Newport School District Budget Hearing

JULY 9, 2024

PRESENTED BY: DEBRA BUTTREY

Newport School District

Home of the Grizzlies

Things to Cover

- Enrollment/FTE
- Staffing
- Revenues
- Expenditures
- MSOC Funds
- Levy Funds
- 4 Year Projection
- Funds 20, 30, 40 and 70
- What's Coming Up



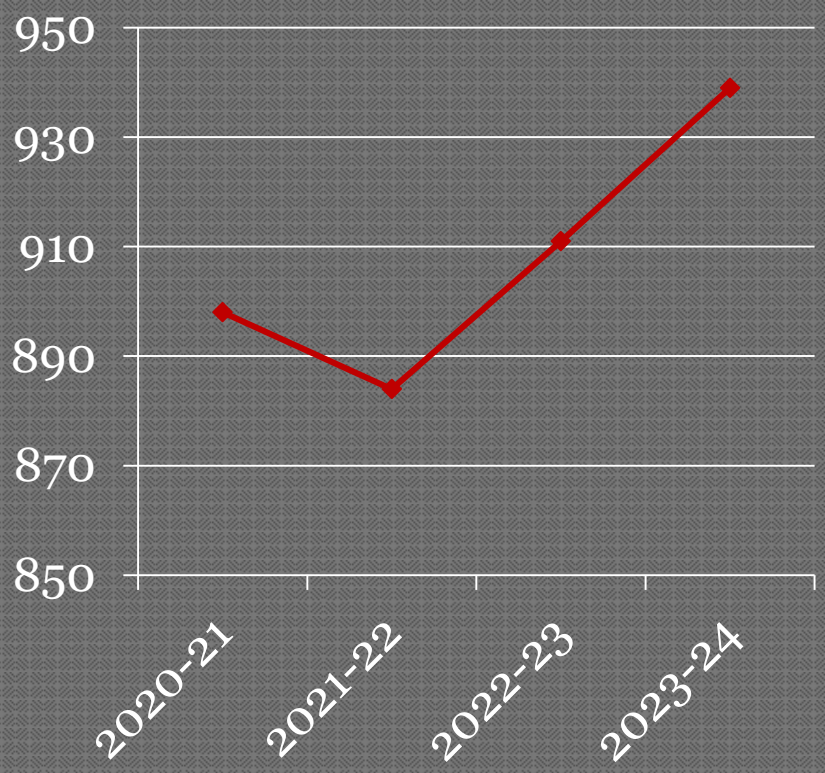
Enrollment/FTE Information



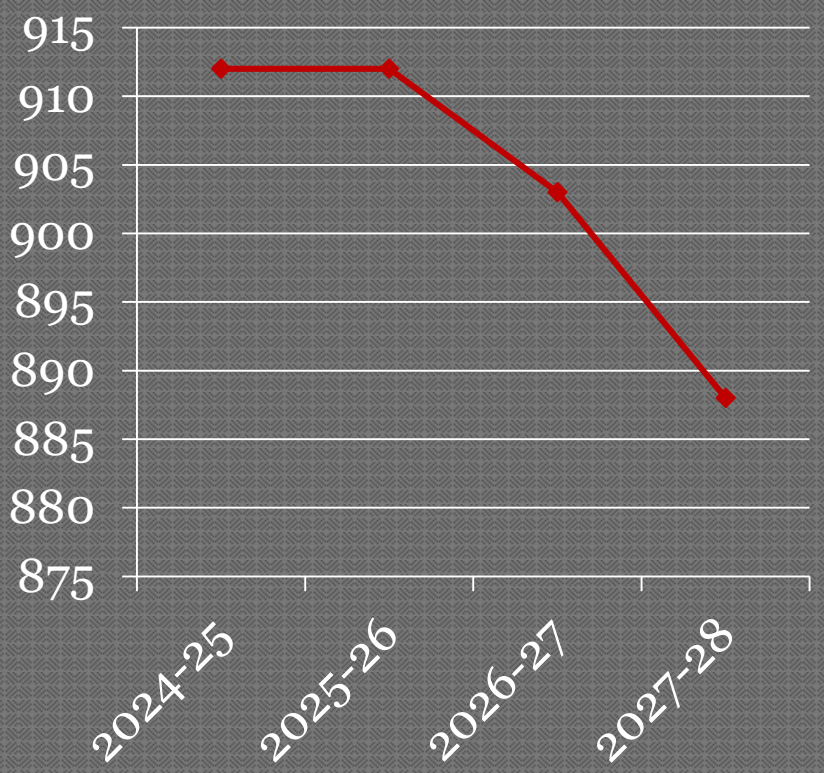
- Enrollment counts are the number of students actively enrolled in school.
- FTE (Full Time Equivalent) counts are the funded portions of student enrollment. If a student attends our schools half of the day, that student is a .50 FTE. Our district receives state funding based upon FTE counts.
- It takes an average of 21 students to fund 1 Teacher.

