



Finance Review

St. Joseph Public Schools

Linda D. Quinley

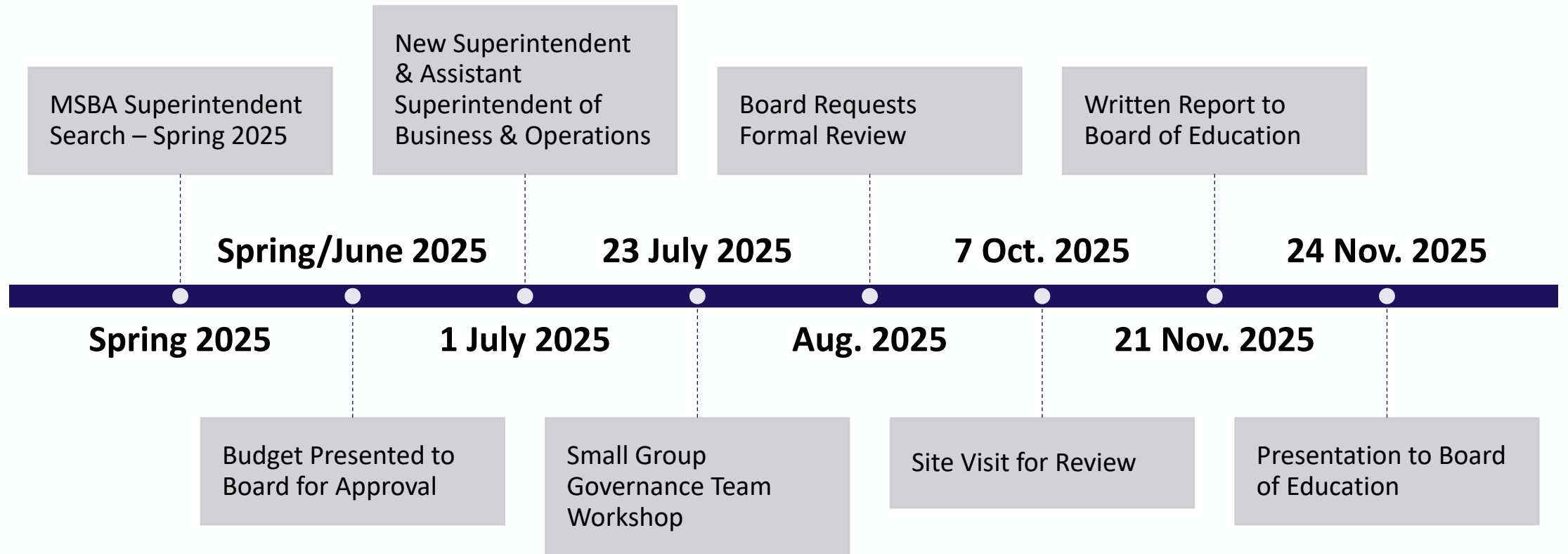
Sr. Director of School Finance and Member Services

November 2025

Purpose

- External Review of 06/30/2025 Financial Position
 - Not an external audit
- Develop Understanding of “How You Got Here”
- Assess Accuracy of Current Financial Data
- Assess Capacity of Financial Leadership

Timeline



July 23rd Workshop

- President Williams and Vice-President Chesney – Board of Education
- Dr. McGinnis, Dr. Hedgecorth, Ms. Studer - Administration
- Dr. Cowherd, Ms. Hairston and Ms. Quinley - MSBA
- Review & Understanding of Financial Trends that will Drive the Future
 - I Realized this is New Data

Review & Understanding of Financial Trends that will Drive the Future

- Average Daily Attendance (ADA) and Weighted Daily Attendance (WADA)
- Assessed Valuation (AV) and Tax Levy
- Federal Funding Trends
- Operating Reserves/Fund Balance Trends
- Another Topic Discussed –
Importance of Budget vs. Actual Accuracy

Average Daily Attendance (ADA)

Weighted Average Daily Attendance (WADA)

