

# Moraga School District

## June 8, 2021



2021-22

Adopted Budget-Public Hearing

**Governing Board:**

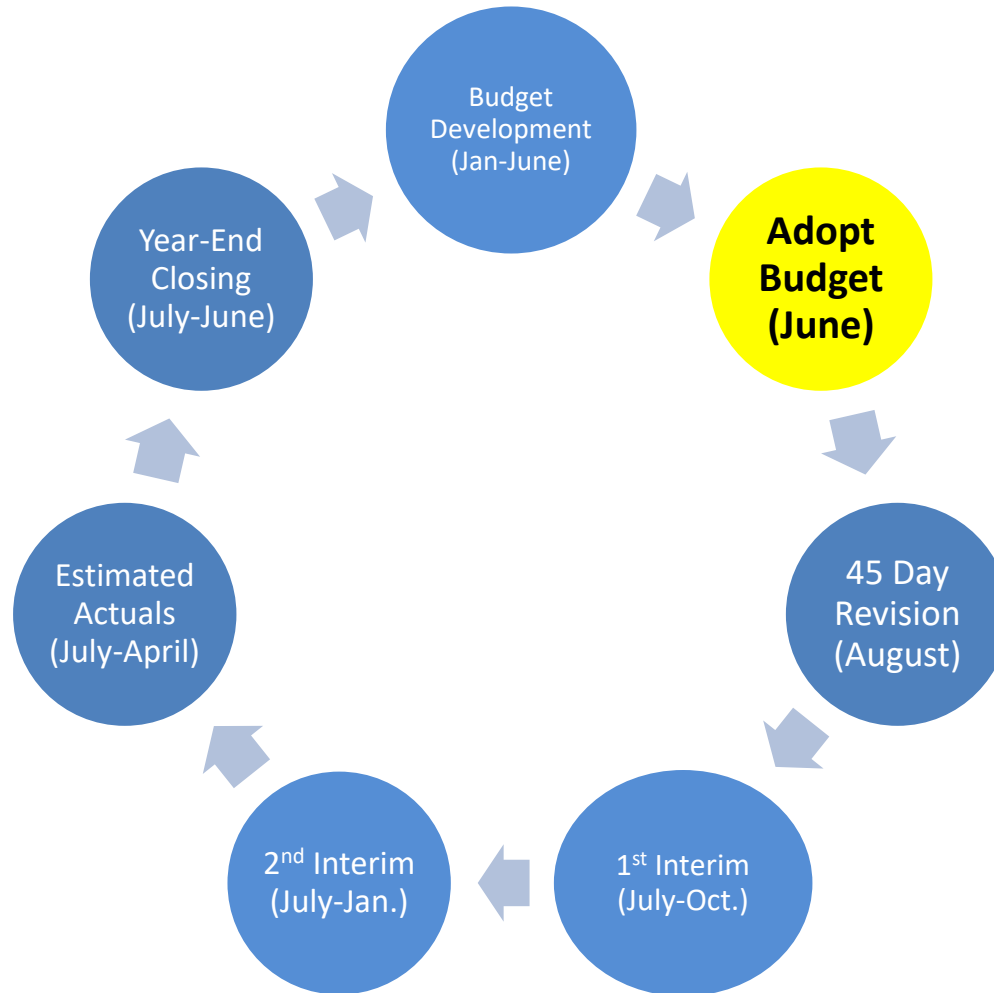
Janelle Chng, President  
Richard Severy, Vice-President  
Heather Davis, Board Member  
Larry Jacobs, Board Member  
Jon Nickens, Board Member

**District Staff:**

Bruce Burns, Superintendent  
Daniela Parasidis, Chief Business Official



# 2021-22 Financial Review Timeline





# 2021-22 Adopted Budget

- Review 2020-21 Estimated Actuals
  - Final revision and review of the 2020-21 budget
  - Provides a better estimate of how the year will end
- Review 2021-22 Adopted Budget
  - First formal look at the 2021-22 operating budget
- Review Multi-year Projection for 2022-23 and 2023-24



# 2020-21 Schedule of Changes-Revenues

	Estimated Actuals	2nd Interim	Change	Explanation
LCFF Sources	15,399,449	15,403,816	(4,367)	Prior Year Adjustment
Federal	1,143,795	1,139,576	4,219	Slight increase to SpEd and Title II Final estimates
State	3,169,448	1,791,895	1,377,553	In-Person Instruction Grant and Expanded Learning Opportunity Grant
Local	5,530,893	5,492,131	38,762	Increased donations from school sites and Rotary Club
<b>TOTAL REVENUES:</b>	<b>25,243,585</b>	<b>23,827,418</b>	<b>1,416,167</b>	



