



*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

February 14th, 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:

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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 01.10.23 BUDGET AND FINANCE COMMITTEE MINUTES
- V. ITEMS FOR INFORMATION/DISCUSSION
  - A. Budget to Actual Reports
  - B. Five Year Budget Forecast & Assumptions
- VI. BOARD COMMENTS
- VII. ADJOURNMENT



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Board of Trustees  
Budget and Finance Committee  
Lincoln Campus  
And via Microsoft Teams  
Tuesday, January 10th, 2023 – 12:00pm

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## MINUTES

### ATTENDEES

#### Trustees:

Janet Armstrong, Committee Chair  
Kay Satre, Committee Member  
Terry Beaver, Committee Member  
Luke Muszkiewicz, Trustee

#### Others:

Rex Weltz, Superintendent  
Jane Shawn, HEA President  
Keri Mizell, Human Resources Director  
Karen Ogden, Communications Officer  
Janelle Mickelson, Business Manager &  
District Clerk  
Brian Cummings, Assistant Superintendent  
K-6  
Gary Myers, Director of Educational  
Technology  
Joslyn Davidson, Curriculum Administrator  
Candice Delvaux, Executive Assistant  
Kaitlyn Hess, Assessment and Federal  
Programs  
Lona Carter, School Health Grant Facilitator  
Barb Ridgway, Chief of Staff

**I. CALL TO ORDER**

Committee Chair, Janet Armstrong, called the meeting to order at 12:01 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 12.13.22 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 Budget and Finance Committee.

**B. Five-Year Budget Forecast**

The committee reviewed the five-year budget forecast. The five-year budget forecast included projected wages, as well as projected budget for both the elementary and the high school. The committee discussed that these are numbers based on assumptions, and those assumptions may change. We are waiting for the February ANB count which will affect these numbers, as well as, the results from legislation for school funding.

Mrs. Janelle Mickelson, Business Manager, reviewed the methodology behind the recap with the Budget and Finance Committee. Mrs. Mickelson reviewed the methodology to calculate ANB, the methodology to calculate budget authority limits, and the methodology to calculate expenditure budgets. Mrs. Mickelson pointed out

there is an assumed 46 to 48 percent increase in natural gas costs in FY 2024 based on national forecasts and we are anticipating a 20 to 45 percent increase in O & M costs. The committee had a robust discussion regarding employees that are currently in “ghost” steps and about Montessori stipends and certifications. The committee also discussed the upcoming election timeline.

Ms. Mickelson concluded by mentioning that we do take into consideration projected inflationary increases from legislation when creating the five-year budget forecast, but our ability to run general fund levies is not included in the forecast. The committee discussed the importance of communication of the budget to the Helena Public School Administration team, employees, and the community.

#### **VI. BOARD COMMENT**

Trustee Luke Muszkiewicz said it may be helpful to add to the five-year forecast a projection including the possibility of general fund levies. The general fund levies are up to the will of the voters and are not guaranteed, but it can be a source of possible revenue that we can take into consideration. Trustee Muszkiewicz suggested it would be helpful to consider retirements and replacements beyond FY 2022-23 when creating the five-year budget forecast.

Trustee Janet Armstrong said this is a big challenge but the public should feel confident and have a lot of trust in the decision making and thoughtfulness that is going on in the attempt to consider all the viewpoints with the end goal of meeting our mission of providing our students with the best education so that they are prepared as adults and will succeed. That will always be the focus, and we are united behind that.

