



SECOND INTERIM FINANCIAL REPORT

Presented to the Board on March 21, 2024

Topics

- Types of Interim Reports
- Variance between First Interim & Second Interim
- Updated Multi-Year Projection
- Next Steps

Interim Certifications

Positive

- Positive Certification – District *will* be able to meet its financial obligation for the current and subsequent two fiscal years.

Qualified

- Qualified – *may not* meet financial obligations for current and subsequent two fiscal years.

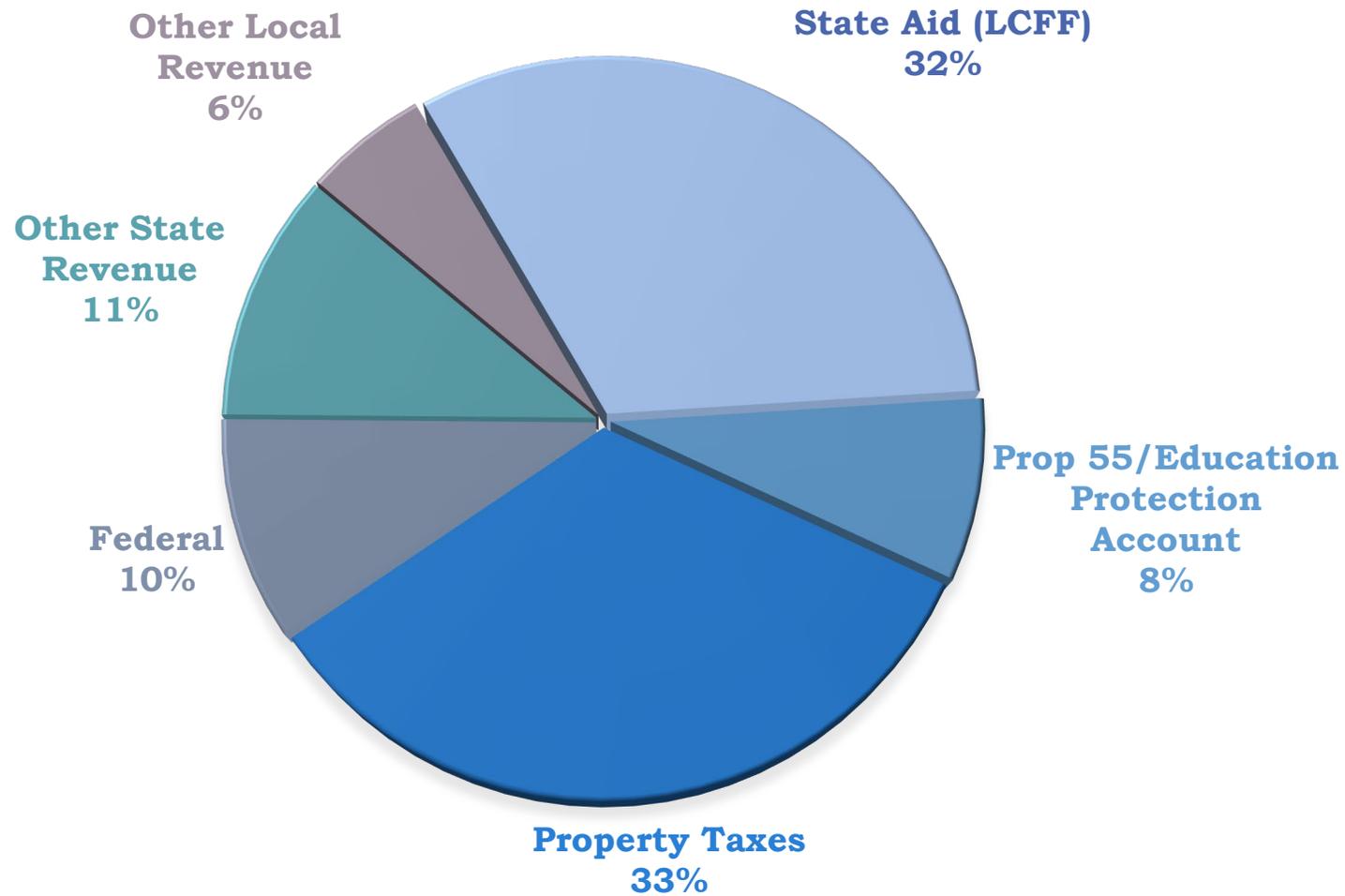
Negative

- Negative – *will not* be able to meet financial obligations for current and subsequent two fiscal years.

