

Point Arena Schools  
2023-2024 Unaudited Actuals  
and  
2024-2025 October Budget Update

Board Meeting Date: October 9, 2024

# 2023-24 Point Arena Schools – Unaudited Actuals

	Estimated	Unaudited			
	Budget	Actuals	Higher	Lower	
	(at June 2024)	(at Oct. 2024)	than Plan	than Plan	% Change
<b>Revenues</b>					
Taxes	7,172,808	7,456,072	283,264		3.95%
LCFF/EPA	773,419	772,721		(698)	-0.09%
Federal Revenue	990,956	1,076,727	85,771		8.66%
State Revenue	988,221	1,042,674	54,453		5.51%
Local Revenue	506,637	622,571	115,934		22.88%
Transfers In	77,626	77,626			0.00%
<b>Total Revenues</b>	<b>10,509,667</b>	<b>11,048,391</b>	<b>539,423</b>	<b>(698)</b>	<b>5.13%</b>
<b>Expenses</b>					
Certificated Salaries	2,946,321	2,978,472	(32,151)		1.09%
Classified Salaries	2,119,614	2,093,252		26,362	-1.24%
Employee Benefits	2,911,816	2,851,523		60,293	-2.07%
Books/Supplies	829,233	762,566		66,667	-8.04%
Services & Ops	1,503,509	1,649,654	(146,145)		9.72%
Capital Outlay	38,500	38,362		138	0.00%
Other Outgo	-	-			0.00%
Transfers Out	418,841	715,161	(296,319)		70.75%
<b>Total Expenses</b>	<b>10,767,835</b>	<b>11,088,990</b>	<b>(474,615)</b>	<b>153,459</b>	<b>2.98%</b>
<b>Excess/(Deficit)</b>	<b>(258,168)</b>	<b>(40,599)</b>		<b>(217,569)</b>	
Beginning Fund Balance	2,722,022	2,722,022			
Ending Fund Balance	2,463,854	2,681,424			

## REVENUE

Taxes: (+3.95%) (+283k); higher Annual taxes compared to P2 – update from Mendocino & Sonoma Counties.

Federal Rev.: (+8.66%) (+86k); higher Impact Aid funds (+39k); higher SPED (+42k); higher Supply Chain Assistance (+20k); less ESSER (-15k).

State Rev.: (+5.51%) (+54k); lottery funds (+34k); Early Intervention PreK (+15k); higher Mental Health (+10k); higher AMIM grant (+3k); higher LREBG (+3k); lower STRS On-Behalf (-9k) (nets to zero); other misc. (-2k).

Local Rev.: (+22.88%) (+116k); higher SPED related (+20k); higher interest (+60k); plus legal JPA excess (+30k); higher PCCS SPED Encroachment (+6k); net of other misc. (+0k).

## EXPENSES

Salaries: (+0.1%) (+6k); net of higher Cert. add'l duty; lower Class. time; and impact of leaves & open positions.

Benefits: (-2.07%) (-60k); lower STRS On-Behalf (-9k); STRS excess contribution impact (-16k); remaining due to impact of mid-year position changes, lower SUI, and fluctuations in tandem with salary movement (-35k).

Books/Supplies: (-8.04%) (-67k); net of lower curricula, kitchen infrastructure related, co-curricular, instructional related, and higher athletics.

Service/Ops: (+9.72%) (+146k); higher speech (+41k); nurse & psych. (+49k); transportation (+9k); utilities (+24k); insurance (+19k); net of other misc. (+4k).

Transfers Out: (+70.75%) (+296k); lower Cafeteria transfer out (-103k); PreK (-8k); higher transportation transfers out (+195k); higher technology (+125k); & higher deferred maintenance (+87k).

## 2023-24 Education Protection Account Expenditure (EPA) Reporting

EPA - Education Protection Account Funds Spent on Certificated Instructional Salaries at both sites.

