2024-25 REVISED UNAUDITED ACTUALS REPORT

October 8, 2025

Board of Trustees

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Melissa Got-Lopez
Derek Grasty
Robert Ramirez

SUPERINTENDENT

DR. ELIDA MACARTHUR

Presented by Tracy Huynh

Chief Business Officer

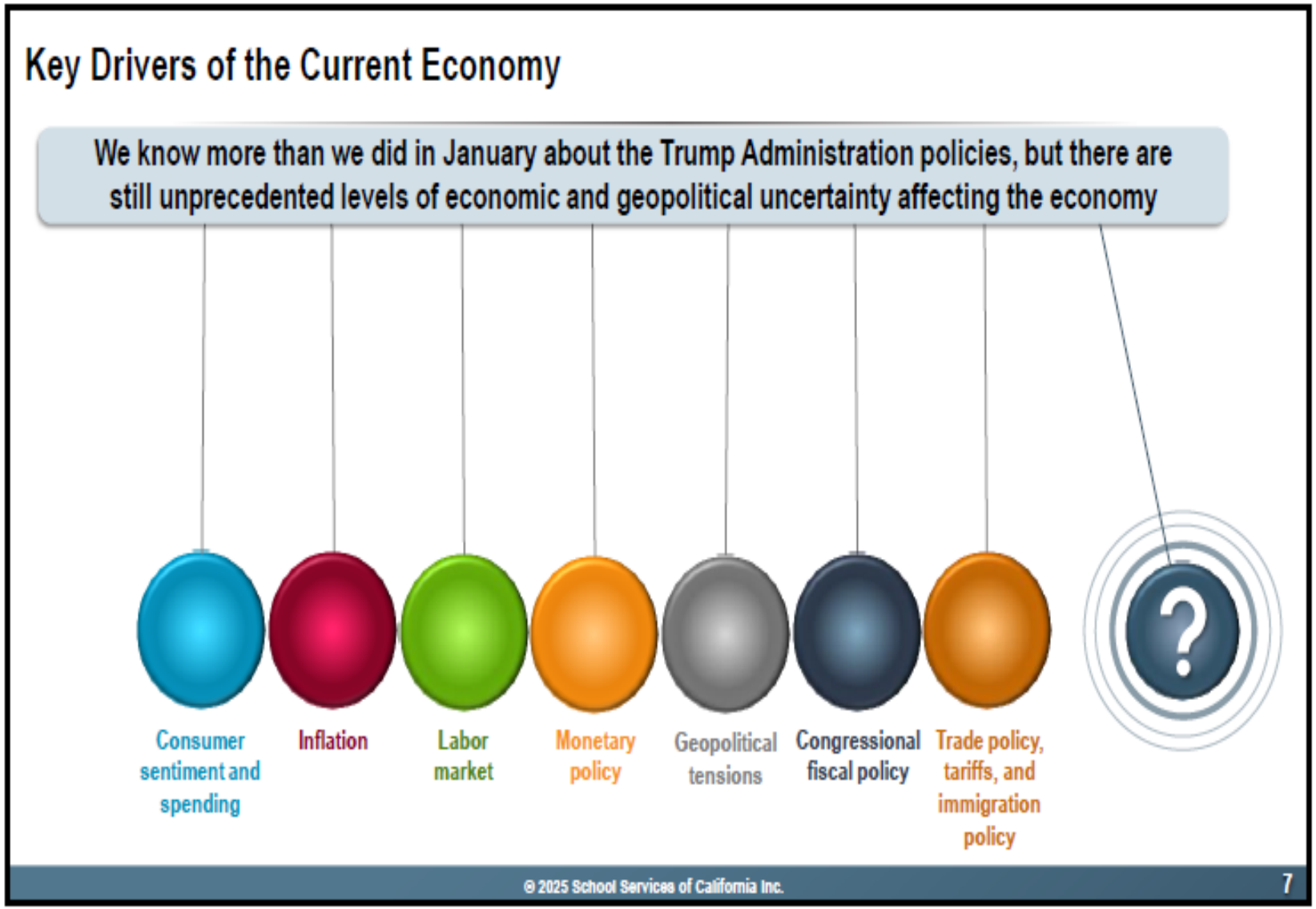
SUMMARY OF CHANGES FROM 9/10/2025 PRESENTATION

