



• UNION SCHOOL DISTRICT •



2023-2024
SECOND INTERIM BUDGET

REGULAR BOARD MEETING
MARCH 13, 2024

Presentation



- Vision & Mission in the Budget Process
- First Interim vs. Second Interim
 - Revenue and Expenditure Variances
- General Fund Summary
 - Revenues and Expenditures
- Multi-Year Projection
- Looking Ahead

Vision and Mission in the Budget Process



Vision and Mission



***Vision:** Unrelenting pursuit of the extraordinary school experience*

***Mission:** To ignite genius and empower students to advance the world*

Budget Cycle



Board Adopts Budget	June
1 st Interim Budget Report	December
Governor presents Budget	January
2 nd Interim Budget Report	March
Governor Revises Budget	May
Board Adopts Next Year's Budget	June
Unaudited Actuals	September

Budget Process



- Budget determinations have been made in accordance with the goals of Destination 2028 and the Local Control Accountability Plan (LCAP)
- Maintain a fiscally sound reserve balance for a community funded school district (Basic Aid) and a continued commitment to proactive fiscal planning
- Communicate the budget to all stakeholders

First Interim vs. Second Interim



Revenue



	First Interim	Budget Adjustments	Second Interim
LCFF Sources	62,166,057	578,549	62,744,606
Federal Revenues	1,022,059	-	1,022,059
Other State Revenues	6,404,479	443,614	6,848,093
Other Local Revenues	4,485,379	200,000	4,685,379
Transfers In	-	-	-
Total Revenues	74,077,974	1,222,163	75,300,137

Revenue Variances



- LCFF Sources:
 - Property Tax Increase to 5%
- Other State Revenues:
 - Proposition 28 Arts and Music in Schools
- Other Local Revenues:
 - Increased Interest Based on Actuals through January 31, 2024

Expenditures



	First Interim	Budget Adjustments	Second Interim
Certificated Salaries	33,504,340	512,714	34,017,055
Classified Salaries	9,877,286	462,915	10,340,201
Employee Benefits	18,435,872	581,074	19,016,946
Books & Supplies	4,024,397	(103,030)	3,921,367
Operating Expenses	8,620,649	470,310	9,090,959
Capital Outlay	30,000	-	30,000
Other Outgo/ Transfer Out	558,112	-	558,112
Total Expenditures	75,050,657	1,923,983	76,974,640

Expenditure Variance



- Salaries and Employee Benefits:
 - Increase Salary 3.25% AB1200
 - Increase Certificated Substitute Rate
 - Salary and benefits adjustments based upon expenditures through January 31, 2024

- Books, Supplies & Operating Expenses:
 - Cyber Security Budget Added
 - Increase Utilities

Ending Fund Balance



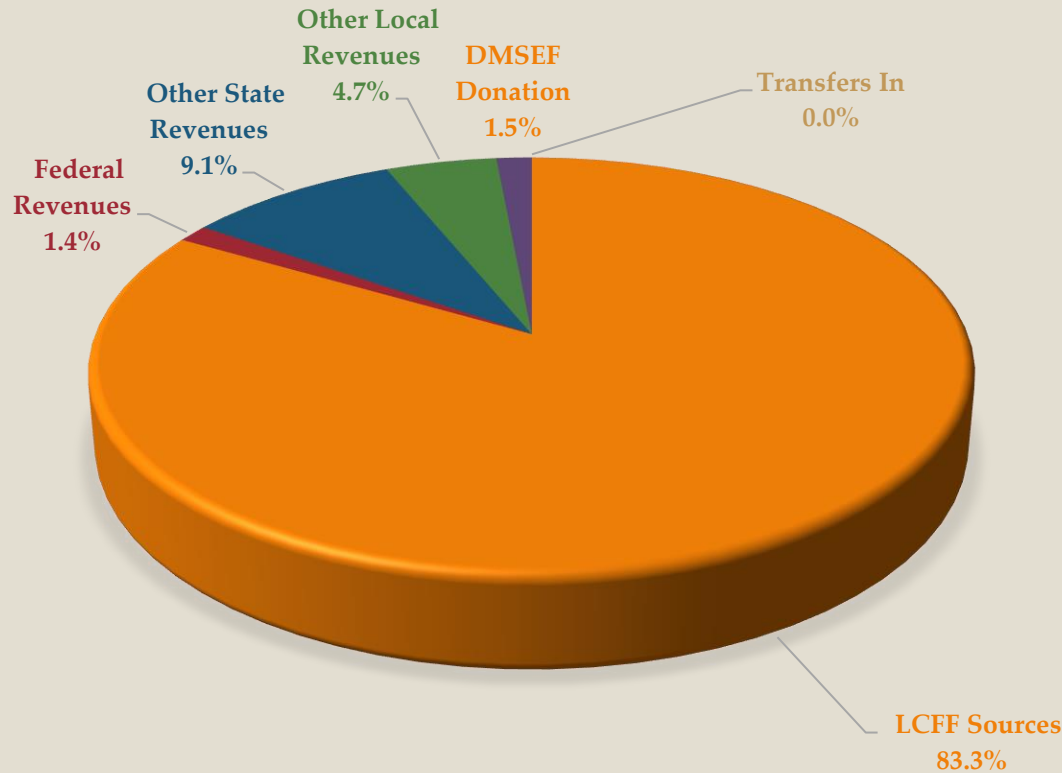
	Second Interim UNRESTRICTED*	Second Interim RESTRICTED	Second Interim COMBINED
Beginning Fund Balance	17,969,424	5,402,375	23,371,799
Net Increase (Decrease)	64,951	(1,739,454)	(1,674,503)
Ending Fund Balance	18,034,375	3,662,921	21,697,296
<i>Components of Ending Fund Balance:</i>			
Revolving Cash	25,000		25,000
Restricted:		3,662,921	3,662,921
Assigned:			
Minimum Reserve 15%	11,546,195		11,546,195
Math Curriculum Adoption	750,000		750,000
3% Reserve for Economic Uncertainties	2,309,239		2,309,239
Unassigned/Unappropriated	3,403,941		3,403,941
Unrestricted Reserve Percentage:	23.4%		

