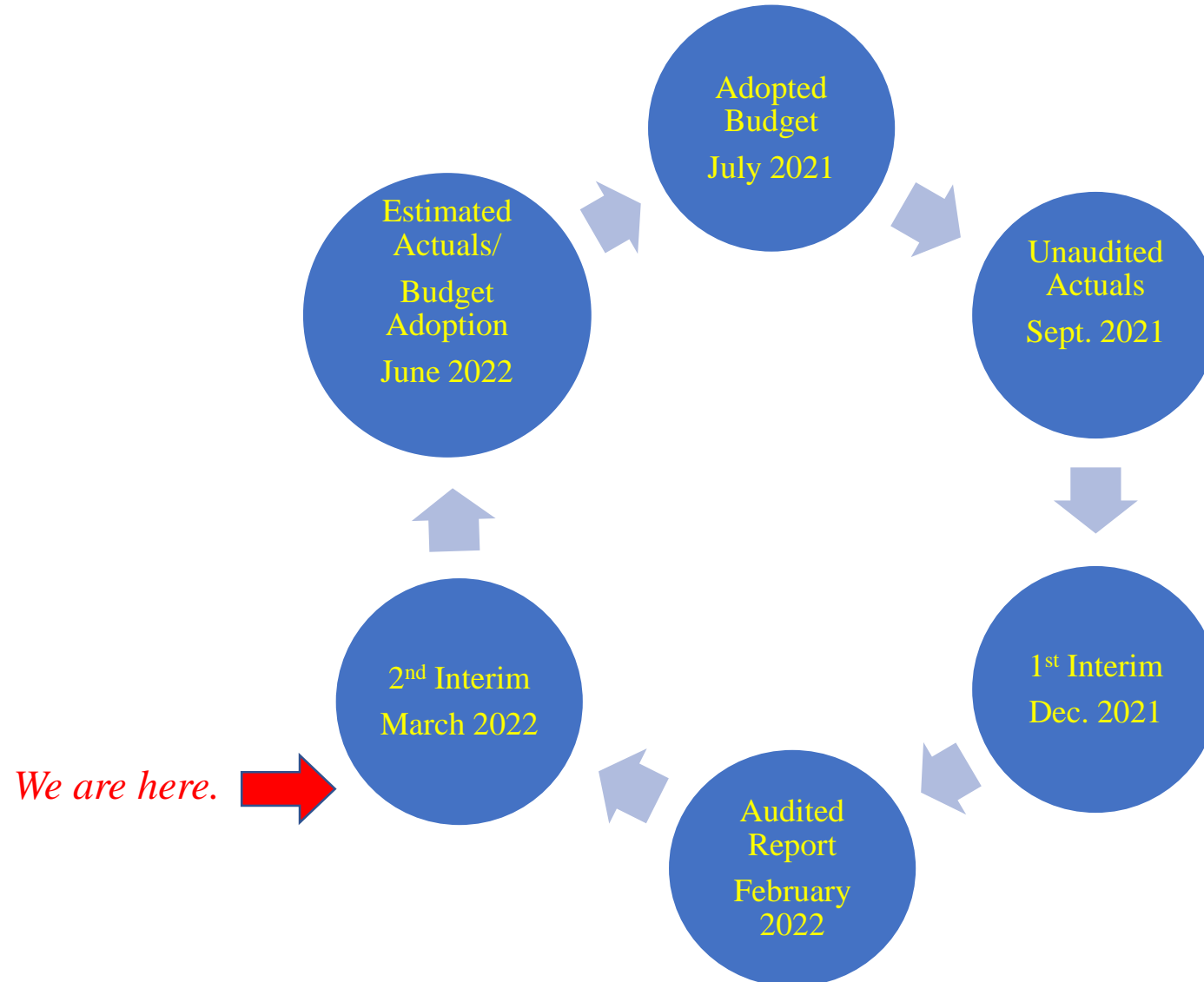


## *2021-22 Second Interim*



March 24, 2022

## Budget & Financial Reports Cycle, 2021-22



## Second Interim Highlights



- 1. Proposal for ADA:** If enacted, this would allow a school district in 2022-23 to be funded on the greater of the following:
  - a. Actual ADA from 2022-23
  - b. Actual ADA from 2021-22
  - c. Average ADA based on actuals from 2019-20, 2020-21, and 2021-22
- 2. Cost of Living Adjustment (COLA):** 2022-23 from 2.48% to 5.33%, 2023-24 from 3.11% to 3.61%
- 3. Early Childhood Education:** The proposal includes additional investments in early childhood with COLA and funding for Universal Transitional Kindergarten (UTK). There is no additional UTK funding for basic aid districts.
- 4. Special Education:** The 2022-23 budget proposals significantly build on special education funding augmentations including COLA and the funding exhibits will be provided by CDE and SELPA must report the amount of funding generated by each member LEA no later than 30 days after receiving their apportionment.
