



2023-2024 Newcastle Elementary School District

Proposed Budget
Presented to The Board of trustees

Public Hearing June 14, 2023

Adoption June 28, 2023

Budget Journey...



Since the State budget has not been approved and things are expected to change, this budget is a “placeholder”



If material revisions are required a revised budget can be submitted 45 days after the State budget is adopted



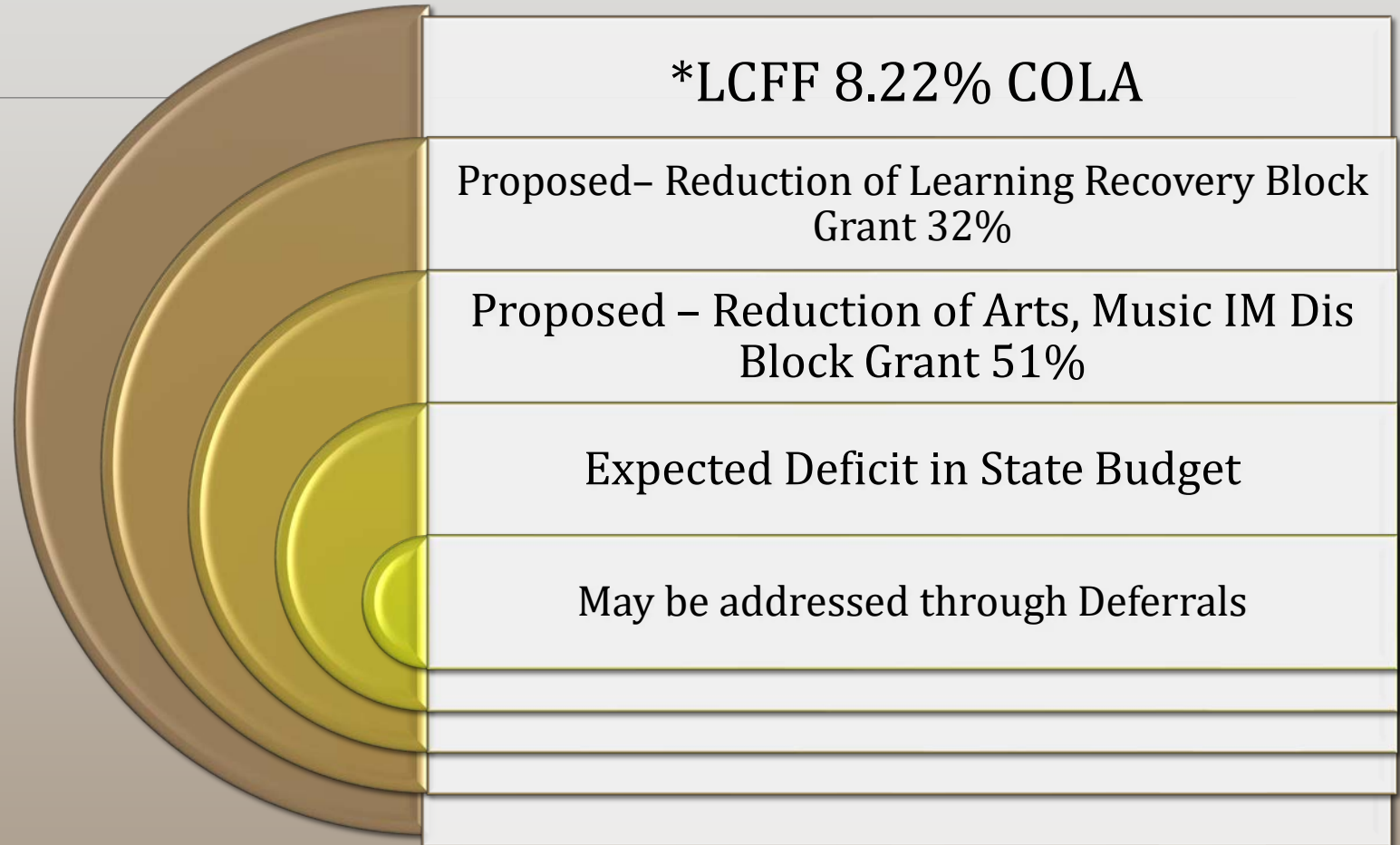
NESDs 2023-24 budget is due to the Placer County Office of Education by 6/30/2023.



Tonight, is a public hearing and budget adoption will happen at the June 28th meeting.

