

Cassia 2021 Budget Roadshow

FINANCIAL INFORMATION

Common Questions

2

- ▶ How are schools funded in Idaho?
- ▶ Why is school funding so complicated?
- ▶ Why does Idaho rank low in per student spending?
- ▶ How does lottery money fund schools?
- ▶ Can we reject Federal funds and rules?
- ▶ What is the difference between a bond and a levy?
- ▶ What are the benefits of a consolidated school district?



Basic Explanation of School Funding

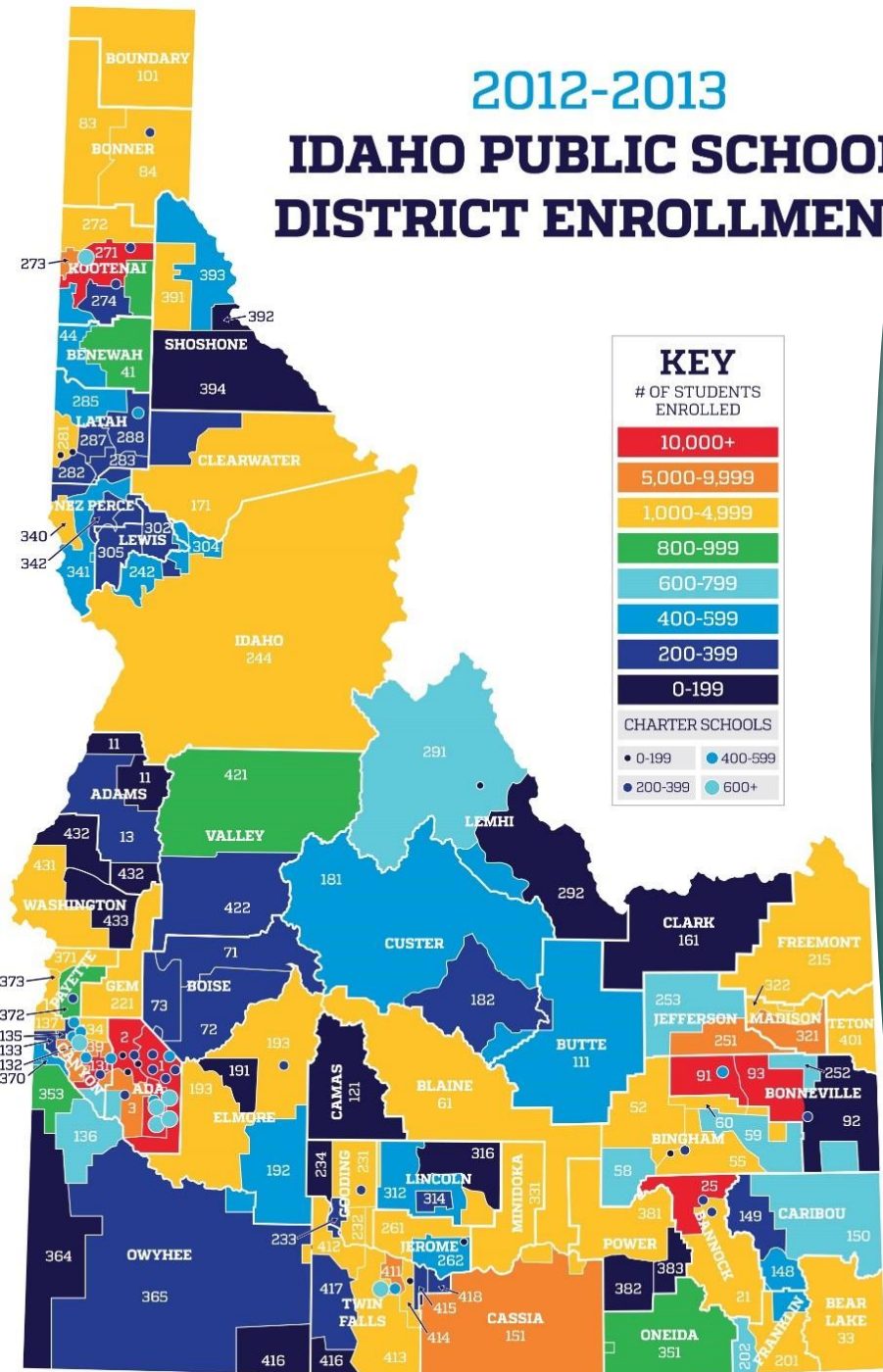
Explanation from the Blumm Group

Every year, the Idaho Legislature decides how much state money public schools will receive; the Legislature also sets the budget for how much teachers should be paid. The funding formula for Idaho's public schools is complicated. It's based on:

- ✓ number of students in attendance
- ✓ teacher salaries
- ✓ a portion of teacher benefits
- ✓ a portion of busing costs
- ✓ some 25 other funding categories for specific items that schools might access

Public school districts can add to their budget by passing local levies and bonds or by applying for federal and private grants. Public schools also receive 50 percent of the Idaho Lottery's net funds (for Cassia the lottery is around \$300K annually). Idaho public schools, on average, spend \$8,980 per enrolled student. Local bonds and levies often determine how much money is spent on a child's education.

2012-2013 IDAHO PUBLIC SCHOOL DISTRICT ENROLLMENT



School Districts by Enrollment

CASSIA JT. SCHOOL DISTRICT IS LARGE IN TERMS OF STUDENTS AND GEOGRAPHY

Cassia Schools Fast Facts

- ▶ Out of 182 Idaho districts and charter schools, CJSD is the 14th Largest in the state with over 5,500 students.
- ▶ Until the district consolidated in 1948 there were 49 different school districts in Cassia County.
- ▶ The district boundaries are geographically larger than the state of Delaware.
- ▶ The district provides daily public transportation to nearly 2,000 students on 49 buses traveling 3,000 miles. (That is further than LA to NY)
- ▶ The district operates the largest restaurant in town serving 4,700 meals a day.
- ▶ CJSD is the largest employer in the county with 750 employees putting over \$3M each month back into the local economy through payroll, supplies, and utilities.



CJSD Info & Facilities

- ▶ The district has an annual operating revenue of around \$50 million dollars.
- ▶ CJSD has 355 certificated staff which includes counselors, psychologists, nurses, and admin.
- ▶ CJSD maintains 17 school facilities with over 1,000,000 square feet of student occupied space.
- ▶ CJSD maintains over 130 acres of grass and landscaping and nearly 50 acres of parking lots and over 20 acres of roofs.
- ▶ CJSD maintains 62 buildings including schools, out buildings, portables, and district buildings.
- ▶ Buildings range in age from 1950 to 2017.



Planned Facility Maintenance Needs

- ▶ Dworshak Heating Replacement \$1.1M
- ▶ BHS Heating Replacement \$2.68M
- ▶ DHS Heating Replacement \$1.2M
- ▶ OHS Heating Replacement \$927K
- ▶ BHS Roof Replacement \$1.3M
- ▶ BJHS Roof Replacement \$567K
- ▶ RRHS Old Gym Structural Repair \$600K
- ▶ BHS Parking Lot \$985K
- ▶ Schools that aren't air conditioned:
BHS, BJHS, DHS, DES (partial), Albion, OES, OHS (partial), White Pine (partial), CHS
- ▶ We receive \$530K annually from the state for school maintenance (\$300K of it from lottery). We spent \$2.3M on student occupied facility maintenance last year.



CJSD Finance Department Strategic Plan

1. To provide the best possible educational experiences for students and staff within our limited resources.
2. Maintain integrity and accountability to all stakeholders (patrons, staff, & students).
3. Address long-term care, maintenance, and eventual replacement of physical facilities.