- 5. Universal School Meals:** grants for school kitchen upgrades and training, additional support to School Breakfast and Summer Meal Start-Up and Expansion grants.

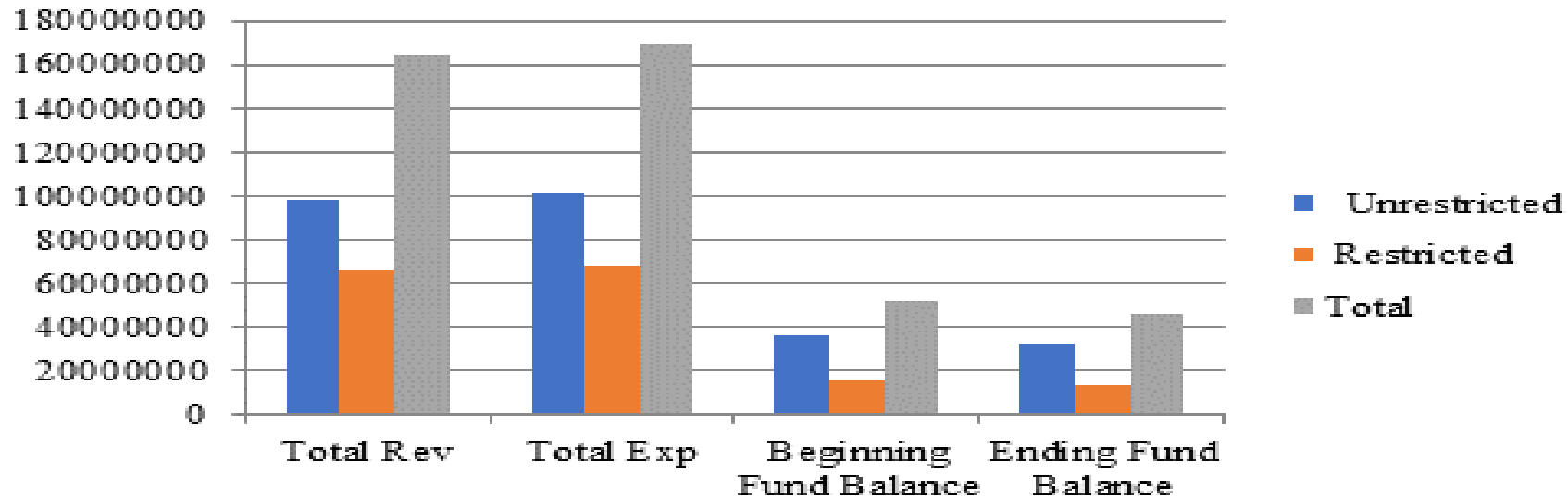
## Budget Assumptions (major key factors), one of two

	2021-22	2022-23	2023-24
COLA	5.07%	5.33%	3.61%
Enrollment	10,357	10,377	10,377
ADA	9,570	9,586	9,586
Ratio of ADA/Enrollment	92.4%	92.4%	92.4%
FTEs Changes (Certificated)		Reduction of 25 FTEs	Additional Reduction of 17 FTEs from 2022-23
FTEs Changes (Classified)		Additional 8 FTEs (Sp. Ed. Behavioral goals related Positions )	Same level as 2022-23
H & W Rate	5% increase	5% increase	5% increase
Property Tax (Growth Rate)	3.51%	4.79%	3.33%
Federal Revenues	Additional funding: LLMF, ESSER	Spending down ESSER II & III	Spending down ESSER II & III
State Revenues	Additional funding: LLMF, ESSER, ELO-G, ELO-P, Educator Effectiveness	No Additional New Funding	No Additional New Funding No Additional
Mandated Block	\$32.79	\$34.54	\$35.79

