

FY 2021 Operating Budget



**Board of Education
Budget Work
Session
April 30, 2020**

Purpose of this Presentation

Topics

- **Status of FY 2020 Budget**
- **Update on Federal Relief Funding for COVID-19**
- **County Executive Proposed FY 2021 Budget**
- **Next Steps in the Budget Process**

Strategic Call to Action Alignment

Responsive and Efficient Operations

- Operations and practices are responsive, transparent, fiscally responsible, and accountable, with students at the heart of all decisions



Update of FY 2020 Budget

Managing the FY2020 Budget

- Stable fiscal condition despite challenges
- Continue sound fiscal management measures to help weather FY 2021 budget uncertainties and economic outlook

Sound Fiscal Management



Generate Savings



Continuity of Learning Costs



COVID-19 Costs



Finish Year Under Budget

Update on Federal Relief Funds

Elementary and Secondary School Education Relief Fund (ESSER)

- Total \$13.2 Billion
- Maryland \$207 Million
- HCPSS \$2.95 Million (preliminary estimate)

Governor's Emergency Education Relief Fund (GEER)

- Total \$2.95 Billion
- Maryland \$45.6 Million
- Grants to local education and higher education deemed most impacted

**CARES Act
\$2 Trillion**

Child Nutrition Programs

- Total \$8.8 Billion
- USDA Administered
- Pending guidance from USDA

Coronavirus Relief Fund

- \$150 Billion
- Maryland \$2.34 Billion
- Howard County Government \$56.8 Million

Next Steps

- **MSDE Guidance**
- **Application Process**
- **Pursue maximum relief from all possible sources**

County Exec FY 2021 Proposed Budget

Impacts of COVID-19

- Decreasing Revenues
- Increasing Expenses

Fiscal Uncertainty

- Protect Services

Adjust Recordation Taxes

- Help stabilize revenues and fund services

Impacts to HCPSS Budget Request

- Less Revenue than Initially Projected
- Fund MOE- \$10.4 Million
- Above MOE- \$2.7 Million
- Total New Revenue- \$13.1 Million
- \$30.9 Million less than BOE Request for FY 2021
- Assuming no change in State Funds (as of 4/30)
- No County One-Time Funds for Health Deficit Elimination in FY21

County Exec FY 2021 Proposed Budget

HCPSS GENERAL FUND

General Fund					CE Proposed Compared to BOE Req. & Prior Approved			
	Approved Budget FY2020	FY2021 Supt Proposed	FY2021 BOE Requested	FY 2021 County Exec Proposed	\$\$ Difference to BOE	% Diff to BOE	\$\$ Diff to FY20 Approved	% Diff to FY20 Approved
Revenues								
Local Revenue	\$ 607,200,000	\$ 670,397,184	\$ 651,191,006	\$ 620,300,000	\$ (30,891,006)	-4.74%	\$ 13,100,000	2.16%
One-Time Funding			6,000,000		(6,000,000)	-100.00%	-	-
State Revenue	274,443,415	285,684,617	282,654,203	282,654,203	-	0.00%	8,210,788	2.99%
Federal Revenue	385,000	410,000	410,000	410,000	-	0.00%	25,000	6.49%
Other Revenue	7,312,882	7,573,507	7,573,507	7,573,507	-	0.00%	260,625	3.56%
Total Revenues	\$ 889,341,297	\$ 964,065,308	\$ 947,828,716	\$ 910,937,710	\$ (36,891,006)	-3.89%	\$ 21,596,413	2.43%
Other Sources								
Use of Fund Balance	\$ 12,000,000						(12,000,000)	-100.00%
Total Sources	\$ 901,341,297	\$ 964,065,308	\$ 947,828,716	\$ 910,937,710	\$ (36,891,006)		\$ 9,596,413	1.06%
Expenditures								
State Cat 01 Administration	\$ 13,578,591	\$ 13,781,568	\$ 13,781,568	\$ 13,578,591	\$ (202,977)	-1.47%	\$ -	0.00%
State Cat 02 Mid-Level Administration	64,089,827	64,096,815	64,019,815	64,089,827	70,012	0.11%	-	0.00%
State Cat 03 Instructional Salaries and Wages	362,637,330	378,954,867	370,553,367	370,553,367	-	0.00%	7,916,037	2.18%
State Cat 04 Instructional Textbooks/Supplies	8,521,570	9,023,193	9,023,193	9,023,193	-	0.00%	501,623	5.89%
State Cat 05 Other Instructional Costs	3,480,101	4,151,692	4,151,692	4,151,692	-	0.00%	671,591	19.30%
State Cat 06 Special Education	120,298,423	138,022,384	134,337,196	120,805,585	(13,531,611)	-10.07%	507,162	0.42%
State Cat 07 Student Personnel Services	3,982,752	4,379,155	4,379,155	3,982,752	(396,403)	-9.05%	-	0.00%
State Cat 08 Student Health Services	9,302,729	9,657,012	9,657,012	9,302,729	(354,283)	-3.67%	-	0.00%
State Cat 09 Student Transportation Services	42,801,337	47,425,217	47,425,217	42,801,337	(4,623,880)	-9.75%	-	0.00%
State Cat 10 Operation of Plant	42,167,830	44,114,754	44,114,754	42,167,830	(1,946,924)	-4.41%	-	0.00%
State Cat 11 Maintenance of Plant	26,703,528	27,828,245	27,828,245	26,703,528	(1,124,717)	-4.04%	-	0.00%
State Cat 12 Fixed Charges	195,558,711	214,373,462	210,300,558	195,558,711	(14,741,847) *	-7.01%	-	0.00%
State Cat 14 Community Services	7,289,364	7,289,364	7,289,364	7,289,364	-	0.00%	-	0.00%
State Cat 15 Capital Outlay	929,204	967,580	967,580	929,204	(38,376)	-3.97%	-	0.00%
Total Expenditures	\$ 901,341,297	\$ 964,065,308	\$ 947,828,716	\$ 910,937,710	\$ (36,891,006)	-3.89%	\$ 9,596,413	1.06%

* Includes the reduction of the \$6 million one-time for health fund deficit elimination plan

Next Step in FY21 Budget Process

May 1

- Council Work Session- BOE

May 6

- Council Public Budget Hearing

May 7

- BOE Public Budget Hearing

May 18

- Council Work Session-Pending Issues

May 20

- Budget Amendments Pre-file

May 22

- Council Budget Work Session- Amendments/Pending

May 27

- Council Adoption of Budget Bills

June 18

- Board Adoption of FY21 Budget (optimal date)

Questions

