



CABRILLO UNIFIED SCHOOL DISTRICT  
*Every Student. Every Day!*

# Cabrillo Unified School District 2022-23 Third Interim Financial Report

J Jesús Contreras  
Chief Business Officer  
May 30, 2023

# 2022-23 Third Interim Financial Report

The First Interim Financial Report (December 2022) provided CUSD's Governing Board with a synthesis of revenue and expenditures through October 31, 2022. The CUSD Governing Board approved the First Interim Report as "Qualified."

The Second Interim Financial Report (March 2023) provided CUSD's Governing Board a report of the revenue and expenditure forecasts for 2022-23. It included all fiscal activity through January 31, 2023. The CUSD Governing Board approved the Second Interim Report as "Qualified."



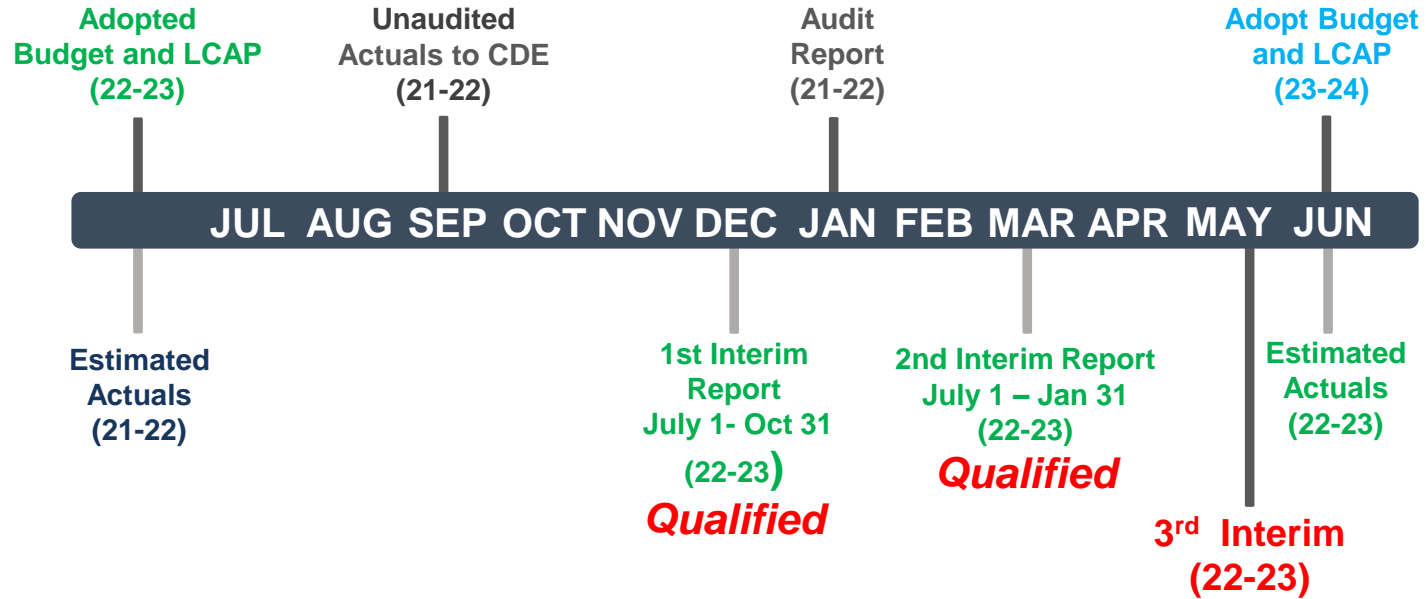
# 2022-23 Third Interim Financial Report

Per Education Code 42131 (e), a school district filing a qualified or negative certification for the second interim must then prepare and provide a Third Interim Financial Report covering all financial activity through April 30<sup>th</sup>.

This Third Interim Financial Report (May 30, 2023) provides CUSD's Governing Board a report of the revenue and expenditure forecasts through June 30, 2023. It includes all 2022-23 actual fiscal activity through April 30, 2023.



