



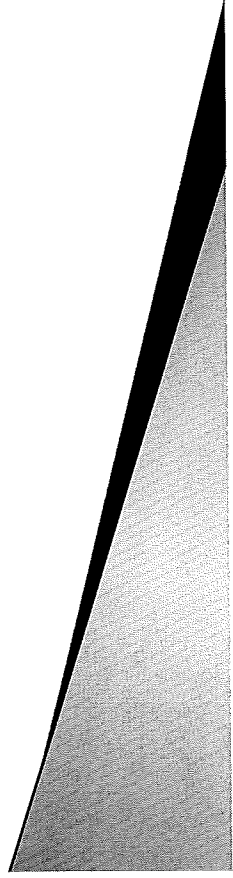
BIGGS UNIFIED SCHOOL DISTRICT

2021-2022 2nd Interim Budget

March 2, 2022

Budget Overview

- School districts are required to file an Original Budget and two interim budgets during each fiscal year. The interim budgets report on the status of the District's financial health.
- The second interim reports are for activity from July 1 to January 31.
- These reports must include a certification of whether or not the District is able to meet its financial obligations and has sufficient cash to pay District payroll and vendors for supplies and services.
- A positive certification is assigned when the District can meet its financial obligations for the current and two subsequent fiscal years and has sufficient cash to pay District payroll and vendors for a 3-year period.

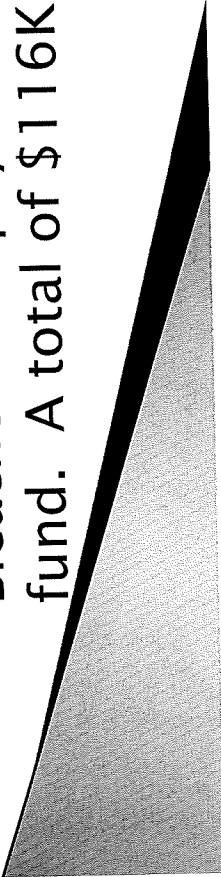


General Fund Summary

- The District's State funding is based upon January Budget and projections from the Department of Finance.
- State Funding is calculated using the LCFF (Local Control Funding Formula). The LCFF formula considers;
 - Grade span-specific base grants based on District ADA (Average Daily Attendance)
 - COLA Adjustments (Cost of Living Adjustments)
 - Grants for necessary small schools
 - Supplemental grants based on the district's unduplicated percentage of English Learners, income eligibility for free or reduced price meals, and foster youth pupils
 - Concentration Grants equal to 50% of the adjusted base grants multiplied by an LEA's percentage of unduplicated pupils above 65%
- The District's current "positive" budget certification is based upon:
 - Projected growth in LCFF revenue from the Department of Finance Assumptions
 - The District will need to plan for the projected decreases in LCFF revenue and increased costs related to future COLA adjustments, Salary and Benefit increases and decreasing ADA.
 - Multi-year projections



Budget Assumptions

- LCFF Revenue
 - 5.07% COLA ADA for 21-22
 - 5.33% COLA ADA for 22-23
 - 3.61% COLA ADA for 23-24
 - Deficit factor of 0.00%
 - ADA 562.70 based on prior year guarantee
 - 16.92% STRS Employer Rate
 - 22.91% PERS Employer Rate
 - Unemployment Insurance Rate increase from .05% to .50%.
 - Salary negotiations for subsequent years have not been finalized and are not included in projections.
 - One time Federal and State grants are excluded from MYP
 - Special Education Billback total increased by \$189,060 and contributed to the increased contribution from the general fund of \$261K.
 - Bleacher loan payments will be expended from the general fund. A total of \$116K per year.
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2021-2022 Projected Revenues

