

MID-BUCHANAN R-V SCHOOL DISTRICT

Our Mission:

*TO PREPARE ALL STUDENTS TO BECOME SUCCESSFUL, PRODUCTIVE
CITIZENS THROUGH LEARNING EACH DAY*

Budget for Fiscal Year 2022-23



Presented by Jay Albright, Superintendent

Proposed to the Mid-Buchanan R-V Board of Education September 19, 2022

Mid-Buchanan R-V School District 2022-23 Fiscal Year Budget Message

TABLE OF CONTENTS

Letter of Transmittal

Budget Message

Instructional Plan

Revenue Projections

Expenditure Projections

Three Year Trend by Function and Object

Comparison by Fund

Board of Education
Mid-Buchanan R-V School District
Faucett, MO 64448

Dear Board of Education,

Submitted herein is the proposed budget plan for the 2022-23 fiscal year. The district budget is a working document and will change as times moves forward. Financial goals will remain focused on ensuring a quality learning experience for ALL students, as well as moving forward as a district to meet all CSIP goals.

It must be recognized that this budget is based on the best available information at the time of preparation.

As your Superintendent of Schools and Budget Officer, I recommend the adoption of this preliminary budget for the 2022-23 school year.

Respectfully,

Jay Albright
Superintendent of Schools

BUDGET MESSAGE

The following budget message is intended to provide an overview of the anticipated revenue and expenditures for the 2022-23 fiscal year, with clarification given for areas of large deviation from recent years. The largest deviations within this budget lie within debt service. With the passage of the \$8,000,000 bond proposal, Proposition Dragons, the budget will look a lot different this upcoming year as the impact of these funds will adjust what the Board is used to seeing. We will also be seeing an increase in salaries with the addition of an elementary staff member along with the very much appreciated salary increases for next year that were approved by the Board in April.

The district started the current fiscal year with a reserve balance of 45.09%. As has been discussed over this past year; there does not seem to be any reason to consider adding to the reserve balance for the future. I believe the district is in a position to actually utilize a portion of the reserve balance, as needed, with the goal of not going below 30%.

The budget is a map to guide the fiscal resources of the District to help ensure that the district is pursuing all possible revenue streams and ensuring expenditures are made in such a manner as to improve the educational programs of the Mid-Buchanan R-V School District.

INSTRUCTIONAL PLAN

Current 2022-23 school year enrollment figures:

High School Enrollment:	405
Elementary School Enrollment:	470
Total:	875

Educational and support staff for the 2022-2023 school year consists of the following positions:

5	Administrators
4	Directors – Technology, Maintenance, Special Services, Food Service (OPAA)
1	Technology Instructional Implementer
32	Elementary School Teachers
29	High School Teachers
2	Counselors
1	Licensed Clinical Social Worker (shared with East Buchanan)
2	Nurse’s Office
10	Para Professionals (includes preschool paras)
6	Secretaries
7	Custodians/Maintenance (1 is part time)
4	Food Service
103	TOTAL

Contracted personnel support for the 2022-23 school year includes:

The District will continue to utilize contracted services for Student Transportation, Food Service, Physical Therapy, Occupational Therapy, Parents as Teachers and Speech Services.

Professional learning opportunities for staff are encouraged and valued. At this time, many of the professional learning opportunities for the staff, overall, are focused on the use of instructional technology to enhance learning and to better understand where students are in their learning through formative assessment technology tools. Mrs. Fritz is an enormous part of building teacher capacity as it relates to instructional technology. Each building principal and the special services director have planned for next year's late start PD days to reflect the building level needs respectively. Teachers are also encouraged to pursue other outside learning opportunities that are meaningful for their own growth as long as it aligns to the district's mission. The district will once again offer summer curriculum writing work days for teachers that would like to do so. We will pay the teachers for this time.

The District will continue to support Career and Technical Education by providing learning opportunities through Hillyards in St. Joseph. Mrs. Raines, HS Counselor, has done a great job of supporting those students that are interested in that experience.

We recognize the district may once again receive MOCAP requests for students wanting to pursue virtual education opportunities through this platform. This past year we only had two students that engaged in MOCAP courses. I have arbitrarily budgeted \$6,000 for this possible expenditure.