Student Enrollment:	Corrected the 2025–26 September Estimated Enrollment from +2.7% to -2.7% (Slide #8).
Form CEA:	Updated the amount and percentage in the first paragraph (Slide #19). Shortfall revised from 2.78% to 2.63%. Dollar amount adjusted from $903,659 to $852,580, resulting in a corrected Final Percentage of 57.37%.
Education Revenue Augmentation Fund (ERAF):	Corrected from $(2,009,000) to $(2,285,121), reducing LCFF revenues by $276,121. Requires a $75,000 transfer from Fund 17 to balance the account. Updates reflected on Slides #11, 13, 14, and 15.

Presentation Items

- Overview of the Economy and the State Budget
- Financial Planning Factors
- Students Enrollment and ADA
- Employee Compensations
- Staff and FTEs
- Unaudited Actuals SACS Reports
- District Financial Goal
- Next Steps
- Acronym Table

STATE ECONOMY OVERVIEW BY *" SCHOOL SERVICES OF CALIFORNIA"*



STATE ECONOMY OVERVIEW BY "*SCHOOL SERVICES OF CALIFORNIA*"

The California Economy

Labor Market

- Unemployment is holding steady at 5.3%
- 50,000 jobs were lost in the first four months of 2025
- Federal immigration policy is constraining the labor supply

Growth

- California's GDP is expected to continue trending down in the short term



Domestic Migration

- California net domestic migration has moderated
- State population is expected to increase slightly in 2025, 2026, and future years

Inflation

- California CPI is projected to peak at 4.2% by the end of 2025

Housing

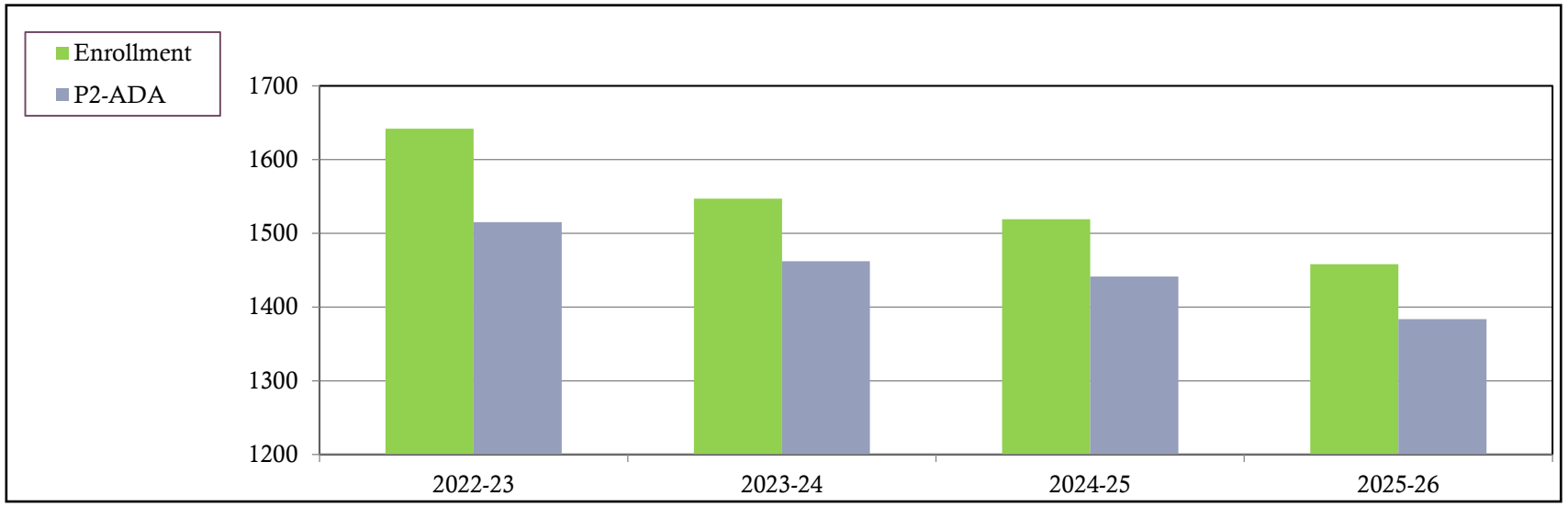
- New permits for housing remain flat, despite policy changes to ease construction permitting
- Deportations, high interest rates, tariffs on materials, and rebuilding of homes damaged and destroyed by Los Angeles County wildfires are expected to constrain the housing supply
- Elevated long-term interest rates and high housing costs make housing affordability challenging

