

DOWNEY UNIFIED SCHOOL DISTRICT 2023-24 Fiscal Year Budget

Presented by:

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State Budget Update

- **The Governor's May Revision is the keystone to drafting the District's 2023-24 budget.**
- **Proposition 98 funding is \$110.3 billion for 2022-23, a decrease of \$2 billion over the January proposal. However, COLA increased from 8.13% to 8.22%.**
- **Two significant reductions to address the decrease in funding:**
- **1.- Decrease in Arts, Music and IM 2022-23 allocation by \$1.8 billion.**
- **2.- Decrease in Learning Recovery Emergency Grant by \$2.5 billion.**
- **LCFF and Local Control Accountability Plan (LCAP) in place for 2023-24 Budget**
 - Have been on file for public inspection
 - Public hearings to be held at this Board meeting
 - Adopted budget and approval of LCAP to be held at the June 27 Board meeting

General Fund Revenue

Assumptions/Guidelines – Assumptions Tab, Page 1

- **2023-24 District Budget in accordance with LCAP and LCFF funding**
- **COLA applied to LCFF**
 - Statutory COLA 8.22%
- **LCFF Base Funding For DUSD**
 - LCFF Base funding is projected at \$240.5 million or \$15.9 million increase over prior year
 - S&C funding is projected at \$59.1 million or \$5.9 million increase over prior year
- **Enrollment/ADA**
 - Projected at 22,340/21,259. Representing 95.16% enrollment/ADA
- **LCFF Supplemental and Concentration Grant (LCAP)**
 - Dedicates portion of LCFF funding to services for limited English, low income, homeless and foster youth students (Unduplicated Pupil Count or UPP) – Budgeted at 70%
 - 20% of base for Supplemental (total UPP)
 - 65% of base for Concentration (UPP above 55%)

