

# MEMO



MINNEAPOLIS  
PUBLIC SCHOOLS  
Urban Education. Global Citizens.

**Date:** December 1, 2020

**To:** Board of Education, Minneapolis Public Schools

**From:** Ed Graff, Superintendent

**RE:** Pro-Forma Financial Projections – General Fund

The Office of Budget and Analysis has updated the 5-year pro-forma for the district’s general fund for fiscal years 2022 through 2026. We are using the fiscal year 2021 projected budget as our base year, with adjustments for Covid-19 and lower enrollment. Our projection shows that without structural changes the district will experience declining revenues, increasing expenses, and large deficits over the next six years. Absent structural changes to the district’s staffing philosophy or its physical footprint within the city, we can expect our General Fund balance to be fully depleted at some point in fiscal year 2024.<sup>1</sup> Moreover, while funds are expected to decline over the next four or more years, the trend of increasing deficits will become so large they will eventually become unsustainable, forcing the district into statutory operating debt.

| Table 1<br>Millions of \$ | Projected | Pro-Forma Projection |          |          |          |           |
|---------------------------|-----------|----------------------|----------|----------|----------|-----------|
|                           | FY21      | FY22                 | FY23     | FY24     | FY25     | FY26      |
| Revenue                   | \$627.4   | \$572.3              | \$566.1  | \$566.6  | \$572.8  | \$584.6   |
| Expenses                  | \$650.4   | \$603.2              | \$602.8  | \$610.9  | \$631.9  | \$652.0   |
| Change in Fund Balance    | (\$23.1)  | (\$30.8)             | (\$36.8) | (\$44.3) | (\$59.1) | (\$67.4)  |
| Ending Fund Balance       | \$83.2    | \$52.4               | \$15.6   | (\$28.7) | (\$87.8) | (\$155.2) |

## Enrollment & Revenue Assumptions

Our enrollment projection (see Table 2) assumes continued decline in the first years of the projection. The projection was created in consultation with the district’s Research, Evaluation & Assessment Department. The continued declines are a combination of three factors: a continuation of the enrollment trend in recent years; the impact of the Comprehensive District Design (CDD); and the impact of the COVID-19 pandemic. Although we anticipate long-term growth from the CDD, the short-term disruptions due to implementation are expected to accelerate enrollment decline. The incremental enrollment decline observed in FY21 so far due to COVID-19 have been significant and are likely a result of families seeking alternatives to distance learning in the absence of the district providing custodial care during the workday.

<sup>1</sup> The district’s General Fund balance is divided between assigned and unassigned funds. Assigned fund balances include funds held for programs funded by third parties as well as state aid and levy revenue with specific categorial uses. At the end of FY20 about \$51.7M (unaudited), or 47%, of the district’s general fund balance was held as unassigned general reserves.

As a result of the CDD we are assuming that enrollment will level off in FY25 and then begin to increase in FY26 gaining 400 ADMs<sup>2</sup>. While we consider this enrollment projection to be conservative, we believe that the risk of continued future declines or significant overperformance are possible. Although we are assuming that the CDD will be an overall success, we would consider our assumption to be cautiously optimistic.

| <b>Table 2<br/>FY</b> | <b>ADM Est</b> | <b>Change</b> | <b>% Change</b> | <b>Adj. Pupil<br/>Units</b> | <b>% Change</b> |
|-----------------------|----------------|---------------|-----------------|-----------------------------|-----------------|
| FY21                  | 31,645         |               |                 | 34,212                      |                 |
| FY22                  | 30,700         | -945          | -3.0%           | 33,187                      | -3.0%           |
| FY23                  | 29,700         | -1,000        | -3.3%           | 32,091                      | -3.3%           |
| FY24                  | 29,100         | -600          | -2.0%           | 31,350                      | -2.3%           |
| FY25                  | 29,101         | 0             | 0.0%            | 31,255                      | -0.3%           |
| FY26                  | 29,501         | 400           | 1.4%            | 31,600                      | 1.1%            |

Our pro-forma also assumes no change in the state aid formula, in FY22 or FY23, due to the state government’s projected deficit resulting from COVID-19. We do anticipate a resumption of annual 2% increases beginning in FY24. We also assume that compensatory revenue will fall to \$35M in FY22 from an expected \$47.8M in the current fiscal year. This is consistent with the level of qualifying educational benefits applications received so far this year relative to prior years. In FY23 we anticipate compensatory revenue increasing to about \$45M, and then continuing to fluctuate with annual enrollment. Finally, we anticipate no material changes to the district’s tax base, referendum formula, grant and title funding, or funded project revenue.

**Expense Assumptions**

In the just concluded round of bargaining we negotiated 2.5% increases in total compensation (about \$12M). Our pro-forma assumes no changes to any wage scales during the FY22-23 collective bargaining cycle, with wage progression continuing again as part of the FY24-25 cycle. However, we also assume that contractually obligated step increases are given to members of the MFT - K-12 Teachers Chapter as well as the three professional unions. For both groups this is an increase of approximately 2% in each year.

We assume that predictable staffing in our schools will continue unchanged.

This pro-forma assumes position vacancy rates of 5% for all fiscal years between FY22 and FY26<sup>3</sup>. This is consistent with recent trends. It is also a change from prior projections which assumed that all positions would be filled. Additionally, it incorporates the district’s salary projection for the remainder of FY21. That projection is favorable to budget by \$24M in salaries and associated fringe. We are also assuming variability in staffing levels for classroom teachers and employees represented by the ESP bargaining unit. This variability is based on changes in enrollment and class size targets.

We also make several expense assumptions throughout the model, including annual increases of 2.5% for extended time and 1% for reserve costs, services, supplies and equipment, as well as any

<sup>2</sup> ADM, or “Average Daily Membership” is the average enrollment on any given day during the school year and is the primary metric which drives state aid payments and levy authority.

<sup>3</sup> By “vacancy rate” we mean the average percent of district positions, in terms of budgeted salary, that are not filled at any point during the fiscal year.

miscellaneous costs. These increases account for increasing labor costs resulting from collective bargaining as well as general inflation. We also assume that the district's health and dental insurance costs increase faster than inflation: 7% for teachers and 5% for all other bargaining units. Due to existing collective bargaining agreements all health insurance cost increases for teachers are the responsibility of the district whereas the district splits any increase with other bargaining units.

### CDD Expenses

Our pro-forma includes all CDD related costs included in the CDD Finance Presentation that was presented to the Board of Education at their meeting on May 12, 2020. This totals approximately \$11.5M in FY22, with ongoing costs of \$10.7M per year, which has been adjusted for inflation. We are also including an offset of approximately (\$7.0M) to account for anticipated transportation savings associated with the CDD. These savings have also been adjusted for inflation.