# 2022-23 Financial Reports



**Cabrillo USD Multi-Year-Projections at 2022-23 First Interim**

	2022-23-LCFF			2023-24-Basic Aid			2024-25-Basic Aid			2025-26-Basic Aid		
	UNRESTRICTED	RESTRICTED	COMBINED	UNRESTRICTED	RESTRICTED	COMBINED	UNRESTRICTED	RESTRICTED	COMBINED	UNRESTRICTED	RESTRICTED	COMBINED
LCFF	32,124,212	1,961,492	34,085,704	34,760,462	1,961,492	36,721,954	33,347,396	1,961,492	35,308,888	33,963,951	1,961,492	35,925,443
Federal Revenue	8,819	1,959,148	1,967,967	8,819	1,137,931	1,146,750	8,819	1,137,931	1,146,750	8,819	1,137,931	1,146,750
State Revenue	570,526	9,423,257	9,993,783	553,696	4,040,940	4,594,636	535,846	4,033,905	4,569,751	518,336	4,027,004	4,545,340
Local Revenue	239,264	2,851,275	3,090,539	239,264	2,586,066	2,825,330	239,264	2,586,066	2,825,330	239,264	2,586,066	2,825,330
Total Revenues	32,942,821	16,195,172	49,137,993	35,562,241	9,726,429	45,288,670	34,131,325	9,719,394	43,850,719	34,730,370	9,712,493	44,442,863
Certificated Salaries	12,973,085	3,824,659	16,797,744	13,424,324	3,566,303	16,990,627	13,692,810	3,637,629	17,330,439	13,966,666	3,710,382	17,677,048
Classified Salaries	3,600,423	4,398,343	7,998,766	3,661,779	4,180,903	7,842,682	3,735,015	4,264,521	7,999,536	3,809,715	4,349,811	8,159,526
Benefits	6,660,478	5,551,955	12,212,433	6,763,342	5,312,365	12,075,707	6,856,256	5,341,698	12,197,954	6,939,250	5,355,866	12,295,116
Supplies	518,963	2,348,355	2,867,318	552,702	1,020,539	1,573,241	559,737	1,013,504	1,573,241	566,638	1,006,603	1,573,241
Services	2,607,620	2,949,244	5,556,864	2,607,620	2,648,066	5,255,686	2,607,620	2,648,066	5,255,686	2,607,620	2,648,066	5,255,686
Capital Outlay	0	142,507	142,507	0	142,507	142,507	0	142,507	142,507	0	142,507	142,507
Other Outgo/Indirect	86,016	124,283	210,299	86,016	124,283	210,299	86,016	124,283	210,299	86,016	124,283	210,299
Total Expenses	26,446,585	19,339,346	45,785,931	27,095,783	16,994,966	44,090,749	27,537,454	17,172,208	44,709,662	27,975,905	17,337,518	45,313,423
Surplus/(Deficit)	6,496,236	(3,144,174)	3,352,062	8,466,458	(7,268,537)	1,197,921	6,593,871	(7,452,814)	(858,943)	6,754,465	(7,625,025)	(870,560)
Transfer in (891X)	0	0	0	0	0	0	0	0	0	0	0	0
Transfer out (761X)	210,000	0	210,000	335,000	0	335,000	335,000	0	335,000	335,000	0	335,000
Contribution	(8,036,963)	8,036,963	0	(8,187,812)	8,187,812	0	(8,372,089)	8,372,089	0	(8,544,300)	8,544,300	0
Other In / Out	(8,246,963)	8,036,963	(210,000)	(8,522,812)	8,187,812	(335,000)	(8,707,089)	8,372,089	(335,000)	(8,879,300)	8,544,300	(335,000)
Total Surplus/(Deficit)	(1,750,727)	4,892,789	3,142,062	(56,354)	919,275	862,921	(2,113,218)	919,275	(1,193,943)	(2,124,835)	919,275	(1,205,560)
9791	3,283,273	1,748,786	5,032,058	1,532,546	6,641,575	8,174,120	1,476,192	7,560,850	9,037,041	(637,026)	8,480,125	7,843,098
9795												
Beginning Balance	3,283,273	1,748,786	5,032,058	1,532,546	6,641,575	8,174,120	1,476,192	7,560,850	9,037,041	(637,026)	8,480,125	7,843,098
Ending Balance	1,532,546	6,641,575	8,174,120	1,476,192	7,560,850	9,037,041	(637,026)	8,480,125	7,843,098	(2,761,861)	9,399,400	6,637,538
Revolving Cash, Stores & Prep	45,000		45,000	45,000		45,000	45,000		45,000	45,000		45,000
Restricted Programs		6,641,575	6,641,575		7,560,850	7,560,850		8,480,125	8,480,125		9,399,400	9,399,400
3% REU (9789)	1,379,878	0	1,379,878	1,332,773	0	1,332,773	1,351,340	0	1,351,340	1,369,453	0	1,369,453
UNASSIGNED (9790)	107,668	0	107,668	98,419	0	98,419	(2,033,366)	0	(2,033,366)	(4,176,314)	0	(4,176,314)

