



2022-23 Preliminary Budget

Governing Board Meeting – May 12, 2022

Erin Lillibridge, FCMAT Intervention Specialist

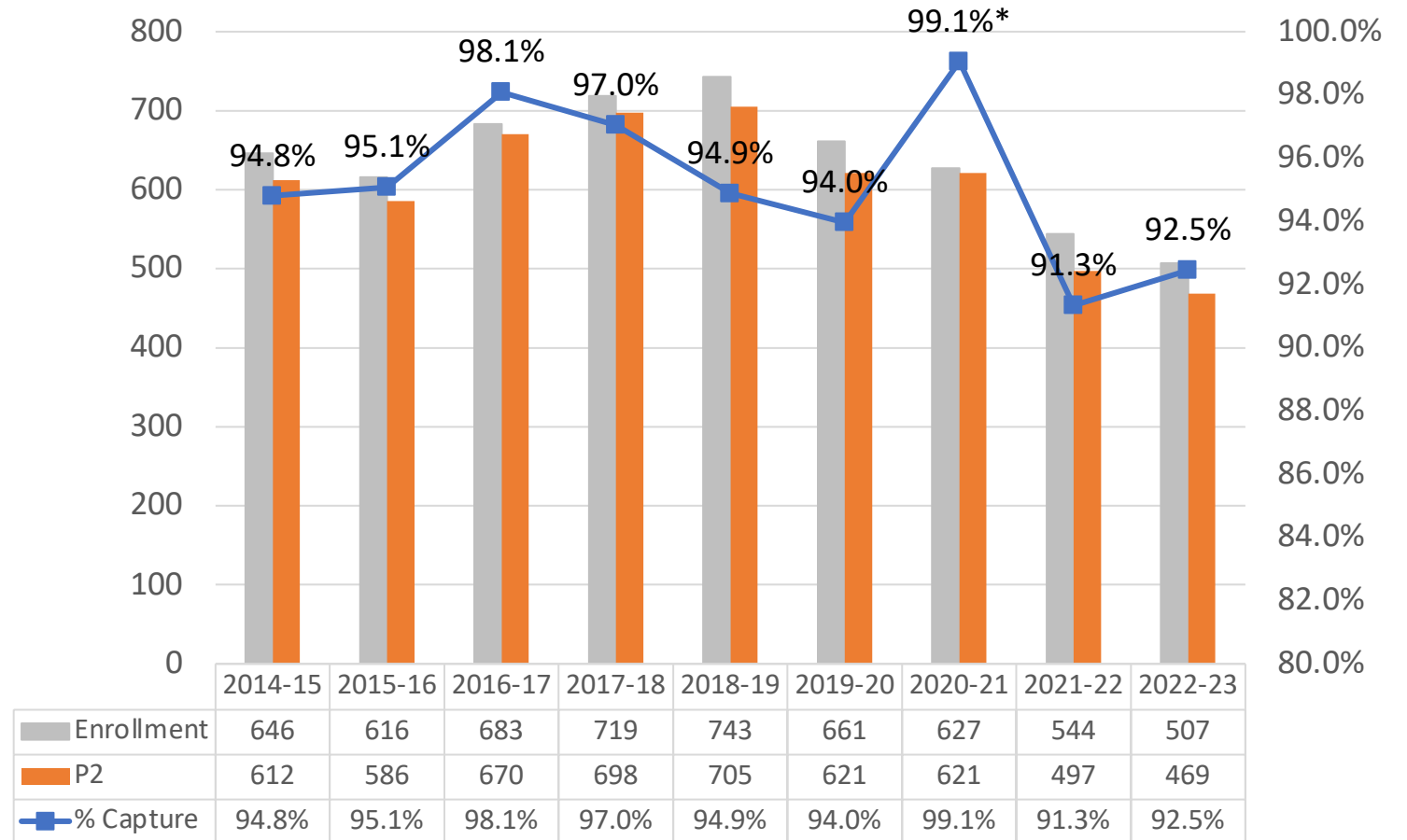
Historical Enrollment & Attendance

Since 2018-19, the school's enrollment has declined by more than 26.7% to a total of 544 in 2021-22.

For funding purposes, the preliminary budget assumes an enrollment of 507 students in 2022-23, based on registrations as of April 28, 2022.

Assuming an attendance capture rate of 92.5%, the resulting average daily attendance (ADA) estimate in the preliminary budget is 468.75.

*As a result of school closures in response to the COVID-19 pandemic, the state funded schools in 2020-21 at 2019-20 ADA levels, thereby artificially inflating the capture rate for that year.



