

2022-2023

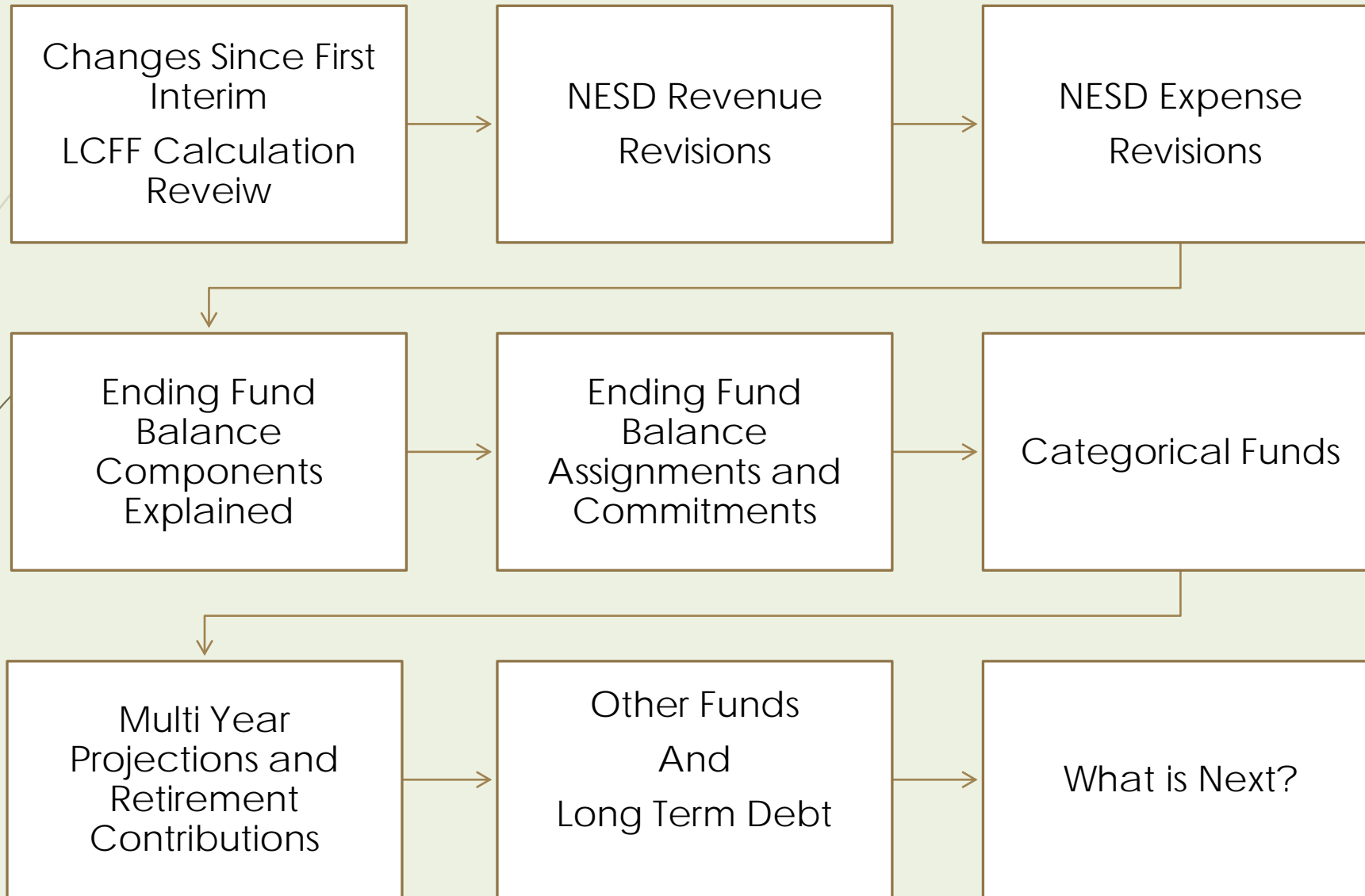
**Newcastle Elementary School
District**

**Second Interim Budget
Presented to the Board of Trustees**

March 8, 2023



Second Interim Journey...

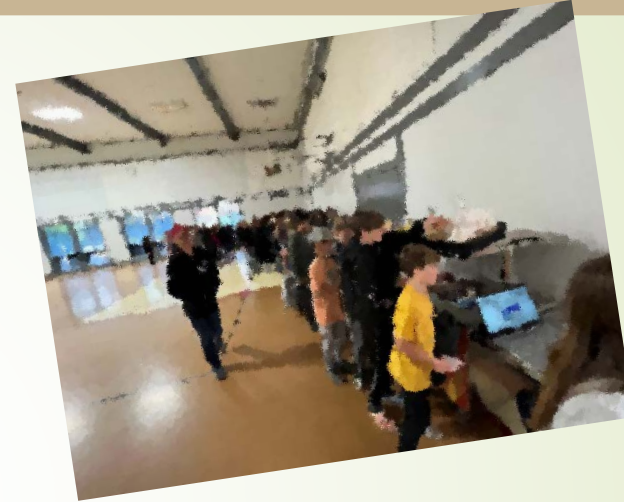


March 8, 2023

Changes Since 1st Interim

~ Negotiations ~

- Newcastle Teachers Association (NTA) has been settled, board approved, paid and is included in this presentation
- Management and Confidential staff receives the same as NTA and the disclosure is on tonight's agenda.
- California School Employee Association (CSEA) is sunshining tonight.