#### **VII. ADJOURNMENT**

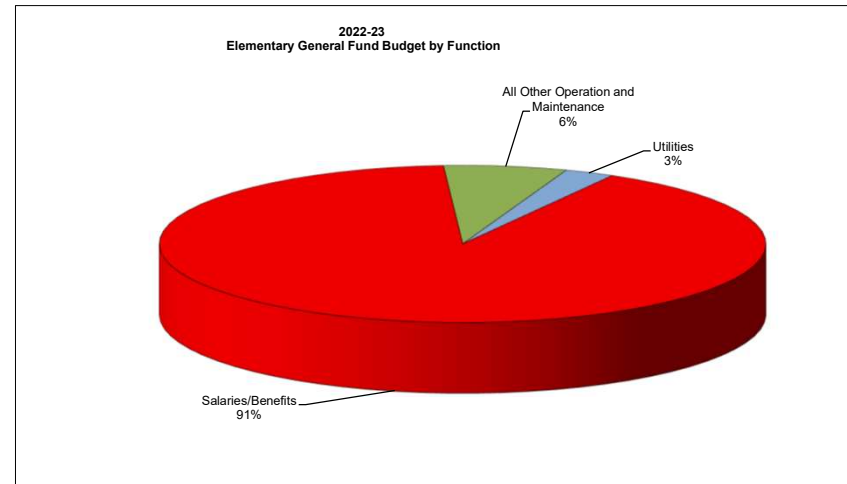
Ms. Armstrong adjourned the meeting at 12:52 p.m.

**HELENA SCHOOL DISTRICT NO. 1  
FINANCIAL REPORT FOR 1/31/2023  
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	\$ 2,436,137	\$ 92,278	3.6%
Educator Salaries	20,732,003	20,732,003	21,031,986	(299,983)	-1.4%
Professional Salaries	3,036,032	3,036,032	3,097,711	(61,679)	-2.0%
Technical Salaries	2,198,523	2,198,523	1,723,121	475,402	21.6%
Clerical Salaries	1,276,977	1,276,977	1,243,769	33,208	2.6%
Service Worker Salaries	2,152,317	2,152,317	2,188,861	(36,544)	-1.7%
Para Professional Salaries	2,553,574	2,553,574	4,351,753	100,194	3.9%
Guest Educator Salaries	397,371	396,371	232,924	163,447	41.2%
Substitute Clerical Salaries	1,500	1,500	6,654	(5,154)	-343.6%
Substitute Service Worker	30,000	30,000	38,398	(8,398)	-28.0%
Substitute Para Salaries	20,000	20,000	42,885	(22,885)	-114.4%
Overtime	22,177	22,177	36,489	(14,312)	-64.5%
Sabbatical Leave Salaries	68,589	68,589	73,362	(4,773)	-7.0%
Coaching Salaries/Stipends	98,550	98,550	72,489	26,061	26.4%
Termination Pay	300,000	300,000	51,893	248,107	82.7%
Admin TSA Employer Match	16,000	16,000	9,485	6,515	40.7%
Workers' Comp/Benefits	274,380	274,380	207,977	66,403	24.2%
Crafts Benefits	32,000	32,000	23,199	8,801	27.5%
Cell phone stipends	46,305	46,305	23,162	23,143	50.0%
Contracted Services	453,952	452,452	298,815	153,637	34.0%
Gas	308,710	308,710	116,653	192,057	62.2%
Electricity	533,710	533,710	284,461	249,249	46.7%
Water	110,255	110,255	101,820	8,435	7.7%
Sewer	54,490	54,490	36,374	18,116	33.2%
Garbage	41,450	41,450	19,868	21,582	52.1%
Repair and Maintenance	29,495	29,495	36,999	(7,504)	-25.4%
Rental	59,565	59,565	68,470	(8,905)	-14.9%
Instructional Field Trips	13,850	13,850	1,061	12,789	92.3%
Liability/Other Insurance	265	265	2,314	(2,049)	-773.3%
Postage	15,675	16,175	6,920	9,255	57.2%
Advertising	12,455	12,455	1,835	10,620	85.3%
Printing	173,710	182,710	106,030	76,680	42.0%
Extracurricular Team Travel	400	400	368	32	8.0%
Travel	57,792	57,792	39,012	18,780	32.5%
Professional Development/Meetings	92,010	93,010	25,281	67,729	72.8%
Supplies	1,309,649	1,302,009	361,618	940,391	72.2%
Books	74,905	91,373	72,138	19,235	21.1%
Periodicals	27,200	26,840	7,645	19,195	71.5%
Minor Equipment	71,057	71,057	12,184	58,873	82.9%
Major Equipment & Construction	62,000	62,000	-	62,000	100.0%
Dues and Memberships	43,725	43,725	37,905	5,820	13.3%
Contingency	154,461	137,993	-	137,993	
<b>Total Budget</b>	<b>\$ 39,485,494</b>	<b>\$ 39,485,494</b>	<b>38,530,027</b>	<b>\$ 2,853,840</b>	<b>7.2%</b>