REVENUE PROJECTIONS

LOCAL –Based upon the tax levy approval by the Board of Education, I am estimating local tax revenue as follows:

- Current Assessed Valuation = \$81,596,377
 - Incidental Fund (fund 1) @ 3.0872 = \$2,519,043
 - Debt Service (fund 3) @ .9000 = \$734,367
 - Capital Improvements (fund 4) @ 1.5000 = \$1,223,945
 - TOTAL Local Tax Projection = \$4,477,355 (assuming 100% collection rate)

Prop C funding continues to remain strong with spending in the state being high. This revenue is based upon our ADA calculation multiplied times the state allocation per ADA. Currently, DESE is projecting Prop C to be allocated at \$1,259 per ADA. Currently, our ADA is at 737 and using DESE's projection at 98% (\$1,233 per ADA). I am projecting Prop C to come in at approximately \$908,721 for the 2022-23 school year. This revenue stream is dedicated to fund 2 (teacher's fund).

With the major food service change this year, the projections regarding local food service revenue are somewhat uncertain as we get into the school year and see how our participation numbers are looking. I am going to keep the projected food service revenue numbers the same as what was

presented in the preliminary budget back in June. Budget amendments will be presented within a few months once more food service participation information is available.

Student activity fund balances carry-over from year to year so what is not spent in one year may be spent in the next. This is an area that is tough to project as these are fiduciary funds at the discretion of the activity.

Pre-School tuition and Athena also fall within the local revenue stream. I am estimating these two revenue streams to bring in approximately \$201,000.

Our MoSIP investment account and bank accounts are now seeing a resurgence in interest rates for more return on the invested funds. With the current bond issue proceeds also being held in the bank at this time, we will see a larger amount of interest earned on invested funds between MoSIP and our local bank this year. I am going to estimate our annual interest earned at approximately \$75,000.

2022 Series Bond Proceeds: In early August the sale of our bonds was completed. The bonds were sold at a premium thus bringing in additional revenue above the \$8,000,000 bond. Selling the bonds at a premium brought in an additional \$560,622.25, but there were bond issuance fees of \$106,200 taken off of the top prior to the bond receipts being deposited into the bank. The total amount deposited into the bank account for these projects was \$8,454,422.25.

COUNTY - Revenue from Fines, Forfeitures, Etc. and Railroad & Utilities have been budgeted for the 2022-23 fiscal year at \$331,000.

STATE – For the FY23 budget, DESE has our ADA at 737. Currently, DESE is using \$6,300 for the state adequacy target calculation, which is supposed to reach \$6,375. At this time, I am using the \$6,300 calculation to project our state formula funds to equate to approximately \$2,658,812. The recommendation is that all state formula revenue go into fund 2.

Classroom Trust Fund (gaming money) is also a state revenue stream calculated on our WADA, currently at 762. DESE is projecting Classroom Trust to be allocated at \$429 per ADA. For budgeting purposes, I am using \$421 (98% of DESE projections) per WADA (762 x \$421 = \$320,802). My recommendation includes placing \$72,676 of classroom trust revenue into fund 2 and \$248,126 into fund 4.

The state budget approved by legislators this session has for the first time since 1991 included trying to fully fund transportation. If this holds true, I am estimating this revenue to be approximately \$150,000. However, the new fiscal year transportation proration's will not be released from DESE until October. This is an area that could see a budget amendment this fall.

The district has received around \$50,000 over the past several years from the high needs fund state revenue stream. I am projecting the same, but I feel this is possibly conservative as the district has brought on more high needs staff support positions.

The district received verification of a DESE CTE Enhancement Grant this coming year to help support the greenhouse project. I am budgeting this revenue at \$46,000.

FEDERAL - The Federal revenue area is comprised of several entitlement areas such as IDEA Part B and Title programs. These two federal revenue streams allow us to help support the special education program and our Title reading and math programs. My projection for these two revenue streams for 2022-23 is a combined total of \$268,715 (\$164,902 IDEA Part B; \$103,813 Title funding).

ESSER III funding will still be available for the upcoming 2022-23 school year. As you may remember, these funds were allocated into teacher salaries, licensed clinical social worker salary and benefits, and replacement of HVAC units per the Board approved HVAC rotation plan. I am estimating this revenue stream will bring in approximately \$240,000 during the 2022-23 fiscal year.

