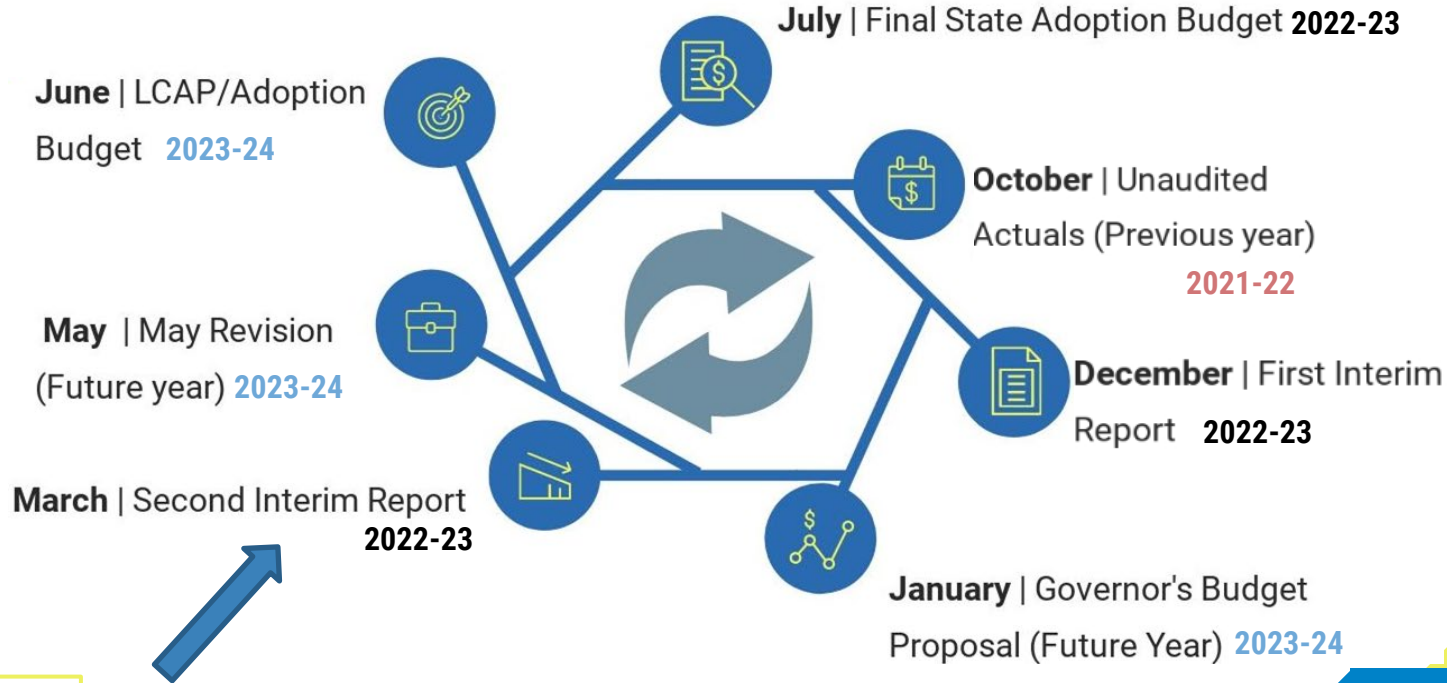


Second Interim Budget Fiscal Year 2022-2023

March 24, 2023

Reporting Cycle 2022-23

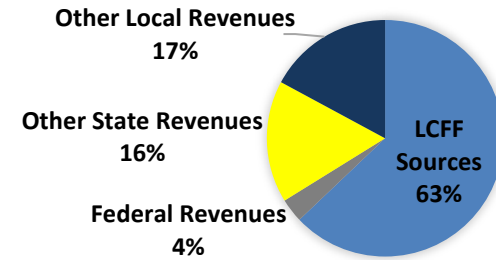


Second Interim Overview

- Comparisons to First Interim Report (December)
- Multi Year Projections
- Considerations for Fiscal Sustainability

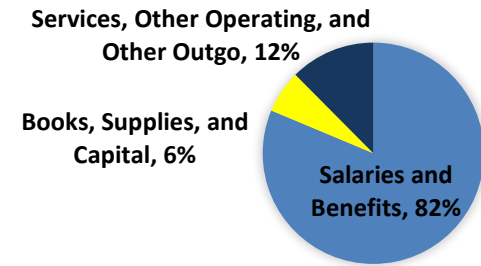
Second Interim Compared to First Interim