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FINANCIAL PLANNING FACTORS

Fiscal Year	2023-24	2024-25	2025-26	2026-27	2027-28
Revenue Related					
COLA	8.22%	1.07%	2.30%	3.02%	3.42%
Mandated Block Grant (District)	$ 37.81	$ 38.21	$ 39.09	$ 40.27	$ 41.65
Mandated Block Grant (Charter)	$ 19.85	$ 20.06	$ 20.52	$ 21.14	$ 21.86
Lottery (Unrestricted)	$ 211.00	$ 195.37	$ 190.00	$ 190.00	$ 190.00
Lottery (Restricted)	$ 102.00	$ 88.22	$ 82.00	$ 82.00	$ 82.00
Parcel Tax	$ 95.00	$ 95.00	$ 95.00	$ 95.00	$ 95.00
Transitional Kinder Add-on	$ 3,044.00	$ 3,077.00	$ 5,045.00	-	-
Expenditure Related					
STRS	19.10%	19.10%	19.10%	19.10%	19.10%
PERS	26.68%	27.05%	26.81%	26.90%	27.80%
Unemployment Insurance	0.05%	0.05%	0.05%	0.05%	0.05%
Worker's Comp Rate	2.19%	2.13%	2.07%	2.07%	2.07%
Minimum Wage (effective January)	$ 17.55	$ 17.95	-	-	-
Benefit Cap	$ 17,500	$ 17,500	$ 17,500	$ 17,500	$ 17,500

P-2 ADA & STUDENT ENROLLMENT



Grand Total	2022-23	2023-24	2024-25	2025-26 Budget
P2 ADA	1,515.26	1,462.28	1,441.20	1,383.55
ADA Change-P2	(87.00)	(52.98)	(21.08)	(57.65)
% Change-P2	-5.43%	-3.50%	-1.44%	-4.00%

CALPADS Enrollment	2022-23	2023-24	2024-25	2025-26 Budget	2025-26 September Estimated
Total Enrollment	1,642	1,547	1,519	1,458	1,478
Change	(76)	(95)	(28)	(61)	(41)
% Change	-4.42%	-5.79%	-1.81%	-4.00%	-2.70%

EMPLOYEE COMPENSATIONS

Fiscal Year	*2020-21	2021-22	2022-23	2023-24	2024-25
Certificated	4.0%	3.0%	7%+$3,000 = 9.6%	5%+$1,500 = 6.5%	0%
Classified	4.0%	3.0%	7%+$1,800 = 9.6%	6.50%	0%
Management & Confidential	4.0%	3.0%	*Zero to 5%	*Zero to 6%	0%
Benefit Cap	$ 12,000	$ 13,000	$ 15,500	$ 17,500	$ 17,500

- Due to the three millions deficit, there was no salary and benefit increase in 2024-25.
-The 4% salary increase in 2020-21 was a one-time off-salary-schedule and was not included in the total increase.
-The majority of the Management & Confidential groups received a 4% increase in 2022-23 and a 5% in 2023-24.

