**CSCE Budget Narrative – 1st Interim**

Interim reports are submitted at least twice during each fiscal year to provide an update on the district’s financial condition. The first report, First Interim, covers the period ending October 31st. The second report, Second Interim, covers the period ending January 31st. The governing board must approve each interim report no later than 45 days after the close of each reporting period. For each interim report, schools must certify their ability to meet their obligations for the current and subsequent two fiscal years.

The 2023/24 First Interim budget certification is POSITIVE. Projections indicate that the school will be able to meet its financial obligations for the current and subsequent two fiscal years.

The interim budget includes projected revenues and expenditures for the remainder of the school year which are based upon the budget assumptions as indicated below along with the use of School Services Dartboard for revenue and expense projections. Actual revenues and expenditures have been reviewed and any budget revisions made as a result are detailed below.

**Enrollment/ADA**

Enrollment: 185

ADA: 166.50 (90% Average Daily Attendance)

**Revenue**

Description of Changes from Budget Development (July 2023) Increase (Decrease)

**LCFF Revenue (648,464)**

This is due to the reduced enrollment.

**Federal Revenue**  **(28,969)**

Federal Revenue decreased in Title I, II and III based on projected lower enrollment.

**State Revenue $19,182**

State Revenues decreased in Special Education but increased in One Time Funding.

**Other Local Revenue (100,000)**

Local Fundraising was decreased based on current projections.

**Expenditures:**

Description of Changes from 1st Interim Increase (Decrease)

**Salaries/Benefits (438,275.52)**

**Books and Supplies $31,893.96**

This increase is based on projections from actuals. It is a result of an increase in software costs and an increase in projected food costs.

**Services and Other Operating Expenditures $309,736.79**

This increase is based on an increase to Professional Consulting primarily our SPED Consultants. IA roles that were filled by consulting agencies have been moved from personnel to this line item for the remainder of the school year.

**Other Outgo (58,643)**

We had budgeted for depreciation, but it has been fully recognized.

**FUND BALANCE/RESERVES**

**Beginning Fund Balance $2,094,937**

**Excess/(Deficit) $ (593,885)**

**Ending Fund Balance $1,501,052**

**Special Notes:**

It should be noted that EFB include revenues that are expected to be spent this year. If they are not spent, the revenue will be deferred to next year and the excess amount may decrease based on this deferral. Revenues will be recognized as they are spent.