



**Franklin-McKinley
School District**

PREPARING ALL CHILDREN AS GLOBAL LEARNERS

Budget Proposal 23-24

June 27, 2023

Presented by

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Business Services

Topics Covered



Budget Cycle



May Revise (FMSSD Impact)



MYP Assumptions (One-Time Dollar Plans / Caveat)



MYP Summary / Budget Overview for Parents



Upcoming Action Item For the Board

Budget Cycle

- Where we **are** in the cycle.
- State Budget not yet approved.
- Assumptions will change.

Governor's
Proposal
(Jan.)

**May Revise &
District Budget
Adoption**
(May / June)

State
Adopts
Their
Budget
(June)

45-Day
Budget
Revision
(Aug.)

Close
District's
Books
(Sept.)

Audited
Financials
(Dec.)



Budget Cycle

■ What's changed between the May Revise and State Adopted Budget?

■ *In 22-23*

- \$5.9M: New LCFF (Formula) for Declining Enrollment & Additional Investment in LCFF
- \$10.9M: New One-Time - Learning Recovery Emergency Block Grant (LRG)
- \$3.7M: New One-Time - Arts, Music, and Instructional Materials Discretionary Block Grant (AMIM)
- \$9M: Expansion of Expanded Learning Opportunities Program (ELOP)
- (\$8M): Removal of One-Time Discretionary Block grant

■ *In 21-22*

- \$2.2M: New LCFF Formula for Concentration Grant
- \$18.3M: New ESSER III Funds
- \$4.9M: Creation of Expanded Learning Opportunities Program (ELOP)



Themes for the May Revision



Governor Gavin Newsom attempts to reach a balance of protecting existing investments while anticipating continued economic uncertainties



Revenues have continued to underperform, forcing the Administration to now recognize a \$31.5 billion budget shortfall



Despite this uncertainty, education falls into the category of an investment to protect



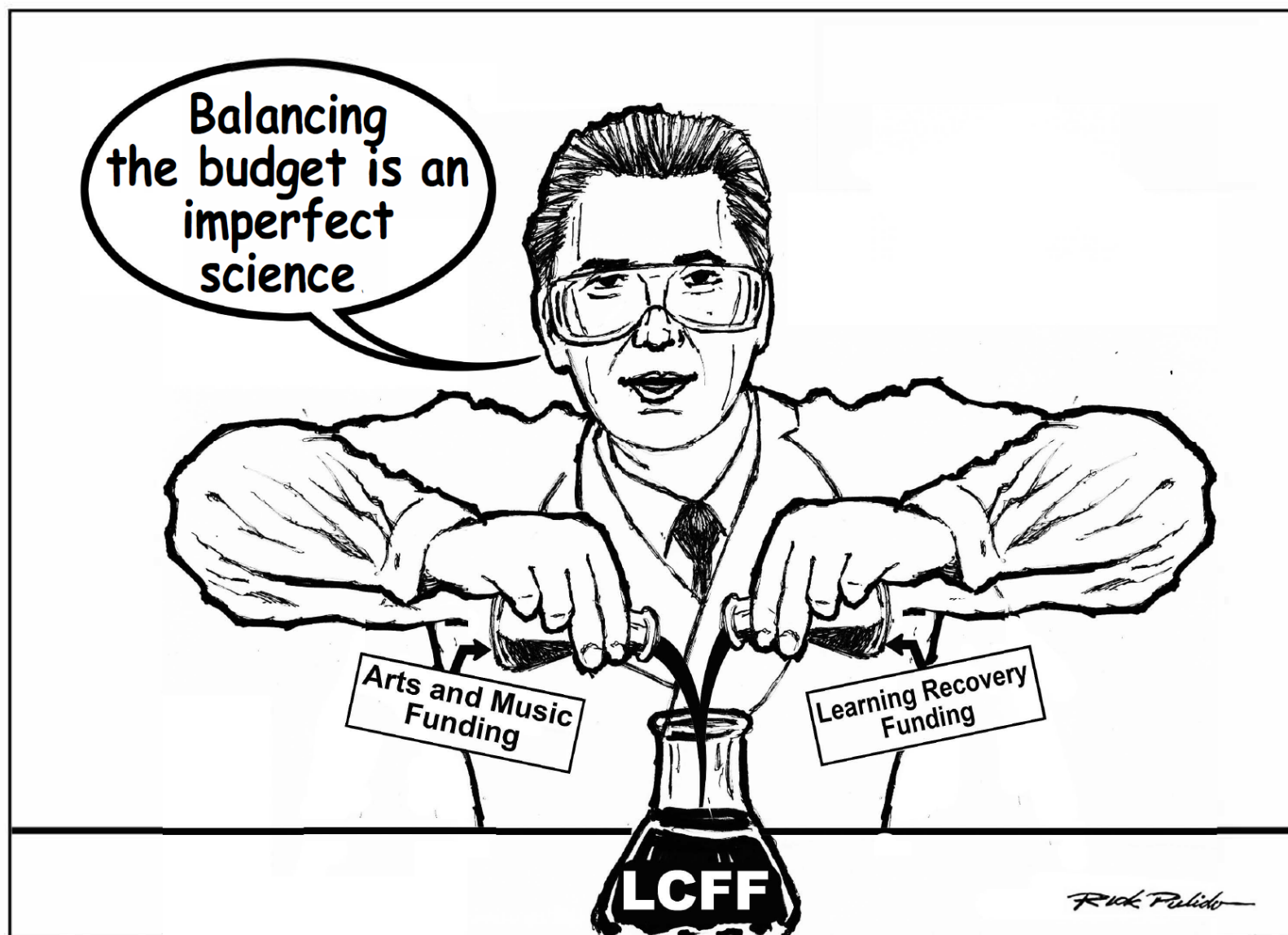
Even within education, a tradeoff is made: Protecting the Local Control Funding Formula (LCFF) comes at the expense of one-time funds reduced in the current year, some of which have already hit local educational agency (LEA) coffers



