



SECOND INTERIM 2023-24

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Associate Superintendent of Business Services

March 6, 2024



1 Revenue Assumptions

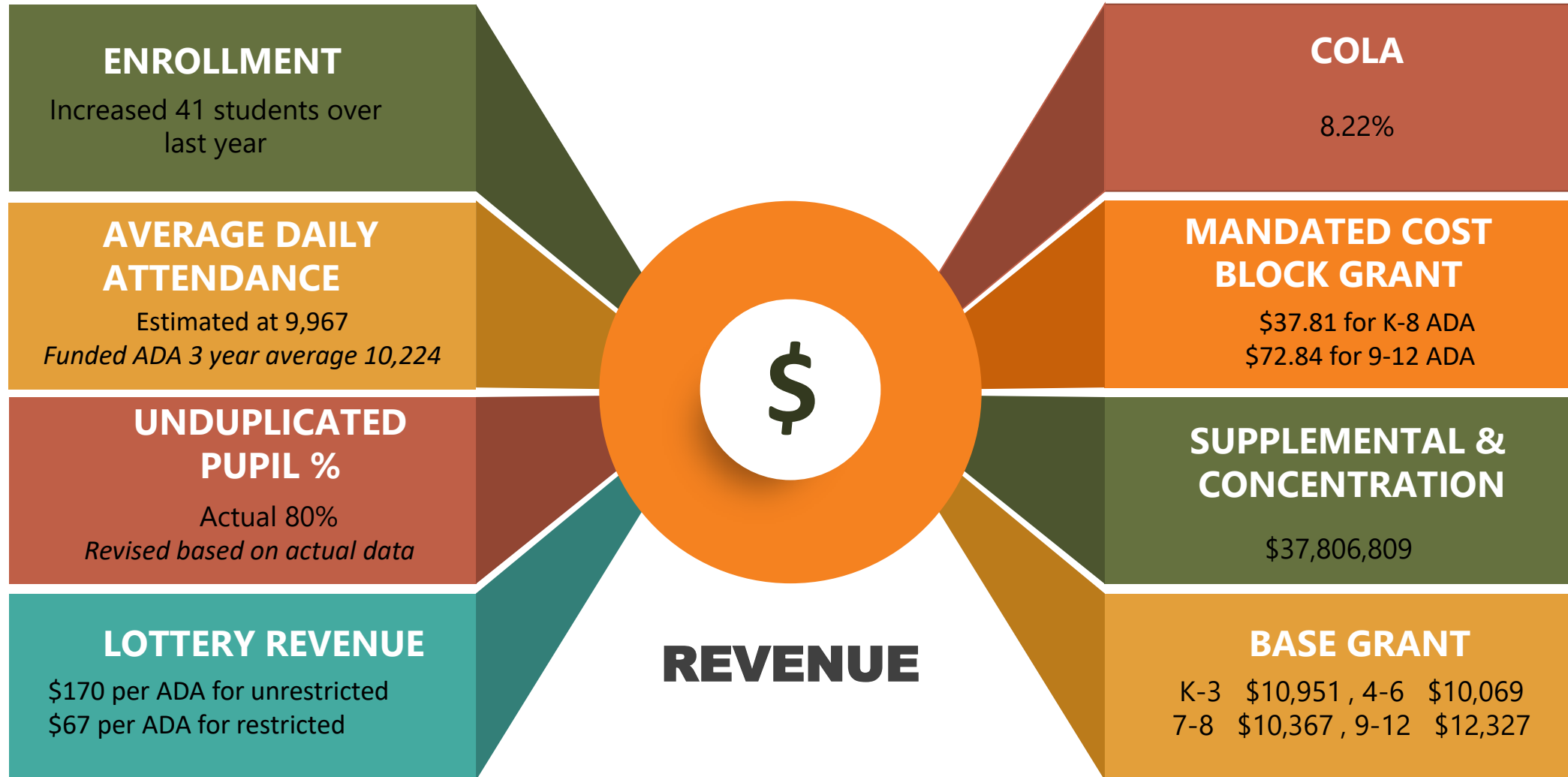
2 Expenditure Assumptions

3 Second Interim 2023-24

4 Multi-Year Projections (MYP)

5 Timeline

REVENUE ASSUMPTIONS 2023-24



REVENUE ASSUMPTIONS 2023-24

Enrollment

Enrollment increased slightly for this year.

