

Moraga School District

June 7, 2022



2022-23

Adopted Budget-Public Hearing

Governing Board:

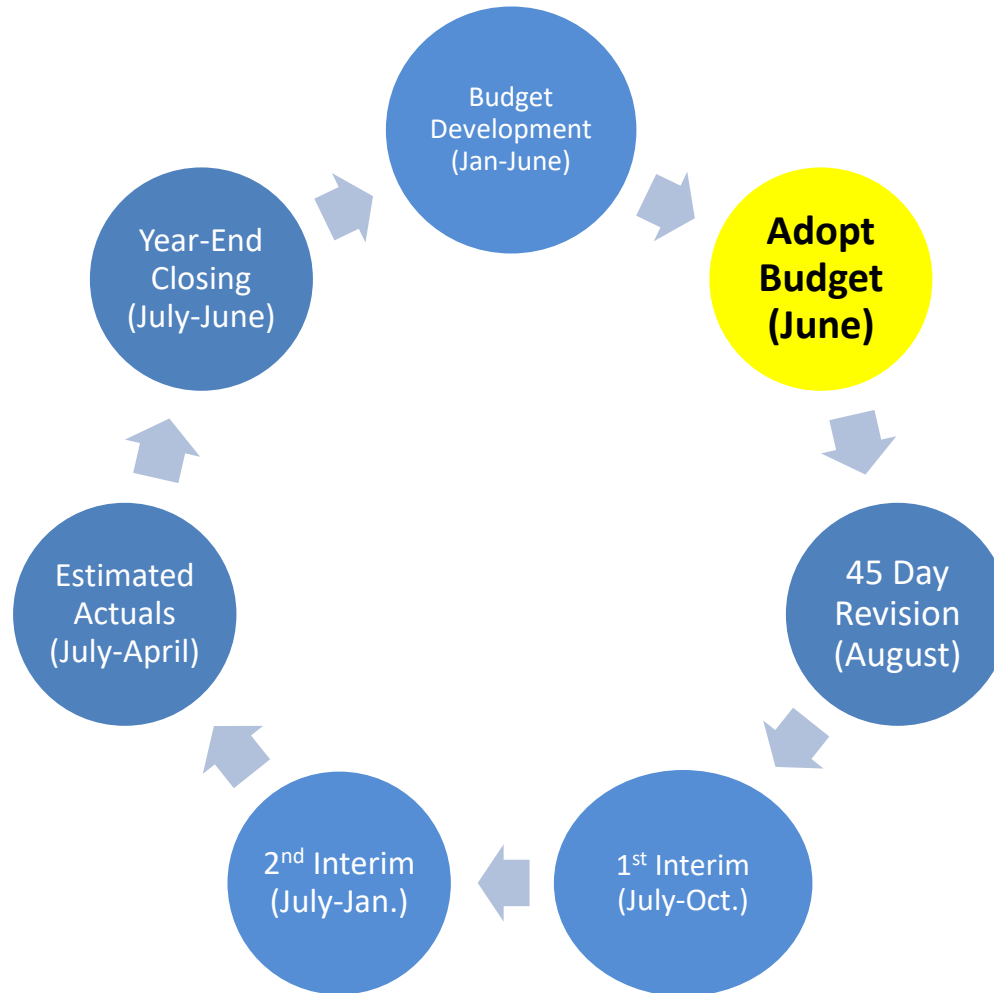
Richard Severy, President
Larry Jacobs, Vice-President
Janelle Chng, Board Member
Heather Davis, Board Member
Jon Nickens, Board Member

District Staff:

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



2022-23 Financial Review Timeline





2022-23 Adopted Budget

- Review 2021-22 Estimated Actuals
 - Final revision and review of the 2021-22 budget
 - Provides a better estimate of how the year will end
- Review 2022-23 Adopted Budget
 - First formal look at the 2022-23 operating budget
- Review Multi-year Projection for 2023-24 and 2024-25



