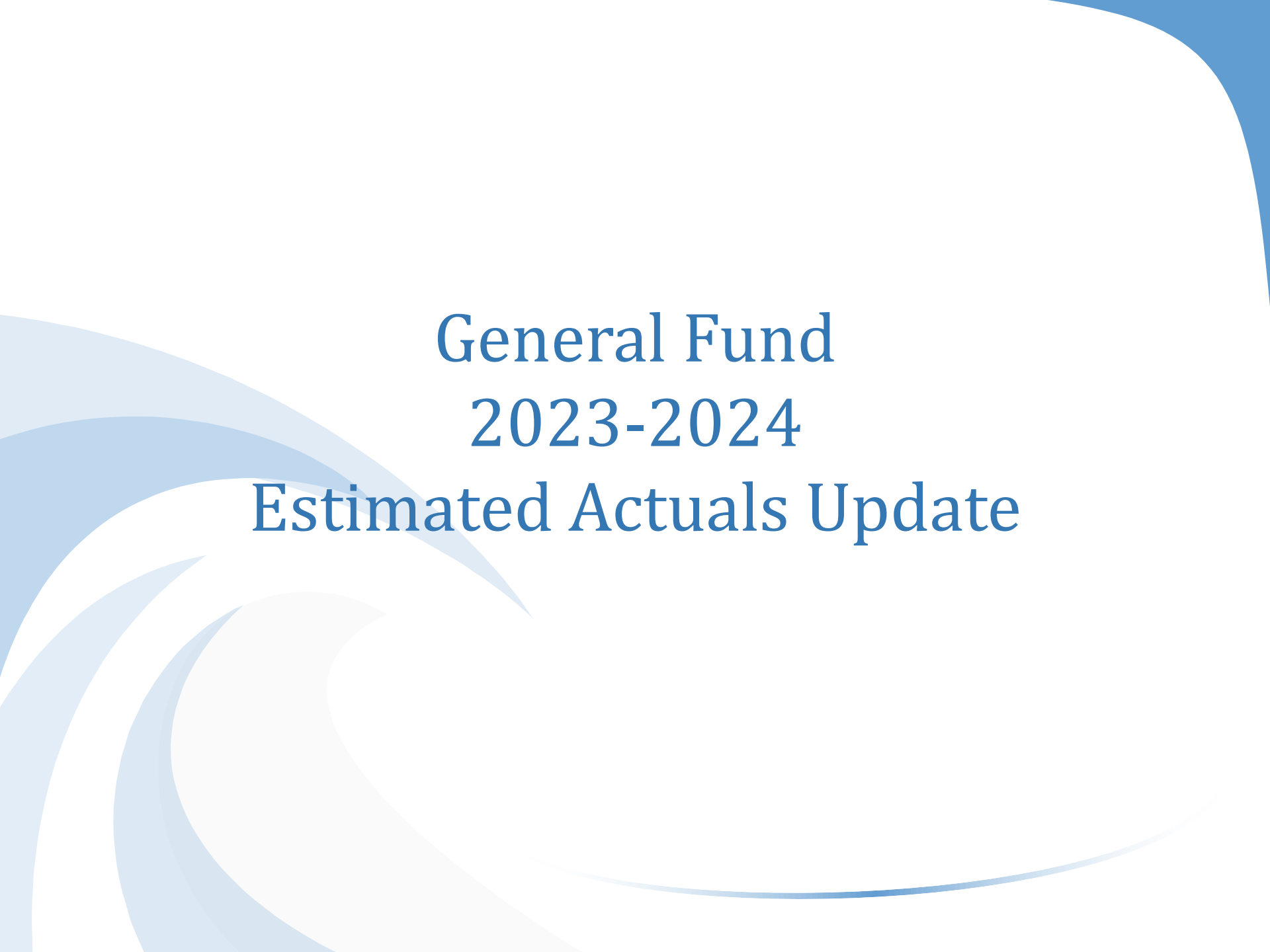


# Del Mar Union School District 2024-2025 Proposed Budget First Read

May 22, 2024 Regular Board Meeting

# Presentation

- 2023-2024 General Fund Estimated Actuals Update
  - Budget Adjustments to Estimated Actuals
- 2024-2025 Proposed General Fund Budget
  - Revenue and Expenditure Assumptions
- Looking Ahead
  - May Revise Update
  - June Adoption for All Funds



