



*The Helena Public Schools educate, engage, and empower each student to maximize his or her individual potential with the knowledge, skills and character essential to being a responsible citizen and life-long learner.*

## Board of Trustees Budget and Finance Committee

January 10th, 2023 – 12:00p.m.

Lincoln Center

1325 Poplar St., Helena, MT, 59601

and via TEAMS

Members of the public are able to attend remotely by clicking here:

[Click here to join the meeting](#)

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### AGENDA

- I. CALL TO ORDER / INTRODUCTIONS
- II. **GENERAL PUBLIC COMMENT:** *This is the time for comment on public matters that are not on the agenda. Public matters do not include any pending legal matters, private personnel issues or private student issues. Please do not attempt to address such issues at this time or you will be ruled out of order. The Board cannot enter into a discussion during General Public Comment.*
- III. REVIEW OF AGENDA
- IV. REVIEW OF THE 12.13.22 BUDGET AND FINANCE COMMITTEE MINUTES
- V. ITEMS FOR INFORMATION/DISCUSSION
  - A. Budget to Actual Reports
  - B. Five Year Budget Forecast
- VI. BOARD COMMENTS
- VII. ADJOURNMENT



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Board of Trustees  
Budget and Finance Committee  
Lincoln Campus  
And via Microsoft Teams  
Tuesday, December 13th, 2022 – 12:00pm

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## MINUTES

### ATTENDEES

#### Trustees:

Janet Armstrong, Committee Chair  
Kay Satre, Committee Member  
Terry Beaver, Committee Member

#### Others:

Lona Carter, School Health Grant Facilitator  
Todd Verrill, Facilities Director  
Keri Mizell, Human Resources Director  
Barb Ridgway, Chief of Staff  
Janelle Mickelson, Business Manager &  
District Clerk  
Josh McKay, Assistant Superintendent 6-12  
Brian Cummings, Assistant Superintendent  
K-6  
Gary Myers, Director of Educational  
Technology  
Joslyn Davidson, Curriculum Administrator  
Jane Shawn, HEA President  
Candice Delvaux, Executive Assistant  
Erika McMillin, Social Services Coordinator  
Karen Ogden, Communications Specialist

## I. CALL TO ORDER

Committee Chair, Janet Armstrong, called the meeting to order at 12:00 p.m.

**II. GENERAL PUBLIC COMMENT**

There was no general public comment.

**III. REVIEW OF AGENDA**

No changes were made to the agenda.

**IV. APPROVAL OF MINUTES**

The committee reviewed and approved the 11.08.22 Budget and Finance Committee Meeting Minutes.

**V. ITEMS FOR INFORMATION/DISCUSSION**

**A. Budget to Actual Reports**

Mrs. Janelle Mickelson, Business Manager and District Clerk for Helena Public Schools, reviewed the budget to actual reports for the elementary general fund and high school general fund with the committee. Mrs. Mickelson mentioned that she is watching the utility budget closely-electricity in particular. The committee moved on to discuss any known future impacts to the budget.

**B. Any Known Future Impacts to the Budget**

The committee discussed any known future impacts to the budget. The committee discussed that NorthWestern Energy may add another increase to electricity costs and there may be an increase in gas costs through Commercial Energy after June of 2023. Mrs. Mickelson mentioned that salaries will impact the budget and the supply chain may have an affect on supplies, technology, and maintenance.

**C. HS ANB Numbers Update**

Mr. Josh McKay, Assistant Superintendent 6-12, discussed that there were no major changes to the HS ANB numbers and the next count will take place in February 2023.

**D. Spring Levies Discussion**

The committee discussed the spring levies. Mrs. Mickelson mentioned that during the last spring levy discussion we were not looking at a high school general fund levy because based on the numbers we could not run one. However, we do not know

what the legislature is going to do so Mrs. Mickelson recommended it may be best to call for the high school general fund levy just in case, and we could cancel it if it was not needed.

**VI. BOARD COMMENT**

Mrs. Armstrong concluded by mentioning at future meetings the budget committee would be discussing budget proposals for 2023-2024, long term budget proposals, ways to reduce expenses, and reviewing the five-year forecast in January or February of 2023.

