

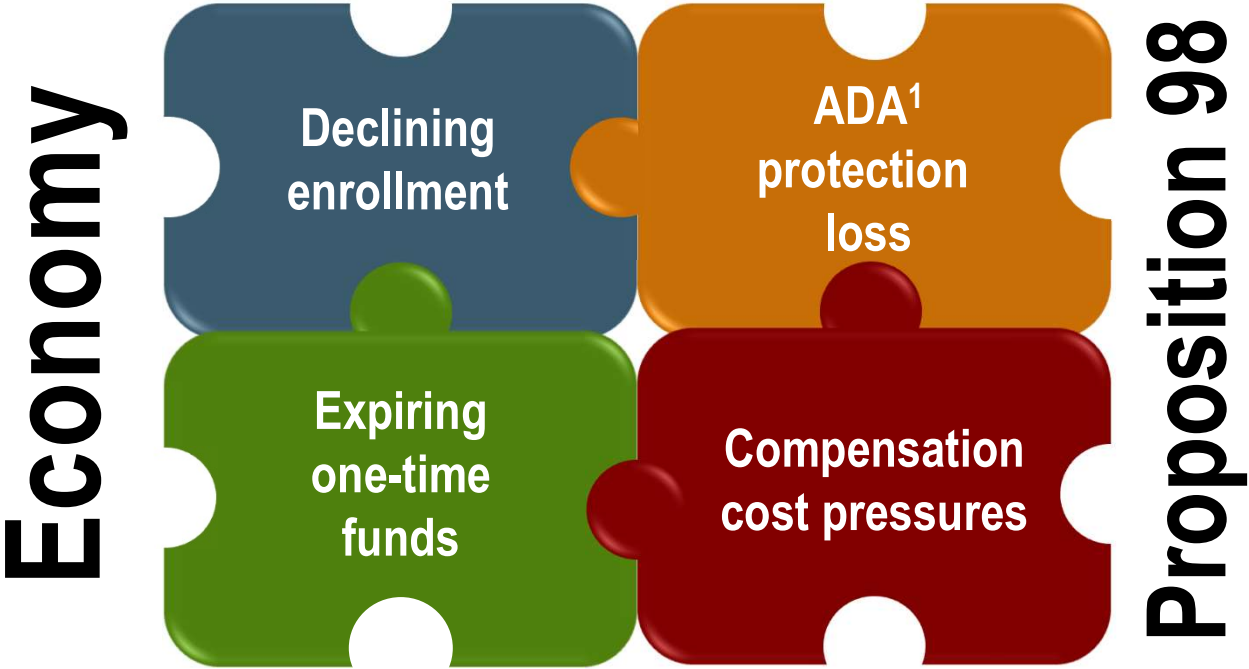
General Fund Budget Summary

2023-24 Governor's May Revision (In millions)		
	2022-23	2023-24
Prior-Year Balance	\$55,462	\$24,119
Revenues and Transfers	\$205,129	\$209,054
Total Resources Available	\$260,591	\$233,173
Non-Proposition 98 Expenditures	\$158,357	\$145,733
Proposition 98 Expenditures	\$78,115	\$78,368
Total Expenditures	\$236,472	\$224,101
Fund Balance	\$24,119	\$9,072
Reserve for Liquidation of Encumbrances	\$5,272	\$5,272
Special Fund for Economic Uncertainties	\$18,847	\$3,800
Public School System Stabilization Account	\$9,936	\$10,684
Safety Net Reserve	\$900	\$450
Budget Stabilization Account/Rainy Day Fund	\$22,252	\$22,252

Source: Governor's 2023-24 May Revision

Risks to *YOUR* Budget

- Certainly, the economy poses risks to local budgets, but there are other, unique factors that present more impactful risks for LEAs
- It is important to know what they are and to prepare mitigation strategies



¹Average daily attendance

Governor's Budget vs. May Revision

Item	Governor's Budget	May Revision
LCFF Funding Increase	\$5.04 billion ¹	\$4.04 billion ²
Proposition 98 Minimum Guarantee		
2021-22	\$110.4 billion	\$110.6 billion
2022-23	\$107.0 billion	\$106.8 billion
2023-24	\$108.8 billion	\$106.8 billion
2023-24 Statutory COLA	8.13%	8.22%
Arts, Music, and Instructional Materials Discretionary Block Grant Reduction	-\$1.2 billion	-\$1.8 billion
Learning Recovery Emergency Block Grant Reduction	No Reduction	-\$2.5 billion

¹Reflects an LCFF increase of \$4.2 billion for the 8.13% COLA and \$855 million to support TK expansion

²Reflects an LCFF increase of \$3.6 billion for the 8.22% COLA and \$460 million to support TK expansion

