



2022-2023

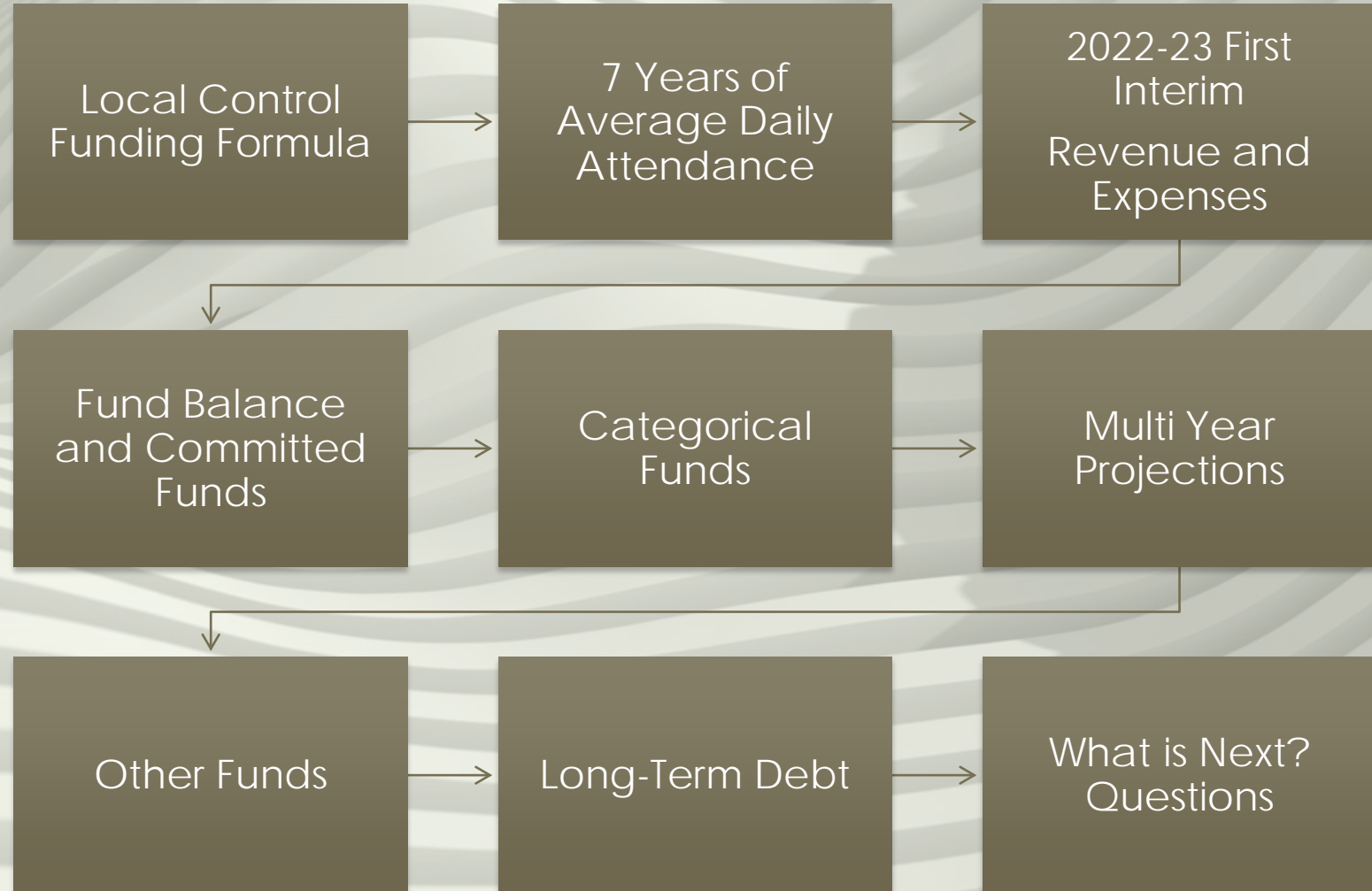
Newcastle Elementary School District

First Interim Budget

PRESENTED TO THE BOARD OF
TRUSTEES ON

DECEMBER 14, 2022

First Interim Journey...

