

2016-2017 Budget Adoption for Public Hearing and Review



Presented by Dr. Robert Clark
Associate Superintendent/Chief Business Officer
2 June 2016

2016-2017 Budget Adoption

Fund 01: General Fund Beginning and Ending Balances

	Unrestricted Programs	Restricted Programs	Combined
Beginning balance, July 1, 2016	\$18,789,898	\$2,927,245	\$21,717,143
Total Revenues	\$36,680,162	\$25,897,430	\$62,577,592
Total Expenditures	\$38,700,324	\$26,340,625	\$65,040,949
Net Increase/(Decrease)	(\$2,020,162)	(\$443,195)	(\$2,463,357)
Ending Balance, Jun 30, 2017	\$16,769,736	\$2,484,050	\$19,253,786

2016-2017 Budget Adoption

Expenditures by Major Object Code

Object Code	Category	2016-2017 Budget Adoption	Percentage Of Total
1000	Certificated Salaries	25,690,440	39.5%
2000	Classified Salaries	10,291,114	15.8%
3000	Employee Benefits	14,269,929	21.9%
4000	Books and Supplies	4,142,427	6.4%
5000	Services and Other Operating Expenditures	9,437,309	14.5%
6000	Capital Outlay	623,163	1.0%
7000	Other Outgoing/Transfers/Direct & Indirect Costs	586,567	0.9%
		\$ 65,040,949	100%

2016-2017 Budget Adoption

Multi-Year Projection*

	2016-2017	2017-2018	2018-2019
Beginning balance, July 1	\$21,717,143	\$19,253,786	\$16,156,955
Total Revenues	\$62,577,592	\$61,656,752	\$61,183,664
Total Expenditures	\$65,040,949	\$64,753,583	\$65,837,433
Net Increase/(Decrease)	(\$2,463,357)	(\$3,096,831)	(\$4,653,769)
Ending Balance, June 30	\$19,253,786	\$16,156,955	\$11,503,186
Reserve Level-Projected	25.8%	23.5%	17.5%

*MYP Revenues reflect assumption of 8% property tax growth in 2016-2017, 7% growth in 2017-2018, and 5% growth in 2018-2019.

2016-2017 Budget Adoption

Assumptions

- Board-approved at April 21st board meeting
- Revised assumptions approved at May 19th board meeting
- Property tax growth – increased at May 19th board meeting
 - Impact....approximately \$3.4 million in revenue over three years

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MVWSD Budget Assumptions

Item/Topic	April 21 BOT			May 19 BOT		
	2016-2017	2017-2018	2018-2019	2016-2017	2017-2018	2018-2019
Enrollment ADA	5084 4881	5084 4881	5084 4881	5114 4909	5175 4968	5175 4968
Assessed Valuation Growth	5%	4%	3%	8%	7%	5%
Benefits Increase	10%	10%	10%	5%	5%	5%
PERS STRS	13.05% 12.58%	16.6% 14.43%	18.26% 16.28%	13.89% 12.58%	15.50% 14.43%	17.10% 16.28%

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MVWSD Budget Assumptions

Item/Topic	April 21 BOT			May 19 BOT		
	2016-2017	2017-2018	2018-2019	2016-2017	2017-2018	2018-2019
Comm. Engagement Facilitator	\$720,000	\$720,000	\$720,000	\$450,000	\$450,000	\$450,000
Strategic Plan Initiatives	\$250,000	\$250,000	\$250,000	\$450,000	\$350,000	\$250,000
2016-2017 MVEA Negotiations	0	0	0	\$1,320,000	\$900,000	\$920,000

2016-2017 Budget Adoption MVWSD Budget Assumptions

Item/Topic	April 21 BOT			May 19 BOT		
	2016-2017	2017-2018	2018-2019	2016-2017	2017-2018	2018-2019
Projected Reserve Level	25.4%	19.2%	9.7%	25.2%	17.04%	6.3%
Updated reserve level following the increase in Assessed Valuation at the May 19th board meeting.						
Projected Reserve Level – Revised June 2 Board Meeting				25.8%	23.5%	17.5%

School Services of California and the Government Finance Officers Association recommend a minimum of 17% (two months operating costs) in reserves.

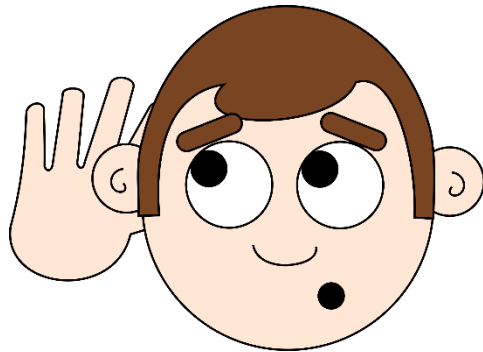
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Considerations for Future Impacts

- State recession/economic downturn predicted
- **Measure C Parcel Tax** expires June 2017
 - \$2.8m loss of revenue for 2017-2018
 - Approx. \$1.5m of Parcel Tax expenditures on core programs (custodians, site secretaries, teachers)
- 2016-2017 MVEA **Negotiations**, and 2016-2017 with both CSEA and Management
- **Google leases** at Slater and Theuerkauf expire June 2018 – loss of \$1.95 million
- **Prop 30 taxes** expire June 2018 – EPA funding for MVW approximately \$1 million

2016-2017 Budget Adoption: Next Steps

- Review proposed budget and conduct public hearing
- Board adopts 2016-2017 budget at the June 16 board meeting



Questions/Comments...

