



DID YOU KNOW?

School District Budgets and Reserves

For the next part of our “Did You Know” series, we will be spending the next few editions highlighting our Budget, how it works, how it’s developed, and other nuances.

First up, we would like to provide a broad overview of the budget. Last year, the District created a new [Budget and Financial Reporting webpage](#) with resources for the public to review.

23-24 Budget Fast Facts

The report shows the District will spend:

- \$186,911,355 or 83% of total Unrestricted Expenditures on salaries and benefits in 23-24 for all staff.
- \$13,557,377 is budgeted on books and supplies
- \$27,656,003 on Services and Operating Costs and
- \$9,305,755 will be spent on Capital Outlay/Other Outgo like equipment and contributions to funds such as **Child Development, and Special Ed and other underfunded programs.**

The District is on track to end the year with a **general fund balance of \$ 44,153,352**. Of that money,

- **\$23,838,727 is restricted** for specific purposes like Special Education, Learning Recovery, ESSER.
- **\$20,314,625 is unrestricted reserve that leaves the District with 13.93% saved in the reserves.**

What are the District’s Reserves?

Due to SB Unified not receiving a consistent monthly revenue, there are times when the District needs funds from the reserve to cover costs until the next payment is received. To meet this need, the District’s Board of Trustees has directed staff to keep 10% reserves, which is greater than the 3% required by the state. You can see a breakdown of the district reserves over this school year and the next two school years in the graphic at the right.

	ESTIMATED: Multi-Year Projections		
	2023-24	2024-25	2025-26
Components of Unrestricted Ending Fund Balance			
Assigned Fund Balance	1,423,690		
State Recommended 3% Reserve	18,890,935	20,657,770	27,086,903
Total Unrestricted Ending Fund Balance	20,314,625	20,657,771	27,086,903
General Fund Unrestricted Reserve	7.96%	9.11%	11.86%
Special Reserve Fund 17			
Beginning Fund Balance of Fund 17	13,974,130	14,174,130	14,324,130
Ending Balance Special Reserve Fund 17	14,174,130	14,324,130	14,424,130
Special Reserve Fund 17	5.97%	6.32%	6.31%
Total Available Reserve - by Percent	13.93%	15.43%	18.17%
Total Available Reserve - by Amount	33,065,065	34,981,901	41,511,033

Typically when we talk about our reserves, we speak of it as one amount or percentage of the budget. However, it is actually broken out into two categories:

- The state-mandated reserves
- Fund 17- a special reserve that acts like a savings account to set aside money for specific purposes per by the California Department of Education (Education Code Section 42840)
 - The Board may restrict any of these funds. However, we have typically held these for economic uncertainties like the other state-required reserve account
 - Examples of how it is used in other Districts include rainy day funds or savings for specific projects
 - If the District did not have these funds, it would need to take out a loan to temporarily cover expenses
 - The amount SB Unified has in Fund 17 would cover 1.5 months of payroll during a fiscal emergency

It is important to note that reserves are one-time funds, so they cannot be counted on to fund ongoing expenses that will affect the budget long-term.

You can find the Fast Fiscal Facts and First Interim Budget Report [here](#).