



Adopted Budget 2022-23 Fiscal Year

Presenters:

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2022-23 Fiscal Year Budget

- State economic overview and budget process
- State and District reserve levels
- Oxnard School District budget development
- Enrollment and ADA trends and projections
- District planning factors and budget assumptions
- Multi-Year Projections
- Upcoming Budget actions





State Economic Overview

- California's economy remains strong:
 - Labor force participate rates are on the rise again
 - Revenues from personal income taxes and capital gains are high
- Governor's May Revision is a \$300 billion budget designed to "provide relief from rising inflation, ensure public safety, address homelessness, transform public education, and combat climate change"
- Yet economic warning signs indicate challenging times ahead:
 - Inflation and fears of prolonged inflation pose the most immediate risk to the economy
 - Supply chain bottlenecks continue to aggravate supply and demand, which exacerbates inflationary pressures
 - Stock market volatility creates uncertainty
 - The Ukraine-Russia War and potential COVID-19 surges may worsen vulnerable economic conditions



4 State Budget Proposal Differences

Governor's May Revise

Local Control Funding Formula

- \$2.1 billion to increase LCFF, applying COLA of 6.56% to base, supplemental, and concentration grants
- Average of three prior years' ADA hold harmless
- Adjusted ADA rate for 2021-22, to mitigate ADA losses incurred due to COVID-19 pandemic

Discretionary Block Grant

- \$8.0 billion, allocated on a per-pupil basis, to be used for any purpose determined by local need

Expanded Learning Opportunities Program

- \$4.8 billion ongoing funding
- \$2,500 per-pupil rate for all districts, regardless of Unduplicated Pupil Percentage (UPP)

Legislative Version

Local Control Funding Formula

- \$4.5 billion ongoing to increase LCFF base rate to 16.2%, inclusive of 6.56% COLA
- Average of three prior years' ADA hold harmless
- Rejects ADA mitigation proposal

Discretionary Block Grant

- \$8.5 billion, allocated on a per-pupil basis; to be used for "salaries, benefits, and employer contributions to benefit and pension costs"

California Universal Afterschool and Expanded Learning Opportunities

- \$4.4 billion ongoing funding
- \$3,000 per-pupil rate for districts UPP 75% or greater; \$1,500 per-pupil rate for districts UPP less than 75%





State and District Reserves

- California is experiencing record high reserves:
 - \$3.2 billion Regular Reserve (for economic uncertainties)
 - \$1.5 billion Safety Net Reserve
 - \$9.5 billion Prop 98 Reserve (education)
 - \$23.3 billion Rain Day Fund (Budget Stabilization Account)
 - **\$37.5 billion Total General Fund Reserves**
- Proposition 98 Reserve triggers reserve cap for school districts
- Maintaining a healthy reserve prepares Oxnard School District to adjust to potential economic downturns and/or funding reductions
 - District has implemented a policy of maintaining a 6-10% reserve level



District Budget Development

OSD Student Profile

Oxnard School District students will be promoted from our schools with the following traits:

Innovator

Students will be creative writers, successful readers and mathematical thinkers; able to create, design, and apply new knowledge in a variety of contexts.

Problem Solver

Students will be confident and solution oriented; able to demonstrate a growth mindset and advocate for themselves and for others.

Achiever

Students will be able to demonstrate their knowledge on local and state measures in all academic areas.

Global Thinker

Students will be compassionate, multilingual, and inclusive; able to understand and to convey pride in their identity, heritage, and history.

Collaborator

Students will be collaborative learners; able to communicate and learn through and with others.

Digital Learner

Students will be technologically, artistically, academically and linguistically prepared to succeed and to lead.

Focused on the Future

Students will be high school, college, and career ready; challenged to select rigorous courses and equipped with the tools, knowledge, and skills to be prepared for the future.





