

2024-25 Budget Initial Recommendations

March 28, 2024

Dr. Theresa Battle, superintendent

Agenda

- Timeline
- What's affecting our budget for 2024-2025
- Current reality
- Our approach (values/strategies)
- Proposed Adjustments

Timeline

- **January - February**
 - Board approves FY24 revised budget
 - Board receives report on FY25 budget assumptions and Parameter Options
- **March**
 - Superintendent presents initial budget recommendations to the Board
- **April - May**
 - Staff and community presentations and feedback opportunities
 - Board report on feedback and board work session
- **June 13** - FY25 Adopted Budget presented
- **June 20** - FY25 Adopted Budget approved

Revenue



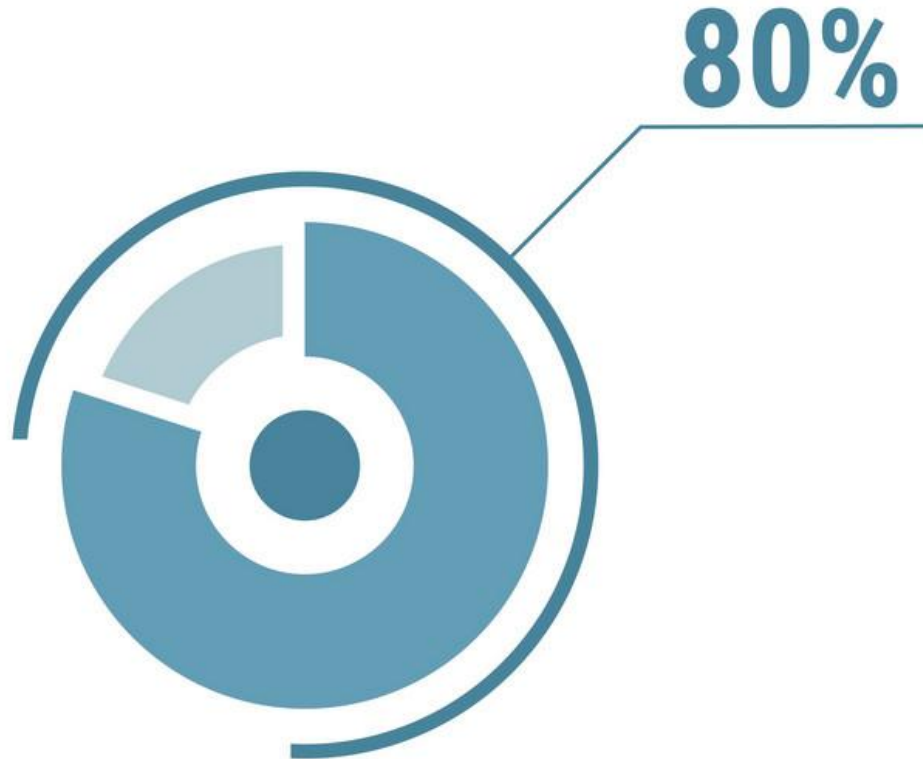
Students we serve

$$\times \text{\$} =$$

State and local
tax dollars per
student served

Total revenue
used to pay
for programs
and services

Expenses



80% of our expenditures are People

- Teachers
- Clerical Staff
- Educational Assistants
- Nurses
- Social Workers
- Cultural Liaisons
- Cooks and Servers
- Principals
- Administration
- Custodians
- Support Professionals

Other expenses: Utilities, transportation, technology, materials & supplies, contracted services.

Restricted Revenue



Technology Levy



Title Funds



Long Term Facility
Maintenance Funds

COVID Relief Funds

\$8.5 million going away

The federal government provided school districts with temporary funding to help respond to and recover from the effects of the COVID pandemic.

District 191 used some of those funds to ensure stability in current programs and some for new, temporary positions specifically in response to student needs through and after the pandemic.



