

To: Board of Education

From: Sharon Raschke

Date: April 20, 2020

RE: Financial Narratives – March 31, 2020

The following is a compilation of information received from administrators and program directors/managers in regard to budget status as of March 31, 2020.

**Beacon** – Beacon Elementary School expenses continue to operate within the budget as established at the beginning of the school year. Currently, Beacon has spent 61% of its total budgeted funds. At this time Beacon anticipates that it will continue to operate within its budgetary constraints for the remainder of the year. Beacon's remaining carry-over money and supply monies will be used to replace consumables, provide supplies for students due to the COVID-19 pandemic and support our classroom libraries.

Our parent group continues to supplement our budget with fundraisers and grants assisting in our ability to pay for assemblies, field trips and materials that we would otherwise have taken from the per-pupil funding. Team Beacon has contributed over \$15,000 in school grants that have funded projects such as multi-cultural books, STEM materials, licenses for software, playground equipment, Zones of Regulation materials and many other great opportunities. Team Beacon also committed \$20,000 from its Legacy Fund for larger projects including the installation of a shade feature, benches and social and emotional resources for staff and students.

**Anchor** – Anchor Elementary School expenses continue to be in line with expenditures from previous years. The 66% of the budget spent at this time is comparable to the previous three years. Our teaching staff has remained consistent throughout the year. We did add two para-educators during the year and had one para-educator who was out until spring break on medical. Anchor's remaining carry-over money and supply monies will be used to replace consumables, provide supplies for students due to COVID-19 pandemic, and support our classroom libraries.

Anchor's parent-teacher group will be provided over \$12,000 in grants this year to support student programs and student-centered grants. These grants include kindergarten composting supplies, including worms for kindergarten, Science Alive, science materials for Workshop, family support grant, birthday books, small teacher grants and a large grant to cover field trip funding for all students. These are just some of the grants the APTO has approved throughout the year. These grants have opened up the learning options for our students and teachers and provided additional high-quality texts to our classroom libraries. Due to the school year ending early we will miss our large end of the year fundraiser. We will have to work cooperatively with the APTO to find a replacement for this fundraiser. Anchor is working within its established budget.

**Wylie** – Wylie Elementary School expenses for 2019-20 have been consistent with expenditures from previous years. As of March 31, 2020, we have spent 63% of our budget. This is comparable to last year when we had spent 62% at the same time of the school year. Our staffing numbers have remained consistent since the fall. We purchased high-interest texts for struggling readers and have started a lending library for struggling readers in response to the 3rd grade reading law. We continue to purchase science and social studies equipment and materials to support the integrated units. We are making improvements to our garden by adding a peace pole and tree with support from the Wylie PTT. The Wylie PTT has purchased new flexible furniture for our media center, and we are excited for it to arrive. Wylie continues to operate within its budget.

**Creekside** – Creekside Intermediate School continues to work within the established budget. The Creekside budget for the 2019-20 school year has been consistent with previous years and other buildings and departments. Creekside has used 62% of the budget for the 2019-2020 school year compared to 63% at this time last school year. We have had substitute expenditures similar to those in the past. Our para-educator costs remain consistent with previous years.

Carry-over money has been used for supplies as well as classroom furniture. We continue to support professional development aligned with our mission and goals. We have provided opportunities for extensive professional development in the areas of reading, writing and science, social/emotional learning as well as personalized learning.

We have been fortunate to receive grant support and funding to provide new and exciting opportunities. One large budget item that we had anticipated was our newly designed Sixth grade STEAM experience. This experience was put on hold due to the COVID-19 pandemic. We hope to utilize carry-over funds to implement this experience in the 2020-21 school year. We anticipate a larger than usual carry-over next year due to the early school closure because of the COVID-19 pandemic.

**Mill Creek** – Mill Creek Middle School expenses for 2019-20 has been consistent with expenditures from previous years. As of March, 2020, we have spent 63% of our budget. Our staffing numbers have remained consistent since the fall.

Additional monies through substitute costs have been spent helping provide support services for our students due to the fact we are unable to find candidates to fill the open positions.

