



Lawndale Elementary School District

Proposed Budget for 2023-24

Presentation to Board of Trustees | June 8, 2023

Presented by Dr. Howard Ho, Asst. Superintendent of Business

District Goals.



01 Increase Academic Achievement

Ensure all students learn through access to high quality actions and services that increase academic achievement and civic, career, and college readiness.



02 Ensure Access & Equity

Provide high quality actions and services to eliminate barriers to student access to required and desired areas of study.



03 Improve Parent & Student Engagement

Ensure all schools have safe, welcoming, healthy and inspiring climates for all students and families, so that all students are behaviorally and academically engaged in school and ready to learn.



04 Provide 21st Century Learning Environments

Invest in optimal learning environments that enhance student learning and ensure safety.



Overview

Budget Cycle

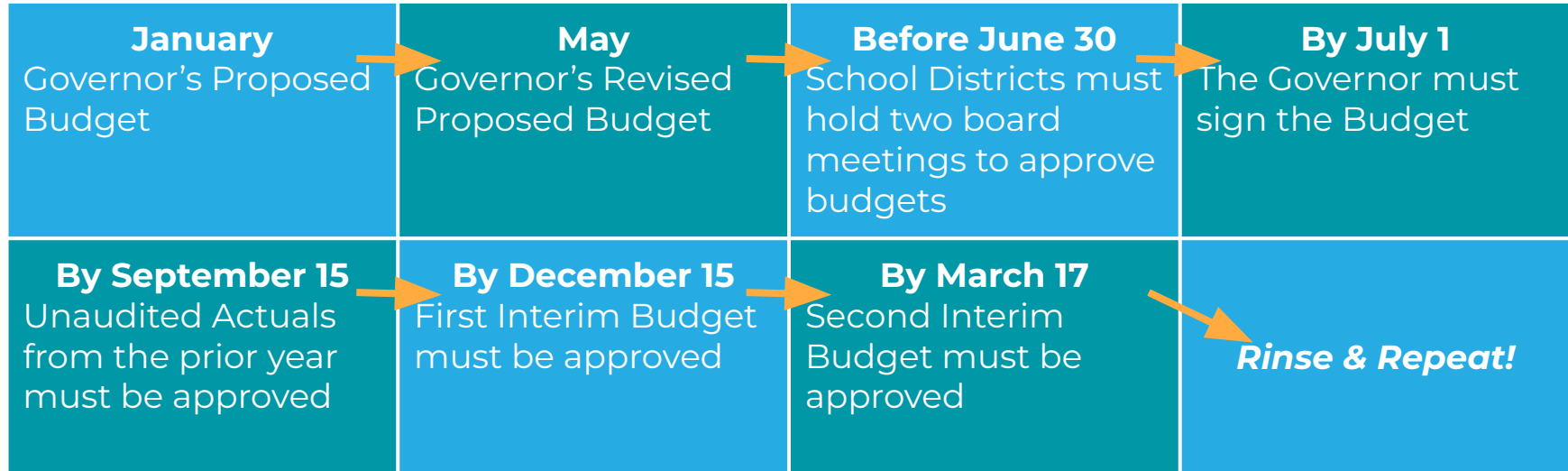
Governor's
May Revise

Declining
Enrollment

23-24 Budget



Budget Cycle



Funding During the Pandemic. One-Time \$

Fund	Allocation to LESD*	Allowable Uses	Deadline
ESSER	\$1,331,361	Support COVID safety activities and learning loss	September 30, 2022
LLM - GEER	\$303,607	Student learning supports, General measures that extend instructional time for students, Additional core academic supports for students who need it, Integrated services that support teaching and learning (i.e. technology, PD, mental health services, student nutrition, etc.)	September 30, 2022
LLM - CRF	\$5,311,492		May 31, 2021
LLM - Prop 98	\$471,631		June 30, 2021
SB 117 - General Fund	\$88,050	PPE, nutrition services, material for disinfection/cleaning	Open
ESSER II	\$5,313,186	Similar to ESSER, capital projects/purchases	September 30, 2023
ESSER III	*\$11,000,000	Similar to ESSER, capital projects/purchases	September 30, 2024
AB 86 In-Person and ELO	*\$4,200,000	Learning loss, mental health, nutrition, extended school year	August 31, 2022

