

# Western Placer Unified School District

Board Presentation  
August 3, 2021

2021-22  
State Budget  
Approval  
&  
District Budget

# Themes for the 2021–22 Enacted State Budget

- ▶ The California State Budget has changed tremendously since in the last year
  - ▶ Last year (July 2020) local educational agencies (LEAs) were grateful to only be facing \$11 billion in deferrals, instead of a 10% cut to the Local Control Funding Formula (LCFF)
    - ▶ A year later, the LCFF is receiving a “Mega” cost-of-living adjustment (COLA), a brand new grade level has been created, ongoing services for the youngest learners with disabilities are being funded for the first time, and much more

# State General Fund Budget Summary

## Resources & Expenses

Total available resources increase 4.78% in 2021–22, while total expenditures increase by 18.28%

## Reserves

The rainy day fund reaches \$15.8 billion, or 8.83% of revenues

2021–22 State General Fund Budget Summary  
(in millions)

	2020–21	2021–22
Prior-Year Balance	\$5,557	\$28,274
Revenues and Transfers	\$183,764	\$178,787
<b>Total Resources Available</b>	<b>\$194,322</b>	<b>\$203,619</b>
Non-Proposition 98 Expenditures	\$98,373	\$130,041
Proposition 98 Expenditures	\$67,685	\$66,674
<b>Total Expenditures</b>	<b>\$166,058</b>	<b>\$196,415</b>
Fund Balance	\$28,213	\$6,376
Reserve for Liquidation of Encumbrances	\$3,175	\$3,175
Special Fund for Economic Uncertainties	\$25,099	\$4,029
Public School System Stabilization Account	\$1,889	\$4,506
Safety Net Reserve	\$450	\$900
Budget Stabilization Account/Rainy Day Fund	\$12,339	\$15,781

# Education Funding for 2021–22



The 2021–22 Enacted State Budget is something to celebrate, especially when you consider the budget we were absorbing a year ago

- Suspending COLAs
- \$13 billion in deferrals
- Sweeping of prior-year budget appropriations for preschool, school facilities, and other programs



We are in a vastly improved situation

- The anticipated effects of COVID-19 on state revenues *did not* materialize in 2020–21
- The 2021–22 Proposition 98 minimum guarantee increased by \$14.4 billion over 2019–20 levels and by \$22.8 billion over the 2020–21 Enacted Budget funding level



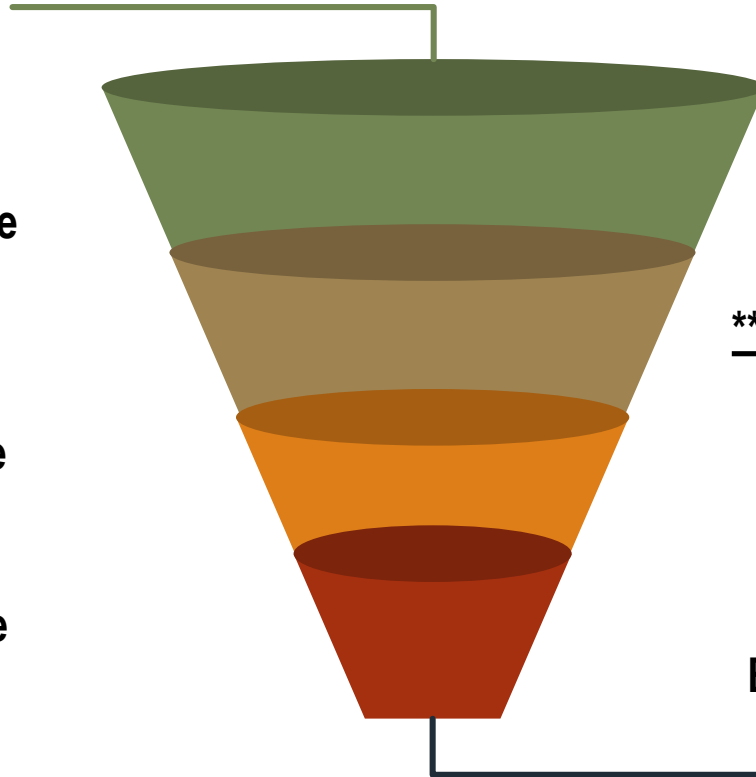
With the boon, the state is prioritizing

- Retiring debts
- Addressing the educator shortage crisis
- Improving educational equity and quality

