



Mountain View  
Whisman  
School District

# 2025-2026 Budget Adoption Public Hearing and May Revise

May 29, 2025





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# Strategic Plan

# Strategic Plan 2027

## Goal Area 5

- Equitable distribution of resources that support student success.
- Goal 5a: Ensure facilities and resources equitably serve all students.

# Reserve Level and Balanced General Fund

## **Board Resolution 1664.1/18 (January 4, 2018)**

A balanced general fund shall be defined as the unrestricted general reserve level in the third year of any Board-enacted budget adoption or interim budget report falls within the range of 17%-20%, and may include deficit spending in any or all of the three years included in the multi-year projection.

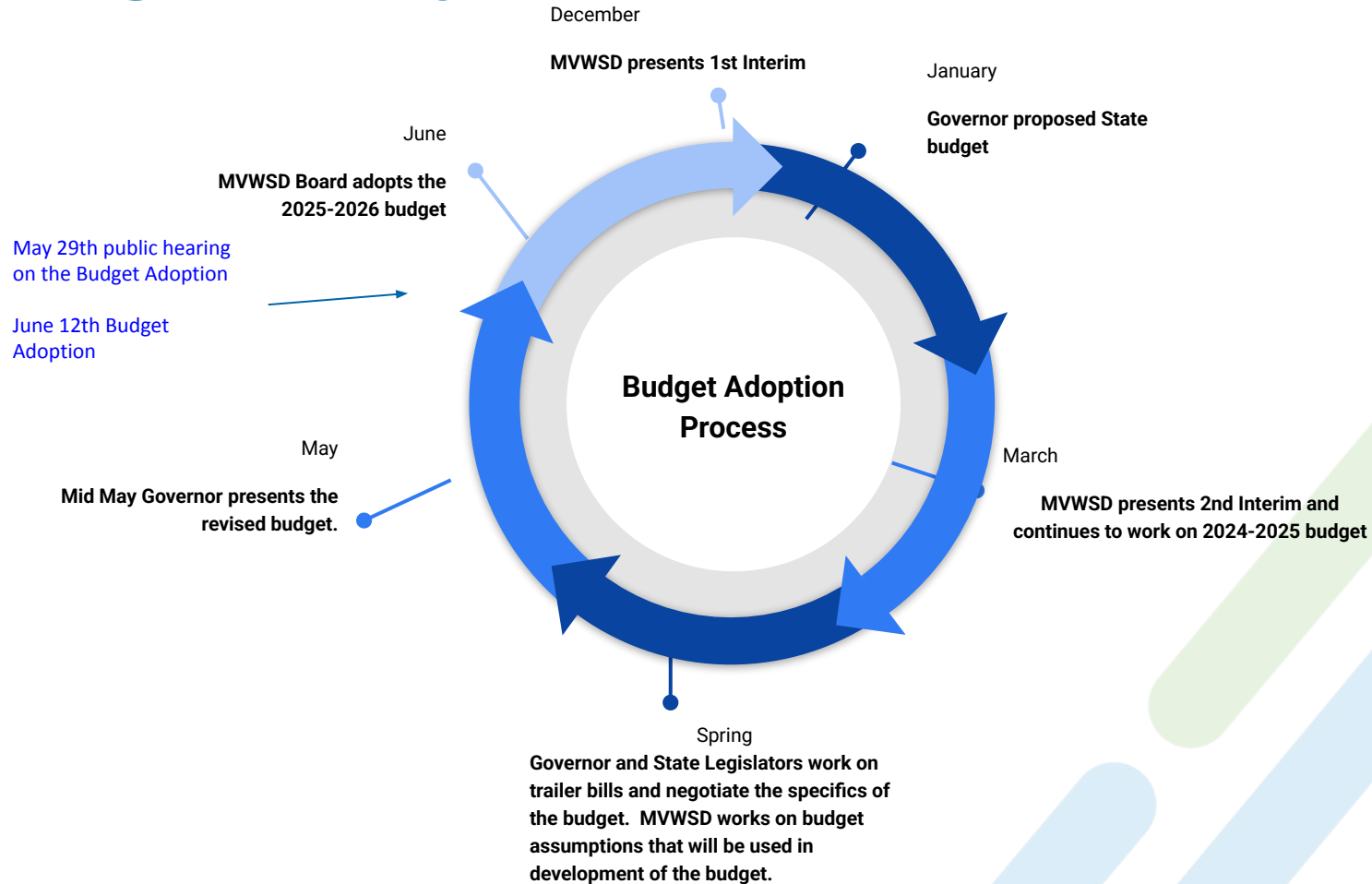
At the May 2, 2024 board meeting the board gave direction to dip below the 17% temporarily.



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# Budget Process

# Budget Adoption Process





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# Current Year Estimated Actuals 2024-2025

# Major Changes Since Second Interim

## Revenues

- Secured property tax increased by \$102K
- Interest projection increased 3rd and 4th Qtr by \$657K
- Site donations and other local revenue increased by \$161K
- STRS on Behalf resource 7690 increase by \$307K
- Miscellaneous \$19K

## Expenditures

- Salaries and Benefits decreased by \$421 due to unfilled vacancies
- STRS on Behalf resource 7690 increase by \$307K
- Contracted services: Legal expenses increase by \$280K, Transportation increased by \$60K, Miscellaneous contracted services increased by \$135K
- Electric equipment increased by \$50K for lights at Graham and a scissor lift.