ADA, WADA and Funding Count Data Trends						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Regular Term ADA	10006.1954	9199.5855	9038.5872	9196.2516	9078.0580	8770.0000
Change from prior year		-806.6099	-160.9983	157.6644	-118.1936	-308.0580
change from 2019-20 to 2024-25						-1236.1954
Summer School ADA	484.2157	108.2618	429.2841	441.7891	400.0759	358.6854
Change from prior year		-375.9539	321.0223	12.5050	-41.7132	-41.3905
change from 2019-20 to 2024-25						-125.5303
Free & Reduced Count	6591.21	6059.8800	5953.8300	6057.6900	5979.8300	5776.9100
Change from prior year		-531.3300	-106.0500	103.8600	-77.8600	-202.9200
change from 2019-20 to 2024-25						-814.3000
IEP Count	1292	1198.0000	1083.0000	1079.0000	1140.0000	1185.0000
Change from prior year		-94.0000	-115.0000	-4.0000	61.0000	45.0000
change from 2019-20 to 2024-25						-107.0000
Lep Count	839	789.0000	815.0000	882.0000	988.0000	1138.0000
Change from prior year		-50.0000	26.0000	67.0000	106.0000	150.0000
change from 2019-20 to 2024-25						299.0000
PreK Regular ADA	0.0000	0.0000	0.0000	0.0000	104.7716	64.0000
Change from prior year		0.0000	0.0000	0.0000	104.7716	-40.7716
change from 2019-20 to 2024-25						64.0000
Weighted ADA	11680.3779	10498.1759	10630.6658	10797.7103	10801.3760	10823.4319
Change from prior year		-1182.2020	132.4899	167.0445	3.6657	22.0559
change from 2019-20 to 2024-25						-856.9460
WADA Used	11594.7483	11619.2556	11625.4463	11636.4615	11594.7483	10823.4319
From	2017-18	2018-19	2019-20	2019-20	2019-20	2024-25
Change from prior year		24.5073	6.1907	11.0152	-41.7132	-771.3164
change from 2019-20 to 2024-25						-771.3164

2019-20 Pre COVID to 2024-25

- ADA down net of 1,236 (attendance and count)
- Summer School ADA down 125
- Free & Reduced Count down 814 (66% of ADA)
- IEP Count down 107 (9% of ADA)
- LEP Count up 299
- PreK up 64 (added in 2023-24 for ADA)
- WADA down 857
- WADA used in 2024-25 was from 2019-20
 - Actual was 771 less

Average Daily Attendance (ADA)

Weighted Average Daily Attendance (WADA)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Total Formula	\$ 41,599,889	\$ 39,034,933	\$ 38,694,973	\$ 39,038,866	\$ 38,623,599	\$ 36,387,171
Total Classroom Trust	\$ 3,396,034	\$ 4,356,128	\$ 4,514,835	\$ 4,466,380	\$ 4,530,906	\$ 5,799,296
Grand Total	\$ 44,995,923	\$ 43,391,061	\$ 43,209,808	\$ 43,505,246	\$ 43,154,505	\$ 42,186,467
Change from prior year		\$ (1,604,862)	\$ (181,253)	\$ 295,438	\$ (350,741)	\$ (968,038)
change from 2019-20 to 2024-25						\$ (2,809,456)

2019-20 Pre COVID to 2024-25

- ADA down net of 1,236 (attendance and count)
- Summer School ADA down 125
- Free & Reduced Count down 814 (66% of ADA)
- IEP Count down 107 (9% of ADA)
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Average of
\$561,891
per year in
lost state
revenue

Assessed Valuation (AV) and Tax Levy

August 2024 Prop S – YES
(Proposition C Rollback)

