

Metropolitan Education District 2015-16 Proposed Budget

Preparing students for college and careers



2015–16 State Budget



- Provides \$6.2 billion for LCFF and \$3.5 billion in one-time funds, estimated at \$601 per ADA for school districts.
- No solution for ongoing, permanent funding for ROP's and CTE.
- \$900 million set aside for 3 years of Career Technical Education matching grants.
 - Trailer bill language favors applicants who do not have CTE programs, have low ADA, serve low income, English learners, foster youths, high dropout rate, and areas with high unemployment rates.
- Maintains ongoing \$500 million in Adult Education Block Grant.
 - First year to equal 2014–15 maintenance of effort funding levels.

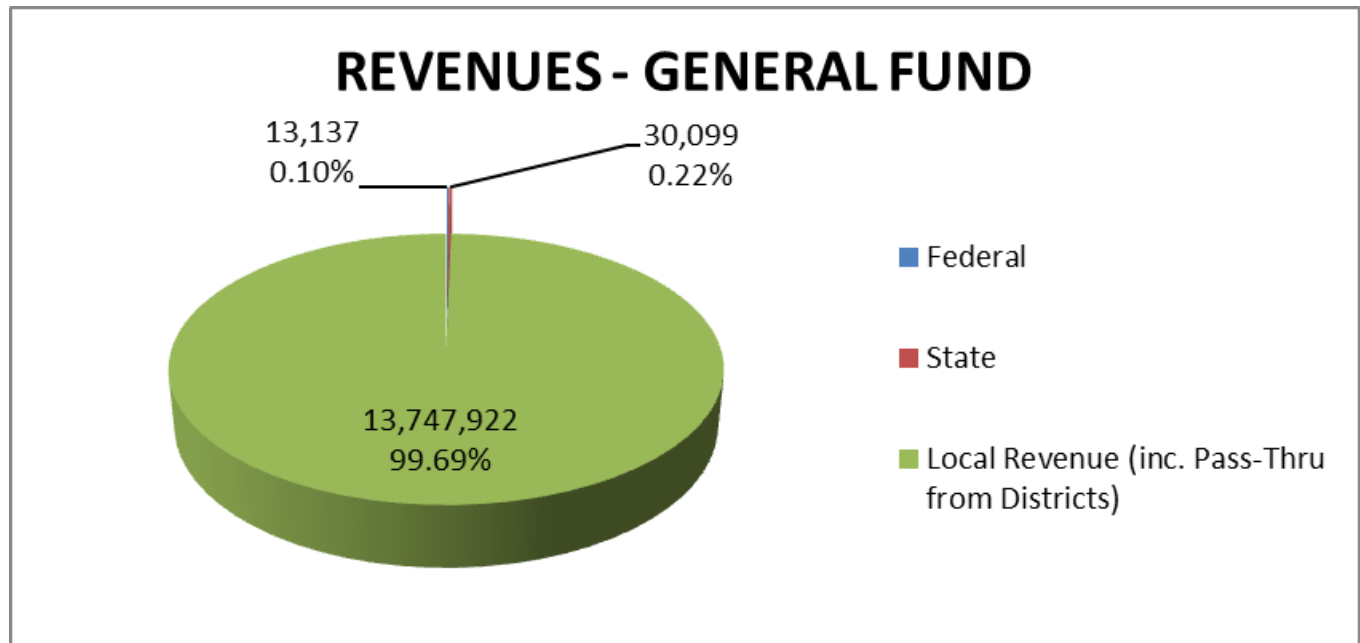
CALIFORNIA CAREER PATHWAYS TRUST (CCPT) GRANT

- ▶ \$6 million awarded to MetroED consortium.
- ▶ New programs: Cyber Security, Mobile App Design and Computer Coding, Cisco Academy, Robotics and Drone Programming, Sports Medicine, Pharmacy Tech, X-ray Technician and Radiology.
- ▶ Expand Firefighter/First Responder, Law Enforcement and Legal Careers programs.
- ▶ Not included in the proposed budget but will be part of the 45-day budget revision.