➤ GUSD Second Interim is self-certified as Positive.

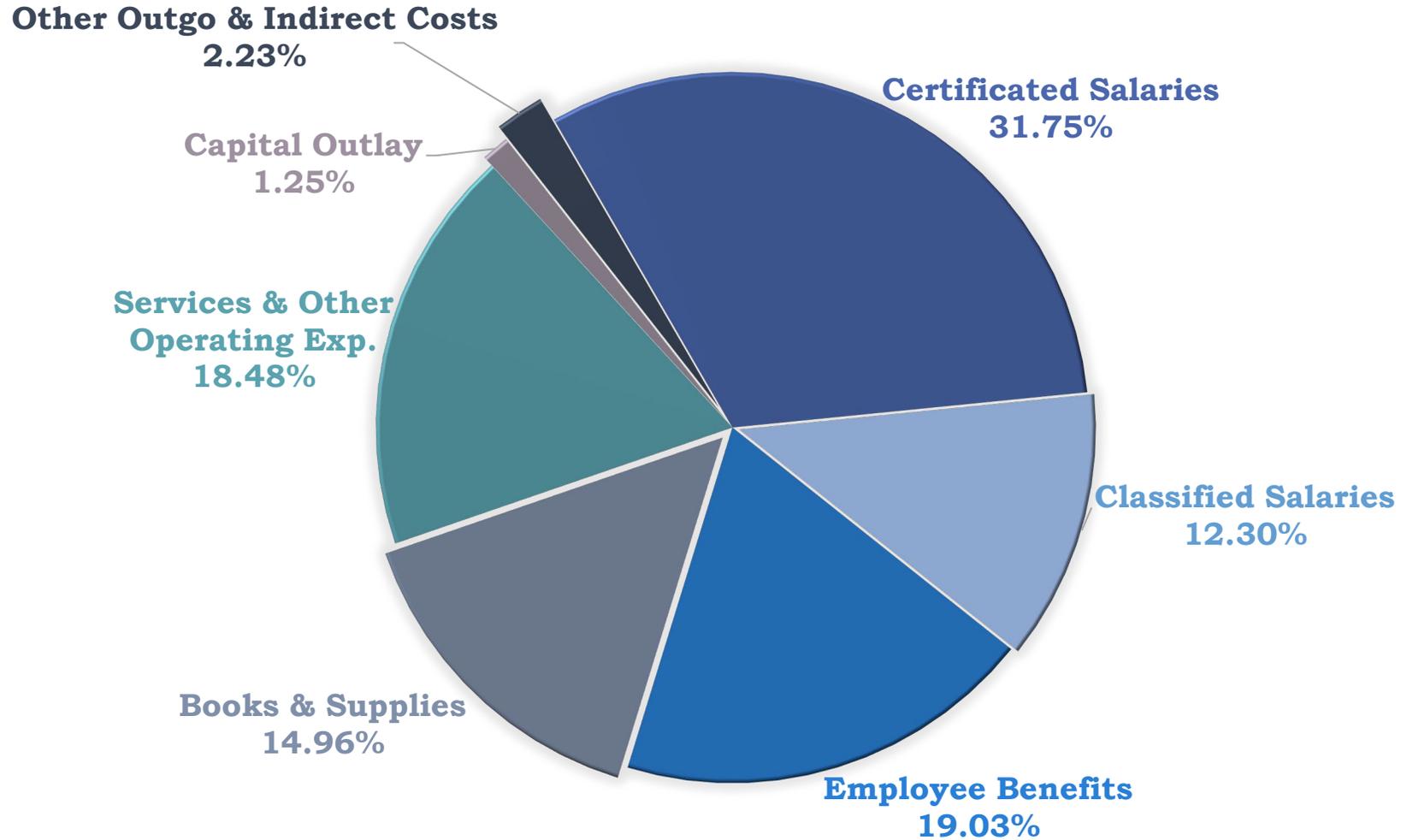
Total General Fund Revenues

\$189,229,696



Total General Fund Expenditures

\$221,240,407



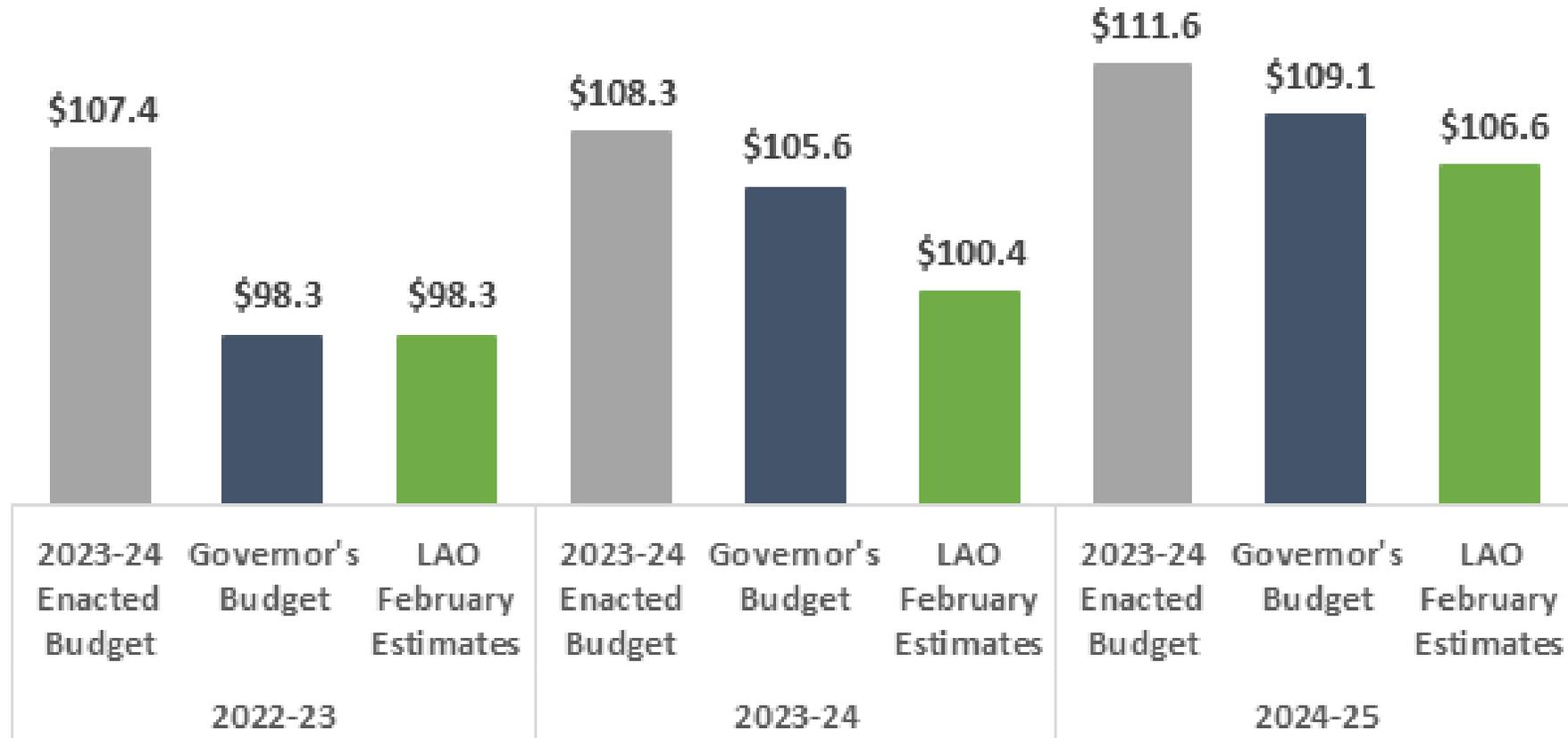
Second Interim v. First Interim

Total General Fund Expenditures (includes grants & one-time funds)	2023-24	2023-24	Difference
	2nd Interim	1st Interim	
Revenue	\$ 189,229,696	\$ 187,669,909	\$ 1,559,787
Expenditures	\$ 221,240,407	\$ 220,554,396	\$ 686,011
Net Inc/Decr to Fund Balance	\$ (32,010,711)	\$ (32,884,487)	\$ 873,776
Beg Fund Balance	\$ 70,082,246	\$ 70,082,246	\$ -
Ending Fund Balance	\$ 38,071,535	\$ 37,197,759	\$ 873,776