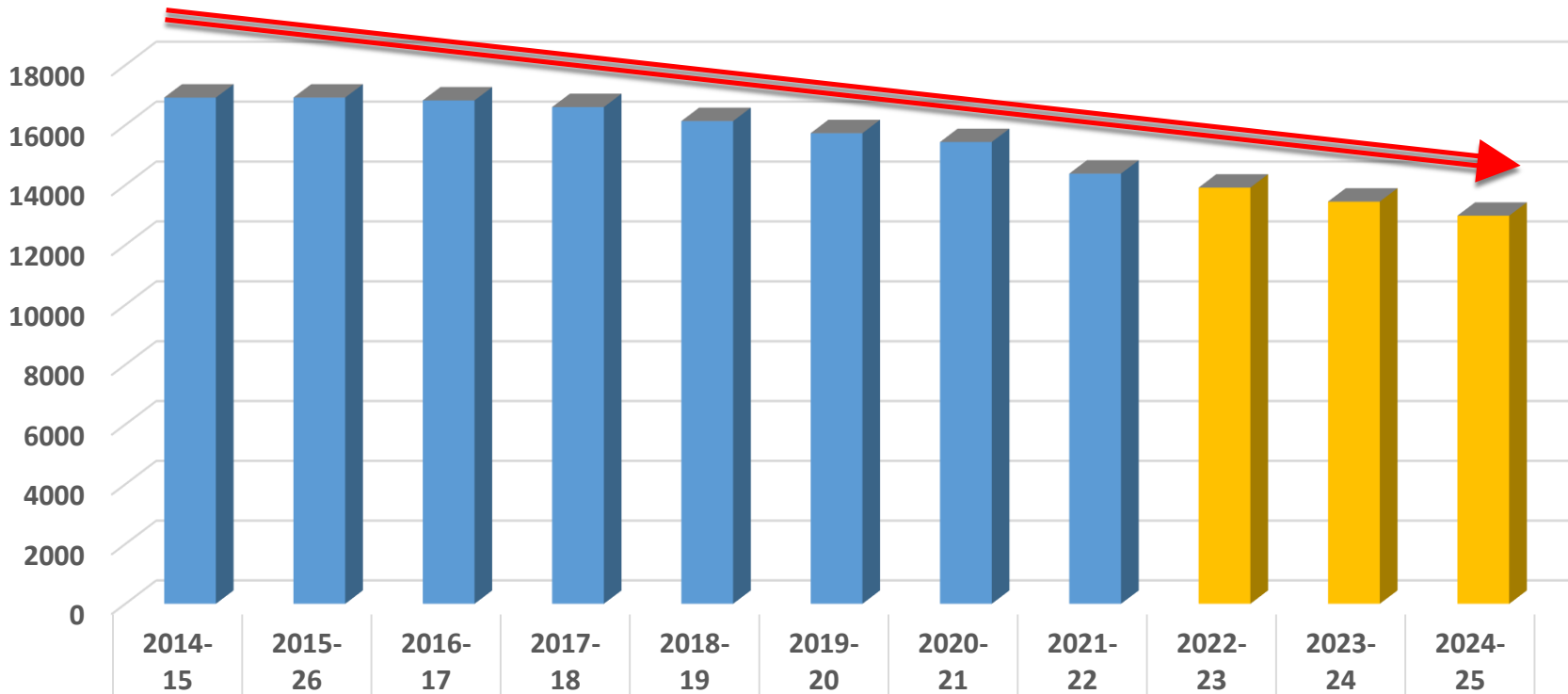
District Budget Development

- Early review of enrollment projections and district needs
- Alignment with LCAP and SPSAs
- Alignment with other Plans:
 - ESSER
 - Educator Effectiveness Block Grant
 - UPK/UTK
 - Expanded Learning Opportunities





Enrollment & ADA Trends



ADA percentage	96.95%	96.72%	96.15%	96.32%	96.71%	96.61%	0.00%	91.70%	93.00%	94.00%	95.00%
Enrollment	16916	16918	16822	16599	16134	15730	15434	14380			
Projected Enrollment									13912	13445	12974