10,743 in 2023-24 (41 students Gain)

- There is no change in revenue for 2023-24, even with increased enrollment.
- We are funded with average daily attendance.

Average Daily Attendance (ADA)

Down from pre-Covid 94.75% to 91.2%

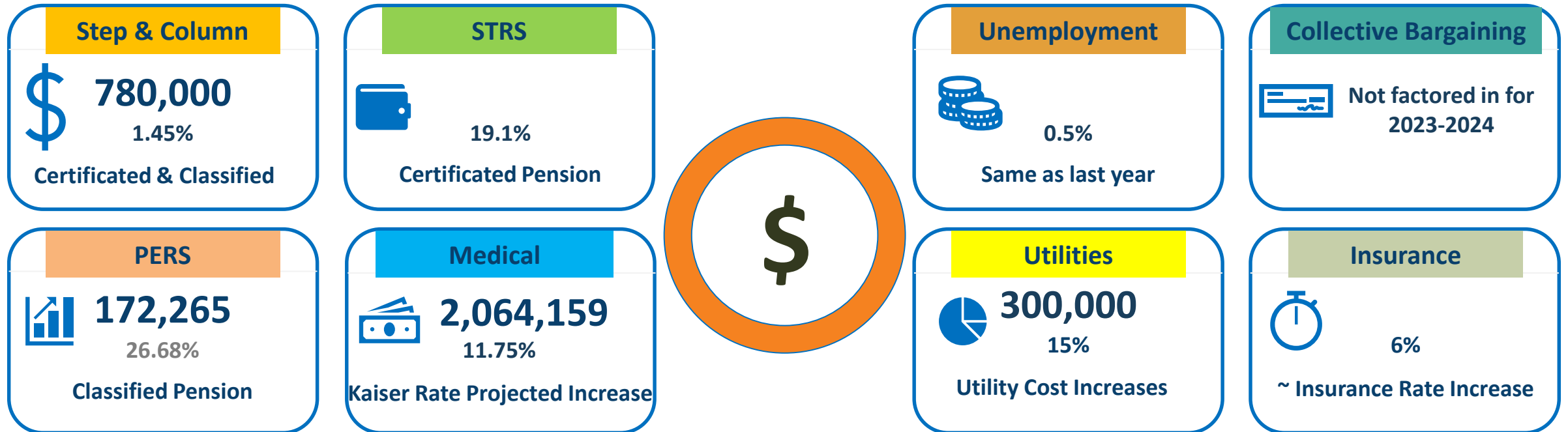
We continue to make strides in increasing average daily attendance.

- The 3 year average daily attendance is higher than the increase in enrollment for this year and therefore we continue to be funded at the higher level already

Comparison to Last Year

- Increase in LCFF revenue, with COLA from last year is \$7,104,462.
- This represents a 4.9% increase

