



Overview of 2024-25 Governor's Proposed State Budget

February 8, 2024

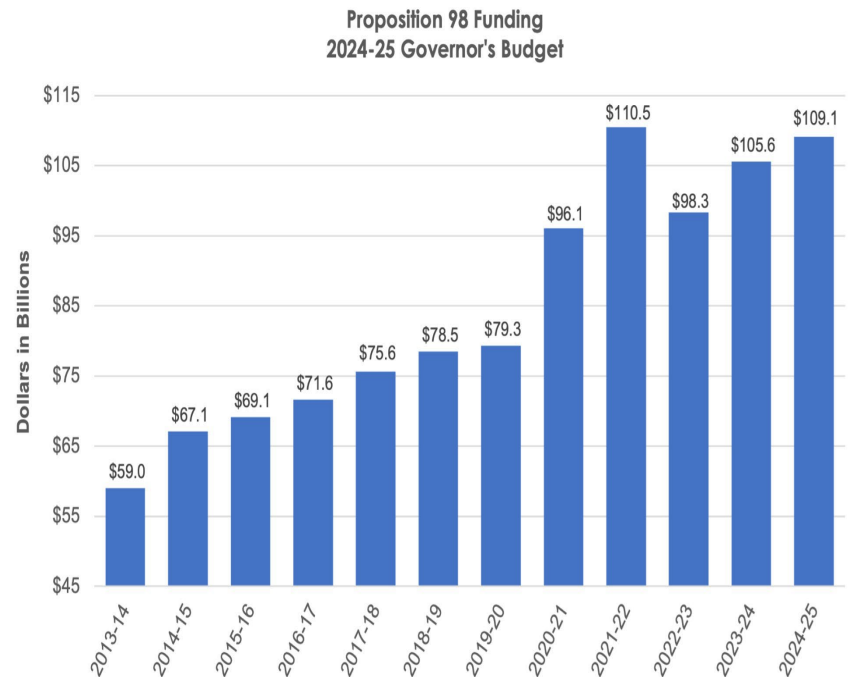
Overview of Governor's 2024- 25 State Budget



Projected state General Fund budget of \$208.7 billion, with a \$37.9 billion budget shortfall

Prop. 98 guarantee of \$109.1 billion, representing a decrease of \$11.3 billion over the three - year period relative to the 2023 - 24 Budget Act

0.76% COLA for LCFF and Categorical programs



Source: California Department of Education

Overview of Governor's 2024- 25 State Budget



Closing the budget deficit gap

Governor proposes to make up projected deficit with the following actions:

- \$13.1 billion from reserves, including \$5.7 billion from the Public School System Stabilization Account
- \$8.5 billion in reductions, mostly in climate and housing initiatives
- \$5.7 billion in internal state borrowing
- \$5.1 billion in budget delays

The Legislative Analyst's Office projects a larger budget problem that may require additional cuts, withdrawals or delays.

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* Public School System Savings Account (PSSSA):
Prop. 98 Reserve



Deposits

Required when the state projects capital gains revenue exceed 8% of total General Fund revenue AND Test 1 is operative

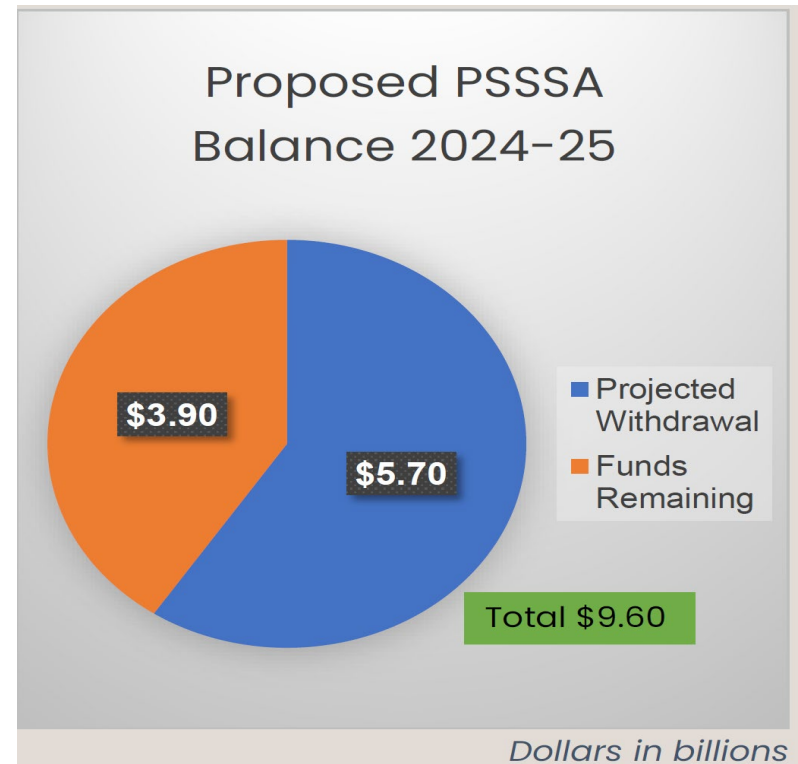
May be suspended if the Governor declares a budget emergency

Withdrawals

Required when the Prop. 98 guarantee is below the prior year funding level, as adjusted for student attendance and inflation