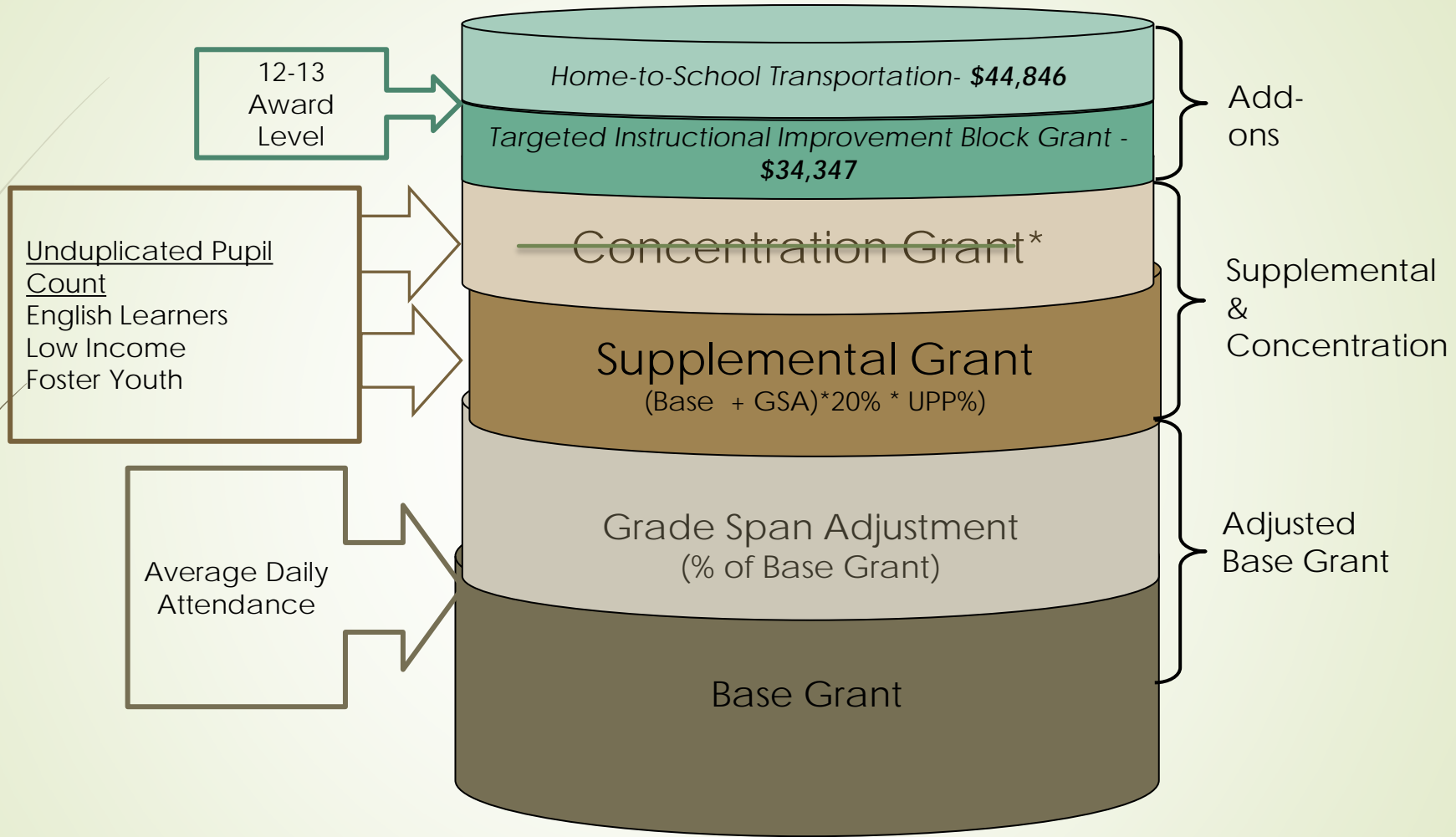


December 14, 2022



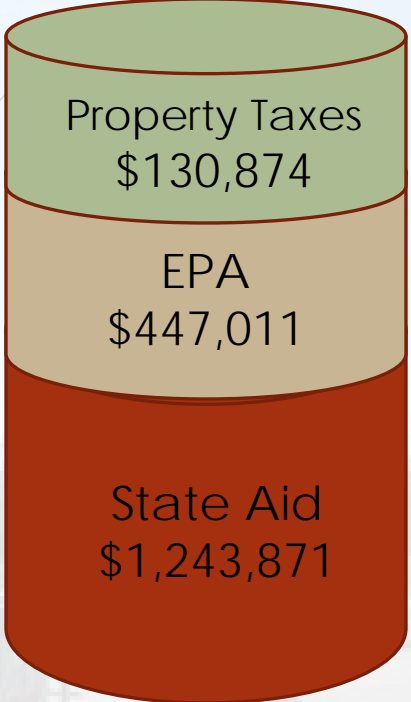
Local Control Funding Formula (LCFF)

