2022-23
Second Interim Budget Report

Board of Education Meeting - March 16, 2023

Second Interim Budget Report

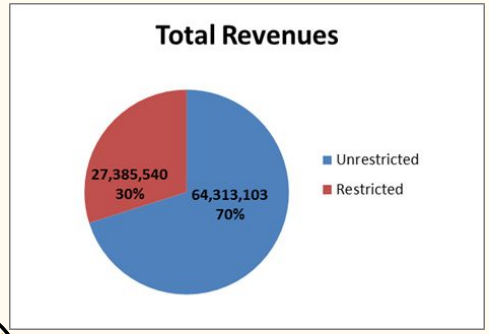
- Second Interim covers the period from July 1 thru January 31 of each year
- Must be submitted to the Alameda County Office of Education by March 17
- Snapshot in time of the District's revenue and expenditure forecasts for the current year as well as projection of the two subsequent years
- Includes revisions since First Interim Report

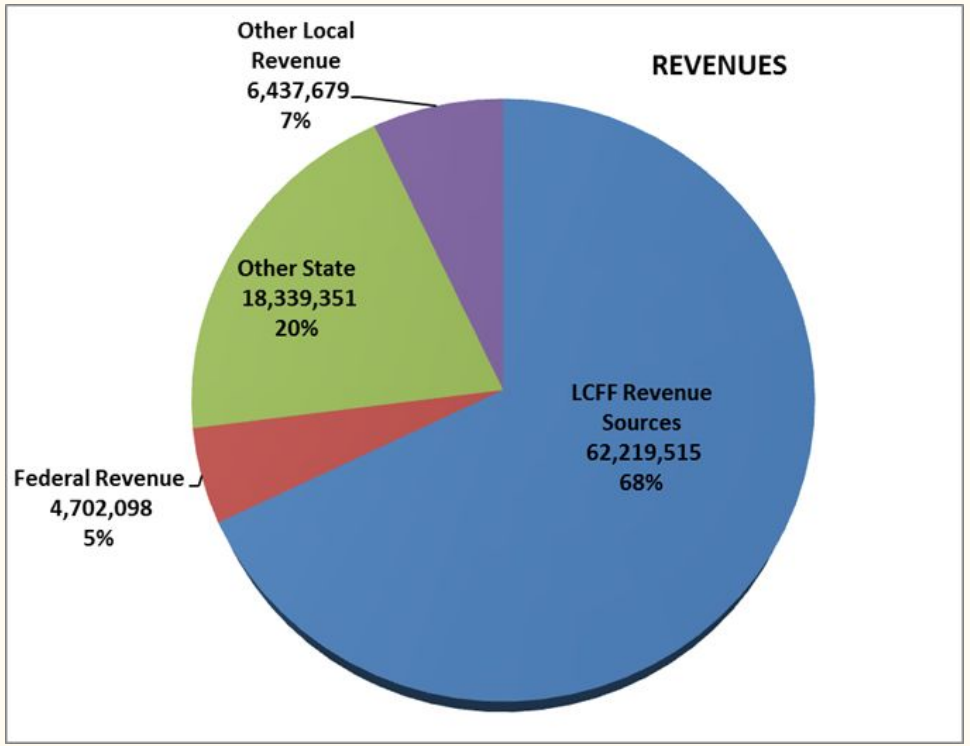
Certification

- Budget report must be certified POSITIVE, QUALIFIED OR NEGATIVE
  - POSITIVE: District will be able to meet its financial obligations in the current year and two subsequent years
  - QUALIFIED: The district may not be able to make its financial obligations in the current or two subsequent years
  - NEGATIVE: The district will not be able to make its financial obligations for the remainder of the current year or the subsequent year

