

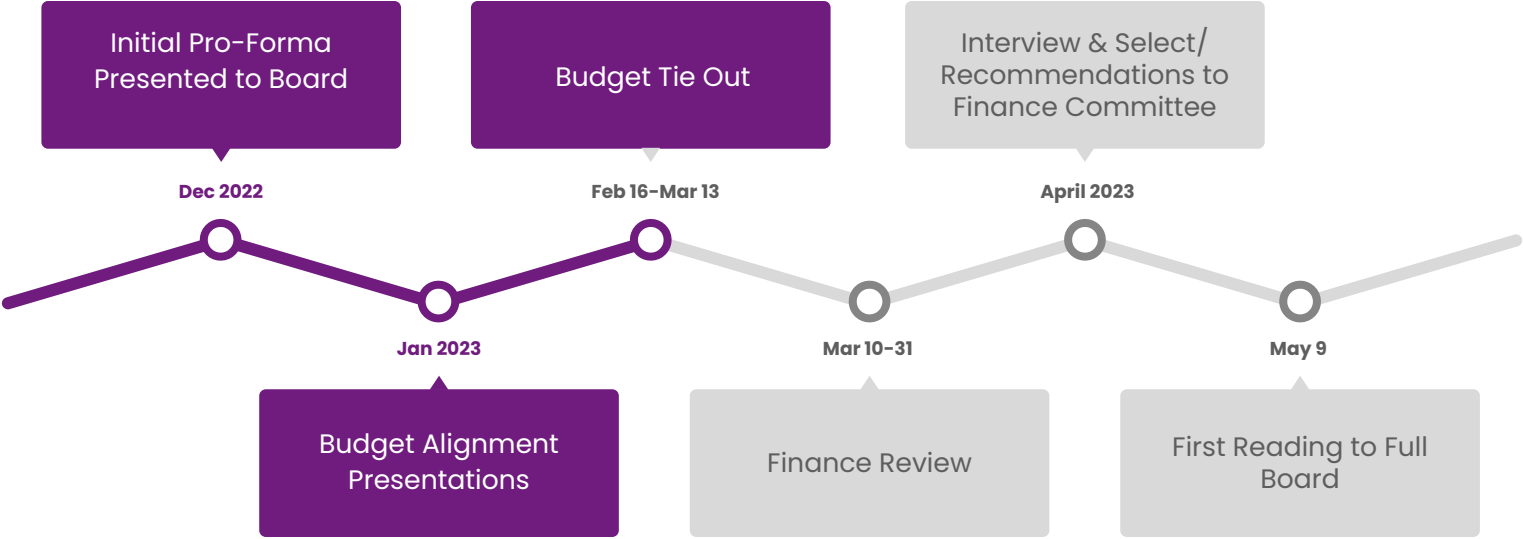
Budget Update

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Budget Update Overview

- The budget alignment committee convened in January to review all department budgets and ensure alignment with the Strategic Plan
- The alignment criteria were: 1) The Strategic Plan, 2) Equity Considerations, and 3) Availability of funds.
- On February 15, school budgets were sent to schools and were due back on March 13.
- The 2023-24 is \$45 million higher than the 2022-23 budget.
- In early March we finalized department budgets and they were released to Senior Officers late last week.

Budget Timeline



School Allocations

- “Standard” allocations increased \$6.7M over last year.*
 - Driven by a \$10.3M increase in Compensatory Aid.
 - Also includes an additional \$3.2M in English Language Learner funding.
 - Offset by a \$7.2M decrease in core allocations.
- Targeted additional investments of \$33.2M (detail on next slide)
- Additional funds may be allocated for a further district initiative to address the needs of advanced learners.

* “Core Allocations” includes per pupil aid, per pupil referendum, targeted programming to meet predictable staffing, small school adjustment, principal & assistant principals, transportation coordinator, athletics, and allocations to schools resulting from contractual obligations.

Allocations to Schools

	FY23	FY24	Change
Core Allocations	\$181.0 M	\$173.8 M	-\$7.2 M
Compensatory	\$34.2 M	\$44.5 M	\$10.3 M
Title & Grants	\$19.2 M	\$21.8 M	\$2.7 M
Special Education	\$88.9 M	\$87.2 M	-\$1.7 M
English Language Learner	\$15.6 M	\$18.8 M	\$3.2 M
Department Determined	\$18.5 M	\$17.9 M	-\$0.7 M
Subtotal Standard Allocations	\$357.4 M	\$364.1 M	\$6.7 M
Additional Investments	\$0.0 M	\$34.3 M	\$34.3 M
Total Fund 01	\$357.4 M	\$398.3 M	\$41.0 M
Community Education	\$4.2 M	\$4.5 M	\$0.3 M
Total to Schools, All Funds	\$361.6 M	\$402.8 M	\$41.2 M

