

EXECUTIVE SUMMARY

This 2021-22 preliminary budget reflects estimates of the District's newly eligible Title revenue sources, AB 86/SB 86 Expanded Learning Opportunities Grants and In-Person Instructional Grants (aka ELOG), as presented to the Board on April 21, 2021. However, this preliminary budget now comprises a one-year increase of 3 certificated FTEs (\$420,000), 3 paraeducators (\$160,000), and \$145,000 on professional development in 2021-22 only to implement the ELOG Expenditure Plan, a total of \$725,000 expenditure increase.

The Assessed Property Values has increased to 4.23% as of May 6, 2021 from 4.07% previously as of April 14, 2021.

2021-22 preliminary budget also includes \$190,000 on Education Presentation System that was brought to the Board by staff at the March 9th board meeting, an increase of \$150,000 from the \$40,000 in the previous budget update.

Due to the shrunk teacher workforce in California, contribution to CalSTRS from both the employees and employers has also decreased, which further exacerbated CalSTRS' unfunded liability. Per recommendation from School Services of California, CalSTRS rate increased from 16.02% to 16.92% for 2021-22. The district also has an increased number of employees who participate in the Health and Welfare Plan offered by the District instead of cash in lieu, resulting in \$157,309 increase on benefits cost. Nonetheless, the biggest benefits cost increase is the State Unemployment Insurance, an increase from 0.05% to 1.23%, by 24.6 times, or \$252,679 increase on expenditures.

2020-21 Estimated Actuals reflects the 2020-21 P2 Property Taxes and the one-time, \$175,000 decrease of Hillsborough Recreation payment to the District that the Board approved on March 9, 2021.

In the coming weeks, staff will continue updating the budget from May Revise of the Governor's 2021-22 budget as well as other sources and expand the General Fund Multi-Year Projections to 2023-24, in preparation for the public hearing at the June 9th Board meeting.