2021-22 Schedule of Changes-Revenues

	Estimated Actuals	2nd Interim	Change	Explanation
LCFF Sources	16,273,554	16,218,822	54,732	Increase in SpEd Property Tax of \$42k and an increase of \$12k in the LCFF
Federal	877,203	721,008	156,195	Increase in SpEd one-time ARP funds of \$83k and \$73k in deferred Stimulus Funds
State	2,692,301	2,557,468	134,833	Increase in SpEd one-time funds of \$60k and \$74k in deferred Stimulus Funds
Local	5,753,965	5,552,499	201,466	Increase in SpEd Apportionment of \$112k, \$29k in Facility Use, \$10k in After School Sports, \$34k in School Site Funds, and \$16k in misc revenue
TOTAL REVENUES:	25,597,023	25,049,797	547,226	



Revenues Increased by \$547k



2021-22 Schedule of Changes-Expenditures

	Estimated Actuals	2nd Interim	Change	Explanation
Certificated Salaries	10,435,081	9,949,694	485,387	Increase of \$325k due to 4% salary increases, \$81k in Summer School staff, \$72k in long-term substitute pay and \$7k in Math Interventions.
Classified Salaries	3,978,886	3,793,794	185,092	Increase of \$126k due to 4% salary increases, \$29k in Summer School staff, and \$30k for vacation buy-out.
Benefits	6,751,171	6,635,048	116,123	Increase related to adjustments in salaries
Books & Supplies	697,754	912,002	(214,248)	Decrease in school site budgets of \$84k that will carry-over to 22-23, \$90k was transferred to "services" for wiring/cabling and \$40k in adjustments to reflect latest projections.
Contracts & Services	3,838,670	3,647,327	191,343	Increase in \$119k for SpEd contracts and \$74k in IT cabling/wiring, offset by a reduction of \$2k in adjustments to reflect latest projections.
Capital Outlay	61,260		61,260	Increase in \$25k for solar inspections for LP, \$14k for IT servers, \$13k for a utility cart and \$9k for low incidence equipment.
Other Outgo	342,769	342,769	-	
Indirect Support Costs	(50,000)	(50,000)	-	
Transfers Out	22,795	22,795	-	
TOTAL EXPENDITURES:	26,078,385	25,253,429	824,956	



Expenses Increased by \$825k



2021-22 Schedule of Changes-Fund Balance

	Estimated Actuals	2nd Interim	Change
FUND BALANCE, RESERVES			
Beginning Balance	6,628,500	6,628,500	-
<i>Audit Adjustment- Due to reallocation of AB86 ELO Grant</i>	<i>(459,451)</i>	<i>(459,451)</i>	-
Adjusted Beginning Balance	6,169,049	6,169,049	-
Excess (Deficiency) of Revenues over Expenditures	(481,362)	(203,632)	(277,730)
Ending Balance	5,687,687	5,965,417	(277,730)
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>	792,576	680,133	112,443
<u>Assigned:</u>			
<i>Textbooks</i>	-	-	-
<i>Curriculum & Instruction</i>	43,000	86,150	(43,150)
<i>Technology Replacement/Upgrades</i>	143,708	67,111	76,597
<u>Unassigned:</u>			
<i>Designated for Economic Uncertainties</i>	782,352	757,603	24,749
Unassigned Fund Balance	3,901,051	4,349,420	(448,369)
Plus Fund 17	\$954,986	\$954,986	-
TOTAL AVAILABLE RESERVES IN DOLLARS:	5,638,389	6,062,009	(423,620)
TOTAL AVAILABLE RESEVES AS A PERCENTAGE:	21.62%	24.00%	-2.38%



Overall Fund Balance Decreased by \$278k



Summary of Governor's 2022-23 Proposal for Education-May 2022

- 6.56% Statutory Cost-of-Living Adjustment (COLA)
- \$2.1 billion in an ongoing increase to the LCFF (estimated to be 3.286% added to the BASE)
- \$614 million for Transitional Kindergarten (approx. \$2,813 per TK ADA)
- “ADA Cliff” Solution: Funded ADA is based on the greater of:
 - Current Year ADA
 - Prior Year ADA
 - 3 Year Average ADA