**VII. ADJOURNMENT**

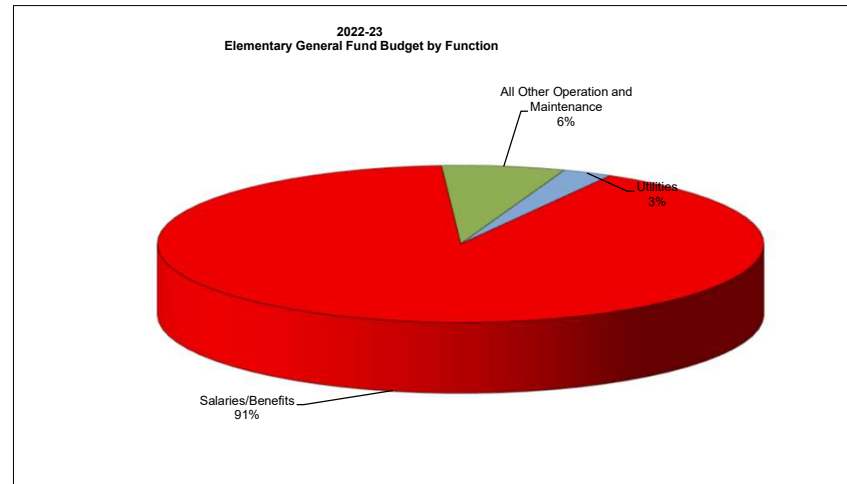
Ms. Armstrong adjourned the meeting at 12:17 p.m.

**HELENA SCHOOL DISTRICT NO. 1  
FINANCIAL REPORT FOR 12/31/2022  
ELEMENTARY GENERAL FUND**

Account	Beginning	Annual	Year-to-Date	Budget	% Budget
Description	Budget	Budget (after transfers & amendments)	Expended & Encumbered	Balance	Left
Administrative Salaries	\$ 2,528,416	\$ 2,528,416	\$ 2,424,301	\$ 104,115	4.1%
Educator Salaries	20,732,003	20,732,003	20,918,492	(186,490)	-0.9%
Professional Salaries	3,036,032	3,036,032	3,086,442	(50,410)	-1.7%
Technical Salaries	2,198,523	2,198,523	1,719,090	479,432	21.8%
Clerical Salaries	1,276,977	1,276,977	1,227,112	49,865	3.9%
Service Worker Salaries	2,152,317	2,152,317	2,218,621	(66,304)	-3.1%
Para Professional Salaries	2,553,574	2,553,574	2,550,459	3,115	0.1%
Guest Educator Salaries	397,371	396,371	189,334	207,037	52.2%
Substitute Clerical Salaries	1,500	1,500	5,350	(3,850)	-256.7%
Substitute Service Worker	30,000	30,000	33,863	(3,863)	-12.9%
Substitute Para Salaries	20,000	20,000	36,227	(16,227)	-81.1%
Overtime	22,177	22,177	29,726	(7,550)	-34.0%
Sabbatical Leave Salaries	68,589	68,589	68,277	312	0.5%
Coaching Salaries/Stipends	98,550	98,550	76,041	22,509	22.8%
Termination Pay	300,000	300,000	45,770	254,230	84.7%
Admin TSA Employer Match	16,000	16,000	9,485	6,515	40.7%
Workers' Comp/Benefits	274,380	274,380	207,969	66,410	24.2%
Crafts Benefits	32,000	32,000	21,878	10,122	31.6%
Cell phone stipends	46,305	46,305	11,820	34,485	74.5%
Contracted Services	453,952	452,452	254,639	197,813	43.7%
Gas	308,710	308,710	60,999	247,711	80.2%
Electricity	533,710	533,710	205,421	328,289	61.5%
Water	110,255	110,255	98,345	11,910	10.8%
Sewer	54,490	54,490	33,626	20,864	38.3%
Garbage	41,450	41,450	16,437	25,013	60.3%
Repair and Maintenance	29,495	29,495	32,173	(2,678)	-9.1%
Rental	59,565	59,565	66,144	(6,579)	-11.0%
Instructional Field Trips	13,850	13,850	915	12,935	93.4%
Liability/Other Insurance	265	265	2,314	(2,049)	-773.3%
Postage	15,675	16,175	4,673	11,502	71.1%
Advertising	12,455	12,455	1,643	10,812	86.8%
Printing	173,710	182,710	97,577	85,133	46.6%
Extracurricular Team Travel	400	400	368	32	8.0%
Travel	57,792	57,792	37,375	20,416	35.3%
Professional Development/Meetings	92,010	93,010	14,508	78,502	84.4%
Supplies	1,309,649	1,302,009	290,195	1,011,814	77.7%
Books	74,905	91,373	63,344	28,029	30.7%
Periodicals	27,200	26,840	5,445	21,395	79.7%
Minor Equipment	71,057	71,057	11,979	59,079	83.1%
Major Equipment & Construction	62,000	62,000	-	62,000	100.0%
Dues and Memberships	43,725	43,725	35,276	8,449	19.3%
Contingency	154,461	137,993	-	137,993	
<b>Total Budget</b>	<b>\$ 39,485,494</b>	<b>\$ 39,485,494</b>	<b>36,213,655</b>	<b>\$ 3,271,840</b>	<b>8.3%</b>

