



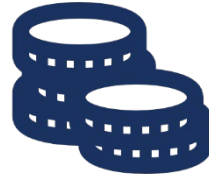
# 2022-23 SECOND INTERIM BUDGET

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT  
BOARD MEETING  
MARCH 15, 2023

# 2ND INTERIM REPORT



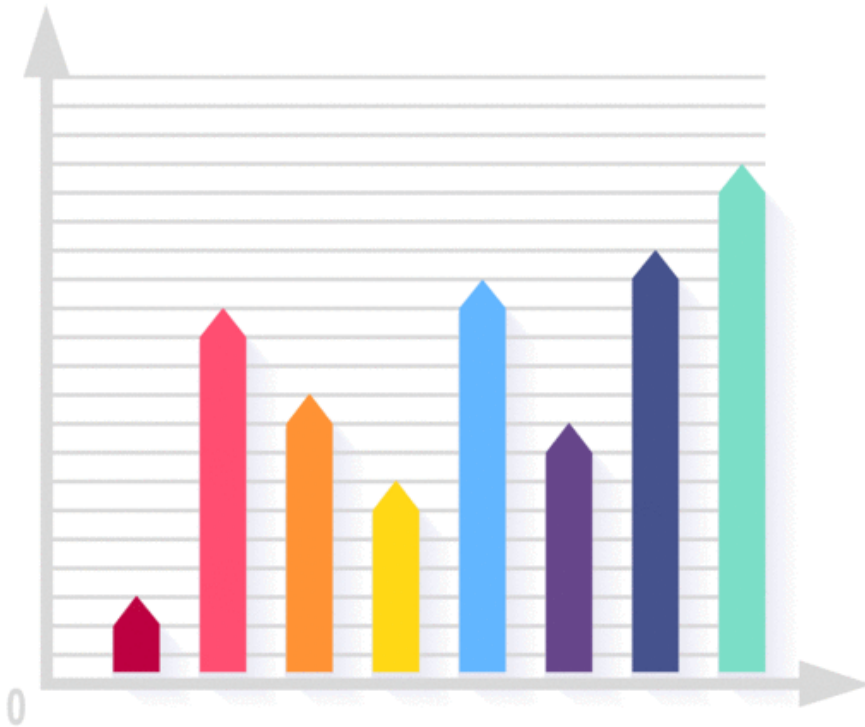
Actual revenues and  
expenditures as of  
January 31st



