

2022-23 Second Interim Financial Report Follow-up

Palisades Charter High School
April 18, 2023

Follow-up

- When comparing Second Interim projected expenses versus First Interim Projected expenses, there was an increase of \$303,342 in “supplies”
- The Board of Trustees requested clarification
- The increase in projected expenses was largely attributed to:
 1. Carry over of non-capital expenditure expense (Apple devices) from the 2021-22 budget. The total purchase amount was ~\$189,000 (paid for via relief funds)
 2. Increase in cafeteria food service supplies of \$92,342
 3. Slight increase in projected textbook expenses of \$19,113.

2022-2023 Budget Evolution

REVENUE	2022-23 Adopted Budget June 2022	2022-23 Revised Budget Sept 2022	2022-23 First Interim Projections 10/31/22	Actuals to Date as of 01/31/23	2022-23 Second Interim Projections 01/31/23
LCFF	32,828,547	33,727,285	33,574,729	16,919,329	33,422,878
Federal Resources	2,660,815	2,556,592	3,434,669	1,082,967	2,813,528
State Revenues	2,124,693	2,150,073	2,362,281	3,521,815	4,312,818
Local	4,013,897	4,813,477	4,611,567	2,677,296	4,603,091
Total Revenues	41,627,952	43,247,427	43,983,246	24,201,406	45,152,315
EXPENSE					
Certificated Salaries	16,145,565	18,161,248	18,035,906	8,842,506	18,028,190
Classified Salaries	4,628,407	4,638,982	5,169,236	2,550,669	4,927,768
Employee Benefits	9,821,102	10,248,948	10,371,478	4,837,171	10,106,177
Supplies	2,071,734	2,080,749	2,080,750	1,410,272	2,383,992
Services	6,466,796	6,496,796	6,829,569	4,124,207	7,139,992
Capitall Outlay	690,615	690,615	690,615	139,638	690,615
Depreciation	980,000	980,000	980,000	571,667	980,000
Other Outgo	333,016	342,004	340,478	174,920	338,960
Total Expenses	40,446,619	42,948,727	43,807,419	22,511,412	43,905,079
Net Balance (Financial Statement)	1,181,333	298,699	175,827	1,689,994	1,247,236

2022-23 Second Interim Expenditures

EXPENSES	2022-23 Adopted Budget June 2022	2022-23 Revised Budget Sept 2022	2022-23 First Interim Projections 10/31/22	2022-23 Second Interim Projections 01/31/23	Second Interim vs First Interim Budget
Certificated Salaries	16,145,565	18,161,248	18,035,906	18,028,190	(7,716)
Classified Salaries	4,628,407	4,638,982	5,169,236	4,927,768	(241,468)
Employee Benefits	9,821,102	10,248,948	10,371,478	10,106,177	(265,301)
Supplies	2,071,734	2,080,749	2,080,750	2,383,992	303,242
Services	6,466,796	6,496,796	6,829,569	7,139,992	310,423
Capital Outlay	690,615	690,615	690,615	690,615	-
Depreciation	980,000	980,000	980,000	980,000	-
Other Outgo	333,016	342,004	340,478	338,960	(1,518)
Total Expenses	40,446,619	42,948,727	43,807,419	43,905,079	97,660
Net Balance (Financial Statement)	1,181,333	298,699	175,827	1,247,236	1,071,409

Expenditures: 2nd Interim vs 1st Interim Budget

- **Decrease in Certificated & Classified Salaries/Benefits: -\$514,486**
 - *Certificated:* - Decreased certificated salaries: **-\$7,716**
 - *Classified:* - Reduced classified salaries due to current vacancies and unfilled positions: **-\$251,469**
 - Aide (\$100,000), Clerical Office Staff (\$80,000), Classified sub (\$25,000), Math paraprofessionals (\$80,000)
 - *Benefits:*
 - STRS/PERS & Payroll taxes decreased by **-\$265,301** due to 7% off schedule payment & lower classified salaries
- **Services: \$310,422**
 - Increase in substitute staffing agency costs (general ed, SpEd, health office): \$160,000
 - Prior Year SpEd legal invoices: \$40,000
 - Current SpEd legal invoices: \$20,000
 - Additional NPS invoices: \$51,000
 - Attendance Reporting project: \$15,000
- **Supplies: \$303,342**
 - Increase in non-capital expenditures: \$189,000 (this was Apple devices purchases tied to last year's budget – paid for via relief funds). It was part of last year's budget, but the expense hit this year after we closed the 2021-22 books.
 - Increase in Food Service Supplies: \$92,342. Given the increase in food service sales, it also resulted in increased supplies
 - Increase in projected textbook expenses: We increased the textbook line item by +\$19,113. This is based on the number of outstanding orders.