Assessed Valuation and Levy Information							
	2020-2021	2021-22	2022-23	2023-24	2024-25	2025-26	6 year Change
					Proj Actual	Budget	
Assessed Valuation	\$ 1,122,544,711	\$ 1,151,537,572	\$ 1,203,093,941	\$ 1,212,829,620	\$ 1,252,126,521	\$ 1,270,000,000	\$ 147,455,289
Change from prior Year		\$ 28,992,861	\$ 51,556,369	\$ 9,735,679	\$ 39,296,901	\$ 17,873,479	
Percentage Change		2.58%	4.48%	0.81%	3.24%	1.43%	13.14%
Operating/Teacher Fund Levy	\$ 3.8322	\$ 3.8668	\$ 3.8151	\$ 3.7907	\$ 4.3863	\$ 4.3863	\$ 0.5541
Change from prior year		\$ 0.0346	\$ (0.0517)	\$ (0.0244)	\$ 0.5956	\$ -	
Capital Projects Fund Levy	\$ -	\$ -	\$ -	\$ -			\$ -
Change from prior year		\$ -	\$ -	\$ -	\$ -	\$ -	
Total Available Operating Levy	\$ 3.8322	\$ 3.8668	\$ 3.8151	\$ 3.7907	\$ 4.3863	\$ 4.3863	\$ 0.5541
Change from prior year							
Debt Service Fund Levy	\$ 0.5076	\$ 0.5076	\$ 0.5300	\$ 0.5300	\$ 0.5300	\$ 0.5300	\$ 0.0224
Change from prior year		\$ -	\$ 0.0224	\$ -	\$ -	\$ -	
Total Levy Assessed	\$ 4.3398	\$ 4.3744	\$ 4.3451	\$ 4.3207	\$ 4.9163	\$ 4.9163	\$ 0.5765
Change from prior year		\$ 0.0346	\$ (0.0293)	\$ (0.0244)	\$ 0.5956	\$ -	

2.63% avg per yr

Green = Reassessment Years

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Federal Revenue Streams						
	2020-2021	2021-22	2022-23	2023-24	2024-25 Proj Actual	Cummulative
Medicaid	\$ 542,357	\$ 822,712	\$ 778,136	\$ 938,374	\$ 1,158,972	
Change from prior Year		\$ 280,355	\$ (44,576)	\$ 160,238	\$ 220,598	\$ 616,615
Percentage Change		51.69%	-5.42%	20.59%	23.51%	113.69%
ARP - ESSER	\$ 2,744,627	\$ 15,316,188	\$ 15,091,726	\$ 7,988,280	\$ 2,303,392	
Change from prior year		\$ 12,571,561	\$ (224,462)	\$ (7,103,446)	\$ (5,684,888)	
Perkins Basic Grant - CTE	\$ 243,591	\$ 349,336	\$ 417,842	\$ 480,587	\$ 792,408	
Change from prior year		\$ 105,745	\$ 68,506	\$ 62,745	\$ 311,821	\$ 548,817
						225.30%
Adult Education & Literacy	\$ 151,173	\$ 362,618	\$ 303,276	\$ 94,792	\$ 75,814	
Change from prior year		\$ 211,445	\$ (59,342)	\$ (208,484)	\$ (18,978)	
IDEA - Part B	\$ 2,405,023	\$ 2,606,729	\$ 2,336,655	\$ 933,218	\$ 3,950,081	
Change from prior year		\$ 201,706	\$ (270,074)	\$ (1,403,437)	\$ 3,016,863	\$ 1,545,058
						64.24%
Early Childhood Sped (ECSE)	\$ 504,678	\$ 88,695	\$ 309,095	\$ 360,332	\$ 69,779	
Change from prior year						
Child Nutrition Services	\$ 3,473,214	\$ 6,678,203	\$ 6,567,883	\$ 5,914,956	\$ 5,270,208	
Change from prior year		\$ 3,204,989	\$ (110,320)	\$ (652,927)	\$ (644,748)	\$ 1,796,994
						51.74%
Title I	\$ 2,714,157	\$ 3,466,967	\$ 2,333,170	\$ 3,226,577	\$ 85,229	
Change from prior year		\$ 752,810	\$ (1,133,797)	\$ 893,407	\$ (3,141,348)	\$ (2,628,928)
						-96.86%
Title IV.A - Student Support	\$ 121,289	\$ 166,659	\$ 339,677	\$ 312,077	\$ -	
Title III - English Lang Learners	\$ 44,296	\$ 70,531	\$ 60,952	\$ 123,230	\$ -	
Title II, A&B - Teacher and Pr Trg	\$ 378,407	\$ 494,522	\$ 294,733	\$ 541,812	\$ -	
Total Other Titles	\$ 543,992	\$ 731,712	\$ 695,362	\$ 977,119	\$ -	
Change from prior year		\$ 187,720	\$ (36,350)	\$ 281,757	\$ (977,119)	
Total Other Federal	\$ 2,405,412	\$ -	\$ 128,370	\$ 409,300		
Change from prior year		\$ (2,405,412)	\$ 128,370	\$ 280,930	\$ (409,300)	
Total Major Federal Lines	\$ 15,728,224	\$ 30,423,160	\$ 28,961,515	\$ 21,323,535	\$ 13,705,883	
		\$ 14,694,936	\$ (1,461,645)	\$ (7,637,980)	\$ (7,617,652)	\$ (2,022,341)
						-12.86%

