

CROSSLAKE

COMMUNITY SCHOOL

12.11.24

FY25 Budget Changes

Enrollment

ADM was increased to 490 based on current student numbers. This still gives a cushion since our current ADM is at 497. We also have a waitlist of 45.

Revenue

State per pupil amounts have been updated to reflect the most updated information from MDE.

Two buckets of READ Act funding have been added per MDE.

We chose not to increase our interest revenue budget, although we know the CDs will earn ~3% of \$1,000,000, or approximately \$30,000 in FY25.

Overall, General Fund revenue increased by ~\$470k from our original budget.

Expenditures

Salaries

Position updates

Online Math Teacher and Learning Coach increase .2 FTE

District Technology Manager increased salary

Online Learning Coach new 1.0 FTE

Lead Seat-Based Para position - increase wages by \$2/hr.

Increased Custodian hours from 3 to 5 per week

Online Seminar Teacher – new .5 FTE

New Positions in the budget which are currently open

Executive Director – 1.0 FTE interviewing

Online Reading Interventionist 0.5 FTE - interviewing

Online Math Interventionist 0.5 FTE - interviewing

Engagement Coordinator – 1.0 FTE on hold

Online MTSS Lead – 0.5 FTE on hold

Total Gen. Ed. salaries increased by ~\$217k from our original budget.

Benefits – increased percentage based on actual billing and amount spent last year.

Total Gen. Ed. benefits increased by ~\$136k from our original budget.

Contracted Services

Added \$20k for ReGroup (covered by Student Support Revenue)

Added \$3,500 for Creative Planning 990 tax prep

Repairs and Maintenance

Shifted \$5k to Equipment for purchase of lawn mower.

Added \$2k for as needed repairs.

Transportation budget has been increased per Crosby-Ironton to \$500/day. Will investigate other bids to ensure we are paying market price.

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Lease expense has been adjusted based on 490 ADM (offset by lease aid)

Added \$15k to Instructional Software for additional cost due to increased student count

Increased Library Aid from \$20k to \$40k due to unspent funds from last year.

Overall, General Fund expenditures increased by ~\$570k from our original budget.

Since the overall revenue increased by ~\$470k, this leaves us a deficit of ~\$98k for the year.

FY25 summary:

- a) Enrollment increased which brings in more revenue.
- b) Enrollment increase also creates more expenditures, mainly around staffing.
- c) Transportation unexpectedly increased for the year.
- d) The board approved hiring an ED this year as an investment in the school's future.
- e) This budget does not include any one-time stipend payouts.
- f) The finance committee is looking for approval of the FY25 working budget as presented.

Fund Balance

At the end of FY24, our fund balance was \$2,462,616, or 34% of total expenditures. ERC funding makes up \$303,851 of this amount which the board has chosen not to spend.

The FY25 working budget projects a net loss for the year of \$(98,154). This result would bring our ending fund balance to a total of 31.6% of expenditures, our 27.6% excluding the ERC set-aside.

The board approved fund balance policy states the school will strive to maintain a 23% fund balance.

Long Range Budget Scenarios

Pending Decisions

- a) One-time stipend payouts (based on last year's surplus)
- b) Pay scale changes
- c) Lifting of the enrollment cap

Considerations

The board approved fund balance policy states the school will strive to maintain a 23% fund balance.

Assuming our enrollment cap remains, the current budget does not allow for both a pay scale update and stipend payouts while remaining in compliance with our fund balance policy.

Determining Priorities

With a 5% pay scale increase, the maximum stipend payout we can do is \$100,000.

If we left the pay scale at a 2% increase, we could do a maximum stipend payout of \$250,000.

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If our enrollment cap is lifted, we would need an ADM of 576 in FY26 to afford both the 5% pay scale increase and stipend payout of \$400,000, which was our surplus from the prior year.

FY26 ADM	FY26 Pay Scale Increase	FY25 Stipend Payout
490	5%	100,000
490	2%	250,000
576	5%	400,000

Before making any decisions, the board should decide which is the top priority, and the comfort level of future enrollment projections.

Below is a summary of key metrics given certain scenarios. Creative Planning can run additional scenarios as needed with the direction of the board.

FY26 ADM	Pay Scale Increase	Stipend Payout	Fund Balance Percentage End of FY26
490	2%	\$250,000	23.1%
490	5%	\$100,000	23.0%
576	5%	\$400,000	23.2%
690	5%	\$400,000	25.4%