



Davenport School District

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Business Manager's Report

February 22, 2021

2020-21 Enrollment

Basic enrollment increased by four and special education enrollment increased by three. We remain under budget by 8.41 FTE for basic education and over budget by 3.67 for special education.

2020-21 Financial Statements

After the adjustments made by the State to apportionment in January, and an increase in enrollment for February, I have spent some time recalculating our ending fund balance.

ESSER II funds have been approved by legislature and should be available for districts to claim soon. We are scheduled to receive \$459,000. These funds are very versatile, one possible use is to help upgrade the heating and cooling systems at the high school. However, we are on the list for the small district modernization grant, so if it is funded this legislation, and we can wait, we may be able to use these funds on other items. The administration team is researching the need for additional resources for social emotional learning and/or enhanced educational programs. We have until September 2023 to expend these funds. I anticipate we will expend all of the ESSER I funds once Fuel Education sends us invoices for December and January. I have built in some expenditures and revenues for ESSER II but not the full amount. Since these funds are based on reimbursement, I do not anticipate they will change our projected ending fund balance.

2020-21 Variance to Budget

Budget Variance reports are updated with January information and posted to the packet. Revenue Variances:

- Local Tax collections are still adjusting due all the levy changes we have seen over the last several years, but we are on schedule for the end of year.
- State revenues are a little higher due to grant collections in September and special education enrollment being a little higher than budget.
- Federal revenues is contributable to ESSER I funds and Federal Food Service.

Expenditure Variances:

- Certificated Salaries are down, however, we are starting to issue contracts for sports as they are able to start and I have allocated for those in my projections.
- Classified salaries are still below budget and coaching contracts will increase these as well but again, I have allocated for those contracts.

- Benefits are below budget, and will most likely remain there, we will see a slight rise with coaching contracts being issued.
- Supplies are below budget, but well above last year to date expenditures. I expect that to continue, although with sports starting up, we will see an increase in fuel. I have increased projected expenditures to account for the need to spend some categorial funding. We are planning to purchase chrome books and a district vehicle.
- Purchased services is elevated and I anticipate this will continue to rise as we pay for Fuel K12 Education.
- I expect travel will remain under budget, but I have kept some expenditures in the budget in case things start to open up more.

2021-22 Budget Discussions

I included the Trend analysis with this month's enrollment report. As usual at this time in the year, we start moving enrollment up a grade and subtract a few students in 11th and 12th grades for running start enrollments. It is too early to have a good idea for kindergarten next year, we usually start gathering that information in March and April. The only real way to estimate enrollment is to check with pre-schools and encourage early enrollment. Our live birth chart is not an accurate predictor of enrollment. With those estimates in it appears we could see a small increase in enrollment for next year.

Other considerations:

- Negotiations for all three bargaining units are open this year.
- There is relief coming from federal sources for COVID but the State has yet to provide additional resources for transportation and enrollment loss of revenue.
- Additional staff needed next year for cleaning, contact tracing, testing etc.
- Our Capital Projects Fund is healthy to fund purchases of technology upgrades and repairs

The administration team is starting to work on planning for staffing for next year. We will have updates coming over the next several months. Once the all the legislative budgets are released, we will have a better idea of what changes we might see to state funding.

Leslie Oliver