~ Intervention Teachers ~

The District hired 2 temporary certificated staff members in January

- One dedicated intervention teacher until June

One as follows:

- January to February Intervention
- March to June will be a long-term sub

2023-24 State Budget Proposal K-12 Highlights – That Impact NESD

LCFF COLA

- 2023-24 Increased from 5.38% to 8.13%
- 2024-25 Decreased from 4.02% to 3.54%

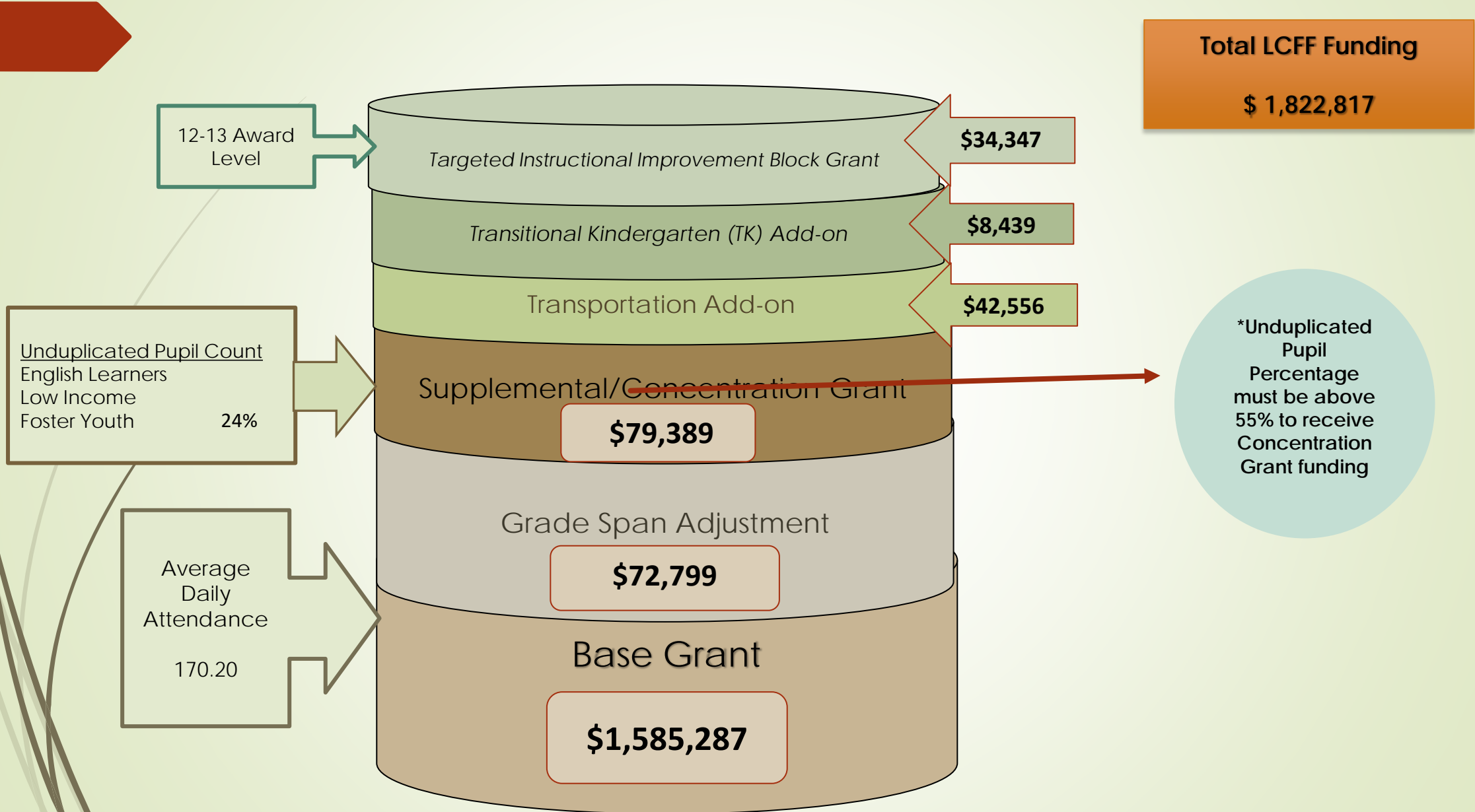
Art, Music, IM Grant

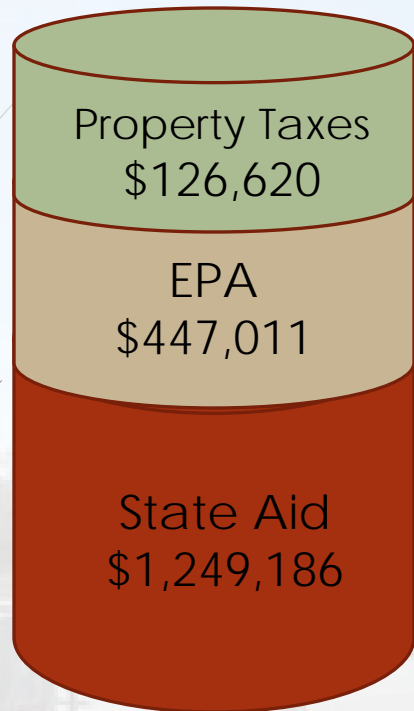
- Proposal to decrease by approximately 35% to cover LCFF Costs
- *(Since Prop 28 passed)*

Funding Guarantee

- “Rebenching” for Universal TK and Arts & Music in Schools (Prop 28)
- From 38.3% to 38.6 % of the State Budget

Local Control Funding Formula- Newcastle Elementary School





Now that we know the amount,
this is how it is paid!

