

2022-23 45 Day Budget Update



Santa Rosa City Schools

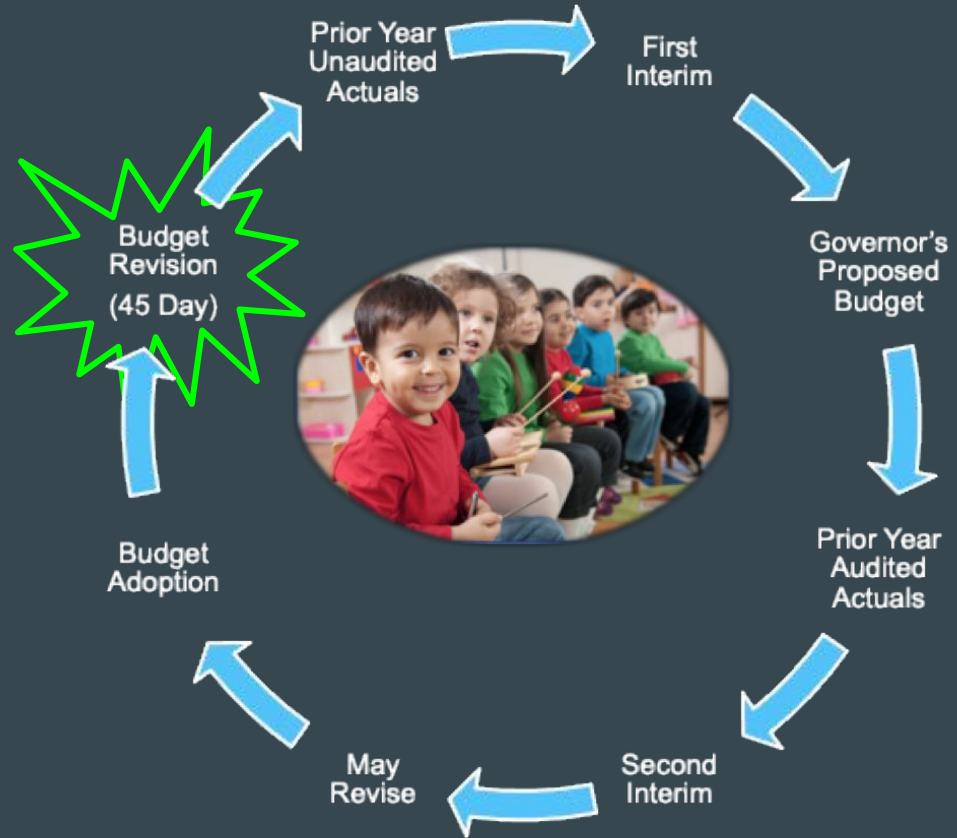
Presentation Items

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- Revenue Updates
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- Areas to Monitor
- Next Steps

Overview

The Annual Budget Cycle

- The State Constitution requires the Governor to submit a budget proposal to the Legislature by January 10 of each year for the following fiscal year beginning July 1.
- By May 14, the Governor must announce an updated revenue forecast, accounting for revenue changes since January. The update is known as the "May Revise" or "May Revision."
- After its introduction, the Legislature has until June 15 to pass the budget.
- The Governor then has 12 working days to sign the budget bill into law after its passing by the Legislature.
- Education Code Section 42127(h) specifies that "Not later than 45 days after the Governor signs the annual Budget Act, the school district shall make available for public review any revisions in revenues and expenditures that it has made to reflect the funding made available by the Budget Act"



Revenue Updates

Local Control Funding Formula (LCFF):

- COLA of 6.56%
- Increase to LCFF base grant rate of 6.28%.
- Continues TK add-on at \$2,813 per current year TK ADA. The funding is intended to offset the additional costs associated with meeting the 12:1 pupil to staff ratios required in TK classrooms and is conditioned on the school district or charter offering transitional kindergarten in the year it receives the funding and maintaining an average TK class enrollment of no more than 24 pupils.
- Commencing in 2022-23 school districts will be funded on the greatest of current year, prior year, or the average of the most recent three prior years' ADA. Declining attendance protection is also added for charter schools for 2022-23 by providing an additional one-time apportionment equal to the difference between 2020-21 ADA and 2021-22 ADA as adjusted for the proxy measure described below, multiplied by the charter school's total LCFF funding per ADA.
- The budget also adopts a proxy measure for 2021-22 ADA for all LEAs, but adds certain conditions relative to independent study. Actual 2021-22 ADA is to be used in all instances in which 2021-22 ADA is used and will be determined by calculating the ADA yield for 2019-20 and dividing it by the ADA yield for 2021-22. If the resulting quotient is greater than 1 (indicating that attendance rates in 2019-20 were higher than 2021-22), current year ADA will be adjusted by multiplying 2021-22 actual ADA by the quotient.
- As a condition of receiving this adjustment, school districts must certify to offering independent study for the 2021-22 school year no later than October 1, 2021, to all students upon request and to all students subject to quarantine for exposure to or infection with COVID-19 and having adopted and implemented the associated policies. CDE will develop a data gathering tool for districts to meet the November 1, 2022, deadline to certify compliance with the conditions, which will also be subject to audit. Charter schools are not required to submit this certification to receive the benefit of the 2021-22 ADA adjustment.