## Budget Assumptions (major key factors), two of two

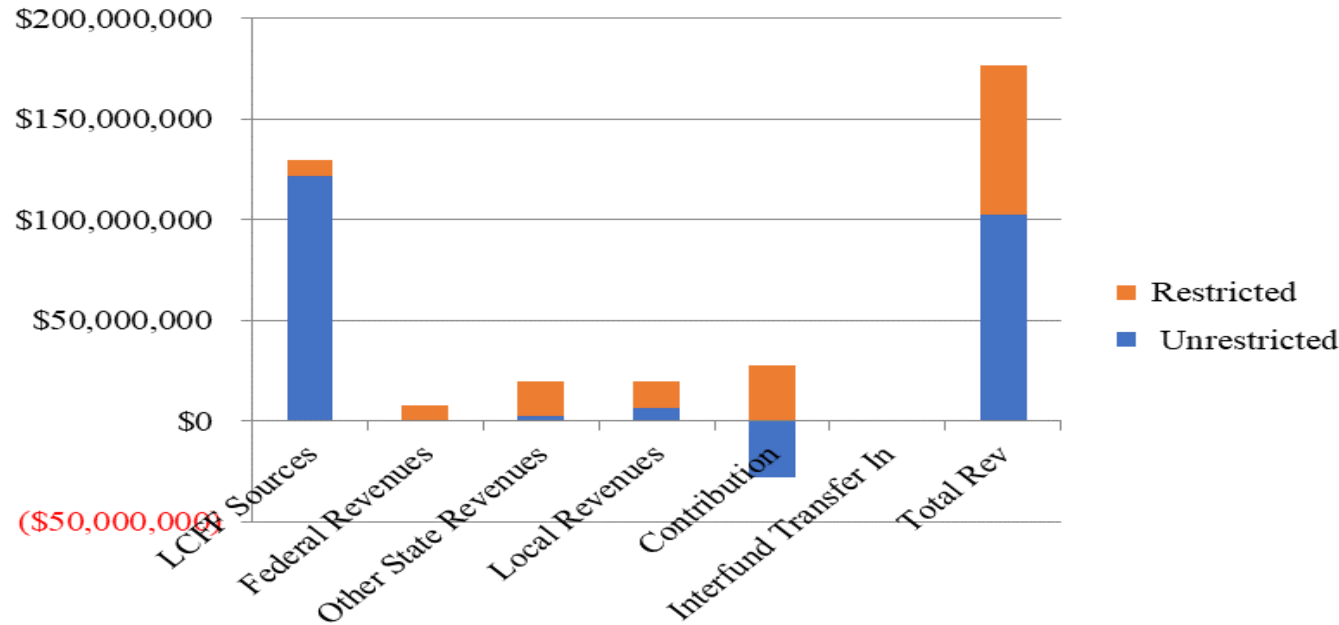
23.36%	2021-22	2022-23	2023-24
Lottery: Unrestricted/Restricted	\$163/\$65	\$163/\$65	\$163/\$65
Parcel Tax (measure V): annual CPI adjustment	\$311.56/parcel	\$316.52/parcel	\$322.84/parcel
Parcel Tax: annual CPI adjustment	\$121.48/parcel	\$123.91/parcel	\$126.39/parcel
Local Rev: Interest @ 1%, no donations (We budget it when it comes in.)	Interest @ 1%	Interest @ 1%	Interest @ 1%
Restricted Routine Maintenance (RRMA)	3%/\$4.9M	3%/\$5M	3%/\$4.9M
H & W Rate	5% increase	5% increase	5 increase
Property Tax (Growth Rate)	3.51%	4.79%	3.33%
STRS/PERS	16.92%/22.91%	19.1%/26.1%	19.1%/27.1%
Payroll Statutory Rate (Cert/Classified)	23.36%/35.55%	25.54%/38.74%	25.24%/39.44%
Indirect Cost Rate	6.28%	5.32%	5.32%

