

Millbrae Elementary School District

First Interim Report for Fiscal Year 2018-2019



Board of Trustees

Frank Barbaro

Denis Fama

Lynne Ferrario

Maggie Musa

D. Don Revelo

Administration

Vahn Phayprasert, Superintendent

Richard Champion, Chief Business Official

Claire Beltrami, Assistant Superintendent – Educational Services

Anita Allardice, Director of Special Education



Our Schools

Taylor Middle School

650-697-4096
850 Taylor Blvd.
Millbrae, CA 94030

Green Hills Elementary School

650-588-6485
401 Ludeman Ln
Millbrae, CA 94030

Meadows Elementary School

650-583-7590
1101 Helen Drive
Millbrae, CA 94030

Lomita Park Elementary School

650-588-5852
200 Santa Helena Avenue
San Bruno, CA 94066

Spring Valley Elementary School

650-697-5681
817 Murchison Drive
Millbrae, CA 94030

Millbrae School District Office

650-697-5693
555 Richmond Drive
Millbrae, CA 94030
www.millbreaschooldistrict.org

Table of Contents

Our Schools	1
Fiscal Year Budget Calendar	4
Vision	5
Guiding Principles	5
Strategic Directives	6
Local Control Accountability Plan (LCAP)	7
Executive Summary	8
1st Interim FY 17-18 Key Guidance	9
Planning Factors for FY 2017-2018 & Multi-Year Projections (MYP)	10
Employer CalPERS and CalSTRS	10
Reserves	12
Enrollment vs. ADA Trends	12
Certification	13
Recommendation	13
Financial Report Information	14
Revenue Assumptions	14
1-Time Discretionary Funding	14
Parcel Tax Revenue	14
Federal Funding	15
Low-Performing Students Block Grant	15
Special Education	16
General Fund (Fund 01)	17
1st Interim Report FY 2017-2018 General Fund (Fund 01)	17
General Fund (Fund 01) Expenditures	19
Analysis of the General Fund Fund Fund Balance - MYP	23
Changes/Adjustments since Approved Budget FY 2018-19	26
Budget/MYP adoption	28

Special Revenue Funds	29
Fund 13 – Cafeteria Fund	29
Fund 19 – Foundation Special Revenue Fund	29
Fund 20 – Special Reserve Fund for Postemployment Benefits	29
Capital Project Funds	30
Fund 25 – Capital Facilities Fund	30
Fund 40 – Special Reserve Fund for Capital Outlay Projects	30
Next Steps	32
2018-2019 School District Calendar	33
2017-2018 Board of Trustees Regular Meeting Calendar	34

Fiscal Year Budget Calendar

October 2018	First Interim cut-off FY 2018/19
December 2018	Board approval First Interim FY 2018/19 Release of Auditor's Report for FY 2017/18
January 2019	Board approval of Auditor's Report for FY 2017/18 Governor's release of State budget proposal for FY 2019/20 Second Interim cut-off for FY 2018/19 Review of staffing for FY 2019/20
February 2019	Board/Staff conducts budget study based upon Governor's release
March 2019	Board approval of Second Interim for FY 2018/19
March-April 2019	Board may conduct additional budget study sessions
May 2019	Governor's release of State budget May-Revise for FY 2019/20 Board/Staff conducts additional budget study sessions
June 2019	Board adopts FY 2019/20 Budget & LCAP
July 2019	Business office staff begins Year-End Closing (FY 2018/19)
September 2019	Board approval FY unaudited actuals 2018/19
October 2019	First Interim cut-off FY 2019/20
December 2019	Board approval First Interim FY 2019/20 Release of Auditor's Report for FY 2018/19



Vision

Nurture Promote Foster Connect

Guiding Principles

- Inspire our community with opportunities to learn and thrive
- Commit to a shared purpose that guarantees each student a strong academic foundation
- Ensure equity through access and opportunity for all



Strategic Directives

Nurture Emotional Intelligence

Students will:

- ☐ Receive academic, social, emotional and personal support from peers, mentors, parents, and staff.
- ☐ Identify and express their needs through personal reflection, motivation, advocacy, and accountability.
- ☐ Build self-confidence, resilience and adaptability by taking risks and learning from success and failure.
- ☐ Learn to exercise good judgment empathy, tolerance and respect.

Promote a Passion for Learning

Students will:

- ☐ Engage in a variety of rigorous and meaningful learning experiences that spark intellectual curiosity and instill intrinsic motivation.
- ☐ Explore and nurture their inherent strengths and passions connecting them to their learning.
- ☐ Learn in an environment that promotes physical, mental, emotional, and social well-being.

Foster an Innovative Learning Environment

Students will:

- ☐ Explore learning opportunities that encourage creative discovery and promote perseverance.
- ☐ Collaborate and communicate with others to gain diverse perspectives, share ideas, and solve complex problems.
- ☐ Learn in adaptive environments that provide differentiated approaches, experience, and opportunities.
- ☐ Utilize a variety of educational resources, including technology, to creatively accomplish learning objectives and encourage self-expression.

Connect Self and Learning to the World

Students will:

- ☐ Apply given knowledge and real life experiences to deepen awareness of their impact in the classroom and community.
- ☐ Respect and understand cultures, values, traditions, and points of view that are not their own.
- ☐ Engage with others within and beyond their experiences to contribute to improve our communities.

Local Control Accountability Plan (LCAP)

The LCAP is intended to be a comprehensive planning tool. Accordingly, in developing goals, specific actions, and expenditures, the District carefully considers how to reflect the services and related expenses for their basic instructional program in relationship to the state priorities. We may reference and describe actions and expenditures in other plans and funded by a variety of other fund sources when detailing goals, actions, and expenditures related to the state and local priorities. LCAPs must be consistent with school plans submitted pursuant to Education Code section 64001.



LCAP Goal #1

All Students will receive High Quality
California State Standards (CSS) Instruction and Promotion of
College and Career Readiness
(Teaching & Learning)

LCAP Goal #2

Appropriate tiered supports promoting & sustaining academic growth, positive social-emotional development
(*Reaching ALL Learners*)

LCAP Goal #3

Increase school connectedness by providing a socially,
Physically & emotionally safe environment that is culturally responsive to all students, staff
& families
(Importance of Relationships)

Executive Summary

The Executive Summary is an overview of the financial data reported to the County of San Mateo Office of Education in the Standardized Account Code Structure (SACS) format. The following data and related exhibits are intended to assist all readers in understanding the information as reported.

The Millbrae School District financial status is comprised of three major components: (1) Fund Balance (*Ending and Beginning Balance*); (2) Revenues; and (3) Expenditures. The overall financial goal for the district is to maintain an appropriate level of reserves, maximize district revenues and expend district resources in areas achieving the highest educational value

Education Code 42300 requires California school districts to report its financial data twice a year. This report is referred to as the "Interim Report." The First Interim Report shall reflect changes to the board approved budget from July 1, 2018 through October 31, 2018.

The objectives of reports are:

- To provide a review of the District's financial condition at periodic intervals during the fiscal year.
- To provide a status report to the Board of Education and the public of the financial condition of the District.
- To determine necessary budget revisions as a result of current or projected financial information.

In addition to the Interim Reports, the District submits a Multiple Year Projection (MYP) report. These report examines the District's enrollment, spending pattern, ending fund balance, and reserve for economic uncertainties for the current fiscal year (*FY 2018/2019*) and the two (2) subsequent years (*FY 2019/2020 & FY 2020/2021*).

