



2021-22 Second Interim

March 16, 2022

Topics

- General Fund Overview
- Differences from First Interim
- Multi-Year Projections
- Structural Deficit

General Fund Overview - Revenue Changes from First Interim

- Revenues net increase:

Unrestricted: FCC Grant

Restricted: Educator Effectiveness

Additional COVID funds

Unearned revenue posted

General Fund Overview - Expenditure Changes from First Interim

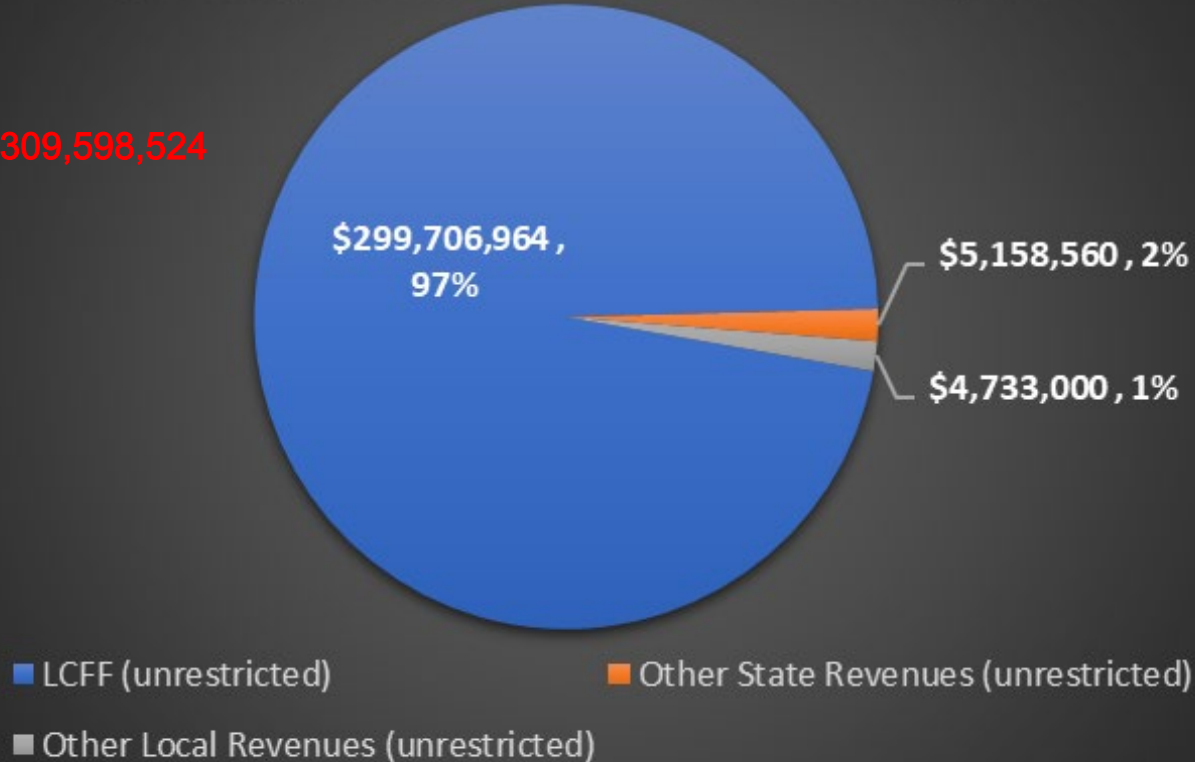
- Expenses increased

Unrestricted: Moved appropriate expenditures to restricted

Restricted: Increased from unrestricted and adjusted budgets for unearned revenue and new funds