### COVID-19 Revenues & Expenditures

We have included approximately \$59M in anticipated unbudgeted FY21 expenses for the district's response to the COVID-19 pandemic. These expenses (see Table 3) include equipment for sanitizing facilities and busses, distance learning supplies, a device for every student capable of accessing the internet, and extended time and reserves for employees who are unable to work as a result of the pandemic. These expenses are offset by \$31.1M in state and federal aid intended to defray the incremental cost to the district.

While the bulk of the COVID-19 related expenses will be incurred in FY21, there are approximately \$8M-\$10M in ongoing annual costs, mostly for the continued provision of IT devices to students and the necessary supports required to maintain the district's IT program.

| Table 3<br>Thousands of \$ | Projected COVID-19 Related Revenue & Expenditures |         |         |         |          |         | Total    |
|----------------------------|---|---------|---------|---------|----------|---------|----------|
|                            | FY21  | FY22    | FY23    | FY24    | FY25     | FY26    |          |
| COVID-19 Related Aid       | \$31,096  | \$ -    | \$ -    | \$ -    | \$ -     | \$ -    | \$31,096 |
| <u>Expenditures</u>        |   |         |         |         |          |         |          |
| IT/Universal Tech Access   | 20,188  | 7,993   | 9,560   | 8,668   | 12,014   | 8,299   | 66,722   |
| Human Resources *          | 16,307  | -       | -       | -       | -        | -       | 16,307   |
| Facilities                 | 9,911   | -       | -       | -       | -        | -       | 9,911    |
| Transportation             | 6,608   | -       | -       | -       | -        | -       | 6,608    |
| Academics & Supports       | 5,418   | 114     | 117     | 120     | 124      | 128     | 6,022    |
| Culinary                   | 300   | -       | -       | -       | -        | -       | 300      |
| Subtotal Expenditures      | 58,732  | 8,106   | 9,677   | 8,788   | 12,139   | 8,427   | 105,870  |
| Fund Increase/(Decrease)   | (27,636)  | (8,106) | (9,677) | (8,788) | (12,139) | (8,427) | (74,773) |

\* HR Includes most staffing costs related to teacher absences, health provider costs, etc.

### Analysis

We expect that revenue will continue to decline and costs continue to go up for the foreseeable future. The district continues to experience chronic declines in enrollment, as well as the immediate fiscal impact of COVID-19 and the CDD. Although we anticipate increasing enrollment in just a few years as the CDD is fully implemented, there is no realistic scenario where revenue returns to current levels. The CDD is a necessary restructuring to improve the future prospects of the district, however

in the short term it exacerbates a developing fiscal challenge that must be addressed with changes to the district’s cost structure. Given the district’s commitments to fair labor contracts and appropriate school funding levels, we will likely find the efficiencies necessary to make the CDD successful in non-salary and overhead expenses. The district should also carefully examine its footprint throughout the city, to determine whether resources are deployed efficiently.

Our analysis has several important findings. First, that potential legislative relief that takes the form of a one-time infusion of funds or a regular increase in the formula aid as part of the state’s biennial budget will not solve the district’s cost structure issues or lead to financial sustainability. Indeed, even if the state were to increase the state aid formula by 2% annually, as it has done for several years, the increase in funds would be insufficient to cover the additional costs imposed on the district by Covid-19 alone, never mind the financial sustainability issues that already existed before the pandemic.

We contemplated two potential legislative responses to the pandemic and the financial struggles of school districts as a result of it (Table 4). First, we considered a scenario in which the legislature makes districts “whole” for any enrollment declines experienced this year. While this would not address the district’s structural issues it would add about \$11.5M in revenue to our current year forecast. Next, we considered a projection that includes standard formula increases over the next two years, since our base projection does not include increases to the formula in those years. In this scenario the FY21-26 cumulative deficit decreases by about \$40.1M.

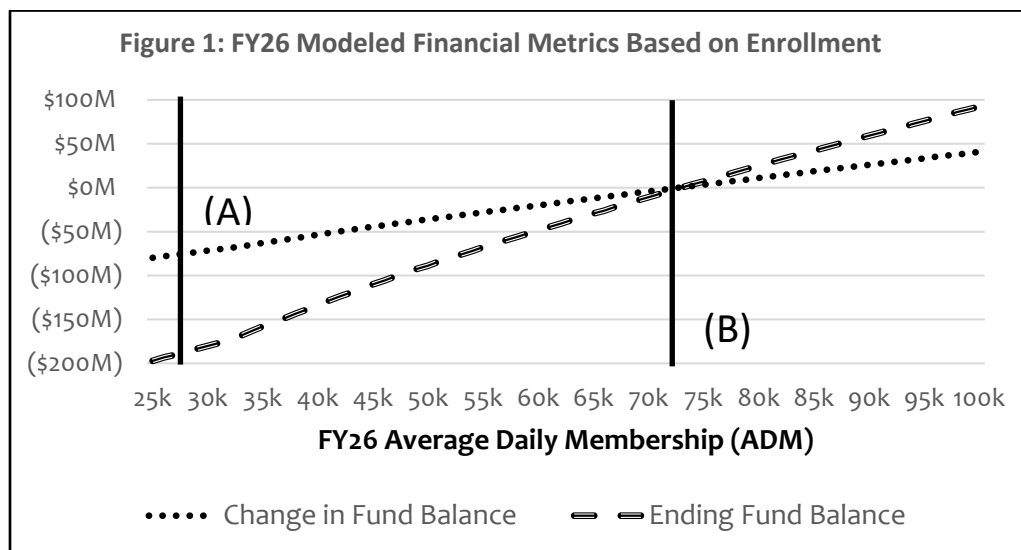
| <b>Table 4: Impact on Fund Balance Based on Action by State Legislature (Millions of Dollars)</b> |                        |            |             |                |                            |            |             |                |                            |            |             |
|---|------------------------|------------|-------------|----------------|----------------------------|------------|-------------|----------------|----------------------------|------------|-------------|
|   | <b>Base Projection</b> |            |             |                | <b>Make Whole for FY21</b> |            |             |                | <b>2% Funding Increase</b> |            |             |
|   | <b>Rev</b>             | <b>Exp</b> | <b>Chng</b> | <b>Balance</b> | <b>Rev</b>                 | <b>Exp</b> | <b>Chng</b> | <b>Balance</b> | <b>Rev</b>                 | <b>Exp</b> | <b>Chng</b> |
| <b>FY21</b>   | 627.4                  | 650.4      | (23.1)      | 83.2           | 638.9                      | 650.4      | (11.5)      | 94.8           | 627.4                      | 650.4      | (23.1)      |
| <b>FY22</b>   | 572.3                  | 603.2      | (30.9)      | 52.4           | 572.3                      | 603.2      | (30.9)      | 63.9           | 576.8                      | 603.2      | (26.4)      |
| <b>FY23</b>   | 565.6                  | 602.8      | (37.3)      | 15.1           | 565.6                      | 602.8      | (37.3)      | 26.6           | 574.4                      | 602.8      | (28.4)      |
| <b>FY24</b>   | 566.4                  | 610.9      | (44.5)      | (29.4)         | 566.4                      | 610.9      | (44.5)      | (17.9)         | 575.2                      | 610.9      | (35.7)      |
| <b>FY25</b>   | 572.8                  | 631.9      | (59.1)      | (88.5)         | 572.8                      | 631.9      | (59.1)      | (77.0)         | 581.6                      | 631.9      | (50.3)      |
| <b>FY26</b>   | 584.6                  | 652.0      | (67.4)      | (155.9)        | 584.6                      | 652.0      | (67.4)      | (144.4)        | 593.7                      | 652.0      | (58.3)      |
| Total Change in Fund Bal  |                        |            | (262.2)     |                |                            |            | (250.6)     |                |                            |            | (222.1)     |
| FY21 Starting Balance   |                        |            | 106.3       |                |                            |            | 106.3       |                |                            |            | 106.3       |
| FY26 Ending Fund Balance  |                        |            | (155.9)     |                |                            |            | (144.4)     |                |                            |            | (115.9)     |

