



SAN PASQUAL UNION SCHOOL DISTRICT

2023-24 Proposed Budget

Rhonda Brown, Chief Business Officer
June 13, 2023

BUDGET CYCLE

- **LCAP & Budget Adoption – June 2023**
 - June 2023, 1st Board Meeting
 - LCAP & Proposed Budget
 - June 2023, 2nd Board Meeting
 - LCAP Approval & Proposed Budget Adoption
- **Unaudited Actuals – September 2023**
 - Close out Fiscal Year as of June 30th
 - Board reviews and approves report
- **First Interim – December 2023**
 - First Revision of Adopted Budget
- **Annual Audit – December 2023**
 - Independent audit firm submits report on district's fiscal & programs review/findings
- **Board Review of final Audit Report – January 2024**
- **Second Interim – March 2024**
 - Second Revision of Adopted Budget

2022-23 LCFF Funding Factors

Base grants are provided by grade span:
K-3, 4-6, 7-8, and 9-12

Two grade span adjustments (GSAs) are applied as percentage increases to the base grants

- K-3—10.4%
- 9-12—2.6%

The May Revision increases LCFF base grants by the 8.22% statutory COLA - an increase in funding per student, NOT total funding

Supplemental and concentration grants are calculated based on the percentage of unduplicated pupil¹ percentage (UPP) of enrolled students

¹English learners, eligible for free or reduced-price meals (FRPM), or foster youth

2022–23 LCFF Funding Factors (Budgeted Amounts)

Grade Span	TK	K-3	4-6	7-8
2022-23 Base Grant per ADA	\$9,166	\$9,166	\$9,304	\$9,580
<i>8.22% COLA</i>	<i>\$753</i>	<i>\$753</i>	<i>\$765</i>	<i>\$787</i>
2022-23 Base Grant per ADA	\$9,919	\$9,919	\$10,069	\$10,367
<i>GSA</i>	<i>\$1,032</i>	<i>\$1,032</i>	-	-
TK Add-on (inclusive of COLA)	\$3,044	-	-	-
2023-24 Adjusted Base Grant per ADA	\$13,995	\$10,951	\$10,069	\$10,367
20% Supplemental Grant per ADA (Total UPP)	-	\$562	\$517	\$532

SSC Financial Projection Dartboard

Planning Factors						
		2022-23	2023-24	2024-25	2025-26	2026-27
DOF Planning COLA		6.56%	8.22%	3.94%	3.29%	3.19%
California CPI ¹		5.71%	3.54%	3.02%	2.64%	2.89%
CalSTRS ² Employer Rate		19.10%	19.10%	19.10%	19.10%	19.10%
CalPERS ³ 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) ⁴	Grades K-8 per ADA	\$34.94	\$37.81	\$39.30	\$40.59	\$41.88

¹Consumer Price Index (CPI), ²California State Teachers' Retirement System, ³California Public Employees' Retirement System