Summary of Governor's 2022-23 Proposal NOT Included in MSD's Budget

- \$8 billion in One-Time Discretionary Funding (estimated to be \$1,500 per ADA)
- \$3.3 billion in ongoing funds to mitigate declining enrollment "Covid-19 ADA Relief"
- \$1.8 billion in one-time funds to support the School Facilities Program
- \$1.8 billion in one-time funds for deferred maintenance



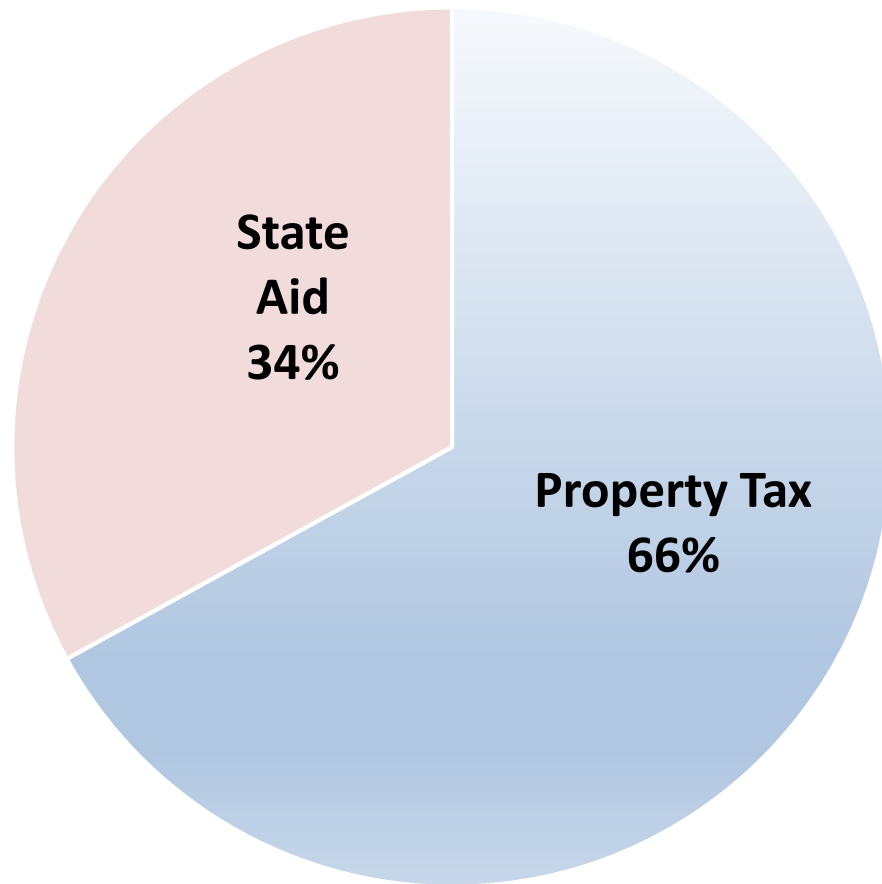
LCFF ADA Cliff Proposal

Fiscal Year	Current ADA	Funded ADA (Current Law)	Funded ADA (Proposal)
2019-20	1,808.08	1,813.56	1,813.56
2020-21	1,808.08	1,808.08	1,808.08
2021-22	1,695.37	1,810.35	1,810.35
2022-23	1,659.80	1,695.37	1,769.65