Revenue Updates

Local Control Funding Formula (LCFF):

General Fund 01 Combined Santa Rosa Elementary & Santa Rosa High	2022-23	2023-24	2024-25	Total 3 Year LCFF Estimated Increase
Difference in Revenue from 2022-23 Budget Adoption to 2022-23 45 Day Budget Update	\$6,477,863	\$5,838,725	\$4,645,861	\$16,962,449
Fund 06 Santa Rosa French American Charter	2022-23	2023-24	2024-25	Total 3 Year LCFF Estimated Increase
Difference in Revenue from 2022-23 Budget Adoption to 2022-23 45 Day Budget Update	\$122,055	\$128,923	\$134,059	\$385,037
Fund 07 Cesar Chavez Language Academy	2022-23	2023-24	2024-25	Total 3 Year LCFF Estimated Increase
Difference in Revenue from 2022-23 Budget Adoption to 2022-23 45 Day Budget Update	\$273,021	\$289,320	\$308,198	\$870,539
Fund 08 Santa Rosa Charter School for the Arts	2022-23	2023-24	2024-25	Total 3 Year LCFF Estimated Increase
Difference in Revenue from 2022-23 Budget Adoption to 2022-23 45 Day Budget Update	\$113,806	\$120,306	\$125,082	\$359,194
Fund 09 Santa Rosa Accelerated Charter	2022-23	2023-24	2024-25	Total 3 Year LCFF Estimated Increase
Difference in Revenue from 2022-23 Budget Adoption to 2022-23 45 Day Budget Update	\$31,011	\$32,841	\$34,229	\$98,081

Revenue Updates

One-Time Funding in 2022-23:

Learning Recovery Emergency Block Grant:

- The 2022-23 state budget allocates funds to assist with long-term recovery from the pandemic. The funding may be used to increase or stabilize instructional learning time, decrease or stabilize staff-to-pupil ratios, provide supports to address barriers to learning, provide instruction for credit-deficient students, provide learning supports to close learning gaps, and provide additional academic services. The funds are available through the 2027-28 fiscal year and expenditures will be reported to CDE.

	2022-23 Budget Adoption Learning Recovery Emergency Block Grant Estimates	2022-23 45 Day Budget Update Learning Recovery Emergency Block Grant Estimates	Difference in Revenue from 2022-23 Budget Adoption to 2022-23 45 Day Budget Update
General Fund 01 Santa Rosa Elementary	\$0	\$4,653,367	\$4,653,367
General Fund 01 Santa Rosa High	\$0	\$9,699,378	\$9,699,378
Fund 06 Santa Rosa French-American Charter	\$0	\$238,094	\$238,094
Fund 07 Cesar Chavez Language Academy	\$0	\$1,311,408	\$1,311,408
Fund 08 Santa Rosa Charter School for the Arts	\$0	\$332,699	\$332,699
Fund 09 Santa Rosa Accelerated Charter	\$0	\$34,026	\$34,026

Revenue Updates

One-Time Funding in 2022-23:

Arts, Music and Instructional Materials Discretionary Block Grant:

- The 2022-23 state budget allocates funds to obtain standards-aligned professional development and acquire instructional materials in various subject areas, invest in diverse book collections, offset increased operational costs including but not limited to retirement and health care costs, COVID-19 mitigation, and to support arts and music education programs. The funding will be available for encumbrance through June 30, 2026. The governing board must discuss and approve an expenditure plan at a regularly scheduled public meeting and expend the revenues consistent with the approved plan.

	2022-23 Budget Adoption Arts, Music and Instructional Materials Discretionary Block Grant Estimates	2022-23 45 Day Budget Update Arts, Music and Instructional Materials Discretionary Block Grant Estimates	Difference in Revenue from 2022-23 Budget Adoption to 2022-23 45 Day Budget Update
General Fund 01 Santa Rosa Elementary	\$0	\$1,862,252	\$1,862,252
General Fund 01 Santa Rosa High	\$0	\$6,082,957	\$6,082,957
Fund 06 Santa Rosa French-American Charter	\$0	\$247,084	\$247,084
Fund 07 Cesar Chavez Language Academy	\$0	\$560,220	\$560,220
Fund 08 Santa Rosa Charter School for the Arts	\$0	\$240,123	\$240,123
Fund 09 Santa Rosa Accelerated Charter	\$0	\$80,714	\$80,714

Revenue Updates

One-Time Funding in 2022-23:

One-Time Discretionary Grant in 2022-23:

- Included in 2022-23 Governor's May Revise and SRCS 2022-23 Budget Adoption
- They were unrestricted and available for any use with no deadline for spending.
- These funds are not included in the final State Budget.