Notes to the Presented Budget Proposal


May Revise Highlights



*LCFF = Local Control Funding Formula

*COLA = Cost of Living Adjustment

*IM Dis = Instructional Material Discretionary



What Is Not In This Budget From May Revise

2023-2024 Prop 28 Funding-Arts and Music Instruction

*Based on prior year K-12 State funding
that is unknown as of the May Revise.*

*Trailer language has not been
released and there are many unknowns.*

Estimated Funding for NESD

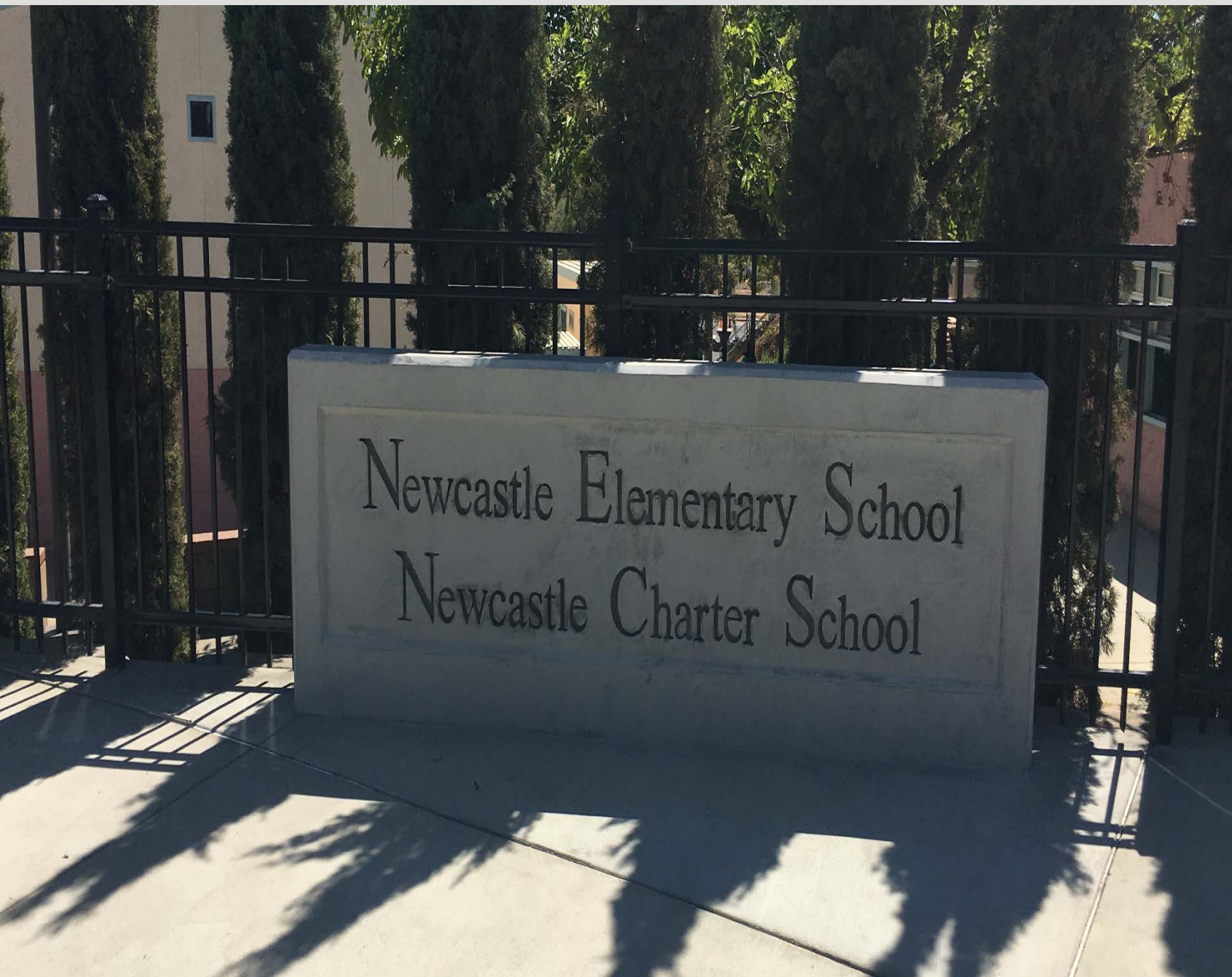
NES \$19,466

NCS \$36,918

Total \$56,384



A STEP BACK - 2022-23 ESTIMATED ACTUALS



Newcastle Elementary School District Operates With Two Primary Funds

Newcastle Elementary School= NES
(Fund 01)

Newcastle Charter School =NCS
(Fund 09)

This will be referenced throughout
this presentation.

2022-2023 NES and NCS Estimated Actuals

2022-23	NES – *ADA 172	NCS – ADA 282	Total – ADA 454
Revenue + Transfers In	3,755,648	3,270,587	7,026,235
Expenses + Transfers Out	(4,433,709)	(3,182,119)	(7,615,828)
(Deficit)/Surplus	(678,061)	88,468	(589,593)
Beg Fund Bal	2,693,985	157,786	2,851,771
Ending Fund Bal	2,015,924	246,254	2,262,178

ADA = Average Daily Attendance

What is in the 2022-23 deficit....