AUESD = \$40,280 (01-1400-0-1100-001-1100-1000-0000)

PAJUHS D = \$25,056 (01-1400-0-1100-002-1100-1000-0000)

## 2023-24 Point Arena Schools – Unaudited Actuals Components of Ending Fund Balance

	Estimated Budget (at June 2024)	Unaudited Actuals (at Oct. 2024)
Revolving Cash	3,150	3,150
Restricted	909,001	1,011,648
Economic Uncertainty	1,235,000	1,235,000
Lottery funds Reserve	55,844	65,866
MAA related GF Reserve	70,031	76,765
Legal GF Reserve	95,414	144,497
Maintenance & Transportation GF Reserve	95,414	144,497
Unassigned/Other	0	(0)
<b>Ending Fund Balance</b>	<b>2,463,854</b>	<b>2,681,424</b>

**2023-2024 Projected Reserves at Unaudited Actuals**

Substantiation of need for reserves greater than the state required minimum reserve for economic uncertainty

District: Arena Union Elementary/Point Arena Joint Union High      CDS #: 23-76349

The governing board of a school district that proposes to adopt a budget that includes a combined assigned and unassigned ending fund balance in excess of the minimum recommended reserve for economic uncertainties, shall, at the Budget Adoption public hearing, provide:

- The minimum recommended reserve for economic uncertainties;
- The combined assigned and unassigned ending fund balances that are in excess of the minimum recommended reserve for economic uncertainties for each fiscal year identified in the budget; and
- A statement of reasons to substantiate the need for reserves that are higher than the minimum recommended reserve.

		2023-24	2024-25	2025-26
Total General Fund Expenditures & Other Uses		\$ 11,088,990	\$ 10,302,894	\$ 10,402,064
Minimum Reserve requirement	4%	\$ 443,560	\$ 412,116	\$ 416,083
General Fund Combined Ending Fund Balance		\$ 2,681,424	\$ 2,526,697	\$ 2,303,365
Special Reserve Fund Ending Fund Balance		\$ 383,967	\$ 186,517	\$ 156,517
Components of ending balance:				
Nonspendable (revolving, prepaid, etc.)		\$ 3,150	\$ 3,150	\$ 3,150
Restricted		\$ 1,011,648	\$ 585,217	\$ 361,817
Committed		\$ -	\$ -	\$ -
Assigned		\$ 815,593	\$ 864,848	\$ 834,915
Reserve for economic uncertainties		\$ 1,235,000	\$ 1,260,000	\$ 1,260,000
Unassigned and Unappropriated		\$ -	\$ -	\$ -
Subtotal Assigned, Unassigned & Unappropriated		\$ 2,050,593	\$ 2,124,848	\$ 2,094,915
Total Components of ending balance		\$ 3,065,391	\$ 2,713,215	\$ 2,459,882
		TRUE	TRUE	TRUE
Assigned & Unassigned balances above the minimum reserve requirement		\$ 1,607,033	\$ 1,712,732	\$ 1,678,832

**Statement of Reasons**

**The District's Fund Balance includes assigned, unassigned and unappropriated components, that in total are greater than the Minimum Recommended Reserve for Economic Uncertainties because:**

*The reserve is greater than the 4% minimum including, but not limited to, the following reasons:*

- Fund 01: Reserve for Economic Uncertainty	\$1,235,000
- Fund 01: Lottery Funds Reserve	65,866
- Fund 01: MAA General Fund Reserve	76,765
- Fund 01: Maintenance & Transportation GF Reserve	144,497
- Fund 01: Legal Reserve	144,497
- Fund 17: STRS, PERS, and H&W Special Reserve Fund Reserve	\$100,500
- Fund 17: Technology Reserve	\$283,467
	\$0
<i>Total of Substantiated Needs</i>	\$2,050,593
<b>Remaining Unsubstantiated Balance</b>	<b>\$0.00</b>

Board Meeting  
October 9, 2024

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## Point Arena Schools 2023-2024 Fund 17 – Unaudited Actuals

<b>FUND 17</b>		2023-24	2023-24	
<b>TECHNOLOGY AND STRS &amp; PERS</b>		June	Unaudited	
		Update	Actuals	<i>Variance</i>
Beginning Balance - Technology		199,462	199,462	-
Beginning Balance - STRS & PERS		100,500	100,500	-
FMV adjustment		(5,466)	(5,466)	-
		294,496	294,496	-
<b>Revenues</b>				
Interest		3,000	6,576	3,576
Transfers In - for Technology		30,000	155,055	125,055
Transfers In - for STRS & PERS		-	-	-
FMV adjustment offset		5,466	5,466	-
<b>Total Revenues</b>		<b>38,466</b>	<b>167,097</b>	<b>128,631</b>
<b>Expenses</b>				
Student Chromebooks		55,199	55,199	
Digital Medial iMacs		10,428	10,428	
Tech. Virtual Tutoring (partial)		12,000	12,000	
<b>Total Budgeted Expenses</b>		<b>77,626</b>	<b>77,626</b>	<b>-</b>
<b>Excess/(Deficit)</b>		<b>(39,160)</b>	<b>155,097</b>	<b>194,257</b>
<b>Ending Fund Balance - Technology</b>		<b>154,836</b>	<b>283,467</b>	<b>128,631</b>
<b>Ending Fund Balance - STRS &amp; PERS</b>		<b>100,500</b>	<b>100,500</b>	<b>-</b>

