



Budget Planning Update

May 11, 2020

December Slide - Contingency

- 2% Contingency for FY19 annual expenses is \$318,000
- 5% Contingency for FY19 annual expenses is \$795,000
- **Current monthly payroll is 1.2 million**
- Danville Schools needs to be at 9% to meet 1 month's payroll (this does not include regular monthly expenses like utilities and diesel)
- Current monthly utilities average \$42,300 (Water/Sewer \$2,700; KU \$36,000; Atmos \$3,600)
- Current monthly diesel averages \$5,400

Contingency - updated

Year	Contingency	Budget	% Contingency
FY 2018	3,709,239.52	28,849,732.54	12.85
FY 2019	2,869,469.58	29,843,038.70	9.61
Est. FY 2020	2,287,166.90	31,276,177.33	7.31
Est. FY 2021	2,000,000.00	31,000,000.00	6.45

December Slide - General Fund Budget Process

Year	Revenue From Previous Year (from Annual Finance Report)	Total Approved Working Budget – GF only	Over/Under in Working Budget and Revenue From Previous Year
FY2015	\$16,962,633	\$18,620,241	\$1,657,608
FY2016	\$18,236,359	\$19,539,540	\$1,303,181
FY2017	\$18,831,296	\$19,439,170	\$607,874
FY2018	\$18,359,143	\$20,518,902	\$2,159,759
FY2019	\$22,145,750	\$24,133,694	\$1,987,944

December Slide - General Fund Budgeted vs. Actuals

Year	Actual GF Revenue	Actual GF Spending from Annual Financial Report (AFR)	Difference – Over/Under
FY2015	\$17,972,288	\$18,236,359	\$264,071
FY2016	\$18,217,259	\$18,831,296	\$614,037
FY2017	\$19,232,974	\$18,359,143	\$873,831
FY2018	\$21,357,252	\$22,145,750	\$788,498
FY2019	\$21,879,229	\$23,118,374	\$1,239,145

*FY2019 purchase 820,000 for new building

December Slide - Reduction in Grant Funding FY2021

Grant	School	End Date	Amount Per Year
Math Achievement	MGH	June 2021	\$48,000
Read to Achieve	ELT	June 2021	\$47,200
Striving Readers	All	Sept. 2020	\$217,917 (2019-20) \$290,000 (2018-19)

Additional Costs FY2021

Item	Description	Amount
CERS	Retirement (based on FY2020 staffing)	\$80,779.60
Wausau Paper	Tangible Property Refund	\$111,570

Note: Due to COVID-19 CERS is froze for 2020-21 but will catch up (double) in 2021-22

December Slide - Salaries Percent of Budget

- KDE recommends payroll to be within 74% to 78% of the total GF budget
- Danville has been over 80% for the past 4 years
 - FY2016 – 84.3%
 - FY2017 - 84%
 - FY2018 - 84.1%
 - FY2019 - 83.2%

December Slide - Options for FY2021 Savings

Options for Reductions in Budget	
Options	Possible Savings Amount
Payroll	865,000
Substitutes Salary Scale (retired certified only)	40,000
Overtime (except emergencies)	45,000
Chromebook Replacement moved to Title I funds	10,000
Maintenance and Repair	40,000
Athletics	19,475
Athletics Trainer (UK)	25,000
Trainings in-house	20,000
Outside Training Reimbursements	8,000
Seek to schools 120 vs 140 per student	36,600
Contract Days 187 vs 185	106,670
National Board Salary Scale (not in area)	
Academic Stipends	5,500
Total	1,221,245

January Slide - Savings Included in Draft Budget

Reductions in Budget	
Reductions included in the budget	Savings Amount
Payroll	\$745,000
New Substitutes Salary Scale (increase daily rate for all and reduce retirees)	\$20,000
Overtime (except emergencies)	\$45,000
Chromebook Replacement moved to Title I funds	\$10,000
Maintenance and Repair	\$40,000
Maintenance Trucks	\$4,000
Athletics	\$19,475
Trainings in-house	\$20,000
Outside Training Reimbursements	\$8,000
Seek to schools 120 vs 140 per student	\$36,600
Mowing in House	\$21,000
Academic Stipends	\$5,500
Total	\$974,575

January Slide - General Fund Budget Process

Year	Revenue
Actual FY2018	\$22,145,750
Actual FY2019	\$21,884,028
Estimated FY2020	\$21,892,000

Actual FY2019 Revenue	Total FY2021 Draft Budget – GF only	Difference Between Draft Budget and Actual FY2019 Revenue
\$21,884,028	\$21,814,463	\$69,565

Estimated FY2020 Revenue	Total FY2021 Draft Budget – GF only	Difference Between Draft Budget and Estimated 2020 revenue
\$21,892,000	\$21,814,463	\$77,537

Budget Considerations

Revenue as of May	Amount
Incoming revenue as of 05/2019	\$14,114,009.11
Incoming revenue as of 05/2020	\$14,270,367.56
Difference	\$156,358.45

