

FY 2022 Preliminary Budget

Red Clay Consolidated School District
Recommendation to the Board of Education

July 7, 2021

Jill M. Floore, CFO

Dorrell Green, Superintendent

FY21 Budget vs. Actual highlights

- Total State and Local Revenues: \$231,413,758
+ \$1,735,581 or .76% more than Final Budget
- Total Expenditures \$227,199,194
-\$4,214,564 or 3.7% less than Final Budget
*\$2.0M reserve held over to FY22 for negotiated FY21 one-time payment
- Local funds ending balance \$15,948,341 vs.
budgeted \$15,607,472

FY2022 Preliminary Budget – Revenues

- Slight increase in assessment; return to 1% delinquency (from 2% in FY21)
- Decrease in interest allocation
- Choice income increases due to local salary assumption; Charter payment decrease for same reason
- Increase in facility rental
- Senior tax rebates based on prior year actual; potential impact from new veteran's credit
- Reduction in Extra Time match based on federal funding allocation ESSER
- Reduction in K-3 Basic Match due to legislation to codify in unit count
- Indirect rate increase due to significant federal funding ESSER
- Needs-based funding based on projected unit count and positions
- Reserve allocation for FY21 one-time salary payment on 7/2/2021
- Division I - State steps, 1% increase and \$1,000 supplement and projected state units
- Division II, III, Sustainment and transportation formula based on projected unit count growth and return to in-person instruction
- Opportunity Grant increase due to state funding for settlement
- HB100 funding due to passage of legislation for mental health support
- State give-back will continue – approximately \$3M
- Total Projected Revenues \$236,957,211 +3.2%

