

Conejo Valley Unified School District

2024-25 First Interim

Financial Report Summary

December 18, 2024



Education Code

Education Code requires districts to submit certification reports to the County Office of Education twice a year. These reports are “Interim” reports.

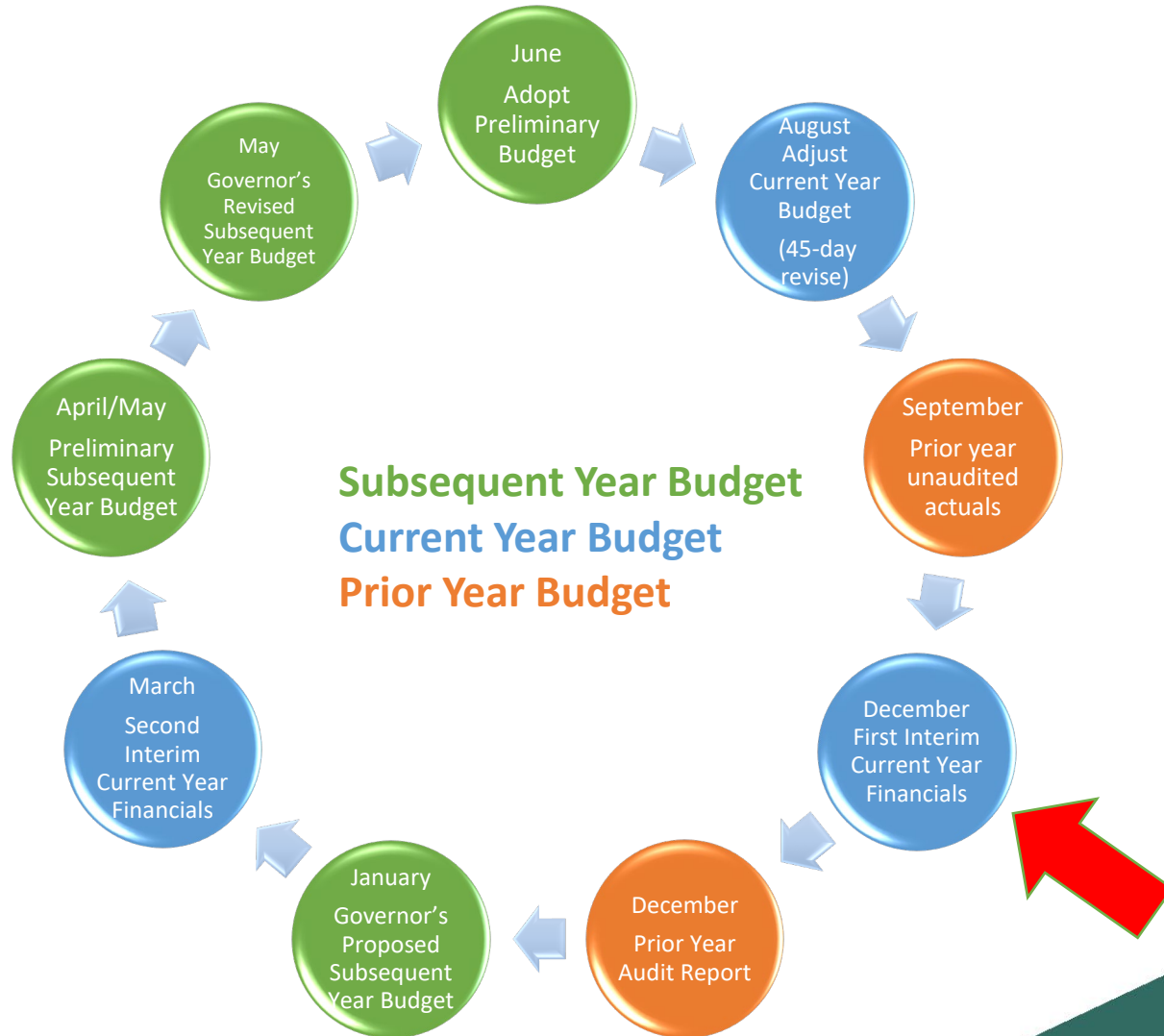
- 1st Interim Report covers financial activities through October 31
- 2nd Interim Report covers financial activities through January 31

Education Code Section 42130 (a) (1) defines the certifications:

- **Positive** Certification: WILL MEET their financial obligations for the current and two subsequent fiscal years
- **Qualified** Certification: MAY NOT MEET their financial obligations for the current OR two subsequent fiscal years
- **Negative** Certification: UNABLE TO MEET their financial obligations for the current OR two subsequent fiscal years

Budget Cycle and Reporting

Note: Fiscal Year is July 1 to June 30



Updated State Budget Information

- Revenue is significantly higher than budget estimates for both 2023-24 and 2024-25, but much of the 2024-25 increase could be timing instead of actual growth.
- Income tax withholdings and other economic conditions are positive, but it is early in the fiscal year to make clear predictions.
- ***Schools won't benefit much from increased revenue in 2023-24, but would benefit a great deal from increased revenue in 2024-25 due to maintenance factor owed.***
- Aside from revenue, schools are in a strong position going into the next budget – nearly \$3 billion of ongoing money will be freed up for COLA and/or other priorities.