# 2024-2025 Estimated Actuals

## Fund 01 General Fund

|                                    | Unrestricted<br>Programs | Restricted<br>Programs | Combined       |
|------------------------------------|--------------------------|------------------------|----------------|
| Adjusted Beginning<br>July 1, 2024 | \$ 45,922,660            | \$ 10,209,201          | \$ 56,131,861  |
| Total Revenues                     | \$ 73,772,244            | \$ 48,053,274          | \$ 121,825,518 |
| Total Expenditures                 | \$ 74,046,100            | \$ 51,918,804          | \$ 125,964,904 |
| Net Increase/(Decrease)            | \$ (273,856)             | \$ (3,865,530)         | \$ (4,139,386) |
| Ending Balance,<br>June 30, 2025   | \$ 45,648,804            | \$ 6,343,671           | \$ 51,992,475  |

Reserve Level 36.24%

# Summary of Other Funds Estimated Actuals 2024-2025

| Fund Title                                 | Beginning Balance | Revenues    | Contribution from General Fund/Other Source* | Expenditures | Ending Balance |
|--------------------------------------------|-------------------|-------------|----------------------------------------------|--------------|----------------|
| 12<br>Preschool                            | \$830,248         | \$2,796,533 | \$585,045                                    | \$3,308,784  | \$903,042      |
| 13<br>Food Service                         | \$1,382,968       | \$4,267,041 | \$0                                          | \$4,523,361  | \$1,126,648    |
| 20<br>Postemployment Benefits              | \$7,171,914       | \$150,000   | \$0                                          | \$0          | \$7,321,914    |
| 21<br>Capital Projects                     | \$15,035,623      | \$3,800     | \$74,000,000                                 | \$26,853,124 | \$62,186,299   |
| 25<br>Developer Fees                       | \$8,519,139       | \$800,000   | \$0                                          | \$10,000     | \$9,309,139    |
| 40<br>Special Reserve for Capital Projects | \$9,191,174       | \$0         | \$0                                          | \$210,928    | \$8,980,246    |

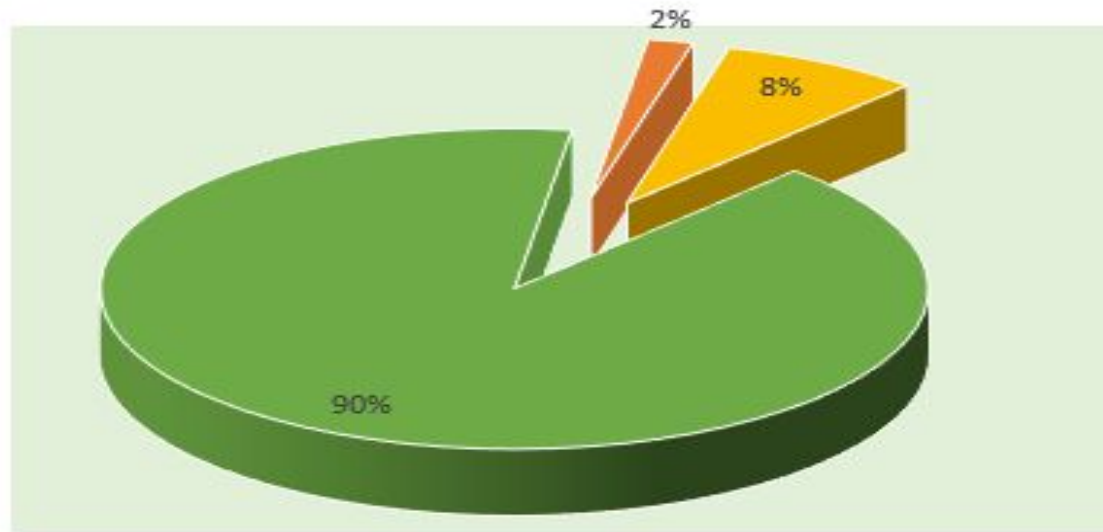


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# 2025-2026 Public Hearing Budget

# 2025-2026 Revenue Projections

| General Fund Revenue |                    |
|----------------------|--------------------|
| Federal              | 2,136,803          |
| Other State          | 9,629,982          |
| Local & LCFF         | 110,630,873        |
| <b>Grand Total</b>   | <b>122,397,658</b> |



