



MT. DIABLO

UNIFIED SCHOOL DISTRICT

2024-25

Proposed Budget

June 12, 2024 Board Meeting

Adrian Vargas, Chief Business Officer

California School District Financial Reporting Requirements

- District required to adopt budget prior to July 1 of each year
- 2024-25 Proposed Budget is a "tentative" budget
- Based on Governor's May Budget Revise, State Enacted Budget may be different
- 2024-25 MDUSD Budget will be presented for Adoption on June 26th
- Material revisions presented within 45 days of State Enacted Budget



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Information Sources for Proposed Budget

- School Services of California: 2024-25 May Revise Projection Dartboard
- California County Superintendents Educational Services Association: The Common Message for the 2024-25 May Revision
- MDUSD staff and their input on site & department program needs: budget development process started in January 2024



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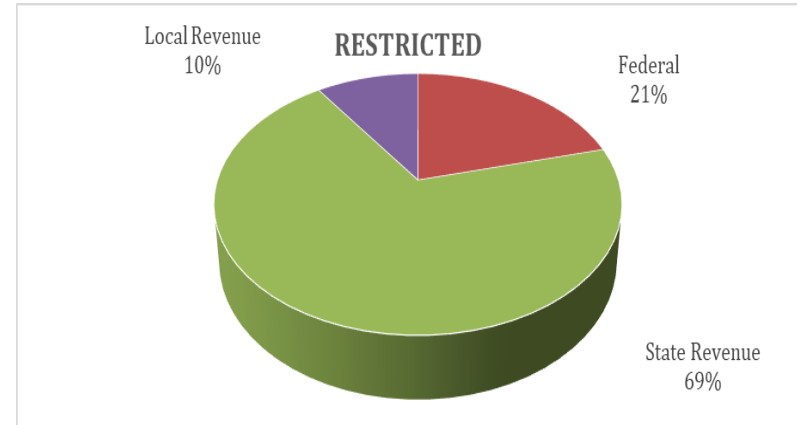
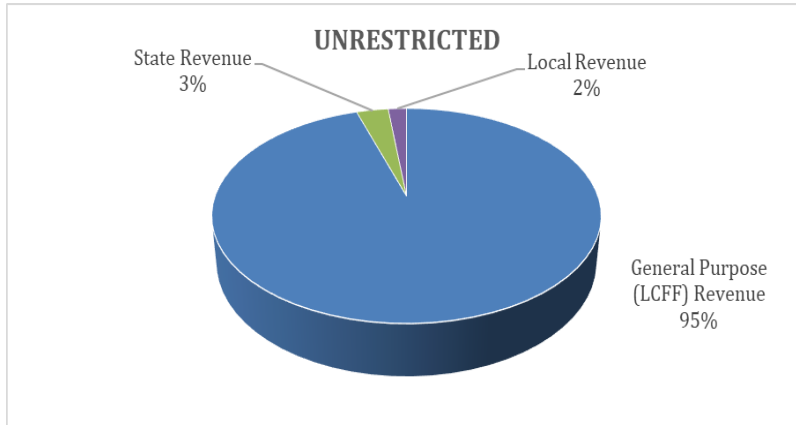
Governor's May Revise Highlights

- Increase to the Local Control Funding Formula (LCFF) base rates – 1.07% Cost of Living Adjustment (COLA)
- Special Education funding to increase by 1.07% COLA, rate going from \$887 to \$949 per Average Daily Attendance (ADA)
- Drawing down \$8.4B from “Rainy Day” fund
- Expanded Learning Opportunities Program deadline extended for prior year funds to be expended by September 30, 2024
- Arts, Music & Instructional Materials Discretionary Block Grant deadline extended one year to 6/30/2026
- 10% Reserve Cap may cease for the 2024-25 fiscal year



2024-25 Proposed Budget Revenues

Description	Unrestricted	Restricted	Combined
Local Control Funding Formula (LCFF)	337,129,805	-	337,129,805
Federal Revenues	-	20,931,605	20,931,605
State Revenues	11,169,102	69,407,765	80,576,867
Local Revenues	6,431,428	9,674,328	16,105,756
Total	354,730,335	100,013,698	454,744,033