**Revenues Increased by \$1.4m**  
**One-time (Restricted) = \$1.37m**



# 2020-21 Schedule of Changes-Expenditures

	Estimated Actuals	2nd Interim	Change	Explanation
Certificated Salaries	10,353,695	9,804,837	548,858	Increase is due to Summer School and Assessment time as well as the proposed salary increases.
Classified Salaries	3,813,589	3,622,980	190,609	Savings from vacancies offset by salary increases.
Benefits	6,451,251	6,283,888	167,363	Increase due to health plan changes and driven benefits associated with the increase in certificated and classified salaries.
Books & Supplies	1,060,718	1,189,897	(129,179)	Reduction of \$167k is due to the purchase of history textbooks moving to 21-22, \$55k in IT budget to cover an infrastructure project in 21-22, \$71k in unused site budgets, \$39k in unused department budgets, \$74k was moved to "contracted services" to cover the roof project at DR and increased assessments. These reductions were offset by an increase of \$209k for student desks and outside tents for In-Person instruction, \$30k in Summer School expenses and \$38k in Math Expressions curriculum.
Contracts & Services	3,098,802	3,225,503	(126,701)	Reduction of \$27k in unused site budgets, \$77k in unused department budgets, \$37k in IOR expenses moving to 21-22, \$40k in SpEd transportation contracts, \$38k was moved to "Books & Supplies" to cover the Math Expressions Curriculum. These reductions were offset by an increase of \$64k in assessment services and \$29k in the roof project at DR.
Capital Outlay	29,202	41,601	(12,399)	Reduction to cover roof project at Donald Rheem
Other Outgo	-	-	-	
Indirect Support Costs	(25,000)	(25,000)	-	
Transfers Out	5,000	22,795	(17,795)	Food Service program not fully utilize in 20-21
<b>TOTAL EXPENDITURES:</b>	<b>24,787,257</b>	<b>24,166,501</b>	<b>620,756</b>	



**Expenses Increased by \$620,756**



# 2020-21 Schedule of Changes-Fund Balance

FUND BALANCE, RESERVES	Estimated Actuals	2nd Interim	Change
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>456,328</b>	<b>(339,083)</b>	<b>795,411</b>
Beginning Balance	5,903,247	5,903,247	-
<b>Ending Balance</b>	<b>6,359,575</b>	<b>5,564,164</b>	<b>795,411</b>
<b>RESERVES:</b>			
<b><u>Nonspendable:</u></b>			
<i>Revolving Cash</i>	25,000	25,000	-
<i>Prepaid Expenditures</i>			-
<b><u>Restricted:</u></b>			
<i>Legally Designated (restricted programs)</i>	1,357,435	296,989	1,060,446
<b><u>Assigned:</u></b>			
<i>Textbooks</i>	73,129	-	73,129
<i>Curriculum &amp; Instruction</i>	157,746	105,575	52,171
<i>Technology Replacement/Upgrades</i>	326,982	271,667	55,315
<i>Safety</i>	25,000	-	25,000
<b><u>Unassigned:</u></b>			
<i>Designated for Economic Uncertainties</i>	743,618	724,995	18,623
<b>Unassigned Fund Balance</b>	<b>3,650,665</b>	<b>4,139,938</b>	<b>(489,273)</b>

**Overall Fund Balance Increases by \$795,411**  
**Restricted One-time: \$1.2m**  
**Unrestricted On-going: (\$471k)**



## Summary of Governor's 2021-22 Proposal for Education-May 2021

- 5.07% “Mega” Cost-of-Living Adjustment (COLA)
- 4.05% Compounded COLA applied to Special Education
- Pay down rather than ELIMINATE cash deferrals
- Increase to the Unemployment Rate from 0.005% to 1.23% in 2021-22



