



2023-2024

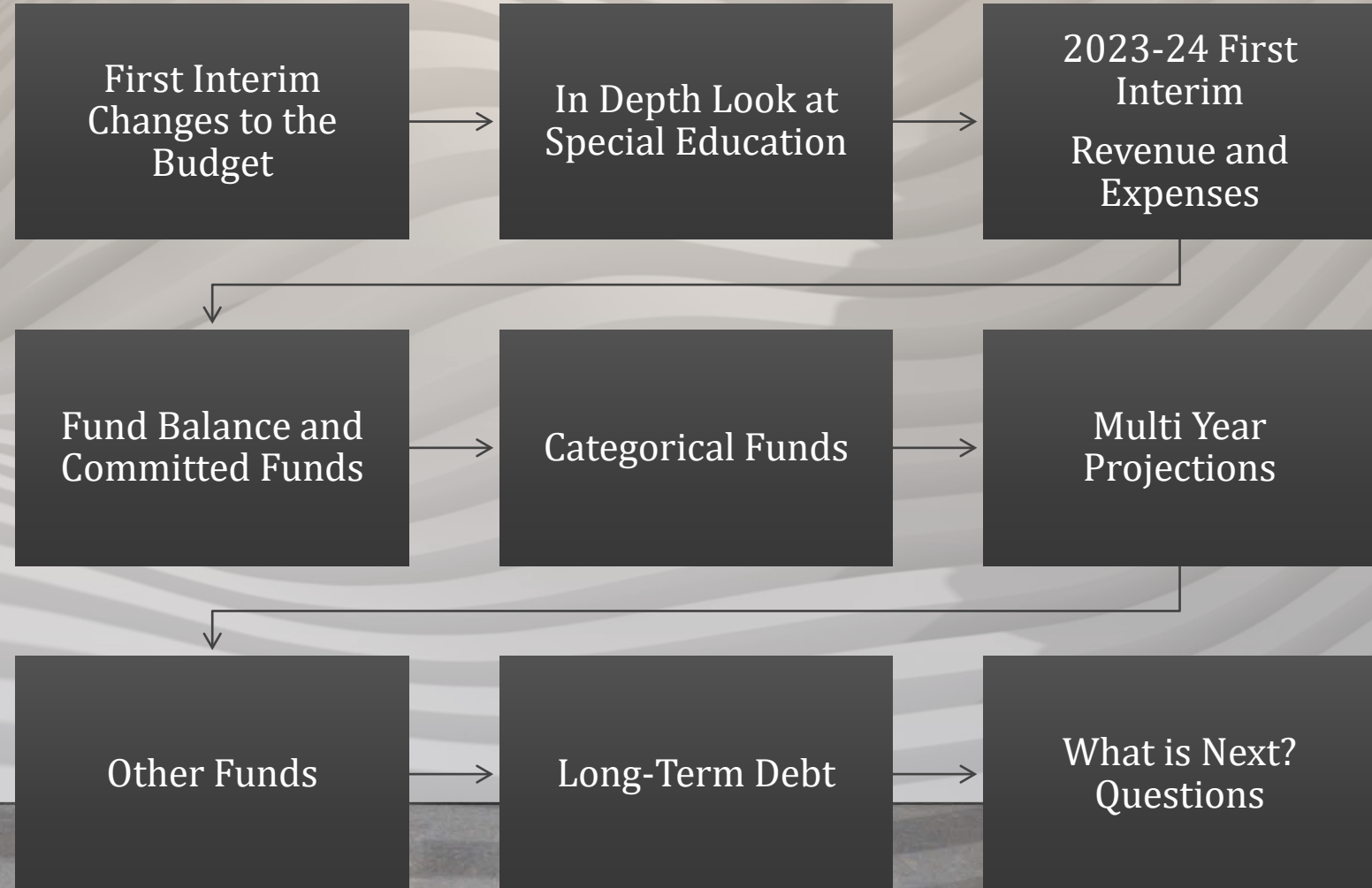
Newcastle Elementary School
District

First Interim Budget

Presented
to the
Board of Trustees

December 13, 2023

First Interim Journey...



Changes Since Budget

MYP

- For 2024-25 and 2025-26 the LCFF revenue has been budgeted at 2.0% COLA
- An additional aide was added for growth in TK to maintain the 10:1 ratio

Positions

- The Occupational Therapist position has been moved from a time sheet to an assignment. .5 FTE is for NESD and HRCC and .5 is for Rocklin Academy.

Fund Allocations

- To meet the CEA for 2023-24 more salary expenses have been allocated to the elementary school (NES)

Changes Since Budget

Expenses

- 2023-24 Math book adoption was pushed to 2024-25
- Special Education expenses have increased

Prop 28 AMS

- The Proposition 28 Art and Music in Schools revenue was added approximately \$57,000 between NES and NCS

Fund Transfers

- Transfers from Newcastle Charter to Newcastle Elementary were increased and include 3% oversight and Special Education contributions.



NEWCASTLE ELEMENTARY SCHOOL DISTRICT
SPECIAL EDUCATION – IN DEPTH

Things to know about NESD's Special Education

The focus is doing what is best for the students in our care to learn

All options are considered and discussed when determining what is best for students.

NESD has the greatest special education team, lead by Sue Latham, I have ever worked with

NESD is a small community so the following is general information.