Categorical Programs

Revenue was
recognized in a prior
year but expended in
22-23
\$ 189,778



Primarily...
ELO-Grant
Kitchen Infrastructure Funds
(State Funds not Federal)

Committed Funds

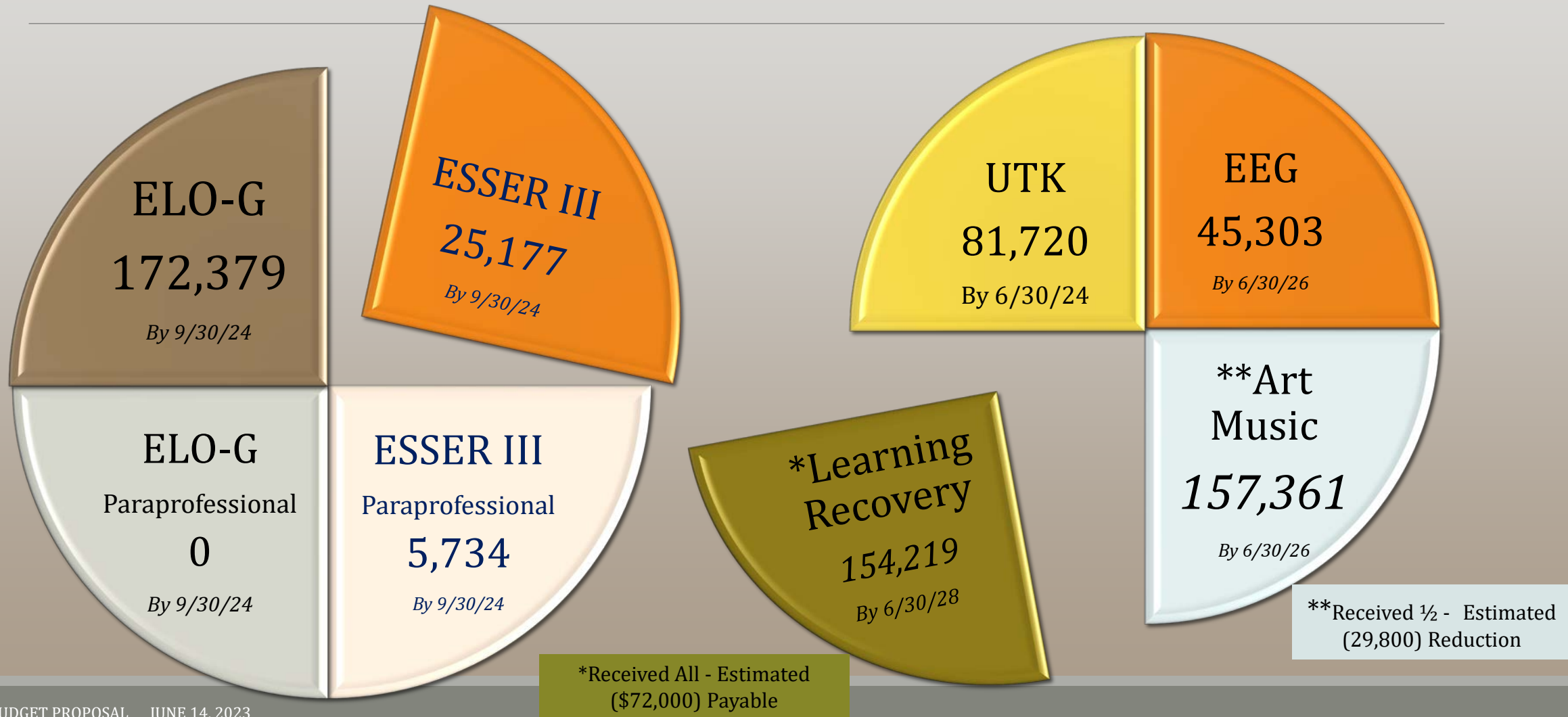
Science Adoption
Budgeted
\$ 80,000
Legal Expense
\$ 3,332

Inter Fund Transfer

Transfer to
Deferred
Maintenance
\$50,000

Budgeted Deficit	\$ 589,593
Use of Fund Balance	\$ 323,110
Structural Deficit	\$ 266,483

Newcastle Elementary and Newcastle Charter Schools Categorical Funds Balances as of 5/31/23





