



School District 2023-2024 First Interim Financial Report

December 14, 2023

Kristi Schwiebert
Superintendent

*Presented by
John Pappalardo
Chief Financial Officer*



Agenda

- Cambrian School District provides educational services to about 3,000 students from P/TK – 8th Grade
- This presentation provides an overview of our current financial status
- First Interim Report – Actuals: July 1, 2023 – October 31, 2023



▪ Introduction



▪ Assumptions



▪ Revenues



▪ Expenditures



▪ General Fund Balances

▪ Multi-Year Projections/Future

▪ Outlook/Recommendation



Introduction



- First Interim Budget Report– As of October 31, 2023
- Required by Ed Code that the Governing Board approve by December 15th
- Includes actual revenues and expenditures through October 31st
- Salaries and benefits known at this point
- Board must certify the “Financial Condition” as one of the following:
 - Positive –”...based upon current projections this district will meet its financial obligations for the current fiscal year and two subsequent fiscal years.”
 - Qualified –”...may not meet its financial obligations...”
 - Negative—” ...will be unable to meet its financial obligations for the remainder of the current fiscal year or for the subsequent fiscal year.”

General Fund Assumptions



- 2023-2024 Estimated Average Daily Attendance (ADA) 2,869
- Unduplicated Local Control Funding Formula (LCFF) student count average 25.86%
- 2023-2024 LCFF Cost of Living Adjustment (COLA) 8.22%
- Changes to certificated and classified salaries based on staffing
- CalSTRS @ 19.1% and CalPERS @ 26.68%
- Adjusted Special Education costs & revenues
 - Revised both for services, salaries, and staffing
- All other State and Federal revenues are based on current Estimates