# Cap on District Reserves

The cap on local reserves is effective when the amount in the education rainy day fund is at least 3% of the K-12 Proposition 98 minimum guarantee

The Proposition 98 reserve balance will be 8.1% in 2021-22



Beginning in 2022-23, LEAs may need to spend down their reserves or commit funds

**\*\*Local reserves in the adopted or revised budget cannot exceed 10% of combined assigned and unassigned General Fund balances**

Basic aid and districts with fewer than 2,501 average daily attendance (ADA) are exempt from the cap

# Governor's Budget vs. May Revision vs. Enacted Budget

Item	Governor's Budget	May Revision	Enacted Budget
LCFF Funding Increase	\$2 billion	\$3.2 billion	\$3.2 billion
Proposition 98 Minimum Guarantee			
2019–20	\$79.5 billion	\$79.3 billion	\$79.3 billion
2020–21	\$82.8 billion	\$92.8 billion	\$93.4 billion
2021–22	\$85.8 billion	\$93.7 billion	\$93.7 billion
COLA	1.5%	1.7%	1.7%
Compounded COLA	3.84%	4.05%	4.05%*
“Mega” COLA	N/A	5.07%	5.07%**
One-Time Discretionary	\$0	\$0	\$0

\*General Child Care, the California State Preschool Program, and Adult Education will receive the compounded COLA

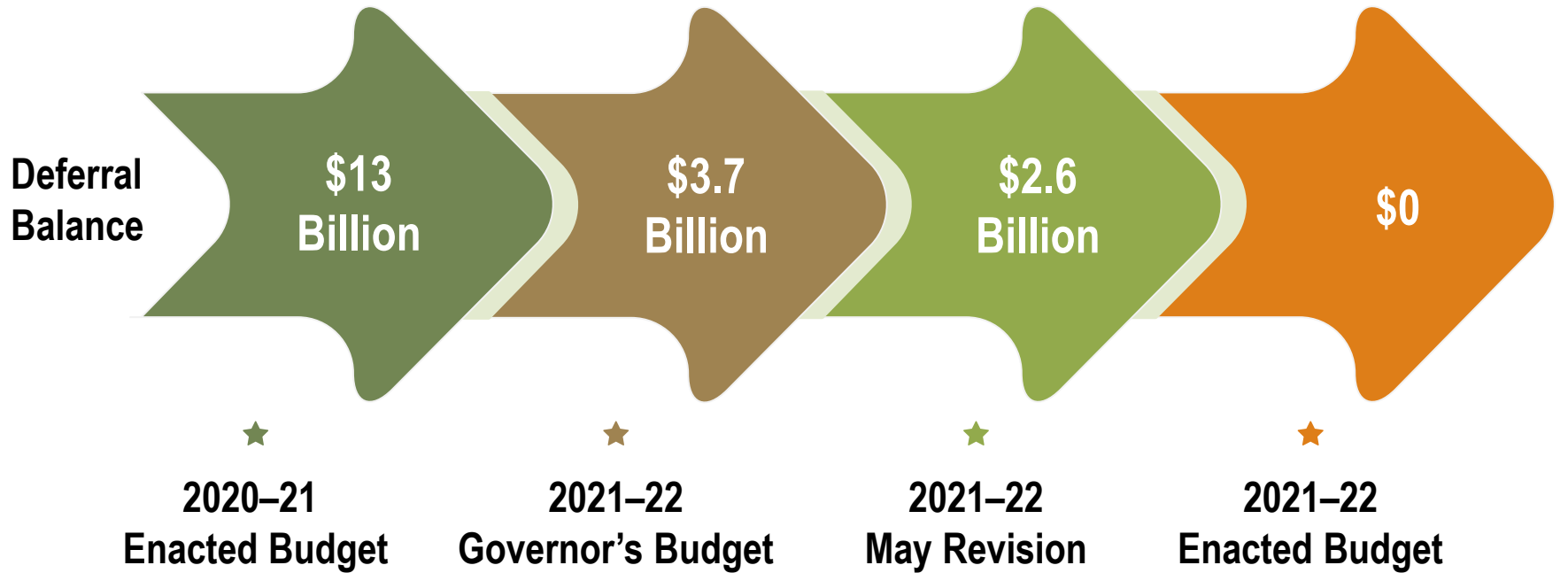
\*\*The LCFF will receive the “Mega” COLA