ADA Cliff Proposal increases the “Funded ADA” for 2022-23 by 74.28 ADA



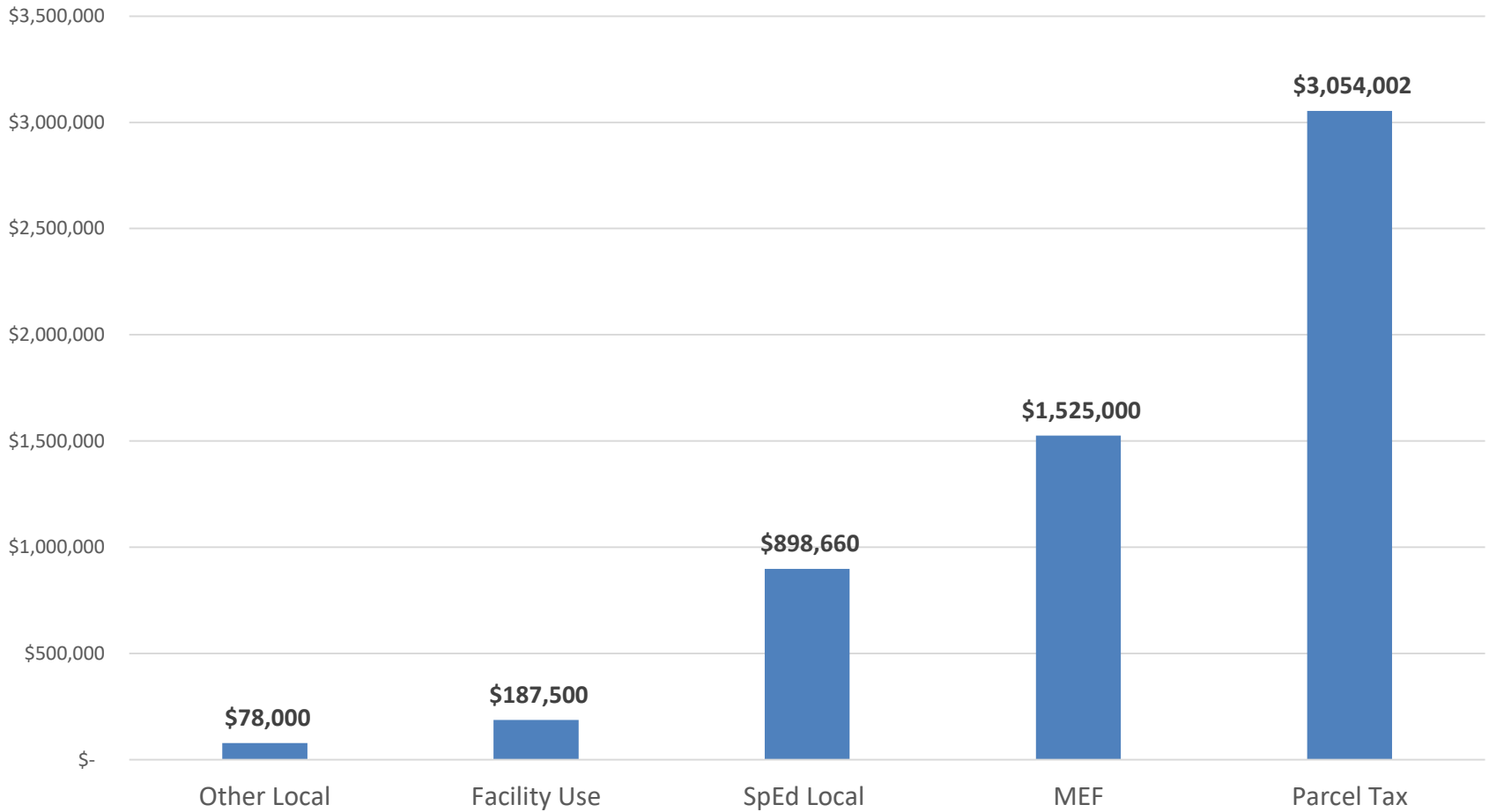
LCFF Revenue = 68%



Funded ADA*	1,769.65
COLA	6.56%
Additional BASE	3.29%
TK Add-on	\$2,813/ada
LCFF Revenue	\$17,022,770



