



Fresno Unified
School District

Agenda Item B-16



Governor's 2022/23 Proposed State Budget

Board of Education

January 19, 2022

Overview

- State Economic Overview
- Governor's 2022/23 Proposed State Budget
- Strategic 2022/23 Budget Development
- Upcoming Budget Discussions

State Economic Overview

- California's Economy – Building a Strong Fiscal Foundation
- Increases to State Rainy Day Reserves
 - \$3.1 billion in 2020/21
 - \$3.6 billion in 2021/22
 - \$3.1 billion in 2022/23
- Unemployment Rates as of November 2021
 - National – 4.2%
 - State – 6.9%
 - Fresno County – 7.8%

State Revenue Growth

Long-Term Revenue Forecast - Three Largest Sources

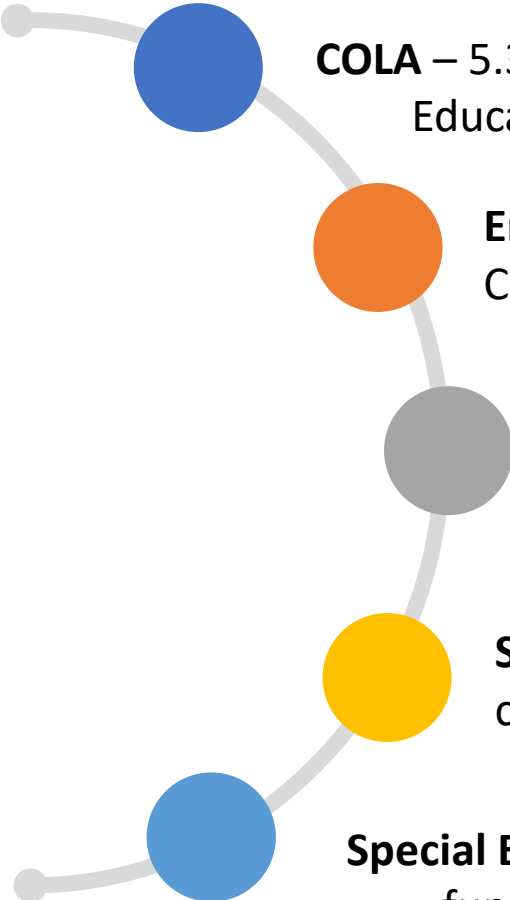
(General Fund Revenue - Dollars in Billions)

	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	Average Year-Over- Year Growth
Personal Income Tax	\$128.2	\$120.9	\$130.3	\$135.1	\$139.4	\$152.0	3.6%
Sales and Use Tax	29.1	30.9	32.2	33.0	34.1	35.4	4.0%
Corporation Tax	22.8	32.9	23.7	29.6	32.1	28.1	7.4%
Total	\$180.1	\$184.6	\$186.2	\$197.7	\$205.6	\$215.6	3.7%

Note: Numbers may not add due to rounding.

Source: Governor's Budget K-12 Education, page 264

Governor's 2022/23 Proposed State Budget



COLA – 5.33% for LCFF and all other state programs, including Special Education

Enrollment/Average Daily Attendance (ADA) Support – Change ADA calculation

Independent Study – Simplify collection of attendance in virtual instructional programs and will continue to be an option for counting as instructional time

STRS/PERS – No relief to planned increased employer contribution rates

Special Education – \$500 million to improve Special Education funding formula

Governor's 2022/23 Proposed State Budget

Expanded Learning

Early Education

College and Career

Early Literacy

Educator Workforce

Nutrition

Transportation

Facilities

- \$3.4 billion to increase pupil funding and expand number of districts offering no-cost services
- \$937 million *one-time* for focus on integrating arts and music programs
- \$639.2 million to support the expanded universal TK program
- \$383 million for TK classroom staff
- \$309 million to provide more of an inclusive instructional setting for students with disabilities and support for English learners
- \$500 million *one-time* for inclusive early education expansion
- \$2.0 billion *one-time* for development of pathway program and strengthen and expand access to dual enrollment
- \$700 million *one-time* grants to support literacy, including curriculum access
- \$54.4 million *one-time* support educator workforce development
- \$596 million to support universal meals
- \$450 million *one-time* to upgrade kitchen infrastructure
- \$30 million *one-time* to establish additional farm to school projects
- \$1.5 billion *one-time* grants to focus on environmentally friendly school bus fleets
- \$1.3 billion *one-time* to support new construction and modernization projects