Projected Enrollment Enrollment ADA percentage



06/22/2022

2022-23 Budget Assumptions

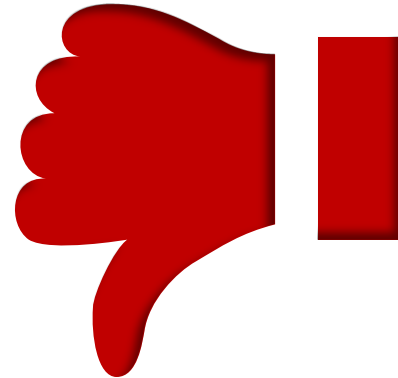
Planning Factor	2022-23	2023-24	2024-25
Estimated Funded ADA (Average Daily Attendance)	14,555.04	13,806.82	12,958.61
Funded UPP (Unduplicated Pupil Percentage)	90.81%	90.20%	90.05%
Step & Column	1.30%	1.30%	1.30%
Statutory COLA (Planning COLA)	6.56%	5.38%	4.02%
STRS Employer Statutory Rates	19.10%	19.10%	19.10%
PERS Employer Projected Rates	25.37%	25.20%	24.60%
Lottery - Unrestricted per ADA	\$163	\$163	\$163
Lottery - Prop 20 per ADA	\$65	\$65	\$65
Mandated Block Grant per ADA	\$34.94	\$36.82	\$37.98
Consumer Price Index (CPI) applied to non-salary expenditures	6.11%	3.14%	1.97%
Routine Restricted Maintenance Account	3% of total General Fund expenditures		
Health Benefits - Hard Cap with no anticipated changes	Varies by Bargaining Unit		



Multi-year Projections

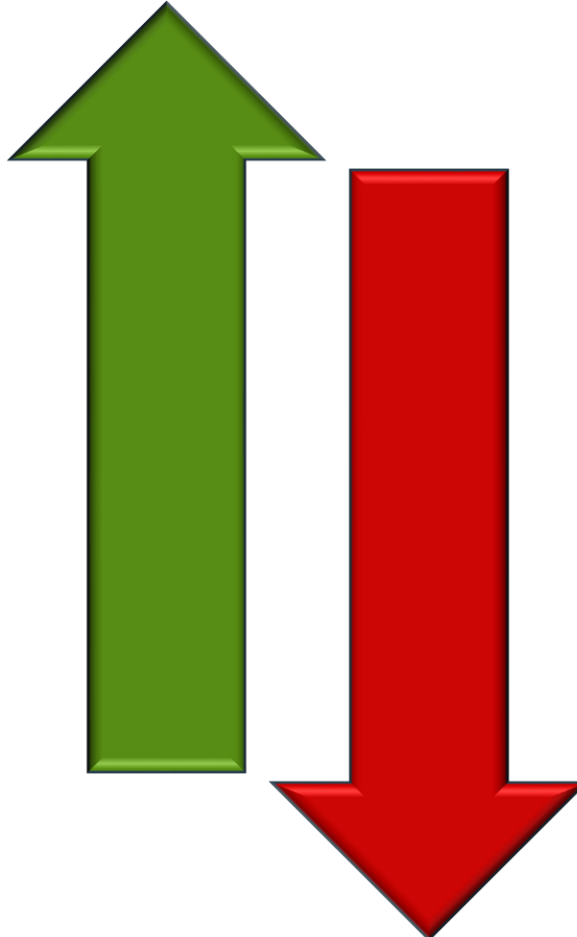


- Result of mathematical calculations for future years based on the following:
 - Industry standard economic assumptions
 - Decisions that have already been made
 - Locally calculated data point estimates



- Predictions or forecasts
- Crystal balls
- Measuring sticks for “wrongness”

Impacts on Multiyear Projections

- 
- ❖ Funded LCFF Increase
 - ❖ Increased categorical funds' COLAs
 - ❖ One-time federal funds
 - ❖ One-time state funds

- ❖ Cost of goods and services
- ❖ State pension costs
- ❖ “New hires” with one-time funds
- ❖ Additional costs to mitigate learning loss

Multi-year Projections

Minimum Wage Increase

\$15.50 per hour for all workers effective January 1, 2023



The increase in minimum wage is triggered by increasing costs due to inflation

Because the CPI-W¹ exceeded 7%, the first adjusted increase was accelerated; therefore, employees will be guaranteed the \$15.50 rate even if they work for small employers (<25 employees) (Labor Code §1182.12[c][3][A-B])

¹Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W)