Revenue and  
Expenditure Variances  
since 1<sup>st</sup> Interim



Multi-year Projection

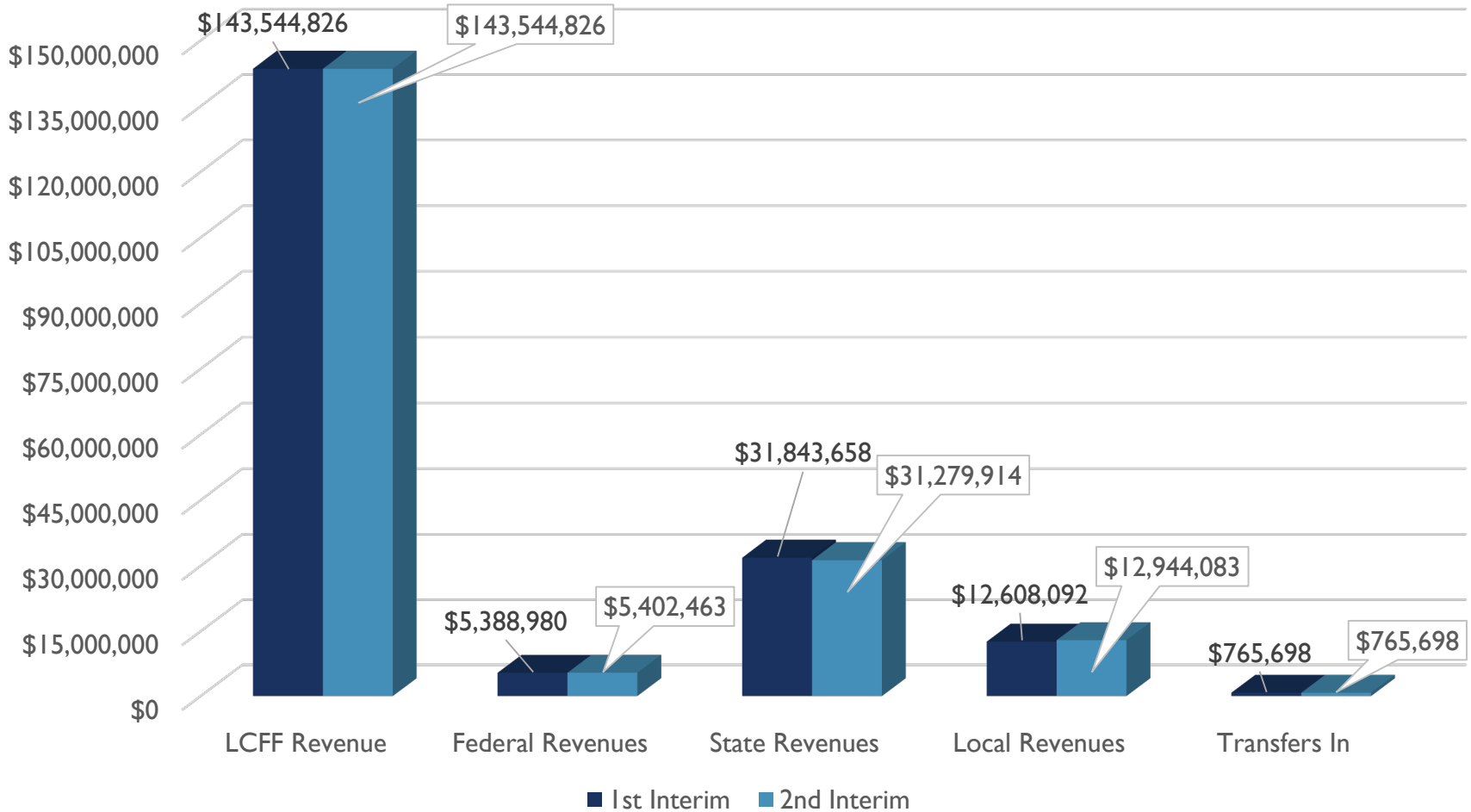


FIRST  
INTERIM

VS.