Local Control Funding Formula- Newcastle Elementary School



*Unduplicated Pupil Percentage (UPP) must be above 55% to receive Concentration Grant funding

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



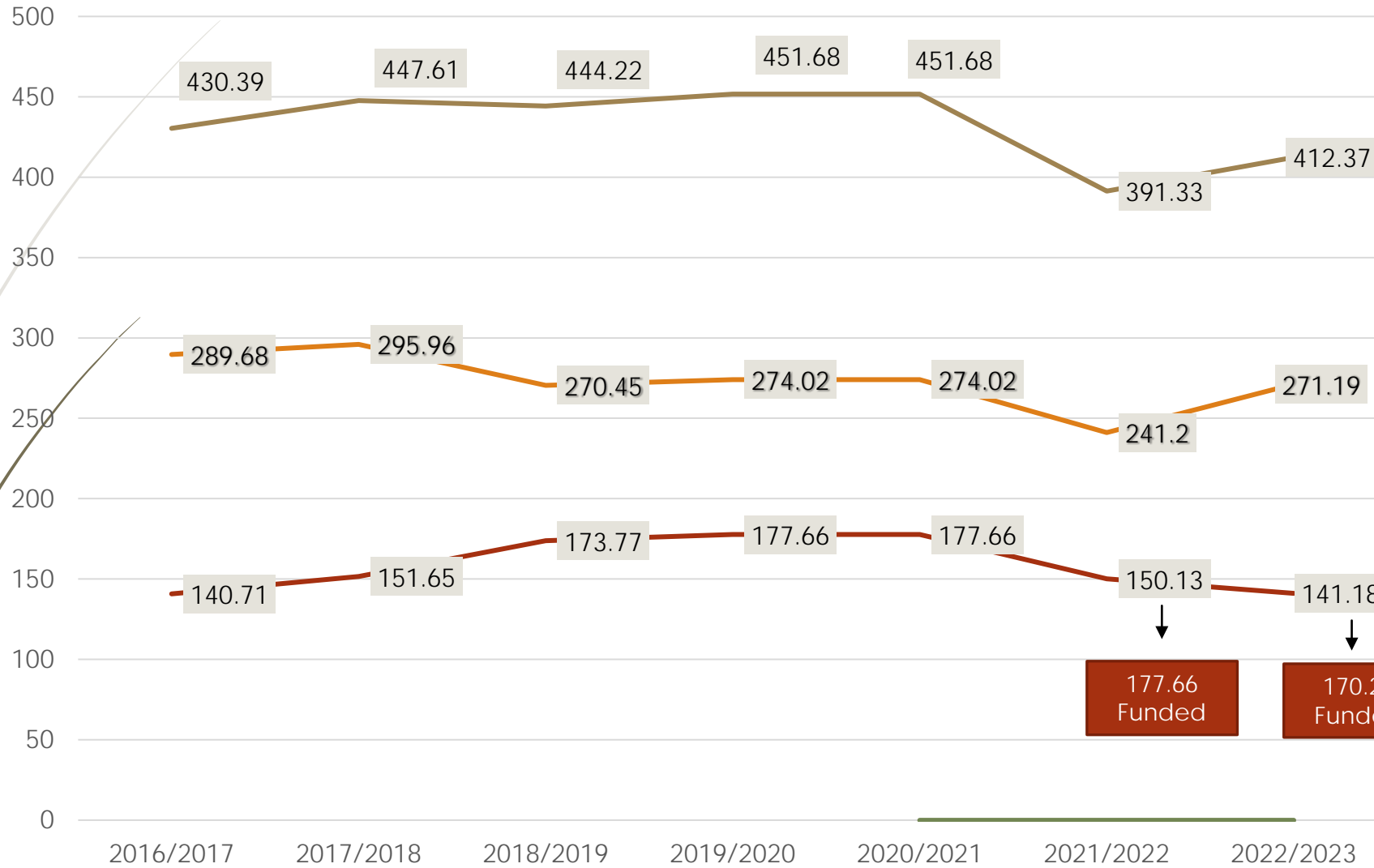
**Newcastle Elementary
LCFF Revenue**

\$1,821,756

EPA – Education Protection Act

Newcastle Elementary and Newcastle Charter Schools

SEVEN YEARS OF AVERAGE DAILY ATTENDANCE (ADA)



2/3 of enrollment comes from Newcastle Charter

177.66
Funded

170.20
Funded



NEWCASTLE ELEMENTARY SCHOOL DISTRICT REVENUE AND EXPENSES

Some Relevant Terms

Mandated Costs Block Grant

- Payments for the implementation and facilitating government mandates based on a per ADA amount.

