

MONTECITO UNION SCHOOL FOUNDATION

ANNUAL REPORT



2024-2025



Kendle Evans

MUSF President

Carolyn Fitzgerald
Vice President

Joy Perry
Treasurer

Mally Chakola
Secretary

Taylor Kwok
Special Events

Casey Kallenbach
Sponsorship

Jennie Burkart
School Programs

Robert Koch
Community Events

Bruce Frey
Annual Giving

Vanessa Scarlett
Teacher Member

Lindsay Parton
School Spirit

John Held
Member At-Large

Jason Cobb-Storck
Member At-Large

IT'S BECAUSE OF YOU!

Dear Families,

Our children benefit from a truly exceptional experience at Montecito Union School (MUS), made possible not only by strong public funding but also by your generous support of the Montecito Union School Foundation (MUSF).

Together, we have created the iLab, redesigned the Library, introduced the Nature Lab and Outdoor Learning Pavilion, added Parkour stations, incorporated a Mindfulness Pathway, resurfaced the Track, and more. These accomplishments remind us of the remarkable impact our community can achieve when we come together. Your support provides opportunities for learning, creativity, and play that would not exist without your generosity.

This year, MUS faces an unprecedented challenge: over \$9 million has been withdrawn from the district's reserves to cover settlements and legal expenses stemming from allegations of misconduct by a former staff member in the 1970s. While the agreement includes no admission of liability, the financial impact is significant, substantially reducing the reserves that safeguard MUS's excellence and stability.

In response, the MUSF board is asking for your help to ensure that no child now, or in the future, ever feels the impact of financial strain. With your support, we can continue to fund the beloved MUSF programs and events, while also helping to restore MUS's financial foundation.

With gratitude,

Kendle Evans

Montecito Union School Foundation

WHAT DO WE SUPPORT?

396 Students
264 Families



SCHOOL PROGRAMS

Art at Lunch
Nature Lab Club
Garden Club
Running Club
Sowah African Drumming
Poets & Artists in Residence
Lost & Found
Room Parents



SPECIAL EVENTS

Carnival
Gala



COMMUNITY EVENTS

Back to School Picnic
Enchanted Evening
Pancake Breakfast
Booklab
Multicultural Food Fair
6th Grade Graduation



SCHOOL SPIRIT

Montecito Community Events
Lounge Fairy
MUS Gear
New Family Event
New Student Tour
Staff Appreciation Luncheon
TK & K Welcome



Montecito Union School Foundation

WHO WE ARE

The Montecito Union School Foundation (MUSF) was founded in 2018 as a 501(c)3 merging two separate predecessor organizations, the MUS PTA and the Montecito Education Foundation.

OUR VISION

Our vision is that your donations, partnered with public dollars, maximize Montecito Union School's ability to launch inspired thinkers who positively impact the world.

OUR MISSION

TO ENRICH THE STUDENT EXPERIENCE BY



ENHANCING ACADEMIC, ATHLETIC, ARTS AND MUSIC PROGRAMS



SUPPORTING TECHNOLOGY, CURRICULUM, AND CLASSROOM RESOURCES

OUR BOARD

WORKS TO ALLOCATE FUNDS AND ACHIEVE SUCCESSFUL OUTCOMES BY APPLYING THE FOLLOWING GUIDING PRINCIPLES:



Impact for All



Enrich Student Learning



Fiscal Responsibility

MUSF FUNDS PROJECTS THAT BROADLY ENHANCE EACH STUDENT'S EDUCATIONAL EXPERIENCE, WITH THE BOARD APPROVING PROPOSALS AND THE PRESIDENT OVERSEEING EXECUTION WITH SUPERINTENDENT ANTHONY RANII.