SECOND  
INTERIM

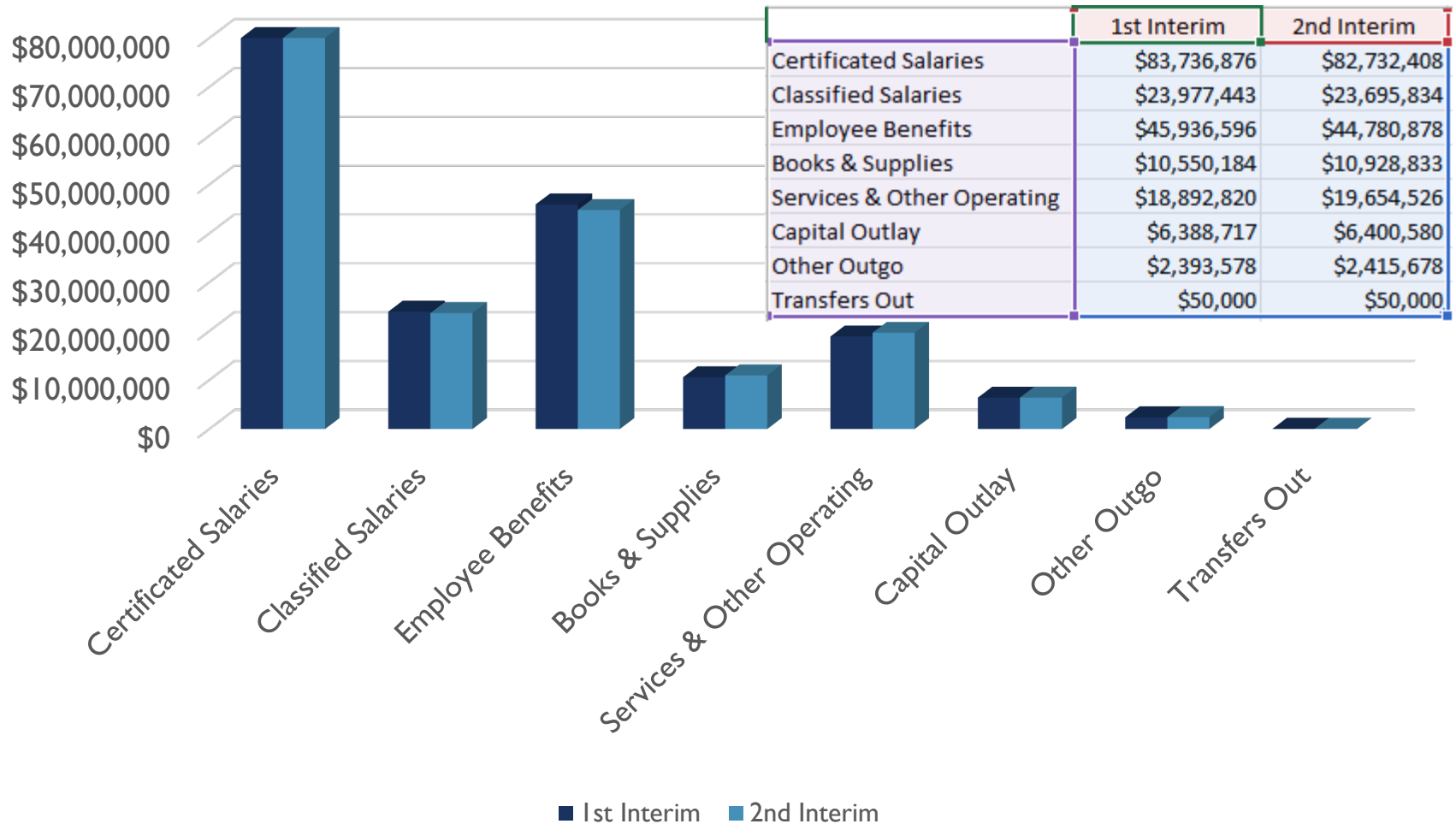
# REVENUE COMPARISON



# CHANGE IN REVENUE PROJECTIONS

Revenue Source	1 <sup>st</sup> Interim	2 <sup>nd</sup> Interim	Change	Notes
LCFF	143,544,826	143,544,826	0	
Federal	5,388,980	5,402,463	13,483	<ul style="list-style-type: none"> <li>Elementary and Secondary School Emergency Relief (ESSER) III funds – Updated based on trends</li> </ul>
State	31,843,658	31,279,914	(563,744)	<ul style="list-style-type: none"> <li>Adjusted – (\$584,464) Transportation Reimbursement – overstated at 1<sup>st</sup> Interim</li> <li>Adjusted - \$20,720 CA Solar Initiative Rebate</li> </ul>
Local	12,608,092	12,944,083	335,991	<ul style="list-style-type: none"> <li>Adjusted - \$79,088 Facilities Use</li> <li>Adjusted - \$256,903 Donations and Misc Income as received</li> </ul>
Total Adjustments			<u>(\$214,270)</u>	<ul style="list-style-type: none"> <li>Decreased Revenue Projections</li> </ul>