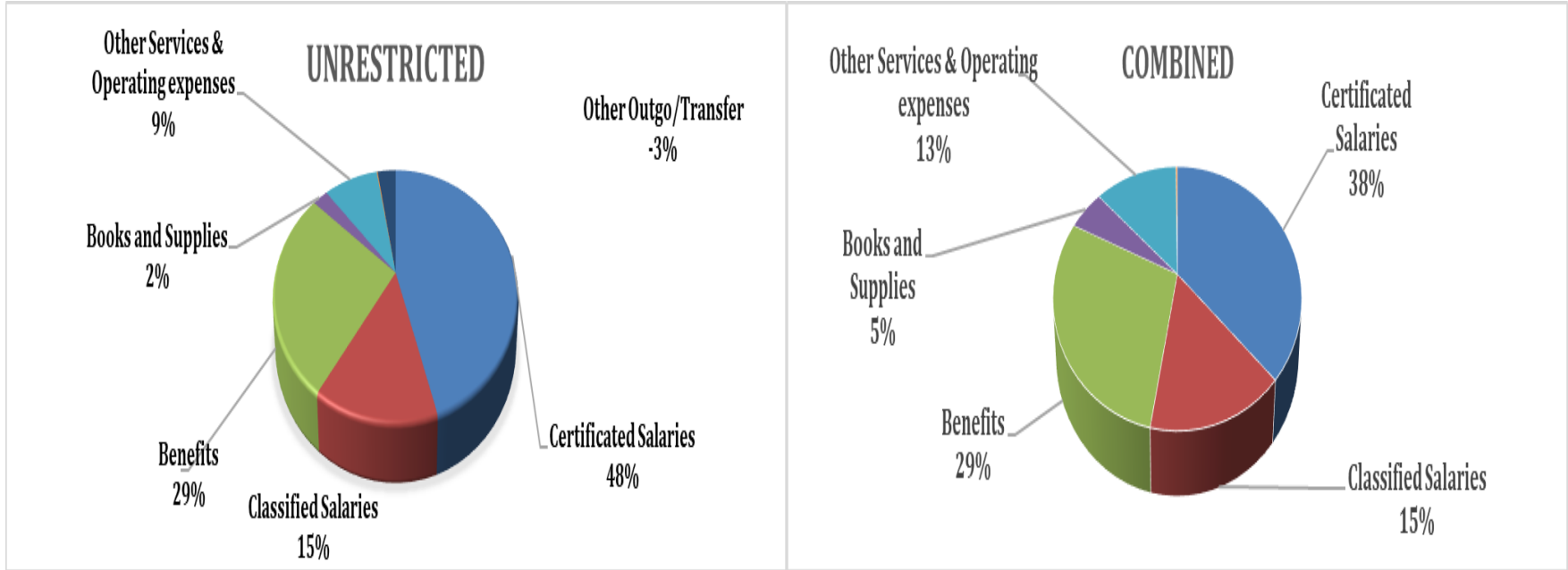
2024-25 Proposed Budget Expenditures

DESCRIPTION	UNRESTRICTED	RESTRICTED	COMBINED
Certificated Salaries	146,279,035	42,909,247	\$189,188,282
Classified Salaries	44,942,255	30,847,959	\$75,790,214
Benefits	86,634,744	57,547,053	\$144,181,797
Books and Supplies	7,647,609	19,141,704	\$26,789,313
Other Services & Operating Expenses	27,338,056	36,220,018	\$63,558,074
Capital Outlay	421,440	795,369	\$1,216,809
Other Outgo/Transfer	(9,263,558)	9,265,596	\$2,038
TOTAL	303,999,581	196,726,946	\$500,726,526

- *Includes 9% on the salary schedule increase*
- *\$38M budgeted in LCAP supplemental funds*
- *\$8M set aside for textbooks, \$6M for adoption*



2024-25 Proposed Budget Expenditures



2024-25 Proposed Budget Contributions

Description	Amount
Special Education	\$67,883,981
Routine Restricted Maintenance Account	\$16,126,101
Local Programs	\$1,549,126
Total	\$85,559,208



2024-25 Proposed Budget Summary

2024-25 Proposed Budget			
Description	Unrestricted	Restricted	Total
Total Revenues	354,730,335	100,013,698	454,744,033
Total Expenditures	303,999,581	196,726,946	500,726,526
Excess/(Deficiency)	50,730,754	(96,713,247)	(45,982,493)
Other Sources/Uses	(85,559,208)	85,559,208	0
Net Increase/(Decrease)	(34,828,453)	(11,154,040)	(45,982,493)
Add: Beginning Fund Balance	102,297,534	57,363,402	159,660,935
Ending Fund Balance	67,469,081	46,209,362	113,678,442



