



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

# Cabrillo Unified School District **2022-23 Second Interim Financial Report**

J Jesus Contreras  
Chief Business Officer  
March 9, 2023

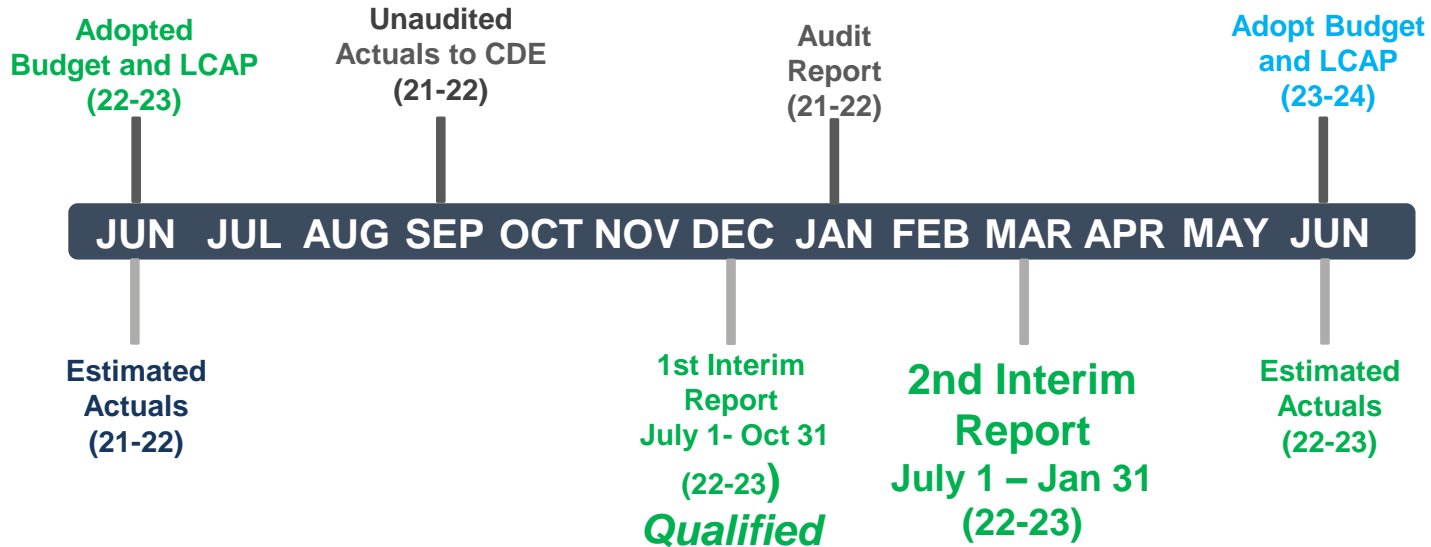
# 2021-22 Second Interim Financial Report

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 Board approved the First Interim Report as "*Qualified.*"

This ***Second Interim Financial Report*** provides the CUSD's Governing Board with another **point-in-time report** related to revenue and **expenditure forecasts for 2022-23**. It includes all fiscal activity through January 31, 2023, all state and federal funds allocated to the district via the California Budget Act, and other state and federal initiatives.



# 2022-23 Financial Reports



# 2022-23 Second Interim Financial Report

Guidance and data for the *Second Interim* financial report include: 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**).



# What's new since First Interim (December 2022)?

**Governor's Proposed 2023-24 Budget (1/10/2023). The proposed Budget reflects a California projected deficit of \$22.5 billion which continues to grow.**

- 8.13 % COLA.
- LCFF Equity Multiplier to close the achievement gap – Targets poor K-12 schools. CUSD schools do not qualify.
- **Continued funding for the Expanding Learning Opportunity Program**
- Second year of Transitional Kindergarten expansion.
- **Support for the 8.13% COLA for State Preschool reimbursement rates.**
- Delayed Preschool, Transitional Kindergarten, and Full-Day Kindergarten Facilities grant.
- TK student-to-adult ratio of 12-to-1 for 2023-24.
- ADA affirmed as the average of the most recent three prior years.



# 2022-23 Second Interim Assumptions:

## LCFF PLANNING FACTORS

Factor	2022-23	2023-24 <sup>1</sup>	2024-25	2025-26	2026-27
Department of Finance Statutory COLA	6.56%	8.13%	3.54%	3.31%	3.23%
Planning COLA	6.56%	8.13%	3.54%	3.31%	3.23%

## OTHER PLANNING FACTORS

Factors	2022-23	2023-24	2024-25	2025-26	2026-27	
California CPI	6.00%	3.44%	2.77%	2.49%	2.74%	
California Lottery	Unrestricted per ADA	\$170	\$170	\$170	\$170	\$170
	Restricted per ADA	\$67	\$67	\$67	\$67	\$67
Mandate Block Grant (District)	Grades K-8 per ADA	\$34.94	\$37.78	\$39.12	\$40.41	\$41.72
	Grades 9-12 per ADA	\$67.31	\$72.78	\$75.36	\$77.85	\$80.36
Mandate Block Grant (Charter)	Grades K-8 per ADA	\$18.34	\$19.83	\$20.53	\$21.21	\$21.90
	Grades 9-12 per ADA	\$50.98	\$55.12	\$57.07	\$58.96	\$60.86
Interest Rate for Ten-Year Treasuries	3.78%	3.23%	2.79%	2.70%	2.80%	
CalSTRS Employer Rate <sup>4</sup>	19.10%	19.10%	19.10%	19.10%	19.10%	
CalPERS Employer Rate <sup>4</sup>	25.37%	27.00%	28.10%	28.80%	29.20%	
Unemployment Insurance Rate <sup>5</sup>	0.50%	0.20%	0.20%	0.20%	0.20%	
Minimum Wage <sup>6</sup>	\$15.50	\$16.00	\$16.40	\$16.80	\$17.20	