Budget Transfers

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

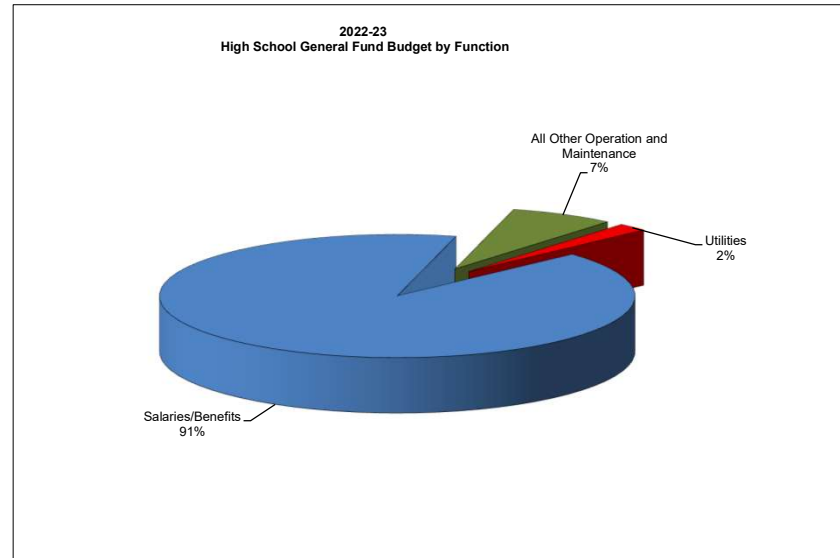


**HELENA SCHOOL DISTRICT NO. 1  
FINANCIAL REPORT FOR 1/31/2023  
HIGH SCHOOL GENERAL FUND**

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	1,253,871	(73,821)	-6.3%
Educator Salaries	13,023,983	13,023,983	13,212,307	(188,324)	-1.4%
Professional Salaries	1,393,508	1,393,508	1,439,854	(46,346)	-3.3%
Technical Salaries	911,980	911,980	864,595	47,384	5.2%
Clerical Salaries	1,049,091	1,049,091	1,035,671	13,420	1.3%
Service Worker Salaries	941,367	941,367	933,400	7,967	0.8%
Para Professional Salaries	236,601	236,601	832,064	(22,440)	-9.5%
Guest Educator Salaries	387,495	387,495	128,104	259,391	66.9%
Substitute Clerical Salaries	7,800	7,800	9,786	(1,986)	
Substitute Service Worker	10,000	10,000	21,079	(11,079)	-110.8%
Substitute Para Salaries	11,200	11,200	2,284	8,916	79.6%
Overtime	22,140	22,140	19,947	2,193	9.9%
Sabbatical Salaries	84,581	84,581	84,581	-	0.0%
Coaching Salaries/Stipends	622,777	622,777	510,839	111,938	18.0%
Administrator TSA Employer Match	10,000	10,000	11,115	(1,115)	-11.2%
Termination Pay	380,000	380,000	19,689	360,311	94.8%
Workers' Comp/Benefits	138,733	138,733	110,834	27,898	20.1%
Crafts Benefits	16,000	16,000	12,076	3,924	24.5%
Cell phone stipends	23,441	23,441	11,677	11,764	50.2%
Contracted Services	312,505	312,505	184,987	127,518	40.8%
Gas	196,401	196,401	89,736	106,665	54.3%
Electricity	341,261	341,261	171,081	170,180	49.9%
Water	43,265	43,265	43,882	(617)	-1.4%
Sewer	33,280	33,280	20,499	12,781	38.4%
Garbage	28,660	28,660	15,031	13,629	47.6%
Repair and Maintenance	27,351	27,351	25,037	2,314	8.5%
Rental	32,034	32,034	17,192	14,842	46.3%
Instructional Field Trips	4,390	4,390	6,450	(2,060)	-46.9%
Liability/Other Insurance	1,500	1,500	41	1,459	97.2%
Postage	18,851	18,851	8,225	10,626	56.4%
Advertising	12,675	12,675	967	11,708	92.4%
Printing	106,886	106,886	42,524	64,361	60.2%
Travel	28,065	28,065	21,789	6,277	22.4%
Professional Development/Meetings	61,194	61,194	15,064	46,130	75.4%
Extracurricular Travel	251,892	251,892	160,708	91,184	36.2%
Supplies	649,425	649,425	263,615	385,810	59.4%
Books	90,615	90,615	18,890	71,725	79.2%
Periodicals	6,723	6,723	871	5,852	87.1%
Minor Equipment	92,018	92,018	13,383	78,635	85.5%
Major Equipment	12,500	12,500	-	12,500	100.0%
Dues and Memberships	34,385	34,385	25,744	8,641	25.1%
Contingency	96,242	96,242	-	96,242	100.0%
<b>total budget</b>	<b>\$ 22,932,863</b>	<b>\$ 22,932,863</b>	<b>\$ 21,659,488</b>	<b>\$ 1,846,399</b>	<b>8.1%</b>

