

REVENUESGeneral Property Tax (Real Estate)

- Collections for property taxes are forecasted to increase from FY 21 to FY 25 because of the increase in valuations on the inside mileage. Our real estate market has increased over the past year therefore we don't expect to see a decline in values.

Tangible Personal Property Tax (Public Utility)

- These revenues have been stable for the past few years, but with the current COVID 19 situation we are uncertain how these revenues will be affected.

Unrestricted and Restricted State Grants

- The Governor's cut of revenue of \$874,000 has been incorporated in the forecast. I have flat funded State revenue because of the uncertainty with COVID. We have heard discussion that Ed Choice could be brought back up in the second half this fiscal year. We will monitor how it progresses.

Property Tax Allocations

- The increase in property tax allocations correlates to the increase in property taxes in FY 21 to FY 25.

EXPENDITURESSalary & Benefits

- Based on the negotiated agreement with NDEA and Local Teamsters 957. Conservative estimates used based on available operating funds. Federal Grants offsetting salaries in some certified staffing areas FY20 & FY21.
- Due to lack of students physically attending buildings because of COVID-19, realized savings in substitute teacher costs.
- Retirement cost is proportional to salaries.
- Cost of medical benefits will increase at a higher rate over the next few years based on insurance pool action with EPC. Dental and life cost showing increase from most recent projections.

- Medicare and retirement were based on salary changes, with workers comp showing continued savings from self-insured workers comp programs.
- District Grounds staffing increased due to bringing mowing and maintenance of grounds in house, cost savings recognized in purchased services to offset increase.

Purchased Services

- Special Education services will continue to increase proportionally to needs of students. Alternative transportation services secured to meet needs of students.
- Mild temperatures and cooperative purchasing of utility hedges through EPC lend to fixed costs in energy commodity markets. Continued LED lighting retrofit driven by Strategic plan will show savings throughout the forecast. Additional energy savings of unoccupied buildings because of COVID-19, and better zone control through updated HVAC control project.
- Community schools/tuition deduction declining in typical students shows decrease in costs in these specific areas, but some increases in other outside of district education options.
- Increases expected for repairs on aging buildings.
- Increase in internet connectivity contract with greater bandwidth to support district one to one initiative and FY21 increase to support remote learning option
- Additional curriculum software packages to enhance student intervention were already being added FY21-FY25, and due to remote learning even more additional instructional software needed causing larger increase in FY21 due to multi-year agreement being paid upfront. Cares Act grant was able to offset some of the cost but limited to just FY21.
- Implementation of SRO contracts to all municipalities will result in an increase of purchased services, approximately \$300k annually.
- Slight offset in maintenance of OFCC buildings due to 034 fund
- Medicare reimbursement received in FY20 approximately (\$550k), cannot be accounted for in future years due to unknown status of program.

Supplies

- Textbook binding expense decreased from previous years due to one to one initiative, and are stable in FY21-FY25.
- Building and Grounds increased expectations and upkeep along with transportation fuel costs projected to rise, but revised for May 2020 due to lack of transportation needs because of COVID-19. Some savings during the start of FY21 but buses were used for food distribution and additional spacing needed for extra-curricular activities for traveling to away games.
- Greater expense in software licensing as we implement new programs and devices, as well as insurance costs for lost or damaged devices. Some costs passed on to parent and student (deductible).
- Educational Apps for one to one devices needed for all students K-12.
- Erate within the general fund used to fund a portion of replacement of all WiFi access points throughout the district , with remainder of the project to be picked up out of general fund \$650k.
- Uncertainty of EdChoice proposed plan, could greatly affect purchased services budget.

Capital

- Utilization of some permanent improvement dollars to offset major capital purchases out of the general fund.
- Slight increase in technology equipment needs outside of one to one program.
- Security enhancements for buildings guided by Strategic Plan planned FY20-FY25 which will result in additional expense.
- District grounds increase for new equipment needed for new inhouse operations. Looking to expand to salting parking lots during winter months in house in future and would require purchase of dump truck \$75k.

Other

- Educational Service Center contracted services forecasted as flat through Foundation Deduction of \$1.5-1.6 M annually.
- Increase in General Fund transfers \$180k FY21-FY25 to cover Severance payouts to retiring Food Service staff, and also a new accounting process for tracking extracurricular transportation costs.
- Unspent building reserves appropriated through FY21-FY25 but very little expenditures will take place through those years causing an inflated appropriation of approximately \$500k annually.
- School Board Legal Liability Insurance showing slight increase due to pool action and school district exposure to the current social climate.
- Auditor Fees continue to increase annually FY19 \$472k, FY20 \$550k, FY21 \$463k.

***AS WITH EVERY FIVE YEAR FORECAST THE AMOUNTS HAVE BEEN VETTED BASED ON THE MOST CURRENT INFORMATION TO DATE. THIS FORECAST IN PARTICULAR WILL CHANGE BASED ON THE DAILY INFORMATION COMING FROM STATE AND FEDERAL LEVELS BECAUSE OF THE PANDEMIC.**