

First Interim Presentation to Board of Education

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December 7, 2023

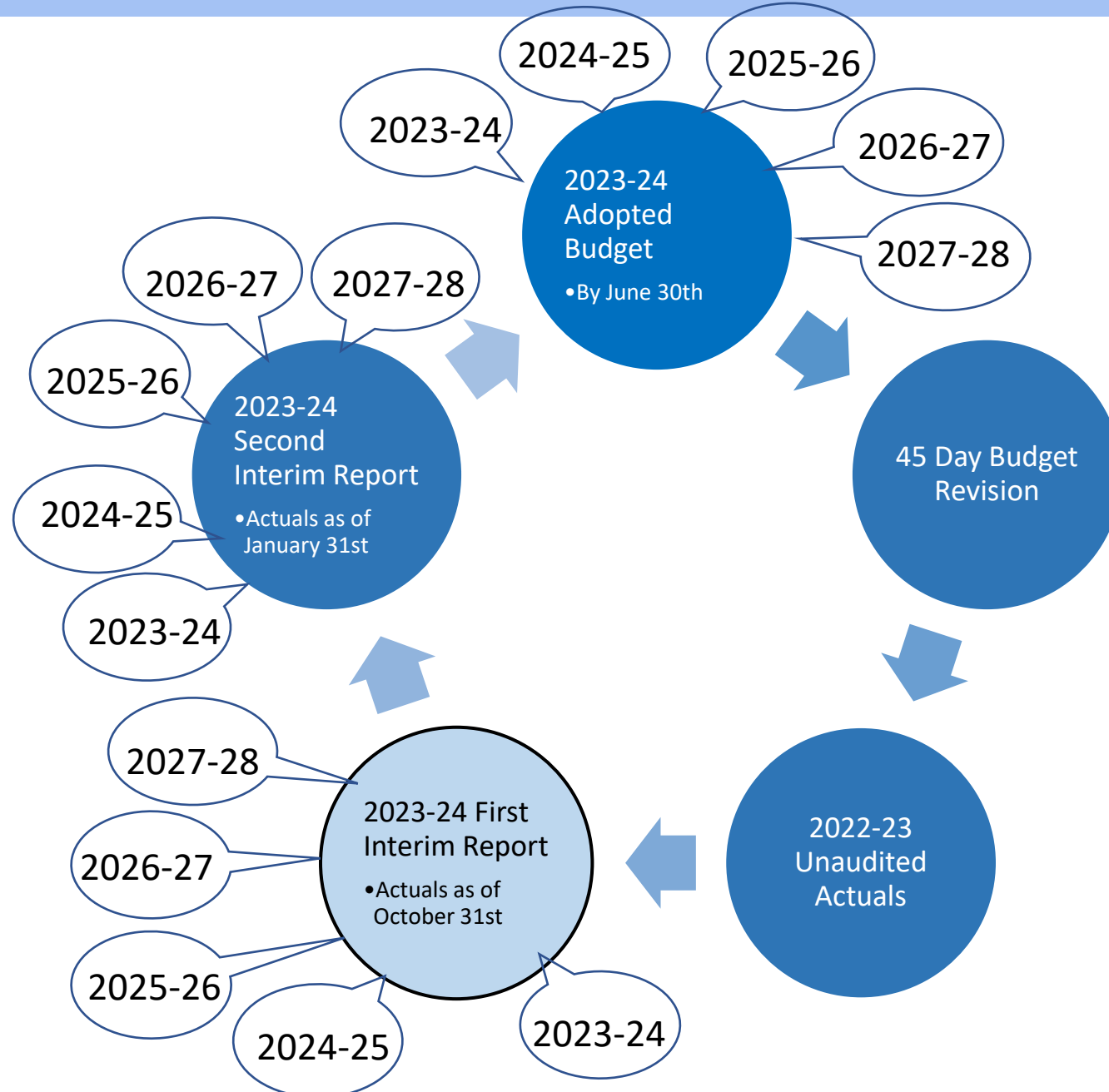


2023-2024 Budget Calendar



- 2023-24 Budget Adoption – June 15, 2023**
- 2023-24 Budget Revision (45 days) – August 10, 2023**
- 2022-23 Annual Financial Report (Unaudited) – Sept. 14, 2023**
-  **2023-24 First Interim – December 14, 2023**
- 2023-24 Second Interim – March 14, 2024**
- 2024-25 Preliminary Budget – June 2024**
- 2024-25 Budget Adoption – June 2024**