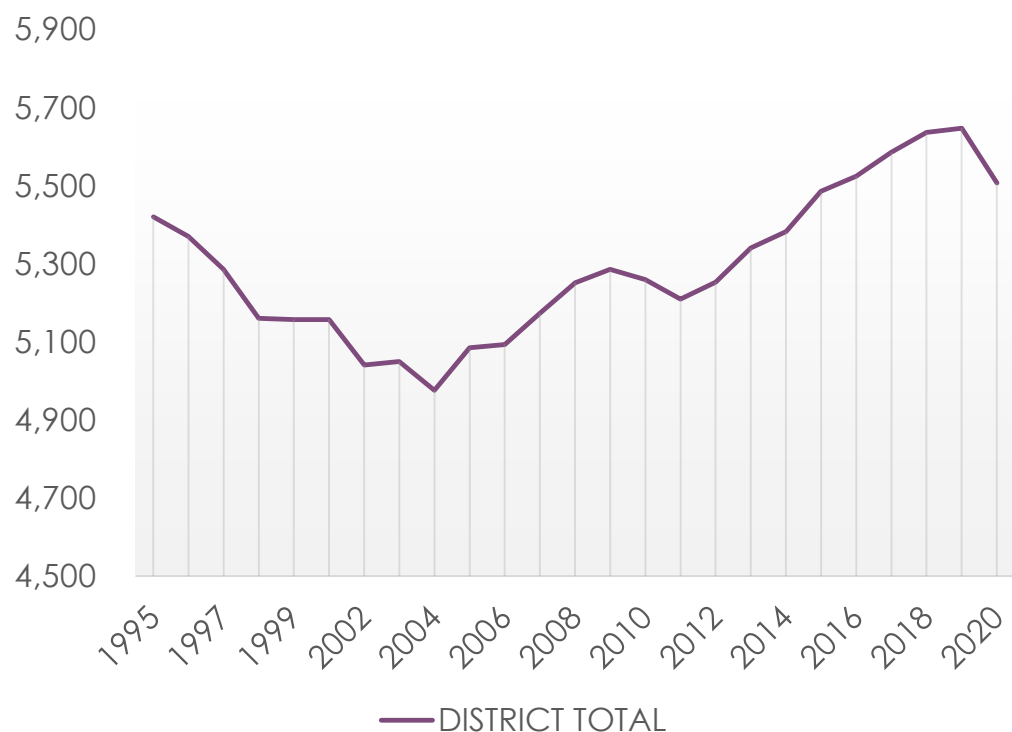
[This Photo](#) by Unknown Author is licensed under [CC BY-SA](#)