Newcastle Elementary School District Special Education – In Depth

- Newcastle Elementary is the SELPA Local Education Agency (LEA) for Newcastle Charter School (NCS), Harvest Ridge (HRCC) and Creekside (CCM).
- The SELPA revenue that each charter school receives from AB602 runs through NESD
- NESD provides Special Education services to HRCC and NCS students. The district provides limited services to CCM.
- I was a member of the SELPA Allocation Committee which was formed to simplify the PCOE SELPA allocation formula.
- The change is being phased in over 2023-24 and is expected to be fully implemented in 2024-25.
- The State funds Special Education at approximately \$887.40 Per ADA

Prior 2022-23 SELPA Allocation Model

| Components | Classroom | Non Classroom |
|----------------|-----------|---------------|
| PER All ADA | \$ 281 | \$ 56 |
| PER SH Student | \$ 18,818 | \$ 3,763 |
| PRE K - SH | \$ 4,000 | \$ 4,000 |

| | |
|-------|---------|
| NES | 119,000 |
| NCS | 136,000 |
| HRCC | 24,700 |
| CCM | 24,000 |
| Total | 303,700 |

- Harvest Ridge and Creekside's Special Education expenditures are tracked annually.
- If expenses are greater than revenue the charter school is invoiced.
- If revenue is greater than expenses a check is issued to the charter school

New Allocation Model

| Components | Classroom | Non Classroom |
|----------------|-----------|---------------|
| PER All ADA | \$ 683 | \$ 683 |
| PER SH Student | \$ 683 | \$ 683 |
| PRE K - SH | \$ 22,000 | \$ 22,000 |

| | |
|-------|---------|
| NES | 118,500 |
| NCS | 192,600 |
| HRCC | 209,000 |
| CCM | 158,700 |
| Total | 678,800 |

- Harvest Ridge and Creekside's expenses will not exceed the SELPA revenue and NESD will issue checks to the charter schools for the difference.
- These amounts have been estimated and added to the 1st Interim budget.