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Governor's May Revise

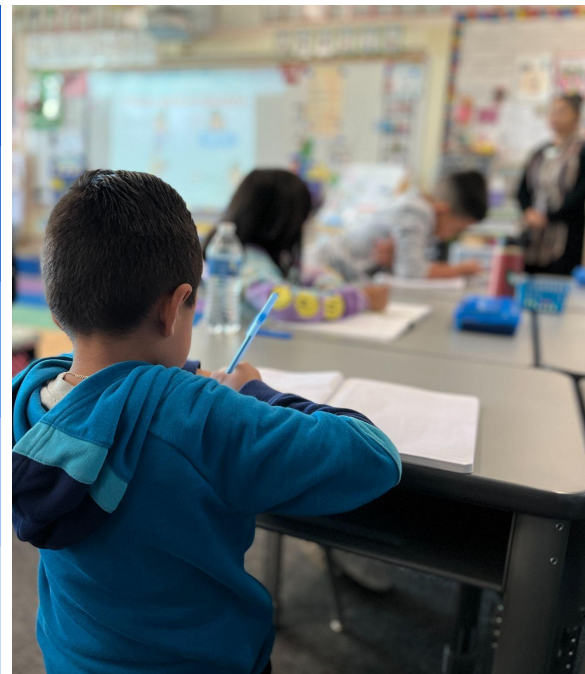
LCFF Base Funds

COLA 8.22%

Address Declining Enrollment

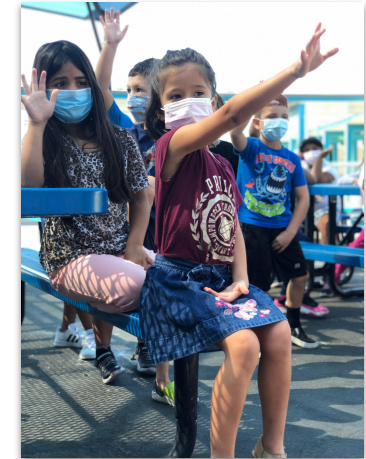
\$106.8 Billion for K-12 Education

Changes to One-time Discretionary Block Grant



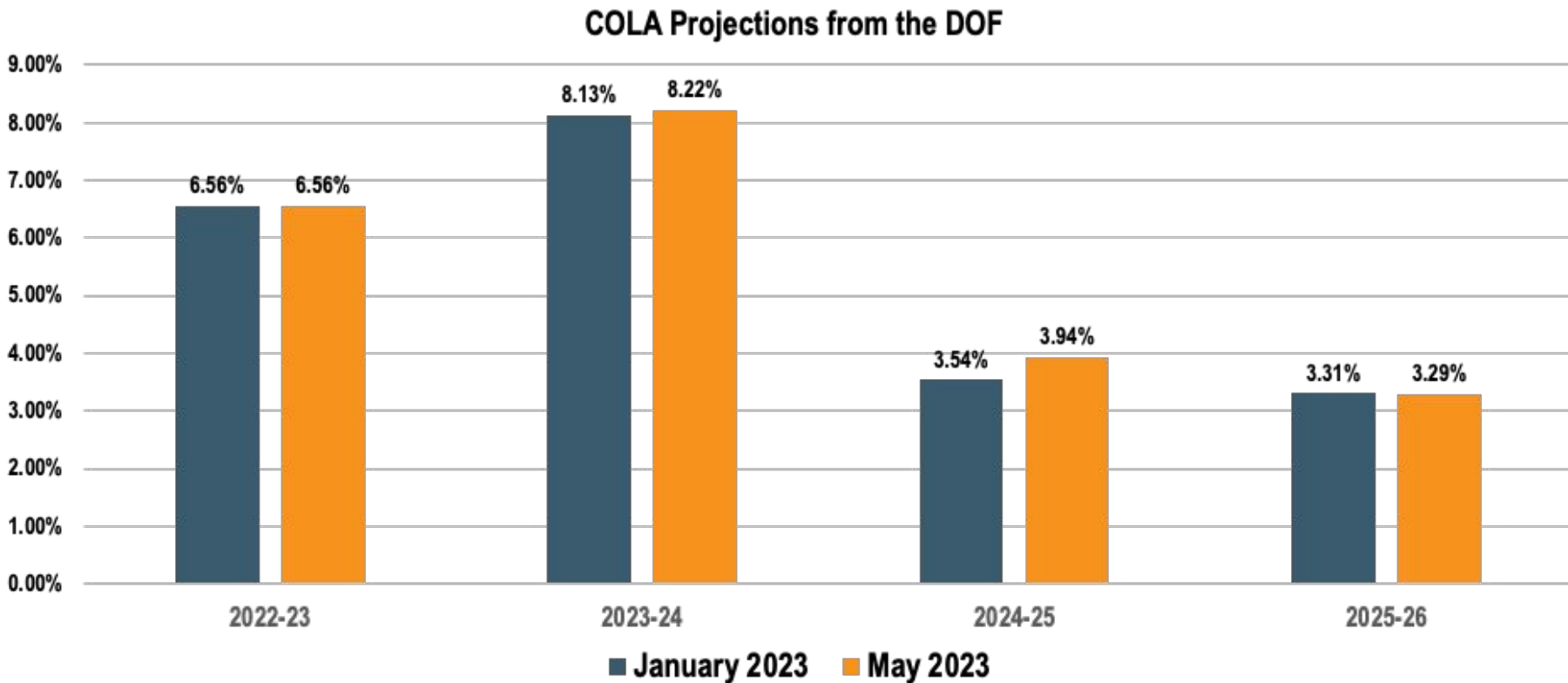
Revenues Key Assumptions

	2022-23	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated
Enrollment	4550	4382	4220	4064
Average Daily Attendance (ADA)*	4177	4088	4001	3916
Estimated <u>Funded</u> 3 year average ADA*	4825	4527	4264	4101
DOF COLA	6.56%	8.22%	3.94%	3.29%