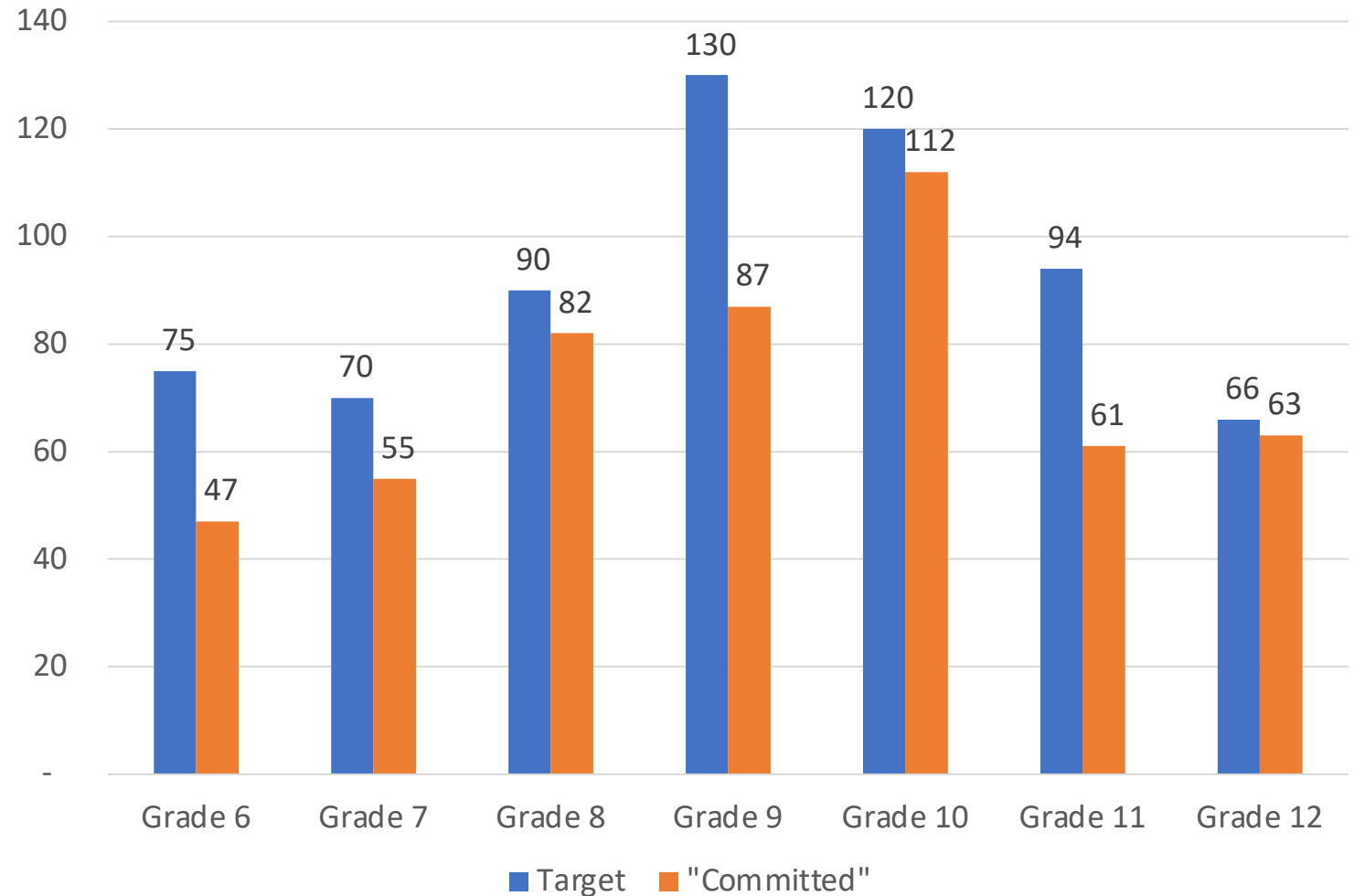
2022-23: Enrollment, by Grade Level

The chart compares the current number of students committed to attend in 2022-23 to the school's target enrollment by grade level.

The school's leadership team has identified the target enrollment as the ideal student count to support both the middle and high school programs.

"Committed" students include those currently enrolled that have yet to formally confirm enrollment for next year. As of April 28, 2022, the school has identified 507 students committed to attend next year, or 78.6% of the 645 total enrollment target.

Grades 6 and 9 have the most spaces available, with only 62.7% and 66.9% of grade enrollment committed respectively.