1st Interim FY 17-18 Key Guidance

For the majority of California's schools, funding in California is highly dependent on growth on California's taxpayers. Tax revenues from individual, corporate, and sales tax support that fund the funding formula (LCFF), along with Federal, Other State, and Local sources are projected to provide revenues of \$26,445,466 for fiscal year 2018/19 at First Interim Reporting period, up from \$1,200,373 budget adoption. This increase was primarily due to the net proceeds from Measure N and the increase in the Cost of Living Allowance (COLA) to 3.71% for the LCFF formula only. As part of our budget development, the district's staff, along with direction from the San Mateo County Office of Education and third-party sources, utilized key indicators and guidance. Listed below are the key guidance for this year and looking forward:

- A new Governor will take office in January 2019, and LEAs should remain cautious regarding priority commitments to LCFF and discretionary funding until the Governor reveals his priorities
- Since adoption of the 2018-19 budget this past June, actual General Fund revenue collections for the prior year (May-June) and current year (July-September) are above projections by \$1.541 billion and \$1.032 billion, respectively. Despite these overall increases in General Fund revenue, LEAs should NOT assume Prop. 98 will experience an upward adjustment in the 2018-19 spending guarantee because no outstanding Prop. 98 maintenance factor exists in 2018-19, and Prop. 98 is funded at Test 2 in 2018-19.
- The projected COLA for 2019-20 (2.57%) will require approximately \$1.6 billion in new, ongoing and available Prop. 98 growth for K-12 education in the budget year. Given the unique risks to Prop. 98 growth in 2019-20, LEAs should take additional caution in making any out-year expenditure commitments until the new administration's budget projections and proposals are released in January.
- STRS and PERS pension costs, employer's portion, are scheduled to increase and absorb significant percentages of the remaining LCFF funding and COLA adjustments. Districts experiencing flat or declining enrollment, will need to plan for consistently increasing expenditures that projected revenues will not be able to absorb.

Planning Factors for FY 2017-2018 & Multi-Year Projections (MYP)

The quality of the District's educational program is largely dependent upon the quality of its greatest resource – its employees. Millbrae School District staff members are characterized as either Certificated, Classified, or Confidential. Certificated staff possess a state license or credential. Classified staff functions in support roles both in the classroom and in administrative positions. In 2018-19, the District employs staff members equivalent to 205.18 full time (FTE) positions. Of these, 63% are certificated, 29% are classified, and 8% are administrative or confidential positions. Since some classified and certificated staff members work less than full time, the proportion of FTEs is greater than the count of individuals.

Approximately 82.2% of the District's budget goes to employee salaries and benefits. Millbrae School District continues to attract highly qualified staff members through its dedication to educational excellence, its desirable working conditions, and salaries that are comparable with county and state averages.

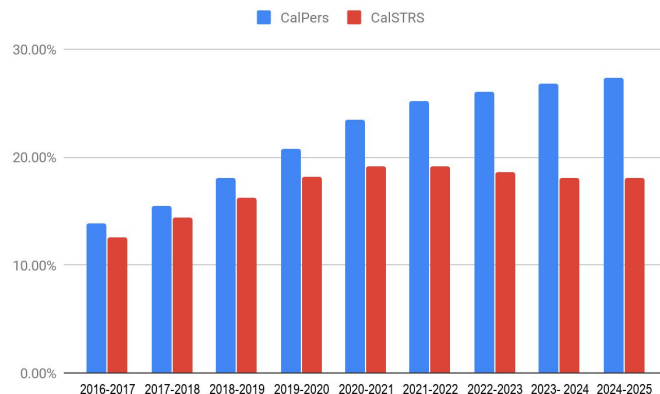
The Superintendent of Schools is the executive officer of the Board and has the responsibility for implementing Board policies. He is charged with all administrative duties related to the school system and is responsible for the efficient operation of all individual schools and other administrative units.

Each of the elementary schools are administered by a principal, and the middle school are administered by a principal, vice-principal, and dean of students.

The following FTE (Full Time Equivalent) staffing comparisons from 2009-2010 through adopted budget 2018-19

Employer CalPERS and CalSTRS

CalPERS and CalSTRS both updated employer contribution schedules which increases over the next several years. Although the governor acknowledged further deterioration to the condition of STRS and PERS in his Governor's Message on the proposed 2018-19 state budget, the governor again proposes **NO additional revenue** to offset the increased employer retirement contributions.



In the last few years, CalPERS has taken several actions to ensure the long-term future of the fund, including:

- Lowering the discount rate from 7.5 percent to 7 percent over three years;

- Adopting a new strategic asset allocation that supports the 7 percent discount rate; and
- Shortening the amortization period from 30-years to 20-years for employers to pay their prospective unfunded liabilities.

The most recent CalPERS schedule shows employer contribution rates doubling from the current employer contribution rate within the next seven years. As stated in the annual CalPERS Funding Levels and [Risks Report](#) given to the board released November 18, 2018 “The greatest risk to the system continues to be the ability of employers to make their required contributions,” and there is evidence some public agencies are “under significant strain” absorbing the required increases.

Unlike the CalPERS action that raised employer contribution rates, the CalSTRS employer rates remain unchanged for the Second Interim and are expected to remain unchanged until the 2020-21 fiscal year. Post California Public Employees’ Pension Reform Act (PEPRA) certificated employees hired since 2012 will have their employee contribution increase by 0.5% for 2017-18, and another 0.5% in 2018-19, to a total of 1% over the two-year period. Additionally, the CalSTRS actuarial firm stated the expected *“increase [in] unfunded liability will likely result in the need for higher contributions in the future.”* Therefore, districts must anticipate these planned increases in pension contributions and the potential for additional adjustments to meet pension obligations.

Fiscal Year	CalPers - ER Rate	CalSTRS - ER Rate ⁽¹⁾
2016-2017	13.89%	12.58%
2017-2018	15.531%	14.43%
2018-2019	18.062%	16.28%
2019-2020	20.80%	18.13%
2020-2021	23.50%	19.10%
2021-2022	25.2%	18.60%
2022-2023	26.1%	18.10%
2023- 2024	26.8%	18.10%

⁽¹⁾ California State Teachers Retirement System Fact Sheet - June 13, 2018

It is important to note that these costs will happen regardless of increases in Proposition 98 funding for schools.

Reserves

San Mateo County Office of Education continues to reinforce the need for balance budget practices and reserves in excess of the required minimum reserve for economic uncertainty. This required reserve (3% of total expenditures) represents only a about a few weeks of payroll for our district. The Government Finance Officers Association recommends, at a minimum, reserves equaling approximately an average of two (2) months of operating expenditures, or 17%. When determining an appropriate reserve level, the District will need to consider such factors as:

- Enrollment scenarios
- Forecasted revenue growth versus projected expenditure increase
- Cash flow requirements - need and expense of short-term borrowing
- Savings for future one-time planned expenditures
- Protection against unanticipated or unbudgeted expenditures
- Increasing mandated or required expenditures
- Credit ratings and long term borrowing needs

Enrollment vs. ADA Trends

The most significant characteristic for determining District income is the calculation of the average number of students who are in school and in attendance on a daily basis. This average daily attendance, or ADA, is multiplied by the District's LCFF rate per ADA to determine the total income for the District.

Since ADA is such an important part of the District's income base and one of the most significant factors affecting funding, the projection of ADA for the next fiscal year and subsequent years is an integral component of projecting the District's income. Even small fluctuations in the District's ADA can mean a gain or loss of tens of thousands of dollars in income. District attendance records are monitored monthly and ADA is updated throughout the year to ensure that the projected LCFF income matches the District's budgeted or revised projections.

