



# 2022-23 First Interim Budget Report

Dr. Matt Hill, Superintendent

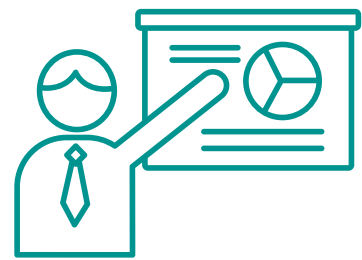
Andrew Cantwell, Assistant Superintendent, Administrative Services

Alyssa Low, Director, Fiscal Services

Carin Wantland, Assistant Supervisor of Budget and Finance

# Budget Cycle

Budgeting for school districts is a continuous, year-round process



## ☐ First Interim

On or before December 15

Actual revenues and expense July 1 to October 31 with projections for remainder of current and two future fiscal years

## ☐ Unaudited Actuals

On or before September 15

Details actual ending balances, all revenues and expenditures for the fiscal year ended June 30

## ☒ Adopted Budget

On or before July 1

Details spending plan of district and includes estimated actual ending balances for prior fiscal year

## ☐ Second Interim

On or before March 15

Actual revenues and expense July 1 to January 31 with projections for remainder of current and two future fiscal years

# Certification Definitions

## ✓ Positive

The District, based on current projections, will be able to meet its financial obligations for a the current and subsequent two fiscal years

## Qualified

The District, based on current projections, may not be able to meet its financial obligations for the current and subsequent two fiscal years

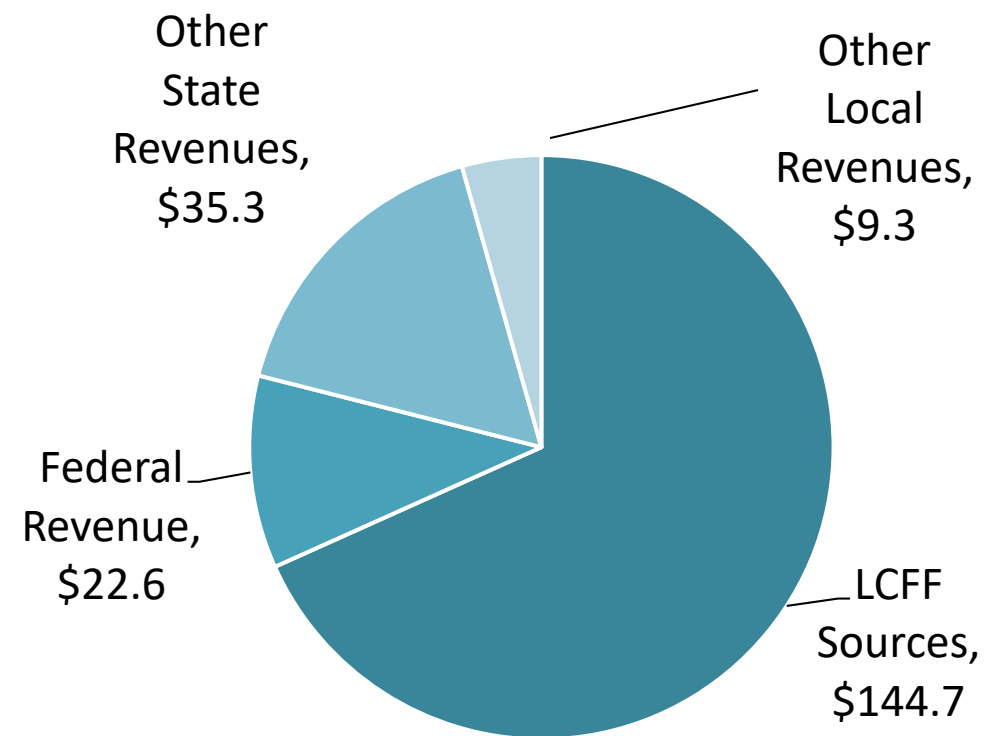
## Negative

The District, based on current projections, will be unable to meet its financial obligations for the current and subsequent two fiscal years

Current projections are based on First Interim and Multiyear Projection (MYP)