EXPENDITURE ASSUMPTIONS 2023-24



SUMMARY ADOPTED BUDGET 2023-24

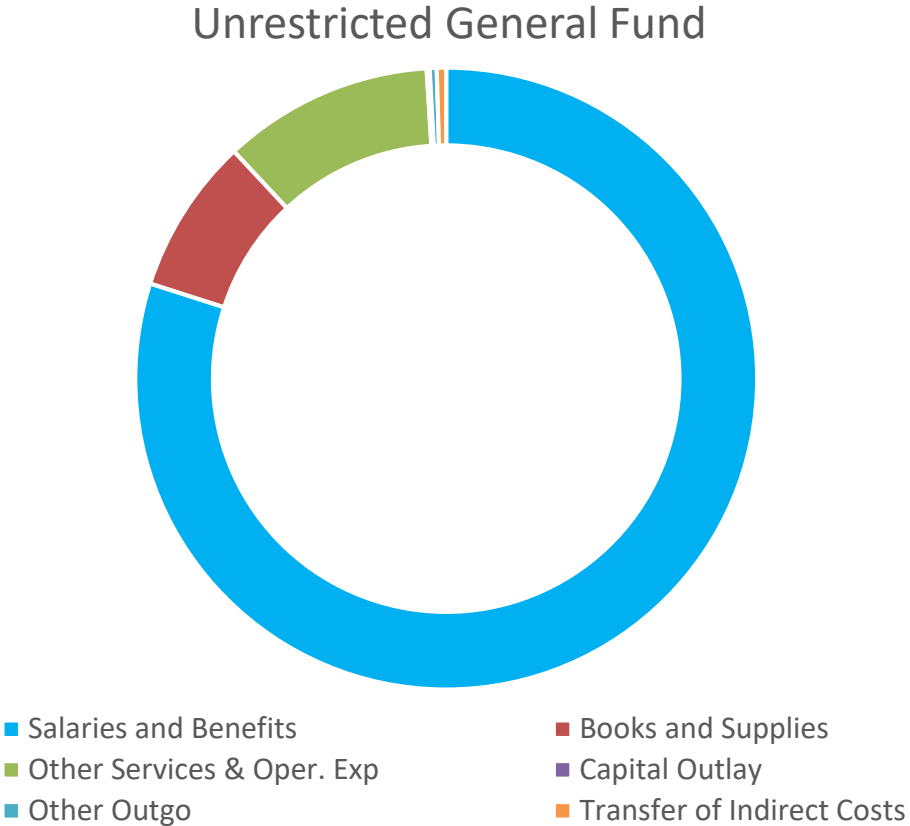
Description	2023-24 Second Interim		
	Unrestricted	Restricted	Combined
TOTAL REVENUES	90,948,193	125,520,454	216,468,646
TOTAL EXPENDITURES	98,442,705	134,182,433	232,625,138
Net Increase (Decrease)	(7,494,512)	(8,661,980)	(16,156,492)
FUND BALANCE			
Estimated Beginning Balance	32,247,013	47,382,257	79,629,270
Estimated Ending Balance	24,752,501	38,720,277	63,472,778

Continued deficit spending

GENERAL FUND EXPENDITURES 2023-24

Description	Unrestricted	Restricted	Combined
EXPENDITURES			
Certificated Salaries	40,754,530	31,533,506	72,288,036
Classified Salaries	13,125,751	16,802,991	29,928,742
Benefits	25,600,624	30,833,541	56,434,165
Books and Supplies	8,051,344	6,851,578	14,902,921
Other Services & Oper. Exp	10,881,649	39,612,637	50,494,286
Capital Outlay	159,758	5,434,196	5,593,954
Other Outgo	355,221	2,915,310	3,270,531
Transfer of Indirect Costs	(486,172)	198,675	(287,497)
Other Adjustments	-	-	-
TOTAL EXPENDITURES	98,442,705	134,182,433	232,625,138

GENERAL FUND EXPENDITURES 2023-24



As Illustrated above, salaries and benefits comprise approximately 81% of the District's unrestricted budget and 68% of the total General Fund budget. These ratio's have been reduced due to the receipt of one time funds

UNRESTRICTED FUND BALANCE

UNRESTRICTED FUND BALANCE 2023-24	TOTALS	COMMENTS
Actual Ending Balance		
Nonspendable	25,000	Revolving bank account
Committed	6,978,754	Board Policy 3% Reserve
Committed	1,000,000	Technology Reserve
Assigned		
Parcel Tax	2,825,991	Arts, Music, and Athletics (Parcel Tax)
Unassigned		
Reserve for Economic Uncertainties (3%)	6,978,754	State required 3%
Unassigned/Unappropriated	6,944,002	
Total - Unrestricted Fund Balance	24,752,501	