Supplement - \$4.5 million

Lower class sizes K-2

Math interventionists

Credit recovery teachers

Free summer programming



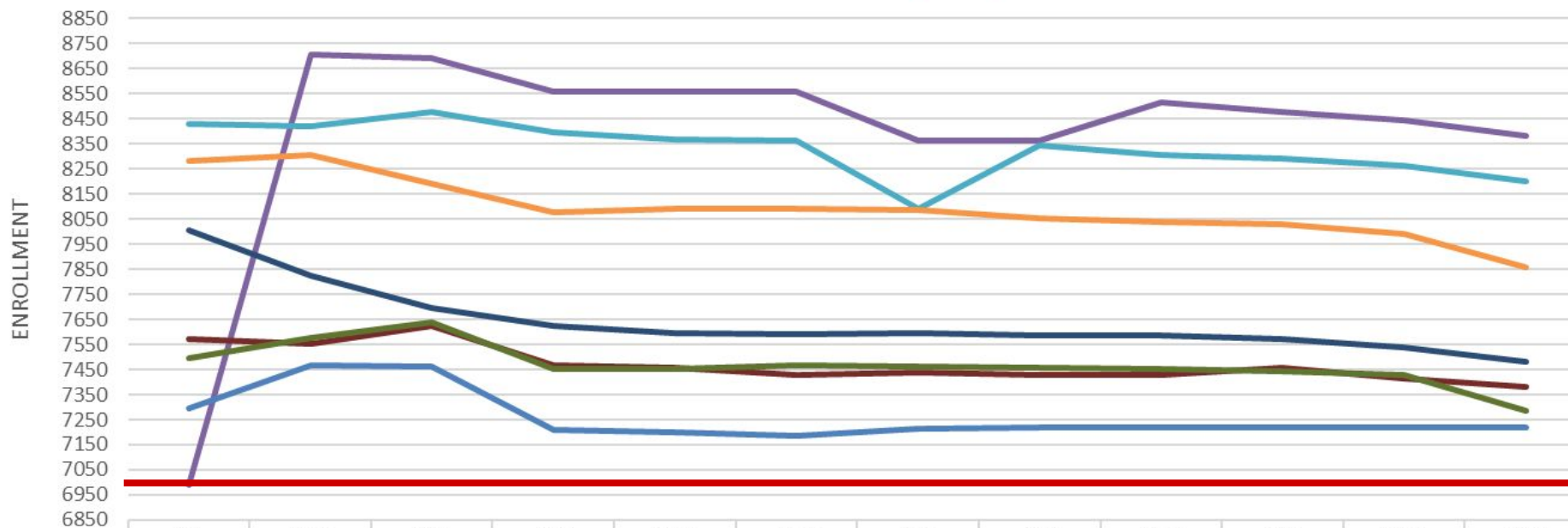
Supplant - \$4.0 million

Cover existing expenses

Help build reserve to provide long-term stability

Enrollment Projections

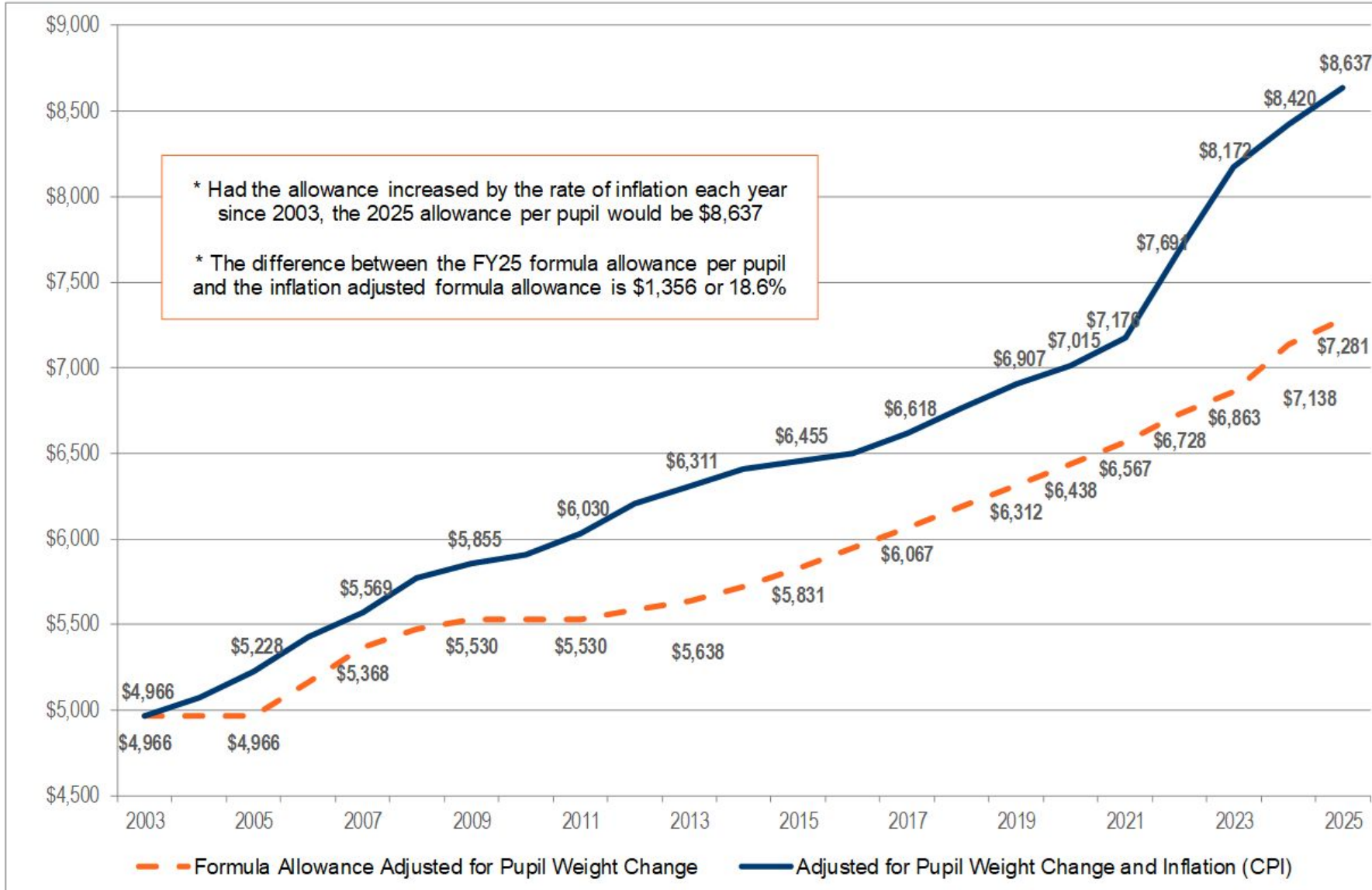
Year Over Year K-12 Enrollment: **FY25 Project 7,000 K-12 Students**