## Second Interim General Fund At Glance, Projection@ June 30, 2022



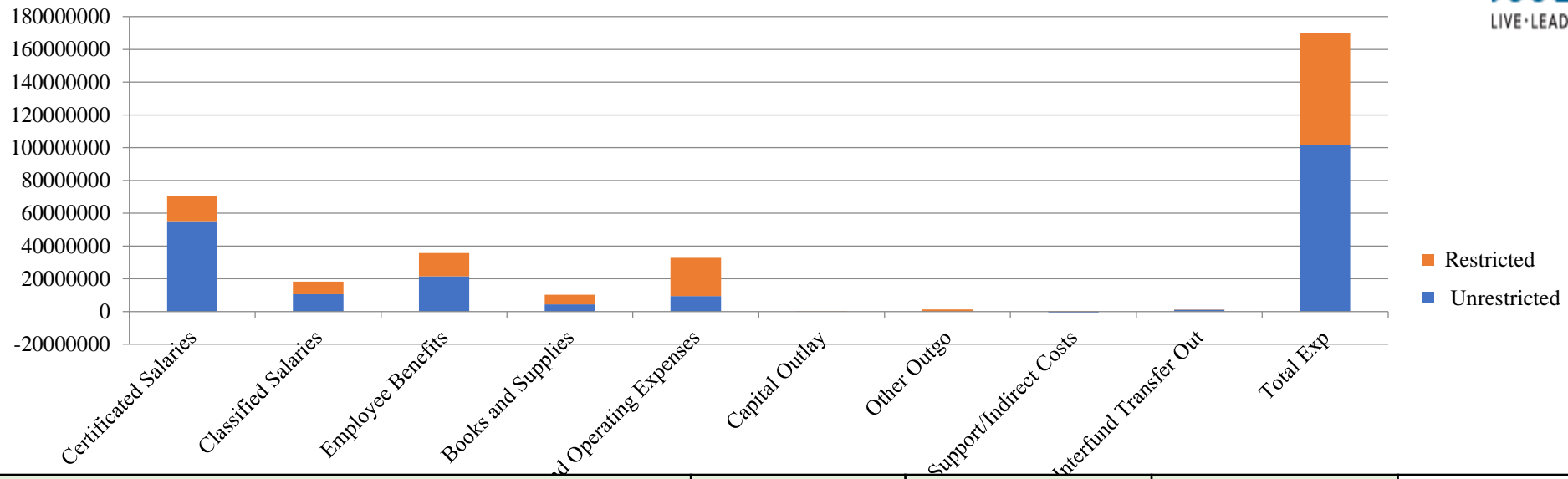
	Unrestricted	Restricted	<b>Total</b>
<b>Total Rev</b>	\$102,753,272	\$73,896,266	\$176,649,538
<b>Total Exp</b>	\$102,372,441	\$73,138,494	\$175,510,934
<b>Beginning Fund Balance</b>	\$37,778,530	\$22,455,457	\$60,223,987
<b>Ending Fund Balance</b>	\$38,159,361	\$23,213,229	\$61,372,509

## Second Interim General Fund Revenues, Projection @ June 30, 2022



	Unrestricted	Restricted	Total	%
LCFF Sources	\$121,902,797	\$7,609,431	\$129,512,228	73.3%
Federal Revenues	\$0	7,780,347	\$7,780,347	4.4%
Other State Revenues	\$2,308,974	17,328,061	\$19,637,035	11.1%
Local Revenues	\$6,317,384	13,215,502	\$19,532,886	11.1%
Contribution	(\$27,775,883)	27,775,883	\$0	0.0%
Interfund Transfer In	\$0	187,042	\$187,042	0.1%
<b>Total Rev</b>	<b>\$102,753,272</b>	<b>\$73,896,266</b>	<b>\$176,649,538</b>	<b>100.0%</b>