# 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)





# LCFF Calculator at Second Interim:

Cabrillo Unified (68890) - FY 22/23 2nd Interim with 2% annual tax growth						
	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
<b>SUMMARY OF FUNDING</b>						
<b>General Assumptions</b>						
COLA & Augmentation	5.07%	13.26%	8.13%	3.54%	3.31%	3.23%
Base Grant Proration Factor	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Add-on, ERT & MSA Proration Factor	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>LCFF Entitlement</b>						
Base Grant	\$25,930,957	\$28,234,654	\$29,165,499	\$28,681,519	\$29,202,037	\$29,696,353
Grade Span Adjustment	927,271	1,001,328	1,025,269	998,216	1,017,039	1,034,052
Supplemental Grant	2,368,359	2,489,737	2,494,966	2,350,636	2,335,935	2,333,667
Concentration Grant	-	-	-	-	-	-
Add-ons: Targeted Instructional Improvement Block Grant	-	-	-	-	-	-
Add-ons: Home-to-School Transportation	336,514	336,514	363,873	376,754	389,225	401,797
Add-ons: Small School District Bus Replacement Program	-	-	-	-	-	-
Add-ons: Transitional Kindergarten	-	-	-	-	-	-
Total LCFF Entitlement Before Adjustments, ERT & Additional State Aid	\$29,563,101	\$32,062,233	\$33,049,607	\$32,407,125	\$32,944,236	\$33,465,869
Miscellaneous Adjustments	-	-	-	-	-	-
Economic Recovery Target	-	-	-	-	-	-
Additional State Aid	-	-	-	-	-	-
<b>Total LCFF Entitlement</b>	<b>29,563,101</b>	<b>32,062,233</b>	<b>33,049,607</b>	<b>32,407,125</b>	<b>32,944,236</b>	<b>33,465,869</b>
<b>LCFF Entitlement Per ADA</b>	<b>\$ 10,010</b>	<b>\$ 11,314</b>	<b>\$ 12,232</b>	<b>\$ 12,656</b>	<b>\$ 13,054</b>	<b>\$ 13,461</b>
<b>Components of LCFF By Object Code</b>						
State Aid (Object Code 8011)	\$ 1,021,371	\$ 24,222,014	\$ 1,021,371	\$ 1,021,371	\$ 1,021,371	\$ 1,021,371
EPA (for LCFF Calculation purposes)	\$ 590,656	\$ 7,840,219	\$ 540,394	\$ 512,142	\$ 504,732	\$ 497,212
<b>Local Revenue Sources:</b>						
Property Taxes (Object 8021 to 8089)	\$ 28,778,973	\$ -	\$ 33,203,075	\$ 31,827,137	\$ 32,463,680	\$ 33,112,954
In-Lieu of Property Taxes (Object Code 8096)	-	-	-	-	-	-
Property Taxes net of In-Lieu	\$ 28,778,973	\$ -	\$ 33,203,075	\$ 31,827,137	\$ 32,463,680	\$ 33,112,954
<b>TOTAL FUNDING</b>	<b>30,391,000</b>	<b>32,062,233</b>	<b>34,764,840</b>	<b>33,360,650</b>	<b>33,989,783</b>	<b>34,631,537</b>
<b>Basic Aid Status</b>						
Excess Taxes	\$ 237,243	\$ -	\$ 1,174,839	\$ 441,383	\$ 540,815	\$ 668,456
EPA in Excess to LCFF Funding	\$ 590,656	\$ -	\$ 540,394	\$ 512,142	\$ 504,732	\$ 497,212
<b>Total LCFF Entitlement</b>	<b>29,563,101</b>	<b>32,062,233</b>	<b>33,049,607</b>	<b>32,407,125</b>	<b>32,944,236</b>	<b>33,465,869</b>



# CUSD Arts, Music, & Instructional Materials (AMIM) Discretionary Block Grant

- > Discretionary block grant, authorized under Section 56 of Assembly Bill 185AB - 06/30/22
- > In January 2023, Gov. proposed reduction of grant from \$3.6B to \$2.3B - Approx. 36%
  - Allowable expenditure on any combination of the following:
    1. **Standards-aligned professional development and instructional materials in specific subject areas**
    2. Professional development on improving school culture
    3. Diverse and culturally relevant book collections
    4. **Operational costs, including retirement and health care cost increases**
    5. COVID personal protective equipment



	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 (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	(7,701,866)	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)

# CUSD Arts, Music, & Instructional Materials Discretionary Block Grant Plan

- Original CUSD Grant Entitlement: \$1,726,609
- Approximated Expected Reduced Entitlement: \$1,105,030\*

<b>Arts, Music &amp; Instructional Materials Discretionary Block Grant Through FY 2025-26</b>		
	<b>CUSD Plan</b>	
<b>CUSD OBJECTIVES</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



The Second Interim 2022-23 Financial Report reflects the challenges CUSD faces to meet its current and future obligations. With attention to the positive and adverse effects of declining enrollment and the uncertainties related to flipping LCFF/Basic Aid status, CUSD staff will continue assessing our fiscal health and seeking deficit spending reduction measures. We are procuring SMCOE, FCMAT, and other pertinent agency's guidance to maintain fiscal solvency and educational program integrity.

**Staff requests Board approval of the 2022-23 Second Interim Report with a Qualified Certification and approval of the CUSD AMIM Discretionary Grant Plan as presented.**



# Questions?

*Thank you!*



**CUSD**

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