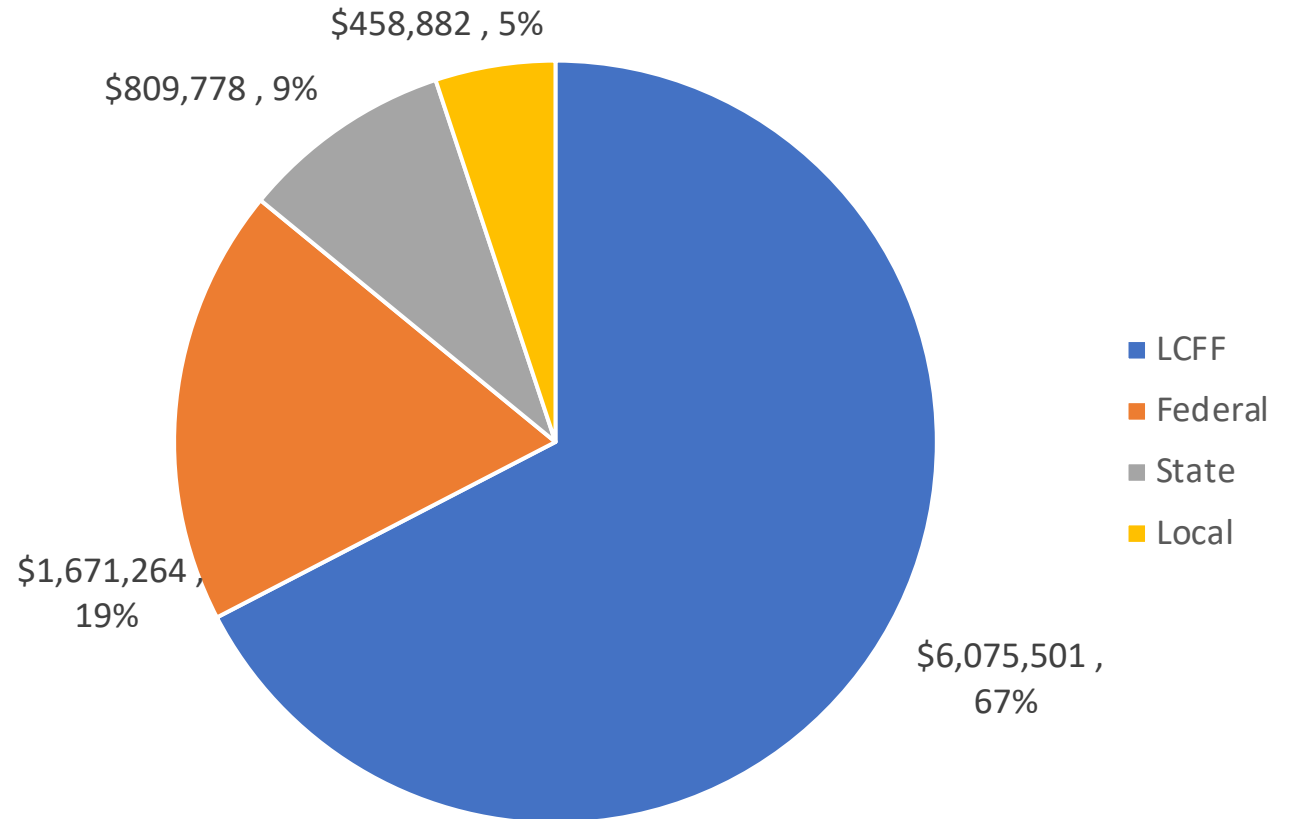
2022-23: Revenues, by Major Source

The preliminary budget relies heavily on both state and federal funding sources, with the state Local Control Funding Formula (LCFF) comprising most of budgeted funds at 67% of total revenues. The LCFF is also the school's primary source of unrestricted revenues available for any expenditure purpose.

Of the restricted revenues included in the 2022-23 preliminary budget, 34% or \$1.0 million are available on a one-time basis, including the Elementary and Secondary School Emergency Relief Fund III (ESSER III) and Expanded Learning Opportunities Grant.

The budget also assumes continuing support from the California National Guard at the current level of \$290,000.

Total Revenues = \$9,015,425



Budget Assumptions: LCFF, year-to-year changes

The school's LCFF revenues are projected to remain flat. The cost-of-living adjustment (COLA) applied to the per pupil grant amounts will be offset almost equally by a reduction from the expected enrollment decline of 37 students from the current year.

The preliminary budget assumes the following factors for the LCFF calculation:

- 5.33% COLA on 2021-22 grant rates (Governor's Budget estimate)
- 80.6% UPC* for supplemental grant
- 76.7% UPC for concentration grant (capped at the higher of Oakland Unified or the school, using Oakland Unified's percentage in 2021-22 and 2022-23)
- ADA based on budget year estimate

LCFF Source	2021-22 Estimated	2022-23 Preliminary	Change
State Aid	\$3,130,124	\$3,378,356	\$248,232
EPA	\$1,368,062	\$1,121,104	\$(246,958)
In-Lieu	\$1,576,041	\$1,576,041	\$--
PY Adj	\$(9,308)	\$--	\$9,308
TOTAL	\$6,064,919	\$6,075,501	\$10,582

