

2022-23 First Interim Financial Report

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December 12, 2022

EVERY STUDENT MATTERS, EVERY MOMENT COUNTS



Purpose of Presentation

- **First Interim Financial Update (changes since June Budget Adoption)**
 - Average Daily Attendance (ADA) Assumptions
 - Revenue Assumptions
 - Expenditure Assumptions
 - Multi Year Projection (MYP) Summary
- **Questions**



District Goal Alignment

- **Strategic Goal Four**
 - Ensure the District is Fiscally and Operationally Sound



What Funds Are In The Budget?

- **General Fund (Fund 01) includes Unrestricted and Restricted Funds**
 - **Unrestricted Funds are not subject to specific constraints and may be used for any educational purpose not prohibited by law**
- **LCFF Funds are unrestricted but Supplemental and Concentration Funds must be used to increase services for the most at-risk student groups**



What Funds Are In The Budget?

- **Restricted Funds** have been received by an external source and are **legally restricted** by the donor to be used for **specific purposes**
 - COVID Funds (Federal & State)
 - Every Student Succeeds Act (ESSA)
 - Special Education (IDEA)
 - Other State Funded Programs
 - Local Funds

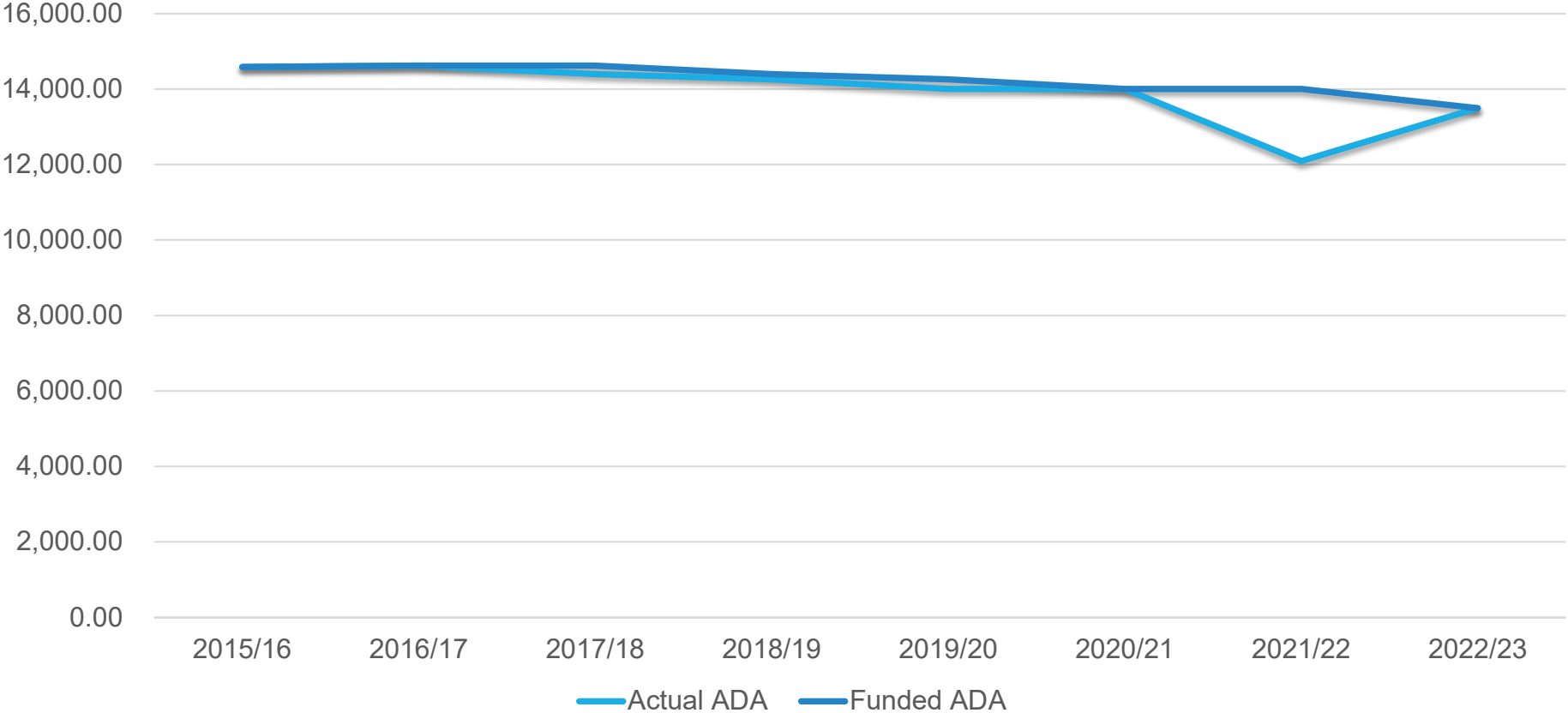


ADA Assumptions

- As part of the 2022-23 Enacted State Budget, there is a **significant ADA increase** from the June Budget Adoption, due to calculation of COVID-19 ADA Relief
 - Utilize **2019-20** enrollment to ADA (attendance yield) to **mitigate** decline in student attendance rates for 2021-22
 - Utilize three-year-average ADA if greater than current year
- In addition, there are 2022-23 enrollment **increases** of 325 for elementary students and 121 for high school students
 - Projected funded ADA increase:
 - **Elementary** 411.60 for both ADA Yield formula and enrollment increase
 - **High School** 472.46 for both ADA Yield formula and enrollment increase
 - Projected **flat** enrollment in **subsequent** years for the Multi Year Projection