# EXPENDITURE COMPARISON



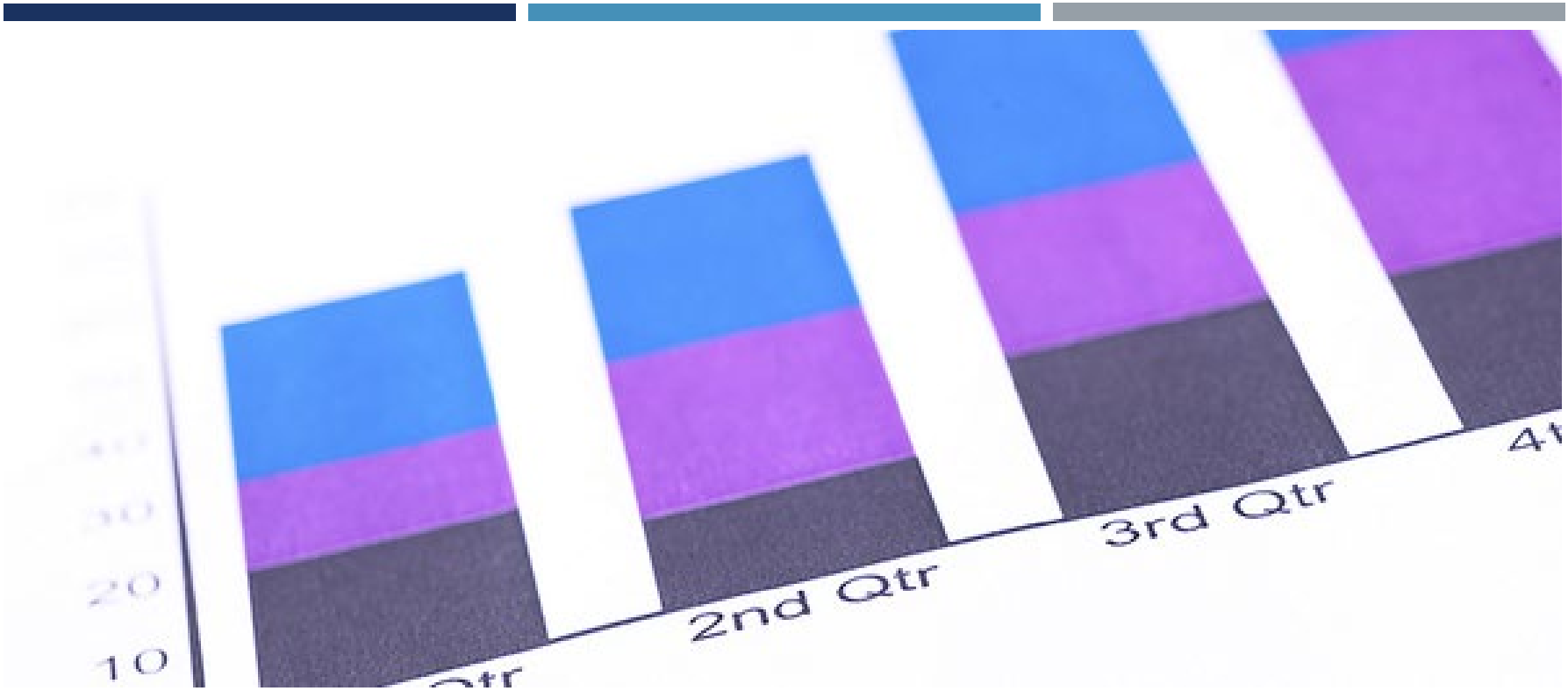
# CHANGE IN EXPENDITURE PROJECTIONS

Revenue Source	1 <sup>st</sup> Interim	2 <sup>nd</sup> Interim	Change	Notes
Certificated Salaries	83,736,876	82,732,408	(1,004,468)	<ul style="list-style-type: none"> <li>Adjusted – (\$886,554) vacancies, leaves &amp; 2<sup>nd</sup> semester staffing changes</li> <li>Adjusted - \$142,953 Board approved salary increase for Management</li> <li>Adjusted – (\$260,867) salaries in Induction and Teacher on Special Assignment budgets</li> </ul>
Classified Salaries	23,977,443	23,695,834	(281,609)	<ul style="list-style-type: none"> <li>Adjusted – (\$883,718) Instructional Assistant and Bus Driver vacancy savings</li> <li>Adjusted - \$65,231 Board approved salary increase for Management</li> <li>Adjusted - \$375,460 Costs for subs, extra time and overtime due to unfilled vacancies</li> <li>Adjusted – \$161,481 for 1.64% increase for minimum wage requirement</li> </ul>
Benefits	45,936,596	44,780,878	(1,155,718)	<ul style="list-style-type: none"> <li>Adjusted – (\$319,947) STRS/PERS vacancy savings</li> <li>Adjusted – (\$749,511) benefits commensurate with salary increases/vacancies</li> <li>Adjusted – (\$86,260) based on actual spending</li> </ul>

