

Upper Adams School District **2020-2021** Budget

Tuesday, April 21, 2020



Board of Directors

Susan Crouse

Cindy Janczyk

Ed Ponce

Ronald Ebbert

Elaine Jones

James Rutkowski

Chris Fee

Jim Lady

Tom Wilson

Wesley T. Doll, Superintendent

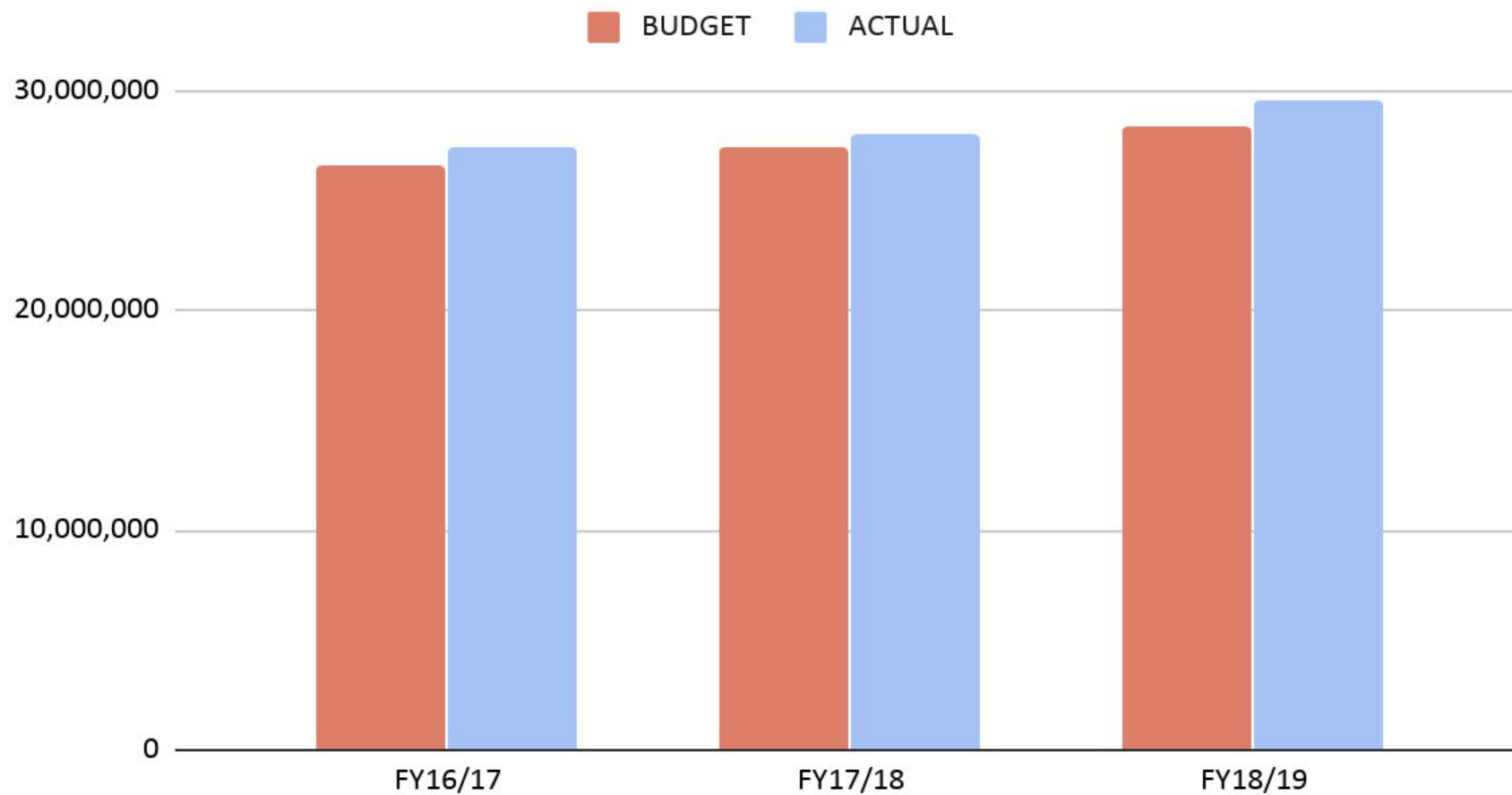
Shelley L. Hobbs, Business Administrator/Board Secretary



