

# ***THOMPSON SCHOOL DISTRICT***

***2020-21 Adopted Budget***

***Board of Education Meeting***

***June 25, 2020***

# ALIGNMENT WITH STRIVE 2025 STRATEGIC PLAN

While the building of the annual budget for the District involves many aspects and encompasses many stakeholders, initiatives and desired outcomes of the Strive 2025 Strategic Plan, the following items capture the key elements:

- Focus Area 2 – Inclusive and Supportive Culture
  - Desired Outcome 2.2 – Ensure all facilities are welcoming, safe and meet the needs of students, staff and community
- Focus Area 3 – Human Talent
  - Desired Outcome 3.2 – Ensure recruitment and retention of high quality staff
- Focus Area 4 – Stewardship of Resources
  - Desired Outcome 4.1 – Ensure transparency in the use of District resources
  - Desired Outcome 4.2 – Ensure prioritization of capital and human resources

# 2020-21 PROPOSED BUDGET ASSUMPTIONS

## REVENUE

- Enrollment decline of 193 students district-wide (94 fewer Funded Pupil Count due to averaging)
- Increase in Budget Stabilization Factor of \$601 million
- Decrease in Per Pupil Revenue (PPR) of 5.0%, from \$8,061 to \$7,661
- Mill levy overrides and all other revenue sources estimated at 2019-20 levels

## SALARIES / BENEFITS (FTE) EXPENDITURES

- Assumes FTE positions for the full year less reduction of 2 contract days
- Salaries include steps & columns for Licensed staff and comparable percentage increase (2.61%) for Classified and Administrative/Professional/Technical staff
- Health / Dental / Life increases (\$420/year/FTE) absorbed by the District
- PERA increase to employer contribution from 20.4% to 20.9%

## NON-FTE EXPENDITURES

- Non-FTE costs starting point at 2019-20 levels (no inflationary increases)
- Savings/reductions in non-FTE costs from various categories from 2019-20 levels

# 2020-21 PROPOSED BUDGET RISKS

## REVENUE

- Further enrollment decline than contemplated
- Further downward pressure on FY21 state revenue forecasts related to pandemic
- Decrease in assessed valuation of property within the District boundaries that impacts mill levy override collections
- Less revenue than expected from Categoricals, Specific Ownership Tax (SOT) and Other Revenue

## NON-FTE EXPENDITURES

- Additional transportation costs depending on instructional delivery and social distancing requirements
- Greater than anticipated costs for out-of-district placement of special needs students
- Higher than anticipated enrollment in charter schools resulting in higher pass through costs of PPR funding
- Other unforeseen cost increases

# 2020-21 COST REDUCTIONS / (INCREASES)

Savings in severance costs from 2019-20 to 2020-21	\$323,940
Remove accounting contingency	\$300,000
Remove innovation school funding for WES and MES	\$150,000
Remove transfer for E-Care slots (no longer funded by CDE)	\$373,284
Postpone allowance for curriculum from Fund 14 MLO	\$600,000
Postpone allowance for ITS purchases from Fund 14 MLO	\$750,000
Savings from iPad lease expiring in 2019-20	\$286,906
TOL/E3/SOARS staffing moved to FTE rather than non-FTE	\$357,068
TSD absorbing all costs associated with crossing guards	(\$75,000)
Reduce Capital Projects and cover them through bond funding	\$900,000
Reduce Instructional school budgets	\$594,432
Reduce Non-Instructional school budgets	\$202,311
Reduce Extra Duty Contracts - Activities by 10%	\$60,632
Reduce Extra Duty Contracts - Athletics by 10%	\$122,813
Reduce Extra Duty Contracts - CTE/Instructional by 10%	\$79,011
Higher PPR charter pass through - New Vision	(\$439,206)
Lower PPR charter pass through - Loveland Classical	\$461,623
Higher 2018 MLO charter pass through - New Vision	(\$225,434)
Higher 2018 MLO charter pass through - Loveland Classical	(\$158,922)
Reduce line items in individual departments by 5%	\$732,646
Reduction of two (2) contract days across all staff classifications	\$1,082,634
Awarding of Steps/Columns across all employee groups	(\$2,738,499)
Removal of preliminarily budgeted SEL positions	\$1,093,229
Use of General Fund Reserves	\$0
Total - Cost Reductions / Adjustments	<u><u>\$4,833,467</u></u>