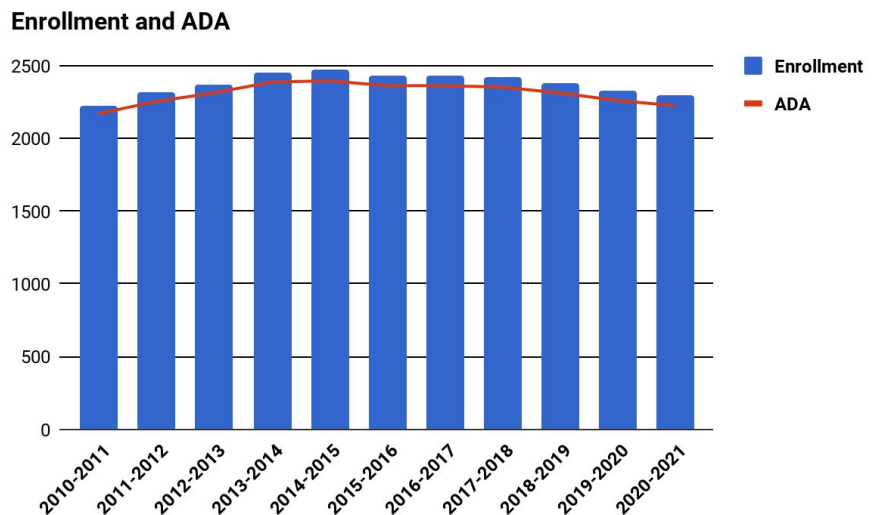
Enrollment is reported each October. The Average Daily Attendance (ADA) is prepared to the State three (3) times during the fiscal year.

- P1 - 1st period: The average attendance over the first four (4) months of school,
- P2 - 2nd period: The average attendance for the first eight (8) months of school,
- Annual: The average attendance for the entire school year.

Public schools are the only agencies that receive income based on the population they serve. Cities or counties, as an example, do not have either increases or decreases in their revenue based on the number of citizens in their community. Public schools, however, receive most of their income based on attendance. The state does not pay the District for enrollment—just attendance. Therefore of the costs of setting up the instructional program will be a loss unless the student attends every day.

The following chart illustrates the School District's enrollment and ADA over the last 8 years and estimated current plus 2 years out.

97% ATTENDANCE



Certification

Based on the information contained in this report, the District's Board of Trustees must certify as to whether the District will be able to meet its financial obligations for the remainder of the current fiscal year (*FY 2018-19*) and for the two (2) fiscal years following (*FY 2019-20 & FY 2020-21*).

The intent of the MYP report is to certify the District's ability to meet its financial obligations. The District will issue one of the following certifications:

- Positive Certification: The District **WILL MEET** their financial obligations for the current and two (2) subsequent fiscal years, OR
- Qualified Certification: The District **MAY NOT MEET** their financial obligations for the current or two (2) subsequent fiscal years, OR
- Negative Certification: The District **WILL BE UNABLE TO MEET** their financial obligations for the remainder of the current year or subsequent fiscal years based upon current projections (not meeting reserves in current year or negative fund balances in any year)

Recommendation

It is recommended that the Board:

1. Approve a **POSITIVE CERTIFICATION** to the County Superintendent that the District can meet its financial obligations through the end of the fiscal year and for the subsequent two years.
2. Approve the budget revisions listed in the projected year totals.

Financial Report Information

The District's Budget and Accounting format are based on the California School Accounting Manual (CSAM) and utilize the Standardized Account Code Structure (SACS). Accounting is the fiscal information system for business. The District's accounting, referred to as Governmental Accounting, is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitation.

Revenue Assumptions

1-Time Discretionary Funding

The enacted 2018-19 State budget provides \$1.1 billion (estimated \$184 per ADA) in one-time Prop. 98 discretionary funding for school districts, charter schools and COEs. These one-time discretionary dollars are less than the amount included in the May Revision due to the increased funding of other education priorities such as the LCFF and Career Technical Education.

- As in prior years, these funds will offset outstanding local mandate claims owed to LEAs.
- Funds may be used for any one-time purpose determined by the LEA's governing board. The legislative intent was to prioritize the use of these funds for professional development, teacher induction, instructional materials, and technology infrastructure.
- Notification of allocation is anticipated by January 31, 2019.
- Funds will be allocated to LEAs based on 2017-18 P-2 ADA and will be released in January 2018 and June 2019.
- However, there is a provision to reduce a school district's one-time funds to repay any disallowed claims under the School-Based Medi-Cal Administrative Activities program or under the Medi-Cal Billing Option program. School districts that owe for disallowed claims will see a reduction in both the January and June disbursement of one-time discretionary funds. School districts should contact their local educational consortium or local governmental agency if they are unsure of the amount they were overpaid.

Parcel Tax Revenue

On June 5, 2018 local voters within the Millbrae Elementary School District passed Measure N with a 75% approval result.

Local revenue from Measure N Parcel Tax was budgeted at \$663,577 for FY 2018-19. This amount, provided by the County Assessor's Office Final Billing Detail Report for Fiscal Year 2018/19, is based on the number of parcels less Senior and SSI/SDI exemptions. For the subsequent years the District will assume future exemption filings of received prior to July 1 of each year.

Proceeds received from the parcel tax are to be used as follows:

- Attract and maintain qualified teachers
- Maintain 21st century science, engineering and hands-on instruction
- Protect and strengthen core academic reading and writing programs
- Restore art and music programs
- Provide up-to-date classroom and technology technology

Must be noted that Measure N is a five (5) year tax measure only and will require taxpayer approval prior to Fiscal Year 2022/2023 by a supermajority (2/3rds) voter approval.

Federal Funding

The District is expected to receive funding in line with Fiscal Year 2017-18. Due to the uncertainty from Washington, the District has been advised by County Office of Education and third-party advisors to maintain a conservative budget expectation and be flexible with program funding and being able to make needed adjustments as warranted.

Low-Performing Students Block Grant

The budget includes a one-time block grant to help address the achievement gap for all students. CDE currently estimates the funding at \$1,976 per eligible pupil. The funding will be distributed on a per-pupil basis to school districts, charter schools and COEs for pupils that are identified as low-performing on the latest available state English language arts or mathematics assessments (2016-17 data) and who are neither identified for special education services nor identified as low-income, English learner or foster youth. "Low-performing" is defined as not meeting academic achievement standards on the most recently available (2016-17) results of the CAASPP test in any of the following ways:

1. Does not meet achievement standard, "level 1," in both English language arts and mathematics.
2. Does not meet achievement standard, "level 1," in either English language arts or mathematics, and nearly meets the achievement standard, "level 2," in the other subject.
3. Does not meet achievement standard, "level 1," in either English language arts or mathematics, and does not have a valid score for the other subject.

All measures of a pupil's eligibility – low-performing, eligible for special education services, and identification as low-income, English learner or foster youth – should be for the same fiscal year.

To determine eligibility, districts will, therefore, subtract low-income, EL, foster youth and special education students from their low-performing population, and the remainder is the count that is eligible for this block grant. CDE will determine the eligible pupil count and automatically apportion the block grant, currently estimated at \$1,976 per eligible pupil. However, there are conditions of receipt as noted below.

To determine eligibility, districts will, therefore, subtract low-income, EL, foster youth and special education students from their low-performing population, and the remainder is the count that is eligible for this block

grant. CDE will determine the eligible pupil count and automatically apportion the block grant, currently estimated at \$1,976 per eligible pupil. However, there are conditions of receipt as noted below. These block grant funds may be expended through 2020-21 and shall be used for evidence-based services that directly support pupil academic achievement, including, but not limited to, professional development activities for certificated staff, instructional materials, or additional supports for pupils.

As a condition for receiving grant funds, the LEA shall develop a plan describing how the funds will increase or improve evidence-based services for the identified pupils to accelerate increases in academic achievement, and how the effectiveness of the services will be measured. The plan shall include information regarding how the services align with and are described in the LEA's LCAP. Finally, the plan shall be discussed and adopted at a regularly scheduled board meeting of the LEA's governing body. The LEA must report to the Superintendent of Public Instruction regarding the adopted plan on or before March 1, 2019. The proposed code does not identify a specific plan template or application process. We anticipate these details will be forthcoming from CDE as the process to administer the block grant is developed.