RESTRICTED FUND BALANCE

Restricted Fund Balance Assignments	
ELOP	5,538,171.15
Educator Effectiveness	1,694,976.00
Arts/Music Block Grant	6,072,346.00
Classified Employees Block Grant	64,528.00
A-G Access/Success Grant	801,340.00
A-G Learning Loss Mitigation	312,566.59
Learning Recovery Block Grant	15,055,954.00
Medi-Cal	384,713.84
Donations	34,198.17
Tech/Battery Resiliency Project Reserve	7,330,024.47
Alder/CTC Grant	625,000.00
CCC Behavioral Health Grant	806,459.00
Total Assignments	38,720,277.22

RESTRICTED FUND BALANCE – DESCRIPTIONS FROM CDE

Expanded Learning Opportunities Program

\$5,538,171

The Expanded Learning Opportunities Program (ELO-P) provides funding for afterschool and summer school enrichment programs for transitional kindergarten through sixth grade.

“Expanded learning” means before school, after school, summer, or intersession learning programs that focus on developing the academic, social, emotional, and physical needs and interests of pupils through hands-on, engaging learning experiences. It is the intent of the Legislature that expanded learning programs are pupil-centered, results driven, include community partners, and complement, but do not replicate, learning activities in the regular school day and school year.

Educator Effectiveness (through 2025-2026)

\$1,694,976

A program providing funds to county offices of education, school districts, charter schools, and state special schools to provide professional learning and to promote educator equity, quality, and effectiveness. This currently funds a TOSA for ELD, Ethnic Studies Professional Development, Paid Day for Mandatory On-Line Trainings for all FTE, Other PD.

Arts, Music, & Instructional Materials Block Grant (Funding one time positions till June 2026 –will be fully spent)

\$6,072,346

Five purposes briefly summarized as: (1) obtaining standards-aligned professional development and instructional materials for specified subject areas; (2) obtaining professional development and instructional materials for improving school climate; (3) developing diverse, culturally relevant and multilingual school library book collections; (4) operational costs, including retirement and health care cost increases; and (5) COVID-19-related costs necessary to keep pupils and staff safe and schools open for in-person instruction.

RESTRICTED FUND BALANCE – DESCRIPTIONS FROM CDE

Classified Employees Block Grant

\$64,528

Classified School Employee Professional Development Block Grant provides funding to local educational agencies for any purpose described in Section 45391 of the Education Code, with first priority being for professional development for the implementation of school safety plans.

A-G Learning (through 2025-2026)

\$801,340 & \$312,567

A-G Completion Improvement Grant Program provides additional supports to local educational agencies (LEAs) to help increase the number of California high school pupils, particularly unduplicated pupils, who graduate from high school with A-G eligibility requirements completed for admission to the California State University and the University of California. This currently funds additional College and Career Center support, testing fees, field trips, college activities

Learning recovery Block Grant (Funding salary increases from 2022-23 – will be fully spent by June 2026)

\$15,055,954

To establish learning recovery initiatives through the 2027-28 school year that, at a minimum, support academic learning recovery and staff and pupil social and emotional well-being.

Medi-Cal (Special Ed)

\$384,714

Federal Medicaid reimbursements as a crucial source of revenues for providing necessary health services to students. That program reimburses California's school districts and COEs for health services provided to Medi-Cal eligible students.

Donations

\$34,198

Various donations to schools with specific stipulations of use

RESTRICTED FUND BALANCE - DESCRIPTIONS

Reserve for Battery Project

\$3,330,024

Funds set aside to fully implement the battery project

Reserve for Technology

\$4,000,000

Reserve for the District wide replacement of student Chromebooks. Chromebooks expire every 5 years.

