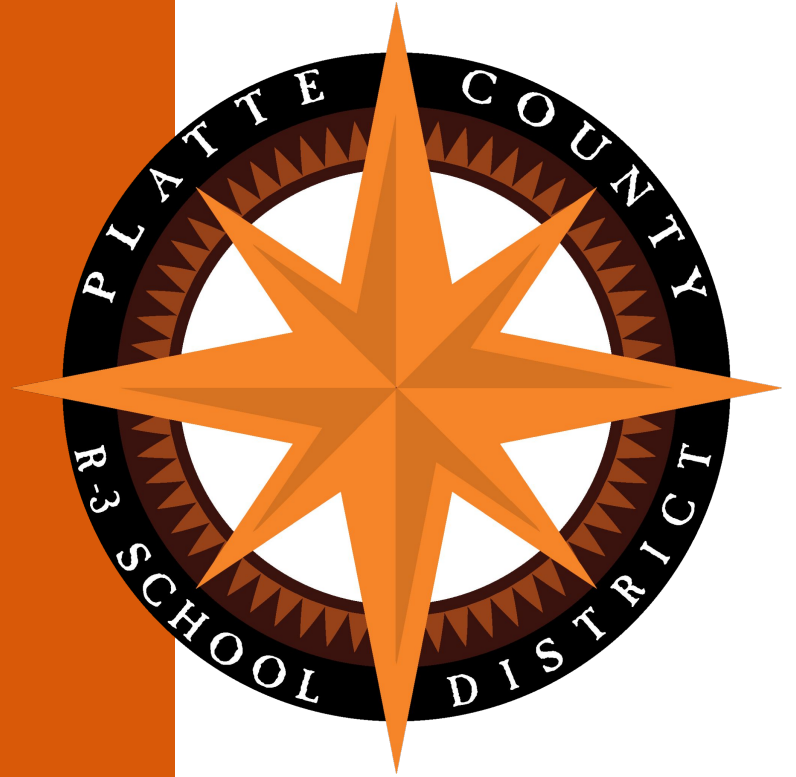


BOARD OF EDUCATION

Financial Workshop

March 4, 2025



Stakeholder Priorities

What should the financial priorities be for our school district during the next five years?

2024

- #1 Attract and retain quality staff by providing competitive salaries and benefits
- #2 Maintain manageable class sizes
- #3 Maintain clean, well-repaired, secure buildings
- #4 Provide students and staff with quality educational supplies, materials and resources in the classroom
- #5 Maintain up-to-date technology

2021

- #1 Attract and retain quality staff by providing competitive salaries and benefits
- #2 Maintain manageable class sizes
- #3 Maintain up-to-date technology
- #4 Provide students and staff with quality educational supplies, materials and resources in the classroom
- #5 Maintain clean, well-repaired, secure buildings

- Our approach:
 - We are utilizing key stakeholder feedback to put together the FY 26 budget.
 - We have aligned our FY 26 Budget Process to the Budget Action Plan



Budget Timeline

Budget Development Timeline	
Date/Range	Budget Development Activity
September - October	Enrollment Forecast & Demographic Analysis completed (after official September enrollment count)
October	Budget plan, goals and projections reviewed with Community Advisory Steering Committee for feedback, then presented to Board of Education for approval
November	Update of Capital Improvement Plan
November - December	All course and staff requests from buildings and departments due for the next two years (requires thoughtful planning aligned to District and Building goals)
December	Budget requests prioritized by executive leadership
January	Preliminary budget for next fiscal year created
February	Capital improvements approved by Board of Education for next fiscal year
March	Preliminary revenue for next fiscal year shared as information with Board of Education
April	Preliminary expenditures for next fiscal year shared as information with Board of Education with Salaries/Benefits approved by Board of Education, and buildings/departments receive their preliminary allocations for next fiscal year
May	Preliminary full budget for next fiscal year shared with Board of Education and buildings/departments receive budgets with approval to spend up to 50%
June	Final budget for the following fiscal year approved by Board of Education
Throughout the Year	Quarterly budget amendments presented for board consideration to allow district to have the most current financial information available to implement this timeline effectively. Quarterly budget reviews with building administration and department leaders to track expenditures