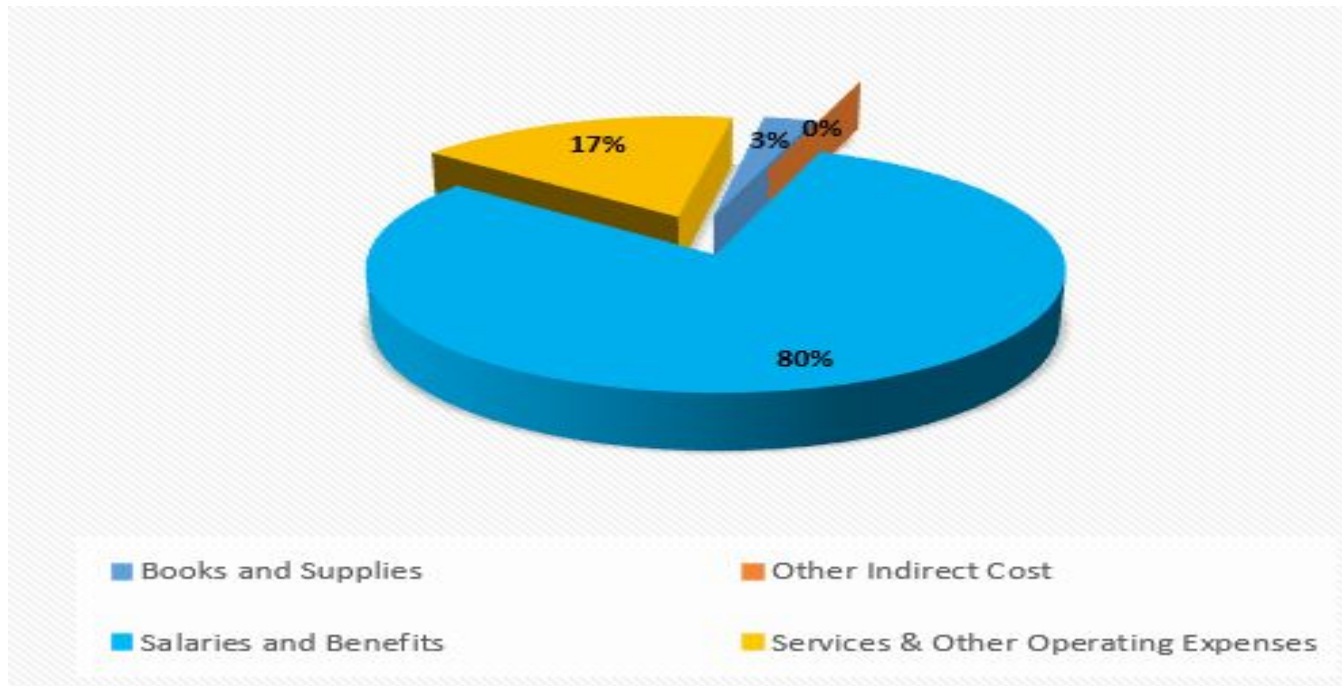
■ Federal

■ Other State

■ Local & LCFF

# 2025-2026 Forecasted Expenditures

| General Fund Expenditures           |                    |
|-------------------------------------|--------------------|
| Books and Supplies                  | 3,523,570          |
| Other Indirect Cost                 | (54,000)           |
| Salaries and Benefits               | 103,984,435        |
| Services & Other Operating Expenses | 22,564,487         |
| <b>Grand Total</b>                  | <b>130,018,492</b> |





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# 2025-2028 Multi-Year Projections / Fund Summary

# Multi Year Projection

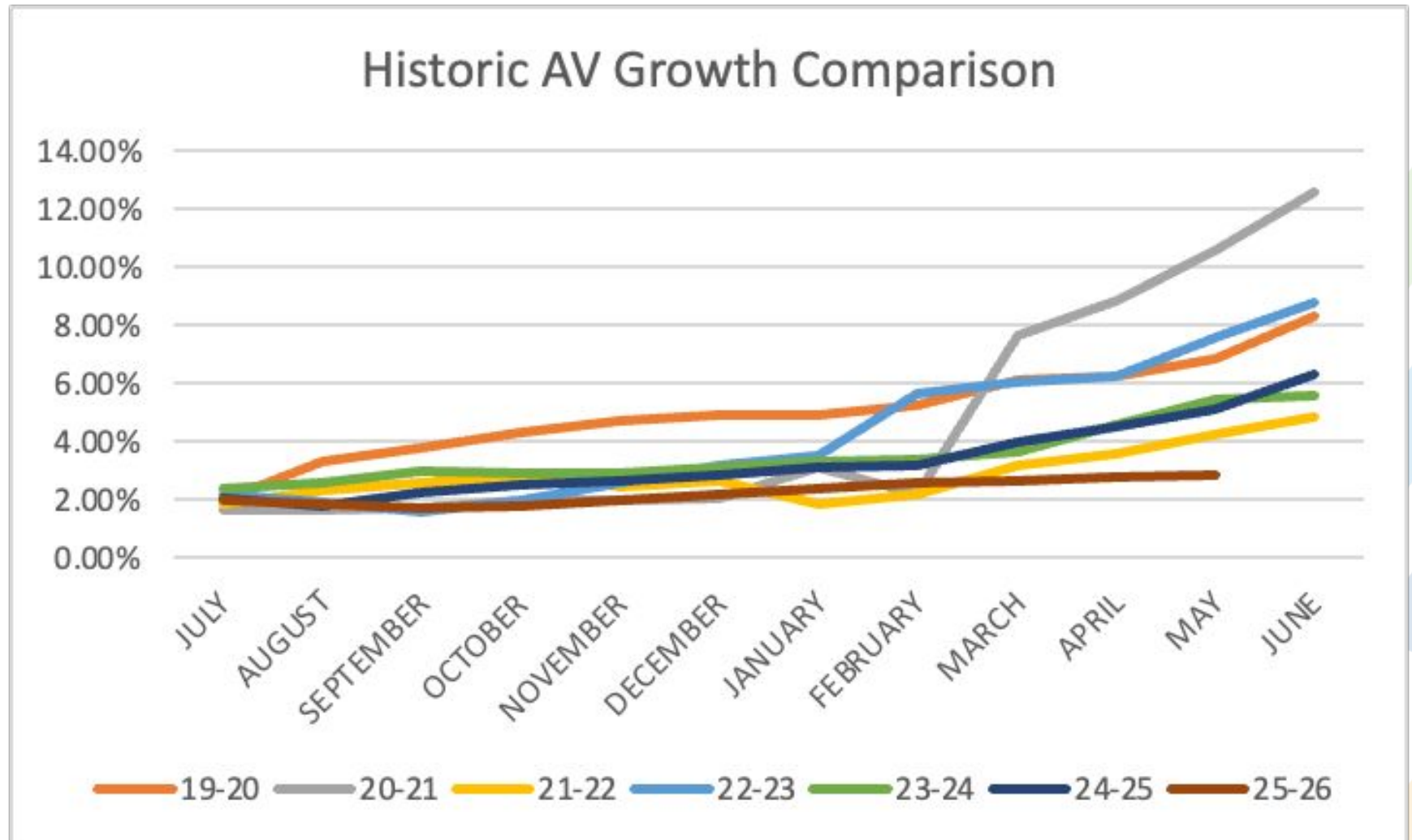
- **The Multi-Year Projection (MYP)** reflects our best estimates of the district's financial outlook over the next few years, based on what we know today. It is a **planning tool**, not a forecast or guarantee.
- Because school funding, staffing needs, and program priorities evolve, the MYP will **change over time** as new information becomes available. It's important to view it as a way to support long-term decisions, **not as a fixed measure** to compare one budget or report against another.