*Unrestricted General Fund has a balanced budget

General Fund Summary



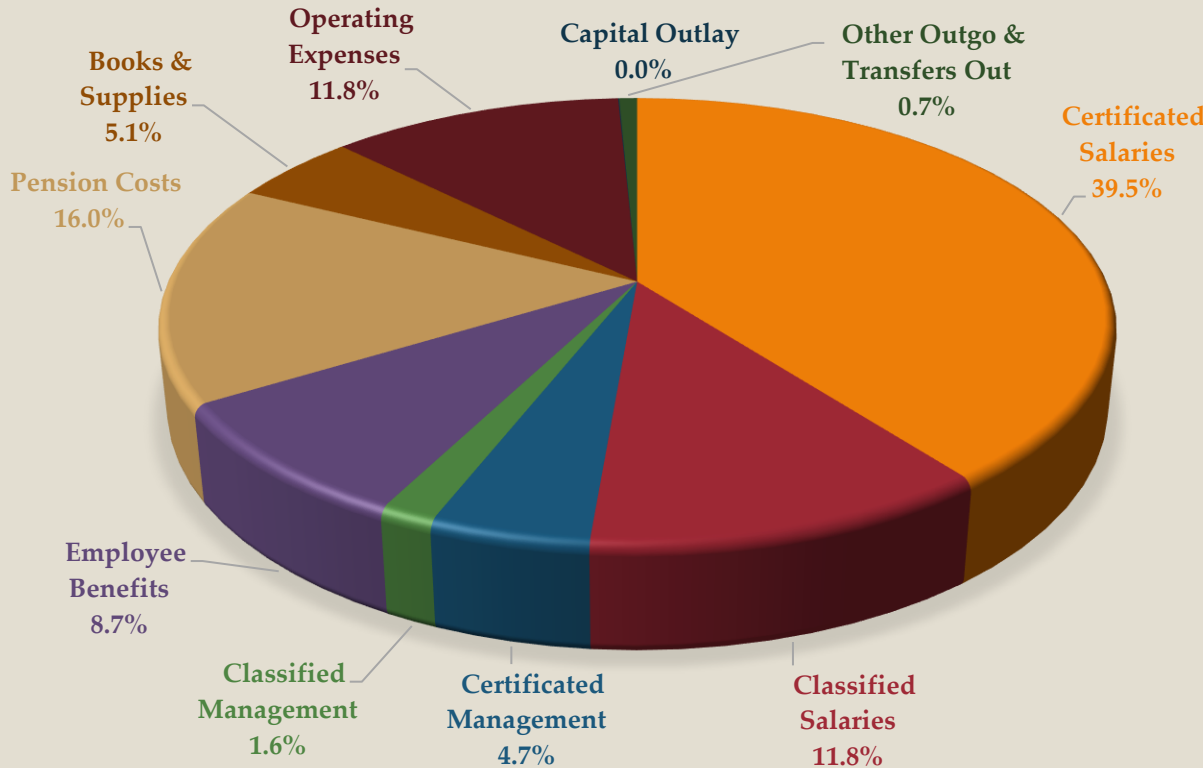
2023-2024 Revenue Summary



LCFF Sources	62,744,606
Federal Revenues	1,022,059
Other State Revenues*	6,848,093
Other Local Revenues	3,555,379
DMSEF & Site Donations	1,130,000
Transfers In	-
Total Revenue & Other Financing Sources	75,300,137

*Other State Revenues includes STRS "on-behalf" contribution of \$3,092,986

2023-2024 Expenditure Summary



Certificated Salaries	30,422,065
Classified Salaries	9,098,351
Certificated Management	3,594,990
Classified Management	1,241,850
Employee Benefits	6,675,613
Pension Costs*	12,341,333
Books & Supplies	3,921,367
Operating Expenses	9,090,959
Capital Outlay	30,000
Other Outgo/Transfer Out	558,112
Total Expenditures & Other Outgo	76,974,640