## Second Interim General Fund Expenditures, Projection @ June 30, 2022



	Unrestricted	Restricted	Total	%	combination of Other Outgo & Direct Support
Certificated Salaries	\$56,148,336	\$17,180,349	\$73,328,685	41.8%	
Classified Salaries	10,568,845	8,800,213	\$19,369,058	11.0%	
Employee Benefits	22,488,990	16,470,630	\$38,959,620	22.2%	
Books and Supplies	3,694,745	5,990,535	\$9,685,280	5.5%	
Services and Operating Expenses	10,167,170	22,904,340	\$33,071,510	18.8%	
Capital Outlay	19,947	55,226	\$75,173	0.0%	
Other Outgo	0	1,224,736	\$1,224,736	0.5%	
Direct Support/Indirect Costs	(801,284)	478,506	(\$322,778)		
Interfund Transfer Out	85,691	33,959	\$119,650	0.1%	
<b>Total Exp</b>	<b>\$102,372,441</b>	<b>\$73,138,494</b>	<b>\$175,510,935</b>	<b>100.0%</b>	

## Multi-year Projections

\$	2021-22	2022-23	2023-24
LCFF	129,512,228	134,933,589	139,013,148
Federal Revenues	7,780,347	8,549,001	7,523,656
State Revenues	19,637,034	12,253,307	10,788,236
Local Revenues	19,532,886	15,570,075	5,870,737
Transfer In	187,042	187,042	187,042
<b>Total Revenues</b>	<b>\$ 176,649,538</b>	<b>\$171,493,014</b>	<b>\$173,382,819</b>
Certificated Salaries	73,325,685	71,482,427	70,529,750
Classified Salaries	19,369,058	18,402,725	18,652,660
Employee Benefits	38,959,620	41,013,498	41,191,854
Books & Supplies	9,685,280	5,104,827	5,173,343
Services & Operating Expenses	33,071,510	36,832,733	33,578,629
Capital Outlay	75,173	19,950	19,950
Other Outgo + Transfer Out	1,344,386	1,344,390	1,344,390
Direct Support/Indirect Costs	(322,778)	(555,480)	(643,432)
<b>Total Expenditures</b>	<b>\$ 175,510,934</b>	<b>\$ 173,645,070</b>	<b>\$169,847,144</b>
Excess (Deficiency)	1,138,603	(2,152,056)	3,535,675
Beginning Balance	60,233,987	61,372,590	59,220,534
<b>Ending Balance</b>	<b>\$61,372,590</b>	<b>\$ 59,220,534</b>	<b>\$ 62,756,209</b>

## General Fund Unrestricted Fund Balance, Projection @ June 30, 2022

□ GASB 54 took effective in 2010-11 and required LEAs to disclose the Fund Balance.