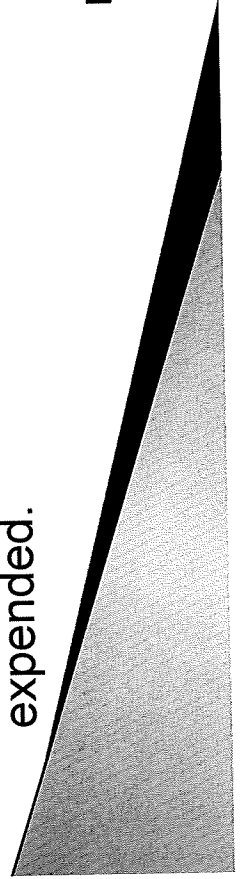
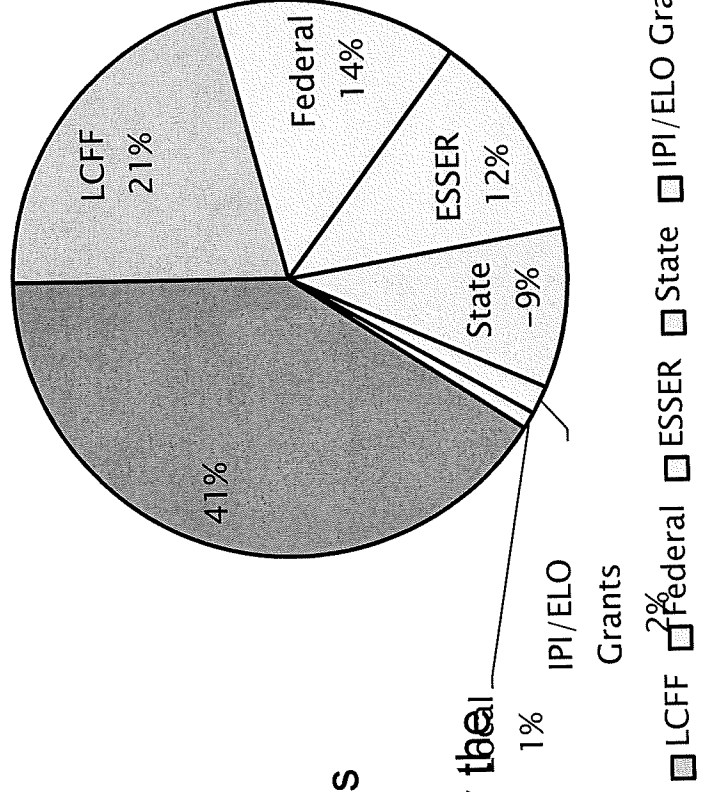
Category	Unrestricted	Restricted	Total
LCFF	6,453,288	0	6,453,288
Federal*	0	4,373,625	4,373,625
State**	150,666	1,214,552	1,365,218
Local	118,100	188,449	306,549
Total	\$6,722,054	\$5,776,626	\$12,498,680