STRS On-Behalf

- School Districts must recognize contributions made by The State of California to CalSTRS on behalf of school districts for their employees
- Entry to Revenue and Expense

UPP Unduplicated Pupil Percentage

- This drives the amount of supplemental funding the district receives in the LCFF calculation. It is an unduplicated count of low income, English learners and foster youth

2022-2023 First Interim Budget Components of Projected Revenue

Changes to these components will change the projections

| Funded Average Daily Attendance (ADA) | | |
|---------------------------------------|------------|---------------|
| | Budget | First Interim |
| NES | 169 | 170 |
| NCS | <u>303</u> | <u>271</u> |
| | 472 | 441 |

| Unduplicated Pupil Percentage (UPP) | | | |
|-------------------------------------|--------|-----|--------|
| NES | 23.62% | NCS | 23.13% |

| 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 |

2022–2023 First Interim Revenue

| | NES | NCS | Total | Notes |
|-----------------|------------------|------------------|------------------|--|
| General Purpose | 1,842,234 | 2,656,074 | 4,498,308 | State Aid EPA Property Taxes |
| Federal | 207,766 | 0 | 207,766 | Title I & II Fed SPED |
| State | 711,690 | 599,111 | 1,310,801 | Lottery Mandated Costs *STRS on Behalf State SPED |
| Local | 824,932 | 1,000 | 825,932 | Oversight Fees Billbacks SPED-Interest |
| Total | 3,586,622 | 3,256,185 | 6,842,807 | |

EPA = Education Protection Act

SPED= Special Education

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

STRS= State Teachers Retirement System

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.**

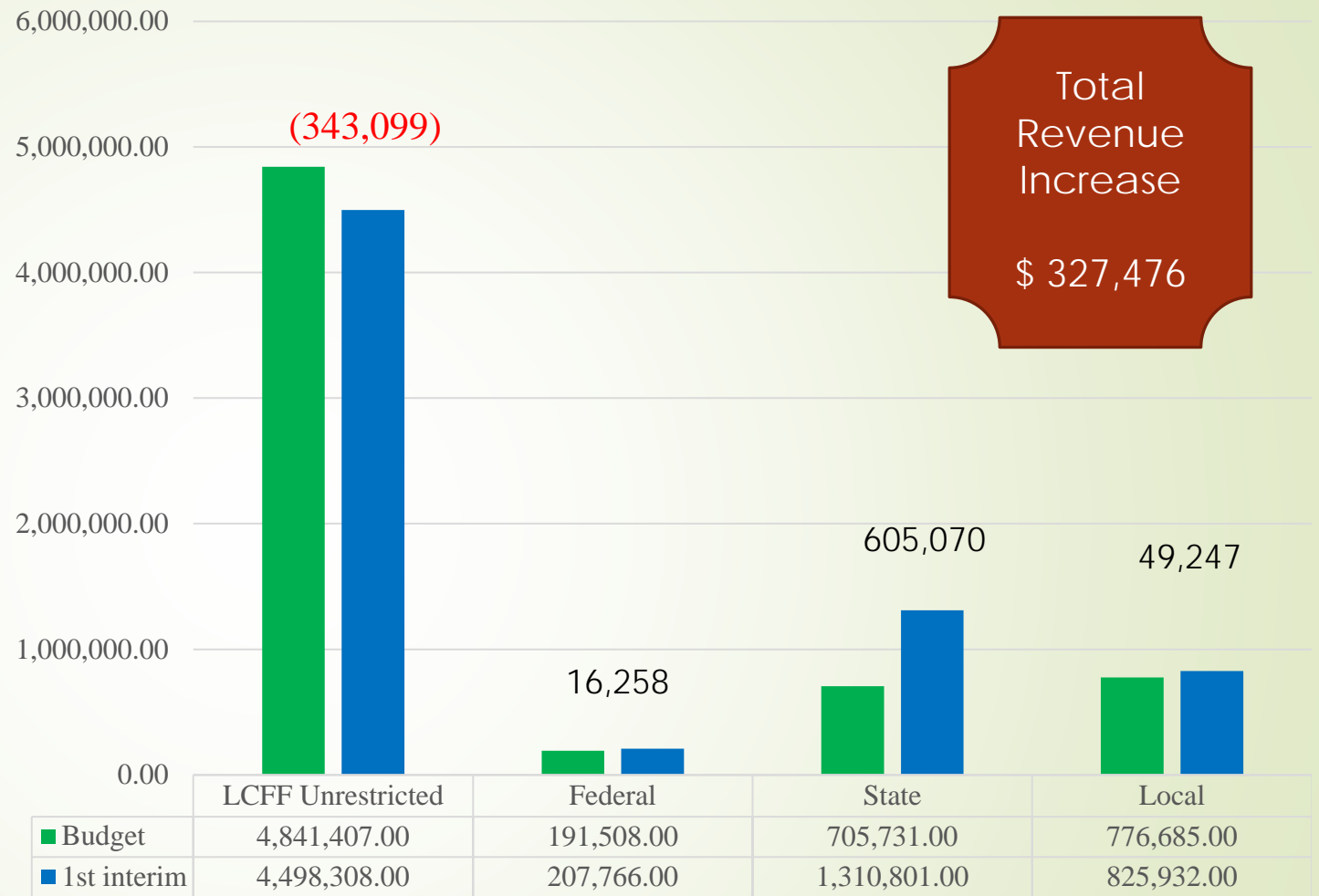
| Fund | Beginning Balance | Budgeted Revenue | Budgeted Exp Teacher Salary and Benefits | Ending Balance |
|--------------------------|-------------------|------------------|--|----------------|
| Newcastle Elementary | \$106,050 | \$447,011 | \$446,984 | \$106,077 |
| Newcastle Charter School | \$0 | \$732,729 | \$732,729 | \$0 |