# 2021–22 LCFF Funding Factors

<b>Grade Span</b>	<b>K–3</b>	<b>4–6</b>	<b>7–8</b>	<b>9–12</b>
<b>2020–21 Base Grant per ADA</b>	<b>\$7,702</b>	<b>\$7,818</b>	<b>\$8,050</b>	<b>\$9,329</b>
<b>5.07% Mega COLA</b>	<b>\$390</b>	<b>\$396</b>	<b>\$408</b>	<b>\$473</b>
<b>2021–22 Base Grant per ADA</b>	<b>\$8,092</b>	<b>\$8,214</b>	<b>\$8,458</b>	<b>\$9,802</b>
<b>GSA</b>	<b>\$842</b>	<b>–</b>	<b>–</b>	<b>\$255</b>
<b>2021–22 Adjusted Base Grant per ADA</b>	<b>\$8,934</b>	<b>\$8,214</b>	<b>\$8,458</b>	<b>\$10,057</b>
<b>20% Supplemental Grant per ADA (Total UPP)</b>	<b>\$1,787</b>	<b>\$1,643</b>	<b>\$1,692</b>	<b>\$2,011</b>

The mega COLA of 5.07% for the Local Control Funding Formula (LCFF) for 2021-22 was included in the 2021-22 Adopted Budget.

# Cash Flow and Deferrals





# Planning Factors for 2021-22 and MYPs

Planning Factor	2021-22	2022-23	2023-24
<b>Cost of Living Adjustment (COLA)</b>			
LCFF COLA	<b>5.07%</b>	<b>2.48%</b>	<b>3.11%</b>
Special Education COLA	<b>4.05%</b>	<b>2.48%</b>	<b>3.11%</b>
Statutory COLA	<b>1.70%</b>	<b>2.48%</b>	<b>3.11%</b>
2020-21 COLA recaptured in 2021-22	<b>2.31%</b>		
<b>Employer Benefit Rates</b>			
CalSTRS	<b>16.92%</b>	<b>19.10%</b>	<b>19.10%</b>
CalPERS-Schools	<b>22.91%</b>	<b>26.10%</b>	<b>27.10%</b>
State Unemployment Insurance	<b>0.50%</b>	<b>0.50%</b>	<b>0.50%</b>
<b>Lottery</b>			
Unrestricted per ADA	<b>\$163</b>	<b>\$163</b>	<b>\$163</b>
Prop. 20 per ADA	<b>\$65</b>	<b>\$65</b>	<b>\$65</b>
<b>Mandated Block Grant</b>			
<b>Districts</b>			
K-8 per ADA	<b>\$32.79</b>	<b>\$33.60</b>	<b>\$34.64</b>
9-12 per ADA	<b>\$63.17</b>	<b>\$64.74</b>	<b>\$66.75</b>
<b>Charters</b>			
K-8 per ADA	<b>\$17.21</b>	<b>\$17.64</b>	<b>\$18.19</b>
9-12 per ADA	<b>\$47.84</b>	<b>\$49.03</b>	<b>\$50.55</b>

Key planning factors for LEAs to incorporate into their 45-Day Revision for the 2021-22 Adopted Budget and multiyear projections are listed above and are based on the latest information available.

# Western Placer Unified School District

Education Code 42127(h) requires a public review of budget revisions within 45 days of an enacted state budget  
Revisions to General Fund as of August 3, 2021 and in accordance with the 2021/22 Enacted State Budget

2021-22

WPUSD

Revised Budget  
Based on Final  
State Budget

## Budget Changes:

1. Special Education Early Intervention Preschool Grant funds - \$470,000 – est.
2. Increase in state Special Education base funding (statewide rate and COLA increase). This is an estimated amount only, since the funds are allocated through the Placer County SELPA - \$500,000