**Dexter High School** – Dexter High School is currently operating well within its budget for the 2019-20 school year. As of March 31, we are well within our budget and below last year. We are also on track to underspend our per-pupil accounts. We have been fortunate to be able to manage our technology, physical plant, substitute teacher needs, and more this year. We realized quite a bit of carry-over funds this fall by managing last year's expenses well. Unfortunately, being out of the building since March 13, 2020, has saved some money. Overall, we are pleased with the utilization of our resources this year and feel our budget expectations were realized.

**Curriculum and Instruction** – The Instructional Support Team has been very active in utilizing our budget so far this year to provide materials and professional development opportunities for Y5-12 staff in the areas of reading, writing, science, assessment and social-emotional learning.

These have included hiring consultants: Kate DiMeo to work onsite with our Y5-6 staff regarding Reading and Writer's Workshop, Sarah Manes from EAB to present on the Science of Reading and Megan Hines to provide professional development regarding social-emotional learning. We have also supported a team of educators to attend the EdLeader21 Leadership cohort and participate in visits to innovative districts in order to develop our Profile of a Learner. Through our current budget, we have been able to support curricular materials and expenses for staff extended learning opportunities, Y5-6 Reading and Writing, Mandarin Chinese instruction, English Language Learning, reading intervention and Phonics. We are within our projected spending in our current conference, training and supply budgets. We will come in within the budget planned for curriculum and instruction this year.

**Special Education** – The Special Education Department is currently operating within its overall budget for the 2019-20 school year. Based on the spring count data, the district is supporting 483 students who are identified as needing special education and are receiving services within the district.

Special Education expenditures this school year have been used to purchase updated curriculum resources for special education teachers and to continue the purchase of updated technology devices as well as learning and communication software and apps for students in the high needs resource room programs throughout the district. In addition, we have increased funds for Community Based Instruction for students in the high needs resource room at Dexter High School. As a result, we have students who are working on job skills in the community as part of their school program.

While we are operating within our overall budget, a few budget lines are over budget this school year, specifically in the areas of Purchased Professional Development, Software and Staff Professional Development. In the area of Purchased Professional Development, the district contracted with Maureen Ziegler three times throughout the school year to provide professional development for all staff that was focused on developing supports for students with special needs in the general education classroom, adjusting and accommodating curriculum for students with special needs and developing schoolwide Peer-to-Peer support programs. The Software budget was exceeded due to the need to purchase up-to-date software for student iPads as well as updated curriculum programs for teachers in the High Needs Resource Rooms. The Staff Development budget was exceeded to train a teacher to become an instructor for the Non-Violent Crisis Intervention Program following the resignation of one of the district trainers in October.

It is anticipated that there will be additional purchases needed this year to purchase assessments that allow for virtual testing during the time of school building closure.

### **Athletics and Community Education – Athletics Program**

We have had a tremendous school year athletically in the fall and winter with many accomplishments and were anticipating a successful spring as well. With the MHSAA's cancellation of spring sports, the effects are being felt throughout our community including the disappointment of teams not being able to be together, the competitions themselves and watching our kids become better ambassadors to our community. So much has been lost, especially for the spring sport senior year athletes. It was their last time to don our school colors in the name of Dexter High School.

The school cancellation will impact the athletic budget. We will lose revenue from participation fees as well as from gate collections and invite fees. We have over 300 athletes that would have participated in spring athletics at the high school and middle school level. We will however save some money with elimination of transportation, invitation fees and paying for officials.

We are currently discussing paying spring coaches and plan to have a decision finalized within the next week or two. They do more than just perform duties in their season. Coaches have been working with their athletes preparing and working so that they could carry on the great season that we were already having in athletics.

We are currently working on plans to unveil our new structure and several new items that will help us to continue to streamline registration and enhance that athletic community.

### Community Education Program

The Community Education budget has been impacted substantially by the COVID-19 school closure as all programs face a significant loss in revenue as follows.