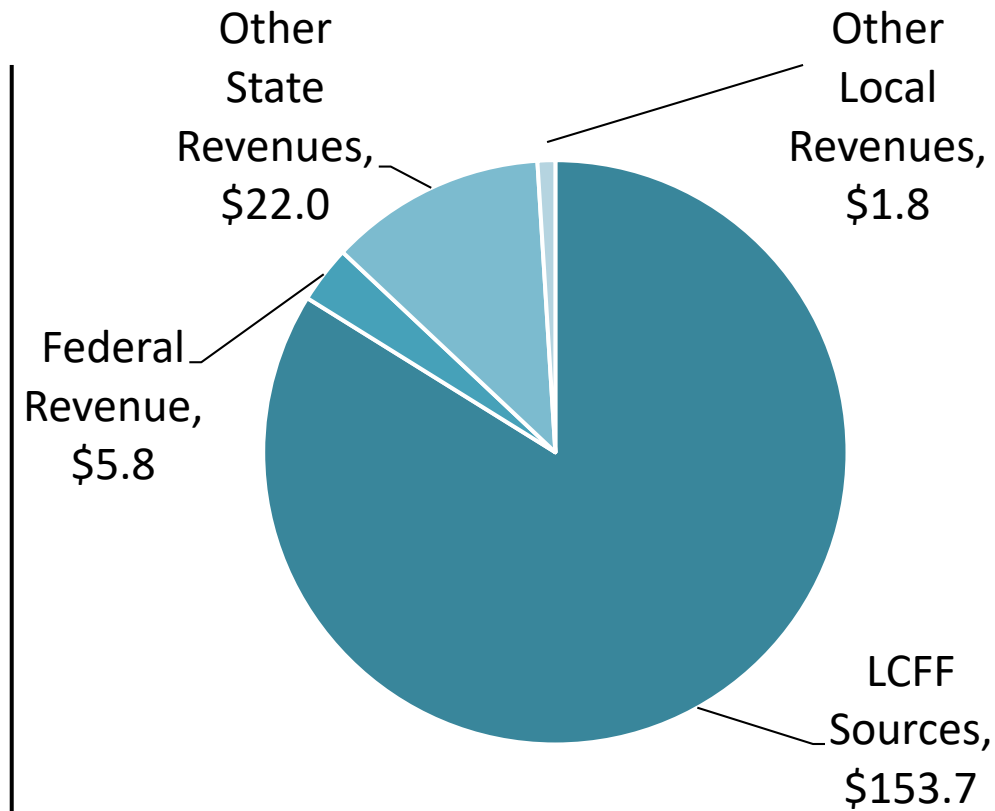


# Revenues (in millions)



**\$211.9**

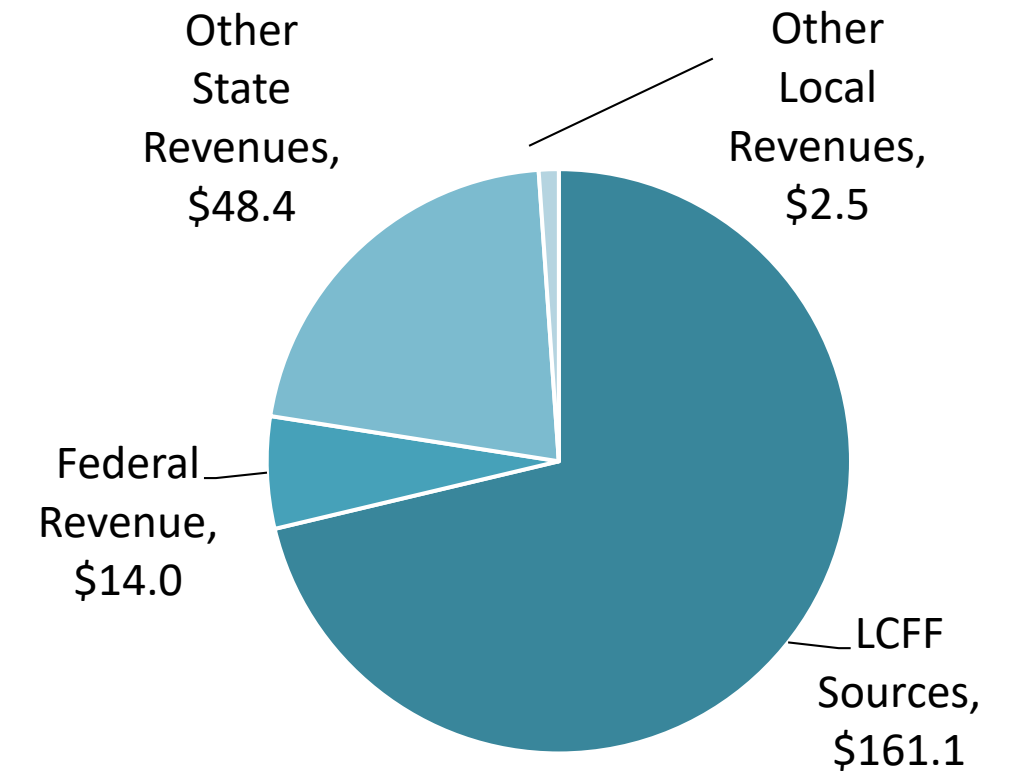
Unaudited Actuals 2021-22



**\$183.3**

Adopted Budget 2022-23

(-13% from Unaudited Actuals 2021-22)



**\$226.0**

First Interim 2022-23

(+23% from Adopted Budget 2022-23)

# Revenue Drivers



## LCFF COLA

	2022-23	2023-24	2024-25
COLA	6.56%	5.38%	4.02%
COLA Augmentation	6.70%	-0-	-0-



## LCFF Base Grant

Grade Span	K-3	4-6	7-8	9-12
Per Student	\$10,119	\$9,304	\$9,580	\$11,391



## Average Daily Attendance

2022-23	2023-24	2024-25
14,441	13,942	13,399

# Revenue Differences



## LCFF Revenues

- Additional 6.7% Adjustment to LCFF for 2022-23
- Additional benefit from an ongoing provision allowing the average of three prior years' average daily attendance (ADA) in calculating LCFF apportionments
- Districts offering independent study in 2021-22 benefit from a one-year ADA mitigation to shield them from attendance declines
- Additional funding for Transitional Kindergarten

## Federal and State Revenues

- COVID funding
- Carry-over from prior fiscal year
- Significant **one-time** funding allocated after Adopted Budget
  - Learning Recovery Emergency Block Grant
    - \$11,690,943
  - Arts, Music, and Instructional Materials Block Grant
    - \$8,838,503