Local Revenue Sources = 22%





Other State Revenue = 7%

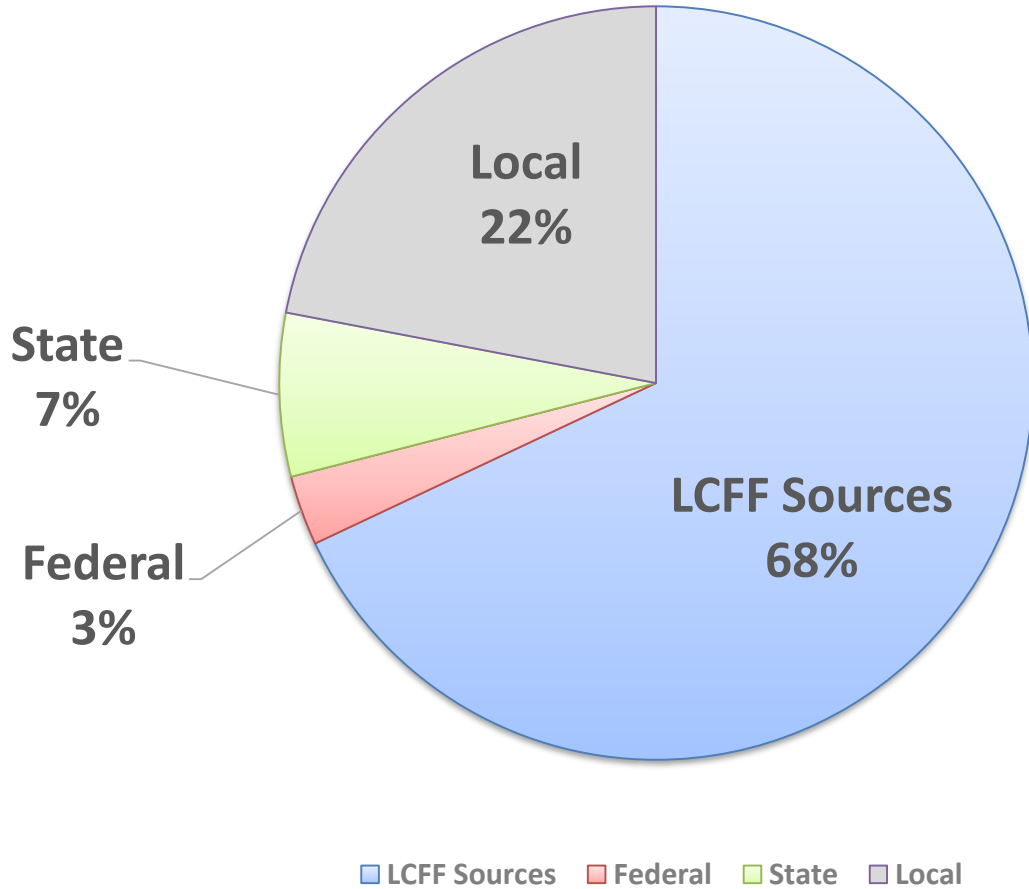
- State Lottery: \$378k
- SpEd Mental Health: \$118k
- Mandated Block Grant: \$59k
- Classified Employee Summer Assistance Program: \$44k
- STRS-On-Behalf: \$1.1 million

Federal Revenue Sources = 3%

- Special Education:
 - Local Assistance IDEA: \$332k
 - PreK IDEA: \$14k
 - Mental Health: \$21k
- Title I Low Income: \$29k
- Title II Teacher Quality: \$20k
- Title IV Student Success: \$10k
- One-time Stimulus Funds = \$324k