EMPLOYEE COUNT & FTES

EMPLOYEE COUNT SNAP SHOT

Year	2022-23	2023-24	2024-25	Budget 2025-26	Change	9/3/25 Snapshot
Certificated	102	99	98	87	-11.0	88
Classified	86	94	97	89	-8.0	93
Confidential	2	2	3	3	0.0	3
Management	18	18	18	15	-3.0	16
Board	5	5	5	5	0.0	5
SELPA	11	12	12	12	0.0	12
EVSTA	1	1	1	1	0.0	1
Total	**225**	**231**	**234**	**212**	**-22**	**218**

FTE SNAP SHOT

Year	2022-23	2023-24	2024-25	Budget 2025-26	Change	9/3/25 Snapshot
Certificated	96.71	95.74	96.05	86.70	-9.35	87.53
Classified	65.29	68.39	73.45	71.63	-1.83	72.49
Confidential	2.00	0.87	1.67	3.00	1.33	3.00
Management	18.10	17.71	16.10	15.00	-1.10	15.85
Board	5.00	5.00	5.00	5.00	0.00	5.00
SELPA	10.50	11.45	12.77	11.77	-1.00	10.89
EVSTA	1.00	1.00	1.00	1.00	0.00	1.00
Total	**198.60**	**200.16**	**206.04**	**194.10**	**-11.94**	**195.76**

2024-25 Revised Unaudited Actuals

GENERAL FUND REVENUES AND EXPENSES

Description	2024-25 Unaudited Actuals			2025-26 Budget			% Diff Column C & F
	Unrestricted (A)	Restricted (B)	Total Fund col. A + B (C)	Unrestricted (D)	Restricted (E)	Total Fund col. D + E (F)	
A. REVENUES							
1) LCFF Sources	22,305,025.26	1,982.00	22,307,007.26	21,907,091.00	0.00	21,907,091.00	-1.8%
2) Federal Revenue	0.00	1,093,989.82	1,093,989.82	0.00	965,063.00	965,063.00	-11.8%
3) Other State Revenue	385,117.48	9,061,953.44	9,447,070.92	336,683.00	9,188,620.00	9,525,303.00	0.8%
4) Other Local Revenue	1,363,862.65	2,558,537.75	3,922,400.40	1,109,346.00	2,536,018.00	3,645,364.00	-7.1%
5) TOTAL, REVENUES	24,054,005.39	12,716,463.01	36,770,468.40	23,353,120.00	12,689,701.00	36,042,821.00	-2.0%
B. EXPENDITURES							
1) Certificated Salaries	8,993,274.64	4,664,773.29	13,658,047.93	8,430,769.00	4,682,225.00	13,112,994.00	-4.0%
2) Classified Salaries	3,768,472.19	3,764,257.40	7,532,729.59	3,412,469.00	3,429,542.00	6,842,011.00	-9.2%
3) Employee Benefits	5,735,221.96	4,357,801.69	10,093,023.65	5,302,720.00	4,084,058.00	9,386,778.00	-7.0%
4) Books and Supplies	351,142.74	1,210,558.01	1,561,700.75	555,974.00	881,862.00	1,437,836.00	-7.9%
5) Services and Other Operating Expenditures	2,989,213.75	4,177,468.77	7,166,682.52	2,782,240.00	3,400,762.00	6,183,002.00	-13.7%
6) Capital Outlay	0.00	182,829.06	182,829.06	0.00	0.00	0.00	-100.0%
7) Other Outgo (excluding Transfers of Indirect Costs)	0.00	840,271.00	840,271.00	0.00	476,400.00	476,400.00	-43.3%
8) Other Outgo - Transfers of Indirect Costs	(1,015,868.63)	894,635.94	(121,232.69)	(774,897.00)	662,492.00	(112,405.00)	-7.3%
9) TOTAL, EXPENDITURES	**20,821,456.65**	**20,092,595.16**	**40,914,051.81**	**19,709,275.00**	**17,617,341.00**	**37,326,616.00**	**-8.8%**
C. EXCESS (DEFICIENCY)	3,232,548.74	(7,376,132.15)	4,143,583.41	3,643,845.00	(4,927,640.00)	(1,283,795.00)	-69.0%
D. OTHER FINANCING SOURCES/USES							
Transfers In	75,000.00	0	75,000.00				100%
Transfers Out	0.00	393,762.89	393,762.89	0.00	257,000.00	257,000.00	-34.7%
Contributions	(5,289,968.31)	5,289,968.31	0.00	(3,930,302.00)	3,930,302.00	0.00	0.0%
TOTAL, OTHER FINANCING SOURCES/USES	(5,214,968.31)	4,896,205.42	(318,762.89)	(3,930,302.00)	3,673,302.00	(257,000.00)	-19.4%
E. NET INCREASE (DECREASE) IN FUND BALANCE	(1,982,419.57)	(2,479,926.73)	(4,462,346.30)	(286,457.00)	(1,254,338.00)	(1,540,795.00)	-65.5%