Highlights FY25/Fiscal Health

- **“Healthy Not Wealthy”**

- Unrestricted Beginning Fund Balance 24.37% (Incidental + Teachers Fund) or \$14,664,682 on June 30, 2024 in the bank for Funds 1/2 (DIAA 16-22%)
- For seventh year in a row, the District’s total levy remained at \$5.0193
- Standard and Poor’s (S&P) Credit Rating “AA Stable” - Top 20 in State of Missouri
- “Clean Audit” by Independent Auditor
- The expenditure per pupil in PCR-3 is \$13,200 and in Mo the average cost is \$15,915
- Preliminary FY25 Budget Projected Slight Surplus (\$187,409) which consisted of \$79,631,808 in Revenue and \$79,444,399 in Expenses for All Funds
- On April 2, 2024, voters approved a full waiver of Prop C and levy transfer resulting in significant salary enhancements and additional FTE addressing the BOE goal of attracting and retaining quality staff in FY25 and beyond.



Highlights FY25

- All salary schedules were adjusted based on market/EMS
- All staff were allowed movement
- An additional 4% was added to salary schedules - 0% Increase for Benefits

	Additional Spend Without Benefits	Additional Spend With Benefits	Average % Increase
<i>Certified</i>	\$2,299,475.39	\$2,666,241.71	10.18%
<i>Support/Pro-Tech</i>	\$806,729.00	\$923,785.38	8.31%
<i>Certified Admin</i>	\$169,606.44	\$196,658.67	5.27%
<i>Non-Certified Admin</i>	\$31,869.90	\$34,518.29	8.57%
<i>Grand Totals</i>	\$3,307,680.73	\$3,821,204.05	



FY25 Overview

(w/o GO Debt Funds 1, 2, 4

Only)

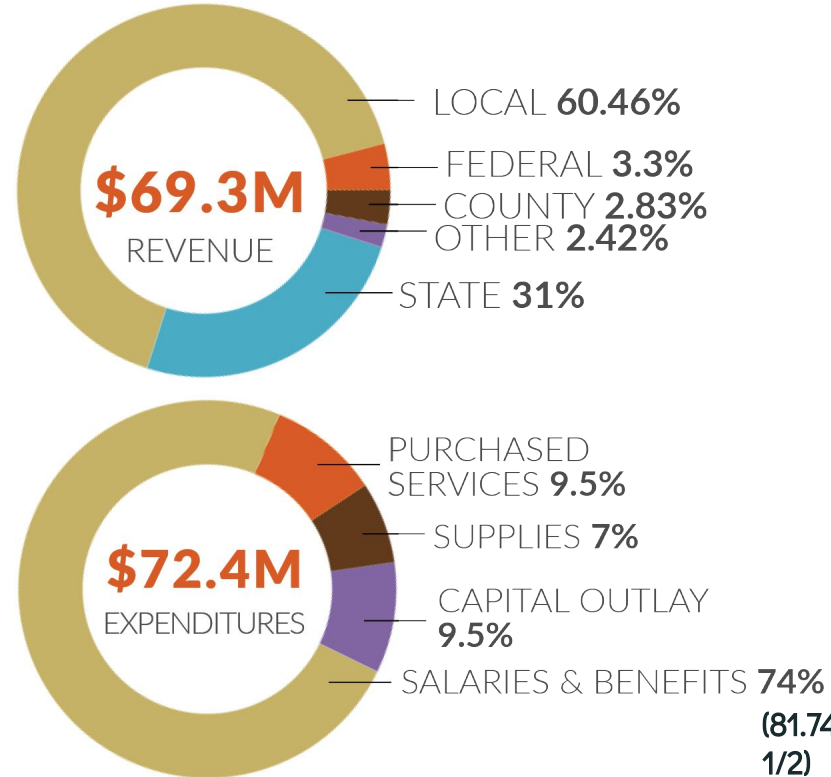
Budget Goals

Purchased Services = 10%

Supplies = 7.5%

Capital Outlay = 7.5%

Salary/Benefits = 75%



Board of Education Work Session



FY25 Revenue

(End of January)

- **Local - 60.46%**
 - Budgeted \$41,920,282 for Funds 1/2/4 and are currently at \$36,312,485 or 86.62% over with 5 months remaining
- **State - 31%**
 - Budgeted \$21,482,681 for Funds 1/2/4 and are currently at \$10,400,528 or \$11,082,152 short with 5 months remaining
- **Federal - 3.3%**
 - Budgeted \$2,286,635 for Funds 1/2/4 and are currently at \$1,261,204 or \$1,025,430 short with 5 months remaining
- **County - 2.83%**
 - Budgeted \$1,965,000 for Funds 1/2/4 and are currently at \$684,429 or \$1,280,570 short with 5 months remaining



