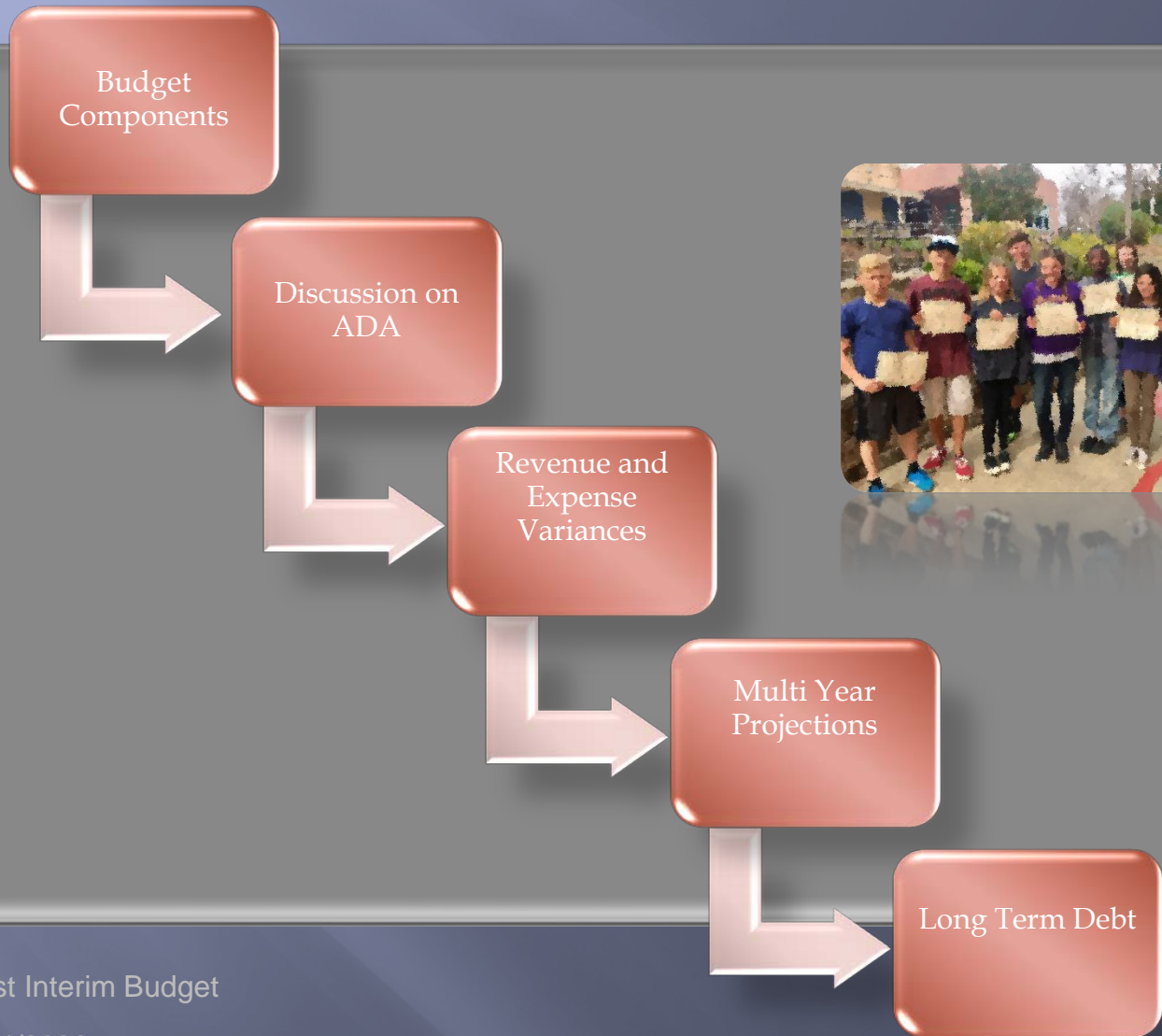


NEWCASTLE ELEMENTARY SCHOOL DISTRICT



2020/2021
First Interim Budget
Presented December 14, 2020

2020/2021 1st Interim Journey



Highlights of 2020/2021 First Interim

*ADA, Enrollment and Hold Harmless

Deficit Spending

NESD Declining Enrollment

State revenue may be better than budgeted in June

ADA = Average Daily Attendance

Budget Components and Assumptions Per ADA

(Factors used to build budget revenue)

