

BUCKEYE UNION SCHOOL DISTRICT

2025-2026 FIRST INTERIM REPORT EXECUTIVE SUMMARY

**Financial Report as of October 31, 2025
Presented: December 10, 2025**

Background

The California Education Code, as updated by AB1200 and AB2756, requires school districts to report on their financial condition at the time of budget adoption and after closing the books with the unaudited actuals. Two interim reports are also required during the Fiscal Year. The First Interim report illustrates a district's financial condition and projections as of October 31st as well as budget revisions based on expenditure and revenue trends and other available information. The following is a summary of the financial position of the Buckeye Union School District as of October 31, 2025, and the projected financial activity through June 30th. The Governing Board of a school district certifies the district's financial condition to the County Office of Education through these reports. Based on the information contained in the enacted 2025-2026 California State budget and the financial information provided in the interim reports, the Buckeye Union School District certifies the District's financial position is positive; the District will meet its financial obligations in the current and subsequent two fiscal years.

For ease and clarity, I have summarized within this report the activities and position of each fund and included detailed analysis of items of particular interest. Original State reports are available in the District office and can be forwarded to you upon request.

Comparison of the State's Proposed and Enacted Budget

On June 27, 2025, Governor Gavin Newsom signed the state's fiscal 2025-2026 budget into law. Specifically, Governor Newsom signed several budget bills (SB 101, AB 102, SB 103, AB 104, SB 105) and trailer bills (AB 121, SB 120, SB 147, SB 151) to adopt and implement the 2025-26 State Budget. The budget retained the majority of the proposals included in the May Revision; however, some additional changes were incorporated. The final budget agreement solves an \$11.8 billion general fund deficit for 2025-26 and provides a balanced fiscal plan with reductions in growth in state spending while maintaining key programs.

The 2025-26 State Budget includes the following key funding provisions:

- **Proposition 98 Guarantee:** Revised estimates result in updated guarantee levels: \$98.5 billion for 2023-24, \$119.9 billion for 2024-25, and \$114.6 billion for 2025-26. The 2025-26 budget appropriates the 2024-25 level at \$118 billion, \$1.9 billion below the most recent calculation (referred to as settle-up).
- **Proposition 98 Rainy Day Fund:** Mandatory withdrawal of \$455 million in 2025-26, with \$405.3 million used to fund LCFF. This withdrawal exhausts the fund balance, so the Proposition 98 Rainy Day fund balance is insufficient to trigger the local reserve cap in 2025-26.
- **Cost-of-Living Adjustment (COLA):** Maintains a 2.3% funded COLA to the Local Control Funding Formula (LCFF). When combined with population growth adjustments, this results in a \$2.1 billion increase compared to the 2024 Budget Act.
- **LCFF Deferrals:** Includes a \$1.9 billion deferral of LCFF apportionments from June 2026 to July 2026.

- **Universal Transitional Kindergarten:** Maintains investment of \$2.1 billion in ongoing funding to support full implementation, ensuring all children who turn four years old by September 1 can enroll. Additional \$1.2 billion provided to support lowering student-to-adult ratio from 12-to-1 to 10-to-1 in every TK classroom beginning in 2025-26.
- **Expanded Learning Opportunities Program:** Provides additional \$606.8 million in ongoing investment for full program implementation and to increase Rate 2 to \$1,575. Lowers eligibility threshold for universal access to 55% UPP (reduced from 75%), with one-time funding of \$590.6 million to account for this change.
- **Literacy Instruction:** Provides \$480 million in one-time Proposition 98 funding to support literacy instruction aligned with the ELA/ELD Framework, including \$215 million for Literacy and Reading Specialists Grant Program expansion.
- **Teacher Support:** Multiple investments totaling \$400 million including Student Teacher Stipend Program (\$300 million for \$10,000 grants), Teacher Residency Grant Program (\$70 million), and National Board Certification Incentive Program (\$30 million).
- **Student Support and Professional Development Block Grant:** Allocates \$1.7 billion in one-time Proposition 98 funding at \$313.08 per ADA for discretionary fiscal support to address rising costs.
- **Learning Recovery Emergency Block Grant:** Maintains \$378.6 million in one-time funding through the 2027-28 school year.
- **Career Technical Education:** Provides \$150 million in one-time funding to augment the CTEIG program
- **Universal School Meals Support Grant:** Provides \$145 million in one-time funding to provide specialized kitchen equipment, infrastructure improvements, staff training and procurement.