Projected Employer Pension Increases

CALSTRS

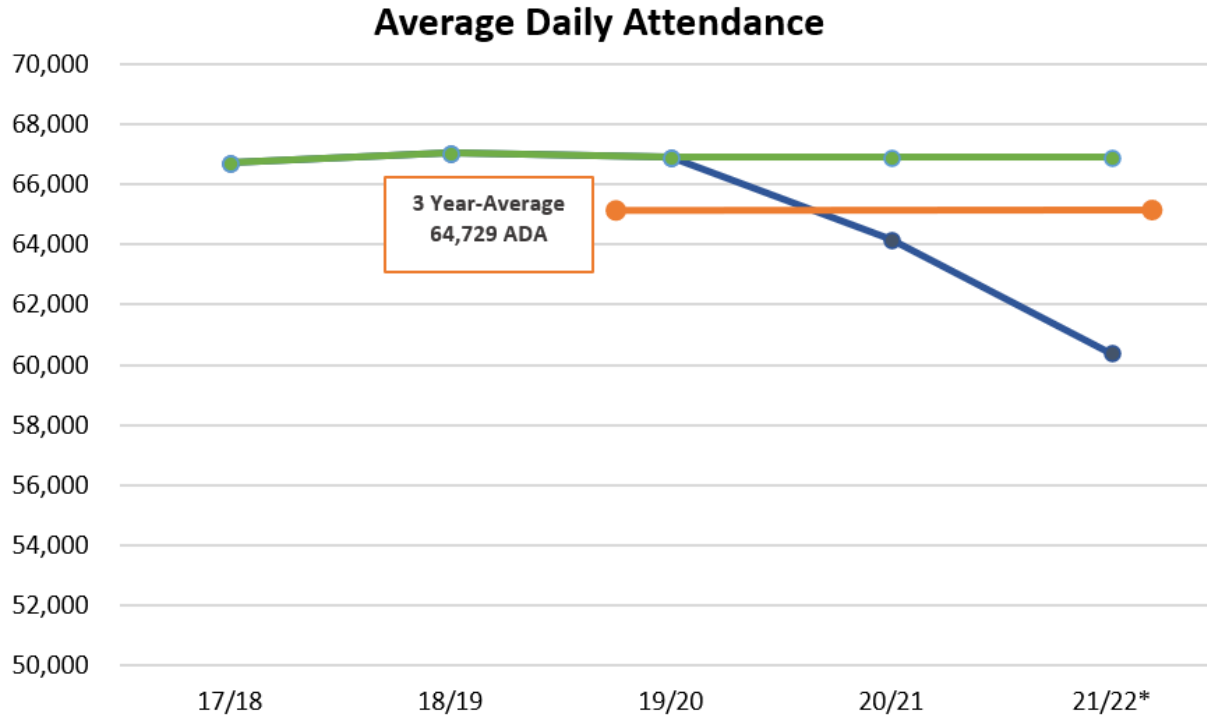
- 2013/14 – 8.25%
- 2014/15 – 8.88%
- 2015/16 – 10.73%
- 2016/17 – 12.58%
- 2017/18 – 14.43%
- 2018/19 – 16.28%
- 2019/20 – 17.10%
- 2020/21 – 16.15%
- 2021/22 – 16.92%
- **2022/23 – 19.10%**
- 2023/24 – 19.10%
- 2024/25 – 19.10%

 **CalPERS**

- 2013/14 – 11.442%
- 2014/15 – 11.771%
- 2015/16 – 11.847%
- 2016/17 – 13.888%
- 2017/18 – 15.531%
- 2018/19 – 18.062%
- 2019/20 – 19.721%
- 2020/21 – 20.700%
- 2021/22 – 22.910%
- **2022/23 – 26.100%**
- 2023/24 – 27.100%*
- 2024/25 – 27.70%*

**Estimated rates provided by CalPERS*

Average Daily Attendance



	17/18	18/19	19/20	20/21	21/22*
Funded ADA	66,714	67,045	66,903	66,903	66,903
Actual ADA	66,714	67,045	66,903	64,154	60,380
ADA Rate	94.4%	94.8%	94.4%	92.0%	86.6%

—●— Actual ADA —●— Funded ADA

*includes Projected ADA

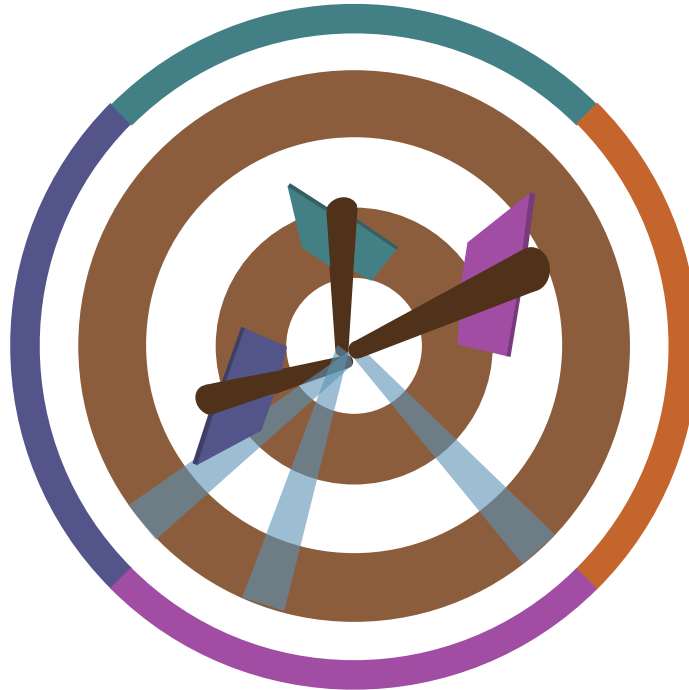
Strategic 2022/23 Budget Development

Guiding Strategic Budget Development Principles

- Extensive Student Programs
- Competitive Employee Compensation
- Prudent Fiscal Responsibility

Board/Community Focus Areas & Strategic Planning

- Early Learning Expansion
- Special Education Inclusion
- Leadership Development
- A-ROI



Upcoming Budget Discussions

- Board Presentations for LCAP & Budget
 - February through May 2022
- Governor's May Revise
 - May 2022
- Public Hearing & Adoption of LCAP & Budget
 - June 2022