Estimated LCFF Funding

NES	9,156
NCS	8,454

Average \$8,805

Unduplicated Pupil Percentage (UPP)

	NES	NCS
1 st Interim	33.52%	18.34%

Lottery

Unrestricted (Salaries)	\$149
Restricted (Curriculum)	\$ 49

Mandated Costs Block Grant

NES	\$32.18	NCS	\$16.86
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ADA = Average Daily Attendance

LCFF = Local Control Funding Formula

Actual Projected ADA Based on Current Enrollment

Actual	2019-20 Actual	2020-21 Based on Actual Enrollment	2021-22 Projection	2022-23 Projection
NES	177.66	155.90	167.08	175.29
NCS	274.02	234.97	235.71	238.62
Total	451.68	390.87	413.37	413.91

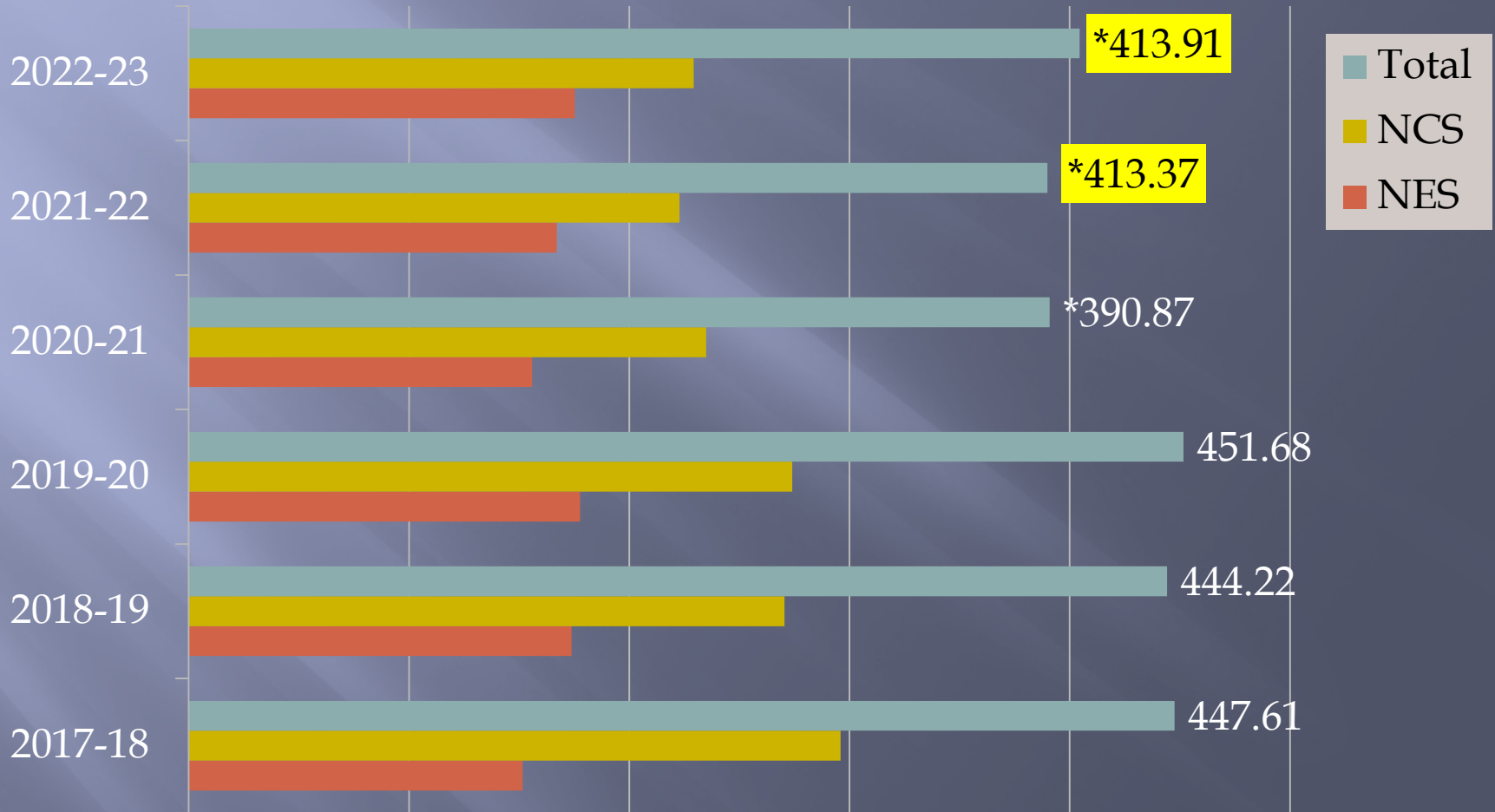
Newcastle Elementary- Elementary schools normally have a 1 year hold harmless on ADA to protect the district from declining enrollment for one year.