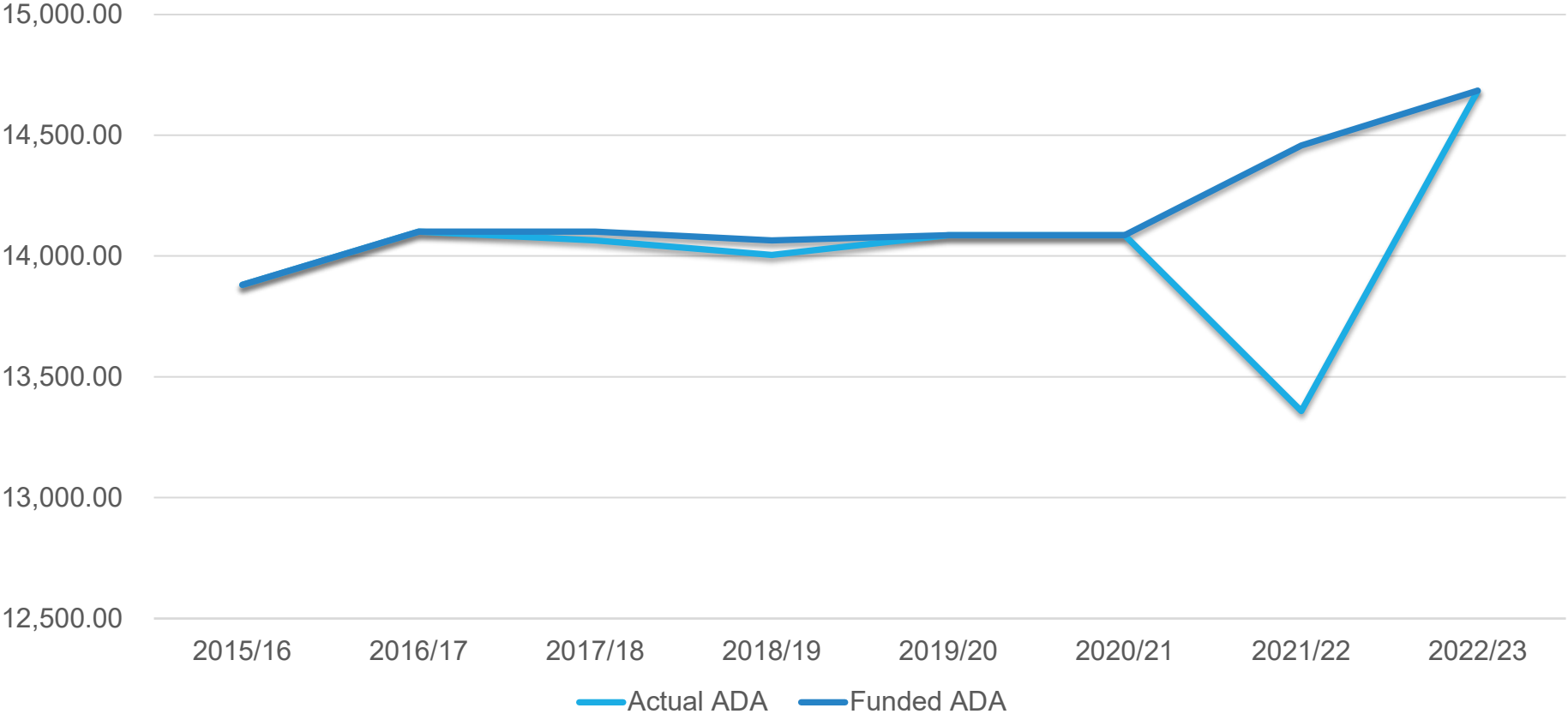
Elementary Actual vs. Funded ADA



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