

# Responding to MPCSD's Structural Deficit

Input Session facilitated by  
Superintendent's Advisory  
Committee on Communication

# Superintendent Advisory Committee

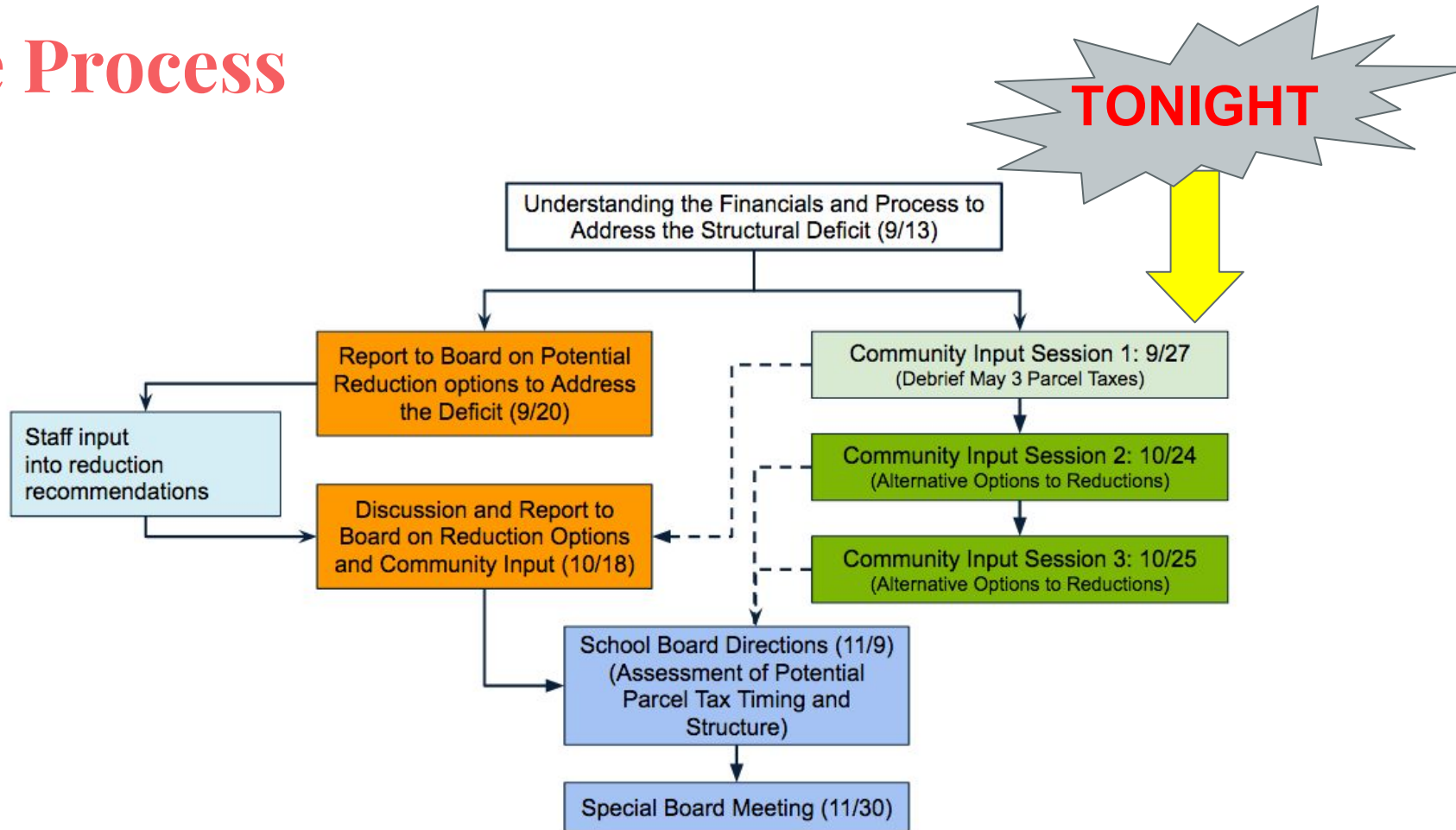
## Members:

- Board: *Stacey Jones & Terry Thygesen*
- Parents: *Jill Kispert & Stacey Wueste*
- Staff: *Lanita Villasenor, Erik Burmeister, Al Hart*
- Community: *Parke Treadway*

**Team's Purpose:** To advise Superintendent on issues related to communication and to lead efforts to improve communication within and without the organization.