Newcastle Elementary and Charter School

2022-2023

Budget vs. First Interim Revenue



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

| | Variance | Notes |
|---------|-----------|--|
| LCFF | (343,099) | Change in NCS ADA |
| Federal | 16,258 | Deferred Revenue |
| State | 605,070 | Learning Recovery Emergency Block Grant Art, Music and IM Discretionary Grant |
| Local | 49,247 | Increase to Special Education Allocation |
| Total | 327,476 | |

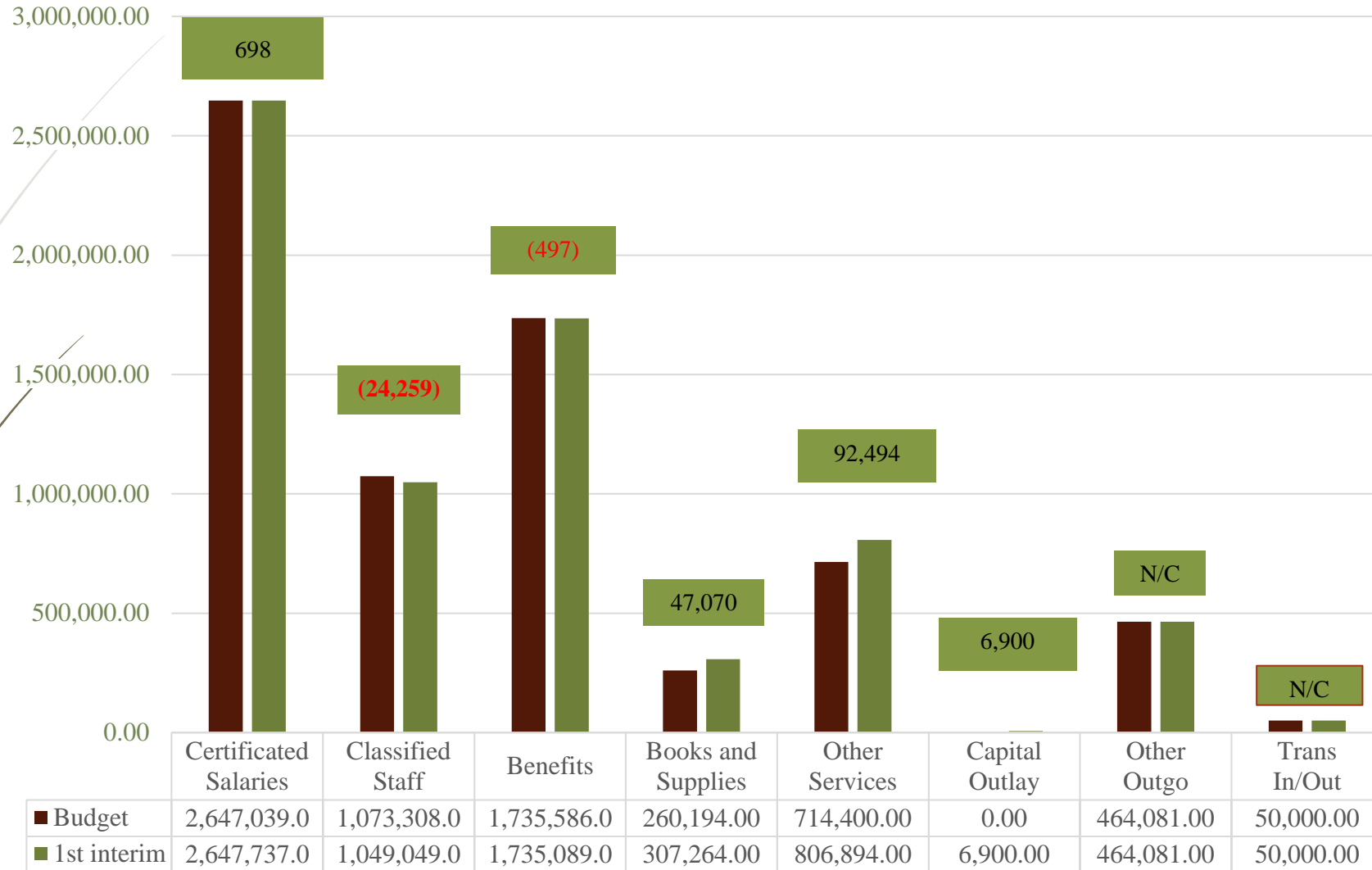
IM= Instructional Material

December 14, 2022

Newcastle Elementary and Charter School 2022-2023 First Interim Expenses

| | NES | NCS | Total | Notes |
|--------------------------------|------------------|------------------|------------------|---|
| Certificated Salaries | 1,387,563 | 1,260,174 | 2,647,737 | Salaries and Benefits represent 78% of expenses |
| Classified Salaries | 768,281 | 280,768 | 1,049,049 | |
| Benefits | 1,033,568 | 701,521 | *1,735,089 | |
| Books & Supplies | 233,078 | 74,186 | 307,264 | |
| Other Operating Services | 311,818 | 495,076 | 806,894 | Outside services and utilities |
| Other Outgo/ Capitol Outlay | 352,126 | 118,855 | 470,981 | Long term debt |
| Trans In/Out | 4,450 | 45,550 | 50,000 | Def Main & NCS Facility Trans |
| Total Expenses | 4,086,434 | 2,930,580 | 7,017,014 | |

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



December 14, 2022

2022-23 First Interim Budget

Newcastle Elementary and Charter School

2022-2023

First Interim

Expenditure


Variances

| | | |
|------------------------------------|----------|--|