Historical View



Revenues: Budget vs. Actual

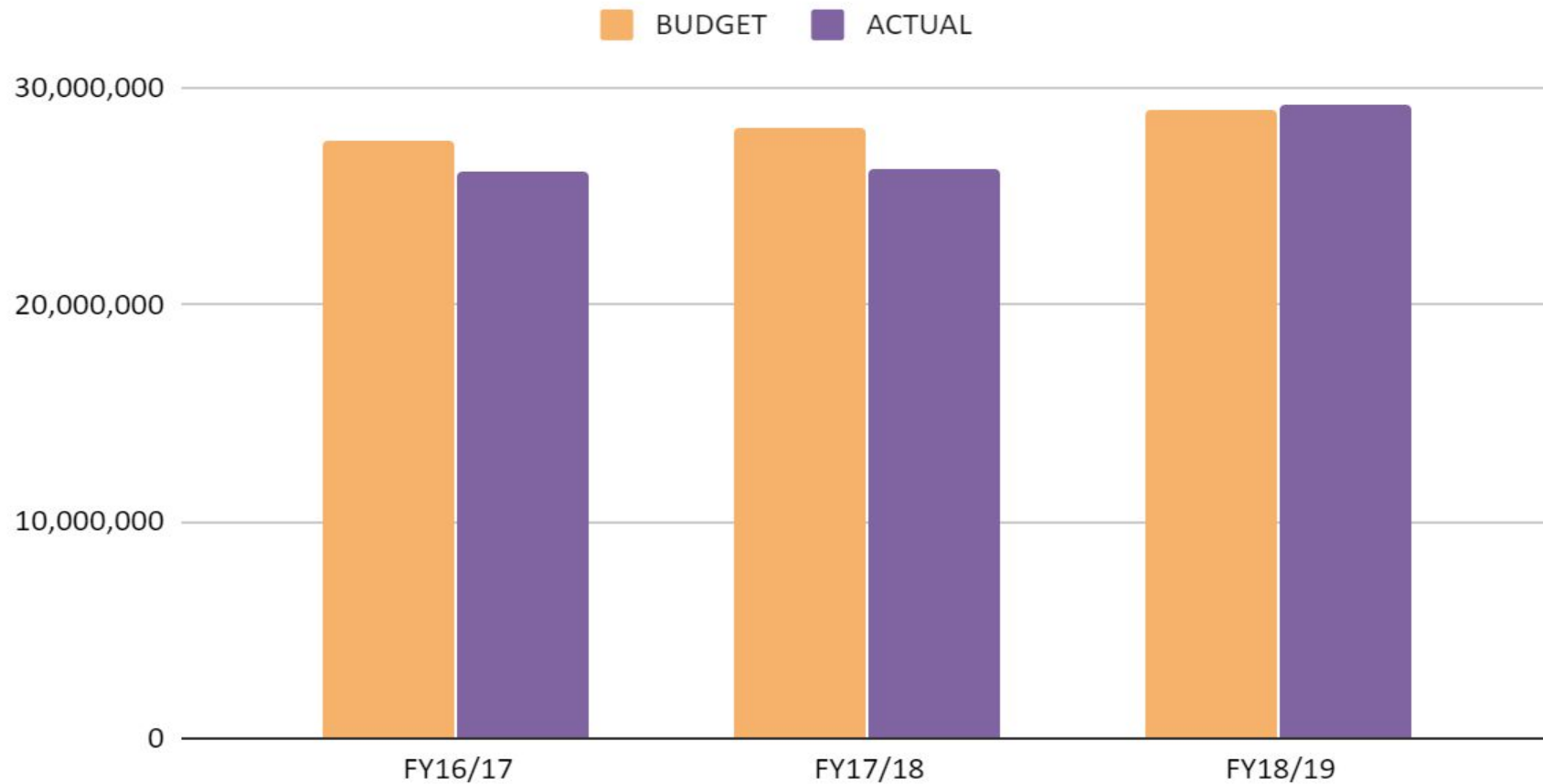


Note: Budget vs. Actual - Average 2.86%

Historical View



Expenditures: Budget vs. Actual



Note: Budget vs. Actual - Average -3.97%

Unknowns



? What will State budget contain
will subsidies be flat from FY20 to FY21

? Timing of subsidy payments

? Comparisons of 2008 vs. 2020



Fund Balance Review



7/1/2019 Beginning Fund Balance - unassigned		1,477,459
<i>Fund Balance Classifications Ending 6/30/2020</i>		
<i>Nonspendable</i>	Lincoln Benefit Funds in the trust	1,523,257
<i>Restricted</i>		0
<i>Committed</i>		0
<i>Assigned:</i>		
	Debt	2,001,270
	PSERS(Retirement)	231,000
	Capital Reserve	0
	Medical	350,000
	Funds set assigned for a specific purpose/usage	
<i>Est. amount to balance budget (19/20)</i>	Funds estimated in 18/19 to balance 19/20 budget	(428,057)
<i>Unassigned</i>		1,049,402
Total Fund Balance- ESTIMATED Ending 6/30/2020		\$5,154,929

FY20 Recap



- ❖ Revenues & Expenditures
 - Bond 2015 - reimbursement (PlanCon) - \$285K (revenue - deposit 4/30/2020)

- ❖ COVID-19
 - Impacts
 - Local revenue sources
 - State revenue subsidies
 - Expenditures

FY21 Budget Updates



- ❖ From last presentation, April 7, 2020, current FY21 deficit **\$1,164,717**
- ❖ Additional Revenues
 - Potential CARES Act funding - **\$212,788**
 - Bond 2015 reimbursement (PlanCon) - **\$8,500**
 - Updated Transportation subsidy - **\$170,000**
- ❖ Additional Expenditures
 - Update social security based upon payroll - **\$11,807**