Enrollment Trends

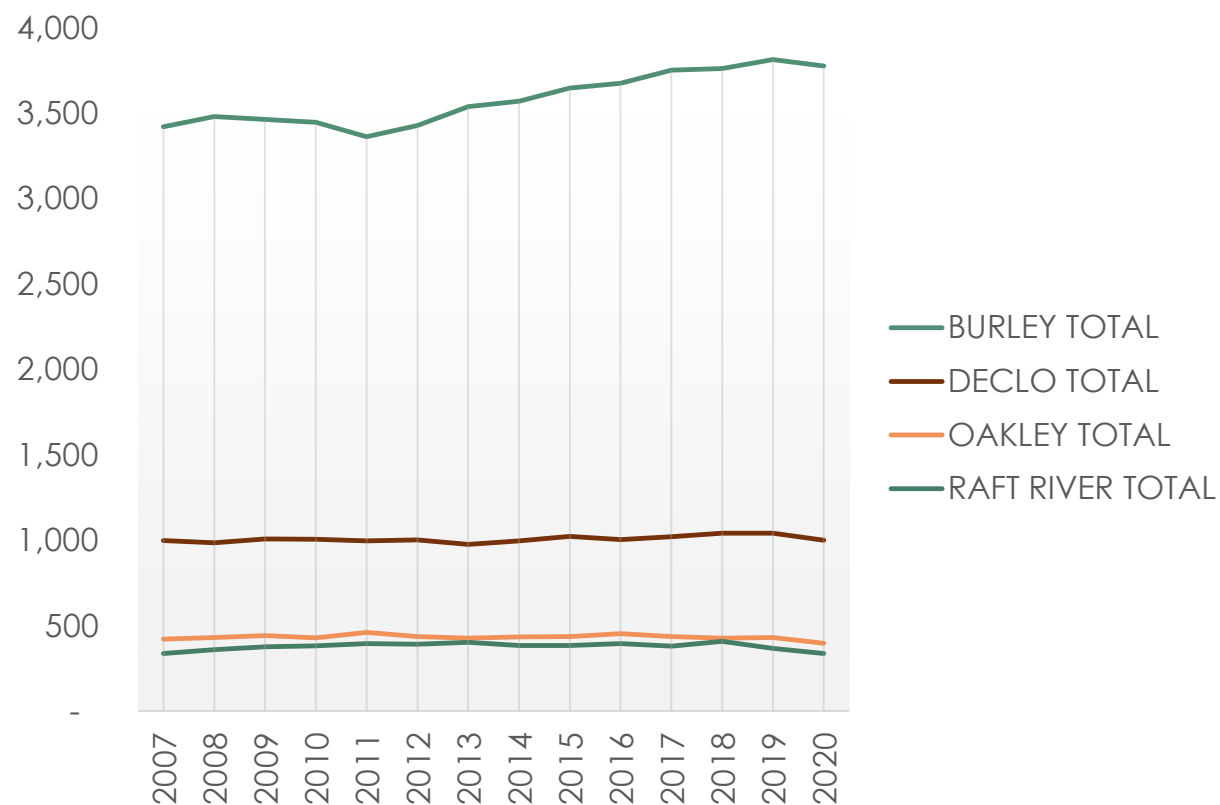
9

Declining students means declining revenue

DISTRICT 25 YEAR ENROLLMENT TREND

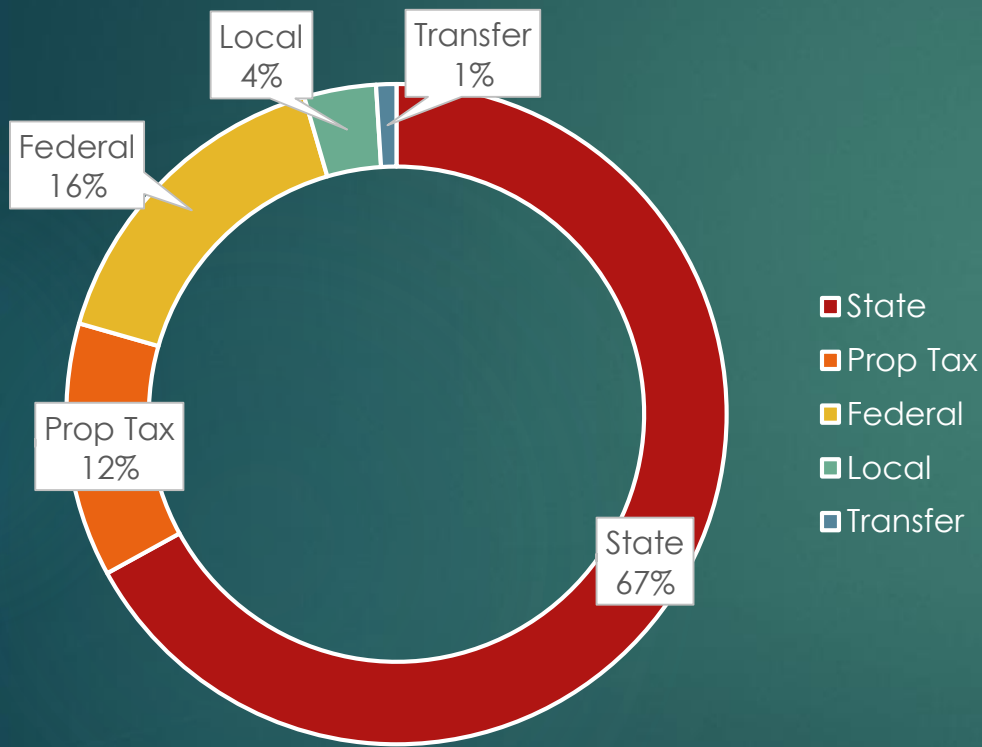


DISTRICT TOTAL 15 YEAR TREND



District Operating Revenue

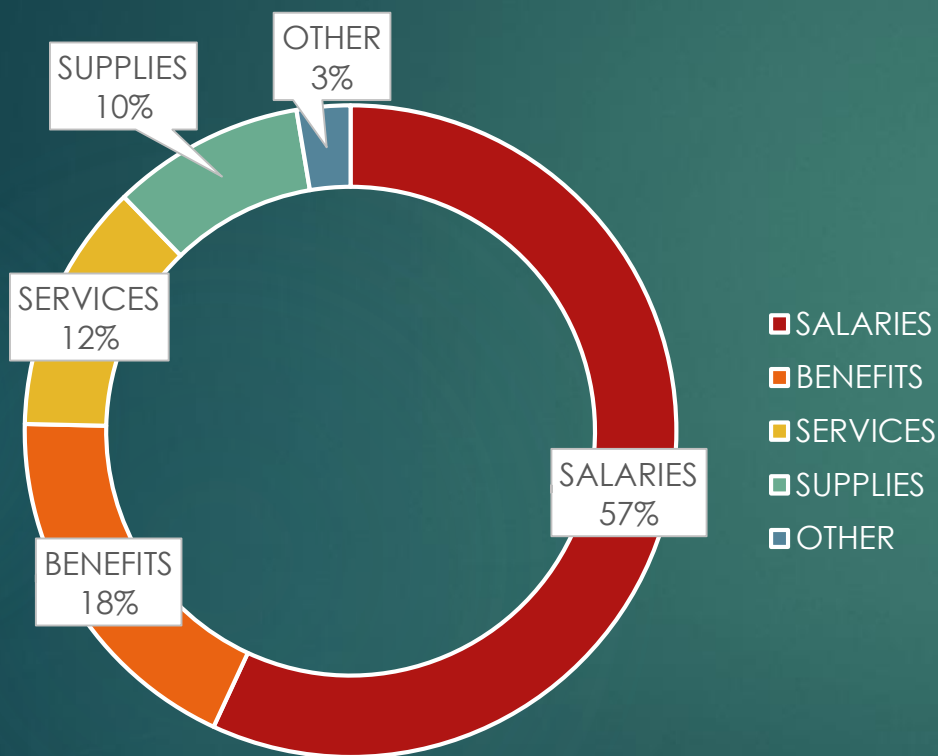
10



- ▶ The district is budgeted to receive \$51M of operating revenue in the 2020-2021 school year.
- ▶ 67% (\$35M) comes from the state, primarily sales and income tax.
- ▶ 12% comes from property tax for voter approved bond and levies.
- ▶ 16% comes from Federal Programs such as Special Ed, Migrant, Title I, & Child Nutrition. Even if we didn't accept federal funds we would still have to provide services to these students.
- ▶ 4% comes from local grants, donations, fees, and interest earnings.