**Governor Newsom's 2025-26 Budget
May Revision vs. Enacted Budget Comparison**

Budget Category	May Revision	Enacted Budget
State Budget Deficit	\$12 billion (2025-26)	\$11.8 billion (addressed)
Total State Spending	\$321.9 billion	\$322+ billion (final enacted)
Proposition 98 Guarantee 2023-24	\$98.5 billion	\$98.5 billion (same)
Proposition 98 Guarantee 2024-25	\$118.9 billion (decreased \$300M from January)	\$119.9 billion
Proposition 98 Guarantee 2025-26	\$114.6 billion (decreased \$4.3B from January)	\$114.6 billion (same)
2024-25 Budget	Not specified (subject to withholding)	\$118B appropriated

Budget Category	May Revision	Enacted Budget
Appropriation vs. Calculation	proposal)	(\$1.9B below calculation)
Prop 98 Rainy Day Fund	\$540M deposit in 2024-25; full mandatory withdrawal in 2025-26	\$455M withdrawal exhausts fund
LCFF COLA	2.3% (lowered from 2.43% in January)	2.3% (maintained)
LCFF Total Increase	\$2.1 billion (COLA + ADA changes)	\$2.1 billion (maintained)
LCFF Deferrals	Eliminate 2023-24 & 2024-25 deferrals; new \$1.8B deferral June 2026 to July 2026	\$1.9B deferral June 2026 to July 2026; \$246.6M prior deferrals repaid
Universal TK Re-benching	\$2.1B ongoing (4th & final re-bench); 100% to TK-12 (not split with CCC)	\$2.1B ongoing (maintained)
Universal TK Class Size Ratio	Reduce to 10:1; \$1.2B funding (reduced from \$1.5B)	10:1 ratio; \$1.2B funding (maintained)
Expanded Learning Opportunities Program	\$515.5M increase for total \$4.4B ongoing; expand to 55% UPP threshold	\$606.8M ongoing + \$590.6M one-time; 55% UPP threshold
ELOP Minimum Grant Amount	\$10M to increase minimum from \$50K to \$100K	Minimum grant amount increased
Literacy Instruction & Support	\$745.3M one-time (\$535.3M materials/screening/coaches, \$200M prof. learning, \$10M dyslexia)	\$480M one-time Prop 98 (consolidated amount)
Student Support & Prof. Dev. Discretionary Block Grant	\$1.7B one-time (lowered from \$1.8B in January)	\$1.7B one-time (\$313.08 per ADA)
Universal School Meals	\$490.7M additional ongoing Prop 98	\$160M total (\$145M equipment, \$10M staffing, \$5M study)
Learning Recovery Emergency Block Grant	Not specifically detailed in May Revise	\$378.6M one-time through 2027-28
Career Technical Education	Not specifically detailed in May Revise	\$150M one-time Prop 98
Special Education	2.3% COLA applied	2.3% COLA applied

Legislative Analyst’s Office (LAO) – October 22, 2025 State Budget Update – “The 2025-2026 Wall of Debt”

The Legislative Analyst’s Office (LAO) released its annual report of California’s latest budget in which it revives a term from Governor Jerry Brown’s last tenure. In the waning years of his administration, Governor Brown was laser focused on eliminating what was then an estimated \$35 billion “wall of debt” the state had accumulated from deferrals and borrowings to address California’s protracted budget problem stemming from the Great Recession.

According to the LAO, the bricks of today’s wall total \$21.6 billion and consist of traditional budget instruments along with novel debt features such as the \$1.9 billion Proposition 98 settle up and \$4.4 billion Medi-Cal “maneuver” that creates future budgetary obligations extending into 2034. Noting that “the administration does not produce an easily accessible, public list” of the state’s borrowing, the report provides a table summarizing nearly \$10 billion new debt included in the 2025-26 Enacted Budget that increases California’s wall of debt from \$12 billion to almost \$22 billion.