Federal Funding Trends

2020-21 to 2024-25

- 2024-25 Projected Actual as of July 2025 (Dr. H)
- Medicaid up 114%*
- Perkins up 225%*
- IDEA up 64%*
- CNS up 52%*
- Title I down 97% (Discovered by Dr. H in July)
- Down collectively 13% (\$2 million)

* 2020-21 may be low due to Covid

- Excluding ESSER funding – net down \$1.6 million
 - Due to Title I funding

Operating Fund Balance/Reserve Trends

Ending Fund Balance Trend Data									
		1	2	3	4	5	6	7	
					Original Budget	Dr. H Projected Actual	Original Budget	Dr. H Projections	
Fund Balance Trend Data	2020-2021	2021-22	2022-23	2023-24	2024-25	2024-25	2025-26	2025-26	6 year Change
Ending Balance Fund 1 - Incidental	\$ 28,899,320	\$ 35,247,029	\$ 37,754,672	\$ 25,818,713	\$ 39,385,696	\$ 15,738,519	\$ 31,306,493	\$ 11,750,000	\$ (17,149,320)
Ending Balance Fund 2 - Teachers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Operating Fund Balance	\$ 28,899,320	\$ 35,247,029	\$ 37,754,672	\$ 25,818,713	\$ 39,385,696	\$ 15,738,519	\$ 31,306,493	\$ 11,750,000	\$ (17,149,320)
Percentage	23.81%	28.90%	28.81%	17.72%	27.56%	10.02%	20.00%	7.51%	-16.30%
Change from Prior Year	\$ 988,208	\$ 6,347,709	\$ 2,507,643	\$ (11,935,959)	\$ 13,566,983	\$ (10,080,194)	\$ 15,567,974		
Ending Balance Debt Service	\$ 3,298,578	\$ 6,497,558	\$ 7,785,043	\$ 9,854,215	\$ 14,276,237	\$ 9,136,323	\$ 10,257,328	\$ 10,257,328	\$ 6,958,750
Ending Balance Capital Projects	\$ 6,687,069	\$ 16,207,048	\$ 14,792,238	\$ 32,076,852	\$ 1,877,605	\$ 6,352,576	\$ 7,116,406	\$ 129,154	\$ (6,557,915)
Grand Total All Funds	\$ 38,884,967	\$ 57,951,635	\$ 60,331,953	\$ 67,749,780	\$ 55,539,538	\$ 31,227,418	\$ 48,680,227	\$ 22,136,482	\$ (16,748,485)
Change from Prior Year	\$ 337,454	\$ 19,066,668	\$ 2,380,318	\$ 7,417,827	\$ (12,210,242)	\$ (36,522,362)	\$ 17,452,809	\$ (9,090,936)	
						\$6,223,422 restr			

Reserve Trend

- 1) Increase 2021-22 by \$6 million (ESSER) to 29%
- 2) Increase 2022-23 by \$2.5 million (ESSER) to 29%
- 3) Decrease 2023-24 by \$12 million (loss of ESSER) to 18%
- 4) Increase 2024-25 by \$14 million to 28%
- 5) Decrease 2024-25 by \$10 million (loss of ESSER) to 10%
- 6) Decrease 2025-26 Original Budget of \$5 million to 20%
- 7) Decrease 2025-26 Projected Actual (July) of \$4 million to 7.51%

On Site Review

- October 7th
 - Goal of determining what led to the unexpected June 30th financial position
 - Met with administration and finance staff
 - Highly transparent and helpful
 - Reviewed projection files for current year budget preparation
 - Reviewed historical DESE data compared to Board Reports
 - Reviewed current information on Title program funding
- Determined primary challenges to be:
 - Late claiming of Title programming reimbursements
 - Inaccurate 2024-25 June budget estimates
 - Leading to inaccurate 2025-26 budget estimates
 - Making budget review ability hard to accurately assess