# Assumptions

- 5% salary schedule increased in 2025-2026, and 4% in 2026-2027 based on our multi year contract
- Assessed Value growth projected at 3%, 2%, 2% in the years out. Year 25-26 was adjusted down 1%.
- CalSTRS 19.10% yr1, 19.10% yr2 & yr3
- CalPERS 27.40% yr1, 27.50% yr2 & 28.5% yr3
- Parcel Tax revenue included
- 2.92% Consumer Price Index 2025-26, 2.70% 2026-27 and 2.76% CPI 2027-28
  - CPI numbers come from School Services



# Historic AV Growth



# School Accounting Information

- We anticipate continuing to see significant changes in First Interim as we did this past year.
- This is due to when funds are rolled over from the previous year. COVID/categorical funds are one time funds that we do not fully roll until books are closed.
- This creates an increase in restricted funds during First Interim.

# Highlights of Changes to Budget

- Revenue Assessed Value from 4% to 3% -\$742K
- Interest increased based on the latest projection by +\$300K
- STRS on Behalf increased by +/- \$511K both revenue and expenditures
- Contribution to Special Education increased by +\$2.7M combination of Salary and Benefits and contracted services to meet the current student needs
- Capital Equipment +\$753K Network project (50% may be refunded by e-rate)

# Highlights of Changes to Budget

- TK increase of 1 FTE teacher, 11 IAs, classrooms estimated cost total salary and benefits +\$934K
- Spanish teachers 2.0 FTE +\$324K
- Special Education new TOSA 1.0 FTE +\$162K
- Speech & Language pathologist 3.0 FTE +\$485K
- SpEd resource teacher 3.0 FTE +\$485K
- Assistant Principal 1.0 FTE (CA & CR) +\$272K
- Mental Health Specialist 1.0 FTE +\$182K
- Science Teacher CR 1.0 FTE +\$161K
- Noon Duty at GR .5FTE +\$45K
- General Education teachers 2.0 FTE +\$324K

# Fund 01 General Fund – 2025-2026

## Unrestricted/Restricted

|                                            | Unrestricted Programs | Restricted Programs | Combined       |
|--------------------------------------------|-----------------------|---------------------|----------------|
| <b>Beginning Balance,<br/>July 1, 2025</b> | \$ 45,648,804         | \$ 6,343,671        | \$ 51,992,475  |
| <b>Total Revenues</b>                      | \$ 71,209,405         | \$ 51,188,253       | \$122,397,658  |
| <b>Total Expenditures</b>                  | \$ 77,995,532         | \$ 52,831,566       | \$130,827,098  |
| <b>Net</b>                                 | \$ (6,786,127)        | \$ (1,643,313)      | \$ (8,429,440) |
| <b>Ending Balance,<br/>June 30, 2026</b>   | \$ 38,862,677         | \$ 4,700,358        | \$ 43,563,035  |

29.71%



# 2025-2026 Budget Hearing

## Multi-Year Projection (MYP) 2025-2028

|                                      | 2025-2026<br>(Year 1) | 2026-2027<br>(Year 2) | 2027-2028<br>(Year 3) |
|--------------------------------------|-----------------------|-----------------------|-----------------------|
| <b>Beginning Balance,<br/>July 1</b> | <b>\$51,992,475</b>   | <b>\$43,563,035</b>   | <b>\$30,723,312</b>   |
| <b>Total Revenues</b>                | \$122,397,658         | \$121,968,614         | \$124,010,136         |
| <b>Total Expenditures</b>            | \$130,827,098         | \$134,808,337         | \$140,499,022         |
| <b>Net Increase/(Decrease)</b>       | <b>(\$8,429,440)</b>  | <b>(\$12,839,723)</b> | <b>(\$16,488,886)</b> |
| <b>Ending Balance,<br/>June 30</b>   | <b>\$43,563,035</b>   | <b>\$30,723,312</b>   | <b>\$14,234,426</b>   |
| <b>Reserve Level</b>                 | <b>29.71%</b>         | <b>20.18%</b>         | <b>8.44%</b>          |

# Multi-Year Projection (MYP) 2025-2028 (Example of 6% AV 25-26)

| <b>6% AV instead of 3% AV</b>        | <b>2025-2026<br/>(Year 1)</b> | <b>2026-2027<br/>(Year 2)</b> | <b>2027-2028<br/>(Year 3)</b> |
|--------------------------------------|-------------------------------|-------------------------------|-------------------------------|
| <b>Beginning Balance,<br/>July 1</b> | <b>\$51,992,475</b>           | <b>\$45,790,692</b>           | <b>\$35,223,180</b>           |
| <b>Total Revenues</b>                | \$124,625,315                 | \$124,240,825                 | \$126,327,791                 |
| <b>Total Expenditures</b>            | \$130,827,098                 | \$134,808,337                 | \$140,499,022                 |
| <b>Net Increase/(Decrease)</b>       | <b>(\$6,201,783)</b>          | <b>(\$10,567,512)</b>         | <b>(\$14,171,231)</b>         |
| <b>Ending Balance,<br/>June 30</b>   | <b>\$45,790,692</b>           | <b>\$35,223,180</b>           | <b>\$21,051,949</b>           |
| <b>Reserve Level</b>                 | <b>31.41%</b>                 | <b>23.52%</b>                 | <b>13.30%</b>                 |

