

New Money Budget Report for Fiscal Year 2022

Background:

A district's enrollment largely determines its budget. We count the number of students we serve each year on October 1. This count is our *Certified Enrollment*. All public school districts in Iowa receive a similar amount per student. This is known as the *Cost per Pupil*, and it is controlled by the Iowa Legislature.

Each year, the Iowa legislature sets *State Supplemental Aid (SSA)* (formerly Allowable Growth) which is the amount the Cost per Pupil is allowed to increase for the next school year. A school district's Certified Enrollment is multiplied by its Cost per Pupil. This is called the school's *Combined District Cost (CDC)*. The Combined District Cost makes up the vast majority of a school district's annual budget.

Legislative Allocation:

On February 17, Governor Reynolds signed House File 2316 into law. The bill included a 2.5 percent increase to allowable growth and a \$5 increase to the state cost per pupil.

A Supplemental State Aid (SSA) increase of 2.5% will continue to stretch schools as our average annual increase to SSA has been below the rate of inflation for several years. Inflation is currently running at 8.0%.

Every year our SSA rate stays below the rate of inflation is tantamount to a cut in public education.

New Money Projections:

SSA of 2.5% means very little new money for Belmond-Klemme Schools. We can expect only \$68,346 compared to pay raises for certified staff alone for this year that cost the district \$102,000.

At Belmond-Klemme, our declining enrollment combined with **the low SSA from the state is slowly starving our school**. Our incoming cash has not kept pace with costs for several years now:

\$54,166	for 2019		(+1.00%)
- \$25,208	for 2020		(-0.46%)
\$54,455	for 2021	(next year)	(+1.00%)
\$35,907	for 2022	(current year)	(+0.65%)
\$68,346	for 2023	(next year)	(+1.23%)