Updated State Budget Information

- November 2024 [LAO Fiscal Outlook](#)
- Better-than-expected General Fund revenues are offset by higher spending
- The state can anticipate a relatively balanced budget for the 2025-26 fiscal year.
- The LAO warns, however, that the state is likely to face deficits in the outyears due to anomalously high spending obligations that lawmakers would need to address either through program reductions or increased revenue via tax increases.
- The current-year (Prop 98) minimum guarantee will be \$3.0 billion higher than the 2024-25 Budget Act estimates from June.
- However, this increased revenue will not be available as the state will be required to deposit the funds into the Proposition 98 reserve.

2024-25 First Interim Estimated Revenue

Revenue Source	Unrestricted	Restricted	Total
LCFF Funding	\$189,779,328	\$0	\$189,779,328
Federal	\$0	\$10,501,966	\$10,501,966
State	\$4,859,782	\$15,965,891	\$20,825,673
Local	\$4,522,292	\$16,384,347	\$20,906,639
Special Education/ Other Transfers	(\$30,845,785)	\$30,845,785	\$0
Total Revenue	\$168,315,617	\$73,697,989	\$242,013,606



2024-25 First Interim Estimated Expense

Expense Category	Unrestricted	Restricted	Total
Certificated Salaries	\$91,996,269	\$23,551,256	\$115,547,525
Classified Salaries	\$22,919,369	\$15,239,037	\$38,158,406
Benefits	\$46,661,599	\$22,113,723	\$68,775,322
Books & Supplies	\$3,534,949	\$16,365,578	\$19,900,527
Contract Services & Other Operating Expenses	\$20,350,885	\$11,827,672	\$32,178,557
Capital Outlay	\$86,137	\$1,166,713	\$1,252,850
Other Outgo	(\$2,738,787)	\$3,945,169	\$1,206,382
Total Expenses	\$182,810,421	\$94,209,148	\$277,019,569



First Interim Projected Ending Fund Balance

Category	Unrestricted	Restricted	Total
Beginning Balance at 1 st Interim	\$35,139,054	\$20,511,159	\$55,650,213
Estimated Revenue	\$168,315,617	\$73,697,989	\$242,013,606
Estimated Expenses	\$182,810,421	\$94,209,148	\$277,019,569
Estimated Ending Balance	\$20,644,250	\$0	\$20,644,250
<u>Breakdown of Ending Balance</u>			
Stores	\$349,370	\$0	\$349,370
Revolving Cash	\$43,300	\$0	\$43,300
Local Fiscal Stabilization Reserve	\$3,000,000	\$0	\$3,000,000
Mandated Reserve (3%)	\$8,310,532	\$0	\$8,310,532
Undesignated Reserves	\$8,941,048	\$0	\$8,941,048
Estimated Ending Fund Balance	\$20,644,250	\$0	\$20,644,250
<i>Total Reserves as a % of Expense*</i>			7.3%

Multi-Year Projection



Factors and Assumptions for Multi-Year Projections

Budget Assumptions	2024-25	2025-26	2026-27
LCFF Cost Of Living Adjustment (COLA)	1.07%	2.93%	3.08%
Enrollment projection	15,750	15,372	15,109
P-2 Funded ADA estimate	15,537	15,152	14,989
Unduplicated Pupil %	27.44%	27.11%	26.71%
Unduplicated Pupil Count	4,211	4,110	4,040
CalSTRS Employer Rate	19.10%	19.10%	19.10%
CalPERS Employer Rate	27.05%	27.40%	27.50%
Negotiated salary adjustments	TBD	TBD	TBD
Anticipated retirements	30	35	35
Staffing ratios	K-3 - 21.5:1 4-12 - 30:1	K-3 - 21.5:1 4-12 - 30:1	K-3 - 21.5:1 4-12 - 30:1
Budget reductions and/or Txfr from HWF reserves		\$4.5M	\$4.5M
Reduction of Travel and Conference funds, Dues and Memberships, Management Positions, less Capital Outlay, and anticipated revenue from unused property (rental).			