# AV Growth Illustration

|                  | AV % |            | AV % |                           | Difference             |
|------------------|------|------------|------|---------------------------|------------------------|
| <b>2025-2026</b> | 3%   | 76,482,903 | 6%   | 78,710,561                | \$ 2,227,657.37        |
| <b>2026-2027</b> | 2%   | 78,012,561 | 6%   | 83,433,194                | \$ 5,420,632.94        |
| <b>2027-2028</b> | 2%   | 79,572,812 | 6%   | 88,439,186                | \$ 8,866,373.37        |
|                  |      |            |      | <b>Total Over 3 Years</b> | <b>\$16,514,663.69</b> |



# Summary of Other Funds 2025-2026

| Fund Title                                         | Beginning Balance | Revenues    | Contribution from General Fund/Other Source* | Expenditures | Ending Balance |
|----------------------------------------------------|-------------------|-------------|----------------------------------------------|--------------|----------------|
| <b>12<br/>Preschool</b>                            | \$903,042         | \$2,415,231 | \$808,605                                    | \$3,265,689  | \$861,189      |
| <b>13<br/>Food Service</b>                         | \$1,126,648       | \$4,197,490 | \$0                                          | \$4,792,318  | \$531,820      |
| <b>20<br/>Postemployment Benefits</b>              | \$7,321,914       | \$125,000   | \$0                                          | \$0          | \$7,446,914    |
| <b>21<br/>Capital Projects</b>                     | \$62,186,300      | \$0         | \$0                                          | \$60,602,888 | \$1,583,412    |
| <b>25<br/>Developer Fees</b>                       | \$9,309,139       | \$770,000   | \$0                                          | \$9,050,179  | \$1,028,960    |
| <b>40<br/>Special Reserve for Capital Projects</b> | \$8,980,246       | \$0         | \$0                                          | \$6,278,028  | \$2,702,218    |



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# Governors May Revise Highlights

# Themes for the May Revision

## Themes for the 2025-26 May Revision



**Governor Gavin Newsom released his 2025-26 May Revision amid significant financial and economic uncertainty**



**His May Revision projects both lower revenues and increased costs of health care in the current year and near term**



**Significant emphasis on federal policy and its impacts on California foreign trade, tourism, and immigration**



**To address the budget deficit, he uses a combination of reductions, borrowing, funding shifts, deferrals, and expenditures that would only be activated if sufficient revenues materialize**



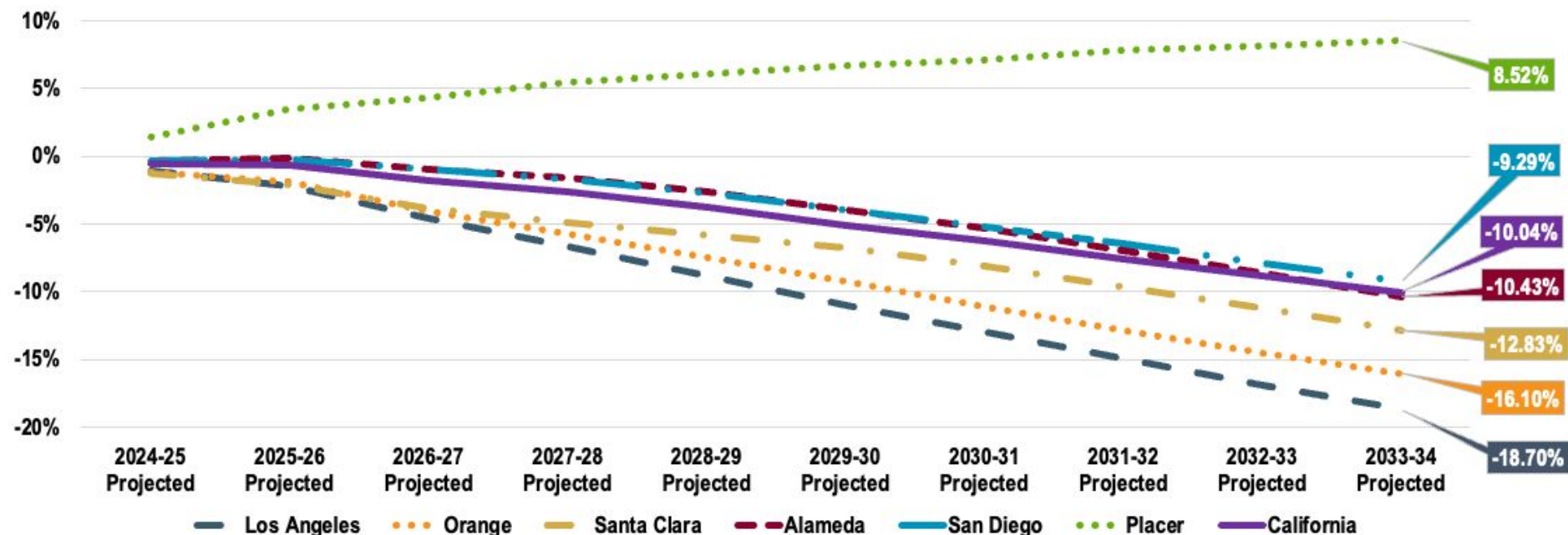
**First seen in his January 2025 Budget proposal, the plan to under-appropriate the 2024-25 minimum guarantee remains in his May Revision to the tune of \$1.3 billion**



