



SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT

# 2023-24 Second Interim Report

Melody Canady  
Assistant Superintendent,  
Business & Fiscal Services

March 13, 2024 Board Meeting  
*Agenda Item II.E.1*



# Budget Reporting Periods

1. Preliminary Budget – June
2. Public Hearing Budget – June
3. Adopted Budget – June
4. 45-Day Revision (if needed) – August
5. First Interim – December
6. Second Interim – March
7. Third Revision – May
8. Estimated Actuals – June
9. Fourth Revision (if needed) – June
10. Unaudited Actuals – September
11. FOC/Board Liaisons Review Draft Audit – Dec.
12. Board Approves Final Audit Report – Jan.



# SMMUSD 2<sup>nd</sup> Interim Report

- Shows the District's financial position as of January 31, 2024
- Displays the First Interim Budget and the Second Interim Budget with the change between the two periods
- Includes an analysis of standards and assumptions for financial reporting set by the State
- Analyzes the impact on the Multi-Year Projections of the General Fund for the current and next two fiscal years
- Certifies one of three conditions:
  - Positive, Negative or Qualified



SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT

# GENERAL FUND

FUND 01

# 2023-24 Second Interim Budget Report

2023-24 LOCAL CONTROL FUNDING FORMULA (LCFF) CALCULATION					1/31/2024
<b>BASE GRANT:</b>					
	TK-3	4-6	7-8	9-12	<b>TOTAL</b>
	2,433.46	2,005.22	1,436.48	3,026.67	8,901.83
2022-23 BASE	9,166	9,304	9,580	11,102	
2023-24 8.22% COLA	753	765	787	913	
2023-24 BASE	9,919	10,069	10,367	12,015	
	24,138,606	20,190,137	14,892,672	36,364,142	<b>95,585,557</b>
<b>AUGMENTATION GRANTS:</b>					
CLASS SIZE REDUCTION (CSR) AUGMENTATION: BASE GRANT X 10.4%					<b>2,510,415</b>
CAREER TECHNICAL EDUCATION (CTE) AUGMENTATION 9-12 BASE GRANT X 2.6%					<b>945,468</b>
<b>SUPPLEMENTAL AND CONCENTRATION GRANTS:</b>					
TOTAL ENROLLMENT (3-YEAR AVERAGE)					8,875
TOTAL UNDUPLICATED PUPIL COUNT (3-YEAR AVERAGE)					2,619
					29.51%
<b>SUPPLEMENT ADD-ON 20% OF BASE GRANT X % OF ELIGIBLE ENROLLMENT</b>					<b>5,845,617</b>
<b>TRANSPORTATION, TIIG GRANT, &amp; ADD-ON:</b>					
2012-13 TRANSPORTATION					<b>887,699</b>
2012-13 TARGETED INSTRUCTIONAL IMPROVEMENT BLOCK GRANT					<b>429,757</b>
TRANSITIONAL KINDERGARTEN ADD-ON					<b>581,830</b>
<b>TOTAL 2023-24 LCFF ENTITLEMENT</b>					<b>106,786,344</b>
<b>MINIMUM STATE AID / 2012-13 CATEGORICAL PROGRAMS</b>					<b>8,585,843</b>
<b>TOTAL FUNDING LESS: 2012-13 MINIMUM/CATEGORICAL</b>					<b>98,200,501</b>
<b>LOCAL REVENUE / PROPERTY TAXES</b>					<b>109,703,372</b>
<b>Amount of Property Tax Over LCFF Funding (Basic Aid when negative)</b>					<b>(11,502,871)</b>

Note Outside of Calculation:

<b>EDUCATION PROTECTION ACCOUNT</b>	<b>1,784,666</b>
<b>TRANSFER TO CHARTER SCHOOL</b>	<b>-287,000</b>

# 2023-24 Second Interim Budget Report

## FUND 01: UNRESTRICTED GENERAL FUND

Object	Description	First Interim Budget 10/31/2023	Second Interim Budget 1/31/2024	Changes
	Beginning Fund Balance	34,881,853	34,881,853	-
8011-8099	LCFF Revenue	120,002,215	120,002,215	-
8100-8299	Federal Revenue	-	-	-
8300-8590	State Revenue	1,924,000	1,924,000	-
8600-8799	Local Revenue	48,876,307	48,876,307	-
8980-8999	Local General Fund Contributions	(35,942,555)	(36,204,383)	(261,828)
	<b>Total Revenue</b>	<b>134,859,967</b>	<b>134,598,139</b>	<b>(261,828)</b>
1000-1999	Certificated Salaries	57,441,964	57,314,251	(127,713)
2000-2999	Classified Salaries	23,874,219	23,457,315	(416,904)
3000-3999	Employee Benefits	37,625,490	37,057,033	(568,457)
4000-4999	Books and Supplies	3,565,696	3,779,840	214,144
5000-5999	Services and Other Operating Costs	18,281,207	18,565,854	284,647
6000-6999	Capital Outlay	948,092	788,592	(159,500)
7100-7299	Other Outgo	90,000	90,000	-
7300-7399	Indirect Costs	(2,860,957)	(2,857,323)	3,634
7400-7499	Debt Services	-	-	
7600-7629	Transfer Out/ Fund 12, 13, 14	2,600,000	2,600,000	-
	<b>Total Expenditures</b>	<b>141,565,711</b>	<b>140,795,562</b>	<b>(770,149)</b>
	Increase /(Decrease) Fund Balance	<b>(6,705,744)</b>	<b>(6,197,423)</b>	<b>508,321</b>
	<b>Projected Fund Balance</b>	<b>28,176,109</b>	<b>28,684,430</b>	



# 2023-24 Second Interim Budget Report

## Major Changes

### Revenues:

\$ (261,828) Increase in Local General Fund Contribution (LGFC) to Special Education, which creates a decrease to revenue

### Expenditures:

\$ (127,713) Decrease in Certificated Monthly, Hourly, Overtime, and Substitute Salaries due to Unfilled Vacancies

\$ (416,904) Decrease in Classified Hourly, Overtime, and Substitute Salaries

\$ (568,457) Decrease in Statutory Benefits (-177,709) & Employee Health Benefits (-390,748)