Student Enrollment

NSD FTE Trend

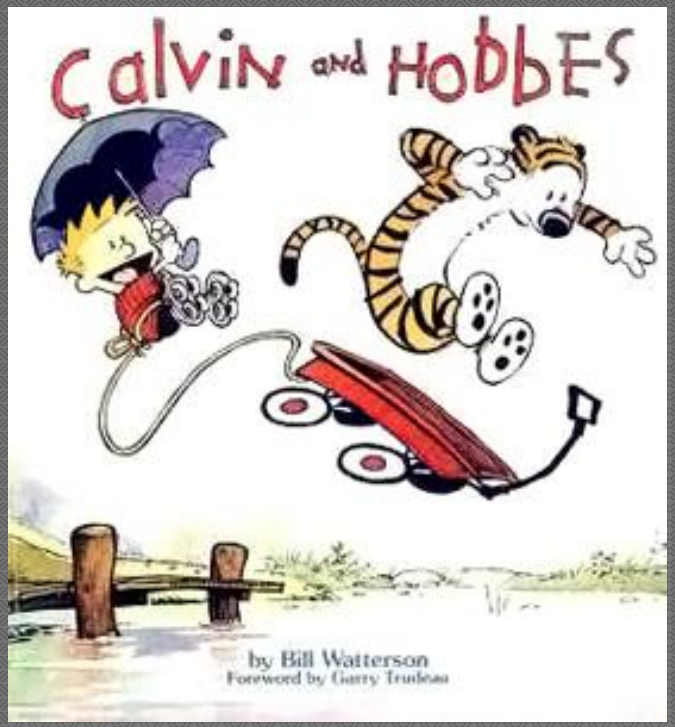


Projected Enrollment Trend



2024-25 Budgeted FTE

Grade	FTE Budgeted
Kindergarten	60
1st	71
2nd	72
3rd	67
4th	80
5th	71
6th	63
7th	76
8th	58
9th	90
10th	75
11th	69
12th	60
Total	912



Other Enrollment Information

- Budgeted Running Start: 15
- Budgeted ALE/Homelink Program: 185
- Budgeted MS CTE Program: 35 FTE
- Budgeted HS CTE Program: 90 FTE



Basic Ed Staffing

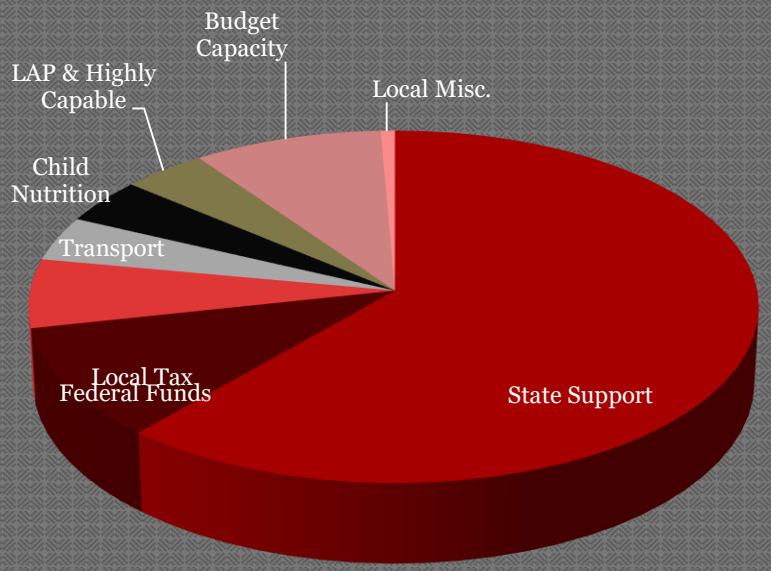
	Reimbursed FTE	Budgeted FTE
Certified Instructional Staff	40.62	39.76
Counselors/Enhancement	2.63	2.99
Certified Admin Staff	2.47	3.4
Classified Staff	12.47	12.84
Technology	.49	2.0
Facilities/Maint/Grounds/Labor	1.69	2.0
District Administration	.82	.90
District Classified	2.39	3.2
MS/HS CTE Program	9.73	8.12
Levy Funded	9.17	9.17