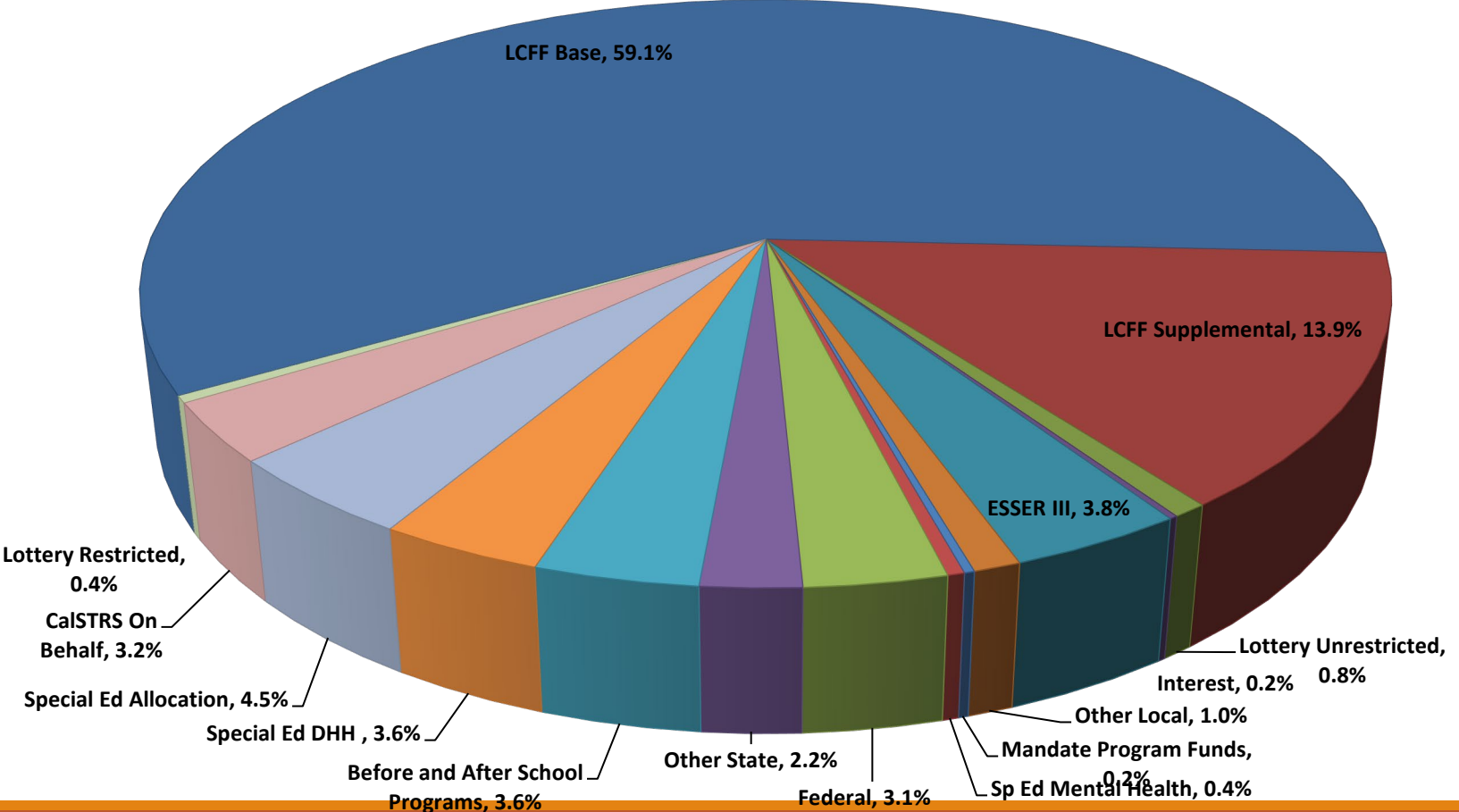
General Fund Revenue

Assumptions/Guidelines – Assumptions Tab, Page 1; cont.

- **Special Education**
 - Will receive COLA of 8.22% or a Base Funding increase from \$820/ADA to \$886/ADA
 - SELPA funding is funded on actual ADA and didn't receive ADA relief. Increase in rate is offset by decrease in actual ADA. Budgeted at same level as prior year.
 - Funded from a combination of LCFF, Federal, State and Local SELPA funding and Unrestricted General Fund contributions

- **Summary of May Revise on DUSD Budget**
 - COLA applied to LCFF and Special Ed as listed above
 - Reduce One-time funding for the 2022-23 Arts, Music, and IM Block Grant by 50% or **\$7.1 million**
 - Reduce One-time funding for the 2022-23 Learning Recovery Emergency Block Grant by 32% or **\$10.6 million**
 - No other items from the May Revision reflected on this budget yet.

General Fund Revenue



General Fund Expenditures

Assumptions/Guidelines – Assumptions Tab, Page 1; cont.

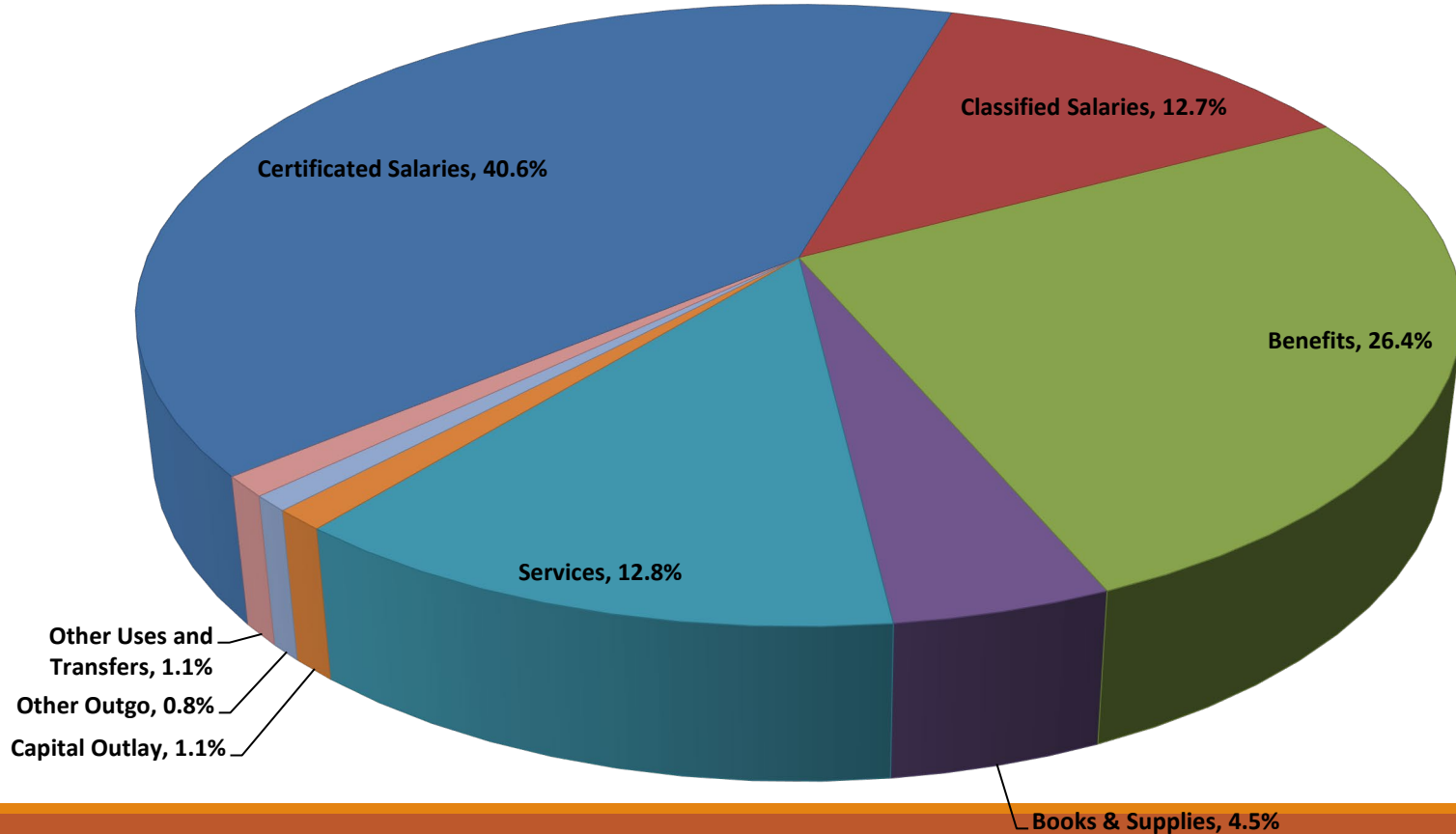
- **Increases identified during the budget development process included**
- **Salaries**
 - Salaries include the increases for step and column movement \$2.9 million
 - Salaries include negotiated 2% increase in salaries effective July 1, 2023
 - Increase Special Education Staffing Classes by 3 FTE or \$479k
- **STRS and PERS**
 - No rate increase for STRS
 - Rate increases for PERS in the amount of \$359k
- **Total Statutory Benefits**
 - 22.20% for Certificated Positions CalSTRS Eligible
 - 35.98% for Classified Positions CalPERS Eligible
 - 5.60% for Part-time Positions not Eligible to Pension

