim Budget	1st Interim Budget	1st Interim Budget	1st Interim Budget
Multi-year Projection for 2014-15 FCMAT Projections prepared as of November 30, 2014		Except As Noted	Except As Noted	Except As Noted	Except As Noted	Except As Noted
		\$ Amount	\$ Amount	\$ Amount	\$ Amount	\$ Amount
	Budget ADA	4,895.92	4,895.92	4,895.92	4,895.92	4,895.92
	BEGINNING FUND BALANCE	\$ 24,707,377	\$ 22,508,541	\$ 20,797,992	\$ 18,802,365	\$ 14,592,638
	TOTAL REVENUES	\$ 50,144,689	\$ 50,628,060	\$ 52,839,767	\$ 51,155,757	\$ 52,378,545
	SUB-TOTAL EXPENDITURES	\$ 50,984,260	\$ 51,440,984	\$ 53,937,770	\$ 54,467,860	\$ 58,171,091
	TOTAL EXPENDITURES & TRANSFERS OUT	\$ 52,088,739	\$ 52,338,608	\$ 54,835,394	\$ 55,365,484	\$ 59,068,715
	Excess (Deficiency) of Revenue over Outgo & Expenditures	(1,944,050)	(1,710,549)	(1,995,628)	(4,209,726)	(6,690,171)
	ENDING BALANCE with current budget projections	\$ 22,763,327	\$ 20,797,992	\$ 18,802,365	\$ 14,592,638	\$ 7,902,468
	TOTAL RESTRICTED/TARGETED and ASSIGNED	\$ 9,065,182	\$ 9,255,535	\$ 9,602,907	\$ 9,834,058	\$ 10,218,310
	TOTAL DESIGNATED and Reserve for Economic Uncertainties	\$ 2,214,134	\$ 1,775,593	\$ 1,850,496	\$ 1,866,399	\$ 1,977,496
	UNRESTRICTED and UNASSIGNED	\$ 11,484,011	\$ 9,766,865	\$ 7,348,961	\$ 2,892,182	\$ (4,293,338)
	Unrestricted and Unassigned Reserve as % of Total Expense	22.52%	18.99%	13.62%	5.31%	-7.38%
	DESIGNATED and Reserve for Economic Uncertainties	3%	3%	3%	3%	3%
	\$ Amount of Required Reserve for this school district	\$ 1,529,528	\$ 1,543,230	\$ 1,618,133	\$ 1,634,036	\$ 1,745,133
	UNRESTRICTED and UNASSIGNED	\$ 11,484,011	\$ 9,766,865	\$ 7,348,961	\$ 2,892,182	\$ (4,293,338)
POTENTIAL IMPACT OF BUDGET DECISIONS						
1%	Increase Revenue-Gap payment doubles		1,538,242	1,146,298	859,724	644,793
	Decrease Revenue-Gap payment decreases		(1,538,242)	(1,146,298)	(859,724)	(644,793)
	Increase Expenses-1% Salary Increases	(84,628)	(360,180)	(371,859)	(377,312)	(401,093)
	Decrease Expenses-10% not 15% Increase in H&W		262,239	301,575	380,354	380,354
	Increase Revenue-Title I Funding		400,000	400,000	400,000	400,000
	Increase Expenses-Castro Turnaround Funding		(400,000)	(400,000)	(400,000)	(400,000)
	Increase Expenses-Castro two Sites-Increased Support Staffing		312,508	312,508	312,508	312,508
	Increase Expenses-Open New School			(818,850)	(842,700)	(866,550)
	Decrease Revenue-Loss of Rental Revenue			(953,411)	(980,106)	(1,004,609)
	Decrease Expenses-School Closure/Consolidation			818,850	842,700	866,550
	Increase Expenses-Class Size Reduction Average 24:1 TK3			(283,716)	(283,716)	(283,716)
	Decrease Expenses-Reduce Teachers on Special Assignments		534,680	547,512	561,200	
	Increase Expenses-Preschool Expansion					
	Increase Revenue-Renew Parcel Tax				2,800,000	2,800,000
	Increase Expenses-Maintain Parcel Tax Expenses(Net Teachers)				(1,576,272)	(1,545,679)
Increase Expenses-Additional Materials CCSS		(500,000)	(500,000)	(500,000)		
	Subtotal of Potential Budget Impact	\$ (84,628)	\$ 249,246	\$ (947,391)	\$ 336,656	\$ 257,765
	Potential Impact Budget Decisions as % of Total Expense	-0.17%	0.48%	-1.76%	0.62%	0.44%
	Remaining Balance of Reserves after Potential Impact of Budget Decision	\$ 11,399,384	\$ 10,016,111	\$ 6,401,570	\$ 3,228,838	\$ (4,035,573)
	% of Reserves after deducting Potential impact of Budget Decisions	22.36%	19.47%	11.87%	5.93%	-6.94%

Other Funds

Fund #	Fund Name	2014-15 Actual Beginning Balance	2014-15 Estimated Revenues & Transfers	2014-15 Estimated Expenditures	2014-15 Estimated Ending Balance
10-80	General Fund - <i>Unrestricted</i>	14,709,348	40,559,661	40,267,704	15,001,305
10-80	General Fund - <i>Restricted</i>	9,998,035	9,585,028	10,716,556	8,866,507
120	Child Development	70,323	917,026	832,848	154,501
130	Child Nutrition	105,373	2,018,774	2,071,142	53,005
140	Deferred Maintenance	805,789	256,786	15,000	1,047,575
170	Special Reserve Fund for Other Than Capital Outlay Projects	119,189	550	-	119,739
200	Special Reserve for Post-Employment Benefits	4,969,859	863,693	-	5,833,552
210	Building	779,880	2,500	10,000	772,380
211	GO Bond Fund-Measure G	48,160,471	87,500	15,356,988	32,890,983
250	Capital Facilities- Developer Fees	3,422,822	503,000	10,000	3,915,822
730	Whisman Sports Center Special Purpose	268,677	15,514	135,000	149,191