

# 2021-22 Second Interim Report

Laguna Beach Unified School District  
March 10, 2022

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# Overview

- Revenue Changes
  - Property Tax/LCFF
  - Federal Revenue
  - Other State
  - Other Local
- Expenditure Changes
  - Certificated Salaries
  - Classified Salaries
  - Employee Benefits
  - Books & Supplies
  - Services
  - Capital Outlay
- Ending Fund Balance
- Multi Year Projections
  - Fund Balances
  - Potential One-time
- Recommend Positive Certification

# Revenues

- No change in the Property Tax/LCFF sources previously assumed at First Interim.
- Federal Revenue sources decreased by \$10,480 based on the actual receipt of grants.
- Other State sources increased by \$1,002,610 due to the award of the Educator Effectiveness and Expanded Learning Opportunities Program.
- Other Local sources increased by \$92,870 due primarily to donations received from SchoolPower and our PTA.

# Expenditures

- Certificated Salaries decreased by \$228,525 to reflect actual staffing levels.
- Classified Salaries decreased by \$29,340 also reflecting slightly lower staffing levels than previously assumed.
- Employee Benefits decreased by \$43,870 based on the salary changes noted above.
- Books and Supplies increased by \$151,949 to support the expansion of assessments and supports for students.
- Services and Other Operating Expenditures increased by \$361,706 to cover increased costs in routine restricted maintenance.
- Capital Outlay increased by \$118,080 to support early procurements for the elementary school library upgrades and 4CLE projects.
- No changes were made to Transfers.

Nonspendable (Revolving Cash & Prepaid Expenditures)	\$64,372
Restricted (Routine Maintenance Reserve & Educator Effectiveness)	\$3,837,498
Assigned Potential One-Time Expenditures	\$8,390,496
Unassigned Reserves	\$3,950,000
<b>Fund Balance</b>	<b>\$16,242,366</b>

	2021-22	2022-23	2023-24
Restricted & Nonspendable	\$3,901,870	\$3,381,249	\$3,100,000
Assigned Potential One-Time Expenditures	\$8,390,496	\$9,456,992	\$10,908,196
Unassigned Reserves	\$3,950,000	\$3,725,000	\$3,790,000
<b>Ending Fund Balance</b>	<b>\$16,242,366</b>	<b>\$16,563,241</b>	<b>\$17,798,196</b>

# Explanation of Certifications

- A positive certification is assigned when the district will meet its financial obligations for the current and two subsequent fiscal years.
- A qualified certification is assigned when the district may not meet its financial obligations for the current or two subsequent fiscal years.
- A negative certification is assigned when a district will be unable to meet its financial obligations for the remainder of the current year or for the subsequent fiscal year.

# Budget Process Reminder

- Each year the board reviews an annual budget that includes revenue and expenditure assumptions for the fiscal year.
- Budget is reviewed at the end of the year, typically in May or June as an information item.
  - New programs or changes are highlighted for easy identification of budget impacts.
  - Any changes that occurred during the year are captured at budget updates that occur at first and second interim (mid-December and mid-March respectively).
- Annual budget proposal developed and shared with the Board and community first as a information item prior to being brought back for approval as an action item.



# Recommendation

**Positive Certification**

*Thank you*