General Fund Expenditures

Assumptions/Guidelines – Assumptions Tab, Page 1; cont.

- Supplies/Services/Capital Outlay
 - Health and Welfare increase by \$3.8 million
 - Various budget enhancements in the amount of \$1.05 million
 - 0.50 FTE Administrator, Business Services
 - 1 FTE Elementary Vice Principal
 - 1 FTE Elementary Vice Principal on Special Assignment
 - 1 FTE Elementary Math TOSA
 - 1 FTE Elementary SEL TOSA
 - 1 FTE Assistant Director Certificated HR
 - Increased Grounds Facilities staffing by 4 FTE \$377K
 - Increase in required 3% contribution to RRM \$954K
 - Department budgets are budgeted at the same level as prior year
 - School site budgets funded based on established formulas
 - The cost of services and supplies such as: gasoline, trash, natural gas, telephone, postage, etc. are generally budgeted at the same level as prior year.

General Fund Expenditures



COVID-19 Relief One-Time Funding

COVID-19 Funding	Amount
Total COVID-19 Funding Awarded	\$105,765,501
Actual Cash Received as of June 7, 2023	72,198,823
Pending Cash to be received	33,566,678
COVID-19 Expenditures	Amount
Actual Expenditures in 2019-20	\$2,472,698
Actual Expenditures in 2020-21	30,729,490
Actual Expenditures in 2022-22	18,040,220
Estimated Expenditures for 2022-23	22,716,437
Budgeted Expenditures for 2023-24	17,108,267
Commitments Prior to June 30,2024	11,000,000
Remaining Funds at June 30, 2024	3,698,389
Total COVID-19 Expenditures	\$105,765,501

Ending Fund Balance and Reserves

Ending Fund Balance Trend

- Projected use of reserves in budget year and two following years

Reserves

- The Reserve for Economic Uncertainties has been projected at an amount equal to 5% of General Fund expenditures
- Restricted ending fund balance is Committed for Specific Purpose of the Program

Financial Position

- Multi-year projection
 - Includes step/column estimated increases
 - Projected additional expenses based on trend in Special Education \$1.0 million each year
 - Other expenditures including Health & Welfare are budgeted at prior year level
 - Decline of 29 students followed by 0 for the two out years respectively
 - Included COLA of 3.94% followed by 3.29% for the two out years respectively
 - Use of one-time general fund unrestricted reserves

Conclusion

- The Local Control Accountability Plan is reflected in the budget
- The District maintains a positive financial position
- Continued growth in State funding (COLA only)
- The District anticipates meeting its financial obligations for this year and the next two years
- The District will present budget updates as significant information becomes available