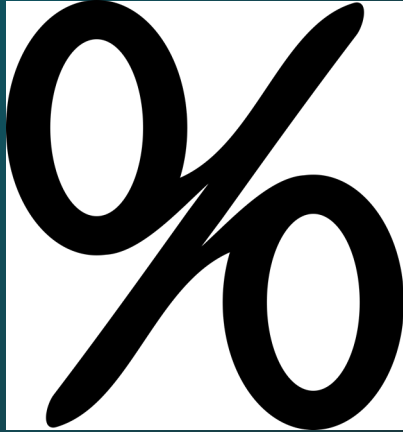
Echoing his warnings in January, the Governor's summary states "should broader economic risks materialize, deeper reductions will be necessary"



Still in the budgeting toolbox should revenues continue to decline: deferrals, reserve account withdrawals, and cost-of-living adjustment (COLA) deficits



May Revise



COLA Increased

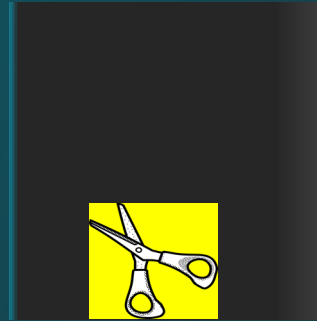
Went from 8.13% to 8.22%

Increased LCFF annual revenue by \$70K.

Given the State's budget deficit in out year's COLA may be cut.

This COLA increase is not reflected in this MYP.

■ Notable Changes from January 2023



Multiple Cuts

1. Learning Recovery Emergency Fund Grant Cut by \$600K. Could not be in MYP. This is not in MYP.
2. A.M. and time. Total of \$1M. Included a cut of \$3M based on January Proposal. **\$600K loss not in MYP.**



Extension for ELOP

Districts were supposed to spend down 21-22 ELOP fund by June 2023 or give back unused funds. Spending deadline extended to June 2024. **Extension not included in MYP; expected to pay back \$2.6M this year.**

Governors One-Time Funding Cuts vs. Senate & Assembly

- Governor projects to cut AMIM by \$4.3 billion (51%)
 - Senate is rejecting all the cuts from the Governor
 - Assembly has a much smaller cut at \$261 million (3% cut or \$80K)
 - **Legislative State Budget Announced \$200 million (2.3% or \$61K)**
- Governor projects to cut the LREBG by \$2.5 billion (32%)
 - Senate - smaller cut at \$525 million (6.72% or \$732K)
 - Assembly - smaller cut at \$440 million (5.63% or \$614K)
 - **Legislative State Budget Announced \$495 million (6.3% or \$691K)**



SSC School District and Charter School Financial Projection Dartboard 2023-24 Governor's Budget

This version of the School Services of California Inc. (SSC) Financial Projection Dartboard is based on the 2023-24 Governor's Budget proposal. SSC has updated the cost-of-living adjustment (COLA), Consumer Price Index (CPI), and ten-year T-bill planning factors per the latest economic forecasts. SSC has also updated the Local Control Funding Formula (LCFF) factors. SSC relies on various state agencies and outside sources in developing these factors, but we assume responsibility for them with the understanding that they are general guidelines.

LCFF PLANNING FACTORS

Factor	2022-23	2023-24 ¹	2024-25	2025-26	2026-27
Department of Finance Statutory COLA	6.56%	8.13%	3.54%	3.31%	3.23%
Planning COLA	6.56%	8.13%	3.54%	3.31%	3.23%

LCFF GRADE SPAN FACTORS FOR 2023-24

Entitlement Factors per ADA*	TK-3	4-6	7-8	9-12
2022-23 Base Grants	\$9,166	\$9,304	\$9,580	\$11,102
Statutory COLA of 8.13%	\$745	\$756	\$779	\$903
2023-24 Base Grants	\$9,911	\$10,060	\$10,359	\$12,005
Grade Span Adjustment Factors	10.4%	—	—	2.6%
Grade Span Adjustment Amounts	\$1,031	—	—	\$312
2023-24 Adjusted Base Grants ²	\$10,942	\$10,060	\$10,359	\$12,317
Transitional Kindergarten (TK) Add-On ³	\$3,042	—	—	—

*Average daily attendance (ADA)

OTHER PLANNING FACTORS

Factors		2022-23	2023-24	2024-25	2025-26	2026-27
California CPI		6.00%	3.44%	2.77%	2.49%	2.74%
California Lottery	Unrestricted per ADA	\$170	\$170	\$170	\$170	\$170
	Restricted per ADA	\$67	\$67	\$67	\$67	\$67
Mandate Block Grant (District)	Grades K-8 per ADA	\$34.94	\$37.78	\$39.12	\$40.41	\$41.72
	Grades 9-12 per ADA	\$67.31	\$72.78	\$75.36	\$77.85	\$80.36
Mandate Block Grant (Charter)	Grades K-8 per ADA	\$18.34	\$19.83	\$20.53	\$21.21	\$21.90
	Grades 9-12 per ADA	\$50.98	\$55.12	\$57.07	\$58.96	\$60.86
Interest Rate for Ten-Year Treasuries		3.78%	3.23%	2.79%	2.70%	2.80%
CalSTRS Employer Rate ⁴		19.10%	19.10%	19.10%	19.10%	19.10%
CalPERS Employer Rate ⁴		25.37%	27.00%	28.10%	28.80%	29.20%
Unemployment Insurance Rate ⁵		0.50%	0.20%	0.20%	0.20%	0.20%
Minimum Wage ⁶		\$15.50	\$16.00	\$16.40	\$16.80	\$17.20