General Fund Salary Cost Listed by Group (Benefits not included)

Group	SACS Report	Certificated	Classified	Total	Count
Certificate	13,658,048	10,773,719		10,773,719	98
Classified	7,532,730		6,078,901	6,078,901	97
Board			14,400	14,400	5
Certificated Management		1,780,826		1,780,826	11
Classified Management			669,771	669,771	4
Confidential			280,352	280,352	2
Sub Total District Cost		**12,554,545**	**7,043,424**	**19,597,969**	**217**
SELPA & EVSTA		1,103,503	489,306	1,592,809	13
Grand Total	**$ 21,190,778**	**$ 13,658,048**	**$ 7,532,730**	**$ 21,190,778**	**230**

GENERAL FUND REVENUES AND EXPENSES

Revenues

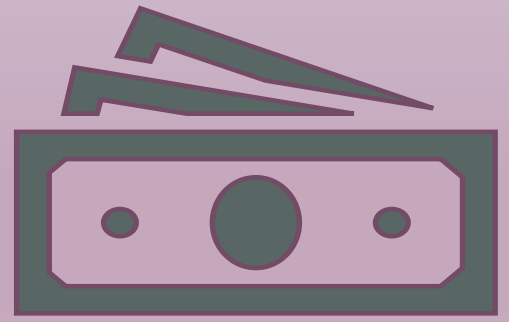
- Unrestricted: $24,054,005
- Restricted: $12,716,463
- Total Revenues: $36,770,468

Expenses

- Unrestricted: $20,821,457
- Restricted: $20,092,595
- Total Expenses: $40,914,052

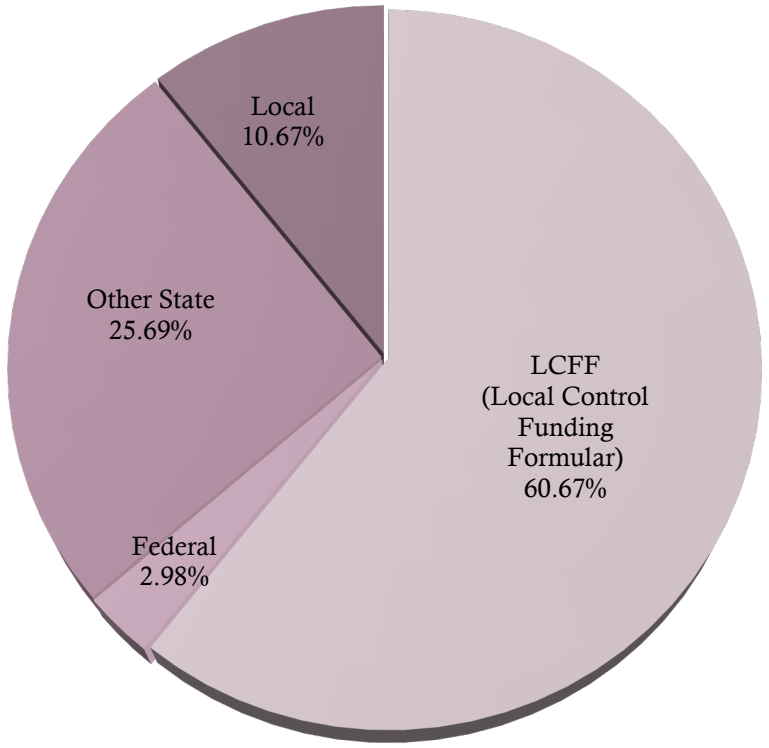
Deficiency

- Contribution to Special Ed: $5,289,968
- Fund balance decreased in unrestricted: $1,781,299
- Fund balance decreased in restricted $2,479,927
- Total decreased: $4,261,225