\$ 214,144 Increase in Books & Supplies

\$ 284,647 Increase in Services & Operating Costs (legal costs, independent contractors, & conf/travel)

*110,380 Other Operational Costs*

*81K Increase in Conference & Travel*

*2K Increase in Dues & Memberships*

*27K Increase in Rentals/Leases/Repairs*

*26K Increase to contra-account for Intra-fund Transfers (decrease to General Ledger)*

*25K Decrease to contra-account for Inter-fund Transfers (increase to General Ledger)*

*174,467 Other Operational Costs*

*73K Increase in Other Operating Costs (Maintenance Agmts, Advertising, Memberships, Interfund Transfers, & Other)*

*86K Increase in Consultants*

*15K Increase in Communications (land & mobile)*

\$ (159,500) Decrease in Capital Outlay vehicles continues to be ongoing supply chain delays

\$ 3,634 Increase in Indirect Charges to New Categorical Programs from Federal/State Resources (decrease to expenses)



# 2023-24 Second Interim Budget Report

## FUND 01: RESTRICTED GENERAL FUND

Object	Description	First Interim Budget 10/31/2023	Second Interim Budget 1/31/2024	Changes
	Beginning Fund Balance	24,355,307	24,355,307	-
8100-8299	Federal Revenue	6,955,542	6,955,584	42
8300-8590	State Revenue	10,952,336	11,171,679	219,343
8600-8799	Local Revenue	11,597,938	13,103,871	1,505,933
8980-8999	Local General Fund Contributions	35,942,555	36,204,383	261,828
	<b>Total Revenue</b>	<b>65,448,371</b>	<b>67,435,517</b>	<b>1,987,146</b>
1000-1999	Certificated Salaries	16,336,600	15,596,508	(740,092)
2000-2999	Classified Salaries	14,330,272	13,538,954	(791,318)
3000-3999	Employee Benefits	16,263,763	15,446,434	(817,329)
4000-4999	Books and Supplies	8,141,414	7,952,670	(188,744)
5000-5999	Services and Other Operating Costs	11,073,109	14,259,707	3,186,598
6000-6999	Capital Outlay	46,225	54,716	8,491
7300-7399	Indirect Costs	1,963,143	1,972,977	9,834
	<b>Total Expenditures</b>	<b>68,154,526</b>	<b>68,821,966</b>	<b>667,440</b>
	Increase /(Decrease) Fund Balance	<b>(2,706,155)</b>	<b>(1,386,449)</b>	<b>1,319,706</b>
	<b>Projected Fund Balance</b>	<b>21,649,152</b>	<b>22,968,858</b>	





# 2023-24 Second Interim Budget Report

## Major Changes

### Revenues:

- \$ 42 Increase in Federal Revenue for Title I, II, IV programs & Learning Recovery/CARES Act Covid-19 Funding  
*42 Increase in Title I Federal Funds*
- \$ 219,343 Increase in State Projected Revenue and State CARES Act Covid-19 Funding  
*219K Increase in Special Education State Mental Health Related Services*
- \$ 1,505,933 Increase in Projected Revenue from PTA, Booster Club, & Gifts
- \$ 261,828 Increase in Local General Fund Contribution (LGFC) to Special Education