Budget Transfers

From	To	Amount	Reason
Superintendent Contingency	Elementary Schools	\$16,468	K-5 Library Supplement

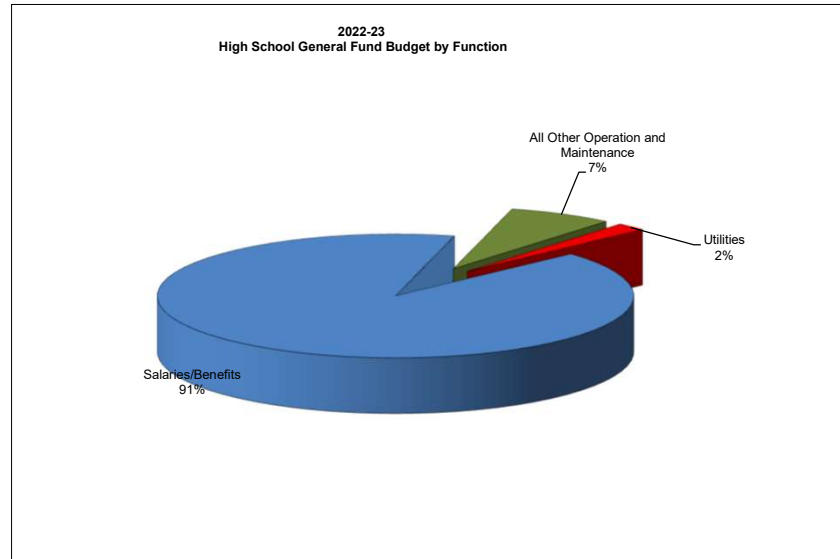


**HELENA SCHOOL DISTRICT NO. 1  
FINANCIAL REPORT FOR 12/31/2022  
HIGH SCHOOL GENERAL FUND**

Account	Beginning	Annual Budget	Year-to-Date Expended & Encumbered	Budget Balance	% Budget Left
Description	Budget	(after transfers)	Encumbered	Balance	Left
Administrative Salaries	1,180,050	1,180,050	1,229,255	(49,205)	-4.2%
Educator Salaries	13,023,983	13,023,983	13,124,521	(100,538)	-0.8%
Professional Salaries	1,393,508	1,393,508	1,434,922	(41,414)	-3.0%
Technical Salaries	911,980	911,980	866,420	45,560	5.0%
Clerical Salaries	1,049,091	1,049,091	1,042,735	6,356	0.6%
Service Worker Salaries	941,367	941,367	956,573	(15,206)	-1.6%
Para Professional Salaries	236,601	236,601	288,113	(51,512)	-21.8%
Guest Educator Salaries	387,495	387,495	112,560	274,935	71.0%
Substitute Clerical Salaries	7,800	7,800	7,628	172	
Substitute Service Worker	10,000	10,000	18,759	(8,759)	-87.6%
Substitute Para Salaries	11,200	11,200	1,597	9,603	85.7%
Overtime	22,140	22,140	16,812	5,328	24.1%
Sabbatical Salaries	84,581	84,581	84,581	-	0.0%
Coaching Salaries/Stipends	622,777	622,777	525,413	97,363	15.6%
Administrator TSA Employer Match	10,000	10,000	11,115	(1,115)	-11.2%
Termination Pay	380,000	380,000	19,374	360,626	94.9%
Workers' Comp/Benefits	138,733	138,733	110,646	28,087	20.2%
Crafts Benefits	16,000	16,000	11,365	4,635	29.0%
Cell phone stipends	23,441	23,441	6,057	17,384	74.2%
Contracted Services	312,505	312,505	150,789	161,716	51.7%
Gas	196,401	196,401	59,975	136,425	69.5%
Electricity	341,261	341,261	131,795	209,466	61.4%
Water	43,265	43,265	41,416	1,849	4.3%
Sewer	33,280	33,280	18,346	14,934	44.9%
Garbage	28,660	28,660	12,536	16,124	56.3%
Repair and Maintenance	27,351	27,351	21,139	6,212	22.7%
Rental	32,034	32,034	16,771	15,263	47.6%
Instructional Field Trips	4,390	4,390	5,433	(1,043)	-23.8%
Liability/Other Insurance	1,500	1,500	41	1,459	97.2%
Postage	18,851	18,851	7,105	11,746	62.3%
Advertising	12,675	12,675	864	11,811	93.2%
Printing	106,886	106,886	37,126	69,760	65.3%
Travel	28,065	28,065	21,566	6,499	23.2%
Professional Development/Meetings	61,194	61,194	10,984	50,210	82.1%
Extracurricular Travel	251,892	251,892	115,878	136,014	54.0%
Supplies	649,425	649,425	225,256	424,169	65.3%
Books	90,615	90,615	16,436	74,179	81.9%
Periodicals	6,723	6,723	839	5,884	87.5%
Minor Equipment	92,018	92,018	13,234	78,784	85.6%
Major Equipment	12,500	12,500	-	12,500	100.0%
Dues and Memberships	34,385	34,385	24,452	9,933	28.9%
Contingency	96,242	96,242	-	96,242	100.0%
<b>total budget</b>	<b>\$ 22,932,863</b>	<b>\$ 22,932,863</b>	<b>\$ 20,800,425</b>	<b>\$ 2,132,438</b>	<b>9.3%</b>