FY25 Expenses (End of January)

- **Salaries/Benefits**
 - Budgeted \$53,588,243 for Funds 1/2 and are currently at \$26,535,472 or 49.52% realized 7 months remaining
- **Purchased Service**
 - Budgeted \$6,877,662 for Funds 1/2 and are currently at \$4,202,006 or 61.10 % realized with 5 months remaining
- **Supplies**
 - Budgeted \$5,086,311 for Fund 1 and are currently at \$3,044,882 or 59.86 % realized with 5 months remaining
- **Capital Outlay (w/o Lease Payments)**
 - Budgeted \$3,739,651 for Fund 4 and are currently at \$1,873,938 or 50.11 % realized with 5 months remaining



FY25 - Final Thoughts

- Realized 73.36% of budgeted Revenue to Date
- Realized 52.44% of budgeted Expenses to Date
- Based on current trend, FY25 will end with a budget surplus for all funds
- Still unknown: summer schools enrollment/costs, 5 months of operations and 7 months of payroll, utility costs, fuel, or if ALL budgeted items will hit 100%



FY26

- The following projections are ESTIMATES based on preliminary analysis of FY25 for Revenue and Expenditures
- High Level Snapshot based on ASSUMPTIONS as of January 2025



FY26 Revenue

- **Local 5111 - Current Year Taxes- Funds 1/3/4**
 - FY25 - AV increase 3.32% over previous year which was a Non-Reassessment year
 - 9 yr AV average =6.63%, 4 yr AV average 8.04%, 2 yr AV average 7.04%
 - FY26 - **5.0% PROJECTED** AV growth (Reassessment year w/ Hancock Amendment) or \$42,243,420 (Funds 1,3,4) or an additional \$1,673,202 for Fund 1, \$469,166 Fund 3, and \$150,432 Additional Fund 4
 - Prop C total payment forecasted to remain flat or \$5,874,770



FY26 Revenue

Fiscal Year 2025 Budget		
Payment	SAT / Amount Per / Proration	Appropriation Denominator
Basic Formula- ³	\$6,760.00	\$3,785,430,822
Classroom Trust Fund- ¹	\$621.00	$\frac{\$476,687,962}{767,193}$
Prop C- ²	\$1,514.00	$\frac{\$1,306,961,000}{863,145}$
Small Schools Grant \$10M- ¹	\$276.00	\$10,000,000
Small Schools Grant \$5M- ⁴	\$144.00	\$5,000,000
Transportation	100.00%	\$361,366,614



FY26 Revenue

Fiscal Year 2026 Governor's Budget Recommendations		
Payment	SAT / Amount Per / Proration	<u>Appropriation</u> Denominator
Basic Formula-3	\$6,760 or Slightly Higher	\$3,985,430,822
Classroom Trust Fund-1	\$576	<u>\$441,763,770</u> 767,193
Prop C-2	\$1,495	<u>\$1,306,961,000</u> 874,166
Small Schools Grant \$20M-1	\$545	<u>\$20,000,000</u> 36,689
Small Schools Grant \$10M-4	\$281	<u>\$10,000,000</u> 35,534
Transportation-5	100%	\$376,575,449



FY26 Revenue

- State - Basic Formula - paid on WADA - current payment on 3,091.258 at \$4,080.36 per WADA or \$15,918,668
- *If SAT aligns with Law -\$7,145 from \$6760 an additional \$1,540,895 for PCR-3*
- Gov. Preliminary Budget has an SAT of \$6760 with no change in WADA payment; therefore, our only increase in State Aid will be from additional students, higher summer school enrollment, or increased attendance rates
- Cohort = 101 additional students at 90% attendance totals \$370,872 additional funds. *150 @90% totals \$550,800*



FY26 Revenue

- Prop C - based on last year's ADA - FY25 estimated payment \$5,874,770 at \$1,514 per ADA
- Prop C - projected based on Governor's Proposed Budget may total \$1,495 per ADA
- Federal Revenue is anticipated to remain FLAT in FY26 however, unknown at this time (OGE)



FY26 Revenue

- Very Conservative Revenue Estimate Funds 1 and 2 would be \$2,044,074 additional funds with 90 additional ADA and 5.0% growth in AV with SAT remaining the same as current year
- 1% / 169 Calendar Revenue - Estimated \$140,000



Revenue FY26 “If and When”

Fiscally Responsible

Student Growth = \$370,872
Prop C (\$1,495) = \$0.00
5 % AV Growth = \$1,673,202*
SAT Increase = \$0.00 Increase
1% / 169 Days = \$140,000
Tap Reserves = ?????
Budget Reallocations = ?????