General Fund  
2023-2024  
Estimated Actuals Update

# Estimated Actuals Revenue

	2023-2024 Second Interim	Budget Adjustments	2023-2024 Estimated Actuals
LCFF Sources	62,744,606	149,874	62,894,480
Federal Revenues	1,022,059	4,500	1,026,559
Other State Revenues	6,848,093	(48,536)	6,799,557
Other Local Revenues	4,685,379	(82,502)	4,602,877
Total Revenues	75,300,137	23,336	75,323,473

# 2023-2024 Changes in Revenue

- Adjustment to STRS on-behalf Contribution (offset in expenditures)
- Adjustment to Interest Earnings
- School Site Fundraising and Donations
- Decrease of Expanded Learning Opportunities Program Apportionment

# Estimated Actuals Expenditures

	2023-2024 Second Interim	Budget Adjustments	2023-2024 Estimated Actuals
Certificated Salaries	34,017,055	-	34,017,055
Classified Salaries	10,340,201	-	10,340,201
Employee Benefits	19,016,946	-	19,016,946
Books & Supplies	3,921,367	(182,715)	3,738,652
Operating Expenses	9,090,959	175,886	9,266,846
Capital Outlay	30,000	51,430	81,430
Other Outgo & Transfer Out	558,112	-	558,112
<b>Total Expenditures</b>	<b>76,974,640</b>	<b>44,601</b>	<b>77,019,242</b>

# 2023-2024 Changes in Expenditures

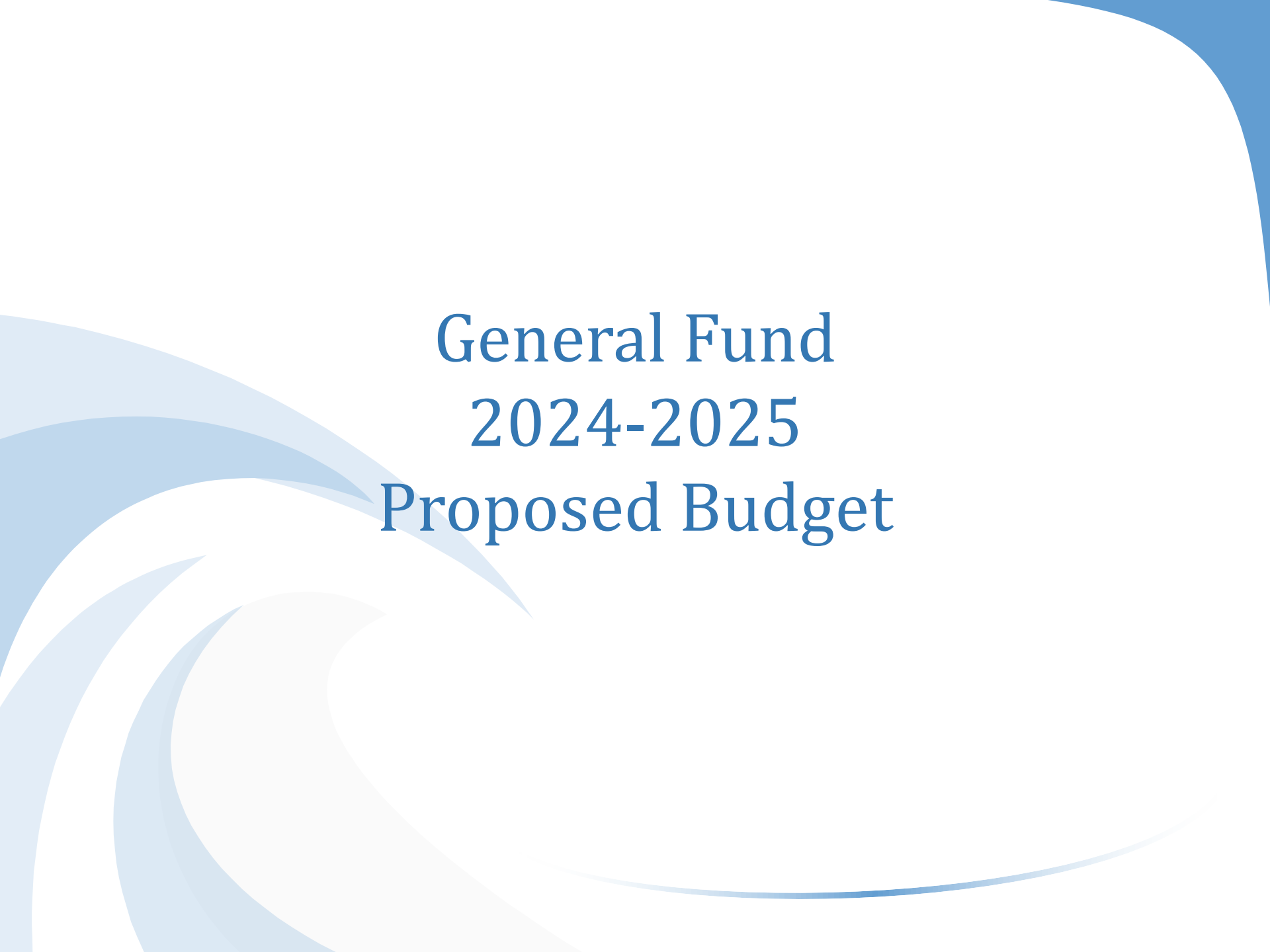
- Adjustment to STRS on-behalf Contribution (offset in revenue)
- Student Chromebook Refresh for 3<sup>rd</sup> and 4<sup>th</sup> grade
- School Site Fundraising and Donation Expenditures
- Increase to Water and Electric Utilities