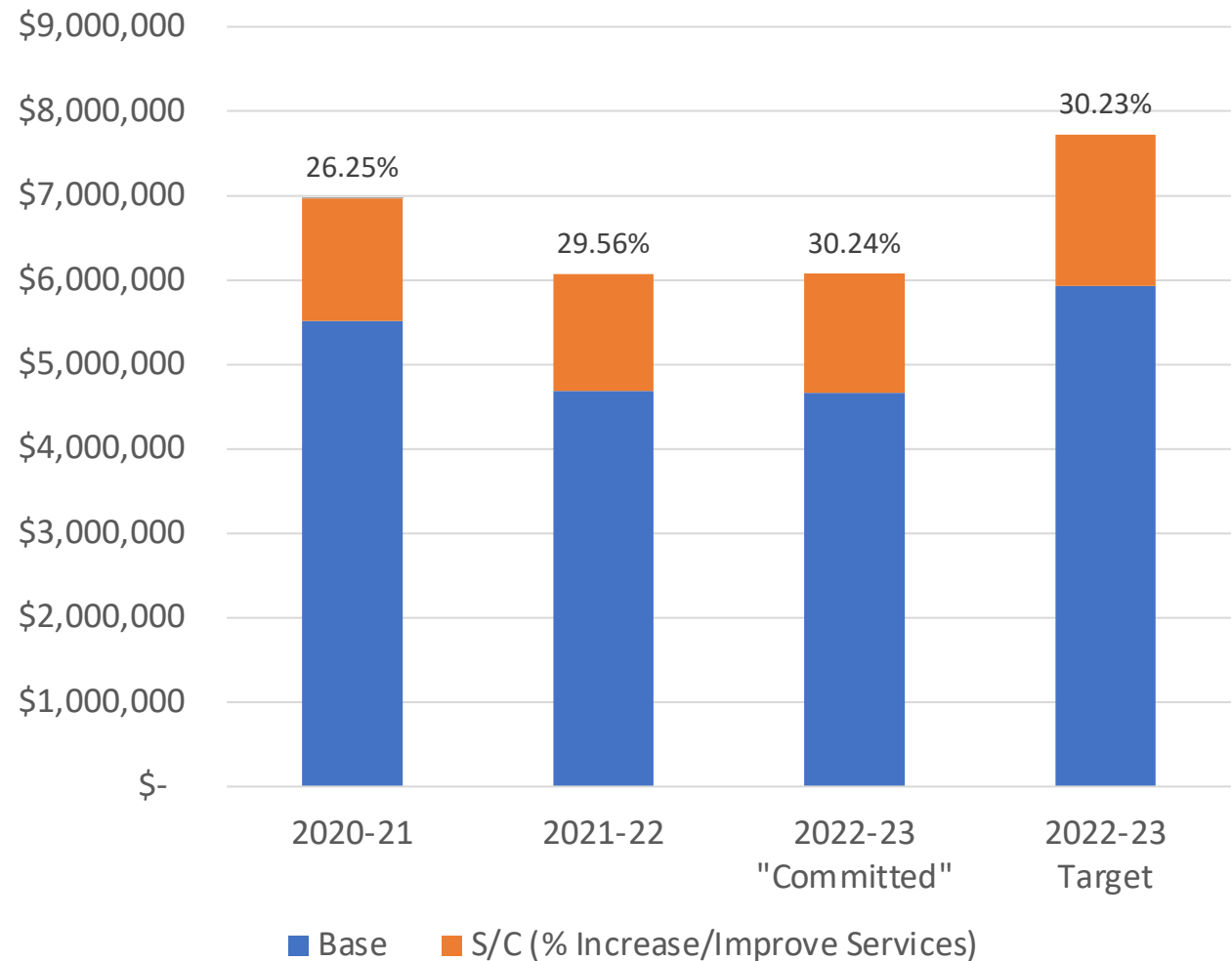
*UPC = Unduplicated Pupil Count (English learners, foster youth, low-income students)

Budget Assumptions: LCFF, year-to-year changes

LCFF supplemental and concentration (S/C) grant funding is allocated for use through the school's Local Control Accountability Plan (LCAP) and must be directed to increasing or improving services for those students generating the funds (English learners, foster youth, free-and-reduced price-meal eligible students). The school expects to generate \$1.410 million in S/C grant funds in 2022-23, an increase from the current year \$1.385 million.

Overall, the LCFF entitlement is expected to remain flat, or increase by only \$1,274.

The LCFF funding difference between the school's target and committed enrollment as of April 28, 2022, is \$1.648 million.



Budget Assumptions: Federal Revenue, year-to-year changes

Except for the nutrition program, which allocates funds on a reimbursement basis, all federal revenues in the preliminary budget are earned as expended, meaning the income total will match the projected expenditures total. Unspent funds may be carried forward and recognized as revenue in a subsequent fiscal year depending on program rules.

The preliminary budget includes the following one-time federal funds: Elementary and Secondary School Emergency Relief Fund III (ESSER III) and Expanded Learning Opportunities Grant (ELOG). An additional \$793,534 in ESSER III funds have not been included and remain available for expenditure until 2024.

The 2022-23 budget also includes the following ongoing programs that are generally spent in the year apportioned: Title I/II/III and Special Education. Estimates for these programs have been adjusted to remove one-time or carryover balances.

Program	2021-22 Estimated	2022-23 Preliminary	Change
Title I/II/IV*	\$257,872	\$231,808	\$(26,064)
ESSER II/III	\$1,082,405	\$793,533	\$(288,872)
ELOG	\$--	\$219,763	\$219,763
Special Education	\$87,536	\$76,160	\$(11,376)
Nutrition	\$376,683	\$350,000	\$(26,683)
TOTAL	\$1,804,496	\$1,671,264	\$(133,232)

* Anticipate 10% cut in Title programs for failing to comply with maintenance of effort requirement.