LAO Wall of Debt Summary (in billions)

Borrowing type	Amount
Existing	
Payroll deferral	\$1.6
Proposition 98 maneuver (cash borrowing)	6.4
Special fund loans	4.0
Total	\$12.0
Adopted in 2025-26 Budget Package	
Medi-Cal maneuver (cash borrowing)	\$4.4
Settle up	1.9
Special fund loans (unallocated)	1.5
Middle Class Scholarships arrears budgeting	0.9
Special fund loans (allocated)	0.6
University payment deferrals	0.3
Total	\$9.6
Total Outstanding Budgetary Borrowing	\$21.6

Legislative Analyst's Office (LAO) – November 18, 2025 LAO Releases Annual Fiscal Outlook Report – “Projects \$18 Billion Structural State Deficit in 2026-27 & \$35 Billion Annually Starting in 2027-28”

The Legislative Analyst's Office (LAO) released its November 2025 Fiscal Outlook, projecting a more challenging budget picture than previously anticipated. Key findings include:

Deficit Projections: The 2026-27 deficit is estimated at \$18 billion (up from the \$13 billion the Enacted Budget predicted), growing to a structural deficit of \$35 billion annually starting in 2027-28.

Revenue Concerns: While tax receipts exceed earlier projections by \$11 billion, the LAO cautions that growth is concentrated in personal income taxes potentially driven by an AI bubble. Weaker corporate and sales tax collections suggest this growth may not be sustainable.

Increased Obligations: About \$7 billion of increased revenue must go to TK-12 schools and community colleges under Proposition 98, with much of the remainder directed to constitutionally required reserves and debt payments. Specifically, the LAO projects that the state must use the \$7 billion to address its \$1.9 billion settle-up requirement built into the 2025-26 Enacted Budget adopted in June, a higher maintenance factor payment, and calculated increases to the minimum guarantee across the budget window. In addition, at the same time, it is significant to note that state costs are also rising nearly \$6 billion due to healthcare, pensions, and federal program impacts.

Depleted Tools: The LAO warns California has used up most budget flexibility measures (reserves, borrowings, one-time revenues) and recommends addressing the structural deficit immediately to prepare for potential economic downturns.

Federal Funding Uncertainties

Congress recently approved significant cuts to Medicaid and the Supplemental Nutrition Assistance Program (SNAP). These reductions may impact schools in two ways:

- First, they change eligibility for participation in safety net programs used in the automatic categorical eligibility match for free and reduced-price meals (FRPM). Reducing FRPM eligibility will affect the unduplicated pupil count/percentage, which is used in LCFF and more than 15 other programs to determine funding allocations to LEAs.
- Second, and at the same time, projected declines in state revenue and increasing Medi-Cal costs have contributed to a structural budget deficit that is projected to grow significantly. Federal funding reductions, especially to Medicaid, will significantly

increase the state’s budget deficit and require the Legislature to make difficult reductions in other areas.

Assumptions for 2025-2026 and Multi-Year Projections

Illustrated below are the latest factors released by the Department of Finance (DOF) that districts are expected to utilize as planning factors and BUSD has incorporated these assumptions into their 2025-2026 First Interim Report and Multi-Year Projections.

Planning Factor	2025-26	2026-27	2027-28
Cost-of-Living Adjustment (COLA)			
Local Control Funding Formula (LCFF) COLA	2.30%	3.02%	3.42%
Special Education COLA	2.30%	3.02%	3.42%
Employer Benefit Rates			
CalSTRS	19.10%	19.10%	19.10%
CalPERS-Schools	26.81%	26.90%	27.80%
State Unemployment Insurance	0.05%	0.05%	0.05%
Lottery			
Unrestricted per ADA	\$190.00	\$190.00	\$190.00
Proposition 20 per ADA	\$82.00	\$82.00	\$82.00
Minimum Wage	\$16.90 ¹	\$17.40 ²	\$17.80 ³
Universal TK/ADA LCFF add-on	\$5,545.00	\$5,712.00	\$5,907.00
Mandate Block Grant			
School Districts			
Grades K-8 per ADA	\$39.09	\$40.27	\$41.65
Charter Schools			
Grades K-8 per ADA	\$20.52	\$21.14	\$21.86

¹Effective January 1, 2026, ²Effective January 1, 2027, ³Effective January 1, 2028.