Alder/CTC Grant

\$625,000

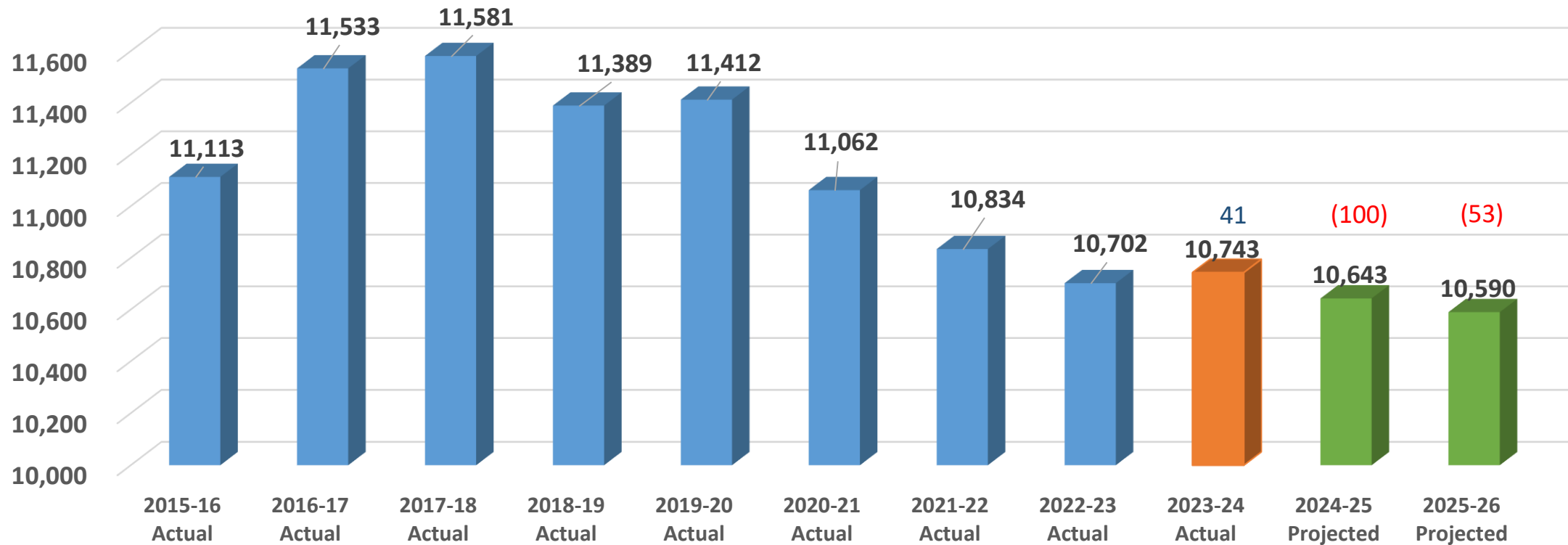
The Teacher Residency Capacity Grant as well as the Teacher Residency Implementation & Expansion Grant through the California Commission on Teacher Credentialing. The District's educational partner for this grant is Alder University. This funds the stipend for the Residents and part of the Supervisor

CCC Behavioral Health Grant

\$806,459

The School Behavioral Health Incentive Program through the Contra Costa Health Plan (and the State Department of Health Care Services) was awarded to PUSD to fund behavioral health programs. This currently funds 4 elementary counselors.

ENROLLMENT PROJECTIONS 2023-24 FIRST & SECOND INTERIM



Source of Data

Actual -CALPADS/LCFF Calculator, Current –AERIES, Projected – PowerSchool

MYP REVENUE ASSUMPTIONS 2023-24

Enrollment

Declining Enrollment Trend

10,743 in 2023-24 (41 students Gain)

10,643 in 2024-25 (100 students)

10,590 in 2025-26 (- 53 students)

Average Daily Attendance (ADA)

Down from pre-Covid 94.75%. We continue to project ADA at 92.5%

MYP REVENUE ASSUMPTIONS 2023-24

Cost of Living Adjustment (COLA)