# 2023-24 Second Interim Budget Report

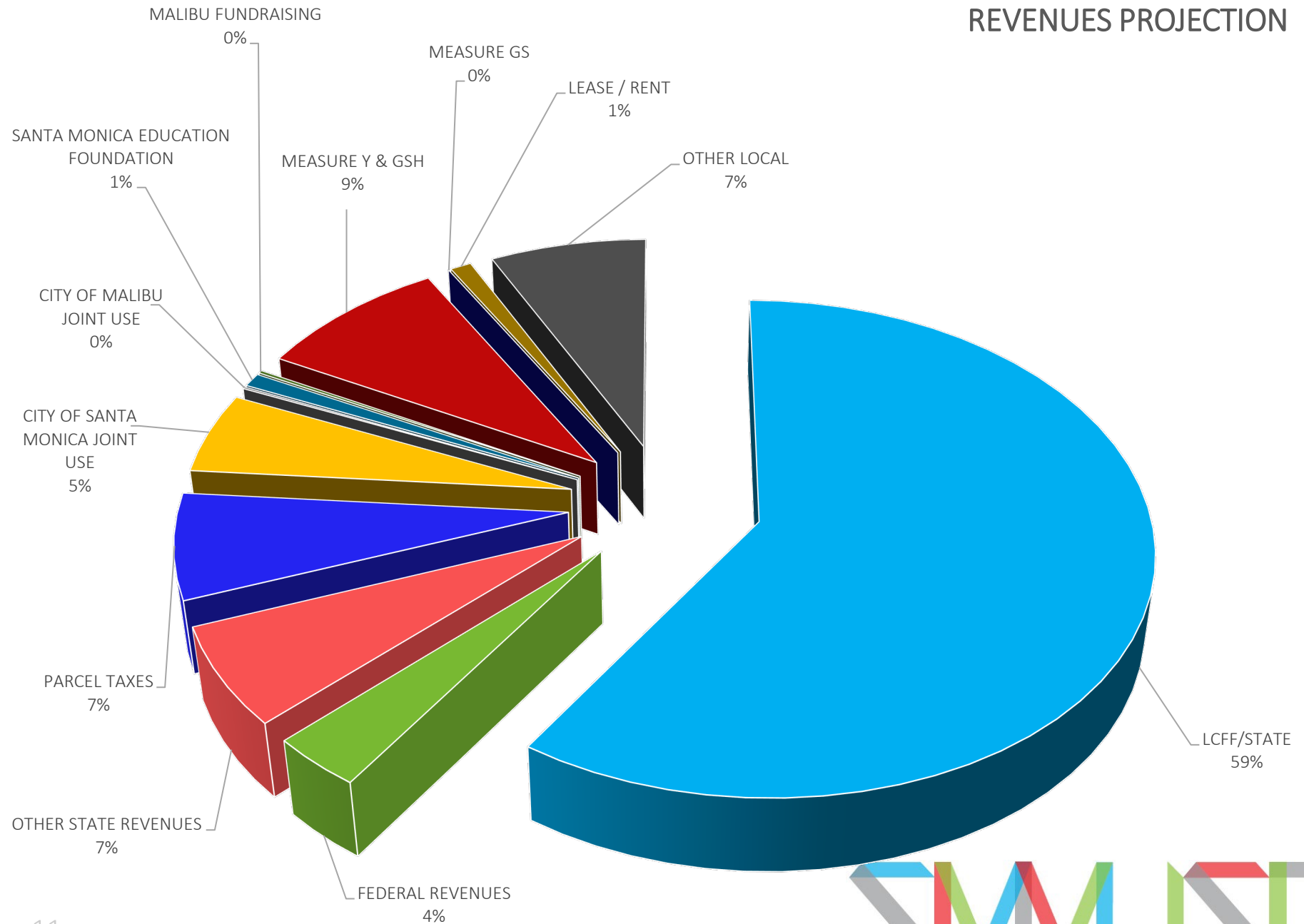
## Major Changes

### Expenditures:

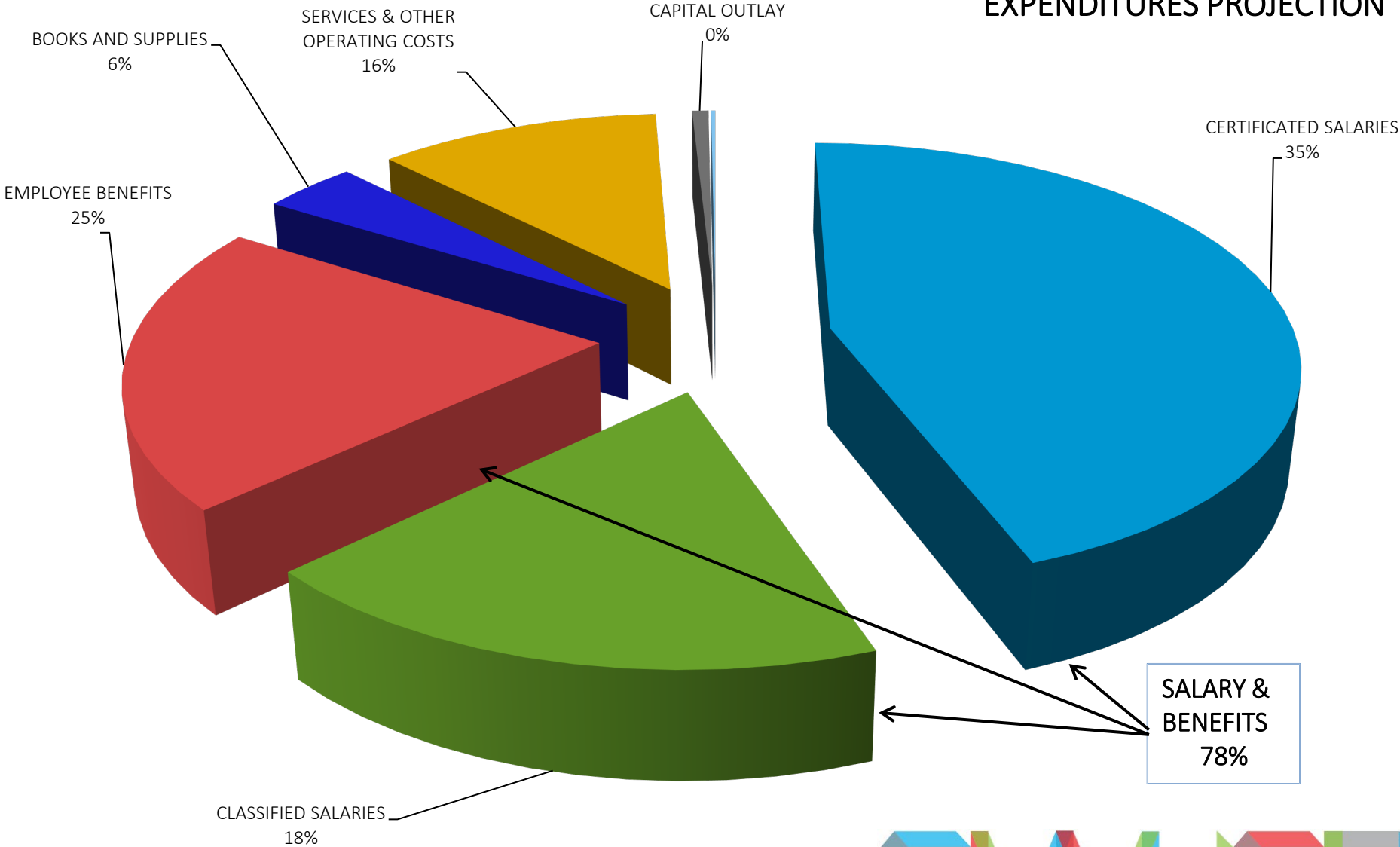
- \$ (740,092) Decrease in Certificated Monthly, Hourly, Overtime, and Substitute Salaries
- \$ (791,318) Decrease in Classified Hourly, Overtime, and Substitute Salaries
- \$ (817,329) Decrease in Statutory Benefits & Employee Health Benefits
- \$ (188,744) Decrease in Books & Supplies - Learning Recovery Items from Covid-19 per Board adopted resolution
- \$ 3,186,598 Increase in Services & Operating Costs (legal costs, independent contractors, conf/travel)
  - 1.6M Special Education NPA (Non-Public Agency) Contracts & Placements*
  - 1.2M Other Operating Costs (Maintenance Agreements, Advertising, Memberships, Interfund Transfers, Comms)*
  - 165K Restricted Categorical Programs Consultants*
  - 125K Repair by Vendor*
  - 27K Intrafund Transfers*
  - 15K Conference & Travel*
- \$ 8,491 Increase in Equipment for Maintenance & Operations (Routine Restricted Maintenance Account)
  - 5K Decrease in Maintenance & Operations Equipment Budget*
  - 13.5K Increase Edison Replacement Copier*
- \$ 9,834 Increase in Indirect Costs to various Categorical Programs from Federal and State Resources