Balance of one-time funds

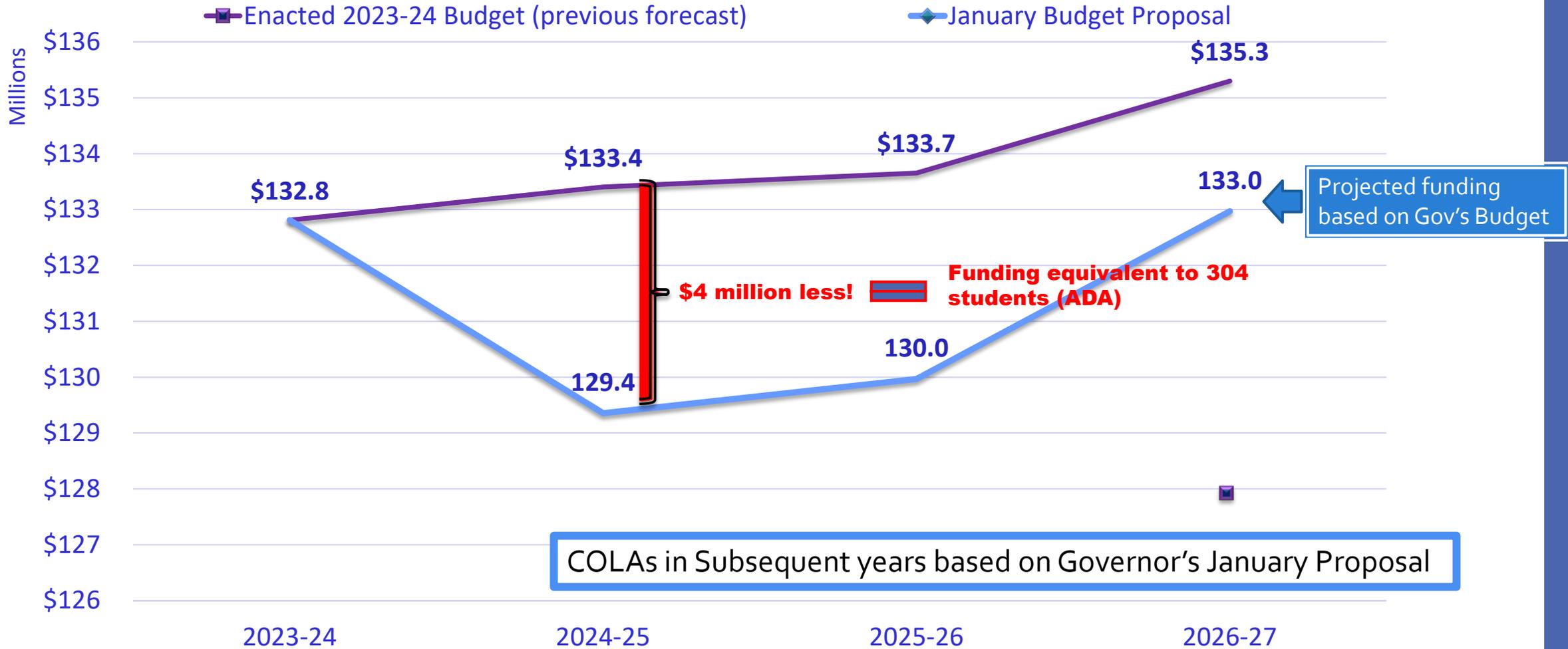
PROGRAM NAME	BALANCE as of 03/06/2024 (Inc Encumbrance)	SPENDING DEADLINE
CHILD NUTRITION: KITCHEN INFRASTRUCTURE 21-22	\$ 95,048	6/30/2024
CHILD NUTRITION: KITCHEN INFRASTRUCTURE-STAFF TRAINING FUNDS 21-22	\$ 31,166	6/30/2024
CHILD NUTRITION: APPORTIONMENT FOR KITCHEN INFRASTRUCTURE AND TRAINING FUNDS 22-23	\$ 1,715,794	6/30/2025
CHILD NUTRITION: SCHOOL FOOD BEST PRACTICES APPORTIONMENT	\$ 289,316	6/30/2025
ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF (ESSER) III FUND	\$ 594,668	9/30/2024
ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF (ESSER) III FUND: LEARNING LOSS	\$ 145,306	9/30/2024
EXPANDED LEARNING OPPORTUNITIES (ELO) GRANT (FEDERAL FUNDS)	\$ 178,600	9/30/2023
EXPANDED LEARNING OPPORTUNITIES (ELO) GRANT (FEDERAL FUNDS)	\$ 451,571	9/30/2024
EXPANDED LEARNING OPPORTUNITIES (ELO) GRANT (FEDERAL FUNDS)	\$ 218,980	9/30/2024
CHILD DEV: UNIVERSAL PREKINDERGARTEN (UPK)	\$ 597,352	6/30/2024
EDUCATOR EFFECTIVENESS BLOCK GRANT	\$ 1,257,811	6/30/2026
ART MUSIC & INSTRUCTIONAL MATERIALS BLOCK GRANT	\$ 4,767,810	6/30/2026
CLASSIFIED SCHOOL EMPLOYEE PROFESSIONAL DEVELOPMENT BLOCK GRANT	\$ 12,233	
A - G ACCESS/SUCCESS GRANT	\$ 339,089	6/30/2026
A - G LEARNING LOSS MITIGATION GRANT	\$ 206,793	6/30/2026
EXPANDED LEARNING OPPORTUNITIES (ELO) GRANT: PARAPROFESSIONAL STAFF	\$ 333,368	9/30/2024
LEARNING RECOVERY EMERGENCY BLOCK GRANT	\$ 11,405,506	6/30/2028
ETHNIC STUDIES LOCAL SUPPORT	\$ 50,380	
Total General Fund	\$ 22,690,788	
CHILD DEVELOPMENT: ARPA PRESCHOOL	\$ 25,071	9/30/2024
CHILD NUTRITION SNP COVID-19 ECR	\$ 78,770	
Total Other Funds	\$ 103,841	

