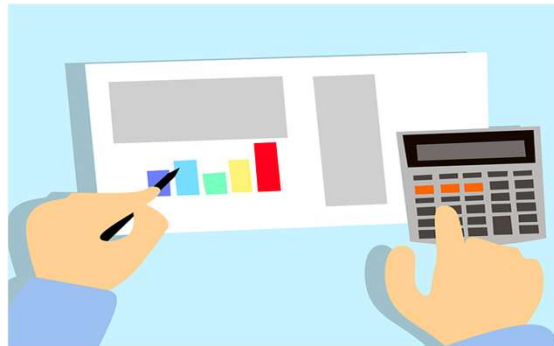
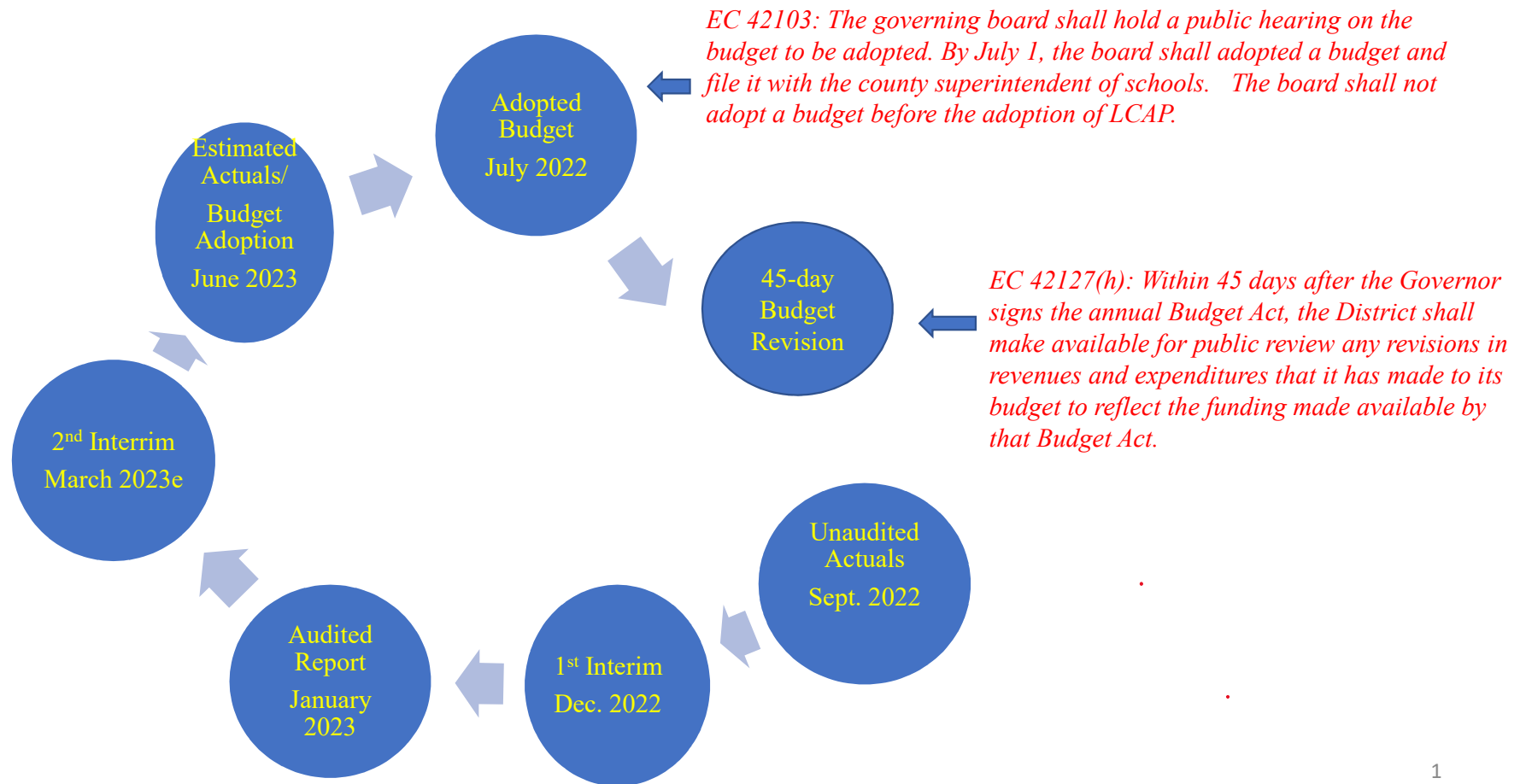


## *2022-23 Budget*



*Budget Hearing: June 9, 2022*  
*Budget Adoption: June 23, 2022*

## Budget & Financial Reports Cycle, 2022-23



## 2022-23 Budget Overview

- 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 or 2021-22
  - b. Actual ADA from 2021-22
  - c. Attendance % in 2019-20 when calculating 2022-23 apportionment
- 2. Cost of Living Adjustment (COLA):** 2022-23:6.56%, 2023-24:5.38%, 2024-25: 4.02%
- 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.

