

# Budget update 2020-21

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# Budget update

## Overview

- Oct. 1 count update
- Revenue assumptions update
- Expenditure assumptions update
- Coronavirus federal relief funding update



# Budget update

Oct. 1 counts

FY21 budget adopted June 22, 2020

- 42,515 estimated adjusted pupil units based on projected Oct. 1 enrollment.
- 41,080 updated adjusted pupil units based on actual Oct. 1 enrollment.
- Loss of 1,435 adjusted pupil units.



# Budget update

Oct. 1 counts - secondary staffing

FY21 staffing was based on projected enrollment

- High school enrollment:
  - Projected 12,484 vs. actual 12,376 for a loss of 108
  - Excess teacher staffing using 29:1 ratio by 3.72 FTE
- Middle school enrollment:
  - Projected 8,941 vs actual 8,653 for a loss of 288
  - Excess teacher staffing using 24:7 ratio by 11.66 FTE



# Budget update

Oct. 1 counts - staffing

FY21 staffing was based on projected enrollment

- Elementary school enrollment:
  - Projected 16,289 vs actual 15,296 for a loss of 993
  - Excess teacher staffing using 23:7 ratio by 41.90 FTE
- Total school enrollment
  - Projected 37,714 vs actual 36,325 for a loss of 1,389
  - Excess teacher staffing using ratios by 57.28 FTE



# Budget update

## Revenue assumptions update

FY21 budget adopted June 22, 2020

- Revenue effect of a reduction of 1,435 adjusted pupil units:
  - Loss of general basic aid of  $\$6,537 \times 1,435 = \$9,423,645$
  - Offset by declining pupil aid increase of  $\$1,752,890$
  - Net loss of general basic aid of  $\$7.7$  million
  - $\$400K$  loss of other state aid based on enrollment
- Local levy loss of  $\$2$  million due to enrollment decline will be an adjustment on a future tax levy.



# General fund FY21

## Revenue summary

Revenues	Adopted 2020-21 budget	Updated 2020-21 budget	\$ change	% change
Property tax	\$100,494,427	\$101,247,412	\$752,985	0.8%
State revenue	\$415,197,508	\$407,126,492	(\$8,071,016)	-1.9%
Federal revenue	\$13,627,542	\$13,627,542	\$0	0.0%
Local sales	\$286,600	\$286,600	\$0	0.0%
Other local revenue	\$11,988,217	\$11,988,217	\$0	0.0%
<b>Total revenues</b>	<b>\$541,594,294</b>	<b>\$534,276,263</b>	<b>(\$7,318,031)</b>	<b>-1.4%</b>



# General fund FY21

## Expenditure assumptions update

- Severance pay has been under budget for the past two years in the amount of \$475K and has been recognized as an ongoing savings.
- Health insurance premium contributions were under budget in the prior year due to a significant change in plan participation.
  - A \$3 million reduction district contribution is being recognized as an ongoing cost savings.
  - HRA contributions have increased \$475K due to the shift to high deductible plans.





# General fund FY21

## Expenditure summary

Expenditures	Adopted 2020-21 budget	Updated 2020-21 budget	\$ change	% change
Salaries	\$332,185,671	\$331,739,460	(\$446,211)	-0.1%
Benefits	\$116,049,643	\$113,527,358	(\$2,522,285)	-2.2%
Purchased services	\$55,873,803	\$57,645,799	\$1,771,996	3.2%
Supplies	\$22,377,238	\$19,228,435	(\$3,148,803)	-14.1%
Capital and other	\$22,088,902	\$23,434,205	\$1,345,303	6.1%
<b>Total expenditures</b>	<b>\$548,575,257</b>	<b>\$545,575,257</b>	<b>(\$3,000,000)</b>	<b>-0.5%</b>