Proposition 98 Changes over the Budget Period



Changes to the Cost of Living Adjustment (COLA)

LCFF REVENUES



MULTI-YEAR PROJECTION (MYP)



REVENUE ASSUMPTIONS

	2023-24	2024-25	2025-26	2026-27
Enrollment	10,243	10,054	9,959	9,683
Annual Decline	-185	-189	-95	-276
3 YR Avg. Funded ADA	10,070	9,674	9,434	9,375
Projected COLA	8.22%	0.76% <i>projected</i>	2.73% <i>projected</i>	3.11% <i>projected</i>
<u>MYP Budgeted COLA at 80%</u>	8.22%	0.76% <i>(projected)</i>	2.18% *	2.49% *
Supp & Concentration	\$17.1 M	\$16.8 M	\$16.8M	\$16.9M
UPP %	60%	60%	60%	60%

EXPENDITURE ASSUMPTIONS

	2023-24	2024-25	2025-26	2026-27
Declining Enrollment Placeholder Cuts		-\$872,308	-\$480,742	-\$1.2 M
Cert. & Classified Step & Column Adjustments	1.5%	1.5%	1.5%	1.5%
Health & Welfare	Based on negotiated caps			
General Fund Contributions	-\$24.4 M	-\$24.8 M	-\$25.1 M	-\$25.5 M
Deferred Maint. LCAP share	\$712K (annually, on-going)			
CalSTRS Employer Contribution	19.10%	19.10%	19.10%	19.10%
CalPERS Employer Contribution	26.68%	27.8%	28.5%	28.90%
Routine Restricted Maintenance (RRM)	3% of total expenditures			

*COLA will be re-evaluated with release of the Governor's January Proposal & May Revise of each year.