## 2024-25 Point Arena Schools Budget – October Update

	2024-2025	2024-2025	
	June Budget	October	
Revenues	Adoption	Update	Variance
Taxes	7,402,304	7,402,304	-
LCFF/EPA	773,211	772,721	(490)
Federal Revenue	463,703	469,236	5,533
State Revenue	911,865	911,803	(62)
Local Revenue	454,681	521,285	66,604
Transfers In	-	70,819	70,819
<b>Total Revenues</b>	<b>10,005,764</b>	<b>10,148,168</b>	<b>142,404</b>
Expenses			
Certificated Salaries	2,936,669	2,858,444	(78,225)
Classified Salaries	2,178,876	2,167,382	(11,493)
Employee Benefits	2,934,077	2,855,863	(78,214)
Books/Supplies	670,951	730,473	59,522
Services & Ops	1,325,950	1,417,043	91,093
Capital Outlay	-	-	-
Other Outgo	-	-	-
Transfers Out	274,570	273,689	(881)
<b>Total Expenses</b>	<b>10,321,092</b>	<b>10,302,894</b>	<b>(18,198)</b>
<b>Excess/(Deficit)</b>	<b>(315,328)</b>	<b>(154,726)</b>	
Beginning Fund Balance	2,463,854	2,681,424	
Ending Fund Balance	2,148,527	2,526,697	

### REVENUE

- Federal Rev. (+6k): SELPA adjustment.
- Local Rev. (+67k): SEL grant (+25k); one-time SIGNAL return of net equity (+109k); less SPED related (-74k); MCOE direct allocation (+7k).
- Trsfrs In (+71k): trsfr in dollars from FD17 to pay for tech. related expenditures - HS Chromebooks, Activ Panels, Ipads, etc.

### EXPENSES

- Cert. Salaries (-78k): step/col. changes for new hires (-38k); net of less 1.0 FTE position plus 0.5 FTE position (-54k); CTE Auto (+9k); higher budgeted add'l duty (+9k); net of other misc. (-4k).
- Class. Salaries (-11k): plus tech. time (+10k); less SPED drivers (-27k); higher budgeted add'l duty (+5k); net of other misc. (+1k).
- Benefits (-78k): Works comp. rate adjustment (-36k); salary change effects (-42k).
- Books/Supplies (+59k): add CTE related to match revenue (+10k); added tech. where we will use FD17 funds (+47k); net of other misc. (+2k).
- Services/Ops (+91k): higher insurance (+15k); higher MCOE nurse & psych. est. (+46k); higher LMFT services (+24k); net of other misc. (+6k).
- Transfers Out (-8k): Preschool employee updates (+5k); Cafeteria employee updates (-6k).

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## 2024-25 Point Arena Schools Budget – October Update Multi-Year Projection

	October	Multi-Year	
	2024-2025	2025-2026	2026-2027
<b>Revenues</b>			
Taxes	7,402,304	7,587,362	7,777,046
LCFF/EPA	772,721	772,721	772,721
Federal Revenue	469,236	469,236	469,236
State Revenue	911,803	911,803	911,803
Local Revenue	521,285	387,610	387,610
Transfers In	70,819	50,000	50,000
<b>Total Revenues</b>	<b>10,148,168</b>	<b>10,178,732</b>	<b>10,368,416</b>
<b>Expenses</b>			
Certificated Salaries	2,858,444	2,900,418	2,943,797
Classified Salaries	2,167,382	2,209,510	2,254,172
Employee Benefits	2,855,863	2,891,667	2,919,393
Books/Supplies	730,473	666,153	679,476
Services & Ops	1,417,043	1,445,384	1,474,291
Capital Outlay	-	-	-
Other Outgo	-	-	-
Transfers Out	273,689	288,136	302,284
<b>Total Expenses</b>	<b>10,302,894</b>	<b>10,401,268</b>	<b>10,573,414</b>
<b>Excess/(Deficit)</b>	<b>(154,726)</b>	<b>(222,536)</b>	<b>(204,998)</b>
Beginning Fund Balance	2,681,424	2,526,697	2,304,161
<b>Ending Fund Balance</b>	<b>2,526,697</b>	<b>2,304,161</b>	<b>2,099,163</b>

### Multi-Year Assumptions:

#### REVENUE

- Taxes: +2.5% estimate year over year.
- LCFF/EPA: – Flat
- Federal: – Flat
- State: – Flat
- Local: - 25-26: less one-time SIGNAL return of net equity (-109k); less SEL grant (-25k).
- Transfers In: - based on FD17 tech. transfers in estimates.