Of the \$262 million in deficit spending projected in the current year and five years after, \$75 million represents unfunded spending required as a result of the Covid-19 pandemic. Many of these costs arise from state government mandates to provide devices to students, install expensive air filters in classrooms, and continue to pay employees who are not working. While Covid-19 will eventually come to an end, many of these programs and pieces of equipment will live on as legacies of the pandemic. Even though they may ultimately benefit staff and students, they were unfunded, unplanned for, and will be with us for many years. These new programs will need to be administered and equipment maintained and eventually replaced. We do not anticipate any ongoing assistance from the state in addition to what we already receive.

Our second finding is that enrollment increases alone are insufficient to prevent depletion of the district’s fund balance. Any scenario that we can generate which results in long term sustainability is

either unreasonable or impossible if enrollment is the only variable that we change. Even achieving 95% market share by FY26 would not solve the district’s structural issues.

This is demonstrated in Figure 1, which plots the projected end of year change in fund balance, as well as the ending fund balance itself, at the end of FY26. Our projection anticipates an enrollment level that corresponds with line A – 29,501 students. In order to reach sustainability through enrollment increases alone enrollment would need to reach the point marked by line B – 72,910 students – by the end of the projection. This assumes constant growth over the five-year period of 18.2% annually.<sup>4</sup> Since the total number of students living in the district is expected to be about 51,000 in FY26, enrollment at a break-even level would require ‘market share’ of 143%. In other words, for every school age student living in the district, the district would need to enroll 1.43 students.



Our third finding is that acting sooner rather than later will significantly reduce the number of people and programs that will be impacted as the district tries to remain solvent. Continuing to pay for programs that will inevitably be eliminated depletes valuable reserves despite the future benefits of those programs being, inevitably, lost. Making difficult but necessary decisions as early as possible will reduce the overall impact to the district as a whole. If the district waits until their hand is forced, necessary cuts in terms of impacted programs and positions will be greater. Programs may need to be cut that could have been saved given an earlier response.

Table 5 shows the impact of making a \$20M cut to Salaries & Fringe by the year in which the cut is made. If the reduction is made in FY22, reducing the deficit in that year from (\$30.9M) to (\$10.9M), that \$20M reduction also carries through in each and every year, ultimately saving \$107.5M over the five year period after factoring in increases to salaries and benefits. However, if you wait until FY26 to make the reductions you will only save the \$20M in FY26. If those reductions could have been identified and executed in FY22 as opposed to four years later the district would avoid paying \$87.5M in wages and benefits for positions and programs which are going to be eliminated anyway. Given

<sup>4</sup> Although this enrollment level is unrealistic, as the total student age population of the city is only about 55,000, it is interesting to note that it falls well short of the district’s enrollment peak of 90,073 in the 1932-33 school year. Even as recently as 1965 district enrollment was around 76,000 students.

the district's financial position that entire \$87.5M is being paid not out of revenue but out of fund balance, further weakening the district's position.

Though restructuring can be a difficult exercise, it is important that the district begin the work of identifying and executing on opportunities for operating efficiencies now instead of putting it off until the last possible moment. The cost of not doing so is using precious district reserves to continue to fund programs, positions, and services that are not part of a sustainable future cost structure.

| Year of Reduction | Change in Fund Balance |          |          |          |          | FY21-26 Impact |           |
|-------------------|------------------------|----------|----------|----------|----------|----------------|-----------|
|                   | FY22                   | FY23     | FY24     | FY25     | FY26     | Deficit        | Ending FB |
| FY22              | (\$10.9)               | (\$16.6) | (\$23.0) | (\$36.8) | (\$44.3) | (\$154.6)      | (\$48.4)  |
| FY23              | (\$30.9)               | (\$17.3) | (\$23.8) | (\$37.6) | (\$45.0) | (\$177.5)      | (\$71.2)  |
| FY24              | (\$30.9)               | (\$37.3) | (\$24.5) | (\$38.4) | (\$45.8) | (\$199.9)      | (\$93.6)  |
| FY25              | (\$30.9)               | (\$37.3) | (\$44.5) | (\$39.1) | (\$46.6) | (\$221.4)      | (\$115.1) |
| FY26              | (\$30.9)               | (\$37.3) | (\$44.5) | (\$59.1) | (\$47.4) | (\$242.2)      | (\$135.9) |

Our fourth finding is that financial sustainability cannot be achieved only by reducing the amount spent on administration and overhead. During the three year period starting with FY17 and ending with FY19 (the last year in which audited financial statements are available across districts), Minneapolis Public Schools spent, on average, about \$36.9M per year to pay for the Board of Education, Superintendent's Office, Principals (not Assistants), and district wide administrative functions such as finance, HR, IT, and Legal. This spending represents 6.27% of the spending during that period. (See Table 6).