GENERAL FUND 01

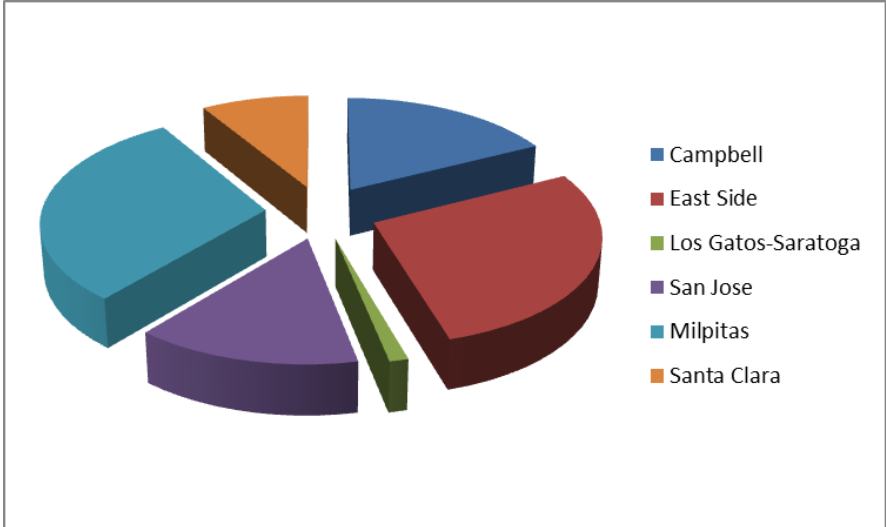


- ▶ Total Revenues \$13,791,158
- ▶ No Cost of Living Adjustment (0%)
- ▶ 99.7% of total revenues comes from local revenue which includes district transfers



REVENUE TRANSFERS BY DISTRICT

District	ROP Funding	% Share
Milpitas	3,741,596	30%
East Side	3,466,129	28%
Campbell	2,170,879	18%
San Jose	1,770,990	14%
Santa Clara	1,080,423	9%
Los Gatos-Saratoga	150,000	1%
Total	12,380,017	100%



GENERAL FUND EXPENDITURES



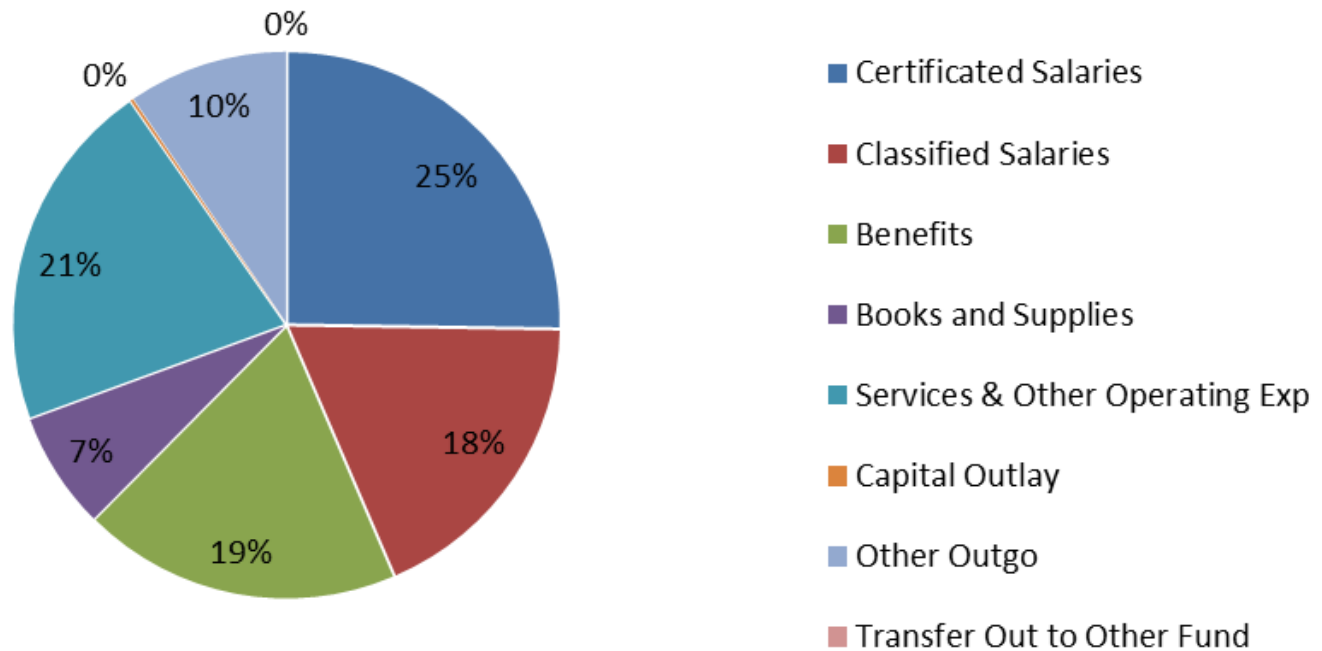
- Total Expenditures \$14,005,879 (2.4% decrease).
- Salaries and benefits include 1% step & column increase, no COLA, and 5% increase in health benefits.
- STRS rate 10.73%, PERS rate 11.847%.
- Total salaries and benefits is 62% of total expenditures.
- 5% reduction in materials, supplies, equipment, services and other operating expenditures.
- No transfer to Deferred Maintenance Fund, a savings of \$250 thousand.