**Proposition 98 is largely insulated from these problems, with minimal disruptions to the proposals from the Governor's Budget in early January 2025, despite all that has come to pass since then**

# District Financial Conditions—Declining Enrollment by County

- 44 (or 76%) of the 58 counties are projected to decline in enrollment through 2033-34
- The 44 declining enrollment counties are projected to be down by approximately 600,000
- The 14 (or 24%) growing enrollment counties are projected to increase by approximately 14,000



# Federal Education Budget

## Federal Education Budget

### President Donald Trump's Proposed 2026 Budget

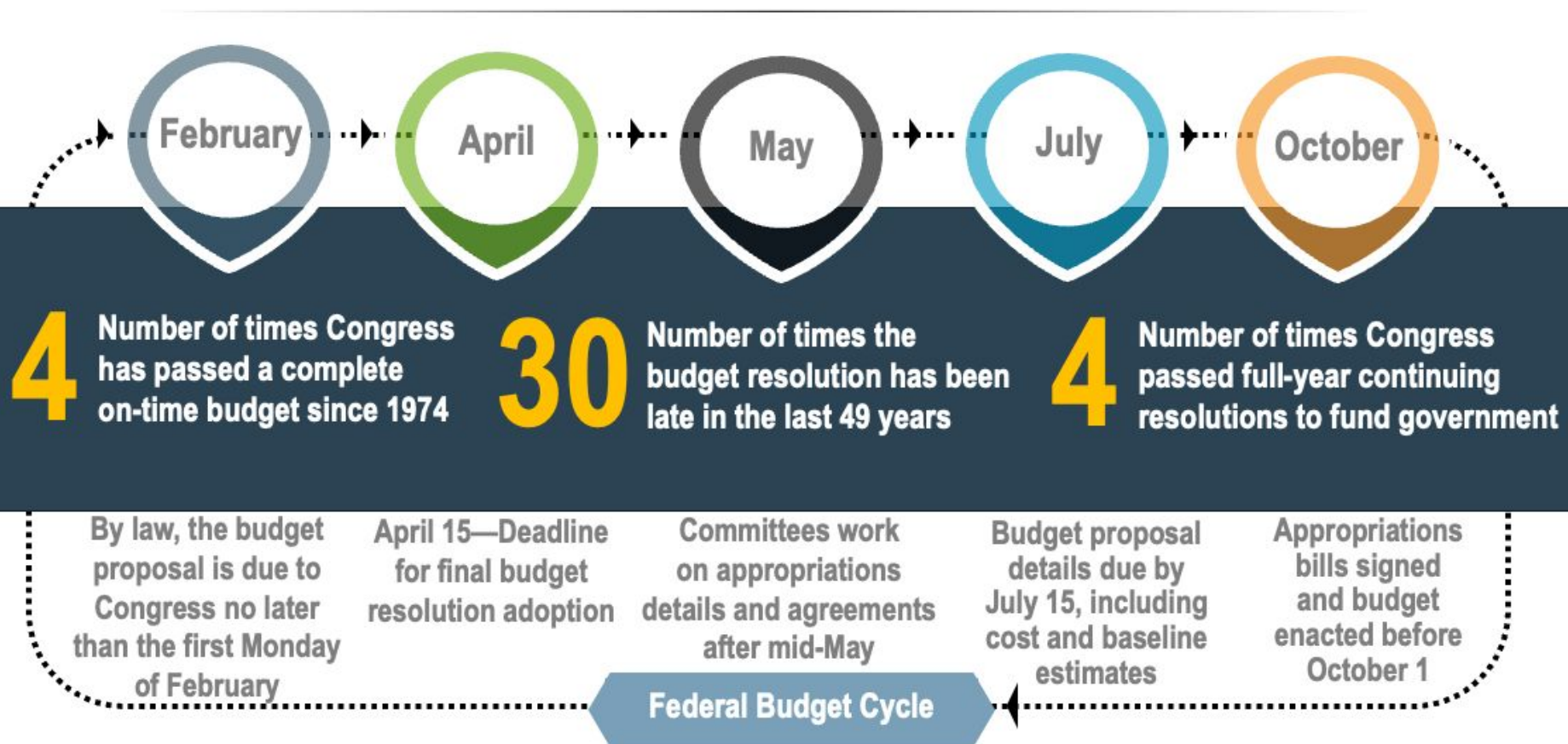
#### Non-Defense Spending

Reduced by  
\$163 billion from  
2025 levels, including  
education spending

- ..... ● Maintains Title I and Special Education Funding
- ..... ● K-12 Simplified Funding Program  
\$2 billion for 18 consolidated formula and competitive grants
- ..... ● Eliminates Adult Education
- ..... ● Eliminates Title III and Migrant Education



# Federal Budget Cycle





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# Considerations for the Future

# In Summary

- Current financial picture is not a surprise
  - We had planned deficit spending
  - Already cut \$700k in contracts this fall which has increased our cushion
- Reserves are low in 2027-28 because of reduction in revenue (lower property tax growth) and increase in expenditures (student programs)
- Revenue
  - The last two years have been a 5%- 7% increase in AV growth
  - This year 2025-26, we hope to end year at 3%
- Expenditures
  - We are in year 3 of funding an unfunded TK program for 250 students at a cost of \$3.5 million (salary and benefits)
  - \$2.7M for additional Special Ed staff to meet students' needs
  - \$2.4 million increase in staffing costs to provide programs and services to students (instructional aides, special education, mental health, Spanish teachers, science and general education)
- We have time for intentional planning to begin right-sizing budget initiatives next year that will help in future years.