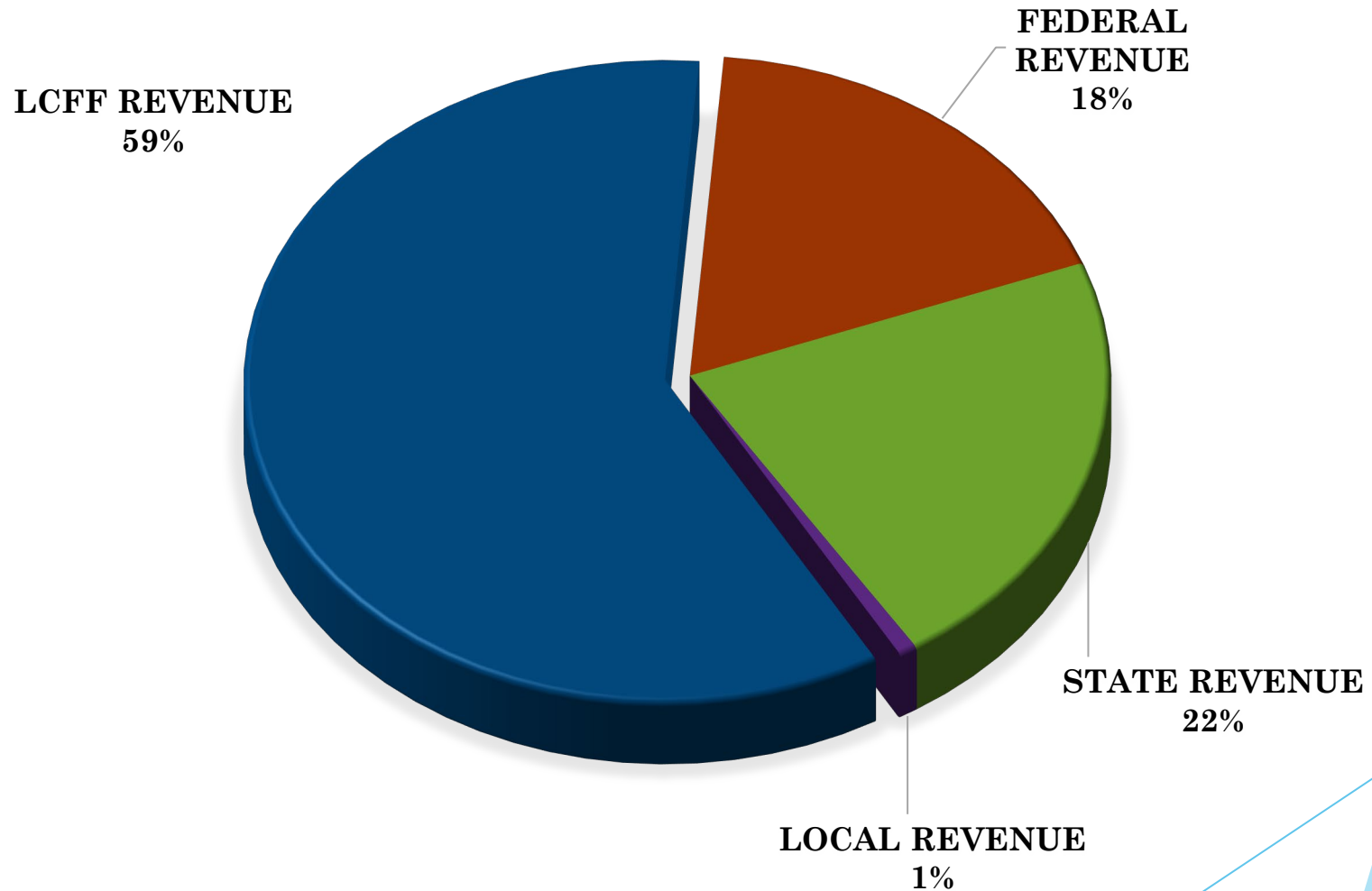
High School Actual vs. Funded ADA