MYP Assumptions

- **22-23 COLA at 8.13%**
- **School Services Dartboard (January)**
 - Funding rates per student
 - Consumer Price Index
 - COLA in the out years
 - Lottery funding rates
 - CalSTRS and CalPERS rates
 - Unemployment Insurance Rates
- **Step and Column Schedules**
- **Plans for One-Time Funds**
- **Cuts to meet 3% reserve**
 - Eliminating positions funded with 1-time \$\$
 - Reductions due to enrollment decline

MYP Caveat

- Assumptions will change
- Did not include all impacts of May Revise
 - COLA at 8.13% - \$60K
 - LRG revenue reduced by \$3M
 - AMIM revenue reduced by \$600K
- No expectation for mid-year cuts or deferrals
- No impact for current or future negotiations
 - **[Tentative Agreement may cost over \$11M over the next 3 years to be paid for with cuts to programs & services]**
- We don't have crystal balls
- No adjustments for possible recession
- No additional pension relief
- State Budget negotiations will impact FMSD
- Assembly Bills and Senate Bill may impact MYP



Change

One-Time Funding Plans – \$2.459M A.M.I.M. [June 2026]

- **Staffing – \$715K**
 - Two management position two classified staff to augment Facilities team; Stipends for participation in certain extra-curricular events (i.e., Art, Music, Tech Challenge and CASL);
- **Supplies – \$477K**
 - HVAC Filters (Board approved April 2023); Protective personal equipment; Tech Challenge, Arts, Music, & Other Instructional Supplies; Annual Service Awards
- **Travel & Services – \$684K**
 - SWING Contract (used to hire Para-Educator subs) (Board approved May & Sept 2022); Robert Half International Services to fill other classified vacant positions (Board approved Jan & Apr 2023); CADA & CASL events; CASBO PD; Emergency Training & Supplies with ICS4Schools (Board approved March 2023)
- **Capital Outlay & Other – \$583K**
 - Purchase 2 buses to replace non-working buses (Board Approved March 2023); Other vehicle purchases; Indirect (to cover administrative support of the AMIM program)

One-Time Funding Plans – \$2.459M A.M.I.M. [June 2026]

■ Staffing – \$715K

- Two management position two classified staff to augment Facilities for participation in certain extra-curricular events (i.e., Art, Music, and CASL);

■ Supplies – \$477K

- HVAC Filters (Board approved April 2025); Equipment; Tech Challenge, Arts, Music, & Other Instructional Supplies

■ Travel & Services – \$680K

- SWING Contract (Board approved May & Sept 2025); Robert Half; Positions (Board approved May 2025); Agency Training & Supplies with ICS (Board approved May 2025)

■ Capital Outlay & Other – \$1,000K

- Purchase 2 buses to replace non-working buses (Board Approved March 2025); purchases; Indirect (to cover administrative support of the AMIM program)

This may get cut by \$600K!
What do we cut?



ESSER III - \$5.2M [September 2024]

- Funding shortfall of **\$924K** may be covered by the ending balance.
- The **\$3.4M** in staff will be covered by LREBG Funds in the next 2 years.
- Other Staffing listed here do not currently have another funding source to cover salaries in future years except the ending balance.

STAFFING	2023-24 (ESSER III)
Social Workers (11 Social Workers)	\$1,522,902
Student Support Specialist (14)	\$1,845,855
LMAs (2 people @ .75 FTE)	\$48,511
Sub-total	\$3,417,268
OTHER STAFFING	2023-24 (ESSER III)
Technician (1)	\$92,794
Technician (1)	\$128,480
Coordinator	\$220,560
Exec Assistant	\$110,809
Program Specialist	\$192,429
Technicians (2)	\$220,868
Teachers to Reduce Class Size	\$1,760,245
Sub-total	\$2,726,186
Estimated ESSER III Expenditures	\$6,143,454
Total Estimated Allocation For ESSER III	\$5,219,000
Funding Shortfall	-\$924,454

One-Time Funding Plans – \$10.9M LREBG [June 2028]

STAFFING	2023-24 (LRG)	2024-25 (LRG)	2025-26 (LRG)	Total
Social Workers (increasing from 6 to 17)	\$935,741	\$2,655,334	\$2,867,761	\$ 6,458,836
Student Support Specialist (14)	\$0	\$1,993,523	\$2,153,005	\$ 4,146,528
TK, Kinder, and SDC extended para time	\$393,932			\$ 393,932
Behavior Specialist (Management - 2)	\$317,499			\$ 317,499
Behavior Therapists (Classified) (2 @ .875 FTE)	\$129,800			\$ 129,800
LMAs (2 people @ .75 FTE)	\$48,511			\$ 48,511
SLS (Mckinney-Vento)	\$97,708			\$ 97,708
Sub-total	\$1,923,191	\$4,648,857	\$5,020,766	\$ 11,592,814
Total Funding				\$ 10,900,000
			Funding Shortfall	\$ (692,814)

- Funding shortfall of **\$693K** may be covered by one-time fund balance, if it exists in 2025-26.



