



FY 2020-21 BUDGET INFORMATION

March 9, 2020
Directors' Study Forum

Agenda

- ▶ Status of FY 2019-20
- ▶ Update of Preliminary Budget FY 2020-21
- ▶ Millage Rate Discussion
- ▶ Adoption Schedule

Status of FY 2019-20

▶ Revenues

- ▶ Collected \$500 K more than budgeted in real estate tax
- ▶ Projecting
 - ▶ \$150 K more than budgeted in tuition payments
 - ▶ \$150 K more in IDEA Funds

▶ Expenditures

- ▶ Assume not spending \$350 K Budgetary Reserve
- ▶ Working through projections for staffing, LIU contract costs, and charter costs
- ▶ Other expenditures tracking as budgeted/expected

Status of FY 2019-20

- ▶ Overall, projecting a smaller deficit than budgeted
 - ▶ Original: \$4,581,688
 - ▶ Updated: \$3,431,688

Update of 2020-21 fiscal year budget

▶ Governor's Proposed Budget*

- ▶ Basic Education Subsidy: \$106,373 (.95%)
- ▶ Special Education Subsidy: \$57,089 (2.4%)
- ▶ Accountability Block Grant (ABG): no change

- ▶ Total Increase for 2020-21 from the State: \$163,462

* Subject to legislative changes and PDE data updates, comparisons are to initial budget

Update of 2020-21 fiscal year budget

▶ 2020-21 Draft

▶ Beginning Fund Balance*	\$ 2,820,614
▶ Revenues	\$70,897,774 (w/o state subsidy changes)
▶ Expenses	\$75,606,252
▶ Ending Fund Balance*	\$ (1,887,865)

Deficit of \$4,708,478

* **Unassigned** *(not included in assigned fund balance are: \$1.0 tech; \$2.0 healthcare costs; \$3.0 capital projects; \$0.5 PSERS; for a total of \$6.5M)*

Millage Rate Discussion

▶ Base Millage 2019-20	23.6663
▶ Index Limit (3.3%)	<u>0.7808</u>
▶ Potential 2020-21 mills	24.4471

Millage Rate Discussion

- ▶ 3.3% increase in millage rate yields approx. \$1.3M
- ▶ Property of 100,000 assessed value
 - ▶ Tax at 24.4471 \$2,444.71
 - ▶ Increase from 2019-20 \$77.75

Impact of Millage Increase

	Potential Tax Increase		Generated Revenue		Resulting Deficit		Ending Unassigned Fund Balance 6/30/2021		Tax Increase on 100K of Assessed Value
Initial Budget	3.30%		1,313,000		4,708,478		(1,887,865)	*	78.10
	3.05%		1,213,530		4,807,948		(1,987,335)		72.18
	2.80%		1,114,061		4,907,417		(2,086,804)		66.27
	2.55%		1,014,591		5,006,887		(2,186,274)		60.35
	2.30%		915,121		5,106,357		(2,285,744)		54.43
	2.05%		815,652		5,205,826		(2,385,213)		48.52
	1.80%		716,182		5,305,296		(2,484,683)		42.60
	1.55%		616,712		5,404,766		(2,584,153)		36.68
	1.30%		517,242		5,504,236		(2,683,623)		30.77
	1.05%		417,773		5,603,705		(2,783,092)		24.85
	0.80%		318,303		5,703,175		(3,200,865)		18.93
	0.55%		218,833		5,802,645		(3,519,168)		13.02
	0.00%		-		6,021,478		(3,738,001)		-
* We need to transfer a portion of the Assigned Fund Balance to the Unassigned Fund Balance to cover the shortfall.									
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Adoption Schedule

- ▶ **Proposed Final Budget Approval on April 6, 2020**
 - ▶ Need direction on millage rate to use to prepare the PDE Budget Document
- ▶ **Final Budget Approval on May 18, 2020**

Questions

