



Calaveras Unified School District

The District's Mission

The mission of the Calaveras Unified School District is to partner with its families and communities in order to graduate all students as engaged, responsible and skilled citizens enabling them to achieve personal success.

2022-23
45-Day Revisions

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August 2, 2022

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FINANCIAL NARRATIVE

Governor's Revised State Budget Proposal "45-Day Revision/Adopted 2022-2023."

On June 27, 2022, Governor Gavin Newsom signed an on-time budget. Education Code (EC) Section 42127 (i) (4) requires that within 45 days of the Governor signing the annual Budget Act, each school district shall make available for public review any revisions that were made to its adopted budget because of the signed Budget Act and any trailer legislation.

The Governor's final budget was good for K-12 schools – big wins on LCFF and ADA relief and significant one-time funding for all LEAs. Legislature had more success in negotiations than in the recent past. The Governor and Legislature attempted to strike a balance between ongoing spending commitments and planning for an "uncertain future" by bolstering the state's reserves and allocating 93% of the state's total discretionary surplus for one-time purposes.

LCFF Entitlement

The base grant remained at a 6.56% COLA with an additional 6.28% base adjustment representing 12.84% LCFF funding. The May Revision provided \$28.2 million for CUSD, and the Enacted Budget increased the amount to \$31 million. Funds are intended "to help our school district address ongoing fiscal pressures, staffing shortages, and other operational needs."

While student attendance grew relatively rapidly from 1988 through 2000, growth slowed at the start of the century before its recent descent. Attendance levels in 2021-22 are far below the historical average due to the COVID-19 pandemic. For 2022-23 only, it allows CUSD to compute the average ADA using the three most recent years' ADA and a one-time attendance yield adjustment, which assumes independent study conditions were met.

General Fund Revisions

The District receives funding for its general operations from various sources. A summary of the revised funding sources is illustrated below:

Description	2022-23 Adopted Budget			2022-23 45 Day Revision			Changes Between Adopted & Revised		
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined
Total Revenues	29,207,036	5,875,801	35,082,837	33,004,075	5,875,801	38,879,876	3,797,039	-	3,797,039
Total Expenditures	22,362,173	13,370,452	35,732,625	22,420,079	13,376,179	35,796,258	57,906	5,727	63,633
Total Financing Sources/Uses	(7,803,307)	7,158,706	(644,601)	(8,274,082)	7,158,706	(1,115,376)	(470,775)	-	(470,775)
Net Surplus / (Deficit)	(958,444)	(335,945)	(1,294,389)	2,309,914	(341,672)	1,968,242	3,268,358	(5,727)	3,262,631
FUND BALANCE, RESERVES									
Beginning Balance	2,858,739	2,494,750	5,353,489	3,788,182	2,150,982	5,939,164	-	-	-
Ending Balance	1,900,295	2,158,805	4,059,100	6,098,096	1,809,310	7,907,406	4,197,801	(349,495)	3,848,306
Nonspendable (Revolving Cash)	20,000	-	20,000	20,000	-	20,000	-	-	-
Restricted	345,284	2,158,805	2,504,089	545,284	1,809,310	2,354,594	200,000	(349,495)	(149,495)
Assigned	-	-	-	-	-	-	-	-	-
Reserve for Economic Uncertainty	1,091,317	-	1,091,317	1,107,349	-	1,107,349	16,032	-	16,032
Unassigned - Other	443,694	-	443,694	4,425,463	-	4,425,463	3,981,769	-	3,981,769
Total - Fund Balance	\$1,900,295	\$2,158,805	\$4,059,100	\$6,098,096	\$1,809,310	\$7,907,406	\$4,197,801	\$ (349,495)	\$3,848,306
Unassigned Reserve (includes REU)			4.22%				14.99%		

1. Revenue Increased by \$3.8 million after incorporating the 6.56% COLA, the 6.28% Base Adjustment, COVID-19 ADA adjustments, and revised lottery allocations.
2. Expenses increased by \$64k after increasing site expenses to the increased lottery allocation.
3. Financing Sources/Uses decreased by \$471k to cover a transfer from the general fund to cover a G. O. Bond payment.

Total Financing Sources/Uses			
Restricted	Contributions		Transfer Out
Restricted Maintenance	1,191,389	Child Development	47,439
Special Education	5,967,317	Food Services	297,162
		Track & Field Repairs	300,000
		Debt Service	470,775
Subtotal	7,158,706	Subtotal	1,115,376

4. Revolving Cash remains unchanged
5. Restricted expenses decreased by \$149k after adding \$200k to Deferred Maintenance and reducing the projected carryover by \$349k for Early Childhood Intervention, Educator Effectiveness, Kitchen Infrastructure, A-G Access Grant, and ELA / Math Adoption.

Restricted Ending Balance	
Deferred Maintenance	300,000
Supplemental Programs	100,000
ELA/Math	-
Vacation Pay	145,284
Subtotal	545,284

6. Economic Uncertainty and Unassigned Reserves increased by \$3.9 million
7. Unassigned reserves including the 3% for economic uncertainty increased from 4.22% to 14.99%

Additional Programs - Funding not Included in the 45-Day Revisions

Learning Recovery Emergency Block Grant (LRE) - \$3.1 million one-time General Fund revenue. Allocation of the grant is on a per-pupil basis and available for use for up to seven years. This grant is Not fully discretionary and must be used to:

- Increase instructional learning time
- Implement or expand learning supports to close learning gaps
- Integrate pupil support and staff support/training to address other barriers to learning
- Provide access to instruction for credit-deficient pupils to graduate or improve college eligibility
- Provide additional academic services to pupils such as diagnostic, progress monitoring, and benchmark assessments of pupil learning
- Personnel-related costs are an approved use of funds.