LEARNING RECOVERY EMERGENCY BLOCK GRANT



One-Time Funding Plans – \$10.9M LREBG [June 2028]

STAFFING	2023-24 (LRG)	2024-25 (LRG)	2025-26 (LRG)	Total
Social Workers (increasing from 6 to 17)	\$935,741	\$2,655,334		\$ 6,458,836
Student Support Specialist (14)	\$0	\$1,416,528		\$ 4,146,528
TK, Kinder, and SDC extended para time	\$393,932			\$ 393,932
Behavior Specialist (Management - 2)	\$317,499			\$ 317,499
Behavior Therapists (Classified) (2 @ .875 FTE)	\$129,800			\$ 129,800
LMAs (2 people @ .75 FTE)	\$48,511			\$ 48,511
SLS (Mckinney-Vento)	\$97,708			\$ 97,708
		\$4,648,857	\$5,020,714	\$9,669,571
Total Funding				\$10,000,000
			Funding Shortfall (\$814)	

This may get cut by \$3.5M!
What do we cut?



- Funding shortfall of \$693K may be covered by one-time funding if it exists in 2025-26.

Other One-Time Funds Going Away in 2023 [\$1.6M]

- **ESSER II [September 2023] - \$669K**
 - Custodial overtime
 - Retired admin support
 - Imagine Learning licenses - Digital Libraries, Edgenuity, PD, etc.
 - Collaborative Learning - MTSS Implementation
 - Informed K12
 - Company Nurse (Discontinued)
 - 1 Supervisor (Moving to A.M.I.M)
 - PPE (Moving to A.M.I.M.)
 - Kids Code -Afterschool program (Moving to ELOP)
 - ELEVO - Afterschool provider (Moving to ELOP)
 - San Jose Jazz - Afterschool program (Moving to ELOP)
- **ELO Grant (RE 3216/ RE3217) [September 2023] - \$530K**
 - Expanded Learning Opportunities & Supports incl. ELEVO, FEV Tutor, Nurse Registry (Moved to ELOP)
- **Special Ed Learning Recovery [June 2023] - \$392K**
 - Classified Staffing, PD, Mental Health Services

MYP

Summary

Proposed MYP Budget	2023-24	2024-25	2025-26
(in Thousands)			
Revenue	\$ 122,564.2	\$ 114,933.3	\$ 114,402.6
Expenditures			
Certificated Salaries	49,937.6	47,980.9	48,355.8
Classified Salaries	19,594.7	19,427.8	19,659.0
Employee Benefits	32,741.4	32,380.0	32,707.3
Books and Supplies	8,161.8	6,791.8	6,868.1
Services & Other	22,163.3	21,351.3	21,787.9
Capital Outlay (CNS KIT Funds/Vehicles)	1,176.4	-	-
Other Outgo	(18.8)	10.9	38.6
Total Expenditures (A)	\$ 133,756.4	\$ 127,942.7	\$ 129,416.7
Net Increase / (Decrease) in Fund Balance	\$ (11,192.2)	\$ (13,009.4)	\$ (15,014.1)
Beginning Fund Balance	43,924.0	32,731.8	19,722.4
Ending Fund Balance	\$ 32,731.8	\$ 19,722.4	\$ 4,708.3
Total Expense (A)	\$ 133,756.4	\$ 127,942.7	\$ 129,416.7
Unrestricted & Assigned Balance (B)	\$ 6,882.2	\$ 6,397.2	\$ 3,891.2
Reserve % = (B) / (A)	5.1%	5.0%	3.0%

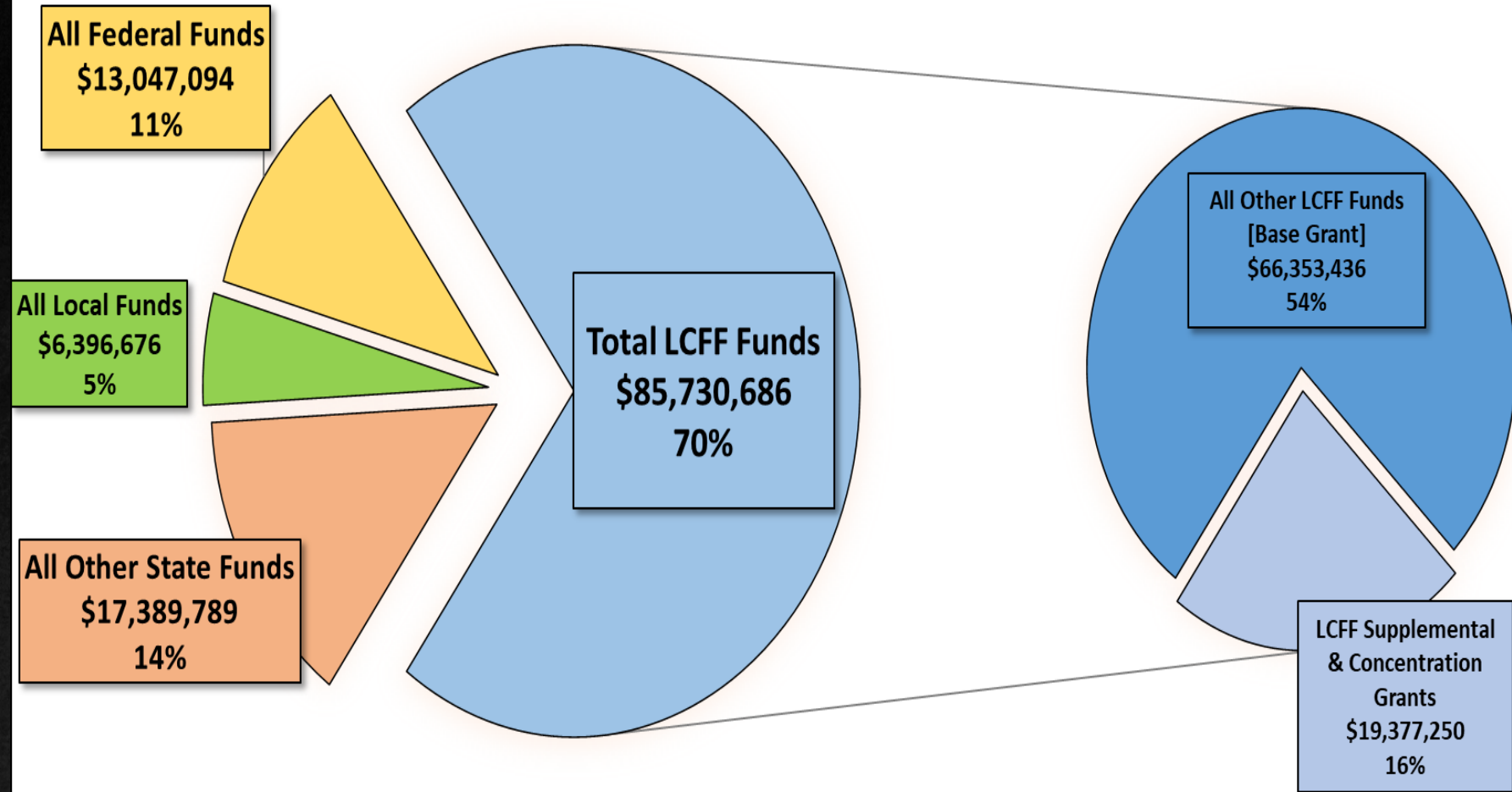
Budget Overview for Parents (2023-24)