Enrollment and Attendance History and Projections

The most significant characteristic for determining District income is the calculation of the average number of students that are in attendance on a daily basis. The State funds school districts based on the number of students attending school each day, instead of the number of students actually enrolled in school each day. This average daily attendance or ADA is

multiplied by the District's Local Control Funding Formula Grade Span Rate per ADA to determine the total Local Control Funding Formula income for the District. Funding for traditional public schools is allocated based on the higher of the current year or prior year ADA. Funding for charter schools is always based on current year attendance. ADA should not be confused with enrollment. The official annual enrollment count is taken in October for that school year and is used for staffing and facility needs.

As of December 2025, BUSD's actual *enrollment* is 4,209 students, which is less than the prior three year average. As a result, BUSD is funding under the Average Daily Attendance Calculation (Declining Enrollment Protection) which allows school districts to average ADA over three previous school years. For the 2025-2026 school year, BUSD is receiving funding for approximately 105 more ADA (which equates to approximately \$1.254 million in funding) than it currently has in attendance.

Since ADA is such an important part of the District's income base, the projection of ADA for this next fiscal year is an important part in projecting the District's income in its multi-year projections. District attendance records are monitored monthly and ADA is updated throughout the year to ensure that the projected revenues are in line with the District's budgeted or revised projections. The Buckeye Union School District has averaged a 93.81% to 96.16% attendance rate compared to enrollment in past five years.

Declining Enrollment and Deficit Spending

Statewide declining enrollment, combined with the expiration of federal and state one-time funds, has led to deficit spending. As a result, as we work to balance our budgets, it is crucial to distinguish between the portions of the deficit that are ongoing and those that are one-time. At this time we project a structural deficit of approximately \$1.5 million.

Additionally, as districts face declining fund balances, it is important to exercise caution when identifying funds for negotiated salary increases. Modest revenue gains from the COLA may be offset by declining enrollment and rising payroll costs, including retirement. Each district's ability to manage and sustain salary increases will vary based on its unique financial circumstances. Since deficit spending reduces fund balance reserves, maintaining substantial reserves is essential to safeguard against potential future economic downturns.

Routine First Interim Budget Adjustments

The District has reviewed all of its accounts and has adjusted its First Interim budget projections to reflect the following:

- Based upon current enrollment data, the District adjusted its revenue accounts that are based on Average Data Attendance (ADA). Start-of-school enrollment is materially different from budget projections, so revenues have been recalculated based upon updated ADA projections.

- Categorical revenue accounts are updated to most recent information received from the State and Federal governments. Corresponding expenditure accounts are also adjusted accordingly.
- Indirect costs are updated to reflect changes in total estimated expenditures.
- Other income accounts are analyzed and adjusted to reflect year-to-date receipts and estimated year-end amounts.
- Revenues and expenditures of programs that supported by contributions from the General Fund are updated to current projections and adjusted accordingly.
- Salary and benefit accounts are adjusted to reflect updated staffing levels and changes to benefit costs. All budgets reflect the most current negotiated agreements with employee bargaining units.
- All expenditure accounts analyzed and adjusted to reflect year-to-date expenditures and estimated expenditures to finish the year.
- Carryovers from prior year budgets posted and adjusted accordingly.

Reserves

District Reserve Requirements (Senate Bill 858): The 2014 State Budget Act and the passage of Proposition 2 in November 2014 established a hard cap on District reserves, if all of the following conditions are met:

- The Proposition 98 maintenance factor must be fully repaid; and
- Proposition 98 must be funded based on Test 1; and
- Proposition 98 provides sufficient funds to support enrollment growth and the statutory COLA; and
- A deposit must be made into the Proposition 98 reserve when capital gains revenues exceed 8% of General Fund revenues.

All of the above-identified conditions have not been met. As a result, the school District reserve cap is not in effect as of the 2025-26 school year.

In addition to State law, BUSD has adopted a policy setting aside an additional 1% in reserves, equating to a minimum 4% reserve requirement for the District in the 2025-2026 fiscal year. It is important to note that the required reserve for economic uncertainty represents only a few weeks of payroll for most districts. Prudent reserves afford districts and their governing boards time to thoughtfully identify and implement budget adjustments over time. Inadequate reserves force districts to react quickly, often causing significant disruption to student programs and employees. As a result, County offices as well as District staff continue to reinforce the need for reserves in excess of the minimum reserve for economic uncertainty.

