



1st Interim Financial Report for the 2022-23 Budget

Presented to the Board on December 15, 2022

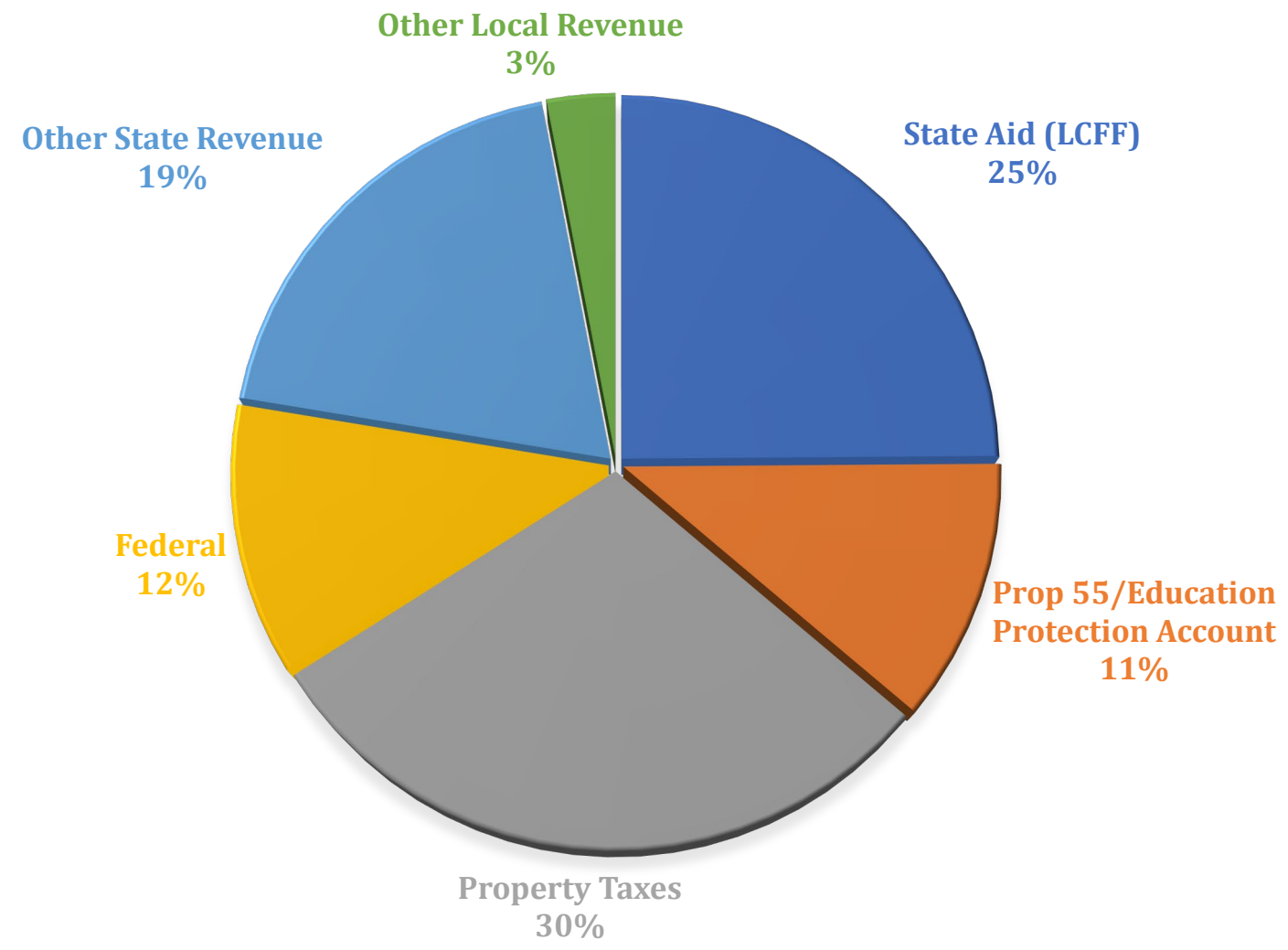
- Types of Interim Reports
- Variance between Revised Budget (September) and 1st Interim
- Financial Impact of Declining Enrollment
- Updated Multi-Year Projection
- Next Steps