# 2023-24 GENERAL FUND (FUND 01) REVENUES PROJECTION



2023-24 GENERAL FUND (Fund 01)  
EXPENDITURES PROJECTION



# 2023-24 Second Interim Budget Report

## As of 1/31/2024

### Components of Ending Fund Balances

2023-24

#### Fund 01: Unrestricted General Fund

Unrestricted General Fund Beginning Balance	\$	34,881,853
Current Year (Deficit)/Surplus Spending		(6,197,423)
Audit Restatement & Adjustments for 2022-23 in 2023-24		(5,202,073)
Ending Fund Balance that Requires Explanation		23,482,357

#### Reasons for Assigned and Unassigned Ending Fund Balances

##### \*State Recommended 17% Minimum Level for Unified Districts

	23,482,357
Less: 3% Reserve for Economic Uncertainties	(6,291,608)
Reserve for Revolving Cash & Prepaid	(20,005)
Reserve for 24-25 Deficit Spending	-
Reserve for 25-26 Deficit Spending	-
^Reserve for up to 2 months General Fund Expenditures	17,170,744
<b>Unappropriated Balance</b>	<b>0</b>

\*current reserve is at 11.19% (up 0.25% from 10.95% @ 23-24 First Interim Budget)

\*2021-22 Statewide Average Reserve for Unified State-Aid Districts is 22.19%

\*Basic Aid Districts should be 25%

^A 2-month reserve would be approximately \$26.8M



# 2021-22

## Statewide Average Reserves

2021-22 Average Unrestricted General Fund, Plus Fund 17; Net Ending Balances as a Percentage of Total General Fund Expenditures, Transfers, and Other Uses		Change From Prior ~Year
Elementary School Districts	25.32%	(0.69%)
High School Districts	21.29%	(0.53%)
Unified School Districts	22.19%	(0.17%)
†SMMUSD Reserve (as of 2021-22 Actuals)	26.31%	+7.95%
^SMMUSD Reserve (as of 2023-24 Second Interim)	11.19%	*(0.29%)

† Compared to 2020-21

^ Prior Year Ending Fund Balance included in Current Year Beginning Balance

\* Compared to 2022-23 Second Interim

Source: Statewide Certified Data (School Services of California)

~Compared to reserve levels of 2020-21







SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT

# OTHER FUNDS

FUNDS

11, 12, 13, 14, 21, 25, 40, 51, 71

# 2023-24 Second Interim Budget Report

## FUND 11: ADULT EDUCATION FUND

Object	Description	First Interim Budget 10/31/2023	Second Interim Budget 1/31/2024	Changes
	Beginning Fund Balance	1,114,950	1,114,950	-
8100-8299	Federal Revenue	63,940	87,691	23,751
8300-8590	Other State Revenue	928,121	928,121	-
8600-8799	Local Revenue	-	2,500	2,500
	<b>Total Revenues</b>	<b>992,061</b>	<b>1,018,312</b>	<b>26,251</b>
1000-1999	Certificated Salaries	303,300	303,300	-
2000-2999	Classified Salaries	218,255	208,187	(10,068)
3000-3999	Employee Benefits	255,013	255,438	425
4000-4999	Books and Supplies	60,136	85,195	25,059
5000-5999	Services and Other Operating Costs	68,306	79,141	10,835
7300-7399	Indirect Costs	87,051	87,051	-
	<b>Total Expenditures</b>	<b>992,061</b>	<b>1,018,312</b>	<b>26,251</b>
	Increase /(Decrease) Fund Balance	-	-	-
	<b>Projected Fund Balance</b>	<b>1,114,950</b>	<b>1,114,950</b>	

### Revenue:

\$ 23,751 Increase in Federal Revenue

\$ 2,500 Increase in Local Revenue

### Expenditure:

\$ (10,068) Decrease in Classified Hourly, Overtime, and Substitute Salaries

\$ 425 Increase in Statutory Benefits & Employee Health Benefits

\$ 25,059 Increase in Books & Supplies

\$ 10,835 Increase in Services & Other Operating Costs

# 2023-24 Second Interim Budget Report

## FUND 12: CHILD DEVELOPMENT FUND

Object	Description	First Interim Budget 10/31/2023	Second Interim Budget 1/31/2024	Changes
	Beginning Fund Balance	3,742,409	3,742,409	-
8100-8299	Federal Revenue	75,000	75,000	-
8300-8590	State Revenue	3,730,572	4,221,373	490,801
8600-8799	Local Revenue	4,090,468	3,477,295	(613,173)
8900-8929	Interfund Transfer from Fund 01	1,100,000	1,100,000	-
	<b>Total Revenues</b>	<b>8,996,040</b>	<b>8,873,668</b>	<b>(122,372)</b>
1000-1999	Certificated Salaries	2,320,131	2,273,406	(46,725)
2000-2999	Classified Salaries	1,660,154	1,720,615	60,461
3000-3999	Employee Benefits	1,742,256	1,736,271	(5,985)
4000-4999	Books and Supplies	155,275	157,275	2,000
5000-5999	Services and Other Operating Costs	667,226	588,816	(78,410)
6000-6999	Capital Outlay	-	-	-
7300-7399	Indirect Costs	654,067	647,398	(6,669)
	<b>Total Expenditures</b>	<b>7,199,109</b>	<b>7,123,781</b>	<b>(75,328)</b>
	Increase /(Decrease) Fund Balance	<b>1,796,931</b>	<b>1,749,887</b>	<b>(47,044)</b>
	<b>Projected Fund Balance</b>	<b>5,539,340</b>	<b>5,492,296</b>	



## 2023-24 Second Interim Budget Report

### Revenues:

- \$ 490,801 Projected Increase in State Preschool & Child Care Funding Program
- \$ (613,173) Projected Decrease in Revenue in Full Fee Program

### Expenditures:

- \$ (46,725) Decrease in Certificated Monthly, Hourly, Overtime, and Substitute Salaries
- \$ 60,461 Increase in Classified Hourly, Overtime, and Substitute Salaries
- \$ (5,985) Decrease in Statutory Benefits & Employee Health Benefits
- \$ 2,000 Increase in Books & Supplies
- \$ (78,410) Decrease in Services & Other Operating Costs
- \$ (6,669) Decrease in Indirect Costs