Estimated Gross Increase of SELPA Funding Per School

Based on Example



NESD Increase of \$56,100

Harvest Ridge \$184,300

Creekside \$134,700

NESD Special Education Expense Increases

Six additional regional and Non public school (NPS) placements all NES

Budgeted increase of \$400,000 to expenditures

A transfer from NCS to NES has been budgeted

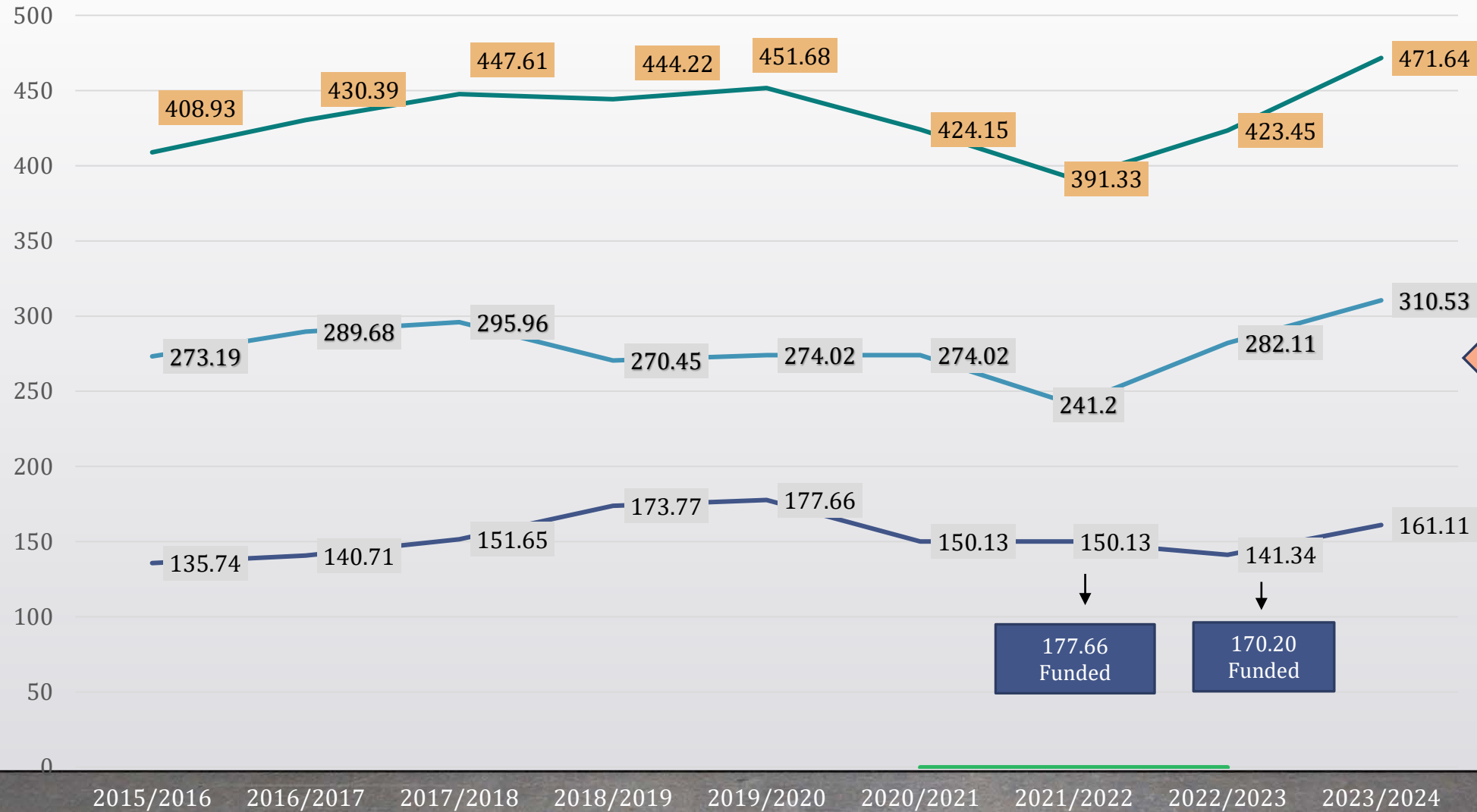
Includes transportation expenses



NEWCASTLE ELEMENTARY SCHOOL DISTRICT REVENUE AND EXPENSES

Newcastle Elementary and Newcastle Charter Schools

NINE YEARS OF AVERAGE DAILY ATTENDANCE (ADA)



2/3 of enrollment comes from Newcastle Charter

177.66
Funded

170.20
Funded

2023-2024 First Interim Budget Components of Projected Revenue

Changes to these components will change the projections

Funded Average Daily Attendance (ADA)

| | Budget | First Interim |
|-----|------------|---------------|
| NES | 152 | 161 |
| NCS | <u>310</u> | <u>311</u> |
| | 462 | 472 |

Unduplicated Pupil Percentage (UPP)

NES 23.62% NCS 23.13%

| Retirement | 23-24 |
|------------|--------|
| STRS | 19.10% |
| PERS | 26.68% |

Lottery

Unrestricted (Salaries) \$177
Restricted (Curriculum) \$72

Mandated Costs Block Grant Per ADA

NES \$38 NCS \$20

2023-2024 First Interim Revenue

| | NES | NCS | Total | Notes |
|------------------------|------------------|------------------|------------------|--|
| General Purpose | 2,151,789 | 3,446,147 | 5,597,936 | State Aid EPA Property Taxes |
| Federal | 429,181 | 0 | 429,181 | Title I & II Fed SPED |
| State | 561,679 | 545,515 | 1,107,194 | Lottery Mandated Costs *STRS on Behalf State SPED |
| Local | 847,880 | 14,600 | 862,480 | Oversight Fees Billbacks SPED-Interest |
| Trans IN (from NCS) | 750,954 | 0 | 750,954 | Oversight, SPED and Lease Trans from NCS |
| Total | 4,741,483 | 4,006,262 | 8,747,745 | |

STRS= State Teachers Retirement System

EPA = Education Protection Act

SPED= Special Education

*Includes STRS on Behalf = \$ 427,572

12/13/2023

Education Protection Act (EPA) Funding

► EPA funding is a sub-group of the State Aid calculation process and stems from the passage of Prop 30 back in 2012. It is not add-on revenue, but instead is deducted from total State Aid due (less local property taxes) and assigned a separate resource (1400) for tracking purposes by the State. This portion of State Aid, designated as EPA funding, is budgeted for certificated teacher salaries for all school sites and charter schools to stay in compliance with Prop 30 requirements.

► On November 8, 2016, the voters approved the California Children's Education and Health Care Protection Act (Proposition 55) that maintains increased personal income tax rates for taxpayers in high tax brackets through 2030. **Proposition 55 did not extend the sales tax increase; therefore, the temporary sales tax increase expired at the end of calendar year 2016.**

