



2022-23 First Interim Financial Report

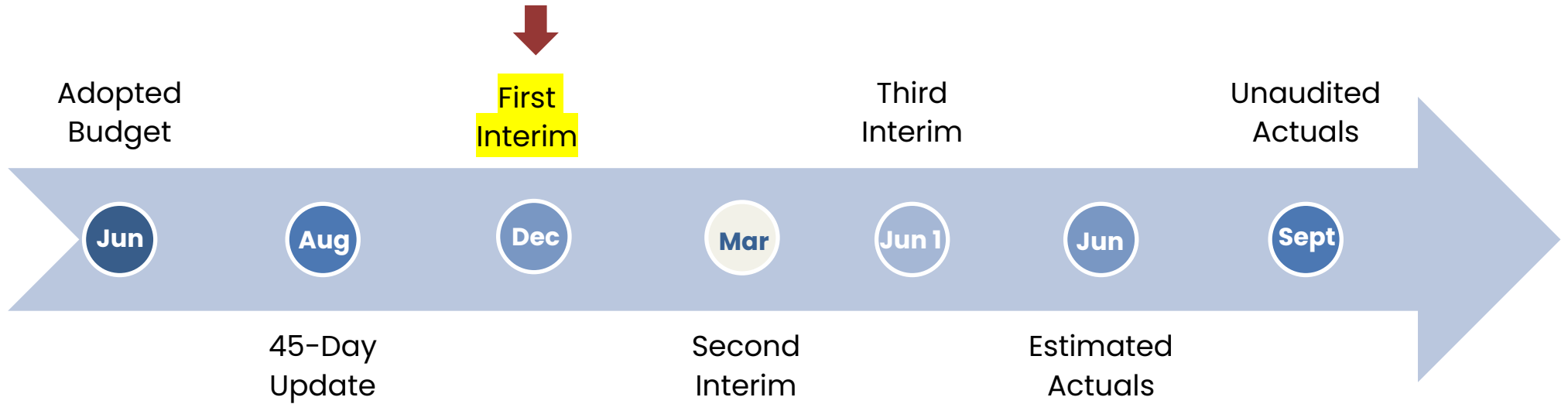
Board of Trustees Meeting
December 15, 2022
Erin Garcia, Assistant Superintendent