Per Pupil Revenues=\$22,212

*Federal Includes ESSER Dollars

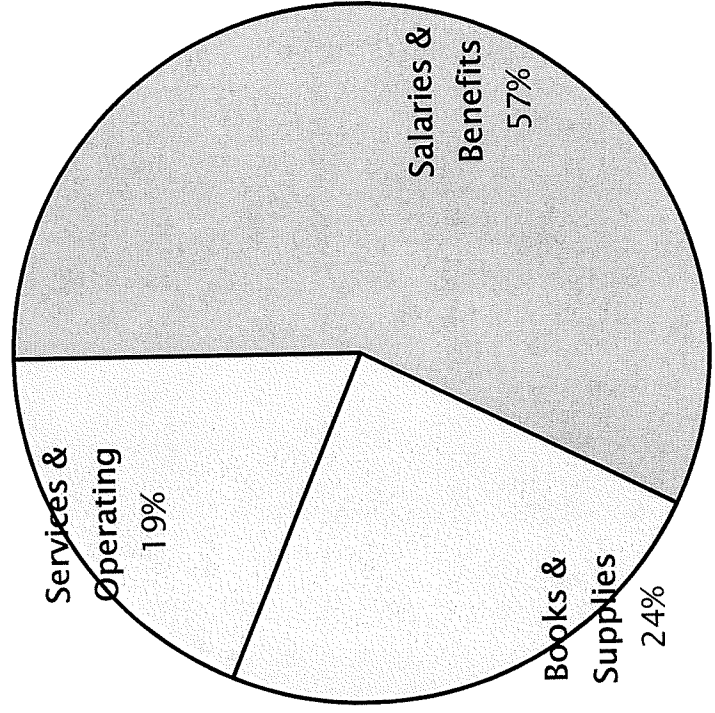
** State includes IPI and ELO Grants

Unrestricted vs. Restricted
 Restricted funds are controlled by the government and how they can be expended.



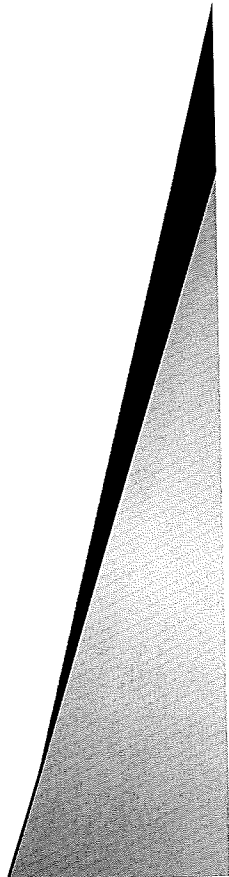
2021-2022 Projected Expenditures

Category	Unrestricted	Restricted	Total
Salaries and Benefits	4,827,004	1,891,855	6,718,859
Books and Supplies	296,750	2,516,695	2,813,445
Services and Operating	904,781	1,285,013	2,189,794
Capital Outlay	0	416,446	416,446
Total	\$6,028,535	\$6,110,009	\$12,138,544



Per Pupil Expenditures = \$21,572

Expenditures include offsets to ESSER and Grant Revenues



Multi Year Projection (MYP)

Assumptions

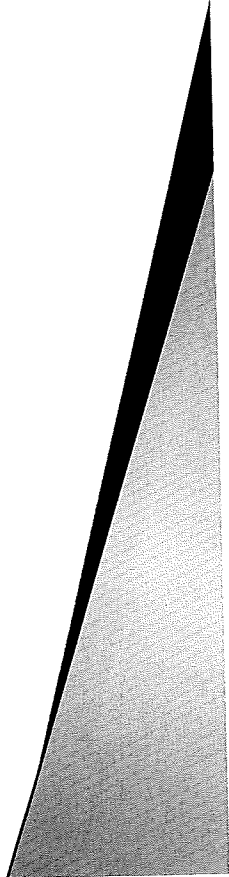
- 2022-2023
 - 5.33% COLA
 - 517.65 Funded ADA
 - 19.10% STRS
 - 25.40% PERS
- 2023-2024
 - 3.61% COLA
 - 496.5 Funded ADA
 - 19.10% STRS
 - 25.20% PERS
- Step/Column advancement
- Budgeted carryover and one-time funds have been removed
- One-time revenues have been removed
- ADA is forecasted at 89.7% attendance

Assumptions are made in accordance with School Services of California Dashboard, a widely accepted projection data sheet.

Enrollment

- ▶ Enrollment was projected using a 3-year average cohort survival rate.
- ▶ There has been a general decline over the past few years in enrollment with our current 8th and 11th grades far below average.
- ▶ While we have little control over enrollment, to maintain our revenue the District needs to continue to focus on attendance. Reaching 95% attendance can increase our revenue almost \$50K per year.