2023-24 Budget and Fiscal Reporting Cycle



Revenue changes



Art-Music-Instr
Materials Block
Grant



Prop 28
Art and Music



Universal Pre K
Implementation



Various Other Categorical Programs



Local Donations



Kitchen
Infrastructure



Expenditure changes



Certificated Salaries

- 8% Raise

- Vacant Positions Savings (Home Study)
- Additional Positions (PE, Counselor, Nurse, Sped Teacher, Ast. Principal)



Classified Salaries

- 8% Raise

- Vacant Positions Savings
- Additional Positions (Preschool aides, Nutrition Services Staff)



Benefits

* 8% Raise

- Health Benefit Cost Increase
- Increased District Contributions
- Vacant Position Savings
- Additional Positions



Supplies and Materials

- Carryover Funds

- Student and Staff Technology Devices



Services and Operating Expenses

- Carryover Funds

- Utility Costs

- Legal for negotiations
- Property and Liability Insurance



Capital Outlay

- Safety and Security Fencing



Budget Assumption changes for 2024-25



Contributions
to SPED



Contributions
to RRMA

Reserves – Components of the Ending Fund Balance

Components	Estimated Actuals	Unaudited Actuals	Difference
Ending Fund Balance	\$51,644,225	\$71,464,251	\$19,820,026
Revolving Cash	\$75,000	\$75,000	\$0
Stores	\$378,532	\$381,396	\$2,864
Prepaid Expenses	\$272,169	\$1,582,220	\$1,310,051
Legally Restricted Balance	\$22,670,636	\$23,562,267	\$891,631
Assigned Reserves (Designated) –	\$14,743,684	\$24,796,144	\$10,052,460
Designated Reserve for Economic Uncertainty (3%)	\$6,694,329	\$6,320,167	(\$374,162)
Additional Board Reserve	\$6,809,875	\$14,747,056	\$7,937,181

3.05%

7%

Assigned Reserve (Designated)	
8% Salary Adjustment 2023-24	\$12,121,144
LCFF Supplemental Carryover	\$1,119,451
Instructional Materials	\$1,545,873
Mandated Block Grant	\$5,045,950
Local Safety/Security (Fencing)	\$3,963,725
Total Assigned Reserve	\$24,796,144