General Fund Revenues

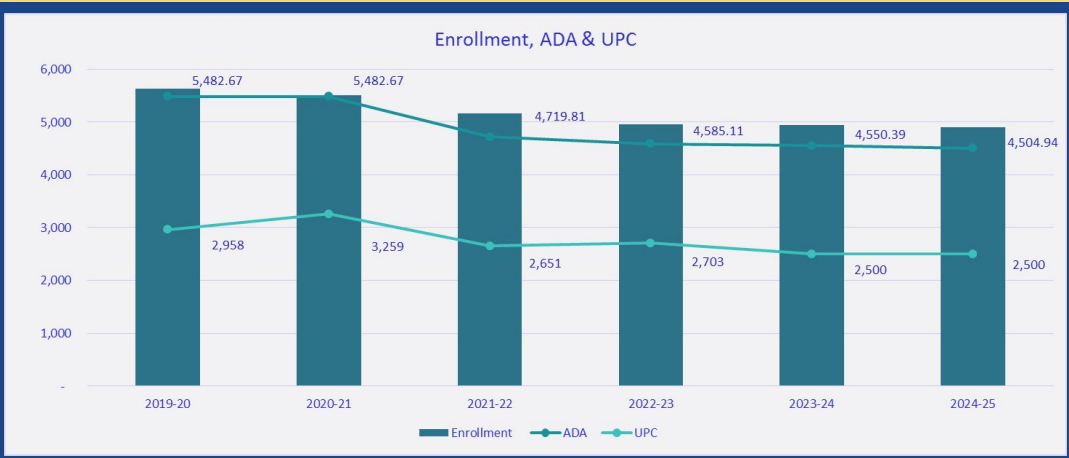
Total Revenues $91.7M
- $64M Unrestricted (70%)
- $27M Restricted (30%)
- 68% LCFF
- 20% Other State
- 5% Federal
- 7% Other Local





Enrollment, ADA and UPC

- Enrollment 4,951
  - Declining for the last 10 years
- District is funded based on ADA not Enrollment
- ADA to Enrollment ratio 92.6% (aka Attendance Yield)
- Unduplicated Pupil Count determines Supplemental and Concentration Funds



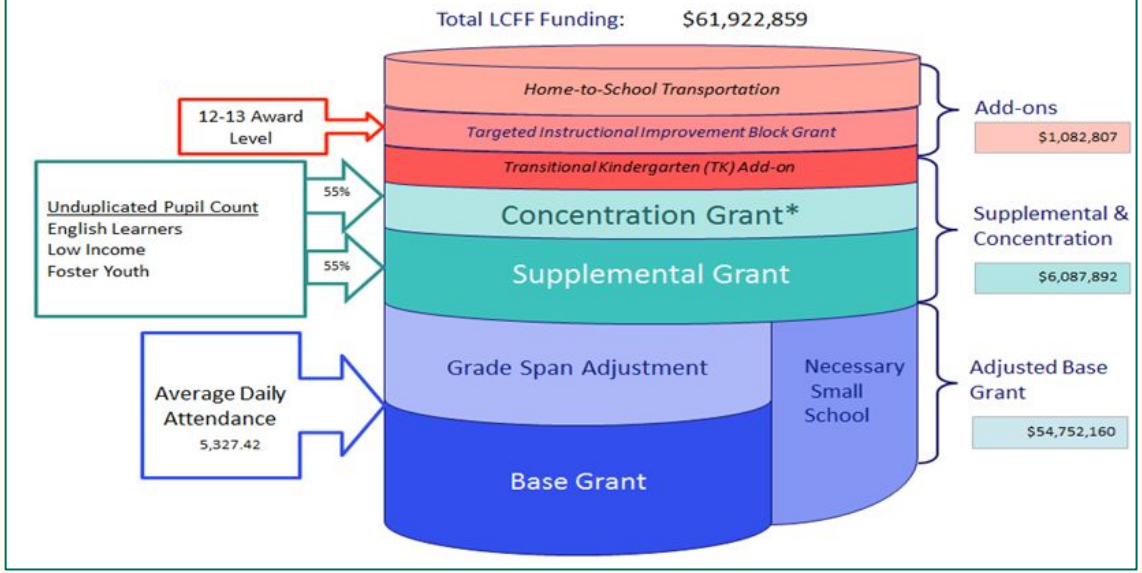
Description	1st Interim	2nd Interim	Change
Actual ADA	4,727	4,585	-142
Funded ADA	5,329	5,327	-2
Enrollment	4,973	4,951	-22
UPP	54.4%	55.14%	0.74%
Attendance Yield	95.05%	92.6%	-2.45%