Cash Management

The District is anticipating having positive monthly cash balances during the 2025-26 school year, but may need to rely on inter-fund borrowing to do so. Cash is always closely monitored in order to ensure the District is liquid to satisfy its obligations.

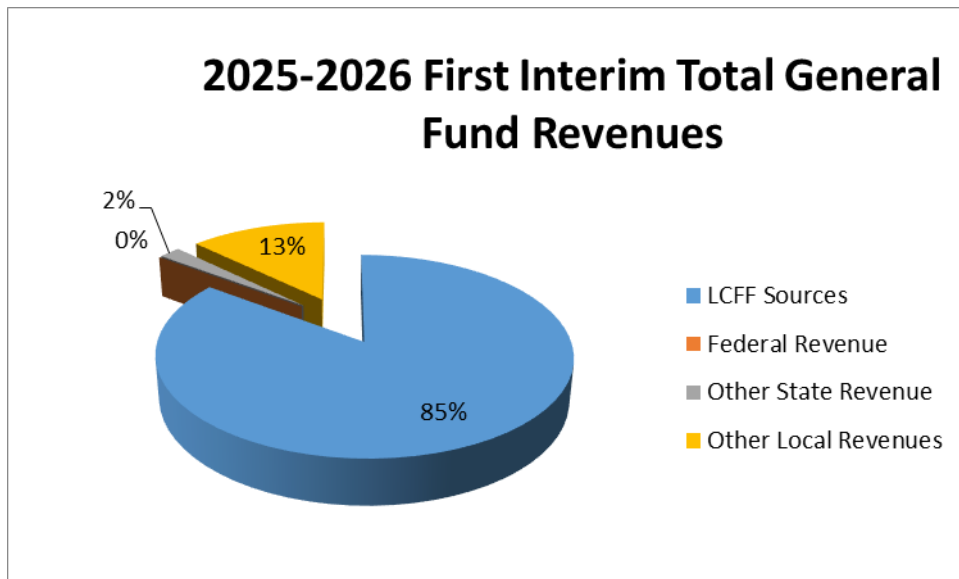
Positive Certification

While the District certifies itself as positive, it is important to remember that there are many unpredictable factors affecting revenues and expenditures and the First Interim Report is based on the best information available at the time the financial reports are approved. The First Interim Report, therefore, should be considered a “snapshot in time” of the financial plan of the District on the date it is adopted. As the school year progresses, variables change which may require the District to make revisions to its current and multi-year projections. Staff closely monitors these variables throughout the fiscal year to ensure fiscal solvency.

Financial Analysis of the General Fund Unrestricted & Restricted Revenue and Expense

REVENUE

The District receives funding for its general operations from various sources. A summary of the major funding sources for 2025-2026 is illustrated below:



Revenue: For Fiscal Year 2025-26 the total funded LCFF Revenue is approximately \$49,124,684. Projected LCFF funding for Fiscal Year 2026-27 and Fiscal Year 2027-28 is \$49,936,212 and \$50,666,173, respectively.

Summary of Unrestricted Revenue Changes (Original Adopted Budget to Current):

	Amount	Explanation
LCFF Revenue	\$ 685,065	Unduplicated Pupil count increased by 147 causing the LCFF to increase as well
Federal	\$ 0	Not Applicable
Other State	\$ (1,463,864)	Adopted Budget anticipated State one-time funds in the unrestricted portion of revenues, but came into the restricted side
Local Revenues	\$ 76,142	Not Material – Within tolerable limits
Contributions to Restricted Programs	\$ (124,182)	Increased costs in State Mental Health and Special Education
TOTAL	\$ (826,839)	

Summary of Restricted Revenue Changes:

	Amount	Explanation
LCFF Revenue	\$ 0	Not Applicable
Federal	\$ 90,381	Title I revenues driving factor for increase. Budgeted low at Adopted Budget given the then, uncertain nature of funding.
Other State	\$ 1,348,468	Adopted Budget anticipated State one-time funds in the unrestricted portion of revenues, but came into the restricted side
Local Revenue	\$ (8,450)	Not Material – Within tolerable limits
Contributions to Restricted Programs	\$ 124,182	Increased costs in State Mental Health and Special Education
TOTAL	\$ 1,554,581	

