

2024-25 PROPOSED ADOPTED BUDGET



Steven Torres

Associate Superintendent
Administrative Services

Santa Barbara County Board
of Education Meeting

June 14, 2024

SANTA BARBARA COUNTY BOARD OF EDUCATION



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OVERVIEW OF COE BUDGETS

2024-25 BUDGET TIMELINE



**ADOPTED
BUDGET**

6/30/24

Revenue Projections

- January Proposal
- May Revision
- P2 Reporting

Expenditure Projections

- Manager Meetings
- Estimated Actuals

**1ST
INTERIM**

12/15/24

Revenue Projections

- Enacted Budget
- P-Annual Reporting (2023-24)

Expenditure Projections

- Spending through 10/31/24

2ND INTERIM

3/15/25

Revenue Projections

- P1 Reporting

Expenditure Projections

- Manager Meetings
- Spending through 1/31/24

**UNAUDITED
ACTUALS**

10/15/25

Revenue Projections

- P-Annual Reporting (2024-25)

Expenditure Projections

- Spending through 6/31/25

DIFFERENCES IN COE & DISTRICT BUDGETS



COE

Small percentage of funding is unrestricted

District

Majority of funding is unrestricted and majority of expenses are staff

COE

Multiple Management positions leading countywide work and services

District

More teachers and staff directly serving students

COE

Many fee for services, contracted work, or excess cost billing for programs

COE LOCAL CONTROL FUNDING FORMULA (LCFF)



Operations Grant provides funding for oversight responsibilities

LEA Support provides funding for conducting differentiated assistance and LCAP support activities with districts and charter

Alternative Education Grant provides funding for juvenile court and community schools

Base Rate Funding is provided to COE's operating a juvenile court school and county community school

EXCEPTIONS TO LCFF



Districts Funded Under LCFF

- Local property taxes do not reach LCFF level
- The state provides money to the district up to the LCFF funding level

Community Funded (Basic Aid) Districts

- Local property taxes exceed LCFF level
- Local district keeps excess property taxes
- COE's do not keep excess property taxes

RESTRICTED AND UNRESTRICTED FUNDS



Restricted Funds

- Federal Revenues (i.e. Title I)
- Special Education
- Child Nutrition
- Medi-Cal Administrative Activities
- One-Time Funds (i.e. ESSER)
- Child Development Funds
- Program Funds (i.e. CTE)

Unrestricted Funds

- LCFF Sources
- Lottery
- Education Protection Account

INCREASED COSTS AND EMPLOYER CONTRIBUTIONS



CalSTRS

Fiscal Year	Contribution Rate
2014-15	8.88%
2023-24	19.1%
2024-25	19.1%
2025-26	19.1%
2026-27	19.1%
2027-28	19.1%

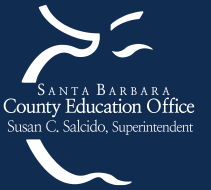
CalPERS

Fiscal Year	Contribution Rate
2014-15	11.77%
2023-24	26.68%
2024-25	27.05%
2025-26	27.6%
2026-27	28.0%
2027-28	29.2%
2028-29	29.0%
2029-30	28.8%



**2024-25 PROPOSED
ADOPTED BUDGET**

OVERVIEW OF STATE BUDGET



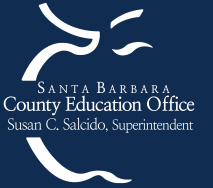
The May Revision includes a state budget shortfall of \$27.6 billion for the 2024-25 fiscal year. There are various solutions (i.e. the use of reserve funds, funding reductions, and delays in funding) being presented to help mitigate the deficit.

The May Revision reduces the Prop 98 Guarantee by \$3.5 billion from the estimates in January. However, the Governor and K-12 education groups agreed to a multiyear funding model including deferrals and delays that will cover the difference.

The 1.07% COLA is fully funded in the May Revision. The statutory COLA is proposed to be applied to the Local Control Funding Formula (LCFF) and other educational programs funded outside of LCFF.

The details of the May Revision are still being negotiated by the legislature and will be finalized when the Enacted Budget is passed and signed.