| Certificated Salaries | 698 | |
| Classified Salaries | (24,259) | SPED Aide Salary Moved to Services |
| Benefits | (497) | |
| Books and Supplies | 47,070 | Safety and Technology Equipment |
| Other Service & Operating Expenses | 92,494 | SPED Aide From Classified Salaries SPED Learning Recovery |
| Capital Outlay | 6,900 | Kitchen Store Room Air Conditioner -Kitchen Infrastructure Grant |
| Total Increase in Expenses | 122,406 | |

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

| | NES | NCS | Total |
|------------------------|-----------|-----------|-----------|
| Revenue | 3,256,185 | 3,586,622 | 6,842,807 |
| Expenses | 4,086,434 | 2,930,580 | 7,017,014 |
| Transfer Out | 4,450 | 45,550 | (50,000) |
| Excess/(Deficit) | (504,262) | 280,055 | (224,207) |
| Beginning Fund Balance | 2,693,985 | 157,786 | 2,851,771 |
| Ending Fund Balance | 2,189,723 | 437,841 | 2,627,564 |

Some More Relevant Terms



| | |
|--------------------------------------|--|
| Committed Fund Balance | <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. |
| OPEB- Other Post Employment Benefits | <ul style="list-style-type: none">• The benefit cap amount committed for retired employees. There are currently 2 retirees and 2 current employee that are eligible |
| Step and Column | <ul style="list-style-type: none">• Most employees automatically receive a raise every fiscal year by step and column movement on the salary schedule. It is usually between 2.5% - 5% |

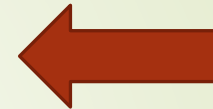
**2022-2023
First Interim
Ending
Fund
Balance
Allocation**