#FutureReady



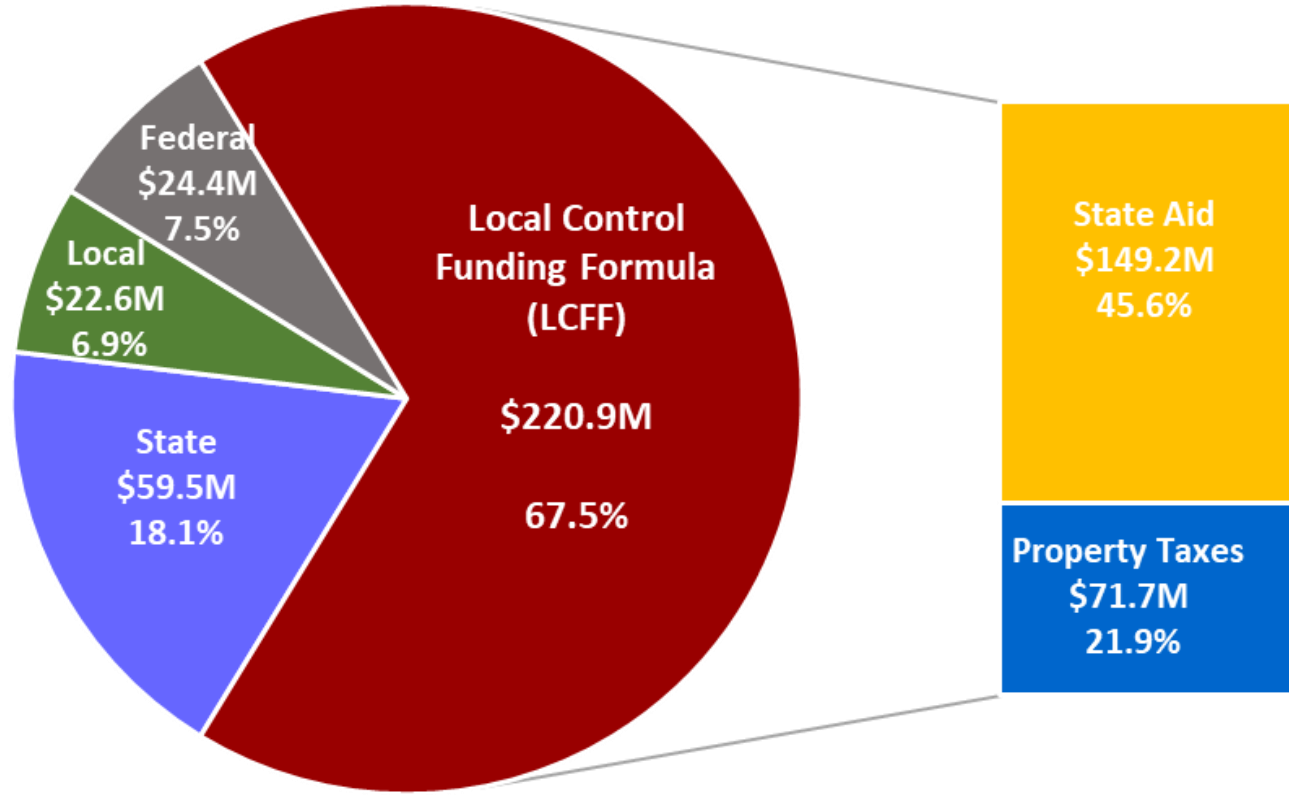


Annual Budget Reporting Cycle





Total General Fund Revenues - \$327.4M





Revenue Changes

(in Millions)

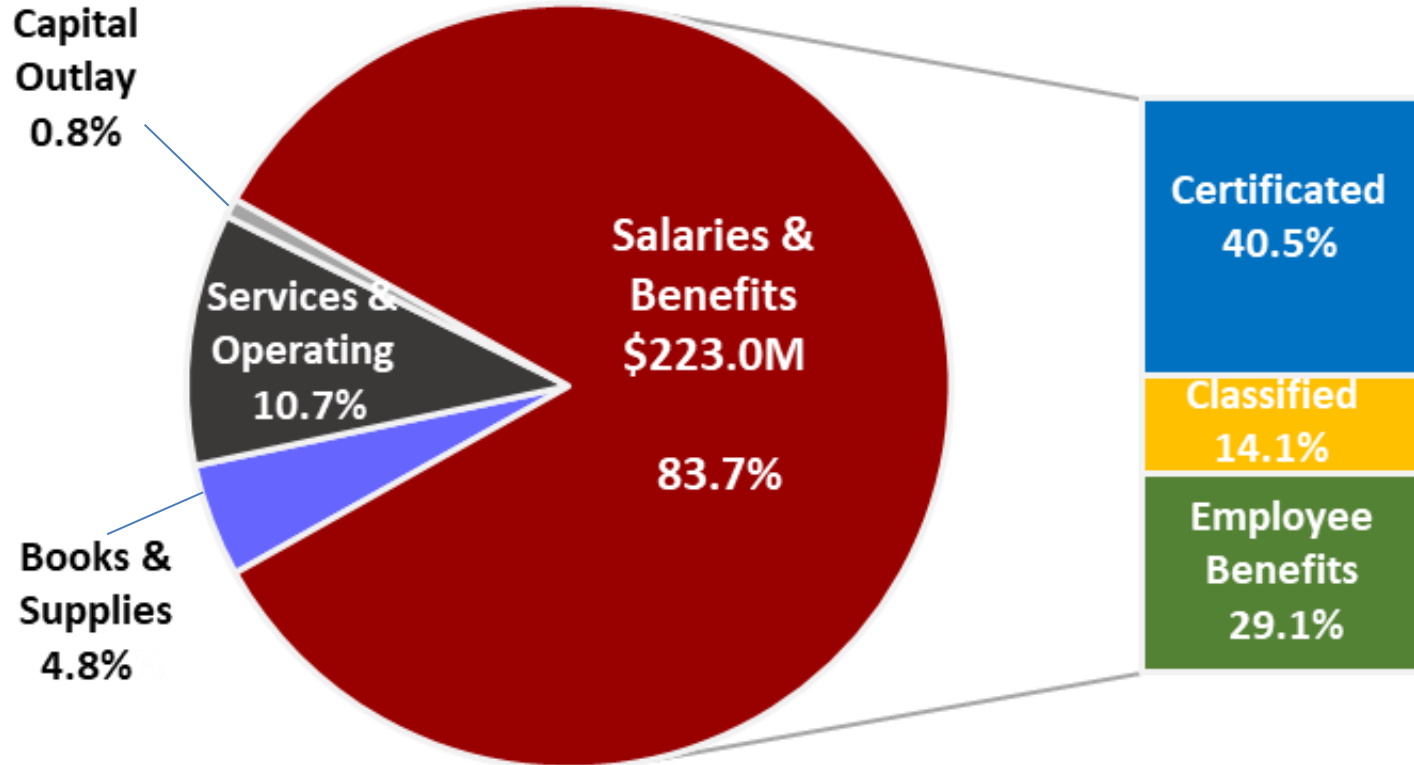
	45-Day	First Interim	Difference
LCFF	\$221.4	\$220.9	(\$0.5)
Federal	\$19.3	\$24.4	\$5.1
State	\$28.1	\$59.5	\$31.4
Local	\$20.3	\$22.6	\$2.3
Totals	\$289.1	\$327.4	\$38.3