NEWCASTLE ELEMENTARY SCHOOL DISTRICT 2023-24 BUDGET

New Temporary Positions For 2023-24



.8
Intervention
Teacher

6 Hour
Intervention
Aide

2- 3 Hour
Kindergarten
Aides

Additional
2nd Grade
Teacher

Funded With 1X Funds – ELO-G, ESSER III & UTK

Local Changes That Have Budget Impact

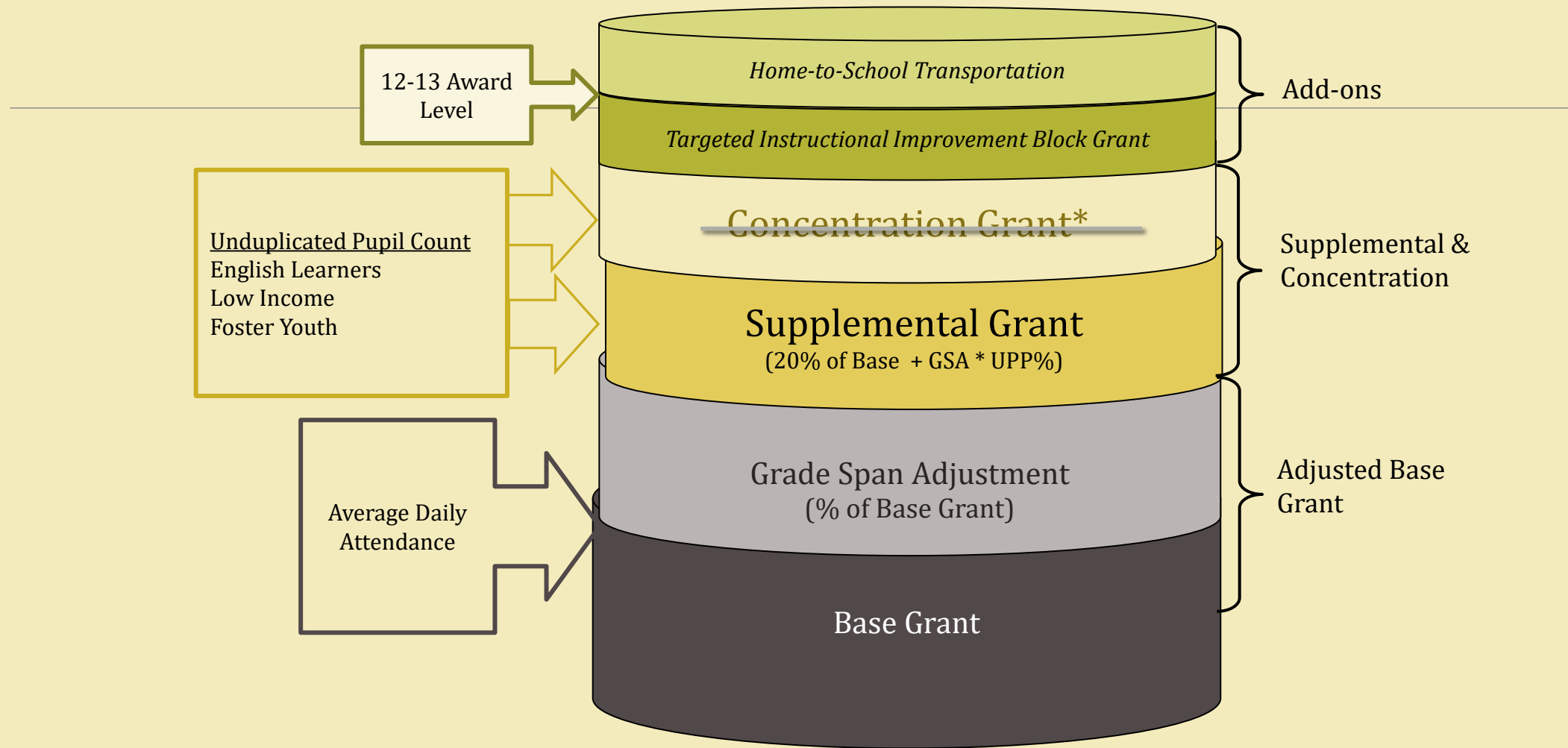
Placer Academy Closure 12/15/22
Staff Funding

Special Education Local Plan Areas
(SELPA)
Change in Allocation Plan - Based on an ADA model
Change in PCOE Regional Program Billbacks

PCOE = Placer County Office of Education

ADA = Average Daily Attendance

Local Control Funding Formula



*Unduplicated Pupil Percentage (UPP) must be above 55% to receive Concentration Grant funding