- Rec & Ed programming: Approximately \$14,000 in partial refunds were issued due to the cancellation of winter term classes in March. These include Adult Recreation & Enrichment, Youth Enrichment and Youth Sports & Recreation classes. A portion of this amount will be offset by a decrease in expenditures (class supplies, a portion of instructor pay, etc). In addition, approximately \$16,500 of revenue after expenses will be lost due to the cancellation of Spring term Rec & Ed programs.
- Jenkins ECLC: Half-Day programs are closed for the rest of the school year, resulting in a loss of \$27,710 in revenue. Currently, \$101,152 in revenue from Full-Day programs for the care period March 16 – April 17 has also been lost. An extension of our closure would result in a loss of \$82,700 per care period (of which two remain) until summer programming begins on June 15. Similar to the Rec & Ed classes, this loss in revenue would be offset slightly by a decrease in expenditures due to supplies, snacks for students, etc.
- After Care: The cancellation of the After Care program for the remainder of the school year will result in a loss of approximately \$105,000 in revenue. This figure would be slightly offset by a decrease in expenditures as well.

While Community Ed programs are currently closed, Community Ed staff are still being paid during this closure, further affecting the budget. Pay for Community Ed hourly staff is roughly \$13,311 per week during this shutdown, not including the districts 17% contribution to EDUStaff and contributions toward retirement, FICA, etc for DCS employees.

Registration for Jenkins 2020-21 programming began in March and enrollment looks strong. At this point, we will be expanding again as numbers for Older Infants and Toddlers dictate opening an additional classroom. Camp Dexter and After Care registration is currently open as well.

The loss of revenue on the Community Ed budget due to the COVID-19 school closure is significant. We are hopeful restrictions will be lifted in time to run our Community Ed summer camps, resume open pool sessions, hold Camp Dexter, rent district facilities and re-open Jenkins in order to begin generating revenue for the district once again.

**Buildings and Grounds** – The Buildings and Grounds department is currently operating within its budget for the 2019-20 school year. The overall budget spent at this time is 71% compared to 71% spent last year at this time. We anticipate ending this fiscal year within the current remaining to spend amount.

**Food and Nutrition** – Food & Nutrition, adjusted for revenue accruals and expenses encumbered, are \$1,259,290.90 revenue and \$1,238,931 expenses through March 31. Through March 31 revenue over expenses is \$24,684 (estimated). Estimates for revenue and expenses for the remainder of the school year are as follows:

- Lost revenue \$600,000
- Anticipated revenue \$700,000
- Anticipated expenses \$600,000

These changes represent losses in revenue due to the school closure and changes in the Senior Meals program. Anticipated revenues are based on estimated distribution amounts, however, recent changes in the amount of meals per kit could alter that projection. Anticipated expenses reflect labor amounts from the final quarter of the school year 2019-20 plus adjustments for negotiated rate increases, plus additional staffing payments above base salaries. The anticipated expenses also reflect planned software and repair costs. This leaves the projected revenue over expense through June 30 estimated to be \$124,000.

Detailed budget information by school, including monthly profit and loss statements, are available upon request.

**Technology** – The Technology Department is on track to meet this year’s overall budget. This year we have continued to focus on various security improvements throughout the district. In several buildings we have replaced and added security cameras in key locations. We also purchased new devices for Creekside students. Due to the COVID-19 pandemic we are delaying the purchase of staff Macbooks until fall. We have also extended our wireless coverage in the parking lots at Wylie, Creekside and Mill Creek for families to use should they need it. We continue to monitor servers and key devices to help protect valuable data during this heightened security time. Aging technology and the repair expenses that come with them have also increased. For example, staff are now using their built-in microphones and webcams and we are finding that parts need to be purchased for replacement. Even with the increased costs the Technology Department is keeping up with the latest technology trends while maintaining our budget.

**Transportation** – State bus inspections were completed February 20, 2020, with 100% of our buses passing. At the end of the 2018-19 school year, total fuel usage was 45,395 gallons. In the 2019-20 school year we used 34,519 resulting in a difference of 10,876 gallons. The fuel budget variance will be \$20,000 to \$40,000 favorable.

The 2019-20 spring field trip costs for spring trips not provided due to the school closing is estimated to be approximately \$16,000 for athletics and \$46,000 in other trips.