



**TAMALPAIS UNION HIGH  
SCHOOL DISTRICT**

# **2023-24 Budget Adoption**

June 27, 2023

Description	2023-24 Proposed Budget			2024-25 Projected Budget			2025-26 Projected Budget		
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined
<b>REVENUES</b>									
General Purpose Revenue (A)	83,364,908	-	83,364,908	86,050,970	-	86,050,970	89,235,303	-	89,235,303
Federal Revenue (B)	-	1,185,857	1,185,857	-	1,185,857	1,185,857	-	1,185,857	1,185,857
State Revenue (B)	1,097,500	4,996,583	6,094,083	1,097,500	4,996,583	6,094,083	1,097,500	4,996,583	6,094,083
Local Revenue (C)	18,110,323	3,458,746	21,569,069	18,636,143	3,458,746	22,094,889	19,177,737	3,458,746	22,636,483
<b>TOTAL REVENUES</b>	<b>102,572,731</b>	<b>9,641,186</b>	<b>112,213,917</b>	<b>105,784,613</b>	<b>9,641,186</b>	<b>115,425,799</b>	<b>109,510,540</b>	<b>9,641,186</b>	<b>119,151,726</b>
<b>EXPENDITURES</b>									
Certificated Salaries (D)	35,734,905	7,079,962	42,814,867	36,591,647	6,715,883	43,307,530	37,315,553	6,807,891	44,123,444
Classified Salaries (D)	10,266,614	4,655,180	14,921,794	10,854,733	4,924,249	15,778,982	11,230,307	5,094,628	16,324,935
Benefits (E)	20,442,566	10,071,810	30,514,376	21,297,483	10,197,253	31,494,736	22,164,585	10,469,125	32,633,710
Books and Supplies (F)	2,084,690	1,103,088	3,187,778	2,084,690	1,103,088	3,187,778	2,084,690	1,103,088	3,187,778
Other Services & Oper. Exp (G)	6,953,129	8,887,239	15,840,368	6,917,129	9,665,239	16,582,368	7,134,129	10,554,239	17,688,368
Capital Outlay (H)	212,727	4,000	216,727	212,727	4,000	216,727	212,727	4,000	216,727
Other Outgo (I)	1,429,808	1,383,299	2,813,107	1,437,601	1,531,299	2,968,900	1,447,638	1,694,299	3,141,937
Transfer of Indirect Costs	(54,933)	23,073	(31,860)	(54,933)	23,073	(31,860)	(54,933)	23,073	(31,860)
<b>TOTAL EXPENDITURES</b>	<b>77,069,506</b>	<b>33,207,651</b>	<b>110,277,157</b>	<b>79,341,077</b>	<b>34,164,084</b>	<b>113,505,161</b>	<b>81,534,696</b>	<b>35,750,343</b>	<b>117,285,039</b>
<b>EXCESS / (DEFICIENCY)</b>	<b>25,503,225</b>	<b>(23,566,465)</b>	<b>1,936,760</b>	<b>26,443,536</b>	<b>(24,522,898)</b>	<b>1,920,638</b>	<b>27,975,844</b>	<b>(26,109,157)</b>	<b>1,866,687</b>
<b>OTHER SOURCES/USES</b>									
Transfers In	888,000	-	888,000	-	-	-	-	-	-
Transfers Out (J)	(4,280,000)	-	(4,280,000)	(3,460,000)	-	(3,460,000)	(960,000)	-	(960,000)
Net Other Sources (Uses)	-	-	-	-	-	-	-	-	-
Contributions to Restricted (K)	(22,626,815)	22,626,815	-	(24,522,898)	24,522,898	-	(26,109,157)	26,109,157	-
<b>TOTAL OTHER SOURCES / USES</b>	<b>(26,018,815)</b>	<b>22,626,815</b>	<b>(3,392,000)</b>	<b>(27,982,898)</b>	<b>24,522,898</b>	<b>(3,460,000)</b>	<b>(27,069,157)</b>	<b>26,109,157</b>	<b>(960,000)</b>
<b>Net Increase (Decrease)</b>	<b>(515,590)</b>	<b>(939,650)</b>	<b>(1,455,240)</b>	<b>(1,539,362)</b>	<b>-</b>	<b>(1,539,362)</b>	<b>906,687</b>	<b>-</b>	<b>906,687</b>
<b>FUND BALANCE, RESERVES</b>									
Estimated Beginning Balance	22,697,162	4,495,787	27,192,950	22,181,572	3,556,137	25,737,710	20,642,210	3,556,137	24,198,348
<b>Estimated Ending Balance</b>	<b>22,181,572</b>	<b>3,556,137</b>	<b>25,737,710</b>	<b>20,642,210</b>	<b>3,556,137</b>	<b>24,198,348</b>	<b>21,548,897</b>	<b>3,556,137</b>	<b>25,105,035</b>
Nonspendable	12,000	-	12,000	12,000	-	12,000	12,000	-	12,000
Restricted	-	3,556,137	3,556,137	-	3,556,137	3,556,137	-	3,556,137	3,556,137
Assigned	17,538,000	-	17,538,000	16,946,110	-	16,946,110	17,644,397	-	17,644,397
Unassigned- REU @ 3%	3,436,800	-	3,436,800	3,509,000	-	3,509,000	3,547,400	-	3,547,400
Unassigned- Other	1,194,772	0	1,194,773	175,100	0	175,101	345,100	0	345,101
<b>Total - Est. Fund Balance</b>	<b>22,181,572</b>	<b>3,556,137</b>	<b>25,737,710</b>	<b>20,642,210</b>	<b>3,556,137</b>	<b>24,198,348</b>	<b>21,548,897</b>	<b>3,556,137</b>	<b>25,105,035</b>
<b>Fund Balance Reserve Percentage</b>			<b>19.35%</b>			<b>17.64%</b>			<b>18.21%</b>