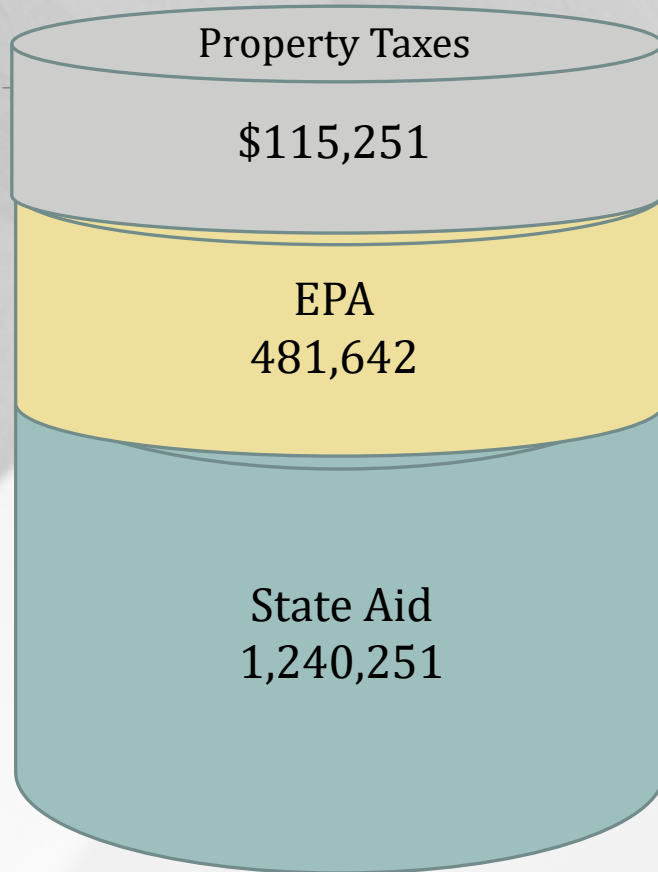
Building LCFF Revenue

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%



Now that we know the amount,
this is how it is paid!

Newcastle Elementary School – (NES Only)

LCFF Revenue

\$1,837,144

2023-2024 Budget Components

Average Daily Attendance (ADA)

	2022-23	2023-24
	Estimated Actuals	Budget
NES	172	158
NCS	<u>282</u>	<u>310</u>
	454	468

Unduplicated Pupil Percentage (UPP)

NES 23.84% NCS 21.88%

Retirement 2023-24

STRS	19.10%
PERS	26.68%

Lottery

Unrestricted (Salaries)	\$170
Restricted (Curriculum)	\$ 67

Mandated Costs Block Grant Per ADA

NES \$37.81 NCS \$19.85

2023–2024 Proposed Budget Revenue

	NES	NCS	Total	Notes
General Purpose	1,977,487	3,437,613	5,415,100	State Aid EPA Property Taxes
Federal	328,630	0	328,630	Title I & II Fed SPED
State	514,981	343,236	858,217	Lottery Mandated Costs *STRS on Behalf State SPED
Local	780,718	6,000	786,718	Oversight Fees Billbacks SPED & Interest
Total	3,601,816	3,786,849	7,388,665	

EPA = Education Protection Act
SPED= Special Education

*Includes STRS on Behalf = \$427,572
STRS= State Teachers Retirement System

Education
Protection
Act (EPA)
Funding

Fund	Beginning Balance	Budgeted Revenue	Budgeted Teacher Salary and Benefits	Ending Balance
Newcastle Elementary	186,994	481,642	563,091	105,545
Newcastle Charter School	16,688	973,649	990,337	0

EPA funding is a sub-group of the State Aid calculation process and stems from the passage of Prop 30 back in 2012. It is not add-on revenue, but instead is deducted from total State Aid due (less local property taxes) and assigned a separate resource (1400) for tracking purposes by the State. **This portion of State Aid, designated as EPA funding, is budgeted for certificated teacher salaries for all school sites and charter schools to stay in compliance with Prop 30 requirements.**

On November 8, 2016, the voters approved the California Children's Education and Health Care Protection Act (Proposition 55) that maintains increased personal income tax rates for taxpayers in high tax brackets through 2030. **Proposition 55 did not extend the sales tax increase; therefore, the temporary sales tax increase expired at the end of calendar year 2016.**