Newcastle Charter - Charters do not have this safety net and are funded on actual annual ADA.

Projection of Funded Average Daily Attendance (ADA)

Funded	2019-20 Actual	2020-21 Held at 19-20	2021-22 NES Held at greater- NCS projected	2022-23 Projection
NES	177.66	177.66	177.66	175.29
NCS	274.02	274.02	235.71	238.62
Total	451.68	451.68	413.37	413.91
Loss in Revenue - \$8,805 per ADA- Compare to 20-21			(337,300)	(332,600)

ADA - 3 Past & 3 Projected

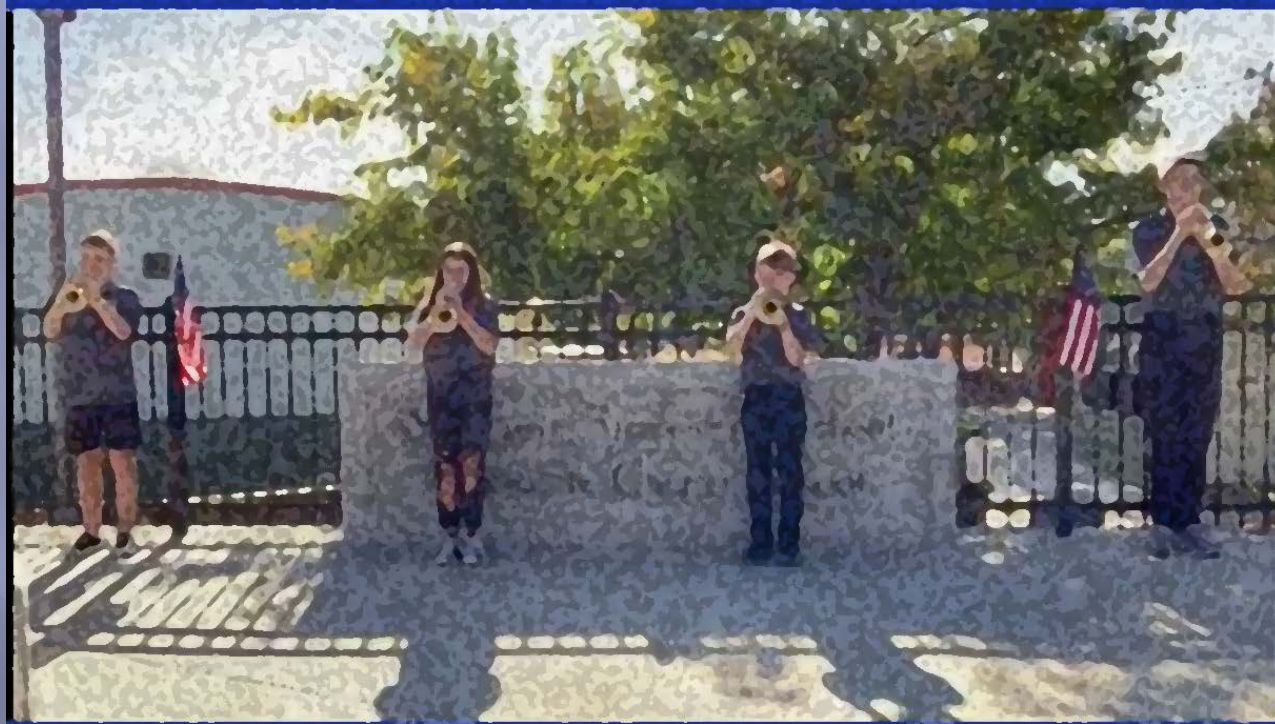


*Projected ADA

12/14/2020

2020/2021 First Interim Budget

Newcastle Elementary School District



Education Protection Act (EPA) Funding