Grade	21/22	22/23	23/24
TK	8	8	8
K	44	41	38
1	43	47	45
2	42	43	47
3	43	37	39
4	43	44	37
5	44	40	41
6	44	43	39
7	52	41	40
8	35	47	38
9	40	32	44
10	48	34	28
11	37	48	34
12	52	36	46
Total	575	541	524



NSS Funding Tier for BHS

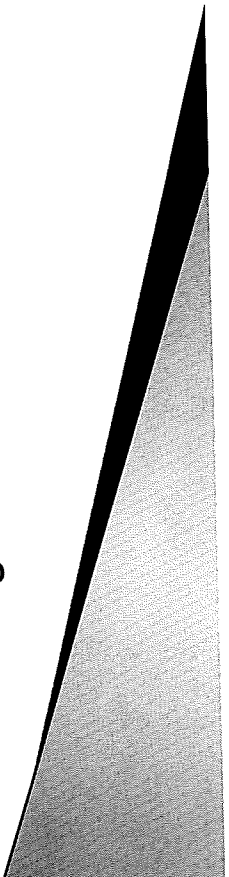
Grade	21/22	22/23	23/24	ADA	LCFF Revenue
9	40	32	44	20-38	\$724,405
10	48	34	28	39-57	\$857,450
11	37	48	34	58-71	\$990,495
12	52	36	45	72-86	\$1,123,540
Total	177	150	151	87-100	\$1,256,585
ADA	165	143.86	135.78	101-114	\$1,389,630
Funded	178.87	165	143.86	115-129	\$1,522,675
ADA				130-143	\$1,655,720***
				144-171	\$1,788,765**
				172-210	\$1,921,810*
				211-248	\$2,054,855
				249-286	\$2,187,900

*21/22 Funding Tier

** Projected tier 23/24

*** 23/24 Projected Tier w/o hold harmless

Continued enrollment and attendance trends will put BHS on a lower funding tier as soon as next year. According to projections, will be on a significantly lower tier by 23/24 resulting in a loss in revenue of \$133K.



Multi-Year Projections

Ed Code requires that all budget presentations include current year plus the two out years. Districts who are able to show that they can meet financial obligations for all three years are certified as Positive.

	21/22	22/23	23/24
Revenues	12,498,680	7,612,478	7,740,466
Expenditures	12,929,153	8,538,998	8,651,856
Excess (Deficiency)	-430,473	-926,520	-911,390
Beg. Fund Balance	3,190,660	2,760,187	1,833,667
EFB	2,760,187	1,833,667	922,277
Reserve Percentage	20.50%	21.39%	11.36%

Deficit spending is occurring in the current year and two out years. Deficit spending occurs when the expenditures exceed the revenues.

Required Reserve for 23/24 - \$346,075 – POSITIVE Certification
Board Policy of 8% for 23/24 - \$692,150

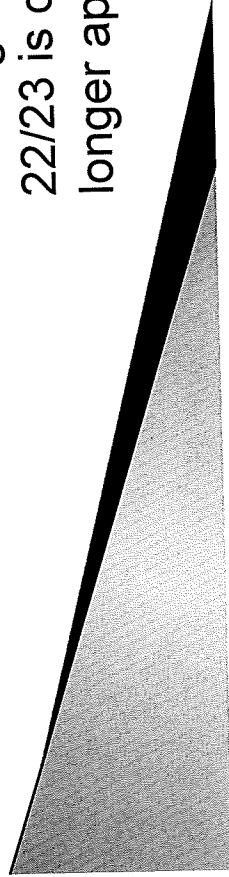
The 22/23 'Cliff'

	21/22	22/23	23/24
LCFF Revenues	6,453,288	6,224,252	6,346,621
Funded ADA	*564.53	**517.64	496.50
Projected ADA	484.16	494.66	471.20

