

## 2024-2025 Budget Adoption Public Hearing and May Revise

The district budget is created with input from every department and school site and aligns to the board and district strategic plan. Board Resolution 1664.1/18 mandates that the unrestricted general reserve should remain between 17% and 20%. On May 2nd the board temporarily allowed this level to dip below 17% due to specific considerations.

The budget adoption process follows a structured timeline. In January, the Governor proposes the state budget, which is then revised in mid-May. The district presents its second interim budget in March, and by June, the board adopts the final budget.

For the 2023-2024 fiscal year, the district will have increased revenues from local property taxes and site donations, coupled with decreased expenditures due to unfilled vacancies and reduced spending on supplies and contracted services. These adjustments result in an estimated actual general fund reserve level of 35.59%.

Looking ahead to 2024-2027, the multi-year financial projection is based on current assumptions. These include a 5% salary increase for 2024-2025, a steady AV growth rate, and rising pension costs for CalPERS. Additionally, utilities and operational costs are expected to increase by 5%. The budget also accounts for new staffing needs, including additional teachers and counselors and higher insurance costs. Additionally the district is also showing the expiration of the parcel tax. The below table illustrates what the MYP would be if the board chooses to approve the CSEA and unrepresented salary increases.

	<b>2024-2025 (Year 1)</b>	<b>2025-2026 (Year 2)</b>	<b>2026-2027 (Year 3)</b>
<b>Beginning Balance, July 1</b>	<b>\$51,021,511</b>	<b>\$46,948,670</b>	<b>\$39,662,729</b>
<b>Total Revenues</b>	\$113,944,064	\$113,707,552	\$115,242,320
<b>Total Expenditures</b>	\$118,016,904	\$120,993,494	\$127,364,034
<b>Net Increase/(Decrease)</b>	<b>(\$4,072,840)</b>	<b>(\$7,285,942)</b>	<b>(\$12,121,714)</b>
<b>Ending Balance, June 30</b>	<b>\$46,948,670</b>	<b>\$39,662,729</b>	<b>\$27,541,015</b>
<b>Reserve Level</b>	<b>31.66%</b>	<b>24.88%</b>	<b>14.16%</b>

If the board does not approve the increases below is the MYP

	<b>2024-2025 (Year 1)</b>	<b>2025-2026 (Year 2)</b>	<b>2026-2027 (Year 3)</b>
<b>Beginning Balance, July 1</b>	<b>\$51,021,511</b>	<b>\$46,948,670</b>	<b>\$39,662,729</b>
<b>Total Revenues</b>	<b>\$113,944,064</b>	<b>\$113,707,552</b>	<b>\$115,242,320</b>
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<b>Net Increase/(Decrease)</b>	<b>(\$4,072,840)</b>	<b>(\$7,285,942)</b>	<b>(\$12,121,714)</b>
<b>Ending Balance, June 30</b>	<b>\$46,948,670</b>	<b>\$39,662,729</b>	<b>\$27,541,015</b>
<b>Reserve Level</b>	<b>33.18%</b>	<b>28.01%</b>	<b>18.55%</b>

The Governor's May Revision starts to address the projected budget deficits for 2024-25 and 2025-26. Despite significant spending cuts in other areas, K-14 education remains shielded from ongoing reductions. For the Mountain View Whisman School District, the impact of these revisions is relatively limited due to its community-funded status. Only a small portion of the budget comes from state funds, and significant cuts are not anticipated. ELOP funding will decrease slightly but we will keep current programming.

Looking to the future, the district faces several considerations. TK will continue to expand due to age requirements. TK is an unfunded mandate and the district will need to absorb the cost. Enrollment is expected to continue rising, further influencing budget needs.

The budget will be brought back for Board approval on June 13, 2024.