OTHER - Additional revenues to the District include tuition paying students. This is an area that has seen an increase over the past two years. I am estimating we will have around 10 tuition paying students for the start of next year. This would be an estimated revenue stream of \$75,000.

FOOD SERVICE – This is an area that will be interesting to see where we go as we transition out of all students eating for free. I have reviewed multiple years of what this revenue stream looked like prior to all students eating free, but this was also our time prior to using OPAA as our food service contractor. I am going to start by estimating total local, state, and federal food service revenue at approximately \$258,600.

EXPENDITURE PLAN

STAFFING:

Salaries and benefits will see an increase due to the addition of another elementary teaching position and the impact of the Board's awesome support of a 2.74% increase for all certified and classified positions; adding \$500 to the masters and specialist column on the pay scale, and the addition of \$50 per column on the pay scale. I am estimating that salary and benefit expenses will equate to approximately \$6,362,142 (object codes 6100 and 6200) for the 2022-23 fiscal year. This includes the proposed Career Ladder expenses detailed below.

CAREER LADDER:

Pending Board approval of the Career Ladder program, I have projected that total expenses for the career ladder are approximately \$272,000. If the state is able to keep to its investment of 60% of this expense; then our investment, at 40%, would be approximately \$108,800 for the program; approximately \$39,440 for retirement; and \$3,946 for Medicare (we have to pay 100% of the retirement and Medicare costs). Our total investment is estimated to be \$152,186.

PURCHASED SERVICES: The District will pay \$2,250 to Hillyard Technical Center for each of our students to receive vocational education. We currently have 20 students attending, which will cost the district approximately \$45,000 prior to any Perkins allocation reduction. This is a fund 2 expense.

Transportation has been budgeted at \$484,000. A sizable increase to the transportation budget is reflective of new driver pay rates and the sharp increase of fuel we are currently seeing.

As we enter our 4th year of the food service agreement with OPAA, I have budgeted our total food service investment at approximately \$452,550. However, being now several weeks into the new school year, we are seeing a decrease in student lunch and breakfast participation since the free lunches for all program is over. This may be an area where we could potentially see a decrease in expected expenditures.

MATERIALS AND SUPPLIES: Material and supply expenditures include instructional supplies, all student activity expenses, library materials, building and district office supply expenses, transportation supplies (including fuel), food supplies, and plant materials (inclusive of general supplies, electricity and gas).

TECHNOLOGY: The Board approved Mr. Powell's technology budget back in April. But, as a reminder the primary expense is coming from the first replacement cycle of Chromebooks. This single expense is estimated at \$111,320 (242 units). Software is the next largest expense within the technology budget with an estimated investment of \$104,098. This includes all of the district level platforms (Tyler, SisFin, Tyler Pulse) and the implementation of the NWEA assessment platform.

STUDENT ACTIVITIES: The district is dedicated to providing quality equipment for the needs of our activity and athletic programs. The district traditionally spends approximately \$300,000 annually on activity and athletic programs. This amount includes the extra duty salaries and benefits associated with our coaches and activity sponsors. This year's uniform rotation encompasses replacements for HS wrestling and JH volleyball.

EQUIPMENT/CAPITAL PROJECTS: As of the presentation of the 2022-23 preliminary budget, multiple improvement projects are in motion with others still up for consideration. Below is a bulleted list of completed summer projects along with projects for this year (aside from the bond projects) for the Board's consideration.

Completed Summer 2022 Projects

- Grandstand addition – total estimated cost = \$138,232...insurance payment from damaged bleachers = \$47,504...net cost to the district = \$90,728
- Grandstand concrete pad = \$36,750
- Carpet to tile in 3 classrooms and Dragons Den – \$18,421.88
- Back road expansion to prep for upcoming construction - \$40,635
- Roof System Upgrades for summer of 2022 – remaining balance \$76,000
- Dragons Den Remodel - \$66,532
- Finish epoxy hallway floors in the elementary; polish two classroom concrete floors;

- remove band room carpet tiles and polish concrete floor = \$28,266
- Land Purchase – \$42,009 (includes title closing costs)
- New Fence in front bussing area - \$11,380
- Concrete Maintenance shed and apron – \$29,714
- Trench drain installed in front of the AG shop – estimated at \$6,915
 - Completed Summer Projects Total = \$447,350.88

*Projects recommended this year (outside of bond issue projects) *

- Greenhouse = estimated at \$200,000 (\$30,000 deposit submitted)
- Adding overflow parking lot on west side of property – estimate still needed
- Tier 2 playground upgrades

DEBT SERVICE: Debt service payments (fund 3) this year will be \$627,698.06. Our debt service levy of \$.90 captures these funds from local taxes.