Year	2023-24	2024-25	2025-26
2023-24 CA Enacted Budget	8.22%	3.94%	3.29%
2024-25 Governor's Jan Budget	8.22%	0.76%	2.73%
Variance	0.00%	-3.18%	-0.56%

- ❖ Numbers based on Governor's January Budget for 2024-25
- ❖ Numbers are **subject to change** in the Governor's budget to be released in **May 2024**

One Time Funds

Arts, Music and Instructional Materials
Learning Recovery Block Grant

MYP EXPENDITURE ASSUMPTIONS 2023-24

Step and Column increases:

- 1.45% for all staff

STRS remains stable for the next 3 years

Year	2023-24	2024-25	2025-26
STRS Rate	19.10%	19.10%	19.10%
Rate Variance	0.00%	0.00%	0.00%

PERS increases every year

Year	2023-24	2024-25	2025-26
PERS Rate	26.68%	27.80%	28.50%
Rate Variance	1.31%	1.12%	0.70%

Negotiations for 2023-24 are not factored into the Second Interim

Unemployment budgeted at 0.5% in MYP

MYP EXPENDITURE ASSUMPTIONS

Minimum Wage

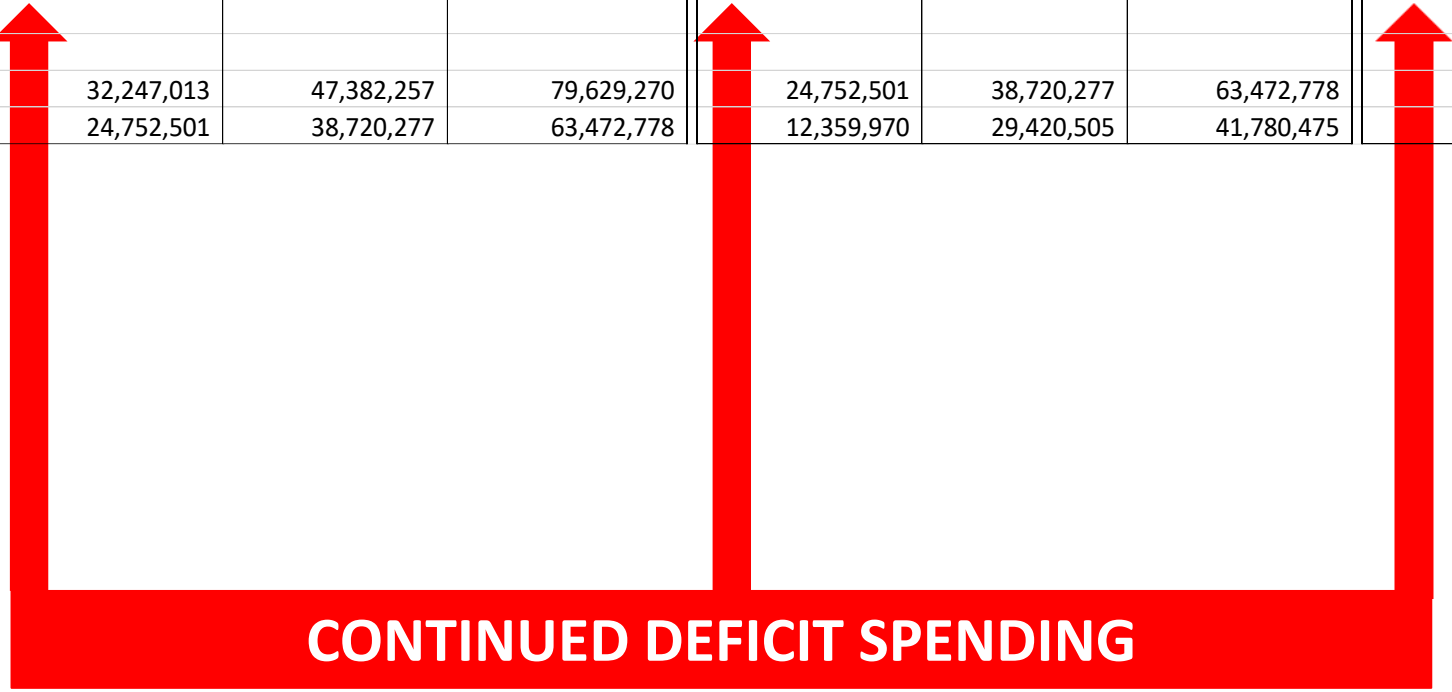
\$16.00/Hour	January 1, 2024
\$16.50/Hour	January 1, 2025
\$16.90/Hour	January 1, 2026