## 2022-23 Budget Overview



- 6. Discretionary Block Grant:** If enacted, this would provide approximately \$1,500 per ADA or close to \$14 Million for our District.
- 7. Deferred Maintenance One Time Funds:** If enacted, the budget would provide \$1.7 billion in one time funds for deferred maintenance, or approximately \$3 million for our District.
- 8. Expanded Learning Opportunities Funding:** The proposal includes ongoing funding of \$2,500 per ADA per UPP.

Budget Assumptions (major key factors), one of two



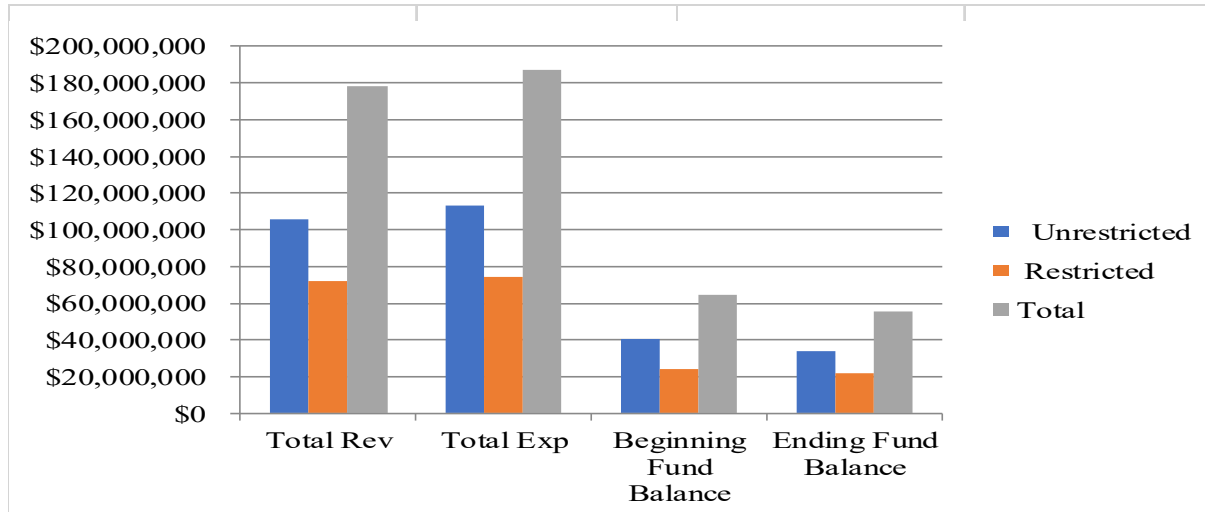
|  | 2022-23   | 2023-24   | 2024-25   |
|--|---|---|---|
| COLA   | 6.56%   | 5.38%   | 4.02%   |
| Enrollment   | 10,357  | 10,357  | 10,357  |
| ADA  | 9,632   | 9,632   | 9,632   |
| Ratio of ADA/Enrollment  | 93.0%   | 93.0%   | 93.0%   |
| FTEs Changes (Certificated teaching position)                          | Reduction of 25 FTEs  | Additional Reduction of 17 FTEs from 2022-23                              | At same level of 2023-24  |
| FTEs Changes (Classified)  | Additional 8 FTEs (Sp. Ed. Behavioral goals related Positions ) | One-time funded positions (such as ELO, Effectiveness) will be eliminated | One-time funded positions (such as ELO, Effectiveness) will be eliminated |
| Property Tax Growth  | 6.83%   | 3.33% increase  | 3.33% increase  |
| Local Rev: Interest @1%, no donations (We budget it when it comes in.) | 1%  | 1%  | 1%  |
| Lottery: Unrestricted/Restricted                                       | \$163/\$65  | \$163/\$65  | \$163/\$65  |
| Mandated Block Grant   | \$34.94   | \$36.82   | \$37.98   |