Revenue Assumptions:

- Using prior 3-yr average for LCFF funding ADA
- LCFF restricted revenue decrease of \$0.5M due to property tax decline from SELPA
- Federal Revenues – adding in prior year carryover revenue for federal restricted programs (Title I)
- State Revenues – adding in prior year carryover & Learning Recovery BG (\$16.4M), Arts/Music BG (\$12.1M)
- Local Revenues – donation carryover added, Transportation services to Coronado USD-\$385K, new grants: CA SUMS-\$250K, Medical-\$385K, Teacher Residency-\$225K,



Total General Fund Expenditures – \$297.9M





Expenditure Changes

(in Millions)

	45-Day	First Interim	Difference
Certificated Salaries	\$112.9	\$120.5	\$7.6
Classified Salaries	\$38.1	\$42.2	\$4.1
Benefits	\$82.7	\$86.7	\$4.0
Books & Supplies	\$8.5	\$14.3	\$5.8
Services/Operating	\$28.8	\$31.8	\$3.0
Capital Outlay/Other	\$2.7	\$2.4	(\$0.3)
Totals	\$273.7	\$297.9	\$24.2



Expenditure Assumptions

- Actual salary placement for newly hired employees
- Negotiated 5.25% salary increase, effective 7/1/22
- New health benefits caps, effective 1/1/23
- Increase in books & supplies expenses for carryover in restricted programs
- Services: increased utility costs by \$1.2M, ELOP agreement w/B&G club-\$1.1M, Wellness grant-\$700K
- No expenditures added for two new block grants (start spending in 23/24)