# TUHSD Summary of Multi-Year Projections

	2022-23	2023-24	2024-25	2025-26
<b>Operating Surplus (Deficit)</b> <i>(March 2023)</i>	<b>\$(1.1M)</b>	<b>\$2.4M*</b>	<b>\$3.1M*</b>	--
<b>Ending Fund Balance/Reserve</b> <i>(March 2023)</i>	<b>\$22.2M (19.1%)</b>	<b>\$24.6M (22.2%)*</b>	<b>\$27.8M (24.5%)*</b>	--
<b>Operating Surplus (Deficit)</b> <i>(June 2023)</i>	<b>\$(664k)</b>	<b>\$(516k)</b>	<b>\$(1.5M)</b>	<b>\$907k*</b>
<b>Ending Fund Balance/Reserve</b> <i>(June 2023)</i>	<b>\$22.7M (19.5%)</b>	<b>\$22.2M (19.4%)</b>	<b>\$20.6M (17.6%)</b>	<b>\$21.5M (18.2%)*</b>

**Key Assumptions:** \* **Figures do not include any potential increase in staff compensation (cost of 1% raise = \$687k)**

# Uncertainties & Prudence

- Inflation, Federal Reserve, Interest Rates & Economic Uncertainty
  - Reduced property tax revenue in 2024-25 anticipated due to local real estate market downturn
- Federal government Debt Limit default would have devastating global and local financial consequences whose magnitude cannot be predicted
- Ongoing enrollment decline for at least the next 8 years
  - Major 'lesson learned' from past financial challenges: Need to adjust annual staffing to enrollment accordingly
- Extended 'Class Size Increase' MOU expires after 2024-25 school year
- Concerns about future increases to STRS & PERS pension rates given statewide loss of enrollment & staff paying into pension systems
- No additional one-time State or federal funding anticipated moving forward
- Statewide trend of Special Education costs increases continue ('unfunded mandate')
- TFT and CSEA employee groups have settled on compensation with TUHSD through 2024-25, but not beyond
  - Future cost of a 1% raise in 2025-26 estimated to be \$687k
- **With the uncertainty noted above, TUHSD is projecting balanced budgets in the official 3-year MYP & minimum 17% reserve = Sustainable... BUT**
  - **Future budget expenditure reductions for 2024-25 may be necessary to maintain to ongoing fiscal sustainability**

# 2023-24 Budget Calendar & Key Dates



May 2023	Governor's May Revise Budget Proposal for 2023-24
June 2023	CA State Legislature must propose budget plan by June 15th TUHSD must adopt a budget by June 30th
August 2023	<u>Likely</u> TUHSD 45-day budget revision for 2023-24, pending State budget
September 2023	Unaudited Actuals Budget Report for 2022-23
December 2023	1st Interim Budget Report for 2023-24

# Questions? Comments?