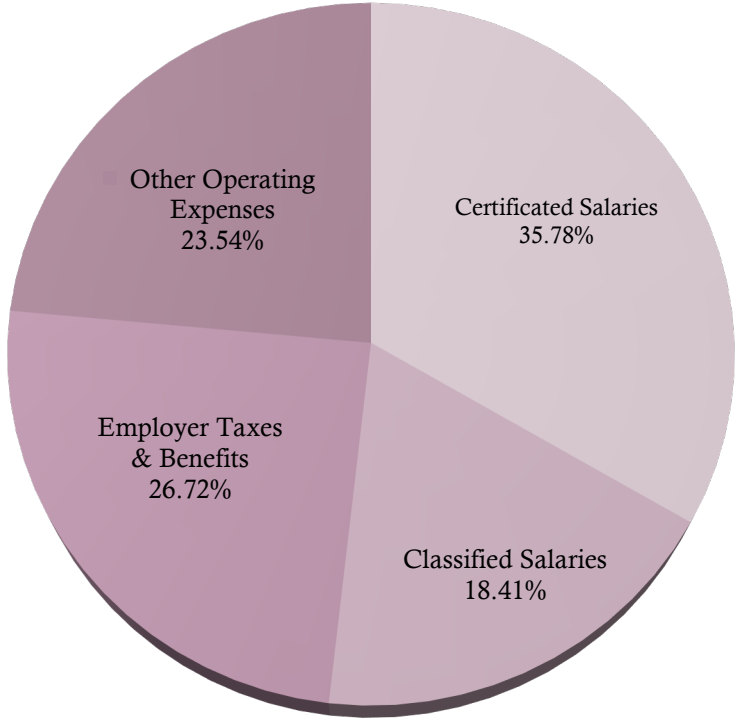


GENERAL FUND REVENUES AND EXPENDITURES

Revenues



Expenditures

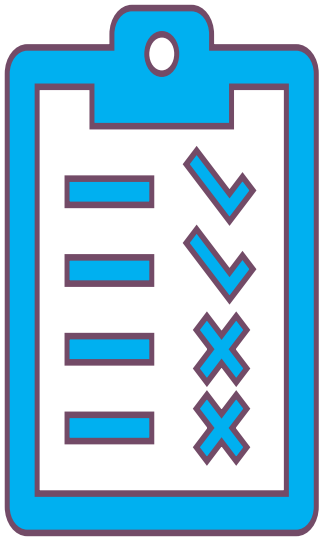


State Funding reflects 86.36% of Total General Fund Revenues
Salaries and Benefits reflects 76.50% of Total General Fund Expenditures

GENERAL FUND SUMMARY

Description	2024-25 Unaudited Actuals			2025-26 Budget			% Diff Column C & F
	Unrestricted	Restricted	Total Fund	Unrestricted	Restricted	Total Fund	
TOTAL, REVENUES	$24,054,005	$12,716,463	$36,770,468	$23,353,120	$12,689,701	$36,042,821	-2.0%
TOTAL, EXPENDITURES	$20,821,457	$20,092,595	$40,914,052	$19,709,275	$17,617,341	$37,326,616	-8.8%
EXCESS / DEFICIENCY	**$3,232,549**	**($7,376,132)**	**($4,143,584)**	**$3,643,845**	**($4,927,640)**	**($1,283,795)**	**-69.0%**
OTHER FINANCING SOURCES/USES	($5,214,968)	$4,896,205	($318,763)	($3,930,302)	$3,673,302	($257,000)	-19.4%
Beginning Fund Balance	$2,024,901	$8,494,156	$10,519,057	$42,481	$6,014,229	$6,056,710	-42.4%
Ending Balance	$42,481	$6,014,229	$6,056,710	($243,976)	$4,759,891	$4,515,915	-25.4%
Revolving Cash	$23,000	$0	$23,000	$0	$0	$0	-100.0%
Prepaid Items	$18,159	$0	$18,159	$0	$0	$0	-100.0%
Restricted	$0	$6,014,229	$6,014,229	$0	$4,767,232	$4,767,232	-20.7%
Unassigned/Unappropriated Amount	**$1,322**	**$0**	**$1,322**	**($243,976)**	**($7,341)**	**($251,317)**	**New**