	Cabrillo USD Multi-Year-Projections at 2022-23 Second Interim											
	2022-23 LCFF			2023-24 Basic Aid			2024-25 Basic Aid			2025-26 Basic Aid		
	UNRESTRICTED	RESTRICTED	COMBINED	UNRESTRICTED	RESTRICTED	COMBINED	UNRESTRICTED	RESTRICTED	COMBINED	UNRESTRICTED	RESTRICTED	COMBINED
LCFF	32,124,212	1,961,492	34,085,704	34,760,462	1,961,492	36,721,954	33,347,396	1,961,492	35,308,888	33,963,951	1,961,492	35,925,443
Federal Revenue	8,819	1,959,148	1,967,967	8,819	1,137,931	1,146,750	8,819	1,137,931	1,146,750	8,819	1,137,931	1,146,750
State Revenue	567,516	9,423,257	9,990,773	550,686	3,938,647	4,489,333	532,836	3,931,612	4,464,448	515,326	3,924,711	4,440,037
Local Revenue	240,616	2,923,773	3,164,389	240,616	2,618,903	2,859,519	240,616	2,618,903	2,859,519	240,616	2,618,903	2,859,519
Total Revenues	32,941,163	16,267,670	49,208,833	35,560,583	9,656,973	45,217,556	34,129,667	9,649,938	43,779,605	34,728,712	9,643,037	44,371,749
Certificated Salaries	13,253,224	3,890,214	17,143,438	13,210,833	3,541,256	16,752,089	13,475,050	3,612,081	17,087,131	13,744,551	3,684,323	17,428,874
Classified Salaries	3,581,176	4,341,571	7,922,747	3,599,131	4,077,158	7,676,289	3,671,114	4,158,701	7,829,815	3,744,536	4,241,875	7,986,411
Benefits	6,729,907	5,451,669	12,181,576	6,843,128	5,262,053	12,105,181	6,999,627	5,360,562	12,360,189	7,147,762	5,445,656	12,593,418
Supplies	552,949	2,445,958	2,998,907	586,688	1,131,741	1,718,429	593,723	1,124,706	1,718,429	600,624	1,117,805	1,718,429
Services	3,094,400	2,998,913	6,093,313	3,094,400	2,594,917	5,689,317	3,094,400	2,594,917	5,689,317	3,094,400	2,594,917	5,689,317
Capital Outlay	0	86,495	86,495	0	86,495	86,495	0	86,495	86,495	0	86,495	86,495
Other Outgo/Indirect	86,016	129,851	215,867	86,016	129,851	215,867	86,016	129,851	215,867	86,016	129,851	215,867
Total Expenses	27,297,672	19,344,671	46,642,343	27,420,196	16,823,471	44,243,667	27,919,930	17,067,313	44,987,243	28,417,889	17,300,922	45,718,811
Surplus/(Deficit)	5,643,491	(3,077,001)	2,566,490	8,140,387	(7,166,498)	973,889	6,209,737	(7,417,375)	(1,207,638)	6,310,823	(7,657,885)	(1,347,062)
Transfer in (831X)	0	0	0	0	0	0	0	0	0	0	0	0
Transfer out (761X)	200,000	0	200,000	200,000	0	200,000	200,000	0	200,000	200,000	0	200,000
Contribution	(7,701,866)	7,701,866	0	(7,737,560)	7,737,560	0	(8,201,680)	8,201,680	0	(8,442,190)	8,442,190	0
Other In / Out	(7,901,866)	7,701,866	(200,000)	(7,937,560)	7,737,560	(200,000)	(8,401,680)	8,201,680	(200,000)	(8,642,190)	8,442,190	(200,000)
Total Surplus/(Deficit)	(2,258,375)	4,624,865	2,366,490	202,827	571,062	773,889	(2,191,943)	784,305	(1,407,638)	(2,331,367)	784,305	(1,547,062)
9791	3,283,273	1,748,786	5,032,058	873,939	6,373,651	7,247,589	1,076,766	6,944,713	8,021,478	(1,115,177)	7,729,018	6,613,840
9793	(150,959)		(150,959)			0			0			0
9795												
Beginning Balance	3,132,314	1,748,786	4,881,099	873,939	6,373,651	7,247,589	1,076,766	6,944,713	8,021,478	(1,115,177)	7,729,018	6,613,840
Ending Balance	873,939	6,373,651	7,247,589	1,076,766	6,944,713	8,021,478	(1,115,177)	7,729,018	6,613,840	(3,446,544)	8,513,323	5,066,778
Revolving Cash, Stores & Prepaid	45,000		45,000	45,000		45,000	45,000		45,000	45,000		45,000
Restricted Programs		6,373,651	6,373,651		6,944,713	6,944,713		7,729,018	7,729,018		8,513,323	8,513,323
3% REU (9789)	1,405,271	0	1,405,271	1,333,311	0	1,333,311	1,355,618	0	1,355,618	1,377,565	0	1,377,565
UNASSIGNED (9790)	(576,332)	0	(576,332)	(301,545)	0	(301,545)	(2,515,795)	0	(2,515,795)	(4,869,109)	0	(4,869,109)