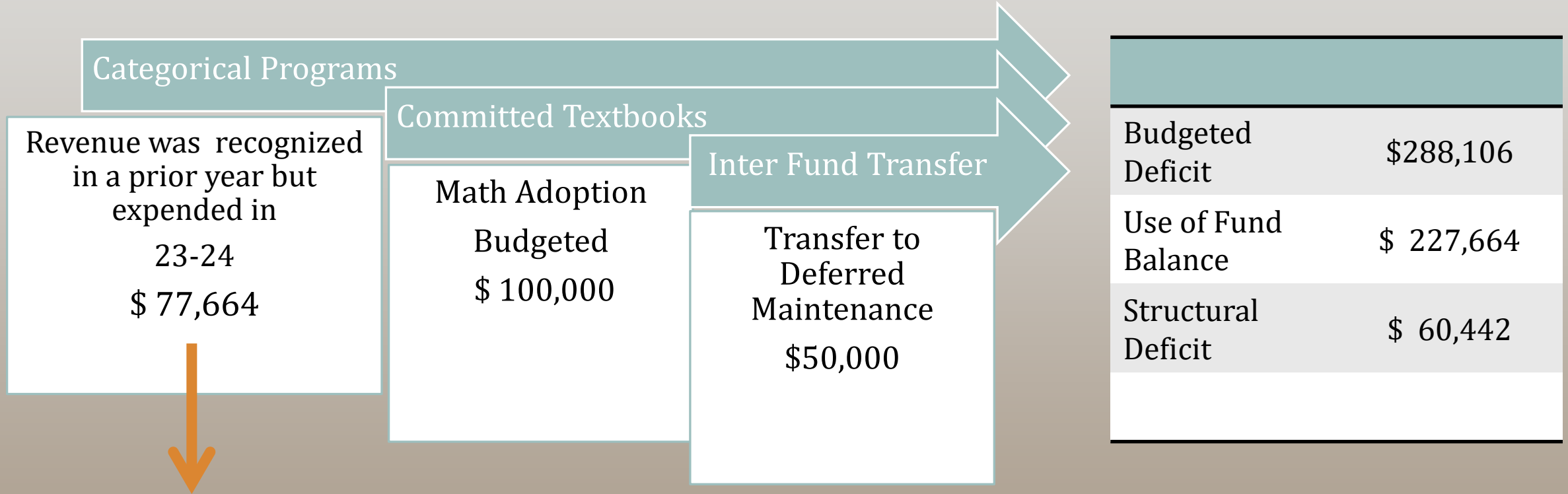
2023-24 Budgeted Expenses

	NES	NCS	Total	Notes
Certificated Salaries	1,405,368	1,538,810	2,944,178	Salary and Benefits are 79% of all expenses
Classified Salaries	857,314	340,204	1,197,518	
Benefits	1,061,959	807,044	*1,869,003	
Books & Supplies	217,409	129,346	346,755	
Other Operating Services	249,349	527,599	776,948	Outside services and utilities
Other Outgo/ Capitol Outlay	388,599	103,770	492,369	Long term debt PCOE Billbacks SPED
Total Expenses	4,179,998	3,446,773	7,626,771	

2023-24 NES and NCS Proposed Budget Estimated Ending Fund Balance

	NES	NCS	Total
Revenue	3,601,816	3,786,849	7,388,665
Expenses	(4,179,998)	(3,446,773)	(7,626,771)
Transfer Out	(4,450)	(45,550)	(50,000)
Excess/(Deficit)	(582,632)	294,526	(288,106)
Estimated Beginning Fund Balance	2,015,924	246,254	2,262,178
Ending Fund Balance	1,433,292	540,780	1,974,072

What is in the 2023-24 deficit....



Primarily...
ELO-Grant
Educator Effectiveness Grant
(State Funds not Federal)

