

Moraga School District

March 8, 2022



2021-22

2nd Interim Budget Report

Governing Board:

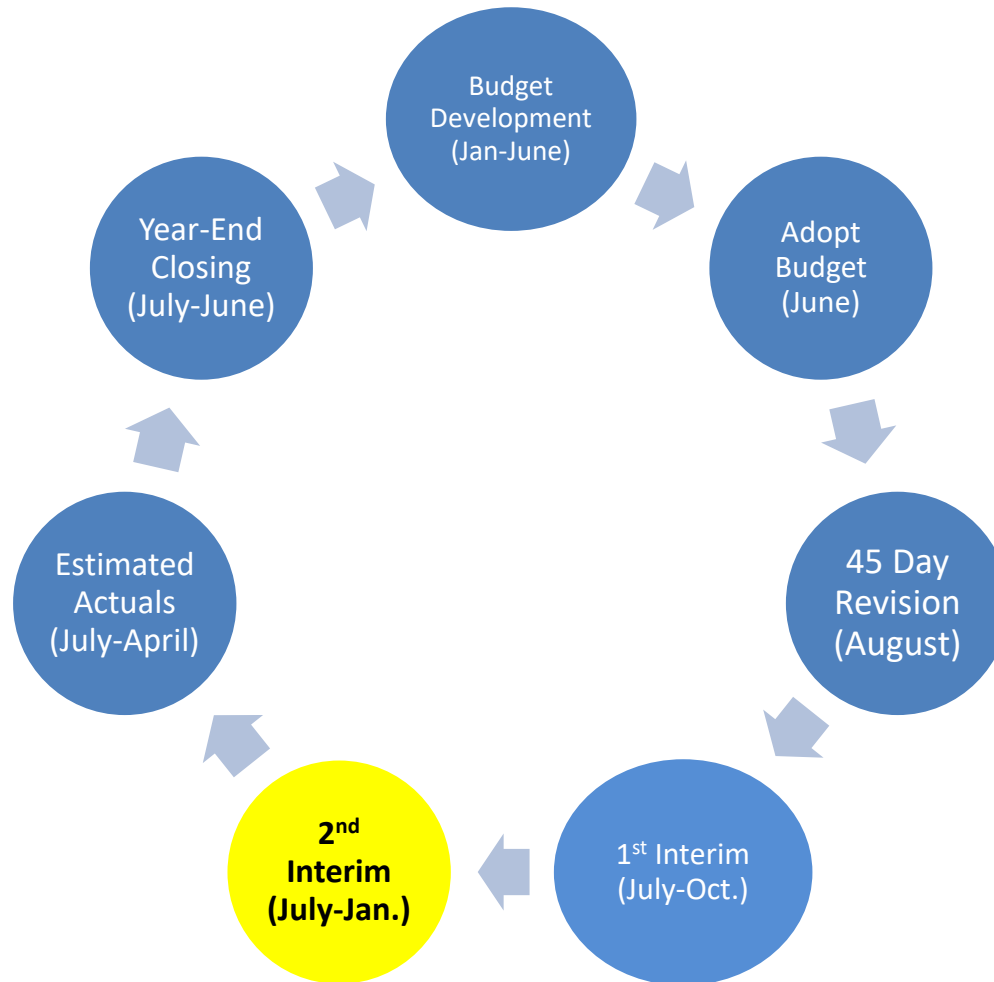
Richard Severy, President
Larry Jacobs, Vice-President
Janelle Chng, Board Member
Heather Davis, Board Member
Jon Nickens, Board Member

District Staff:

Dr. Julie Parks, Superintendent
Daniela Parasidis, Chief Business Official

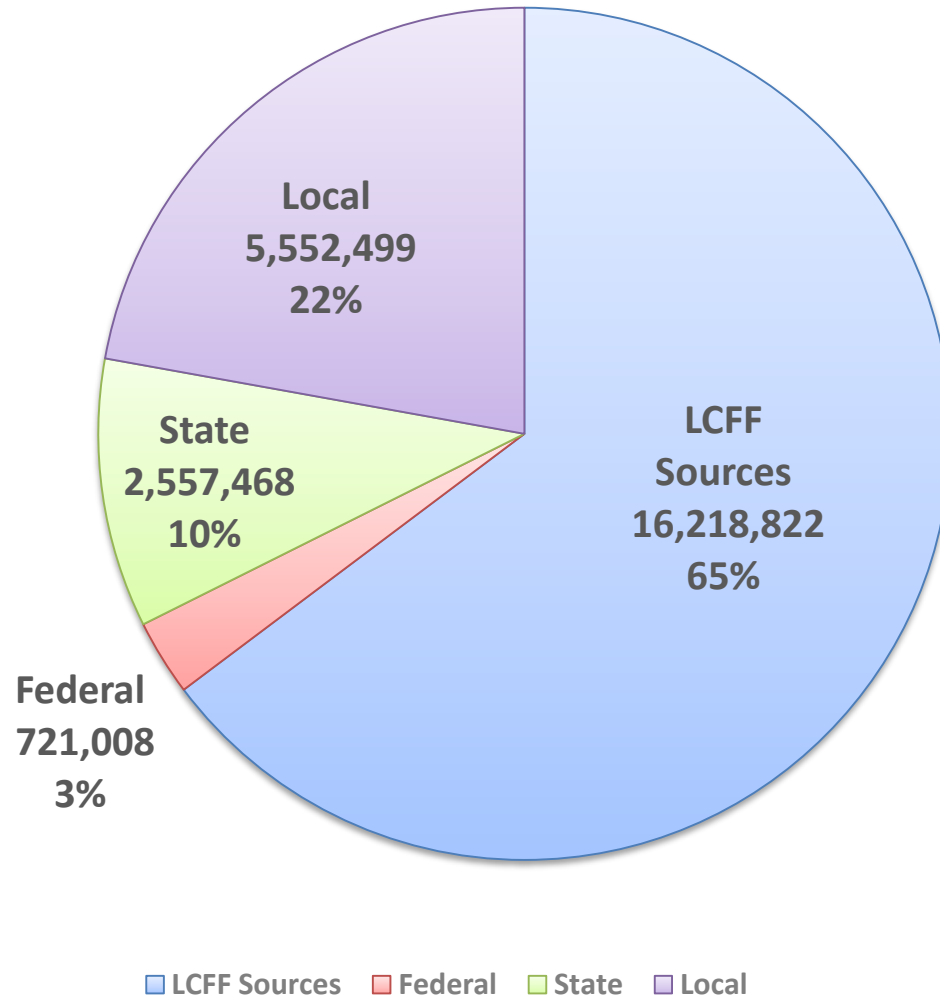


2021-22 Financial Review Timeline



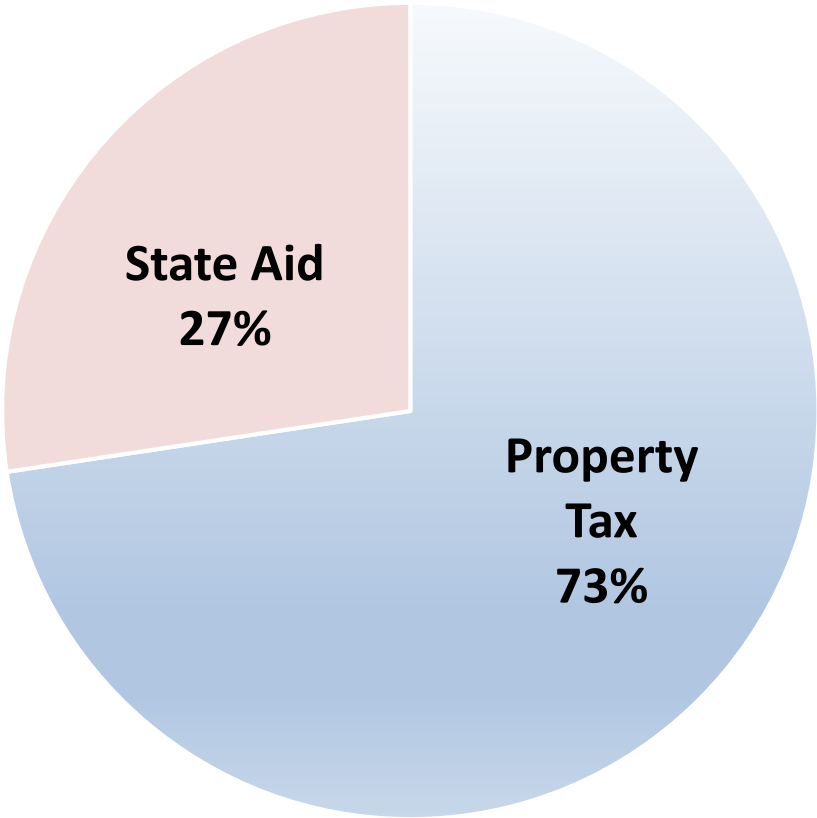


Current Year Revenue





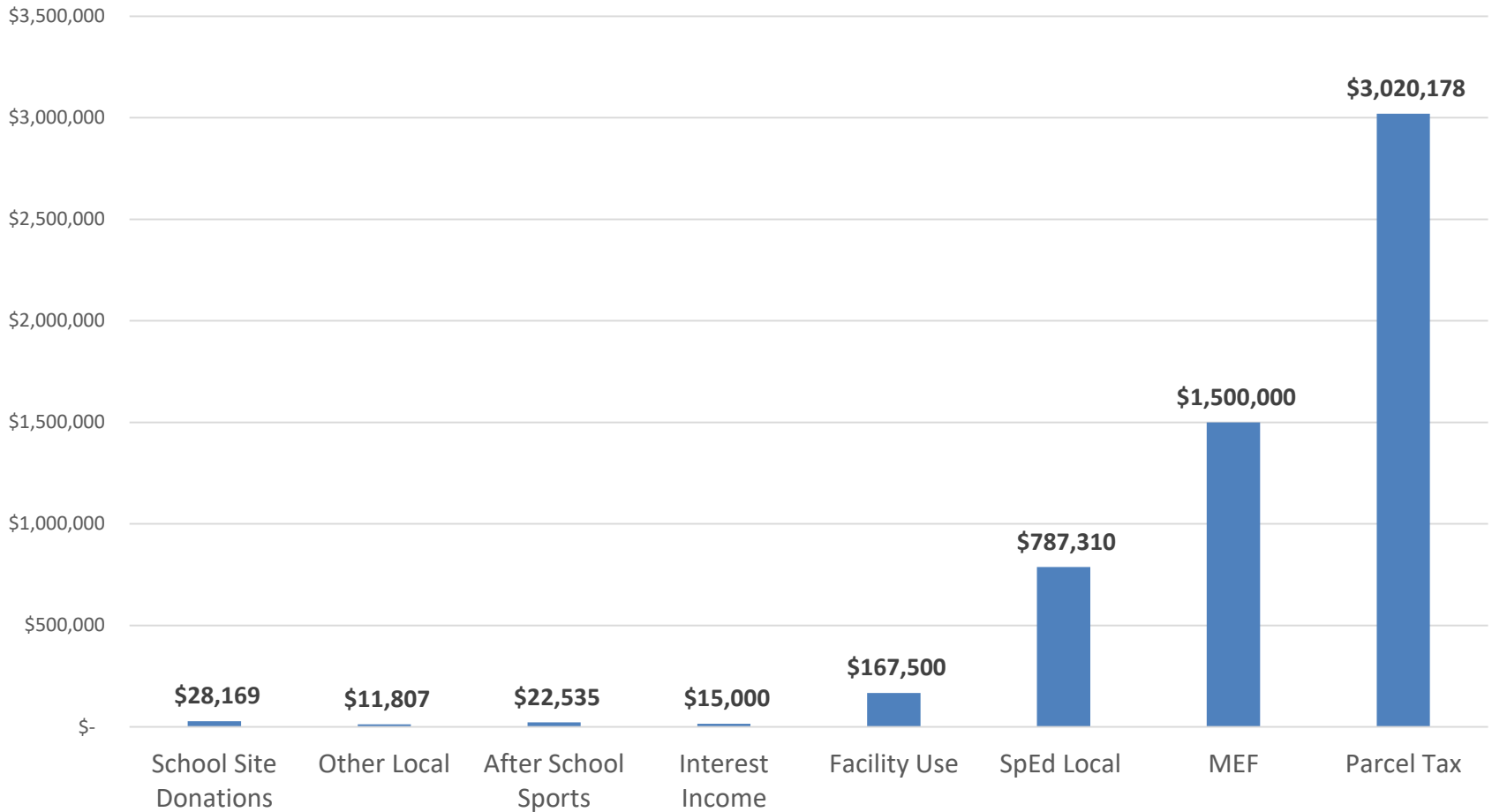
LCFF Revenue = 65%



Funded ADA	1,808.96
COLA	5.07%
LCFF Revenue	\$16,218,822



Local Revenue Sources = 22%





Other State Revenue = 10%

- State Lottery: \$419k
- SpEd Mental Health: \$114k
- Classified Employee Summer Assistance: \$61k
- Mandated Block Grant: \$59k

One-time Funding:

- AB86 In-Person Instruction Grant: \$157k
- NEW: Expanded Learning Opportunity Program: \$50k
- NEW: Educator Effectiveness: \$438k
- NEW: SpEd ADR and Learning Recovery Support: \$171k



Federal Revenue Sources = 3%

- Special Education: \$367k
- Title I Supplemental Support: \$29k
- Title II Professional Development: \$19k
- Title IV Student Support: \$10k

One-time Funding:

- ESSER III: \$88k
- ESSER II: \$45k
- AB86 Expanded Learning Opportunities: \$163k