**Role Tonight:** To serve as an unbiased facilitator of the process by which the Board will gather input from the community regarding financial planning.

# The Process



# What does “Community Funded” mean?

## State Funded (Revenue Limit) District

**Definition:** A district whose base funding level--an amount guaranteed by the state--is not met by local property tax alone. State is required to provide additional funds to achieve the guarantee. Funding is provided on “average daily attendance” and enrollment.

**Examples:** Redwood City SD, Ravenswood SD, San Mateo-Foster City SD, San Carlos SD, San Bruno SD, Pacifica SD, Millbrae SD

**Revenue Increases:** State Funding, Enrollment Increase, Daily Attendance Increase, Parcel Tax, Donations

## Community Funded (Basic Aid) District

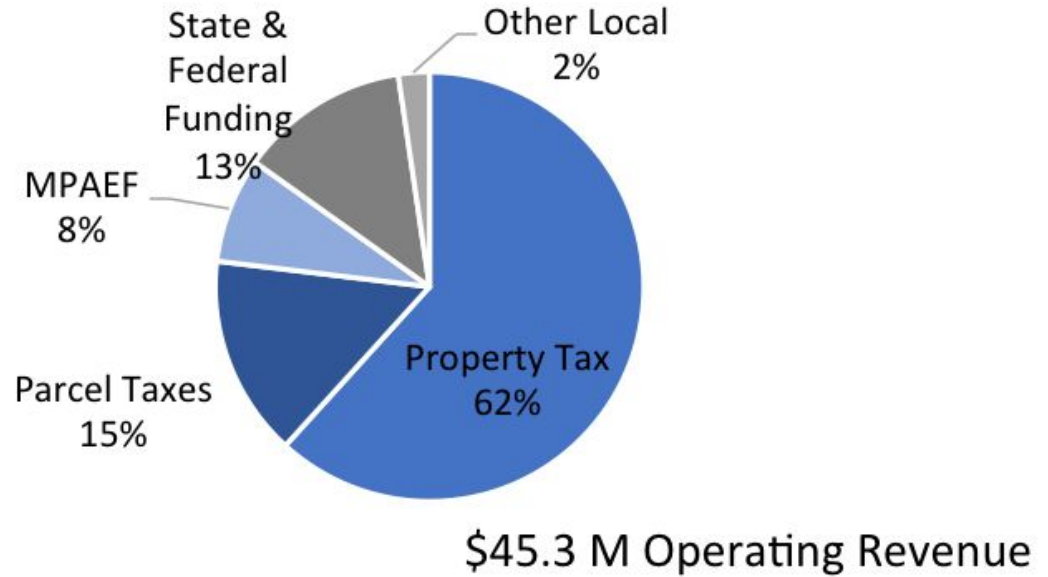
**Definition:** A district whose base funding level--an amount guaranteed by the state--is met and often exceeded by local property tax. The state does not provide any additional funds to meet guarantee. Funding is not determined by attendance or enrollment.

**Examples:** Menlo Park City SD, Sequoia UHSD, Palo Alto SD, Las Lomas SD, Portola Valley, Woodside SD, Hillsborough SD, Los Altos SD

**Revenue Increases:** Enrollment Decreases, Property Tax Increases, Donations (including Educational Foundations), Parcel Taxes

# Where does MPCSD get it's revenue?

2016-17 Revenue		
Property Tax	\$27,996,830	61.7%
Parcel Taxes	6,875,056	15.2%
MPAEF	3,600,000	7.9%
State & Federal Funding	5,807,367	12.8%
Other Local	1,062,199	2.3%
Total Revenue	\$45,341,452	100.0%