Why the B.O.P.?

- Education Code Section 52064.1 requires school districts to develop the Local Control Funding Formula Budget Overview for Parents (BOP) in conjunction with the Local Control Accountability Plan (LCAP) by July 1 of each year.
- The statute requires the BOP to use language that is understandable and accessible to parents in order to provide transparency.

Budget Overview for Parents (2023-24)

Projected Revenue by Fund Sources



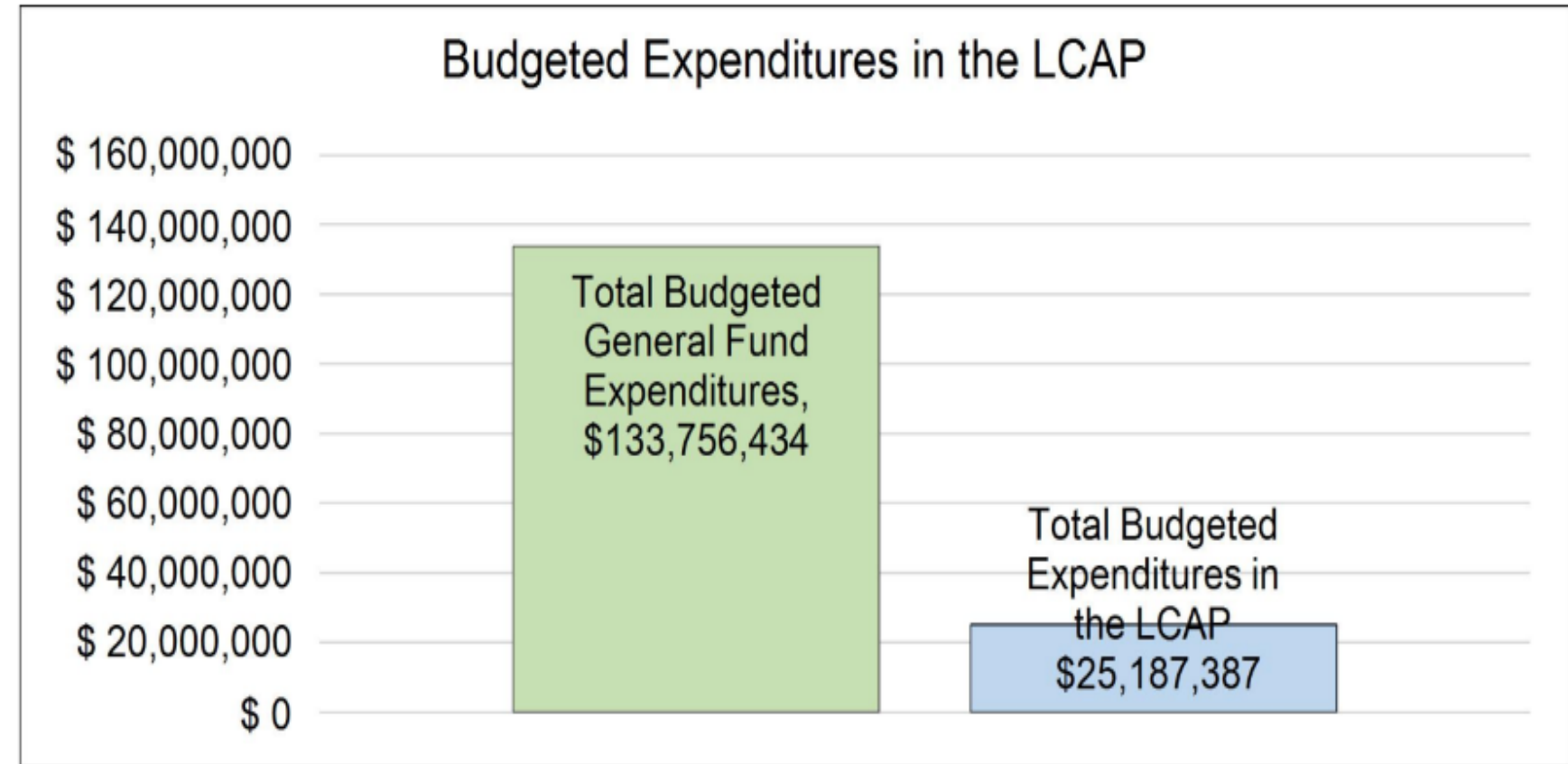
This chart shows the total general purpose revenue Franklin-McKinley Elementary School District expects to receive in the coming year from all sources.