2024-25 Proposed Budget Fund Summaries

Fund	2023-24	Est. Net Change	2024-25
General (Unrestricted & Restricted)	\$ 159,660,935	\$ (45,982,493)	\$ 113,678,442
Student Activity Fund	\$ 710,408	\$ -	\$ 710,408
Charter Schools Special Revenue Fund	\$ 1,784,667	\$ (72,770)	\$ 1,711,897
Adult Education Fund	\$ 2,353,400	\$ (726,508)	\$ 1,626,892
Cafeteria Special Revenue Fund	\$ 13,391,583	\$ 556,913	\$ 13,948,496
Deferred Maintenance Fund	\$ 776,982	\$ -	\$ 776,982
Building Fund	\$ 28,153,720	\$ 1,196,187	\$ 29,349,907
Capital Facilities Fund	\$ 24,682,152	\$ 2,229,202	\$ 26,911,354
County School Facilities Fund	\$ 3,609,981	\$ 96,000	\$ 3,705,981
Capital Projects Fund for Blended Component Units	\$ 1,646,644	\$ 1,651,092	\$ 3,297,736
Bond Interest and Redemption Fund	\$ 47,257,459	\$ (4,972,745)	\$ 42,284,714
Debt Service Fund for Blended Component Units	\$ 7,859,131	\$ 683,239	\$ 8,542,370
Foundation Private-Purpose Trust Fund	\$ 62,823	\$ 1,000	\$ 63,823
TOTAL	\$ 291,949,885	\$ (45,340,882)	\$ 246,609,003



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Multiyear Projection (MYP) - Revenues

2025-26 & 2026-27 Revenue Assumptions

- Enrollment flat at 29,064; ADA to Enrollment ratio at 93.5%
- Unduplicated Pupil Percentage of 48% for each subsequent year
- LCFF COLA of 2.93%, 3.08% respectively
- Federal, state and local revenues projected to remain constant after the lowering of interest income revenues
- Contributions to Special Education programs at \$3.3M in 2025-26 and \$3.5M in 2026-27.



MYP - Expenditures

2025-26 & 2026-27 Expenditure Assumptions

- Step and column increases projected at 1.56% for each year
- Unrestricted salaries decrease in 2025-26 due to the removal of LCAP supplemental carryover funds and classified security costs moving to a restricted funding source. For 2026-27, salaries decrease due to the movement of student services salaries that address social & emotional needs
- Restricted salaries increase in 2025-26 due to increased special education costs and the movement of classified security costs. In 2026-27, salaries increase again for special education program costs and the movement of student services salaries discussed above
- Unrestricted benefits decrease overall in 2025-26, projected health costs at 10% and rising PERS rates are offset by the movement of salaries discussed above and the removal of \$1.7M payment for the Supplemental Retirement program



MYP - Expenditures

2024-25 & 2025-26 Expenditure Assumptions

- Restricted benefits increase due to the movement of salaries from unrestricted resources discussed previously and increased special education program costs
- Books & materials for both unrestricted and restricted resources decrease due the removal of carryover funds or one-time expenses like \$6.1M for the planned textbook adoption
- Services and other operating expenditures are projected to decrease for unrestricted resources due to the removal of LCAP supplemental carryover. Restricted resources are increasing due to special education program costs and the movement of social, emotional and security costs
- Capital outlay and other outgo are projected to remain constant after the removal of one-time expenses



