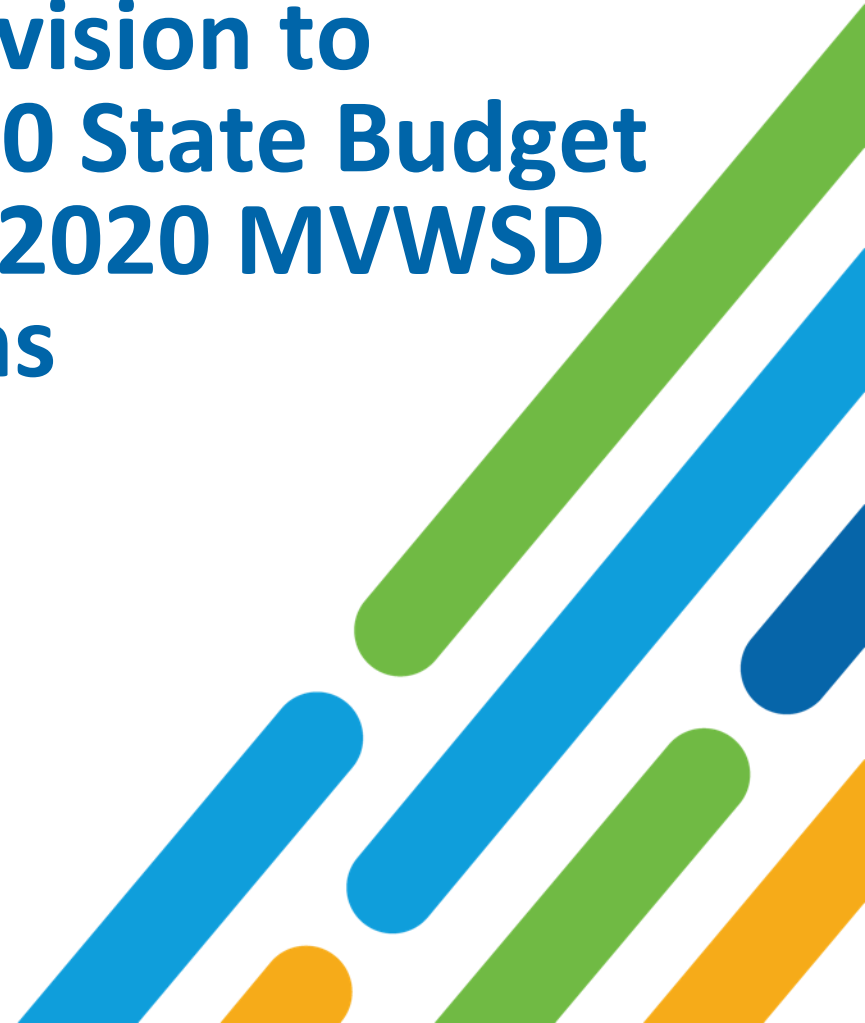




Mountain View
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Governor's May Revision to Proposed 2019-2020 State Budget and Updated 2019-2020 MVWSD Budget Assumptions

16 May 2019



Budget Adoption Process

- January: Governor releases proposed 2019-2020 State Budget
- March 1: Review assumptions used to build budget aligned with the LCAP
- March/April: Build budget internally; site/department meetings
- May 16: Review Governor's Revisions to proposed 2019-2020 budget; finalize any changes to District budget
- May 30: Public hearing on Budget Adoption
- Jun 13: Adopt District's 2019-2020 Budget



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Governor's Revised 2019-2020 Budget

2019-2020 Budget May Revision

Themes of Governor's May Revision

- Continues Gov. Newsome's "California for All" Vision
- May Revision is relatively good news for K-12 Education
- Fully funds Local Control Funding Formula (LCFF) early
- Cost of Living Adjustment (COLA) at **3.26%** to LCFF base grant amounts

2019-2020 Budget May Revision Local Control Funding Formula

- Fully funds the LCFF
- Increases base grant amounts by **3.26%** for Special Education, Child Nutrition, Preschool and other state programs receive COLA.
- Proposal for increased ON-GOING Special Education.

2019-2020 Budget May Revision **Multi-Year Projection (MYP)**

Guiding points (SSC)

- Maintain a suitable level of reserves
- Exercise caution at bargaining table
- Prepare budgets on a reasonably conservative basis



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Updated 2019-2020 Assumptions

2019-2020 Budget May Revision

MVWSD Assumptions

Item/Topic	May 16, 2019		
	2019-2020 (Year 1)	2020-2021 (Year 2)	2021-2022 (Year 3)
Core Assumptions			
Enrollment	5267	5267	5267
ADA	5056	5056	5056
Unduplicated Count	1723	1723	1723
Unduplicated Percentage	32.71%	32.71%	32.71%
COLA	3.26%	2.86%	2.92%
Assessed Valuation Growth	6.0%	3.5%	3.5%
Benefits Increase	5%	5%	5%
PERS	20.733%	23.60%	24.90%
STRS	16.70%	18.10%	18.10%
Routine Maintenance (3% of General Fund expenditures required)	3%, plus 2%	3%, plus 2%	3%, plus 2%

