

2024-25

SECOND INTERIM BUDGET UPDATE

Board Presentation

March 20, 2025

Presented by: Howard Ho, Asst. Superintendent

Monique Benjamin, Director of Budgeting & Accounting

Acknowledgements

Accounting Department

Monique Benjamin	Director of Budgeting & Accounting
Luis Diaz	Senior Budget/Accounting Coordinator
Mary Pun	Accounting Coordinator
Araceli Alvarez	Accounting Coordinator
Josie Fernandez	Senior Accounting Tech / Classified Payroll
Tanya Brooks	Senior Accounting Tech / Certificated Payroll
Ivan Johnson	Senior Accounting Technician
Eric Ramirez	Accounting Technician
Mariela Velasquez Martinez	Accounting Technician

Certification Process

Positive Certification: A school district that, based on current projections, will meet its financial obligations for the current fiscal year and subsequent two fiscal years.

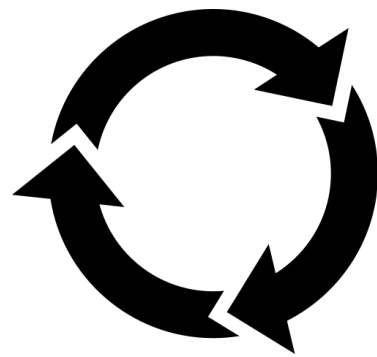
Qualified Certification: A school district, based on current projection, may not meet its financial obligations for the current fiscal year and subsequent two fiscal years.

Negative Certification: A school district that, based on current projection, will not meet its financial obligations for the current fiscal year or subsequent fiscal years.