Permitted when the Governor declares a budget emergency

There is no limit on the amount of funds that can be withdrawn at one time



Source: California Department of Education

*Approved by voters in 2014 as Proposition 2

Overview of Governor's 2024- 25 State Budget



Ongoing State Investments planned to continue into the next fiscal year

Universal Transitional Kindergarten

\$330 million to expand TK to children born September 2 – June 2

\$220 million to fund a 12:1 student to teacher ratio

Arts and Music in Schools (Prop. 28)

\$931 million in General Fund re-benched to Prop. 98

Special Education

Maintains \$3.5 billion in ongoing investments

Expanded Learning Opportunities Program

Maintains \$4 billion in ongoing annual investments

Zero Emission School Buses Grant Program

Maintains \$500 million one-time Prop. 98 funding

These are not “new” programs for 2024- 25

Overview of Governor's 2024- 25 State Budget

Ongoing State Investments – Increased Funding



Universal School Meals

\$122.2 million ongoing increase

California State Preschool Program and Child Care

\$2.1 billion to fund 146,000 new subsidized child care slots

Screening of Dyslexia and Reading Difficulties

\$25 million ongoing for training through the K-12 Mandate Block Grant

Cradle to Career Data System

\$5 million increase

Homeless Education Technical Assistance Centers

\$1.5 million increase

These are not “new” programs for 2024- 25

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Proposed Delays and Reductions Impacting Schools

School Facilities Program

Decrease of \$500 million to planned investment

CA Preschool, TK and Full Day Kindergarten Facilities Grant Program

Delays planned \$550 million investment to 2025- 26

Extreme Heat and Community Resilience Program

\$40.1 million reduction and shifts additional \$70 million to federal

Greenhouse Gas Reduction Fund (GGRF) and delays funds to 2024 - 25

Urban Greening

Shifts \$23.8 million to Greenhouse Gas Reduction Fund and delays to
2024 - 25

Homeless Education Technical Assistance Centers

\$1.5 million increase

Preschool Inclusion Grants

Delays \$10 million until 2026- 27

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Proposed New Policies and Funding



Instructional Continuity

- Allows LEAs to claim attendance recovery time for ADA and chronic absenteeism reporting

- Require LEAs to provide remote/hybrid instruction or support to enroll a neighboring LEA for emergency closures of 5 days or more

- Encourage LEAs to provide remote/hybrid for students who are unable to attend school

Learning Recovery Emergency Block Grant

- Changes allowed for use for unexpected allocated funds to address the needs of students most impacted by learning loss

Math Coaching

- \$20 million in one- time funding for County Offices of Education to provide training and development for math coaches

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Proposed New Policies and Funding



Curriculum- Embedded Performance Tasks for Science

\$7 million in one- time funding to support inquiry - based instruction and assessment

Career Technical Education for Elementary Arts & Music Teachers

Directs the Commission on Teacher Credentialing to create a new Elementary Arts and Music Education Education authorization for elementary grades in addition to grades 7- 12

Children and Youth Behavioral Health Initiative Wellness Coaches

\$9.5 million, increasing to \$78 million in 2027- 28 to establish the wellness coach benefit in Medi- Cal starting January 1, 2025

Establish an Inclusive College Technical Assistance Center

Streamline Educator Workforce Pipeline

Develop Master Plan for Career Education

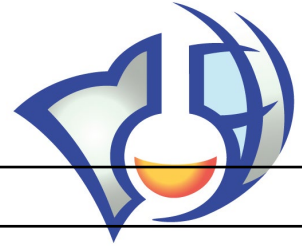
Magnolia Public Schools Priorities



Current and proposed programs

- Staff Compensation – Base Salaries, extra pay, etc
- Other Employee Benefits - Health Benefits, 403b plan, etc.
- Investment in Facilities – MSA 1 Jam Bldg , MSA 2, MSA 5
- Expansion into new areas – OC Initiative
- Investment in Community Outreach – Community Schools Program
- New Grant Programs - Children and Youth Behavioral Health Initiative, School Workforce Program, Cal Hope, Middle and Early College Grant, Joseph Drown etc.)
- Partnerships with other organizations – Charter School Growth Fund

Cost of Living Adjustment - Overview



Historical Cost of Living Adjustments and Compensation Changes

	State Funded COLA	MPS Increase
2020 - 21	0.00%	Base Annual Salary Range (\$48,000 - \$50,000)
2021- 22	2.70%	Base Annual Salary Range (\$49,000 - \$52,000)
2022 - 23	6.56%	Base Annual Salary Range (\$57,000)
2023 - 24	8.22%	Base Annual Salary Range (\$59,000 - \$61,000)

The projected Cost of Living Adjustment has decreased based on current projections

	Previous Projection	Governor's Jan Proposal	Difference
2024 - 25 COLA	3.94%	0.76%	- 3.18%
2025 - 26 COLA	3.29%	2.73%	- 0.56%
2026 - 27 COLA	3.19%	3.11%	- 0.08%

Due to lower projected COLA for 2024-25, MPS will have to carefully evaluate proposed compensation for each site for the upcoming school year

Magnolia Public Schools – 2024 Planning



Next Steps for This Year

- **Enrollment Projections** – Evaluate upcoming enrollment projections, identify Academic Goals and align compensation accordingly
- **Staffing** - Review current staffing ratio by site; plan for next year as noted above
- **Books, Supplies & Services** – Evaluate all existing and make adjustments based on needs
- **Employee Benefits** – Evaluate existing benefits plans and make recommendations accordingly
- **New Revenue Streams and Partnerships**– Identify various sources of grant, philanthropic and other revenues and incorporate into budget projections