

Work Session will begin 10 minutes after the adjournment of the Business Meeting.

1. Mid-Year Budget Revisions
(*Ukee Dozier, Executive Director of Finance*)

2



Mid Year Budget Update

FY23 Revisions and FY24 Assumptions

Ukee Dozier
March 20, 2023

OUR UNIFIED DISTRICT VISION

Our mission is to inspire and educate all learners to develop their unique potential and positively contribute to their community

Presentation Purpose

The purpose of tonight's presentation is to:

- ❑ Provide a brief update on the Budget Timeline
- ❑ Update the BOE on the mid year budget revision process before action to approve in April
- ❑ Provide an update on the FY24 budget planning process
 - ❑ General Fund Budget Assumptions, Recommendations, Scenarios

Budget Phases

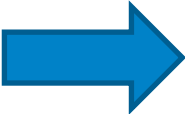
Four phase process in Budget creation

- Data Gathering**
 - August thru December
- Preparation**
 - January thru February
- Presentation and Approvals (Including Mid Year)**
 - March thru June
- Budget Implementation**
 - June and Beyond

Budget Timeline

Phase	Date	Who	Outcome	Documents
Data Gathering		Grey Shading FAC	Blue Shading – Board (Bold = School Board Budget Related Action)	
	August 1, 2022	Board Work Session	(1) FAC Presentation	(G) Spring 22 FAC Report
	August 15, 2022	Board Regular Meeting		
	August 29, 2022	Cabinet	(1) Preliminary Pay 2023 Levy	
	September 7, 2022	Business Meeting	(1) Preliminary Pay 2023 Levy (Non Action)	
	September 19, 2022	Board Regular Meeting	(1) Approve Preliminary Pay 2023 Levy (2) Renewal of Workers	(B) Levy Summary & Powerpoint
	September 20, 2022	FAC #1	(1) Welcome/Orientation (2) Enrollment to date (3) Levy Update	(A) Budget Timeline (B) Levy
	October 3, 2022	Business Meeting	(1) Award Sale of GO LTFM Bond, Series 2022A	
	October 3, 2022	Board Work Session	(1) Understanding Budget Timeline	(A) Budget Timeline (D) Enrollment
	October 17, 2022	Board Regular Meeting		
	October 24, 2022	Cabinet	(1) ESSER Update (2) Staff Ratio/Reduction Analysis/Standard of Service	
	October 31, 2022	Budget Managers	Begin FY23 Mid Year Budget Review	
	October 31, 2022	Budget Managers	Preliminary direction for FY24 budget prep (Potential	
	November 7, 2022	Board Work Session	(1) ESSER Update (2) Enrollment Update	(A) Budget Timeline
	November 15, 2022	FAC #2	(1) Welcome and Intro (2) Budget Timeline (3) Levy Update (4) Enrollment Update	(A) Budget Timeline (B) Levy Summary (D) Enrollment
	November 21, 2022	Business Meeting		(A) Budget Timeline
	November 21, 2022	CTF		
	December 5, 2022	Business Meeting	(1) Levy Update (Truth in Taxation) (2) Levy Pay 2023 (Non	(B) Levy Summary
	December 5, 2022	Board Work Session	(1) Preliminary Audit Report (2) Finance/ESSER Update	(B) Levy Summary
	December 12, 2022	CTF	FY24 Budget Assumptions Review	
December 19, 2022	Board Regular Meeting	(1) Approve Final Pay 2023 Levy (2) Approval of Staff Ratio	(B) Levy Summary (F) Audit Report	
Preparation	January 9, 2023	Board Work Session	Review FY24 Preliminary Enrollment Projections (2) Finance-	(D) Enrollment Projections (E) Fund
	January 16, 2023	CTF	Propose budget/compensatory and staffing allocations for	
	January 17, 2023	FAC #3	(1) Preliminary Audit Report (2) ESSER Update (3) FY24	(E) Fund Balance Summary (K) 5 Year
	January 23, 2023	CTF	Finalize budget/compensatory and staffing allocations for	
	Jan 25-Feb 4, 2023	Budget Managers	Begin Staffing Meetings for FY24 Budget	
	January 24, 2023	Board Regular Meeting	(1) Final Audit Report (2) Non Resident Enrollment Capacity	(F) Audit Report
	February 6, 2023	Budget Managers	Capital and Debt Service budgets due	
	February 6, 2023	Board Work Session	Review FY24 Preliminary Enrollment Projections (2) Current Year Finance Update	
	February 6, 2023	Business Meeting	(1) Approval of resolution for non resident student enrollment capacity limits	
	February 21, 2023			
	February 24, 2023	Budget Managers	All FY24 department and school budgets requests due to	
	March 6, 2023	Board Work Session	(1) FY23 Preliminary Budget Update (2) FY24 Budget	(E) Fund Balance Summary
	March 14, 2023	FAC #4	(1) FY23 Budget Update (2) FY24 Budget Assumptions (3) Long Term Debt	(A) Budget Timeline
	March 20, 2023	Board Work Session	(1) FY23 Preliminary Revised Budget	
	Approval	April 4, 2023	Business Meeting	(1) FY23 Preliminary Revised Budget - Non Action
April 17, 2023		Board Regular Meeting	(1) Approve FY23 Mid year Revised budget	(E) Fund Balance Summary
May 1, 2023		Board Work Session	Preliminary FY24 Budget Assumptions and proposal	(E) Fund Balance Summary
May 16, 2023		FAC #5	(1) FY24 Budget Process Update (2) Prepare FAC Board	(A) Budget Timeline (H) Spring 2023
May 15, 2023		Board Regular Meeting		
June 6, 2023		Board Work Session	(1) FAC Presentation (2) Review Final FY24 Budgets for all funds	(E) Fund Balance Summary (H) FY23
June 19, 2023		Board Regular Meeting	(1) Approve Final FY24 Budget for all funds (2) LTFM 10 Year Plan	(I) FY24 Budget Book