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



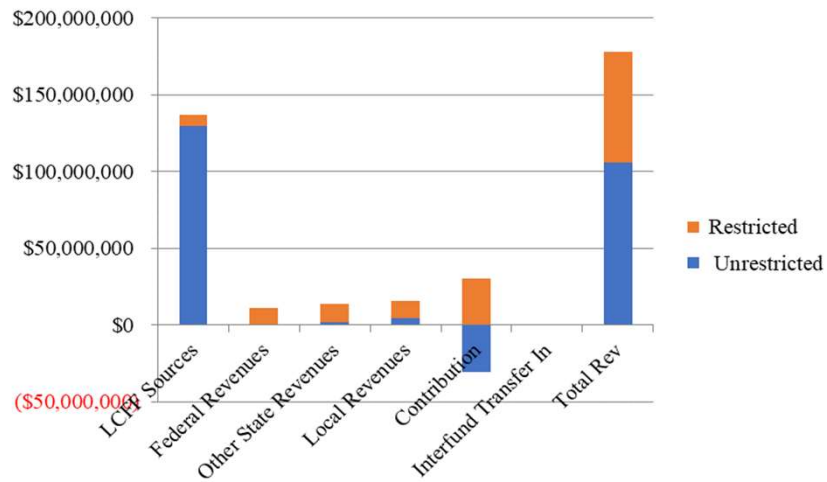
|  | 2022-23                                 | 2023-24                                 | 2024-25                                 |
|--|---|---|---|
| Parcel Tax (measure V): annual CPI adjustment      | \$316.52/parcel                         | \$322.84/parcel                         | \$329.30/parcel                         |
| Parcel Tax: annual CPI adjustment                  | \$123.91/parcel                         | \$126.39/parcel                         | \$128.92/parcel                         |
| Utility Costs (rate increasing)                    | 5%                                      | 5%                                      | 5%                                      |
| Transfer Out to Fund 17 (insurance related matter) | \$85,691                                | Subject to re-evaluation                | Subject to re-evaluation                |
| Transfer to Fund 14 (Deferred Maint Fund)          | 1% of LCFF Based Grant (adopted budget) | 1% of LCFF Based Grant (adopted budget) | 1% of LCFF Based Grant (adopted budget) |
| Restricted Routine Maintenance (RRMA)              | 3%/\$5.2M                               | 3%/\$5.2M                               | 3%/\$5.2M                               |
| H & W Rate   | 5% increase                             | 5% increase                             | 5% increase                             |
| Unemployment Insurance (UI)                        | 0.5%                                    | 0.2%                                    | 0.2%                                    |
| STRS/PERS  | 19.1%/25.37%                            | 19.1%/25.2%                             | 19.1%/24.6%                             |
| Payroll Statutory Rate (Cert/Classified)           | 25.95%/38.42%                           | 25.65%/37.95%                           | 25.65%/37.35%                           |
| Indirect Cost Rate                                 | 5.32%                                   | 5.32%                                   | 5.32%                                   |

## 2022-23 General Fund Budget At Glance



|                               | Unrestricted  | Restricted   | Total         |
|-------------------------------|---------------|--------------|---------------|
| <b>Total Rev</b>              | \$106,055,614 | \$71,958,682 | \$178,014,296 |
| <b>Total Exp</b>              | \$113,034,154 | \$74,183,718 | \$187,217,872 |
| <b>Beginning Fund Balance</b> | \$40,696,893  | \$24,441,012 | \$65,137,905  |
| <b>Ending Fund Balance</b>    | \$33,718,353  | \$22,215,976 | \$55,934,329  |