⁴Mandate Block Grant: \$37.81 per ADA grades K-8

Assumptions for Proposed Budget

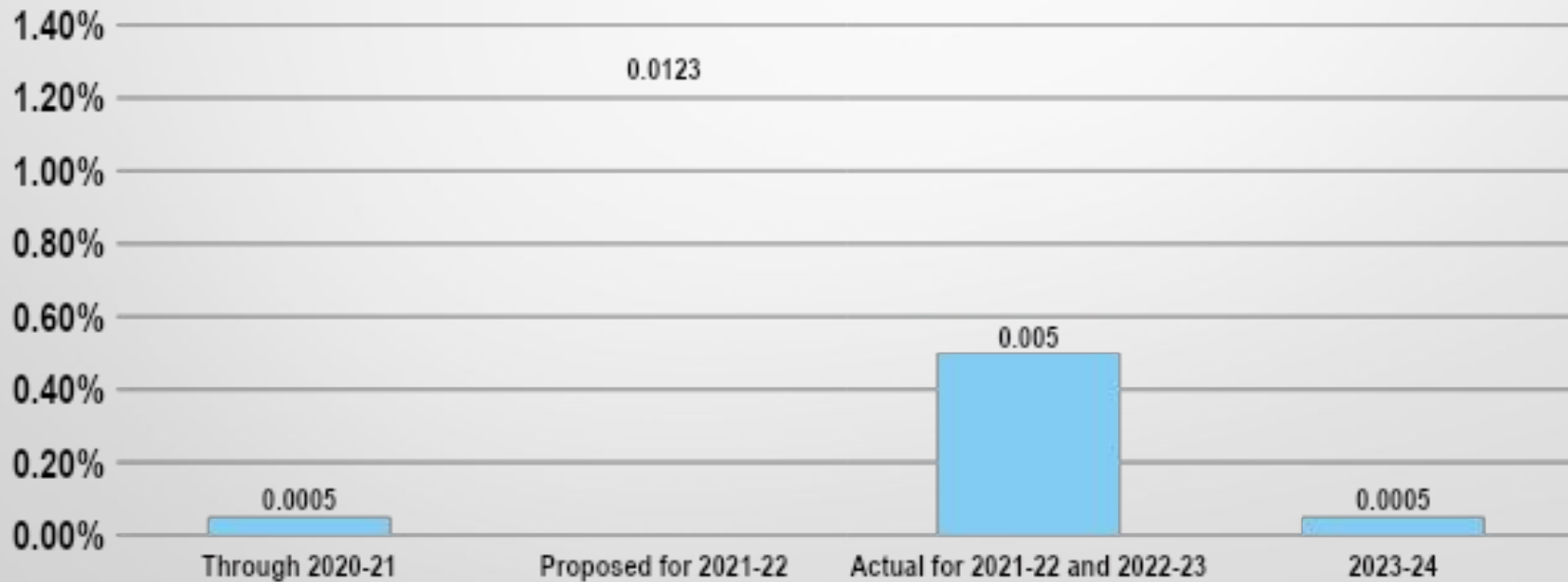
□ Assumptions were based on Governor's May Revise

- Cost of Living Adjustment (COLA) \$8.22%
- Mandate Block Grant – K-8 \$37.81/ PY P2 ADA
- Unrestricted Lottery \$170.00/Annual ADA
- Restricted Lottery \$67.00/Annual ADA

- STRS Employer Rate 19.10%
- PERS Employer Rate 26.68%
- Social Security Employer Rate 6.2%
- Med Employer Rate 1.45%
- SUI Employer Rate .05%
- Workers Comp Rate 1.67%

Unemployment Insurance

- Unemployment Insurance rates are returning to pre-pandemic levels
 - Threatened increase of 2400% in 2021-22 was mitigated by relief in the 2021-22 Enacted Budget
 - Rates are established annually by April 1 for the subsequent fiscal year



Arts, Music, and Instructional Materials Discretionary Block Grant

- The Governor's Budget proposed a \$1.2 billion reduction in the \$3.5 billion one-time funding provided in the 2022-23 Enacted Budget package
- The May Revision proposal would increase the reduction to \$1.78 billion—sweeping the remaining unallocated portion of the grant



Allocation

Funds were allocated per ADA based on 2021-22 P-2



Distribution

50% of the original \$3.5 billion allocation was distributed in December 2022



Spending Deadline

Funds must be spent by June 30, 2026



Plan

Local plans must be discussed and approved during a regularly scheduled board meeting

Learning Recovery Emergency Block Grant Proposed Funding Reduction

- The May Revision proposes to reduce this funding by \$2.5 billion from \$7.9 billion to \$5.4 billion, a decrease of 32%
- One-time investment intended to fund initiatives that support academic learning recovery, and social and emotional well-being
- The CDE has allocated the 2022-23 Enacted Budget appropriation fully
- The CDE may reduce future principal apportionments to accommodate this reduction

Tutoring

Decrease or Stabilize Staff-to-Pupil Ratios

Integrated Supports for Pupils

Services to Close Learning Gaps

Early Intervention Services

Instruction for Credit Deficient Students

Increase or Stabilize Instructional Time

Services to Close Learning Gaps

Multiyear Projections

- Multiyear projections (MYPs) are required by AB 1200 (Chapter 1213/1991) and AB 2756 (Chapter 52/2004)
- Recognize that MYPs are ***projections, not forecasts***
 - Projections are expected to change as various factors change – they are not predictions
 - Projections are the mathematical result of today's decisions based on a given set of assumptions
 - Forecasts are predictions of the future – there is a higher implied reliability factor than for projections
- Projections will change any time the underlying factors change – therefore, plan to adjust as conditions change

