Strategic Plan 2027

Goal Area 5 Equitable Distribution of Resources that Support Student Success

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.
Unrestricted and Restricted Categories

• Unrestricted Revenues/Expenditures
  – Discretionary funding used for general operations, all ongoing expenses, and shortfalls in other funds such as Special Education and Transportation (LCFF Sources/Community-Funded, Lease Revenue, Lottery).

• Restricted Revenues/Expenditures
  – Non-discretionary revenue used for specific expenditures for which the funding is intended (Special Education, Title I, II, III, ASES)

• Reserves
  – The “unrestricted ending balance” of Fund 01 used to fund “economic uncertainty” and one-time expenses.
2023-2024
First Interim Budget Report
Introduction

- Reflects actual data (revenue & expenses) through Oct. 31
- First formal update of current year projections since Adopted Budget
- Action item – presented for review and approval
- Will be back in March for second interim
January
Governor proposed State budget

June
MVWSD Board adopts the 2024-2025 budget

March
MVWSD presents 2nd Interim and continues to work on 2024-2025 budget

May
Mid May Governor presents the revised budget. Late May MVWSD presents draft budget for input at a public hearing

Spring
Governor and State Legislators work on trailer bills and negotiate the specifics of the budget. MVWSD works on budget assumptions that will be used in development of the budget.

December
MVWSD presents 1st Interim
First Interim Information

• During first interim reserves are always high because funds that were not fully utilized at the end of 2022-23 are rolled forward.
• Between now and second interim the funds that were rolled will be assigned to programs and schools for use.
Child Nutrition is **cost neutral** to the District in the current year but will have a contribution in the years out of $498,696 in 2024-25 and $1,054,424 in 2025-2026

- Secured property tax projection rate from 3% to 6%, net increase $2.6M
- 4% Off schedule bonus for all employees $2.5M
- Carryover not included at budget adoption $1.5M
- Textbook adoption in years 2024-25 $2.3M ELA and 2025-26 $3M math and TK
How do COVID Funds Impact our Budget?

- Every year, until our COVID one-time funds are exhausted, we will see changes in our restricted funding.
- We have a multi-year plan to spend our COVID funds for students.
- Because of this, each year at first interim we will recognize carryover - this results in swings/changes that are planned and anticipated to restricted funds.
### 2023-2024 First Interim Budget Report
#### Fund 01 General Fund: Unrestricted/Restricted

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted Programs</th>
<th>Restricted Programs</th>
<th>Combined</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning Balance, July 1, 2023</strong></td>
<td>$40,264,916</td>
<td>$10,594,491</td>
<td>$50,859,408</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>$65,194,669</td>
<td>$46,619,277</td>
<td>$111,813,946</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>$67,663,087</td>
<td>$50,492,902</td>
<td>$118,155,989</td>
</tr>
<tr>
<td><strong>Net Increase/(Decrease)</strong></td>
<td>$(2,468,418)</td>
<td>$(3,873,624)</td>
<td>$(6,342,042)</td>
</tr>
<tr>
<td><strong>Ending Balance, June 30, 2024</strong></td>
<td>$37,796,498</td>
<td>$6,720,867</td>
<td>$44,517,365</td>
</tr>
</tbody>
</table>

**Reserve Level**

31.99%

(Unrestricted Ending Balance divided by Total Combined Expenditures)
## 2023-2024 First Interim Report
### Fund 01 General Fund: Multi-Year Projection

<table>
<thead>
<tr>
<th></th>
<th>Adopted 2023-2024</th>
<th>First Interim 2023-2024 (Year 1)</th>
<th>2024-2025 (Year 2)</th>
<th>2025-2026 (Year 3)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning Balance, July 1</strong></td>
<td>$45,604,275</td>
<td>$50,859,408</td>
<td>$44,517,365</td>
<td>$35,420,817</td>
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<tr>
<td><strong>Total Revenues</strong></td>
<td>$107,041,918</td>
<td>$111,813,946</td>
<td>$110,417,822</td>
<td>$109,790,636</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>$111,656,307</td>
<td>$118,155,989</td>
<td>$119,514,371</td>
<td>$122,191,639</td>
</tr>
<tr>
<td><strong>Net Increase/(Decrease)</strong></td>
<td>($4,614,390)</td>
<td>($6,342,043)</td>
<td>($9,096,548)</td>
<td>($12,401,003)</td>
</tr>
<tr>
<td><strong>Reserve Level</strong></td>
<td>29.02%</td>
<td>31.99%</td>
<td>26.18%</td>
<td>16.61%</td>
</tr>
</tbody>
</table>
Next Steps
Next Steps

• 2022-2023 Audit presentation in January
• 2023-2024 Second Interim Budget Report at March Board meeting.
• 2024-2025 Budget Development process to start in March after the Governor’s January budget release.
• Continue to monitor growth in the City