Total = \$2,184,074

Possible

Student Growth = \$550,800
Prop C (\$1,514) = \$74,662
5 % AV Growth = \$1,673,202
SAT Increase (\$7,145) = \$1,540,895
1% / 169 Days = \$140,000
Tap Reserves = ?????
Budget Reallocations = ?????

Total = \$3,979,559

* Assumption Fund 1/2



Salary Scenarios

(74% of FY25 Funds 1,2,4 / 81.74% Funds

1,2)

	Certified*	Support Staff/ Professional Technical	Total
Incremental Movement (1 Step)	\$594,838.00**	\$328,256.00**	\$923,094.00**
% Increase	2.10%	2.98%	
Incremental Movement (1 Step) w/ 2.86% ALL Schedules	\$1,358,836.00**	\$643,528.00**	\$2,002,364.00**
% Increase	4.83%	5.84%	
	\$44,720 to \$46,000	\$14.56 to \$15.00 (federal minimum wage)	

* Certified includes Teachers, Administrators, and Support Staff paid from Fund 2.

** The above are for Base Salary Only and do not include additional costs for retirement, taxes, or extra-duty.

Board of Education Work Session



Salary Scenarios

1,2)

(74% of FY25 Funds 1,2,4 / 81.74% Funds

	Certified*	Support Staff/ Professional Technical	Total
Incremental Movement (1 Step) plus 1.12% Certified & 0.626% Support, Professional/Technical, Administrator	\$865,190**	\$470,500**	\$1,335,689** or 3.39% additional spend
% Increase	0.626% <i>Teacher only - Includes additional 0.494% (\$140,000) = 1.12%</i>	0.626%	
\$ Increase	Teacher - \$44,720 to \$45,220	Support - \$14.56 to \$14.65 Professional/Technical - \$26 to \$26.16	

* Certified includes Teachers, Administrators, and Support Staff paid from Fund 2.

** The above are for Base Salary Only and do not include additional costs for retirement, taxes, or extra-duty.

Board of Education Work Session



TECHNOLOGY ENHANCEMENTS

Technology Audit

- Recreate the **technology device refresh cycle**
- Implement a **long-range budget projection** for technology devices
- **Evaluate the instructional effectiveness** of current technology devices

Focus Groups

- Cabinet
- Special Services
- HS Student Advisory
- Building Administrators
- New/Beginning Teachers
- Elementary Teachers
- Secondary Teachers
- Tech Community Advisory

Financial Analysis

- Evaluate current device expenditure & total cost of ownership (TCO)
- Explore implementation of new technology devices
- Create long-range budget projection w/ refresh cycle

Comprehensive Planning

- Create comprehensive plan for potential implementation of new technology devices
 - Network capability
 - Phased approach
 - Professional Development
 - Curriculum Integration



Current Device Refresh Plan: iPad, Chromebook, Surface Pro, Desktop, Windows Laptop

