

COVID Impact on QCSD Budget (October)

SUMMARY PAGE

- The 20/21 QCSD budget reflected a structural deficit of just over **\$5.2 MILLION**. The deficit was largely due to reductions in local revenues from the economic impact of COVID
 - In order to safely open school, the Board has approved multiple expenditures for things such as PPE, supplies, cleaning contracts, etc.
 - The District also received Grants through CARES, which offset some of those expenditures.
-

- Right now the projected deficit is approximately **\$2.3 MILLION** because
 - Additional COVID Costs ADDED \$1.05 MILLION to the deficit
 - Attritional Savings REDUCED the deficit by \$1.7MILLION
 - CARES Revenues REDUCED the deficit by \$535 THOUSAND
 - BCIU CARES REDUCED deficit by \$300 THOUSAND
 - Refinance Opportunity REDUCED the deficit by \$340 THOUSAND
 - Projected Revenue Better than Expected REDUCED by \$1.0 million
- Additional savings opportunities that can REDUCE the deficit to **\$1.4 MILLION**
 - Use Neidig leftover funds to offset Capital Projects = \$1 MILLION
 - Reduction in Curriculum Spend = \$200 THOUSAND
 - Reduction in Travel/Conference Spend = \$100 THOUSAND
 - Additional Attritional Savings = TBD
- Additional liabilities that can INCREASE the deficit - **\$2.8 MILLION**
 - Charter School Enrollment INCREASE deficit - \$1.3 MILLION
 - Tax Appeals - INCREASE deficit - \$400 THOUSAND
 - Food Services Losses – TBD/Unknown
 - Additional COVID Costs – TBD/Unknown
 - Compensatory Education - TBD/Unknown

NOTE – The projected deficit will change monthly as we have more information on local revenues, resignations/retirements/leaves, additional grants, additional COVID Impact etc.

Details can be found on page 2 (estimated rounded numbers).

2020/21 Budget Update (September Finance Meeting)		
Starting Operational Deficit	\$ (5,260,734.00)	
<i>Expenditure Impacts</i>		<i>Notes</i>
<i>Additional Expenditures Due to COVID</i>		
Bus Cleaning	\$ 250,000.00	Reserves/Grant
Additional Custodial COVID Cleaning	\$ 180,000.00	Grant
PPE/Supplies	\$ 135,000.00	Grant
Tents	\$ 50,000.00	Reserves
DocuSign	\$ 16,000.00	Reserves
Food Services	\$ 32,650.00	Grant
Social Emotional Costs	\$ 58,000.00	Grant
Eight Building Substitute Teachers	\$ 240,000.00	Reserves
Increasing Sub Nurse Rate	\$ 15,000.00	Reserves
Technology Supports	\$ 70,000.00	Grant
Refinance Opportunity	\$ (340,000.00)	
<i>Expenditure Reductions from Attrition</i>	\$ (1,700,000.00)	
	\$ (993,350.00)	
<i>Revenue Impacts</i>		
<i>Additional Revenues from Grants</i>	\$ 535,000.00	
<i>Local Revenue Projecting Better than Budget</i>	\$ 1,000,000.00	
<i>Additional Revenues from Grants BCIU</i>	\$ 300,000.00	
	\$ 1,835,000.00	
New Operational Deficit	\$ (2,432,384.00)	
Additional Unknown Liabilities	Potential Cost	
Deficit - Food Services	TBD	
Comp Edu Exposure (special Education)	TBD	
Sub Nurse Staffing Agencies	TBD	
Charter School Tuition (Estimated)	\$ 1,300,000.00	

Property Tax Appeals (Estimated)	\$ 400,000.00	
Additional Strategies to Reduce Budget (Projections Only)	Potential Reduction	
Use NES bond proceeds for Capital Projects	\$ (1,000,000.00)	
Reduction in Transportation Costs (2 Tier)	TBD	
Curriculum Reductions	\$ (200,000.00)	
Travel/Conference Reductions	\$ (100,000.00)	
Extended Leave of Absences	TBD	
Local Revenue Better Than Projected	TBD	
Substitute Shortage Savings (not a strategy but a result)	TBD	
Estimated Deficit Year End	\$ (2,832,384.00)	
Note, this number will certainly change as more information becomes available as we progress through the school year.		