**Newcastle Elementary
LCFF Revenue
\$1,822,817**

EPA – Education Protection Act
LCFF – Local Control Funding Formula

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	\$106,050	\$447,011	\$553,061	\$0
Newcastle Charter School	\$0	\$835,320	\$827,584	\$7,736





NEWCASTLE ELEMENTARY SCHOOL DISTRICT
REVENUE AND EXPENSES

2022-2023 Second Interim Budget Components

Changes to these components will change the projections

Funded Average Daily Attendance (ADA)

	First Interim	Second Interim
NES	170	170
NCS	<u>271</u>	<u>309</u>
	441	479

Unduplicated Pupil Percentage (UPP)

NES	23.94%	NCS	21.90%
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Lottery

Unrestricted (Salaries)	\$170
Restricted (Curriculum)	\$ 67

Retirement 22-23

STRS	19.10%
PERS	25.37%

Mandated Costs Block Grant Per ADA

NES \$35	NCS \$18
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2022–2023 Second Interim Revenue

	NES	NCS	Total	Notes
General Purpose	1,854,776	3,080,191	4,934,967	State Aid EPA Property Taxes
Federal	353,461	0	353,461	Title I & II Fed SPED
State	674,213	546,864	1,221,077	Lottery Mandated Costs *STRS on Behalf State SPED
Local	830,231	5,000	835,231	Oversight Fees Billbacks SPED-Interest
Total	3,712,681	3,632,055	7,344,736	

EPA = Education Protection Act

SPED= Special Education

***Includes STRS on Behalf = \$ 427,572**

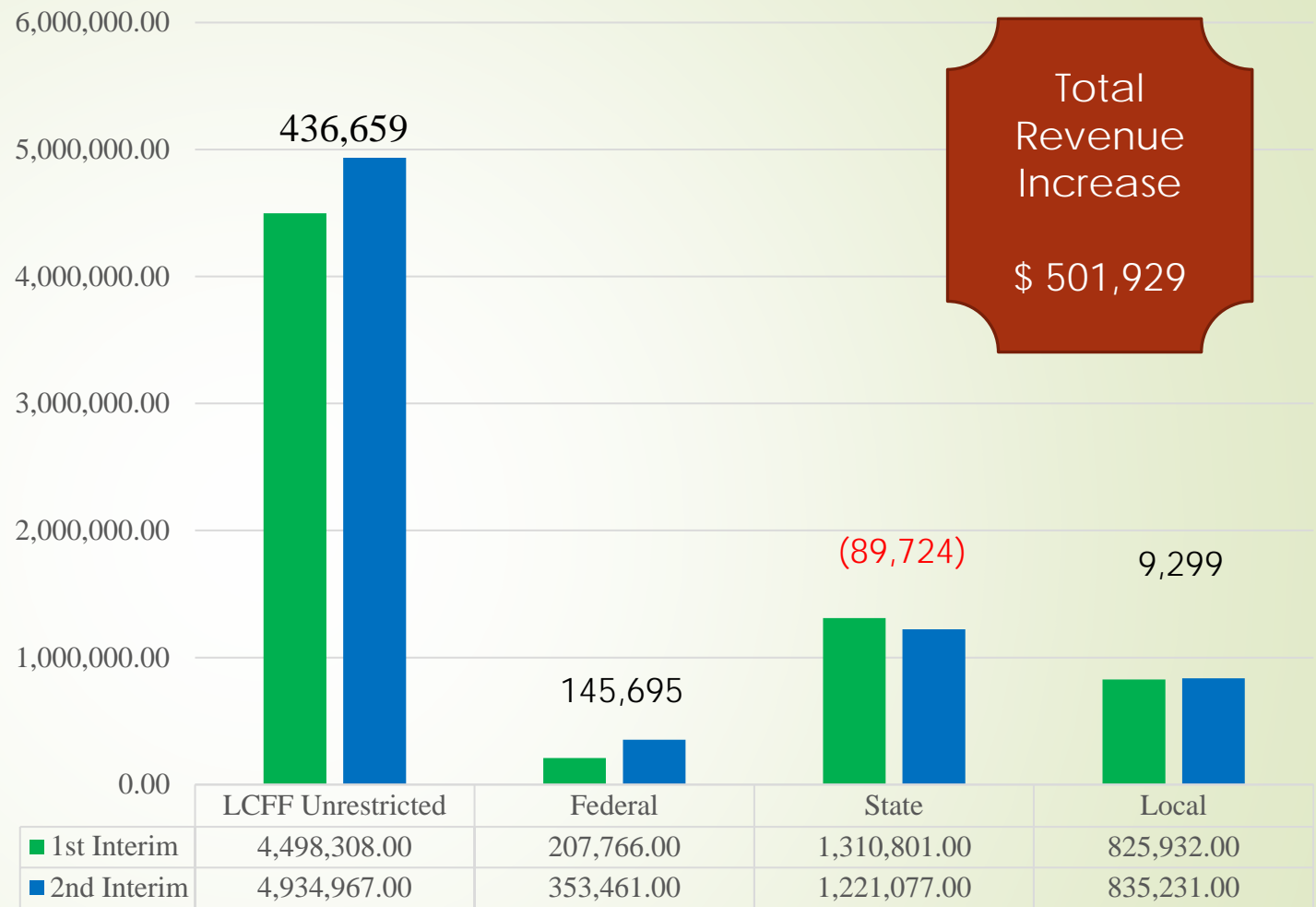
STRS= State Teachers Retirement System

Newcastle Elementary and Charter School

2022-2023

First Interim
vs.
Second Interim

Revenue



Newcastle Elementary and Charter School 2022-2023 Second Interim Revenue Variances