Budgeted LCAP Expenditures increased by \$1.3M

New Slide

Budget Overview for Parents (2023-24)

The LCFF gives school districts more flexibility in deciding how to use state funds. In exchange, school districts must work with parents, educators, students, and the community to develop a Local Control and Accountability Plan (LCAP) that shows how they will use these funds to serve students.

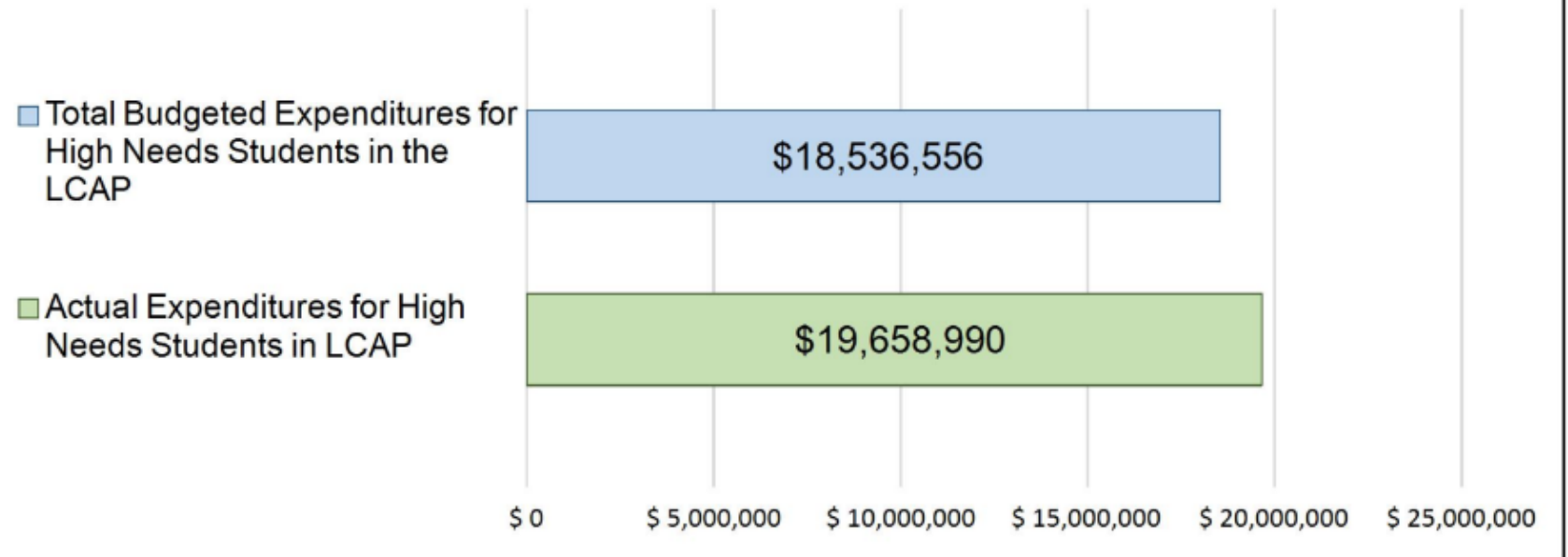


This chart provides a quick summary of how much Franklin-McKinley Elementary School District plans to spend for 2023-24. It shows how much of the total is tied to planned actions and services in the LCAP.

Budget Overview for Parents (2023-24)

Update on Increased or Improved Services for High Needs Students in 2022-23

Prior Year Expenditures: Increased or Improved Services for High Needs Students



This chart compares what Franklin-McKinley Elementary School District budgeted last year in the LCAP for actions and services that contribute to increasing or improving services for high needs students with what Franklin-McKinley Elementary School District estimates it has spent on actions and services that contribute to increasing or improving services for high needs students in the current year.

Components of Ending Fund Balance

	June 30, 2024	June 30, 2024	June 30, 2024	
Components of Ending Balance <i>(Amounts in thousands)</i>	<u>Unrestricted</u>	<u>Restricted</u>	<u>Combined</u>	<u>Percentage Of Ending Balance</u>
Non-spendable	713.0	-	713.0	2.2%
Legally Restricted (1)	-	17,739.9	17,739.9	54.2%
Assigned (2% Board Reserve)	2,675.1	-	2,675.1	8.2%
3% Economic Uncertainty	4,012.7	-	4,101.1	12.2%
Committed (2)	7,396.7	-	7,396.7	22.6%
Unassigned Reserve	194.4	-	194.4	0.6%
Ending Balance	<u>\$ 14,991.9</u>	<u>\$ 17,739.9</u>	<u>\$ 32,731.8</u>	<u>100.0%</u>
Numbers highlighted in yellow were changed from original document				

(1) Needed for ELOP - \$9M, Learning Recover EBG - \$7.6M, Low Performing Block Grant - \$0.5M, Curriculum Adoptions \$0.3M, & Arts & Music and Other Restricted Local - \$0.3M