- Positive Certification – Certify that District will be able to meet its financial obligation for the current and subsequent two fiscal years.
- Qualified – may not meet
- Negative – will not be able to meet

■ **GUSD First Interim is self-certified as “Positive”**

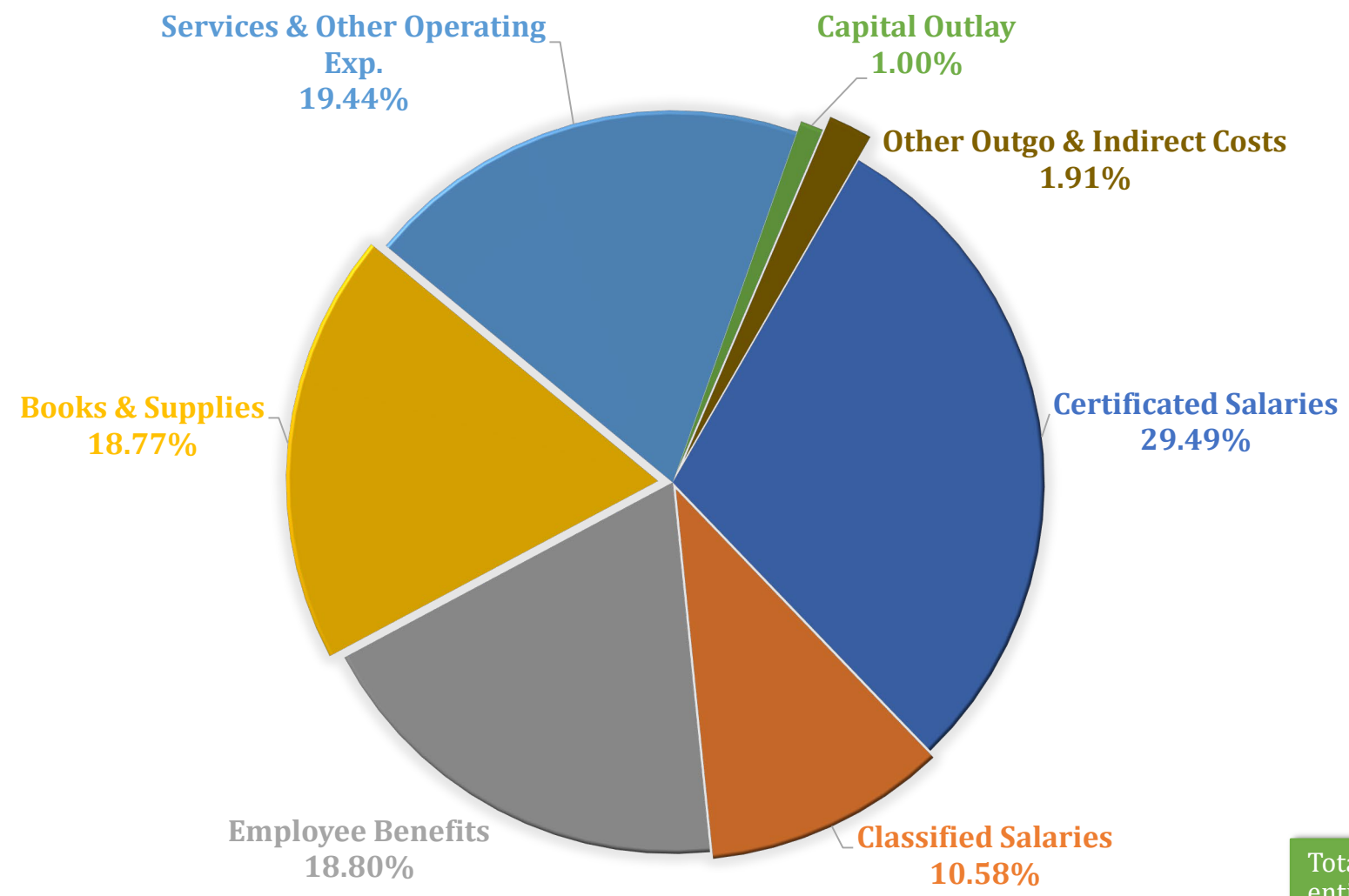
2022-23 Total General Fund Revenues at 1st Interim

\$201,205,042



2022-23 Total General Fund Expenditures at 1st Interim

\$208,844,240



Total General Fund expenditures include grants, entitlements, donations, one-time funds, which have spending restrictions.