	Variance	Notes
LCFF	436,659	Change in NCS ADA
Federal	145,695	Deferred Revenue
State	(89,724)	Reduction in the Art, Music and IM Discretionary Grant
Local	9,299	Increase to Newcastle Charter School Interest
Total	501,929	

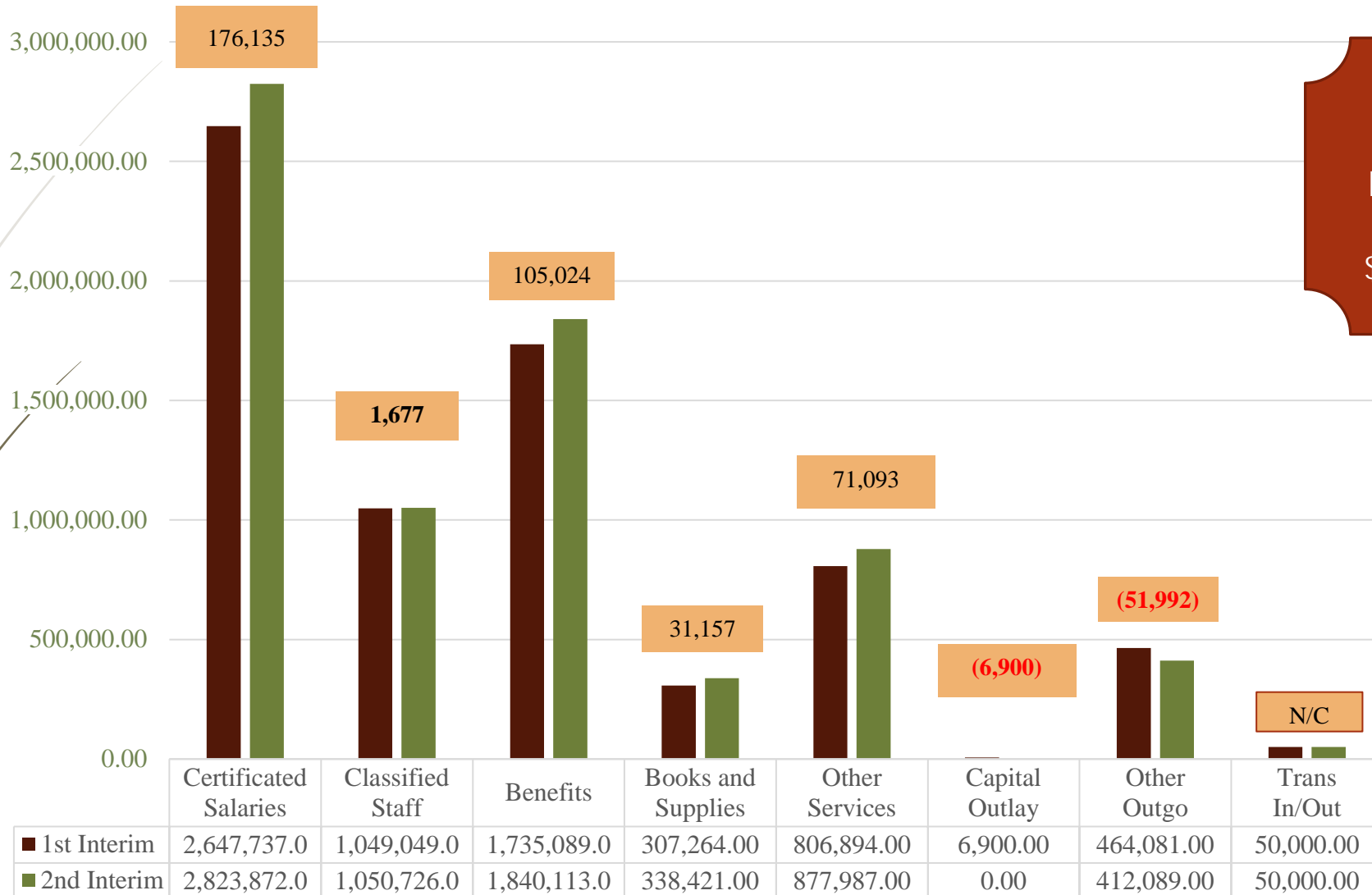
IM= Instructional Material

March 8, 2023

Newcastle Elementary and Charter School 2022-2023 Second Interim Expenses

	NES	NCS	Total	Notes
Certificated Salaries	1,441,606	1,382,266	2,823,872	Salaries and Benefits represent 79% of expenses
Classified Salaries	771,736	278,990	1,050,726	
Benefits	1,088,337	751,776	*1,840,113	
Books & Supplies	254,485	83,936	338,421	
Other Operating Services	369,493	508,494	877,987	Outside services and utilities
Other Outgo/ Capitol Outlay	313,838	98,251	412,089	Long term debt
Trans In/Out	4,450	45,550	50,000	Def Main
Total Expenses	4,243,945	3,149,263	7,393,208	

Newcastle Elementary and Charter School 2022-2023 First Interim vs. Second Interim Expenses