Budget Timeline



Approval	March 6, 2023	Board Work Session	(1) FY23 Preliminary Budget Update (2) FY24 Budget	(E) Fund Balance Summary
	March 14, 2023	FAC #4	(1) FY23 Budget Update (2) FY24 Budget Assumptions (3) Long Term Debt	(A) Budget Timeline
	March 20, 2023	Board Work Session	(1) FY23 Preliminary Revised Budget	
	April 4, 2023	Business Meeting	(1) FY23 Preliminary Revised Budget - Non Action	(E) Fund Balance Summary
	April 17, 2023	Board Regular Meeting	(1) Approve FY23 Mid year Revised budget	(E) Fund Balance Summary
	May 1, 2023	Board Work Session	Preliminary FY24 Budget Assumptions and proposal	(E) Fund Balance Summary
	May 16, 2023	FAC #5	(1) FY24 Budget Process Update (2) Prepare FAC Board	(A) Budget Timeline (H) Spring 2023
	May 15, 2023	Board Regular Meeting		
	June 6, 2023	Board Work Session	(1) FAC Presentation (2) Review Final FY24 Budgets for all funds	(E) Fund Balance Summary (H) FY23
June 19, 2023	Board Regular Meeting	(1) Approve Final FY24 Budget for all funds (2) LTFM 10 Year Plan	(I) FY24 Budget Book	

Preliminary Mid Year Budget Revision Update

8

Fiscal Year 2023

FY23 General Fund Assumption Parameters

Revenues

Formula %	2%
Formula \$	\$6,863
PY Diff	\$135 PP

Expenditures

Labor	2%
Non-Labor	5%

Enrollment ADM

Prior Year	11,098	9
Budgeted	10,763	
PY Diff	-335	

*Enrollment ADM – Fall Seat Cnt

Budgeted	10,763
Fall Seat Count Proj	10,871
PY Diff	+108

Summary of Revenue Adjustments

- Gen Ed ~ Increase in estimated revenue due to increase in projected end of year ADM
- SPED ~ Increase in SPED revenue due to prior expenditures in relation to SPED transportation cost.
- Transportation ~ Anticipated decrease in transportation revenue from prior year expenditures related to Deseg transportation, Foster Care transportation, and Aid adjustments. Revenue totals are supplemented by Durham Settlement.
- County Apportionment ~ Unbudgeted
- Fees/Admission ~ Increase in estimated local revenue in relation to donations, fees and admissions that were impacted from pandemic.
- Flex Benefits Pass Thru ~ Increase budget offsetting revenue from pass through employee flex benefit contributions.