Total General Fund Revenues (Unrestricted and Restricted)



2022-23	Unrestricted Variance	Restricted Variance	Total Variance	Reason(s)
LCFF	\$91,933	\$0	\$91,933	Increased Unduplicated Pupil Percentage offset by lower attendance rates
Federal Revenues	\$0	\$1,199,252	\$1,199,252	Reversal of deferred revenue
Other State Revenues	\$53,466	-\$1,041,002	-\$987,536	Lottery revenue increase, Art Music & Instructional Block Grant reduction
Other Local Revenues	\$545,091	\$39,290	\$584,381	Adjustment for Fair Market Value entry, increase in local grants
Total Revenues	\$690,490	\$197,540	\$888,030	

Second Interim Compared to First Interim General Fund Expenditures (Unrestricted and Restricted)



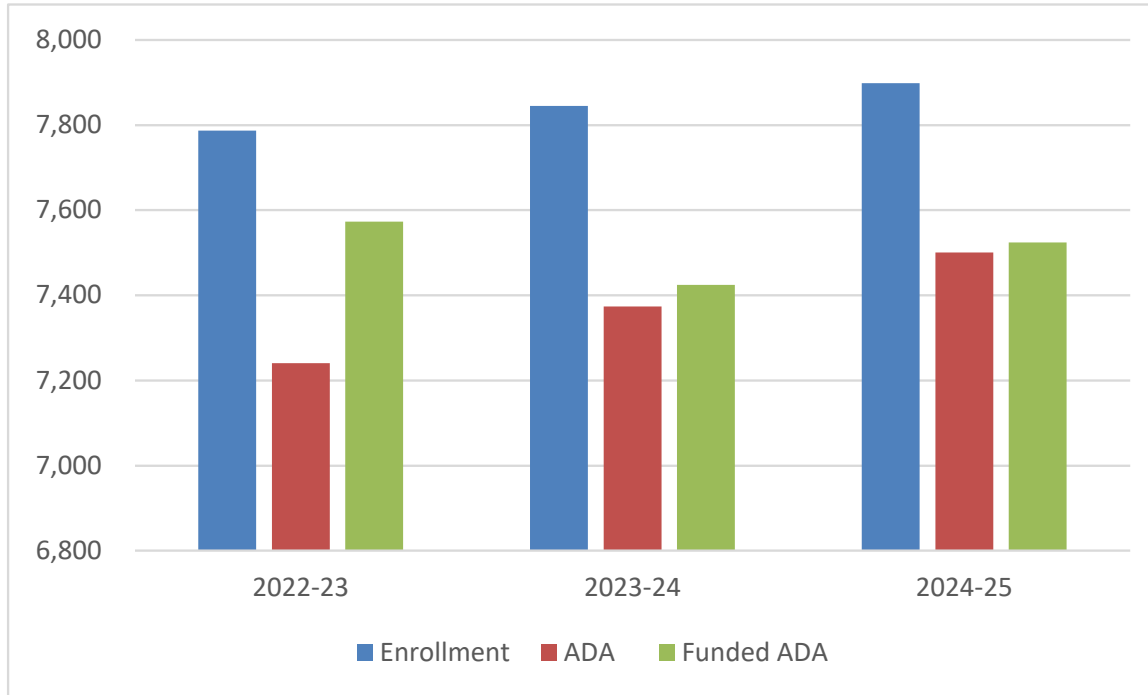
2022-23	Unrestricted Variance	Restricted Variance	Total Variance	Reason(s)
Salaries and Benefits	\$4,973,531	\$609,980	\$5,583,511	Increase from negotiated agreements
Books, Supplies and Capital	\$103,071	\$49,822	\$152,893	Increases to site allocations and Routine Restricted Maintenance
Services, Other Operating and Other Outgo	\$592,335	-\$32,199	\$560,136	Utility increases, parcel tax transfer to Cafeteria Fund, direct charge adjustment
Total Expenditures	\$5,668,937	\$627,603	\$6,296,540	

Multi Year Projection (MYP) Assumptions Second Interim (2022-2025)