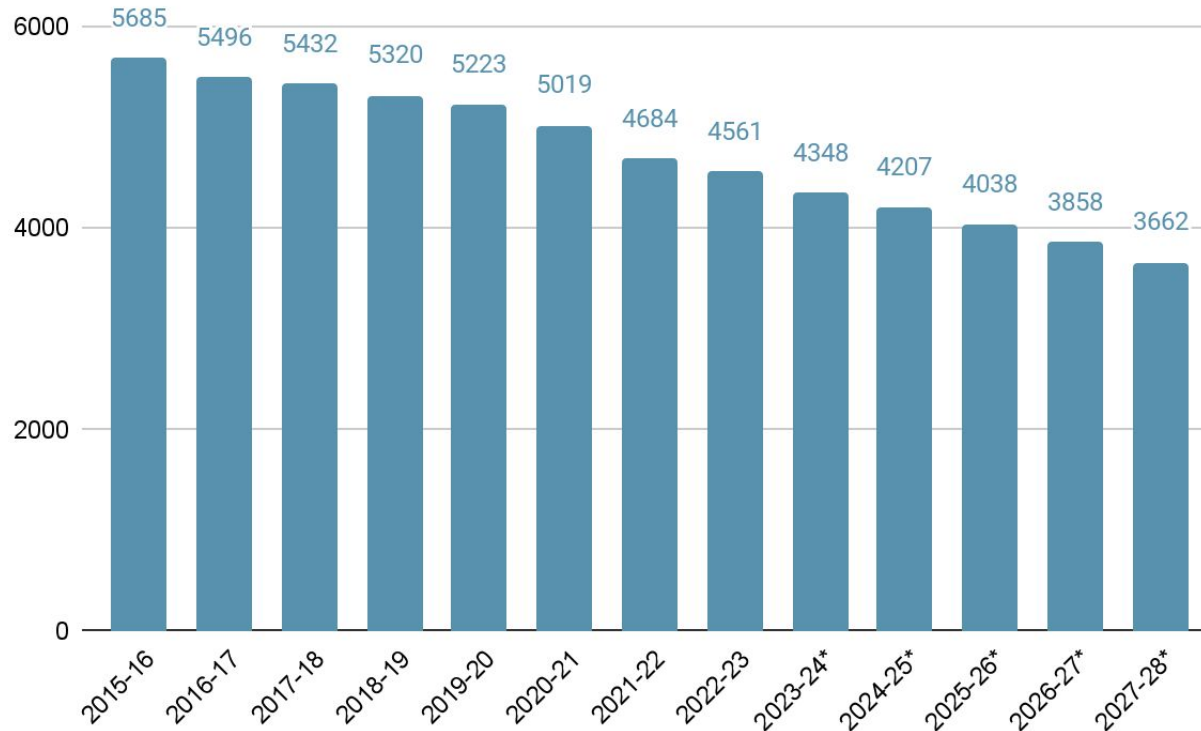
*Estimated ADA & Funded ADA

Changing Assumptions from the State



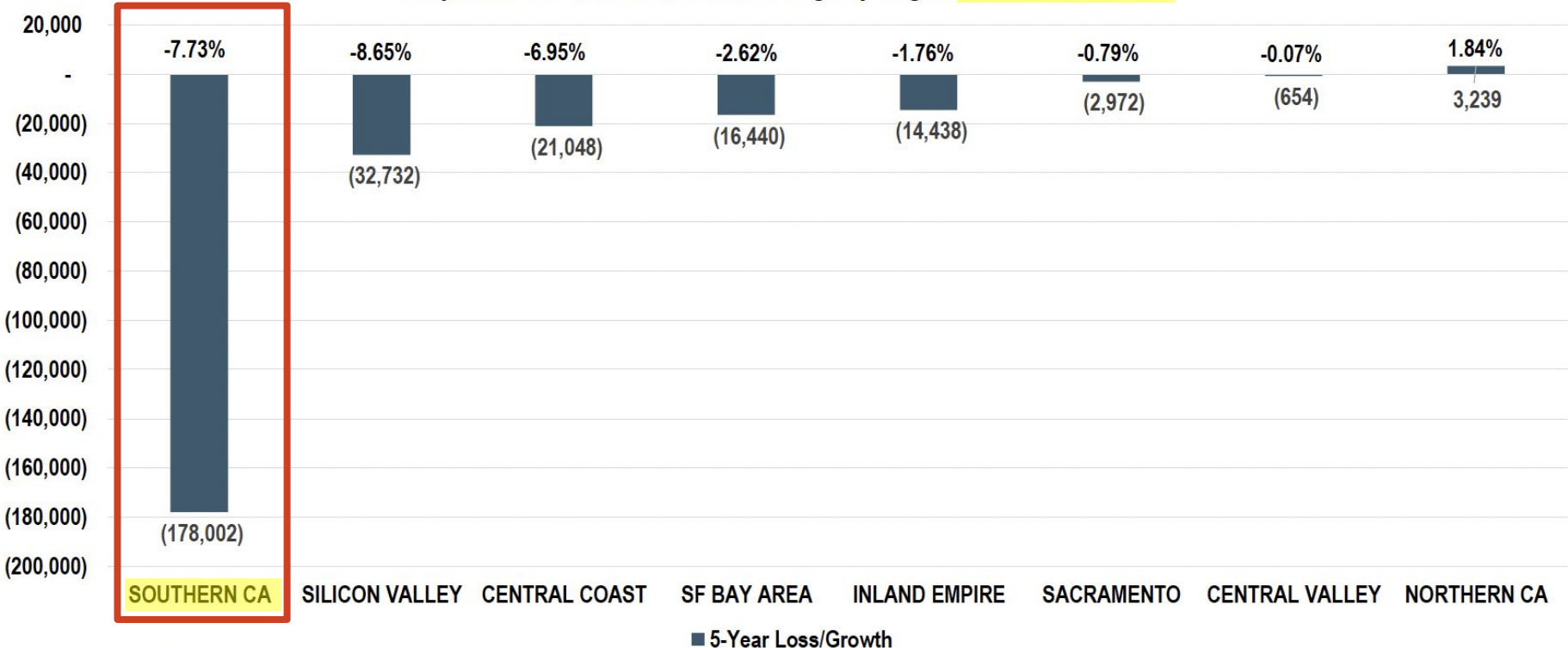
Declining Enrollment - Statewide Issue

LESD



Statewide Enrollment Trends by Region

Projected Five-Year Enrollment Change by Region 2021-22 to 2026-27



Source: Department of Finance

State Population Growth Slowing



- California's population growth is slowing
 - Between 1960 and 1970, the state's population increased 26.3%
 - Between 1980 and 1990, the increase was 25.4%
 - Between 2000 and 2010, the population increased by 14.8%
 - Between 2010 and 2020, the increase was 6.5%
 - And between 2020 and 2030, the state's population is projected to increase 5.2%
- January 2021 to January 2022 net migration was 0.3% (117,522)