Multi-Year Projections

San Pasqual Union Elementary Multi-Year Projections Summary Report 2023-24 Adopted Budget

DESCRIPTION	OBJECT CODE	FY 2023-24			FY 2024-25			FY 2025-26			
		Current (Base Year)			First Projected Year			Second Projected Year			
		Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	
A	Beginning Balance as of July 1	\$2,147,223	\$342,299	\$2,489,522	\$2,409,160	\$98,827	\$2,507,987	\$2,613,131	\$0	\$2,613,131	
B	Revenues										
1	Revenue Limit Sources	8010-8099	5,387,387	40,487	5,427,874	5,662,361	40,487	5,702,848	5,843,365	40,487	5,883,852
2	Federal Revenues	8100-8299	0	238,542	238,542	0	238,542	238,542	0	238,542	238,542
3	Other State Revenues	8300-8599	132,011	661,732	793,743	135,460	629,998	765,457	136,554	639,484	776,038
4	Other Local Revenues	8600-8799	71,000	373,199	444,199	71,000	373,199	444,199	71,000	373,199	444,199
5	Total Revenues		5,590,398	1,313,960	6,904,358	5,868,821	1,282,226	7,151,046	6,050,519	1,291,712	7,342,630
Beginning Balance & Revenue (A+B5)			\$7,737,621	\$1,656,259	\$9,393,880	\$8,277,981	\$1,381,053	\$9,659,034	\$8,664,049	\$1,291,712	\$9,955,761
C	Expenditures										
1	Certificated Salaries	1000-1999	2,200,350	621,154	2,821,504	2,392,710	491,370	2,884,079	2,520,995	427,163	2,948,158
2	Classified Salaries	2000-2999	724,882	356,598	1,081,480	736,511	360,717	1,097,227	781,689	331,729	1,113,418
3	Employee Benefits	3000-3999	1,081,276	625,448	1,706,724	1,145,210	600,675	1,745,885	1,172,964	608,272	1,781,235
4	Books & Supplies	4000-4999	230,863	117,338	348,201	240,081	122,023	362,104	246,419	125,244	371,663
5	Services, Other Operating Exp	5000-5999	640,786	275,388	916,174	660,736	283,499	944,234	678,702	290,983	969,685
6	Capital Outlay	6000-6999	0	0	0	0	0	0	0	0	0
7	Other Outgo - exclude Direct Sup.	7100-7299	0	12,010	12,010	0	12,373	12,373	0	12,699	12,699
8	Debt Service	7400-7499	0	0	0	0	0	0	0	0	0
9	Direct Support/Indirect Costs	7300-7399	0	0	0	0	0	0	0	0	0
10	CSR Reduction (for info only)	1000-7999	0	0	0	0	0	0	0	0	0
11	Projected Budget Reduction		0	0	0	0	0	0	0	0	0
12	Total Expenditures:		\$4,878,157	\$2,007,736	\$6,885,893	\$5,175,246	\$1,870,656	\$7,045,903	\$5,400,768	\$1,796,091	\$7,196,859
D	Interfund Xfers/Other Sources										
1	Transfers In	8910-8929	0	0	0	0	0	0	0	0	0
2	Transfers Out	7610-7629	0	0	0	0	0	0	0	0	0
3	Sources	8930-8979	0	0	0	0	0	0	0	0	0
4	Uses	7630-7699	0	0	0	0	0	0	0	0	0
5	Contributions	8980-8999	(450,304)	450,304	0	(489,604)	489,604	0	(504,378)	504,378	0
E	Net Increase (Decrease) In Fund Balance		\$261,987	(\$243,472)	\$18,465	\$203,970	(\$98,827)	\$105,144	\$145,773	(\$1)	\$145,772
F	Ending Balance		\$2,409,160	\$98,827	\$2,507,987	\$2,613,131	\$0	\$2,613,131	\$2,758,903	(\$0)	\$2,758,903
1	Revolving Cash	9711	1,000	0	1,000	1,000	0	1,000	1,000	0	1,000
2	Other Reserves	97xx	0	0	0	0	0	0	0	0	0
3	Restricted	9740	0	98,827	98,827	0	0	0	0	(0)	(0)
4	Stabilization Arrangements	9750	0	0	0	0	0	0	0	0	0
5	Other Commitments	9760	0	0	0	0	0	0	0	0	0
6	Assigned - Other Assignments	9780	1,000,000	0	1,000,000	1,000,000	0	1,000,000	1,000,000	0	1,000,000
7	Reserve for Economic Uncertainties	9789	275,436	0	275,436	281,836	0	281,836	287,874	0	287,874
8	Unassigned/unappropriated Amount	9790	1,132,725	0	1,132,725	1,330,294	0	1,330,294	1,470,029	0	1,470,029
G	Components of Ending Fund Balance Total		\$2,409,160	\$98,827	\$2,507,987	\$2,613,131	\$0	\$2,613,131	\$2,758,903	(\$0)	\$2,758,903