	2022-23 Budget Adoption One-Time Discretionary Grant in 2022-23 Estimates	2022-23 45 Day Budget Update One-Time Discretionary Grant in 2022-23 Estimates	Difference in Revenue from 2022-23 Budget Adoption to 2022-23 45 Day Budget Update
General Fund 01 Combined Santa Rosa Elementary & Santa Rosa High	\$17,910,690	\$0	-\$17,910,690
Fund 06 Santa Rosa French-American Charter	\$556,395	\$0	-\$556,395
Fund 07 Cesar Chavez Language Academy	\$1,261,530	\$0	-\$1,261,530
Fund 08 Santa Rosa Charter School for the Arts	\$540,720	\$0	-\$540,720
Fund 09 Santa Rosa Accelerated Charter	\$181,755	\$0	-\$181,755

Revenue Updates

Expanded Learning Opportunities Program (ELOP):

- ELOP offering and provision requirements for 2022-23:
 - Required to deploy ELOP funds to offer a nine-hour day during the school year and 30 days (six weeks) of nine-hour enrichment programs outside the regular school year for students who enroll.
 - Must “offer access” to all classroom-based unduplicated students in kindergarten (including TK) through 6th grade and “provide access” to at least 50% of all unduplicated students.
 - In addition, and new for 2022-23, must provide student transportation to a school site operating an ELOP classroom for any student who attends a school that does not operate an ELOP classroom.
- For audit purposes, 2022-23 remains a grace period. Beginning in 2023-24, audit findings of noncompliance will result in the CDE withholding funds proportionally.

	2022-23 Budget Adoption Expanded Learning Opportunities Program (ELOP) Estimates	2022-23 45 Day Budget Update Expanded Learning Opportunities Program (ELOP) Estimates	Difference in Revenue from 2022-23 Budget Adoption to 2022-23 45 Day Budget Update
General Fund 01 Santa Rosa Elementary	\$4,965,617	\$3,960,213	-\$1,005,404
General Fund 01 Santa Rosa High	\$0	\$0	\$0
Fund 06 Santa Rosa French-American Charter	\$76,672	\$202,987	\$126,315
Fund 07 Cesar Chavez Language Academy	\$178,531	\$580,772	\$402,241
Fund 08 Santa Rosa Charter School for the Arts	\$71,373	\$220,575	\$149,202
Fund 09 Santa Rosa Accelerated Charter	\$45,500	\$50,000	\$4,500

Revenue Updates

Home to School Transportation:

- Reimbursed for pupil transportation services an amount equal to 60% of the prior-year reported home to school transportation expenditures
- reduced by any applicable transportation add-on amount within the LCFF calculations for the school district
- As a condition of receiving the reimbursed transportation allowance, the school district or county office of education shall develop a plan describing the transportation services it will offer to its pupils and how it will prioritize planned transportation services for pupils in TK thru grade 6 and pupils who are low income

General Fund 01 Combined Santa Rosa Elementary & Santa Rosa High	2022-23	2023-24	2024-25	Total 3 Year LCFF Revenue Estimates
2022-23 45 Day Budget Update LCFF Estimates	\$1,735,594	\$1,828,969	\$1,902,494	\$5,467,056
2022-23 Budget Adoption LCFF Estimates	\$1,228,677	\$1,228,677	\$1,228,677	\$3,686,031
Difference in Revenue from 2022-23 Budget Adoption to 2022-23 45 Day Budget Update	\$506,917	\$600,292	\$673,817	\$1,781,025

Expenditure Updates

Local Control Accountability Plan:

- The 6.28% augmentation to LCFF funding on top of the 6.56% statutory COLA results in higher LCFF revenue than included in our Adopted Budget and LCAP. As part of the next Annual Update, SRCS will need to true up the LCAP to this higher level of revenue, including increased supplemental and concentration grant funding and the corresponding changes to the increased and improved services and carryover calculations.

Learning Recovery Emergency Block Grant:

- Expenditures within the parameters of the revenues

Arts, Music and Instructional Materials Discretionary Block Grant:

- Expenditures within the parameters of the revenues

Areas to Monitor

- *The true financial outlook will evolve over the next few months as our financial records for 2021-22 are finalized, actual student enrollments for 2022-23 are known after school opens, and the staffing assignments are completed*
- *Employee negotiations*
- *Uncertain education funding in California*
- *Declining enrollment*

Next Steps

September 2022

- 2021-22 Unaudited Actuals Financial Report
- Budget Advisory Committee (BAC)

October 2022

- CALPADS 2022-23 Student Data Census Day
- Update Enrollment Projections
- BAC

November 2022

- If needed BAC/Superintendent Recommendations submitted to the Board of Education

December 2022

- 2022-23 First Interim Financial Report