**Budget Transfers**

From	To	Amount	Reason
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## METHODOLOGY BEHIND RECAP

### Methodology to calculate ANB:

- For FY 2023-24 through 2027-28, adjusted the District's internal enrollment projections as follows:
  - Added 40 students to ninth grade each year
  - Subtracted 10 students from the tenth and eleventh grades and 20 from the twelfth grade each year to account for class shrinkage.
- Adjusted internal enrollment projections for FY 2023-24 through 2027-28 as follows:
  - Calculated the average part-time percentage over 6 years (excluding FY 2020-21 and FY 2021-22) and applied that percentage to the calculated head count.
- Calculated the percentage of shrinkage from fall to spring for the high school (2%) and applied that to the spring count and calculated the average adjusted enrollment.
- Converted enrollment counts to ANB.

### Methodology to calculate budget authority limits:

- Obtained an updated general fund model from the OPI.
- Input internal ANB projections for FY 2023-24 through 2027-28 into the model and deleted the OPI growth rate factor on ANB for those years.

### Methodology to calculate expenditure budgets:

- Salaries
  - Teachers:
    - Calculated the salary increases under the following assumptions:
      - Assumed all employees step with the exception of those in "ghost" steps.
      - Assumed FY 2022-23 retiree replacements would be placed at BA, step 6.
      - Retirements and/or replacements beyond FY 2022-23 were not considered.
      - Anticipated 2% lane movement.
    - Subtracted out salaries paid out of other funds (approximately 10% in elementary and 4% in the high school).
    - Added in Montessori stipends (\$12,000).
    - Moved a portion of nurses' and counselors' salaries from the general funds to the building reserve funds, approximately \$600,000 in the elementary and approximately \$300,000 in the high school.
  - Administrators:
    - No salary increases.
    - Moved an additional 5% of elementary and middle school principal's salaries to transportation (10% of salary to be paid out of the transportation fund).
    - Moved 10% of Chief of Staff's salary to transportation.



- Independents, para educators, custodians, and secretaries: Increased salaries 2.5% for steps each year.
  - Reduced Para Educators by the amount to be paid out of other funds.
  - OT, Sabbatical, Activity/Athletic/Duty Stipends: Increased by 1% each year in the elementary and 5% each year in the high school.
  - No increase in health benefits.
- Projected termination payouts as constant.
  - Projected worker's compensation as constant.
  - Utilities:
    - Assumed a 17% increase from 2021 in electricity costs, based on information from Northwestern Energy. Assumed 4.5 % increase in the following years.
    - Assumed a 66% increase in natural gas costs in FY 2024, based on national forecasts. Currently way are paying \$3.04/dkt. Forecasts for 2024 are up to \$5.26/dkt. A 5% increase was projected for FY 2025-2028, based on the predictions of National Forecasting Agencies. Assumed a 4.5% increase in the following years.
    - Assumed a 6% increase in the elementary and 5% increase in the high school for water, sewer and garbage costs. The percentage increases reflect the average increase over the past 5 years.
    - Assumed 4.5% increase in all other O & M costs.
  - Projected a 15% increase each year in liability. The increase reflects the continuing rise in the cost for cyber insurance.
  - Curriculum and Technology are estimated needs.
  - Superintendent contingency is 1% of budget. May not be possible to include in the budget in some years.
  - The assistant superintend contingency is primarily for unforeseen additional staffing needs primarily in special education. A 2% increase was assumed for FY 2024-25 through FY 2027-28.
  - Maintained the current 65/35% split for elementary and high school. Split is 68%/32% if based on ANB. If based on budgets, split is 64%/36%.