# 2025-2026 Budget Adoption

## Considerations for Future

- The 2025-2026 year will be the first year of full implementation of TK (All children who turn **4 years old by September 1** are eligible to enroll in TK)
- Facility needs for TK will need to be addressed in the future
- The district's reserve level will help cushion the impact of slowed AV growth for a year but changes will need to be made to reduce the deficit spending.

# 2025-2026 Budget Adoption

## Considerations for Future

- Planning to address this will begin in September
  - TK unfunded mandate
  - Preschool
  - Child nutrition
  - ELOP (MVWSD+)
  - Early Literacy
  - IT Budget
- Continuing to monitor federal funding



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# Next Steps

# 2025-2026 Budget Adoption

## Next Steps

- June 12 Board Meeting
  - Board Action/Adoption of
    - Education Protection Account (EPA)
    - LCAP/Budget
    - Budget Overview for Parents
- 45 Day Budget Revision if Significant Changes in Budget Bill



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# Questions?

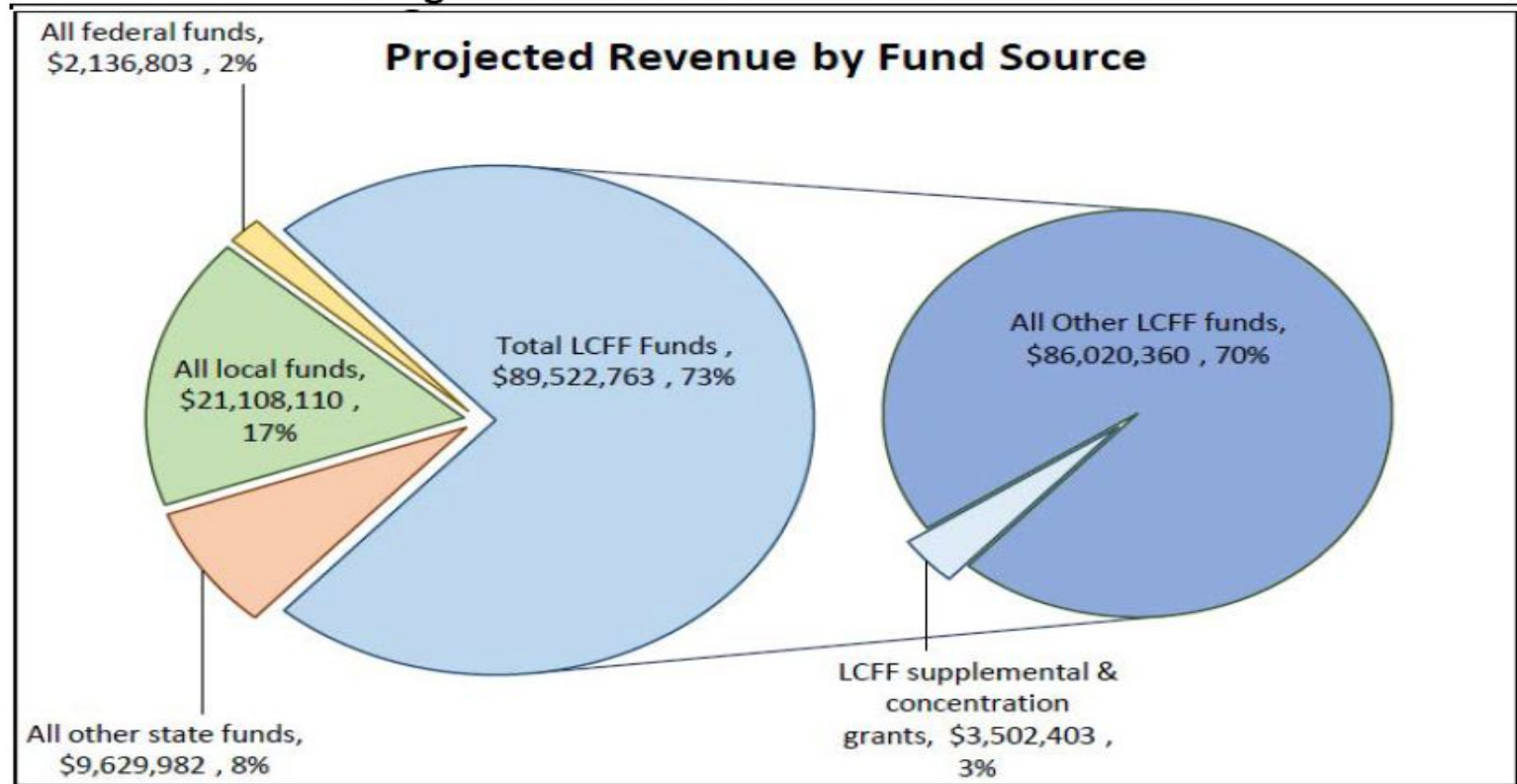


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# Public Hearing LCFF Budget Overview for Parents

School districts receive funding from different sources: state funds under the Local Control Funding Formula (LCFF), other state funds, local funds, and federal funds. LCFF funds include a base level of funding for all LEAs and extra funding - called "supplemental and concentration" grants - to LEAs based on the enrollment of high needs students (foster youth, English learners, and low-income students).

### Budget Overview for the 2025-26 School Year



This chart shows the total general purpose revenue Mountain View Whisman School District expects to receive in the coming year from all sources.

