



# SCHOOL DISTRICT

# SECOND INTERIM REPORT

March 3, 2022

Dr. John Pappalardo

Chief Financial Officer

# AGENDA



- Cambrian School District provides educational services to nearly 3,000 students from TK – 8<sup>th</sup> Grade
- This presentation provides an overview of our current financial status through the Second Interim Report



- Introduction



- Assumptions



- Revenues



- Expenditures



- General Fund Balances

- Multi-Year Projections

# INTRODUCTION



- Second Interim Budget Report– As of January 31, 2022
- Required by Ed Code that the board must approved by March 15<sup>th</sup>
- Includes funds confirmed after First Interim Budget (through October 31, 2021)
- Salaries and benefits known half way through the year
- Includes actual revenues and expenditures through January 31st
- Board must certify the budget as positive, qualified, or negative

# GENERAL FUND ASSUMPTIONS



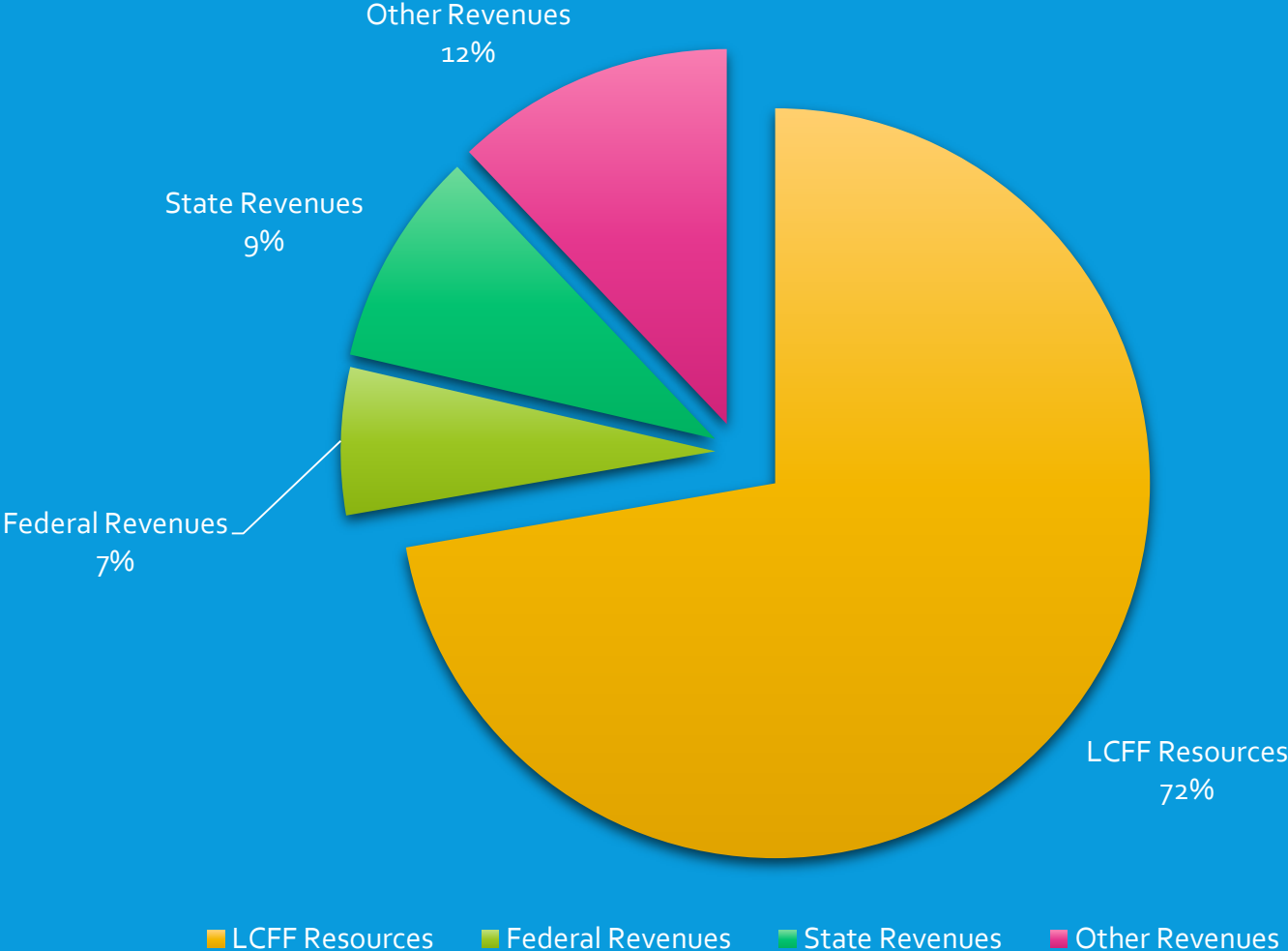
- Average Daily Attendance (ADA) 2,851
- Unduplicated Local Control Funding Formula (LCFF) student count is 21.91%
- 2021-2022 LCFF Cost of Living Adjustment (COLA) 5.09%
- Changes to certificated and classified salaries based on current staffing
- Adjusted Special Education costs & revenues
  - Revised both for services and salaries
  - Revised special education revenues and COE property tax transfer
  - Change resulted in increased general fund contribution
- All other State and Federal revenues are based on current year estimates