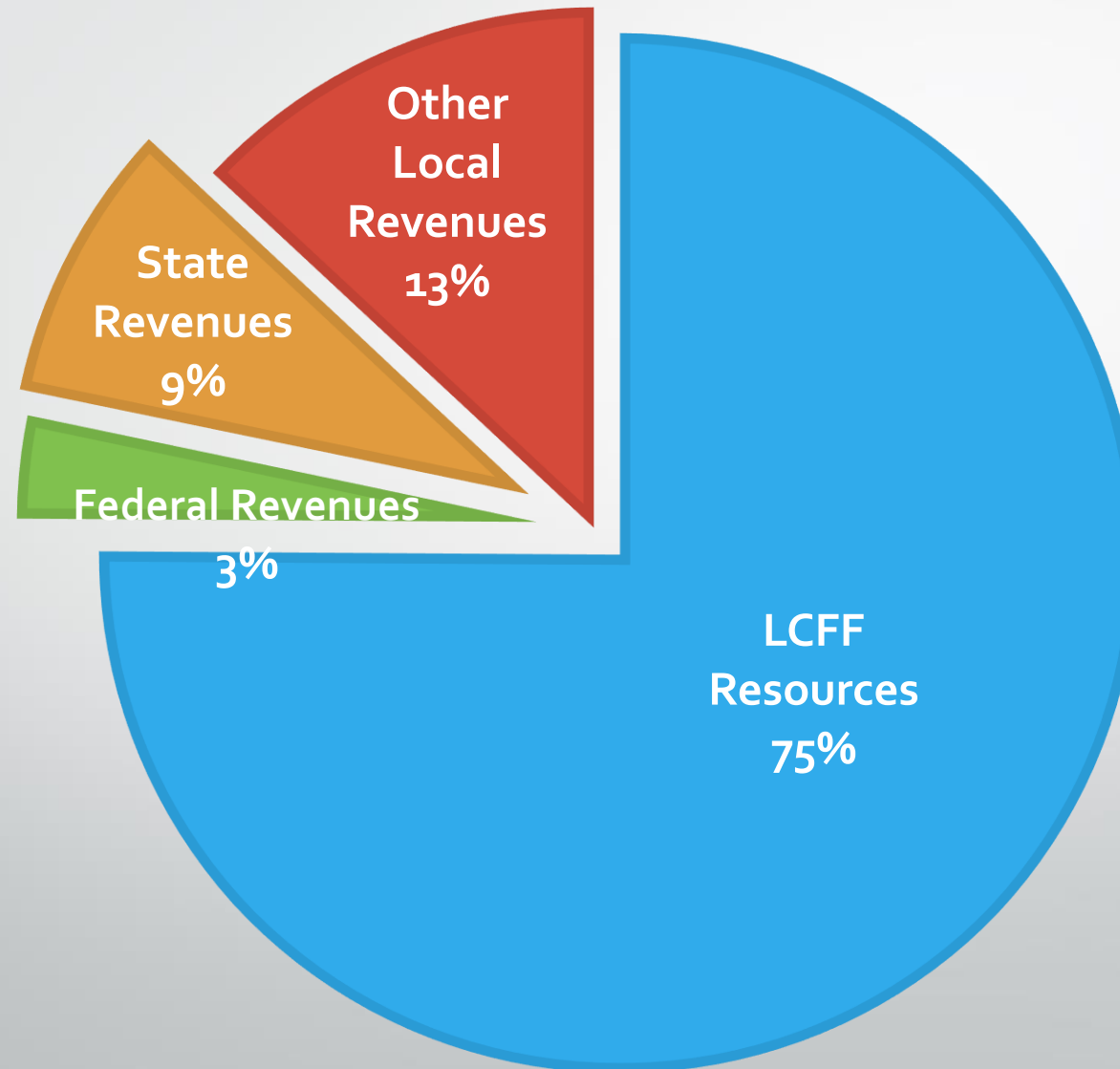
General Fund Budget

2023-24 First Interim Revenues



| Description | Unrestricted | Restricted | Total |
|------------------|--------------|-------------|--------------|
| LCFF Resources | \$33,142,251 | \$1,429,170 | \$34,571,421 |
| Federal Revenues | 0 | 1,449,266 | 1,449,266 |
| State Revenues | 582,624 | 3,420,832 | 4,003,456 |
| Other Revenues | 6,039,501 | 311,073 | 6,350,574 |
| Contribution | -6,843,975 | 6,843,975 | 0 |
| Total Revenues | 32,920,401 | 13,454,316 | 46,374,717 |