RESTRICTED FUND BALANCE



Resource	Description	Restricted Balance
2600	Expanded Learning Opportunities Program	$ 2,146,105.62
6266	Educator Effectiveness, FY 2021-22	$ 202,715.72
6300	Lottery: Instructional Materials	$ 68,439.21
6332	CA Community Schools Partnership Act - Implementation Grant	$ 38,943.95
6500	Special Education (SELPA)	$ 1,095,620.13
6546	Mental Health-Related Services	$ 98,353.84
6547	Special Education Early Intervention Preschool Grant	$ 21,501.16
6762	Arts, Music, and Instructional Materials Discretionary Block Grant	$ 262,910.70
6770	Arts and Music in Schools (AMS)-Funding Guarantee and Accountability Act (Prop 28)	$ 227,390.06
7032	Child Nutrition: Kitchen Infrastructure and Training Funds - 2022 KIT Funds	$ 85,730.20
7415	Classified School Employee Summer Assistance Program	$ 673.18
9010	Other Restricted Local	$ 1,765,845.32
Total, Restricted Balance		**$ 6,014,229.09**

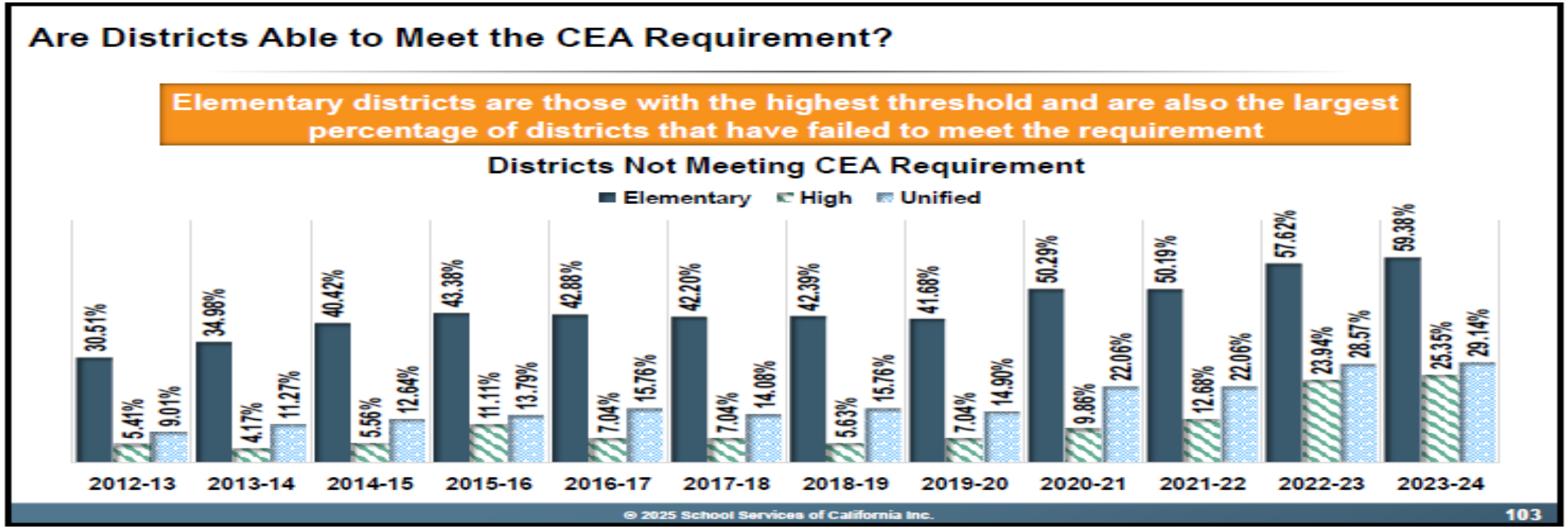
- In the $6,014,229 restricted balance, $1,095,620 belongs to SELPA; the net amount for the district was $4,918,609