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Total General Fund (01) Revenue



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LCFF Revenue Assumptions

Year	COLA	LCFF Base Funds Increase	Supplemental & Concentration Grant Increase
2022-23	6.56%	\$35.4M	\$10.0M
2023-24	5.38%	\$14.7M	\$5.3M
2024-25	4.02%	\$9.7M	\$3.4M

➤ LCFF Base Funding

- Determined by change in ADA and funded Statutory COLA

➤ Supplemental & Concentration Grant

- Determined by the Unduplicated Pupil Percentage (UPP)



LCFF Elementary Calculation

Grades	ADA	Base	Grade Span	Supp	Conc	Total
Unduplicated %				87.61%	87.61%	
K-3	6,093.95	\$9,132	\$950	\$1,767	\$2,137	\$85,227,542
4-6	4,610.78	\$9,270		\$1,624	\$1,965	\$59,290,965
7-8	3,113.94	\$9,544		\$1,672	\$2,023	\$41,226,366
TOTAL						\$185,744,873
TIIG Add-On						\$1,084,014
Transportation Add-On						\$474,814
21-22 LCFF FUNDING						\$187,303,701



LCFF High School Calculation

Grades	ADA	Base	Grade Span	Supp	Conc	Total
Unduplicated %				67.66%	67.66%	
9-12	14,919.11	\$11,061	\$288	\$1,536	\$934	\$206,162,047
TOTAL						\$206,162,047
TIIG Add-On						\$717,582
Transportation Add-On						\$458,416
21-22 LCFF FUNDING						\$207,338,045