Multi-year Projections

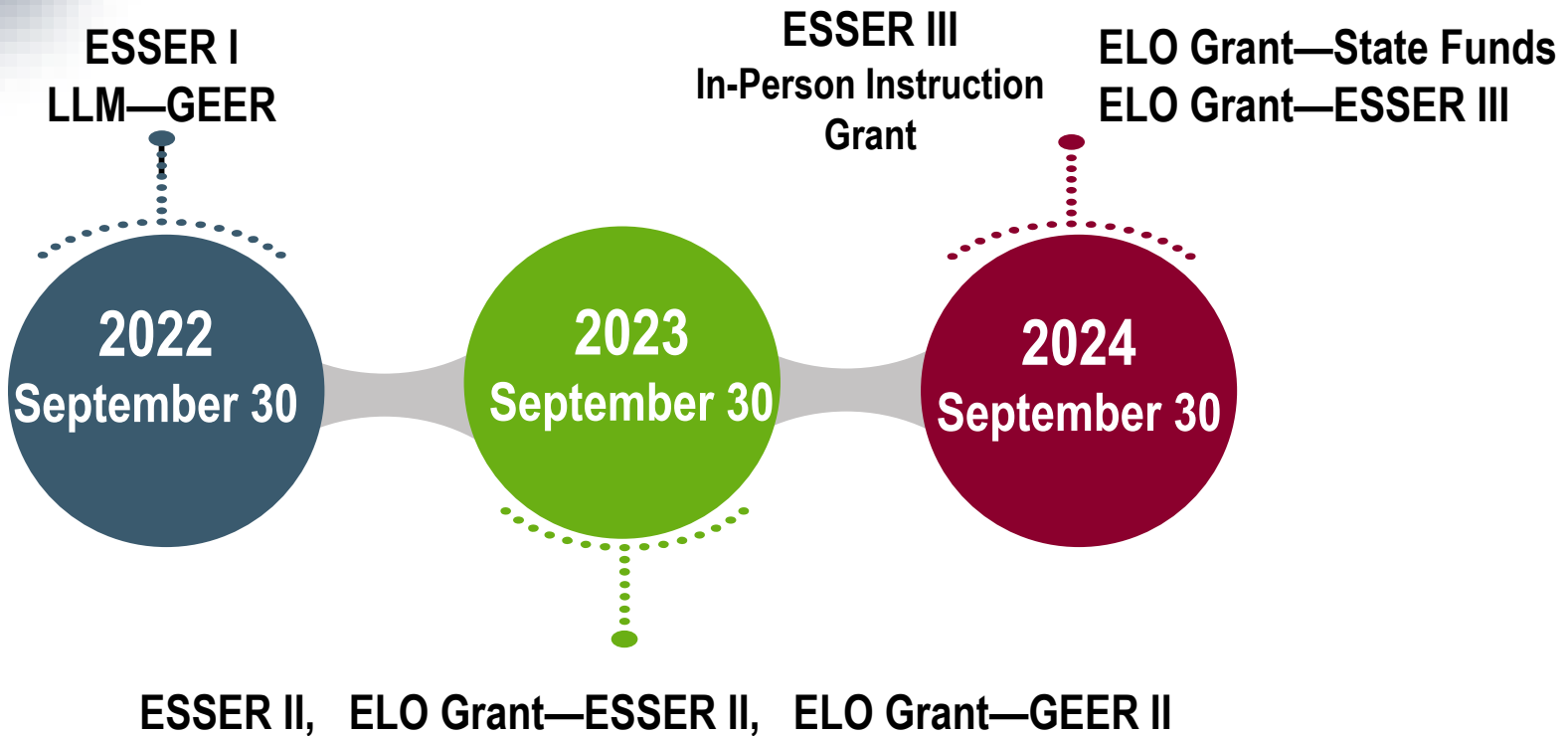
Available COVID 19 Funds

Fund	Fund Source and/or Distribution Methodology	Resource Code	Deadline
ESSER I	Federal funds distributed in proportion to Title I allocation	3210	September 30, 2022
Governor's Emergency Education Relief (GEER) I	Federal funds included in LLM Fund	3215	September 30, 2022
ESSER II	Federal funds distributed in proportion to Title I allocation	3212	September 30, 2023
ESSER II—state reserve	Federal funds included in ELO Grant	3216	September 30, 2023
GEER II	Federal funds included in ELO Grant	3217	September 30, 2023
ELO Grant—10% set aside for paraprofessionals	State funds included in ELO Grant	7426	September 30, 2024
ELO Grant	State funds included in ELO Grant	7425	September 30, 2024
ESSER III—state reserve	Federal funds included in ELO Grant	3218	September 30, 2024
ESSER III—state reserve for learning loss	Federal funds included in ELO Grant	3219	September 30, 2024
ESSER III	Federal funds distributed in proportion to Title I allocation	3213	September 30, 2024
ESSER III—LEA 20% reserve for learning loss	Federal funds distributed in proportion to Title I allocation	3214	September 30, 2024
In-Person Instruction Grant	State funds	7422	September 30, 2024