Grant recipients must also report to the SPI on or before November 1, 2021 regarding the implementation of the plan including strategies used and whether the plan increased the academic performance of the target pupils.

More information regarding the block grant may be found here: <https://www.cde.ca.gov/fg/aa/ca/lpsbg.asp>

Special Education

The enacted state budget provides a 2.71% COLA estimated at \$14.24 per ADA. This brings the AB 602 estimated statewide target rate to \$539.68 per ADA after removing the 2017-18 program specialist and regionalized services funding from the calculation.



General Fund (*Fund 01*)

The General Fund is the main operating fund for the District. It is used to account for the ordinary operations of the District. All transactions, except those required or permitted by law to be in another fund, are accounted for in this fund. The General Fund consists of unrestricted and restricted funds.

- General Fund, Unrestricted accounts for projects and activities that are funded with unrestricted revenues.
- General Fund, Restricted accounts for projects and activities that are funded by external revenue sources that are legally restricted or restricted by the grantor for specific purposes.

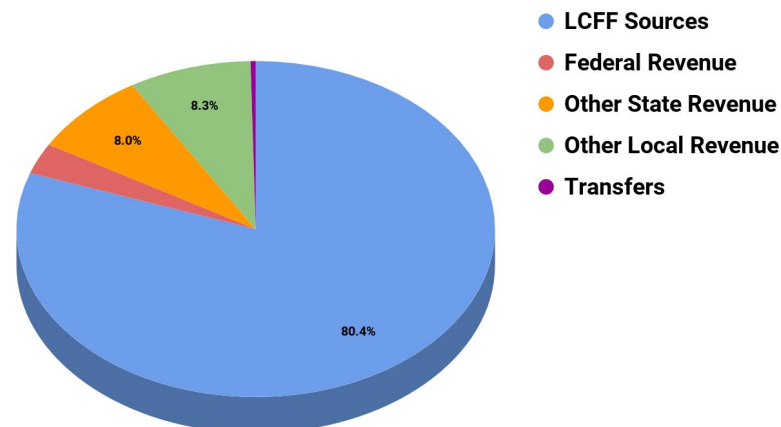
1st Interim Report FY 2017-2018 General Fund (*Fund 01*)

	<u>Budget</u>	<u>1st Interim</u>
Revenues:	\$25,245,093	\$26,445,466
<i>Unrestricted</i>	\$21,767,836	\$21,659,924
<i>Restricted</i>	\$3,477,257	\$4,785,542

**The Local Control Funding
Funding represents 80.4%,
of \$21.3M, or the Total
Revenue projected for FY
2018-19**

Local Control Funding Formula (LCFF) Revenue Source (*Object 8010-8099*):

	<u>Budget</u>	<u>1st Interim</u>
Revenues:	\$21,080,226	\$21,340,927
<i>Unrestricted</i>	\$19,947,546	\$20,150,041
<i>Restricted</i>	\$1,132,680	\$1,190,886



LCFF revenue source represents 80.7% of the total General Fund revenues. It is the primary source of revenue for the District. The unrestricted portions represent the estimated Proposition 98 education funding including the Principal Apportionment (P2 Average Daily Attendance) and property taxes. This revenue amount is based on Local Control Funding Formula. LCFF revenue sources have increased from the original budget by \$260,701.00, due to State's increase of the COLA to 3.71% at budget adoption. First Interim ADA decreased by 26.62 (Budget 2,339.4 vs. First Int. 2,381). As a result, the unduplicated count of English Learners, students eligible for free and reduced priced meals and foster youth decreased proportionally from the adopted budget, remaining at 39% of unduplicated pupils.

Federal Revenue (Object 8100-8299)

	<u>Budget</u>	<u>1st Interim</u>
Revenues:	\$691,036	\$785,529
<i>Unrestricted</i>	\$0	\$0
<i>Restricted</i>	\$691,036	\$785,529

Federal Revenue represents 3% of the total General Fund revenues. It includes funding:

- Special Education Entitlement \$ 408,703
- Special Education Grants \$ 32,321
- Title 1 Funding \$ 200,792
- Title 2 Funding \$ 34,676
- Title 3 Funding \$ 109,037

When compared to the original budget, the Federal Revenue has increased \$94,493 from the adopted budget.

Other State Revenue (Object 8300-8599)

	<u>Budget</u>	<u>1st Interim</u>
Revenues:	\$2,415,496	\$2,119,630
<i>Unrestricted</i>	\$1,233,000	\$873,175
<i>Restricted</i>	\$1,182,496	\$1,246,455

Other State Revenue represents 8.0% of the total General Fund revenues. The revenues in this source include:

- Lottery funds (\$127,147-Restricted: \$362,000 Unrestricted),
- ASES grant (\$114,962 Restricted),
- Drug/Alcohol/Tobacco Funds (\$3437 Restricted),
- Mandated Costs (\$510,034 Unrestricted)
- STRS on Behalf recognition (\$1,000,909 Restricted),
- Other state income (\$1,141 Unrestricted).

Other State Revenues decreased from the original budget by \$295,866 - The adopted State budget reduced the 1-time Mandated funding \$184.00/ADA.

Other Local Revenue (Object 8600-8799)

	<u>Budget</u>	<u>1st Interim</u>
Revenues:	\$1,058,335	\$2,199,380
<i>Unrestricted</i>	\$587,290	\$636,708
<i>Restricted</i>	\$471,045	\$1,562,672

Other Local Revenue represents 8.3% of the total General Fund revenues. Compared to the original budget, local revenue has increased by \$1,141,045. The increase is primarily due to the passage of

Measure N funds, MEF donations local, and school site donations received throughout the year and prior year's carryover. Revenue is recognized in the budget when the funds are available or received.

- Measure N (\$663,577 *Restricted*)
- Leases and Rentals (\$492,599 *Unrestricted*)
- Interest Income (\$70,000 *Unrestricted*)
- Fees/Contracts-Interagency (\$83,199 *Restricted*)
- Local Revenue (\$815,896 *Restricted*; \$74,109 *Unrestricted*)

The unrestricted funds include interest income, Leases and Rentals, and other non-restricted sources. Contributions from the Millbrae Education Fund (MEF) are included as restricted funds in other local revenue.

Transfers In (*Object 8900-8929*)

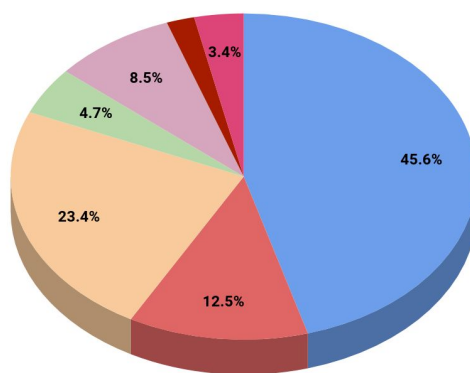
	<u>Budget</u>	<u>1st Interim</u>
Revenues:	\$91,318	\$91,318
<i>Unrestricted</i>	\$91,318	\$91,318
<i>Restricted</i>	\$0	\$0

Transfers In represent less than 0.3% of the total General Fund revenues. This transfer reflects interest income from Fund 17-Special Reserve Fund.