Total Expense Increase
\$ 326,194

Newcastle Elementary and Charter School

2022-2023

Second Interim

Expenditure

Variances

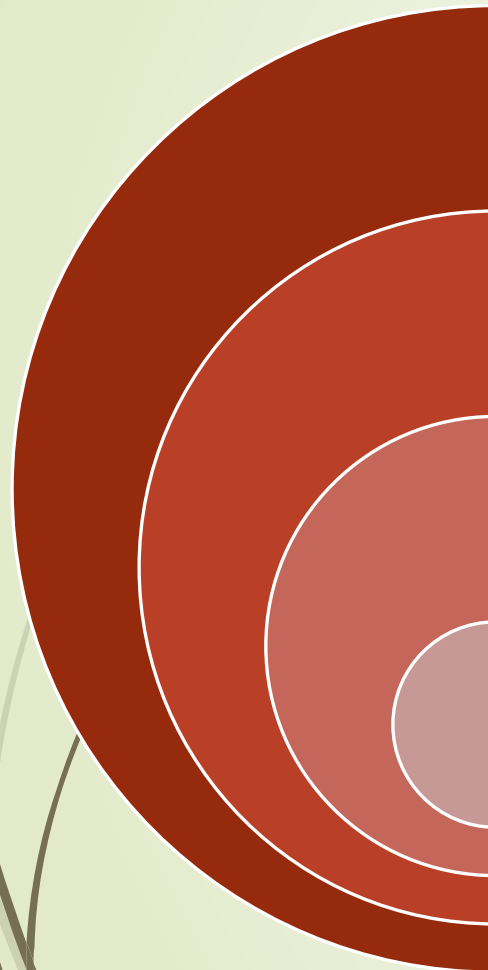
KIT =Kitchen Infrastructure
and Training Grant

Certificated Salaries	176,135	6.25% Increase for NTA Intervention Teachers
Classified Salaries	1,677	
Benefits	105,024	NTA Salary and H&W Increase Intervention Teachers
Books and Supplies	31,157	~4 Classroom Projectors ~Kitchen Equipment Purchased with the KIT Grant
Other Service & Operating Expenses	71,093	Superintendent Search, Field trips, Insurance Expense (AB218) and Building Maintenance
Capital Outlay and Other Outgo	(58,892)	Kitchen Storeroom Air Conditioner – Moved to Food Service Fund Reduced Loan Payments
Total Increase in Expenses	326,194	

2022-23 NES and NCS Second Interim Estimated Ending Fund Balance

	NES	NCS	Total
Revenue	3,712,681	3,632,055	7,344,736
Expenses	(4,239,495)	(3,103,713)	(7,343,208)
Transfer In/Out	(4,450)	(45,550)	(50,000)
Excess/(Deficit)	(531,264)	482,792	(48,472)
Beginning Fund Balance	2,693,985	157,786	2,851,771
Ending Fund Balance	2,162,721	640,578	2,803,299

Components Of Ending Fund Balance



Committed	<ul style="list-style-type: none">• An ending fund balance that sets aside funds for a specific reason with at board resolution. These funds can only be released by board resolution.
Restricted	<ul style="list-style-type: none">• Carryover balances from restricted or categorical programs that can only be used for designated purposes
Reserve for Economic Uncertainty	State established minimum reserves based on the local agency's average daily attendance
Assigned	<ul style="list-style-type: none">• Local programs and other funds designated for specific purposes that are routine in nature