# 2023-24 Second Interim Budget Report

## FUND 13: CAFETERIA SPECIAL FUND

Object	Description	First Interim Budget 10/31/2023	Second Interim Budget 1/31/2024	Changes
	Beginning Fund Balance	1,012,566	1,012,566	-
8100-8299	Federal Revenue	2,525,000	2,525,000	-
8300-8590	State Revenue	2,000,000	2,425,720	425,720
8600-8799	Local Revenue (Food Sales)	126,000	294,764	168,764
8900-8929	Interfund Transfer	-	-	-
	<b>Total Revenues</b>	<b>4,651,000</b>	<b>5,245,484</b>	<b>594,484</b>
2000-2999	Classified Salaries	1,911,731	1,841,620	(70,111)
3000-3999	Employee Benefits	1,047,820	983,567	(64,253)
4000-4999	Books and Supplies	1,995,900	2,196,600	200,700
5000-5999	Services and Other Operating Costs	74,500	73,800	(700)
6000-6999	Capital Outlay	-	-	-
7300-7399	Indirect Costs	156,696	149,897	(6,799)
	<b>Total Expenditures</b>	<b>5,186,647</b>	<b>5,245,484</b>	<b>58,837</b>
	Increase /(Decrease) Fund Balance	<b>(535,647)</b>	-	<b>535,647</b>
	<b>Projected Fund Balance</b>	<b>476,919</b>	<b>1,012,566</b>	

### Revenue:

\$ 425,720 Increase in State Revenue

\$ 168,764 Increase in Local Revenue for Food Sales

### Expenditures:

\$ (70,111) Decrease in Classified Hourly, Overtime, and Substitute Salaries

\$ (64,253) Decrease in Statutory Benefits & Employee Health Benefits

\$ 200,700 Increase in Food Costs & Paper Supply Costs

\$ (700) Decrease in Services & Other Operating Costs

\$ (6,799) Decrease in Indirect Costs

# 2023-24 Second Interim Budget Report

## FUND 14: DEFERRED MAINTENANCE FUND

Object	Description	First Interim Budget 10/31/2023	Second Interim Budget 1/31/2024	Changes
	Beginning Fund Balance	890,830	890,830	-
8010-8099	LCFF transfer to Fund 14	-	-	-
8600-8799	Local Revenue	5,000	5,000	-
8919	Transfer from General Fund	1,500,000	1,500,000	-
	<b>Total Revenues</b>	<b>1,505,000</b>	<b>1,505,000</b>	<b>-</b>
4000-4999	Books and Supplies	-	-	-
5000-5999	Services and Other Operating Costs	940,000	965,000	25,000
6000-6999	Capital Outlay	60,000	60,000	-
	<b>Total Expenditures</b>	<b>1,000,000</b>	<b>1,025,000</b>	<b>25,000</b>
	Increase /(Decrease) Fund Balance	<b>505,000</b>	<b>480,000</b>	<b>(25,000)</b>
	<b>Projected Fund Balance</b>	<b>1,395,830</b>	<b>1,370,830</b>	

### Revenue:

No Change Since First Interim

### Expenditure:

\$ 25,000 Increase in Other Operating Costs





# 2023-24 Second Interim Budget Report

## \*FUND 21: BUILDING FUND / MEASURE BB, ES, SMS, & M - All Series

Object	Description	First Interim Budget 10/31/2023	Second Interim Budget 1/31/2024	Changes
	Fair Market Value Adjustment (FMV)	(9,064,588)	(9,064,588)	
	Beginning Fund Balance	165,474,729	165,474,729	-
8600-8799	Local Revenue	675,000	675,000	-
8800-8951	Bond Proceeds - SMS Series C	174,011,250	174,011,250	-
8800-8951	Bond Proceeds - M Series C	-	-	-
8952-8979	Other Financing	-	-	-
	<b>Total Revenues</b>	<b>174,686,250</b>	<b>174,686,250</b>	-
2000-2999	Classified Salaries	1,133,370	1,133,370	-
3000-3999	Employee Benefits	604,367	604,367	-
4000-4999	Books and Supplies	1,639,400	1,647,168	7,768
5000-5999	Services and Other Operating Costs	29,085,885	62,043,880	32,957,995
6000-6999	Capital Outlay	73,383,550	222,755,974	149,372,424
	<b>Total Expenditure</b>	<b>105,846,572</b>	<b>288,184,759</b>	<b>182,338,187</b>
	<b>Increase /(Decrease) Fund Balance</b>	<b>68,839,678</b>	<b>(113,498,509)</b>	<b>(182,338,187)</b>
	<b>Projected Fund Balance</b>	<b>234,314,407</b>	<b>51,976,220</b>	

\*Budget by Sub-Fund, Measure & Series In First Interim Board Item Attachment



# 2023-24 Second Interim Budget Report

## FUND 25: CAPITAL FACILITIES FUND

Object	Description	First Interim Budget 10/31/2023	Second Interim Budget 1/31/2024	Changes
	Beginning Fund Balance	5,767,446	5,767,446	-
8681	Developer Fees	500,000	1,206,500	706,500
8660	Local Revenue	50,000	50,000	-
	<b>Total Revenues</b>	<b>550,000</b>	<b>1,256,500</b>	<b>706,500</b>
4000-4999	Supplies	3,300	3,300	-
5000-5999	Services and Other Operating Costs	896,700	1,131,700	235,000
6000-6999	Capital Outlay	100,000	121,500	21,500
	<b>Total Expenditures</b>	<b>1,000,000</b>	<b>1,256,500</b>	<b>256,500</b>
	Increase /(Decrease) Fund Balance	<b>(450,000)</b>	<b>-</b>	<b>450,000</b>
	<b>Projected Fund Balance</b>	<b>5,317,446</b>	<b>5,767,446</b>	