**Budget Transfers**

From	To	Amount	Reason
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<b>BUDGET PROJECTIONS:</b>	<b>Projected 23-24</b>	<b>Projected 24-25</b>	<b>Projected 25-26</b>	<b>Projected 26-27</b>	<b>Projected 27-28</b>
Elementary without levies	\$40,162,796	\$41,032,488	\$42,111,169	\$42,772,065	\$42,772,065
Elementary with levies	\$40,766,360	\$41,738,012	\$42,970,836	\$43,746,285	\$43,959,001
High School without levies	\$22,968,226	\$23,554,361	\$24,185,779	\$24,473,882	\$24,473,882
High School with levies	\$23,019,410	\$23,554,361	\$24,507,072	\$24,891,713	\$24,900,197
<b>Total Without Levies</b>	<b>\$63,131,022</b>	<b>\$64,586,849</b>	<b>\$66,296,948</b>	<b>\$67,245,947</b>	<b>\$67,245,947</b>
Total With Levies	\$63,785,770	\$65,292,373	\$67,477,908	\$68,637,998	\$68,859,198

<b>PROJECTED WAGES:</b>	<b>% of Salaries</b>		<b>% of Salaries</b>		<b>% of Salaries</b>		<b>% of Salaries</b>		<b>% of Salaries</b>	
Teachers	\$42,543,678	74%	\$42,829,619	74%	\$43,374,922	74%	\$43,916,752	74%	\$44,486,424	74%
Custodial	\$3,254,574	6%	\$3,335,938	6%	\$3,419,337	6%	\$3,504,820	6%	\$3,592,441	6%
Secretarial	\$2,326,593	4%	\$2,384,758	4%	\$2,444,377	4%	\$2,505,486	4%	\$2,568,124	4%
Para's	\$2,909,536	5%	\$2,982,275	5%	\$3,056,832	5%	\$3,133,252	5%	\$3,211,584	5%
Administration	\$3,479,373	6%	\$3,479,373	6%	\$3,479,373	6%	\$3,479,373	6%	\$3,479,373	6%
Independent	\$2,650,148	5%	\$2,716,401	5%	\$2,784,311	5%	\$2,853,919	5%	\$2,925,267	5%
<b>Total</b>	<b>\$57,163,902</b>		<b>\$57,728,365</b>		<b>\$58,559,151</b>		<b>\$59,393,603</b>		<b>\$60,263,212</b>	