- FY 2020 Increase revenue from taxes is \$383,000
- Outstanding taxes \$100,000 (99% collected as of May 1, 2020)
- FY 2020 SEEK decreased by \$134,496
- Wausau Paper payment \$111,590
- Step payroll increases \$133,553.19
- Sick leave payout \$204,400

Budget Proposed Reductions

Month	Total Proposed Reductions	Payroll Proposed Reductions
Dec. 2019	\$1,221,245	\$865,000
Jan. 2020	\$974,575	\$745,000
May 2020	\$875,487	\$645,912

MGH	Position	Dollar Amount Saved
	.2 RA	\$ 12,564.60
	.3 Teacher	\$ 20,435.40
	.2 RA	\$ 9,526.20
	.5 RA	\$ 30,121.00
	.5 Intervener	\$ 23,712.50
	Teacher	\$ (7,130.00)
	Teacher	\$ (4,055.00)
	Teacher	\$ 13,255.00
Total		\$ 98,429.70

BMS	Position	Dollar Amount Saved
	.2 RA	\$ 8,875.00
	1 Teacher	\$ 40,089.00
	1 Teacher	\$ 35,682.44
	.1 Teacher	\$ (6,741.00)
Total		\$ 77,905.44

District	Position	Dollar Amount Saved
	.8 Director	\$ 61,373.02
	.2 Director	\$ 19,510.20
	Sped Fac	\$ (2,566.00)
Total		\$ 78,317.22

ELT	Position	Dollar Amount Saved
	1 RA	\$ 40,089.00
	Teacher	\$ 40,295.00
	.7 Teacher	\$ 42,085.00
	1 RA	\$ 53,934.42
	1 Intervener	\$ 40,089.00
Total		\$ 216,492.42

DHS	Position	Dollar Amount Saved
	.2 Teacher	\$ 13,526.20
	.4 Teacher	\$ 24,238.19
	1 Teacher	\$ 40,192.00
	.5 Teacher	\$ 30,069.50
	.5 Teacher	\$ 20,096.00
	1 Teacher	\$ 46,646.02
Total		\$ 174,767.91

Total		\$ 645,912.69
Note: RA is related arts		
Note: parentheses is an increase		

Payroll Comparisons

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Certified Salaries	\$ 9,285,530.73	\$ 9,888,757.50	\$ 9,971,784.42	\$ 11,086,848.65	\$ 10,700,365.30
Classified Salaries	\$ 3,325,193.62	\$ 3,441,888.18	\$ 3,580,603.79	\$ 3,157,699.83	\$ 3,075,216.41
Additional cert	\$ 364,928.16	\$ 394,234.08	\$ 403,052.04	\$ 338,693.43	\$ 162,729.00
Additional class	\$ 224,151.47	\$ 214,743.13	\$ 224,340.88	\$ 154,290.34	\$ 120,000.00
NBC	\$ 14,999.04	\$ 22,999.42	\$ 25,000.80	\$ 19,896.47	\$ 27,500.00
Overtime	\$ 50,953.51	\$ 39,464.51	\$ 47,409.61	\$ 37,337.06	\$ 20,000.00
Classified Coach stipends	\$ 78,321.00	\$ 69,850.00	\$ 69,250.00	\$ 42,100.00	\$ 78,321.00
Board	\$ 14,775.00	\$ 11,325.00	\$ 15,825.00	\$ 17,550.00	\$ 30,000.00
Cert Subs.	\$ 122,931.46	\$ 248,134.37	\$ 197,419.16	\$ 120,755.40	\$ 100,000.00
Class Subs.	\$ 40,755.78	\$ 53,248.68	\$ 40,448.18	\$ 42,725.85	\$ 40,000.00
Total	\$ 13,522,539.77	\$ 14,384,644.87	\$ 14,575,133.88	\$ 15,017,897.03	\$ 14,354,131.71
Percentage of budget	84%	84.10%	83.20%	?	?

Note: Additional Certified and classified rows include coaching stipends

Note: Cells highlighted in green are estimates

Where are we at?

Estimated FY2020 Revenue	Total FY2021 Draft Budget – GF only	Difference Between Draft Budget and Estimated 2020 revenue
\$21,892,000	\$21,814,463	\$77,537

Month	Total Proposed Reduction	Payroll
Dec. 2019	\$1,221,245	\$865,000
Jan. 2020	\$974,575	\$745,000
May 2020	\$875,487	\$645,912

- FY 2021 Considerations
 - Wausau Paper payment \$111,590
 - Step payroll increases \$133,000
 - Sick leave payout over estimated amount
 - Impact of COVID-19

Predicted Budget Increases and Revenue Decreases in FY 2021

- COVID-19 expenses
- Mid-year cuts from the State
- Drop in enrollment due to homeschool
- Increase in preschoolers due to high rates of unemployment and poor economy with no additional funds from the state
- Decrease in tax collection
- Unexpected facility/maintenance issues

Recommended for 2020-21

- No additional positions added unless required by law
- All resignations and retirement result in an evaluation of need for the open position
- Overtime is limited to emergencies only
- Freeze all new construction projects
- Freeze all spending for cosmetic upgrades

Questions?