2022-23 % of Total Revenue





2022-23 Expenditures Factors

- Staffing
 - Projected Enrollment of 1,699 TK-8 Students
 - Certificated Staff: 101.50 fte
 - Classified Staff: 63.68 fte
 - Administrative Staff: 17.0 fte
- Certificated/Classified Salaries
 - Step and Column Increases
 - 2021-22 increased salary schedules per bargaining agreements
- Updated health benefit costs
 - Projected increase of 5% to health premiums
- STRS Employer Contribution Rate: 19.10%
- PERS Employer Contribution Rate: 26.10%
- Unemployment Rate: 0.50%
- Updated Workers Compensation Rate 1.89%

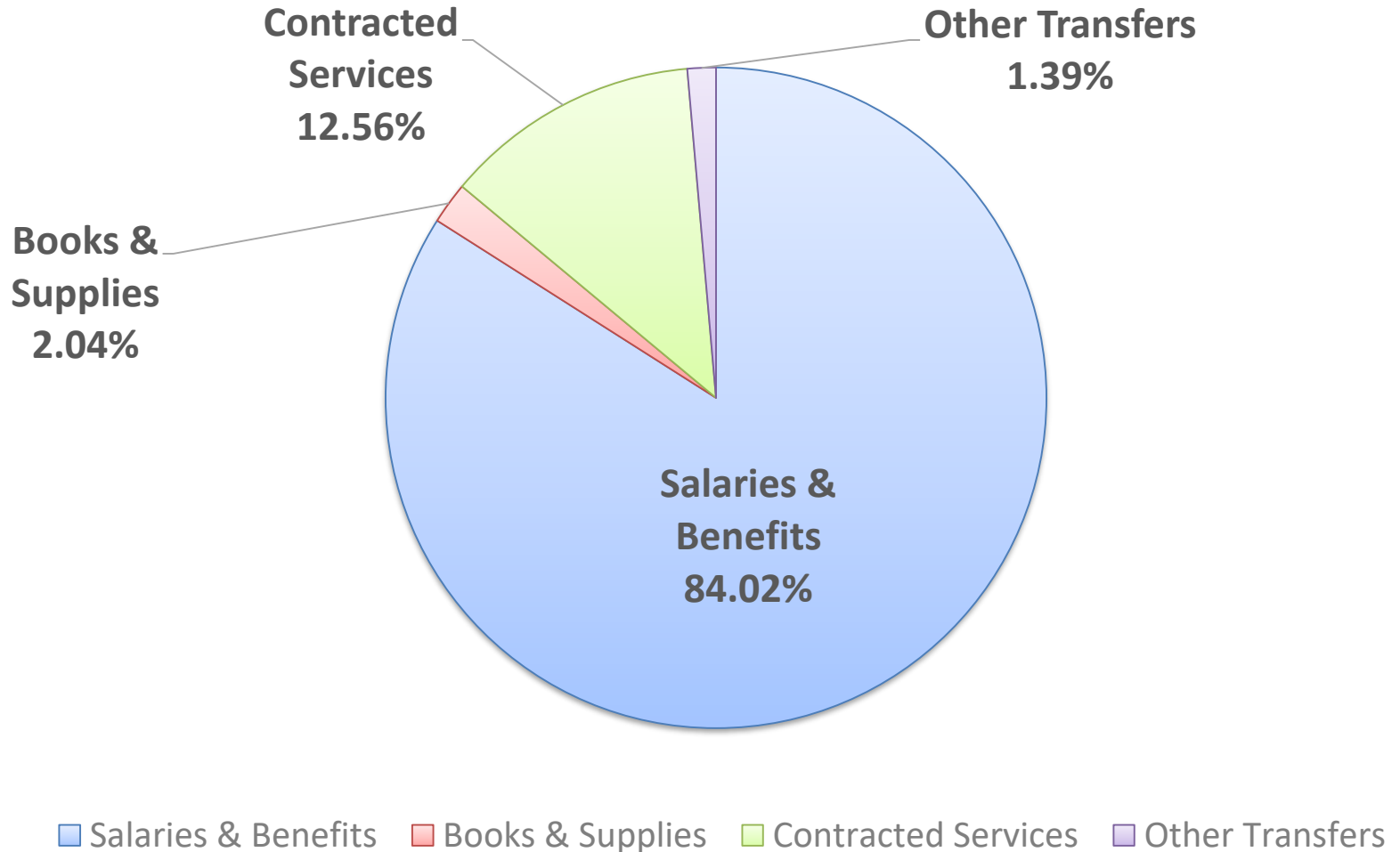


2022-23 Non-Personnel Expenditures Factors

- School Site Discretionary Budgets = \$50/student
- Educator Effectiveness (Summer Institute, PLC, PBIS) = \$83k
- Special Education (Early Intervention Program, NPS/NPA contracts, Transportation, Service contracts) = \$1.5m
- C&I Dept (Ed Tech, DEI/CPC, Prof.Development, Intervention/Instructional materials) = \$270k
- Technology Replacement & Infrastructure = \$323k
- Utilities (PG&E, Garbage, Water, Phone, Sewer) = \$536k
- Maintenance & Operations Dept.= \$305k
- Energy Efficiency Loan Repayment = \$386k
- General Operations = \$522k



2022-23 Expenditures





Multi-Year Projection Assumptions

GOVERNOR'S ASSUMPTIONS:	2022-23	2023-24	2024-25
Cost-of-Living Adjustment	6.56%	5.38%	4.02%
Additon to the LCFF BASE:	3.29%	0.00%	0.00%
Consumer Price Index	0.00%	3.14%	1.97%
CalPERS Employer Rate	26.10%	27.10%	27.70%
CalSTRS Employer Rate	19.10%	19.10%	19.10%
Unemployment Rate	0.50%	0.20%	0.20%
Classified Driven Benefits	36.15%	36.85%	37.45%
Certificated Driven Benefits	22.95%	22.65%	22.65%