## Local Revenue

- Increase in gifts

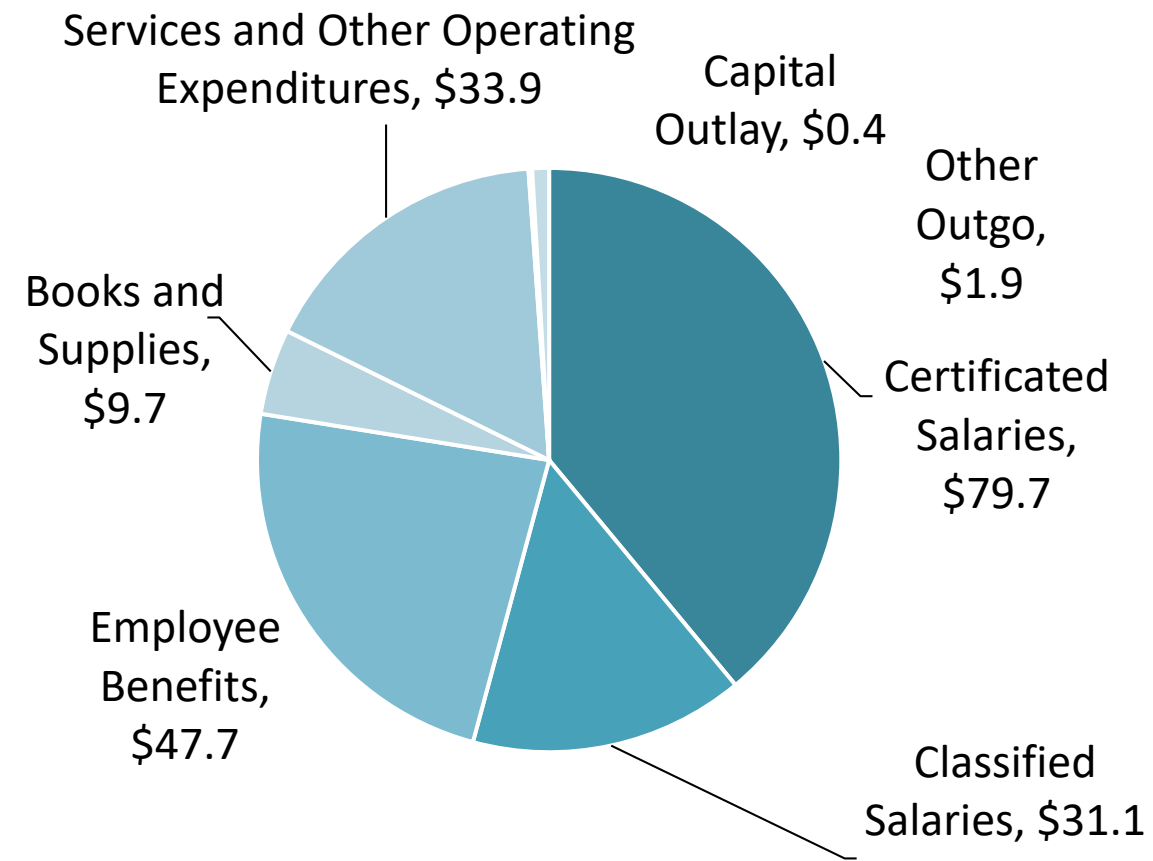


# One Time COVID Moneys



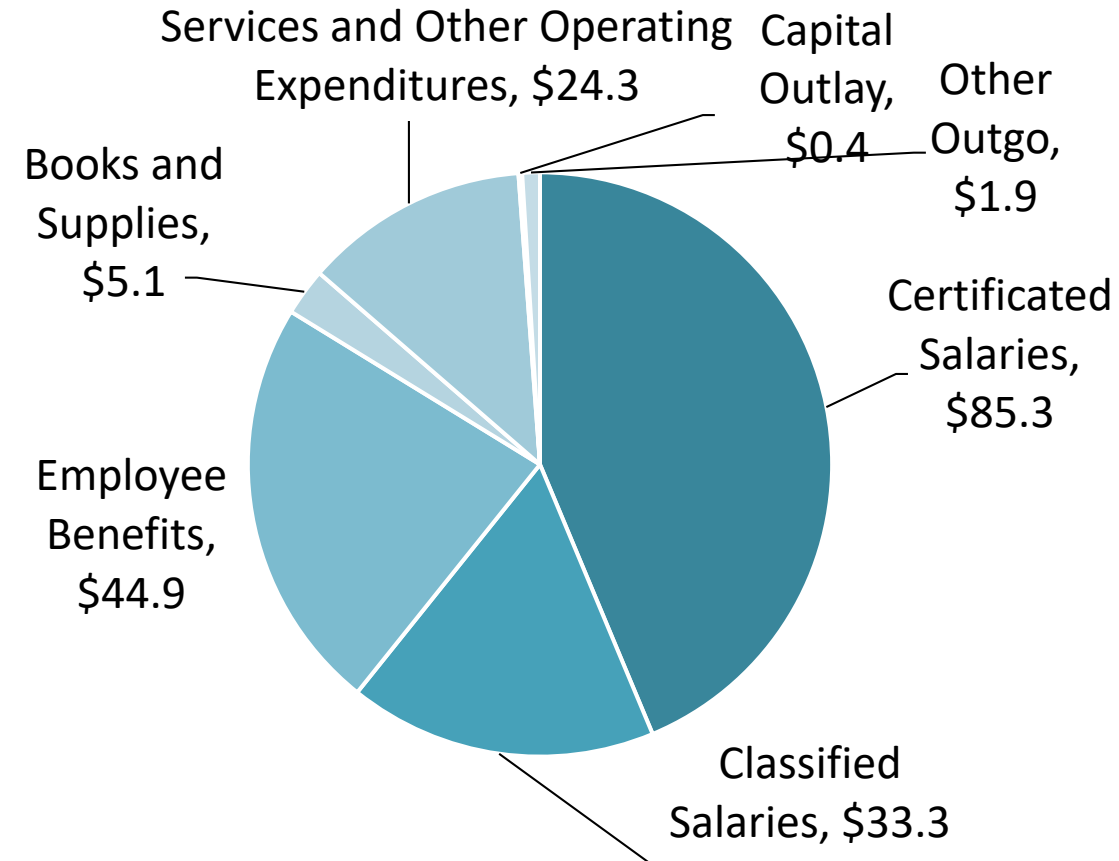
<b>Funding Sources</b>	<b>Allocation</b>	<b>Balance to Spend</b>	<b>Date to be Spent / Expended</b>
SB117 – COVID 19 LEA Response Fund	\$254,618	-0-	Expended
LLM – Coronavirus Relief Fund (CRF)	6,840,423	-0-	Expended
LLM – Prop 98 General Fund	1,181,661	-0-	Expended
AB 86 – In Person Learning (IPI)	4,598,425	1,577,947	9/30/2024
AB 86 – Expanded Learning Opportunities Grant (ELO-G)	8,655,995	-0-	Expended
AB 86 – Expanded Learning Opportunities Grant– Para-Professionals	961,777	-0-	Expended
AB86 – Expanded Learning Opportunities – Homeless	76,000	75,000	9/30/2024
LLM - Governor’s Emergency Education Relief (GEER)	909,442	-0-	Expended
CARES - Elementary and Secondary Emergency Relief Fund – ESSERF I	1,413,761	-0-	Expended
CRSSA - Elementary and Secondary Emergency Relief Fund – ESSERF - II	5,594,954	959,535	9/30/2023
ARP - Elementary and Secondary Emergency Relief Fund – ESSERF - III	12,565,473	6,053,086	9/30/2024
ARP – Homeless Children & Youth II	36,651	36,651	9/30/2024
FEMA – Federal Emergency Management Agency	2,452,351	-0-	Expended
Emergency Connectivity Fund (ECF)	1,798,033	-0-	Expended
School Based COVID-19 Testing Grant	2,383,784	-0-	Expended
<b>Total</b>	<b>\$49,723,348</b>	<b>\$8,702,219</b>	