<u>Expenditures</u>	2014-15	2015-16	Difference	% Change
Certificated Salaries	3,499,873	3,534,947	35,074	1.0%
Classified Salaries	2,538,561	2,564,150	25,389	1.0%
Benefits	2,513,124	2,645,837	132,713	5.3%
Books and Supplies	1,012,504	975,794	(36,710)	-3.6%
Services/Operating Exp	3,167,714	2,928,636	(239,078)	-7.5%
Capital Outlay	40,127	23,000	(17,127)	-42.7%
Transfer Out to Other Funds	250,000	0	(250,000)	-100.0%
Total Expenditures	14,355,618	14,005,879	(349,739)	-2.4%

EXPENDITURES



General Fund Expenditures



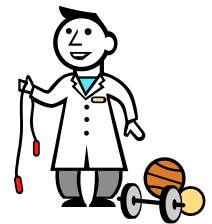
SVCTE PROGRAMS 2015-16



- ▶ Animation
- ▶ Auto Body Refinishing
- ▶ Auto Body Repair
- ▶ Automotive Services
- ▶ Baking and Catering
- ▶ Business Entrepreneurship
- ▶ Construction Technology
- ▶ Culinary Arts
- ▶ Dental Assisting
- ▶ Electrical Maintenance
- ▶ Fashion Design & Textile Art
- ▶ Film & Video Production
- ▶ Fire Science/First Responder
- ▶ Forensic Sciences
- ▶ Heating, Ventilation, and Air Conditioning (HVAC)



- ▶ Internet Engineering
- ▶ Law Enforcement
- ▶ Legal Careers
- ▶ Medical Assisting
- ▶ Medical Office Careers
- ▶ Medical Science/Health Careers
- ▶ Metals Technology
- ▶ Mobile App Design & Computer Coding
- ▶ Office Careers- Public Services
- ▶ Pharmacy Technology
- ▶ Precision Machining
- ▶ Sports Medicine and Kinesiology
- ▶ Truck Mechanics
- ▶ Veterinary Assisting



MULTI-YEAR PROJECTIONS

GENERAL FUND 01



<u>Multi-Year Projections</u>			% Change between 15-16 & 16-17		% Change between 16-17 & 17-18
<u>General Fund</u>	2015-16	2016-17		2017-18	
Revenues	13,791,158	13,791,158	0%	13,791,158	0%
Expenditures	14,005,879	14,164,076	1.13%	14,349,051	1.31%
Surplus/(Deficit)	(214,721)	(372,918)		(557,893)	
<u>Reserves:</u>					
Beginning Fund Balance	5,488,186	5,273,465		4,900,547	
Surplus/(Deficit)	(214,721)	(372,918)		(557,893)	
Ending Fund Balance	5,273,465	4,900,547		4,342,654	
<u>Components of Ending Fund Balance</u>					
5% Board Designated Reserve for Cashflow	700,294	708,204		717,453	
Other Designations	3,049,135	2,774,103		2,190,296	
Reserves for Economic Uncertainties	1,524,036	1,418,240		1,434,905	
% of Expenditures	11%	10%		10%	
Total Fund Balance/Reserves	5,273,465	4,900,547		4,342,654	

Assumptions in future years: 1% Step & Column increase, No COLA, STRS and PERS rate increase, 5% Health Benefits increase