2023-24 First Interim Revenues Categories

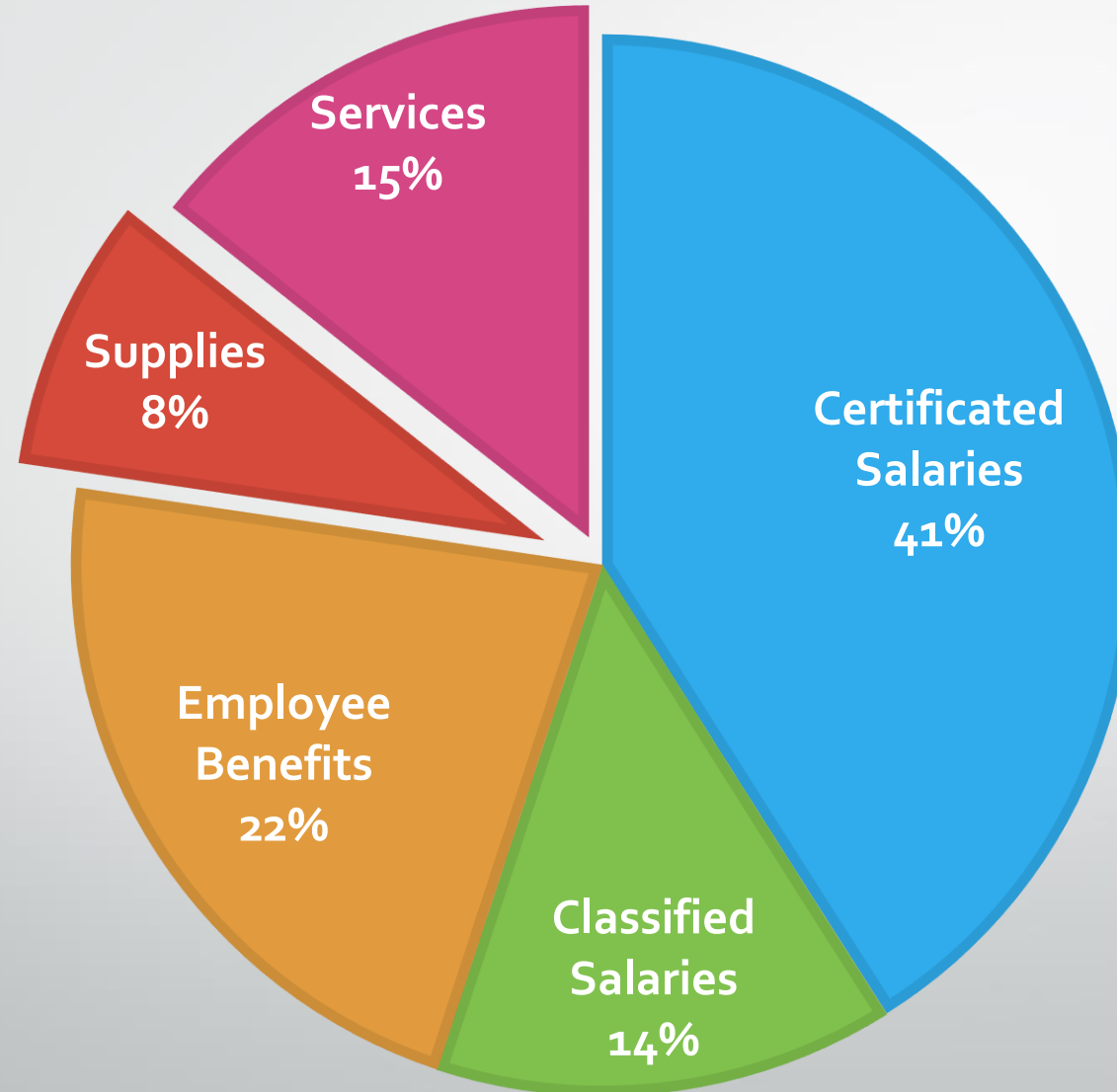


General Fund Expenditures 2023-24 First Interim Report



| Description | Unrestricted | Restricted | Total |
|-----------------------|---------------|-------------|--------------|
| Certificated Salaries | \$ 18,499,360 | \$3,410,210 | \$21,909,570 |
| Classified Salaries | 5,166,528 | 2,334,938 | 7,501,466 |
| Employee Benefits | 7,966,165 | 3,927,045 | 11,893,210 |
| Supplies | 849,564 | 3,600,852 | 4,450,416 |
| Services | 3,169,141 | 4,488,364 | 7,657,505 |
| Capital Outlay | - | 60,000 | 60,000 |
| Indirect Costs | (119,608) | 51,608 | (68,000) |
| Total Expenditures | 35,531,150 | 17,873,017 | 53,404,167 |

2023-2024 First Interim Expense Categories



First Interim General Fund Balances



| Description | Unrestricted | Restricted | Total |
|--------------------------------|------------------|----------------|------------------|
| Net Increase (Decrease) | (2,610,749) | (4,418,701) | (7,029,450) |
| Beginning Fund Balance | 6,385,824 | 4,636,613 | 11,022,437 |
| <u>Ending Fund Balance</u> | <u>3,775,075</u> | <u>217,912</u> | <u>3,992,987</u> |

Multi-Year Projections

Budget + 2 Subsequent Fiscal years



| | 2023-2024 1 st Interim | 2024-2025 Projection | 2025-2026 Projection |
|--|-----------------------------------|--|----------------------|
| Cost of Living (COLA) LCFF + State Programs | 8.22% | 3.94% (Original Proj.) 2.0% (Updated Proj.) 1.0% (Potential COLA) | 3.29% |
| Average Daily Attendance (ADA) | 2,869 | 2,807 (62) | 2,807 |
| CalSTRS/CalPERS/SUI | 19.1%/26.68%/.50% | 19.1%/27.7%/.05% | 19.1%/28.3%/.05% |
| Federal/State Restricted | COLA | COLA | COLA |
| Step and Column (Certificated/Classified) | Current Staff at Actual | .75%/1.0% | 1.25%/1.0% |
| Add 3.0 FTE in Occ Therapy | Contracted Out | \$150,000 Savings ongoing | Employee |
| Add 2.0 FTE Speech LP | Contracted Out | \$133,000 Savings ongoing | Employee |
| Other Lease Revenue | Current | Increased based on contracts/Metzler Final | Ongoing |