(2) See following slide for the breakdown of Committed balance

Committed & Assigned Ending Balance - \$10.1 Million

- **\$3.8M** - Mitigation Measures
 - Deficit spending to cover the cost of positions and services previously paid with one-time funds (ESSER, A.M.I.M., LREBG, etc.); Protection against funding cuts.
 - Cash Flow
- **\$2.7M** - 2% Board Reserve [Assigned]
- **\$1.6M** - SERP
- **\$1.0M** - Curriculum Adoption
- **\$1.0M** - Tech Refresh

Committed & Assigned Ending Balance: \$11.1 Million

- **\$3.8M** - Mitigation Measures
 - Deficit spending to maintain current levels of operations and services previously provided
 - L.P.F. (Local Public Fund) [unclear]
 - M.I.M., [unclear]
- **\$2.0M** - [unclear]
- **\$1.0M** - [unclear]
- **\$1.0M** - Curriculum Adoption
- **\$1.0M** - Tech Refresh

If we don't identify cuts of \$11M over the next 3 years all of this will go away

Next Budget Milestones

- **Mid June** – Legislature sends budget to the Governor; Governor approves and start line items vetoes
- **June 23, 2023** – District adopts proposed budget
 - Including updated AMIM plan; Committed Resolution
- **Early July** – Decipher State's budget & trailer bill language
- **August 8, 2023** – 45-day budget revision presented to Board
- **September/October 2023** – County reviews FMSD's budget
- **Fall/Winter 2023** – More discussion on budget cuts

Questions?

Thank You!



Appendix

Other Restricted Funds *(in Millions)*

Fund	Cafeteria	Building	Capital Facilities	Capital Outlay	Bond Interest & Redemption	Self Insurance
Beginning Balance	\$4.6	\$4.4	\$8.3	\$0.6	\$10.2	\$1.6
Revenue	\$7.4	\$29.1	\$0.6	\$0.0	\$9.2	\$1.4
Expenditures	<u>\$5.8</u>	<u>\$32.8</u>	<u>\$0.0</u>	<u>\$0.4</u>	<u>\$9.9</u>	<u>\$1.3</u>
Change	<u>\$1.6</u>	<u>(\$3.7)</u>	<u>\$0.6</u>	<u>(\$0.4)</u>	<u>(\$0.7)</u>	<u>\$0.1</u>
Ending Balance	\$6.1	\$0.7	\$8.9	\$0.2	\$9.5	\$1.7

Other Restricted Funds - *Purpose*

- **Cafeteria Fund** - This fund accounts for federal, state, and local resources to operate the food service program (Education Code sections 38090 and 38093). The Cafeteria Fund (Fund 13) shall be used only for those expenditures authorized by the governing board as necessary for the operation of the LEA's food service program (Education Code sections 38091 and 38100).
- **Building Fund** - This fund accounts for proceeds received and use of proceeds from the sale of bonds (Education Code Section 15146 and 16058) and may not be used for any purposes other than those for which the bonds were issued. Other authorized revenues to the Building Fund (Fund 21) are revenue from rentals and leases of real property specifically authorized for deposit into the fund by the governing board (Education Code Section 41003).

Other Restricted Funds - *Purpose*

- **Capital Facilities Fund** - This fund accounts for moneys received from fees levied on development projects (“Developer Fees”) as a condition of approval (Education Code sections 17620–17626 and Government Code Section 65995 et seq.). Interest earned in the Capital Facilities Fund (Fund 25) is restricted to that fund (Government Code Section 66006). Expenditures in Capital Facilities Fund are restricted to the purposes specified in Government Code sections 65970–65981 or Government Code Section 65995 et seq., or to the items specified in agreements with the developer (Government Code Section 66006). Costs of justifying and adopting developer fees may be paid from Fund 25 (Education Code Section 17620). Administrative costs of collecting fees may be reimbursed from Fund 25 (Education Code Section 17620).

Other Restricted Funds - *Purpose*

- **Capital Outlay Fund** - This fund accounts for general fund moneys for capital outlay purposes (Education Code Section 42840). This fund may also account for any revenues specifically for capital projects that are not restricted to other funds. Other authorized resources that may be deposited to the Fund are rentals and leases of real property (Education Code Section 41003). Transfers from the general fund to Fund 40 authorized must be expended for capital outlay purposes. Proceeds from the sale or lease-with-option-to-purchase may be spent for capital outlay purposes, costs of maintenance of the LEA's property, and future maintenance and renovation of school sites (Education Code Section 17462). Salaries of employees working directly on projects financed by Fund 40 revenues are capitalized as a part of the capital facilities project.