MULTI-YEAR PROJECTION (MYP)



	2023-24 SECOND INTERIM			2024-25 Projection (0.76% COLA model)			2025-26 Projection (2.18% COLA)			2026-27 Projection (2.49% COLA)		
	UPp 60%. ADA% at 93.5%, CBEDS 10,243, 3PY average, 8.22% COLA			At 100% of 0.76% COLA, ADA 93.5%, proj. decline -189, using 3PY average, UPP 60%.			At 80% of 2.73% COLA, 93.5% ADA, proj. decline -95, UPP at 60%, 3PY average.			At 80% of 3.11% COLA, 93.5% ADA, proj. decline -276, UPP at 60%, 3PY average.		
REVENUES	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
LCFF	\$132,810,485	\$ 6,742,426	\$ 139,552,911	\$129,354,139	\$ 6,793,668	\$ 136,147,807	\$129,283,165	\$ 6,979,136	\$ 136,262,301	\$131,478,538	\$ 7,196,187	\$ 138,674,725
Federal Revenues	-	18,414,023	18,414,023	-	7,174,327	7,174,327	-	7,174,327	7,174,327	-	7,174,327	7,174,327
Other State Revenues	2,702,066	18,156,224	20,858,290	2,810,149	18,156,224	20,966,372	2,894,453	18,156,224	21,050,677	2,894,453	18,156,224	21,050,677
Other Local Revenues	5,028,689	5,375,784	10,404,473	2,277,500	5,375,784	7,653,284	2,277,500	5,375,784	7,653,284	2,277,500	5,375,784	7,653,284
TOTAL, REVENUES	140,541,240	48,688,456	189,229,696	134,441,788	37,500,003	171,941,790	134,455,118	37,685,470	172,140,588	136,650,491	37,902,521	174,553,012
EXPENDITURES												
Placeholder cut 2024-25			-	(872,308)		(872,308)	(872,308)		(872,308)	(872,308)		(872,308)
Placeholder cut 2025-26			-			-	(480,742)		(480,742)	(480,742)		(480,742)
Placeholder cut 2026-27										(1,200,000)		(1,200,000)
Certificated	55,650,418	14,594,014	70,244,431	56,485,174	14,812,924	71,298,098	57,332,451	15,035,118	72,367,569	58,192,438	15,260,645	73,453,083
Classified	16,619,831	10,588,696	27,208,527	16,869,129	10,747,526	27,616,655	17,122,166	10,908,739	28,030,905	17,378,998	11,072,370	28,451,368
Employee Benefits	27,299,343	14,806,963	42,106,306	27,881,922	15,029,067	42,910,990	28,405,327	15,254,503	43,659,831	28,884,389	15,307,733	44,192,121
Books & Supplies	4,887,308	28,220,509	33,107,816	3,654,401	4,484,492	8,138,893	3,718,401	4,052,421	7,770,822	3,824,375	4,198,428	8,022,803
Services & Operating Expenses	13,815,187	27,062,390	40,877,577	11,135,317	11,383,387	22,518,704	11,280,211	11,757,937	23,038,148	11,505,815	11,757,937	23,263,752
Capital Outlay	231,785	2,538,755	2,770,540	161,785	852,470	1,014,255	165,021	852,470	1,017,491	865,021	852,470	1,717,491
Other Outgo	485,795	4,842,721	5,328,516	659,358	4,580,449	5,239,807	779,358	4,580,449	5,359,807	797,283	4,580,449	5,377,732
Transfers of Indirect Costs	(2,398,426)	1,995,119	(403,307)	(1,225,138)	366,247	(858,891)	(1,282,288)	371,741	(910,547)	(1,256,169)	377,317	(878,852)
TOTAL, EXPENDITURES	116,591,240	104,649,167	221,240,407	114,749,640	62,256,563	177,006,202	116,167,598	62,813,378	178,980,976	117,639,101	63,407,348	181,046,449

MULTI-YEAR PROJECTION (MYP)