### Revenue:

\$ 706,500 Projected Increase in Developer Fees

### Expenditure:

\$ 235,000 Increase in Services & Other Operating Costs

\$ 21,500 Increase in Capital Outlay Projection



# 2023-24 Second Interim Budget Report

## FUND 40: SPECIAL RESERVE FUND FOR CAPITAL OUTLAY

Object	Description	First Interim Budget 10/31/2023	Second Interim Budget 1/31/2024	Changes
	Beginning Fund Balance	11,734,954	11,734,954	-
8590-8599	State Revenue	-	-	-
8600-8625	Local Revenue	4,500,000	6,319,759	1,819,759
8626-8660	Local Revenue (Interest Earned)	100,000	100,000	-
8661-8699	Local Revenue	-	-	-
8971-8971	Other Sources - Proceeds from COP	-	-	-
	<b>Total Revenues</b>	<b>4,600,000</b>	<b>6,419,759</b>	<b>1,819,759</b>
4000-4999	Supplies	37,000	37,000	-
5000-5999	Services and Other Operating Costs	2,147,254	2,779,923	632,669
6000-6999	Capital Outlay	562,836	602,836	40,000
7400-7499	COPS Payments	3,000,000	3,000,000	-
	<b>Total Expenditures</b>	<b>5,747,090</b>	<b>6,419,759</b>	<b>672,669</b>
	Increase /(Decrease) Fund Balance	<b>(1,147,090)</b>	-	<b>1,147,090</b>
	<b>Projected Fund Balance</b>	<b>10,587,864</b>	<b>11,734,954</b>	

### Revenue:

\$ 1,819,759 Increase in Projected Facilities RDA (Community Redevelopment Agency) Funds

### Expenditure:

\$ 632,669 Increase in Services & Other Operating Costs

\$ 40,000 Increase in Capital Outlay Projection

# 2023-24 Second Interim Budget Report

## FUND 51: BOND INTEREST & REDEMPTION FUND\*

Object	Description	First Interim Budget 10/31/2023	Second Interim Budget 1/31/2024	Changes
	Beginning Fund Balance	54,262,231	54,262,231	-
8611-8614	Local Revenue	54,426,947	54,426,947	-
8661-8799	Local Revenue Interest	148,862	148,862	-
	<b>Total Revenues</b>	<b>54,575,809</b>	<b>54,575,809</b>	<b>-</b>
7433	Debt Service - Bond Redemptions	32,512,688	32,512,688	-
7434	Debt Service - Bond Interest & Other Services	34,501,688	34,501,688	-
	<b>Total Expenditures</b>	<b>67,014,376</b>	<b>67,014,376</b>	<b>-</b>
	Increase /(Decrease) Fund Balance	<b>(12,438,567)</b>	<b>(12,438,567)</b>	<b>-</b>
	<b>Projected Fund Balance</b>	<b>41,823,664</b>	<b>41,823,664</b>	<b>-</b>

\*Fund managed by Los Angeles County Office of Education (LACOE) and reported by District

### Revenue:

No Change Since First Interim

### Expenditure:

No Change Since First Interim



# 2023-24 Second Interim Budget Report

## FUND 71: RETIREE BENEFIT FUND FOR OPEB

Object	Description	First Interim Budget 10/31/2023	Second Interim Budget 1/31/2024	Changes
	Beginning Fund Balance	9,115,280	9,115,280	-
8600-8660	Local Revenue Interest	10,000	10,000	-
8661-8799	Local Revenue	1,500,000	1,500,000	-
	<b>Total Revenues</b>	<b>1,510,000</b>	<b>1,510,000</b>	<b>-</b>
5000-5999	Services and Other Operating Costs	1,500,000	1,500,000	-
	Total Expenditures	1,500,000	1,500,000	-
	Increase /(Decrease) Fund Balance	10,000	10,000	-
	<b>Projected Fund Balance</b>	<b>9,125,280</b>	<b>9,125,280</b>	<b>-</b>

### Revenue:

No Change Since First Interim

### Expenditure:

No Change Since First Interim





# Multi-Year Projection Reflects:

- The District's financial position over the current and next two fiscal years.
- State revenue Cost of Living (COLA) increases over the next three years
  - 8.22% (2023-24)
  - 0.76% (2024-25)
  - 2.73% (2025-26)
- LCFF Gap Fully Funded (100%)
- Student enrollment is 8,634 as of CBEDS Day 10/4/2023 for 2023-24 – declined by 201 since prior year





# Multi-Year Projection Reflects:

- Local revenue from Parcel Taxes, Prop Y & GSH, City of Malibu & Santa Monica Joint Uses, Santa Monica Education Foundation, Malibu Fundraising, Leases & Rentals, Other Local Income:
  - \$48.8 million in 2023-24
  - \$49.1 million in 2024-25
  - \$49.2 million in 2025-26
- Employee health & welfare increases of 5% and Step & Column increases of 1.50% each year
- Reserve for Economic Uncertainties at 3%



# Multi-Year Projection Reflects:

- Does not reserve for future deficit spending
- Reserve for Up To 2 Months of General Fund Expenditures
- Projected Property Tax Increases of 5%
- Does not include additional potential salary schedule changes as a result of negotiations with SMMCTA, SEIU, or SMMASA

# MULTI-YEAR PROJECTIONS

## UNRESTRICTED GENERAL FUND

A		B	C	C	D	E	F
		2023-24	2023-24	2023-24	2023-24	2024-25	2025-26
Description		ADOPTED BUDGET	FIRST INTERIM	SECOND INTERIM	FIRST vs SECOND INTERIM	PROJECTED BUDGET	PROJECTED BUDGET
<b>Revenue:</b>							
1	Property Tax	109,703,372	109,703,372	109,703,372	-	114,288,541	114,288,541
2	Education Protection Account (EPA)	2,000,000	2,000,000	2,000,000	-	1,784,666	1,784,666
3	LCFF Transfer to Fund 14	-	-	-	-	-	-
4	LCFF In Lieu Property Tax Transfer to Charter School	(287,000)	(287,000)	(287,000)	-	(287,000)	(287,000)
5	Prior Year LCFF Adjustment	-	-	-	-	-	-
6	Minimum State Aid	8,585,843	8,585,843	8,585,843	-	8,585,843	8,585,843
7	<b>Subtotal LCFF Funding</b>	<b>120,002,215</b>	<b>120,002,215</b>	<b>120,002,215</b>	<b>-</b>	<b>124,372,051</b>	<b>124,372,050</b>