Title Program Reimbursement

- October 7th
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Title Program Reimbursement

- 2023-24 Title Reimbursement
 - Claimed in July 2025
 - Received July 2025
 - \$4.6 million
- 2024-25 Title Reimbursement
 - Claimed in October 2025
 - Received in October 2025
 - \$5.1 million
- Collective Impact to June 30th if claimed timely
 - \$9.7 million or 16% reserves vs. 10%

Accurate Budget Projections

In my opinion, the initial budget prepared in March-June should be your best estimate of how the year is going to unfold. Variances to actual costs associated with this budget may vary fairly significantly between functions or building but **should generally be within 1% to 2% by fund** if compared to the actual operating results, by the end of the year, in total.

When all positions and salaries are known in August-September, the budget should be amended, particularly in the salary/benefits area to reflect the actual mix of teachers and building assignments. This amended budget for salaries and payroll costs should be highly accurate—**maybe less than .5% variance to actual expenditures by the end of the year** when comparing both functional allocations and fund totals. I think this notion is consistent with the audit recommendation regarding budgeting for the payroll portion of the budget. **If there were significant variances, either above or below the .5% suggestion, then there should be a discernable explanation for the variance typically involving some sort of reassignment or unforeseen circumstance.**

*--Jim McGinnis, Retired
Gerding, Korte & Chitwood. CPAs*

Roles

- Administration

- The budget is the Superintendent's financial plan to meet the academic and operational needs of the district.
- Administration is responsible for providing transparent, accurate financial projection and recommendations to the Board.

- Board of Education

- The Board must by law be the final approver of a budget annually.
- The Board must be provided with historical comparison numbers to allow for good review and comparison – (reasonable trends).
- The Board should expect highly accurate June projections so that a final budget amendment can be made in June if necessary.

Accurate Budget Projections 2024-25

Revenue Detail by Fund and Source				Timing		
			per 06.30.25 Budget 2024-25	per 06.30.25 Actual 2024-25	Variance 2024-25	
Revenue	2022-23	2023-24				
Local	\$ 83,021,109	\$ 105,436,651	\$ 88,779,015	\$ 90,979,263	\$ 2,200,248	2.48%
County	\$ 4,013,739	\$ 4,136,139	\$ 3,872,522	\$ 4,429,441	\$ 556,919	14.38%
State	\$ 51,393,149	\$ 52,231,803	\$ 49,882,388	\$ 51,172,150	\$ 1,289,762	2.59%
Federal	\$ 28,941,264	\$ 21,650,485	\$ 16,171,147	\$ 14,626,644	\$ (1,544,503)	-9.55%
Other incl Tuition from others*	\$ -	\$ -	\$ -	\$ 539,424	\$ 539,424	
Total	\$ 167,369,261	\$ 183,455,078	\$ 158,705,072	\$ 161,746,922	\$ 3,041,850	1.88%
Expenditures						
Certificated Salaries	\$ 53,128,688	\$ 57,794,935	\$ 58,356,086	\$ 63,068,424	\$ 4,712,338	8.08%
Non-Certificated Salaries	\$ 20,295,705	\$ 23,972,111	\$ 26,251,645	\$ 27,891,741	\$ 1,640,096	6.25%
Benefits	\$ 25,267,797	\$ 26,670,955	\$ 25,282,751	\$ 28,800,876	\$ 3,518,125	13.92%
Purchased Services	\$ 18,565,939	\$ 23,073,671	\$ 24,780,691	\$ 23,587,767	\$ (1,192,924)	-4.81%
Supplies & Materials	\$ 14,118,273	\$ 14,180,467	\$ 14,249,032	\$ 13,698,043	\$ (550,989)	-3.87%
Capital Outlay	\$ 27,140,240	\$ 20,057,911	\$ 11,308,868	\$ 28,509,664	\$ 17,200,796	152.10%
Long and Short Term Debt	\$ 8,905,549	\$ 10,242,201	\$ 5,486,404	\$ 12,861,809	\$ 7,375,405	134.43%
Total	\$ 167,422,191	\$ 175,992,251	\$ 165,715,477	\$ 198,418,324	\$ 32,702,847	19.73%
Net Total Revenue Over (under) Exp	\$ (52,930)	\$ 7,462,827	\$ (7,010,405)	\$ (36,671,402)	\$ (29,660,997)	-17.85%
* probably included in local totals above						