ADULT ED FUND 11

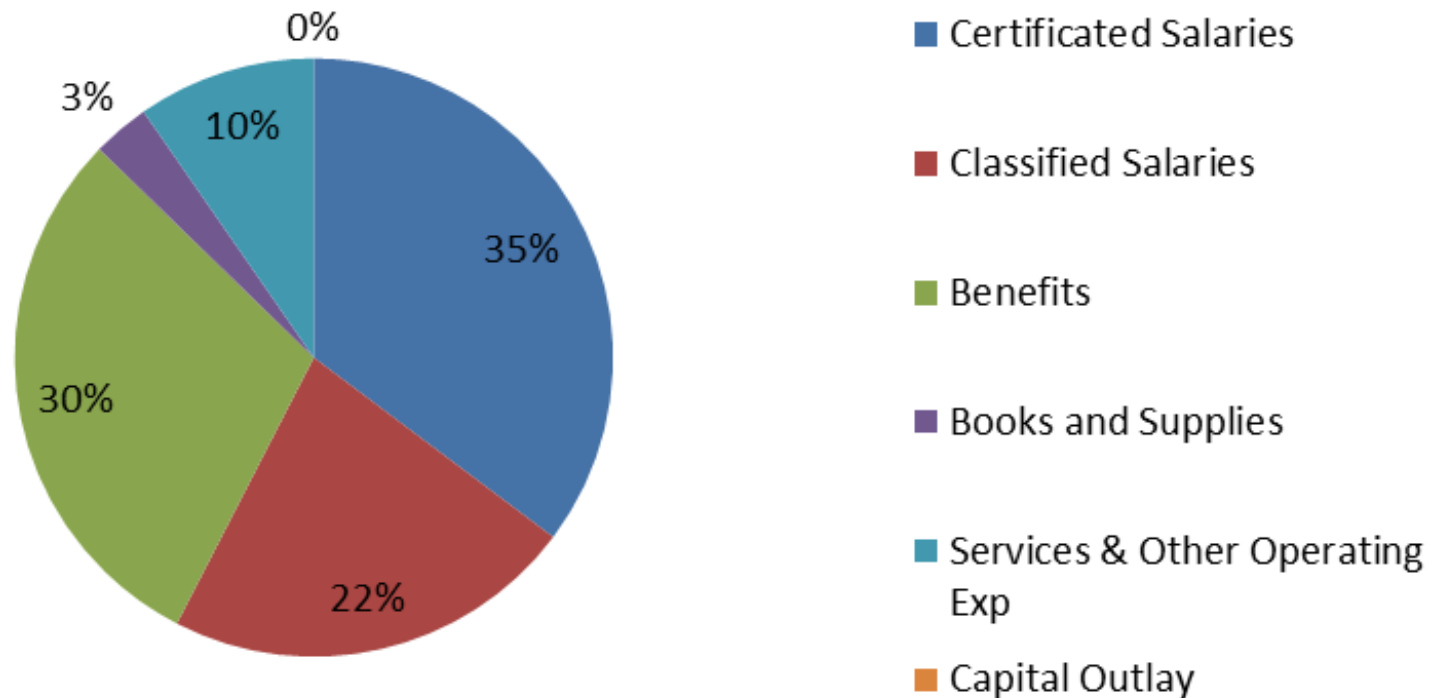


- ▶ Total Revenues \$3,789,440
- ▶ Total Expenditures \$3,863,827 (8% decrease)
- ▶ Salaries & Benefits = 87% of expenditures
- ▶ Deficit \$74,387

	2014-15		2015-16		
	Est.	Actuals	Budget	Change	%
Revenues					
Federal		488,833	487,835	(998)	-0.2%
Local Revenue		3,312,672	3,301,605	(11,067)	-0.3%
Total		3,801,505	3,789,440	(12,065)	-0.3%
Expenditures					
Certificated Salaries		1,519,283	1,361,744	(157,539)	-10.4%
Classified Salaries		942,437	862,581	(79,856)	-8.5%
Benefits		1,187,873	1,147,776	(40,097)	-3.4%
Books and Supplies		141,497	119,168	(22,329)	-15.8%
Services & Other Operating Exp		409,843	372,558	(37,285)	-9.1%
Capital Outlay		210	0	(210)	-100.0%
Total Expenditures		4,201,143	3,863,827	(337,316)	-8.0%
Balance		(399,638)	(74,387)	325,251	7.7%