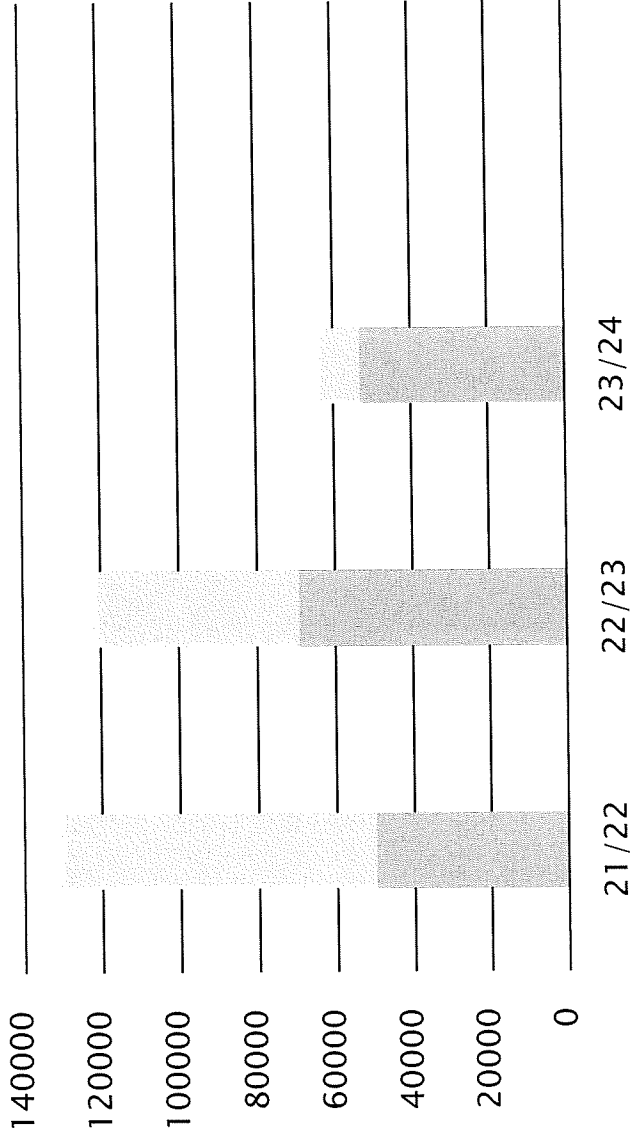
*Hold Harmless (state allowing districts to use the higher of the previous year or current year in LCFF calculations) at 19/20 ADA and looks at K-8 and NSS separately.

** the "Cliff" - Higher of previous or current year Equates to \$229,036 decrease in LCFF funding

The significant decrease in LCFF funding expected in 22/23 is due to the 'hold harmless' factor which will no longer apply in the out years.