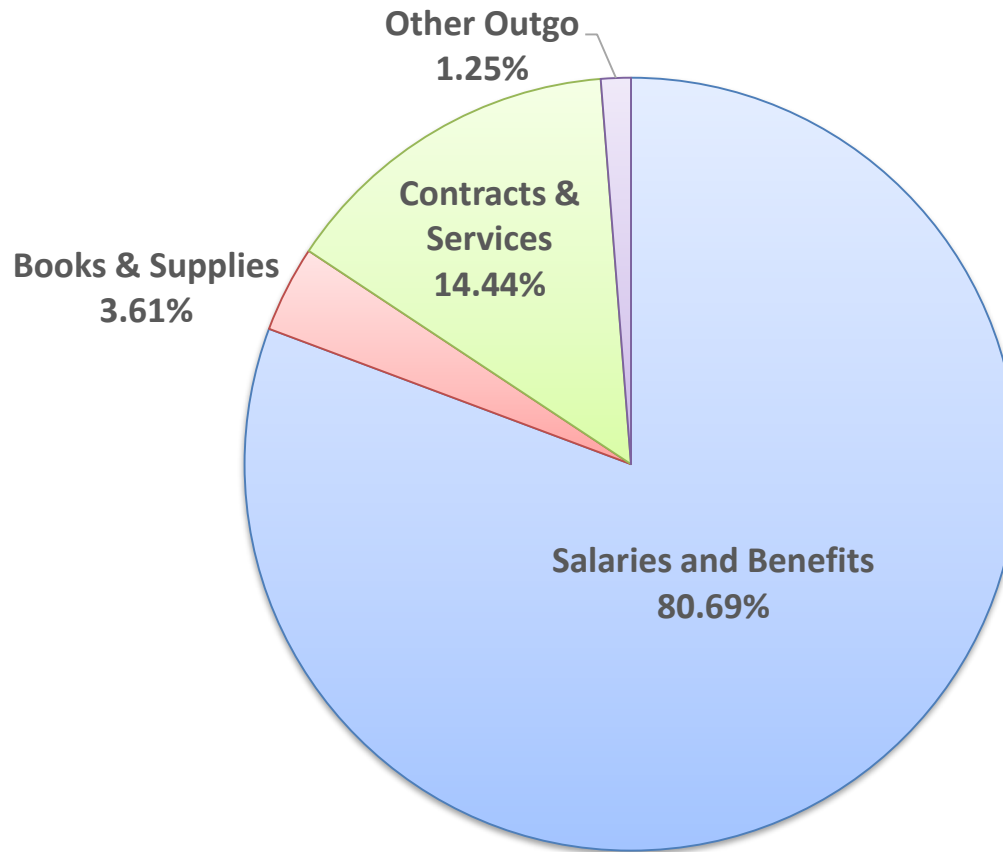


Current Year Expenditure Adjustments

- Updated personnel costs
 - *New Hires and staffing changes*
 - *Stipends for staff*
- Updated employee benefit costs
 - *Costs associated with personnel changes*
- Updated materials/supplies and contracted services
 - *Project Based Learning*
 - *Safety Projects*
 - *Utility Usage*
 - *Spring field trips*



Current Year Expenditures





Schedule of Changes-Revenues

	1st Interim	2nd Interim	Change	Explanation
LCFF Sources	16,218,822	16,218,822	-	
Federal	721,087	721,008	(79)	
State*	1,969,958	2,557,468	587,510	Increase of \$101k in state lottery due to an increase in the per ADA rate from \$199 to \$228, \$27k in IPI funds, and \$459k in an audit adjustment related to AB86 ELO funds.
Local	5,495,342	5,552,499	57,157	Increase of \$7k in After School Sports revenue, \$44k in Orinda's share of the EIP program and \$6k in School Site Donations
TOTAL REVENUES:	24,405,209	25,049,797	644,588	



Total Increase = \$644,588

***Less Audit Adj = (\$459,451)**

Actual Increase = \$185,137



Schedule of Changes-Expenditures

	1st Interim	2nd Interim	Change	Explanation
Certificated Salaries	9,940,245	9,949,694	9,449	Increase is due to stipends
Classified Salaries	3,819,375	3,793,794	(25,581)	Savings from vacancies and new hires
Benefits	6,633,667	6,635,048	1,381	Adjustments driven by changes in salaries
Books & Supplies	902,590	912,002	9,412	Increase \$7k in PBL supplies, \$8k in site donation funded supplies, offset by \$6k in transfers to other expenditure categories.
Contracts & Services	3,567,511	3,647,327	79,816	Increase of \$27k due to tree abatement project, \$28k in utilities due to on-going modernization projects, \$4k in fieldtrips, \$7k in after school sports, \$10k in Education Technology and \$4k in misc. adjustments
Capital Outlay	-	-	-	
Other Outgo	342,769	342,769	-	
Indirect Support Costs	(50,000)	(50,000)	-	
Transfers Out	22,795	22,795	-	
TOTAL EXPENDITURES:	25,178,952	25,253,429	74,477	