ADULT ED EXPENDITURES

Adult Education



ADULT EDUCATION PROGRAMS 2015-16

- ▶ ACADEMIC COURSES:
- ▶ ESL- Literacy/Beginning Intermediate/Low Intermediate/High, Advanced
- ▶ Adult Basic Education (ABE)
- ▶ High School Diploma
- ▶ High School Equivalency (GED/HiSET Prep)



- ▶ CAREER TECHNICAL EDUCATION CLASSES (FEE BASED):
- ▶ Medical Assisting
- ▶ Air Conditioning/Heating
- ▶ Medical Terminology
- ▶ Medical Back Office
- ▶ Building Maintenance, Carpentry, Plumbing, Electrical
- ▶ Auto Body Repair & Refinishing
- ▶ Wiring Methods
- ▶ Welding
- ▶ Title 24 & NEC
- ▶ MS Office Applications
- ▶ STEP Program: Job Readiness



MULTI-YEAR PROJECTIONS

ADULT ED FUND 11



Adult Education Multi-Year Projections

	2014-15	% Change	2015-16	% Change	2016-17	% Change	2017-18
Revenues	3,801,505	-0.32%	3,789,440	0.00%	3,789,440	0.00%	3,789,440
Expenditures	4,201,143	-8.03%	3,863,827	2.31%	3,953,147	2.53%	4,053,083
Surplus/(Deficit)	(399,638)		(74,387)		(163,707)		(263,643)
Beginning Fund Balance	1,290,806		891,168		816,781		653,074
Plus/Minus Surplus/(Deficit)	(399,638)		(74,387)		(163,707)		(263,643)
Ending Fund Balance	891,168		816,781		653,074		389,431
Components of Ending Fund Balance							
5% Board Designated Reserve for Cashflow	210,057		193,252		197,657		143,552
Restricted Funds	26,446		43,225		43,225		43,225
Reserve for Economic Uncertainties*	654,665		580,304		412,191		202,654
Total Fund Balance/Reserves	891,168		816,781		653,073		389,431
*Available Reserves by % of Expenditures	15.58%		15.02%		10.43%		5.00%

Assumptions in future years: 1% Step & Column increase, No COLA, STRS and PERS rate increase, 5% Health Benefits increase

FUNDS 14 and 17



- ▶ Fund 14 Deferred Maintenance program eliminated when LCFF was implemented.
 - Transferred \$100K–250K from General Funds in previous years.
 - No transfer in 2015–16 budget.
 - Total fund balance is \$259K. Of this amount, \$150K is budgeted for maintenance projects.
 - Future expenses will come out of General Fund once reserves are depleted.
- ▶ Fund 17 Special Reserve for Other Than Capital Outlay Projects has reserves of \$617K.

FUNDS 21, 35, AND 40

- ▶ Restricted for capital outlay facilities projects.
- ▶ Fund 35 has \$881K in reserves from Prop 1D projects to be returned to the State.
- ▶ Fund 40 used to match Prop 1D.



SACS STANDARDS AND TECHNICAL REVIEW CHECKS

- ▶ All Standards were “MET”.
- ▶ All Technical Review Checks “PASSED”.



THE BOTTOM LINE



- Seven funds totaling \$17.8 million in revenues and \$18 million in expenditures.
- Total deficit is \$188K, an improvement of \$954K from 2nd Interim.
- Multi-year Projections meet minimum reserve for economic uncertainties
- Staff recommends approval of the 2015–16 Proposed Budget.

Funds	Revenues	Expenditures	Surplus (Deficit)	Beginning Fund Balance	Ending Fund Balance
01 General Fund	13,791,158	14,005,879	(214,721)	5,488,186	5,273,465
11 Adult Education	3,789,440	3,863,827	(74,387)	891,168	816,781
14 Deferred Maintenance	2,072	150,000	(147,928)	259,767	111,839
17 Special Reserve Fund Other Than Capital Outlay	2,771	0	2,771	614,362	617,133
21 Building Fund	198,950	0	198,950	1,412,081	1,611,031
35 County School Facilities Fund	3,825	0	3,825	878,016	881,841
40 Special Reserve for Capital Outlay	42,932	0	42,932	1,388,352	1,431,284
Total All Funds	17,831,148	18,019,706	(188,558)	10,931,932	10,743,374

Questions or Comments?