General Fund (*Fund 01*) Expenditures

	<u>Budget</u>	<u>1st Interim</u>
Expenditures	\$25,359,193	\$26,783,684
<i>Unrestricted</i>	\$17,722,984	\$17,787,330
<i>Restricted</i>	\$7,636,209	\$8,996,354

- **Certificated Salaries**
- **Classified Salaries**
- **Benefits**
- **BooksSupplies**
- **Services**
- **Capital Outlay**
- **Other**



**Salaries & Benefits
are 83.1%, or \$21.8M,
projected for FY
2018-19**

Certificated Salaries (Object 1000-1999)

	<u>Budget</u>	<u>1st Interim</u>
Expenditures	\$12,173,827	\$12,218,990
<i>Unrestricted</i>	\$10,107,433	\$10,117,621
<i>Restricted</i>	\$2,066,394	\$2,101,369

Certificated Salaries, including administrative staff positions, require a credential or permit issued by the Commission on Teacher Credentialing. The total Full Time Equivalent (FTE) for 1st Interim- FY 2018-19 increased to 140.10 as compared to 139.90 as budgeted. Teaching Positions represent 117.3 FTEs at 1st Interim. The *increased* of \$45,163 is the net result of realignment of positions (accounted for in contracted services) and 2017-18 settled negotiations. Additionally, speech, language and district nurse positions are 6.8 FTE, psychologists and counselors are 5.60 FTE, and certificated administration and BTSA remains at 10.4 FTE

Approximately 82% of the total certificated positions are funded by unrestricted funds, and 18% of the total positions are funded by restricted funds.

Negotiations with Millbrae Education Association (MEA) for FY 2018-21 contract has not yet been settled, and if warranted, any adjustments have not been reflect in this report.

Classified Salaries (Object 2000-2999)

	<u>Budget</u>	<u>1st Interim</u>
Expenditures	\$3,262,850	\$3,348,810
<i>Unrestricted</i>	\$1,989,508	\$2,083,268
<i>Restricted</i>	\$1,273,342	\$1,265,542

Classified Salaries represent the positions that do not require a credential or permit issued by the Commission on Teacher Credentialing. The positions in this classification are Chief Business Official, Administrative Assistant, Administrative Secretary, Attendance Secretary, District Office Staff, Instructional Aide, occupational therapist, special day class instructional aides and Maintenance and Operations staff. The classified FTEs are 65.075; with the CSEA units comprising 59.075 FTEs. This expenditure *increased* from the original budget by \$85,960 due to unfilled positions and staffing adjustments, 2017-18 settled negotiations. Approximately 62.2% of the total classified positions are funded by unrestricted funds, and 37.8% of the total classified positions are funded by restricted funds.

Negotiations with California School Employees Association (CSEA) for 2018-19 contract reopeners have not yet been settled, and if warranted, any adjustments have not been reflect in this report.

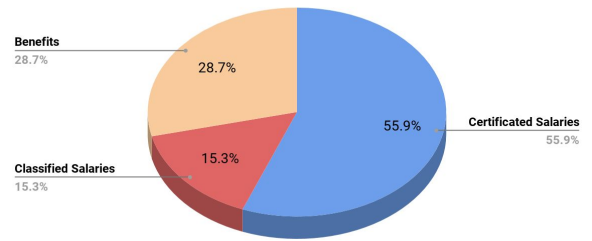
Employee Benefits (Object 3000-3999)

	<u>Budget</u>	<u>1st Interim</u>
Expenditures	\$6,251,584	\$6,276,949
<i>Unrestricted</i>	\$4,152,492	\$4,149,941
<i>Restricted</i>	\$2,099,092	\$2,127,008

Employee Benefits account for employers' contributions to retirement plans: State mandated increases for the State Teachers' Retirement System (STRS) and the Public Employees' Retirement System (PERS) has been updated, Health and Welfare benefits and the payroll related statutory costs, such as Workers' Compensation, State Unemployment Insurance, FICA, and Medicare also have been updated to reflect the best information as of the date of this report. Employee benefits represent approximately 23.9% of the total General Fund expenditures. Employee benefits decreased from the original budget by \$25,365. The decrease is attributed to the change in Certificated and Classified salaries.

Education is a people business. It takes people to teach students. Therefore, the biggest expenses for the District are salaries and benefits. Total compensation of employees in the district is \$21,844,749 representing 83.1% of total expenditures.

District Salaries/Benefits



Books and Supplies (Object 4000-4999)

	Budget	1st Interim
Expenditures	\$485,179	\$1,263,073
Unrestricted	\$360,605	\$832,213
Restricted	\$124,574	\$430,860

This is to account for expenditures for books and supplies, other reference materials, and non-capitalized equipment. Expenditures classification and represents about 4.8% of the total expenditures. From the original budget, books and supplies increased by \$777,894: attributed to the District rollout of new ELA related materials, books, and equipment (*Unrestricted* \$514,733; *Restricted* \$309,705) Additionally, expenditures for one-time funds for technology utilization (*Unrestricted* \$258,480; *Restricted* \$121,155) has been accounted for utilizing One-Time assigned funds from fiscal years 2016-17 and 2017-2018.

Services and Other Operating Expenditures (Object 5000-5999)

	Budget	1st Interim
Expenditures	\$2,488,495	\$2,274,289
Unrestricted	\$1,128,521	\$613,058
Restricted	\$1,359,974	\$1,661,231

Services and Other Operating Expenditures account for expenditures for contracted services, rentals, leases, maintenance contracts, dues, travel and conference, insurance, utilities, legal, and other operating expenditures. It is about 8.6% of the total expenditures. From the original budget, services and other operating expenditures increased by \$274,206 to include prior year carryover for Title III, Proposition 39 (Energy Eff.) and Educator Effectiveness grants. Special Education has been revised to reflect student placements and contracted services to replace leave of absences and unfilled positions.

Capital Outlay (Object 6000-6999)

	<u>Budget</u>	<u>1st Interim</u>
Expenditures	\$0	\$519,163
<i>Unrestricted</i>	\$0	\$0
<i>Restricted</i>	\$0	\$519,163

This category accounts for any capital outlay expenditures for land or land improvements, purchase of building or building capital improvements, and other capitalized equipment. It is budget to utilize the Proposition 39 - Energy Efficiency State grant and other deferred maintenance projects.

Other Outgo (Object 7100-7299,7400-7499)

	<u>Budget</u>	<u>1st Interim</u>
Expenditures	\$731,258	\$916,410
<i>Unrestricted</i>	\$30,523	\$41,121
<i>Restricted</i>	\$700,735	\$875,289

This expenditure increased by \$185,152 from the original budget.

Payments to other Districts/County Offices:	\$885,887 (Restricted)
Debt Service: Principal and Interest:	\$30,523 (Restricted)
Indirect Cost Allocation:	\$41,121

The restricted portion represents the payment and tuition to County programs and other Local Educational Agencies for Special Education programs. This is mainly due to changes with student placements at the County of San Mateo Office of Education

Transfer Out (Object 7600-7699):

	<u>Budget</u>	<u>1st Interim</u>
Expenditures	\$20,000	\$20,000
<i>Unrestricted</i>	\$20,000	\$20,000
<i>Restricted</i>	\$0	\$0

A portion of the transfer out represents a transfer from General Fund to Cafeteria Fund. Under the LCFF funding model the transfer to the Cafeteria Fund is done as a transfer out. The district will continue to monitor and revise as program grows and moves toward new food service model.