Total Revenue Adjustment: \$3.8 m

Summary of Expenditure Adjustments

- ❑ Labor ~ Adjustments to labor costs are associated to budget savings for unfilled or vacated positions for the current fiscal year. Areas and/or position groups that were most affected are as follows:
 - ❑ Sped Licensed – 11 open positions
 - ❑ Sped Educational Assistants – 30 open positions
 - ❑ Custodial – 13 open positions
 - ❑ ESSER related – 6 open EA positions
 - ❑ Mid year transitional vacancies
- ❑ Transportation ~ Budget adjustments to Deseg and Foster Care projections 11
- ❑ Capital ~ Increase due to capital improvement costs for CTE program at new warehouse space
- ❑ Sped Non-Labor ~ Decrease in set aside funding to adjust for year end projections
- ❑ Flex Benefits Pass Thru ~ Increase budget offsetting expenditures from pass through employee flex benefit contributions.
- ❑ Tuition Cost ~ Increase adjustment for increase in Post Secondary Enrollment Options (PSEO) participation
- ❑ Other ~ Increase of underbudgeted property and liability premium in addition to other YTD adjust.

Total Expenditure Adjustment: (\$2.3 m)

FY23 General Fund Preliminary Adjustments



Revenues		Expenditures	
General Ed Aid	\$660k	Salary/Benefits	\$(3.2m)
SPED	\$1.5m	Transportation	\$(824k)
Federal	\$13.8k	Capital	\$945k
Transportation	\$(1.9m)	Sped Non-Labor	\$(1.6m)
Durham Settlement	\$682k	Flex Benefit Pass-Thru	\$1.5m
Cty Apportionment	\$687k	ISD Tuition Pmnts	\$543k
Local Fees/Admissions	\$655k	Other GF Non-Labor	\$456k
Flex Benefit Pass-thru	\$1.5m		
Total Revenue Adj	\$3.8 Million	Total Expense Adj	\$(2.2)

12

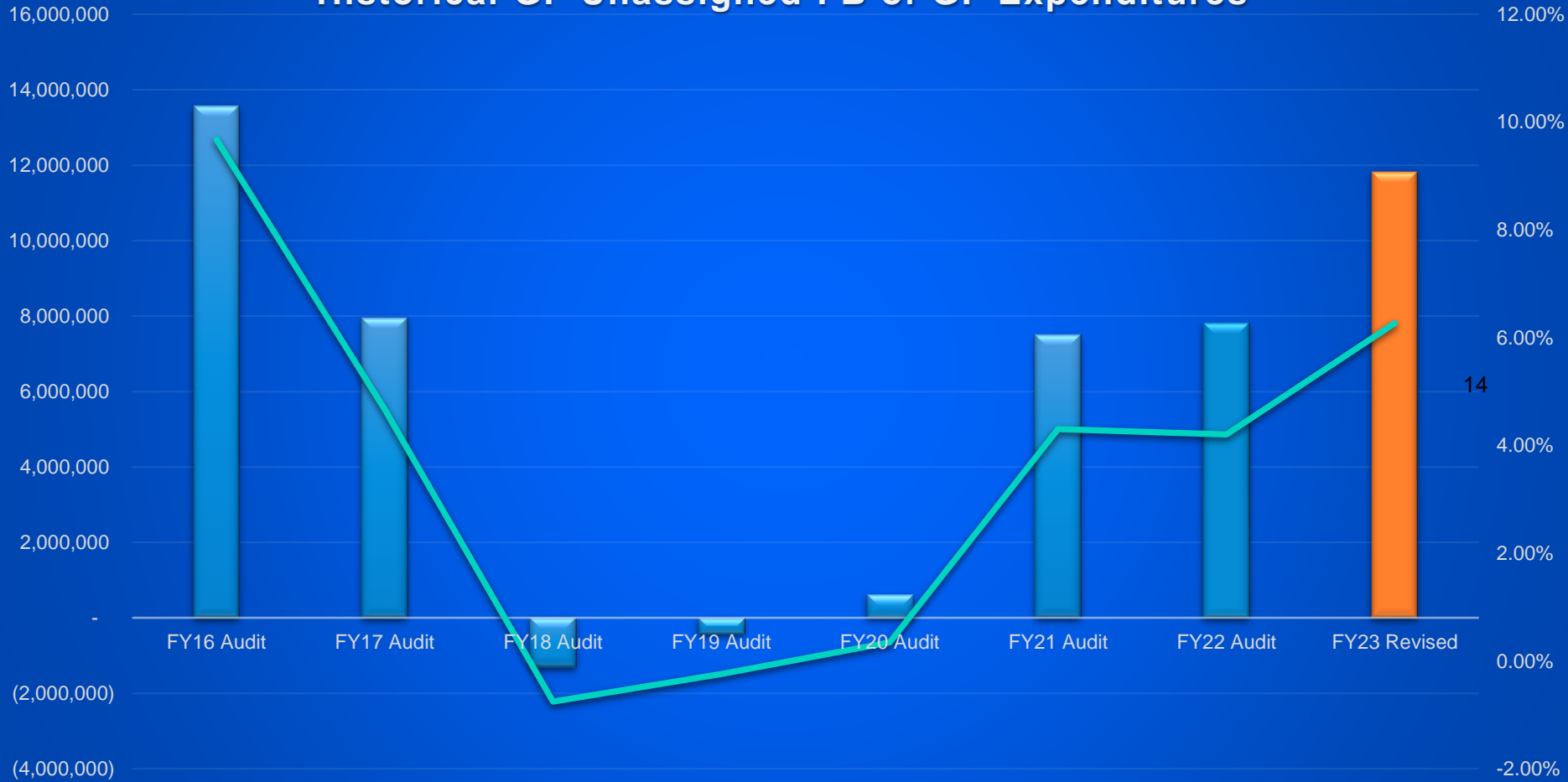
FY23 Revised Projected FB %	6.3%
Est. UA FB Change from Begin Yr.	\$4 million Surplus
Est GF FB Change from Begin Yr.	\$937 k