# How do we compare to our neighbors?

Per Pupil <b>Funding</b> comparison for 2014-15 (revenue)				
Menlo Park	Palo Alto	Las Lomas	Portola Valley	Woodside
\$13,720	\$15,711	\$16,399	\$20,791	\$21,109
Per Pupil <b>Spending</b> comparison for 2014-15 (expense)				
Menlo Park	Palo Alto	Las Lomas	Portola Valley	Woodside
\$14,294**	\$15,578	\$15,739	\$19,810	\$21,785

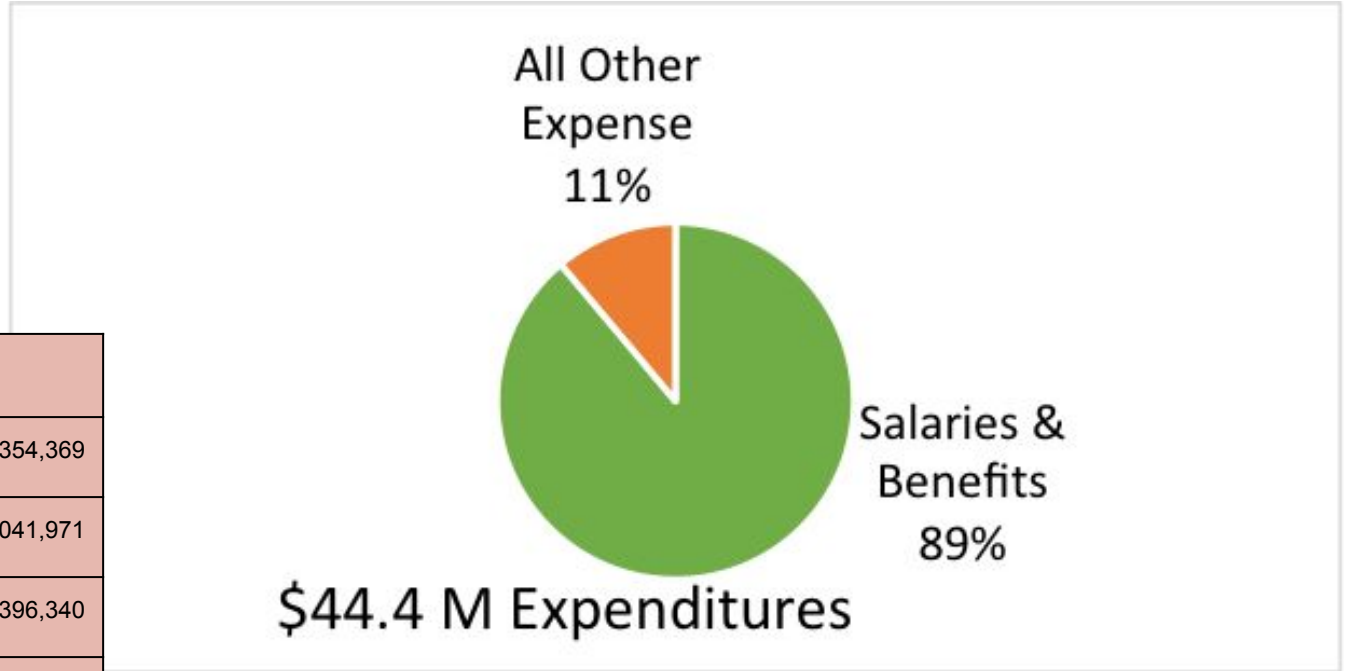
\*Source: EdData 2014-2015 (2015-16 data not yet available)

\*\*Difference in revenue vs. expense is due to the planned spend-down of reserves.