# CHANGE IN EXPENDITURE PROJECTIONS (CONTINUED)

Revenue Source	1 <sup>st</sup> Interim	2 <sup>nd</sup> Interim	Change	Notes
Books & Supplies	10,550,184	10,928,833	378,649	<ul style="list-style-type: none"> <li>Adjusted – \$229,088 Facility Use and Donation budgets when received</li> <li>Adjusted - \$240,000 Lottery based on spending</li> <li>Adjusted – <b>(\$90,439)</b> based on spending</li> </ul>
Services & Operating Expenses	18,892,820	19,654,526	761,706	<ul style="list-style-type: none"> <li>Adjusted - \$115,811 Special Ed Learning Recovery Grant based on spending</li> <li>Adjusted – \$210,795 for AB218 Insurance</li> <li>Adjusted - \$450,000 Utilities Increase</li> <li>Adjusted – <b>(\$14,900)</b> based on spending</li> </ul>
Capital Outlay	6,388,717	6,400,580	11,863	<ul style="list-style-type: none"> <li>Adjusted – based on spending</li> </ul>
Other Outgo	2,443,578	2,465,678	<u>22,100</u>	<ul style="list-style-type: none"> <li>Adjusted – Special Education Tuition</li> </ul>
Total Adjustments			<b><u>\$1,267,477</u></b>	<ul style="list-style-type: none"> <li>Increased Expenditure Projections</li> </ul>





# MULTI-YEAR PROJECTION

# KEY BUDGET ASSUMPTIONS

	2022-23	2023-24	2024-25
Projected Enrollment	12,617	12,517	12,417
Projected P2 ADA	11,893.04	11,774.39	11,674.73
Property Taxes	6.42% \$9.0M*	5.42% \$7.3M*	4.42% \$6.3M*
COLA	6.56%	8.13%	3.54%
STRS	19.10% \$2.3M*	19.10%	19.10%
PERS	25.37% \$835K*	27.0% \$325K*	28.10% \$275K*

\*Indicates the increased amount from the prior year

# KEY BUDGET ASSUMPTIONS

	2022-23	2023-24	2024-25
Health & Welfare Benefits	5% Cert \$330K* 2.5% Class \$317K*	5% Cert \$200K* 2.5% Class \$160K*	5% Cert \$200K* 2.5% Class \$165K*