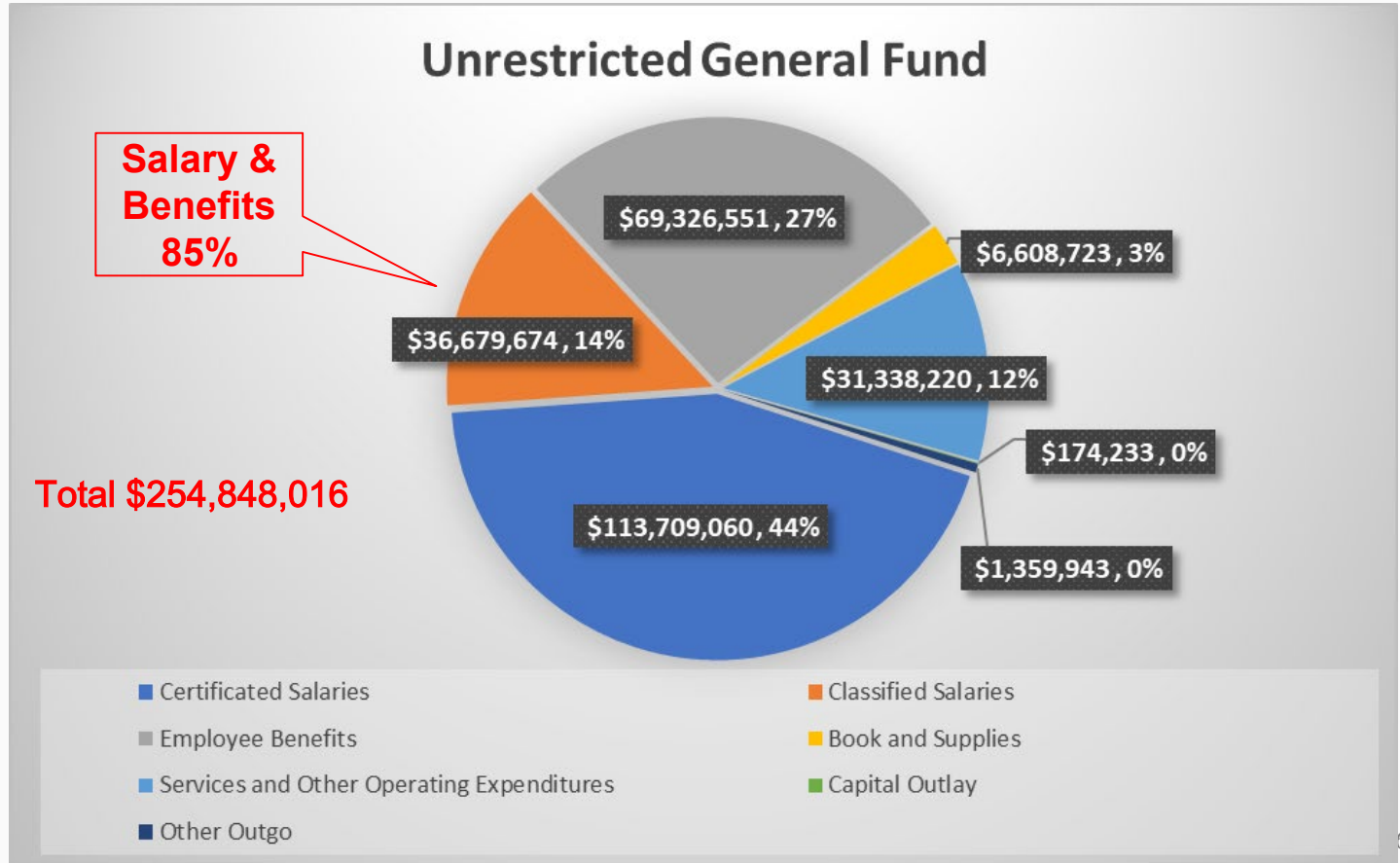
UNRESTRICTED GENERAL FUND

Total \$309,598,524



Expenditures - Unrestricted General Fund

- Unrestricted Revenues exceed expenses by \$54.7M
- Does not include contribution to restricted general fund for Special Education or Routine Restricted Maintenance of \$71.4M
- With contribution deficit is **\$16.6M**