Analysis of the General Fund Fund Fund Balance - MYP

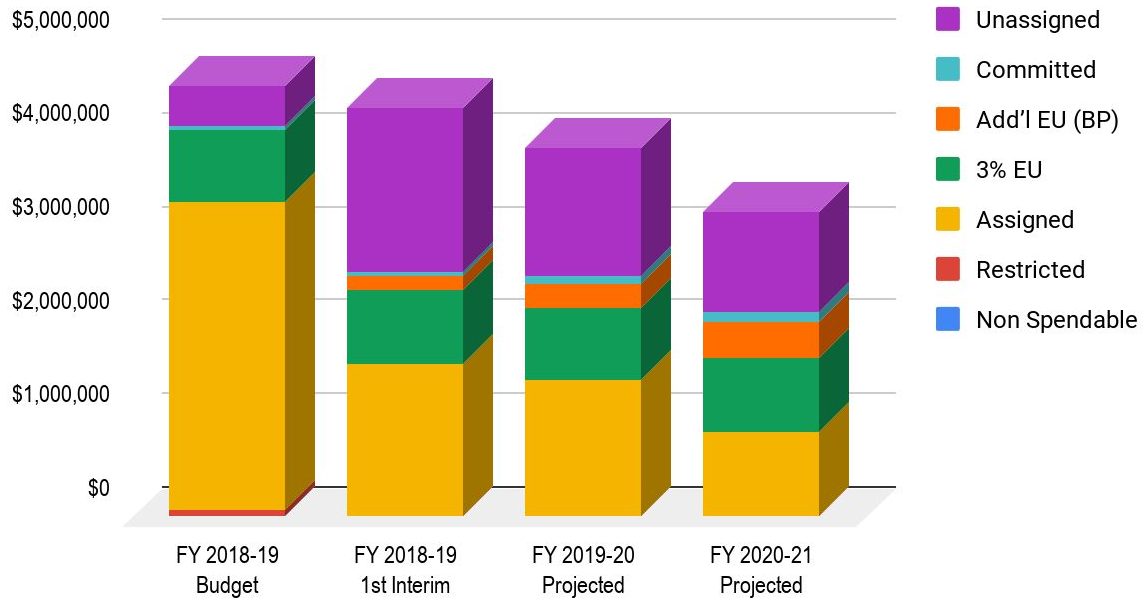
In accordance with Governmental Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, the ending fund balances shall be classified as follows:

- **Non-spendable** (such as revolving cash, stores, and prepaid items)
- **Restricted** (subject to external parties, constitutional provision, or enabling legislation)
- **Committed** (self-imposed by MESD's Board of Education)
- **Assigned** (intended for a particular purpose and imposed prior to financial statements)
- **Unassigned** (not classified above)

		<i>FY 2018-19 Budget</i>		<i>FY 2018-19 1st Interim</i>		<i>FY 2019-20 Projected</i>	<i>FY 2020-21 Projected</i>
Non Spendable		\$2,500		\$2,500		\$2,500	\$2,500
Restricted		\$72,441		\$0		\$0	\$0
Assigned		\$3,287,814		\$1,622,684		\$1,454,834	\$907,080
3% EU		\$761,376		\$804,112		\$777,481	\$785,678
Add'l EU (BP)		\$0		\$134,018		\$263,598	\$394,544
Committed		\$48,197		\$48,197		\$74,495	\$95,490
Unassigned		\$423,887		\$1,760,586		\$1,372,179	\$1,078,362
Ending Fund Balance		\$4,596,215		\$4,372,097		\$3,945,087	\$3,263,654

The Multi-Year Projection (MYP), a required component of budget development and demonstrates the requirement that the District will meet its financial obligations in the current and subsequent two years. The Multi-Year Projection also indicates the District's ability to maintain the required reserve for economic uncertainties for the current and subsequent two years. The Multi-Year Projection for the First Interim Report has been created by utilizing recommendations from the School Service of California's Dartboard, San Mateo County Office of Education's Common Message and Fiscal Crisis Management Assistance Team (FCMAT) LCFF calculator.

General Fund Unrestricted/Restricted



Listed below are highlights of the assumptions used for the current fiscal year and subsequent year 2 years out.

Factors	FY 2018-19	FY 2019-20	FY 2020-21
Instructional Days	180	180	180
Professional Growth	2 Days Inside Calendar	2 Days Inside Calendar	2 Days Inside Calendar
LCFF Funding	100%	100%	100%
COLA - <u>LCFF only</u>	3.70%	2.57%	2.67%
COLA - Non LCFF	2.71%	2.57%	2.67%
Enrollment	2,381	2,328	2,292
ADA (97%)	2,312.78	2,261.37	2,225.38
Unduplicated	39%	38%	38%
1-Time Funding/ADA	\$184.00	\$0.00	\$0.00
Lottery-Unrestricted/ADA	\$151.00	\$151.00	\$151.00
Lottery-Restricted/ADA	\$53.00	\$53.00	\$53.00

Factors	FY 2018-19	FY 2019-20	FY 2020-21
Negotiations	Certificate: Not settled Classified: Not settled Mgmt & Other: Not settled	Certificate: Not settled Classified: Not settled Mgmt & Other: Not settled	Certificate: Not settled Classified: Not settled Mgmt & Other: Not settled
Staffing: Certificated	Increase .2 FTE (.2 STEM Science funded via MEF)	Staffing has been reduce .6 FTE to reflect add'l staffing for leave of absence Staffing has been adjusted to reflect step changes and 1.0 FTE reduction per enrollment projections	Staffing has been adjusted to reflect step changes and 1.0 FTE reduction per enrollment projections
Staffing: Classified	Increase 2.4 FTE (.5375 FS, .875 Mental Health Coach, 1.0 FTE reinstate HR position)	Maintained at same level as previous year. Staffing reflects step changes	Maintained at same level as previous year. Staffing reflects step changes
Staffing: Step & Column	Accounted for: 2.0%	Accounted for: 2.0%	Accounted for: 2.0%
STRS	16.28%	18.13%	19.10%
PERS	18.062%	20.80%	23.50%
FICA, MediCare, Unemp, Worker Compensation	11.7429%	12.1022%	12.2818%
Books & Supplies	Increase from adopted budget to include prior year carryover for 1-time funds not expended in 17/18	Same as 18/19 less carryover & 1-time funding: Reflects increase in Supplement exp.	Same as 19/20 less carryover & 1-time funding: Reflects increase in Supplement exp.
Ending Fund Balance	Reduction in EFB due to deficit spending: District exploring other local revenue	Reduction in EFB due to deficit spending:	Reduction in EFB due to deficit spending:
Reserves for Economic Uncertainty	3%	3%	3%
Additional Designation for Econ. Uncert. per Board Policy .5% of Expenditures	0.5%	0.5%	0.5%
Routine Restricted Maintenance	3%	3%	3%

Changes/Adjustments since Approved Budget FY 2018-19

Unrestricted/Restricted MYP		2018 - 2019					
Source: Form Form 01 - 1st Interim		Board Approved Budget		1st Interim - Fund 01			Significant
		Unrestricted	Restricted	Unrestricted	Restricted	Total	Changes
Fund Balance: Beginning		\$4,071,675	\$567,322	\$4,071,675	\$567,322	\$4,638,997	
Revenue		\$21,767,836	\$3,477,257	\$21,659,924	\$4,785,542	\$26,445,466	\$1,200,373
Expenditures		\$17,722,984	\$7,636,209	\$17,787,330	\$8,996,354	\$26,783,684	\$1,424,491
Interfund Transfers In/Out		-\$71,318	\$0	-\$71,318	\$0	-\$71,318	\$0
NET Increase or Decrease - Unrestricted		\$4,044,852	\$0	\$3,943,912	\$0	\$3,943,912	-\$100,940
NET Increase or Decrease - Restricted			-\$4,158,952		-\$4,210,812	-\$4,210,812	-\$51,860
Contributions-TO Unrestricted		-\$3,664,071	\$3,664,071	-\$3,643,490	\$3,643,490	\$0	-\$20,581
Net Increase or Decrease in Fund Balance		\$452,099	-\$494,881	\$300,422	-\$567,322	-\$266,900	-\$224,118
1st Interim FY 2017-2018		Unrestricted	Restricted	Unrestricted	Restricted	Total	
Fund Balance: Ending		\$4,523,773	\$72,441	\$4,372,097	\$0	\$4,372,097	-\$224,117
Restricted-Cash		\$2,500	\$0	\$2,500	\$0	\$2,500	\$0
Reserve for Econ. Uncertainties		\$761,376	\$0	\$804,112	\$0	\$804,112	\$42,736
Additional Designation for Econ. Uncert		\$0		\$134,018	\$0	\$134,018	\$134,018
Restricted			\$72,441	\$0	\$0	\$0	-\$72,441
Assigned		\$3,287,813	\$0	\$1,622,684	\$0	\$1,622,684	-\$1,665,129
Committed		\$48,197		\$48,197	\$0		\$0
Undesignated Ending Balance		\$423,887	\$0	\$1,760,586	\$0	\$1,760,586	\$1,336,699