FINANCIAL HIGHLIGHTS

NET 2024-25 PROCEEDS



\$651,674

REVENUE SOURCES

Gala and Mustang Fund continue to be our largest income generators, followed by the remaining MUSF events

INCOME BREAKDOWN

Spring Gala **\$367,880**

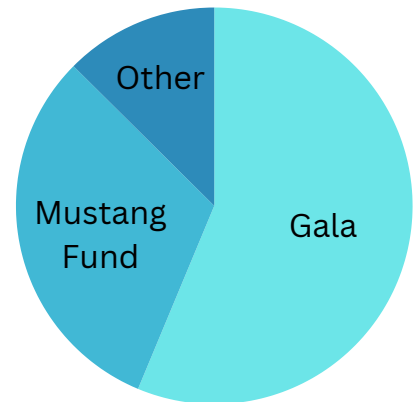
Auction, Paddle Raise, Ticket Sales, Sponsorships

Mustang Fund **\$202,557**

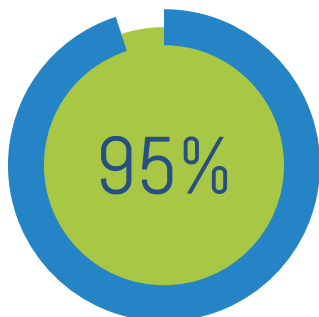
Over 80% of households and 100% faculty participation

Other Income **\$81,236**

Carnival, Community Events, Merchandise Sales, Other



YOUR MONEY MATTERS



- 95% of 2024/25 revenue funded MUS grants, programs, projects, and events
- Only 5% went toward administrative and operational costs
- Thank you to our parent volunteers for their time and dedication in keeping overhead low

THANK YOU TO OUR VOLUNTEERS

We had 170 parents
volunteer throughout
the 2024-25 school year!



The MUS community contributed not only financially but with their valuable time. We want to thank the numerous volunteers who make these social and educational events successful.

If you are interested or new to the school and want to learn more, please reach out to us at www.musfoundation.com on the “Get Involved” page!

Gala **Book Lab** **Sowah African Drumming** **Poets & Artists in Residence** **Diversity Club Food Fair** **Lounge Fairy** **Art at Lunch** **Running Club** **Belltower Activities** **6th Grade Party** **STEAM Night** **Garden Club** **Nature Lab Club** **Kindergarten Assessments** **Pancake Breakfast** **Toy Drive** **Enchanted Evening Dance** **Room Parent Coordination** **Staff Appreciation Lunch** **Carnival** **Partybooks/Socials** **Back to School Picnic** **Graduation Reception**

WHAT YOU TOLD US

MONTECITO UNION SCHOOL
SURVEY RESULTS 2024-2025



I donate out of gratitude, but do not feel pressured.

I felt improving the athletic facilities this year was an important cause that would directly positively impact my daughter's experience.

We are happy to support this wonderful school and feel happy with the results as the resources are allocated and spent.

We give because we believe in the mission of MUS!

I see the impact of what MUSF can do and has done for our kids.

You could incorporate more payment methods: Zelle, Apple Pay, Etc.

We want to support the school's ongoing initiatives, and ensure there is momentum and excitement for future ideas.

We want the school to continue to thrive and improve.



2024-2025 PROJECT

Fitness & Wellness Programs



Track Renovation

The track renovation project included the refinishing and essential safety enhancements, updated lane lines and markings with starter strip additions. It also includes an expanded long jump area and features inspirational school branding.



Mindfulness Pathway

MUSF transformed the under-utilized space adjacent to the track into a mindfulness and wellness area, featuring pathways, gardens, and interactive elements like signage, cues, and tactile experiences to support students' emotional well-being.



Mustang Strong Circuit

Three all-grade inclusive parkour fitness areas featuring natural-material-inspired structures. The "stations" focus on agility, endurance, strength, and balance, aligning with state standards. Designed to be collaborative and fun, this space is used during recess, PE, and community hours outside of school.



Regulation Stations

Each classroom now has grade-specific materials, selected by teachers, to support students' immediate emotional needs to create a consistent, supportive environment throughout the school day.

thank you

TO ALL OUR DONORS WHO GENEROUSLY SUPPORTED



MUSTANG FUND

“KEEP MUS, MUS”

The MUSF mission is to enhance academic, athletic, and arts & music programs; enrich the student experience through technology, curriculum, and improved classroom resources; and elevate our teachers through professional development and continuing education.

This year is no different. While the school administration and Board of Trustees remain focused on sustaining MUS's excellence amid recent legal expenditures, the MUS Foundation is equally dedicated to preserving the programs and events that define our community: Carnival, Art at Lunch, Garden Club, Sowah African Drumming, and more. These beloved traditions bring joy, creativity, and connection to our children, and keeping them thriving remains central to our mission.