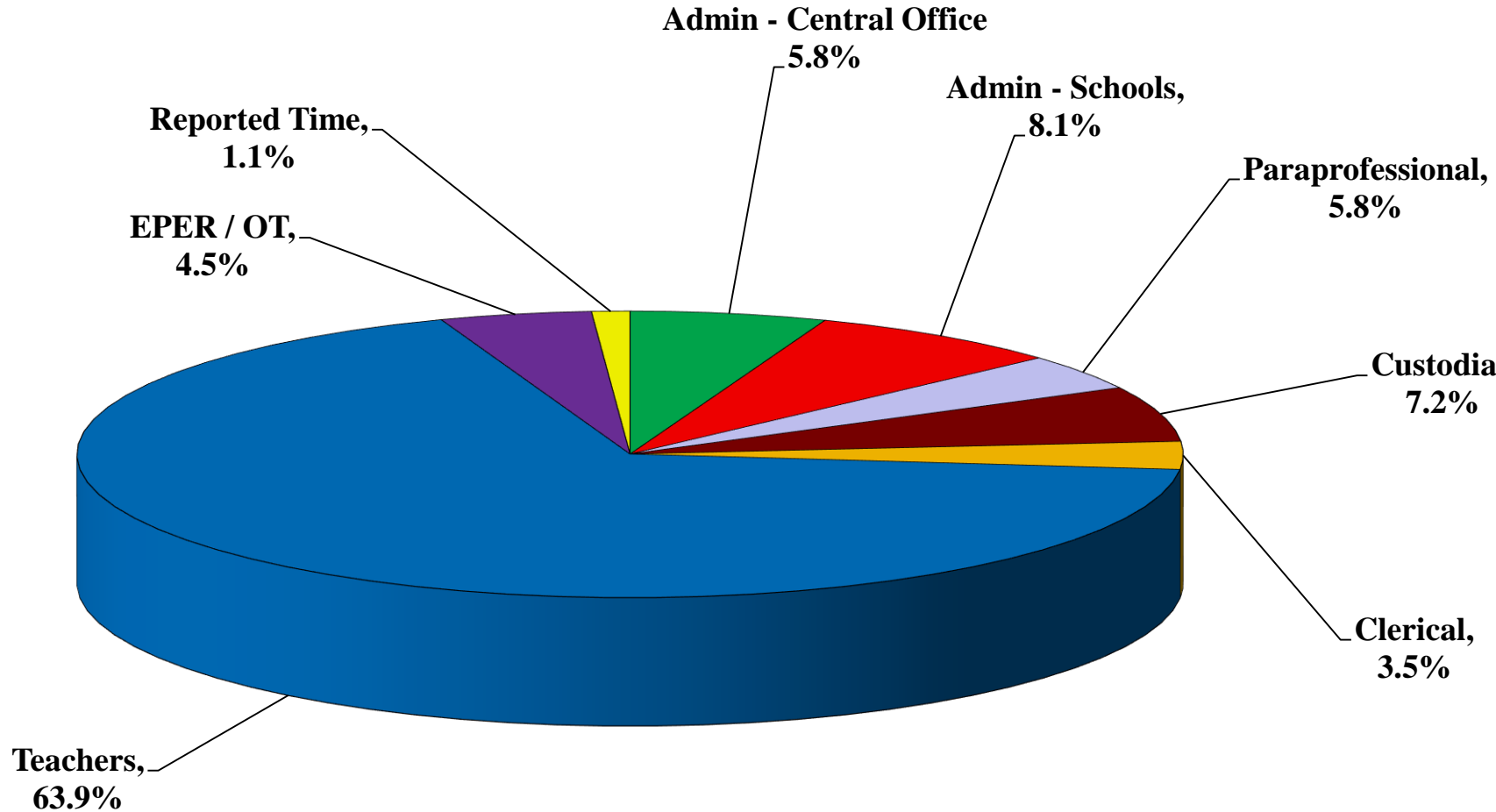
FY22 Preliminary Budget - Expenditures

- Division I State Salaries - State steps, 1% increase and \$1,000 supplement and projected state units including K-3 Basic
- Operations/utilities reduction based on energy savings
- Opportunity Funds increase due to state budget allocation
- Division II Vocational included in give-back
- K-3 reduction based on inclusion in unit count
- Transportation – Catch-up from increased costs for return to full in-person routes
- Annual school budgets not reduced; budgets may have widely varying changes based on prior year carry forward allowance
- Local salary increase – Local steps and negotiated 2% increase or otherwise
- District-wide services - Increase for estimated substitute coverage
- Increase in Contingency for FY21 one-time salary supplement from Reserve
- Reduction in Strategic Plan grants due to federal ESSER funding for learning recovery
- Maintains reductions across state appropriations (State Give-Back)
- Total Projected Expenditures +3.5% vs FY21 Final Budget

FY 2022 Operating Budget Summary

	FY21 Final Budget	FY22 Preliminary Budget	Difference FY22 Prelim vs FY21 Final	% Change FY21 Final vs FY21 Prelim
<u>Local Revenues</u>				
Total Local Revenues	89,250,171	89,549,562	299,391	0.3%
Opening Balance - 98000	16,613,002	15,948,341	(664,661)	-4.0%
Reserve for FY21 salary one-time 98036		2,000,000	2,000,000	
Total Local Funds Available	105,863,173	107,497,903	1,634,730	1.5%
Total State Revenue	\$140,428,006	\$145,407,649	\$4,979,643	3.5%
TOTAL CURRENT YEAR REVENUE	\$229,678,177	\$236,957,211	\$7,279,034	3.2%
Revenue Available with Local Carry-Forward	\$246,291,179	\$252,905,552	\$6,614,373	2.7%
<u>Expenditures:</u>				
Total Expenditures - Division 32	\$230,683,707	\$238,859,015	\$8,175,308	3.5%
Current Year Revenues/Expenses	(1,005,530)	(1,901,804)	(896,274)	89.1%
Estimated Carry-Forward Balance (local funds)	15,607,472	14,046,537	(1,560,935)	-10.0%

FY 2022 Salary Budget by Classification - Div. 32



FY22 Operating Budget – Percentage by Category

FFY 2022 Federal Budget

CATEGORY	<u>FY21</u>	<u>FY22</u>	Difference
Title I:	6,390,318	5,979,780	(410,538)
Title II: Teacher Quality and Technology	1,109,417	1,080,939	(19,710)
Title III: Bilingual	213,287	223,719	32,664
Title IV	740,357	702,011	22,408
IDEA 6-21:	4,259,324	4,289,259	139,932
Vocational Education (Perkins)	390,813	390,270	(64,975)
IDEA PreSchool	136,971	137,023	30,407
TOTAL	13,240,487	12,803,001	(437,486)
			-3.30%
ESSER (COVID relief)*			
ESSER II (COVID relief)	20,869,366		
America Recovery Plan (ARP)	46,884,141		

FY22 Budget – All Funds

<u>Source</u>	<u>Total Budgeted Expenditures</u>		
State/local Operating			\$238,859,015
Match Tax			\$3,846,242
Debt Service			\$10,376,148
Tuition			\$35,138,460
Federal Programs			\$12,803,001
Nutrition			\$12,484,719
	Total		<u>\$313,507,585</u>

- Questions
- Next Steps
 - August 18, 2021 Board Action
 - August ESSER submission
 - Tax bills and monitoring fall receipts
 - September 30 Count
 - Monthly Community Financial Review and DEFAC
 - Final Budget Presented January, 2022
 - Governor’s Recommended FY23 Budget
January, 2022