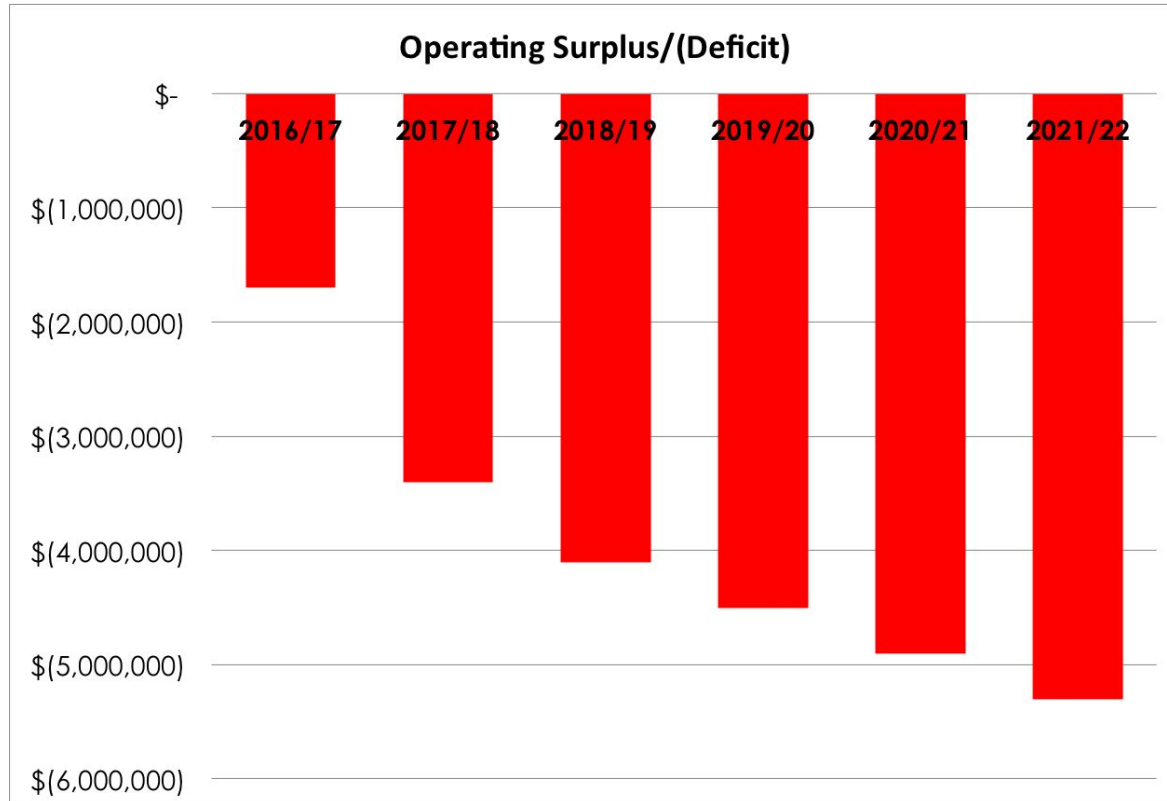
Note: This slide has been revised to include even more data than was presented at September 27 Board meeting.

# Where does MPCSD spend its resources?

2015-16 Expense	
Salaries & Benefits	\$40,354,369
All Other Expense	5,041,971
Total Expense	\$45,396,340
Salaries & Benefits	88.9%