Note: Levy funded FTE = Library aides, counselors, STEAM teacher, maintenance, highly capable, school nurse, student engagement, KUBS staff, Dean of Students and athletic director

FTE is calculated on hours per day worked and the number of days worked per year

General Fund Proposed Revenue Budget

Revenue Source	Proposed Budget	Change PFY
Local Tax	$2,251,648	16.9%
Local Misc. Revenue	$149,126	55.8%
State Support	$13,452,486	9.8%
IDEA & Preschool	$318,849	9.9%
ESSER	$0	-100%
Title I	$662,798	8.2%
Title II, IV, V	$70,000	-40.5%
21st Century	$333,000	0%
LAP	$858,538	12.6%
Highly Capable	$34,662	8%
Child Nutrition	$906,629	19.9%
Transportation	$892,703	4.3%
Budget Capacity	$2,000,000	100%
	$21,930,439	14.1%



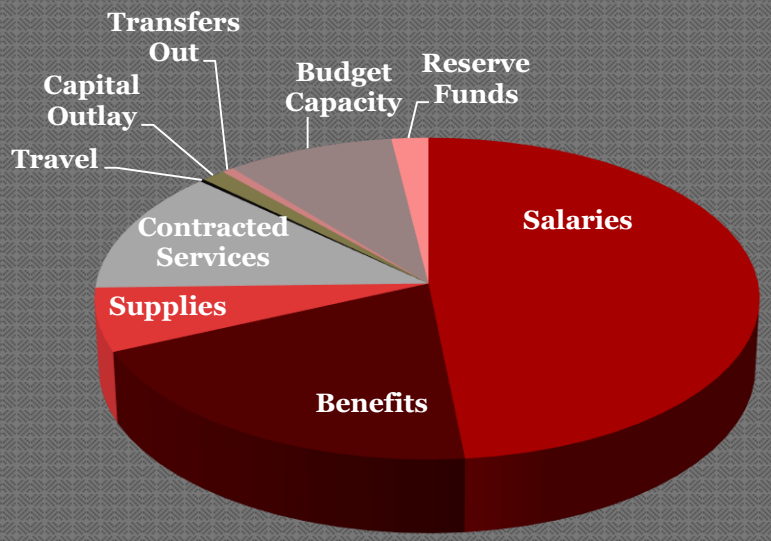
Percentages of General Fund Revenue:
State Support = 61.34%, Supplemental Levy = 10.27%
Federal Funds = 6.31%
PY Supplemental Levy was 10.02%

General Fund Proposed Expenditure Budget

Program	Proposed Budget		Program	Proposed Budget
Basic Education	$9,263,636		Title IV	$40,000
Supplemental Levy	$2,190,427		21st Century	$331,000
ALE/Homelink	$923,442		Title V	$30,000
SPED – State	$2,481,663		LAP	$858,538
IDEA	$284,328		Highly Capable	$34,662
Preschool	$34,521		Budget Capacity	$2,000,000
HS CTE	$859,307		Child Nutrition	$906,629
MS CTE	$334,148		Transportation	$991,050
Title I	$662,798		Transfers Out	$140,119
			TOTAL PROPOSED	**$22,366,268**

Expenditures by Category

Category	Proposed Budget
Salaries	$10,826,562
Benefits	$4,433,414
Supplies	$1,424,148
Contracted Services	$2,765,292
Travel	$57,392
Capital Outlay	$283,512
Transfers Out	$140,119
Budget Capacity	$2,000,000
Reserve Funds	$435,829
	$22,366,268