UPDATED Proposed Preliminary Budget April 21, 2020

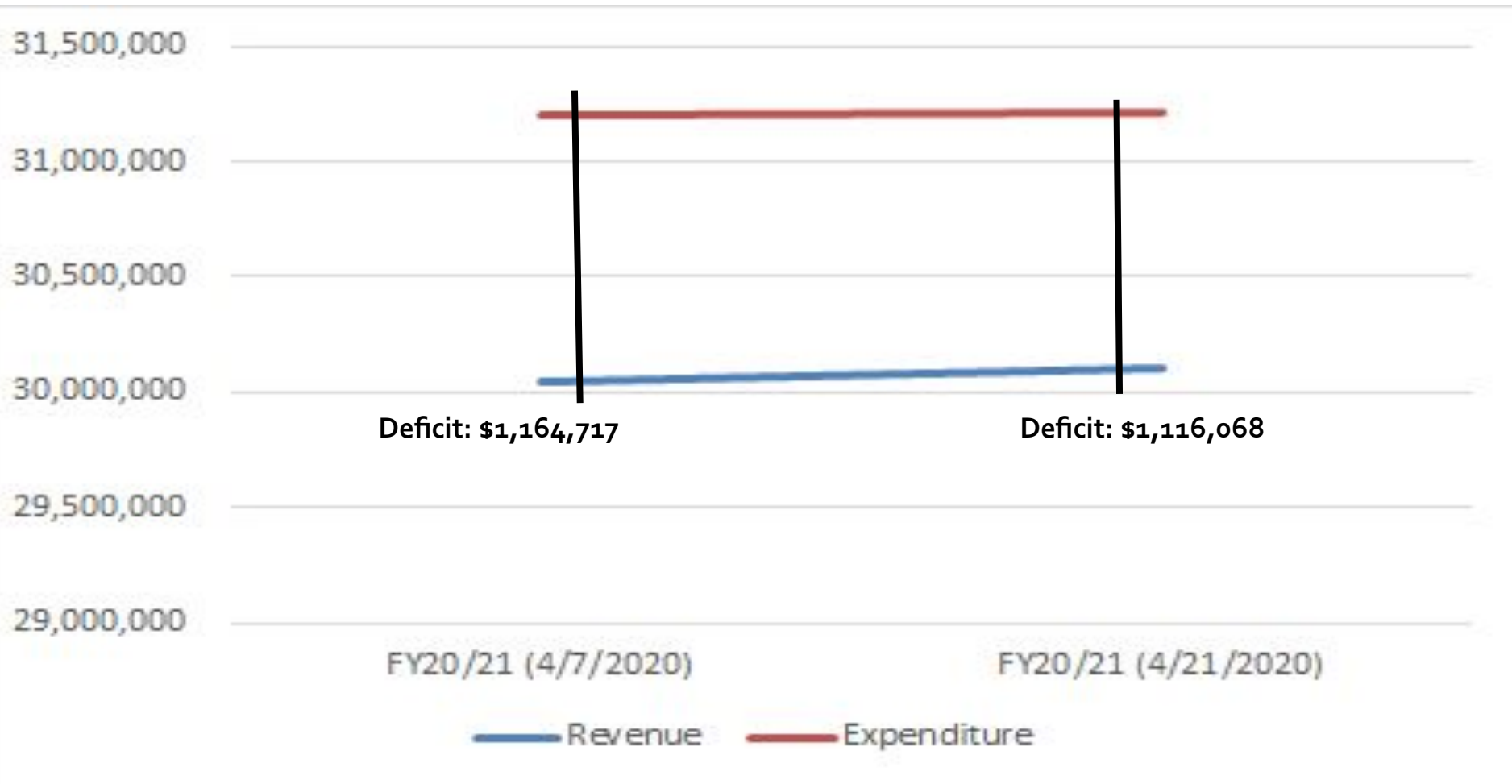


	2017/2018	2018/2019	2019/2020	2020/2021	2020/2021	2020/2021	2020/2021	2020/2021
	Actual	Actual	Budget	Preliminary April 21, 2020	Preliminary April 21, 2020	Preliminary April 21, 2020	Preliminary April 21, 2020	Preliminary April 21, 2020
Mill Rate	14.4659	14.4932	15.3167	15.3167	15.7379	15.7762	15.8222	15.8681
Rate Increase				0.00%	2.75%	3.00%	3.30%	3.60%
Local Revenue	15,527,961	16,575,040	16,764,947	16,367,724	16,727,418	16,760,126	16,799,409	16,838,606
State Revenue	12,178,812	12,649,236	12,522,714	13,370,766	13,370,766	13,370,766	13,370,766	13,370,766
Federal Revenue	327,510	369,098	369,098	362,564	362,564	362,564	362,564	362,564
Total Revenue	28,034,283	29,593,373	29,656,759	30,101,054	30,460,748	30,493,456	30,532,738	30,571,936
Total Expenditures	26,241,627	29,175,984	30,109,817	31,217,122	31,217,122	31,217,122	31,217,122	31,217,122
Variance (Revenue over expenditures)	1,792,656.00	417,389.28	(453,058.07)	(1,116,068)	(756,374)	(723,666)	(684,383)	(645,186)

UPDATED Proposed Preliminary Budget April 21, 2020



FY21 Change in Revenue vs. Expenses



FY21 Updates



❖ Explored Options:

- Remove capital reserves
- Aramark contract negotiations