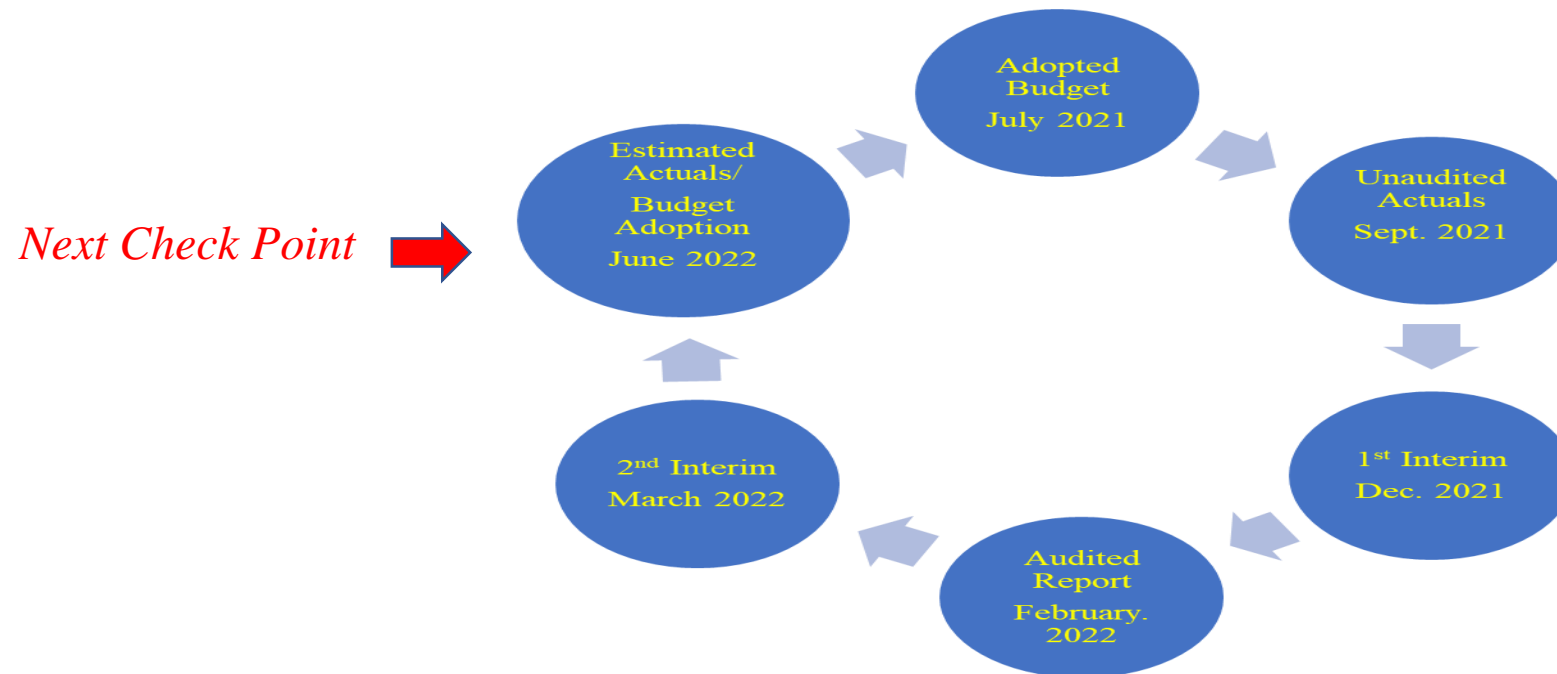
	2021-22	2022-23	2023-24
Non Spendable	\$ 35,000	\$35,000	\$35,000
Committed: Stabilization Arrangements @3%	\$5,265,328	\$5,209,352	\$5,095,414
Assigned: Vacation	\$500,000	\$500,000	\$500,000
One Month Payroll	\$11,570,292	\$11,743,850	\$11,920,010
Set aside for mold insurance	\$291,595	\$291,595	\$291,595
Set aside for insurance deduction for P&L	\$500,000	\$500,000	\$500,000
Textbooks adoption & tech gears refresh (Unrestricted lottery)	\$2,771,354	\$2,771,354	\$2,771,354
Textbooks adoption & tech gears refresh (Unrestricted lottery)		\$1,691,451	\$1,691,451
Textbooks adoption & tech gears refresh (Unrestricted lottery)			\$1,694,451
Prior year COVID reserve for future allocation	\$9,460,464	\$7,477,443	\$9,972,871
Professional Development	\$2,500,000	\$2,500,000	\$2,500,000
Reserve for Economic Uncertainties @3%	\$5,265,328	\$5,209,352	\$5,095,414

## Other Funds, Projection @2nd Interim for the year ending on June 30, 2022

Fund/Fund #	Beginning Bal	Revenues	Expenditures	Ending Balance 2 <sup>nd</sup> Interim
Child Development, F12	1,173,458	3,571,205	3,822,320	922,344
Cafeteria Special Revenue, F13	2,313,599	5,376,553	4,265,336	3,424,817
Deferred Maintenance, F14	6,065,288	52,000	499,990	5,617,298
Special Reserve (Non Capital Project), F17	786,547	98,619	0	885,166
Building (AKA GO Bond), F21	139,903,133	1,399,000	62,572,671	78,729,462
Capital Facilities, F25	4,875,791	1,064,500	330,844	5,609,447
County School Facilities, F35	25,637	400	0	26,037
Special Reserve for Capital Project, F40	16,250,391	197,959	114,768	16,333,582
Other Enterprise, F63	3,541,625	7,175,937	6,728,796	3,988,765
Retiree Benefits, F71	25,418,379	2,863,093	1,937,000	26,344,472
Foundation Private-Purpose Trust Fund, F73	143,344	22,200	14,700	150,844

## Final Notes

- The 2nd interim projection is built based on the recommendations and guidance from the Budget Act, CDE, SMCOE, SSC, and internal policy with the best preparation and fair presentation.
- Next financial report check point will be the Estimated Actuals for the 2021-22 and Adopted Budget for 2022-23. The report will be presented at the board meeting in June 2022 with Hearing and adoption processes.



- Questions & Answers