Expiring funds

- One time funds – ESSER III expiring - September 2024
- Parcel Tax Expiring - June 2024

SUMMARY MULTI YEAR PROJECTION (MYP)

Description	2023-24 Second Interim			2024-25 Projected Budget			2025-26 Projected Budget		
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined
TOTAL REVENUES	90,948,193	125,520,454	216,468,646	86,698,543	105,283,930	191,982,473	88,308,419	106,016,898	194,325,317
TOTAL EXPENDITURES	98,442,705	134,182,433	232,625,138	99,091,073	114,583,703	213,674,776	91,198,244	123,639,944	214,838,188
Net Increase (Decrease)	(7,494,512)	(8,661,980)	(16,156,492)	(12,392,530.50)	(9,299,772.34)	(21,692,302.84)	(2,889,825.00)	(17,623,045.97)	(20,512,870.97)
FUND BALANCE									
Estimated Beginning Balance	32,247,013	47,382,257	79,629,270	24,752,501	38,720,277	63,472,778	12,359,970	29,420,505	41,780,475
Estimated Ending Balance	24,752,501	38,720,277	63,472,778	12,359,970	29,420,505	41,780,475	9,470,145	11,797,459	21,267,604



CONTINUED DEFICIT SPENDING

DETAIL MULTI YEAR PROJECTION (MYP)