	2021/22 Original Budget - Adopted	2021/22 Revised Budget - Final State Budget	Difference
Revenue Limit Sources	68,930,597	68,930,597	-
Federal Revenue	2,450,016	2,450,016	-
Other State Revenue	6,395,761	6,865,761	470,000 <sup>1</sup>
Other Local Revenue	4,756,812	5,256,812	500,000 <sup>2</sup>
<b>Total Revenues</b>	<b>82,533,186</b>	<b>83,503,186</b>	<b>970,000</b>
Certificated Salaries	36,857,354	36,857,354	-
Classified Salaries	11,354,552	11,354,552	-
Employee Benefits	23,350,681	23,350,681	-
Books and Supplies	5,071,777	5,071,777	-
Services and Other Operating Expenditures	8,132,882	8,132,882	-
Capital Outlay	60,000	60,000	-
Other Outgo	1,900,864	1,900,864	-
<b>Total Expenditures</b>	<b>86,728,110</b>	<b>86,728,110</b>	<b>-</b>
Interfund Transfers In	-	-	-
Interfund Transfers Out	(256,881)	(256,881)	-
Other Sources	-	-	-
Other Uses	-	-	-
<b>Total Other Sources/Uses</b>	<b>(256,881)</b>	<b>(256,881)</b>	<b>-</b>
<b>Net Increase/Decrease</b>	<b>(4,451,805)</b>	<b>(3,481,805)</b>	<b>970,000</b>
<b>Beginning Fund Balance</b>	<b>22,600,960</b>	<b>22,600,960</b>	<b>-</b>
<b>Ending Fund Balance</b>	<b>18,149,155</b>	<b>19,119,155</b>	<b>970,000</b>
<b>Components of Ending Fund Balance</b>			
<b>Nonspendable:</b>			
Revolving Cash	5,000	5,000	-
Reserve - Designated Programs	8,726,382	8,726,382	-
<b>Reserve - Economic Uncertainty @ 3%</b>	<b>2,609,550</b>	<b>2,609,550</b>	<b>-</b>
Reserve-One-Time Science Adoption 20/21	400,000	400,000	-
Reserve-Charter Technical Assistance	257,487	257,487	-
<b>Reserve-Unassigned Economic</b>			
<b>Uncertainty surplus/(deficit)</b>	<b>6,150,736</b>	<b>7,120,736</b>	<b>970,000</b>
<b>Total Ending Fund Balance</b>	<b>18,149,155</b>	<b>19,119,155</b>	<b>970,000</b>

# Unemployment Insurance

- Legislature heard LEA's voices, and provided relief to the Unemployment Insurance increase

**May Revision**

• 1.23% in 2021–22

**Enacted Budget**

• 0.50% in 2021–22 and 2022–23

- Even at 0.5%, this still represents a significant increase in costs above the standard 0.05%, but the increase is paid for by the COLA
  - No similar relief was provided for employer pension rates

**WPUSD – Estimate Savings In ESSER III Funds - \$500,000**

# Independent Study and Virtual Learning

- ▶ The 2021–22 Enacted Budget makes significant changes to independent study programs for school districts, COEs, and charter schools
- ▶ Changes put in place guardrails for program quality

## Technology

Ensure that students have access to technology to participate

## Learning and Engagement

Ensure that students are participating and are engaged in their learning

## Support

Specialized supports—  
tiered reengagement plan  
when students are not thriving

- ▶ For school districts, changes the minimum number of days from five to three consecutive school days

# Expanded Learning Opportunities Program Grant

**Intended to provide access to comprehensive expanded learning for all unduplicated students in elementary school**

## Expanded learning:

- Before or after school opportunities plus instructional time equal no less than nine hours on school days
- At least 30 days of no less than nine hour expanded learning days during school breaks
- Must conform to ASES program requirements
- 20:1 student to adult ratio, 10:1 if program serves TK/K students