Increase of \$74,477



Schedule of Changes-Fund Balance

	1st Interim	2nd Interim	Change
Excess (Deficiency) of Revenues over Expenditures	(773,743)	(203,632)	570,111
FUND BALANCE, RESERVES			
Beginning Balance	6,628,500	6,628,500	-
<i>Audit Adjustment- Due to reallocation of AB86 ELO Grant</i>	-	(459,451)	
Adjusted Beginning Balance:	6,628,500	6,169,049	
Ending Balance	5,854,757	5,965,417	570,111
RESERVES:			
<u>Nonspendable:</u>			
<i>Revolving Cash</i>	25,000	25,000	-
<i>Prepaid Expenditures</i>			-
<u>Restricted:</u>			
<i>Legally Designated (restricted programs)</i>	648,354	680,133	31,779
<u>Assigned:</u>			
<i>Textbooks</i>	-	-	-
<i>Curriculum & Instruction</i>	86,150	86,150	-
<i>Technology Replacement/Upgrades</i>	67,111	67,111	-
<u>Unassigned:</u>			
<i>Designated for Economic Uncertainties</i>	755,369	757,603	2,234
Unassigned Fund Balance	4,272,773	4,349,420	76,646
Plus Fund 17	\$954,986	\$954,986	-
TOTAL AVAILABLE RESERVES IN DOLLARS:	5,983,128	6,062,009	78,881
TOTAL AVAILABLE RESEVES AS A PERCENTAGE:	23.76%	24.00%	0.24%

}

Rev = \$185k
Exp = (\$74K)
\$110,660

Overall Fund Balance Increase by \$110,660



Multi-Year Projection

*Changed from 1st Interim

GOVERNOR'S ASSUMPTIONS:	2021-22	2022-23	2023-24
Cost-of-Living Adjustment*	5.07%	5.33%	3.61%
Consumer Price Index*	5.78%	3.69%	2.90%
CalPERS Employer Rate	22.91%	26.10%	27.10%
CalSTRS Employer Rate	16.92%	19.10%	19.10%
Classified Driven Benefits	32.96%	36.15%	36.85%
Certificated Driven Benefits	20.77%	22.95%	22.65%
DISTRICT'S ASSUMPTIONS:	2021-22	2022-23	2023-24
Enrollment	1724	1697	1646
Funded ADA (based on <u>current</u> law)	1808.96	→ 1680.25	1652.95
Step & Column Increase	1.00%	1.00%	1.00%
Health Benefits Rates	5.00%	5.00%	5.00%
Technology Reorganization	4.10fte	3.75fte	3.75fte
Reserve for Economic Uncertainty	4.00%	4.00%	4.00%
Routine Restricted Maintenance	3.00%	3.00%	3.00%



Local Control Funding Formula (LCFF Funding)-Current Law

2022-23:	ADA
Current Year:	1,653.93
Prior Year:	1,680.25
2023-24:	ADA
Current Year:	1,604.28
Prior Year:	1,652.95

	2021-22	2022-23	2023-24
COLA	5.07%	5.33%	3.61%
Funded ADA	1,808.96	1,680.25	1,652.95
LCFF Revenue	15,724,051	15,371,738	15,737,476
Change in \$	767,537	(352,313)	365,738
Change in %	5.13%	-2.24%	2.38%



Multi-Year Projection-Current Law

	2021-22	2022-23	2023-24
Total Revenues:	25,049,797	24,028,464	23,922,004
Total Expenditures:	25,253,429	25,061,092	24,941,599
Net Increase (Decrease) to Fund Balance:	(203,632)	(1,032,628)	(1,019,595)
FUND BALANCE RESERVES:			
Beginning Balance	6,169,050	5,965,418	4,932,789
Net Increase (Decrease) to Fund Balance:	(203,632)	(1,032,628)	(1,019,595)
ENDING FUND BALANCE:	5,965,418	4,932,789	3,913,194
COMPONENTS OF THE ENDING FUND BALANCE			
NONSPENDABLE: Revolving Cash	25,000	25,000	25,000
RESTRICTED: Categorical Programs	680,134	454,499	224,663
ASSIGNED:			
Textbook Implementation	0	0	0
Curriculum & Instruction Professional Development	86,150	0	0
Technology Replacement/Upgrade	67,111	0	0
UNASSIGNED AVAILABLE RESERVES:			
**3% Required Reserve	757,603	751,833	748,248
**Undesignated Fund Balance:	4,349,420	3,701,457	2,915,283
TOTAL AVAILABLE RESERVES AS A PERCENTAGE:			
**TOTAL AVAILABLE GENERAL FUND RESERVES	5,107,023	4,453,290	3,663,531
ADD FUND 17 RESERVES	954,986	954,986	954,986
TOTAL AVAILABLE RESERVES IN DOLLARS:	6,062,009	5,408,276	4,618,517
TOTAL AVAILABLE RESERVES AS A PERCENTAGE:	24.00%	21.58%	18.52%