As parents and caregivers, we also understand the importance of fiscal responsibility. The MUSF Board believes that the most meaningful Mustang Fund project we can undertake this year is helping the district rebuild its cash reserves. While past years have seen projects focused on immediate infrastructure improvements, this initiative carries even greater significance in this moment.

By strengthening our district's financial foundation, we are not only supporting our children today but also safeguarding the future for thousands of students who will be fortunate to call themselves Mustangs for years to come.

We ask for your generous support as we begin our campaign this year.



**Consistency
for our
Children**



**Help to
Mitigate
Changes**



**Protection
for our
Future**

THE IMPORTANCE OF REBUILDING OUR RESERVES

Questions & Answers with Susannah Osley,
MUS Board of Trustees, President

Q: Why did we settle?

The decision to settle was a difficult one, but we did what we felt was necessary to keep MUS the school that it is. The risk of a jury verdict in the tens of millions was just too great (given what has been happening in these cases state wide), and we knew that a verdict of that size would have not only fully depleted our reserves, but would have fundamentally changed what MUS looks like.

Q: What did we settle for?

It was heartbreaking to think that allegations from fifty years ago might threaten to destroy MUS as we know it. To settle the case, we had to make a one time lump sum payment to the plaintiffs and pay extensive legal fees, resulting in a staggering depletion of reserves.

**Over 9 million dollars was
spent from the reserves**

Q: Will there be any additional costs?

Yes, we typically rely on interest from the cash amount in our reserves. That interest is a significant source of income for MUS, and depleting the reserves means losing that income for now, approximately \$400,000 per year that we relied on. We will also now be required to pay interest on the remaining 5.8 million dollar balance on the loan we took out for now completed building renovations, a loan we had intended to be able to pay off early, and now cannot.

Q: Are the reserves just a rainy day fund?

For many, hearing “reserves” conjures up thoughts of a rainy day fund, money just sitting waiting for an emergency, but the District’s reserves function differently. Because we derive most of our funding from property taxes, the stream of money coming in is unsteady, with the bulk coming in twice a year. In the meantime, in addition to being there for emergencies, our reserves are used to bridge payroll and operational costs.

Q: How do we move forward?

For all of these reasons, we are hoping to be able to replenish the reserves as quickly as possible. The strength of this community has always been in how we move through challenges together, and we hope that this is no different.

**If we all work together, we can
KEEP MUS, MUS**

A GREATER UNDERSTANDING

IMMEDIATE & LONG TERM FINANCIAL IMPACT

Estimated Reserves Incl. Accruals	\$11,800,000	
Legal & Experts' Fees	- 1,100,000	9%
First Settlement	- 400,000	3%
Second Two Settlements	- 7,500,000	64%
Loss of Revenue from Interest	- 400,000	3%

TOTAL LOSS & IMPACT TO MUS FINANCIALS

\$9,400,000

76% of RESERVES LOST
3% OF INTEREST REVENUE LOST

79% IMPACT ON MUS BUDGET

WHAT DO WE USE RESERVES FOR?

- **Sustain Daily Operations:** Supports monthly cash flow and operational expenses. Example: Allows teachers to be paid during months where we do not receive funding from property taxes.
- **Emergency Response:** Enables MUS to act immediately when unforeseen issues arise, rather than waiting for insurance payouts. Example: When the art room flooded last year, repairs were completed right away, even though insurance funds took nine months to arrive.
- **Flexibility & Adaptation:** Allows us to pivot when circumstances change. Example: During COVID, reserves made it possible to build 24 outdoor classrooms so students could safely return to campus.
- **Strong Financial Standing:** Maintains our excellent credit rating, allowing MUS to borrow funds for essential, large scale maintenance projects. For example, this strong position enabled the recent major infrastructure improvements to buildings D and E, which included rebuilding 12 classrooms, multiple offices, and the auditorium, along with completing accessibility upgrades and other enhancements.
- **Recruiting & Retaining Excellence:** Our reserves help us attract and keep the best administrators, teachers, and specialists in California, ensuring small class sizes and an exceptional education for every student.