**MULTI-YEAR PROJECTIONS**  
**UNRESTRICTED GENERAL FUND**

	A	B	C	C	D	E	F
		2023-24	2023-24	2023-24	2023-24	2024-25	2025-26
Description		ADOPTED BUDGET	FIRST INTERIM	SECOND INTERIM	FIRST vs SECOND INTERIM	PROJECTED BUDGET	PROJECTED BUDGET
8 Other Federal (MAA - Medi-Cal Administrative Activities)		-	-	-	-	-	-
9 Lottery - Unrestricted		1,500,000	1,500,000	1,500,000	-	1,500,000	1,500,000
10 Mandated Reimbursement Block Grant		419,000	419,000	419,000	-	419,000	419,000
11 Other State Revenue		5,000	5,000	5,000	-	5,000	5,000
12 Measure 'R' - Parcel Tax		14,019,823	14,019,823	14,019,823	-	14,160,021	14,301,621
13 Measure 'Y' & 'GSH' - City of Santa Monica		18,000,000	18,000,000	18,000,000	-	18,000,000	18,000,000
14 Measure 'GS' (Effective 3/1/2023) - City of Santa Monica		-	-	-	-	-	-
15 Joint Use Agreement - City of Santa Monica		10,762,941	10,762,941	10,762,941	-	10,978,200	11,197,764
16 Joint Use Agreement - City of Malibu		246,827	246,827	246,827	-	246,827	246,827
17 Santa Monica Ed Foundation Donation		1,800,000	1,800,000	1,800,000	-	1,800,000	1,800,000
18 Malibu Fundraising Entity Donation		343,716	370,716	370,716	-	343,716	343,716
19 Lease & Rental		2,000,000	2,000,000	2,000,000	-	2,000,000	2,000,000
20 Interest Earned		700,000	700,000	700,000	-	700,000	700,000
21 All Other Local Income (including Medi-Cal as of 2023-24)		955,000	976,000	976,000	-	955,000	955,000
22 Local General Fund Contribution		(37,425,734)	(35,942,555)	(36,204,383)	(261,828)	(38,174,249)	(38,937,734)
23 <b>TOTAL REVENUE</b>		<b>133,328,788</b>	<b>134,859,967</b>	<b>134,598,139</b>	<b>(261,828)</b>	<b>137,305,566</b>	<b>136,903,244</b>



**MULTI-YEAR PROJECTIONS**  
**UNRESTRICTED GENERAL FUND**

	A	B	C	C	D	E	F
		2023-24	2023-24	2023-24	2023-24	2024-25	2025-26
24	<b>Expenditure:</b>						
25	Certificated Salary	56,771,878	57,441,964	57,314,251	(127,713)	58,303,593	59,178,147
26	Classified	23,873,500	23,874,219	23,457,315	(416,904)	24,232,332	24,595,817
27	Benefits	35,537,214	37,625,490	37,057,033	(568,457)	39,392,549	40,661,823
28	STRS	10,516,018	10,644,005	10,618,602	(25,403)	11,135,986	11,303,026
29	PERS	5,820,959	5,848,152	5,757,180	(90,972)	6,736,588	7,009,808
30	SOCIAL SECURITY & MEDICARE	2,689,006	2,672,564	2,639,462	(33,102)	2,699,176	2,739,663
31	HEALTH AND WELFARE	12,217,285	14,171,158	13,780,410	(390,748)	14,469,431	15,192,902
32	SUI	39,007	49,732	49,090	(642)	41,268	41,887
33	WORKERS COMP	3,192,239	3,185,493	3,164,558	(20,935)	3,235,408	3,283,939
34	OPEB	1,020,133	1,016,454	1,009,779	(6,675)	1,031,699	1,047,175
35	CASH IN-LIEU	42,567	37,932	37,952	20	42,993	43,423
36	Supplies/Books/Textbooks	3,427,273	3,565,696	3,779,840	214,144	3,000,000	3,000,000
37	Other Operational Costs	17,514,205	18,281,207	18,565,854	284,647	17,517,216	17,389,402
38	504 PLAN ACCOMODATION (STUDENT SERVICES)	25,000	25,000	25,000	-	25,000	25,000
39	TRAVEL & CONFERENCE	365,450	374,461	456,109	81,648	400,000	400,000
40	DUES & MEMBERSHIPS	56,820	53,749	55,792	2,043	65,000	65,000
41	INSURANCE	1,622,564	1,622,564	1,622,564	-	1,703,692	1,788,877
42	UTILITIES	3,500,500	3,500,500	3,500,500	-	3,675,525	3,675,525
43	RENTALS, LEASES, REPAIRS	2,765,623	2,505,250	2,532,881	27,631	2,687,999	2,500,000
44	INTRA-FUND TRANSFERS FOR SERVICES	(13,940)	(44,940)	(71,528)	(26,588)	(65,000)	(65,000)
45	INTER-FUND TRANSFERS FOR SERVICES	(227,655)	(185,583)	(160,137)	25,446	(175,000)	(175,000)
46	CONSULTANTS & OTHER OPERATING	9,163,283	10,173,146	10,332,613	159,467	8,925,000	8,900,000
47	Other Operational Costs	3,603,864	4,122,959	4,196,251	73,292	4,000,000	4,000,000
48	Consultants	2,420,558	3,136,326	3,222,501	86,175	3,000,000	3,000,000
49	Legal	2,137,000	1,912,000	1,912,000	-	1,925,000	1,900,000
50	Cost of Early Retirement Incentive (SERP)	1,001,861	1,001,861	1,001,861	-	-	-
51	COMMUNICATIONS (LAND & MOBILE)	256,560	257,060	272,060	15,000	275,000	275,000
52	Capital Outlay	885,385	948,092	788,592	(159,500)	350,000	350,000
53	Transfer to County Specialized Schools	90,000	90,000	90,000	-	90,000	90,000
54	Indirect Costs from Restricted General Fund Categoricals	(2,539,583)	(2,860,957)	(2,857,323)	3,634	(2,650,486)	(2,405,458)
55	Interfund Transfer Out to Fund 12 Child Development	1,000,000	1,000,000	1,000,000	-	-	-
56	LCAP Transfer Out to Fund 12 Child Development	100,000	100,000	100,000	-	100,000	100,000
57	Interfund Transfer Out to Fund 13 Food Services	900,000	-	-	-	-	-
58	Interfund Transfer Out to Fund 14 Deferred Maint.	1,500,000	1,500,000	1,500,000	-	2,000,000	2,000,000
59	<b>TOTAL EXPENDITURE</b>	<b>139,059,872</b>	<b>141,565,711</b>	<b>140,795,562</b>	<b>(770,149)</b>	<b>142,335,205</b>	<b>144,959,731</b>