|  | <i>Minneapolis</i> | <i>Anoka-Hennepin</i> | <i>Rosemount-Apple Valley</i> | <i>St. Paul</i> | <i>Four District Average</i> |
|--|--------------------|-----------------------|-------------------------------|-----------------|------------------------------|
| <b>Average Percent of budget spent on:</b> |                    |                       |                               |                 |                              |
| Board of Education                         | 0.11%              | 0.08%                 | 0.05%                         | 0.14%           | 0.10%                        |
| Superintendent's Office                    | 0.14%              | 0.11%                 | 0.16%                         | 0.14%           | 0.14%                        |
| Instructional Administration               | 0.59%              | 0.24%                 | 0.35%                         | 0.61%           | 0.47%                        |
| Principals & Site Councils                 | 1.82%              | 2.03%                 | 3.83%                         | 3.02%           | 2.58%                        |
| HR & Federal Program Support               | 0.46%              | 0.50%                 | 0.57%                         | 0.68%           | 0.55%                        |
| Research & Community Relations             | 0.65%              | 0.33%                 | 0.24%                         | 0.99%           | 0.60%                        |
| IT Administration & Systems Support        | 1.97%              | 1.01%                 | 1.06%                         | 0.30%           | 1.08%                        |
| Finance, Legal, Student Accounting         | 0.53%              | 0.82%                 | 0.92%                         | 0.86%           | 0.77%                        |
| <b>Total % of Spending</b>                 | <b>6.27%</b>       | <b>5.12%</b>          | <b>7.18%</b>                  | <b>6.74%</b>    | <b>6.29%</b>                 |

We believe that district spending on these functions is about right when compared to other districts. Looking at the three other large districts in the state (Anoka-Hennepin, Rosemount-Apple Valley, and

St. Paul) average spending on these items is 6.29% of total General Fund spending. Additionally, the one area where we spend a higher percentage than the comparable districts is IT Administration & Systems Support, which is largely funded by a voter approved levy specific to that function.

It is imperative that any proposals to close or eliminate the District's funding gaps, acknowledge that "administrative" budgets comprise a very small percentage of the District's total expenses and a minimal level of staffing must be maintained to ensure programmatic fidelity and effective fiduciary and operational responsibilities; legal mandates and maintenance of effort.

## **Conclusion**

Given the current footprint and cost structure of the district we project that the Minneapolis Public Schools could enter statutory operating debt status in FY24. In Minnesota a school district is considered to be in statutory operating debt when they do not end the year with an unreserved fund balance exceeding 2.5% of operating expenditures. In the event that a district enters statutory operating debt they are required to create a 'Special Operating Plan' to be approved by both the board and the Commissioner of Education.

Any 5-year plan leading to financial sustainability would likely need to include institutional and structural changes. The three large areas for potential efficiencies remain the District's operational footprint, its staffing model and its compensation structures. However, any changes in these areas would need to be part of a larger overall strategy that includes a transparent engagement process. Fiscal discipline is only one of many dimensions that must combine to form a cohesive and effective school district. While an effective district requires a strong financial position, it's important that financial decisions be made as one piece of a broader vision. However, the fiscal gaps that the district faces cannot be solved by increasing enrollment or market share alone. Indeed, the market that exists is not big enough to even potentially solve these problems. Instead, the district will need to consider how it might realign itself for its new fiscal reality.

Appendix 1: Pro-Forma Financial Projection  
(Thousands of Dollars)

A more detailed breakdown of revenue and expenses than is presented in Table 1.

| <b>MPS Pro-Forma Financial Projection</b> |                 |                 |                 |                 |                 |                  |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|
|   | <b>'20-'21</b>  | <b>'21-'22</b>  | <b>'22-'23</b>  | <b>'23-'24</b>  | <b>'24-'25</b>  | <b>'25-'26</b>   |
| <b>Starting Fund Balance</b>              | <b>106,286</b>  | <b>83,226</b>   | <b>52,404</b>   | <b>15,649</b>   | <b>(28,688)</b> | <b>(87,812)</b>  |
| State Aid                                 | 388,311         | 373,485         | 371,186         | 368,683         | 370,242         | 377,191          |
| Levy                                      | 142,738         | 137,847         | 133,912         | 136,099         | 138,625         | 141,486          |
| Grants                                    | 87,324          | 51,914          | 51,885          | 52,581          | 54,388          | 56,119           |
| Funded Projects                           | 9,000           | 9,090           | 9,085           | 9,207           | 9,523           | 9,826            |
| <b>Subtotal Revenue</b>                   | <b>627,373</b>  | <b>572,336</b>  | <b>566,068</b>  | <b>566,569</b>  | <b>572,779</b>  | <b>584,623</b>   |
| Salaries                                  | 339,023         | 340,503         | 338,651         | 343,610         | 353,199         | 365,922          |
| Extended Time                             | 16,871          | 14,283          | 14,635          | 15,001          | 15,376          | 15,761           |
| Reserves                                  | 18,102          | 6,019           | 6,080           | 6,140           | 6,202           | 6,264            |
| Fringe                                    | 128,862         | 129,483         | 132,105         | 136,730         | 143,358         | 151,618          |
| Purchased Services                        | 95,172          | 75,534          | 74,912          | 72,587          | 74,814          | 75,108           |
| Supplies                                  | 31,738          | 25,964          | 25,225          | 24,995          | 27,534          | 25,826           |
| Capital Expenses                          | 16,329          | 6,994           | 6,794           | 7,378           | 6,910           | 6,958            |
| Misc                                      | 4,334           | 4,377           | 4,421           | 4,465           | 4,510           | 4,555            |
| <b>Subtotal Expense</b>                   | <b>650,432</b>  | <b>603,159</b>  | <b>602,823</b>  | <b>610,905</b>  | <b>631,903</b>  | <b>652,012</b>   |
| <b>Change in Fund Balance</b>             | <b>(23,059)</b> | <b>(30,823)</b> | <b>(36,755)</b> | <b>(44,337)</b> | <b>(59,124)</b> | <b>(67,390)</b>  |
| <b>Ending Fund Balance</b>                | <b>83,226</b>   | <b>52,404</b>   | <b>15,649</b>   | <b>(28,688)</b> | <b>(87,812)</b> | <b>(155,202)</b> |