Multi-year Projections

Spend most
restrictive first

COVID-19 Funding Timeline



Multi-year Projections

	2021-22 Estimated Actuals	2022-23 Adopted Budget	2023-24 Projections	2024-25 Projections
Revenues	\$266,197,194	\$241,225,980	\$251,929,584	\$234,508,803
Expenditures	\$217,027,486	\$243,667,371	\$247,705,880	\$251,680,135
Excess (Deficiency) of Revenue over Expenditures	\$49,169,708	(\$2,441,391)	\$4,223,704	(\$17,171,332)
Beginning Fund Balance	\$44,264,320	\$93,434,028	\$90,992,637	\$95,216,341
Total Ending Fund Balance	\$93,434,028	\$90,992,637	\$95,216,341	\$78,045,009
<u>Components of Ending Fund Balance</u>				
Reserve Percentage	10.0%	10.0%	10.0%	10.0%
Reserve for Economic Uncertainty	\$21,702,749	\$24,366,737	\$24,770,588	\$25,168,014
Non-Spendable (Stores & Revolving Cash)	\$120,000	\$120,000	\$120,000	\$120,000
Legally Restricted	\$17,682,577	\$13,812,407	\$16,826,345	\$7,363,825
Total Committed Balance	\$53,928,702	\$52,693,493	\$53,499,408	\$45,393,171
Undesignated/Unappropriated Fund Balance	\$0	\$0	\$0	\$0

Multi-year Projections - Detail

	2021-22 Estimated Actuals	2022-23 Adopted Budget	2023-24 Projections	2024-25 Projections
Revenues:				
Total LCFF Funding	\$185,179,515	\$189,385,327	\$188,706,888	\$184,147,725
Federal Revenues	\$38,697,892	\$18,408,818	\$25,768,796	\$13,112,178
Other State Revenues	\$29,769,658	\$20,030,442	\$24,993,000	\$24,788,000
Other Local Revenues	\$12,550,129	\$13,401,393	\$12,460,900	\$12,460,900
Total Revenues	\$266,197,194	\$241,225,980	\$251,929,584	\$234,508,803
Expenditures:				
Certificated Salaries	\$83,933,880	\$97,309,058	\$98,574,076	\$99,855,539
Classified Salaries	\$32,541,536	\$33,348,877	\$33,782,412	\$34,221,584
Employee Benefits	\$43,599,973	\$54,031,112	\$55,111,734	\$56,213,969
Books & Supplies	\$13,040,438	\$15,646,250	\$16,137,542	\$16,455,452
Services & Other Operating Expenses	\$38,232,819	\$41,068,131	\$42,357,670	\$43,192,116
Capital Outlay	\$647,545	\$666,511	\$687,125	\$700,465
Other Outgo (excl. trxf of indirect costs)	\$5,031,295	\$2,301,660	\$1,781,660	\$1,781,660
Other Outgo - Trxf of Indirect Costs	\$0	-\$704,228	-\$726,341	-\$740,650
Total Expenditures	\$217,027,486	\$243,667,371	\$247,705,880	\$251,680,135
Detail of Committed Balance:				
Student Transportation/Bus Replacement	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Technology Device Refresh	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000
Instructional Materials Adoptions	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
Building Maintenance One-Time Funds	\$1,564,000	\$1,564,000	\$1,564,000	\$1,564,000
Pandemic Learning and Recovery	\$24,661,955	\$20,762,756	\$21,164,820	\$12,661,157
Financial Stability Reserve	\$21,702,747	\$24,366,737	\$24,770,588	\$25,168,014
Total Committed Balance	\$53,928,702	\$52,693,493	\$53,499,408	\$45,393,171



Upcoming Budget Actions

- Public Comment Period for 2022-23 LCAP and Adopted Budget:
 - ▣ June 2, 2022 through June 22, 2022
- Board Adoption of 2022-23 LCAP and Budget:
 - ▣ June 22, 2022
- Update on final 2022-23 State Budget and impact to Oxnard School District:
 - ▣ August 2022
- Update on pandemic funding and uses:
 - ▣ August 2022



2022-23 Fiscal Year Budget

□ Thank you