Salaries & Benefits are 77% of the General Fund Budget. PY Budget was 80%

Expending Fund Balance

- This budget was purposely built to expend $435,829
  - Carryover funds were used to build budget. This is different than prior years.
  - We have one year MOUs with the teachers to hire an additional elementary teacher per grade level and roving substitutes. 5 additional positions were budgeted & hired

Proposed Revenues	$21,930,439
Proposed Expenses	$22,366,268
Funded from Reserves	($435,829)

MSOC Disclosure

- Combined 1191 MSOC from F-203
- Regular Instruction (Column A): $1,206,487
- Grades 9-12 Additional (Column J): $59,985
- Total MSOC Allocation: $1,266,472

Expenditures from F-195	Totals	Program 01 (Basic)	Program 02 (ALE)	Program 03 (CTE)	Program 97 (District-wide)
Object 5 (Supplies)	**$598,674**	$72,465	$74,450	$216,759	$235,000
Object 7 (Prof Services)	**$1,390,054**	$150,567	$5,000	$8,000	$1,226,487
Object 8 (Travel)	**$17,264**	$0	$0	$12,000	$8,864
Object 9 (Capital Outlay)	**$0**	$0	$0	$10,000	$7,264
TOTAL Budgeted 5-9 Expenditures	**$2,005,992**		**Difference**	**-$739,520**	

- The aggregate MSOC amounts and the difference between these amounts is to be disclosed as part of the budget hearing.

ESSB 5187-Sction 504(8)(a)(ii) page 485: (ii) For the 2023-24 school year and the 2024-25 school year, as part of the budget development, hearing, and review process by chapter 28A.505 RCW, each school district must disclose: (A) The amount of state funding to be received by the district under (a) and 9d) of this subsection (8); (B) the amount the district proposes to spend form materials, supplies, and operating costs; © the difference between these two amounts; and (D) if (A) of this subsection (8) (a) (ii) exceeds (B) of this subsection (8) (a) (ii), any proposed use of this difference and how this will improve student achievement.

MSOC Changes
Prior Year Budget & Current Year Proposed

MSOC Category	2023-24 Adopted Budget	2024-25 Proposed Budget	Increase (Decrease)	2024-25 MSOCs Funded	Difference b/w 24-25 Funded and Proposed
Technology	$174,520	$190,920	$16,400	$156,720	($34,200)
Utilities/Insurance	$477,580	$914,093	$436,513	$345,044	($569,049)
Curriculum	$500,815	$537,241	$36,426	$146,306	($390,935)
Other Supplies				$290,049	$290,049
Library Materials				$19,983	$19,983
Professional Dev.				$25,616	$25,616
Facilities/Maint	$229,704	$225,044	($4,660)	$165,372	($59,672)
Security/Central Office	$121,636	$138,694	$17,058	$117,381	($21,313)
Totals	**$1,504,225**	**$2,005,992**	**$501,737**	**$1,266,472**	**($739,520)**

Significant MSOC Changes

Category	% Change
Water & Sewer	75.8%
Garbage	24.7%
Liability Insurance	34.3%
Telephone	24.5%
Electricity	26.9%



Budget Notes



- Included in budget
  - Carryover funds were used to build budget. This is different than prior years. We are using $435,829
  - IPD pass through 3.7% - inflationary increase
  - Declining enrollment and affect on MSOCs
  - We will operate under the Community Eligibility Provision (CEP) in the Child Nutrition Program. *Free meals for all students.*
  - Local Effort Assistance Stabilization $0– *no future LEA funds*
  - Increase in MSOC funding for Utilities/Insurance, however, it is still not enough. This combined with Basic FTE reduces the MSOCs available.

Supplemental Levy

- 2024-25 Supplemental Levy Amount is $2,190,427
- This levy supports the general fund expenditures and makes up 10.02% of the general fund's revenue.
- The 2024-25 levy rate is projected to be $1.50 per thousand.
- This levy supports the following programs and district operations:
  - Supports additional staffing and support services above state reimbursed staffing. This support allows us to have smaller class sizes, offer a STEAM program at the elementary level, along with other instructional support in the classroom and libraries and it also supports our students for nursing and counseling services. Supports student engagement district wide and Dean of Students at the middle school level. District-wide staffing support in facilities and supports the purchase of Chromebooks. In the area of safety and security, we contract with Pend Oreille County to attain a School Resource Officer .
  - Student activity programs (extra-curricular) – includes coaches, advisors, supplies and travel.
  - District assessment and advanced opportunities for students.
  - Supports operating costs of district programs that are not fully funded: Skills Center and Special Education
  - Facility, facility improvements and equipment repair and replacement.