# The Structural Deficit





# Three Realities Causing Structural Deficit

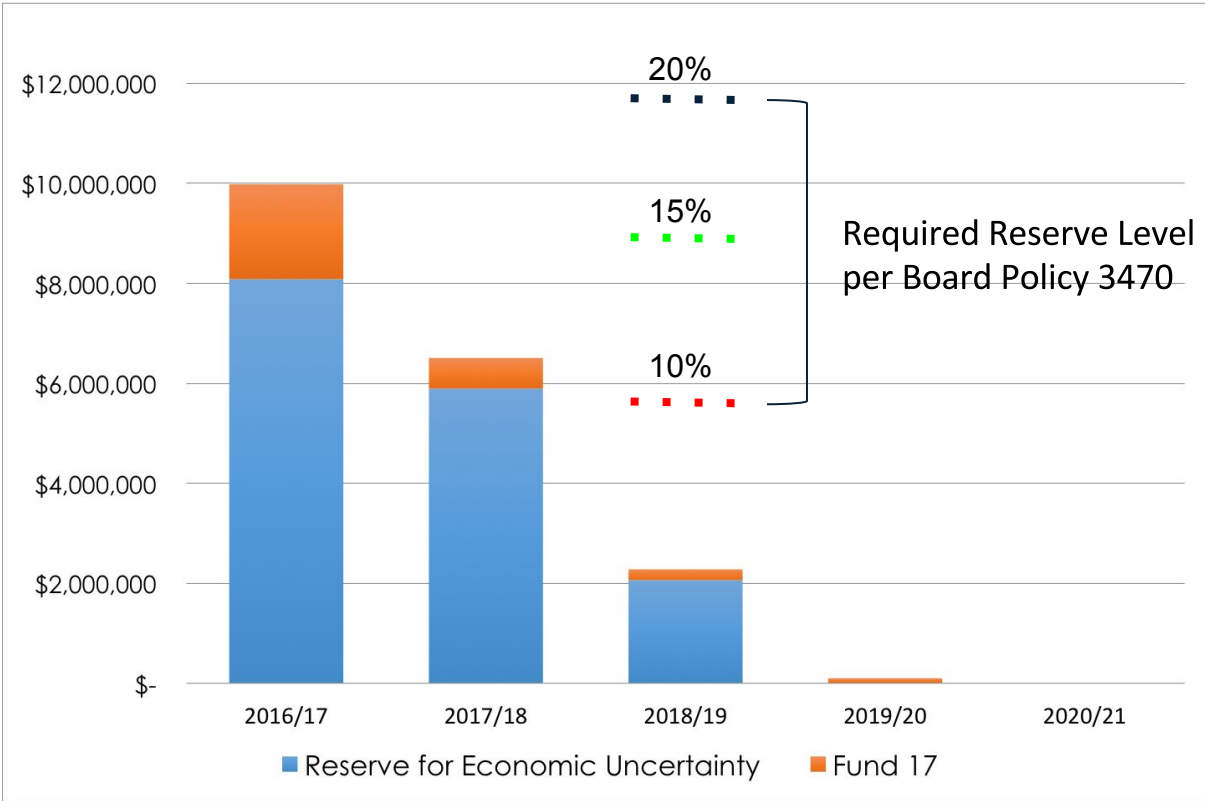
## REDUCTIONS

- 2010 Measure C Parcel Tax expires June 2017.

## INCREASES

- Continued and projected enrollment growth.
- State mandated increased pension costs.

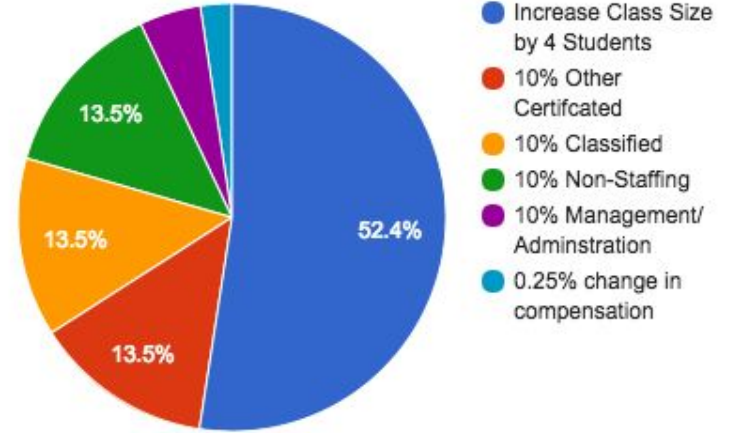
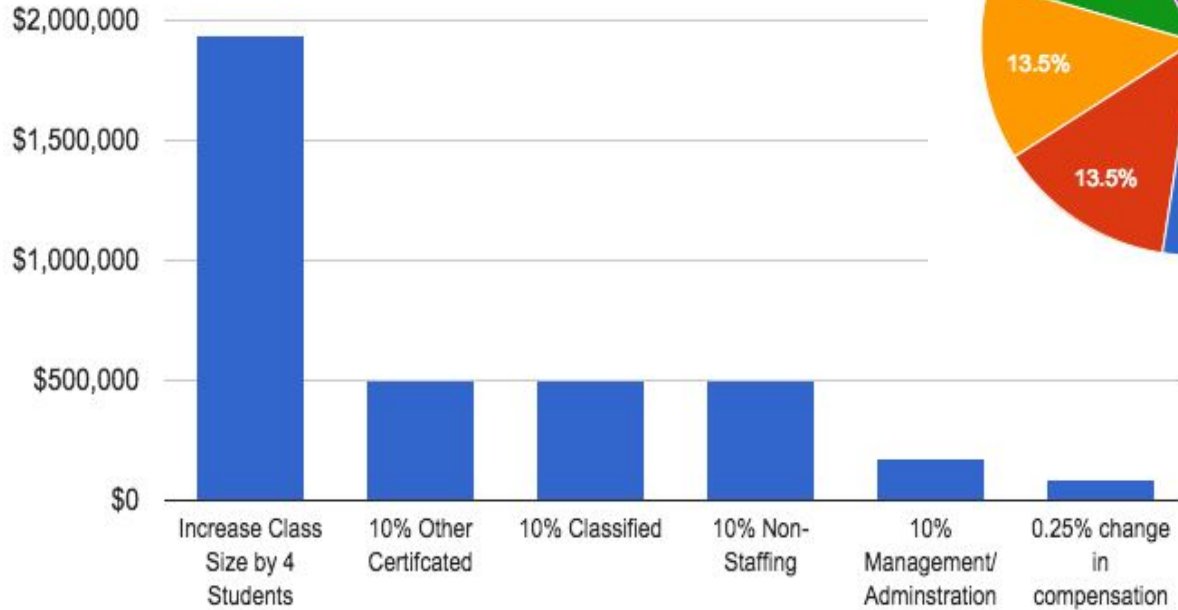
# State and Local Mandated Reserve Levels