# FY21 PRELIMINARY vs PROPOSED GENERAL FUND BUDGET

	FY21 Preliminary	FY21 Proposed	Difference
<b>REVENUE</b>			
School Finance Act (SFA) revenue (PPR)	\$114,944,810	\$118,374,624	\$3,429,814
Mill Levy Overrides (MLO)			
1999	\$7,500,000	\$7,500,000	\$0
2006	\$6,540,000	\$6,540,000	\$0
2018	\$18,308,326	\$18,308,326	\$0
Total MLO revenue	\$32,348,326	\$32,348,326	\$0
All Other Revenue			
Categoricals (transportation, ECEA, CTE)	\$4,700,000	\$4,700,000	\$0
Specific Ownership Taxes (SOT)(non-SFA)	\$2,575,000	\$2,575,000	\$0
All other revenue	\$3,250,000	\$3,250,000	\$0
Total Other Revenue	\$10,525,000	\$10,525,000	\$0
<b>TOTAL REVENUE</b>	<b>\$157,818,136</b>	<b>\$161,247,950</b>	<b>\$3,429,814</b>
<b>EXPENDITURES</b>			
Full Time Equivalent (FTE) costs			
LIC salaries	\$55,666,148	\$56,486,216	(\$820,067)
LIC benefits	\$19,793,627	\$19,971,773	(\$178,145)
LIC - total	\$75,459,775	\$76,457,988	(\$998,213)
CLAS salaries	\$18,886,032	\$19,219,675	(\$333,643)
CLAS benefits	\$8,798,883	\$8,871,205	(\$72,322)
CLAS - total	\$27,684,915	\$28,090,880	(\$405,965)
APT salaries	\$10,983,028	\$11,172,564	(\$189,536)
APT benefits	\$3,368,124	\$3,430,276	(\$62,152)
APT - total	\$14,351,152	\$14,602,840	(\$251,688)
<i>Total salaries</i>	<i>\$85,535,208</i>	<i>\$86,878,455</i>	<i>(\$1,343,246)</i>
<i>Total benefits</i>	<i>\$31,960,634</i>	<i>\$32,273,254</i>	<i>(\$312,619)</i>
<b>TOTAL FTE COSTS</b>	<b>\$117,495,843</b>	<b>\$119,151,708</b>	<b>(\$1,655,865)</b>
Non-FTE costs	\$40,290,728	\$42,037,124	(\$1,746,396)
<b>TOTAL EXPENDITURES</b>	<b>\$157,786,571</b>	<b>\$161,188,832</b>	<b>(\$3,402,261)</b>
Net Change in Fund Balance	\$31,565	\$59,117	\$27,553

# FY21 PROPOSED GENERAL FUND BUDGET

## REVENUE

School Finance Act (SFA) revenue (PPR)		\$118,374,624
Mill Levy Overrides (MLO)		
1999	\$7,500,000	
2006	\$6,540,000	
2018	\$18,308,326	
Total MLO revenue		\$32,348,326
All Other Revenue		
Categoricals (transportation, ECEA, CTE)	\$4,700,000	
Specific Ownership Taxes (SOT)(non-SFA)	\$2,575,000	
All other revenue	\$3,250,000	
Total Other Revenue		\$10,525,000
TOTAL REVENUE		\$161,247,950

## EXPENDITURES

Full Time Equivalent (FTE) costs		
LIC salaries	\$56,486,216	
LIC benefits	\$19,971,773	
LIC - total		\$76,457,988
CLAS salaries	\$19,219,675	
CLAS benefits	\$8,871,205	
CLAS - total		\$28,090,880
APT salaries	\$11,172,564	
APT benefits	\$3,430,276	
APT - total		\$14,602,840
TOTAL FTE COSTS		\$119,151,708
Non-FTE costs		
CPP / EC SPED transfers	\$1,661,519	
Capital projects	\$1,273,716	
Severance program	\$921,090	
Charter schools transfers	\$15,233,071	
All other non-FTE costs	\$22,947,728	
TOTAL NON-FTE COSTS		\$42,037,124
TOTAL EXPENDITURES		\$161,188,832
Net Change in Fund Balance		\$59,117