

Budget Update

As of June 30, 2020



The budget for a school shows the educational plan, spending plan and revenue plan for a definite fiscal period.



Things to Consider

- It is problematic to base the 1/12th budget on FY20 expenses since that will lock us into paying the personnel/payroll of FY20 staff. Rather, we recommend basing the \$14.9 million approved by the City on 1/12th of an FY21 level funded budget which includes reduction that we have suggested.
- If state revenue and/or city cash are less than level funded, we would have to do virtual schools.
- The savings for a 3 month period of closure in FY20 resulted in several million dollars in savings so going virtual for the year would be far more significant.

Budget Summary: Level Funded FY21

Expenses:

Level Funded FY21 Costs	\$ 179,383,148
Contractually required salary increases	\$ 5,400,000
Health Insurance Increase	\$ 1,200,000
FSF Increased Allocation to schools	\$ 1,000,000
COVID- Air Quality	\$ 500,000
COVID- Remote Learning	\$ 3,000,000
COVID - Protective Equipment	\$ 2,100,000
	<u>\$ 192,583,148</u>

*The original allocation was \$2,074,000 but has been reduced.

Anticipated Revenue:

Level funded Ch70	\$ 163,023,947
Level funded City Cash	\$ 16,359,201
ESSER/Cares Act Grant (COVID)	\$ 4,184,332
School Reopening Grant (COVID)	\$ 3,200,000
State Tech Grant (COVID)	\$ 2,100,000
	<u>\$ 188,867,480</u>

Competitive/not guaranteed

Anticipated Shortfall:

\$ 3,715,668

Balancing Recommendations:

Reduction in Central Administration/fringe	\$ (980,000)
Reduction to Lease 	\$ (150,000)
Utilize revolving account balances	\$ (1,000,000)
Pre-purchased supplies/reduce FY21 exp	\$ (1,585,668)
	<u>\$ (3,715,668)</u>

Reductions:

- 2 Clerks
- Director of Secondary Education
- PT Learning Coordinator
- Research and Data Coordinator
- Assistant Director of SPED
- Academic Coaches
- Strategic Advisor
- Labor Attorney (.5)
- Facility Area Manager
- District Support Specialist**

**District Support Specialist will be reduced from central office budget but added to the virtual school budget