Fund	Beginning Balance	Budgeted Revenue	Budgeted Teacher Salary and Benefits	Ending Balance
Newcastle Elementary	\$0	\$327,016	\$327,016	\$0
Newcastle Charter School	\$0	\$518,888	\$518,888	\$0

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.

Newcastle Elementary and Charter School 2020/2021 First Interim Revenue

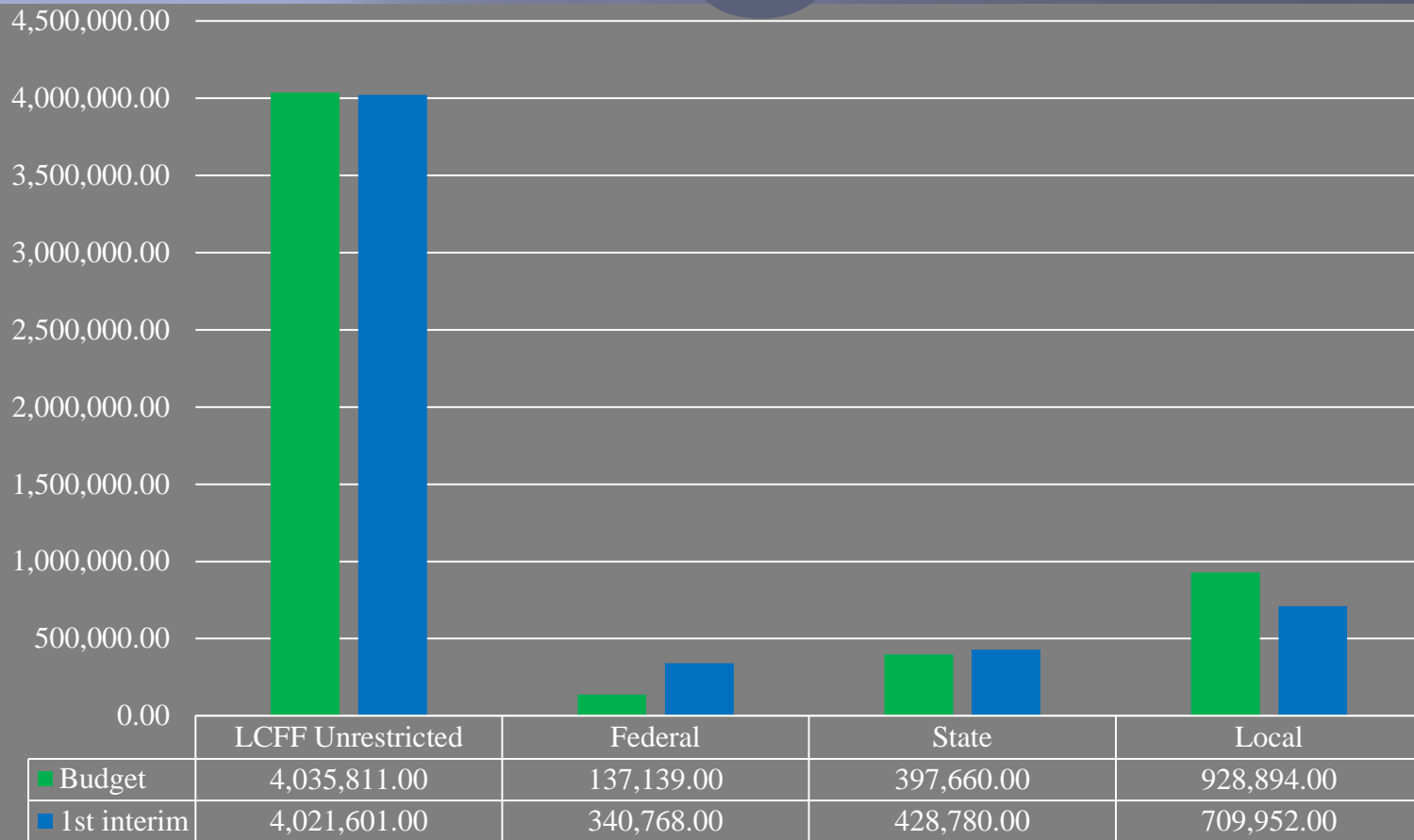
	NES	NCS	Total	Notes
General Purpose	1,705,004	2,316,557	4,021,601	State Aid EPA Property Taxes
Federal	256,411	84,357	340,768	Title 1 & II Fed SPED
State	243,595	185,185	428,780	Lottery Mandated Costs *STRS on Behalf State SPED
Local	703,952	6,000	709,952	Oversight Fees Billbacks SPED
Total	2,909,002	2,592,099	5,501,101	

