



# 2021 Budget

June 29, 2020 Board Meeting



RHODE ISLAND  
MAYORAL ACADEMIES  
*opening schools. opening minds.*



# Budget 2021

- **Current Fiscal Status**
- **COVID-19 Related Re-opening Costs**
- **Budget 2021 Outlook**



# Current Fiscal Status

# Current Status (as of today)

- State Aid for 2020 reduced \$?????
- Local Share
  - Pawtucket - for 2021 decrease of \$800/scholar = \$688K
  - Central Falls - for 2021 adjustment = \$200K
  - Cumberland 4Q 2020 still outstanding = \$795K
- ELLs Categorical released \$25K restored
- CARESAct funds for 2021 (\$660K) being revoked due to P3
- Unclear if other “secured” revenue streams will be impacted at State level
- Fundraising - difficult and highly competitive
- BVP is not eligible for city/town backstop or FEMA reimbursement
- COVID-19 Re-opening costs

# State Guidance - Cuts

## Revised FY'20 State Budget Passes

On Thursday, June 18 the General Assembly passed a revised FY'20 budget. This budget reduced state education aid for the current year by \$41.7 million. The reduction will be taken out of the final June 2020 education aid payments. In any case where the aid already received by an LEA is greater than the final appropriation, the funds will be deducted from the next Education Aid payments starting in July.

To offset this reduction, the General Assembly dedicated \$41.7 million of funding from the Federal CARES Act's Elementary and Secondary School Emergency Relief (ESSER) Fund. These funds will be made available to LEAs starting in early July at the latest.

The General Assembly also appropriated \$50 million from the CARES Act's Coronavirus Relief Fund (CRF) and mandated that it be distributed by the Title I formula. RIDE's Finance Office will release information on how to access the ESSER and CRF funds in the coming weeks.

At this time, the General Assembly has not enacted an FY'21 budget. As a result, RIDE will pay education aid in July, but prorated down to fit within whatever allotments are established by the State. Those revised amounts will be posted on the RIDE website as soon as the amounts are known.

Depending on further action at the federal level, the amount appropriated for FY'21 Education Aid could vary substantially. Therefore LEAs should plan for further changes to the Governor's requested Education Aid amounts for FY'21, including potential reductions if no federal funding materializes.

# P3 Update

- Period for spending extended from 8 to 24 weeks.
  - BVP has fully expended all funds from the P3 by June 30th
- Loan term has been extended 2 to 5 years
- Original application included earnings which were paid for with federal funds. May need to adjust down \$375K (or may be not forgiven)
- Constantly changing guidelines
- Waiting for BankRI to have their on-line loan portal up and running so we can apply for forgiveness ) current estimated date is 7/15/2020
- May be listed as short-term loan @6/30/2020



# COVID-19 Re-opening Costs

# COVID-19 Re-opening Costs

<https://bit.ly/R IreopenBVP>

	Non-Covid World	Covid World	% Increase	\$ Increase
Technology	\$101,059.05	\$562,809	457%	\$461,750
Tech Support & Repairs	\$104,933.89	\$211,405	101%	\$106,471
Building Cleaning	\$227,847.60	\$449,848	97%	\$222,000
PPE	\$14,494.20	\$176,300	1116%	\$161,806
Moving & Storage	\$8,221.20	\$48,000	484%	\$39,779
Furniture	\$55,045.20	\$88,632	61%	\$33,587
No-touch bathroom fixtures	\$15,352.71	\$193,702	1162%	\$178,349
Cleaning Supplies	\$57,114.74	\$463,459	711%	\$406,344
Software/Platforms	\$27,591.41	\$82,774	200%	\$55,183
Janitorial Staff (6 additional)	\$234,000.00	\$438,000	87%	\$204,000
Transportation	\$2,024,690.24	\$2,174,080	7%	\$149,390
Food security				\$ -
Trauma Related Specialists/PD				\$ -
???				\$ -
Total	\$2,870,350.23	\$4,889,009		\$2,018,659





# Fiscal Insight

## ● Fiscal Health Indicators:

- 60 Days Cash on Hand = \$5.4M
  - Required by State
  - Required by Lenders
- Net Assets at year end need to cover our debt service by a margin of 1.1
- Leases and Mortgage Payments \$3.1M in 2021



# Proposed Budget 2021

# Proposed 2021 Budget

	Amended Budget 2020	Proposed Budget 2020	% Increase/ (Decrease)
<b>REVENUE</b>			
Public Funding Entitlement Revenue	\$31,793,536	\$32,053,059	1%
Development Revenue	\$188,867	\$419,250	122%
Other Revenue	<u>\$50,607</u>	<u>\$3,856,364</u>	7520%
<b>TOTAL REVENUE</b>	<b>\$32,033,010</b>	<b>\$36,328,673</b>	<b>13%</b>
<b>EXPENSES</b>			
Personnel	\$22,708,432	\$24,378,122	7%
Non-Personnel Expenses	\$5,179,355	\$6,559,084	27%
Facilities Expenses	\$3,550,407	\$4,311,966	21%
Capital Expenses	<u>\$397,823</u>	<u>\$719,509</u>	81%
<b>TOTAL EXPENSES</b>	<b>\$31,836,017</b>	<b>\$35,968,681</b>	<b>13%</b>
<b>Net Revenue</b>	<b>\$196,993</b>	<b>\$359,991</b>	<b>83%</b>

# The P3 Effect

	Amended Budget 2020	Proposed Budget 2020	Without Prior Year Surplus
<b>REVENUE</b>			
Public Funding Entitlement Revenue	\$31,793,536	\$32,053,059	\$32,053,059
Development Revenue	\$188,867	\$419,250	\$419,250
Other Revenue	\$50,607	\$3,856,364	\$47,311
<b>TOTAL REVENUE</b>	<b>\$32,033,010</b>	<b>\$36,328,673</b>	<b>\$32,519,620</b>
<b>EXPENSES</b>			
Personnel	\$22,708,432	\$24,378,122	\$24,378,122
Non-Personnel Expenses	\$5,179,355	\$6,559,084	\$6,559,084
Facilities Expenses	\$3,550,407	\$4,311,966	\$4,311,966
Capital Expenses	\$397,823	\$719,509	\$719,509
<b>TOTAL EXPENSES</b>	<b>\$31,836,017</b>	<b>\$35,968,681</b>	<b>\$35,968,681</b>
<b>Net Revenue</b>	<b>\$196,993</b>	<b>\$359,991</b>	<b>-\$3,449,061</b>