SBCEO REVENUE CHANGES



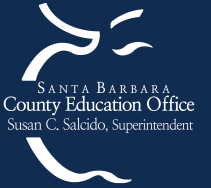
Revenue Increases

- ❑ Total increase of \$1.4 million
- ❑ Unrestricted General Fund = \$0.3 million (decrease)
- ❑ Restricted General Fund = \$0.4 million
- ❑ Child Development Fund = \$1.3 million

Revenue Assumptions

- ❑ Increase LCFF by the estimated cost-of-living adjustment (0.76%)
- ❑ Remove expired one-time COVID-19 federal, state, and local grants
- ❑ Decrease funding for Differentiated Assistance
- ❑ Transfer property taxes in excess of the LCFF entitlement to the state (\$7.4 million)

SBCEO EXPENDITURE CHANGES



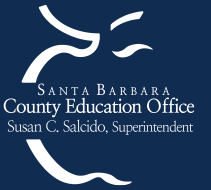
Expenditures Increases

- ❑ Total increase of \$3.8 million
- ❑ Unrestricted General Fund = \$0.5 million
- ❑ Restricted General Fund = \$0.8 million
- ❑ Child Development Fund = \$2.5 million

Expenditure Assumptions

- ❑ Include a preliminary 7% increase for all staff
- ❑ Include increases to employer costs for pensions and health benefits
- ❑ Reduce expenditures with the expiration of one-time grants
- ❑ Budget facilities projects in the deferred maintenance and facilities funds

ADOPTED BUDGET FORMAT



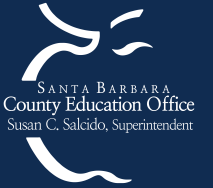
Standardized Account Code Structure (SACS)

A uniform statewide financial reporting format

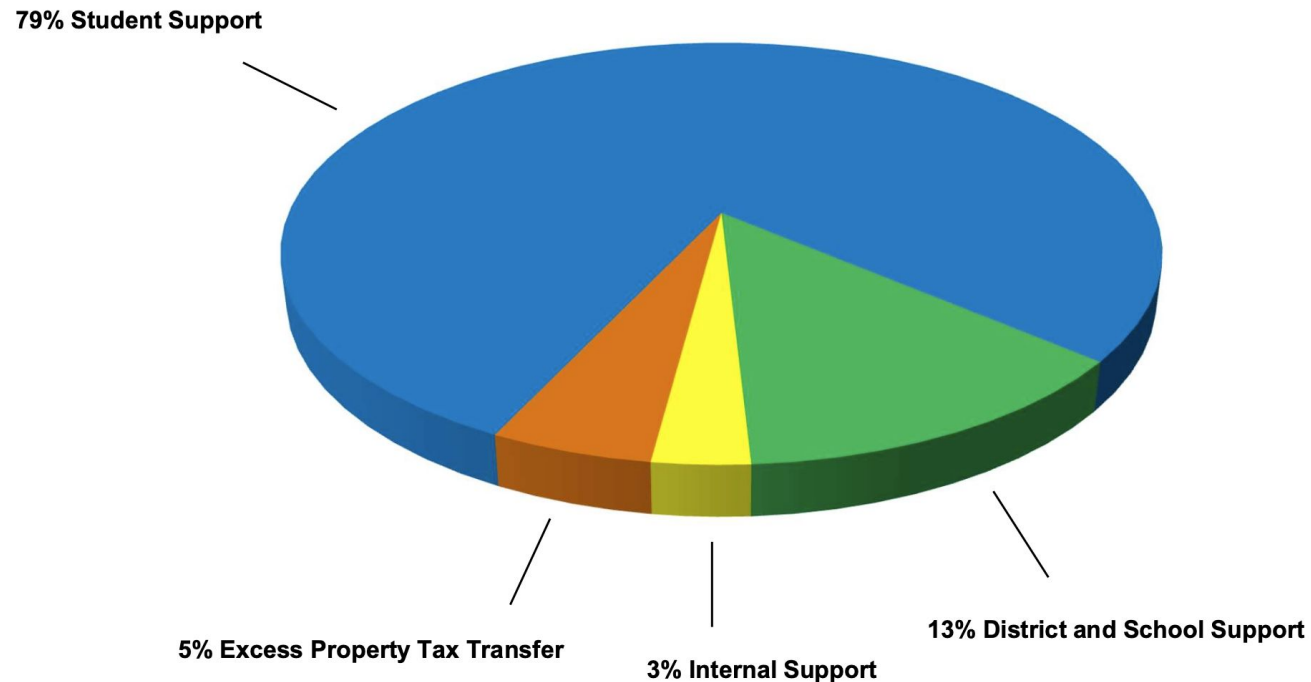
SACS Funding Codes and Accounting

Establishes the General Fund and Child Development Fund as separate accounting entities