For more detailed financial information, you can watch the presentation on parentsquare:

THE FINANCIAL STATE OF THE UNION: WHAT COMES AFTER THE SETTLEMENT



Dear MUS Community,

I am thrilled to be chairing this year's Mustang Fund for a second consecutive year! I am honored to represent the MUSF Board in this endeavor and am thankful that my time can be spent on a cause that I am incredibly passionate about. My children have benefitted from the amazing education that MUS offers and I am grateful for the educators, faculty, and community at our school.



It has been incredibly satisfying to see the results of last year's campaign have an immediate effect on the the daily lives of our kids: an amazing new track, modern and innovative playground equipment, and physical locations for the emotional well-being of the students. Driving by each day, I feel proud of what we accomplished as a community and its generous giving. We continue to build on the Foundation's legacy of support for the school.

This year, more than ever, the Mustang Fund plays a critical role. Following the depletion of nearly 80% of our MUS reserves budget, \$9.4 million, we need to help rebuild. These reserves are what protect MUS from unforeseen challenges and allow our children to experience what they have come to know and love. As such, this year's goal is to raise funds needed to help rebuild these reserves, ensuring that our children, today and for generations to come, have the same opportunities. We are committed as an organization to maintaining all current MUSF programming and events that enrich our children's daily experiences, such as Carnival, the Gala, Art at Lunch, Nature Lab Club, and more.

These programs are a vital part of what makes MUS so exceptional. My ask is that each member of our community contributes, push your generosity as far as you can manage, and help support our educators and school administration as they continue to provide the world class education we experience each day. Thank you in advance for your support.

Sincerely,

Bruce Frey

MUSF Mustang Fund Chair

THIS YEARS MUSTANG FUND

GOAL: KEEP MUS, MUS

Please consider helping us rebuild our school reserves to support all existing programming, staff needs and community events!

Let's work together to keep MUS the school we know and love, not just for our current students but the Mustangs of the future!

- The BEST teachers & specialists
- Small class sizes
- Beautiful and well maintained campus
- Sowah African Drumming and Poets & Artists in Residence
- Art at Lunch, Nature Lab Club, Garden Club, iLab, Nature Lab
- Carnival, Enchanted Evening, Book Lab, Multicultural Food Fair & more!

THE ASK! \$500,000+

100% household participation - any contribution matters!

\$1,500 per student recommended contribution

HOW TO GIVE!

Visit www.musfoundation.com

Drop off a check at the school

Or scan QR code



TIMELINE

- ▶ NOV 7th: MUSTANG FUND OPENS
- ▶ 9 WEEK DURATION: PLEDGE EARLY!
- ▶ JAN 9th : MUSTANG FUND ENDS

FAQ'S



How does MUSF handle deficits?

MUSF maintains reserves equal to one year's operating budget to manage cash flow and cover shortfalls. This ensures programs and commitments to students are never interrupted.

At times, MUSF may show a planned net loss when funds raised in a prior year are spent later; this is intentional and part of our budgeting process.

Does MUSF have an endowment?

No. Instead of a permanent endowment, MUSF keeps a flexible reserve equal to roughly one year's budget. This protects the school during financial challenges and ensures funds are used quickly to benefit students rather than being locked away.

What happens with a surplus?

Surpluses are either dedicated to upcoming approved projects or set aside as unrestricted funds for future needs. Our goal is to turn donations into immediate impact for students.

How are projects selected?

The superintendent works with the board, teachers, and staff to identify needs. Proposals are developed and refined with cost estimates and timelines. The MUSF Board reviews and votes for final approval. Fundraising begins to support the chosen projects. This process ensures all projects directly benefit students and align with our mission.

Why donate if my child is in 6th grade?

Past families gave to create opportunities your child enjoys today. By donating, you continue this cycle, ensuring future students have the same enriching experiences for years to come.

How do I get involved?

Please go onto our website www.musfoundation.com and go to the "Get Involved" tab. Also please subscribe to ParentSquare. All of our monthly and event volunteering needs go out via this parent app.



YOU ARE WHO MAKES MUS SUCH AN INCREDIBLE PLACE FOR OUR CHILDREN!

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