## Summary of Governor's 2021-22 Proposal NOT Included in MSD's Budget

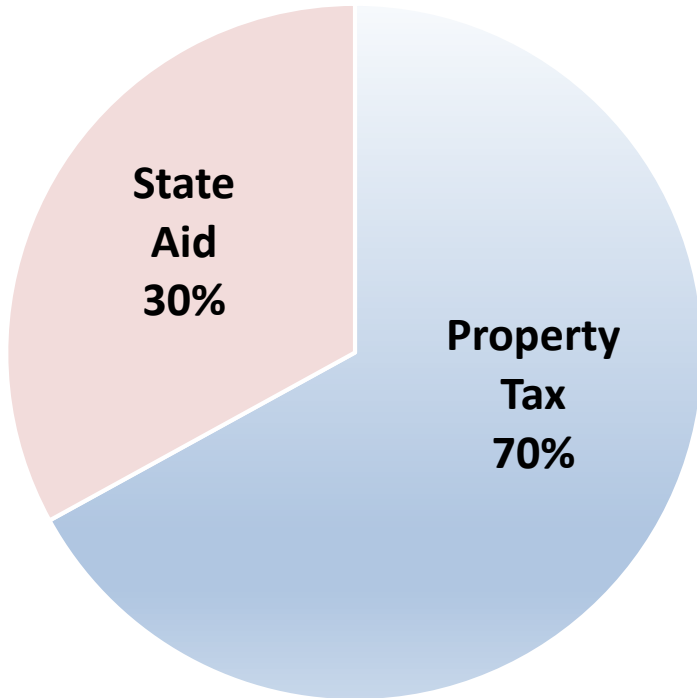
### – One-time Funded Programs:

- Universal Transitional Kindergarten Planning Grant
- Comprehensive Student Supports
- Educator Preparation, Retention and Training
- Child Nutrition
- Broadband
- Targeted Intervention Grant
- In-Person Health & Safety Grant