2019-2020 Budget May Revision

MVWSD Assumptions

Item/Topic	May 16, 2019		
Core Assumptions	2019-2020 (Year 1)	2020-2021 (Year 2)	2021-2022 (Year 3)
Sheltered Instruction Observation Protocol (SIOP) (all schools)	\$184,000	\$10,000	\$10,000
Parent Engagement	\$100,000	\$100,000	\$100,000
Curriculum Materials Annual replenishment	472,500	472,500	472,500
Curriculum Adoption (Yr 1-Social Studies, Yr 2-Science)	590,000	TBD	TBD
Independent Study Program	\$49,395	None	None
Title I	\$639,710	\$639,710	\$639,710
Vargas Elementary School	Secretary/Custodians; Clerk, SCEF, Library Clerk, Food Service, Principal \$754,200	Personnel costs included in position control	Personnel costs included in position control

2019-2020 Budget May Revision

MVWSD Assumptions

Item/Topic	May 16, 2019		
	2019-2020 (Year 1)	2020-2021 (Year 2)	2022-2022 (Year 3)
Core Assumptions			
Charter School Revenue Loss	None	None	None
Measure B Parcel Tax	\$2,957,000	\$2,957,000	\$2,957,000
Shoreline JPA Revenue	\$2,874,000	\$2,874,000	\$2,874,000
Lease Revenue to Fund 01 Core Program	\$2,503,758	\$2,503,758	\$2,503,758
Lease Revenue to Fund 40 to pay for COP	\$2,642,256	\$2,642,056	\$2,641,806
Balance Lease Revenue from Fund 40 to Fund 01	\$0	\$206,762	\$367,541
Fund 25 to COP Payment (excess developer fee revenue to pay COP)	TBD	TBD	TBD
Excess Developer Fees	Fund 25	Fund 25	Fund 25

Fund 01 General Fund – 2018-19 Multi Year Projection (2nd Interim)

	2018-2019 (Year 1)	2019-2020 (Year 2)	2020-2021 (Year 3)
Beginning Balance, July 1	\$27,030,060	\$22,796,967	\$18,531,763
Total Revenues	\$76,322,396	\$73,321,007	\$74,892,735
Total Expenditures	\$80,555,489	\$77,586,211	\$78,546,306
Net Increase/(Decrease)	(\$4,233,093)	(\$4,265,204)	(\$3,653,571)
Ending Balance, June 30	\$22,796,967	\$18,531,763	\$14,878,192
Reserve Level	26.7%	22.8%	17.7%

Fund 01 General Fund – 2018-2019

Estimated Actuals – to Date

	Unrestricted Programs	Restricted Programs	Combined
Beginning Balance, July 1, 2018	\$24,570,380	\$2,459,680	\$27,030,060
Total Revenues	\$45,876,296	\$31,194,986	\$77,071,281
Total Expenditures	\$49,146,108	\$32,099,238	\$81,245,346
Net Increase/(Decrease)	(\$3,269,812)	(\$904,253)	(\$4,174,065)
Ending Balance, June 30, 2019	\$21,300,568	\$1,555,428	\$22,855,996
Reserve Level			26.2%
(Unrestricted Ending Balance divided by Total Combined Expenditures)			

Fund 01 General Fund – 2019-2022

Multi Year Projection

	2019-2020 (Year 1)	2020-2021 (Year 2)	2021-2022 (Year 3)
Beginning Balance, July 1	\$22,855,996	\$19,996,257	\$17,836,672
Total Revenues	\$75,683,551	\$77,517,248	\$79,559,738
Total Expenditures	\$78,543,290	\$79,676,833	\$81,235,751
*Net Increase/(Decrease)	(\$2,859,739)	(\$2,159,585)	(\$1,676,013)
Ending Balance, June 30	\$19,996,257	\$17,836,672	\$16,160,659
*Does not include Collective Bargaining Settlements			
Reserve Level	24.57%	21.64%	19.42%



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Considerations for the Future

2019-2020 Budget May Revision

Considerations for Future

- Staff recommends the Board take action to update the 2019-2020 Adoption Budget assumptions as presented, based on the Governor's May Revision for the State 2019-2020 Budget
- Prudence. Maintain strong reserves for the future while achieving the goals set forth in the Strategic Plan 2021.



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Next Steps

2019-2020 Budget May Revision

Next Steps

- May 30 Board Meeting
 - Public Hearings and Review of...
 - LCAP
 - Education Protection Account (EPA)
 - Budget, including updated multi-year projection
- June 13 Board Meeting
 - Board Action/Approval of...
 - LCAP
 - Education Protection Account (EPA)
 - Budget