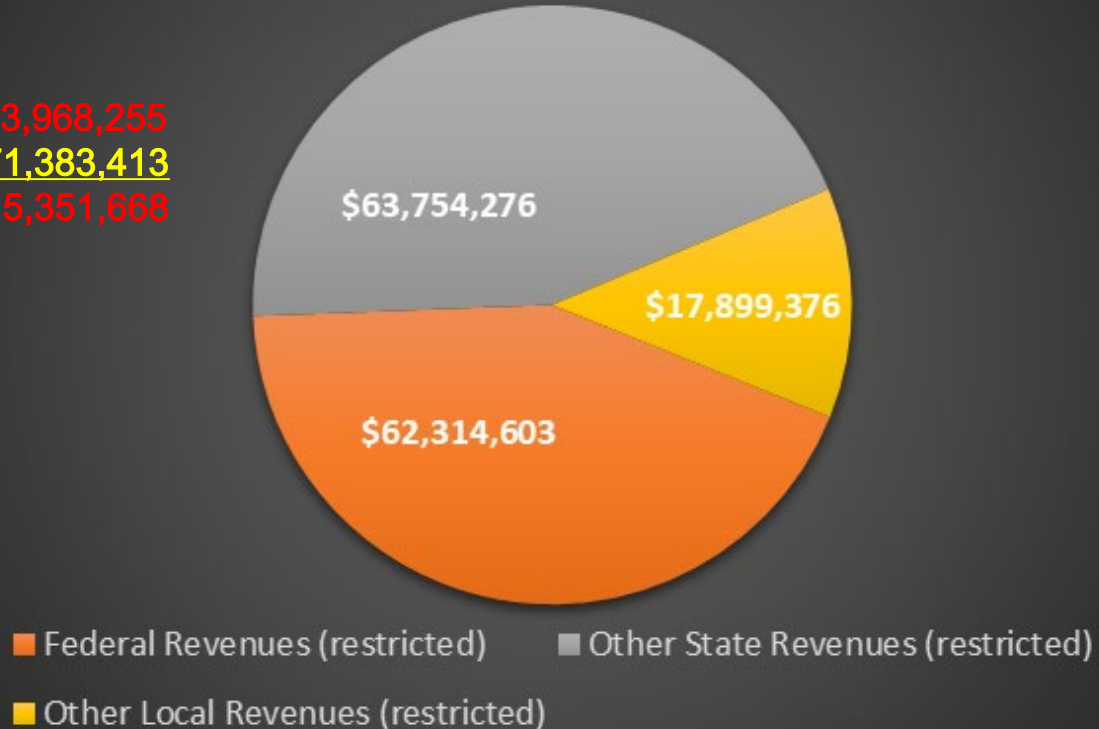


Revenues- Restricted General Fund

- Requires contribution from Unrestricted General Fund \$71.4M
 - Special Education \$59.1M
 - RRM \$12.5M
- Balance of revenues for special education, ESSER III, and
- Property Tax

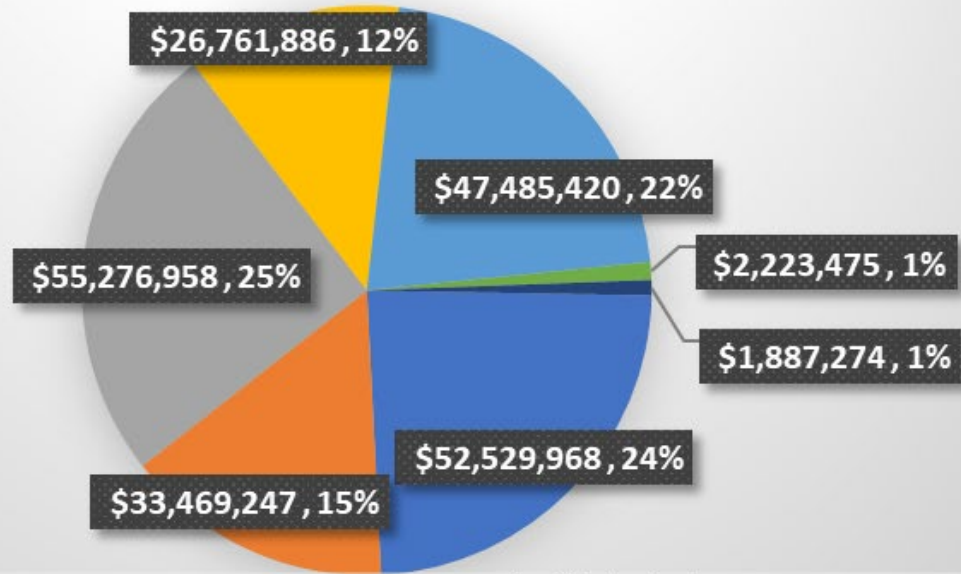
Total \$143,968,255
+ \$ 71,383,413
+ \$215,351,668

Restricted General Fund



Restricted General Fund

Total \$222,778,428



- Certificated Salaries
- Classified Salaries
- Employee Benefits
- Book and Supplies
- Services and Other Operating Expenditures
- Capital Outlay
- Other Outgo