# Estimated Actuals Ending Balance

## Components of the Ending Fund Balance

	2023-24 Second Interim	Budget Adjustments	2023-24 Estimated Actuals
Net Inc/Dec in Fund Balance	(1,674,503)	(21,265)	(1,695,769)
Beg Fund Balance	23,381,693	-	23,381,693
Ending Fund Balance	21,707,190	(21,265)	21,685,925
Revolving Cash	25,000		25,000
Restricted	3,662,921	(151,590)	3,511,331
Assigned: Min. Reserve Policy 15%	11,546,195	6,690	11,552,885
Math Curriculum Adoption	750,000	-	750,000
3% Min. Reserve for Economic Uncertainty	2,309,239	1,338	2,310,577
Unassigned/Unappropriated	3,413,835	122,296	3,536,131
Total Unrest. General Fund Reserve %	23.4%		23.6%



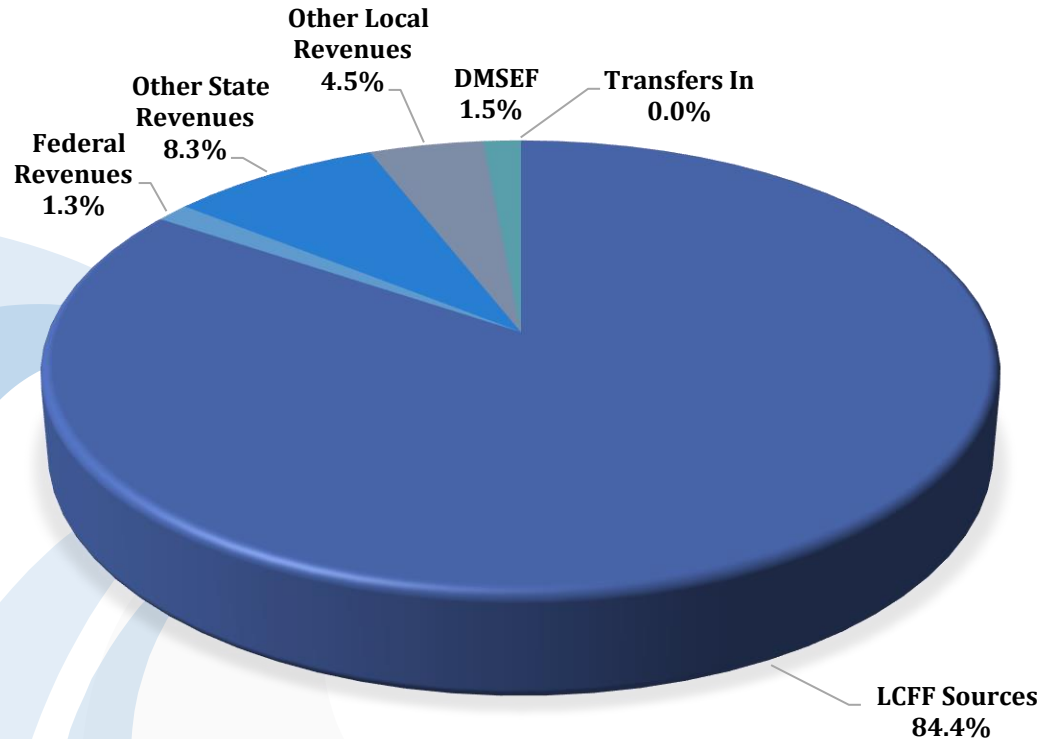


General Fund  