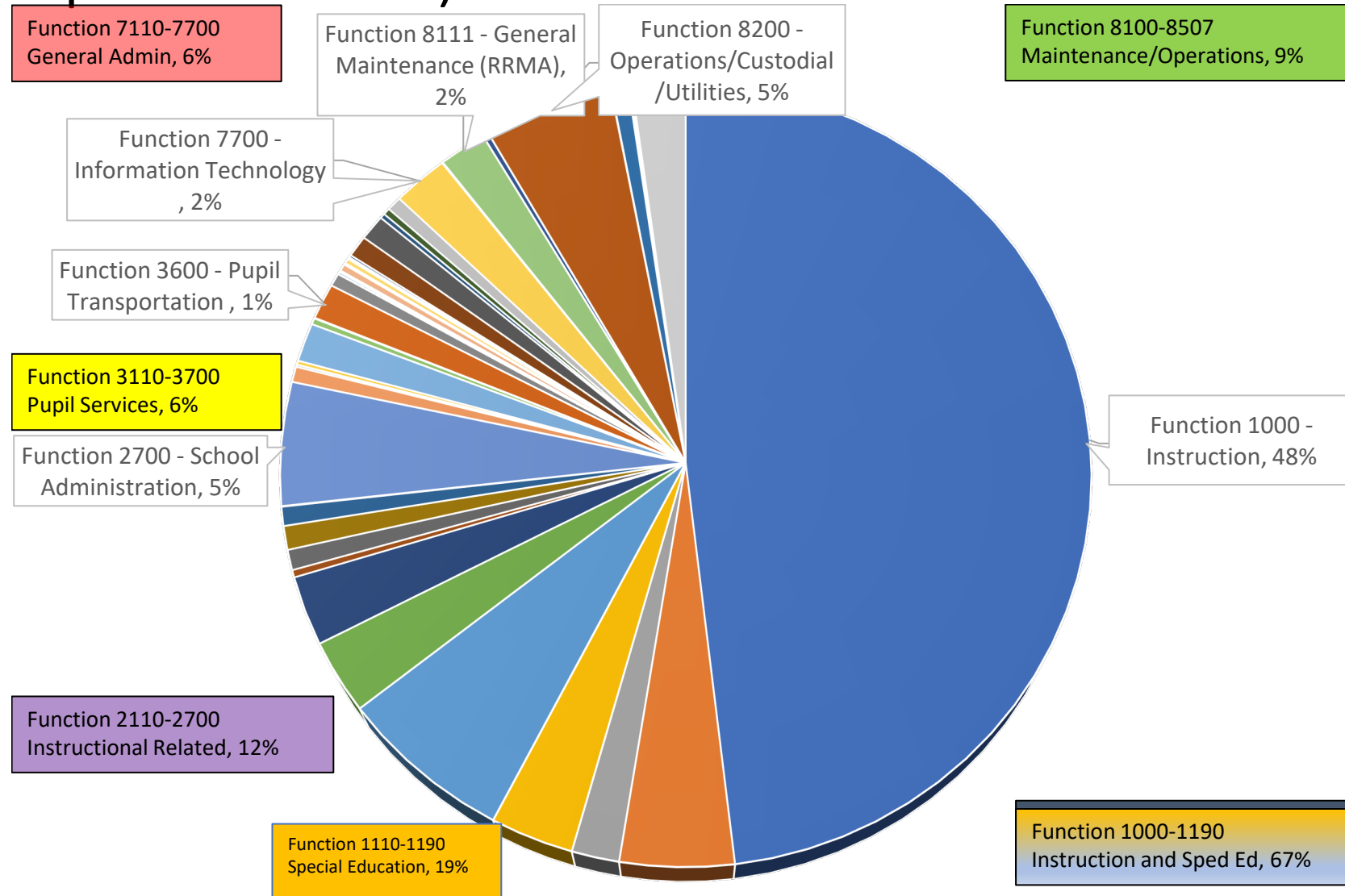
FY 2023-2024 MULTI-YEAR PROJECTION - FIRST INTERIM GENERAL FUNDS - (01-09)