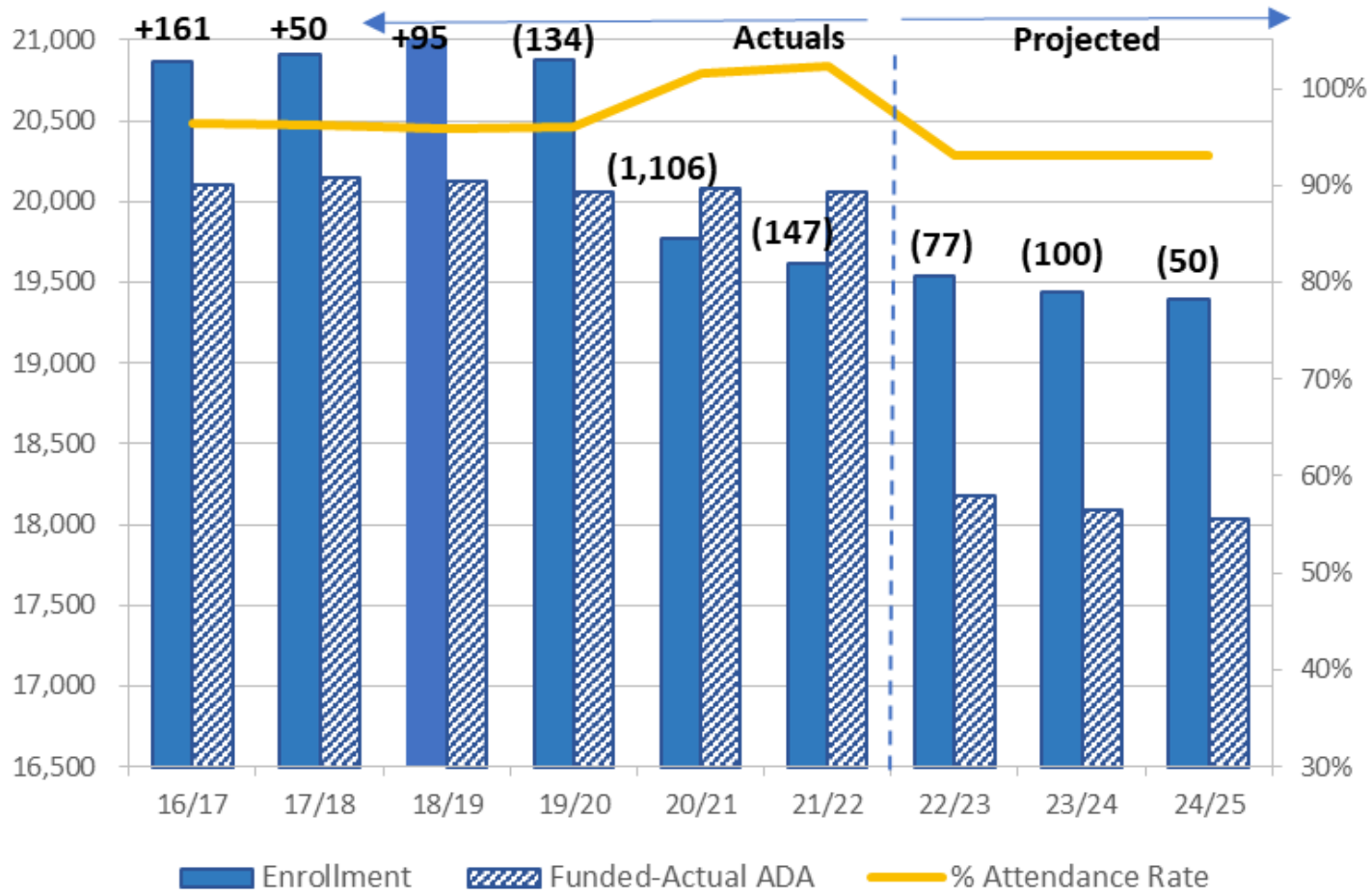
General Fund Ending Balance & Reserves

22/23 GENERAL FUND	Unrestricted	Restricted	Combined
July 1, Beginning Balance	\$30,430,645	\$16,957,291	\$47,387,936
Revenues	\$227,995,124	\$99,445,057	\$327,440,181
Expenditures	(\$187,532,320)	(\$110,403,101)	(\$297,935,421)
Contributions/Transfers	(\$41,591,695)	\$42,751,594	\$1,159,899
Surplus/(Deficit)	(\$1,128,891)	\$31,793,550	\$30,664,659
June 30, Ending Fund Balance*	\$29,301,754	\$48,750,841	\$78,052,595
Reserve Percentage	9.12%		9.12%

*includes \$1.6M in Commitments



Enrollment & Average Daily Attendance (ADA)





Multi-Year Projection Assumptions

Revenues		
	2023/24	2024/25
LCFF COLA	5.38%	4.02%
Enrollment	19,443	19,393
Attendance rate	93%	93%
Funded ADA*	19,035	18,376
UPP	39%	39%
TK enrollment	545	700
ESSER III (COVID)		Remove

Expenditures		
	2023/24	2024/25
Salary Increase	4%	none
Health benefits	2%	2%
STRS	19.10%	19.10%
PERS	25.20%	24.60%
Attrition savings	-\$720,000	-\$720,000
ESSER III (COVID)		Remove
Learning Recovery BG	1/5 of total	1/5 of total
Arts/Music BG	1/3 of total	1/3 of total