2024-2025  
Proposed Budget

# Budget Priorities

- Small Class Size
- STEAM+
- Support for student well-being and success
  - School Counselors
  - Differentiated supports for students
  - Teacher on Special Assignment
  - Mathematics intervention teachers
  - Reading intervention teachers
  - Co-teaching
- Neighborhood Schools
- World Language Program
- Deferred Maintenance
- OPEB Trust Fund

# 2024-2025 Proposed Budget Revenue



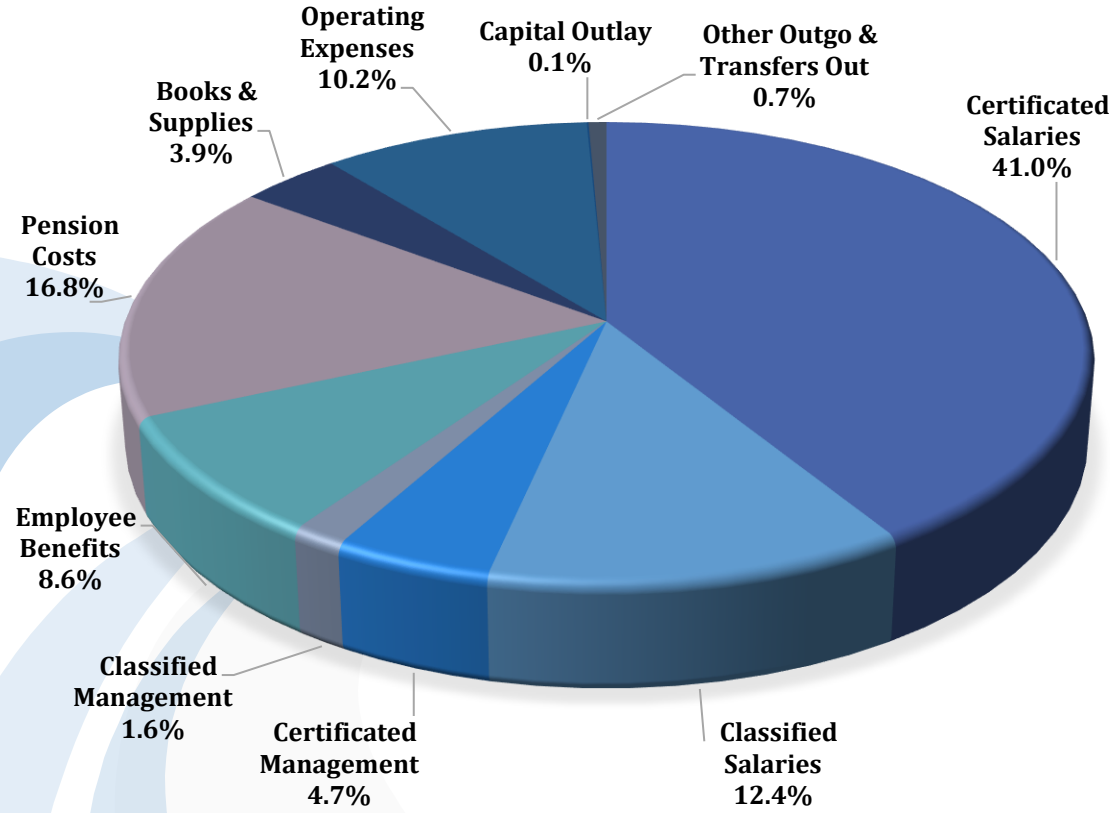
Revenue Source	Amount
LCFF Sources	64,560,029
Federal Revenues	1,020,746
Other State Revenues <sup>1</sup>	6,355,307
Other Local Revenues	3,426,275
DMSEF <sup>2</sup>	1,130,000
Transfers In	-
<b>Total Revenues</b>	<b>76,492,357</b>