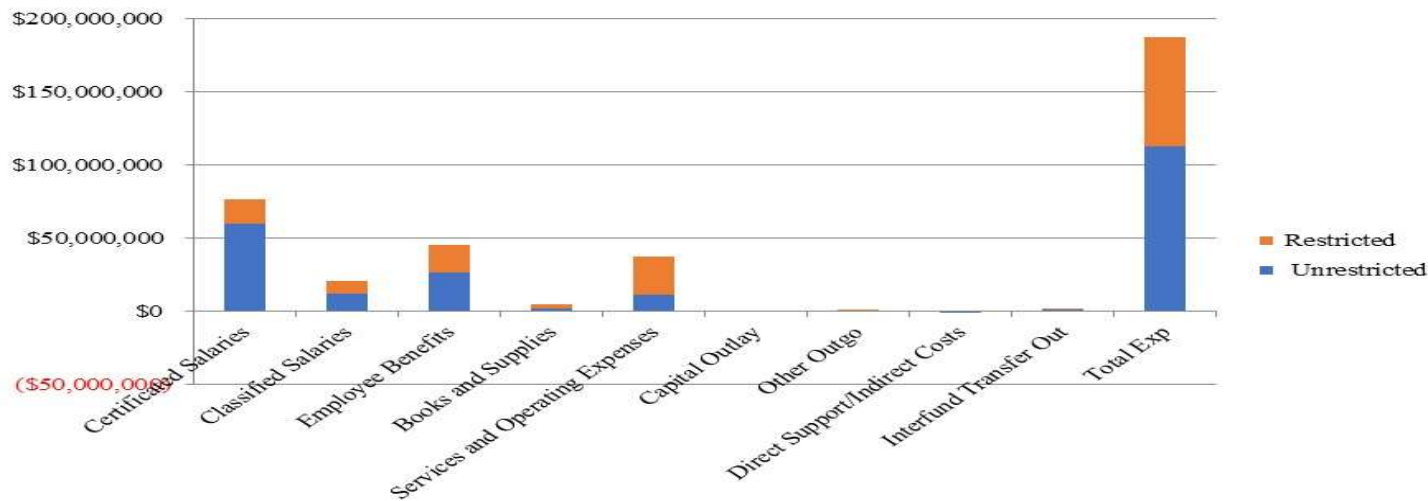
## 2022-23 General Fund Revenues



|                       | Unrestricted         | Restricted          | Total                | %             |
|-----------------------|----------------------|---------------------|----------------------|---------------|
| LCFF Sources          | \$129,694,338        | \$7,282,709         | \$136,977,047        | 77.0%         |
| Federal Revenues      | \$0                  | 10,988,310          | \$10,988,310         | 6.2%          |
| Other State Revenues  | \$2,200,468          | 11,860,901          | \$14,061,369         | 7.9%          |
| Local Revenues        | \$4,802,376          | 11,185,194          | \$15,987,570         | 9.0%          |
| Contribution          | (\$30,641,568)       | 30,641,568          | \$0                  | 0.0%          |
| Interfund Transfer In | \$0                  | 0                   | \$0                  | 0.0%          |
| <b>Total Rev</b>      | <b>\$106,055,614</b> | <b>\$71,958,682</b> | <b>\$178,014,296</b> | <b>100.0%</b> |



## 2022-23 General Fund Expenditures



|                                 | Unrestricted         | Restricted          | Total                | %             |
|---------------------------------|----------------------|---------------------|----------------------|---------------|
| Certificated Salaries           | \$60,033,599         | \$16,511,210        | \$76,544,809         | 40.9%         |
| Classified Salaries             | 12,132,780           | 8,456,542           | \$20,589,322         | 11.0%         |
| Employee Benefits               | 26,721,915           | 18,960,903          | \$45,682,818         | 24.4%         |
| Books and Supplies              | 2,298,472            | 2,913,411           | \$5,211,883          | 2.8%          |
| Services and Operating Expenses | 11,736,871           | 25,557,437          | \$37,294,308         | 19.9%         |
| Capital Outlay                  | 0                    | 0                   | \$0                  | 0.0%          |
| Other Outgo                     | 0                    | 1,249,231           | \$1,249,231          | 0.4%          |
| Direct Support/Indirect Costs   | (951,222)            | 501,026             | (\$450,196)          |               |
| Interfund Transfer Out          | 1,061,738            | 33,959              | \$1,095,697          | 0.6%          |
| <b>Total Exp</b>                | <b>\$113,034,154</b> | <b>\$74,183,718</b> | <b>\$187,217,872</b> | <b>100.0%</b> |

## Multi-year Projections (2022-23, 2023-24, 2024-25)



| Fiscal Year/Classification    | 2022-23              | 2023-24               | 2024-25              |
|-------------------------------|----------------------|-----------------------|----------------------|
| LCFF                          | 136,977,047          | 141,144,881           | 145,358,549          |
| Federal Revenues              | 10,988,310           | 7,482,304             | 4,311,420            |
| State Revenues                | 14,061,369           | 12,618,143            | 12,671,566           |
| Local Revenues                | 15,987,570           | 16,183,726            | 16,491,108           |
| Transfer In                   | 0                    | 0                     | 0                    |
| <b>Total Revenues</b>         | <b>\$178,014,296</b> | <b>\$177,429,054</b>  | <b>\$178,832,643</b> |
| Certificated Salaries         | 76,544,809           | 71,061,056            | 78,213,998           |
| Classified Salaries           | 20,589,322           | 21,018,319            | 21,319,264           |
| Employee Benefits             | 45,682,818           | 46,122,216            | 46,773,720           |
| Books & Supplies              | 5,211,883            | 3,547,674             | 3,389,428            |
| Services & Operating Expenses | 37,294,308           | 33,087,374            | 30,391,744           |
| Capital Outlay                | 0                    | 0                     | 0                    |
| Other Outgo + Transfer Out    | 2,344,928            | 2,287,067             | 2,300,244            |
| Direct Support/Indirect Costs | (450,196)            | (637,115)             | (805,836)            |
| <b>Total Expenditures</b>     | <b>\$187,217,872</b> | <b>\$ 182,486,591</b> | <b>\$181,582,563</b> |
| Excess (Deficiency)           | (9,203,576)          | (5,057,537)           | (2,749,920)          |
| Beginning Balance             | 65,137,905           | 55,934,329            | 50,876,792           |
| <b>Ending Balance</b>         | <b>\$55,934,329</b>  | <b>\$ 50,876,792</b>  | <b>\$48,126,872</b>  |