Variance between the September Revised Budget and 1st Interim

Total General Fund Expenditures (includes grants & one-time funds)	2022-23 1st Interim	2022-23 Rev. Budget (Sept)	Difference
Revenue	\$ 201,205,042	\$ 177,978,759	\$ 23,226,283
Expenditures	\$ 208,844,240	\$ 187,329,844	\$ 21,514,396
Net Inc/Decr to Fund Balance	\$ (7,639,198)	\$ (9,351,085)	\$ 1,711,887
Beg Fund Balance	\$ 49,501,371	\$ 49,501,371	\$ -
Ending Fund Balance	\$ 41,862,173	\$ 40,150,286	\$ 1,711,887

One time Revenues in 1st Interim Budget

PROGRAM NAME	22-23 First Interim Budget	BALANCE as of 11/30/2022 (Inc Encumbrances)
CHILD NUTRITION: KITCHEN INFRASTRUCTURE	\$ 233,275	\$ 187,226
CHILD NUTRITION: KITCHEN INFRASTRUCTURE-STAFF TRAINING FUNDS	\$ 35,081	\$ 35,081
ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF (ESSER) I FUND	\$ -	\$ -
ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF (ESSER) II FUND	\$ 3,011,474	\$ 2,523,182
ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF (ESSER) III FUND	\$ 6,217,528	\$ 4,566,824
ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF (ESSER) III FUND: LEARNING LOSS	\$ 1,114,415	\$ 683,817
GOVERNOR'S EMERGENCY EDUCATION RELIEF (GEER) FUND: LEARNING LOSS MITIGATION	\$ 47,517	\$ -
EXPANDED LEARNING OPPORTUNITIES (ELO) GRANT (FEDERAL FUNDS)	\$ 973,659	\$ 793,215
EXPANDED LEARNING OPPORTUNITIES (ELO) GRANT (FEDERAL FUNDS)	\$ 223,608	\$ 178,600
EXPANDED LEARNING OPPORTUNITIES (ELO) GRANT (FEDERAL FUNDS)	\$ 728,991	\$ 728,991
EXPANDED LEARNING OPPORTUNITIES (ELO) GRANT (FEDERAL FUNDS)	\$ 1,256,126	\$ 708,998
CORONAVIRUS RELIEF FUND (CRF)	\$ -	\$ -
AMERICAN RESCUE PLAN - HOMELESS CHILDREN AND YOUTH II (ARP HCY II)	\$ 9,542	\$ 5,236
CHILD DEV: UNIVERSAL PREKINDERGARTEN (UPK)	\$ 215,358	\$ 193,094
EDUCATOR EFFECTIVENESS BLOCK GRANT	\$ 2,124,008	\$ 1,789,378
CA NATIONAL BOARD CERTIFICATION TEACHER INCENTIVE PROGRAM	\$ 5,000	\$ 5,000
ART MUSIC & INSTRUCTIONAL MATERIALS BLOCK GRANT	\$ 6,397,814	\$ 6,395,758
CLASSIFIED SCHOOL EMPLOYEE PROFESSIONAL DEVELOPMENT BLOCK GRANT	\$ 47,135	\$ 30,182
A - G ACCESS/SUCCESS GRANT	\$ 596,934	\$ 563,485
A - G LEARNING LOSS MITIGATION GRANT	\$ 227,411	\$ 207,495
LEARNING LOSS MITIGATION	\$ -	\$ -
EXPANDED LEARNING OPPORTUNITIES (ELO) GRANT (STATE FUNDS)	\$ -	\$ -
EXPANDED LEARNING OPPORTUNITIES (ELO) GRANT: PARAPROFESSIONAL STAFF	\$ 707,149	\$ 562,295
LEARNING RECOVERY EMERGENCY BLOCK GRANT	\$ 13,583,417	\$ 13,583,417
ETHNIC STUDIES LOCAL SUPPORT	\$ 100,502	\$ 91,405
CALIFORNIA SCHOOLS HEALTHY AIR, PLUMBING, AND EFFICIENCY GRANT (CALSHAPE)	\$ 985,140	\$ 985,140
SPECIAL EDUCATION ARP IDEA PART B, SEC 611, LOCAL ASSIST ENTITLEMENT	\$ 416,123	\$ 51,509
SPECIAL EDUCATION: ARP IDEA PART B, SEC 611, PRIVATE SCHOOLS	\$ 3,723	\$ 3,723
SPECIAL EDUCATION ARP IDEA PART B, SEC 619, PRESCHOOL GRANTS	\$ 37,540	\$ 37,540
SPECIAL EDUCATION: ALTERNATE DISPUTE RESOLUTION	\$ 2,735	\$ -
SPECIAL EDUCATION ADR COVID-19 (ONE-TIME)	\$ 3,681	\$ -
SPECIAL EDUCATION LEARNING RECOVERY SUPPORT (ONE-TIME)	\$ 524,118	\$ 34,860