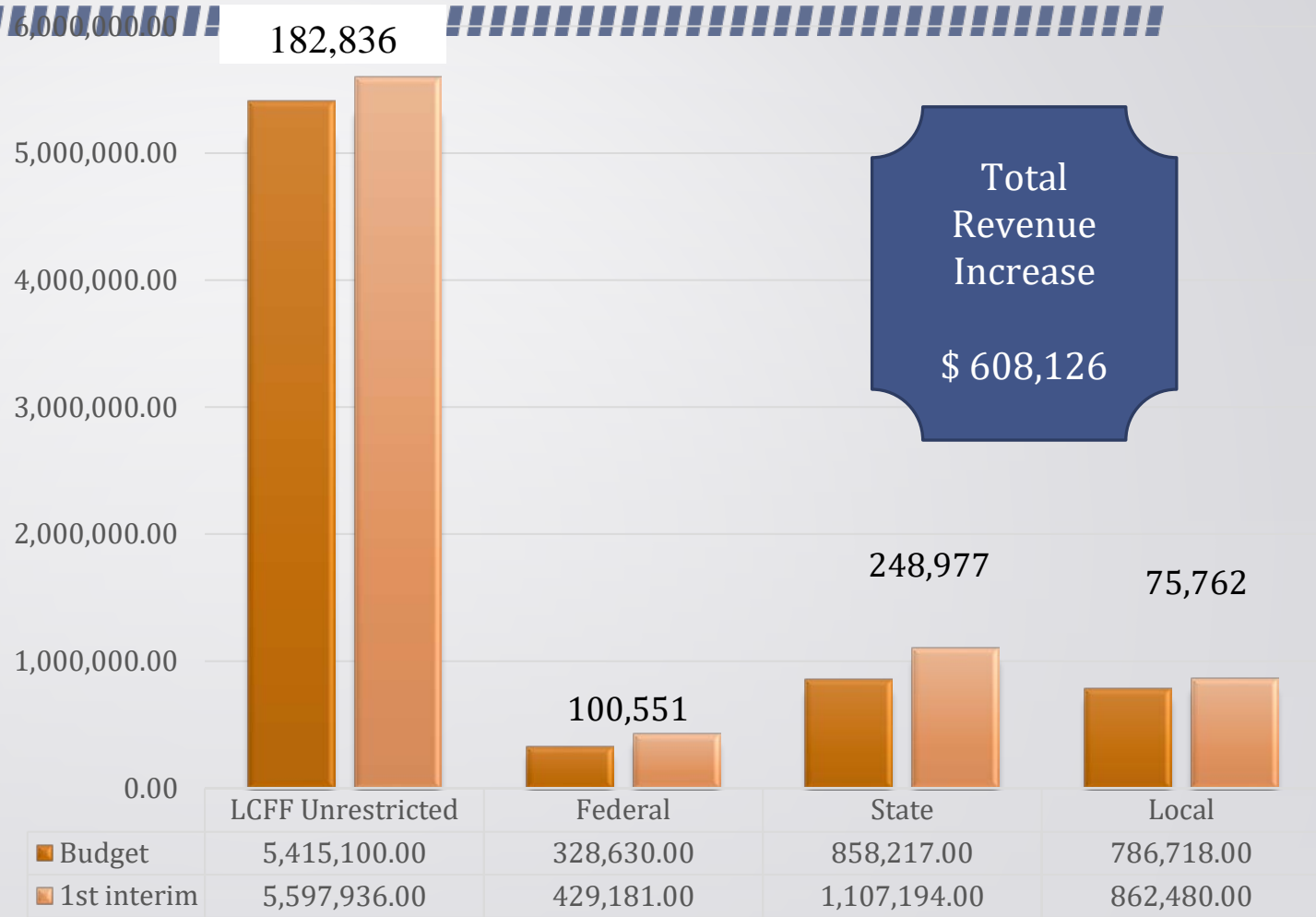
| Fund | Beginning Balance | Budgeted Revenue | Budgeted Exp Teacher Salary and Benefits | Ending Balance |
|--------------------------|-------------------|------------------|--|----------------|
| Newcastle Elementary | \$0 | 484,544 | 484,544 | \$0 |
| Newcastle Charter School | \$0 | \$960,784 | \$763,567 | 197,217 |



Newcastle
Elementary
and Charter
School

2023-2024

Revenue:
Budget
vs.
First Interim



Newcastle Elementary and Charter School 2023-2024 First Interim Revenue Variances

| | Variance | Notes |
|--------------|-----------------|--|
| LCFF | 182,836 | Change in NES ADA Increase in State SELPA Funding |
| Federal | 100,551 | Change in Federal SELPA Funding Increase in REAP Grant |
| State | 248,977 | UTK Grant 2 nd Apportionment, ELOP Increase for NCS Prop 28 |
| Local | 75,762 | ASB Deposits, Onorato Lease and Interest Increase |
| Total | 608,126 | |