# SECOND INTERIM REVENUES



	1st Interim	2nd Interim	Difference
LCFF Resources	28,872,075	28,895,018	22,943
Federal Revenues	2,285,402	2,539,760	254,358
State Revenues	3,774,100	3,723,582	(50,518)
Other Revenues	4,584,507	4,828,849	244,342
Transfer In	341,541	341,541	0
Total Revenues	39,857,625	40,328,750	471,125

# SECOND INTERIM REVENUES

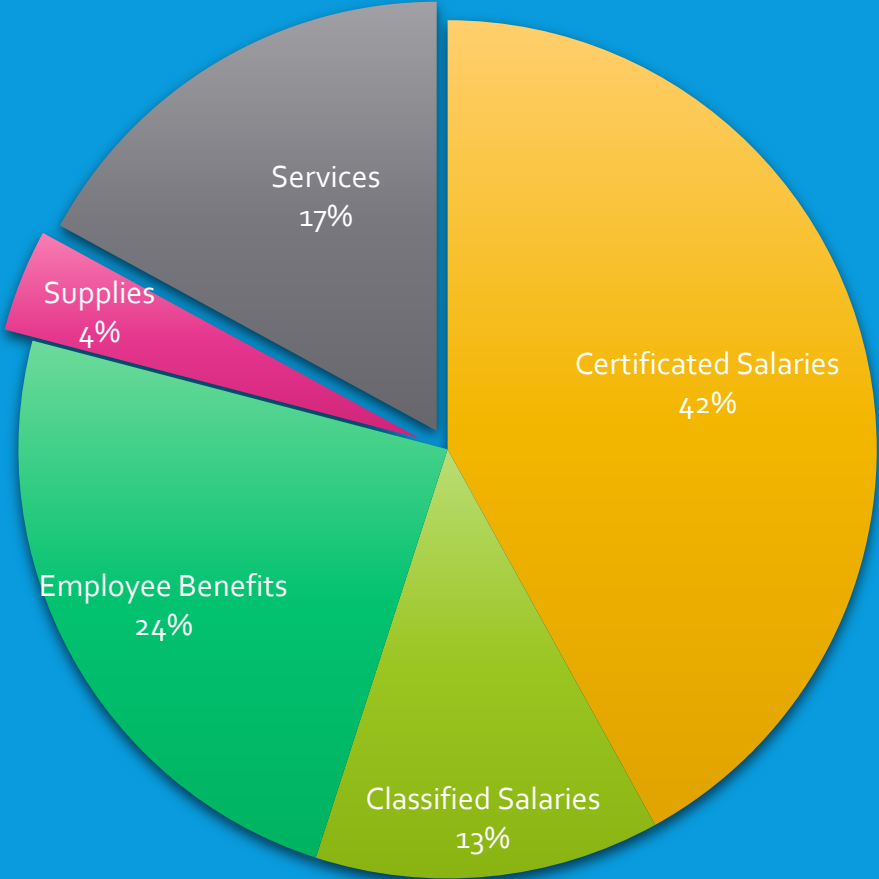


# SECOND INTERIM EXPENDITURES



Description	1 <sup>st</sup> Interim	2 <sup>nd</sup> Interim	Difference
Certificated Salaries	\$ 17,356,082	\$17,682,413	\$326,331
Classified Salaries	5,720,829	5,478,993	(241,836)
Employee Benefits	10,350,881	10,156,142	(194,739)
Supplies	1,026,223	1,629,460	603,237
Services	7,159,308	7,186,605	27,297
Capital Outlay	-	-	-
Other Outgo	-	-	-
Indirect Costs	-	-	-
Total Expenditures	41,613,323	42,133,613	520,290

# SECOND INTERIM EXPENDITURES



■ Certificated Salaries ■ Classified Salaries ■ Employee Benefits ■ Supplies ■ Services ■



# SECOND INTERIM FUND BALANCE



Description	1 <sup>st</sup> Interim	2 <sup>nd</sup> Interim	Difference
Net Increase (Decrease)	(1,755,698)	(1,804,863)	(49,165)
Beginning Fund Balance	9,512,086	9,512,086	-
Other Restatements	-	(897,296)	(897,296)
Adjusted Beginning Bal.	9,512,086	8,614,790	(897,296)
<u>Ending Fund Balance</u>	<u>7,756,388</u>	<u>6,809,927</u>	<u>(946,461)</u>

# MULTI-YEAR PROJECTION ASSUMPTIONS



	2021-2022	2022-2023	2023-2024
Cost of Living (COLA) LCFF + State Programs	5.07%	5.33%	3.61%
Average Daily Attendance (ADA)	2,985	2,935 (50)	2,875 (60)