2023-2024

Proposed Budget Fund Balance Allocation

REU = 15% of NES & NCS's
Expenses
Excludes Transfers Out

\$1,153,503

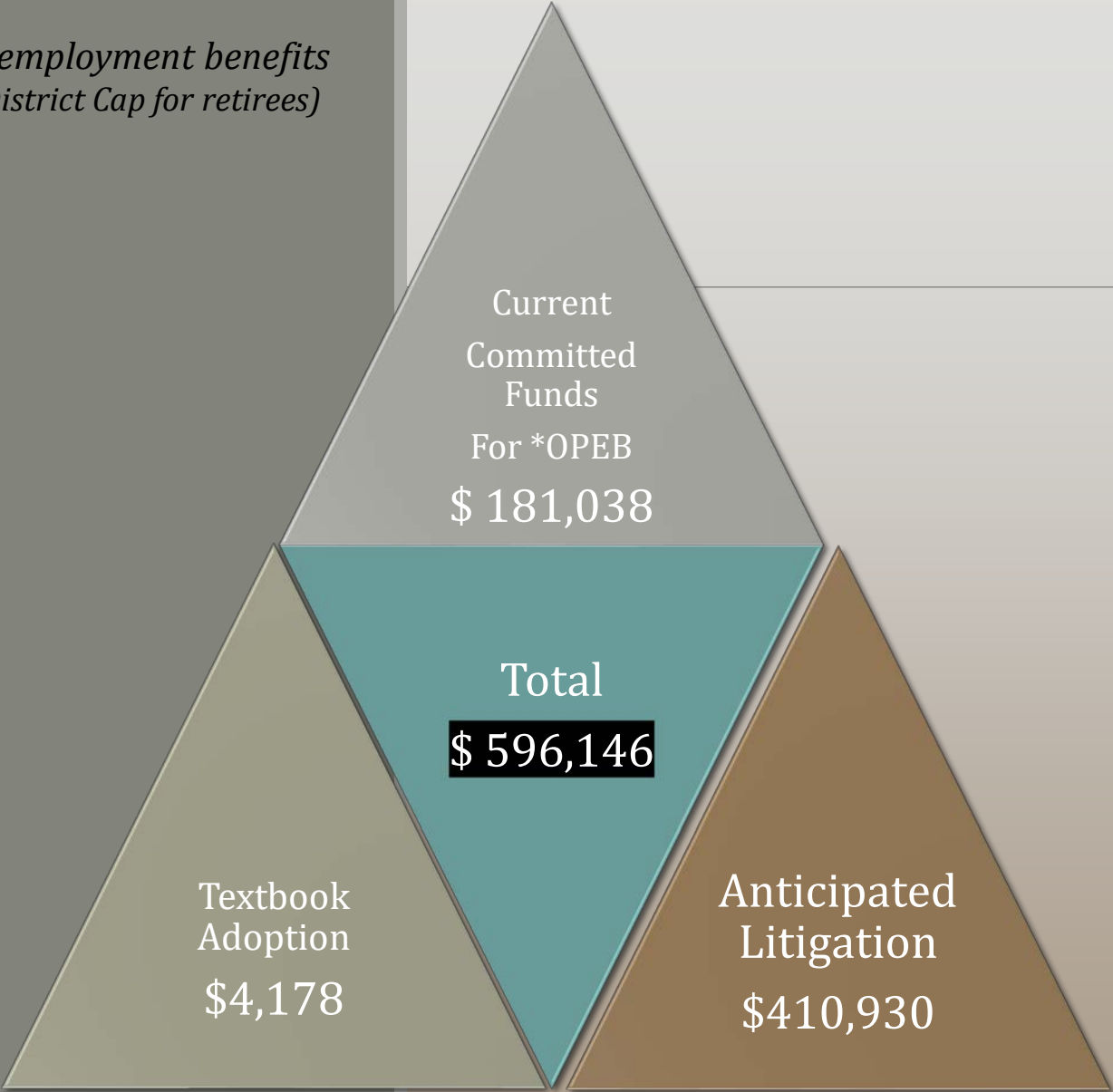
Actual \$692,102 = 9%

REU=Reserve for Economic Uncertainty

	NES	NCS
REU 5% -NES Only	211,500	
Additional REU NES and NCS	171,373	309,229
Restricted	325,339	231,551
Committed	596,146	
Lottery Teacher Salary and Benefits	22,689	
EPA - Teacher Salary and Benefits	105,545	
Revolving Cash	700	
Towards Future Deficits	0	0
Total	1,433,292	540,780

Total Estimated
Ending Fund
Balance
NES and NCS
1,974,072

**OPEB = Other post employment benefits
(Health and Welfare District Cap for retirees)*



**Estimated
Committed
Funds
Balance
June 2024**

Resolutions 9,10 & 11 - 20/21

MULTI YEAR PROJECTIONS

APPROXIMATELY RIGHT BUT EXACTLY WRONG



Multi Year Budget Components

*MYP projections show the trajectory of the district's revenue and expenses.
The projections will change if any of the following components are changed.*

Average Daily Attendance	23-24	24-25	25-26
	468	452	462

LCFF Revenue Projected COLA		
23-24	24-25	25-26
8.22%	3.94%	3.29%

Lottery – Per ADA	
Lottery Unrestricted	Lottery Restricted
\$170	\$67

Mandated Costs – Per ADA			
	23-24	24-25	25-26
NES	\$ 38	\$ 39	\$ 41
NCS	\$ 20	\$ 21	\$ 21