Newcastle Elementary and Charter School 2023-2024 First Interim Expenses

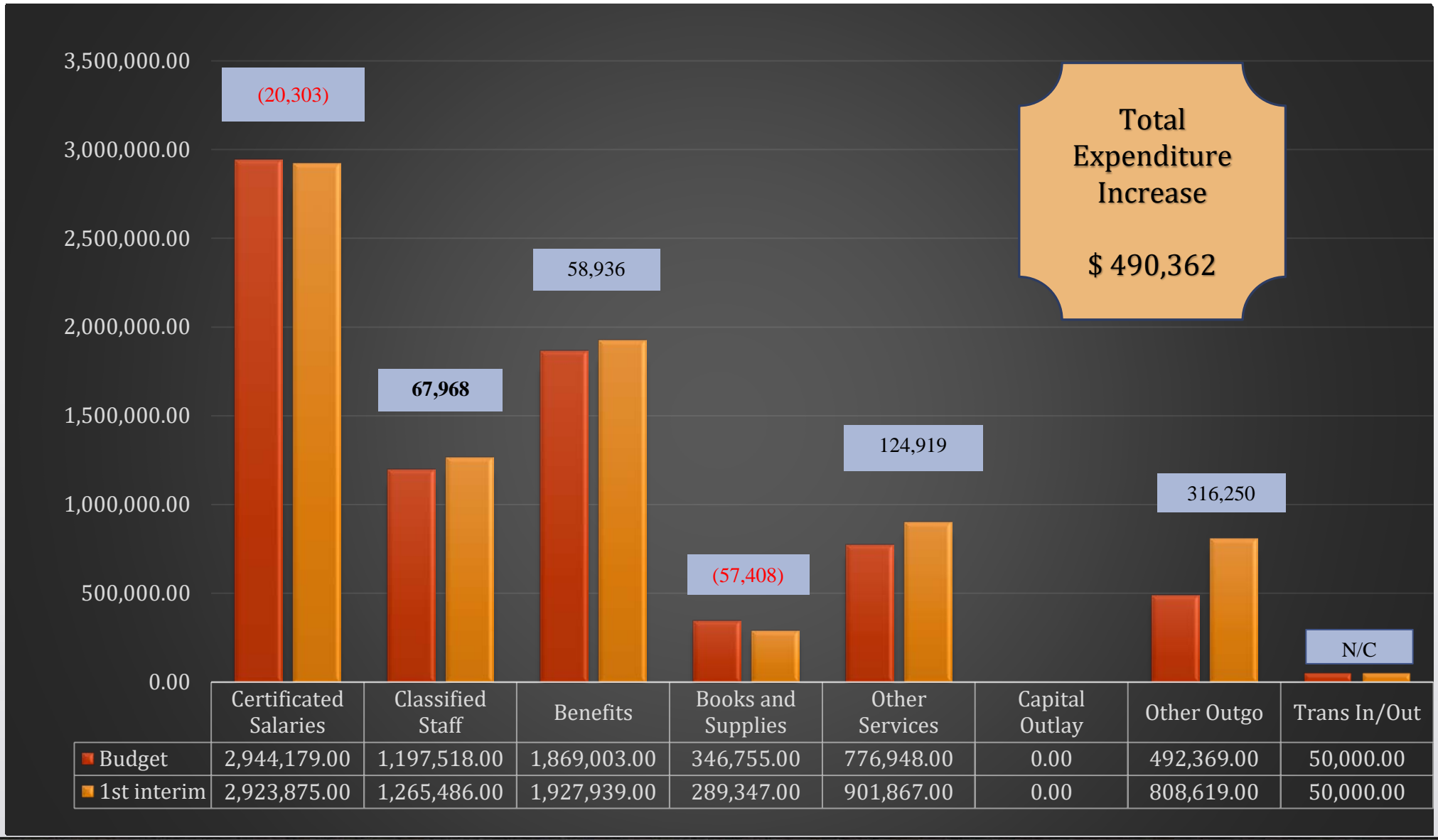
| | NES | NCS | Total | Notes |
|---|------------------|------------------|------------------|---|
| Certificated Salaries | 1,853,646 | 1,070,229 | 2,923,875 | Salaries and Benefits represent 69% of expenses |
| Classified Salaries | 928,662 | 336,824 | 1,265,486 | |
| Benefits | 1,268,231 | 659,708 | *1,927,939 | |
| Books & Supplies | 107,512 | 181,835 | 289,347 | |
| Other Operating Services | 376,421 | 525,446 | 901,867 | Outside services and utilities |
| Other Outgo/ Capitol Outlay | 704,849 | 103,770 | 808,619 | Long term debt |
| Trans Out (NES to Def Main) (NCS is to NES) | 50,000 | 750,954 | 800,954 | Def Main & NCS Facility Trans |
| Total Expenses | 5,289,321 | 3,628,766 | 8,918,087 | |

*Includes STRS on Behalf = 427,572

Newcastle
Elementary
and Charter
School

2023-2024

Budget vs.
First Interim
Expenses



**Newcastle
Elementary
and Charter
School**

2023-2024

First Interim

Expenditure

Variances

| Certificated Salaries | (20,303) | Vacant position was budgeted higher than actual |
|------------------------------------|----------|---|
| Classified Salaries | 67,968 | OT Position |
| Benefits | 58,936 | Changes in Positions |
| Books and Supplies | (57,408) | Primarily Text Book Adoption being moved to 24-25 |
| Other Service & Operating Expenses | 124,919 | Primarily Special Education Services |
| Other Outgo | 316,250 | Primarily Special Education Services |
| Total Increase in Expenses | 490,362 | |



ENDING FUND BALANCE, CATEGORICAL FUNDS AND
COMMITMENTS

2023-24 NES and NCS First Interim Estimated Ending Fund Balance

| | NES | NCS | Total |
|---------------------------|-----------|-----------|-----------|
| Revenue | 3,990,529 | 4,006,262 | 7,996,791 |
| Expenses | 5,239,321 | 2,877,812 | 8,117,133 |
| Transfer In/Out (net) | 700,954 | (750,954) | (50,000) |
| Excess/(Deficit) | (547,838) | 377,496 | (170,342) |
| Beginning Fund Balance | 2,079,029 | 601,799 | 2,680,828 |
| Ending Fund Balance | 1,531,191 | 979,295 | 2,510,486 |