Major Fund Expenditures

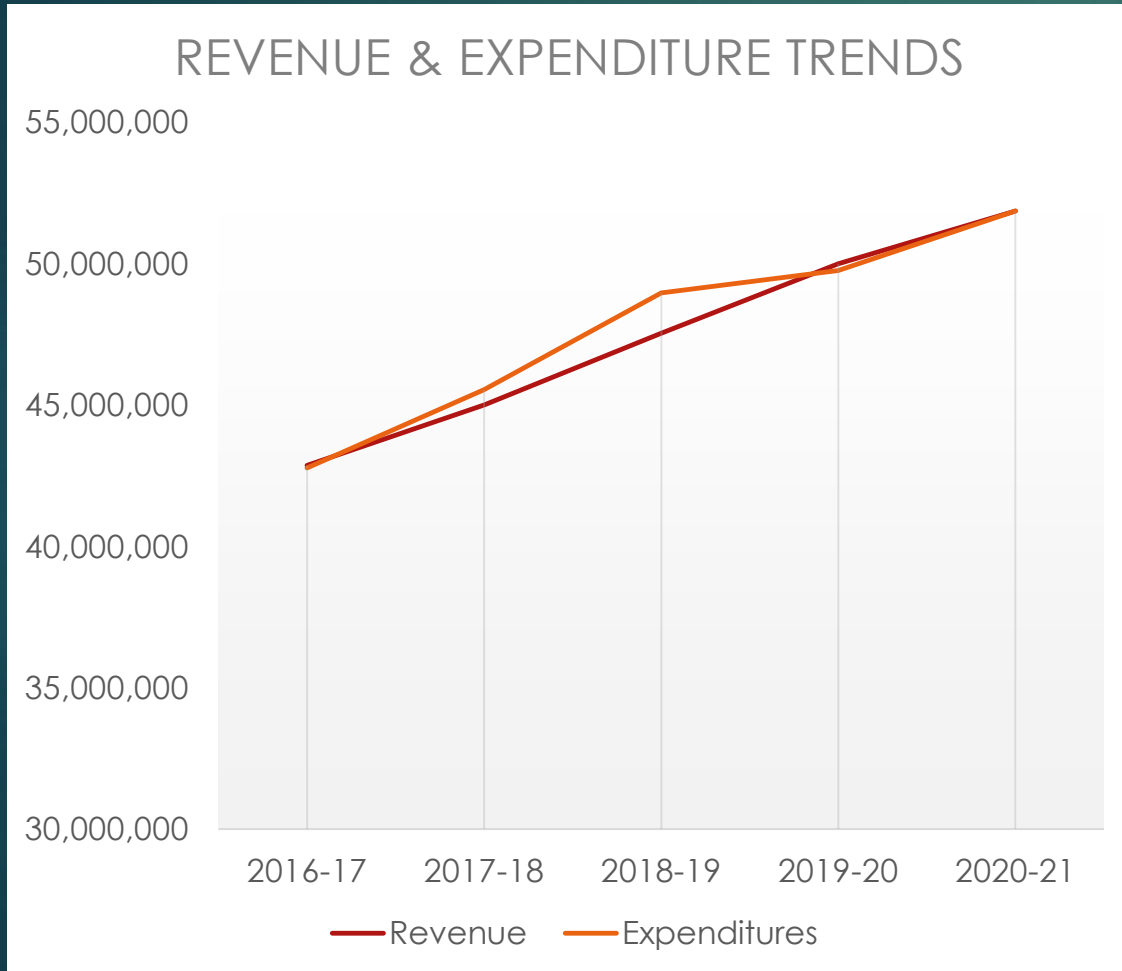
11



- ▶ 75% of expenditures are spent on salaries and benefits. This is typical for a business in the service sector.
- ▶ Services include: utilities, contracted labor, travel, and professional development.
- ▶ Only 10% of budget is available for supplies.
- ▶ The other 3% includes liability insurance, equipment, and fund transfers.