- Enrollment and ADA adjusted based on latest available data
- LCFF COLA adjusted for latest projections
- Parcel tax rates adjusted for inflation
- Continued employee cost increases (pensions, step and column)
- LCFF Supplemental program spending requirements
- Federal and State restricted programs use current funding assumptions
- Maintains minimum required 3% reserve
- Includes projected increases in compensation for settled bargaining agreements
- CSEA collective bargaining proposal included in commitments

Second Interim Multi Year Projection

Enrollment and Average Daily Attendance (ADA)



Second Interim Multi Year Projection

Unrestricted General Fund

	2022-23	2023-24	2024-25
Beginning Balance July 1	\$8,201,553	\$7,733,900	\$12,488,259
+ Revenues	\$99,234,527	\$104,385,958	\$109,145,927
- Expenditures	\$78,927,160	\$78,394,160	\$79,533,160
+ Other Financing Sources/Uses	(\$20,775,020)	(\$21,237,439)	(\$21,700,175)
= Surplus/(Deficit) Spending	(\$467,653)	\$4,754,359	\$7,912,592
Ending Balance June 30	\$7,733,900	\$12,488,259	\$20,400,850
<i>Ending Balance %</i>	<i>6.0%</i>	<i>9.9%</i>	<i>16.3%</i>
Non-Spendable %	0.0%	0.0%	0.0%
Committed %	2.8%	4.9%	7.0%
Assigned/Reserve for Economic Uncertainties/Unappropriated %	3.2%	5.0%	9.3%

Second Interim Multi Year Projection

Restricted General Fund

	2022-23	2023-24	2024-25
Beginning Balance July 1	\$9,816,152	\$13,512,345	\$8,085,330
+ Revenues	\$32,342,559	\$21,321,485	\$21,148,392
- Expenditures	\$49,299,183	\$47,863,736	\$45,195,893
+ Other Financing Sources/Uses	\$20,652,817	\$21,115,236	\$21,577,972
= Surplus/(Deficit) Spending	\$3,696,193	(\$5,427,015)	(\$2,469,529)
Ending Balance June 30	\$13,512,345	\$8,085,330	\$5,615,801

Multi Year Projection Summary

First Interim

2022-23 First Interim Budget	2021-22	2022-23	2023-24	2024-25
LCFF Statutory COLA & Augmentation	5.07%	13.26%	5.38%	4.02%
LCFF Revenue Growth	\$3,336,000	\$8,934,000	\$3,502,000	\$3,303,000
Budget Reductions to Maintain 3% Reserve	\$0	\$0	\$0	\$0
Operating Deficit/Surplus	\$863,000	\$5,569,000	\$9,918,000	\$12,303,000
Reserve %	8.0%	12.2%	21.0%	31.8%
Reserve \$ (Ending Fund Balance)	\$9,355,000	\$14,924,000	\$24,842,000	\$37,145,000
<i>Reserve for Economic Uncertainties %</i>	3.0%	3.0%	3.0%	3.0%
<i>Reserve for Economic Uncertainties \$</i>	\$3,520,000	\$3,659,000	\$3,552,000	\$3,500,000
<i>Unavailable Reserve Dollar Value above 3%</i>	\$679,000	\$11,049,000	\$15,649,000	\$23,149,000
<i>Available Reserve Dollar Value above 3%</i>	\$5,156,000	\$216,000	\$5,641,000	\$10,495,000