	2023-24 SECOND INTERIM			2024-25 Projection (0.76% COLA model)			2025-26 Projection (2.18% COLA)			2026-27 Projection (2.49% COLA)		
	UPP 60%. ADA% at 93.5%, CBEDS 10,243, 3PY average, 8.22% COLA			At 100% of 0.76% COLA, ADA 93.5%, proj. decline -189, using 3PY average, UPP 60%.			At 80% of 2.73% COLA, 93.5% ADA, proj. decline -95, UPP at 60%, 3PY average.			At 80% of 3.11% COLA, 93.5% ADA, proj. decline -276, UPP at 60%, 3PY average.		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-
Contributions	(24,390,700)	24,390,700	-	(24,756,560)	24,756,560	-	(25,127,909)	25,127,909	-	(25,504,827)	25,504,827	-
TOTAL, OTHER SOURCES/USES	(24,390,700)	24,390,700	-	(24,756,560)	24,756,560	-	(25,127,909)	25,127,909	-	(25,504,827)	25,504,827	-
NET INCREASE (DECREASE)	(440,700)	(31,570,011)	(32,010,711)	(5,064,412)	0	(5,064,412)	(6,840,388)	(0)	(6,840,388)	(6,493,437)	0	(6,493,437)
FUND BALANCE												
Beginning Fund Balance	38,512,235	31,570,011	70,082,246	38,071,535	-	38,071,535	33,007,123	-	33,007,123	26,166,735	-	26,166,735
Proj. Ending Fund Balance	\$ 38,071,535	\$ -	\$ 38,071,535	\$ 33,007,123	\$ 0	\$ 33,007,123	\$ 26,166,735	\$ (0)	\$ 26,166,735	\$ 19,673,298	\$ 0	\$ 19,673,298
Nonspendable Revolving Cash	50,000		50,000	50,000		50,000	50,000		50,000	50,000		50,000
Prepaid items												
Board Committed Balances												
I.T. Techonology Replacement	\$ 2,996,000			\$ 2,996,000			\$ 2,996,000			\$ 1,518,653		
Deferred Maintenance	\$ 12,901,494			\$ 12,260,503			\$ 5,222,637					
Carryover assignments (below)												
Home to School Transportation												
Special Ed Transportation												
Deferred Maintenance												
Site-based Additional Concentration Funds												
LCAP - Centralized												
LCAP - sites												
CTI New Teacher Induction Program												
Mimumum RESERVE	\$ 22,124,041			\$ 17,700,620			\$ 17,898,098			\$18,104,645		
UNRESTRICTED RESERVE (after excluding Committed Balances)	10.00%			10.00%			10.00%			10.00%		

Other Funds at Second Interim

Fund	Description	Beginning Fund Balance	Revenue	Expenditures	Ending Fund Balance
8	Associated Student Body	\$ 942,602	\$ -	\$ -	\$ 942,602
11	Adult Education	\$ 2,262	\$ 354,638	\$ 356,900	\$ 0
12	Child Development Fund	\$ 272,000	\$ 2,318,120	\$ 2,356,904	\$ 233,216
13	Cafeteria Fund	\$ 4,470,431	\$ 10,283,868	\$ 13,824,700	\$ 929,599
21	Building Fund (bonds)	\$ 36,083,496	\$ 1,851,825	\$ 22,229,743	\$ 15,705,578
25	Developer Fees Fund	\$ 1,688,897	\$ 1,872,649	\$ 1,795,450	\$ 1,766,096
35	County School Facilities Fund	\$ 2,730,396	\$ 124,972	\$ 2,702,055	\$ 153,312
73	Foundation Trust Fund	\$ 831,156	\$ 34,323	\$ 26,000	\$ 839,479

Next Steps

- Santa Clara County Office of Education (SCCOE) reviews the Second Interim Report
- Late April/Early May - Final statutory COLA for 2024-25
- Governor Newsom's May Revision for the 2024-25 State Budget
- MYP updated accordingly
- Public Hearing on the GUSD 2024-25 Preliminary Budget on May 30, 2024

Recommended Board Action

- Approve the Second Interim Financial Report with a Positive Certification.