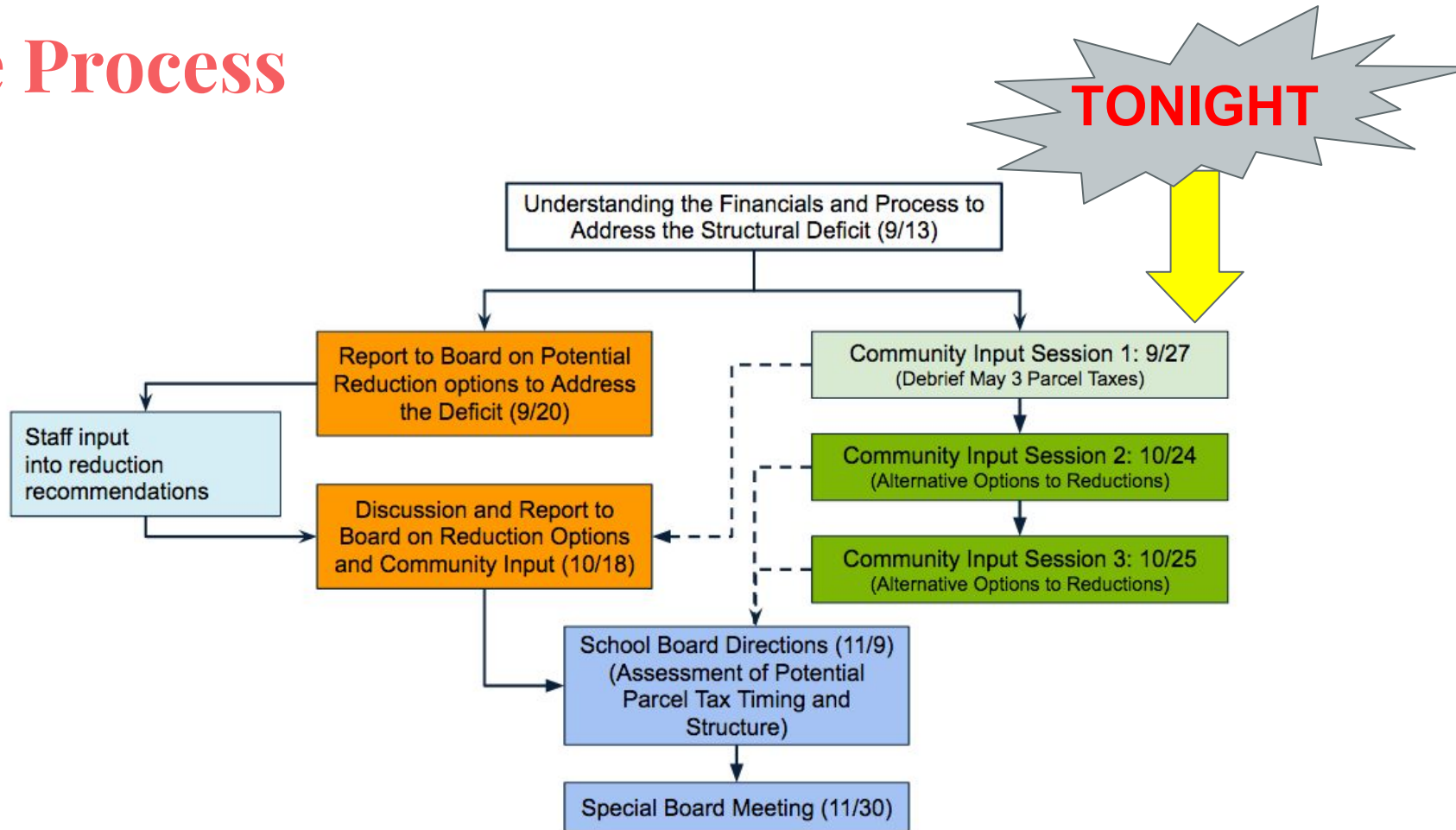
## So what?