Governor's Budget vs. May Revision. Impact on LESD

Item	Governor's Budget	May Revision
LCFF Funding Increase	\$5.04 billion ¹	\$4.04 billion ²
Proposition 98 Minimum Guarantee		
2021-22	\$110.4 billion	\$110.6 billion
2022-23	\$107.0 billion	\$106.8 billion
2023-24	\$108.8 billion	\$106.8 billion
2023-24 Statutory COLA	8.13%	8.22%
Arts, Music, and Instructional Materials Discretionary Block Grant Reduction	-\$1.2 billion	-\$1.8 billion
Learning Recovery Emergency Block Grant Reduction	No Reduction	-\$2.5 billion

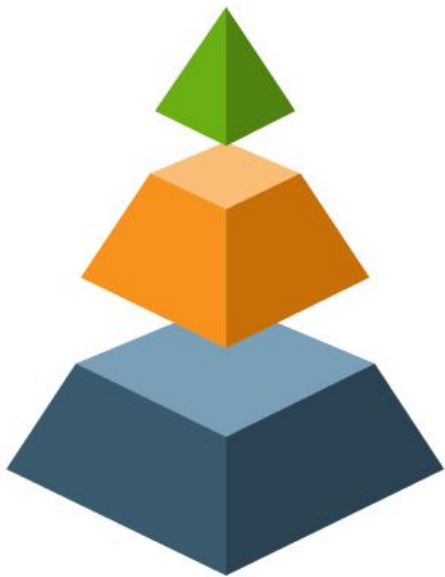
¹Reflects an LCFF increase of \$4.2 billion for the 8.13% COLA and \$855 million to support TK expansion

²Reflects an LCFF increase of \$3.6 billion for the 8.22% COLA and \$460 million to support TK expansion

School's Services of CA Financial Projection Dartboard

Planning Factors						
		2022-23	2023-24	2024-25	2025-26	2026-27
DOF ¹ Planning COLA		6.56%	8.22%	3.94%	3.29%	3.19%
California CPI ²		5.71%	3.54%	3.02%	2.64%	2.89%
CalSTRS Employer Rate		19.10%	19.10%	19.10%	19.10%	19.10%
CalPERS Employer Rate		25.37%	26.68%	27.70%	28.30%	28.70%
California Lottery	Unrestricted per ADA	\$170	\$170	\$170	\$170	\$170
	Restricted per ADA	\$67	\$67	\$67	\$67	\$67
Mandate Block Grant (District) ⁵	Grades K-8 per ADA	\$34.94	\$37.81	\$39.30	\$40.59	\$41.88
	Grades 9-12 per ADA	\$67.31	\$72.84	\$75.71	\$78.20	\$80.69
Mandate Block Grant (Charter)	Grades K-8 per ADA	\$18.34	\$19.85	\$20.63	\$21.31	\$21.99
	Grades 9-12 per ADA	\$50.98	\$55.17	\$57.34	\$59.23	\$61.12

Equity Multiplier. Does NOT apply to LESD



Equity Multiplier

May Revision maintains \$300 million ongoing Proposition 98 investment to establish the Equity Multiplier, with the same distribution to high poverty schools as proposed in January



Distribution

- High schools serving at least 85% of students who are eligible for federal free meal program
- Elementary and middle schools serving at least 90% of students who are eligible for federal free meal program
- Estimated at \$740 per pupil



Accountability

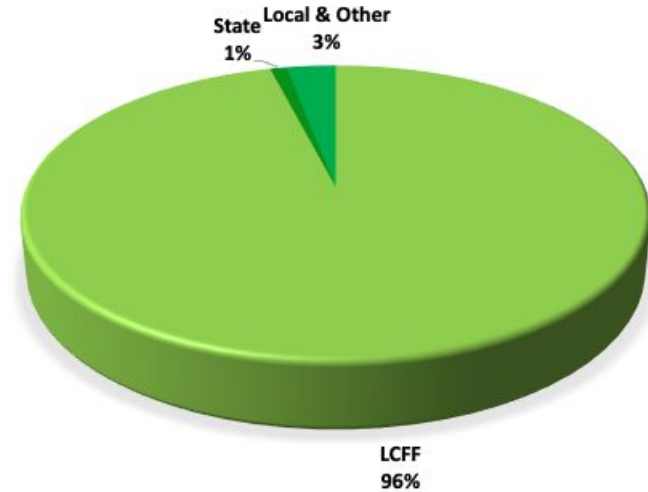
Equity Multiplier accompanied by significant changes to the accountability system, with an intent of increasing the focus on student group and school-level performance gaps within an LEA