<b>PROJECTED BUDGET:</b>	<b>% of Budget</b>			<b>% of Budget</b>			<b>% of Budget</b>			<b>% of Budget</b>			<b>% of Budget</b>		
<b>Elementary</b>	No Levies	Levies		No Levies	Levies		No Levies	Levies		No Levies	Levies		No Levies	Levies	
Teachers	\$28,059,716	70%	69%	\$28,374,239	69%	68%	\$28,690,026	68%	67%	\$29,012,291	68%	66%	\$29,454,022	69%	67%
Custodial	\$2,274,087	6%	6%	\$2,330,939	6%	6%	\$2,389,212	6%	6%	\$2,448,942	6%	6%	\$2,510,166	6%	6%
Secretarial	\$1,257,790	3%	3%	\$1,289,235	3%	3%	\$1,321,465	3%	3%	\$1,354,502	3%	3%	\$1,388,365	3%	3%
Para's	\$2,614,220	7%	6%	\$2,679,576	7%	6%	\$2,746,565	7%	6%	\$2,815,230	7%	6%	\$2,885,610	7%	7%
Administration	\$2,303,537	6%	6%	\$2,303,537	6%	6%	\$2,303,537	5%	5%	\$2,303,537	5%	5%	\$2,303,537	5%	5%
Independent	\$1,762,067	4%	4%	\$1,806,119	4%	4%	\$1,851,272	4%	4%	\$1,897,554	4%	4%	\$1,944,993	5%	4%
Substitutes	\$650,000	2%	2%	\$650,000	2%	2%	\$650,000	2%	2%	\$650,000	2%	1%	\$650,000	2%	1%
Health Insurance	(included in salaries)			(included in salaries)			(included in salaries)			(included in salaries)			(included in salaries)		
Workcomp/Craft Benefits/Other Benefits	\$264,986			\$270,562			\$274,912			\$279,364			\$284,483		
Termination pay	\$240,000			\$500,000			\$500,000			\$500,000			\$500,000		
OT, Sabbatical, Activity/Athletic/Duty Stipends	\$191,209			\$193,121			\$195,052			\$197,003			\$198,973		
Cell phone stipend	\$0			\$0			\$0			\$0			\$0		
Travel stipend	\$57,792			\$57,792			\$57,792			\$57,792			\$57,792		
<b>Total Salary &amp; Benefits</b>	<b>\$39,675,404</b>	<b>99%</b>	<b>97%</b>	<b>\$40,455,119</b>	<b>99%</b>	<b>97%</b>	<b>\$40,979,833</b>	<b>97%</b>	<b>95%</b>	<b>\$41,516,214</b>	<b>97%</b>	<b>95%</b>	<b>\$42,177,940</b>	<b>99%</b>	<b>96%</b>
Curriculum & Technology	\$750,760	2%	2%	\$750,760	2%	2%	\$1,250,760	3%	3%	\$750,760	2%	2%	\$750,760	2%	2%
O&M	\$2,189,665	5%	5%	\$2,288,200	6%	5%	\$2,391,169	6%	6%	\$2,498,771	6%	6%	\$2,611,216	6%	6%
Property & Liability Insurance	\$847,313	2%	2%	\$974,410	2%	2%	\$1,120,571	3%	3%	\$1,288,657	3%	3%	\$1,481,956	3%	3%
Superintendent Contingency															
-Without levies	\$401,628	1%		\$410,325	1%		\$421,112	1%		\$427,721	1%		\$427,721	1%	
-With levies	\$407,664		1%	\$417,380		1%	\$429,708		1%	\$437,463		1%	\$439,590		1%
Assitant Superindent Contingency	\$0	0%	0%	\$0	0%	0%	\$0	0%	0%	\$0	0%	0%	\$0	0%	0%
Building Budgets	\$494,183	1%	1%	\$494,183	1%	1%	\$494,183	1%	1%	\$494,183	1%	1%	\$494,183	1%	1%
Department Budgets (excluding curriculum, technology & contingencies)	\$1,239,219	3%	3%	\$1,239,219	3%	3%	\$1,239,219	3%	3%	\$1,239,219	3%	3%	\$1,239,219	3%	3%
Deficit (without levies)	<b>-\$5,435,376</b>	<b>-14%</b>		<b>-\$5,579,728</b>	<b>-14%</b>		<b>-\$5,785,678</b>	<b>-14%</b>		<b>-\$5,443,460</b>	<b>-13%</b>		<b>-\$6,410,930</b>	<b>-15%</b>	
Deficit (with levies)	<b>-\$4,837,847</b>		<b>-12%</b>	<b>-\$4,881,259</b>		<b>-12%</b>	<b>-\$4,934,608</b>		<b>-11%</b>	<b>-\$4,478,983</b>		<b>-10%</b>	<b>-\$5,235,863</b>		<b>-12%</b>

