

## **ASSUMPTIONS UTILIZED IN THE 2023/2024 PROPOSED PLACEHOLDER BUDGET**

### **HOW ARE REVENUE AND EXPENDITURE PROJECTIONS MADE?**

Because there are so many unpredictable factors affecting revenues and expenditures, it is important to develop and utilize budget assumptions based on the best information available at the time the budget is adopted. The following assumptions are based on the Governor's May Revision. At the June 20, 2023 Board meeting, the Board of Education will be asked to approve the Adopted Budget. This budget should be considered a "snapshot in time" of the financial plan of our District on the date it is adopted. As the school year progresses, variables will change and the budget will have to be updated and approved again by the Governing Board. As a starting point, the following assumptions will be used for the proposed **2023/2024 Placeholder Budget**.

#### **Revenue**

- We are using the Governor's May Revision projection which includes an 8.22% Cost of Living Adjustment (COLA).
- Enrollment on day 14 is projected to be 12,945 students.
- Local Control Funding Formula (LCFF) will be based on 12,256 projected P-2 of Average Daily Attendance (ADA). The funded ADA is projected to be 12,632 based on a three-year rolling average.
- The unduplicated count of Low-Socio Economic students, English Language Learners, and Foster Youth is estimated to be 24.99% of enrollment for supplemental funding purposes.
- Special Education funding and most other State categorical accounts will receive an 8.22% COLA
- Lottery income is estimated at \$237 per annual ADA: \$67 Restricted and \$170 Unrestricted.
- State and Federal grants have been budgeted at that same level as 2022/23. As actual entitlements become known, the budgets will be adjusted.
- Donation accounts will be booked on a cash basis.
- It is estimated that approximately \$4 million will be collected in Parcel Tax revenue from Measure A.
- The Career Technical Education Incentive grant is estimated at \$1,211,291.
- All prior year carry over and one-time funding has been removed.

## Assumptions Continued...

### **Expenditures**

- Base staffing levels for certificated and classified positions are maintained at the same level as in 2022/23.
- The expense of step, column, and longevity increases, and the related statutory benefits for employees are included in the budget.
- The employer contribution to the California State Teachers' Retirement System (CalSTRS) has remained at 19.10%. The employer contribution to the California Public Employees' Retirement System (CalPERS) has increased from 25.37% to 26.68%.
- State Unemployment Insurance has decreased back to .05%
- All items in the Local Control Accountability Plan (LCAP) are included in the budget
- Measure A will continue to help fund:
  - Advanced courses in science, technology, engineering, and math (STEM);
  - Attracting and retaining highly qualified teachers;
  - Elementary school science and TK-12 technology teacher specialists;
  - Keeping our schools safe and well-maintained; and
  - Up-to-date instructional materials and comprehensive curricular programs.
- Included in the budget are the competitive compensation adjustments of 3% effective July 1, 2023, and 6% effective March 1, 2023, for all employees.
- A transfer of \$1,491,266 to the Regional Occupation Program (ROP) is included in the budget based on the agreed upon Joint Powers Authority (JPA) agreement.