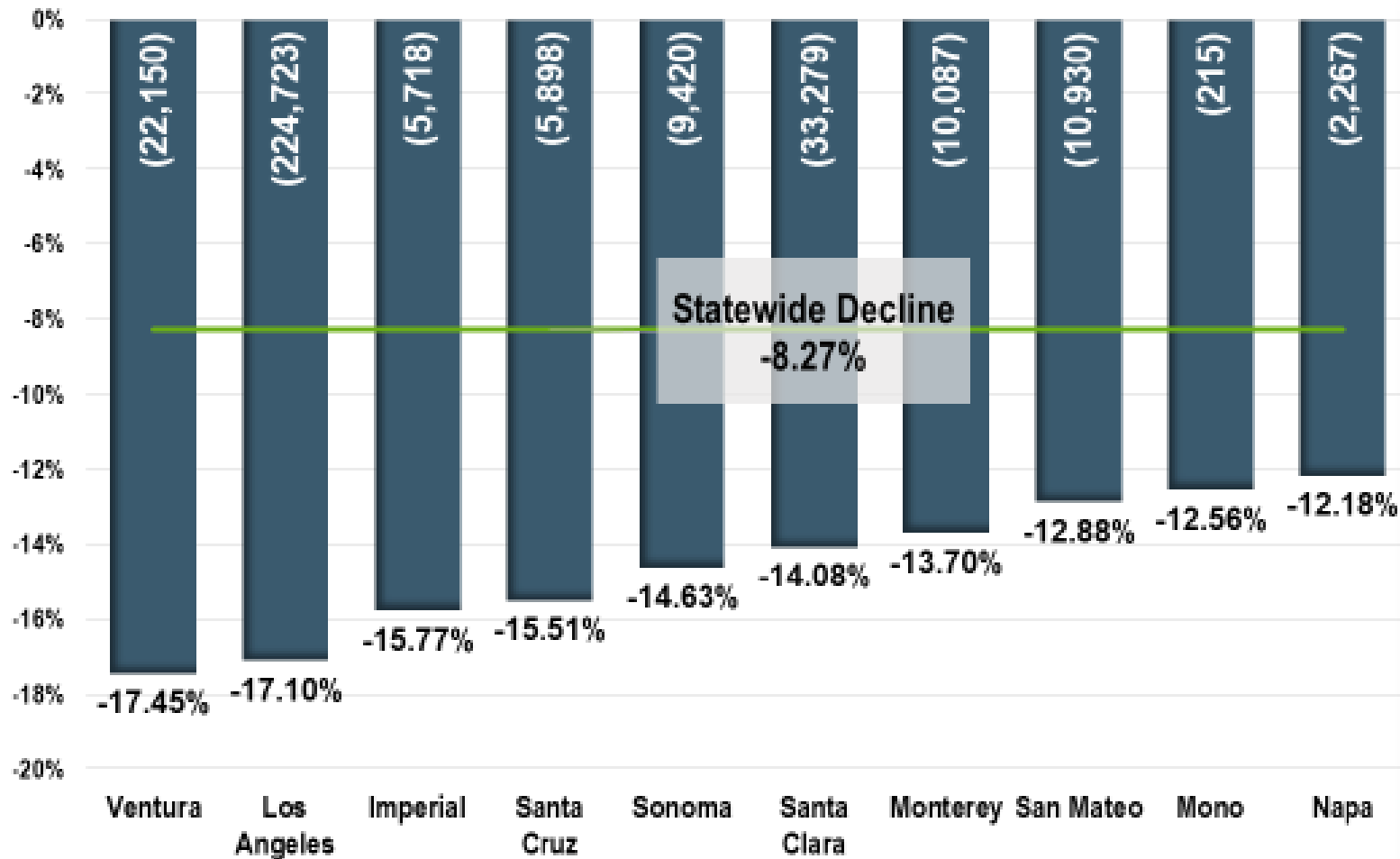
Other Restricted Funds - *Purpose*

- **Bond Interest and Redemption Fund** - This fund is used for the repayment of bonds issued (Education Code sections 15125–15262). Any premiums or accrued interest received from the sale of the bonds must be deposited in the Bond Interest and Redemption Fund (Fund 51) of the LEA. The county auditor maintains control over the Fund. The principal and interest on the bonds must be paid by the county treasurer from taxes levied by the county auditor-controller. Expenditures in this fund are limited to bond interest, redemption, and related costs. Any money remaining in this fund after the payment of all bonds shall be transferred to the general fund upon order of the county auditor (Education Code Section 15234).

Other Restricted Funds - *Purpose*

- **Self-Insurance Fund** - Self-insurance funds are used to separate moneys received for self-insurance activities from other operating funds of an LEA. We use this fund for the dental and vision self-insurance (Education Code Section 17566). Expenses in the Self-Insurance Fund (Fund 67) include the payment of claims, estimates of costs relating to incurred but not reported (IBNR) claims, administrative costs, deductible insurance amounts, cost of excess insurance, and other related costs. Amounts contributed to Fund 67, Self-Insurance Fund, are lawfully restricted for insurance purposes (Education Code Section 17566 and Government Code Section 53205).

Declining Enrollment Projections 2022-23 to 2031-32



Source: DOF, CDE

- Most areas in the state are affected by declining enrollment, but to differing degrees:
 - 12 counties are projected to lose 10,000 or more students between 2022-23 and 2031-32
 - 18 counties will lose students at a rate faster than the statewide average of 8.27%
- Enrollment trends for each LEA are unique to the community and student populations they serve
- Enrollment trends impact the bottom line—in the current year and the out-years

Minimum Wage—Future Forecast

- School Services of California Inc., projects that the minimum wage will increase to \$16.00 on January 2024 and by about 40¢ - 50¢ each January thereafter
- Employers should review city or county ordinances to determine if any local minimum wage standards apply

Minimum Wage ¹	Effective Date: > 25 Employees	Effective Date: ≤ 25 Employees	Exempt Minimum Salary (Weekly)	Exempt Minimum Salary (Monthly)	Exempt Minimum Salary (Annually)
\$15.50/hour	January 1, 2023		\$1,240	\$5,373	\$64,480
\$16.00/hour	January 1, 2024		\$1,280	\$5,547	\$66,560
\$16.50/hour	January 1, 2025		\$1,320	\$5,720	\$68,640
\$16.90/hour	January 1, 2026		\$1,352	\$5,859	\$70,304
\$17.30/hour	January 1, 2027		\$1,384	\$5,997	\$71,968
\$17.80/hour	January 1, 2028		\$1,424	\$6,171	\$74,048
\$18.30/hour	January 1, 2029		\$1,464	\$6,344	\$76,128

¹Minimum wage is tied to the U.S. Consumer Price Index for Urban Wage Earners and Clerical Workers, but is rounded and capped at 50¢ per year