LCFF (Local Control Funding Formula)

- Total LCFF $61.9M (96% of Unrestricted Funds)
- UPP 55.14% (English Learners, Foster Youth and Socio-Economically Disadvantaged Students)
  - Need +55% to receive Concentration Funds
- Funded ADA based on ADA Relief calculation
  - Funded on higher of current year, prior year or 3-year average
    - 4,720 vs. 5,327
  - 21-22 ADA based on higher of 19-20 or 21-22 attendance yield
    - 91% vs. 97%

Components of LCFF Entitlement

	2022-23			
Base Grant	$ 52,640,941		5,327.42	ADA
Grade Span Adjustment	$ 2,111,219		$ 54,752,160	Adjusted Base Grant
Supplemental Grant	$ 6,038,068	55%		
Concentration Grant	$ 49,824	55%	$ 6,087,892	Supplemental & Concentration
Add-ons: Targeted Instructional Improvement Block Grant	$ 499,293			
Add-ons: Home-to-School Transportation	$ 311,131			
Add-ons: Small School District Bus Replacement Program	$ -		$ 1,082,807	Add-ons
Add-ons: Transitional Kindergarten	$ 272,383			
Total	$ 61,922,859		$ 61,922,859	



Revenues - Changes between 1st & 2nd Interim

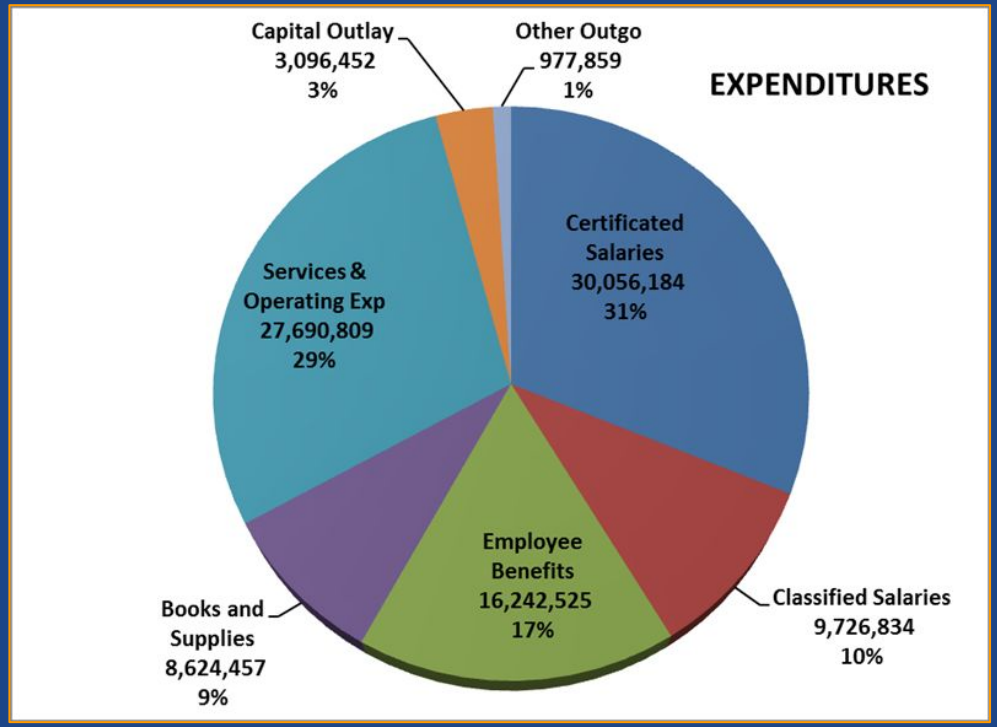
DESCRIPTION	1st Interim			2nd Interim			Change Between 1st Interim and 2nd Interim		
REVENUES	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
LCFF Revenue Sources	61,825,619	296,656	62,122,275	61,922,859	296,656	62,219,515	97,240	-	97,240
Federal Revenue	-	4,731,923	4,731,923	-	4,702,098	4,702,098	-	(29,825)	(29,825)
Other State	1,017,539	17,185,773	18,203,312	1,017,539	17,321,812	18,339,351	-	136,039	136,039
Other Local Revenue	1,338,778	4,390,629	5,729,407	1,372,705	5,064,974	6,437,679	33,927	674,345	708,272
Total Revenues	**64,181,936**	**26,604,981**	**90,786,917**	**64,313,103**	**27,385,540**	**91,698,643**	**131,167**	**780,559**	**911,726**