Retirement	23-24	24-25	25-26
STRS	19.10%	19.10%	19.10%
PERS	26.68%	27.70%	28.30%

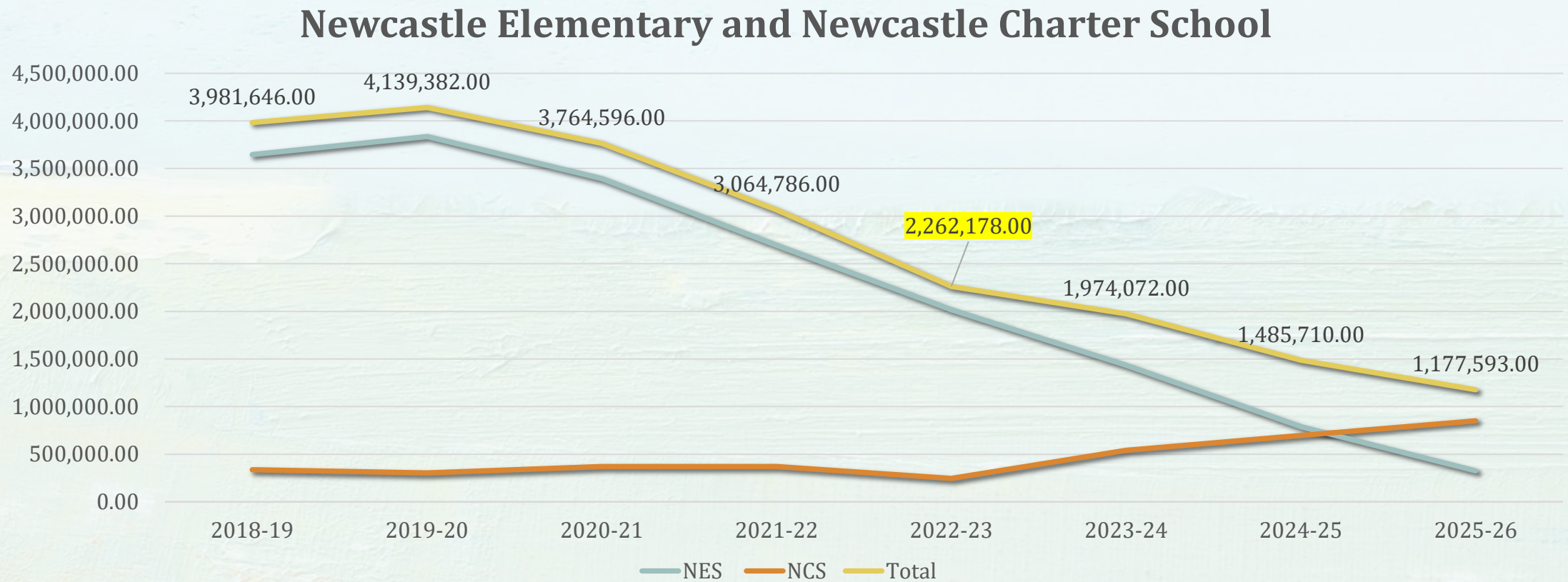
Salary Step and Column Projection	
Certificated	1.5%
Classified	2.3%

NES - NCS Multi Year Projections

	2023/2024	2024/2025	2025/2026
Revenue and Transfer In	7,388,665	7,168,361	7,447,471
Expenses and Transfer Out	7,676,771	7,656,723	7,755,588
Excess/ (Deficit)	(288,106)	(488,362)	(308,117)
Beg Fund Balance	2,262,178	1,974,072	1,485,710
Ending Fund Balance	1,974,072	1,485,710	1,177,593
Committed	596,146	181,358	92,711
Restricted/ Nonspendable	557,588	355,385	161,193
Assigned	128,234	0	0
Reserves	692,104	948,967	923,689
*Percent Reserve	9%	12%	12%

*Reserves are calculated on NES and NCS Expenses minus Transfers In and Out
- 5% plus 10% per BP 3100

Ending Fund Balance Trajectory



NEWCASTLE ELEMENTARY SCHOOL DISTRICT



OTHER FUNDS AND LONG TERM DEBT



2023-2024	Estimated Beginning Fund Balance	Est. Net Change	Ending Fund Balance
Food Service	253,659	116,902	370,561
Deferred Maintenance	346,155	(80,800)	265,355
Pond Maintenance, Playground Bark, Fire Abatement, Solar Panel Cleaning Sprinkler Inspection, Gym Floor Resurfacing, Parking Lot Maintenance and Major HVAC Repairs on all District owned buildings.			

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2023-2024	Estimated Beginning Fund Balance	Est. Net Change	Ending Fund Balance
Capital Facilities	106,644	(9,000)	97,644
Developer Fees are currently being used for improvements to the grassy field on the lower campus for additional outdoor learning space			
County School Facilities	279	0	279
Interest on State modernization funds that can be transferred out.			

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2023-2024	Estimated Beginning Fund Balance	Budgeted Net Change	Ending Fund Balance
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Capital Outlay	408,107	5,500	413,607
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Remaining modernization funds that are used for construction needs.

Student Body	45,092	0	45,092
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Student Body account is informational only and is used for activities directly related to students.
A budget has not been established for 2023-24

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NESD Long Term Debt

	Balance Principal As of 7/1/23	Balance Interest As of 7/1/23	Duration/Interest Rate
Placer County Treasury Loan	2,656,560	978,850	Last Payment 9/30/46 2.8% Interest

Other Post Employment Benefits (OPEB)	Potential L/T Expense	2023-24 Expense 1 Retiree	Committed in Fund Balance
	187,600	4,750	182,850

Multi Year Long Term Debt Payments

	2023/2024	2024/2025	2025/2026
Placer County Treasury Kentucky Greens Property	148,471	148,471	148,471
*OPEB Other Post Employment Benefits	4,750	4,750	0
Total	153,221	153,221	148,471

What is next.....?

- NESD Budget approval June 28th
- State Budget Is Approved by June 30th
- 45 Day Revise if needed due by August 15th
- 2022-23 Unaudited Actuals due by September 15th



Future Considerations

Onorato Occupancy – Working with Harvest Ridge

What is the best way to utilize the maintenance buildings when PCOE moves out in 2024?

What is the best way to handle additional grounds work?

In flow of one time funds will be expensed.



Any
Questions?



Thank you
and Good Knight!