2024-25 Proposed Budget MYP

Description	Proposed Budget 2024-25			Projection 2025-26			Projection 2026-27		
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined
Revenue									
General Purpose	337,129,805	-	337,129,805	347,498,187	-	347,498,187	358,329,152	-	358,329,152
Federal Revenue	-	20,931,605	20,931,605	-	20,931,605	20,931,605	-	20,931,605	20,931,605
State Revenue	11,169,102	69,407,765	80,576,867	11,169,102	69,407,765	80,576,867	11,169,102	69,407,765	80,576,867
Local Revenue	6,431,428	9,674,328	16,105,756	3,431,428	9,674,328	13,105,756	3,431,428	9,674,328	13,105,756
Total Revenue	354,730,335	100,013,698	454,744,033	362,098,717	100,013,698	462,112,415	372,929,682	100,013,698	472,943,380
Expenditures									
Certificated Salaries	146,279,035	42,909,247	189,188,282	145,611,635	43,871,815	189,483,450	146,595,859	46,144,046	192,739,905
Classified Salaries	44,942,255	30,847,959	75,790,214	43,437,841	32,990,569	76,428,411	43,597,913	34,180,806	77,778,718
Benefits	86,634,744	57,547,053	144,181,797	86,606,255	60,084,442	146,690,697	90,018,804	62,804,559	152,823,363
Books and Supplies	7,647,609	19,141,704	26,789,313	7,215,980	12,709,989	19,925,969	6,575,601	12,500,627	19,076,229
Other Services & Oper.									
Expenses	27,338,056	36,220,018	63,558,074	26,364,755	36,474,205	62,838,960	25,005,072	37,462,839	62,467,911
Capital Outlay	421,440	795,369	1,216,809	421,440	295,200	716,640	421,440	295,200	716,640
Other Outgo 7xxx	-	1,075,372	1,075,372	-	1,075,372	1,075,372	-	1,075,372	1,075,372
Transfer of Indirect 73xx	(9,263,558)	8,190,224	(1,073,334)	(9,263,558)	8,295,642	(967,916)	(9,263,558)	8,406,528	(857,030)
Total Expenditures	303,999,581	196,726,946	500,726,526	300,394,348	195,797,236	496,191,583	302,951,131	202,869,977	505,821,108
Deficit/Surplus	50,730,754	(96,713,247)	(45,982,493)	61,704,369	(95,783,538)	(34,079,168)	69,978,551	(102,856,279)	(32,877,728)
Contributions to Restricted	(85,559,208)	85,559,208	-	(88,898,308)	88,898,308	-	(92,410,590)	92,410,590	-
Net increase (decrease) in Fund Balance	(34,828,453)	(11,154,040)	(45,982,493)	(27,193,938)	(6,885,230)	(34,079,168)	(22,432,039)	(10,445,689)	(32,877,728)
Beginning Balance	102,297,534	57,363,402	159,660,935	67,469,081	46,209,362	113,678,442	40,275,142	39,324,132	79,599,274
Ending Balance	67,469,081	46,209,362	113,678,442	40,275,142	39,324,132	79,599,274	17,843,104	28,878,443	46,721,546
Revolving/Stores/Prepays	722,000		722,000	722,000		722,000	722,000		722,000
Reserve for Econ Uncertainty (3%)	15,021,796		15,021,796	14,885,747		14,885,747	15,174,633		15,174,633
Restricted Programs	-	46,209,362	46,209,362	-	39,324,132	39,324,132	-	28,878,443	28,878,443
Committed	49,625,977		49,625,977	22,432,039		22,432,039			
Other Assignments	1,900,000		1,900,000	1,900,000		1,900,000	1,900,000		1,900,000
Unappropriated Fund Balance	199,308	-	199,308	335,356	-	335,356	46,470	-	46,470
<i>Unappropriated Percent</i>			0.04%			0.07%			0.01%



2024-25 Proposed Budget

Components of Ending Fund Balance

Description	2024-25 Proposed Budget			2025-26 Projected			2026-27 Projected		
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined
NONSPENDABLE									
Revolving Cash	722,000		722,000	722,000		\$722,000	\$722,000		\$722,000
TOTAL - NONSPENDABLE	722,000	-	722,000	722,000	\$0	\$722,000	\$722,000	\$0	\$722,000
RESTRICTED									
Restricted Categorical Balances		46,209,362	46,209,362		\$39,324,132	\$39,324,132		\$28,878,443	\$28,878,443
TOTAL - RESTRICTED	-	46,209,362	46,209,362	-	\$39,324,132	\$39,324,132	\$0	\$28,878,443	\$28,878,443
COMMITTED									
2025-26 Projected Deficit	27,193,938								
2026-27 Projected Deficit	22,432,039			22,432,039					
TOTAL - COMMITTED	49,625,977		49,625,977	22,432,039		\$22,432,039	\$0		\$0
ASSIGNED									
Technology	950,000		950,000	950,000		\$950,000	\$950,000		\$950,000
Legal Settlements	950,000		950,000	950,000		\$950,000	\$950,000		\$950,000
TOTAL - ASSIGNED	1,900,000	-	1,900,000	1,900,000	\$0	\$1,900,000	\$1,900,000	\$0	\$1,900,000
RESERVE FOR ECONOMIC UNCERTAINTIES									
Economic Uncertainty (REU-3%)	15,021,796		15,021,796	14,885,747		\$14,885,747	\$15,174,633		\$15,174,633
TOTAL - RESERVE FOR ECONOMIC UNCERTAINTIES	15,021,796	-	15,021,796	14,885,747	\$0	\$14,885,747	\$15,174,633	\$0	\$15,174,633
UNASSIGNED/UNAPPROPRIATED	199,308		199,308	335,356		\$335,356	\$46,470		\$46,470
TOTAL - FUND BALANCE	67,469,081	46,209,362	113,678,442	40,275,142	\$39,324,132	\$79,599,274	\$17,843,104	\$28,878,443	\$46,721,546



Future Considerations/Risks

1

**The State Enacted Budget –
Any other significant changes
to address projected state
shortfalls**

2

**Expiring and
spending down of
one time funds**

3

**Cost increases for STRS/PERS
rates, health benefits and
other operating costs like
insurance and utilities**

4

**Enrollment and Student
Attendance maintaining
growth?**



Next Steps

- 2024-25 MDUSD Budget Adoption – June 26th
- State Enacted Budget – by July 1st
- 45 Day Revise Update – August 2024
- 2023-24 Unaudited Actuals – September 2024
- 2024-25 First Interim – December 2024
- 2025-26 Governor’s January Budget Proposal – January 2025



QUESTIONS



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