Total Salary and Benefits = 82.3%

*Pension costs include State STRS "on-behalf" contribution of \$3,092,986

Multi-Year Projection



Multi-Year Projection



- Based upon the School Services of California Dartboard
- Property Tax Projection:
 - 2024-25 3.0% Increase
 - 2025-26 3.0% Increase
- Salary: Step and Column 2% Increase Annually
- Benefits: Annual Adjustments in Employer STRS and PERS Contributions

Multi-Year Projection



DESCRIPTION	FY 2023-24 Current (Base Year)	FY 2024-25 First Projected Year	FY 2025-26 Second Projected Year
Revenues			
LCFF Sources	62,744,606	64,569,236	66,426,775
Federal Revenues	1,022,059	1,022,059	1,022,059
Other State Revenues	6,848,093	6,859,699	6,842,614
Other Local Revenues	4,685,379	4,486,737	4,488,070
Transfers In/Other Sources	0	0	0
Total Revenues:	75,300,137	76,937,732	78,779,518
Expenditures			
Certificated Salaries	34,017,055	34,397,396	35,085,344
Classified Salaries	10,340,201	10,547,005	10,757,945
Employee Benefits	19,016,946	19,363,976	19,754,769
Books & Supplies	3,921,367	3,723,446	2,754,510
Services, Other Operating Expense	9,090,959	9,335,498	9,539,407
Capital Outlay	30,000	30,849	31,682
Other Outgo/Transfer Out	558,112	559,111	560,092
Total Expenditures:	\$76,974,640	\$77,957,282	\$78,483,748

Multi-Year Projection – Current Year



DESCRIPTION	FY 2023-24 Current (Base Year) UNRESTRICTED	FY 2023-24 Current (Base Year) RESTRICTED	FY 2023-24 Current (Base Year) COMBINED
Beginning Balance as of July 1	17,969,424	5,402,375	23,371,799
Net Increase (Decrease) In Fund Balance	64,951	(1,739,454)	(1,674,503)
Ending Balance	18,034,375	3,662,921	21,697,296
Revolving Cash	25,000		25,000
Restricted		3,662,921	3,662,921
Assignments:			
- Minimum Reserve 15%	11,546,195		11,546,195
- Math Curriculum	750,000		750,000
Reserve for Economic Uncertainties	2,309,239		2,309,239
Unassigned/ Unappropriated Amount	3,403,940		3,403,940
<i>Total Unrestricted Fund Balance</i>	18,034,375	3,662,921	21,697,296
<i>Unrestricted Reserve Percentage</i>	23.4%		

Multi-Year Projection – First Projected Year



DESCRIPTION	FY 2024-25 First Projected Year UNRESTRICTED	FY 2024-25 First Projected Year RESTRICTED	FY 2024-25 First Projected Year COMBINED
Beginning Balance as of July 1	18,034,375	3,662,921	21,697,296
Net Increase (Decrease) In Fund Balance	783,349	(1,802,899)	(1,019,550)
Ending Balance	18,817,724	1,860,022	20,677,746
Revolving Cash	25,000		25,000
Restricted		1,860,022	1,860,022
Assignments:			
- Minimum Reserve 15%	11,693,592		11,693,592
Reserve for Economic Uncertainties	2,338,718		2,338,718
Unassigned/ Unappropriated Amount	4,760,413		4,760,413
<i>Total Unrestricted Fund Balance</i>	18,817,724	1,860,022	20,677,746
<i>Unrestricted Reserve Percentage</i>	24.1%		

Multi-Year Projection – Second Projected Year



DESCRIPTION	FY 2025-26 Second Projected Year UNRESTRICTED	FY 2025-26 Second Projected Year RESTRICTED	FY 2025-26 Second Projected Year COMBINED
Beginning Balance as of July 1	18,817,724	1,860,022	20,677,746
Net Increase (Decrease) In Fund Balance	295,770	(0)	295,769
Ending Balance	19,113,494	1,860,021	20,973,515
Revolving Cash	25,000		25,000
Restricted		1,860,021	1,860,021
Assignments:			
- Minimum Reserve 15%	11,772,562		11,772,562
Reserve for Economic Uncertainties	2,354,512		2,354,512
Unassigned/ Unappropriated Amount	4,961,419		4,961,419
<i>Total Unrestricted Fund Balance</i>	19,113,494	1,860,021	20,973,515
<i>Unrestricted Reserve Percentage</i>	24.3%		

Looking Ahead



Looking Ahead



- Monitor enrollment projection and staffing needs
- STRS/PERS annual adjustments
 - PERS expected to increase
 - STRS to remain at the same rate
- Math curriculum adoption
- Governor's Proposed Budget
 - State revenues continue to be below expectations
 - Potential Statewide education funding cuts
- General economic forecast
 - Property tax increases expected to slow



Questions?