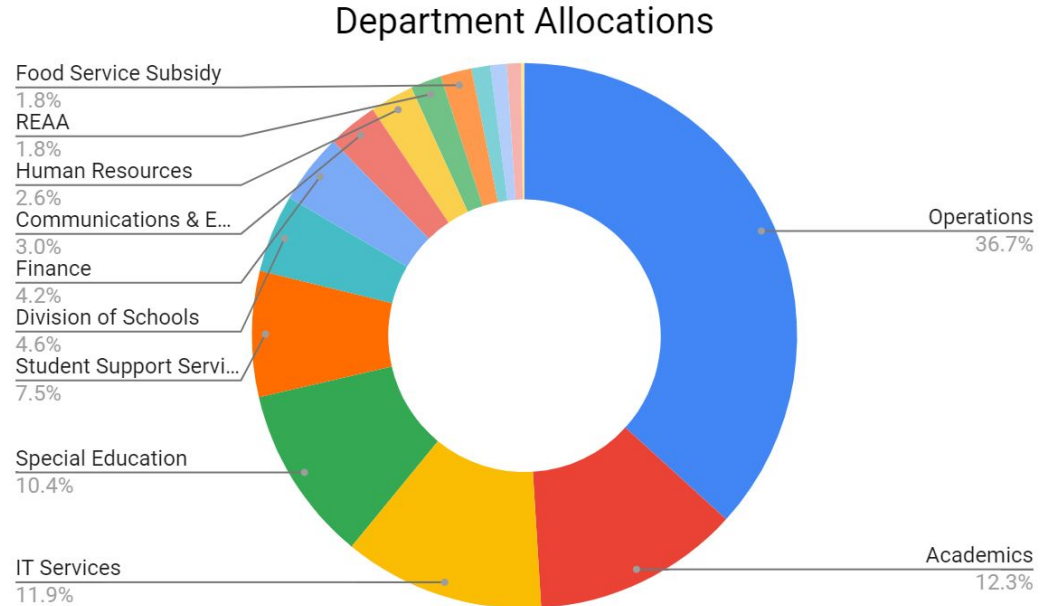
Targeted Investments to Schools

Schools have been allocated funds for two major district initiatives intended to address academic deficiency:

1. **\$29.1M** for 'Intervention Teams' allocated on an as-needed basis to schools to address inadequate literacy and mathematics skills for a specific caseload of students.
 - a. 133 teams, each composed of a triad of one licensed teacher and 2 associate educators.
 - b. Teams will have a specific caseload of up to 75 students who are not proficient in literacy or mathematics and have not shown academic growth.
 - c. Will be **mostly** funded with ESSER III learning loss funds.
2. **\$4.1M** to allocate a 0.5 FTE Library Media Specialist to all sites so ensure that school libraries are curated, open, and accessible to all students.
3. **\$1.5M** to allocated 0.2 FTE to 0.4 FTE per school for direct service to identified advanced learners.

Department Allocations

- Over a third of department allocations fund:
 - Transportation (\$61M)
 - Custodial (\$22M)
 - Utilities & Insurance (\$17.5M)
- Four other department areas make up another 42%:
 - Academics 12.3%
 - IT Services 11.9%
 - Special Education 10.4%
 - Student Support Services 7.5%
- About 21% of department spending accounts for all other Central Office Functions