2022-2023
Second Interim
Ending
Fund
Balance
Allocation

REU = 15% of NES & NCS's Expenses
Excludes Transfers Out

\$1,101,481

REU=Reserve for Economic
Uncertainty- NES is 5%

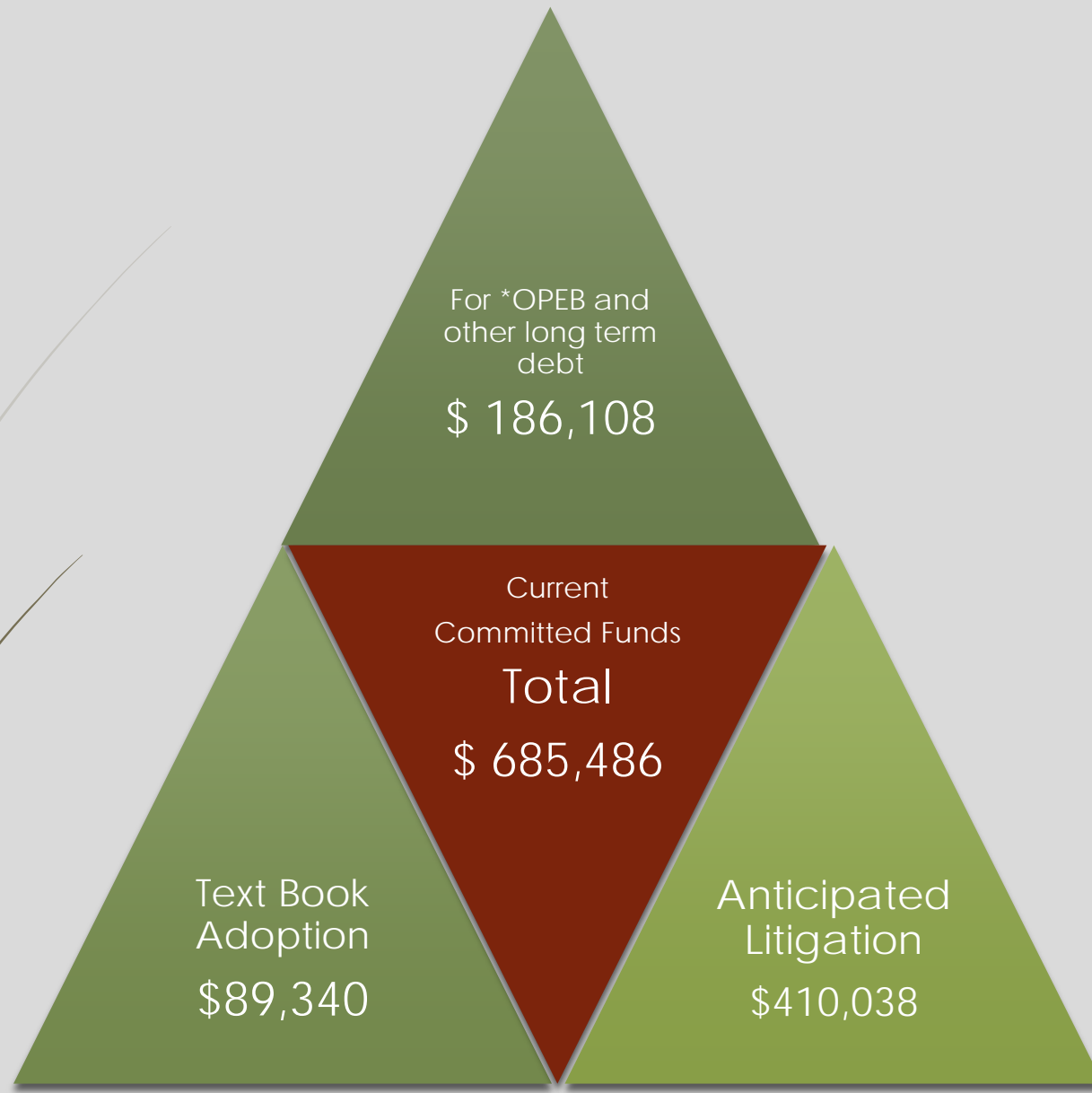
	NES/NCS
REU 5% - State Mandated	214,475
REU Add 10% NES and NCS	887,006
Restricted	654,565
Committed	685,486
Chrome Book Ins	3,950
PTC Donation	376
Sports - Field Trips	21,167
Library Funds	8,427
22-23 Unsettled Negotiations	154,000
Music Donations	7,696
Reserve for Classroom Tech	30,000
Enrichment	18,586
Future Textbook Adoption	50,000
Revolving Cash	700
Towards Future Deficits	51,750
Certificated Salaries <i>Lottery and EPA</i>	15,115
Total	2,803,299



Total Estimated
Ending Fund
Balance
2,803,299

March 8, 2023

2022-23 Second Interim
Budget



**Estimated
Committed
Funds
Balance**

Resolutions 9,10 & 11 - 20/21



CATEGORICAL FUNDS

Categorical Funding and A Summary Of Qualified Uses

(This is a small example of uses and not the extensive list of qualified expenditures)

ESSER III- One Time- Federal Elementary & Secondary School Emergency Supplemental Appropriations Act 2021

- Activities to address the unique needs of targeted schools
- Personal Protective Equipment, supplies to sanitize, summer learning and supplemental after school programs
- Learning loss, tracking attendance, school facility repairs
- Provide principals and other school leaders with the resources necessary to address the unique needs of their individual schools

ELO-G- One Time-State & Federal (AKA AB 86) Expanded Learning Opportunities Grant

- Extend instructional learning time
- Accelerating progress to close learning gaps with tutoring , learning recovery programs, and educator training
- Additional academic services for pupils, such as diagnostic, progress monitoring and benchmark assessments of pupil learning
- Training for school staff on strategies, in addressing pupils' social emotional health needs and academic needs

ELO-P-Ongoing-State NES \$50,000 NCS \$50,000

- Funding to provide afterschool, before school and summer school enrichment programs for all students but the focus is on low income, English learners and foster youth
- Can be used to partner with community organizations

Categorical Funding and A Summary Of Qualified Uses

(This is a small example of uses and not the extensive list of qualified expenditures)

One Time-State Educator Effectiveness Grant

- Coaching and mentoring of staff serving in an instructional setting
- Programs that lead to effective, standards-aligned instructions in all subjects
- Practices and strategies that reengage pupils and lead to accelerated learning
- Professional Development for teachers, administrators and classified staff that interact with pupils