# General fund FY21

## Budget summary

	2019-20 Actual	Adopted 2020-21 budget	Updated 2020-21 budget	\$ change	% change
<b>Revenues</b>					
Property tax	\$93,742,674	\$100,494,427	\$101,247,412	\$752,985	0.7%
State revenue	\$406,765,389	\$415,197,508	\$407,126,492	(\$8,071,016)	-1.9%
Federal revenue	\$14,440,003	\$13,627,542	\$13,627,542	\$0	0.0%
Local sales	\$321,245	\$286,600	\$286,600	\$0	0.0%
Other local revenue	\$12,903,301	\$11,988,217	\$11,988,217	\$0	0.0%
<b>Total revenues</b>	<b>\$528,172,611</b>	<b>\$541,594,294</b>	<b>\$534,276,263</b>	<b>(\$7,318,031)</b>	<b>-1.4%</b>
<b>Expenditures</b>					
Salaries	\$314,785,240	\$332,185,671	\$331,739,460	(\$446,211)	-0.1%
Benefits	\$104,919,754	\$116,049,643	\$113,527,358	(\$2,522,285)	-2.2%
Purchased services	\$52,083,785	\$55,873,803	\$57,645,799	\$1,771,996	3.2%
Supplies	\$21,020,056	\$22,377,238	\$19,228,435	(\$3,148,803)	-14.1%
Capital and Other	\$29,164,908	\$22,088,902	\$23,434,205	\$1,345,303	6.1%
<b>Total expenditures</b>	<b>\$521,973,744</b>	<b>\$548,575,257</b>	<b>\$545,575,257</b>	<b>(\$3,000,000)</b>	<b>-0.5%</b>
Operating surplus (deficit)	\$6,198,867	(\$6,980,963)	(\$11,298,994)		
Strategic investment net spend		\$5,756,706	\$5,756,706		
Adjusted operating surplus (deficit)		(\$1,224,257)	(\$5,542,288)		
Fund balance transfer	\$1,194,731				
<b>Fund balance</b>					
Restricted/reserved fund balance	\$33,248,952	\$34,682,453	\$34,682,453		
Non-spendable	\$1,804,646	\$1,804,646	\$1,804,646		
Assigned fund balance	\$53,910,083	\$48,153,377	\$48,153,377		
Unassigned fund balance	\$69,545,176	\$66,887,418	\$62,569,387		
<b>Total fund balance</b>	<b>\$158,508,857</b>	<b>\$151,527,894</b>	<b>\$147,209,863</b>		
<b>Percent of total expenditures</b>	<b>13.3%</b>	<b>12.2%</b>	<b>11.5%</b>		



# General fund FY21

## Coronavirus relief funds (CRF)

\$10.5 million allocated in mid-August

- Must be expended by December 30, 2020.
  - Districts that have not drawn 75% by November 13<sup>th</sup> will be contacted regarding what can realistically be expended by December 30<sup>th</sup>.
- Expenditures must be a necessary result of COVID-19 public health emergency.
- Costs must not be accounted for in current biennial budget.



# General fund FY21

## Coronavirus relief funds (CRF)

\$10.5 million budget by area of support:

- \$2.3 million - school age care for tier I workers.
- \$2.2 million - chromebooks, ipads and other miscellaneous devices.
- \$1.6 million - ionization air filtration districtwide project.
- \$1.3 million - staffing distance and hybrid learning models.
- \$950 thousand - custodial cleaning equipment.
- \$845 thousand - security radios.
- \$690 thousand - personal protective equipment.
  - Masks, hand sanitizer, microfiber towels, plexiglass
- \$350 thousand - Google voice, Google premium, GoGuardian and other miscellaneous licenses to support distance and hybrid learning models.
- \$265 thousand - health services support and supplies.



# Budget update

## Additional considerations

- Child nutrition is estimating a \$4-\$6 million deficit spend if continuation of the current meal delivery program for the entire 2020-21 school year occurs.
- Community education is estimating a \$4.5 million deficit spend of which most is school age care for tier 1 workers.

# Comments and questions

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