	2023-24	2024-25	2025-26	2026-27	2027-28
UNAUDITED BEGINNING FUND BALANCE, 7/1	\$ 71,464,251	\$ 32,493,585	\$ 21,452,781	\$ 30,061,937	\$ 31,824,849
REVENUE					
LCFF SOURCE 8010-8099	161,293,659	172,307,825	180,576,635	189,103,503	198,842,962
SPED PROPERTY TAX REVENUE 8097	9,630,775	9,727,083	10,078,230	10,445,078	10,814,834
FEDERAL REVENUES 8100-8299	7,262,865	5,591,214	5,591,214	5,591,214	5,591,214
STATE REVENUE 8300-8599	26,308,247	24,627,108	24,666,640	24,726,530	24,827,844
LOCAL REVENUE 8600-8799	8,796,677	9,455,652	9,505,828	9,560,431	9,616,617
OTHER FINANCING 8900-8999*****	6,205,597	9,829,934	9,829,934	8,211,943	8,211,943
TOTAL REVENUE	219,497,820	231,538,816	240,248,481	247,638,699	257,905,414
EXPENDITURES					
CERTIFICATED SALARIES	101,800,197	102,163,895	97,591,692	102,863,611	105,205,866
CLASSIFIED SALARIES	42,050,426	43,047,092	40,570,131	43,929,937	43,429,525
EMPLOYEE BENEFITS	58,320,455	60,411,549	59,237,849	65,342,586	73,203,089
BOOKS & SUPPLIES	19,358,033	14,086,690	12,869,259	12,869,259	12,869,259
SERVICES & OTHER OPERATING	33,941,653	22,654,478	21,154,478	20,654,478	20,904,478
CAPITAL OUTLAY	3,080,485	122,693	122,693	122,693	122,693
OTHER OUTGO	(82,763)	93,223	93,223	93,222	93,222
TOTAL EXPENDITURES	258,468,486	242,579,620	231,639,325	245,875,786	255,828,132
REVENUE LESS EXPENDITURES	(38,970,666)	(11,040,804)	8,609,156	1,762,912	2,077,282
ESTIMATED ENDING FUND BALANCE	32,493,585	21,452,781	30,061,937	31,824,849	33,902,132
COMPONENTS OF ENDING BALANCE (GASB 54)					
Nonspendable (Working Capital)	367,053	367,053	367,053	367,053	367,053
Restricted Categorical Program's Carryover	12,112,371	6,530,950	6,530,950	6,530,950	6,530,950
Unrestricted Various Program's Carryover****	2,078,203	0	0	0	0
3% Reserve for Economic Uncertainties	7,754,055	7,277,389	6,949,180	7,376,274	7,674,844
Additional Board Reserve	10,181,903	7,277,389	16,214,754	17,211,305	17,907,969
Total Reserve	17,935,958	14,554,778	23,163,934	24,587,579	25,582,813
Reserve Total %	6.94%	6.00%	10.00%	10.00%	10.00%
Unassigned Fund Balance	0	0	0	339,268	1,421,316

****Unrestricted Various Program assignments adjusted based on available balance

*****2023-2024 \$6,007,073 from fund 21 to fund RRMA on-going

How we plan to spend our resources in 2023-24 (All General Fund Expenditures)



Revenue Comparison – Basic Aid Districts SCC

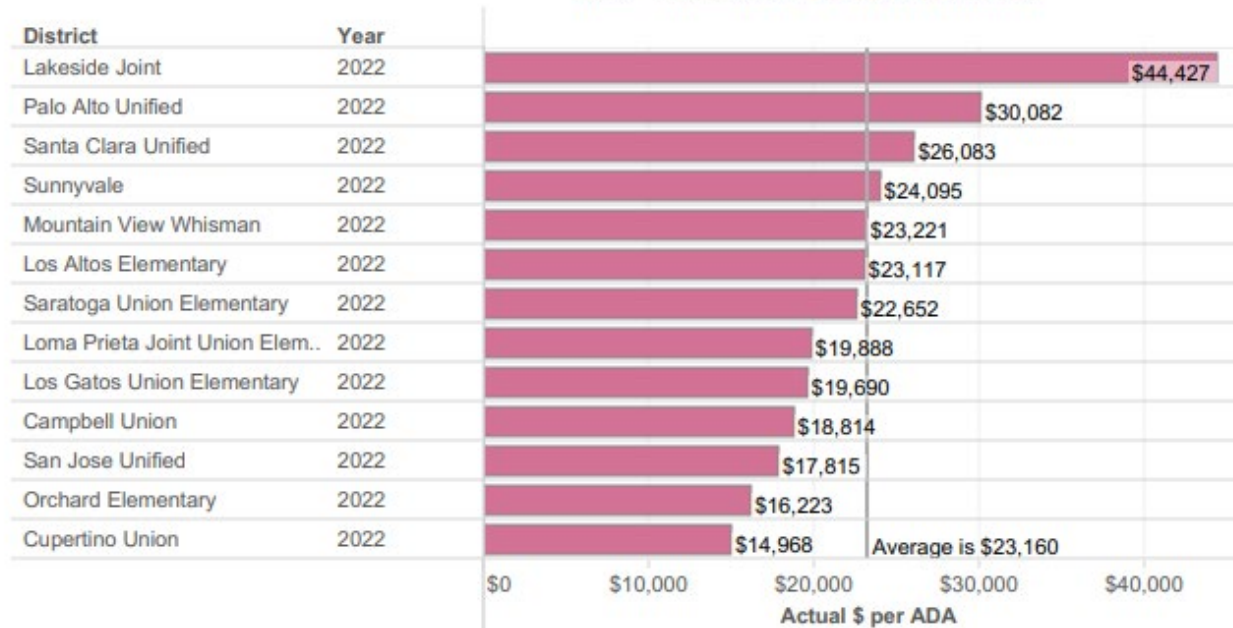
Line Item Revenue Comparison (ADA)