## Adjustment 2: Enrollment Assumptions Detail

Projections of ADM (Average Daily Membership) estimates by year:

|                       | Total Enrollment by Year |               |               |               |               |               |
|-----------------------|--------------------------|---------------|---------------|---------------|---------------|---------------|
|                       | '20-'21                  | '21-'22       | '22-'23       | '23-'24       | '24-'25       | '25-'26       |
| Kindergarten          | 2,191                    | 3,254         | 2,603         | 2,593         | 2,638         | 2,712         |
| Grade 1               | 2,678                    | 2,033         | 3,068         | 2,764         | 2,811         | 2,890         |
| Grade 2               | 2,570                    | 2,484         | 1,915         | 2,925         | 2,691         | 2,766         |
| Grade 3               | 2,500                    | 2,386         | 2,342         | 1,829         | 2,852         | 2,652         |
| Grade 4               | 2,395                    | 2,279         | 2,208         | 2,199         | 1,753         | 2,763         |
| Grade 5               | 2,398                    | 2,187         | 2,114         | 2,079         | 2,114         | 1,703         |
| Grade 6               | 2,272                    | 2,037         | 1,884         | 1,855         | 1,863         | 1,914         |
| Grade 7               | 2,253                    | 2,093         | 1,903         | 1,792         | 1,801         | 1,828         |
| Grade 8               | 2,320                    | 2,102         | 1,981         | 1,833         | 1,762         | 1,791         |
| Grade 9               | 2,430                    | 2,282         | 2,100         | 1,965         | 1,857         | 1,804         |
| Grade 10              | 2,345                    | 2,314         | 2,208         | 2,018         | 1,928         | 1,841         |
| Grade 11              | 2,109                    | 2,184         | 2,190         | 2,075         | 1,936         | 1,869         |
| Grade 12              | 2,128                    | 2,216         | 2,332         | 2,322         | 2,245         | 2,117         |
| EC                    | 399                      | 399           | 399           | 399           | 399           | 399           |
| PK                    | 206                      | 0             | 0             | 0             | 0             | 0             |
| HK                    | 300                      | 300           | 300           | 300           | 300           | 300           |
| Contract Alts         | 507                      | 507           | 507           | 507           | 507           | 507           |
| Tuition Pass Through  | 151                      | 151           | 151           | 151           | 151           | 151           |
| <b>Total ADM</b>      | <b>32,153</b>            | <b>31,208</b> | <b>30,207</b> | <b>29,608</b> | <b>29,608</b> | <b>30,008</b> |
| ADM w/o Contract Alts | 31,645                   | 30,700        | 29,700        | 29,100        | 29,101        | 29,501        |
| ADM w/o CA or Tuition | 31,138                   | 30,193        | 29,193        | 28,593        | 28,593        | 28,994        |
| <b>Total APU</b>      | <b>34,820</b>            | <b>33,796</b> | <b>32,700</b> | <b>31,959</b> | <b>31,864</b> | <b>32,208</b> |
| APU w/o Contract Alts | 34,212                   | 33,188        | 32,093        | 31,351        | 31,256        | 31,601        |
| APU w/o CA or Tuition | 34,037                   | 33,013        | 31,917        | 31,176        | 31,081        | 31,425        |

Note: the increase in Kindergarten enrollment in FY22 is expected as a result of children who would have entered Kindergarten in FY21 entering a year later due to COVID-19.

## Appendix 3: Adjustment Bridge

The following bridge details all of the adjustments that were made to the output of the model to reach the final projection.

|  | Budget<br>FY21 | Forecast<br>FY22 | Forecast<br>FY23 | Forecast<br>FY24 | Forecast<br>FY25 | Forecast<br>FY26 |
|--|----------------|------------------|------------------|------------------|------------------|------------------|
| <b>Initial Revenue</b>                 | <b>600,602</b> | <b>577,827</b>   | <b>569,140</b>   | <b>566,329</b>   | <b>570,064</b>   | <b>580,485</b>   |
| --Initial Change in Revenue            | -1.9%          | -3.8%            | -1.5%            | -0.5%            | 0.7%             | 1.8%             |
| Covid Relief                           | 31,096         | -                | -                | -                | -                | -                |
| Anticipated State Aid Adjustment       | (12,351)       | -                | -                | -                | -                | -                |
| Contract Alternatives ADM Revenue      | -              | 4,079            | 4,079            | 4,159            | 4,240            | 4,324            |
| Anticipated Levy Adjustments           | -              | -                | (4,447)          | (1,310)          | -                | -                |
| Comp Ed Revenue                        | -              | (11,360)         | (4,925)          | (5,337)          | (6,230)          | (6,949)          |
| Integration Carryforward               | 3,200          | -                | -                | -                | -                | -                |
| Additional Grants Received             | 4,828          | -                | -                | -                | -                | -                |
| Tuition Pass Through Revenue           | -              | 1,153            | 1,153            | 1,176            | 1,199            | 1,223            |
| Grants General Increase                | -              | 514              | 485              | 1,181            | 2,988            | 4,719            |
| Funded Programs General Increase       | -              | 90               | 85               | 207              | 523              | 826              |
| <b>Adjusted Pro-Forma Revenue</b>      | <b>627,375</b> | <b>572,303</b>   | <b>565,569</b>   | <b>566,404</b>   | <b>572,785</b>   | <b>584,628</b>   |
| --Adjusted Change in Revenue           | 2.5%           | -8.8%            | -1.2%            | 0.1%             | 1.1%             | 2.1%             |
| <b>Initial Expenses</b>                | <b>612,868</b> | <b>621,899</b>   | <b>630,718</b>   | <b>645,505</b>   | <b>662,896</b>   | <b>682,285</b>   |
| --Initial Change in Expenses           | 6.1%           | 1.5%             | 1.4%             | 2.3%             | 2.7%             | 2.9%             |
| Comprehensive District Design (CDD)    | -              | 11,492           | 10,946           | 11,176           | 11,413           | 11,587           |
| CDD Transportation Savings             | -              | (6,960)          | (7,030)          | (7,100)          | (7,171)          | (7,243)          |
| COVID-19 & Subsequent                  | 58,732         | 8,106            | 9,677            | 8,788            | 12,139           | 8,427            |
| FY21 Salary Reforecast                 | (24,368)       | -                | -                | -                | -                | -                |
| Integration Carryforward               | 3,200          | -                | -                | -                | -                | -                |
| Enrollment Based Headcount Adjustments | -              | (5,357)          | (14,028)         | (18,584)         | (17,677)         | (12,970)         |
| Enrollment Based Headcount Adjustments | -              | (1,209)          | (2,489)          | (3,337)          | (3,420)          | (2,954)          |
| Vacancy Adjustments                    | -              | (17,918)         | (17,698)         | (17,892)         | (18,410)         | (19,153)         |
| Vacancy/ESP Fringe                     | -              | (6,894)          | (7,275)          | (7,651)          | (7,867)          | (7,967)          |
| <b>Adjusted Pro-Forma Expenses</b>     | <b>650,432</b> | <b>603,159</b>   | <b>602,823</b>   | <b>610,906</b>   | <b>631,903</b>   | <b>652,012</b>   |
| --Adjusted Change in Expenses          | 12.6%          | -7.3%            | -0.1%            | 1.3%             | 3.4%             | 3.2%             |

### Notes:

- Contract Alternatives & Tuition Pass Through Revenue are built into the initial FY21 budget.
- Compensatory revenue reduced to \$35M in FY22 based on lower than trend received applications for financial assistance with partial increase in FY23 forward.
- Salary reforecast for FY21 assumes that all vacant positions will be filled at Step 1 or bottom of scale based on the wage scale for that classification from current collective bargaining contract.
- COVID-19 future expenses are maintenance and operations of 1:1 device program and mental health supports.

