

Concerns Raised by Business Managers Due to Uncertainty and Costs Incurred from School Closures and Distance Learning

1. Tuition billing/payment may cause cash flow issues if not continued. I am assuming we need to pay and collect for tuitions. In other words, Echo Valley owes probably \$500,000 in high school tuitions and Paine Mountain is owed \$250,000-ish - if we are to still pay / collect tuitions, then cash flow will be fine. If anything were to happen with billing or not having to pay - my answer would be the opposite - we'd have an issue in Paine Mountain and a ton of cash in Echo Valley.
2. If we are not going to receive full reimbursement for the transporting of meals to kids, can we ask that the Legislature allow us transportation aid on the transportation cost of delivering meals to kids and not just the to and from school for this year. If we do not receive reimbursement based on transportation expenses for the last quarter of this year but still have to utilize the full contract to deliver meals, in the years to come, our aid will be reduced and we won't be able to claim the expense.
3. Municipal Taxes: Montpelier & Roxbury have another tax date in May. I'm concerned people may be late making this payment and the municipalities may not be able to send us the full amount. This could cause some cashflow challenges and could get very interesting if the delay runs past 6/30.
4. SpEd Reimbursement: I'm concerned that somewhere along the line, we'll find out some of our SpEd expenses will be disallowed and we'll get less SpEd revenue. Some examples: (1) we're probably going to continue to pay our teachers & IAs even if something changes and we're told not to; (2) we've been paying most of our SpEd contracts and outside placements even though we're getting much less services; and (3) we're still paying our bus contract even though part of the bill is specifically for SpEd daily transportation.
5. Child Nutrition: We run an in-house program and we're taking a hit on revenues which means we'll have a larger deficit than anticipated. Our expenses are fairly stable - still paying salaries & benefits.
6. We have contracts with vendors where they are the only game in town. If we terminate and they lay off as a result, will we have bus service when we need them again in the future?
7. And this is why school district should be REQUIRED to have some level of general fund reserve available. None of us would have ever imagined this situation. If the school district has no reserves to weather the storm going into FY21, the FY22 budget cycle and having to raise money to cover a deficit could be the perfect storm. Not only will passing a budget be an issue but imagine if funds also need to be raised to cover a deficit. That law must be changed. School districts should be required to have some amount in reserve for just this type of situation.
8. The most worrisome part of this is: tax revenues coming in if people abate their property taxes due to lack of income and what this may mean for the Education fund or Special education reimbursement %. Are people seeing a spike in cost of services or less?