	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
2018	6991	8708	8693	8561	8557	8557	8364	8364	8516	8478	8446	8381
2019	8432	8419	8477	8395	8369	8364	8093	8343	8308	8291	8261	8201
2020	8283	8305	8191	8075	8093	8093	8086	8055	8041	8031	7994	7858
2021	8006	7825	7695	7626	7597	7593	7595	7587	7585	7571	7539	7480
2022	7572	7551	7624	7467	7458	7429	7440	7431	7431	7459	7415	7383
2023	7496	7579	7636	7452	7452	7469	7463	7458	7452	7443	7428	7286
2024	7293	7466	7464	7207	7202	7185	7212	7220	7220	7220	7220	7220

General Education Formula Allowance, 2003-2025

Adjusted for Pupil Weight Change and Inflation (CPI)



Revenue and Expense Changes

Increased Revenue

- 2% or \$143 per student on general aid (approximately \$1 million)
- English Learner (EL):
 - Supplemental aid \$50,000 (flat over FY24).
 - No formula increase per eligible student (over FY24)
- Special Education (SPED):
 - Cross Subsidy \$1.5 million over FY24
- Capital Projects levy:
 - Increase \$500k
- Other miscellaneous new funding (\$500k)

Increased Expenses

- 2.5% increase to salary schedules (\$1.7 million, not including built in increases due to step advancement)
- 18.5% insurance increase (~\$3.0 million)
- 3% transportation increase per 5 year contract (\$300k; does not include increase in costs for activities, athletics, primary age transportation, and mandated needs. Contract has an adjustment clause up to 5% based on Consumer Price Index (CPI))
- Other areas including utilities, supplies, capital, etc with modest inflationary increase (2.5%, \$480,000)

Strategies for Structurally Sustainable Budget

- Prioritize investment for instructional priorities, including PK-12 Pathways
- Maintain current class size parameters (Enrollment Rightsizing)
- Maintain balance in expenditures and revenue for restricted funds
- Use of restricted funds before general undesignated funds
- Understand ebb and flow of revenue streams and expenses

Initial Input Survey Summary

- **Community Input (23 responses as of Feb. 1)**
 - More specialist opportunities (Pathways programming, music, arts)
 - Increased staff compensation
 - Smaller class sizes
 - Targeted student supports (EL, social workers, early grades)
 - Mental health and behavior support
 - Reduce administration
- **Principal Feedback**
 - Non-licensed support for instruction / behaviors
 - Instructional support for Multilingual students
 - Full-time specialists
 - Additional clerical support
 - Smaller class sizes
 - Continued Behavior Analyst support
 - Middle School House model
 - Reading Specialist