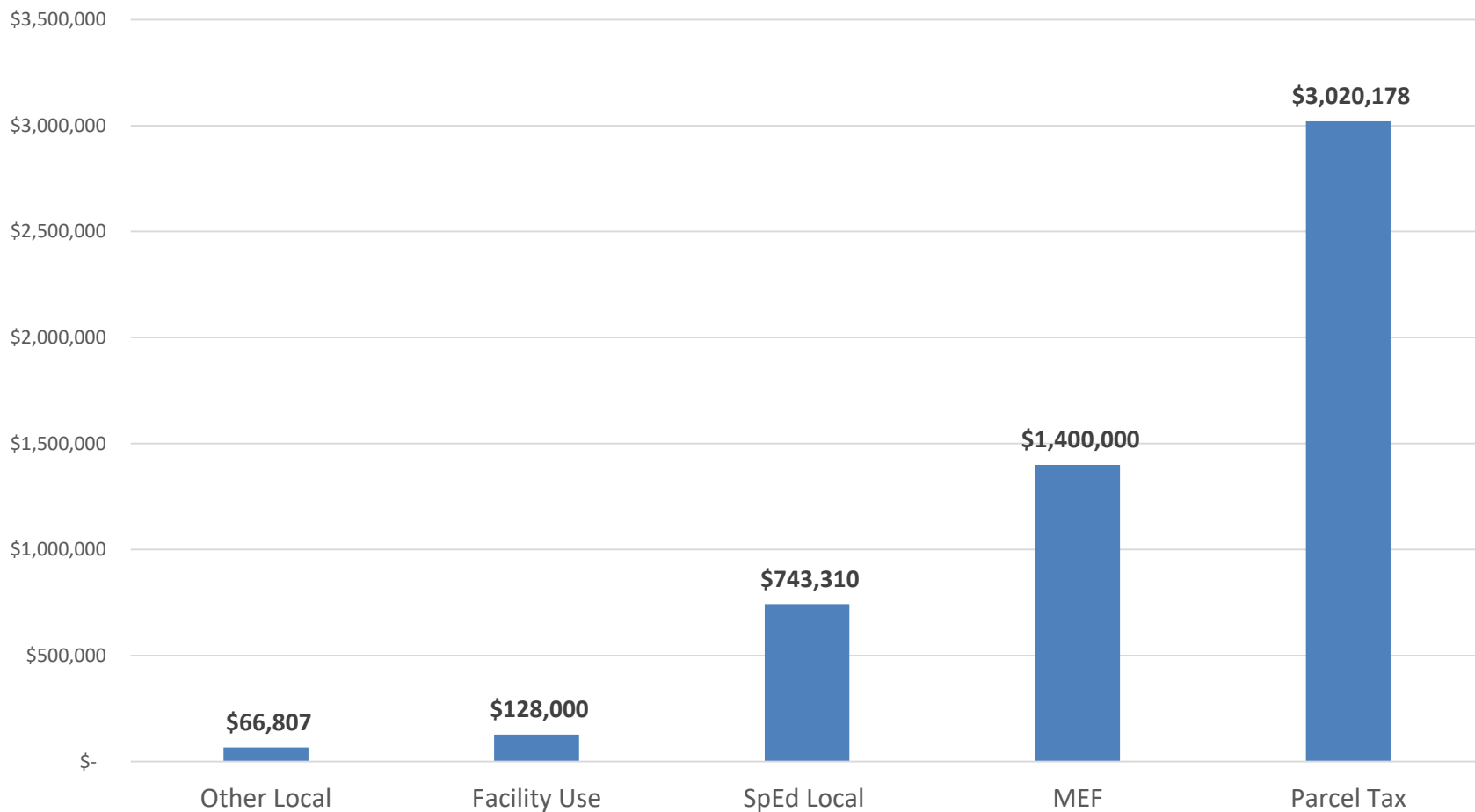
# LCFF Revenue = 69%



<b>Funded ADA</b>	<b>1,807.00</b>
<b>COLA</b>	<b>5.07%</b>
<b>LCFF Revenue</b>	<b>\$15,706,145</b>



# Local Revenue Sources = 22%





## Other State Revenue = 7%

- State Lottery: \$329k
- SpEd Mental Health: \$114k
- Mandated Block Grant: \$54k