Changes in Revenues	Unrestricted	Restricted	Total
- LCFF Sources	\$202,495	\$58,206	\$260,701
- Federal Sources	\$0	\$94,493	\$94,493
- Drug/Alcohol/Tobacco Funds	\$0	\$3,437	\$3,437
- 1-Time Funding/Mandated Costs	<\$366,966>	\$0.00	<\$366,966>
- Other State Sources	\$1,141	\$50,447	\$51,588
- Lottery	\$6,000	\$10,075	\$16,075

- Measure N - Parcel Tax	\$0	\$663,577	\$663,577
- Interagency Services	\$0	\$83,199	\$81,399
- Leases/Reimb/MEF/Prog.	<\$1,642>	\$344,851	\$343,209
- Rentals/Interest	\$51,060	\$0	\$51,060
Total changes in Revenue	\$<\$107,912>	\$1,308,285	\$1,200,373

Notes: LCFF increase due to COLA increase, Measure N net proceeds, reduction of 1-time revenue, and MEF contributions

Changes in Expenditures	Unrestricted	Restricted	Total
- Salaries/Benefits	\$101,397	\$55,091	\$156,488
- Books & Supplies	\$471,608	\$306,286	\$777,894
- Services/Operating	<\$515,463>	\$301,257	\$<\$214,206>
- Other Outgo	\$10,598	\$174,554	\$185,152
- Capital Outlay-Prop 39	\$0	\$519,163	\$519,163
Total changes in Expenditures	68,140	1,356,351	\$1,424,491

Change in Restricted Contribution	Unrestricted	Restricted	Total
- Restricted programs	0.00	<\$20,581>	<\$20,581>

Change-Ending Fund Balance	Unrestricted	Restricted	Total
- Inc. 3% Required Reserves	\$0.00	\$42,736	\$42,736
- Add'l Designation Res	\$134,018	\$0	\$134,018
- Assignments - Deficit	<\$579,734>	\$0	<\$579,734>
- HR Staffing	<\$73,742>	\$0	<\$73,742>
- 1-Time Funds	<\$1,011,653>	\$0	<\$1,011,653>
- Res. Carryover	0.00	<\$72,441>	<\$72,441>
- Unassigned	\$1,336,699	\$0.00	\$-310,981.00
Total changes in EFB	<\$194,413>	<\$29,705>	<\$224,118>

Budget/MYP adoption

Unrestricted/Restricted MYP	2019-20			2020-21		
Source: Form MYP1	Projected			Projected		
	Unrestricted	Restricted	U/R	Unrestricted	Restricted	U/R
Fund Balance: Beginning	\$4,372,097	\$0	\$4,372,097	\$3,945,087	\$0	\$3,945,087
Revenue	\$21,248,735	\$4,240,280	\$25,489,015	\$21,254,798	\$4,253,038	\$25,507,836
Expenditures	\$17,746,843	\$8,169,182	\$25,916,025	\$18,114,974	\$8,074,295	\$26,189,269
Interfund Transfers In/Out	\$0	\$0	\$0		\$0	\$0
NET Increase or Decrease - Unrestricted	\$3,501,892	-\$3,928,902	-\$427,010	\$3,139,824	-\$3,821,257	-\$681,433
NET Increase or Decrease - Restricted					\$0	
Contributions-TO Unrestricted	-\$3,928,902	\$3,928,902	\$0	-\$3,821,257	\$3,821,257	\$0
Net Increase or Decrease in Fund Balance	-\$427,010	\$0	-\$427,010	-\$681,433	\$0	-\$681,433
Fund Balance: Ending	\$3,945,087	\$0	\$3,945,087	\$3,263,654	\$0	\$3,263,654
Restricted-Cash	\$2,500	\$0	\$2,500	\$2,500	\$0	\$2,500
Reserve for Econ. Uncertainties	\$777,481	\$0	\$777,481	\$785,678	\$0	\$785,678
Additional Designation for Econ. Uncert	\$263,598		\$263,598	\$394,544		\$394,544
Restricted	\$0	\$0	\$0	\$0	\$0	\$0
Assigned	\$1,454,834	\$0	\$1,454,834	\$907,080	\$0	\$907,080
Committed	\$74,495	\$0	\$74,495	\$95,490	\$0	\$95,490
Undesignated Ending Balance	\$1,372,179	\$0	\$1,372,179	\$1,078,362	\$0	\$1,078,362

Special Revenue Funds

Fund 13 – Cafeteria Fund

This fund is used to account separately for federal, state, and local resources to operate the food service program (*Education Code* sections 38090 and 38093). The principal revenues in this fund are:

- Child Nutrition Programs (Federal)
- Child Nutrition Programs (State)
- Food Service Sales
- Interest All Other Local Revenue

The Cafeteria Special Revenue Fund (Fund 13) shall be used only for those expenditures authorized by the governing board as necessary for the operation of the LEA's food service program (*Education Code* sections 38091 and 38100).

FY 2018-19 First Interim

Fund 13	<u>Budget</u>	<u>First Interim</u>
Cash	\$850	\$850
Inventory	\$8,535	\$8,535
Restricted	<u>\$135,757</u>	<u>\$124,782</u>
Estimated Ending Fund Balance	\$145,060	\$134,085

Fund 19 – Foundation Special Revenue Fund

This fund is used to account for resources received from gifts or bequests pursuant to *Education Code* Section 41031 under which both earnings and principal may be used for purposes that Support the LEA's own programs and where there is a formal trust agreement with the donor. Gifts or bequests not covered by a formal trust agreement should be accounted for in the General Fund.

FY 2018-19 First Interim

Fund 19	<u>Budget</u>	<u>First Interim</u>
Restricted	<u>\$51,184</u>	<u>\$51,184</u>
Estimated Ending Fund Balance	\$51,184	\$51,184

Fund 20 – Special Reserve Fund for Postemployment Benefits

This fund is used pursuant to *Education Code* Section 42840 to account for amounts the LEA has earmarked for the future cost of post-employment benefits (OPEB) but has not contributed irrevocably to a separate trust for the

postemployment benefit plan. Amounts accumulated in this fund must be transferred back to the general fund for expenditure (*Education Code* Section 42842).

Although this fund is authorized by statute, it does not meet the GAAP definition of a special revenue fund; it functions effectively as an extension of the general fund.

FY 2018-19 First Interim

Fund 20	<u>Budget</u>	<u>First Interim</u>
Restricted	<u>\$2,010,177</u>	<u>\$2,010,117</u>
Estimated Ending Fund Balance	\$2,010,177	\$2,010,177

Capital Project Funds

Fund 25 – Capital Facilities Fund

This fund is used primarily to account separately for moneys received from fees levied on development projects as a condition of approval (*Education Code* sections 17620–17626 and *Government Code* Section 65995 et seq.). The authority for these levies may also be county or city ordinances (*Government Code* sections 65970–65981) or private agreements between the LEA and the developer. Interest earned in the Capital Facilities Fund (Fund 25) is restricted to that fund (*Government Code* Section 66006).