FY23 General Fund Preliminary Fund Balance Projection

ROBBINSDALE AREA SCHOOLS PROJECTED FUND BALANCES THROUGH JUNE 30, 2023

FUND DESCRIPTION	6/30/2022 Budget Balance	2022-23 Revised Revenue	Transfers In	2022-23 Revised Expenditures	Transfers Out	6/30/2023 Proj Budget Balance
GENERAL FUND						
Unassigned	2,739,848	159,957,604	5,075,199	155,951,490		11,821,161
Assigned for Subsequent Yrs Budget	5,075,199				5,075,199	-
ESSER - Budgeted		6,825,137				
ESSER - Supplanted		5,220,497				
<i>Estimated OPEB</i>				750,000		(750,000)
<i>Contingency OBI 899</i>				4,000,000		(4,000,000)
Assigned						
Building Carryover	599,399	-		-		599,399
LCTCS	715,608	165,000		165,000		715,608
Q Comp	348,780	2,887,762		2,904,021		332,521
E-Rate	221,066	-		-		221,066
Non-Spendable-Prepaid						
Inventory	335,709	-		-		335,709
Prepaid	1,352,198	-		-		1,352,198
Restricted						
Scholarships	455,788	-		-		455,788
Technology Levy	3,326,573	5,524,476		4,941,022		3,910,027
Operating Capital	4,455,291	2,969,114		5,994,101		1,430,304
Operating Capital - Lease	-	2,877,212		2,400,867		476,345
Basic Skills	536,982	12,394,856		9,331,827		3,600,011
Medical Assistance	543,630	700,000		700,000		543,630
Long Term Facilities Maintenance/H&S	(584,949)	1,450,283		850,283		15,051
Safe Schools Levy	319,215	602,733		602,733		319,215
Staff Development	-	-		-		-
Student Activities	95,153	-		-		95,153
TOTAL GENERAL FUND	20,535,490	189,529,040	5,075,199	188,591,344	5,075,199	21,473,186
Revised: Unassigned FB as a % of expenditures	1.49%					6.3%
Unassigned FB % including Subsequent Yr Budget	4.24%					6.3%
MDE SOD Calc %	7.19%					9.9%

Historical GF Unassigned FB of GF Expenditures



14



FY23 Child Nutrition Preliminary Budget Adjustments

Revenues		Expenditures	
State	\$0	Salary/Benefits	\$(237k)
Federal	\$285k	Purchased Services	\$25k
Sales/Other	\$0	Supplies/Materials	\$(652k) ¹⁵
Total Revenue Adj	\$285k	Total Expense Adj	\$(865k)

