



Mountain View
Whisman
School District

2017-2018 Unaudited Actual Report

6 September 2018





Mountain View
Whisman
School District

Strategic Plan 2021

Strategic Plan 2021

Goal 5: Resource Stewardship

Desired Outcome: The District will maintain a 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.



Mountain View
Whisman
School District

2017-2018 Unaudited Actual Report

2017-2018 Unaudited Actual Report

Fund 01 General Fund: Highlights of Changes

- Staff salary increases equating to 6.7%, at approximately \$3.04M
- The first year of Measure B Parcel Tax, with approximately \$2.8M in revenue
- One-time State discretionary funding, \$728,000
- Transfer of excess lease revenue from Fund 40 to Fund 01, \$1,444,219
- Shoreline revenues exceeded budget by \$1.14M
- Contributions to Fund 12 Preschool of \$366,189 and to Fund 13 Food Service of \$268,716

2017-2018 Unaudited Actual Report

Fund 01 General Fund: Highlights of Changes

- Error in calculations for 2018-2019 budget adoption (overstating revenues for 2018-2021 by \$6M) led to a spring 2018 reduction in planned 2017-2018 expenditures in preparation for 2018-2019 budget adoption, and approximately \$1.2M in unspent budgeted amounts.
- Received Prop 39 funding, \$1.02M. The transfer to Fund 21 to reimburse lighting upgrades did not occur as planned. The actual expense to reimburse in Fund 21 did not occur.
- Both items contributed to the \$1.9M surplus to end 2017-2018.

2017-2018 Unaudited Actual Report

Fund 01 General Fund: Unrestricted/Restricted

	Unrestricted Programs	Restricted Programs	Combined
Estimated Beginning Balance, July 1, 2017	\$22,244,008	\$2,885,397	\$25,129,405
Total Revenues	\$43,356,865	\$30,845,157	\$74,202,022
Total Expenditures	\$41,030,493	\$31,270,874	\$72,301,367
Net Increase/(Decrease)	\$2,326,372	(\$425,717)	\$1,900,656
Ending Balance, June 30, 2018	\$24,570,380	\$2,459,680	\$27,030,060

Reserve Level **34.0%**

(Unrestricted Ending Balance divided by Total Combined Expenditures)



Mountain View
Whisman
School District

Using 2017-2018 Ending Numbers to Reset 2018-2019 Adopted Budget

2017-2018 Unaudited Actual Report

Fund 01 General Fund: Multi-Year Projection

	2017-2018 Unaudited Actual	Adopted 2018-2019 (Year 1)	2019-2020 (Year 2)	2020-2021 (Year 3)
Beginning Balance, July 1	\$25,129,405	\$27,030,060	\$27,398,831	\$26,770,705
Total Revenues	\$74,202,022	\$74,863,972	\$76,506,465	\$78,715,307
Total Expenditures	\$72,301,367	\$74,495,201	\$77,134,591	\$79,139,218
Net Increase/(Decrease)	\$1,900,655	\$368,771	(\$628,126)	(\$423,911)
Ending Balance, June 30	\$27,030,060	\$27,398,831	\$26,770,705	\$26,346,794

Reserve Level

34.0%

34.2%

32.9%

31.8%



Mountain View
Whisman
School District

Updates/Changes for 2018-2019 Heading Toward First Interim in December

Updates/Changes After 2018-2019 Budget Adoption in June

- The assessed valuation growth for 2018-2019 is 4.26%. The adopted budget amount was 7%; loss of anticipated revenue is approximately \$1.5M
- One-time State discretionary funding decreased from \$344 per student to \$184, a reduction of approximately \$790,000
- Added enrollment and middle school 8-period day schedule implementation required 2.4 full time equivalent (FTE) staff at middle school at approximately \$276,000
- Staffing changes from June adoption total approximately \$653,000
 - Removal of accountant position
 - Decrease in roving instructional assistant positions
 - Removal of two clerical positions at district office
- MVEA Tentative Agreement and Management/Unrepresented compensation increases for 2018-2019
 - 5% on salary
 - \$2000 per advanced degree pertaining to work (Bachelors, Masters, Doctorate) and National Board Certified Teacher (up to two degrees)

MYP With Summer Changes and Compensation Increases Included

	2017-2018 Unaudited Actual	Adopted 2018-2019 (Year 1)	2019-2020 (Year 2)	2020-2021 (Year 3)
Beginning Balance, July 1	\$25,129,405	\$27,030,060	\$22,727,703	\$18,370,362
Total Revenues	\$74,202,022	\$72,454,664	\$75,179,306	\$77,348,351
Total Expenditures	\$72,301,368	\$76,757,021	\$79,536,647	\$81,582,316
Net Increase/(Decrease)	\$1,900,654	(\$4,302,357)	(\$4,357,341)	(\$4,233,965)
Ending Balance, June 30	\$27,030,060	\$22,727,703	\$18,370,362	\$14,136,397

Reserve Level

34.0%

28.6%

22.8%

17.3%



Mountain View
Whisman
School District

Considerations for the Future

Considerations for the Future

- The error in the first calculations for 2018-2019 was avoidable.
 - Steps should be taken to ensure Fiscal staff is working with accurate numbers throughout the budget year planning, including designating time for staff to review numbers and sources/bases for those numbers regularly.
- The assessed valuation growth for 2018-2019 at 4.26% had an impact.
 - Fiscal staff will monitor the continued growth over the year and keep in contact with the County Assessor's office for any possible corrections at year-end.
- The updated MYP reflects 17.3% unrestricted reserve in Year 3, with +\$4M operational deficit each year.
 - Fiscal staff, working with other departments and sites, will work this year to review and analyze strategies to reduce the operational deficit.



Mountain View
Whisman
School District

Next Steps

Next Steps

- 2017-2018 Audit in October, with Board presentation in December or January 2019
- 2018-2019 First Interim Budget Report at December Board meeting