1. Other State Revenues includes:  
State STRS "on-behalf" contribution of \$3,476,749
2. All DMSEF funds are allocated towards STEAM+ salary and benefits

# Key Revenue Assumptions

- Property Tax Revenue is budgeted at 3% above the 2023-2024 estimated revenue.
- State Aid (which is also referred to as “hold harmless”) is budgeted at \$1,170,350. This amount is the past allocated categorical funding, less the permanent \$2.5 million Basic Aid Reduction which was incurred during the recession.
- Education Protection Account (Prop 30/55) Budget is \$724,284 based upon three-year average P-2 ADA of 3,621.42 funded at the minimum guarantee of \$200/ADA.
- Del Mar Schools Education Foundation estimated donation of \$1.13 million to be used towards STEAM+ salary and benefits

# 2024-2025 Proposed Budget Expenditures



Expenditure	Amount
Certificated Salaries	31,393,645
Certificated Management	3,613,803
Classified Salaries	9,494,424
Classified Management	1,211,749
Employee Benefits	6,600,583
Pension Costs	12,829,818
Books & Supplies	2,949,868
Operating Expenses	7,816,613
Capital Outlay	50,000
Other Outgo & Transfer Out	520,000
<b>Total Expenditures</b>	<b>76,480,503</b>

**\*Total Salary and Benefits = 85%**

\*Pension costs include State STRS “on-behalf” contribution of \$3,476,749

# Key Expenditures Assumptions

- \$1,000 increase to health cap per Collective Bargaining Agreement approved at the January 17, 2024 Board Meeting
- Additional Counselor
- Continue OPEB Trust Contribution
- Increase in Pension Rates
  - PERS from 26.68% to 27.8%
  - STRS remains at 19.10%
- Student Chromebook Refresh
- Student Transportation during Del Mar Hills Modernization

# Proposed Ending Balance

Components of the Ending Fund Balance	
	2024-2025 Proposed Budget
Net Increase/Decrease in Fund Balance	11,855
Beg Fund Balance	21,685,925
Ending Fund Balance	21,697,780
Revolving Cash	25,000
Restricted	3,852,476
Assigned: Minimum Reserve Policy 15%	11,472,075
3% Minimum Reserve for Economic Uncertainty	2,294,415
Unassigned/Unappropriated	4,053,813
Total Unrest. General Fund Reserve %	23.3%

# Reserves Requirement

## Proposed 2024-2025 Ending Fund Balances:

Assigned and Unassigned/Unappropriated Fund Balances: \$19,861,374

Less Minimum 3% Reserve for Economic Uncertainties: \$2,294,415

Remaining Balance to Substantiate Need: \$17,566,959

\$ 4,053,812	Basic Aid stabilization and reserve for pensions, OPEB, and Future Obligations
\$ 11,472,075	Fund Balance Policy requiring reserves of at least 15%
<u>\$ 2,041,072</u>	Operations Reserve (Fund 17)
\$ 17,566,959	Total Need Supported by Excess Fund Balances





# Looking Ahead

# Looking Ahead

- Governor's May Budget Revision
  - Dealing with a budget shortfall
  - Protecting K-14 funding
    - Universal Meals
    - ELOP
    - Funded COLA
  - Still no funding for Universal Transitional Kindergarten for DMUSD
- June Adoption for All Funds
  - District Budget & Multi-Year Projection at the June 26, 2024, Regular Governing Board of Trustees Meeting
- Budget workshops in fall 2024



Questions?