2023-2024
First Interim
Ending
Fund
Balance
Allocation

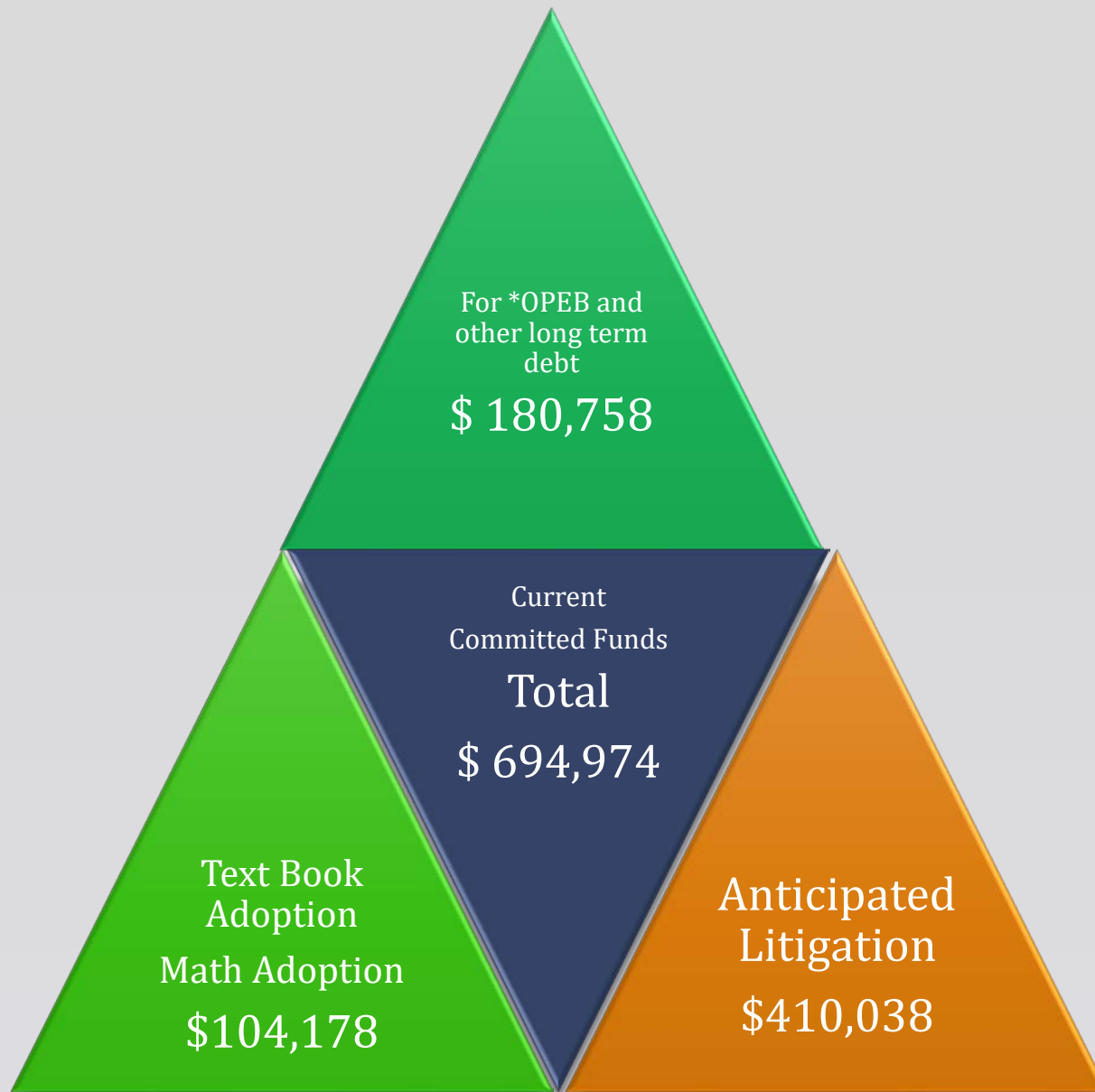
REU = 9% of NES & NCS's Expenses
Excludes Transfers Out

\$724,289

REU=Reserve for Economic Uncertainty

| | NES/NCS |
|----------------------------|------------------|
| REU 5% (NES only) | 261,966 |
| REU Additional NES and NCS | 462,323 |
| Restricted | 1,004,256 |
| Committed | 694,974 |
| Chrome Book Ins | 5,030 |
| PTC Donation | 371 |
| Sports - Field Trips | 36,504 |
| Library Funds | 3,918 |
| Field Use | 6,900 |
| Music Donations | 7,993 |
| Classroom Tech | 0 |
| Enrichment | 11,105 |
| Next Textbook Adoption | 13,439 |
| Revolving Cash | 700 |
| Student Study Team/Gate | 1,007 |
| Total | 2,510,486 |

