Newark Unified 2nd Interim

March 5, 2024

Agenda

- Budget Assumptions
  - COLA
  - ADA
- Revenues
- Expenditures
- Ending Balance
- Multi-Year Projections
- Other Funds

2023-24 Budget Assumptions

	Board Approved Budget	Proposed Budget (2nd Interim)	Notes
COLA	8.22%	8.22%	Sharply Revised COLA in 2024-25 and 25-26 *(see Multi-Year Projection-Slide 8)*
Enrollment	4,945	4,828	Change reflects CALPADS reporting
Funded ADA	5,027.82	5,027.82	ADA based on average three prior years
Unduplicated Pupil Count	52.47%	53.00%	Change based on CALPADS
Prior Year LCFF Corrections by CDE		(3,044,456)	Reviewing solutions with CDE

Revenues

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	2023-24 BOARD APPROVED			2023-24 2nd INTERIM			Variance between 2nd INTERIM AND BUDGET		
	Unrestricted	Restricted	Total Fund	Unrestricted	Restricted	Total Fund	Unrestricted	Restricted	Total Fund
A. REVENUES									
1) LCFF/Revenue Limit Sources	63,034,499	386,725	63,421,224	60,011,774	407,921	60,419,695	(3,022,725)	21,196	(3,001,529)
2) Federal Revenue	-	2,383,845	2,383,845	-	2,426,912	2,426,912	-	43,067	43,067
3) Other State Revenue	1,036,245	6,905,647	7,941,892	1,151,206	8,638,393	9,789,599	114,961	1,732,746	1,847,707
4) Other Local Revenue	494,115	5,475,158	5,969,273	1,723,914	6,197,972	7,921,886	1,229,799	722,814	1,952,613
5) TOTAL REVENUES	**64,564,859**	**15,151,375**	**79,716,234**	**62,886,894**	**17,671,198**	**80,558,092**	**(1,677,965)**	**2,519,823**	**841,858**

Expenditures

	2023-24 BOARD APPROVED			2023-24 2nd INTERIM			Variance between 2nd INTERIM AND BUDGET		
	Unrestricted	Restricted	Total Fund	Unrestricted	Restricted	Total Fund	Unrestricted	Restricted	Total Fund
B. EXPENDITURES									
1) Certificated Salaries	26,693,894	8,956,403	35,650,297	23,677,041	8,474,757	32,151,798	(3,016,853)	(481,646)	(3,498,499)
2) Classified Salaries	6,147,016	4,898,364	11,045,380	6,121,591	4,529,260	10,650,851	(25,425)	(369,104)	(394,529)
3) Employee Benefits	9,935,742	7,703,118	17,638,860	9,974,738	8,028,700	18,003,438	38,996	325,582	364,578
4) Books and Supplies	1,152,629	1,175,055	2,327,684	1,208,757	3,143,528	4,352,285	56,128	1,968,473	2,024,601
5) Services and Other Operating Expenditures	5,878,139	10,134,610	16,012,749	6,854,225	13,787,185	20,641,410	976,086	3,652,575	4,628,661
6) Capital Outlay	30,000	51,065	81,065	93,268	1,067,439	1,160,707	63,268	1,016,374	1,079,642
7) Other Outgo	979,359	-	979,359	1,163,537	-	1,163,537	184,178	-	184,178
8) Other Outgo (Indirect)	(1,404,788)	1,270,969	(133,819)	(1,418,705)	1,283,996	(134,709)	(13,917)	13,027	(890)
9) TOTAL EXPENDITURES	**49,411,991**	**34,189,584**	**83,601,575**	**47,674,452**	**40,314,865**	**87,989,317**	**(1,737,539)**	**6,125,281**	**4,387,742**

Contributions

	2023-24 BOARD APPROVED			2023-24 2nd INTERIM			Variance between 2nd INTERIM AND BUDGET		
	Unrestricted	Restricted	Total Fund	Unrestricted	Restricted	Total Fund	Unrestricted	Restricted	Total Fund
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES	15,152,868	(19,038,209)	(3,885,341)	15,212,442	(22,643,667)	(7,431,225)	59,574	(3,605,458)	(3,545,884)
D. OTHER FINANCING SOURCES/USES									
1) Interfund Transfers									
2) Other Sources/Uses			-			-			-
3) Contributions	**(15,750,061)**	**15,750,061**	**-**	**(17,682,089)**	**17,682,089**	**-**	**(1,932,028)**	**1,932,028**	**-**
Special Education	*(13,250,061)*	*13,250,061*	-	*(13,324,057)*	*13,324,057*	-	*(73,996)*	*73,996*	-
Cal Learning Communities			-	*(53,381)*	*53,381*	-	*(53,381)*	*53,381*	-
Routine Restricted Maintenance	*(2,500,000)*	*2,500,000*	-	*(4,241,422)*	*4,241,422*	-	*(1,741,422)*	*1,741,422*	-
A-G Grant			-	*(18,921)*	*18,921*	-	*(18,921)*	*18,921*	-
CSI			-	*(28,347)*	*28,347*	-	*(28,347)*	*28,347*	-
ASES	-		-	*(15,961)*	*15,961*	-	*(15,961)*	*15,961*	-
LCAP	*(5,736,145)*	*5,736,145*	-	*(6,340,702)*	*6,340,702*	-	*(604,557)*	*604,557*	-
4) TOTAL, OTHER FINANCING/USES	**(15,750,061)**	**15,750,061**	**-**	**(17,682,089)**	**17,682,089**	**-**	**(1,932,028)**	**1,932,028**	**-**
E. NET INCREASE (DECREASE) IN FUND BALANCE	(597,193)	(3,288,148)	(3,885,341)	(2,469,647)	(4,961,578)	(7,431,225)	(1,872,454)	(1,673,430)	(3,545,884)