- 2015 Series - \$10,525 towards interest.
- 2017 Series - \$360,000 towards principal; \$36,317.50 towards interest
- 2022 Series – (new \$8,000,000 bond) We will pay an interest payment of \$220,855.56 in March of 2023.
- Other fees associated with debt service are estimated at \$2,000 (UMB fees).

LEASE PURCHASE: 10 cents are captured from the local tax levy to make payments on the \$750,000 lease purchase that the district entered into last year. This year we will pay a total of \$91,775 towards the lease (this is a fund 4 expense...not debt service).

- Principal \$75,000
- Interest \$16,775
- Other fees associated with the lease purchase are estimated at \$1,100 (UMB fees).

FUND TRANSFERS: This preliminary budget would allow for the Board’s consideration of the following fund transfers within the 2022-23 school year.

- Fund 1 to Fund 4 = approximately \$339,000
- Fund 1 to Fund 2 = approximately \$250,000

*It is estimated that with the recommended end of year transfers, that the district’s reserve balance would end the current fiscal year at approximately 38.6%. See ‘Comparison by Funds’ sheet for more details.

New information is received regularly in reference to local, state and federal revenues. Accordingly, the budget must be reviewed monthly to assure that the District is operating in a wise fiscal manner.

In summation, it appears that the Mid-Buchanan R-V School District will be able to continue to provide the students of our district with a quality educational program. The Board of Education and school community should be optimistic about our future. Many improvements are being made to upgrade facilities for the longevity of the district. The district is also going to be focused on increasing staff capacity to support student learning and growth. This year will also encompass conversations about adding several staff members per the new CSIP plan.

GO DRAGONS!!!

COMPARATIVE BUDGET SUMMARY INFORMATION BY FUND

FY 2020-21	General Fund	Teachers Fund	Debt Service	Capital Improvements	Total All Funds
Opening Balance	2,532,695.68	204,836.84	754,253.33	356,333.41	3,848,119.26
FY Revenue Collection	4,516,038.00	4,091,944.00	711,185.00	762,185.00	10,081,352.00
FY Expenditures	3,002,708.00	4,595,731.00	822,160.00	878,600.00	9,299,199.00
Transfers		710,000.00		326,000.00	
Ending Fund Balance	3,018,496.00	411,049.00	643,278.00	557,448.00	4,630,271.00
Unrestricted Reserve	45.13%				

FY 2021-22	General Fund (1)	Teachers Fund (2)	Debt Service (3)	Capital Improvements (4)	Total All Funds
Opening Balance	3,007,588.00	412,461.00	643,278.00	566,943.00	4,630,270.00
FY Revenue Collection	4,742,167.98	4,469,542.10	777,422.80	566,957.22	10,556,090.10
FY Expenditures	3,398,162.12	4,844,518.92	903,778.50	904,119.81	10,050,579.35
Ending Fund Total	1,344,005.86	-374,976.82	-126,355.70	-337,162.59	505,510.75
Transfers (from 1)		400,000.00		319,498.00	
Balance after transfer	624,507.86				
Ending Fund Balance	3,632,095.86	437,484.18	516,922.30	549,278.41	5,135,780.75
Unrestricted Reserve	49.37%				

PROJECTED FY 2022-23	General Fund (1)	Teachers Fund (2)	Debt Service (3)	Capital Improvements (4)	Total All Funds
Opening Balance	3,632,588.00	437,484.00	516,922.00	549,278.00	5,136,272.00
FY Revenue Collection	3,661,001.00	4,654,702.00	868,593.00	10,334,425.00	19,518,721.00
FY Expenditures	3,379,901.00	5,311,318.00	629,699.00	9,666,510.00	18,987,428.00
Ending Fund Total	281,100.00	-656,616.00	238,894.00	667,915.00	531,293.00
Transfers (from 1)		250,000.00		339,000.00	
Balance after transfer	-307,900.00				
Ending Fund Balance	3,324,688.00	30,868.00	755,816.00	1,556,193.00	5,667,565.00
Unrestricted Reserve	38.60%				