SPED= Special Education

EPA = Education Protection Act

*Includes STRS on Behalf = 238,465

Newcastle Elementary and Charter School 2020/2021 Budget vs. First Interim Revenue



Newcastle Elementary and Charter School 2020/2021 First Interim Revenue Variances

	Variance	Notes
LCFF	(14,210)	Reduction of UPP <i>NES 38% to 33%</i>
Federal	203,629	Cares Act Funding
State	31,120	COVID 19 Funding
Local	(218,942)	COVID and Cares Act Funding was budgeted in local revenue
Total	1,597	

UPP = Unduplicated Pupil Percentage

Newcastle Elementary and Charter School 2020/2021 First Interim Expenses

	NES	NCS	Total	Notes
Certificated Salaries	1,427,079	1,171,710	2,598,789	Salary and Benefits are 82% of all expenses
Classified Salaries	755,034	278,028	1,033,062	
Benefits	835,807	556,101	*1,391,908	
Books & Supplies	154,460	134,827	289,287	
Other Operating Services	454,384	335,975	790,359	Outside services and utilities
Other Outgo/ Capitol Outlay	129,155	118,858	248,013	Long term debt
Trans Out	50,000		50,000	Def Main & NCS Facility Trans
Total Expenses	3,805,919	2,595,499	6,401,418	

COVID 19 - Budget

Learning Loss Mitigation Funds

- ▣ Classified and certificated extra time and reclassification –salary and benefits
- ▣ Safety supplies and equipment- Chromebooks, filters, desk and lunch table partitions, desks, cleaning supplies, masks, recess equipment, curriculum
- ▣ Services – Sink rentals, PD, HVAC Service

