



## FY2020 Budget Assumptions for Budget Amendment I

December 14, 2020

Andrew Brower :: Board Treasurer

### Revenue

- + **Local sources:**
  - o **Decrease** by \$43,000 in line item on budget (moved from local to federal source revenue)
- + **State sources:**
  - o An approximate \$369,000 **increase** compared to initial budget due to increase in state funding compared to expected (per student) count and foundation allowance in State Aid.
- + **Federal sources:**
  - o An approximate **increase** of \$158,000 based on Covid Relief and ESSA funding (\$43,000 moved to Federal source line item from Local source line item)
- + **Inter-district sources (Act 18 and Medicaid included):**
  - o An approximate **increase** of \$42,000 based on increase in actual Act18 payments

### **Overall:**

We show an **increase** of approximately **\$526,000** compared to the initial FY2021 approved budget

### Expenses

- + **Instruction (General):**
  - o Includes 13 teacher positions and 8 para pro positions (some positions partially funded by other funding sources)
  - o We are currently planning on an **decrease** of approximately \$80,000 in expenditures:
    - Level/wage increases based on 3-year union contract are still pending so original budgeted increase has been removed until further confirmations are received\*
    - Shifted expenditures between teachers and aides as well as allocations between funding sources; reduction in substitute teacher needs
    - Additional reduction of expenses under this line item include tuition reimbursement, field trips, curriculum supplies, and technology. Approximately \$15,000 will still be expensed but under Federal funds expenditures

*\*We have not received confirmation on GREA contract negotiations and increases. We should plan for a potential \$30,000 - \$40,000 increase in wages and corresponding payroll taxes once negotiations are finalized.*



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### Expenses (continued)

#### + Special Education:

- Approximately \$9,600 **decrease** compared to initial FY2021 budget based on GREA contract negotiations still pending
- Approximately \$12,600 **decrease** compared to initial FY2021 budget based on reduced GRPS contracted Special Education staffing

#### + At Risk/Title I/Title II Funds/35A

- Approximately \$35,000 **increase** compared to initial FY2021 budget based on changes in staffing and staffing allocations and increase in funding

#### + Business Administration

- An approximate \$8,700 **increase** in professional services due to expanded needs during July – September (planned for after initial FY2021 budget planning)
- An approximate \$9,000 **increase** in license, fees and GRPS Agency fees (tied to increase in State Aid)

#### + School Administration:

- An approximate \$34,000 **decrease** based on reallocation of expenses to be covered by Federal CARES Act funds

#### + Operations & Maintenance

- An approximate \$4,900 **decrease** based reduced staffing needs due to Covid19
- An approximate \$12,000 **decrease** based on reallocation of expenses to be covered by Federal CARES Act funds
- Plan for FY2021 includes:
  - \$14,500 reserve for general maintenance



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### Expenses (continued)

- + **Food Service**
  - o A \$5,800 **decrease** based reduced staffing needs due to Covid19
  
- + **Federal CARES Act, ESSA & KCSRA Funds**
  - o \$96,960 funds received and need to be spent by 12/31/20
    - Covers technology/equipment, supplies
  - o \$43,488 funds can be spent through September 2021
    - Plan is to cover part time learning aides
    - iReady reading program materials
    - Water & hand sanitizing stations
    - Cleaning supplies
    - New router (half of total cost)
  - o \$4,588 KCSRA Funds
    - New router (half of total cost)
  
- + **Capital outlay (General Fund)**
  - o Plan for FY2021 includes
    - \$9,100 for outdoor sign and indoor & outdoor lighting
  
- + **Debt service**
  - o No change from initial FY2021 budget
  - o Mortgage balance at **6/30/2021** will be **\$347,864**



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### SUMMARY:

**\*\*Overall, our projected expenditures are under projected revenues by approximately \$262,144. The proposed decrease in expenditures over revenues for FY2021 increases the estimated fund balance from \$638,636 to \$900,780 34% of local revenue (compared to 5% minimum).**

#### Items to consider:

- + GREA Contract pending increases – timing and amounts unknown
- + Boiler replacement
- + Future budget shortfalls
- + Mortgage balloon payment in 2021 – payoff possible with excess fund balance