Revenue Summary of Adjustments

- State and local sales revenue are tracking as originally projected
- Increase in federal due to allocated supply chain assistance funding meant to offset increased supply chain costs

Expenditure Summary of Adjustments

- Labor adjustments – Current 11 unfilled positions
- Contract for Service cost increase due to temp staffing needs
- Decrease in food costs as originally projected due to anticipated supply chain disruptions



FY23 Child Nutrition Preliminary Fund Balance Projection

ROBBINSDALE AREA SCHOOLS PROJECTED FUND BALANCES THROUGH JUNE 30, 2023

FUND DESCRIPTION	6/30/2022 Budget Balance	2022-23 Revised Revenue	2022-23 Revised Expenditures	6/30/2023 Revised Budget Balance ¹
SCHOOL NUTRITION				
Unreserved/undesignated	4,034,084	8,053,396	7,121,518	4,965,962
Non-spendable-Inventory	84,263			84,263
TOTAL SCHOOL NUTRITION FUND	4,118,347	8,053,396	7,121,518	5,050,225



FY23 Community Ed Preliminary Budget Adjustments

Revenues		Expenditures	
State Aids	\$0	Salary/Benefits	\$239k
Federal	\$462k	Purchased Services	\$92k
Fees/Local	\$82k	Supplies/Materials	\$44k 17
		Equipment/Other	\$27k
Total Revenue Adj	\$690k	Total Expense Adj	\$403k

Revenue Summary of Adjustments

- Federal Revenue increase for Full-Service Community School Grant to offset program expenditures.
- Fees/Local increase due to tuition revenue from increased program participation

Expenditure Summary of Adjustments

- Labor - Net of staffing increase in Full-Service community school program and savings due to staff transitions/vacancies
- Cost adjustments associated with CE to GF chargebacks
- Supplies/Material and Equipment/Other budget increase due to start up costs of FSCS program



FY23 Community Ed Preliminary Fund Balance Projection

ROBBINSDALE AREA SCHOOLS
PROJECTED FUND BALANCES THROUGH JUNE 30, 2023

FUND DESCRIPTION	6/30/2022 Budget Balance	2022-23 Revised Revenue	Transfers In	2022-23 Revised Expenditures	Transfers Out	6/30/2023 Revised Budget Balance
COMMUNITY SERVICE						18
Restricted						
Community Education	1,656,164	7,685,005		6,939,860		2,401,309
ECFE (FIN 325)	454,548	1,172,288		1,179,242		447,594
School Readiness (FIN 344)	222,846	820,177		709,128		333,895
Adult Basic Ed (322/324?)	421,099	1,407,205		1,639,434		188,870
Non-Public (350-353)	0	-		-		0
TOTAL COMMUNITY SERVICE FUND	2,754,658	11,084,675	-	10,467,664	-	3,371,669



FY23 Mid Year Revision Summary

Fund	Revenue		Expenditures		Revenue	Expenditures	Net
	Original	Revised	Original	Revised	Change	Change	Change
General Fund	\$ 185,694,354	\$ 189,529,040	\$ 190,770,269	\$ 188,591,344	\$ 3,834,686	\$ (2,178,925)	\$ 6,013,611
Child Nutrition	\$ 7,768,690	\$ 8,053,396	\$ 7,986,211	\$ 7,121,518	\$ 284,706	\$ (864,693)	\$ 1,149,399
Community Ed	\$ 10,541,433	\$ 11,084,675	\$ 10,059,389	\$ 10,467,664	\$ 543,242	\$ 408,275	\$ 134,967
Building Construction	\$ 18,800,000	\$ 18,800,000	\$ 22,500,000	\$ 22,500,000	\$ -	\$ -	\$ -
Debt Service	\$ 21,635,020	\$ 21,635,020	\$ 21,859,058	\$ 21,859,058	\$ -	\$ -	\$ -
Internal Service	\$ 22,350,000	\$ 22,350,000	\$ 21,425,000	\$ 21,425,000	\$ -	\$ -	\$ -
Total Budget	\$ 266,789,497	\$ 271,452,131	\$ 274,599,927	\$ 271,964,584	\$ 4,662,634	\$ (2,635,343)	\$ 7,297,977

Budget Assumptions and Recommendations

20

Fiscal Year 2024

Future Budgetary Considerations

2023 Legislative Session

State budget outlook remains strong as the February forecast was announced with a \$17.5 Billion surplus (Adjusted to inflation) for the upcoming biennium with revenue forecasts to exceed spending through the 2027 fiscal year.