Ending Balance and Committed Funds

	2023-24 BOARD APPROVED			2023-24 2nd INTERIM			Variance between 2nd INTERIM AND BUDGET		
	Unrestricted	Restricted	Total Fund	Unrestricted	Restricted	Total Fund	Unrestricted	Restricted	Total Fund
E. NET INCREASE (DECREASE) IN FUND BALANCE	(597,193)	(3,288,148)	(3,885,341)	(2,469,647)	(4,961,578)	(7,431,225)	(1,872,454)	(1,673,430)	(3,545,884)
F. FUND BALANCE, RESERVES									
1) Beginning Fund Balance									
e) Adjusted Beginning Balance	20,182,965	14,251,467	34,434,431	20,182,965	14,251,467	34,434,431	-	-	-
2) Ending Balance	**19,585,772**	**10,963,319**	**30,549,090**	**17,713,318**	**9,289,888**	**27,003,206**	**(1,872,454)**	**(1,673,430)**	**(3,545,884)**
Components of Ending Fund Balance									
a) Nonspendable									
Revolving Cash	25,000		25,000	25,000		25,000	-	-	-
Stores	111,328		111,328	111,328		111,328	-	-	-
Prepaid Expenditures	3,328	-	3,328	3,328	-	3,328	-	-	-
b) Restricted		10,963,319	10,963,319		9,289,888	9,289,888	-	(1,673,430)	(1,673,430)
Other Commitments	**11,077,876**		**11,077,876**	**7,970,000**		**7,970,000**	**(3,107,876)**	-	**(3,107,876)**
Facilities Improvements	4,000,000		4,000,000	3,000,000		3,000,000	(1,000,000)	-	(1,000,000)
Deferred Maintenance	2,000,000		2,000,000	1,500,000		1,500,000	(500,000)	-	(500,000)
Technology Refresh and Upgrades	1,120,000		1,120,000	1,120,000		1,120,000	-	-	-
Textbooks and Consumables	900,000		900,000	900,000		900,000	-	-	-
Furniture Replacement	50,000		50,000	50,000		50,000	-	-	-
Declining Enrollment & ADA Mitigation	700,000		700,000	400,000		400,000	(300,000)	-	(300,000)
Audit Findings (pending Appeal)	657,876		657,876			-	(657,876)	-	(657,876)
Instructional Program Improvements	500,000		500,000	500,000		500,000	-	-	-
Strategies to Increase Enrollment	200,000		200,000	200,000		200,000	-	-	-
Strategic Planning and Advisory Services/Reduce Deficit Spending and Improve Fiscal Health	500,000		500,000	300,000		300,000	(200,000)	-	(200,000)
New Roof on Nutrition Svcs Bldg	450,000		450,000			-	(450,000)	-	(450,000)
RS 1100 Non Prop 20 Lottery			-	813,039		813,039	813,039	-	813,039
RS 1400 Education Protection Act			-	1,005,564		1,005,564	1,005,564	-	1,005,564
LCAP Carryover	*409,846*		409,846	-		-	(409,846)	-	(409,846)
Reserve for Economic Uncertainties	2,508,047		2,508,047	2,600,789		2,600,789	92,742	-	92,742
For Future Board Action	5,450,346		5,450,346	5,184,270		5,184,270	(266,077)	-	(266,077)

Multi-Year Projections
Budget Assumptions

	2024-25	2025-26
COLA (dartboard)	.76%	2.73%
Funded ADA	4,662.57	4,387.89
Unduplicated Pupil Count (55%)	53.88%	53.52%
STRS PERS	19.10% 27.80%	19.10% 28.50%