Major changes in revenues since First Interim Report:

- Unrestricted:
  - Decrease in LCFF Base ($31K) and increase in Supplemental and Concentration funds $128K
  - Increase in donations $33K
- Restricted:
  - Decrease in SELPA allocation ($30K)
  - Sped Early Intervention Preschool Grant $136K
  - K12 Strong Workforce Grant $260K
  - Local Revenue $414K

General Fund Expenditures

- Total Expenditures $96M
  - 55% Unrestricted
  - 45% Restricted
- 58% of total expenditures are for salaries & benefits ($56M)
- 29% for Services & Operating Exp (water, electricity, insurance, legal services, software, contract services)



Expenditures - Changes between 1st & 2nd Interim

DESCRIPTION	1st Interim			2nd Interim			Change		
EXPENDITURES	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
Certificated Salaries	24,297,034	5,998,713	30,295,747	24,059,596	5,996,588	30,056,184	(237,438)	(2,125)	(239,563)
Classified Salaries	5,945,164	3,505,318	9,450,482	5,914,584	3,812,250	9,726,834	(30,580)	306,932	276,352
Employee Benefits	8,928,807	7,289,249	16,218,056	8,961,349	7,281,176	16,242,525	32,542	(8,073)	24,469
Books and Supplies	3,387,000	4,838,364	8,225,364	3,534,061	5,090,396	8,624,457	147,061	252,032	399,093
Services & Operating Exp	7,635,463	20,496,941	28,132,404	8,041,250	19,649,559	27,690,809	405,787	(847,382)	(441,595)
Capital Outlay	2,374,741	391,538	2,766,279	2,248,761	847,691	3,096,452	(125,980)	456,153	330,173
Other Outgo	977,859	-	977,859	977,859	-	977,859	-	-	-
Indirect Costs	(1,038,117)	926,684	(111,433)	(1,070,986)	958,533	(112,453)	(32,869)	31,849	(1,020)
Total Expenditures	**52,507,951**	**43,446,807**	**95,954,758**	**52,666,474**	**43,636,193**	**96,302,667**	**158,523**	**189,386**	**347,909**

Major changes in expenditures since First Interim Report:

- K12 Strong Workforce and ELOP program salaries & benefits
- Legal expenses
- Wifi project
- Chromebooks

General Fund Contributions to Restricted Programs

Contributions from General Fund to Restricted Programs			
Description	**1st Interim**	**2nd Interim**	**Change**
Special Ed Revenues	4,429,838	4,256,553	(173,285)
Special Ed Expenditures	14,115,545	14,167,483	51,938
Revenues less Expenditures	(9,685,707)	(9,910,930)	(225,223)
Contribution from General Fund to Special Ed	9,685,707	9,910,930	225,223
Routine Restricted Maintenance	2,846,000	2,483,000	(363,000)
Total Contributions from General Fund	12,531,707	12,393,930	(137,777)

- The General Fund contributes $9.9M to Special Education and $2.5M to the Routine Restricted Maintenance Account (RRMA)= Total $12.4M contributions
- 3% of Total Expenditures must be allocated to the RRMA for school building maintenance
- Total $138K decrease in contributions since First Interim

Change to Fund Balance - Unrestricted Funds

SUMMARY- UNRESTRICTED	1st Interim	2nd Interim	Change
Revenues	64,181,936	64,313,103	131,167
Expenditures	52,507,951	52,666,474	158,523
Revenues less Expenditures	11,673,985	11,646,629	(27,356)
Contributions	(12,531,707)	(12,393,930)	137,777
Net Increase/Decrease in Fund Balance	**(857,722)**	**(747,301)**	**110,421**