Budget Assumptions: State Revenue, year-to-year changes

Lottery and mandate funding is estimated to decline due to the school's enrollment and ADA decline.

Funds for the following state programs remain available for expenditure in subsequent fiscal years:

- Educator Effectiveness Block Grant (\$71,082)
- A-G Access/Learning Loss Mitigation Grants (\$161,899)
- Expanded Learning Opportunities Grant (\$228,538)

Program	2021-22 Estimated	2022-23 Preliminary	Change
Nutrition	\$23,000	\$23,000	\$--
Mandate	\$21,428	\$19,039	\$(2,389)
Lottery	\$149,571	\$88,692	\$(60,879)
ELO-P	\$50,000	\$50,000	\$--
ASES	\$247,628	\$224,586	\$(23,042)
SB 740	\$114,461	\$114,461	\$--
Educator Effectiveness	\$123,206	\$--	\$(123,206)
A-G Req	\$161,899	\$--	\$(161,899)
IPIG	\$267,372	\$--	\$(267,372)
ELOG	\$35,528	\$--	\$(35,528)
Guard	\$290,000	\$290,000	\$--
TOTAL	\$1,484,093	\$809,778	\$(674,315)

Budget Assumptions: Local Revenue, year-to-year changes

The school participates in the El Dorado County Charter Special Education Local Plan Area for special education services and funding. Based on current per ADA and enrollment allocations, the school is expected to receive \$453,882 in state program funds in 2022-23.

Current estimates indicate special education program costs will exceed total revenue sources by \$660,039, up from \$497,792 in 2021-22. These excess expenditures will be paid from the school's available unrestricted revenues (commonly known as a "contribution" from the unrestricted general fund).

The school's Food Services Program is not expected to require a contribution of unrestricted funds.

Program	2021-22 Estimated	2022-23 Preliminary	Change
Special Education	\$509,925	\$453,882	\$(56,043)
Miscellaneous	\$6,753	\$5,000	\$(1,745)
TOTAL	\$516,678	\$458,882	\$(57,796)

2022-23: Expenditures, by Major Category

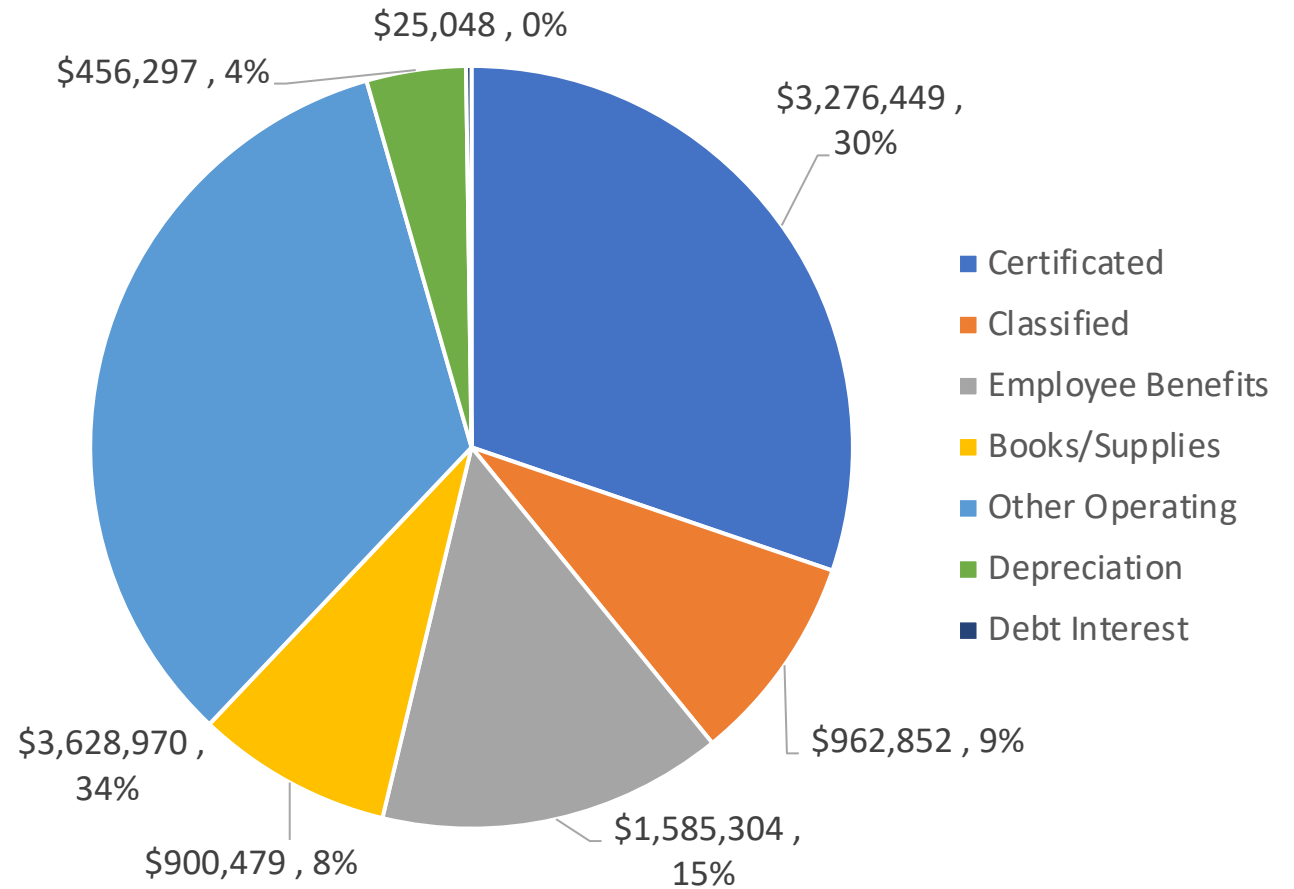
Staffing costs remain the greatest expenditure in the school's budget. Salary and benefit expenditures for certificated and classified staff are projected to total close to \$5.8 million, or 53.6% of total expenditures in 2021-22.