2023-24 Unrestricted General Fund Revenues

Total LCFF	\$66,645,027
State Aid	\$43,703,298
Property Taxes	\$9,300,440
Education Protection Account	\$13,641,289
State	\$899,731
Local & Other	\$1,818,964
Total	\$69,363,722

23-24 Contributions to restricted funds: ~\$12,810,928

Unrestricted Revenues



2023-24 Unrestricted Budget

Description	2022-2023 Estimated Actuals	2023-2024 Budget
Certificated Salaries	\$30,338,356	\$31,039,221
Classified Salaries	\$7,433,607	\$8,474,588
Employee Benefits	\$13,478,749	\$13,744,610
Books/Supplies	\$3,709,474	\$2,199,124
Services/Other Oper.	\$5,757,713	\$4,455,841
Capital Outlay	\$574,428	\$253,500
Contributions out	(\$4,573,772)	(\$3,836,739)
Total	\$56,718,555	\$56,330,145

Multi-Year Projections- Unrestricted

<u>Unrestricted</u>	2023-24	2024-25	2025-26
Beginning Balance	\$35,824,602	\$35,829,127	\$34,092,575
Revenues	\$57,276,794	\$56,926,009	\$58,874,080
Less: Expenditures	(\$57,272,270)	(\$58,662,561)	(\$60,005,707)
Surplus/Deficit	\$4,524	(\$1,736,552)	(\$1,131,627)
Ending Fund Balance	\$35,829,127	\$34,092,575	\$32,960,948

*SELPA Administrative Unit funds not included.
Guaranteed through 2023-24

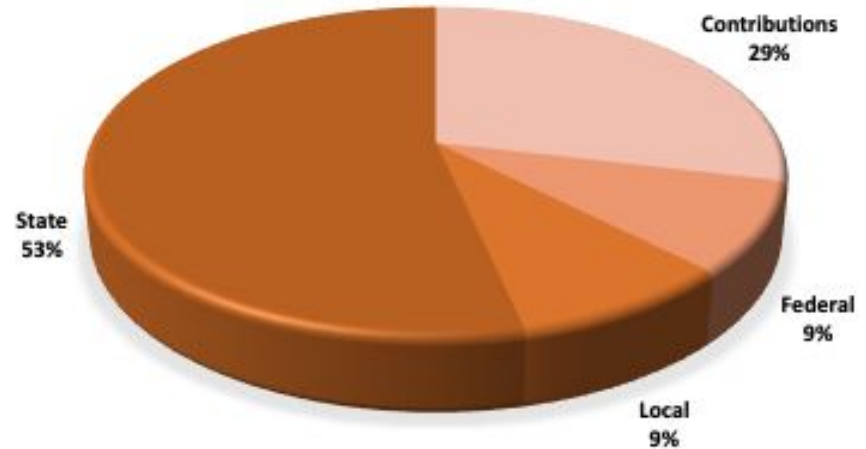


2023-24 Restricted General Fund Revenues

Revenues:	Amount
Federal	\$3,993,475
State	\$24,252,871
Local	\$3,992,509
Total	\$32,238,855

23-24 Contributions from Unrestricted funds: ~\$12,810,928

Restricted Revenues



2023-24 Restricted Budget

Description	2022-2023 Estimated Actuals	2023-2024 Budget
Certificated Salaries	\$15,455,812	\$10,208,857
Classified Salaries	\$11,654,759	\$9,869,994
Employee Benefits	\$8,250,703	\$6,696,539
Books/Supplies	\$11,908,719	\$3,723,388
Services/Other Oper.	\$15,584,889	\$9,499,340
Capital Outlay	\$7,524,370	\$166,664
Other Outgo/Sources	\$1,236,111	\$1,236,111
Contributions in	\$4,317,073	\$3,611,165
Total	\$75,932,436	\$45,012,058

Multi-Year Projections- Restricted

<u>Restricted</u>	2023-24	2024-25	2025-26
Beginning Balance	\$14,728,741	\$14,766,466	\$13,808,067
Revenues	\$45,049,783*	\$45,049,783*	\$45,049,783*
Less: Expenditures	(\$45,012,058)	(\$46,088,182)	(\$46,951,550)
Surplus/Deficit	\$37,725	(\$958,399)	(\$1,901,767)
Ending Fund Balance	\$14,766,466	\$13,808,067	\$11,906,300