Multi-Year Financial Projections

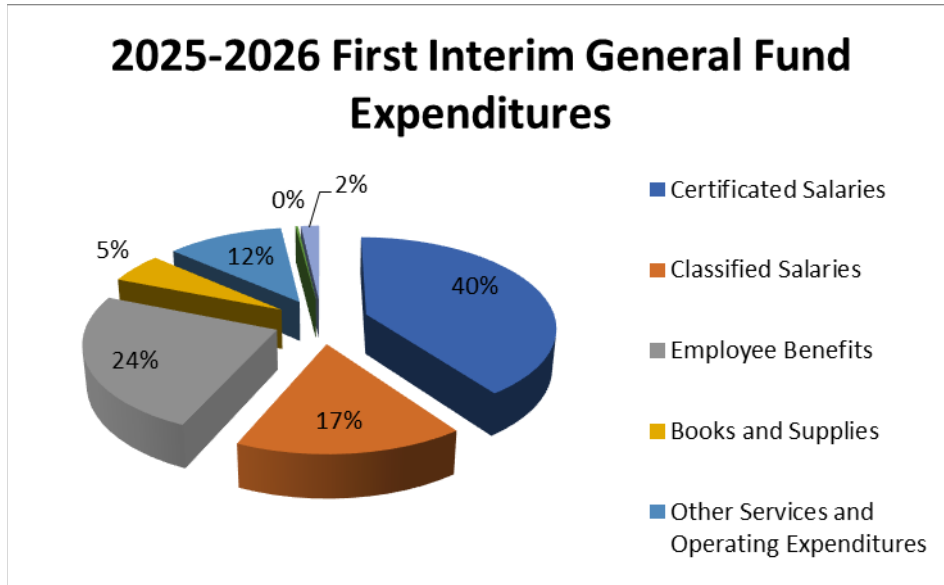
One of the most important elements of the First Interim Report is the three-year projection for the General Fund. In this forecast, the District projects its financial prognosis for the current and subsequent two years. The purpose of the projection is to report to its stakeholders on the continued fiscal viability of the District. The projection provides the rationale for the District's choice of certification options (Positive, Qualified, or Negative) on its Certification of Financial Condition.

Multi-Year Combined Revenue Projections:

Description	2025-2026	2026-2027	2027-2028
	Combined	Combined	Combined
LCFF Revenue	\$49,124,684	\$49,936,212	\$50,666,173
Federal Revenues	\$1,168,462	\$989,414	\$939,492
Other State Revenues	\$7,366,376	\$5,751,430	\$5,725,330
Other Local Revenues	\$4,093,770	\$4,141,028	\$4,239,460
TOTAL	\$61,753,292	\$60,818,084	\$61,570,455

EXPENSES

The General Fund is used for the majority of the functions within the District. At First Interim, adjustments were made to salaries and benefits to reflect changes in position control since Budget Adoption. The other major change to expenditures is the appropriation of unrestricted site carryovers and the appropriation of the designated curriculum funds.



Summary of Unrestricted Expenditure Changes:

	Amount	Explanation
Certificated Salaries	\$ 21,893	Not Material – Within tolerable limits
Classified Salaries	\$156,712	Salary increases of 4% total
Benefits	\$ 193,118	Position Control adjusted to reflect full staffing.
Books & Supplies	\$ 0	Not Material – Within tolerable limits
Operating Exp.	\$ 674,555	Posting of various carryover from 2024-2025 Unaudited Actuals is the driver of this change
Capital Outlay	\$ 0	Not Material – Within tolerable limits
Other Outgo	\$0	Not Material – Within tolerable limits
TOTAL	\$ 1,046,278	

Summary of Restricted Expenditure Changes:

	Amount	Explanation
Certificated Salaries	\$ 1,420,888	Salary increases of 4% total, plus a shifting of costs utilizing State one-time funding
Classified Salaries	\$ (1,135)	Not Material – Within tolerable limits
Benefits	\$ 87,011	Not Material – Within tolerable limits
Books & Supplies	\$ 43,021	Not Material – Within tolerable limits
Operating Exp.	\$ 683,097	Posting of various carryover from 2024-2025 Unaudited Actuals is the driver of this change
Capital Outlay	\$105,000	Additional capital expenditures were discovered and now, budgeted for
Other Outgo	\$ (491)	Not Material – Within tolerable limits
TOTAL	\$2,337,391	