June 2025 under purple
July 2025 under teal

Accurate Budget Projections – 2025-26

Revenue Detail by Fund and Source										
			per 06.30.25 Budget 2024-25	per 06.30.25 Actual 2024-25	Variance 2024-25		Original Budget 2025-26	Change from 24-25		Adjusted December 2025 2025-26
Revenue	2022-23	2023-24								
Local	\$ 83,021,109	\$ 105,436,651	\$ 88,779,015	\$ 90,979,263	\$ 2,200,248	2.48%	\$ 87,774,946	\$ (3,204,317)	-3.52%	
County	\$ 4,013,739	\$ 4,136,139	\$ 3,872,522	\$ 4,429,441	\$ 556,919	14.38%	\$ 3,916,458	\$ (512,983)	-11.58%	
State	\$ 51,393,149	\$ 52,231,803	\$ 49,882,388	\$ 51,172,150	\$ 1,289,762	2.59%	\$ 55,100,199	\$ 3,928,049	7.68%	
Federal	\$ 28,941,264	\$ 21,650,485	\$ 16,171,147	\$ 14,626,644	\$ (1,544,503)	-9.55%	\$ 14,646,105	\$ 19,461	0.13%	
Other incl Tuition from others*	\$ -	\$ -	\$ -	\$ 539,424	\$ 539,424		\$ -	\$ (539,424)	-100.00%	
Total	\$ 167,369,261	\$ 183,455,078	\$ 158,705,072	\$ 161,746,922	\$ 3,041,850	1.88%	\$ 161,437,708	\$ (309,214)	-0.19%	\$ -
Expenditures										
Certificated Salaries	\$ 53,128,688	\$ 57,794,935	\$ 58,356,086	\$ 63,068,424	\$ 4,712,338	8.08%	\$ 61,509,211	\$ (1,559,213)	-2.47%	
Non-Certificated Salaries	\$ 20,295,705	\$ 23,972,111	\$ 26,251,645	\$ 27,891,741	\$ 1,640,096	6.25%	\$ 26,776,526	\$ (1,115,215)	-4.00%	
Benefits	\$ 25,267,797	\$ 26,670,955	\$ 25,282,751	\$ 28,800,876	\$ 3,518,125	13.92%	\$ 25,591,134	\$ (3,209,742)	-11.14%	
Purchased Services	\$ 18,565,939	\$ 23,073,671	\$ 24,780,691	\$ 23,587,767	\$ (1,192,924)	-4.81%	\$ 24,642,986	\$ 1,055,219	4.47%	
Supplies & Materials	\$ 14,118,273	\$ 14,180,467	\$ 14,249,032	\$ 13,698,043	\$ (550,989)	-3.87%	\$ 14,335,431	\$ 637,388	4.65%	
Capital Outlay	\$ 27,140,240	\$ 20,057,911	\$ 11,308,868	\$ 28,509,664	\$ 17,200,796	152.10%	\$ 8,820,596	\$ (19,689,068)	-69.06%	
Long and Short Term Debt	\$ 8,905,549	\$ 10,242,201	\$ 5,486,404	\$ 12,861,809	\$ 7,375,405	134.43%	\$ 7,985,421	\$ (4,876,388)	-37.91%	
Total	\$ 167,422,191	\$ 175,992,251	\$ 165,715,477	\$ 198,418,324	\$ 32,702,847	19.73%	\$ 169,661,305	\$ (28,757,019)	-14.49%	\$ -
Net Total Revenue Over (under) Exp	\$ (52,930)	\$ 7,462,827	\$ (7,010,405)	\$ (36,671,402)	\$ (29,660,997)	-17.85%	\$ (8,223,597)	\$ 28,447,805		\$ -

