2020-2021
Second Interim
Budget Report

March 4, 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.
2020-2021
Second Interim Report
Budget Process

• The District is required twice during the year to certify the revenues and expenditures of the current year.
  – The First Interim Report reflects activities for July 1 – October 31 and is adopted by December 15.
Mountain View Whisman School District

Budget Adoption Process

December
MVWSD presents 1st Interim

January
Governor proposed State budget

March
MVWSD presents 2nd Interim and continues to work on 2021-2022 budget

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.

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

June
MVWSD Board adopts the 2021-2022 budget
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.
General Fund
2020-2021 Second Interim Budget Report
Fund 01 General Fund: Highlights of Changes

- Additional $1,045,550 ESSER II to be received current year.
- Additional $115,000 for Child Nutrition from the State - 0.75/meal
- Decreased contribution to Child Nutrition
- Secure Property tax $188,000
- Unsecured Property Tax $308,000
- Shoreline Bonus $1,613,098
- Substitutes budget for long term rate($119,540)
- Vacation liability due to low usage by staff ($201,795)
## 2020-2021 Second 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>Estimated</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beginning Balance, July 1, 2020</td>
<td>$22,979,279</td>
<td>$1,259,828</td>
<td>$24,239,107</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>$55,034,426</td>
<td>$37,986,009</td>
<td>$93,020,435</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>$53,181,875</td>
<td>$37,721,502</td>
<td>$90,903,378</td>
</tr>
<tr>
<td><strong>Net Increase/(Decrease)</strong></td>
<td>$1,852,551</td>
<td>$264,507</td>
<td>$2,117,058</td>
</tr>
<tr>
<td><strong>Ending Balance, June 30, 2021</strong></td>
<td>$24,831,830</td>
<td>$1,524,335</td>
<td>$26,353,165</td>
</tr>
</tbody>
</table>

**Reserve Level**

26%

(Unrestricted Ending Balance divided by Total Combined Expenditures)
Impact of COVID

- We now anticipate receive ESSER II funds of $1,045,550 to be received in the 20-21 year.
- Including ESSER II funds, we have received 3.8 million to help mitigate the impacts of COVID.
- Reduction of overtime costs as well as transportation.
- Additional expenses include PPE, technology, POD learning, and increased contributions towards food services and per-school due to a lack of income.
### 2020-2021 Second Interim MYP Fund 01 General Fund:

<table>
<thead>
<tr>
<th></th>
<th>2020-2021 (Year 1)</th>
<th>2021-2022 (Year 2)</th>
<th>2022-2023 (Year 3)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning Balance, July 1</strong></td>
<td>$24,239,107</td>
<td>$26,356,165</td>
<td>$24,918,805</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>$93,020,435</td>
<td>$86,390,937</td>
<td>$86,424,748</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>$90,903,378</td>
<td>$87,828,297</td>
<td>$90,123,053</td>
</tr>
<tr>
<td><strong>Net Increase/(Decrease)</strong></td>
<td>$2,117,058</td>
<td>($1,437,360)</td>
<td>($3,698,305)</td>
</tr>
<tr>
<td><strong>Ending Balance, June 30</strong></td>
<td>$26,356,165</td>
<td>$24,918,805</td>
<td>$21,220,500</td>
</tr>
<tr>
<td><strong>Reserve Level</strong></td>
<td>26.00%</td>
<td>25.27%</td>
<td>20.52%</td>
</tr>
</tbody>
</table>
Key Assumptions for MYP

- Zero percent AV growth for 21-22 and 22-23
- 5% each year based on School Services of California.
- Based on School Services the MYP uses STRS 15.92% year 2, 18% year 3 and PERS 23% year 2 & 26.30% year 3
  - STRS and PERS are $8,336,907 and $2,407,587 for 20-21
- 2% for yearly step and column, not raises.
- In year 2 continuing to fund OPEB
Uncertainties in the MYP

- AV growth is unknown
- Increase to health benefits could change greatly based on the impact of COVID.
- Bonus funds from Shoreline this year were $1,613,098. These are one time funds and cannot be counted on.
- Food service cost has been fluctuating due to the cost of food and number of meals served.
Other Funds
## Summary of Other Funds

<table>
<thead>
<tr>
<th>Fund Title</th>
<th>Beginning Balance</th>
<th>Contribution From General Fund</th>
<th>Total Revenue with Contribution</th>
<th>Expenditures</th>
<th>Projected Ending Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>12 Preschool</td>
<td>$33,328</td>
<td>$(672,516)</td>
<td>$1,391,250</td>
<td>$2,097,094</td>
<td>$0</td>
</tr>
<tr>
<td>13 Food Service</td>
<td>$249,752</td>
<td>$(791,630)</td>
<td>$1,584,545</td>
<td>$2,376,175</td>
<td>$249,752</td>
</tr>
<tr>
<td>20 Postemployment Benefits</td>
<td>$5,359,952</td>
<td>$(1,400,000)</td>
<td>$60,000</td>
<td>$0</td>
<td>$6,819,952</td>
</tr>
<tr>
<td>21 Capital Projects</td>
<td>$47,532,730</td>
<td>$0</td>
<td>$570,602</td>
<td>$221,930,977</td>
<td>$172,355</td>
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<tr>
<td>25 Developer Fees</td>
<td>$690,417</td>
<td>$0</td>
<td>$2,715,000</td>
<td>$0</td>
<td>$3,405,417</td>
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<tr>
<td>40 Special Reserve for Capital Projects</td>
<td>$3,570,473</td>
<td>$250,000</td>
<td>$10,000</td>
<td>$3,164,643</td>
<td>$665,830</td>
</tr>
</tbody>
</table>
Considerations for the Future
Considerations For The Future

- AV growth rate is unknown for the next few years.
- Average sale of a home is $1,752,500 and median AV is $864,40 in Mountain View
- Long term future we are looking at growth of students within the District. As a basic aid district this means we have less to spend on each student.
Next Steps
Next Steps

• Board questions and discussion
• Staff recommends approval of the 2020-2021 Second Interim Budget Report as presented
• 2021-22 Budget and LCAP Development - Spring
• 2021-22 Budget and LCAP Hearing on June 3
• 2021-22 Budget Adoption on June 17