Employee Costs

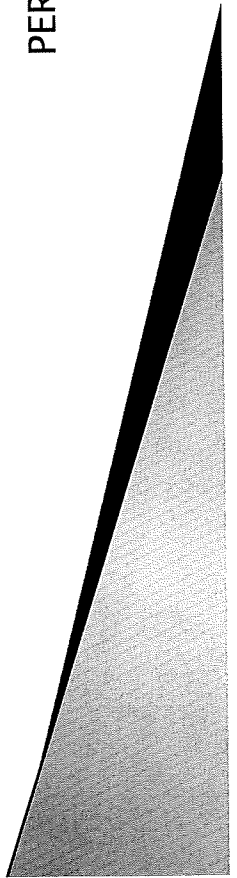


■ Step/Column Increase ■ PERS/STRS Increase

	20/21	21/22	22/23	23/24
STRS	16.15%	16.92%	19.10%	19.10%
PERS	20.70%	22.91%	25.40%	25.20%

STRS 16.15% 16.92% 19.10% 19.10%

PERS 20.70% 22.91% 25.40% 25.20%



Cash Flow

Object	July	August	September	October	November	December	January	February	March	April	May	June	TOTAL	FINANCE
A. BEGINNING CASH	4110	\$3,183,971	\$2,823,526	\$3,048,024	\$4,055,459	\$4,289,255	\$3,729,438	\$5,197,739	\$5,319,652	\$4,407,416	\$4,621,325	\$4,355,866	\$0	CHECKS
B. REVENUES														
PT&Jury		0	0	0	0	0	1,529,565	0	0	822,453	0	0	2,433,456	
Property Tax		0	0	209,922	0	0	0	0	0	0	0	0	0	
State Aid/LOFF		1,519,274	443,220	1,015,420	0	1,529,565	853,822	99,472	99,472	99,472	99,472	99,474	2,432,329	
Misc Funds		0	0	0	0	0	0	0	0	0	0	0	0	
EPA		0	0	205,297	0	0	0	305,297	163,249	0	0	152,350	937,493	
Federal Revenue		179,637	0	294,746	0	31,045	0	1,630,854	0	642,717	594,315	917,920	4,373,625	
Other State Revenue		5,062	0	200,845	82,216	429,189	110,294	10,000,000	74,923	2,274	777,370	86,951	1,355,218	
Other Local Revenue		11,120	106,798	24,029	19,506	19,143	59,404	13,502	13,502	13,502	13,502	13,501	306,549	
Other Local Revenue - In		0	0	0	0	0	0	0	0	0	0	0	0	
Multi-Year Financing Source		0	0	0	0	0	0	0	0	0	0	0	0	
In-Lien		0	0	0	0	0	0	0	0	0	0	0	0	
Accounts Receivable		457,531	12,270	12,232	651,710	246	0	0	0	0	0	0	220,295	
TOTAL REVENUES		5,299	1,307,476	783,950	1,259,440	453,608	2,417,772	1,737,785	344,759	1,643,099	1,487,260	1,272,431	13,310,227	
C. EXPENSES														
Salaries		32,024	248,244	490,284	245,096	342,256	292,675	481,404	401,926	436,544	431,305	425,473	4,617,427	
Employee Benefits		25,216	126,214	160,350	144,400	132,112	147,955	229,851	229,851	229,851	229,851	229,852	2,162,015	
Supplier and Services		195,407	64,226	64,455	80,672	83,022	105,855	514,034	543,531	611,026	629,972	1,906,672	4,999,520	
Capital Outlay		0	0	0	0	0	0	416,446	0	0	0	0	416,446	
Other Outlay		0	9,106	77,496	4,646	0	1,094	12,552	32,687	24,770	15,239	240,914	598,070	
Invested Transfer Out		0	0	0	0	0	0	0	0	0	0	0	0	
All Other Financing Expense		0	0	0	7,957	17,957	0	0	0	0	0	164,063	192,529	
Utilities Expense		0	0	0	374,575	0	0	0	0	0	0	0	374,575	
Accounts Payable		27,892	2,052	4,058	19,051	2,756	14,720	0	0	0	0	0	59,523	
TOTAL EXPENSES		350,744	577,973	796,520	1,025,664	821,759	646,672	1,624,403	1,248,025	1,369,191	1,312,659	2,916,653	13,352,547	
D. NET CHANGE (-B-C)		(345,445)	1,229,503	(12,570)	233,776	(368,151)	1,771,094	113,382	(903,266)	273,909	174,541	(1,714,215)	(42,320)	
E. ENDING CASH (-A+D)		*****	*****	*****	*****	*****	\$5,197,360	\$5,319,652	\$4,407,416	\$4,621,325	\$4,355,866	\$3,141,651	\$3,141,651	

21/22 BUDGET SUMMARY

- The saving grace in the 21/22 budget is the federal 'ESSER' dollars and the In person Instruction and Expanded Learning Opportunities Grants. Without these funds in the out years, the MYP is dismal.
- It is recommended that the Board have a plan in place and to assume that there will be no additional funding.
- Regardless of COVID-19 impact, our budget has pressures of declining enrollment and rising employee costs (STRS/PERS), staffing plans for future years should be an ongoing discussion.
- All districts will be in a position to carryover general funds this year. This is primarily due the relief of federal and state one time funding that allows the districts to absorb salaries and benefits into the one time expenditures freeing up the general fund for carry over.
- Board discussions are necessary to plan for unassigned balances and one time funding.



Questions?