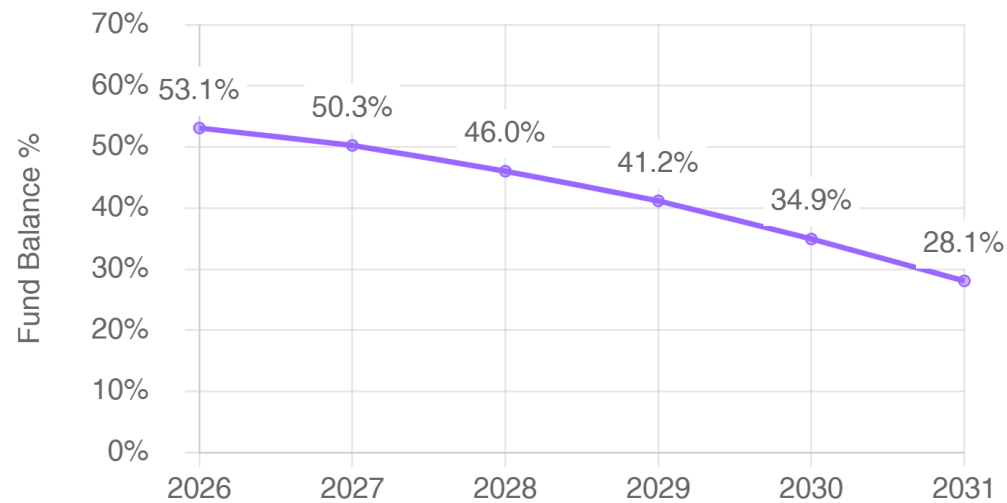
Always Use Trend and Look for Reasonable Numbers

Recommendations for the Board and Administration

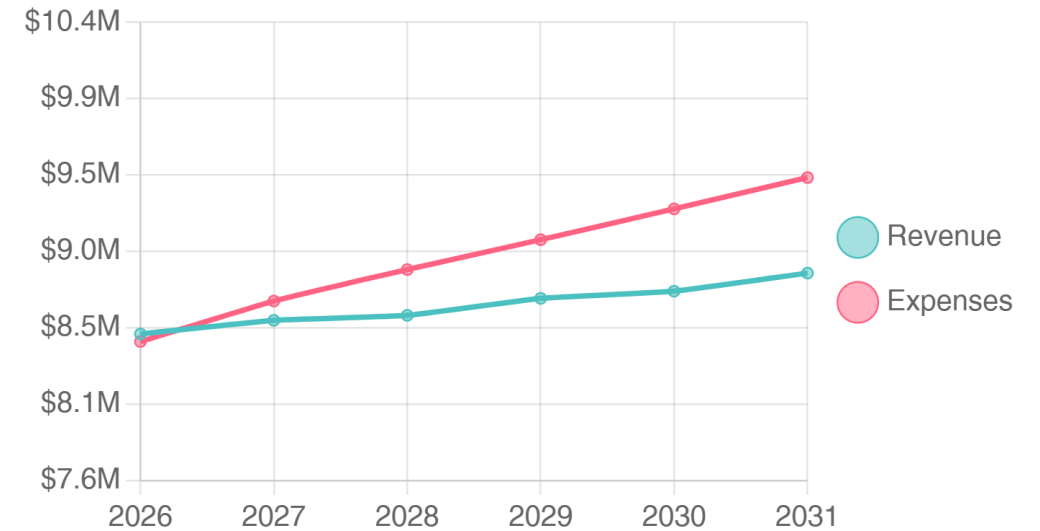
- Hold an annual budget workshop
 - Review projected actual variances for the current year
 - Discuss priorities & assumptions
- Expect 2-3 budget amendments per year
 - One in the fall to adjust to early available info (hiring, AV, etc.)
- Expect a final budget amendment in June vs. August
- Refine federal funding reimbursement claiming process
- Provide and use budget and financial reports with variance
- Ask questions using these reports to assure understanding and transparency

Request Data in Consumable Manner

Fund Balance Projection



Revenue & Expense Projection



This is an example and is not St. Joe data

Findings of this Review

- Not an audit
- Opportunities for improvement
 - Quality and type of financial data provided to the Board
 - Timely reimbursement claiming practices
 - Continued desire to focus on system improvement
 - Work collaboratively to develop, test and utilize good financial projection data



Questions