Multi-Year Projections

	2024-25 BUDGET .76% COLA			2025-26 BUDGET 2.73% COLA		
	Unrestricted	Restricted	Total Fund	Unrestricted	Restricted	Total Fund
A. REVENUES						
LCFF/Revenue Limit Sources	58,485,459	407,921	58,893,380	56,508,074	407,921	56,915,995
5) TOTAL REVENUES	**61,113,211**	**16,967,233**	**78,080,444**	**58,251,399**	**15,532,875**	**73,784,274**
B. EXPENDITURES						
1) Certificated Salaries	23,181,211	8,389,888	31,571,099	23,341,211	8,389,888	31,731,099
BUDGET CUTS	**(2,027,549)**		**(2,027,549)**			-
2) Classified Salaries	6,021,523	4,612,685	10,634,208	6,021,523	4,612,685	10,634,208
3) Employee Benefits	10,311,153	8,090,145	18,401,298	10,311,153	8,090,145	18,401,298
4) Books and Supplies	1,138,544	2,254,461	3,393,005	1,138,544	2,254,461	3,393,005
5) Services and Other Operating Expenditures	7,153,635	13,248,949	20,402,584	6,735,071	12,998,949	19,734,020
6) Capital Outlay			-			-
7) Other Outgo	1,163,537	-	1,163,537	1,163,537	-	1,163,537
8) Other Outgo (Indirect)	(1,407,378)	1,283,996	(123,382)	(1,407,378)	1,283,996	(123,382)
9) TOTAL EXPENDITURES	**47,562,225**	**37,880,124**	**85,442,349**	**47,303,661**	**37,630,124**	**84,933,785**
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES	13,550,986	(20,912,891)	(7,361,906)	10,947,738	(22,097,249)	(11,149,511)
D. OTHER FINANCING SOURCES/USES						
1) Interfund Transfers						
2) Other Sources/Uses			-			-
3) Contributions	**(17,677,517)**	**17,677,517**	-	**(17,677,517)**	**17,677,517**	-
Special Education	*(13,347,832)*	*13,347,832*	-	*(13,347,832)*	*13,347,832*	-
Cal Learning Communities	*(53,381)*	*53,381*		*(53,381)*	*53,381*	
Routine Restricted Maintenance	*(4,241,422)*	*4,241,422*	-	*(4,241,422)*	*4,241,422*	-
A-G Grant	*(18,921)*	*18,921*		*(18,921)*	*18,921*	
ASES	*(15,961)*	*15,961*	-	*(15,961)*	*15,961*	-
LCAP	*(5,636,730)*	*5,636,730*	-	*(5,409,820)*	*5,409,820*	-
4) TOTAL, OTHER FINANCING/USES	**(17,677,517)**	**17,677,517**	-	**(17,677,517)**	**17,677,517**	-

Multi-Year Projections Ending Balance

	2024-25 BUDGET .76% COLA			2025-26 BUDGET 2.73% COLA		
	Unrestricted	Restricted	Total Fund	Unrestricted	Restricted	Total Fund
E. NET INCREASE (DECREASE) IN FUND BALANCE	(4,126,531)	(3,235,374)	(7,361,906)	(6,729,779)	(4,419,732)	(11,149,511)
F. FUND BALANCE, RESERVES						
1) Beginning Fund Balance						
a) As of July 1 - Unaudited	17,713,318	9,289,888	*27,003,206*	13,586,786	6,054,514	*19,641,301*
2) Ending Balance	**13,586,786**	**6,054,514**	**19,641,301**	**6,857,007**	**1,634,782**	**8,491,790**
Components of Ending Fund Balance						
a) Nonspendable						
Revolving Cash			-			-
Stores			-			-
b) Restricted		6,054,514	6,054,514		1,634,782	1,634,782
Other Commitments	**5,670,000**		**5,670,000**	**2,970,000**		**2,970,000**
Facilities Improvements	2,000,000		2,000,000	1,000,000		1,000,000
Deferred Maintenance	1,000,000		1,000,000	500,000		500,000
Technology Refresh and Upgrades	1,120,000		1,120,000	620,000		620,000
Textbooks and Consumables	700,000		700,000	500,000		500,000
Furniture Replacement	50,000		50,000	50,000		50,000
Declining Enrollment & ADA Mitigation	200,000		200,000	-		-
Instructional Program Improvements	300,000		300,000	100,000		100,000
Strategies to Increase Enrollment	200,000		200,000	200,000		200,000
Strategic Planning and Advisory Services/Reduce Deficit Spending and Improve Fiscal Health	100,000		100,000	-		-
Reserve for Economic Uncertainties	2,593,270		2,593,270	2,578,014		2,578,014
For Future Board Action *(Proposed Budget Reductions)*	5,323,516		5,323,516	1,308,993		1,308,993

Other Funds

- All Other funds are projected to end the fiscal year with a positive ending balance

Questions

Thank you