\*Indicates the increased amount from the prior year

# 2022-23 First Interim Report Multiyear Projection Summary

DESCRIPTION	FY 2022-23			FY 2023-24			FY 2024-25		
	Current (Base Year)			First Projected Year			Second Projected Year		
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined
<b>Beginning Balance as of July 1</b>	<b>\$29,863,282</b>	<b>\$6,692,115</b>	<b>\$36,555,397</b>	<b>\$24,167,310</b>	<b>\$15,666,333</b>	<b>\$39,833,643</b>	<b>\$30,424,161</b>	<b>\$14,230,016</b>	<b>\$44,654,177</b>
<b>Revenues</b>									
Revenue Limit Sources	142,624,674	920,152	143,544,826	151,720,851	920,152	152,641,003	153,036,882	920,152	153,957,034
Federal Revenues	675,000	4,727,463	5,402,463	675,000	4,318,850	4,993,850	675,000	3,244,999	3,919,999
Other State Revenues	4,746,412	26,533,502	31,279,914	4,540,271	12,329,282	16,869,553	4,502,037	12,322,605	16,824,642
Other Local Revenues	3,429,739	9,514,344	12,944,083	2,642,328	9,514,344	12,156,672	2,653,213	9,514,344	12,167,557
<b>Total Revenues</b>	<b>151,475,825</b>	<b>41,695,461</b>	<b>193,171,286</b>	<b>159,578,450</b>	<b>27,082,628</b>	<b>186,661,078</b>	<b>160,867,132</b>	<b>26,002,100</b>	<b>186,869,231</b>
<b>Expenditures</b>									
Certificated Salaries	70,158,172	12,574,237	82,732,408	68,847,105	12,344,388	81,191,493	69,579,812	12,037,933	81,617,745
Classified Salaries	17,602,699	6,093,136	23,695,835	17,682,815	5,692,755	23,375,570	18,314,526	5,201,298	23,515,823
Employee Benefits	28,662,077	16,118,801	44,780,878	28,990,894	16,139,406	45,130,300	29,770,892	16,197,581	45,968,473
Books & Supplies	6,381,243	4,547,590	10,928,833	5,865,934	1,310,482	7,176,416	5,978,767	1,335,689	7,314,456
Services, Other Operating Exp	13,173,998	6,480,528	19,654,526	14,345,075	6,484,818	20,829,893	14,661,770	6,663,282	21,325,052
Capital Outlay	4,085,950	2,314,630	6,400,580	1,026,507	940,132	1,966,639	1,054,941	966,174	2,021,115
Other Outgo - exclude Direct Sup.	40,000	749,885	789,885	41,376	775,681	817,057	42,522	797,167	839,690
Debt Service	1,745,793	0	1,745,793	2,192,893	0	2,192,893	2,367,366	0	2,367,366
Direct Support/Indirect Costs	(1,136,246)	1,016,246	(120,000)	(925,101)	800,973	(124,128)	(896,520)	768,954	(127,566)
<b>Total Expenditures:</b>	<b>\$140,713,685</b>	<b>\$49,895,053</b>	<b>\$190,608,738</b>	<b>\$138,067,499</b>	<b>\$44,488,634</b>	<b>\$182,556,133</b>	<b>\$140,874,076</b>	<b>\$43,968,078</b>	<b>\$184,842,153</b>
<b>Interfund Xfers/Other Sources</b>									
Transfers In	765,698	0	765,698	765,589	0	765,589	765,589	0	765,589
Transfers Out	50,000	0	50,000	50,000	0	50,000	50,000	0	50,000
Contributions	(17,173,810)	17,173,810	0	(15,969,689)	15,969,689	0	(16,169,689)	16,169,689	0
<b>Net Increase (Decrease) In Fund Balance</b>	<b>(\$5,695,972)</b>	<b>\$8,974,218</b>	<b>\$3,278,246</b>	<b>\$6,256,851</b>	<b>(\$1,436,317)</b>	<b>\$4,820,534</b>	<b>\$4,538,956</b>	<b>(\$1,796,289)</b>	<b>\$2,742,667</b>
<b>Ending Balance</b>	<b>\$24,167,310</b>	<b>\$15,666,333</b>	<b>\$39,833,643</b>	<b>\$30,424,161</b>	<b>\$14,230,016</b>	<b>\$44,654,177</b>	<b>\$34,963,117</b>	<b>\$12,433,727</b>	<b>\$47,396,844</b>

# 2022-23 First Interim Report Multiyear Projection Summary

DESCRIPTION	FY 2022-23			FY 2023-24			FY 2024-25		
	Current (Base Year)			First Projected Year			Second Projected Year		
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined
<b>Beginning Balance as of July 1</b>	\$29,863,282	\$6,692,115	\$36,555,397	\$24,167,310	\$15,666,333	\$39,833,643	\$30,424,161	\$14,230,016	\$44,654,177
<b>Ending Balance</b>	\$24,167,310	\$15,666,333	\$39,833,643	\$30,424,161	\$14,230,016	\$44,654,177	\$34,963,117	\$12,433,727	\$47,396,844
Revolving Cash	181,000	0	181,000	181,000	0	181,000	181,000	0	181,000
Other Reserves	0	0	0	0	0	0	0	0	0
Restricted	0	15,666,333	15,666,333	0	14,230,016	14,230,016	0	12,433,727	12,433,727
Stabilization Arrangements	0	0	0	0	0	0	0	0	0
Other Commitments	1,500,000	0	1,500,000	3,500,000	0	3,500,000	8,000,000	0	8,000,000
Assigned - Other Assignments	1,139,622	0	1,139,622	0	0	0	0	0	0
Reserve for Economic Uncertainties	5,719,762	0	5,719,762	5,478,184	0	5,478,184	5,546,765	0	5,546,765
Unassigned/unappropriated Amount	15,626,926	0	15,626,926	21,264,977	0	21,264,977	21,235,352	0	21,235,352
	\$24,167,310	\$15,666,333	\$39,833,643	\$30,424,161	\$14,230,016	\$44,654,177	\$34,963,117	\$12,433,727	\$47,396,844