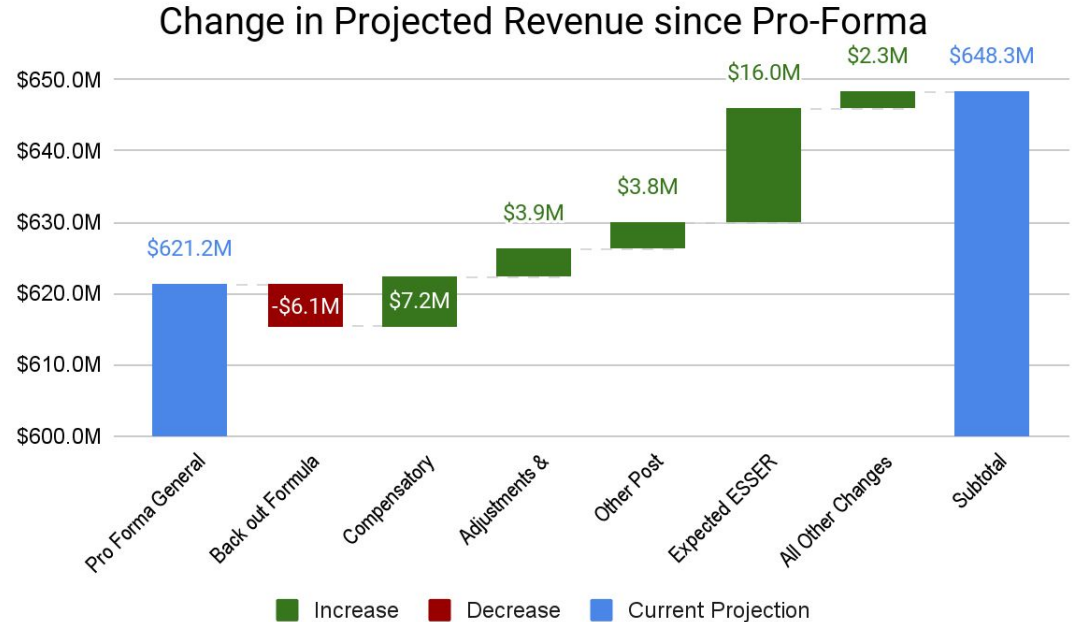
Tentative General Fund

- Given the allocations identified, we anticipate being able to get through Fiscal Year 2024 without accessing unassigned fund balance.
- We have tentatively identified two planned uses of assigned fund balance:
 - Referendum Funds \$2M
 - Capital Referendum Funds \$5M
- Assigned fund balances are funds that were received as revenue but not used in a prior year.
- We also expect to access \$10M in bond receipts related to IT bonds sold in prior years.

Revenue	\$648.3M
Allocated to Schools	\$398.3M
Allocated to Departments	\$272.7M
Total Allocations	\$671.0M
Net Change	-\$22.7M
Provision for Shared Services	\$1.5M
Provision for Position Vacancies	\$4.2M
Subtotal Budget Provisions	\$5.7M
Use of Prior Year Referendum Funds	\$2.0M
Use of Prior Year Capital Referendum Funds	\$5.0M
Subtotal Use of Assigned Fund Balance	\$7.0M
Use of IT Designated Bond Receipts	\$10.0M
Anticipated Change in Unassigned Balance	\$0.0M

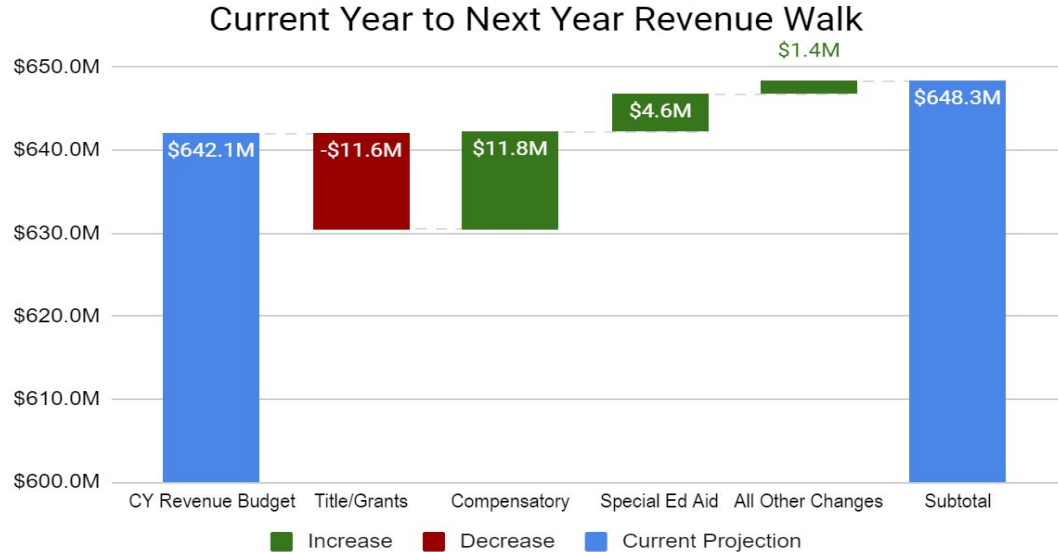
Pro-Forma Revenue Walk

- Our revenue projection has increased by about \$27M since the pro-forma was presented.
- The increase is primarily due to expected carryforward of ESSER funding.
- The increase is also caused by an increases in Compensatory revenue, adjustments & abatements, and Other Post Employment Benefits.
- These increases are offset by removing the projected increase in the funding formula. This is for consistency - we still expect the legislature to increase the formula.



Year Over Year Revenue Walk

- We anticipate revenue growth of about \$6.2M
- We anticipate an \$11.8M increase in Compensatory funding from FY23 to FY24.
- The increase in compensatory will be almost completely offset by a decrease in Title & Grant funding available as ESSER III sunsets.
- We also anticipate a nominal increase in Special Education funding.
- This is a simplified chart, there are many puts and takes impacting the year-over-year revenue.



Impact of Potential Legislation

- We can anticipate an increase in the funding formula.
- Universal lunch would not be General Fund revenue, but it would free up \$5M in General Fund that we are currently using to subsidize the food service fund.
- Too early to know what, if anything, we will receive in cross subsidy relief.

	\$
Increase in Funding Formula	\$6.1 M
Universal Lunch	\$5.0 M
Subtotal	\$11.1 M
Cross Subsidy Relief	???

Questions?