***Includes \$12,810,928 from
Unrestricted General Fund**



Multi-Year Projections

<u>Unrestricted/Restricted</u>	2023-24	2024-25	2025-26
Beginning Balance	\$50,553,344	\$50,595,593	\$47,900,642
Revenues	\$102,326,577	\$101,975,792	\$103,923,863
Less: Expenditures	(\$102,284,328)	(\$104,670,743)	(\$106,957,257)
Surplus/Deficit	\$42,249	(\$2,694,951)	(\$3,033,394)
Ending Fund Balance	\$50,595,593	\$47,900,642	\$44,867,247

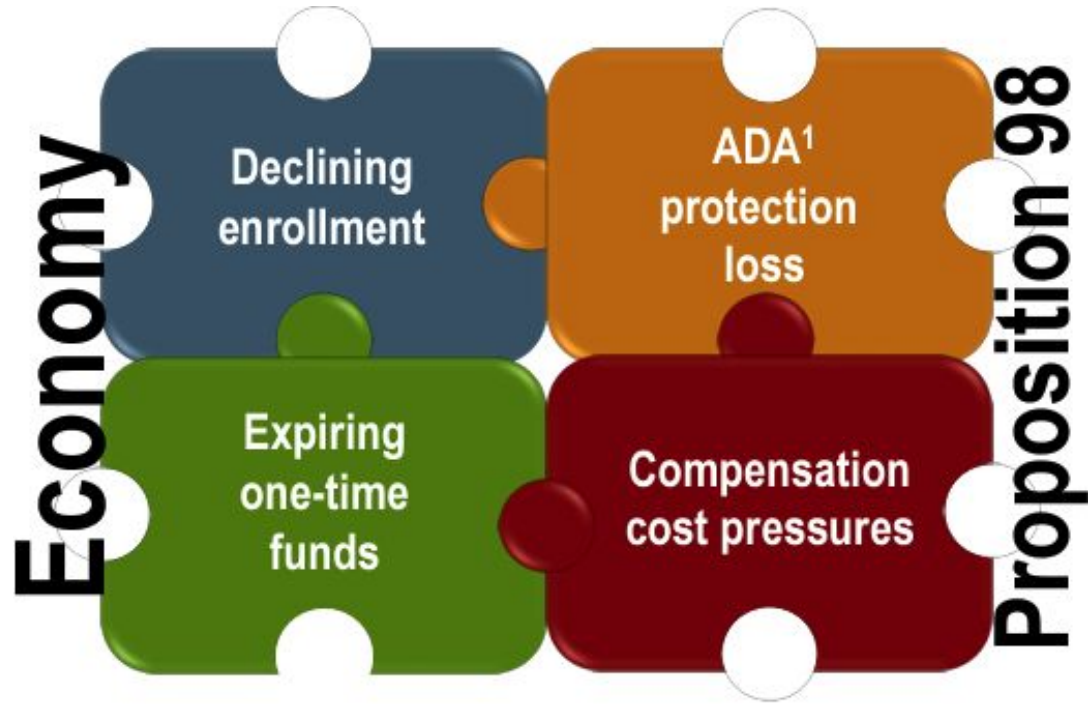


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Guaranteed through 2023-24

2023-24 Statement of Other Funds

Description	Revenue/Sources	Expenditure	Increase (Decrease)	Ending Balance
SELPA Pass Through (Fund 10)	\$ 92,044,629	\$ 92,044,629	\$0	\$0
Child Development (Fund 12)	\$1,229,253	\$1,524,813	(\$295,560)	\$76,549
Food Services (Fund 13)	\$4,318,405	\$4,383,376	(\$64,971)	\$1,821,351
Deferred Maintenance (Fund 14)	inactive	inactive	inactive	\$4,514.15
Special Resv Retiree Ben (Fund 17)	\$65,100	\$0	\$65,100	\$4,022,320
Building Fund (Fund 21)	\$237,865	\$3,541,00	(\$3,303,535)	\$7,85,437
Spec Resv Capital Outlay (Fund 40)	\$54,071	\$955,000	(\$900,929)	\$1,766,386
Other Enterprise (Fund 63)	inactive	inactive	inactive	\$281,720

Budget Challenges Moving Forward



State Budget Next Steps

**June 15 - deadline
for Legislature to
send budget to
Governor**

**Negotiations
between Governor
and Legislative
Leaders**

**July 1 - Governor
approves budget**

**Trailer bills, budget
clean up and clarity**



Thank you.