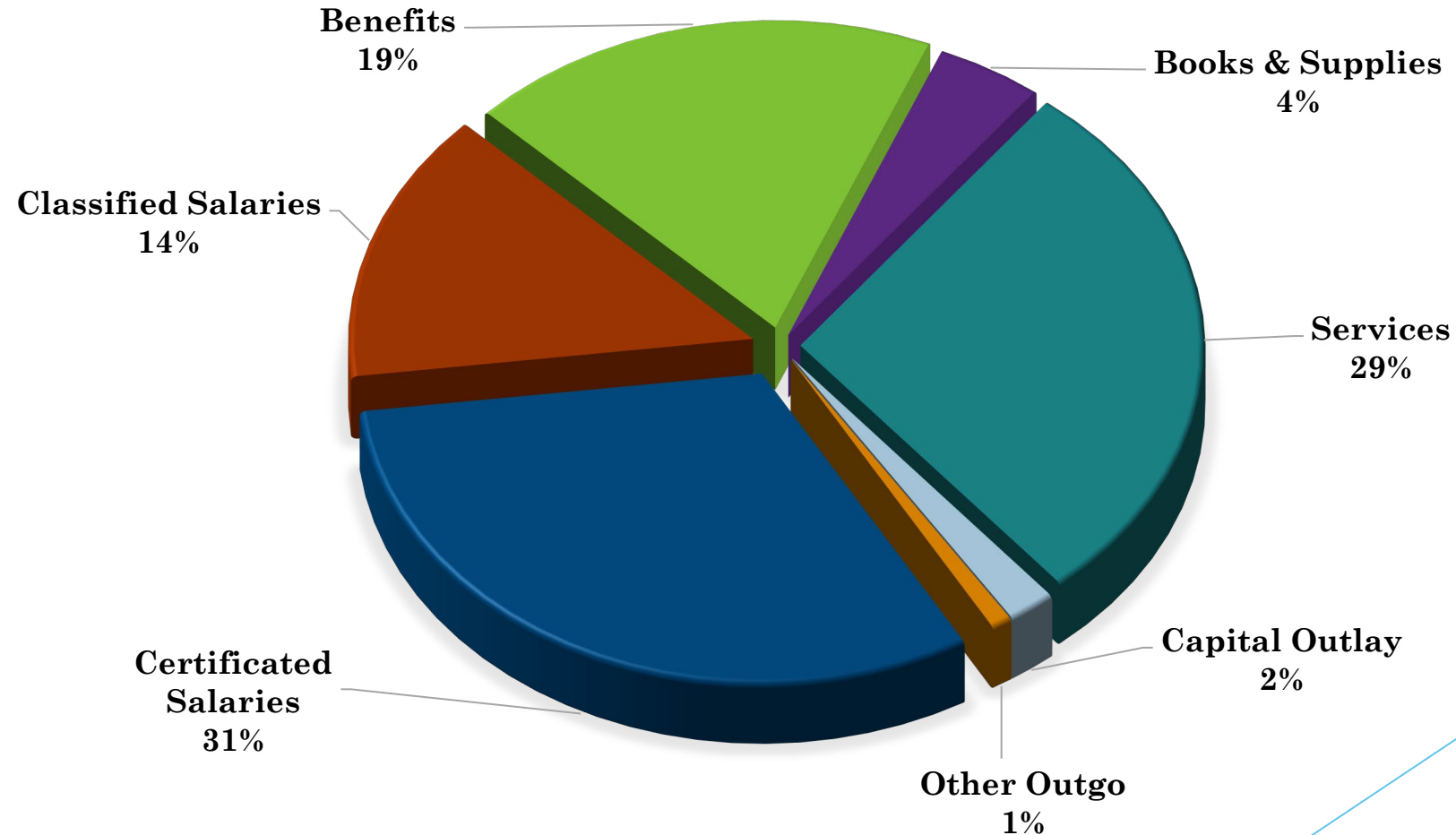


Other Revenue Assumptions

- Deferred and Prior Year Revenue - **\$92.1M**
- Increase to Title I, II, III & IV - **\$1.3M**
- Establish Education for Homeless Youth Grant - **\$75K**
- Establish Expanded Learning Opportunity Program - **\$21.7M**
- Establish Art, Music & Instructional Materials Grant - **\$16.9M**
- Establish A-G Grants - **\$986K**
- Establish Ethnic Study Grant - **\$394K**
- Establish State Mental Health Grant - **\$256K**



Total General Fund (01) Expenditures



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Other Expenditure Assumptions

- 2022-23 contract settlements for all bargaining units
- School site staffing & allocation adjustments due to first month student enrollment counts
- 2021-22 Carryover Balances and Deferred Revenue expenditures for 2022-23
- One-time approved expenditures for 2022-23



Multi Year Projection Summary

- Step & Column costs of 1.5%
- Removal of 2022-23 one-time expenditures
 - Including One-time payments for all bargaining units
- Removal of Carryover and Deferred expenditures



Unrestricted Fund Balance	2021-22	2022-23	2023-24	2024-25
Fund Balance	\$88,420,739	\$57,117,871	\$58,822,880	\$74,086,029
Nonspendable – Stores, Revolving Cash, Prepaid Expenses	\$4,676,530	\$3,400,000	\$3,400,000	\$3,400,000
Assigned				
Economic Uncertainties – 6%	\$30,590,433	\$43,412,904	\$31,224,456	\$31,538,626
County Cash FMV Adjustments	\$0	\$250,000	\$250,000	\$250,000
LCAP Supplemental & Concentration	\$17,826,606	\$0	\$5,348,660	\$8,706,230
Carryover Obligations	\$1,668,381	\$0	\$0	\$0
One Time Expenditures	\$0	\$0	\$250,000	\$250,000
Pending Budget Allocations	\$0	\$0	\$0	\$10,000,000
Unassigned Balance	\$33,658,789	\$10,054,967	\$18,349,764	\$19,941,173
Unassigned Reserve Percentage	12.60%	7.39%	9.56%	9.79%

Next Steps

- January Governor's Budget Proposal
 - Impact on **assumptions** for MYP
- **Second Interim Financial Report (Include)**
 - LCFF Transitional Kindergarten **Add-On**
 - Pupil Transportation funding **increase**
 - Prop 28 **Arts and Music Education**



Recommendation

- Based on the **factors and assumptions** included in the First Interim Financial Report, the District recommends the Board **approve** the report with a **Positive Financial Certification for all Funds**



Questions



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