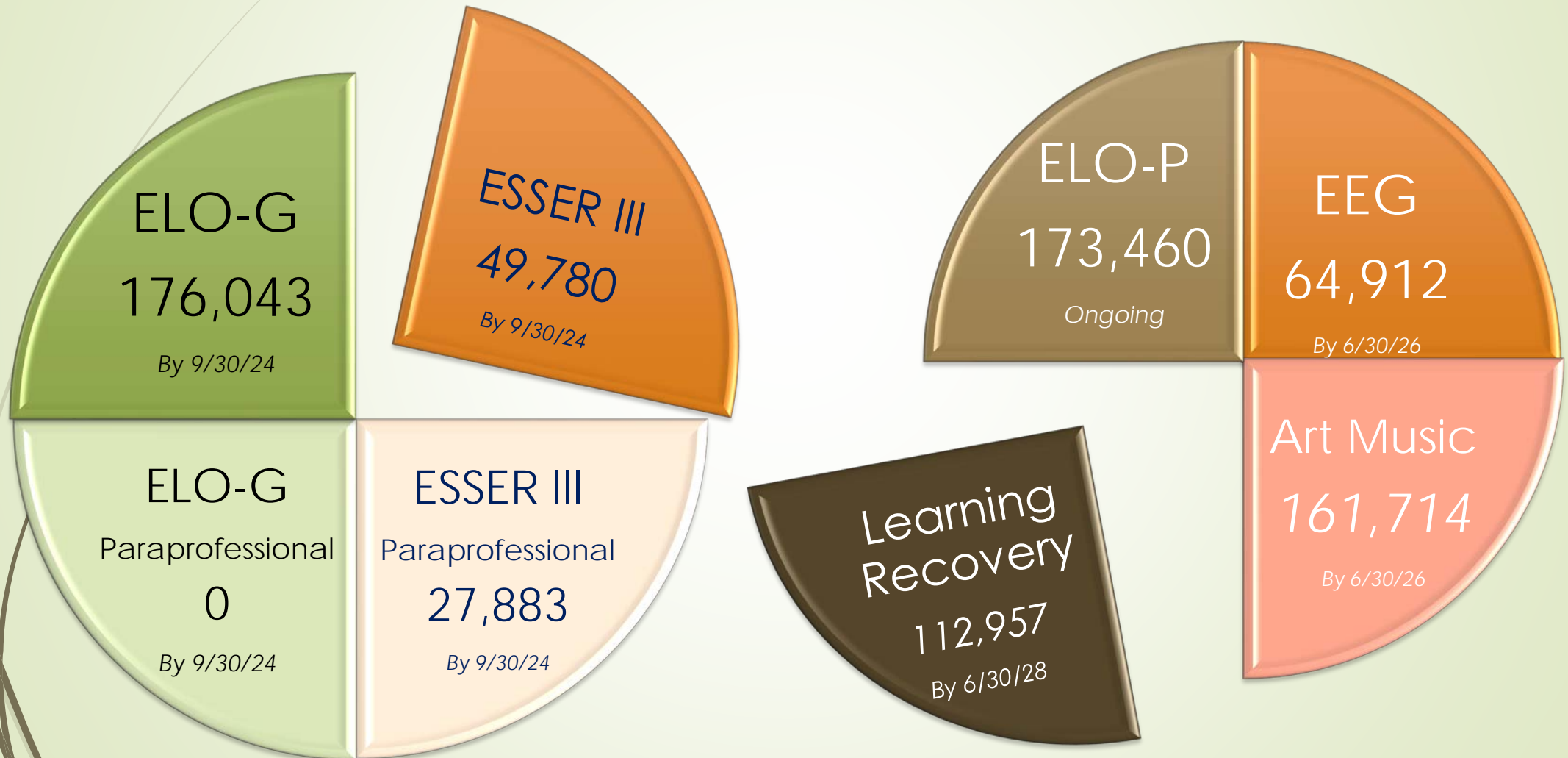
One Time - State Arts, Music, Instructional Materials Discretionary Block Grant

- Instructional materials and professional development in Visual and performing arts, math, science, language arts, financial literacy, computer science and history
- Improving school climate
- Operational costs including but not limited to retirement and health care costs
- Ventilation upgrades to keep pupils safe from COVID 19

One Time – State Learning Recovery Emergency Block Grant

- Instructional learning time for 2022-23 to 2027-28 school years by increasing the number of days or minutes
- Accelerating Progress to close learning gaps with tutoring, learning recovery programs, early intervention, expanding learning opportunities
- Pupil support to address barriers to learning and staff supports and training
- Academic services for pupils such as diagnostic, progress monitoring and benchmark assessments.

Newcastle Elementary and Charter School Categorical Funds Balances as of 2/13/23





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

Multi Year Projection Budget Components

Average Daily Attendance	22-23	23-24	24-25
	479 NES Funded 170 Actual is 143	455 NES Funded 159 Actual 144	453 NES Funded 151 Actual 151

LCFF Revenue Projected COLA		
22-23	23-24	24-25
6.56% +6.7% Base Augmentation	8.13% 2.75% Increase	3.54% .48% Decrease

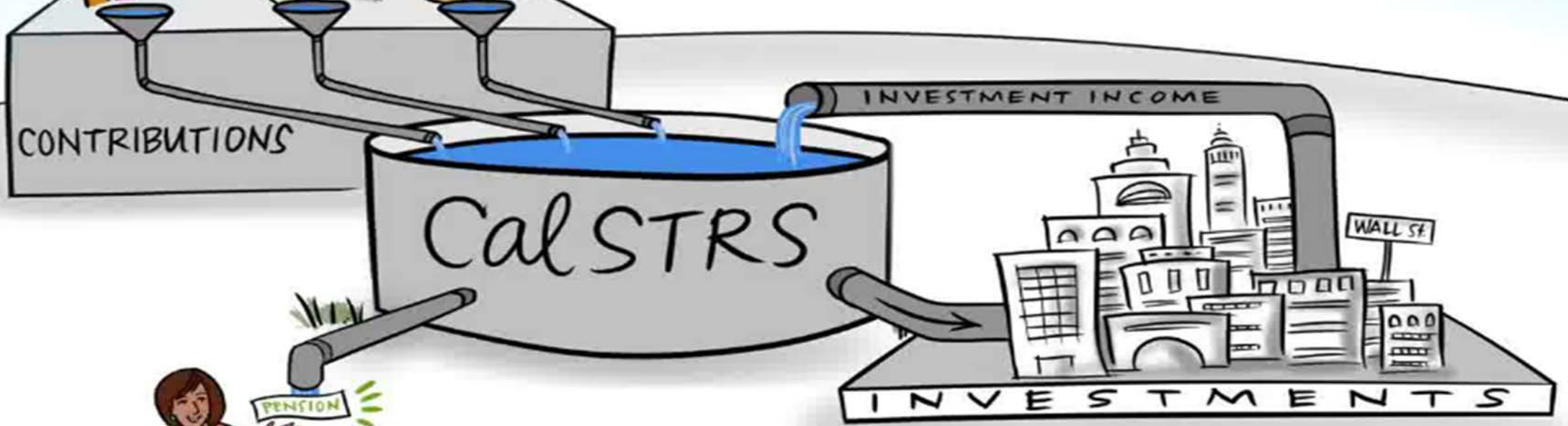
Other Revenue – Per ADA	
Lottery Unrestricted	Lottery Restricted
\$170	\$67

