

MCSO Current Budget Overview - May 18, 2020

Current year (FY 2019-20) adjustments:

1% Holdback

- Reduction of Professional Development revenue by \$44,000. We were able to absorb this because there was \$50,000 still left in the Professional Development budget due to cancelled Professional Development plans.
- Reduction in Career Counseling revenue by \$20,000. We only had \$9,000 left in the budget, so we are going to carryforward an \$11,000 deficit to the next year and will have to look at how to plan for that expense in the new year.
- Reduction of \$90,000 in Instructional Technology. We only had \$15,000 left in this fund, so we had to move \$75,000 of the Milepost software and FileWave software to technology software in the supplemental levy.
- Reduction of IT staffing by \$20,000. This covers classified salaries, so it will be a reduction to the General Fund Fund Balance.
- Reduction of Curriculum reimbursement by \$4000. This is a reduction of the General Fund Fund Balance.
- The Distribution Factor (discretionary line item) was reduced from \$28,416 to \$28,090 per unit or a \$326 reduction per unit. This is a cost of \$66,000. This will be a reduction in Fund Balance.

Total cost of 1% hold back to Minidoka Schools equates to \$244,000

Additional Reductions

- There was a loss of enrollment and attendance. It decreased from the first 10 weeks of 4.7 units, which equates to about a 90 student loss or a cost of \$132,000 from the first 10 weeks. The projected best 28 weeks is at 202.6 units.
- The loss of reduced interest rate is \$15,000.

Increases in Projected Revenue

- The transportation reimbursement was \$60,000 higher than budgeted.
- A Master Premium revenue (\$28,700) was received to cover staff receiving the Master Premium.

Increases in Expenses over Beginning Budget

- There was an increased salary expense of \$237,000. An additional 2.5 teachers were hired and a .25 nurse, as well as paying the Master Premium stipends, other stipends, zero period teachers and overtime.

Savings in Expenses over Beginning Budget

- The substitute savings for last 2.5 months led to a \$30,000 savings.
- The overall benefits savings have resulted in \$320,000 reduction in expenses. These savings are primarily due to the PERSI sick leave retirement holiday they gave us for 18 months, and the staff members who didn't take health benefits.
- The remaining \$85,000 in curriculum which we didn't spend.
- There is only an estimated \$5,000 in utility savings over what was in the beginning budget.

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- Transportation fuel expenses may be less but the overall expenses for overtime and outsourced repair has increased, so we do not have a savings over what was currently budgeted.

C.A.R.E.S Stimulus Funding

We will receive a reimbursement from the Federal Government of approximately \$631,000. Of that amount we have to provide \$13,000 of services to St Nicholas. We will adjust around \$600,000 of our remaining teacher salary expenses into this new fund from the General fund. This is allowable expense under the CARES formula.

After all of these adjustments we should end with approximately \$1,550,000 ending fund balance, which is what has been adjusted to the contingency account code currently. This is up \$750,000 from the \$800,000 beginning budget amount.

Next year's budget (FY 2020-21) plans:

5% Holdback

These are the differences in what the legislation currently passed and what the Governor has held back from that legislation and the amount affected to Minidoka Schools different buckets:

- Salary and Benefit Apportionment and Career Ladder reduction of \$388,000
- Distribution factor (discretionary funding) \$133 per unit resulting in a reduction of \$276,000
- Leadership premiums eliminated \$256,000
- Curriculum revenue eliminated, this year \$18,000
- Instruction technology reduction \$137,000
- Professional Development reduction of \$35,000
- IT staffing reduction of \$48,000

Overall state reductions for next year to Minidoka Schools will be \$1,158,000.

Other Concerns

- Interest rates could be even lower.
- Currently planning 207 units, moving students forward shows we should have from 208 to 209 units, but with past experience in student growth there is concern.
- Increase in health benefit costs to the district about \$26,000 per every 1% of increase
- Workers Comp premium increased by \$100,000
- We are ending 2019-20 with \$1,550,000 in carry over but only depositing \$800,000 into contingency, thus using \$750,000 to balance the new 2020-21 budget expenses over revenues.
- The Sick Leave retirement benefit will resume again in FY 2020-21 at a cost to the general fund of \$250,000.
- Using line items, pay freezes, fund balance and stimulus funds are only one time fixes. The main issue is ongoing costs of over hiring. Eventually we will have to use the line items to resume their intended expenses and we will not have any remaining fund balance or stimulus money to fill in the gap.

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History of Support Units

FY	First 10 Weeks	Best 28 Weeks	change	
19-20	207.25	202.6 est	-4.65	
18-19	207.32	204.52	-2.8	
17-18	205.24	204.09	-1.15	
16-17	204.68	204.11	-0.57	
15-16	203.65	202.21	-1.44	
14-15	202.29	199.96	-2.33	
13-14	197.83	196.7	-1.13	
*12-13	194.29	192.52	-1.77	
*11-12	198.5	197.2	-1.3	
*10-11	197.6	201.3	3.7	
*09-10	197.9	196.3	-1.6	
*08-09	196.9	197.4	0.5	
*07-08	200.6	200.2	-0.4	
*06-07	204.1	202.6	-1.5	PROTECTED PRYR
*05-06		205.5		PROTECTED PRYR
*04-05		206.6		PROTECTED PRYR
*03-04		208.6		PROTECTED PRYR
*02-03		210.7		
*01-02		215.3		PROTECTED PRYR
*00-01		225.8		PROTECTED PRYR
99-00				
98-99				; 250.9

Enrollment Recap by Grade

Grade Level	18-19 Spring Enroll	19-20 Estimated / Budgeted Fall Enroll	19-20 Actual Fall 1st 10 wks	Incr from Spring 18-19 to Fall	Spring 19-20 Enrollment	Projected Fall 2020
Kindergarten	321	339	334	13	326	333
1st	331	321	345	14	343	326
2nd	338	331	329	-9	325	343
3rd	345	338	330	-15	325	325
4th	336	345	345	9	346	325
5th	382	336	337	-45	337	347
6th	338	382	392	54	390	337
7th	351	338	350	-1	344	390
8th	337	351	352	15	358	344
9th	322	337	344	22	349	359

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10th	295	322	314	19	302	349
11th	246	287	292	46	274	294
12th	310	246	264	-46	236	274
Total	4252	4273	4328	76	4255	4346