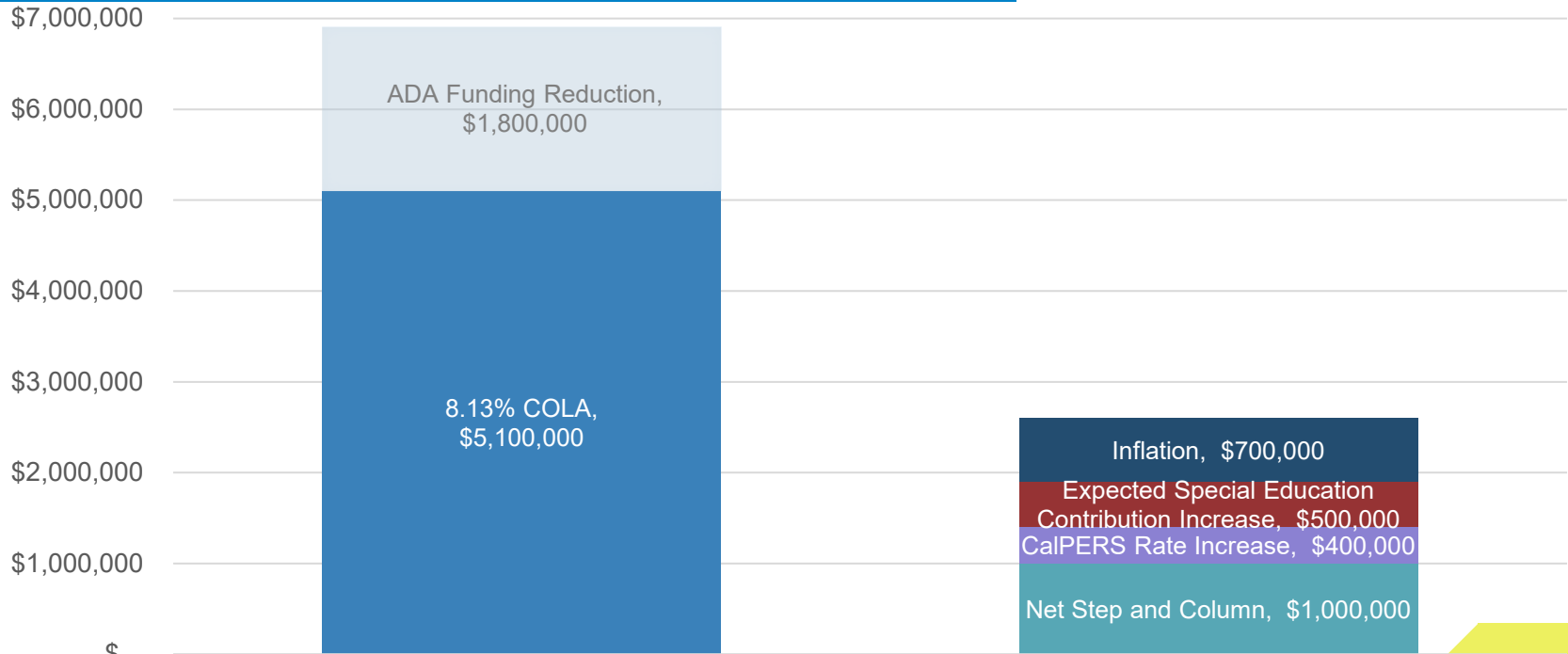
Multi Year Projection Summary

Second Interim

2022-23 Second Interim Budget	2021-22	2022-23	2023-24	2024-25
LCFF Statutory COLA & Augmentation	5.07%	13.26%	8.13%	3.54%
LCFF Revenue Growth	\$3,362,000	\$8,990,000	\$5,119,000	\$4,323,000
Budget Reductions to Maintain 3% Reserve	\$0	\$0	\$0	\$0
Operating Deficit/Surplus	\$863,000	(\$277,000)	\$4,754,000	\$7,913,000
Reserve %	8.0%	6.0%	9.9%	16.3%
Reserve \$ (Ending Fund Balance)	\$9,355,000	\$7,734,000	\$12,488,000	\$20,401,000
<i>Reserve for Economic Uncertainties %</i>	<i>3.0%</i>	<i>3.0%</i>	<i>3.0%</i>	<i>3.0%</i>
<i>Reserve for Economic Uncertainties \$</i>	<i>\$3,520,000</i>	<i>\$3,850,000</i>	<i>\$3,791,000</i>	<i>\$3,746,000</i>
<i>Unavailable Reserve Dollar Value above 3%</i>	<i>\$679,000</i>	<i>\$3,650,000</i>	<i>\$6,250,000</i>	<i>\$8,850,000</i>
<i>Available Reserve Dollar Value above 3%</i>	<i>\$0</i>	<i>\$233,000</i>	<i>\$2,447,000</i>	<i>\$2,497,000</i>

Multi Year Projection Summary

2023-24 Revenue and Expenditure Changes



Considerations

- DJUSD is highly dependent on State and local funding
- State revenue uncertainties for June adopted budget
- Increased sources of one-time funding and new program enrollments mask declines in enrollment and attendance
- Committed reserves for collective bargaining will be included as expenditures once Board approved
- Reserve for Economic Uncertainties is at the minimum % required by the State

Gratitude

The 2022-23 Second Interim Budget represents the time and effort of our District team.

These budget revisions include extra efforts by department, school site, and other program staff.

Questions?