Tonight's Recommendation: APPROVE LESD's Second Interim Positive Certification

2024- 2025
SECOND INTERIM

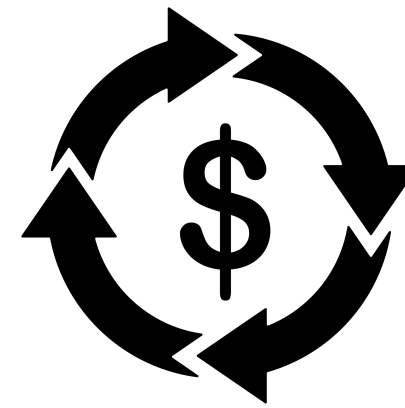
**PRESENTATION
OVERVIEW**



**BUDGET
CYCLE**



**KEY BUDGET
FACTORS IN
CALIFORNIA**



REVENUES



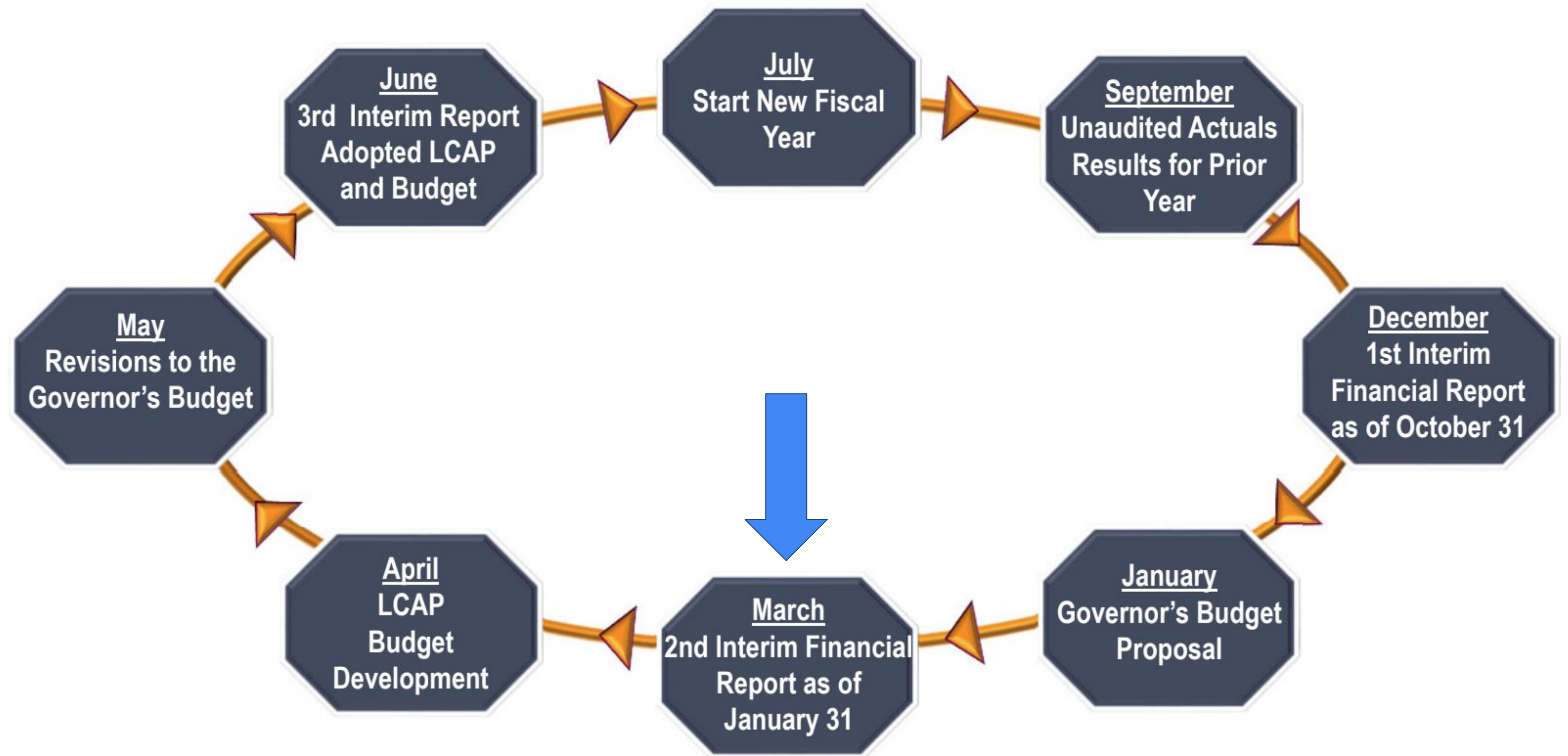
EXPENDITURES



**THE ROAD
AHEAD**

2024-2025

BUDGET CYCLE



KEY BUDGET FACTORS IN CALIFORNIA

01. Special Education Cost Increases

02. Increased Pension Costs (CalSTRS & CalPERS)

03. Declining Enrollment & ADA

04. Uncertainty at State & Federal Levels



KEY BUDGET FACTORS (LOCAL LEVEL)