- Operating deficit is \$5.3 million by 2021/22.
- District reserves fall below mandated 10% in 2018/19.
- District cannot sustain current operations beyond 2018/19.

# Not all cuts are the same!



# The Process



# Our Team's Commitment to you...

- We will record your input objectively, without bias, and present your input to the Board in an organized and thoughtful manner for their consideration.
- We will continue to eagerly seek, record, and objectively report input as it is provided to us via email, our online input form, or orally at any meetings regarding financial planning.
- We will submit written transcripts of all input to Board on November 9 as part of public record and will post videos of input sessions to district website following each meeting.

# What we ask of you...


- Assume positive intent. We all want what is best for our students and community.
- Respect others' right to be heard, regardless of whether or not you agree.
- Try to keep comments focused around each meeting's specific topic.
  - **TONIGHT: What can we learn from Measure A and C?**
    - October 18: Feedback on reduction proposal
    - October 24: Should MPCSD pursue Parcel Tax to minimize impact of cuts?
    - October 25: Should MPCSD pursue Parcel Tax to minimize impact of cuts?
    - November 9: Feedback on Board action to address structural deficit
- Keep public comment to the three-minute limit.
- Provide us written copy of any prepared comments.

# Alternate Forms of Input..

Email:

[commadvisoryteam@mpcsd.org](mailto:commadvisoryteam@mpcsd.org)

Online input form:

- [district.mpcsd.org](http://district.mpcsd.org)
- Front page
- Scroll down to  “Announcements”
- Open until Oct 31

## ANNOUNCEMENTS

### LEARN MORE. SHARE YOUR VOICE. GET INVOLVED

MPCSD faces a structural deficit that requires important and difficult decisions on the part of the Board and Leadership Team. **All MPCSD parents and community members are invited to learn more, share your voice, and get involved.**

**Learn more:** This fall the School Board has scheduled three Community Input Sessions on September 27, October 24 and 25. Please join the discussion and provide feedback. [Click here for a calendar of events.](#)

**Share your voice:** In addition to the Community Input Sessions listed above, [this online feedback form](#) will remain open through the end of October. Whether you can't attend the input sessions, prefer to have your input remain anonymous, or choose written input over spoken input, we invite you to complete the form. All feedback will be reported to the Board.

**Get involved:** By attending an [input session](#), providing feedback through the [online feedback form](#), asking questions or request information, please feel free to email the members of the Superintendent's Communication Advisory Team at [commadvisoryteam@mpcsd.org](mailto:commadvisoryteam@mpcsd.org).