4% Calculated Reserve, or \$50,000 (greater of the two)

Reserve Percentage Level for this district:	4.00%	Total Reserves	4% Calculated	Difference*	
FY 2023-24 ADA Input Sheet (District):	499.44	FY 2023-24 Bud	\$275,436	\$275,436	\$0
		FY 2024-25 Proj	\$281,836	\$281,836	\$0
		FY 2025-26 Proj	\$287,874	\$287,874	\$0

FY 2024-25 Unappropriated Amount is: Positive
FY 2025-26 Unappropriated Amount is: Positive

Balance of Excess Minimum Reserve

District: San Pasqual Union School
 CDS #: 37-68353

Adopted Budget
 2023-24 Budget Attachment

Balances in Excess of Minimum Reserve Requirements

Reasons for Assigned and Unassigned Ending Fund Balances in Excess of Minimum Recommended Reserves

Education Code Section 42127(a)(2)(B) requires a statement of the reasons that substantiates the need for assigned and unassigned ending fund balances in excess of the minimum reserve standard for economic uncertainties for each fiscal year identified in the budget.

Combined Assigned and Unassigned/unappropriated Fund Balances		2023-24 Budget	Objects 9780/9789/9790
Form	Fund		
01	General Fund/County School Service Fund	\$2,507,987.00	Form 01
17	Special Reserve Fund for Other Than Capital Outlay Projects	\$243,184.00	Form 17
Total Assigned and Unassigned Ending Fund Balances		\$2,751,171.00	
District Standard Reserve Level		4%	Form 01 CS Line 10B-4
Less District Minimum Reserve for Economic Uncertainties		\$275,436.00	Form 01 CS Line 10B-7
Remaining Balance to Substantiate Need		\$2,475,735.00	

Reasons for Fund Balances in Excess of Minimum Reserve for Economic Uncertainties			
Form	Fund	2023-24 Budget	Description of Need
01	General Fund/County School Service Fund	\$600,000.00	Enrollment Decline
01	General Fund/County School Service Fund	\$200,000.00	Cash Flow
01	General Fund/County School Service Fund	\$150,000.00	Campus Safety Projects
01	General Fund/County School Service Fund	\$100,000.00	Security System Replacement
01	General Fund/County School Service Fund	\$100,000.00	Curriculum/Textbook Adoption
01	General Fund/County School Service Fund	\$750,000.00	Portable Replacement
01	General Fund/County School Service Fund	\$150,000.00	Out of Home Care (SPA)
01	General Fund/County School Service Fund	\$150,000.00	Playground Equipment
01	General Fund/County School Service Fund	\$32,551.00	Legal Service
17	Special Reserve Fund for Other Than Capital Outlay Projects	\$70,000.00	Special Education IDT
17	Special Reserve Fund for Other Than Capital Outlay Projects	\$100,000.00	Unanticipated Exp (Maintenance & Facilities)
17	Special Reserve Fund for Other Than Capital Outlay Projects	\$73,184.00	Technology Infrastructure
Total of Substantiated Needs		\$2,475,735.00	

Remaining Unsubstantiated Balance \$0.00 Balance should be Zero

Education Code Section 42127 (d)(1) requires a county superintendent to either conditionally approve or disapprove a school district budget if the district does not provide for EC 42127 (a)(2)(B) public review and discussion at its public budget hearing.

Questions

