

## MEMORANDUM

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**TO:** NWABSD Board of Education Members

**DATE:** April 30, 2024

**NUMBER:** 24-147

**FR:** Office of the Superintendent

**SUBJECT:** Adoption of FY25 Proposed Operating Fund Budget

### **ABSTRACT:**

The School Board shall establish and maintain a balanced budget.

### **ISSUE:**

At issue is the adoption of the Fiscal Year 2024-2025 Proposed Operating Fund Budget.

### **BACKGROUND AND/OR PERTINENT INFORMATION:**

The FY25 Proposed Operating Fund Budget is being presented for adoption. The preliminary FY25 Operating Fund Budget was reviewed with the Budget Committee in January. Proposed Actions to balance the FY25 Budget were presented and discussed in detail at the budget work session on Wednesday March 7<sup>th</sup> & 8<sup>th</sup>, 2024, and went out to the community for feedback via a survey. The Board held a meeting to review survey results in early April and then held a Budget hearing on April 22<sup>nd</sup> to receive public feedback. The Board of Education and Superintendent created the FY25 Proposed Operating Fund Budget based off the survey results and estimated increases to revenue.

Presented to you for adoption is the FY25 Proposed Operating Fund Budget, which includes:

- Revenue Plan of \$63,879,260
- Expenditure Plan of \$66,535,595
- Transfer to Other Funds in the amount of \$2,316,160
- Use of Fund balance in the amount of \$4,972,495

The FY25 Proposed Operating Budget includes reductions to the overall budget:

- 22.5 Full Time Equivalent positions reduced based on higher Student to Teacher Ratio and other staffing reductions.
- Reductions to grant supplies and software, travel (professional development), and extra duty contracts
- Reductions to District health plan costs – Planning on at least 30 employees to opt out of plan.
- Reduction to meal program – Cut seconds
- Reduction to student activities – Middle School sports
- Reduced curriculum supplies

This Proposed Budget includes the use of estimated fund balance and assumed increases to revenue:

- \$300 increase to Base Student Allocation (BSA) - \$2,067,704
- NANA Contribution - \$1,500,000
- Estimated fund balance - \$4,972,495

At this time, the Board of Education has built the budget to include the items below:

- Breakfast and Lunch provided to all students
- High School Student Activities district wide
- Classroom sizes will remain the same

*Further reductions may be needed if revenue and fund balance actuals differ from projections*

The District Administration will continue to look for revenue sources to pay for these important programs.

**ALTERNATIVES:**

1. Adopt the FY25 Proposed Operating Fund Budget as presented;
2. Disapprove the FY25 Proposed Operating Fund Budget as presented;
3. Take no action.

**ADMINISTRATION'S RECOMMENDATION:**

The administration recommends the Board adopt the FY25 Proposed Operating Fund Budget as presented.