Local Control Funding Formula (LCFF Funding)-Proposed Change

2022-23:	ADA
Current Year:	1,653.93
Prior Year:	1,680.25
Avg of 3 PY:	1,765.40
2023-24:	ADA
Current Year:	1,604.28
Prior Year:	1,652.95
Avg of 3 PY:	1,713.07

	2021-22	2022-23	2023-24
COLA	5.07%	5.33%	3.61%
Funded ADA	1,808.96	1,765.40	1,713.07
LCFF Revenue	15,724,051	16,161,930	16,269,877
Change in \$	767,537	437,879	107,974
Change in %	5.13%	2.78%	0.67%



Multi-Year Projection-Proposed Law

	2021-22	2022-23	2023-24
Total Revenues:	25,049,797	24,818,656	24,454,405
Total Expenditures:	25,253,429	25,061,092	24,941,599
Net Increase (Decrease) to Fund Balance:	(203,632)	(242,436)	(487,194)
FUND BALANCE RESERVES:			
Beginning Balance	6,169,050	5,965,418	5,722,981
Net Increase (Decrease) to Fund Balance:	(203,632)	(242,436)	(487,194)
ENDING FUND BALANCE:	5,965,418	5,722,981	5,235,787
COMPONENTS OF THE ENDING FUND BALANCE			
NONSPENDABLE: Revolving Cash	25,000	25,000	25,000
RESTRICTED: Categorical Programs	680,134	454,499	224,663
ASSIGNED:			
Textbook Implementation	0	0	0
Curriculum & Instruction Professional Development	86,150	0	0
Technology Replacement/Upgrade	67,111	0	0
UNASSIGNED AVAILABLE RESERVES:			
**3% Required Reserve	757,603	751,833	748,248
**Undesignated Fund Balance:	4,349,420	4,491,649	4,237,876
TOTAL AVAILABLE RESERVES AS A PERCENTAGE:			
**TOTAL AVAILABLE GENERAL FUND RESERVES	5,107,023	5,243,482	4,986,124
ADD FUND 17 RESERVES	954,986	954,986	954,986
TOTAL AVAILABLE RESERVES IN DOLLARS:	6,062,009	6,198,468	5,941,110
TOTAL AVAILABLE RESERVES AS A PERCENTAGE:	24.00%	24.73%	23.82%



What's Next??

- Considerations:
 - May Revise – State update's budget assumptions
 - Labor Negotiations
 - Universal Meals
 - Universal Transitional Kindergarten
 - Expanding One-time funded programs
 - Facility Master Plan
 - Technology Replacement



Other Funds

- The district administers 7 other funds:
 - Child Care Fund
 - Cafeteria Fund
 - Special Reserve Fund
 - Building Fund
 - Capital Facilities Fund
 - Capital Projects Reserve Fund
 - Bond Fund
- All are projected to have positive fund balances



CERTIFICATION OF 2ND INTERIM

Certification on the financial condition of the District can be reported as positive, qualified or negative.

- Positive: District will be able to meet its financial obligations for the current and subsequent two fiscal years.
- Qualified: District may not be able to meet its financial obligations for the current and subsequent two fiscal years.
- Negative: District will not be able to meet its financial obligations for the current and subsequent two fiscal years.



CERTIFICATION

- Positive – District will be able to meet its financial obligations for the current and subsequent two fiscal years.
- Staff recommends the Governing Board approve the District Second Interim Report.