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

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



|   | Estimated Actuals 2021-22:<br>\$40,696,893 | Budget 2022-23:<br>\$33,718,353 |
|---|--|---------------------------------|
| Non Spendable   | \$ 35,000                                  | \$35,000                        |
| Committed: Stabilization Arrangements @3%                                   | \$5,218,607                                | \$5,616,536                     |
| Assigned: Vacation  | \$500,000                                  | \$500,000                       |
| One Month Payroll   | \$10,894,844                               | \$11,794,730                    |
| Set aside for mold insurance  | \$291,595                                  | \$291,595                       |
| Set aside for insurance deduction for P&L                                   | \$500,000                                  | \$500,000                       |
| Projected Supplemental carryover (2021-22)                                  | \$1,321,461                                | \$0                             |
| Technology Upgrades   | \$700,000                                  | \$700,000                       |
| Set aside for covering partial deficit spending                             | \$2,442,803                                | \$0                             |
| Textbooks adoption (Assigned for accumulated Lottery, Unrestricted lottery) | \$1,823,267                                | \$1,823,267                     |
| Textbooks adoption (Unrestricted lottery 2022-23)                           |  | \$913,126                       |
| Prior year COVID reserve for future allocation                              | \$9,250,708                                | \$3,427,563                     |
| Professional Development  | \$2,500,000                                | \$2,500,000                     |
| Reserve for Economic Uncertainties @3%                                      | \$5,218,607                                | \$5,616,536                     |

*Other Funds: 2021-22 & 2022-23*



| <b>Fund/Fund #</b>                         | <b>Estimated Ending Bal<br/>2021-22</b> | <b>2022-23 Revenues</b> | <b>2022-23 Expenditures</b> | <b>2022-23 Ending Balance</b> |
|--|---|-------------------------|-----------------------------|-------------------------------|
| Child Development, F12                     | 922,344                                 | 4,184,717               | 4,172,717                   | 934,344                       |
| Cafeteria Special Revenue, F13             | 3,424,817                               | 4,430,805               | 4,968,276                   | 2,887,346                     |
| Deferred Maintenance, F14                  | 5,617,298                               | 1,028,047               | 499,990                     | 6,147,355                     |
| Special Reserve (Non Capital Project), F17 | 885,166                                 | 98,619                  | 0                           | 983,785                       |
| Building (AKA GO Bond), F21                | 88,899,512                              | 624,500                 | 48,000,000                  | 41,524,012                    |
| Capital Facilities, F25                    | 5,809,447                               | 1,064,500               | 330,844                     | 6,543,103                     |
| County School Facilities, F35              | 26,037                                  | 400                     | 0                           | 26,437                        |
| Special Reserve for Capital Project, F40   | 16,161,675                              | 242,702                 | 0                           | 16,404,377                    |
| Other Enterprise, F63                      | 3,349,838                               | 7,220,470               | 7,197,840                   | 3,372,467                     |
| Retiree Benefits, F71                      | 26,232,150                              | 2,538,926               | 1,987,000                   | 26,784,076                    |
| Foundation Private-Purpose Trust Fund, F73 | 21,270                                  | 2,200                   | 0                           | 23,470                        |

## Final Notes



- The 2022-23 budget is built based on the recommendations and guidance from the Governor May Revision, CDE, SMCOE, SSC, and internal policy with the best preparation and fair presentation.
- Next financial report check point will be either 45-Day Budget Revision (if the Budget Act is greatly different from the May Revision) or the Unaudited Actuals (UA) for the 2021-22. The Unaudited Actuals will be presented at the board meeting in Sept. 2022. The UA will be subject to the annual audit by Chavan & Associates, LLP.
- Questions & Answers