# Who We Serve:



## 1.17 LCFF Unduplicated Pupil Count

<b>Academic Year:</b> 2022-2023	<b>LEA:</b> Cabrillo Unified	<b>User ID:</b> ournitsasy@cabrillo.k12.ca.us
<b>View:</b> SNAPSHOT	<b>School Type:</b> ALL	<b>Revision Date:</b> 1/12/2023 2:10:47 AM
<b>Revision ID:</b> 4177831	<b>School:</b> ALL	<b>Print Date:</b> 3/1/2023 4:16:04 PM

### Non-Charter School(s)

#### Free/Reduced Meal Eligibility Counts Based On:

School Code	School Name	Total Enrollment	Free & Reduced Meal Program: 181/182	Foster	Tribal Foster Youth: 193	Homeless (1)	Migrant Program: 135	Direct Certification	Unduplicated Free/Reduced Meal Counts	EL Funding Eligible (2)	Total Unduplicated FRPM/EL Eligible Count (3)
6043616	<a href="#">Alvin S. Hatch Elementary</a>	542	242	0	0	2	36	169	252	215	292
4168890	<a href="#">Cabrillo Unified</a>	22	2	0	0	0	0	6	6	0	6
6043624	<a href="#">El Granada Elementary</a>	318	118	0	0	3	6	81	119	76	141
6043632	<a href="#">Farallone View Elementary</a>	164	22	0	0	0	0	20	24	13	29
4132817	<a href="#">Half Moon Bay High</a>	1024	320	0	0	9	14	218	329	92	352
6043657	<a href="#">Kings Mountain Elementary</a>	53	7	0	0	0	0	7	8	2	9
6043665	<a href="#">Manuel F. Cunha Intermediate</a>	584	227	0	0	9	8	159	237	90	257
0000001	<a href="#">NPS School Group for Cabrillo</a>	3	0	0	0	0	0	1	1	1	1
4130027	<a href="#">Pilarcitos Alternative High</a>	38	21	0	0	0	0	18	22	6	22
<b>TOTAL - Selected Schools</b>		2748	959	0	0	23	64	679	998	495	1109

### Charter School(s)

#### Free/Reduced Meal Eligibility Counts Based On:

School Code	School Name	Total Enrollment	Free & Reduced Meal Program: 181/182	Foster	Tribal Foster Youth: 193	Homeless (1)	Migrant Program: 135	Direct Certification	Unduplicated Free/Reduced Meal Counts	EL Funding Eligible (2)	Total Unduplicated FRPM/EL Eligible Count (3)
<b>TOTAL - Selected Schools</b>											
<b>TOTAL LEA</b>		2748	959	0	0	23	64	679	998	495	1109

# CUSD Enrollment Projection Assumptions

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
<b>Enrollment</b>	3207	3152	3136	2933	2803	2762	2732	2683	2640
COE Enrollment	2	1	3	3	3	3	3	3	3
<b>Total Enrollment</b>	3209	3153	3139	2936	2806	2765	2735	2686	2643
<b>Unduplicated Count</b>	1435	1352	1409	1271	1224	1116	1081	1036	991
COE Enrollment	2	1	3	3	3	3	3	3	3
<b>Total Unduplicated</b>	1437	1353	1412	1274	1227	1119	1084	1039	994
UPP %	44.78%	42.91%	44.98%	43.39%	43.73%	40.47%	39.63%	38.68%	37.61%
<b>DECLINE</b>		(55)	(16)	(203)	(130)	(41)	(30)	(49)	(43)