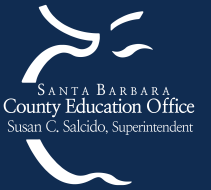
2024-25 PROPOSED ADOPTED BUDGET



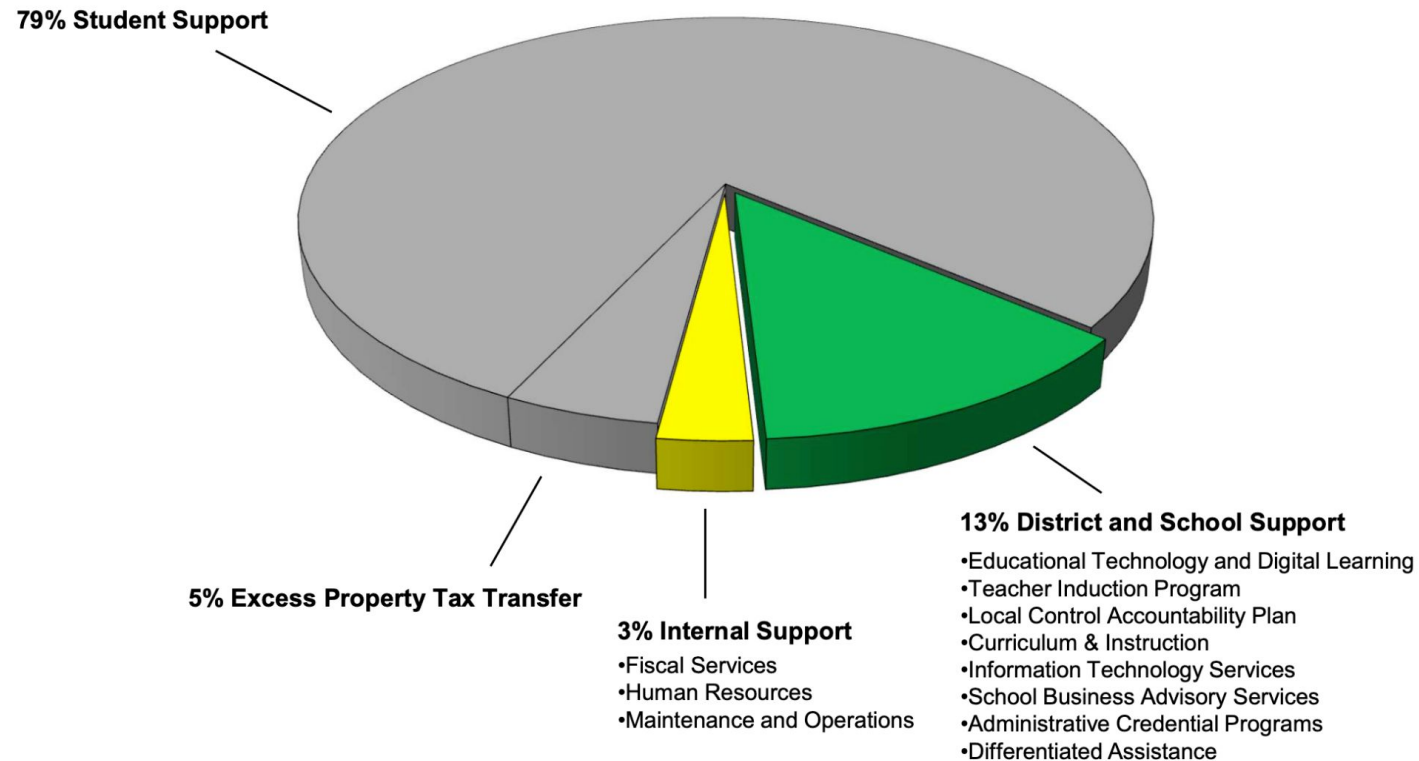
Combined General Fund and Child Development Fund Support Services Budgeted Expenditures



