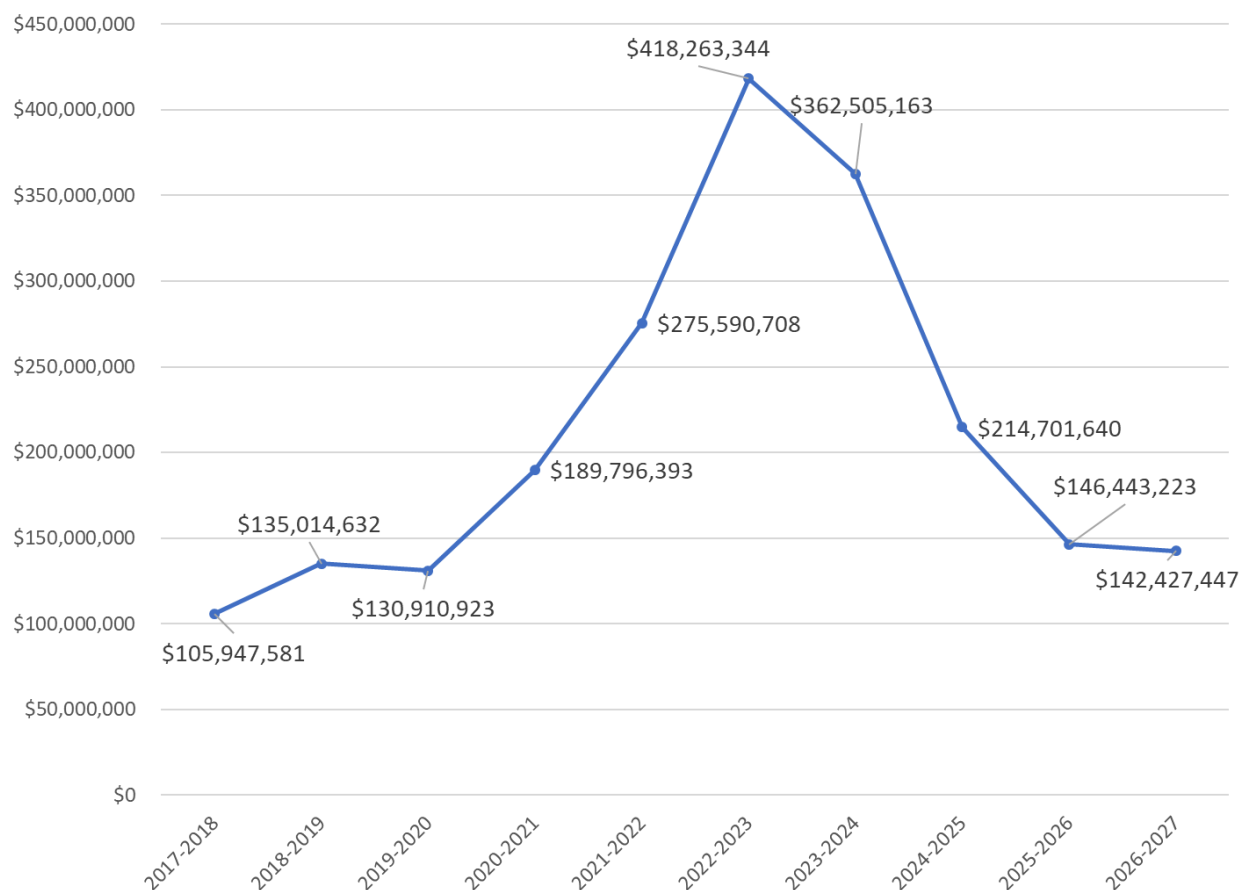


## Ending Fund Balance

As the District navigated the COVID pandemic, along with the return to in-person education, we received a tremendous amount of COVID-relief grant funds from both the Federal and State government. This has had a huge impact on our ending fund balance over the past few years.

From 2019-2020 through 2022-2023, the District received more than \$400 million in various COVID-relief grant funds. Even though the District invested heavily in additional resources to support distance education and then the learning loss upon the students' return, many of the funds were held in reserve in order to sustain the additional support in future years. This is why we see the fund balance increasing through 2022-2023.

With no additional COVID funds flowing into the District, and with most of the supports still in place, there was deficit spending in the 2023-2024 fiscal year, and deficit spending is forecasted in all of the years in the multiyear projection



It is important to understand that not all of the funds in the ending fund balance are unrestricted. The chart immediately below shows the breakdown between unrestricted funds and restricted ones, for which there are rules and limitations as to what expenditures are permissible. As we move into the future years of the multiyear projection, the percentage of the unrestricted funds (as a part of the entire fund balance) is decreasing.

The chart of the bottom of this page goes into even more detail regarding the components of the fund balance.