Retirement	22-23	23-24	24-25
STRS	19.10%	19.10%	19.10%
PERS	25.37%	27.00%	28.10%

Salary Step and Column Projection		
	23-24	24-25
Certificated	1.13 %	1.23 %
Classified	2.25 %	2.15 %

10.25% See Chart 8.3%

TEACHERS' & ADMINISTRATORS' PAY SCHOOL DISTRICTS' BUDGETS STATE of CA GENERAL FUND



Retirement	22-23	23-24	24-25
STRS	19.10%	19.10%	19.10%
PERS	25.37%	27.00%	28.10%

Retirement Contributions

NES/NCS Multi Year Projections

	2022/2023	2023/2024	2024/2025
Revenue and Transfer In	7,344,736	6,707,277	6,894,351
Expenses and Transfer Out	7,393,208	6,928,583	6,964,884
Excess/ (Deficit)	(48,472)	(221,306)	(70,533)
Beg Fund Balance	2,851,771	2,803,299	2,581,993
Ending Fund Balance	2,803,299	2,581,993	2,511,460
Committed	685,486	680,736	201,440
Restricted/ Nonspendable	655,265	404,386	419,084
Assigned	361,067	457,583	846,053
Reserves	1,101,481	1,039,288	1,044,883
*Percent Reserve	*15%	15%	15%

NEWCASTLE ELEMENTARY SCHOOL DISTRICT



OTHER FUNDS AND LONG TERM DEBT

Kitchen Infrastructure Grant

\$25,000



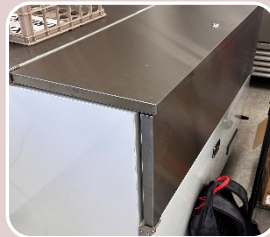
Warmer
Oven



Stand
Mixer



Can
Opener



2 Milk
Coolers



Work
Table



4 Steel
Carts



Breakfast
Cart

OTHER FUNDS

2022-2023	Beginning Fund Balance	Est. Net Change	Ending Fund Balance
Food Service	166,494	172,687	339,181

Deferred Maintenance	214,340	129,600	343,940
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2022-23 Deferred Maintenance Expenses to Date			
Driveway Repair	2,275	Playground Bark	6,836
Goats Fire Mitigation	11,536	Playground Curbing	4,760
Solar Panel Cleaning	1,367	Pond Leak	450
Debris Box	748	District Office Blinds	1,512
Plaque Installation	1,200	½ HRCC Tree Removal	3,250
NESD HVAC Repair	3,616	HRCC HVAC Repair	2,278
Onorato HVAC Repair	7,944	600 Building Lights	5,175
As of 3/7/23		Total	52,947



Knights Café Team

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2022-2023	Beginning Fund Balance	Est. Net Change	Ending Fund Balance
Capital Facilities	90,144	21,600	111,744
Developer Fees are currently being used for improvements to the grassy field on the lower campus for additional outdoor learning space.			

Capital Outlay	435,437	(29,330)	406,107
Interest Earned		4,000	
<u>Expense</u>			
Upper Campus Generator		33,330	





2022-2023	Beginning Fund Balance	Est. Net Change	Ending Fund Balance
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County School Facilities	1,045,585	1,045,306	279
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Expenses To Date:	Interest Earned : \$ 5,668		
Capital One 2014 Lease	\$ 304,784		
Capital One 2016 Lease	\$ 596,735		
Deferred Maintenance Fund	\$ 149,455		

OTHER FUNDS

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	2,656,560	1,052,715	Last Payment 9/30/46 2.8% Interest
*SWS Loan – Facility Repairs	0	0	Last Payment 10/2029 4.15 % Interest
*Capitol Public Finance Prop 39 Supplement	0	0	Last Payment 4/2033 3.15%
Total	2,656,560	1,052,715	3,709,275

Other Post Employment Benefits (OPEB)	Potential L/T Expense	2022-2023 Payment	Committed in Fund Balance
	197,092	10,984	186,108

March 8, 2023

Multi Year Long Term Debt Payments

	2022/2023	2023/2024	2024/2025
Placer County Treasury Kentucky Greens Property	148,471	148,471	148,471
*SWS Loan Facility Repairs	24,623	0	0
*Capitol One Finance Prop 39 Supplement Loan	28,074	0	0
*OPEB Other Post Employment Benefits	10,984	4,750	4,750
Total	212,152	153,221	153,221

What is next.....?

- ▶ May Revision of Governor's Budget
- ▶ June – The 2023-2024 budget and LCAP hearing and adoption
- ▶ September 15th Unaudited Actuals which will close out the 2022-23 Year.

LCAP – Local Control Accountability Plan



The End...

Any Questions

Thank
you !!