The percentage of the unrestricted expenditure budget allocated to salary and benefit costs is 65.4%.

Over \$870,000 in one-time restricted program funds are currently budgeted in a placeholder account (other operating category) until an expenditure plan is put in place; these funds are available to apply to the school's ongoing operational expenses.

Further information on budgeted staffing positions is detailed below.

Total Expenditures = \$10,853,399



Budget Assumptions: Expenditures, year-to-year changes

Salaries and benefits have been adjusted to reflect the following factors:

- Step and column adjustments
- Additional professional learning days (2)
- Position changes (increase Business Technician from 0.75 to 1.0 FTE, Social-Emotional Therapist from 0.5 to 1.0 FTE)
- STRS and PERS rates adjusted up (from 16.29% to 19.1% and 22.91% to 26.1%)
- Health and welfare increase at 5%
- No change to unemployment insurance or workers compensation rate

Books and supplies and other operating expenses have been budgeted based on prior year actuals and adjusted to account for one-time purchases made with COVID relief funds.

Program	2021-22 Estimated	2022-23 Preliminary	Change
Certificated Salaries	\$2,702,728	\$3,276,449	\$573,721
Classified Salaries	\$832,078	\$962,852	\$139,774
Employee Benefits	\$1,369,910	\$1,580,462	\$210,552
Books and Supplies	\$1,135,213	\$918,479	\$(216,734)
Operating / Services	\$2,757,231	\$3,628,970	\$871,739
Depreciation	\$456,297	\$456,297	\$--
Debt Interest	\$26,124	\$25,048	\$(1,076)
TOTAL	\$9,270,581	\$10,848,557	\$1,577,976

2022-23 Position Summary, Full-Time Equivalents (FTE*)