Total of one-time funds in
1st Interim: \$39.8 million!

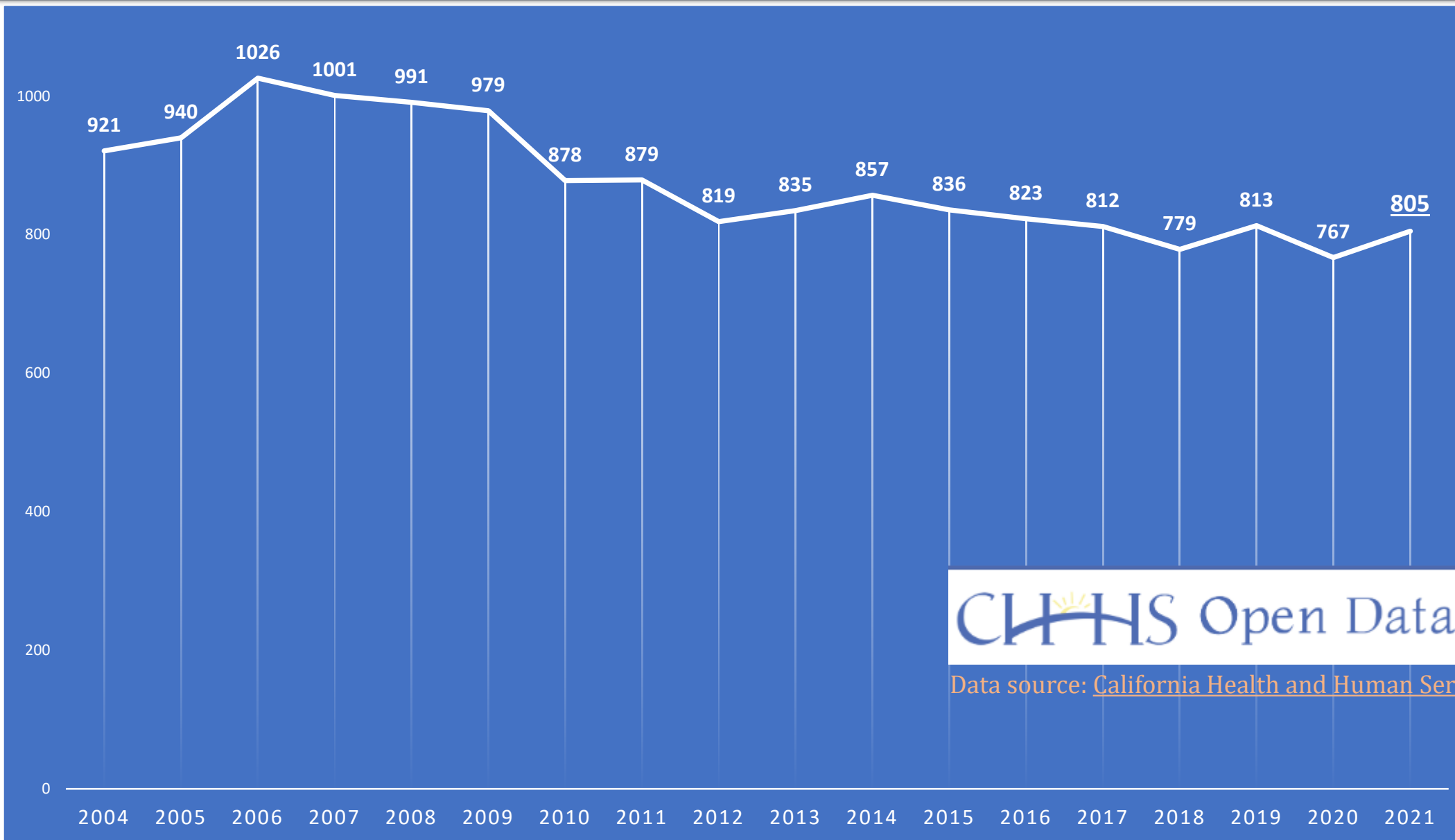
\$21,060,721
(highlighted areas)

