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Monterey County Office of Education

Leadership, Support, and Service to Prepare All Students for Success

Dr. Deneen Guss
County Superintendent of Schools

September 13, 2022

Adrian Ayala, Board President
Kari Yeater, Superintendent
North Monterey County Unified School District
8142 Moss Landing Rd
Moss Landing, CA 95039

RE: 2022-23 Adopted Budget Review

Dear Board President Ayala and Superintendent Yeater:

Under the Local Control Funding Formula (LCFF) regulations, County Offices of Education may not approve a District's budget before approving its Local Control Accountability Plan (LCAP). We are pleased to acknowledge that your District's 2022-23 LCAP was approved as reflected in your September 9, 2022 letter from Dr. Deneen Guss, Monterey County Superintendent of Schools.

In accordance with the provisions of *Education Code* Section 42127, the Monterey County Office of Education has performed an in-depth analysis of the 2022-23 adopted budget of North Monterey County Unified School District. The County Office of Education must determine whether the budget complies with the standards and criteria, established by the State Board of Education, pursuant to *Education Code* Section 33127. On the basis of this review, we are satisfied that the District's budget for Fiscal Year 2022-23 is consistent with the state-adopted criteria and standards. **We hereby approve the District's budget and offer the following comments:**

Deficit Spending
The District is projecting no unrestricted deficit spending in the current year. However, unrestricted deficit spending is projected to be ($2,936,886) for 2023-24 which decreases to ($808,491) for 2024-25. District projections indicate that it is able to maintain the minimum recommended reserve level in the two subsequent years, however, deficit spending could impair the district's ability to maintain the required reserve for economic uncertainties. It is important that the district recognize and monitor any deficit spending so that it remains manageable, and prepare to implement expenditure reductions if necessary.

District Reserves
The District's 2022-23 budget, as submitted, indicates available unrestricted reserves at $2,684,469, which is equivalent to 3.00% of their Total General Fund Expenditures.

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Concluding Remarks
We want to thank and acknowledge Mary Dawson for the timely submission of the budget documents and express our appreciation to the District's staff and the governing board for their continued diligence and hard work. We await your First Interim Report, which must be filed with our office no later than December 15, 2022.

If you have any questions, please do not hesitate to contact me at (831) 755-0308.

Sincerely,

DocuSigned by:
Colleen Stanley
A6B4F6C26DB2470...
Colleen Stanley Ed.D.,
Chief Business Official

cc: Dr. Deneen Guss, Monterey County Superintendent of Schools
Mary E. Dawson, Assistant Superintendent, Business, North Monterey County USD
Llesenia Argueta, Director of Fiscal Services, NMCUSD
Philip Davis, Senior Director, District Advisory Services, MCOE
Ricardo Estrada, Financial Analyst, MCOE

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Monterey County Office of Education

Leadership, Support, and Service to Prepare All Students for Success

Dr. Deneen Guss
County Superintendent of Schools

September 9, 2022

Mr. Adrian Ayala, Board President
Ms. Kari Yeater, Superintendent
North Monterey County Unified School District
800 Broadway St.
King City, CA 93930

RE: 2022-2023 LCAP Review

Dear Superintendent Yeater and Board President Ayala:

The Monterey County Superintendent of Schools has reviewed North Monterey County Unified School District's Local Control and Accountability Plan (LCAP) and the adopted budget for the fiscal year 2022-2023.

According to Education Code (EDC) Section 52070.5(d), the four criteria for LCAP approval include:

1. Adherence to the State Board of Education (SBE) template
2. Sufficient expenditures in the budget to implement the LCAP
3. Adherence to SBE expenditure regulations
4. Calculation and implementation of carryover

It is a pleasure to inform you that based on our review, the 2022-2023 North Monterey County Unified School District's LCAP is approved.

The district's LCAP reflects educational partner input and communicates the plan to increase or improve services specifically for English learners, low-income students, and foster youth. The approved version of the 22-23 LCAP is required to be posted on the front page of your district website. We commend the District and community for this commitment to students.

Please contact Dr. Caryn Lewis, Assistant Superintendent of Educational Services, if we can provide any support or assistance in the future.

Sincerely,

Deneen Guss

Deneen Guss, Ed.D.
Monterey County Superintendent of Schools