CERTIFICATED

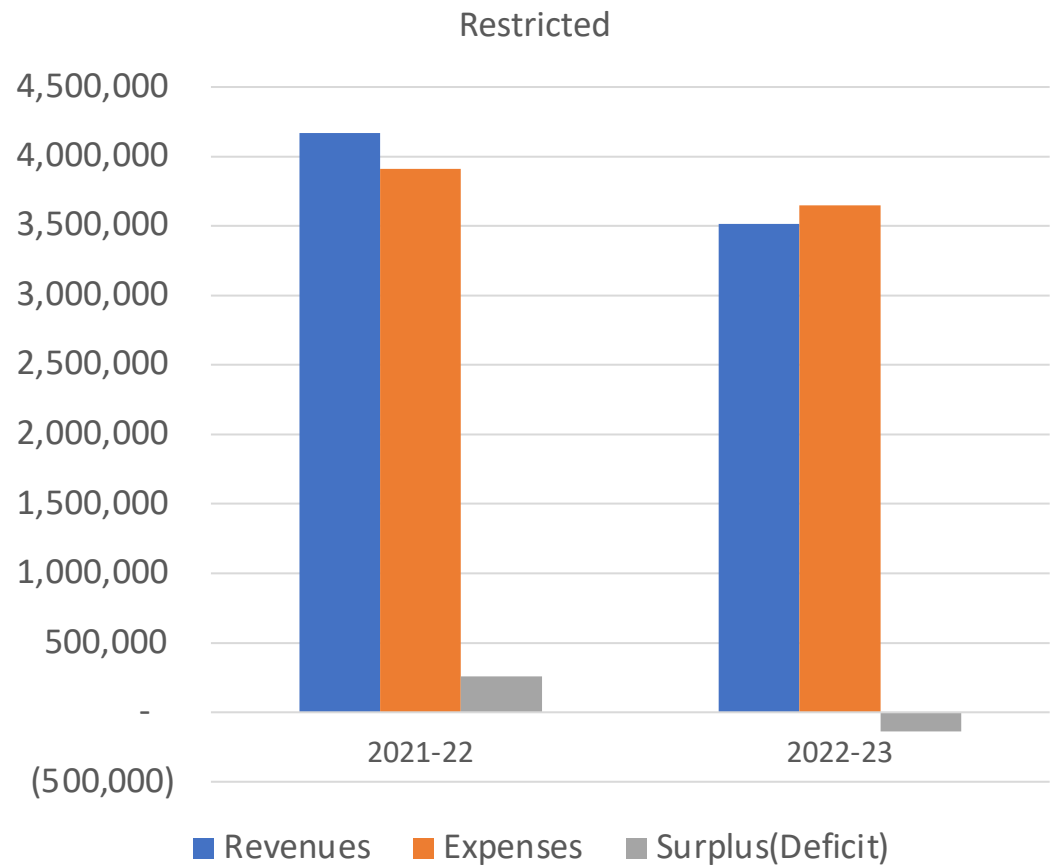
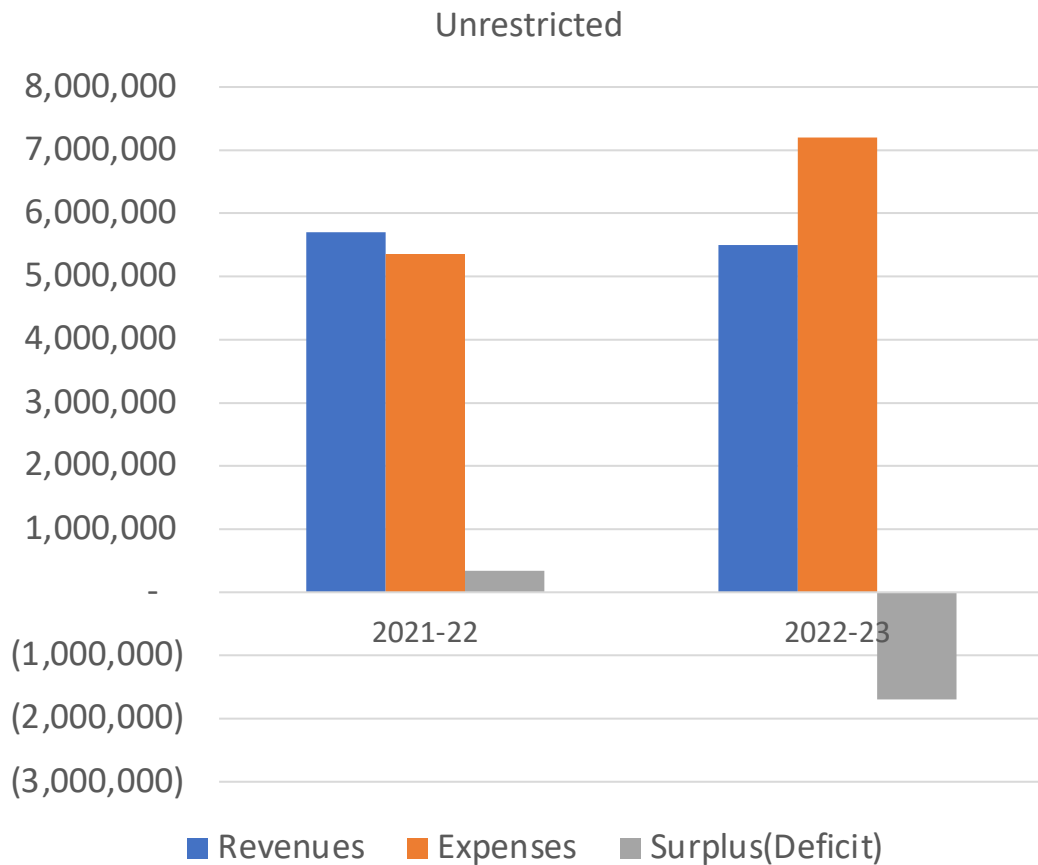
POSITION	FTE = 38.5
Chief Academic Officer (1 Vacant)	1.0000
Guidance Counselor	1.0000
Special Education Counselor	1.0000
Data/Instructional Coach	0.5000
Dual Enrollment Coordinator	1.0000
Education Specialist (1 Vacant)	4.0000
Social/Emotional Therapist (1 Vacant)	1.0000
Student Services Coordinator	1.0000
Superintendent	1.0000
Teacher (4 Vacant)	27.0000

CLASSIFIED

POSITION	FTE = 16.2813
Admin Assistant – Superintendent	1.0000
Admin Assistant – Attendance	0.5000
Business Technician (1 Vacant)	1.0000
Campus Monitor	4.0000
Custodial Technician	1.0000
English Learner Instructional Aide	0.9375
Facilities Technician	1.0000
Human Resources Manager	1.0000
Information Technology Manager	1.0000
Office Manager/Admin Assistant	1.0000
Special Education Aide (1 Vacant)	2.8438
Student Data Technician	1.0000

* Total FTE counts do not include FTE allocation from the California National Guard.