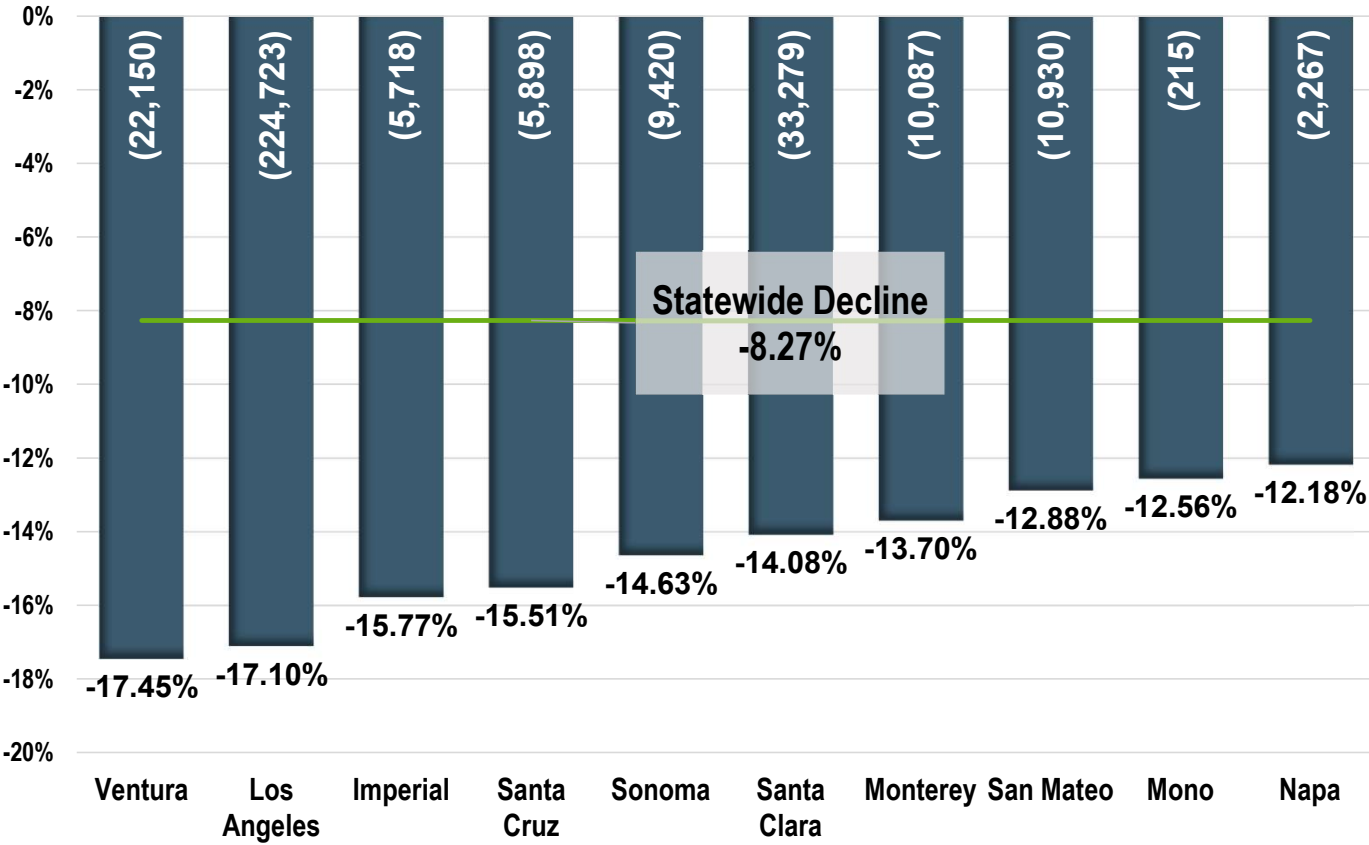
2023-24 LCFF Funding Factors

Grade Span	TK	K-3	4-6	7-8	9-12
2022-23 Base Grant per ADA	\$9,166	\$9,166	\$9,304	\$9,580	\$11,102
8.22% COLA	\$753	\$753	\$765	\$787	\$913
2023-24 Base Grant per ADA	\$9,919	\$9,919	\$10,069	\$10,367	\$12,015
GSA	\$1,032	\$1,032	–	–	\$312
TK Add-on (inclusive of COLA)	\$3,044	–	–	–	–
2023-24 Adjusted Base Grant per ADA	\$13,995	\$10,951	\$10,069	\$10,367	\$12,327
20% Supplemental Grant per ADA ¹	–	\$2,190	\$2,014	\$2,073	\$2,465
65% Concentration Grant per ADA ²	–	\$7,118	\$6,545	\$6,739	\$8,013

¹Maximum amount per ADA—to arrive at LEA’s grant amount, multiply adjusted base grant per ADA by 20% and UPP

²Maximum amount per ADA—to arrive at LEA’s grant amount, multiply adjusted base grant per ADA by 65% and UPP above 55%

Declining Enrollment Projections 2022-23 to 2031-32



Source: DOF, CDE

- Most areas in the state are affected by declining enrollment, but to differing degrees:
 - 12 counties are projected to lose 10,000 or more students between 2022-23 and 2031-32
 - 18 counties will lose students at a rate faster than the statewide average of 8.27%
- Enrollment trends for each LEA are unique to the community and student populations they serve
- Enrollment trends impact the bottom line—in the current year and the out-years