**Move to Interlocal:**

Curriculum & Technology	\$750,760	\$750,760
Property & Liability Insurance	\$847,313	\$974,410
Superintendent Contingency		
-Without levies	\$401,628	\$410,325
-With levies	\$407,664	\$417,380

**Reductions:**

10% of Building Budgets	\$49,418	\$49,418
20% of Department Budgets (excluding curriculum, technology & contingencies)	\$247,844	\$247,844
Deficit (without levies)	-\$3,138,413	-\$3,146,971
Deficit (with levies)	-\$2,534,849	-\$2,441,447

**PROJECTED BUDGET:**

High School		% of Budget			% of Budget			% of Budget			% of Budget		% of Budget		
		No Levies	Levies		No Levies	Levies		No Levies	Levies		No Levies	Levies	No Levies	Levies	
Teachers	\$14,483,962	63%	63%	\$14,455,380	61%	61%	\$14,684,896	61%	60%	\$14,904,460	61%	60%	\$15,032,402	61%	60%
Custodial	\$980,487	4%	4%	\$1,005,000	4%	4%	\$1,030,124	4%	4%	\$1,055,878	4%	4%	\$1,082,275	4%	4%
Secretarial	\$1,068,803	5%	5%	\$1,095,523	5%	5%	\$1,122,912	5%	5%	\$1,150,984	5%	5%	\$1,179,759	5%	5%
Para's	\$295,316	1%	1%	\$302,699	1%	1%	\$310,266	1%	1%	\$318,023	1%	1%	\$325,973	1%	1%
Administration	\$1,175,836	5%	5%	\$1,175,836	5%	5%	\$1,175,836	5%	5%	\$1,175,836	5%	5%	\$1,175,836	5%	5%
Independent	\$888,081	4%	4%	\$910,283	4%	4%	\$933,040	4%	4%	\$956,366	4%	4%	\$980,275	4%	4%
Substitutes	\$420,000	2%	2%	\$420,000	2%	2%	\$420,000	2%	2%	\$420,000	2%	2%	\$420,000	2%	2%
Health Insurance	(included in salaries)			(included in salaries)			(included in salaries)			(included in salaries)			(included in salaries)		
Workcomp/Craft Benefits/Other Benefits	\$131,007			\$133,495			\$136,012			\$138,518			\$140,606		
Termination pay	\$240,000			\$500,000			\$500,000			\$500,000			\$500,000		
OT, Sabbatical, Activity/Athletic/Duty Stipends	\$765,973			\$804,272			\$844,485			\$886,709			\$931,045		
Cell phone stipend	\$0			\$0			\$0			\$0			\$0		
Travel stipend	\$28,065			\$28,065			\$28,065			\$28,065			\$28,065		
Total Salary & Benefits	\$20,477,529	89%	89%	\$20,830,552	88%	88%	\$21,185,635	88%	86%	\$21,534,838	88%	87%	\$21,796,235	89%	88%
Curriculum & Technology	\$281,578	1%	1%	\$281,578	1%	1%	\$481,578	2%	2%	\$281,578	1%	1%	\$281,578	1%	1%
O&M	\$1,210,888	5%	5%	\$1,265,378	5%	5%	\$1,322,319	5%	5%	\$1,381,824	6%	6%	\$1,444,006	6%	6%
Property & Liability Insurance	\$456,245	2%	2%	\$524,682	2%	2%	\$603,385	2%	2%	\$693,892	3%	3%	\$797,976	3%	3%
Superintendent Contingency															
-Without levies	\$229,682	1%		\$235,544	1%		\$241,858	1%		\$241,858	1%		\$244,739	1%	
-With levies	\$230,194		1%	\$235,544		1%	\$245,071		1%	\$245,071		1%	\$249,002		1%
Assistant Superintendent Contingency	\$0	0%	0%	\$0	0%	0%	\$0	0%	0%	\$0	0%	0%	\$0	0%	0%
Building Budgets	\$539,207	2%	2%	\$539,207	2%	2%	\$539,207	2%	2%	\$539,207	2%	2%	\$539,207	2%	2%
Department Budgets (excluding curriculum, technology & contingencies)	\$1,453,698	6%	6%	\$1,453,698	6%	6%	\$1,453,698	6%	6%	\$1,453,698	6%	6%	\$1,453,698	6%	6%
Deficit (without levies)	(\$1,680,601)	-7%		(\$1,576,277)	-7%		(\$1,641,901)	-7%		(\$1,653,013)	-7%		(\$2,083,557)	-9%	
Deficit (with levies)	(\$1,629,929)		-7%	(\$1,576,277)		-7%	(\$1,323,821)		-5%	(\$1,238,395)		-5%	(\$1,661,505)		-7%

