



2022-23 2nd Interim Update

Arik Avanesyans, Assistant Superintendent of Business Services

March 08, 2023

2022-23

STATE ECONOMIC OUTLOOK

- The Department of Finance (DOF) reports that state revenues for the 2022-23 fiscal year is currently \$3.3 billion below Governor Gavin Newsom's estimates from January, when he released his 2023-24 State Budget proposal.
- Legislative Analyst's Office projection that there is an 80% chance that revenues for fiscal year 2022-23 would be approximately \$5 billion lower than the Governor's January estimates by the time the Legislature adopts the 2023-24 State Budget.
- The fiscal year-to-date shortfall would result in an approximate \$1.3 billion reduction in the Proposition 98 minimum guarantee while a \$5 billion shortfall would further reduce K-14 funding by another \$700 million.

BUDGET PROJECTED YEAR TOTALS

FUND 01 COMBINED

Category	Budget as of 01.31.2023
Total Revenues	108,639,458
Total Expenditures	100,034,923
<u>Net Increase, (Decrease) in Fund Balance</u>	8,604,534
Beginning Fund Balance	34,828,664
<u>Ending Fund Balance</u>	43,433,198
Restricted Fund Balance	24,183,611
Commitments	16,248,538
Reserve for Economic Uncertainty	3,001,048
Total Unrestricted Reserve (% of Expenditures)	3.0 %

ENDING FUND BALANCE COMMITMENTS

Description	Amount
Local Control Accountability Plan Carry-over	4,953,233
Curriculum Adoption – Science and Social Studies	6,498,325
Other Post Employee Benefits Trust Implementation	1,001,031
Protection Against Future Revenue Loss	1,950,734
Local Control Accountability Plan Concentration Grant	1,667,002
CSEA H&W Insurance Pool Excess Reserve	178,213
Total	16,248,538

BUDGET MULTI-YEAR PROJECTIONS

FUND 01 COMBINED

Category	2022-23	2023-24	2024-25
Total Revenues	108,639,458	93,926,186	88,916,434
Total Expenditures	100,034,823	97,162,400	96,081,988
<u>Net Increase, (Decrease) in Fund Balance</u>	8,604,534	-3,236,214	-7,165,554
Beginning Funding Balance	34,828,664	43,433,198	40,196,984
<u>Ending Fund Balance</u>	43,433,198	40,196,984	33,031,430
Restricted Fund Balance	23,587,064	23,587,064	23,587,064
Commitments	16,248,538	13,098,500	5,965,358
Reserve for Economic Uncertainty (3% of Expenditures)	3,001,048	2,914,872	2,882,459
Total Unrestricted Reserve (% of Expenditures)	3.0 %	3.0 %	3.0 %

BUDGET OTHER FUNDS

Fund	Description	Ending Fund Balance
08	Student Activity Special Revenue Fund	74,804
12	Child Development Fund	433,897
13	Cafeteria Special Revenue Fund	3,516,772
21	Building Fund	2,829,873
25	Capital Facilities Fund	3,769,519
35	County School Facilities Fund	14,620
40	Special Reserve Fund for Capital Outlay Projects	174,140
62	Charter Schools Enterprise Fund (Integrity Charter School)	7,583,632

BUDGET ESTIMATED CASH FLOW

Fiscal Year 2022-23

Period Ending	12.31.2022	01.31.2023	02.28.2023	03.31.2023	04.30.2023	05.31.2023
Ending Cash Balance	39,451,082	42,111,728	40,167,972	42,161,973	42,377,398	43,347,848
Period Ending	06.30.2023	07.31.2023	08.31.2023	09.30.2023	10.31.2023	11.30.2023
Ending Cash Balance	47,175,462	43,333,297	37,587,602	42,773,284	39,944,951	38,100,974

NEXT STEPS

- Submit 2nd interim to the County Office of Education for review and confirmation.
- Present 2023-24 budget to the Board of Education in June.
- Governor's May Budget Revise for the 2023-24 fiscal year.

THANK YOU FROM THE FISCAL SERVICES TEAM

Arik Avanesyans, Assistant Superintendent of Business Services

Erina Cowart, Director of Finance

Virginia Fogerson, Accounting Technician - Accounts Payable

Michael Guerrero, Financial Accountant

Charleen Mancilla, Payroll/Benefits Specialist – Certificated

Perla Noel, Payroll/Benefits Specialist – Classified

Evelyn Sanchez, Administrative Secretary - Department/Program