# California's Budget After The May Revise

- The California shortfall has grown from \$22.5 B to \$31.5 B in May
- There is a 50% probability of recession starting in 2023 or 2024
- There is projected to be a COLA of 8.22% for LCFF funding
- We stay the course of ongoing programs (ELOP, Universal Meals)
- To provide the COLA, large cuts have now been proposed to existing and currently utilized grants underway (Learning Recovery Emergency and also Arts/Music/Instructional Materials Grants)
- 2022-23 pension costs: CalSTRS 19.1% and CalPERS 26.68%
- Uncertain economic indicators are predicted ahead



	2022-23 Third Interim: Cabrillo USD Budget Summary and Multi-Year-Projections											
	2022-23: LCFF			2023-24: Basic Aid			2024-25: Basic Aid			2025-26: Basic Aid		
	UNRESTRICTED	RESTRICTED	COMBINED	UNRESTRICTED	RESTRICTED	COMBINED	UNRESTRICTED	RESTRICTED	COMBINED	UNRESTRICTED	RESTRICTED	COMBINED
LCFF	32,066,327	2,275,943	34,342,270	34,933,179	2,275,943	37,209,122	33,532,374	2,275,943	35,808,317	34,164,960	2,275,943	36,440,903
Federal Revenue	19,235	1,511,506	1,530,741	19,235	1,630,007	1,649,242	19,235	1,144,674	1,163,909	19,235	1,144,674	1,163,909
State Revenue	567,516	6,902,539	7,470,055	550,686	4,067,993	4,618,679	532,836	3,616,183	4,149,019	515,326	3,609,282	4,124,608
Local Revenue	282,536	3,250,316	3,532,852	282,536	2,442,525	2,725,061	282,536	2,359,689	2,642,225	282,536	2,359,689	2,642,225
Total Revenues	32,935,614	13,940,304	46,875,918	35,785,636	10,416,468	46,202,104	34,366,981	9,396,489	43,763,470	34,982,057	9,389,588	44,371,645
Certificated Salaries	12,908,965	4,280,346	17,189,311	13,023,289	3,994,669	17,017,958	13,283,755	3,895,763	17,179,518	13,549,430	3,946,434	17,495,864
Classified Salaries	3,655,996	4,368,112	8,024,108	3,762,460	4,273,715	8,036,175	3,837,709	4,358,641	8,196,350	3,914,463	4,445,814	8,360,277
Benefits	6,305,743	5,634,177	11,939,920	6,957,540	5,132,439	12,089,979	7,115,219	5,184,105	12,299,324	7,263,857	5,267,927	12,531,784
Supplies	957,424	1,485,013	2,442,437	991,163	1,817,640	2,808,803	998,198	1,080,719	2,078,917	1,005,099	1,073,818	2,078,917
Services	3,318,913	3,833,101	7,152,014	3,318,913	3,298,038	6,616,951	3,705,555	2,684,476	6,390,031	4,068,522	2,321,509	6,390,031
Capital Outlay	0	444,495	444,495	0	86,495	86,495	0	86,495	86,495	0	86,495	86,495
Other Outgo/Indirect	77,594	177,216	254,810	77,594	177,216	254,810	77,594	177,216	254,810	77,594	177,216	254,810
Total Expenses	27,224,635	20,222,460	47,447,095	28,130,959	18,780,212	46,911,171	29,018,030	17,467,415	46,485,445	29,878,965	17,319,213	47,198,178
Surplus/(Deficit)	5,710,979	(6,282,156)	(571,177)	7,654,677	(8,363,744)	(709,067)	5,348,951	(8,070,926)	(2,721,975)	5,103,092	(7,929,625)	(2,826,533)
Transfer in (891X)	0	0	0	0	0	0	0	0	0	0	0	0
Transfer out (761X)	200,000	0	200,000	200,000	0	200,000	200,000	0	200,000	200,000	0	200,000
Contribution	(7,932,009)	7,932,009	0	(7,847,534)	7,847,534	0	(8,232,228)	8,232,228	0	(8,487,320)	8,487,320	0
Other In / Out	(8,132,009)	7,932,009	(200,000)	(8,047,534)	7,847,534	(200,000)	(8,432,228)	8,232,228	(200,000)	(8,687,320)	8,487,320	(200,000)
Total Surplus/(Deficit)	(2,421,030)	1,649,853	(771,177)	(392,857)	(516,210)	(909,067)	(3,083,277)	161,302	(2,921,975)	(3,584,228)	557,695	(3,026,533)
9791	3,283,273	1,748,786	5,032,058	711,284	3,398,639	4,109,922	318,427	2,882,429	3,200,855	(2,764,850)	3,043,731	278,880
9793	(150,959)		(150,959)			0			0			0
9795												
Beginning Balance	3,132,314	1,748,786	4,881,099	711,284	3,398,639	4,109,922	318,427	2,882,429	3,200,855	(2,764,850)	3,043,731	278,880
Ending Balance	711,284	3,398,639	4,109,922	318,427	2,882,429	3,200,855	(2,764,850)	3,043,731	278,880	(6,349,078)	3,601,426	(2,747,653)
Revolving Cash, Stores & Prepaid	45,000		45,000	45,000		45,000	45,000		45,000	45,000		45,000
Restricted Programs		3,398,639	3,398,639		2,882,429	2,882,429		3,043,731	3,043,731		3,601,426	3,601,426
3% REU (9789)	1,429,413	0	1,429,413	1,413,336	0	1,413,336	1,400,564	0	1,400,564	1,421,946	0	1,421,946
UNASSIGNED (9790)	(763,129)	0	(763,129)	(1,139,909)	0	(1,139,909)	(4,210,414)	0	(4,210,414)	(7,816,024)	0	(7,816,024)