Board Parameters

- Maintain Class Size
- Reduce Spending by \$1.7 million
- Reduce Fund Balance by 2%, 2.7 million

General Fund Budget Comparative Summary

	Actual Results 2021-22	Actual Results 2022-23	Adopted Budget 2023-24	Revised Budget 2023-24	Projected 2024-25	Projected 2025-26
Total Beginning Fund Balance	\$ 29,521,880	\$ 32,521,898	\$ 32,474,122	\$ 37,483,214	\$ 44,088,212	\$ 40,900,710
Revenues	126,974,993	132,752,660	148,085,390	151,684,494	152,694,092	154,221,033
Federal Relief Revenues for current costs	3,902,488	4,349,350	3,400,000	4,029,706	-	-
Federal Relief Revenues for new costs	5,443,165	5,172,694	4,829,226	4,472,051	-	-
Expenditures	127,877,463	132,090,694	148,663,759	149,109,202	155,881,594	157,558,042
Federal Relief Expenditures for new costs	5,443,165	5,222,694	4,829,226	4,472,051	-	-
Variance (Revenues - Expenditures)	3,000,018	4,961,316	2,821,631	6,604,998	(3,187,502)	(3,337,009)
Total Ending Fund Balance	\$ 32,521,898	\$ 37,483,214	\$ 35,295,753	\$ 44,088,212	\$ 40,900,710	\$ 37,563,702
Breakdown of Fund Balance Categories						
Nonspendable	\$ 254,436	\$ 603,936	\$ 254,436	\$ 603,936	\$ 503,936	\$ 403,936
Restricted	9,841,890	12,855,738	12,350,354	13,589,347	13,089,347	12,589,347
Committed	1,837,017	1,505,311	1,016,319	1,385,058	1,485,058	1,585,058
Assigned	1,810,980	-	-	-	-	-
Unassigned	18,777,575	22,518,230	21,674,644	28,509,871	25,822,369	22,985,361
Total Ending Fund Balance	\$ 32,521,898	\$ 37,483,214	\$ 35,295,753	\$ 44,088,212	\$ 40,900,710	\$ 37,563,702
Unassigned Fund Balance %	14.08%	16.40%	14.12%	18.56%	16.57%	14.59%

Option 4

- Maintain class sizes (rightsizing)
- Reductions:
 - \$1.7 million in FY25
 - \$3.0 million in FY26
- Unassigned fund balance spend down:
 - \$2.7 million in FY25
 - \$2.8 million in FY26
- Unassigned fund balance percentage decreases:
 - 2% to 16.57% in FY25
 - 2% to 14.59% in FY26
- Board's minimum in policy 8%

FY25 Adopted Budget: Process

- **Each budget manager is responsible for the following:**
 - Review the budget to ensure that all expenditures for 2023-24 school year have been coded correctly or for maximum efficiency
 - Identify priority expenditures
 - Identify any cost savings
 - Make decisions about discretionary funds
- Submit budget adjustments and/or request for additional funding
- Cross-functional team reviews before submission to Superintendent

FY24 Strategies: How we maintain class sizes

- Staffing allocations provided to building principals based on current Board approved class size averages.
 - K-5 average : **24.5** students per class with fewer students in Kindergarten and more in 5th grade classes.
 - 6-8 average : **12** students per FTE*, **19.5** students per average class
 - 9-12 average : **16** students per FTE*, **25.7** students per average class

*secondary program class sizes vary based on course type, external class size restrictions, instructional models, student interest, and graduation requirements.

Elementary Master										
Staffing projection for FY25: 3249, 138 FTE's										
Grade	FTE's	Enrollment	Average		Min	Max	Targ	+/-	Avg	
				orig						
K	27.5	575	20.91	575	K	20	25	22.5	-1.6	20.9
1	24.5	541	22.08	541	1	24	28	26	-3.9	22.1
2	21.5	523	24.33	523	2	25	29	27	-2.7	24.3
3	20.5	530	25.85	530	3	26	30	28	-2.2	25.9
4	22.5	553	24.58	553	4	27	31	29	-4.4	24.6
5	21.5	527	24.51	527	5	28	32	30	-5.5	24.5
				3,249		25	29	24.5	-1	23.5
23	138	3249	23.54							