Multi-Year Combined Expenditure Projections:

Description	2025-2026	2026-2027	2027-2028
	Combined	Combined	Combined
Certificated Salaries	\$25,774,229	\$25,301,335	\$25,721,782
Classified Salaries	\$10,683,030	\$10,386,225	\$10,546,506
Employee Benefits	\$15,713,639	\$15,755,666	\$15,992,458
Books and Supplies	\$3,478,745	\$3,798,745	\$3,874,745
Other Operating Expenditures	\$7,418,967	\$6,996,185	\$7,164,341
Capital Outlay	\$170,000	\$170,000	\$170,000
Other Outgo	\$1,262,798	\$1,262,798	\$1,262,798
Transfer of Indirects	(\$102,890)	(\$102,890)	(\$102,890)
TOTAL	\$64,398,518	\$63,568,064	\$64,629,740

It is important to note that no labor settlement agreements have been reached for the 2026-2027 or the 2027-2028 school years.

The following identifies the most significant assumptions in the three-year projection:

- LCFF: The District is utilizing the Department of Finance's estimated COLAs.
- The Legislature has fully funded LCFF in the 2019-20 fiscal year.
- BUSD Unduplicated Percentage of enrollment for 2025-26 through 2027-28 averages approximately 21.05%, based on a rolling three-year average.
- ADA: The District's LCFF funding is calculated under the new Average Daily Attendance Calculation (Declining Enrollment Protection) which allows school districts to average ADA over three previous school years. For the 2025-2026 school year, BUSD is receiving funding for approximately 105 more ADA than it currently has in attendance, which equates to approximately \$1.254 million.
- Mandated Cost Reimbursement One-time Revenues: No additional one-time revenues are projected.
- Employee Compensation: Normal ongoing step and column increases are included in the three-year projection. Additional expense to the District caused by the increase in the STRS and PERS rates is also included.
- Reasonable increases to supply and operating expense accounts and when applicable, reductions and budget saving measures being applied.
- Reasonable increases to technology expense accounts
- Changes to the number of staff to support students in general education, special programs, class sizes, and curriculum adoptions;

Given these assumptions, it is projected that for the 2025-2026 fiscal year, the District will have an operating deficit of approximately (\$2,214,212) in unrestricted funding and (\$431,014) in restricted funding, in its general fund due to planned deficit spending. The District recognizes it has a structural deficit of approximately \$1.5 million dollars.

In the 2026-2027 fiscal year, the District is projecting to have an operating deficit of approximately (\$1,875,779) in its unrestricted funding and an operating deficit of (\$874,201) in its restricted funding. In the 2027-2028 fiscal year, the District is projecting an operating deficit of approximately (\$1,812,327) and an operating deficit of (\$1,246,958) in its restricted funding. Again, once one-time expenses are removed, planned deficit spending is accounted for and planned budget transfers are made, the District projects that in the 2027-2028 fiscal year it will have a structural deficit of approximately \$1.5 million dollars.

Summary of Reserves

School finance experts, including the El Dorado County Office of Education, continue to reinforce the need for reserves in excess of the minimum reserve for economic uncertainty. Prudent reserves afford districts and their governing boards' time to thoughtfully identify and implement budget adjustments over time.

However, it is significant to note that the school district reserve cap is not in effect as of the 2025-26 school year.

At First Interim, it is projected that the District's multiyear projection regarding the District's Reserves for Economic Uncertainty (Combined Funds) over the next three budget years to be as follows: 2025-2026: 12%; 2026-2027: 10%; and 2027-2028: 8%, once one-time planned deficit spending is accounted for and planned budget transfers in the two out years are made.

Other Funds

The only major changes to other funds in the District were to building funds and Fund 13. Staff is adjusting income and expenditure budgets as contracts are encumbered and finished with respect various projects. In addition, staff is adjusting income and expenditures for Fund 13 as a result of the State and Federal action to increase funding for school nutrition programs and the escalating costs of goods and consumable supplies. Total expenditures are expected to both increase and decrease as the District moves through its various projects.

Conclusion

The First Interim Report is an important document in the District's ongoing communications to its stakeholders. The report and certification provide accountability and evidence of stewardship to our community. The Buckeye Union School District certifies the District's financial position is positive; the District will meet its financial obligations in the current and subsequent two fiscal years.