- Classified Employee Summer Assistance Program: \$61k
- STRS-On-Behalf: \$1 million

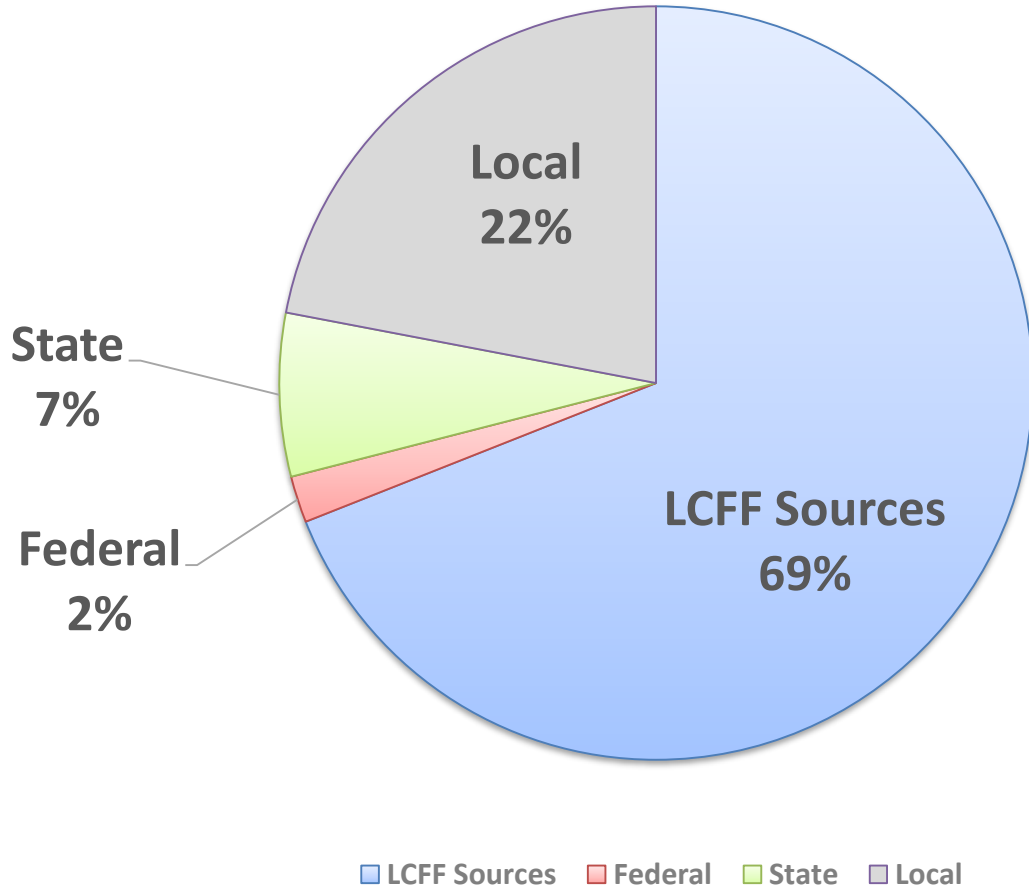
## Federal Revenue Sources = 2%

- Special Education:
  - Local Assistance IDEA: \$331k
  - PreK IDEA: \$14k
  - Mental Health: \$21k
- Title I Low Income: \$25k
- Title II Teacher Quality: \$17k
- Title IV Student Success: \$10k