District(s): Campbell Union, Cupertino Union, Lakeside Joint and 10 more

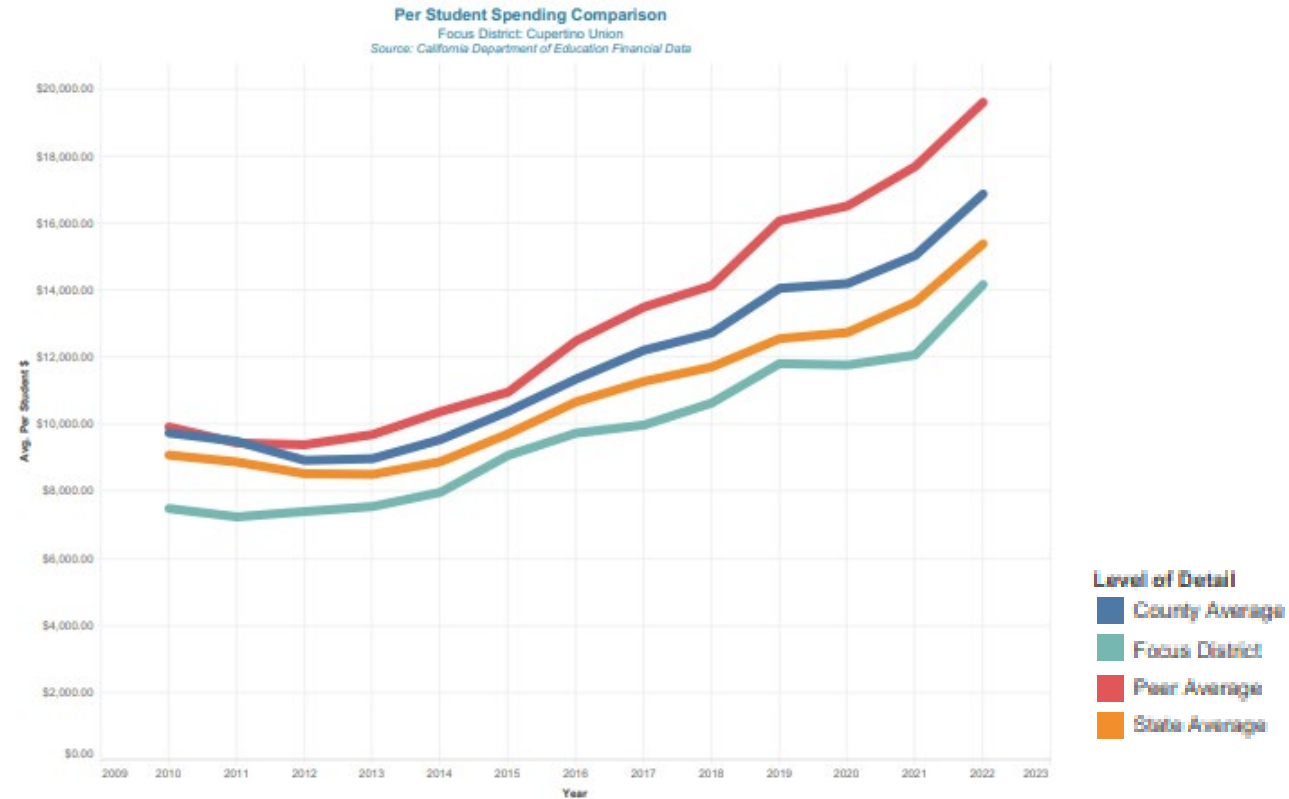
Note: Revenues are from the General Fund Only