The principal revenues in this fund are:

- Interest
- Mitigation/Developer Fees

Expenditures in Fund 25, Capital Facilities Fund, are restricted to the purposes specified in *Government Code* sections 65970–65981 or *Government Code* Section 65995 et seq., or to the items specified in agreements with the developer (*Government Code* Section 66006). Costs of justifying and adopting fees may be paid from Fund 25 (*Education Code* Section 17620). Administrative costs of collecting fees may be reimbursed from Fund 25 within the limitations of *Education Code* Section 17620. Eligible expenditures incurred in another fund may be reimbursed to that fund by means of an inter-fund transfer of direct costs (see Procedure 615).

FY 2018-19 First Interim

Fund 25	<u>Budget</u>	<u>First Interim</u>
Assigned	<u>\$1,273,814</u>	<u>\$1,254,815</u>
Estimated Ending Fund Balance	\$1,273,814	\$1,254,815

Fund 40 – Special Reserve Fund for Capital Outlay Projects

This fund exists primarily to provide for the accumulation of general fund moneys for capital outlay purposes (*Education Code* Section 42840). This fund may also be used to account for any other revenues specifically for

capital projects that are not restricted to fund 21, 25, 30, 35, or 49. Other authorized resources that may be deposited to the Special Reserve Fund for Capital Outlay Projects (Fund 40) are proceeds from the sale or lease-with-option-to-purchase of real property (*Education Code* Section 17462) and rentals and leases of real property specifically authorized for deposit to the fund by the governing board (*Education Code* Section 41003).

The principal revenues and other sources in this fund are:

- Federal, State, or Local Revenues
- Rentals and Leases
- Interest
- Other Authorized Interfund Transfers In
- Proceeds from Sale/Lease–Purchase of Land and Buildings
- Federal Emergency Management Act (FEMA)

Transfers from the general fund to Fund 40 authorized by the governing board must be expended for capital outlay purposes. Proceeds from the sale or lease-with-option-to-purchase may be spent for capital outlay purposes, costs of maintenance of the LEA's property, and future maintenance and renovation of school sites (*Education Code* Section 17462). Expenditures for capital outlay are most commonly made against the 6000 object codes for capital outlay. Salaries of school district employees whose work is directly related to projects financed by Fund 40 revenues are capitalized as a part of the capital facilities project.

FY 2018-19 First Interim

Fund 40	<u>Budget</u>	<u>First Interim</u>
Assigned	<u>\$12,536,787</u>	<u>\$12,188,367</u>
Estimated Ending Fund Balance	\$12,536,787	\$12,188,367

Next Steps

As stated in the introduction, this report is intended to provide information to assist all readers of the District's First Interim Report for fiscal year 2018-2019 and the Multi Year Projection (MYP) report. With the greatest increases in LCFF entitlements behind, funding growth is expected to be limited. Furthermore, under LCFF there are no state statutes that specify an annual appropriation to support the LCFF. Therefore, the annual LCFF entitlement will be determined by "any available appropriations" (Ed Code 42238.03 (b)(3)). Additionally, employer contributions to retirement benefits are scheduled to rise along with other costs. Special attention must be paid to future year projections and the contributing factors both within and outside of the District's decision makers as no new state revenues been identified nor proposed by the State to cover this increasing expense to the District.

Collectively and in collaboration with involved, the District will need to:

- Monitor and identify measures to address the structural deficit spending and maintain its fiscal health in the Unrestricted General Fund.
- In the projection years, as the targeted LCFF funding is fully implemented, expected growth will be calculated on "COLA only-environment" scenario.
- As the District reaches classroom capacity at a number of our sites, accommodating long-term growth becomes a concern in terms of available facilities.
- It is critical the district makes effective use of one-time funding: Support ongoing expenditures with on-going revenues (independent of one-time funds).
- Exercise caution and maintain flexibility in the collective bargaining process and any long-term expenditure agreements.
- Maintaining adequate reserves will be crucial to guard against fiscal volatility.

In January 2019, the Board will be considering the implication of the new Governor's budget proposals and new State Budget announcements, and will be working toward policy level decisions that will guide the development of the budget for FY 2018-19 and beyond. The 2nd Interim Report will be presented to the Board in March of 2019. To maximize success, Millbrae School District will need to make deliberate use of resources and, collectively, prudent and sound fiscal decisions will need to be made by the Board, the superintendent, and the entire staff will be the key to the District's long-term financial health and to improve academic performance increase.

2018-2019 School District Calendar

Millbrae School District Calendar
2018-2019

July 2018						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

August 2018						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	WD*	WD*	25
26	27	28	29	30	31	
(5+ 1 PD, 2 WD)						

September 2018						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						(19)

October 2018						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			
(22+1PD)						

November 2018						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	
(19)						

December 2018						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					(15)

January 2019						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		
(18)						

February 2019						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28		
(18)						

March 2019						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						(21)

April 2019						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				
(16)						

May 2019						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	
(22)						

June 2019						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						(5)

First Day of School: August 27, 2018
Last Day of School: June 7, 2019
Total Instructional Days: 180
1st Trimester: August 27 – November 21, 2018
2nd Trimester: November 26 – March 8, 2019
3rd Trimester: March 11 – June 7, 2019
Winter Recess: December 24 – January 4, 2019
Spring Recess: April 1 – April 5, 2019
WD*: Certificated Work Day/ Professional Development for Classified
PD*: Certificated Work Day/Non Work Day for 10 & 11 Month Classified
PD: Certificated Professional Development

February 15, 2019
 April 22, 2019
 August 22, 2018
 October 8, 2018
 September 3, 2018
 November 12, 2018
 February 18, 2019
 May 27, 2019

Non-School Days
 Non Work Day
 Non Work Day
Non Student Work Day
 Professional Development
 Professional Development
Holidays
 Labor Day
 Veteran's Day
 President's Day
 Memorial Day

*Subject to change.

Board Approved_4.12.18

2017-2018 Board of Trustees Regular Meeting Calendar

2018-2019 Board of Trustees Regular Meeting Calendar

Millbrae School District
Board of Trustees
2018 - 2019
Regular Meeting Schedule

2018

JULY						
SUN	MON	TUES	WED	THU	FRI	SAT
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

AUGUST						
SUN	MON	TUES	WED	THU	FRI	SAT
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

SEPTEMBER						
SUN	MON	TUES	WED	THU	FRI	SAT
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

OCTOBER						
SUN	MON	TUES	WED	THU	FRI	SAT
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

NOVEMBER						
SUN	MON	TUES	WED	THU	FRI	SAT
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

DECEMBER						
SUN	MON	TUES	WED	THU	FRI	SAT
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

2019

JANUARY						
SUN	MON	TUES	WED	THU	FRI	SAT
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

FEBRUARY						
SUN	MON	TUES	WED	THU	FRI	SAT
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28		

MARCH						
SUN	MON	TUES	WED	THU	FRI	SAT
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

APRIL						
SUN	MON	TUES	WED	THU	FRI	SAT
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

MAY						
SUN	MON	TUES	WED	THU	FRI	SAT
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

JUNE						
SUN	MON	TUES	WED	THU	FRI	SAT
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

Regular Board meetings are held twice a month. Televised meetings are held at City Council Chambers, 621 Magnolia Avenue, 7 p.m.
Non-televised meetings are held at the District Office at 555 Richmond Drive, 7:00 p.m.



Televised Meetings, Council Chambers



Non-televised Meetings, District Office

Board Approved