# 2021-22

## % of Total Revenue





# 2021-22 Expenditures Factors

- Staffing
  - Projected Enrollment of 1,693 TK-8 Students
  - Certificated Staff: 97.80 fte
  - Classified Staff: 64.40 fte
  - Administrative Staff: 16.60 fte
- Certificated/Classified Salaries
  - Step and Column Increases
  - 2020-21 increased salary schedules per bargaining agreements
- Updated health benefit costs
  - Projected increase of 5% to health premiums
- STRS Employer Contribution Rate: 16.92%
- PERS Employer Contribution Rate: 22.91%
- Unemployment Rate: 1.23%
- Updated Workers Compensation Rate 1.90%

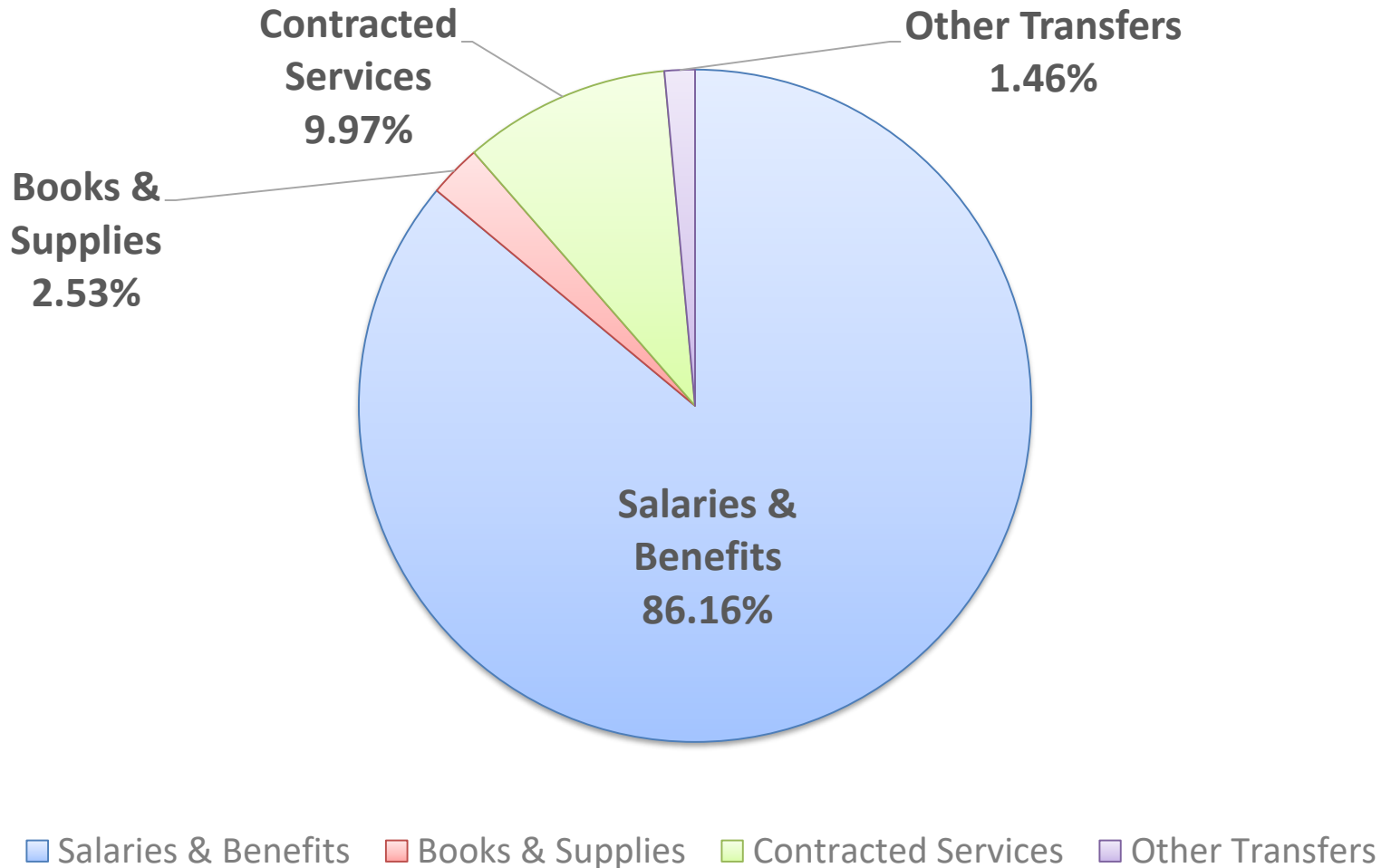


## 2021-22 Non-Personnel Expenditures Factors

- Utilities (PG&E, Garbage, Water, Phone, Sewer) = \$473k
- Routine Restricted Maintenance Program = \$191k
- Energy Efficiency Loan Repayment = \$342k
- School Site Discretionary Budgets = \$45/student
- Diversity, Equity and Inclusion Program = \$37k
- Special Education Contracted Services = \$899k
- Curriculum & Instruction Dept = \$173k
- History and Health Textbook Adoptions = \$188k
- Technology Replacement/Upgrade = \$355k



# 2021-22 Expenditures





# Multi-Year Projection Assumptions

<b>GOVERNOR'S ASSUMPTIONS:</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>
Cost-of-Living Adjustment	5.07%	2.48%	3.11%
Consumer Price Index	3.84%	2.40%	2.23%
CalPERS Employer Rate	22.91%	26.10%	27.10%
CalSTRS Employer Rate	16.92%	19.10%	19.10%
Unemployment Rate	1.23%	0.20%	0.20%
Classified Driven Benefits	33.69%	35.85%	36.85%
Certificated Driven Benefits	21.50%	22.65%	22.65%
<b>DISTRICT ASSUMPTIONS:</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>
Enrollment	1,693.00	1,693.00	1,693.00
Funded ADA	1,807.00	1,653.79	1,652.81
Step & Column Increase	1.00%	1.00%	1.00%
Health Benefit Rates	5.00%	5.00%	5.00%
Reserve for Economic Uncertainty	4.00%	4.00%	4.00%
Routine Restricted Maintenance	3.00%	3.00%	3.00%