2024-25 PROPOSED ADOPTED BUDGET



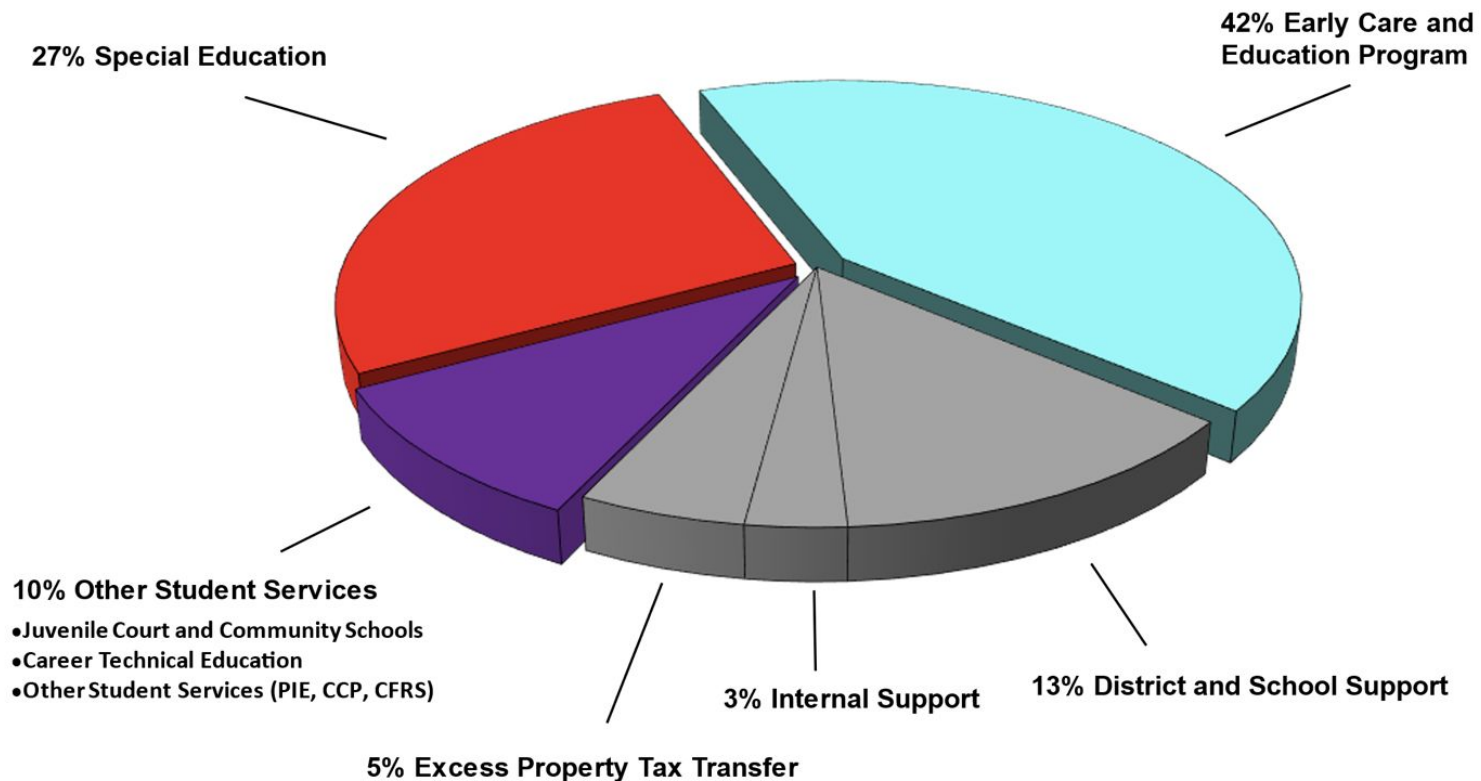
Combined General Fund and Child Development Fund Internal and District and School Support Budgeted Expenditures (16%)