1	Grade	Device	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33
2	K	iPad	\$172,125.00	-	-	-	\$189,337.50	-	-	-	\$208,271.25
3	1	iPad	-	\$150,000.00	-	-	-	\$227,205.00	-	-	-
4	2	iPad	-	\$160,000.00	-	-	-	-	-	-	\$179,447.40
5	3	Chromebook	-	-	\$156,978.00	-	-	-	-	\$176,061.60	-
6	4	Chromebook	-	-	-	\$160,056.00	-	-	\$172,675.80	-	-
7	5	Chromebook	-	-	-	-	\$163,134.00	0	-	-	-
8	6	Chromebook	-	\$153,900.00	\$156,978.00	\$160,117.56	\$163,319.91	\$166,586.31	\$169,918.04	\$173,316.40	\$176,782.72
9	7	Chromebook	-	-	-	-	-	-	-	-	-
10	8	Chromebook	-	-	-	-	-	-	-	-	-
11	9	Chromebook	\$172,000.00	\$175,440.00	\$178,948.80	\$182,527.78	\$186,178.33	\$189,901.90	\$193,699.94	\$197,573.93	\$201,525.41
12	Staff K-4	Desktop+Mobile	\$10,000.00	\$119,440.00	-	-	\$11,000.00	\$120,000.00	-	-	\$12,000.00
13	Staff 5-12	Surface Pro	-	-	\$187,400.00	-	-	-	\$190,400.00	-	-
14											
15		Device Total	\$354,125.00	\$758,780.00	\$680,304.80	\$502,701.34	\$712,969.74	\$703,693.21	\$726,693.77	\$546,951.93	\$778,026.79
16		Insurance Cost	-	\$67,275.00	\$100,912.50	\$100,912.50	\$100,912.50	\$67,275.00	\$100,912.50	\$100,912.50	\$67,275.00
17		Annual Total	-	\$826,055.00	\$781,217.30	\$603,613.84	\$813,882.24	\$770,968.21	\$827,606.27	\$647,864.43	\$845,301.79
18											

Considerations:

- Year 1 Budget impact = \$826,055
- 8-year Average annual spend = \$764,563.63
- Elementary fully replaced by FY29
- Middle School fully replaced by FY 28
- High School fully replaced by FY 28
- Insurance = 1 replacement/year
- May not address instructional technology concerns received during the audit
- 1,705 Chromebook technology tickets
- Chromebook price to increase approx. 15%



Recommended Device Refresh Plan: MacBook & iPad

21	FY	District Paid (including Residual)	Lease 1	Lease 2				Residual Value
22	FY 26	\$500,000.00	\$500,000.00					
23	FY 27	\$786,245.21	\$204,640.33	\$581,604.88				
24	FY 28	\$786,245.21	\$204,640.33	\$581,604.88	Lease 3	Lease 4		\$295,050.00
25	FY 29	\$769,675.46	\$204,640.33	\$581,604.88	\$278,480.25			\$752,200.00
26	FY 30	\$672,920.25		\$581,604.88	\$278,480.25	\$581,604.88		
27	FY 31	\$746,760.17			\$278,480.25	\$581,604.88	Lease 5	\$295,050.00
28	FY 32	\$825,550.09			\$278,480.25	\$581,604.88	\$300,000.00	\$752,200.00
29	FY 33	\$711,009.76				\$581,604.88	\$300,000.00	
30							\$300,000.00	
31	8-year Average	\$724,800.77					\$300,000.00	

Considerations:

- Year 1 Budget impact = \$500,000
- 8-year Average Annual Spend = \$724,800.77
- Annual Budget amount = \$786,245.21
- Elementary fully replaced by FY 26
- Middle School fully replaced by FY 27
- High School fully replaced by FY 27
- Includes Apple Care+ on all devices
 - 2 replacements/year
- Will address instructional technology concerns received during the audit
- Instructional Technology Support at budget neutral cost
- Apple devices not anticipated to increase in price



FY26 Unknowns

(At This Time)

- Compensation Adjustments combined with Overall Salary Increases
- Changes in Benefits (medical insurance)
 - FY25 Budgeted \$4,305,410
 - FY 26 Anticipated \$5,076,078
 - An additional spend of \$770,668 (17.9%) for the District
 - Current BOE Cap is \$666 per member per month, \$7,992 annually
 - Proposed BOE Cap is \$785 per member per month, \$9,420 annually
- Approved New Staff Requests (Estimated \$230,000 w/o ECSE)
- Department/Building Budgets (supplies, contracted services, materials, technology)
- Cost of Strategic Plan
- Cost of Technology Device Refresh - Elementary
- Implications of SB190 (senior citizen tax freeze)
- PILOT Payment - Data Center - January 2026 ????
- FY26 Tax Rate - 8th year in a row at \$5.0193 - ?????
- Legislative Actions (Open Enrollment, Governor's Budget)
- Enrollment for Summer School and 2025-2026
- Assessed Valuation
- Impact of Tariffs on goods and services/ DOGE
- Career Ladder (60% state / 40% local - Revenue Positive)
- ECSE Expansion (revenue neutral - MOQPK Grant?)



Budget Benchmarks

- End of Legislative Session - May 9
- FY25 Budget Revision - June 19 BOE Meeting
- FY 26 Preliminary Budget - June 19 BOE Meeting



Questions??