$747K Decrease to Fund Balance - not a true deficit

- LCAP carryover transferred from Fund Balance to Expenditure Budgets

Fund Balance - Unrestricted

	1st Interim	2nd Interim	Change
Fund Balance			
Beginning Fund Balance	16,782,716	16,782,716	-
Audit Adjustments	(512,385)	(512,385)	-
Net Increase/Decrease in Fund Balance	(857,722)	(747,301)	110,421
Ending Fund Balance	**15,412,609**	**15,523,030**	**110,421**
Components of Ending Fund Balance			-
Nonspendable	173,225	181,420	8,195
Restricted	-	-	-
Committed	11,077,876	11,077,876	
Assigned	-	-	-
Reserve for Economic Uncertainties	4,161,508	4,263,734	102,226
Total Ending Fund Balance	**15,412,609**	**15,523,030**	**110,421**
Reserves			
General Fund Reserves	4,161,508	4,263,734	102,226
Fund 17 Reserves	2,343,280	2,343,280	-
Total Reserves	**6,504,788**	**6,607,014**	**102,226**
% of Expenditures	**7%**	**7%**	

MYP (Multi-Year Projection)

Assumptions for 2023-24 & 2024-25:

Description	22-23	23-24	24-25
COLA	6.56%	8.13%	3.54%
Enrollment	4,951	4,943	4,893
Actual ADA	4,585	4,550	4,505
Funded ADA	5,327	5,030	4,721

Balanced budgets for the next two years

Reserves at 8 & 9%

MYP- UNRESTRICTED FUNDS	2022-23	2023-24	2024-25
Revenues & Contributions	51,919,173	52,275,015	50,582,141
Expenditures	52,666,474	52,189,070	50,540,095
Net Increase/Decrease	(747,301)	85,945	42,046
Fund Balance			
Beginning Fund Balance	16,270,331	15,523,030	15,608,975
Net/Increase	(747,301)	85,945	42,046
Ending Fund Balance	15,523,030	15,608,975	15,651,021
Components of Ending Fund Balance			
Nonspendable	181,420	181,420	181,420
Committed	11,077,876	11,077,876	11,077,876
Assigned	-	-	-
Reserve	4,263,734	4,349,679	4,391,725
Total Ending Fund Balance	15,523,030	15,608,975	15,651,021
Reserves			
General Fund	4,263,734	4,349,679	4,391,725
Fund 17	2,343,280	2,343,280	2,343,280
Total Reserves	**6,607,014**	**6,692,959**	**6,735,005**
Reserves %	**7%**	**8%**	**9%**

Other Funds

Fund Description	Fund No.	Beginning Fund Balance	Revenues	Expenditures	Surplus/ Deficit	Ending Fund Balance
Adult Education	11	91,914	211,877	302,079	(90,202)	**1,712**
Child Development/Child Care	12	579,375	244,015	385,684	(141,669)	**437,706**
Cafeteria	13	1,942,412	3,421,093	3,254,243	166,850	**2,109,262**
Special Reserve for Emergency Purposes	17	2,269,127	74,153	-	74,153	**2,343,280**
Building Fund	21	465,158	32,262	495,635	(463,373)	**1,785**
Capital Facilities	25	16,412,830	3,000,000	11,325,867	(8,325,867)	**8,086,963**
Special Reserve for Capital Outlay	40	9,054,317	310,292	1,057,342	(747,050)	**8,307,267**
Bond Interest & Redemption Fund	51	9,272,170	11,393,817	9,920,039	1,473,778	**10,745,948**
Self Insurance Fund	67	4,273,166	1,837,538	1,605,868	231,670	**4,504,836**
Total All Other Funds		**44,360,469**	**20,525,047**	**28,346,757**	**(7,821,710)**	**36,538,759**

- Bond Fund 21 less than $2K left to spend
- $8.1M in Fund 25 Capital Facilities Fund
- $8.3M in Fund 40 Capital Outlay Fund

Final Summary

- Projected balanced budget in the current year and two subsequent years
- Reserves above 3% minimum required in the current year and two subsequent years (7%, 8%, 9% respectively)
- Staff recommends approval of a POSITIVE Certification on the Second Interim Budget Report


thank you
Ins
NumLk
Del
ScrLk
Shift
PgUp
PgDn
Home
End