4 Year Projection
Enrollment & FTE Counts

	2024-25	2025-26	2026-27	2027-28
Enrollment - Basic	912	912	903	888
Running Start Enrollment	15	15	15	15
ALE/Homelink Enrollment	185	185	185	185
General Fund Certificated FTE	91.51	91.51	90.77	89.54
General Fund Classified FTE	53.99	53.99	53.55	52.82



4 Year Projection - Revenue

	2024-25	2025-26	2026-27	2027-28
Local Taxes	$2,251,648	$2,211,040	$2,297,405	$2,329,392
Local Nontax Support	$2,152,426	$2,152,426	$2,152,426	$2,152,426
State, General Purpose	$11,299,510	$11,299,510	$11,208,057	$11,055,636
State, Special Purpose	$3,970,318	$4,045,754	$4,130,715	$4,221,591
Federal, Special Purpose	$2,224,902	$1,973,561	$1,973,561	$1,973,561
Revenues Other Entities	$31,635	$31,635	$31,635	$31,635
Total Revenues	**$21,930,439**	**$21,713,926**	**$21,793,799**	**$21,764,240**





4 Year Projection - Expenditures

	2024-25	2025-26	2026-27	2027-28
Regular Instruction	$8,669,296	$8,192,859	$8,212,915	$8,133,212
Federal Spec Purpose				
Special Education	$2,800,512	$2,842,520	$2,885,157	$2,928,435
Vocational Education	$1,193,455	$1,193,455	$1,183,796	$1,167,697
Federal Programs	$1,823,304	$1,973,561	$1,973,561	$1,973,561
Other Instructional	$2,034,662	$2,034,662	$2,034,662	$2,034,662
Support Services	$5,605,888	$5,605,888	$5,560,517	$5,484,898
Transfers Out	$140,119			
Total Expenditures	**$22,226,149**	**$22,842,945**	**$21,850,608**	**$21,722,465**
Excess Expenses Over Revenue Sources	($435,829)	($129,019)	($56,809)	$41,776

4 Year Projection - Assumptions

- Based upon declining enrollment
- Maintaining all current programs
- Average salaries for 24-25, 25-26, 26-27
  - Certified: $75,419, $78,208, $79,694
  - Administrative: $111,950, $116,092, $118,298
  - Classified: $54,103, $56,105, $57,171
- Salary allocations increase each year by the IPD
- Maintained current expenditure level for federal/state special programs.

Capital Projects Fund (20)
Debt Service Fund (30)

Capital Projects Fund

- Revenues
  - $220,000
- Expenditures
  - $220,000



Debt Service Fund

- Revenues & Transfers In
  - $156,681
- Expenditures
  - $156,681
- *Ending outstanding debt for non voted bonds = $412,000*
- *Non-voted go through 12/2025 and 12/2028*

ASB Fund (40)

School	ASB Balance (6/30/24)
Stratton Elementary	$34,798
Sadie Halstead	$51,702
Newport High School	$231,562
TOTAL	**$318,062**

School	Proposed Budget
Stratton Elementary	$34,722
Sadie Halstead	$56,352
Newport High School	$250,000
Budget Capacity	$125,000
TOTAL	**$466,074**



Trust Fund (70)

Trust	Trust Balance (6/30/24)
Trust Funds	$971,515
Library Funds	$186,787
TOTAL	**$1,158,302**

Trust	Proposed Budget
Trust Funds	$70,936
Library Funds	$80,700
Budget Capacity	$18,364
TOTAL	**$170,000**

Budget is to the level of anticipated expenditures.



What's Coming Up??

- Adjusting operations as needed to lower basic education enrollments.
- Supporting salary schedules based upon "average" state salary and still having competitive salaries.
- Stabilizing MSOC funding levels to expenditure levels. Planning for inflation as much as possible.
- As a reminder, we no longer receive LEA funds
- Trend of reduction of K-12 Funding in State Operating Budget
  - 15-17: 48%, 17-19: 50%, 19-21: 52%, 21-23: 48%, 23-25: 44% (lower than 15-17 level

In closing…



Questions