Description	2023-24 Second Interim			2024-25 Projected Budget			2025-26 Projected Budget		
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined
REVENUES									
Local Control Funding Formula	152,777,718	3,632,098	156,409,816	150,709,116	3,632,098	154,341,214	153,051,960	3,632,098	156,684,058
Federal Revenue	-	21,788,618	21,788,618	-	6,220,613	6,220,613	-	6,220,613	6,220,613
State Revenue	3,307,028	25,541,263	28,848,291	3,307,028	22,092,391	25,399,419	3,307,028	22,092,391	25,399,419
Local Revenue	2,261,092	7,160,830	9,421,921	395,396	5,625,831	6,021,227	395,396	5,625,831	6,021,227
Contributions	(67,397,645)	67,397,645	-	(67,712,997)	67,712,997	-	(68,445,965)	68,445,965	-
TOTAL REVENUES	90,948,193	125,520,454	216,468,646	86,698,543	105,283,930	191,982,473	88,308,419	106,016,898	194,325,317
EXPENDITURES									
Certificated Salaries	40,754,530	31,533,506	72,288,036	41,345,471	31,931,382	73,276,853	41,944,980	32,394,387	74,339,367
Classified Salaries	13,125,751	16,802,991	29,928,742	13,316,074	17,016,887	30,332,961	13,509,157	17,263,632	30,772,789
Benefits	25,600,624	30,833,541	56,434,165	26,652,734	31,709,584	58,362,318	27,697,064	32,578,165	60,275,229
Books and Supplies	8,051,344	6,851,578	14,902,921	3,727,310	4,016,065	7,743,375	3,979,032	4,016,065	7,995,097
Other Services & Oper. Exp	10,881,649	39,612,637	50,494,286	11,194,686	26,498,430	37,693,115	4,039,203	33,976,340	38,015,543
Capital Outlay	159,758	5,434,196	5,593,954	159,758	337,637	497,394	159,758	337,637	497,394
Other Outgo	355,221	2,915,310	3,270,531	355,221	2,915,310	3,270,531	355,221	2,915,310	3,270,531
Transfer of Indirect Costs	(486,172)	198,675	(287,497)	(486,172)	158,409	(327,763)	(486,172)	158,409	(327,763)
Other Adjustments	-	-	-	2,825,991	-	2,825,991	-	-	-
TOTAL EXPENDITURES	98,442,705	134,182,433	232,625,138	99,091,073	114,583,703	213,674,776	91,198,244	123,639,944	214,838,188
Net Increase (Decrease)	(7,494,512)	(8,661,980)	(16,156,492)	(12,392,531)	(9,299,772)	(21,692,303)	(2,889,825)	(17,623,046)	(20,512,871)
FUND BALANCE									
Estimated Beginning Balance	32,247,013	47,382,257	79,629,270	24,752,501	38,720,277	63,472,778	12,359,970	29,420,505	41,780,475
Estimated Ending Balance	24,752,501	38,720,277	63,472,778	12,359,970	29,420,505	41,780,475	9,470,145	11,797,459	21,267,604
Nonspendable	25,000	-	25,000	25,000	-	25,000	25,000	-	25,000
Committed	7,978,754	-	7,978,754	5,924,727	-	5,924,727	3,000,000	-	3,000,000
Restricted	-	38,720,277	38,720,277	-	29,420,505	29,420,505	-	11,797,459	11,797,459
Assigned	2,825,991	-	2,825,991	-	-	-	-	-	-
Unassigned - REU @ 3%	6,978,754	-	6,978,754	6,410,243	-	6,410,243	6,445,146	-	6,445,146
Unassigned - Other	6,944,002	-	6,944,002	-	-	-	-	-	-
Total - Est. Fund Balance	24,752,501	38,720,277	63,472,778	12,359,970	29,420,505	41,780,475	9,470,146	11,797,459	21,267,605

BALANCING SECOND INTERIM

We moved \$7.8M of unrestricted expenses to restricted expenses in Other services in 2025-26.

The 3 items below were part of the budget planning and recommendations supported by the Board at the Board meeting on Feb 28, 2024.

LCAP Carryover	4.8M
ESSER	1M
Technology Replacement	<u>2M</u>
Total	7.8M

Since the Board is voting on these recommendations at the March 6 meeting, we incorporated the above three recommendations to balance second interim.

The other services for 2025-26 is just a holding place. We will incorporate all the budget planning and recommendations for reductions approved on March 6, in the appropriate accounts when we present the next budget in June 2024.

MULTI YEAR PROJECTIONS

Fiscal Year	2018-19		2019-20		2020-21		2021-22		2022-23		2023-24	
Month	Dec-18	Mar-19	Dec-19	Mar-20	Dec-20	Mar-21	Dec-21	Mar-22	Dec-22	Mar-23	Dec-23	Mar-24
Report	First Interim	Second Interim	First Interim	Second Interim	First Interim	Second Interim	First Interim	Second Interim	First Interim	Second Interim	First Interim	Second Interim
Certification	Qualified	Qualified	Qualified	Positive	Qualified	Positive	Qualified	Positive	Positive	Positive	Positive	Positive

WHAT IS BUDGET CERTIFICATION AND WHO DOES IT?

California Education Code requires each school district’s board of education to submit two interim financial reports each year to the County Superintendent along with self-certification about the ability to continue paying obligations in the current and two subsequent budgetary years. The County Superintendent then reviews and certifies the district's budget for the current fiscal year and two subsequent years as positive, qualified or negative.

WHAT DO THESE TERMS MEAN?

- Positive: The district is projected to be able to meet its financial obligations all three years.
- Qualified: It is projected that the district may not meet its financial obligations in one of the three years.
- Negative: It is projected that district will not be able to meet its financial obligations in the current or next fiscal year.

TIMELINE

