

Financial State of Manchester Community Schools

Wednesday, June 3, 2020

DLGF Approved Budget 2019-2020

Education Fund = \$10,052,312

Operations Fund = \$3,542,067

Debt Service Fund = \$1,772,153

Pension Debt Fund = \$105,682

TOTAL = \$15,472,214

CASH BALANCE (as of May 31, 2020)

Education Fund	\$1,276,683
Operations Fund	\$248,104
Debt Service Fund	\$262,750
Rainy Day Fund	\$355,345

AVERAGE MONTHLY EXPENDITURES

January - May, 2020

(Education, Operations, Debt, Pension)

\$1,270,154

FINANCIAL SHORTFALLS

Enrollment Impact	Enrollment numbers over the past two years have experienced a decline
COVID-19 Impacts	Uncertainty on the number of students who will return to traditional school setting.
State Funding Impacts	Uncertainty on funding structure for traditional vs. virtual options. Anticipation of education budget cuts next year and beyond.

ENROLLMENT DECLINE

Year	Enrollment	K	v	Grads
2013	1622	142		115
2014	1595	120		106
2015	1570	90		118
2016	1575	105		113
2017	1585	104		128
2018	1572	113		137
2019	1525	111		126
2020 Spr.	1489			
2020	1459*	100*		113

*Estimated enrollment to DOE

ENROLLMENT DECLINE

- Loss of (-113) students from September 2018 - September 2020.
- This represents a loss in funding over two years of **-\$683,311**.
- From Sept. 2019 to Sept. 2020 anticipated loss of 66 students equates to a loss of **-\$399,099** in funding.

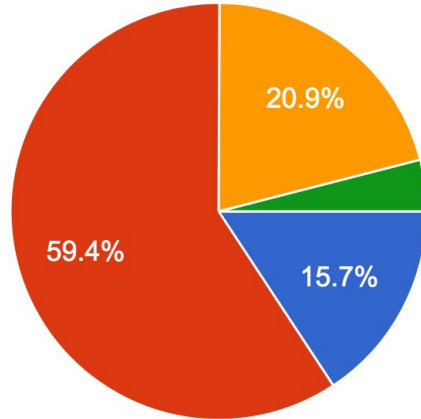
MCS PARENT SURVEY STATEMENT

During the uncertainty of our current pandemic circumstances, we are still needing to plan for the 2020-21 school year and we are seeking your input. MCS may be able to offer three different platforms for instruction: online, onsite and a hybrid online/onsite. Please indicate your preference below. Your completion of this form does not obligate you to utilize the platform you choose, but is simply to better assist us in our planning.

MCS PARENT SURVEY RESULTS

Which instructional delivery option would you choose for your student(s) based on the information you have at this time?

401 responses



- Online Learning - Will include daily interaction with a teacher, small group instruction, large group instruction and...
- On Site Learning - Will be conducted in the traditional sense with daily attendance at one of our schools. Stat...
- Hybrid Online/Onsite - Will be a combination of online and onsite wher...
- My child(ren) will not be returning to MCS.

POTENTIAL FUNDING IMPACT BASED ON SURVEY

- 60% = 876 students x \$6,046.96 = \$5,297,137
- 36% = 583 students x \$5,139.92* = \$2,996,573
- 4% + = unknown
- MCS Basic Tuition Support Per ADM - \$6,046.96

*\$5,139.92 reflects 85% funding for online/hybrid students.

This would be a loss of **-\$822,657** in funding in 2020-2021 from 2019-2020 school year.

TOTAL FUNDING IMPACT

Loss of funding due to enrollment 1 yr/2 yr.	\$399,099 / \$683,311
Loss of potential funding due to COVID related issues	\$822,657
TOTAL POTENTIAL LOSS:	\$1,221,756 (1 yr student drop) \$1,505,968 (2 yr student drop)

What can we learn about state-wide revenues for schools during the Great Recession and the recovery that might inform us in the curre...

How were the corporation's revenues impacted during the Great Recession?

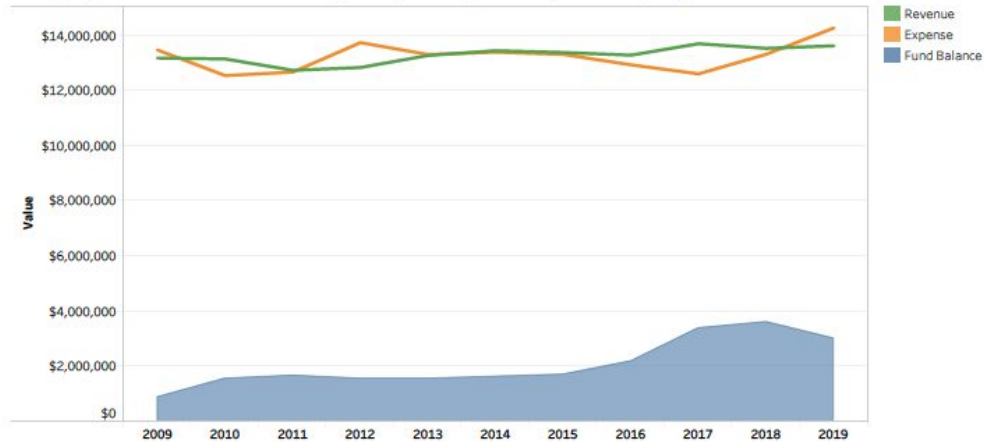
What impact did the revenue pattern have on our Operating and Rainy Day Fund's fiscal condition?

How does our financial position compare to peers?

What opportunities do we have for reducing expenditures? Have our teaching staff FTEs been in line with our enrollment?

Manchester Community Schools Economic Profile

The graph below shows the change in Operating Funds plus Rainy Day Fund.



Cost Saving/Revenue Generating Measures Implemented in 2019-20

Investment Income	\$25,005
Cut utility usage in all buildings (thru April)	\$54,630
Cell Tower (potential)	\$14,400
Insurance	\$43,404
Salaries (not rehiring open position, new hires lower salaries)	\$34,606

Cost Saving/Revenue Generating Measures Implemented in 2019-20

Transportation Fuel Savings (thru April)	\$9,000
Copying costs (thru April)	\$12,000
Lawn Care	\$7,000
Summer Painting	\$16,000
Substitute Teachers (thru May)	\$12,000

Cost Saving/Revenue Generating Measures Implemented in 2019-20

Teacher sick bonus (potential)	\$24,000
Summer building shutdown	TBD
4 day summer work week	TBD

CONSIDERATIONS FOR COST REDUCTION

- Reduce expenditures by \$1,552,900
- Consolidation of resources
 - MES house grades PK-5 (approx 640 students)
 - MJH house grades 6 & 7 (approx 245 students)
 - MHS house grades 8-12 (approx 609 students)
 - MIS repurpose

CONSIDERATIONS FOR COST REDUCTION

Eliminate open positions where appropriate	\$248,090	
Savings in other areas (utilities, operational costs)	\$185,256	<i>\$433,346</i>
Consolidation of resources/Repurpose MIS	\$286,000	<i>\$719,346</i>
Eliminate positions not needed due to combining services	\$208,143	<i>\$927,489</i>
Reduction in Force savings (staff would be reinstated as permissible by student enrollment)	\$625,411	<i>\$1,552,900</i>

The administration continues to review multiple areas to operate more efficiently as a means to save costs. We value the input of staff and the community to help us be fiscally responsible.

Please contact the Business Manager, Superintendent or Board Member with any ideas that you have for cost cutting.

THANK YOU!