



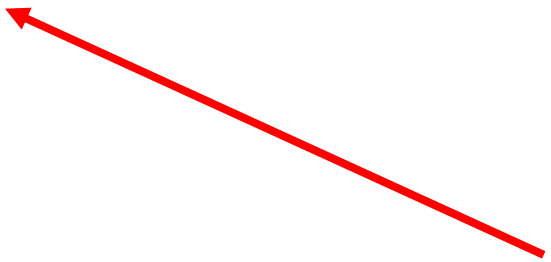
# MT. DIABLO UNIFIED SCHOOL DISTRICT

## 2021-2022 Proposed Budget

June 23, 2021, Board Meeting  
Dr. Adam Clark, Superintendent  
Dr. Lisa Gonzales, Chief Business Officer  
Mika Arbelbide, Director of Fiscal Services

# Budget Timeline for the 21/22 Fiscal Year

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- ❑ **June 2021**
    - ❑ **2021-22 Proposed Budget, 2021-22 Budget Adoption**
  - ❑ September 2021
    - ❑ 2020-21 Unaudited Actuals
  - ❑ December 2021
    - ❑ First Interim Report
  - ❑ January 2022
    - ❑ 2022-23 Governor's Proposed Budget, Preliminary Enrollment Projections
  - ❑ February 2022
    - ❑ 2022-23 Staffing & Budget Assumptions
  - ❑ March 2022
    - ❑ 2021-22 Second Interim Report
  - ❑ May 2022
    - ❑ 2022-23 Governor's May Revise
  - ❑ June 2022
    - ❑ 2022-23 Budget Adoption
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# Multi Year Projections (MYP) & Assumptions

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- ❑ **Cost of Living Adjustment (COLA)** is proposed at
  - 1.70% for 2021/22 (LCFF/SpEd base)
  - 2.31% for 2021/22 (LCFF and SpEd base) = 4.07%  
(compounded)
  - 1.00% COLA augmentation (LCFF only)
  - 2.48% for 2022/2023    3.11% for 2023/2024
- ❑ The **annual step & column increase** of 1.5% a year plus the impact of the CPI puts us at expense increases of about 4.5% a year
- ❑ **Enrollment calculations** in 2022-23 will include a reduction of approximately 1,166 students compared to 2019-20 (hold harmless until 2022-23 for LCFF only)
- ❑ **Average daily attendance** stays flat at 94.8%

# MYP & Assumptions (cont.)

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- ❑ **Unduplicated pupil count funding** is 47.2% for 2020-21 but drops to to 46.3% in 2021-22, then increases to 46.5% in 2022-23 (3 year average calculation)
- ❑ **STRS and PERS increase significantly in 2022-23**  
STRS (20/21=16.15%, 21/22=16.92%, 22/23=19.10%, 23/24=19.10%)  
PERS (20/21=20.70%, 21/22=22.91%, 22/23=26.10%, 23/24=27.10%)
- ❑ **Health benefits increase** 8% in 21/22, 5% in 22/23 and 23/24
- ❑ **Indirect cost increases** from 1.47% in 2020-21 to 3.76% in 2021-22 and 2022-23
- ❑ **Unemployment Insurance increase significantly in 2021-22** from .05% to 1.23%