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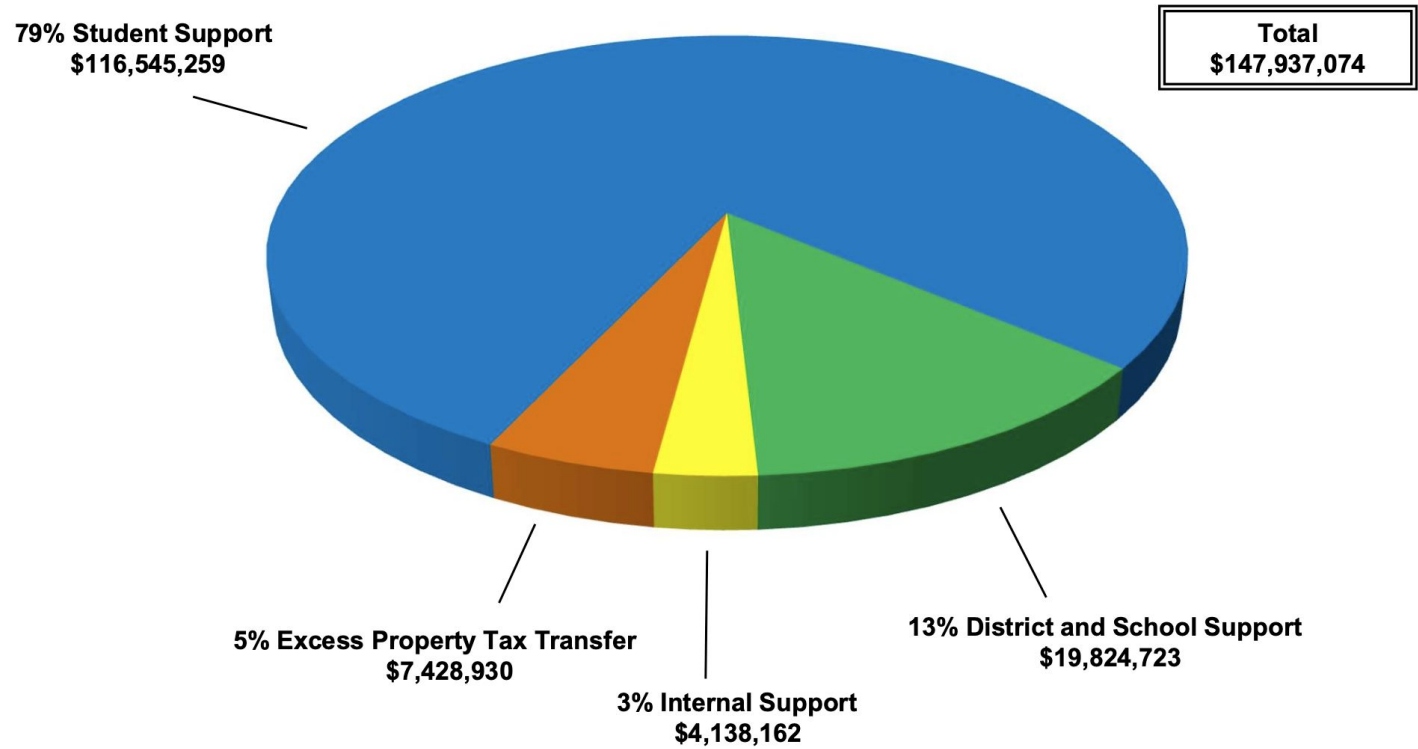
Combined General Fund and Child Development Fund Student Support Services Budgeted Expenditures (79%)



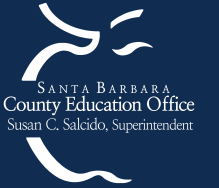
2024-25 PROPOSED ADOPTED BUDGET



Combined General Fund and Child Development Fund Support Services Budgeted Expenditures



2024-25 PROPOSED ADOPTED BUDGET

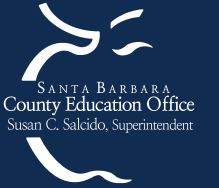


Combined General Fund and Child Development Fund

Two-Year Comparison

	2023-24 <i>Estimated Actuals</i>	2024-25 <i>Proposed Budget</i>
Beginning Balance	29,217,463	33,286,222
Revenue	148,153,590	149,563,895
Expense	144,084,831	147,937,074
Ending Balance	33,286,222	34,913,043