Arts, Music, and Instructional Materials Discretionary Block Grant - \$1.7 million available for encumbrance through 2025-26

- Available for any "operational costs," including but not limited to retirement and health care cost increases
- Obtain standards-aligned instructional materials and professional development related to arts, Music, and other subject areas, materials and training related to improving school climate, develop diverse book collections, or expenses associated with the COVID-19 pandemic
- Governing Board must approve an expenditure plan at a public meeting

Expanded Learning Opportunities Program (ELO-P) - \$1.3 million increase to ongoing state funding for Expanded Learning Opportunities Program.

- TK-6 comprehensive before, after, and summer school opportunities for students must offer to all unduplicated students in grades TK-6 (each pupil is counted only once even if the pupil meets more than one of these criteria)
- Must provide transportation to the program if not providing ELO-P at all school sites for grades TK-6
- For CUSD, the requirement is for an eight-hour day

- Calaveras Unified School District has not received all funding amounts for the following programs -

Child Nutrition

- Kitchen Infrastructure Grant - \$100k, based on the district's October 2021 meal count. Requires, to the extent practicable, LEAs to purchase energy-saving electric and induction equipment.
- School Meal Best Practice Implementation Grant - \$50k base allocation and remaining allocation based on the number of meals served in October 2021.
 - ✓ Procuring California-grown or produced, sustainably grown, whole or minimally processed foods
 - ✓ Using California-grown, whole, or minimally processed foods in plant-based or restricted diet meals for pupils
 - ✓ Procuring plant-based or restricted diet meals for pupils in the procurement practices of LEAs
 - ✓ Freshly preparing meals onsite

State Preschool Program

- The State Preschool Program provides funding for increased adjustment factors for students with disabilities, dual language learners, childhood mental health services, and three-year-old's.

Transportation – Provides ongoing funding to reimburse up to 60% of transportation costs.

- Requires the district to offer transportation services to students in TK-6 and low-income students by 2027-28 and repeals pupil fees to unduplicated pupils.
- Maintains the Governor's proposal to fund zero-emission school buses and related infrastructure.
 - ✓ Truck and voucher Incentive program over five years beginning in 2023-24.
 - ✓ Infrastructure such as charging and fueling stations, site design, construction, and related infrastructure upgrades.
 - Small and rural school districts will receive priority.

Facility Program - First time the state will allocate one-time general fund dollars for facilities starting 2022-23. Additional funding for California Preschool, Transitional Kindergarten, and Full-Day Kindergarten Facilities Grant Program.

Fund Balance

The district will adjust revenues described in this report and any subsequent changes to revenues and expenditures in the First Interim report.

MULTIYEAR PROJECTIONS

The Multiyear Projections are updated to reflect the removal of COVID-19 revenue. Additional revisions include projected Step & Column salary adjustments, Lottery revenue per ADA, the California Consumer Price Index, and Unemployment Rate. The district will include these Budget adjustments in the First Interim Report. We will move the Assigned allocations for deferred maintenance and supplemental program to a local account. The remaining fund balance remains in the General Fund. Below is a summary of these Projections.

Description	2022-23 45 Day Revisions			2023-24 Projected Budget			2024-25 Projected Budget		
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined
Total Revenues	33,004,075	5,875,801	38,879,876	34,579,599	4,998,881	39,578,480	34,284,613	4,998,882	39,283,495
Total Expenditures	22,420,079	13,376,179	35,796,258	24,071,844	13,834,852	37,906,696	24,141,611	13,091,788	37,233,399
Total Financing Sources	(8,274,082)	7,158,706	(1,115,376)	(7,671,263)	7,026,661	(644,602)	(8,737,508)	8,092,906	(644,602)
Net Surplus / (Deficit)	2,309,914	(341,672)	1,968,242	2,836,492	(1,809,310)	1,027,182	1,405,494	-	1,405,494
FUND BALANCE, RESERVES									
Beginning Balance	3,788,182	2,150,982	5,939,164	6,098,096	1,809,310	7,907,406	8,934,588	-	8,934,588
Ending Balance	6,098,096	1,809,310	7,907,406	8,934,588	-	8,934,588	10,340,082	-	10,340,082
Nonspendable (Revolving)	20,000	-	20,000	20,000	-	20,000	20,000	-	20,000
Restricted	545,284	1,809,310	2,354,594	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-
Unassigned - 3% REU	1,107,349	-	1,107,349	1,156,539	-	1,156,539	1,136,340	-	1,136,340
Unassigned - Other	4,425,463	-	4,425,463	7,758,049	-	7,758,049	9,183,742	-	9,183,742
Total - Fund Balance	6,098,096	1,809,310	7,907,406	8,934,588	-	8,934,588	10,340,082	-	10,340,082
Unassigned Reserve (including 3% REU)			14.99%	23.12%			27.25%		

Estimated Ending Fund Balances:

During 2023-24, the District estimates the General Fund to have positive spending by \$1 million, resulting in an ending General Fund balance of \$8.9 million. The unassigned reserve in 2023-24 is projected at 23.12% of total expenditures. This unassigned reserve puts the District above the minimum reserve of 3%.

During 2024-25, the District estimates the General Fund will have a positive balance of \$1.4 million, resulting in an Ending General Fund balance of \$10.3 million. The unassigned reserve in 2024-25 is projected to be 27.25% of total expenditures. The unassigned reserve projects the District above the minimum reserve of 3%.