	2021-22			2022-23			2023-24		
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined
<b>A. REVENUES AND OTHER FINANCING SOURCES</b>	299,783,233	90,765,724	390,548,957	298,489,255	67,104,417	365,593,672	305,784,372	67,328,217	373,112,589
<b>B. EXPENDITURES AND OTHER FINANCING USES</b>	239,962,256	160,595,364	400,557,620	242,636,099	140,287,045	382,923,143	245,748,769	141,979,269	387,728,038
<b>C. OVER/SHORT</b>	59,820,977	(69,829,640)	(10,008,663)	55,853,157	(73,182,628)	(9,311,205)	60,035,604	(74,651,052)	(14,615,448)
<b>D. CONTRIBUTIONS</b>	(69,707,235)	69,707,235	0	(72,372,435)	72,372,435	0	(73,996,735)	73,996,735	0
<b>E. NET INCREASE (DECREASE) IN FUND BALANCE</b>	(9,886,258)	(122,405)	(10,008,663)	(16,519,279)	(810,193)	(17,329,471)	(13,961,132)	(654,317)	(14,615,448)
<b>F. FUND BALANCE</b>									
Beginning Fund Balance	55,937,214	7,657,188	63,594,402	46,050,956	7,534,783	53,585,739	29,531,677	6,724,591	36,256,268
Ending Fund Balance	46,050,956	7,534,783	53,585,739	29,531,677	6,724,591	36,256,268	15,570,546	6,070,274	21,640,819
Restricted	712,000	7,534,783	8,246,783	712,000	6,724,591	7,436,591	712,000	6,070,274	6,782,274
Assigned	33,322,227		33,322,227	17,331,982		17,331,982	3,226,704		3,226,704
Reserve for Economic Uncertainties	12,016,729		12,016,729	11,487,695		11,487,695	11,631,842		11,631,842
<i>(REQUIRED AMOUNT FOR 3% RESERVE)</i>		12,016,729			11,487,694			11,631,841	

## MYP with One Time Funds (AB86, ESSER II) and Related Expenses

	2021-22			2022-23			2023-24		
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined
<b>A. REVENUES AND OTHER FINANCING SOURCES</b>	299,783,233	68,344,899	368,128,132	298,489,255	67,104,417	365,593,672	305,784,372	67,328,217	373,112,589
<b>B. EXPENDITURES AND OTHER FINANCING USES</b>	239,962,256	138,174,539	378,136,795	242,636,099	140,106,901	382,742,999	245,748,769	141,795,108	387,543,876
<b>C. OVER/SHORT</b>	59,820,977	(69,829,640)	(10,008,663)	55,853,157	(73,002,484)	(9,311,205)	60,035,604	(74,466,891)	(14,431,287)
<b>D. CONTRIBUTIONS</b>	(69,707,235)	69,707,235	0	(72,372,435)	72,372,435	0	(73,996,735)	73,996,735	0
<b>E. NET INCREASE (DECREASE) IN FUND BALANCE</b>	(9,886,258)	(122,405)	(10,008,663)	(16,519,279)	(630,049)	(17,149,327)	(13,961,132)	(470,156)	(14,431,287)
<b>F. FUND BALANCE</b>									
Beginning Fund Balance	55,937,214	7,657,188	63,594,402	46,050,956	7,534,783	53,585,739	29,531,677	6,904,735	36,436,412
Ending Fund Balance	46,050,956	7,534,783	53,585,739	29,531,677	6,904,735	36,436,412	15,570,546	6,434,579	22,005,125
Restricted	712,000	7,534,783	8,246,783	712,000	6,904,735	7,616,735	712,000	6,434,579	7,146,579
Assigned	33,994,852		33,994,852	17,337,387		17,337,387	3,232,229		3,232,229
Reserve for Economic Uncertainties	11,344,104		11,344,104	11,482,290		11,482,290	11,626,317		11,626,317

*(REQUIRED AMOUNT FOR 3% RESERVE)*

11,344,104

11,482,290

11,626,316

MYP without One Time Funds (AB86, ESSER II)  
and without Related Expenses

# Future Considerations/Risks

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- ❑ Uncertainty in Future State Budget, LAO's warning of downward adjust for K-14 funding in 2022/2023
- ❑ A structural deficit still exists with our Multi-Year Projections and a reduction plan is needed
- ❑ Another round of restricted ESSER dollars (one time pandemic mitigation) that don't address the structural deficit
- ❑ Uncertainty around Fall 2021 post-pandemic enrollment
- ❑ ADA (average daily attendance) hold harmless ends after 2021-22
- ❑ All one-time funding is restricted
- ❑ Continued cost increases associated with pension & operating increases and less reliance on revenue increases