Governors Proposals

- Funding Formula for new Biennium and beyond
- Special Ed Cross Subsidy
- EL Cross Subsidy
- VPK
- Universal Meals (Fund 2)

Remaining Legislative Timeline

- March 24th Second Committee deadline
- April 4th Third Committee deadline
- May 22nd Session Adjournment

Assumption Scenarios

Assumption Parameters				
	2%	3%	4%	5%
Assumed Formula Increase: FY24 without VPK	2%	3%	4%	5%
Est. Decline enrollment (WADM) +/-	(423)	(423)	(423)	(423)
Est. Aid Impact +/-	(3,052,414)	(2,240,743)	(1,429,072)	(629,165)
Compensatory +/-	6,152,653	6,152,653	6,152,653	6,152,653
Referendum and Non Restrictive levy +/-	3,360,349	3,360,349	3,360,349	3,360,349
FY24 Proj Total Revenue +/-	6,460,588	7,272,259	8,083,930	8,883,837
Assumed Formula Increase: FY24 with VPK	2%	3%	4%	5%
Est. Decline enrollment (WADM) +/-	(248)	(248)	(248)	(248)
Est. Aid Impact +/-	(2,125,701)	(1,305,210)	(484,718)	323,882
Compensatory +/-	6,152,653	6,152,653	6,152,653	6,152,653
Referendum and Non Restrictive levy +/-	3,360,349	3,360,349	3,360,349	3,360,349
FY24 Proj Total Revenue +/-	7,387,053	8,207,544	9,028,036	9,836,636
Average Steps and Lanes for FY24: 1.53%	1.53%	1.53%	1.53%	1.53%
Total Labor Assumption:	1.53%	2.00%	2.50%	3.00%
FY24 Total Proj Labor +/-	604,719	1,197,058	1,827,206	2,457,354
Total Non-Labor Assumption:	2%	3%	4%	5%
FY24 Total Proj Labor +/-	482,564	723,847	965,129	1,206,411

FY24 Budget Assumptions

General Education Funding Formula

- Conservative 3% or estimated \$206 Increase in per pupil funding to \$7,069 up from current year \$6,863

Enrollment

- Projecting a decrease in enrollment of -413 or -3.8% from current end of year projections²³
 - If VPK restored, estimated total enrollment decrease of -238 or -2.19% from current year end projections
- Staffing ratios to remain the same for FY24 as FY23

Fund Balance Growth Target (Budget Surplus)

- Create an expenditure budget that's within revenue constraints. Target a \$1.5 million increase to Unassigned Fund Balance

Assumptions and Recommendations Continued

Manage expense increases

- Focus on minimizing expenses that affect the General Fund Balance
 - Staying true to staffing ratios in relation to enrollment
 - Fluidly adjust as revenue restraints increase or decrease
 - Shift of GF expenditures into other allowable fund balances. (Ex. Tech, Basic Skills, Capital)

24

General Fund Set Aside

- Maintain level of contingency funds to address inflationary costs and to maintain budget surplus target

Strategic Plan Investments

- Middle School Redesign
- Career Pathways through increased Career and Tech programming

Preliminary Enrollment Projections

FY24 Projected Enrollment (ADM)	
Early Childhood (EC)	146
Voluntary Pre-K	0 (Unless Restored)
Handicap (K)	108
Grades K-5	4,344
Grades 6-8	2,147
Grades 9-12	3,859
Total Projected Enrollment	10,633

Next Steps

Finalize Mid Year Revisions

- April 4, 2023 – Non Action
- April 17, 2023 – BOE Approval of FY23 Budget Revisions

Create FY24 Original Budget

- May 1, 2023 - Work session – FY24 Preliminary Budget Proposal
- June 6, 2023 – Non Action
- June 19, 2023 – BOE Approval of FY24 Original Budget

Questions