- Not hiring positions

OPTIONS - Impact on Expenses



Updated Deficit = 1,116,068

	<u>Option 1</u>	<u>Option 2</u>	<u>Option 3</u>	<u>Option 4</u>	<u>Option 5</u>	<u>Option 6</u>	<u>Option 7</u>
Capital Reserve	(325,000)		(325,000)	(162,500)	(162,500)	(325,000)	(162,500)
Aramark		(44,558)	(44,558)		(44,558)	(22,279)	(22,279)
Remaining Deficit	(791,068)	(1,071,510)	(746,510)	(953,568)	(909,010)	(768,789)	(931,289)

OPTIONS - Impact on Positions/Salaries



Updated Deficit = 1,116,068

	<u>Option 8</u>	<u>Option 9</u>	<u>Option 10</u>
Not hiring 5th grade teacher	(66,046)		(66,046)
Not hiring music teacher replacement		(86,744)	(86,744)
Remaining Deficit	(1,050,022)	(1,029,324)	(963,278)

OPTIONS - Impact on Expenditures and Salaries



Updated Deficit = 1,116,068

	<u>Option 11</u>	<u>Option 12</u>	<u>Option 13</u>	<u>Option 14</u>	<u>Option 15</u>	<u>Option 16</u>	<u>Option 17</u>
Capital Reserve	(325,000)	(325,000)	(325,000)	(325,000)	(162,500)	(162,500)	Your Picks?
Aramark		(44,558)			(22,279)	(44,558)	
Not hiring 5th grade teacher	(66,046)	(66,046)		(66,046)			
Not hiring music teacher replacement	(86,744)	(86,744)	(86,744)				
Remaining Deficit	(638,278)	(593,720)	(704,324)	(725,022)	(931,289)	(909,010)	