2024-2025

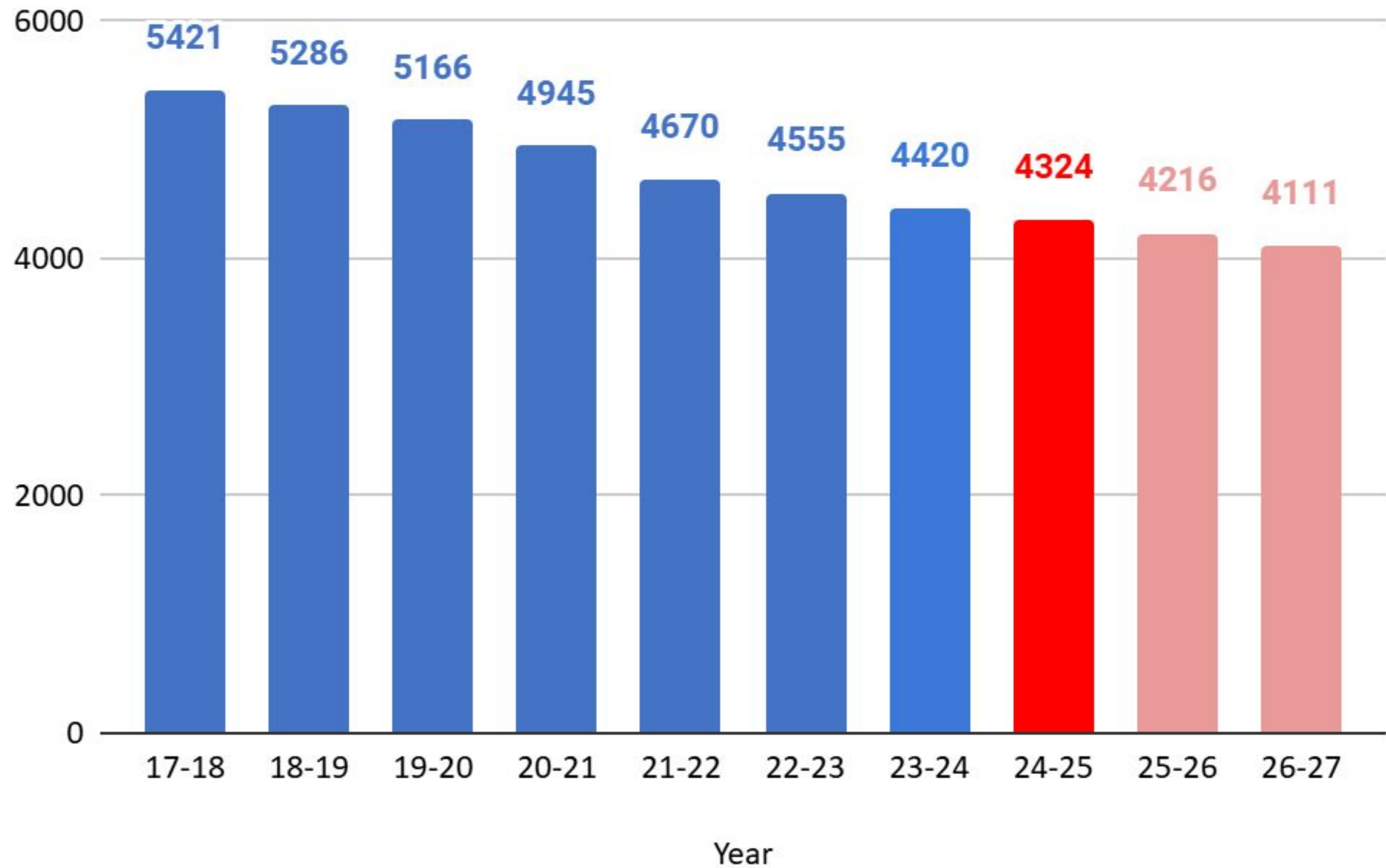
Funded COLA: 1.07%

Declining Enrollment and ADA

Executive Orders

Deficit Spending

Total Enrollment



LESD REVENUES KEY ASSUMPTIONS

Description	2024-25	2025-26 Estimated	2026-27 Estimated
Enrollment	4324	4216	4111
Average Daily Attendance (ADA)*	4061	3959	3860
Estimated <u>Funded ADA</u> 3 year average	4270	4125	4056
COLA	1.07%	2.46%	3.52%
Lottery	\$273	\$273	\$273

24-25 UNRESTRICTED GENERAL FUND REVENUES

Revenue Projections	2024-2025 First Interim	2024-2025 Second Interim	Increase/Decrease
Total LCFF - Local Control Funding Formula	\$62,314,909	\$62,672,772	\$357,863
<i>State Aid</i>	<i>\$44,390,130</i>	<i>\$44,841,822</i>	<i>\$451,692</i>
<i>Property Taxes</i>	<i>\$9,605,325</i>	<i>\$ 9,577,512</i>	<i>(\$27,813)</i>
<i>Education Protection Account</i>	<i>\$8,319,454</i>	<i>\$ 8,253,438</i>	<i>(\$66,016)</i>
State	\$1,282,349	\$1,282,353	\$4
Local & Other	\$5,229,427	\$5,567,216	\$337,789
Total Revenues	\$68,826,685	\$69,522,341	\$695,656
Contribution <u>To</u> Restricted Programs*	\$17,435,524	\$17,965,482	\$529,958