2021-22 and 2022-23: Fund Summary, by unrestricted and restricted sources



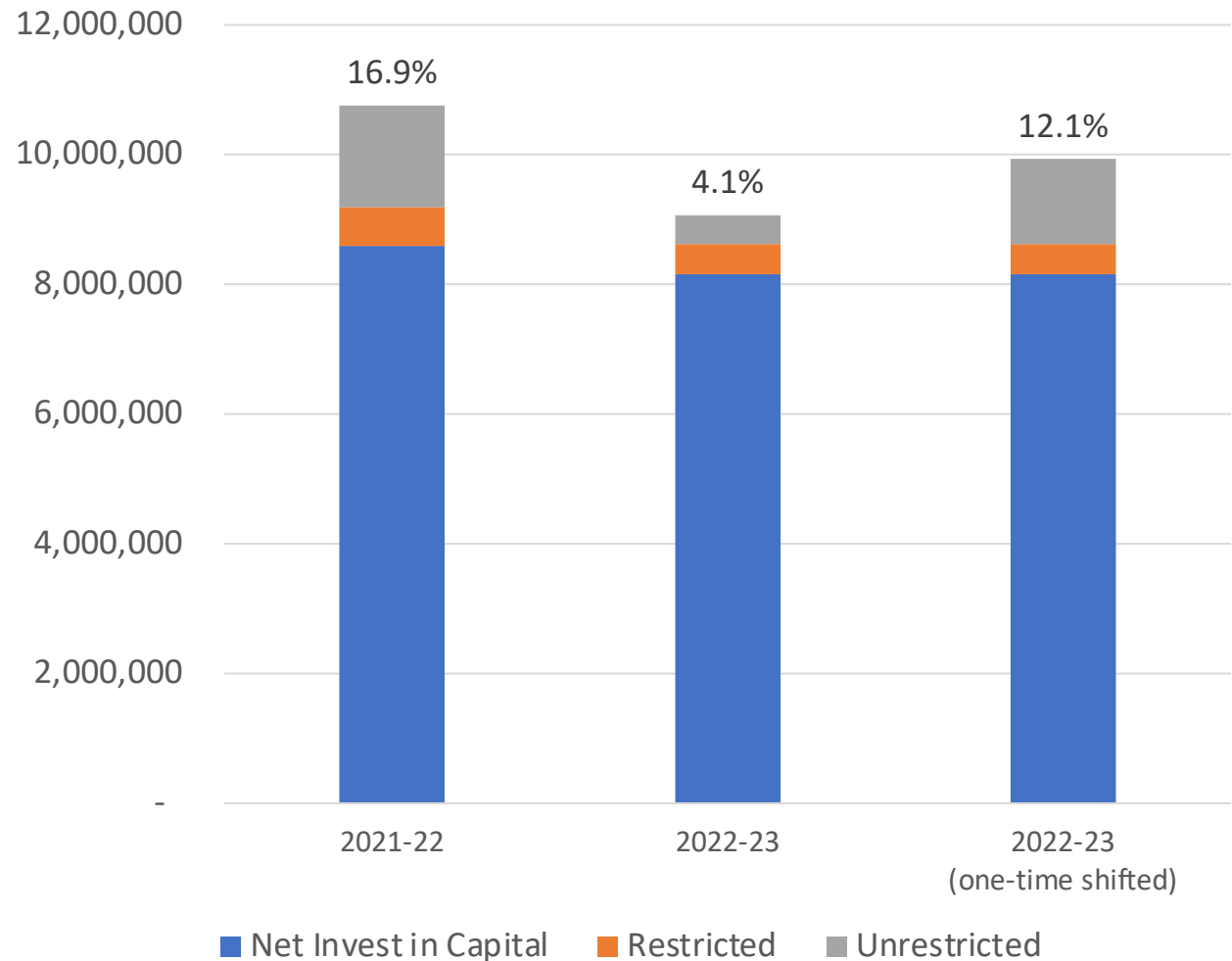
Reserve % and Net Position, by component

The 2022-23 preliminary budget unrestricted expenditures exceed unrestricted revenues by \$1.7 million. This amount is close to the additional funding that could be generated by LCFF if the school reached its target enrollment.

The school has additional one-time funds available that could be shifted from one-time uses to ongoing operational costs to reduce the unrestricted deficit on a one-time basis.

Without additional adjustments, the school's reserve will decrease from an estimated 16.9% in 2021-22 to 4.1% in 2022-23.

Recommend shifting one-time funds to ongoing operational costs to increase reserve levels. Using \$870,000 in placeholder account will increase the projected reserve in 2022-23 to 12.1%.



Next Steps

The 2022-23 Preliminary Budget will be updated to reflect the following:

- Funded COLA and May Revision proposals
- Final STRS and PERS rates
- Changes to unemployment and workers' compensation insurance rates, if any
- LCAP-related changes
- Shift one-time funds to maintain reserve

June 9, 2022 – Review LCAP and Adopted Budget at public hearing before the governing board.

June 15, 2022 – State Budget adoption deadline.

June 23, 2022 – Present LCAP and Adopted Budget for approval at governing board meeting.