**Move to Interlocal:**

Curriculum & Technology	\$381,578	\$281,578
Property & Liability Insurance	\$456,245	\$524,682
Superintendent Contingency		
-Without levies	\$229,682	\$235,544
-With levies	\$230,194	\$235,544



**Reductions**

10% of Building Budgets	\$53,921	\$53,921
20% of Department Budgets (excluding curriculum, technology & contingencies)	\$290,740	\$290,740
Deficit (without levies)	(\$268,435)	(\$189,813)
Deficit (with levies)	(\$217,251)	(\$189,813)

**PROJECTED INTERLOCAL CASH BALANCE**

Beginning of Year	\$6,086,369	\$3,926,663
FY 2023-24 Estimated Expenditures	(\$3,067,207)	(\$3,177,299)
Projected Transfers In	\$900,000.00	\$900,000
Estimated Interest	\$7,500.00	\$3,250
End of Year Balance	<u>\$3,926,663</u>	<u>\$1,652,614</u>

## 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.
- Inflationary increases were applied as follows:
  - FY 2023-24 – 2.7%
  - FY 2024-25 – 3.0%
  - FY 2025-26 – 3.0%
  - FY 2026-27 – 2.17%
  - FY 2027-28 – 2.17%
- 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
  - Assumed no percentage increases on matrices for all employee groups.
  - 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+10, step 6.
      - Assumed 3 retirements in both elementary and high school in FY 2023-24 (based on the last incentive offered, retirements are much lower in the year following an incentive). Calculated the savings using the average salary of retirees in the past two years and replacements would be placed at BA+10, Step 6. The savings is approximately \$91,420 in both the elementary and high school.



- Curriculum and Technology are annual needs estimated needs, with the exception of FY 2023-24 when new curriculum adoption of \$800,000 in the elementary and \$300,000 in the high school is anticipated.
- Superintendent contingency is 1% of budget.
- Eliminated assistant superintendent's contingency.
- Maintained the current 65/35% split for elementary and high school. Split is 68%/32% if based on ANB. If based on budgets, the split is 64%/36%. If based on FTE, the split is 68%/32%.

#### Costs moved to the Interlocal Fund for two (2) years:

- Curriculum & Technology:
  - FY 2023-24 - \$750,760 in the elementary and \$381,578
  - FY 2024-25 - \$750,760 in the elementary and \$381,578
- Property & Liability Insurance - \$847,313 in FY 2024, \$974,410 in FY 2025
- Superintendent Contingency.
  - FY 2024 - \$401,628 without levies, \$407,664 with levies
  - FY 2025 - \$410,325 without levies, \$417,380 with levies

#### Reductions:

- 10% of Building Budgets (\$49,418 in the elementary and \$53,921 in the high school)
- 20% of Department Budgets, excluding curriculum & technology (\$247,844 in the elementary and \$290,740 in the high school).

#### Eliminations:

- Assistant Superintendent's Contingency (\$100,000 in elementary and \$54,000 in the high school).
- Board of Trustees meals (\$4,500 in the elementary and \$4,000 in the high school).
- Cell phone stipends (\$46,305 in the elementary and \$23,441 in the high school).