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

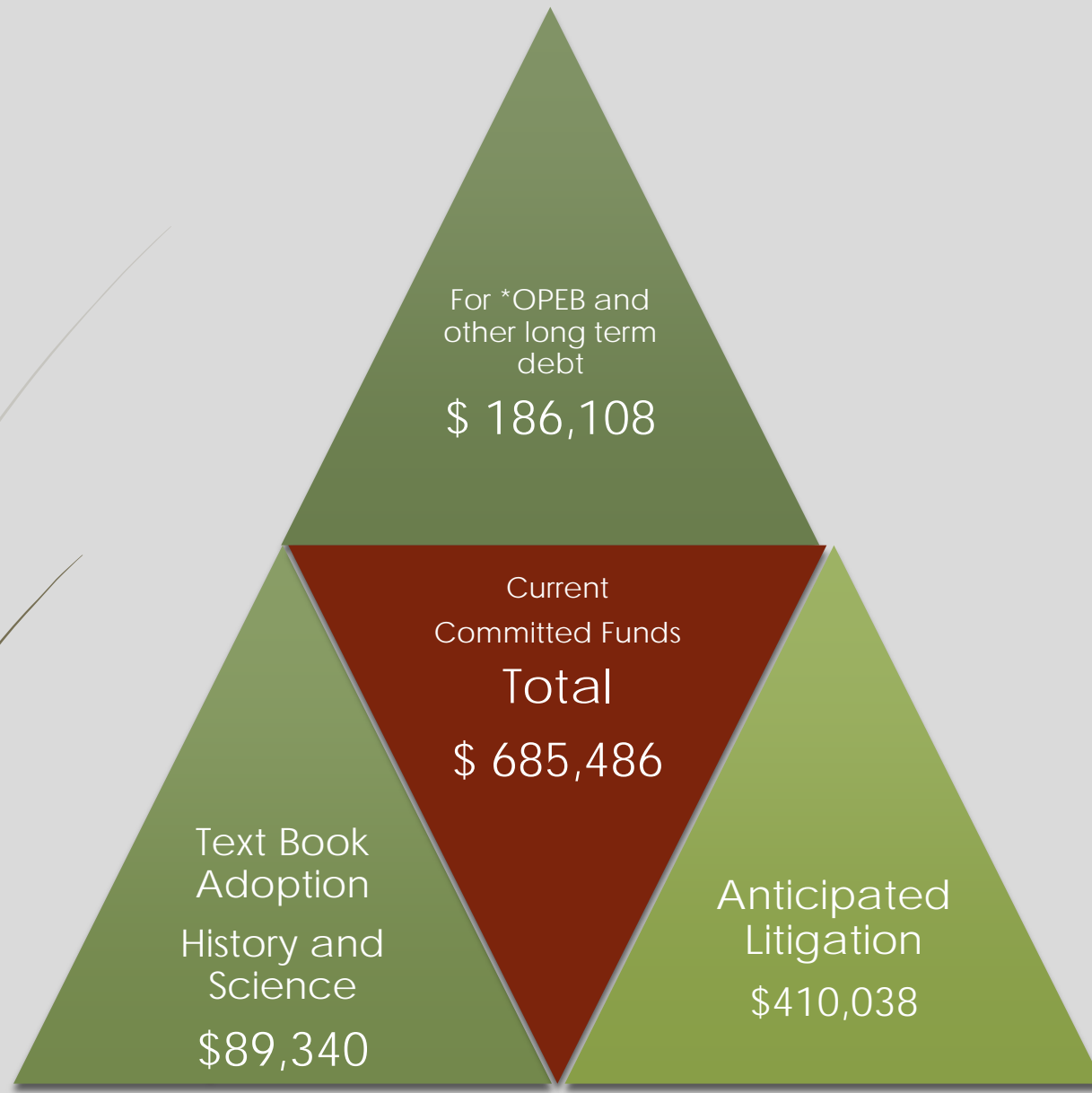
1,052,552

REU=Reserve for Economic Uncertainty

| | NES/NCS |
|----------------------------|------------------|
| REU 5% | 204,322 |
| REU Add 10% NES and NCS | 848,230 |
| Restricted | 727,471 |
| Committed | 685,486 |
| Chrome Book Ins | 3,905 |
| PTC Donation | 3,926 |
| Sports - Field Trips | 26,290 |
| Library Funds | 3,287 |
| Stem Donations | 0 |
| Music Donations | 7,696 |
| Reserve for Classroom Tech | 30,000 |
| Enrichment | 15,306 |
| Next Textbook Adoption | 50,000 |
| Revolving Cash | 700 |
| Towards Future Deficits | 20,945 |
| Total | 2,627,564 |