Rightsizing

Line Item	Adjustment Category and Item Description/ Department	F.T.E.	Budget Unit	Budget Adjustment	Account Code	Rationale and Implications
1.1	Maintaining Class Sizes (K-12)	-22.9	Various	-\$2,689,165.23	Various	Maintaining class sizes based on enrollment
1.2	EL Teacher	4.6	07060	\$529,000.00	01 E 005 219 339 143 000	Additional multi language students with lower levels of English Proficiency
1.3	Special Education Supervisor	-0.5	09010	-\$76,399.70	Various	Realignment within Department
1.4	Elementary Advanced Learning Specialist	4	13030	\$508,094.28	Various	Increase Advanced Learning Specialist positions to 1 per elementary building to provide support for elementary Pathways programming.

Strategic Roadmap

2 Strategic Roadmap						
2.1	Infinity Systems Orgametrics and Equimetrics surveys	0		\$34,000.00		Identify gaps in the organization's alignment toward mission and vision and show us the areas where we can improve.

Initial Budget Adjustments

3 Preliminary Adjustments						
3.1	Elem LVL 3 EA's	7.68	13030	\$412,310.76	Various Compensatory Codes	Instruction / Behavior Support
3.2	Math Interventionist (MS)	2	13030	\$269,485.18	Various Compensatory Codes	Instruction Intervention
3.3	Elementary Classroom Teachers	9	13030	\$1,143,212.13	Various Compensatory Codes	Class size reductions
3.4	Finance Project Manager	0.5	16051	\$52,398.42	01 E 005 110 000 114 111	Coding Changes
3.5	Cultural Liaison	2	Various	\$120,448.18	Various Community Education Codes	Coding changes to Community Education
3.6	Middle School (School within a School)	2.8	10010	\$355,666.00	Various	Maximizing Schedule to fund additional SWAS positions.
3.7	BHS Credit Recovery	2	10010	\$151,894.54	Various	Coding changes to Alternative Learning Center restricted funds
3.8	BHS Boys Volleyball		11020	\$35,000.00	Various	Adding Athletic Programming
3.9	Student Svcs Acct Specialist	1	09010	\$119,618.82	Various	Coding changes to Third Party Billing
3.10	Cultural Liaison	0.5	13020	\$26,067.00	Various	.5 FTE Additional Spanish Cultural Liaison

Maximizing Federal Funding

4	Maximizing Federal Funding					
4.1	Elem LVL 3 EA's	-7.68	21100	-\$412,310.76	Various	Elimination of ESSR Funds June 30, 2024
4.2	BHS Class Size Reduction	-4.5	21100	-\$551,153.57	Various	Elimination of ESSR Funds June 30, 2024
4.3	VA Secondary	-2	21100	-\$208,419.88	Various	Elimination of ESSR Funds June 30, 2024
4.4	Math Interventionist (MS)	-2	21100	-\$269,485.18	Various	Elimination of ESSR Funds June 30, 2024
4.5	Elementary Classroom Teachers	-4	21100	-\$508,094.28	Various	Elimination of ESSR Funds June 30, 2024
4.6	Finance Project Manager	-1	21100	-\$104,796.83	Various	Elimination of ESSR Funds June 30, 2024
4.7	Behavior Analyst	-1	21100	-\$111,986.28	Various	Elimination of ESSR Funds June 30, 2024
4.8	Cultural Liaison	-3	21100	-\$180,672.27	Various	Elimination of ESSR Funds June 30, 2024
4.9	CE Social Services Specialist	-1	21100	-\$12,129.33	Various	Elimination of ESSR Funds June 30, 2024
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\$2,386,560 Million in Reductions in Unassigned

~\$500,000 recoded during budget process in FY24 to maximize remaining ESSR funds and other restricted areas

[Complete List in PDF Format](#)

Recommended Budget FY 25

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Reductions \$2,386,560

Next Steps for Budget Feedback

- March 15: Online feedback survey open, closes April 21st
- March through April:
 - School- & program-level parent meetings
 - Presentation shared with families & staff, multiple opportunities to provide feedback
 - Community presentations offered to all families and public
 - Spanish speaking families March 27, 6:00 p.m. presentation
 - Somali speaking family meeting cancelled due to Ramadan and will be inviting families to attend April 17
 - April 17th, 6 p.m. Diamondhead Education Center

Thank You.