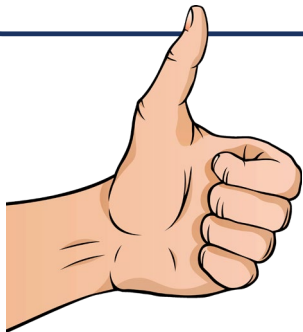
		<b>3% Calculated Reserve, or \$50,000 (greater of the two)</b>			*includes Fund 17			
Reserve Percentage Level for this district	3.00%		Total Reserves	3% Calculated	Difference*	Unrestricted Res. %	Restricted %	Combined %
FY 2022-23 ADA Input Sheet (District):	<b>11,893.04</b>	FY 2022-23 Bud	\$5,719,762	\$5,719,762	\$0	11.20%	8.22%	19.41%
		FY 2023-24 Proj	\$5,478,184	\$5,478,184	\$0	14.65%	7.79%	22.44%
		FY 2024-25 Proj	\$5,546,765	\$5,546,765	\$0	14.49%	6.72%	21.21%
FY 2023-24 Unappropriated Amount is:	<b>Positive</b>						<b>Basic Aid Reserve</b>	<b>% Reserve</b>
FY 2024-25 Unappropriated Amount is:	<b>Positive</b>					FY 2022-23 Bud	\$1,500,000	0.79%
						FY 2023-24 Proj	\$3,500,000	1.92%
						FY 2024-25 Proj	\$8,000,000	4.33%

# Components of Unrestricted Ending Fund Balance 1<sup>st</sup> Interim vs. 2<sup>nd</sup> Interim

<b>1st Interim Report</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>
Revolving Cash	\$181,000	\$181,000	\$181,000
Restricted	\$16,072,113	\$15,283,373	\$14,299,302
Minimum 3% Reserve	\$5,757,786	\$5,500,213	\$5,551,986
Basic Aid Reserve (Committed)	\$1,500,000	\$3,500,000	\$8,000,000
Assigned	\$1,139,622	\$0	\$0
Unassigned/Unappropriated	\$14,129,916	\$15,628,880	\$14,120,259
<b>Total Available Unrestricted Reserve</b>	<b>10.36%</b>	<b>11.52%</b>	<b>10.63%</b>
<b>2nd Interim Report</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>
Revolving Cash	\$181,000	\$181,000	\$181,000
Restricted	\$15,666,333	\$14,230,016	\$12,433,727
Minimum 3% Reserve	\$5,719,762	\$5,478,184	\$5,546,765
Basic Aid Reserve (Committed)	\$1,500,000	\$3,500,000	\$8,000,000
Assigned	\$1,139,622	\$0	\$0
Unassigned/Unappropriated	\$15,626,926	\$21,264,977	\$21,235,352
<b>Total Available Unrestricted Reserve</b>	<b>11.20%</b>	<b>14.65%</b>	<b>14.49%</b>

# CERTIFICATIONS

Positive Certification – School District will meet its financial obligations for the current fiscal year and subsequent two fiscal years.



Qualified Certification - School district may not meet its financial obligations for the current fiscal year or two subsequent fiscal years.

Negative Certification - School district will not be able to meet its financial obligations for the remainder of the fiscal year or the subsequent fiscal year

# LOOKING AHEAD



- Board Budget Study Session – April
  - Need to understand Board priorities
- Continue to monitor property tax receipts
  - Adjust property tax revenue during budget adoption
  - Property tax estimates from County Tax Assessor are higher
- Continue to build Basic Aid reserve
  - Provides cash flow for operating expenses
  - Reduces cost of borrowing
  - Assists with the volatility in property taxes
- Budget/LCAP development
  - Enrollment Projections
  - Staffing Projections





# QUESTIONS