Source: California Department of Education Financial Data

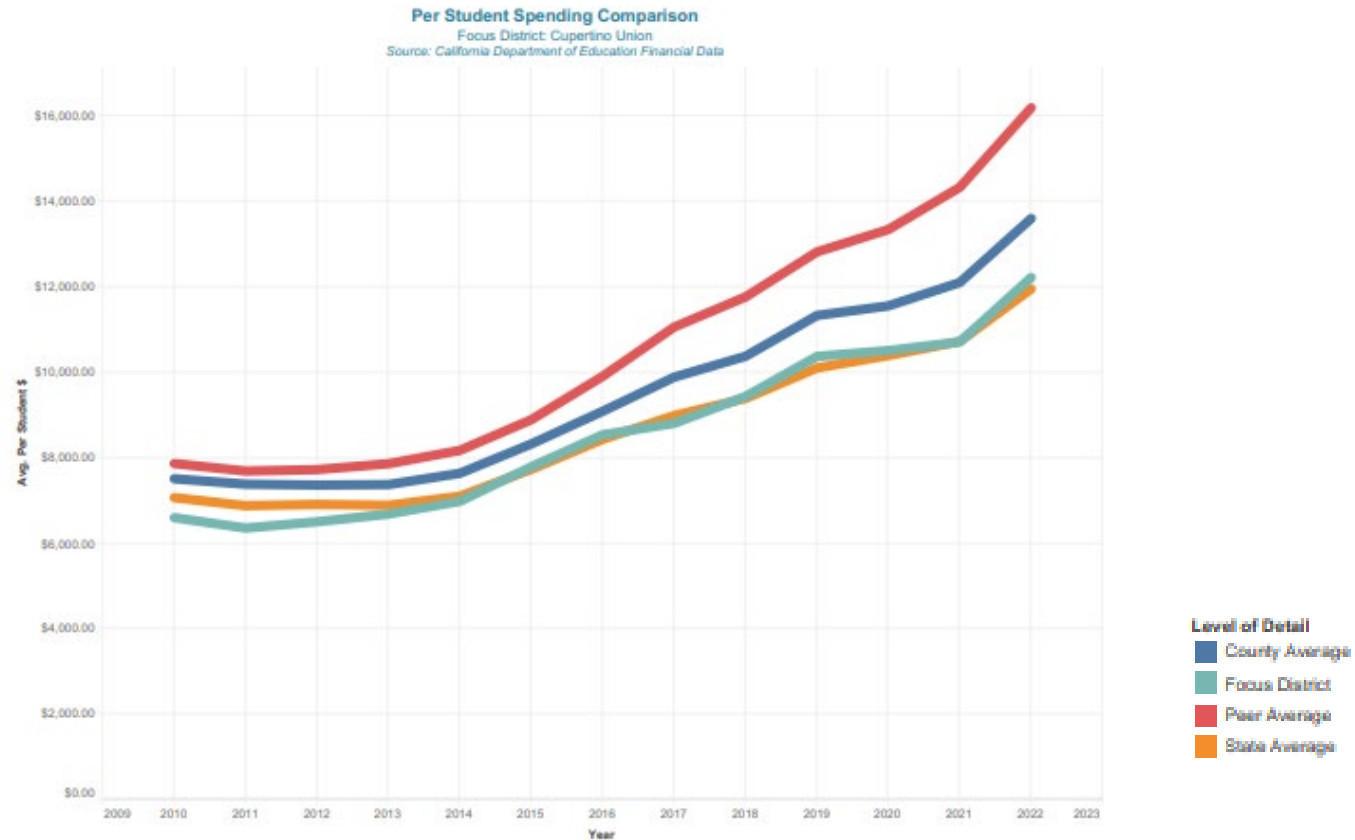
Note: "Total Revenue" is all district revenue



Per Student Spending – Total Expenditures



Per Student Spending – Personnel Expenditures Only



Next Steps

- Continue monitoring State Budget and revenues
- Wait to see the Governor's January 2024 Proposed Budget
- Continue to monitor progress of local property taxes and moving into Basic Aid status (Anticipating moving into 2024-25)
- Monitor COLA assumption changes in the MYP
- Second Interim
- Assessing full impact of increase health benefit contributions for employee only
- Bring back First Interim approval to December 14th meeting



Questions or Comments