## Appendix 4: Calculation of State Aid and Levy

|                                      | Revenue by School Year |                    |                    |                    |                    |                    |                    |
|--------------------------------------|------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|                                      | '20-'21 Bdgt           | '20-'21 Fcst       | '21-'22            | '22-'23            | '23-'24            | '24-'25            | '25-'26            |
| Basic Revenue (Formula)              | 233,433,209            | 224,670,204        | 217,939,119        | 210,744,741        | 209,991,915        | 213,543,488        | 220,215,647        |
| Declining Enrollment                 | 1,406,651              | 3,013,268          | 1,884,704          | 2,014,426          | 1,390,962          | 181,514            | -                  |
| Pension Adjustment                   | 4,276,773              | 4,049,974          | 4,766,331          | 5,376,075          | 6,012,887          | 6,101,644          | 6,223,578          |
| Gifted & Talented                    | 462,103                | 444,748            | 431,431            | 417,189            | 407,548            | 406,315            | 410,794            |
| Extended Time                        | 9,251,536              | 7,359,269          | 9,482,824          | 9,719,895          | 9,962,892          | 10,211,965         | 10,467,264         |
| Compensatory                         | 47,787,558             | 47,787,558         | 46,360,410         | 44,849,728         | 43,944,273         | 43,944,724         | 44,549,204         |
| English Learner                      | 3,731,200              | 2,956,800          | 3,619,770          | 3,501,817          | 3,431,121          | 3,431,156          | 3,478,353          |
| English Learner                      | 1,325,000              | 1,050,000          | 1,285,430          | 1,243,543          | 1,218,438          | 1,218,450          | 1,235,211          |
| Operating Capital                    | 1,819,812              | 1,530,380          | 1,264,615          | 949,058            | 713,334            | 627,961            | 645,704            |
| Operating Capital (2)                | 8,607                  | -                  | 5,981              | 4,489              | 3,374              | 2,970              | 3,054              |
| Alternative Attend Adj               | 377,490                | 474,268            | 366,216            | 354,283            | 347,130            | 347,134            | 351,909            |
| Q Comp (65% aid 33% levy)            | 5,848,365              | 5,700,138          | 5,177,471          | 4,979,569          | 4,775,798          | 4,639,061          | 4,599,136          |
| Special Education                    | 70,862,571             | 68,862,571         | 70,862,571         | 70,862,571         | 70,862,571         | 70,862,571         | 70,862,571         |
| Integration (60% aid 40% levy)       | 10,348,662             | 10,348,662         | 9,781,174          | 9,597,251          | 9,431,083          | 9,321,445          | 9,309,915          |
| Non Public Transportation            | 2,669,010              | 2,669,010          | 2,669,010          | 2,669,010          | 2,669,010          | 2,669,010          | 2,669,010          |
| Contract Alternative                 | 3,831,103              | 4,200,000          | 3,716,689          | 3,595,579          | 3,522,989          | 3,523,025          | 3,571,486          |
| <b>Subtotal State Aid Forecast</b>   | <b>397,439,650</b>     | <b>385,116,850</b> | <b>379,613,747</b> | <b>370,879,224</b> | <b>368,685,325</b> | <b>371,032,432</b> | <b>378,592,835</b> |
| Carryforward of FY 20 Integration    | -                      | 3,200,000          | -                  | -                  | -                  | -                  | -                  |
| Contract Alternatives                | -                      | -                  | 4,078,976          | 4,078,976          | 4,158,935          | 4,240,494          | 4,323,683          |
| Tuition Pass Through                 | -                      | -                  | 1,152,692          | 1,152,692          | 1,175,746          | 1,199,261          | 1,223,246          |
| Compensatory on Lower Free/Reduced % | -                      | -                  | (11,360,410)       | (4,924,864)        | (5,337,367)        | (6,230,024)        | (6,948,650)        |
| Misc/Other                           | -                      | (6,160)            | -                  | -                  | -                  | -                  | -                  |
| <b>Fully Adjusted State Aid</b>      | <b>397,439,650</b>     | <b>388,310,690</b> | <b>373,485,005</b> | <b>371,186,028</b> | <b>368,682,639</b> | <b>370,242,162</b> | <b>377,191,115</b> |
| Equity                               | 1,777,320              | 1,777,320          | 1,674,970          | 1,604,574          | 1,567,492          | 1,562,748          | 1,579,977          |
| Transition                           | 6,651,442              | 6,651,442          | 6,268,408          | 6,004,958          | 5,866,183          | 5,848,428          | 5,912,904          |
| Operating Capital                    | 6,446,148              | 6,446,148          | 6,708,682          | 6,624,570          | 6,720,582          | 6,817,840          | 6,916,359          |
| Operating Capital                    | 334                    | 334                | -                  | -                  | -                  | -                  | -                  |
| Local Optional Tier 1 & Tier 2       | 25,735,594             | 25,735,594         | 24,241,678         | 23,234,231         | 22,697,287         | 22,628,592         | 22,878,061         |
| Referendum Tier 1                    | 16,351,344             | 16,351,344         | 15,409,724         | 14,762,080         | 14,420,928         | 14,377,282         | 14,535,784         |
| Referendum Tier 2                    | 31,343,038             | 31,343,038         | 29,538,096         | 28,296,661         | 27,642,725         | 27,559,063         | 27,862,887         |
| Unequalized Levy                     | 19,897,808             | 19,897,808         | 18,910,076         | 19,338,800         | 20,110,991         | 21,289,853         | 22,803,027         |
| Q Comp (65% aid 33% levy)            | 3,365,513              | 3,365,513          | 3,245,712          | 3,002,519          | 2,946,189          | 2,927,029          | 2,967,032          |
| Integration (60% aid 40% levy)       | 4,453,718              | 4,453,718          | 4,253,885          | 4,130,397          | 4,058,885          | 4,011,696          | 4,006,729          |
| Reemployment                         | 679,996                | 679,996            | 430,266            | 438,872            | 447,649            | 456,602            | 465,734            |
| Safe Schools                         | 1,279,670              | 1,279,670          | 1,205,978          | 1,155,293          | 1,128,594          | 1,125,179          | 1,137,583          |
| Judgments                            | -                      | -                  | 391,627            | -                  | -                  | -                  | -                  |
| Career & Tech Ed                     | 684,995                | 684,995            | 695,423            | 695,423            | 695,423            | 709,331            | 723,518            |
| Other Postemployment Benefit         | 5,523,446              | 5,523,446          | 2,548,413          | 2,548,413          | 2,548,413          | 2,548,413          | 2,548,413          |
| Long Term Facilities Maint           | 1,287,081              | 1,287,081          | 3,345,461          | 3,412,370          | 3,480,618          | 3,550,230          | 3,621,235          |
| Disabled Access                      | 300,000                | 300,000            | -                  | -                  | -                  | -                  | -                  |
| Lease Levy                           | 416,819                | 416,819            | 427,435            | 427,435            | 427,435            | 427,435            | 427,435            |
| MERF/TRA                             | 7,088,400              | 7,088,400          | 7,088,400          | 7,088,400          | 7,088,400          | 7,088,400          | 7,088,400          |
| Capital Projects Referendum          | 13,916,463             | 13,916,463         | 14,791,925         | 15,087,764         | 15,389,519         | 15,697,309         | 16,011,256         |
| Prior year levy adjustments          | (4,461,301)            | (4,461,301)        | (3,328,682)        | -                  | -                  | -                  | -                  |
| <b>Subtotal Levy Forecast</b>        | <b>142,737,829</b>     | <b>142,737,829</b> | <b>137,847,478</b> | <b>137,852,759</b> | <b>137,237,313</b> | <b>138,625,431</b> | <b>141,486,334</b> |
| Prior Year Levy Adjustments          | -                      | -                  | -                  | (3,940,828)        | (1,138,669)        | -                  | -                  |
| <b>Fully Adjusted Levy</b>           | <b>142,737,829</b>     | <b>142,737,829</b> | <b>137,847,478</b> | <b>133,911,932</b> | <b>136,098,645</b> | <b>138,625,431</b> | <b>141,486,334</b> |
| Grants (Fully Adjusted)              | 51,400,000             | 87,324,289         | 51,914,000         | 51,885,049         | 52,580,733         | 54,387,981         | 56,118,812         |
| Funded Projects (Fully Adjusted)     | 9,000,000              | 9,000,000          | 9,090,000          | 9,084,931          | 9,206,743          | 9,523,187          | 9,826,251          |
| <b>Total Revenue</b>                 | <b>600,577,479</b>     | <b>627,372,808</b> | <b>572,336,483</b> | <b>566,067,940</b> | <b>566,568,760</b> | <b>572,778,763</b> | <b>584,622,512</b> |