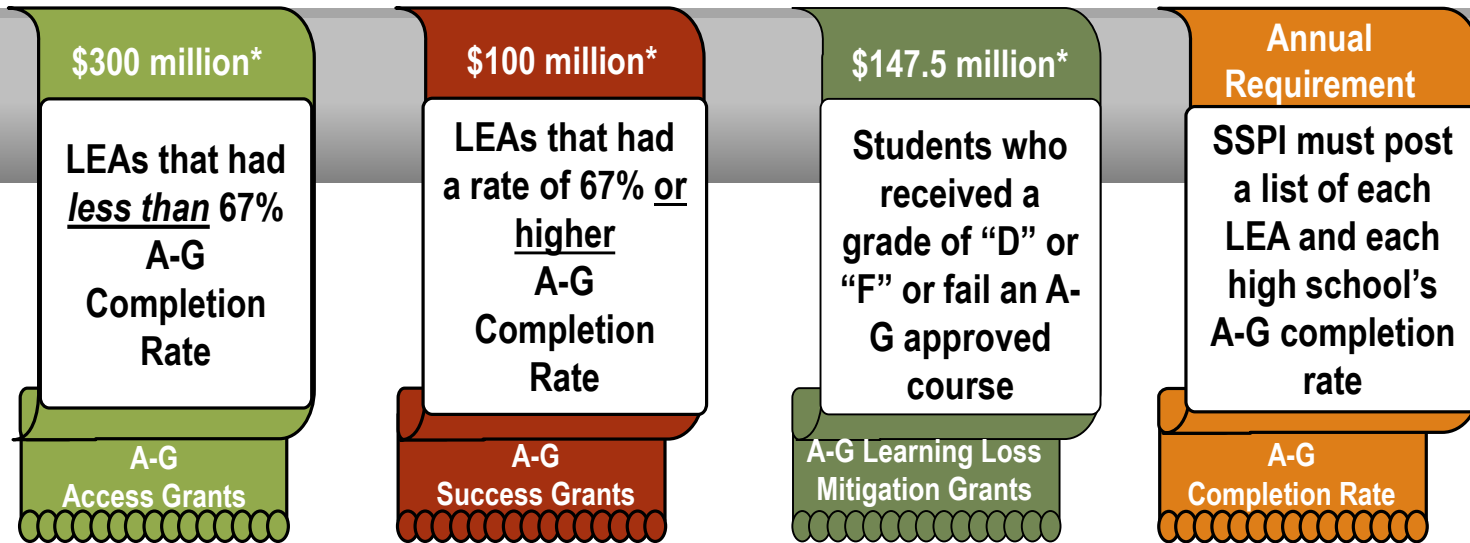
In **2021–22**, must offer to at least all unduplicated students in grades K–6, and provide to at least 50% of unduplicated students in grades K–6

In **2022–23**, must offer to all students in grades K–6 and provide to all who request

**WPUSD – Estimate On-Going Funding - \$880,000 – Not in Budget**

# A-G Completion Improvement Grant Program

Provides one-time Proposition 98 funds of \$547.5 million for the A-G Completion Improvement Grant Program to help LEAs increase the number of high school students who graduate with A-G eligibility



Note: allocation will be based on an equal amount per unduplicated pupil enrolled in grades 9–12

**WPUSD – Estimate One-Time Funding - \$704,000 – Not in Budget**

# California Prekindergarten Planning and Implementation Grant

- ▶ The 2021–22 Budget Act invests \$300 million one-time Proposition 98 funding

## Planning

### \$200 million

- LEA base grant of \$100,000 if offering kindergarten
- COE capacity building base grant equal to 15% of their LEAs' base grants
- Base Grant  
60% of available funds allocated based on LEA's share of 2019–20 kindergarten enrollment
- Supplemental Grant  
40% of available funds allocated based on LEAs 2019–20 kindergarten enrollment multiplied by its LCFF unduplicated pupil percentage

### Use and Conditions

#### Costs associated with:

- State Preschool or TK programs
- Establishing or strengthening partnerships with other Pre-K providers
- Recruitment and hiring, training, professional development, materials, and supplies

#### Conditions:

- Provide program data to SSPI
- By June 30, 2022, develop plan for board consideration with specific elements

**WPUSD – Estimate One-Time Funding - \$119,000 – Not in Budget**

# Child Nutrition

## \$150 million (one-time)

- \$120 million for kitchen infrastructure upgrades—each LEA will receive a base allocation of \$25,000
  - After base allocations are made, remaining funds will be provided to LEAs with at least 50% students eligible for free or reduced-price meals
- \$30 million for training school cafeteria staff—based on the number of classified employees at the LEA in the prior year (minimum allocation of \$2,000)

## Universal School Meals Program Beginning in **2022–23** (ongoing)

- LEAs will be required to provide two school meals during each school day to any pupil who requests a meal free of charge regardless of a student's eligibility for federally funded free or reduced-price meals (limited to one meal per each meal service period)

## State Reimbursement of School Meals (ongoing)

- Provides \$650 million in ongoing Proposition 98 funding for the state reimbursement to cover the cost of offering breakfast and lunch to all students
- Reimbursement for school meals will be up to the combined free breakfast and lunch reimbursement rate amounts not covered by federal meal reimbursements for schools participating in the federally funded school meals programs

**WPUSD – Estimate One-Time Equipment Funding - \$25,000 – Not in Budget**  
**WPUSD – Estimate One-Time Training Funding - \$2,000 – Not in Budget**



# 2021-22 State Budget Approval & District Budget

Budget revisions presented will be reflected at First Interim reporting in December 2021.

## Questions?