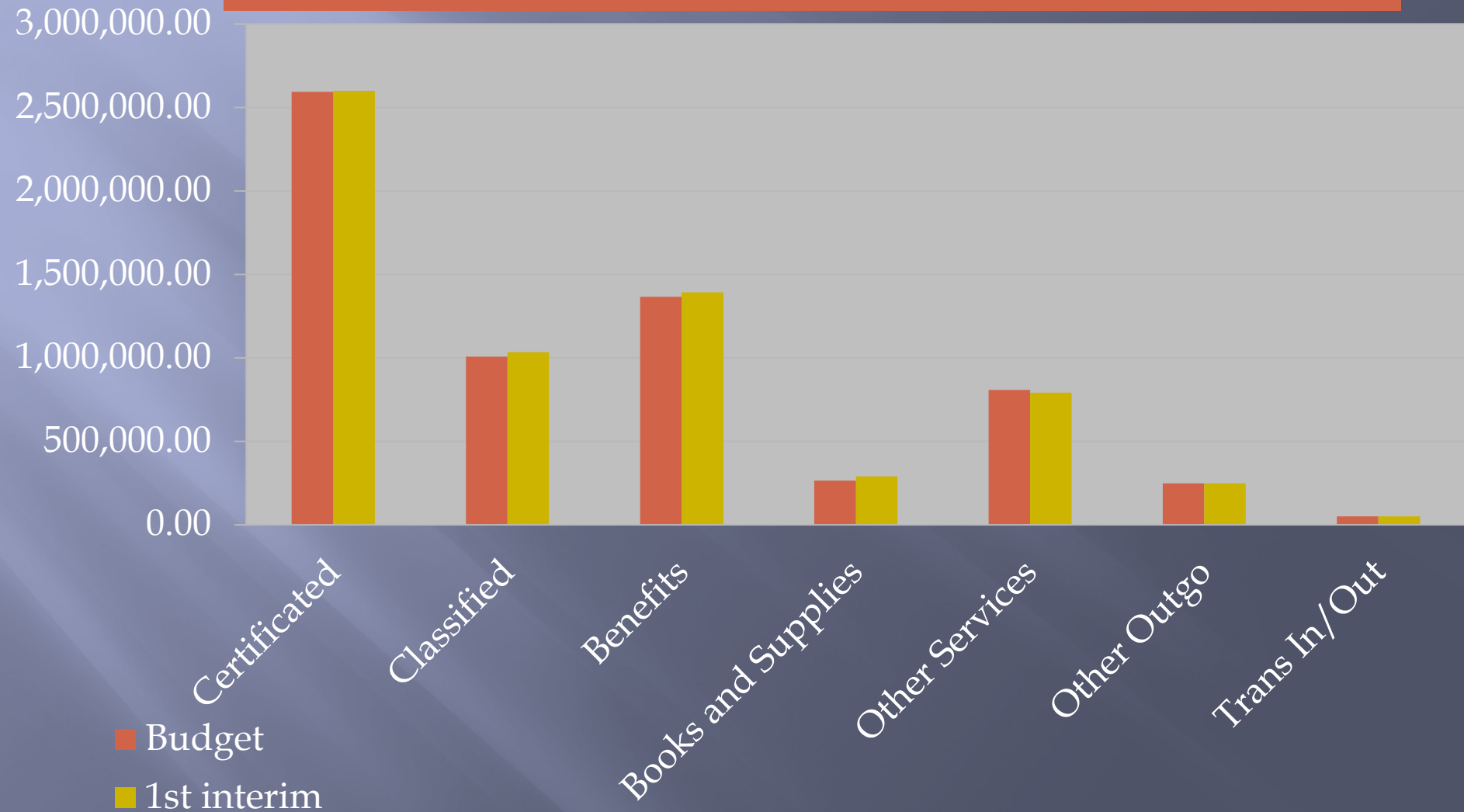
46,006

134,669

42,033

Total 222,708

Newcastle Elementary and Charter School 2020/2021 Budget vs. 1st Interim Expenses



Newcastle Elementary and Charter First Interim Expense Variances

Certificated Salaries	5,960	Additional Intervention
Classified Salaries	26,147	Add'l Custodial/Gen Ed Aide Time
Benefits	26,562	In relation to position changes
Books and Supplies	24,873	Safety Measures to Open School
Other Service & Operating Expenses	(16,491)	Transportation Expenses were Reduced
Capital Outlay	0	No Change
Other Outgo	0	No Change
Transfer Out	0	No Change
Total Change	67,051	

2020/2021

First Interim Budget

Estimated Ending Fund Balance

	NES	NCS	Total
Revenue and Trans In	2,954,552	2,592,099	5,546,651
Expenses and Tran Out	3,805,919	2,641,049	6,446,968
Excess/ (Deficit)	(851,367)	(48,950)	(900,317)
Beginning Fund Balance	3,835,131	304,252	4,139,383
Ending Fund Balance	2,983,764	255,302	3,239,066

2020/2021 Ending Fund Balance Allocation

*REU = 15% of NES & NCS's
Expenses

955,213

(190,296 + 764,917)

REU=Reserve for Economic Uncertainty

	NES	NCS
REU 5%	190,296	
REU Add 10% NES and NCS	764,917	
Restricted	116,752	
Committed	183,050	
Chrome Book Ins	4,080	
PTC Donation	65,000	
Wellness Fund	35	
Library Funds	5,888	
Stem Donations	325	
Music Donations	8,317	
Reserve for Classroom Tech	45,000	
Text Book Adoption-Increased	85,000	
Revolving Cash	700	
Cert Salaries –Lottery	0	9,736
Towards Future Deficits	1,514,404	232,948
Total	2,983,764	242,684