Appendix 5: Formula Revenue by Grade/Type  
(Thousands of Dollars)

This schedule shows the calculation results for the Basic State Aid payments (formula) by fiscal year:

|                           | FY22          |               |                  | FY23          |               |                  | FY24          |               |                  | FY25          |               |                  | FY26          |               |                  |
|---------------------------|---------------|---------------|------------------|---------------|---------------|------------------|---------------|---------------|------------------|---------------|---------------|------------------|---------------|---------------|------------------|
|                           | ADM           | APU           | Formula \$       | ADM           | APU           | Formula \$       | ADM           | APU           | Formula \$       | ADM           | APU           | Formula \$       | ADM           | APU           | Formula \$       |
| Kindergarten              | 3,554         | 3,554         | \$23,338         | 2,903         | 2,903         | \$19,066         | 2,893         | 2,893         | \$19,382         | 2,938         | 2,938         | \$20,072         | 3,012         | 3,012         | \$20,988         |
| Grade 1                   | 2,058         | 2,058         | \$13,518         | 3,068         | 3,068         | \$20,145         | 2,764         | 2,764         | \$18,516         | 2,811         | 2,811         | \$19,208         | 2,890         | 2,890         | \$20,142         |
| Grade 2                   | 2,515         | 2,515         | \$16,518         | 1,915         | 1,915         | \$12,578         | 2,925         | 2,925         | \$19,594         | 2,691         | 2,691         | \$18,385         | 2,766         | 2,766         | \$19,278         |
| Grade 3                   | 2,416         | 2,416         | \$15,865         | 2,342         | 2,342         | \$15,382         | 1,829         | 1,829         | \$12,253         | 2,852         | 2,852         | \$19,487         | 2,652         | 2,652         | \$18,482         |
| Grade 4                   | 2,308         | 2,308         | \$15,155         | 2,208         | 2,208         | \$14,502         | 2,199         | 2,199         | \$14,728         | 1,753         | 1,753         | \$11,978         | 2,763         | 2,763         | \$19,254         |
| Grade 5                   | 2,214         | 2,214         | \$14,541         | 2,114         | 2,114         | \$13,883         | 2,079         | 2,079         | \$13,927         | 2,114         | 2,114         | \$14,441         | 1,703         | 1,703         | \$11,871         |
| Grade 6                   | 2,063         | 2,063         | \$13,549         | 1,884         | 1,884         | \$12,372         | 1,855         | 1,855         | \$12,427         | 1,863         | 1,863         | \$12,728         | 1,914         | 1,914         | \$13,339         |
| Grade 7                   | 2,119         | 2,543         | \$16,699         | 1,903         | 2,284         | \$14,997         | 1,792         | 2,150         | \$14,403         | 1,801         | 2,162         | \$14,769         | 1,828         | 2,194         | \$15,289         |
| Grade 8                   | 2,128         | 2,554         | \$16,771         | 1,981         | 2,377         | \$15,610         | 1,833         | 2,200         | \$14,735         | 1,762         | 2,114         | \$14,446         | 1,791         | 2,149         | \$14,974         |
| Grade 9                   | 2,311         | 2,773         | \$18,208         | 2,100         | 2,520         | \$16,552         | 1,965         | 2,358         | \$15,798         | 1,857         | 2,228         | \$15,224         | 1,804         | 2,165         | \$15,087         |
| Grade 10                  | 2,343         | 2,812         | \$18,465         | 2,208         | 2,649         | \$17,399         | 2,018         | 2,421         | \$16,219         | 1,928         | 2,313         | \$15,803         | 1,841         | 2,209         | \$15,394         |
| Grade 11                  | 2,212         | 2,654         | \$17,430         | 2,190         | 2,628         | \$17,259         | 2,075         | 2,490         | \$16,676         | 1,936         | 2,323         | \$15,869         | 1,869         | 2,243         | \$15,630         |
| Grade 12                  | 2,244         | 2,693         | \$17,686         | 2,332         | 2,799         | \$18,380         | 2,322         | 2,786         | \$18,663         | 2,245         | 2,694         | \$18,409         | 2,117         | 2,541         | \$17,708         |
| <b>Subtotal K-12</b>      | <b>30,486</b> | <b>33,157</b> | <b>\$217,744</b> | <b>29,150</b> | <b>31,692</b> | <b>\$208,125</b> | <b>28,550</b> | <b>30,951</b> | <b>\$207,319</b> | <b>28,550</b> | <b>30,856</b> | <b>\$210,817</b> | <b>28,951</b> | <b>31,201</b> | <b>\$217,435</b> |
| Early Childhood           | 399           | 399           | \$2,620          | 399           | 399           | \$2,620          | 399           | 399           | \$2,673          | 399           | 399           | \$2,726          | 399           | 399           | \$2,781          |
| Voluntary Pre-K           | 0             | 0             | \$0              | 0             | 0             | \$0              | 0             | 0             | \$0              | 0             | 0             | \$0              | 0             | 0             | \$0              |
| Contract Alternatives     | 507           | 607           | \$3,989          | 507           | 607           | \$3,989          | 507           | 607           | \$4,069          | 507           | 607           | \$4,150          | 507           | 607           | \$4,233          |
| Tuition Pass-Through      | 151           | 176           | \$1,153          | 151           | 176           | \$1,153          | 151           | 176           | \$1,176          | 151           | 176           | \$1,199          | 151           | 176           | \$1,223          |
| <b>Total All Enrolled</b> | <b>31,544</b> | <b>34,339</b> | <b>\$225,506</b> | <b>30,207</b> | <b>32,874</b> | <b>\$215,887</b> | <b>29,608</b> | <b>32,133</b> | <b>\$215,237</b> | <b>29,608</b> | <b>32,038</b> | <b>\$218,893</b> | <b>30,008</b> | <b>32,383</b> | <b>\$225,672</b> |