*Special Education Program and Routine
Restricted Maintenance

2024-25 EXPENDITURES KEY ASSUMPTIONS

Description	2024-25	2025-26	2026-27
Step/Column	2%	2%	2%
CalSTRS	19.10%	19.10%	19.10%
CalPERS	27.05%	27.40%	27.50%
SELPA Admin Unit	3% Fee Included	3% Fee Included	Not included

UNRESTRICTED EXPENDITURES BUDGET PROJECTIONS

Description	2024-2025 First Interim	2024-2025 Second Interim	Difference
Certificated Salaries	\$31,179,403	\$31,396,827	\$217,424
Classified Salaries	\$8,738,840	\$8,934,099	\$195,259
Employee Benefits	\$14,387,456	\$15,079,794	\$692,338
Books/Supplies	\$1,659,364	\$2,107,443	\$448,079
Services/Other Oper.	\$5,984,579	\$6,091,316	\$106,737
Capital Outlay	\$0	\$0	\$0
Other Outgo/Sources	(\$4,033,476)	(\$4,049,249)	(\$15,773)
Contributions out	\$17,435,524	\$17,965,482	\$529,958
Total	\$75,351,690	\$77,525,712	\$2,174,022

MULTI-YEAR PROJECTIONS - UNRESTRICTED

<u>Unrestricted</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>
Beginning Balance	\$42,297,224	\$34,413,288	\$26,301,684
Revenues	\$69,856,221	\$67,919,040	\$69,316,749
Less: Expenditures	(\$77,740,157)	(\$76,030,644)	(\$79,747,787)
Surplus/<u>Deficit</u>	(\$7,88,936)	(\$8,111,604)	(\$10,431,038)
Ending Fund Balance	\$34,413,288	\$26,301,684	\$15,870,646

2024-25 RESTRICTED GENERAL FUND REVENUES

Revenue Estimates	2024-2025 First Interim	2024-2025 Second Interim	Difference
Federal	\$6,579,712	\$6,624,252	\$45,540
State	\$25,398,661	\$26,958,035	\$1,559,374
Local	\$4,798,351	\$5,293,161	\$494,810
Total	\$36,775,724	\$38,875,448	\$2,099,724
Contribution <u>From</u> Unrestricted Funds	\$17,435,524	\$17,965,482	\$529,958

RESTRICTED EXPENDITURES BUDGET PROJECTIONS

Description	2024-2025 First Interim	2024-2025 Second Interim	Difference
Certificated Salaries	\$12,617,592	\$12,578,380	(\$39,212)
Classified Salaries	\$11,772,062	\$11,274,828	(\$497,234)
Employee Benefits	\$9,366,735	\$9,200,847	(\$165,888)
Books/Supplies	\$6581,364	\$7,422,697	\$841,333
Services/Other Oper.	\$18,568,990	\$21,636,340	\$3,067,350
Capital Outlay	\$985,341	\$985,341	\$0
Other Outgo/Sources	\$5,556,332	\$5,572,105	\$15,773
Contributions in	(\$17,435,524)	(\$17,965,482)	(\$529,958)
Total	\$48,012,892	\$50,705,056	\$2,692,164

THE ROAD AHEAD

01. GOVERNOR'S MAY REVISED BUDGET IN MAY 2025

02. UNCERTAIN FEDERAL AND STATE ECONOMY

03. CLOSELY MONITOR DEFICIT SPENDING

04. MONITORING OF FEDERAL LAYOFFS (US DEPT OF EDUCATION)

05. MONITORING OF EXECUTIVE ORDERS



QUESTIONS