Multi-Year Projections Combined General Fund



| Description | 2023-24 First Interim | 2024-25 Budget Projection | 2025-26 Budget Projection |
|-----------------------------|-----------------------------|---------------------------------|---------------------------------|
| Beginning Balance | \$11,022,437 | \$3,992,987 | \$3,150,976 |
| Revenues | 46,374,717 | 47,802,966* | 48,911,373 |
| Expenditures | 53,404,167 | 48,664,977 | 48,729,727 |
| Revenue/Exp. Balance | (7,029,450) | (842,011) | 181,646 |
| Projected Ending Balance | \$3,992,987 | \$3,150,976 | \$3,332,482 |
| 5% Reserve (BP 3100) | \$2,670,208 | \$2,432,249 | \$2,439,486 |

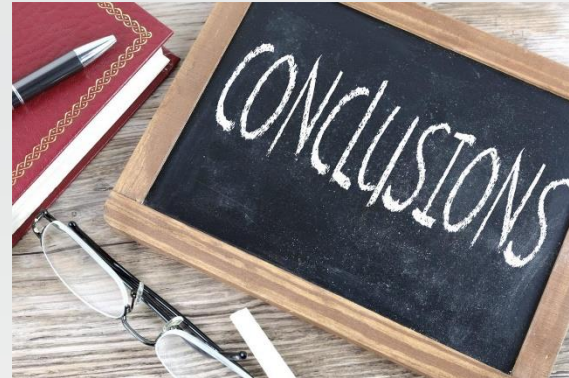
* Based on 2.0% COLA



Other Funds



| Fund Name Description | Food Services Cafeteria Fund 13 | General Obligation Bond-Building Fund 21 | Developer Facility Fee Fund 25 | Special Reserve Capital Facility Fund 40 | G.O. Bond Redemption Fund 51 |
|--------------------------|---------------------------------------|--|--------------------------------------|--|------------------------------------|
| Beginning Balance | \$ 1,195,935 | \$ 47,403,956 | \$ 1,519,344 | \$ 6,450,354 | \$ 4,903,353 |
| Revenues | 1,339,644 | 180,000 | 510,000 | 105,750 | 5,188,703 |
| Expenditures | 1,603,934 | 23,820,521 | 1,676,800 | 760,000 | 4,732,729 |
| Excess(Deficiency) | (264,290) | (23,640,521) | (1,166,800) | (654,250) | 455,974 |
| Ending Balance | <u>\$ 931,645</u> | <u>\$ 23,763,435</u> | <u>\$ 352,544</u> | <u>\$ 5,796,104</u> | <u>\$ 5,359,327</u> |



Questions

- January 10 Governor's Budget
- One-time moneys going away
- Uncertain COLA in out years
- No Salary Increases, beyond Step and Column for out years



Outlook

- Lease Revenues/ Metzler A&C
- Food Services +
- Positive Cashflow
- Multi-Year Projections Positive
- Fully Funded COLAs

2023-2024 First Interim Recommendations



- Approve Planning Process for in house Speech and Language Pathologist – Advertise for needed position(s)
- Approve Planning Process for in house Occupational Therapist Positions – Personnel will bring back job description/salary for OT Position
- The Board of Education approve the 2023-24 First Interim Report as **Positive**



- January 10, 2024 – Governor's 2024-2025 Budget Proposals
- March 7, 2024 – Second Interim Financial Report
- May 13, 2024 – May Revise
- June 6, 2024 – Board Meeting Public Hearing Budget Review
- June 20, 2024 – Board Meeting Action on 2024-2025 All Funds Budget



Questions