**MULTI-YEAR PROJECTIONS**  
**UNRESTRICTED GENERAL FUND**

	A	B	C	C	D	E	F
		2023-24	2023-24	2023-24	2023-24	2024-25	2025-26
Description		ADOPTED BUDGET	FIRST INTERIM	SECOND INTERIM	FIRST vs SECOND INTERIM	PROJECTED BUDGET	PROJECTED BUDGET
60 Increase (Decrease) Fund Balance		(5,731,084)	(6,705,744)	(6,197,423)	508,321	(5,029,639)	(8,056,487)
61 Beginning Fund Balance		27,651,096	34,881,853	34,881,853	-	23,482,357	18,452,718
62 Audit Restatement - Covid Funds (booked in 23-24 from 22-23)		-	(1,231,446)	(1,231,446)	-	-	-
63 Audit Adjustment - Covid Funds (booked in 23-24 from 22-23)		-	(1,517,944)	(1,517,944)	-	-	-
64 Audit Adjustment - Mis-Accruals (booked in 23-24 from 21-22)		-	(3,290,513)	(3,290,513)	-	-	-
65 Audit Adjustment - SMC Lease (booked in 23-24 from 21-22)		-	837,830	837,830	-	-	-
66 Ending Fund Balance (net of lines 60-62)		21,920,012	22,974,036	23,482,357	508,321	18,452,718	10,396,231
67 Reserve - Revolving Cash, Prep-pays		20,005	20,005	20,005	-	20,005	20,005
68 Reserve - Deficit Spending in 23-24		-	-	-	-	-	-
69 Reserve - Deficit Spending in 24-25		1,105,594	-	-	-	-	-
70 Reserve - Deficit Spending in 25-26		4,514,373	-	-	-	-	-
71 3% Contingency Reserve (unrestricted & restricted general fund)		7,944,757	6,291,608	6,291,608	-	6,427,097	6,926,327
72 Reserve Up to 2-months of Expenses (\$26.8 million)		8,335,284	16,662,423	17,170,744	508,321	12,005,616	3,449,899
73 Unappropriated Balance		0	0	0	0	0	0







# Positive Certification of 2<sup>nd</sup> Interim Report

- The District is submitting the 2<sup>nd</sup> Interim Report with a **Positive Certification**.
- The District will be able to meet its financial obligations in the current and next two fiscal years.



# Next Steps

- Receive Board Direction on District Budget Recommendations
- Board Approval of 2023-24 Second Interim
- Third Budget Revision Presentation
  - ✓ Thursday, May 16, 2024



SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT

# Appendix Covid-19 Funding Summary

	ESSER	ESSER II	Learning Loss Mitigation Funding (LLMF)				SB 117
			GEER	GEER II	CR	GF	
<b>Full Name</b>	Elementary and Secondary School Emergency Relief	Elementary and Secondary School Emergency Relief	Governor's Emergency Education Relief	Governor's Emergency Education Relief	Coronavirus Relief Fund	State General Fund	SB 117 Covid-19 LEA Response Funds
<b>Distribution Formula</b>	Based on Title I, Part A allocation	Based on Title I, Part A allocation	Based on pupil aged 3-22 counts from 2019-20 Fall 1 CALPADS data	Based on \$1,000 per homeless pupil enrolled in 2020-21 and remaining funds distributed proportionally by LEA LCFF as of 2020-21 P2	Based on supplemental and concentration grant funding as of 2019-20 second principal apportionment	Based on LCFF Entitlement	Based on ADA for the 2019-20 First Reporting Period
<b>State Allocation</b>	\$1,482,575,514	\$6,709,633,866	\$355,227,000	\$153,992,000	\$4,439,844,000	\$539,936,000	\$100,000,000
<b>SMMUSD + Private School allocation</b>	\$935,547	\$3,733,573	\$613,655	\$212,786	\$4,103,874	\$795,192	\$175,346
<b>Resource Code</b>	3210	3212	3215	3217	3220	7420	7388
<b>Equitable Services</b>	Yes	No	Yes	No	No	No	No
<b>Deadline for expenditures</b>	September 30, 2022	September 30, 2023	September 30, 2022	September 30, 2023	December 30, 2020	December 30, 2020	June 30, 2021



	ESSER III	AB 86		
		IPI	ELO	ELO(P)
Full Name	Elementary and Secondary School Emergency Relief	In-Person Instruction Grant	Expanded Learning Opportunities Grant	Expanded Learning Opportunities Grant Restricted to Paraprofessionals
Distribution Formula	Based on Title I, Part A allocation	Based on pupil aged 3-22 counts from 2020-21 Fall 1 CALPADS data	Based on pupil aged 3-22 counts from 2020-21 Fall 1 CALPADS data	Based on pupil aged 3-22 counts from 2020-21 Fall 1 CALPADS data
State Allocation	\$15,068,884,546	\$2,000,000,000	\$4,557,443,000	\$4,557,443,000
SMMUSD + Private School allocation	\$8,361,552	\$2,989,986	\$5,689,077	\$629,786
Resource Code	3213	7422	7425	7426
Equitable Services	No	No	No	No
Deadline for expenditures	September 30, 2024	September 30, 2024	September 30, 2024	September 30, 2024



Funding Type	Funding Name	District Allocation	Assigned Commitments	Projected Fund Balance
ESSER	ESSER	\$935,547	\$935,547	\$0
	ESSER II	\$3,733,573	\$3,733,573	\$0
	ESSER III	\$8,361,552	\$8,361,552	\$0
LEARNING LOSS MITIGATION FUNDS (LLMF)	GEER	\$613,655	\$613,655	\$0
	GEER II	\$212,786	\$212,786	\$0
	CR	\$4,103,874	\$4,103,874	\$0
	GF	\$795,192	\$795,192	\$0
SB 117	SB 117	\$175,346	\$175,346	\$0
AB 86	IPI	\$2,989,986	\$2,989,986	\$0
	ELO	\$5,689,077	\$5,689,077	\$0
	ELO(P)	\$629,786	\$629,786	\$0
TOTAL		<u>\$28,240,374</u>	<u>\$28,240,374</u>	<u>\$0</u>