CalSTRS	16.92%	19.1%	19.1%
CalPERS	22.91%	26.1%	27.1%
State Unemployment (SUI)	.50%	.50%	.20%
Federal Programs	No COLA	No COLA	No COLA
Step and Column (Certificated/Classified)	Actual Costs	1.5%/1.0%	1.5%/1.0%
Restricted Programs	As Projected	\$0 Restricted EFB \$100,000 Increase Contributions	+\$100,000 Increased Contributions

# MULTI-YEAR PROJECTIONS



Description	2021-2022 Second Interim	2022-2023 Budget Projection	2023-2024 Budget Projection
Beginning Balance	\$8,614,790	\$6,809,927	\$4,612,607
Revenues	40,328,750	39,163,289	39,723,909
Expenditures	42,133,613	41,360,610	40,821,473
Revenue/Exp. Balance	-1,804,863	-2,197,321	-1,097,564
Projected Ending Balance	\$6,809,927	\$4,612,607	\$3,515,043
3% Reserve	\$1,264,008	\$1,240,818	\$1,224,644

## 2<sup>ND</sup> INTERIM REPORT INCLUDES:



- District Certification & Criteria and Standards Review Summary
- Fund Forms-All Funds Included
- Supplemental Forms-ADA, Cashflow, Multiyear projections, & Technical Review Check List
- Criteria and Standards

# THE FUTURE



## RISKS

- ADA Decline
- Bargaining Costs
- TK Expansion
- On-going Deficit Spending



## POSITIVES

- Lease Revenues/  
Metzler A&C
- Food Services +
- Cashflow
- Fund Balance

# SECOND INTERIM SUMMARY



- Reserve for Economic Uncertainties exceeds 3% in each fiscal year
- Positive fund balance in all funds through 2023-2024
  - Meets requirements but need to create a long-term solution to operating deficit
- Positive cash balance
- Recommendation for Board to certify Second Interim Report as Positive



# QUESTIONS