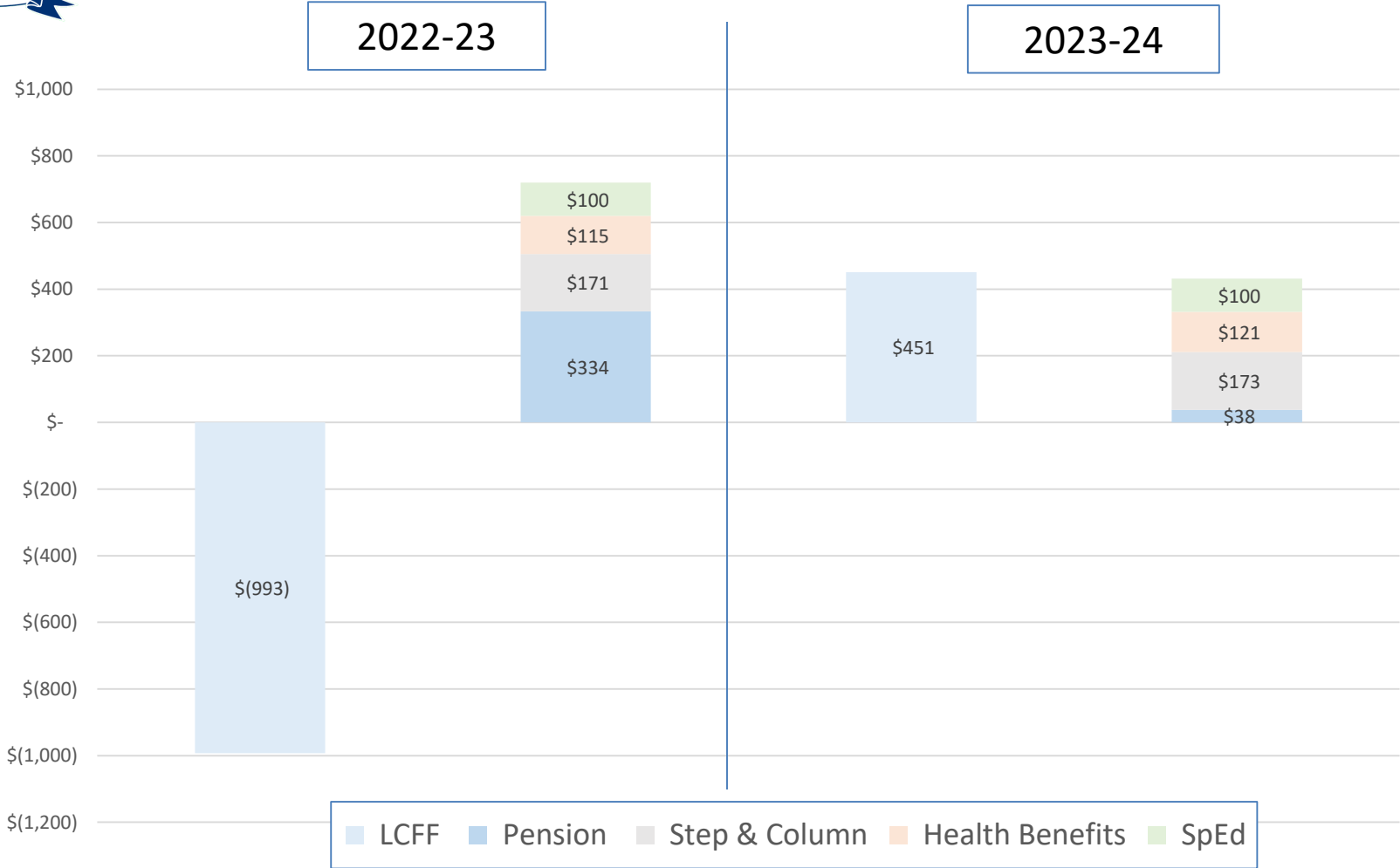


# Local Control Funding Formula (LCFF Funding)

	2021-22	2022-23	2023-24
<b>LCFF Funding</b>	\$15,706,145	\$14,712,721	\$15,680,817
<b>\$ Increase Per Year</b>	\$749,631	(\$993,424)	\$450,590
<b>% Increase per Year</b>	<b>5.01%</b>	<b>(6.33%)</b>	<b>3.06%</b>



# New Revenue vs Natural Increase in Expenses





# Multi-Year Projection

	2021-22	2022-23	2023-24
Total Revenues:	23,623,629	22,630,205	23,080,795
Total Expenditures:	23,553,668	23,672,102	24,003,906
<b>Net Increase (Decrease) to Fund Balance:</b>	<b>69,961</b>	<b>(1,041,897)</b>	<b>(923,111)</b>
<b>FUND BALANCE RESERVES:</b>			
Beginning Balance	6,359,575	6,429,536	5,387,639
Net Increase (Decrease) to Fund Balance:	69,961	(1,041,897)	(923,111)
<b>ENDING FUND BALANCE:</b>	<b>6,429,536</b>	<b>5,387,639</b>	<b>4,464,528</b>
<b>COMPONENTS OF THE ENDING FUND BALANCE</b>			
<b>NONSPENDABLE:</b> Revolving Cash	25,000	25,000	25,000
<b>RESTRICTED:</b> Categorical Programs	1,227,600	1,208,908	1,188,827
<b>ASSIGNED:</b>			
Textbook Implementation	0	0	0
Curriculum & Instruction Professional Development	70,575	0	0
Technology Replacement/Upgrade	61,667	0	0
<b>UNASSIGNED AVAILABLE RESERVES:</b>			
**3% Required Reserve	706,610	710,163	720,117
**Undesignated Fund Balance:	4,338,084	3,443,568	2,530,584
<b>TOTAL AVAILABLE RESERVES AS A PERCENTAGE:</b>			
**TOTAL AVAILABLE GENERAL FUND RESERVES	5,044,694	4,153,731	3,250,701
ADD FUND 17 RESERVES	950,000	950,000	950,000
<b>TOTAL AVAILABLE RESERVES IN DOLLARS:</b>	<b>5,994,694</b>	<b>5,103,731</b>	<b>4,200,701</b>
<b>TOTAL AVAILABLE RESERVES AS A PERCENTAGE:</b>	<b>25.45%</b>	<b>21.56%</b>	<b>17.50%</b>



# 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



# Next Steps

- Governing Board will be asked to adopt the budget on June 15, 2021.
- By June 15, the Legislature must pass the budget
- By June 30, the Governor Acts on the budget
- By August 15, 45 day budget revision brought back to Board of Education