**Total Estimated
Ending Fund
Balance
2,627,564**



**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 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)

EEG – 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 12/13/22





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

Multi Year Projection Budget Components

| Average Daily Attendance | 22-23 | 23-24 | 24-25 |
|--------------------------|-------|-------|-------|
| | 441 | 427 | 422 |

| LCFF Revenue Projected COLA | | |
|----------------------------------|-------|-------|
| 22-23 | 23-24 | 24-25 |
| 6.56% +6.7% Base Augmentation | 5.38% | 4.02% |

| 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% | 25.20% | 24.60% |

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

NES/NCS Multi Year Projections

| | 2022/2023 | 2023/2024 | 2024/2025 |
|---------------------------|-----------|-----------|-----------|
| Revenue and Transfer In | 6,842,807 | 6,336,734 | 6,413,709 |
| Expenses and Transfer Out | 7,067,014 | 6,561,050 | 6,641,792 |
| Excess/ (Deficit) | (224,207) | (224,316) | (228,083) |
| Beg Fund Balance | 2,851,771 | 2,627,564 | 2,403,248 |
| Ending Fund Balance | 2,627,564 | 2,403,248 | 2,175,165 |
| Committed | 685,486 | 680,736 | 200,740 |
| Restricted/ Nonspendable | 728,171 | 447,920 | 192,352 |
| Assigned | 161,355 | 290,434 | 785,804 |
| Reserves | 1,052,552 | 984,158 | 996,269 |
| *Percent Reserve | 15% | 15% | 15% |

NEWCASTLE ELEMENTARY SCHOOL DISTRICT



OTHER FUNDS AND LONG TERM DEBT

OTHER FUNDS

| 2022-2023 | Beginning Fund Balance | Est. Net Change | Ending Fund Balance |
|--------------|------------------------|-----------------|---------------------|
| Food Service | 168,676 | 166,494 | 355,170 |

| | | | |
|----------------------|---------|---------|---------|
| Deferred Maintenance | 214,340 | (8,256) | 206,084 |
|----------------------|---------|---------|---------|

22-23 Deferred Maintenance Expenses To Date

| | | | |
|------------------------|----------|-------------------|----------|
| Driveway Repair | \$ 2,275 | Playground Bark | \$ 6,837 |
| Fire Mitigation- Goats | \$11,536 | Curbing | \$ 4,760 |
| Solar Panel Cleaning | \$ 1,367 | Pond Leak | \$ 450 |
| Debris Box | \$ 748 | Blinds | \$ 1,512 |
| Install Plaques | \$ 1,200 | Tree Removal | \$ 3,250 |
| NESD HVAC Repair | \$ 3,616 | HRCC/Onorato HVAC | \$ 4,239 |



New Breakfast Cart

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S**

| 2022-2023 | Beginning Fund Balance | Est. Net Change | Ending Fund Balance |
|---|------------------------|-----------------|---------------------|
| Capital Facilities | 90,144 | 22,700 | 112,844 |
| 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 | (32,430) | 403,007 |
| Upper Campus Generator | | \$33,330 | |





| 2022-2023 | Beginning Fund Balance | Est. Net Change | Ending Fund Balance |
|-----------|------------------------|-----------------|---------------------|
|-----------|------------------------|-----------------|---------------------|

| | | | |
|--------------------------|-----------|-------|-----------|
| County School Facilities | 1,045,585 | 3,000 | 1,048,585 |
|--------------------------|-----------|-------|-----------|

This may change pending board approval of Resolution 4-22/23

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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 | 316,847 | 55,110 | Last Payment 10/2029 4.15 % Interest |
| *Capitol Public Finance Prop 39 Supplement | 603,892 | 124,209 | Last Payment 4/2033 3.15% |
| Total | 3,577,299 | 1,232,034 | 4,809,333 |

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

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 | 49,620 | 49,620 | 49,619 |
| *Capitol One Finance Prop 39 Supplement Loan | 53,988 | 56,147 | 58,393 |
| *OPEB Other Post Employment Benefits | 10,984 | 4,750 | 4,750 |
| Total | 263,063 | 258,988 | 261,233 |

**This may change pending board approval of Resolution 4-22/23*

What is next.....?

- January – Release of the 2023-24 Governor's Budget
- 2nd Interim March 15th – Expenses up to January 3, 2023
- May Revision of Governor's Budget
- June – The 2023-2024 budget and LCAP hearing and adoption

LCAP – Local Control Accountability Plan

New Warmer



The End...

Any Questions



Thank
you !!