Multi-Year Projection - Unrestricted

Description	2024-25 1st Interim	2025-26 Projection	2026-27 Projection
Estimated Beginning Balance July 1	\$35,139,054	\$20,644,250	\$12,427,847
Unrestricted Income	\$168,315,617	\$176,494,545	\$179,038,601
Unrestricted Expense	\$182,810,421	\$184,710,948	\$183,490,130
Ending balance	\$20,644,250	\$12,427,847	\$7,976,318
<u>Components of Ending Fund Balance</u>			
Stores/Revolving Cash	\$392,670	\$392,670	\$392,670
Fiscal Stabilization Reserve	\$3,000,000	\$0	\$0
Required Reserve 3%	\$8,310,532	\$7,597,019	\$7,582,350
Undesignated Reserve	\$8,941,048	\$4,438,158	\$1,298
Undesignated Reserve as a % of Expense	4.9%	2.4%	<1%

Multi-Year Projection - Restricted

Description	2024-25 1st Interim	2025-26 Projection	2026-27 Projection
Estimated Beginning Balance July 1	\$20,511,159	\$0	\$0
Restricted Income	\$73,697,989	\$68,523,011	\$69,254,854
Restricted Expense	\$94,209,148	\$68,523,011	\$69,254,854
Ending Balance	\$0	\$0	\$0
<u>Components of Ending Fund Balance</u>			
Stores/Revolving Cash	\$0	\$0	\$0
Fiscal Stabilization Reserve	\$0	\$0	\$0
Required Reserve 3%	\$0	\$0	\$0
Undesignated Funds	\$0	\$0	\$0
Restricted Reserve as a % of Expense	n/a	n/a	n/a

Multi-Year Projection - Combined

Description	2024-25 1st Interim	2025-26 Projection	2026-27 Projection
Estimated Beginning Balance July 1	\$55,650,213	\$20,644,250	\$12,427,847
Income	\$242,013,606	\$245,017,556	\$248,293,455
Expense	\$277,019,569	\$253,233,959	\$252,744,984
Ending balance	\$20,644,250	\$12,427,847	\$7,976,318
<u>Components of Ending Fund Balance</u>			
Stores/Revolving Cash	\$392,670	\$392,670	\$392,670
Fiscal Stabilization Reserve	\$3,000,000	\$0	\$0
Required Reserve 3%	\$8,310,532	\$7,597,019	\$7,582,350
Undesignated Reserve	\$8,941,048	\$4,438,158	\$1,298
Undesignated Reserve as a % of Expense*	4.311%	1.753%	<1%

**From the May 2021 BOE work session - Goal: Maintain an undesignated fund balance of not less than \$6m, inclusive of the \$3m local fiscal stabilization reserve, or approximately 6% of expenses.*

	Other Funds	Beginning Balance	Estimate Income	Estimate Expenses	Net Estimate End Balance
080	Student Activity	\$1,750,949	\$2,969,822	\$2,511,971	\$2,208,800
110	Adult Education	\$0	\$3,706,247	\$3,706,117	\$130
120	Child Development	\$1,687,145	\$8,139,523	\$8,452,999	\$1,373,669
130	Cafeteria Special Revenue	\$11,863,263	\$11,000,000	\$13,339,265	\$9,523,998
140	Deferred Maintenance	\$2,942,449	\$819,000	\$660,000	\$3,101,449
212	Building Fund (Measure I)	\$37,988,624	\$800,000	\$32,705,106	\$6,083,518
213	Measure I Technology	\$29,863,821	\$950,000	\$2,494,981	\$28,318,840
251	Capitla Facilities (Developer Fees)	\$2,113,757	\$550,000	\$834,198	\$1,829,559
401	TOPASS	\$7,086,409	\$1,943,680	\$630,374	\$8,399,715
402	Surplus Property	\$211,919	\$8,000	\$100,000	\$119,919
403	TOPASS Foundation	\$27,377	\$800	\$0	\$28,177
511	Bond Interest & Redemption	\$14,092,477	\$11,669,488	\$12,916,885	\$12,845,080
671	Worker Compensation	\$2,082,374	\$3,070,947	\$2,392,705	\$2,760,616
672	Health & Welfare	\$18,049,510	\$34,019,839	\$30,831,831	\$21,237,518
730	Private Purpose Trust	\$4,140	\$1,905	\$1,605	\$4,440

Budget Cycle and Reporting

Note: Fiscal Year is July 1 to June 30