*Prior 3-year average

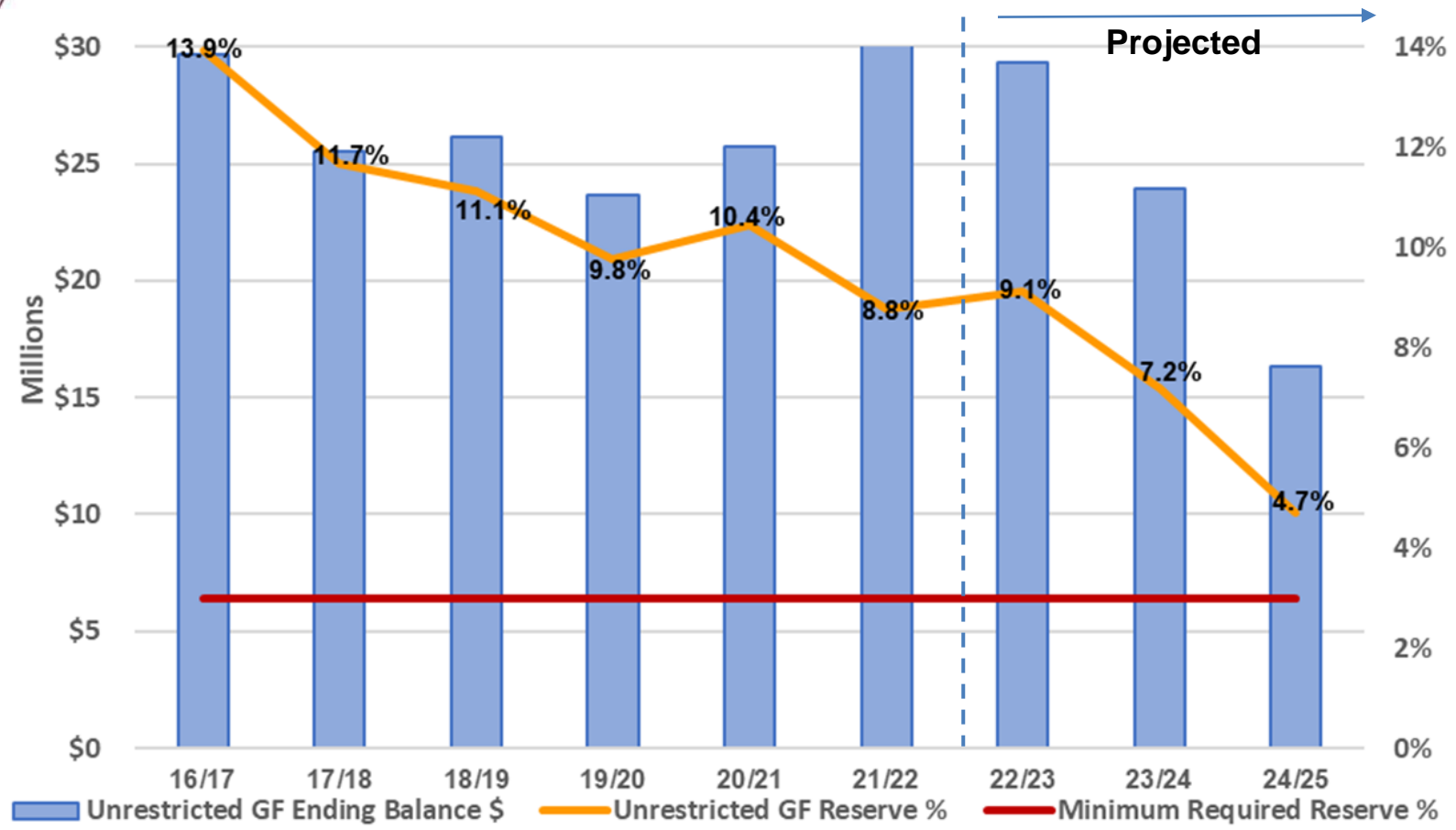


Multi-Year Projections (in Millions)

TOTAL GENERAL FUND	2022/23	2023/24	2024/25
July 1, Beginning Balance	\$47.4	\$78.0	\$66.8
Estimated Revenues	\$328.6	\$292.4	\$282.8
Estimated Expenditures	(\$297.9)	(\$303.6)	(\$301.3)
Total Surplus/(Deficit)	\$30.7	(\$11.2)	(\$18.5)
Unrestricted Deficit	(\$1.1)	(\$5.3)	(\$7.6)
June 30, Ending Fund Balance	\$78.1	\$66.8	\$48.3
Reserve Percentages	9.12%	7.19%	4.71%



General Fund Ending Balances & Reserves





State vs. District Budget Timeline

STATE

**Governor's
Jan Budget
Proposal**

**May
Revise**

**Enact
Final
Budget**

**LAO
Projection**



DISTRICT

**Second
Interim**

**Adopted
Budget**

**45-Day
Update**

**First
Interim**





Legislative Analysts' Office (LAO) Nov Report

- Independent projection of CA State budget for next year (preview to Governor's January budget)
- Outlook is cautionary
 - 23/24 COLA projected to be 8.7% (due to inflation)
 - State projected to have a \$25B deficit in 23/24 (K-14 deficit-\$2.6B) due to lower projected revenues
 - Likely to dip into the Rainy Day fund for the first time
 - LAO recommends reduced allocations to ELOP, after-school program



Next Steps

- Monitor Governor's January Budget for 23/24 projections
- Develop 23/24 LCAP, Block Grant plans & Strategic Promise

RECOMMEND APPROVAL OF 2022-23 FIRST INTERIM REPORT & **POSITIVE** CERTIFICATION