OTHER FUNDS

- District received a gross income of $734,003 from lease and rental. After paying all the related expenses, $393,762 net was transferred to fund 140 Deferred Maintenance account and spent to help maintenance our school facilities.
- Parcel Tax income in the total of $472,121 included in the general fund. It was a decrease of $938 compared with the total $473,059 received in 2023-24.
- The district borrows 1.3 million from fund 17 to maintain the 3% reserve for the economic uncertainty.



FORM CEA (CURRENT EXPENSE OF EDUCATIONS)



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FORM CEA (CURRENT EXPENSE OF EDUCATIONS) AND THE EXEMPTION APPLICATION

- The Minimum Classroom Compensation (MCC) requirement for elementary school districts is 60%. Like many other districts in California, due to an outdated formula that has not been revised to reflect the new funding model, the District did not meet this requirement in 2024–25. Our shortfall was 2.63%, or $852,580, placing us at 57.37%.
- As a result, the District must submit an Exemption Application for approval by both the Board and the County. Approval is contingent upon demonstrating that our salary schedule remains competitive with neighboring districts.
- To support this, we have included the 2024–25 salary schedules for Evergreen, Oak Grove, and Berryessa school districts, which we typically use for comparison. Since Berryessa has not yet finalized its 2024–25 negotiations, only its 2023–24 schedule is available. To meet the County's requirement of three district comparisons, we have also included San Jose Unified School District in our analysis.
- Because districts have only recently closed their 2024–25 books, average salary data is not yet available. School Services of California will compile this information statewide and provide the comparison report. Once received, the District will present the updated comparison data to the Board.

DISTRICT FINANCIAL GOAL



2025–26 is a year labeled by uncertainty. In addition to financial challenges, we are also facing political pressures.



The district will continue to closely monitor our budget to maintain fiscal solvency and ensure full compliance with rules and regulations.



Most importantly, we remain committed to making student learning and success our top priority.

NEXT STEPS

- The Unaudited Actuals Financial Report must be reviewed and accepted by the MPESD Board before the submission deadline to the Santa Clara County Office of Education on **September 15, 2025**.
- **September 10, 2025** – Administration presented the Board with the 2024–25 Unaudited Actuals Report and the GANN Limit Resolution.
- **October 8, 2025** – Administration presents the Board with the 2024-25 Revised Unaudited Actuals.
- **December 10, 2025** – Administration will present the Board with the 2025–26 First Interim Report.
- **January 2026** – The Governor will release the 2026–27 Proposed State Budget.
- **January 2026** – Administration will present the Board with the 2024–25 Audit Report.



QUESTION?



THANK YOU!

ACRONYM TABLE

Acronym	Meaning
AB	Assembly Bill
ADA	Average Daily Attendance
AMI	Art & Music Intructional
ASES	After School Education & Safety
CALPADS	California Longitudinal Pupil Achievement Data System
CDE	California Department of Education
COLA	Cost-of Living Adjustment
CPI	Consumer price index
DO	District Office
ELO-P	Expanded Learning Opportunity Program
EVSTA	East Valley Schools Tranportation Authority
FTE	Full-time equipvalent
IDC	Indirect Costs
LAO	Legislative Analyst's Office
LCAP	Local Control Accountability Plan
LCFF	Local Control Funding Formula
LEA	Local Educational Agency
LREBG	Learning Recovery Emergency Block Grant
P-1, P-2, P-A	Period 1, 2 or Annual (to submit the students Attendance Reports)
PERS	California Public Employees' Retirement System (CALPERS)
SACS	Standardized Account Code Structure
SCCOE	Santa Clara County of Education
SELPA	Special Education Local Plan Areas
SpEd	Special Education
STRS	State Teacher Retirement System (CALSTRS)
TOSA	Teacher on Special Assignment
UPK	Universal Pre-K