Note: Contract Alternatives are not included in ADM counts presented as district enrollment.

## Appendix 6: Projected Salaries & Fringe Expense by Bargaining Unit

| Bargaining Unit        | Adjusted Salaries  |                    |                    |                    |                    |                    |
|------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|                        | '20-'21            | '21-'22            | '22-'23            | '23-'24            | '24-'25            | '25-'26            |
| AFSCME                 | 10,859,708         | 11,176,261         | 11,176,261         | 11,455,667         | 11,742,059         | 12,035,611         |
| ESP                    | 36,776,429         | 37,922,920         | 36,707,267         | 36,878,110         | 37,800,444         | 39,269,285         |
| MFT -Teachers          | 230,278,390        | 231,456,938        | 230,328,662        | 233,327,094        | 240,159,529        | 249,532,443        |
| MFT - Adult Ed         | 17,566             | 16,685             | 16,685             | 17,103             | 17,530             | 17,968             |
| MPF                    | 14,768,690         | 13,555,744         | 13,555,744         | 13,894,637         | 14,242,003         | 14,598,053         |
| Professional           | 25,100,480         | 24,584,351         | 25,075,659         | 25,702,241         | 26,344,472         | 27,003,309         |
| SEIU - Custodial       | 10,568,304         | 10,080,176         | 10,080,176         | 10,332,181         | 10,590,485         | 10,855,247         |
| SEIU - Food Service    | -                  | -                  | -                  | -                  | -                  | -                  |
| Teamsters              | 6,125,859          | 6,519,872          | 6,519,872          | 6,682,869          | 6,849,940          | 7,021,189          |
| Trades                 | 1,160,112          | 1,045,637          | 1,045,637          | 1,071,778          | 1,098,572          | 1,126,036          |
| Non-Rep                | 3,367,516          | 4,144,577          | 4,144,577          | 4,248,192          | 4,354,397          | 4,463,256          |
| <b>Subtotal Salary</b> | <b>339,023,054</b> | <b>340,503,162</b> | <b>338,650,541</b> | <b>343,609,871</b> | <b>353,199,432</b> | <b>365,922,398</b> |

| Bargaining Unit        | Adjusted Fringe    |                    |                    |                    |                    |                    |
|------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|                        | '20-'21            | '21-'22            | '22-'23            | '23-'24            | '24-'25            | '25-'26            |
| AFSCME                 | 3,954,904          | 4,138,682          | 4,267,363          | 4,441,605          | 4,623,580          | 4,813,652          |
| ESP                    | 14,070,096         | 14,082,111         | 14,095,752         | 14,416,204         | 15,025,513         | 15,850,936         |
| MFT -Teachers          | 84,632,817         | 85,285,259         | 86,978,253         | 90,120,476         | 94,928,657         | 101,113,062        |
| MFT - Adult Ed         | 6,324              | 6,157              | 6,314              | 6,554              | 6,805              | 7,066              |
| MPF                    | 5,316,719          | 5,002,980          | 5,132,048          | 5,328,109          | 5,532,461          | 5,745,478          |
| Professional           | 9,036,171          | 8,837,334          | 9,179,314          | 9,552,939          | 9,943,113          | 10,339,494         |
| SEIU - Custodial       | 3,976,652          | 3,739,518          | 3,855,667          | 4,013,038          | 4,177,391          | 4,349,054          |
| SEIU - Food Service    | -                  | -                  | -                  | -                  | -                  | -                  |
| Teamsters              | 2,669,153          | 2,418,740          | 2,493,866          | 2,595,654          | 2,701,959          | 2,812,992          |
| Trades                 | 693,665            | 638,177            | 638,177            | 654,132            | 670,485            | 687,247            |
| Non-Rep                | 1,153,374          | 1,479,725          | 1,525,571          | 1,587,779          | 1,652,746          | 1,720,600          |
| <b>Subtotal Fringe</b> | <b>125,509,875</b> | <b>125,628,683</b> | <b>128,172,325</b> | <b>132,716,489</b> | <b>139,262,709</b> | <b>147,439,581</b> |

|                                     |                    |                    |                    |                    |                    |                    |
|-------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Subtotal Salary &amp; Fringe</b> | <b>464,532,929</b> | <b>466,131,845</b> | <b>466,822,866</b> | <b>476,326,360</b> | <b>492,462,141</b> | <b>513,361,979</b> |
| Extended, Reserves & Misc           | 38,325,883         | 24,157,621         | 24,648,070         | 25,154,840         | 25,673,185         | 26,203,384         |
| <b>Total Salary &amp; Fringe</b>    | <b>502,858,812</b> | <b>490,289,466</b> | <b>491,470,936</b> | <b>501,481,200</b> | <b>518,135,326</b> | <b>539,565,363</b> |

### Notes

- Increased Extended Time & Reserves expense in FY21 due to anticipated COVID expenditures for hybrid/in-person learning.