Multi Year Assumptions

LCFF Funding has 0% COLA

2021-22 ADA is 413.37 2022-23 ADA is 413.97

21-22 Reduction of 3.0 FTE Classroom Teachers based on Enrollment

Certificated Step and Column is 1.23%

Classified Step and Column is 3.32%

2021-2022 STRS 16.00% PERS 22.84%

2022-2023 STRS 18.1% PERS 25.5%

Additional \$500,000 is cut from 2021-22

COVID revenue and expenses are removed in 21-22 and 22-23

Multi Year Projection Summary

Newcastle Elementary and Charter Schools

Unrestricted/Restricted

Description	2020/2021 ADA 458.99	2021/2022 ADA 455.86	2022/2023 ADA 453.09
Revenue	5,501,101	4,832,097	4,870,016
Expenses	6,401,418	5,984,099	6,115,221
Unidentified Budget Cuts	0	500,000	500,000
Revised Expenses	6,401,418	5,484,099	5,615,221
Net Inc/Decrease To Fund Balance	(900,317)	(652,002)	(745,205)

Multi Year Projection Summary

Newcastle Elementary and Charter Schools

With Additional Budget Cuts

Description	2020/2021	2021/2022	2022/2023
Projected Change	(900,317)	(652,002)	(745,205)
Beg Fund Bal	4,139,383	3,239,066	2,587,064
Ending Fund Bal	3,239,066	2,587,064	1,841,859
Assignments, Commit, Restrictions	2,283,853	1,764,449	924,576
Reserve for Economic Uncertainty	955,213	822,615	917,283
Unassigned	0	0	0

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2020/2021	Beginning Fund Balance	Est. Net Change	Ending Fund Balance
Food Service	26,122	(13,508)	12,614
Free lunches for all students until December 31 st		Lower Revenue in 20-21	

Deferred Maintenance	322,628	10,780	333,408
<u>Deferred Maintenance To Date</u>			
Planter Bark	\$ 3,100	Gas Leak Repair	\$ 2,600
Tree Service	\$ 6,200	Board Room Blinds	\$ 1,200
Building #305 Gutters	\$ 6,100	Building Plaque Installation	\$ 1,200

OTHER FUNDS

2020/2021	Beginning Fund Balance	Est. Net Change	Ending Fund Balance
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Capital Facilities	24,645	8,150	34,845
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Developer Fees to be used to prevent overcrowding of classrooms	Consulting with Technology and Facilities for future needs		
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Capital Outlay	523,421	8,150	531,571
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Expenses	Final Modernization Consulting Fees \$850		
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NESD LONG TERM DEBT

	Balance Principal As of 7/1/20	Balance Interest As of 7/1/20	Duration/Interest Rate
Placer County Treasury Loan	2,799,690	1,206,526	Last Payment 9/30/46 2.8% Interest
SWS Loan – Facility Repairs	386,162	85,048	Last Payment 10/2029 4.15 % Interest
Capitol Public Finance Prop 39 Supplement	665,208	164,718	Last Payment 4/2033 3.15%
Total	3,851,060	1,456,292	5,307,352

Other Post Employment Benefits (OPEB)	Potential L/T Expense 123,500	2020/2021 Payment 14,250	Committed in Fund Balance 109,250
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MULTI YEAR DISTRICT LONG TERM DEBT PAYMENTS

	2020/2021	2021/2022	2022/2023
Placer County Treasury Kentucky Greens Property	148,471	148,471	148,471
SWS Loan Facility Repairs	49,627	49,627	49,628
Capitol One Finance Prop 39 Supplement Loan	49,915	51,911	53,998
OPEB Other Post Employment Benefits	14,250	14,250	9,500
Total	262,263	264,259	261,597

“Fiscal Feel Goods”

Despite the challenges that lie ahead there are good things.

NESD has a healthy deferred maintenance fund that can address any emergency repairs

NESD's buildings are in good repair and freshly painted.

Student and staff technology is current - Students are connected and learning!

THE END

Any Questions?



THANK
YOU