Total Estimated
Ending Fund
Balance
2,510,486



**Estimated
Committed
Funds
Balance**

Resolutions 9,10 & 11 - 20/21

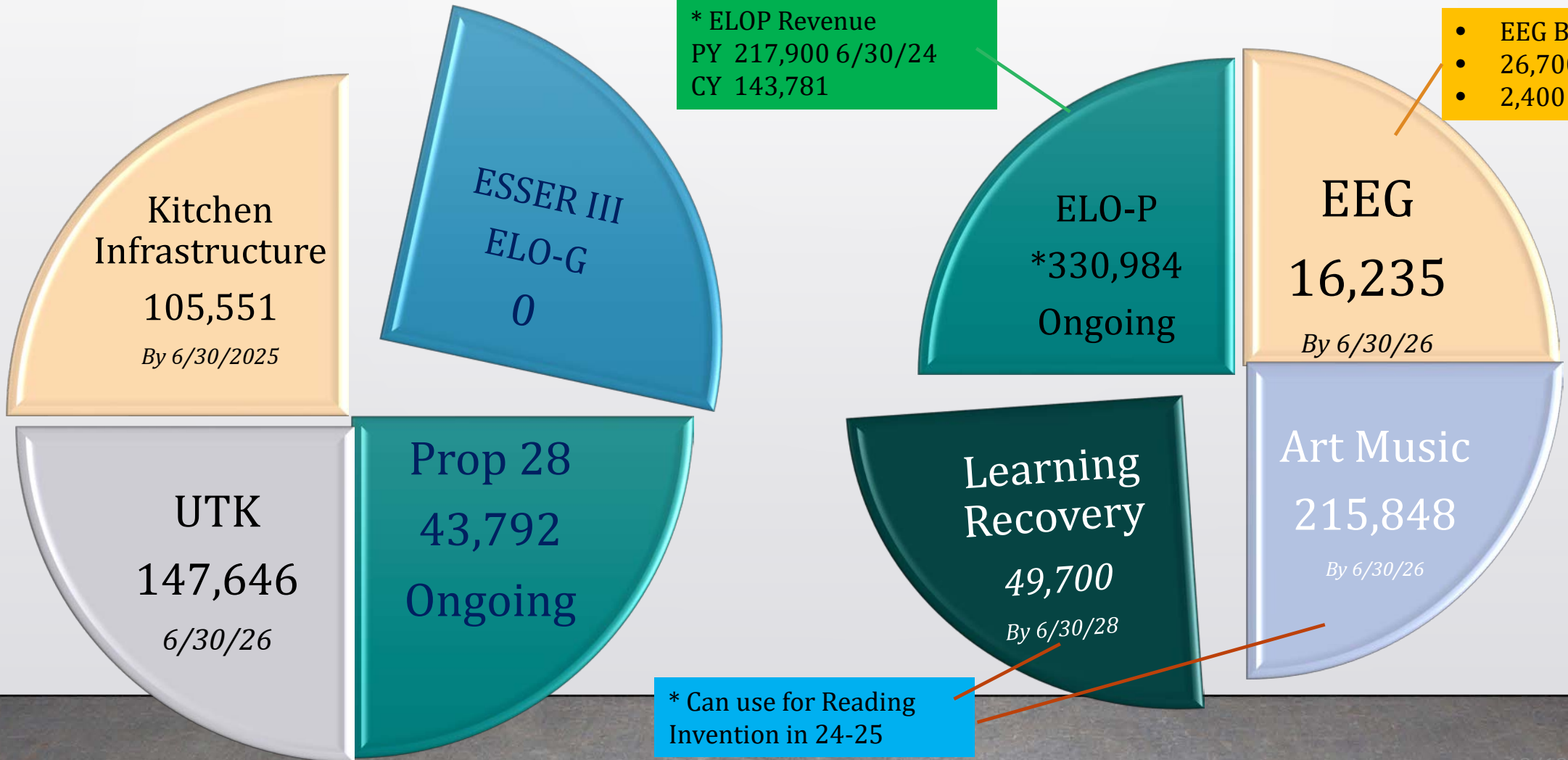
**OPEB = Other post employment benefits
(Health and Welfare District Cap for retirees)*

12/13/2023

Newcastle Elementary and Charter School Estimated Categorical Funds Balances as of 11/2/2023

* ELOP Revenue
PY 217,900 6/30/24
CY 143,781

- EEG Budgeted EFB
- 26,700 Budget
- 2,400 Actual Exp





*MULTI YEAR PROJECTIONS
ARE EXACTLY WRONG BUT APPROXIMATELY RIGHT.....*

Multi Year Projection Budget Components

| Average Daily Attendance | 23-24 | 24-25 | 25-26 |
|--------------------------|-------|-------|-------|
| | 472 | 471 | 464 |

| LCFF Revenue Projected COLA | | |
|-----------------------------|-------|-------|
| 23-24 | 24-25 | 25-26 |
| 8.22% | 2.0% | 2.0% |
| Budget | 3.94% | 3.29% |

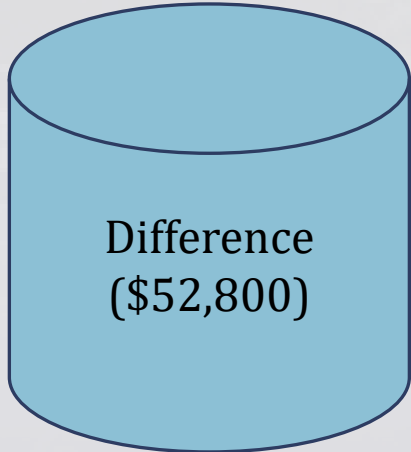
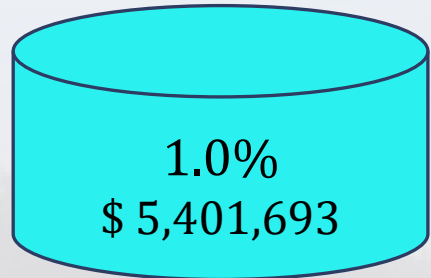
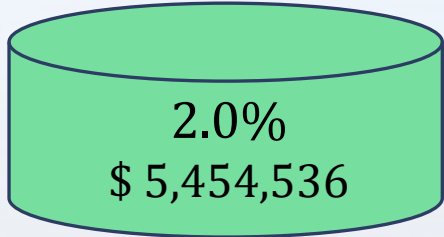
The Legislative Analysis Office (LAO) is predicting the LCFF COLA will be lower for 24-25 and 25-26. To be conservative both years were calculated at 2.0%.

| Other Revenue - Per ADA | |
|-------------------------|--------------------|
| Lottery Unrestricted | Lottery Restricted |
| \$177 | \$72 |

| Retirement | 23-24 | 24-25 | 25-26 |
|------------|--------|--------|--------|
| STRS | 19.10% | 19.10% | 19.10% |
| PERS | 26.68% | 27.70% | 28.30% |