#### EXPENSES

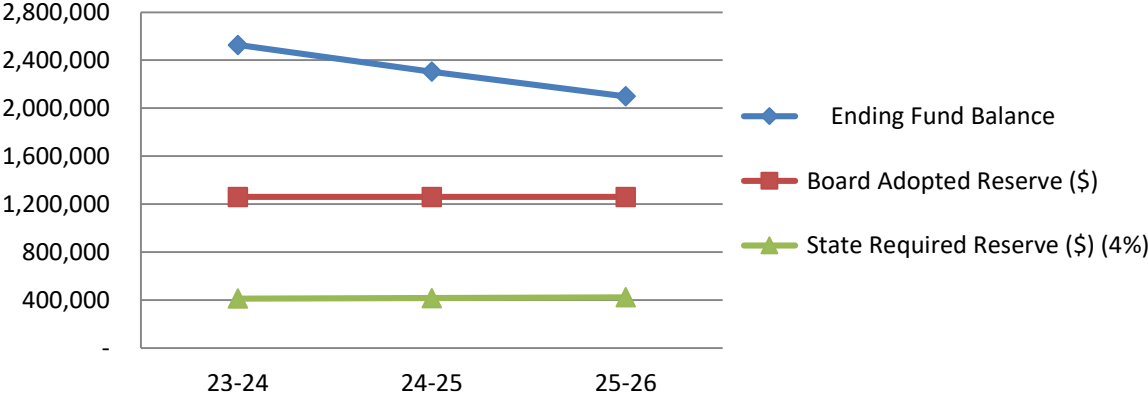
- Salaries: plus step increases; estimated staffing adjustments.
- Benefits: in tandem with salary increases plus future STRS & PERS rate changes.
- Books/Supplies: 25-26: less one-time Kitchen Infrastructure Grant related expenses (-57k); less est. higher than avg. FD17 exps. (-20k); plus 2% increase year over year.
- Service/Ops: plus 2% increase year over year.
- Transfers Out: plus salary/benefit increases in other funds (ie. PreK & Cafe) (25-26: +14k, 26-27: +14k).

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# 2024-25 PA Schools Budget – October Update Projected Components of Ending Fund Balance

	October	Multi-Year	
	2024-2025	2025-2026	2026-2027
Revolving Cash	3,150	3,150	3,150
Restricted	585,217	361,817	310,428
Board Reserve-Economic Uncertainty	1,260,000	1,260,000	1,260,000
Lottery funds Reserve	45,210	45,210	45,210
MAA GF Reserve	62,724	62,724	62,724
Legal Reserve	285,199	285,630	208,825
Maintenance/Transportation GF Reserve	285,199	285,630	208,825
Other Assigned Reserves	-	-	-
Unassigned/Other	(0)	(0)	0
<b>Ending Fund Balance</b>	<b>2,526,697</b>	<b>2,304,161</b>	<b>2,099,163</b>
<i>State Required Reserve (\$) (4%)</i>	<i>412,116</i>	<i>416,051</i>	<i>422,937</i>
<i>Board Adopted Reserve (\$)</i>	<i>1,260,000</i>	<i>1,260,000</i>	<i>1,260,000</i>
<i>Board Adopted Reserve (%)</i>	<i>12%</i>	<i>12%</i>	<i>12%</i>

Projected Ending Fund Balance & Reserves Line Graph



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# Other Considerations

- We have not received 24-25 P1 property tax estimates from Mendocino & Sonoma Counties – we typically receive this information mid-late November. Based on 23-24 property tax actuals, we would expect 24-25 property tax estimates to increase at P1. Any change as a result of P1 estimate updates, will be reported at First Interim in December 2024.
- Property tax revenues fluctuate throughout the year – we receive property tax updates from both Mendocino & Sonoma Counties at P1 (Fall), P2 (Spring), and Final (Summer).

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