2024-25 PROPOSED ADOPTED BUDGET

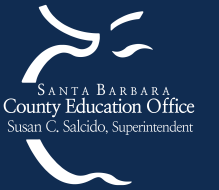


General Fund Unrestricted Programs

Two-Year Comparison

	2023-24 Estimated Actuals	2024-25 Proposed Budget
Beginning Balance	10,373,351	13,489,009
Revenue	30,983,135	30,632,321
Expense	27,867,477	28,411,486
Ending Balance	13,489,009	15,709,844

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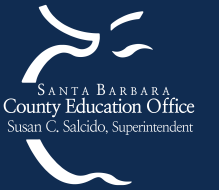


General Fund Restricted Programs

Two-Year Comparison

	2023-24 Estimated Actuals	2024-25 Proposed Budget
Beginning Balance	15,026,051	13,896,454
Revenue	54,777,763	55,186,490
Expense	55,907,360	56,723,147
Ending Balance	13,896,454	12,359,797

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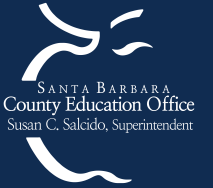


Child Development Fund

Two-Year Comparison

	2023-24 Estimated Actuals	2024-25 Proposed Budget
Beginning Balance	3,818,061	5,900,759
Revenue	62,392,692	63,745,084
Expense	60,309,994	62,802,441
Ending Balance	5,900,759	6,843,402

MULTIYEAR PROJECTIONS



Santa Barbara County Office of Education
Santa Barbara County

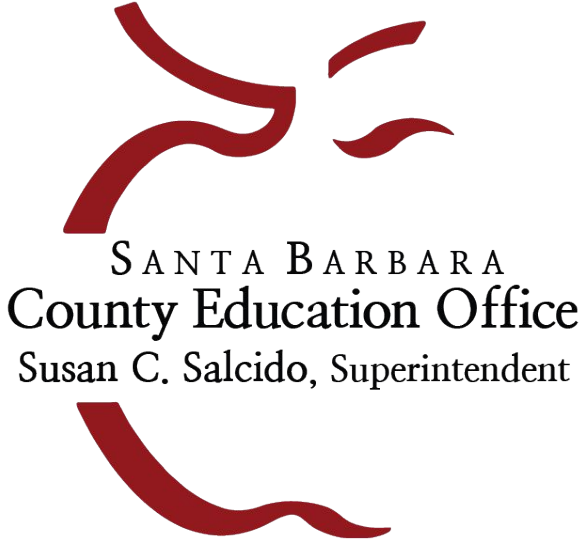
Budget, July 1
County School Service
Multiyear Projections
Unrestricted/Restricted

42 10421 000000
Form MYP
F8BD7B5W9U(2024-25)

Description	Object Codes	2024-25 Budget (Form 01) (A)	% Change (Cols. C-A/A) (B)	2025-26 Projection (C)	% Change (Cols. E-C/C) (D)	2026-27 Projection (E)
E. AVAILABLE RESERVES						
1. County School Service Fund						
a. Stabilization Arrangements	9750	0.00		0.00		0.00
b. Reserve for Economic Uncertainties	9789	8,490,256.00		9,488,255.00		9,515,744.00
c. Unassigned/Unappropriated	9790	0.00		0.00		0.00
d. Negative Restricted Ending Balances (Negative resources 2000-9999)	979Z			0.00		0.00
2. Special Reserve Fund - Noncapital Outlay (Fund 17)						
a. Stabilization Arrangements	9750	0.00		0.00		0.00
b. Reserve for Economic Uncertainties	9789	14,831,791.00		14,831,791.00		14,831,791.00
c. Unassigned/Unappropriated	9790	0.00		0.00		0.00
3. Total Available Reserves - by Amount (Sum lines E1a thru E2c)		23,322,047.00		24,320,046.00		24,347,535.00
4. Total Available Reserves - by Percent (Line E3 divided by Line F3c)		27.39%		27.41%		26.36%



QUESTIONS?



THANK YOU!