★ New/Added allocations since Revised Budget

\$39,829,004

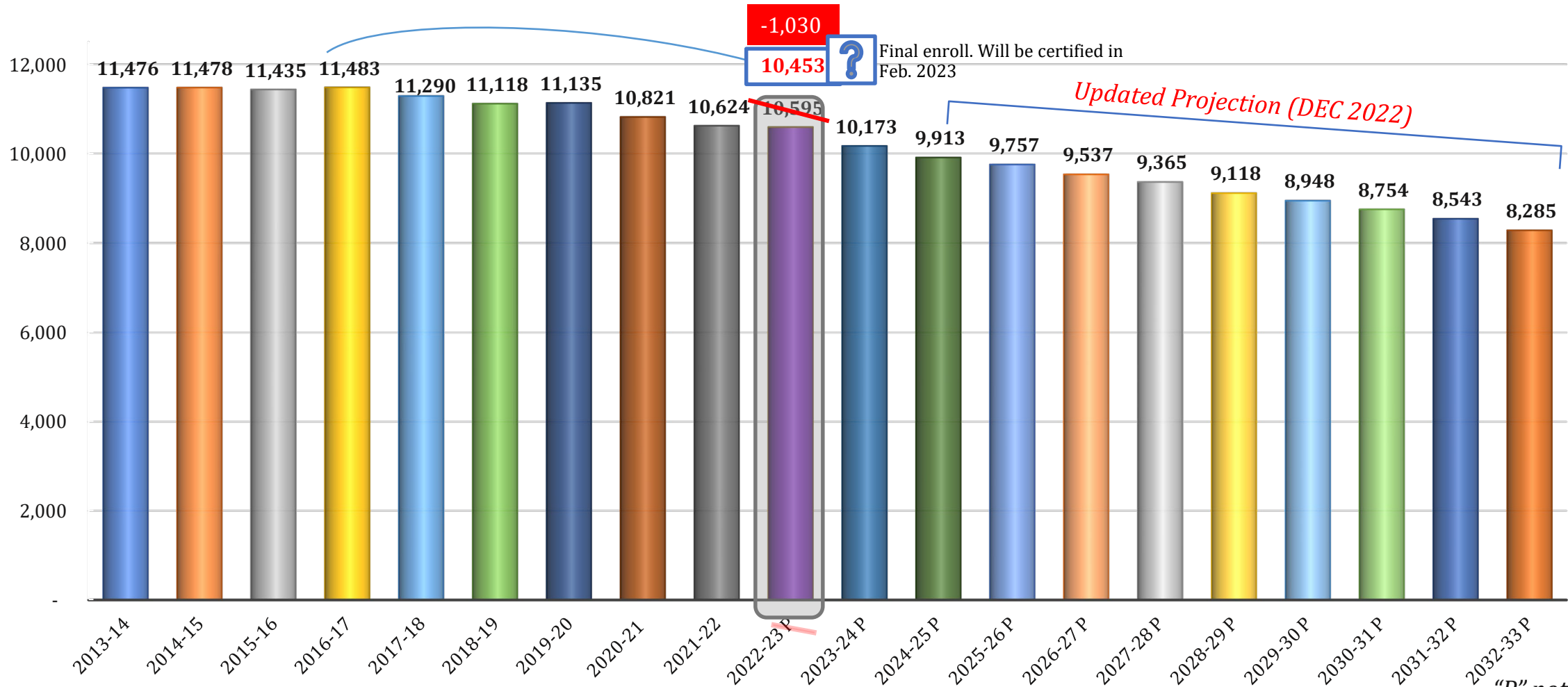
\$34,945,452

Historical Birth Count by Zip Code 95020



GUSD has declined by 1,030 students since 2016-17

Updated with Enrollment Projections
- December 2022



"P" notes projection

2022-23 ENROLLMENT DECLINE OF 171 STUDENTS *

Loss of 171 students = 165.57 ADA
@ \$12,085 per ADA
(already accounting for 3-year prior average)

Loss of 171 students @ 32:1 staffing.
5 teachers @ \$91,493
(avg. new teacher total comp)

Teacher savings: \$457,465

Misc. savings: \$38,051

Lost revenue: (\$2,000,913)

Total savings: \$495,516

Net shortfall (deficit): \$(1,505,397)
Further budget reductions need to be identified on top of staffing adjustments to offset declining enrollment

- Enrollment decline based on Prelim. CBEDS.
- Amounts are for illustrative purposes. Enrollment loss will not be uniform as noted above (loss will take place across grade levels and various schools).