Estimated FY21 Fund Balance



7/1/2020 Beginning Fund Balance - unassigned - <u>estimated</u>	Assumption: No fund balance used to balance 19/20 budget	1,477,459
Nonspendable		1,523,257
Restricted		0
Committed		0
Assigned:		
	Debt	2,001,270
	PSERS(Retirement)	231,000
	Capital Reserve	0
	Medical	350,000
Est. amount to balance budget (20/21)		(1,116,068)
Inassigned		361,391
Total Fund Balance- ESTIMATED Ending 6/30/2021		\$4,466,918

0% Tax Increase



			PSERS	UNASSIGNED	Unassigned Balance after withdrawal
Option 1 - 0% increase					
Variance	1,116,068	Option 1.1		1,116,068	(66,666)
		Option 1.2	25,000	1,091,068	(41,666)
		Option 1.3	50,000	1,066,068	(16,666)
		Option 1.4	75,000	1,041,068	8,334
		Option 1.5	100,000	1,016,068	33,334

Note: Estimated Unassigned Fund balance: 1,049,402 if District needs to utilize any fund balance for FY20

PSERS Fund Balance: \$231,000

1.8% Tax Increase

(Generates \$235,441 additional revenue)



			PSERS	UNASSIGNED	Unassigned Balance after withdrawal
Option 2 - 1.8% increase					
Variance	880,627	Option 3.1		880,627	168,775
		Option 3.2	25,000	685,600	363,802
		Option 3.3	50,000	660,600	388,802
		Option 3.4	75,000	635,600	413,802

Note: Estimated Unassigned Fund balance: 1,049,402 if District needs to utilize any fund balance for FY20

PSERS Fund Balance: \$231,000

3.6% Tax Increase

(Generates \$470,883 additional revenue)



			PSERS	UNASSIGNED	Unassigned Balance after withdrawal
Option 3 - 3.6% increase					
Variance	645,186	Option 3.1		645,186	404,216
		Option 3.2	25,000	685,600	363,802
		Option 3.3	50,000	660,600	388,802
		Option 3.4	75,000	635,600	413,802

Note: Estimated Unassigned Fund balance: 1,049,402 if
District needs to utilize any fund balance for FY20

PSERS Fund Balance: \$231,000

Community Impact



Potential Tax Increase	Generated Revenue	Resulting Deficit	Ending Unassigned Fund Balance 6/30/2021	Estimated Tax Increase on 183,158 of Assessed Value	Estimated Monthly Increase based on Assessed Value
3.60%	470,882.34	(645,185.89)	404,216.11	\$100.99	\$8.42
2.00%	261,572.83	(854,495.39)	194,906.61	\$56.11	\$4.68
1.80%	235,441.17	(880,627.06)	168,774.94	\$50.50	\$4.21
0%	-	(1,116,068.22)	(66,666.22)	-	0.00

Note: Does not include Homestead/Farmstead

Combined options



Updated Deficit = 1,116,068

	Option A	Option B	Option C	Option D	Option E	Option F	Option G
Capital Reserve	(325,000.00)	(325,000.00)	(325,000.00)	(325,000.00)	(325,000.00)	(325,000.00)	Your Picks?
Remark		(44,558.00)	(44,558.00)			(44,558.00)	
Not hiring 5th grade teacher					(66,046.00)	(66,046.00)	
Not hiring music teacher replacement			(86,744.00)			(86,744.00)	
% tax increase							
.8% tax increase		235,441.00	235,441.00	235,441.00	235,441.00		
.6% tax increase						470,883.00	
Remaining Deficit	(791,068)	(511,069)	(424,325)	(880,627)	(489,581)	(122,837)	

Future planning FY22



- ❖ Homestead/Farmstead impact - will there be any funds?
- ❖ Will we see a jump in PSER rates - rate to be certified in December 2020
- ❖ Adjustments to ACT 1 index
- ❖ Recommend beginning in Oct 2020

Final Budget Timeline



- ❖ ~~April 7, 2020 – Budget Presentation~~
- ❖ April 21, 2020 - Budget Presentation
- ❖ May 5, 2020 – Budget Presentation
- ❖ May 19, 2020 Budget Review with motion to:
 - ❖ Adopt Proposed Final
 - ❖ Issue Notice ~ Intent to Adopt Final for June 18th
- ❖ June 16, 2020 – Adopt Final Budget
- ❖ June 30, 2020 – Final date to file budget

Upper Adams School District 2020-2021 Budget

Questions