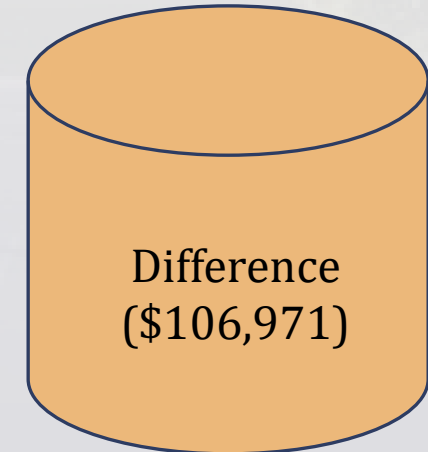
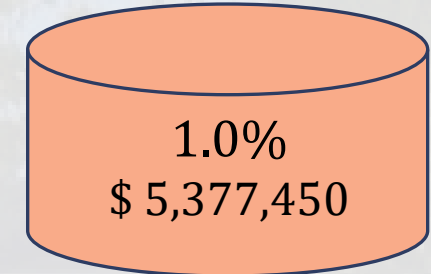
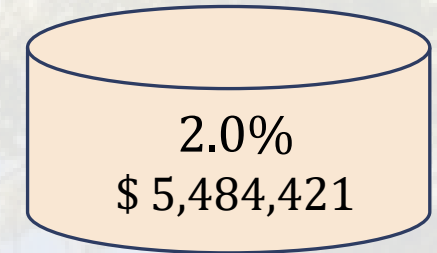
| Salary Step and Column Projection | | |
|-----------------------------------|-------|-------|
| | 24-25 | 25-26 |
| Certificated | 1.5 % | 1.5 % |
| Classified | 2.0 % | 2.0 % |

2024-25



2024-25 and 2025-26
Difference Between 2% and 1%
Cost of Living Adjustment for
the Local Control Funding
Formula revenue only

2025-26



NES/NCS Multi Year Projections

| | 2023/2024 | 2024/2025 | 2025/2026 |
|---------------------------|-----------|-----------|-----------|
| Revenue and Transfer In | 7,996,791 | 7,980,220 | 8,023,689 |
| Expenses and Transfer Out | 8,167,133 | 8,383,608 | 8,281,549 |
| Excess/ (Deficit) | (170,342) | (403,388) | (257,860) |
| Beg Fund Balance | 2,680,828 | 2,510,486 | 2,107,098 |
| Ending Fund Balance | 2,510,486 | 2,107,098 | 1,849,238 |
| Committed | 649,681 | 393,755 | 241,332 |
| Restricted/ Nonspendable | 1,004,956 | 751,223 | 699,398 |
| Assigned | 86,267 | 0 | 0 |
| Reserves | 769,582 | 961,420 | 908,508 |
| *Percent Reserve | 9% | 12% | 11% |

*Reserves are calculated on NES and NCS Expenses minus Transfers In and Out - 5% plus 10% per BP 3100

NEWCASTLE ELEMENTARY SCHOOL DISTRICT



OTHER FUNDS AND LONG TERM DEBT

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| 2023-2024 | Beginning Fund Balance | Est. Net Change | Ending Fund Balance |
|---|------------------------|-----------------------|---------------------|
| Food Service | 419,917 | 108,591 | 528,508 |
| The Food Service fund is under a 5 year expenditure plan to spend down the ending fund balance to be 6 months of expenditures which is currently \$180,000. | | | |
| Deferred Maintenance | 350,003 | (34,000) | 316,003 |
| <u>Deferred Maintenance Expenses to Date</u> | | | |
| 8 Classroom Bookshelves | \$5,750 | Grease Trap Pump | \$400 |
| Fire Mitigation=Goats | \$11,882 | Shed and ramp Repairs | \$2,800 |
| Re-key campus | \$21,139 | Sprinkler Inspections | \$6,720 |
| Upper Campus Field Drain | \$829 | Nature Trail Clean up | \$18,885 |



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| 2023-2024 | Beginning Fund Balance | Est. Net Change | Ending Fund Balance |
|---------------------------|-------------------------------|------------------------|----------------------------|
| Capital Facilities | 118,079 | (7,913) | 110,166 |

Developer Fees are currently being used for improvements to the grassy field on the lower campus for additional outdoor learning space.

| | | | |
|---|----------------|--------------|----------------|
| Capital Outlay | 409,328 | 4,737 | 414,065 |
| Onorato Door Install \$5,039 | | | |
| Lower campus field work is being paid for through the Capital Outlay Fund and Placer County Parks reimbursements are deposited. | | | |
| Net Expense for field work = 0.00 | | | |



NESD Long Term Debt

| | Balance Principal As of 7/1/22 | Balance Interest As of 7/1/22 | Duration/Interest Rate |
|--------------------------------|--------------------------------------|-------------------------------------|--|
| Placer County Treasury Loan | 2,581,955 | 978,850 | Last Payment 9/30/46 2.8% Interest |

| | | | |
|--|----------------------------------|----------------------------|--------------------------------------|
| Other Post Employment Benefits (OPEB) | Potential L/T Expense | 2023-24 Payment | Committed in Fund Balance |
| | 186,108 | 5,350 | 180,758 |

Multi Year Long Term Debt Payments

| | 2023/2024 | 2024/2025 | 2025/2026 |
|--|-----------|-----------|-----------|
| Placer County Treasury Kentucky Greens Property | 148,471 | 148,471 | 148,471 |
| *OPEB Other Post Employment Benefits | 5,350 | 5,350 | |
| Total | 153,821 | 153,821 | 148,471 |

What is next.....?

- January – Release of the 2024-25 Governor’s Budget
- 2nd Interim March 15th – Expenses thru January 31, 2024
- May Revision of Governor’s Budget
- June – The 2024-2025 budget and LCAP hearing and adoption



The End...

Any Questions?

Thank you !!