Revenue Assumptions

	2022-23	2023-24	2024-25
Enrollment	10,453	10,173	9,913
Annual decline	-171	-280	-260
3 YR Avg. Funded ADA	10,474	10,182	9,836
Funding per ADA	\$12,085	\$12,742	\$13,257
COLA	6.56%	5.38%	4.02%
Additional increase to base LCFF funding	6.7%	-	-
Supplemental Funds	\$12.7 million	\$13 million	\$13 million
Unduplicated Pupil Percentage (UPP)	59.97%	58%	58%
Supp & Concentration Funds	\$16 million	\$16.1 million	\$15.7 million

Expenditure Assumptions

	2022-23	2023-24	2024-25
Declining Enrollment Budget Reduction Placeholder		-\$862,859	-\$801,236
Cert. & Classified Step & Column Adjustments	1.5%	1.5%	1.5%
Health & Welfare	Based on current negotiated caps		
General Fund Contributions	\$20 million	\$20.3 million	\$20.7 million
Deferred Maintenance LCAP share	\$712K	on-going 	
CalSTRS Contribution	19.10%	19.10%	19.10%
CalPERS Contribution	25.37%	25.20%	24.60%
Routine Restricted Maintenance (RRM)	3% of total expenditures	on-going 	

Multi-Year Projection (MYP)