# Expenditures (in millions)



**\$204.5**

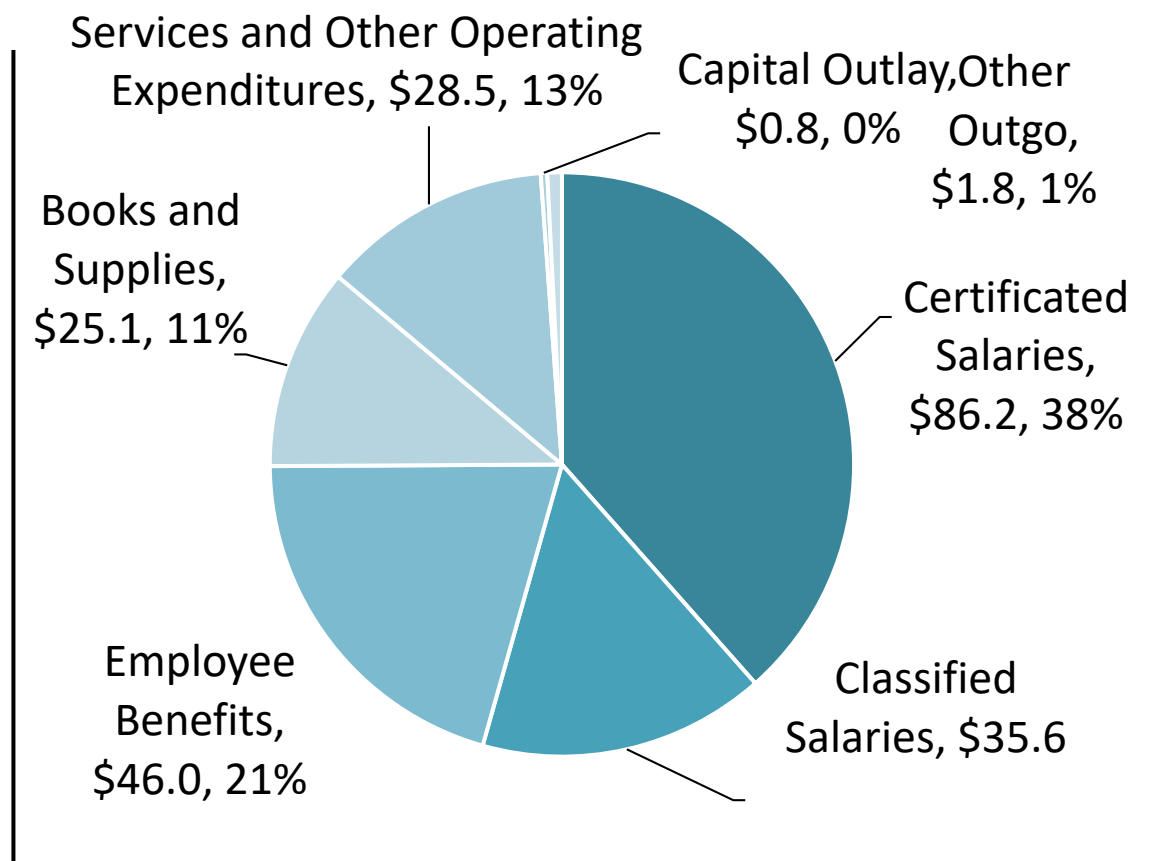
**Unaudited Actuals 2021-22**



**\$195.2**

**Adopted Budget 2022-23**

(-4.5% from Unaudited Actuals 2021-22)



**\$224.0**

**First Interim 2022-23**

(+14.7% Adopted Budget 2022-23)



# Expenditure Drivers



## PERS and STRS

	2022-23	2023-24	2024-25
PERS	25.37%	25.20%	24.60%
STRS	19.10%	19.10%	19.10%

## Special Education

	2022-23	2023-24	2024-25
Special Ed	\$26,141,844	\$26,959,536	\$27,915,925

## Miscellaneous Assumptions

	2022-23	2023-24	2024-25
Unemployment Insurance Rate	0.50%	0.20%	0.20%
Health Insurance Increase	2.00%	2.00%	2.00%
California CPI	5.75%	2.58%	2.20%

# Expenditure Differences



## **Certificated Salaries**

- Step and Column increases
- Teachers paid from one-time COVID funding to maintain smaller class sizes
- Additional hourly/daily and sub costs

## **Classified Salaries**

- Step and Column Increases
- Support staff paid out of one-time COVID funds
- Transition Kindergarten aides

## **Benefits**

- Changes with Step and Column increases
- STRS/PERS increases
- Health and Welfare 2% increase

## **Materials and Supplies**

- Expenditures to match gifts and donations revenue
- One-time COVID funding expenditures

## **Services**

- Contracted services for Special Education needs
- One-time COVID funding expenditures

## **Capital Outlay**

- M&O prior year projects to continue and gifts for Miller, Bret Harte & Edison



# Multiyear Projection



	2022-23	2023-24	2024-25
Revenue	225,913,031	193,834,191	193,667,065
Expenses	223,908,583	195,279,426	202,031,058
Transfers Out	(240,878)	(232,103)	(127,111)
<b>Excess/(Deficit)</b>	<b>1,763,570</b>	<b>(1,677,338)</b>	<b>(8,491,104)</b>
Beginning Fund Balance	39,465,358	37,788,020	29,296,916
<b>Fund Balance</b>			
Non Spendable	100,060	100,060	100,060
Restricted One Time State & Federal Funding	20,385,907	20,238,719	20,089,750
Vacation Liability	272,000	272,000	272,000
LCAP Assigned	2,634,749	-0-	-0-
Assigned	7,900,000	7,900,000	-0-
Reserve for Economic Uncertainties (3%)	6,724,484	5,865,346	6,064,745
Board for Economic Uncertainties up to 3%	1,448,159	3,411,895	2,770,361

Note: Columns may not add up due to rounding.

# Challenges



- The District has an ongoing structural deficit; COVID & one-time funds have eased the immediacy of having to have delayed the tackling the structural deficit
- With free meal service being provided to all students, the District's Unduplicated Pupil Percentage, or UPP, has declined since there's no immediate need for families to complete the Free and Reduced Meal application. It more than just provides meals for students, this application has additional benefits of providing additional funding, such as supplemental state funding and federal funding for technology (ERATE).
- Staffing shortages contribute to the continued rise in costs of Special Education as the need to turn to agencies to fill vacancies is necessary to continue to provide the services BUSD students need.







# Thank you!

Feel free to reach out to us if you have any questions.

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