

## Operational Considerations and Budget Implications Related to COVID-19 – Revenues

Revenues Listed by Source Code

### 1000-2000 Revenue from Local Sources

- Real Property Tax Items – impact to collection rate for 2020-21
- Reduction in sales tax revenue
- Charges for Services – rental and tuition income reduced relative to building and service closures
- Use of Money and Property – reduced earnings on investments relative to low interest rates

### 3000 Revenue from State Sources

- Foundation Aid – held to 2019-20 level; potential reduction in number of days of session
- Pandemic Adjustment – reduction in aid (General Fund)
- Assessment of State Revenues – based on three measurement periods
- Transportation Aid – reduction in aid due to reduction in expenses/mileage
- Lottery Aid – reduction in earnings from casino revenue
- Instructional Materials Aid – increase for at home instruction services

### 4000 Revenue from Federal Sources

- Federal CARES Restoration Funding
- Title/IDEA/Medicaid – impact of federal money diverted to COVID-19 initiatives

## Operational Considerations and Budget Implications Related to COVID-19 – Expenditures

Expenditures Listed by Object Code

### 100 Personnel Services – Salaries

- Impact of wages paid to employees during the shutdown period
- Potential loss of good employees during the closing period, especially if it is extended and you are not paying employees
- Overtime pay impact – net reduction?
- Supplemental contracts – coaches, club sponsors, department chairs
- Hiring of additional health staff in the future?
- Reduction in substitute costs

### 200 Equipment and Capital Outlay

- Increased cost of technology infrastructure related to online instruction, WIFI hot spots, internet connectivity/coordination
- Increase in technology device expenses

### 400 Contractual and Other

- Cost shift for CSE Special Education Placements
- Additional cost for online professional development – assisting staff with how to support students in this new environment
- Impact to contractual payments for professional services – dependent on how the payments are being handled during closure
- Potential impact to safety and security services
- Increased costs for solicitor/legal services – review of procedures for public board meetings, potential employee contractual issues, parent issues, etc.
- Contracted custodial and maintenance – impact of increased intensive cleaning and reduction of daily regular cleaning
- Reduction in costs for water and sewer, utilities, trash collection, contracted field maintenance, etc., due to building closures
- Cost of additional printed materials for students
- Increase in childcare costs
- Transportation impact – reduced contractual services, field trips, sports; offset for meal deliveries
- Food service costs – providing meals and deliveries, coordination of food delivery
- Impact to contracted agreements for bulk purchase of fuel oil, diesel fuel, gasoline, etc.

## 600-700 Debt Service Principal and Interest

- Consider refinancing current debt – potentially favorable interest rates for borrowing

## 800 Personnel Services – Employee Benefits

- Medical Insurance – impact to 19-20 claims if self-insured; impact to future rate increases
- TRS/ERS – future employer rate increases related to reduction in TRS/ERS investment earnings
- Unemployment Compensation – increased costs depending on how wages are handled for employees who are not working

## Other Thoughts/Concerns/Considerations

- Consider changes to current cleaning operations to address potential concerns surrounding the prevention of future incidences
- Consider changes to cleaning procedures relative to food service as well as additional accommodations for food service staff (e.g., providing masks to food servers on the line)
- Consider language changes/additions to employment agreements to address similar situations in the future
- Planned construction projects – can the timeline be accelerated/moved up to be done during the closure?
- Review of contracts for contracted services – update language in future contracts to make sure there is a provision for similar future situations
- Review of Board policies relative to remote board meetings, etc.

*For more information about Forecast5 Analytics or this checklist, please contact your Advisor or visit the Forecast5 Analytics website at [www.forecast5analytics.com](http://www.forecast5analytics.com).*



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