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 Key variables	2022-23 1st INTERIM			2023-24 Projection			2024-25 Projection		
	UPP% at 59.97%. ADA% at 93% for 2022-23. Declined by -171 students. Using 3PY average.			UPP% at 58%. ADA% at 94%. Proj. decline -280, using 3PY average, 5.38% COLA			UPP at 58%, ADA% at 94%, proj. decline by -260, using 3PY average, 4.02% COLA		
REVENUES	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
LCFF	\$126,588,817	6,024,440	132,613,257	\$129,744,812	5,656,070	135,400,882	\$130,397,910	5,656,070	136,053,980
Increase to Supp & Conc.	-	-	-	-	-	-	-	-	-
One Time Revenues (Sp Ed)	-	-	-	-	-	-	-	-	-
Revenue from ADB	200,000	-	200,000	200,000	-	200,000	206,000	-	206,000
Federal Revenues	-	23,597,871	23,597,871	-	6,121,872	6,121,872	-	6,121,872	6,121,872
Other State Revenues	2,079,030	36,874,937	38,953,967	2,079,030	12,113,212	14,192,242	2,079,030	12,554,133	14,633,163
Other Local Revenues	883,500	4,956,448	5,839,948	883,500	3,364,116	4,247,616	883,500	3,364,116	4,247,616
TOTAL, REVENUES	129,751,347	71,453,695	201,205,042	132,907,342	27,255,270	160,162,612	133,566,440	27,696,191	161,262,631
EXPENDITURES									
Placeholder cuts 2023-24	-	-	-	(862,859)	-	(862,859)	(862,859)	-	(862,859)
Placeholder cuts 2024-25	-	-	-	-	-	-	(801,236)	-	(801,236)
Certificated	50,309,525	11,285,705	61,595,231	51,920,777	11,797,989	63,718,766	52,699,589	11,974,958	64,674,547
Classified	14,497,204	7,589,635	22,086,839	15,454,203	7,592,105	23,046,308	15,686,016	7,705,986	23,392,002
Employee Benefits	24,698,780	14,570,342	39,269,122	25,791,162	15,000,732	40,791,894	26,178,030	15,192,208	41,370,238
Books & Supplies	4,578,608	34,628,648	39,207,257	3,397,951	3,715,615	7,113,566	3,464,890	4,184,964	7,649,854
Services & Operating Expenses	13,491,239	27,116,392	40,607,631	10,106,360	5,185,313	15,291,673	10,207,423	5,338,381	15,545,804
Capital Outlay	1,560,000	519,646	2,079,646	252,325	87,183	339,508	252,325	87,183	339,508
Other Outgo	488,261	3,834,777	4,323,038	449,358	3,892,299	4,341,657	449,358	3,527,994	3,977,352
Transfers of Indirect Costs	(2,076,086)	1,751,564	(324,522)	(1,033,248)	360,125	(673,123)	(1,044,864)	366,247	(678,617)
TOTAL, EXPENDITURES	107,547,532	101,296,708	208,844,240	105,476,028	47,631,359	153,107,388	106,228,673	48,377,922	154,606,594
Transfers Out	-	-	-	-	-	-	-	-	-
Contributions	(20,074,965)	20,074,965	-	(20,376,089)	20,376,089	-	(20,681,731)	20,681,731	-
TOTAL, OTHER SOURCES/USES	(20,074,965)	20,074,965	-	(20,376,089)	20,376,089	-	(20,681,731)	20,681,731	-

Multi-Year Projection (MYP)

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	2022-23 1st INTERIM			2023-24 Projection			2024-25 Projection		
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EXPENDITURES	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
NET INCREASE (DECREASE)	2,128,850	(9,768,048)	(7,639,198)	7,055,224	(0)	7,055,224	6,656,037	(0)	6,656,037
FUND BALANCE									
Beginning Fund Balance	39,733,323	9,768,048	49,501,371	41,862,173	-	41,862,173	48,917,398	(0)	48,917,397
Proj. Ending Fund Balance	41,862,173	-	41,862,173	48,917,398	(0)	48,917,397	55,573,434	\$ (0)	55,573,434
Nonspendable Revolving Cash	50,000		50,000	50,000		50,000	50,000		50,000
Board Committed Balances									
I.T. Techonology Replacement	2,996,000			2,996,000			8,520,000		
Deferred Maintenance	14,425,502			24,625,385			21,821,683		
Safeguard against unexplected declines/Linked to 3YR ADA adj.	3,506,247			5,935,273			9,721,092		
Board Policy (if moved to 10%)(one-time)									
Carryover assignments (below)									
Home to School Transportation									
Special Ed Transportation									
Textbook Adoption									
Deferred Maintenance									
Site-based Additional Concentration Funds									
LCAP -Centratlized									
LCAP - sites									
Equipment Replacement									
CTI New Teacher Induction Program									
Mimumum RESERVE	\$ 20,884,424			\$ 15,310,739			\$ 15,460,660		
UNRESTRICTED RESERVE (after excluding Committed Balances)	10.00%			10.00%			10.00%		
Unassigned/Unappropriated	0			(0)			(0)		

- ❑ Santa Clara County Office of Education (SCCOE) reviews the self-certification of 1st Interim
- ❑ Release of the Governor's January Budget Proposal for 2023-24
- ❑ Labor negotiations are underway
- ❑ MYP will be updated accordingly.

➤ Approve 1st Interim Financial Report with a POSITIVE Certification.