DISTRICT ASSUMPTIONS:	2022-23	2023-24	2024-25
Enrollment	1,699.00	1,648.00	1,664.00
Funded ADA	1,769.65	1,719.28	1,650.68
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)

	2022-23	2023-24	2024-25
LCFF Revenue	17,022,770	17,487,610	17,580,850
\$ Increase Per Year	1,285,929	464,840	93,240
% Increase per Year	8.17%	2.73%	0.53%



Multi-Year Projection

	2022-23	2023-24	2024-25
Total Revenues:	25,762,328	25,903,182	25,996,422
Total Expenditures:	26,046,375	25,909,050	26,095,352
Net Increase (Decrease) to Fund Balance:	(284,047)	(5,868)	(98,930)
FUND BALANCE RESERVES:			
Beginning Balance	5,687,686	5,403,639	5,397,771
Net Increase (Decrease) to Fund Balance:	(284,047)	(5,868)	(98,930)
ENDING FUND BALANCE:	5,403,639	5,397,771	5,298,841
COMPONENTS OF THE ENDING FUND BALANCE			
NONSPENDABLE: Revolving Cash	25,000	25,000	25,000
RESTRICTED: Categorical Programs	569,321	247,279	33,032
ASSIGNED:			
Textbook Implementation	296,000	296,000	296,000
Universal Transitional Kindergarten	126,838	315,696	620,963
Technology Replacement/Upgrade	130,000	130,000	130,000
UNASSIGNED AVAILABLE RESERVES:			
**3% Required Reserve	781,391	777,272	782,861
**Undesignated Fund Balance:	3,475,089	3,606,525	3,410,985
TOTAL AVAILABLE RESERVES AS A PERCENTAGE:			
**TOTAL AVAILABLE GENERAL FUND RESERVES	4,256,480	4,383,796	4,193,846
ADD FUND 17 RESERVES	954,986	954,986	954,986
TOTAL AVAILABLE RESERVES IN DOLLARS:	5,211,466	5,338,782	5,148,832
TOTAL AVAILABLE RESERVES AS A PERCENTAGE:	20.01%	20.61%	19.73%



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 14, 2022.
- 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