The text description for the above chart is as follows: The total revenue projected for Mountain View Whisman School District is \$122,397,658, of which \$89,522,763 is Local Control Funding Formula (LCFF), \$9,629,982 is other state funds, \$21,108,110 is local funds, and \$2,136,803 is federal funds. Of the \$89,522,763 in LCFF Funds, \$3,502,403 is generated based on the enrollment of high needs students (foster youth, English learner, and low-income students).



# LCFF Budget Overview for Parents

The LCFF gives school districts more flexibility in deciding how to use state funds. In exchange, school districts must work with parents, educators, students, and the community to develop a Local Control and Accountability Plan (LCAP) that shows how they will use these funds to serve students.

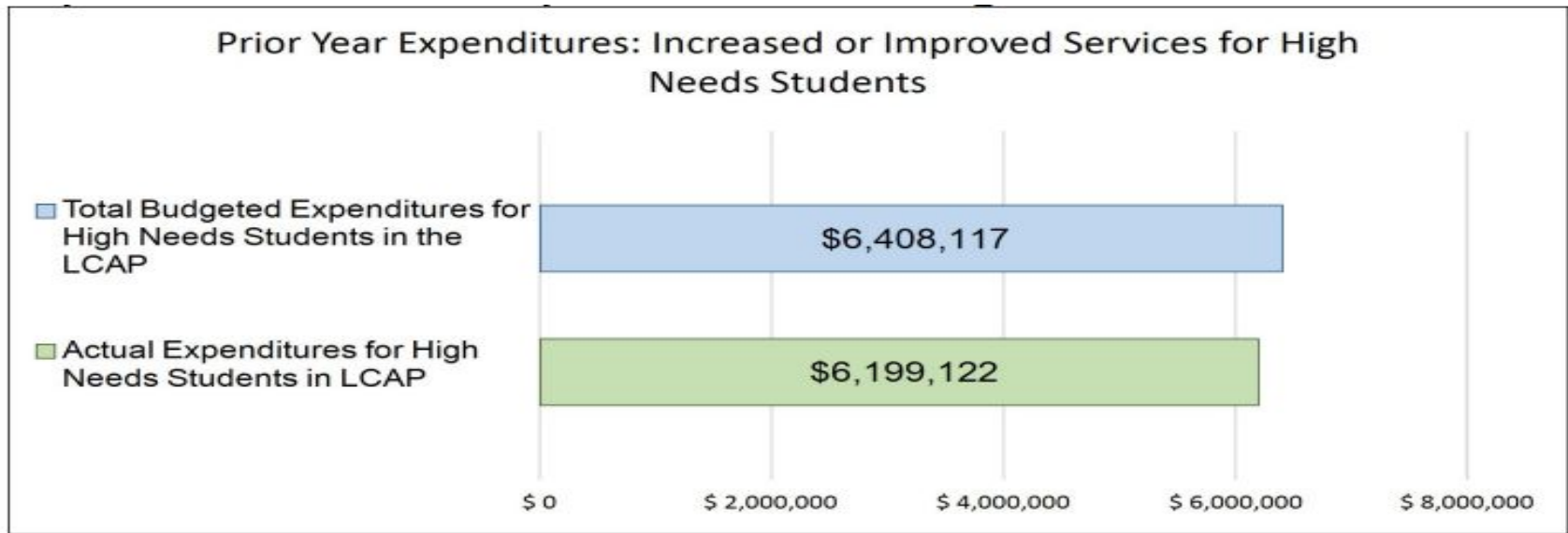


This chart provides a quick summary of how much Mountain View Whisman School District plans to spend for 2025-26. It shows how much of the total is tied to planned actions and services in the LCAP.

The text description of the above chart is as follows: Mountain View Whisman School District plans to spend \$130,018,493 for the 2025-26 school year. Of that amount, \$14,499,841 is tied to actions/services in the LCAP and \$115,518,652 is not included in the LCAP. The budgeted expenditures that are not included in the LCAP will be used for the following:

The most significant general fund expenditures not included in the LCAP are primarily related to the salaries of administrators, certificated staff, classified staff, and support staff and expenditures that are not funded through supplemental dollars and not specific to the goals, actions, and services in the LCAP. Additionally, these may include expenditures such as school facilities and maintenance that involve staffing, equipment, repair, and contracts. Other general fund expenditures are related to school programs, general overhead (gas, water, electricity), and other operational cost of the District.

# Update on Increased or Improved Services for High Needs Students in 2024-25



This chart compares what Mountain View Whisman School District budgeted last year in the LCAP for actions and services that contribute to increasing or improving services for high needs students with what Mountain View Whisman School District estimates it has spent on actions and services that contribute to increasing or improving services for high needs students in the current year.

The text description of the above chart is as follows: In 2024-25, Mountain View Whisman School District's LCAP budgeted \$6,408,117 for planned actions to increase or improve services for high needs students. Mountain View Whisman School District actually spent \$6,199,122 for actions to increase or improve services for high needs students in 2024-25.

The difference between the budgeted and actual expenditures of \$208,995 had the following impact on Mountain View Whisman School District's ability to increase or improve services for high needs students:

The difference between budgeted and actual for year 2024-25 was due to a combination of unfilled vacancies, late hires, reassignment of the Equity director, and the site's inability to spend their allocation resulted in lower expenditures than projected. However, these had minimal impact on the District's ability to provide or improve services to unduplicated students and other supports were in place including Response to Instruction, Early Literacy instruction, MTSS, coaching for teachers, and integrated and designated ELD. Additionally, even though the Director of Equity was reassigned, she was still able to conduct equity work across the District.