

Craig City School District

Business Manager Report

6.25.25

Updates from the Business Office

June remains an especially busy month in the district office as staff work to complete year-end tasks, finalize the current fiscal year, and update both the current and upcoming year's budgets.

FY25 Budget Revision and FY26 Original Budget Update

Included on tonight's agenda are the second revision of the CCSD FY25 Budget and a revised FY26 Original Budget, both presented for your approval.

The Total Ending Fund Balance for FY25 is currently projected to be \$336,768. However, when accounting for committed funds that are restricted or obligated (inventory, Impact Aid, PACE allotments), the Unreserved Fund Balance is projected to be (\$381,232). As a reminder, the Unreserved Fund Balance reflects the portion of the Total Ending Fund Balance that is available for general use after all legally or contractually committed funds have been deducted.

At this time, the projected Total Ending Fund Balance of \$336,768 will be used as the beginning fund balance in the FY26 Original Budget. It is important to note that this figure is preliminary and subject to change pending final FY25 expenditures and revenue, as well as completion of the FY25 audit.

General Fund Updates:

- ★ Since the last board meeting, the district has received two final Impact Aid payments for the FY2025 application (applicable to the FY2026 school year), totaling \$29,618. The total Impact Aid funding received for FY2025 is \$553,634.00, as shown below:

	27,233.00	Children with Disabilities
	526,401.00	Residing on Indian Lands or parents work/live on federal properties, or in the uniformed services
Total Received:	<u>553,634.00</u>	

- ★ **Food Service:** At this time, it is projected that a transfer of approximately \$27,544 will be required to support the Food Service Fund. This amount is reflected under District Fund Transfers on the 2nd revision of the FY25 budget. Total food services expenditures were \$276,920, while total revenue is expected to be \$249,376. CCSD is currently operating under the Community Eligibility Provision (CEP), which allows all students to receive free meals regardless of individual eligibility.

Under the CEP, the district is reimbursed for meals through the National School Lunch Program (NSLP) based on the percentage of students identified as eligible for free meals through programs such as SNAP (Supplemental Nutrition Assistance Program), TANF (Temporary Assistance for Needy Families), or who are considered homeless, migrant, or foster youth. This percentage, known as the Identified Student Percentage (ISP), is then multiplied by a federal multiplier—currently set at 1.6—to determine the portion of meals reimbursed at the federal "free" rate. The remaining meals served are reimbursed at the lower "paid" rate. For example, if a district has an ISP of 45%, the reimbursement rate would apply the free rate to 72% of meals (45% x 1.6), with the remaining 28% reimbursed at the lower paid rate.

It is important to note that FY26 will be the final year CCSD can participate in the CEP based on eligibility data from the 2022–2023 school year. Beginning in FY27, the district must either reapply for CEP using updated eligibility figures or return to a traditional paid meal structure, where only students who meet income eligibility criteria receive free or reduced-price meals.

To remain eligible for the CEP in FY27 and beyond, the district's ISP should be at or above 45%. Monitoring student eligibility and planning for future participation in CEP will be critical to sustaining access to free meals and ensuring financial stability in the Food Service Fund.

Pupil Transportation: At this time, it is projected a transfer of \$3,582 will be required to support the Pupil Transportation Fund. Total pupil transportation expenditures were \$104,852, while total revenue was \$101,270.

Please see the Revenue and Expenditure Overview below

Revenue Overview

Fund	FY25 Projected Revenue	Actuals 5/23/25 through 6/18/25		ACTUALS YTD		Remaining to be Received
100 General Fund	\$ 7,939,002	\$	530,939	\$	7,445,605	\$ 493,397
205 Pupil Transportation	\$ 101,270	\$	-	\$	101,270	\$ -
259 Food Service	\$ 249,376	\$	15,298	\$	184,999	\$ 64,377

Expenditure Overview

Fund	FY25 Projected Expenditures	Actuals 5/23/25 through 6/18/25		ACTUALS YTD		Remaining to be Expended
100 General Fund	\$ 7,687,886	\$	426,911	\$	6,490,687	\$ 1,197,199
205 Pupil Transportation	\$ 104,852	\$	13,829	\$	92,276	\$ 12,576
259 Food Service	\$ 276,920	\$	21,263	\$	276,920	\$ -

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Craig City School District