# Measures to Mitigate Our Fiscal Situation

Staff collaborated to streamline CUSD operations and use all resources available to us to fund programs and services. Measures included:

- Reallocation and journaling of expenditures so that we can meet the funding's legal intent and offset general fund expenditures
- Aligned use of one-time funds to support our current operations
- ESSER II; GEER II; ESSER III
- Arts, Music, and Instructional Materials Grant – Through 2025-26
- Learning Recovery Emergency Block Grant - Through 2027-28
- **\$2.1M of Funding Offset Achieved**



# Measures to Mitigate Fiscal Situation

- Original CUSD Grant Entitlement: \$1,726,609
- Approximated Expected Reduced Entitlement: \$1,105,030\* - **Now Approx. \$863,304**

<b>Arts, Music &amp; Instructional Materials Discretionary Block Grant Through FY 2025-26</b>		
<b>CUSD OBJECTIVES</b>	<b>CUSD Plan</b>	
	<b>Original Entitlement June 2022</b>	<b>Reduced Entitlement May 2023</b>
	<b>\$1,726,609.00</b>	<b>\$ 1,105,030.00</b>
<b>Current CUSD VAPA Initiatives (LCAP)</b>	\$ 150,000.00	\$ 150,000.00
<b>2023-24 Mathematics Adoption (6-12)</b>	\$ 220,000.00	\$ 220,000.00
<b>2023-24 Science Adoption - Elementary</b>	\$ 450,000.00	\$ 450,000.00
<b>Operational Costs including Retirement, Health Care and other allowable costs.</b>	\$ 906,609.00	\$ 285,030.00
<b>TOTALS</b>	<b>\$1,726,609.00</b>	<b>\$ 1,105,030.00</b>

\*NOTE: Final entitlement amount expected by May 2023



# 2022-23 Third Interim Financial Report

Guidance and data for the Third Interim Financial Report include guiding assumptions from the Department of Finance (**DOF**), the California Department of Education (**CDE**), the Fiscal Crisis and Management Assistance Team (**FCMAT**), and the San Mateo County Office of Education (**SMCOE**).



The Third Interim 2022-23 Financial Report reflects the multiple challenges CUSD faces to meet its current and future obligations. Deficit spending, declining enrollment, and flipping from LCFF to Basic Aid status (and back again) are factors that continue to impact CUSD's fiscal health. SMCOE has assigned a fiscal advisor and will take a more active role in CUSD financial procedures. Staff will continue to interrogate FCMAT fiscal health guidance to achieve fiscal solvency and maintain educational program integrity.

**Staff now recommends Governing Board approval of the 2022-23 Third Interim Report with a Negative Certification.**



# Questions?

*Thank you!*



**CUSD**

CABRILLO UNIFIED SCHOOL DISTRICT  
*Every Student. Every Day!*