Second Interim General Fund Overview

Combined General Fund (millions)	2020-21 Unaudited Actuals	2021-22 First Interim Budget	Second Interim Changes	2021-22 Second Interim Budget
Beginning Fund Balance	\$ 44.52	\$ 59.57	\$ 0	\$ 59.57
Revenues/Sources	431.35	420.67	32.90	453.57
Expenses/Uses	416.30	450.08	27.55	477.63
Surplus/(Deficit)	15.05	(29.41)	5.35	(24.06)
Combined Ending Balance	\$ 59.57	\$ 30.16	\$ 5.35	\$ 35.51
Unrestricted Balances	40.43	18.81	4.99	23.80
Restricted Balances	19.14	11.34	.37	11.71
Other Reserves – F17 (6% REU)	34.82	34.97	0.0	\$35.51

Components of Ending Fund Balance

General Fund	Unrestricted	Restricted
Stores/Cash in Banks	\$ 300,000	\$ -0-
Committed Balances	4,100,000	
Assigned Balances	8,000,000	
Unassigned	11,400,053	
Educator Effectiveness, FY 21-22		5,382,418
Lottery		2,793,362
Other Restricted Balances		3,538,163
Combined Total	\$ 23,800,053	\$ 11,713,943
Fund 17 – Reserve Other than Capital Outlay	Unrestricted	Restricted
Reserve for Economic Uncertainty – Fund 17	\$ 34,976,524	

Unrestricted Committed/Assigned Fund Balances

Unrestricted General Fund	Assigned	Committed
New Recruitment/Hiring/Bonus	\$ 2,500,000	
Equity Review	1,600,000	
Tech Equipment		5,500,000
Academies		2,500,000
Total	\$ 4,100,000	\$ 8,000,000

Budget Concerns -

- Massive structural deficit
- Declining enrollment
- Drop in attendance rates
- Drop in unduplicated pupil percentage (UPP)
- Over staffing
- Federal Program Monitoring (FPM) review
- Charter school growth
- Using OPEB Trust Funds
- Reallocating ESSER III from learning loss to continuing operations

Multi-Year Projection

2021-22 Second Interim



Multi-Year Projections - Assumptions

	2021-22	2022-23	2023-24
Enrollment	26,316	25,612	24,428
ADA	23,684	23,051	22,740
ADA %	90%	90%	90%
UPP (3 – year rolling average)	68.81%	68.10%	67.13%
COLA (*w/Augmentation in 21-22)	5.70% *	5.33%	3.61%
STRS	16.92%	19.10%	19.10%
PERS	22.91%	26.10%	27.10%
Step & Column - CE		.94%	.94%
Step & Column - CL		.97%	.97%
Salary Increases		0.00%	0.00%

Multi-Year Projections – Unrestricted General Fund

(Millions)	2021-22	2022-23	2023-24
COLA	5.07%	5.33%	3.61%
a. Beginning Balance	\$ 40.43	\$ 23.80	\$ (5.55)
b. Revenues/Contributions	238.22	210.97	209.79
c. Expenses/Transfers Out	254.85	240.32	242.67
d. Surplus/(Deficit) (b-c)	(16.63)	(29.35)	(32.88)
e. Ending Balance (a+d)	\$ 23.80	\$ (5.55)	\$ (38.43)
f. Committed (H&W Holding Accts)	\$ 8.00		
g. Assigned/Non-Spendable	4.40	0.30	0.30
h. Unassigned	11.40	(5.85)	(38.73)

Multi-Year Projections – Combined General Fund

(Millions)	2021-22	2022-23	2023-24
a. Beginning Balance	\$ 59.57	\$ 35.51	\$ 14.91
b. Revenues/Transfers In	453.57	436.41	411.12
c. Expenses/Transfers Out	477.63	457.01	451.66
d. Surplus/(Deficit) (b-c)	(24.06)	(20.60)	(40.53)
e. Ending Balance (a+d)	\$ 35.51	\$ 14.91	\$ (25.62)
f. Restricted Balance	11.71	20.46	12.81
g. Unrestricted	23.80	(5.55)	(38.73)

Structural Deficit

2021-22 Second Interim

Structural Deficit – Unrestricted (no RIF)

- No one-time revenues or expenditures
- No Reduction in Force
- No Other Post Employment Benefits changes

(Millions)	2021-22	2022-23	2023-24
a. Revenues	235.68	211.28	209.66
b. Salaries and Benefits	240.07	243.02	246.58
c. Books and Supplies	6.60	6.80	7.00
d. Services and Other Operating	32.48	33.68	34.66
e. Capital Outlay & Other Outgo	(1.42)	(.41)	(.19)
f. Change to Fund Balance	(42.02)	(71.81)	\$ (78.39)
Ending Balance	(1.6)	(73.40)	(151.79)

Questions?