Budget Trends

12

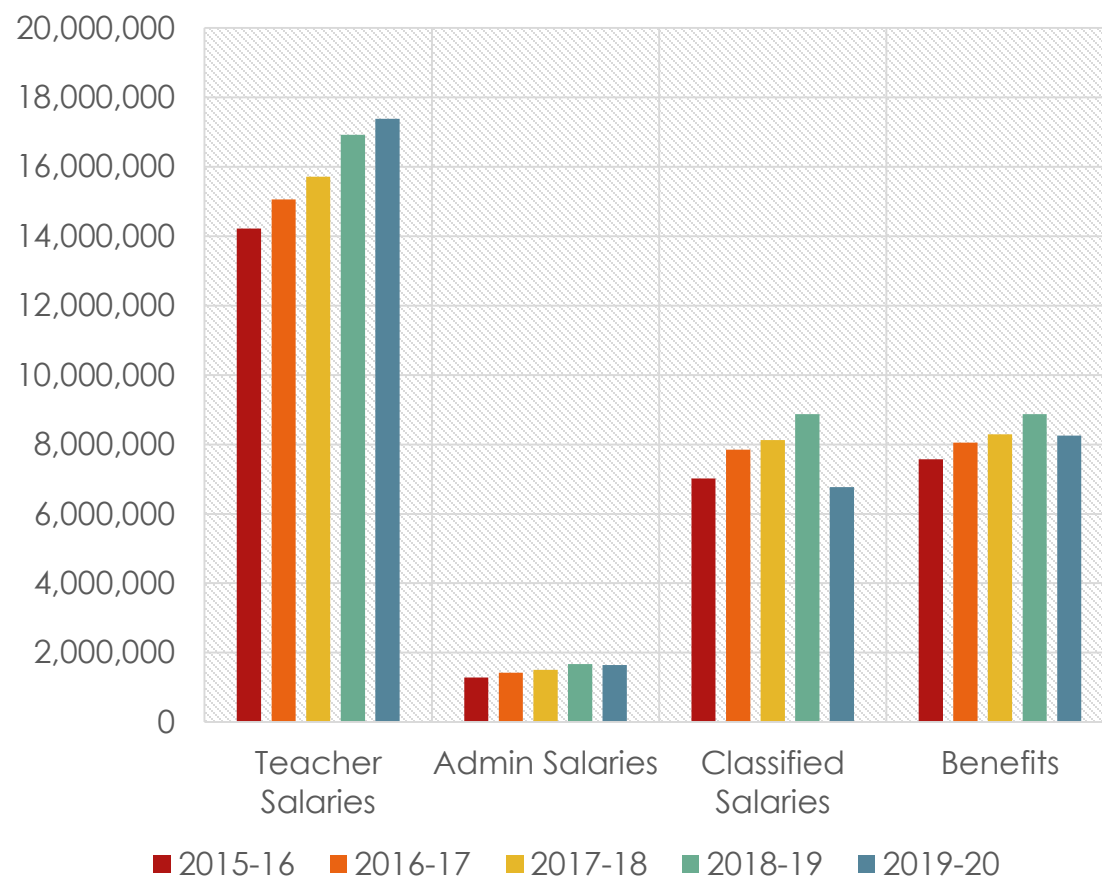


- ▶ Our goal is to have a balanced budget so that the maximum dollars are going to the classroom without overspending.
- ▶ In 2018 and 2019 expenditures exceeded revenues because of a decline in out of district student enrollment and costs of bringing a new elementary online.
- ▶ Fortunately state funding increased and we were able to reduce expenditures returning to a balanced budget in 2020.
- ▶ School districts are only allowed to keep 5% of their operating budget in contingency for unplanned expenditures. For our district that would be \$2M or about 17 days of operating expense.

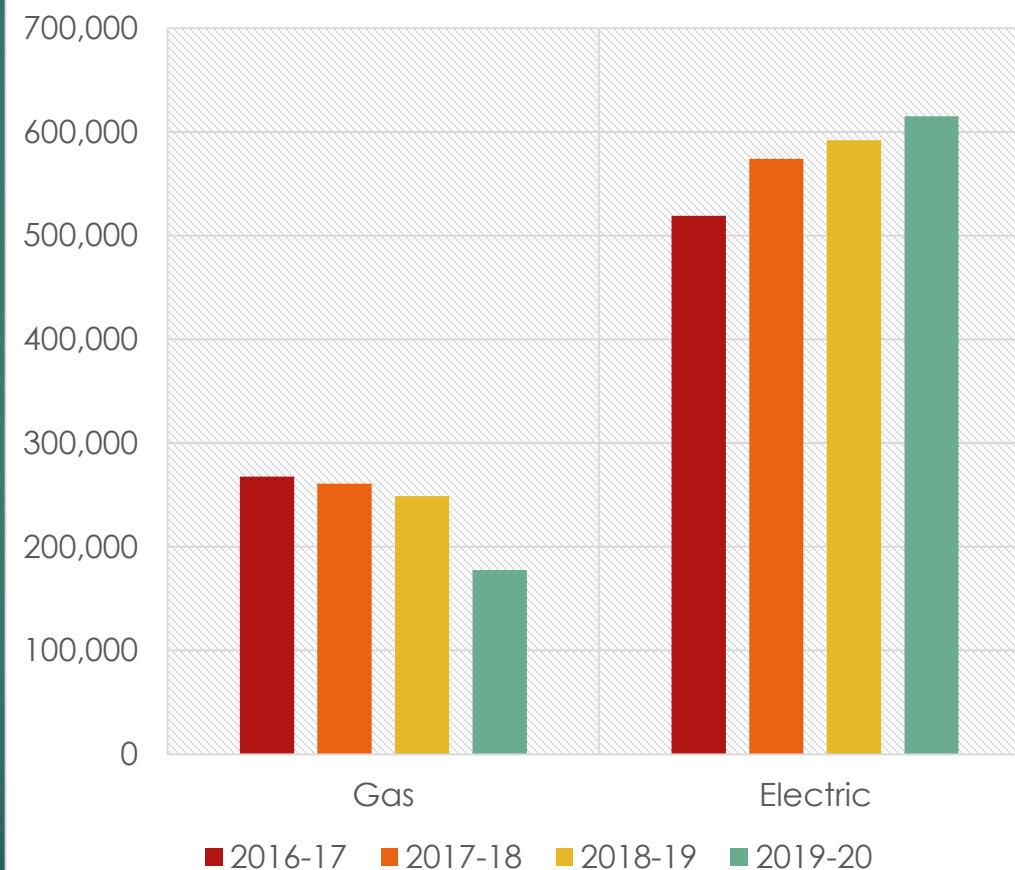
Salary & Utility Expense Trends

13

Salary & Benefit Trends



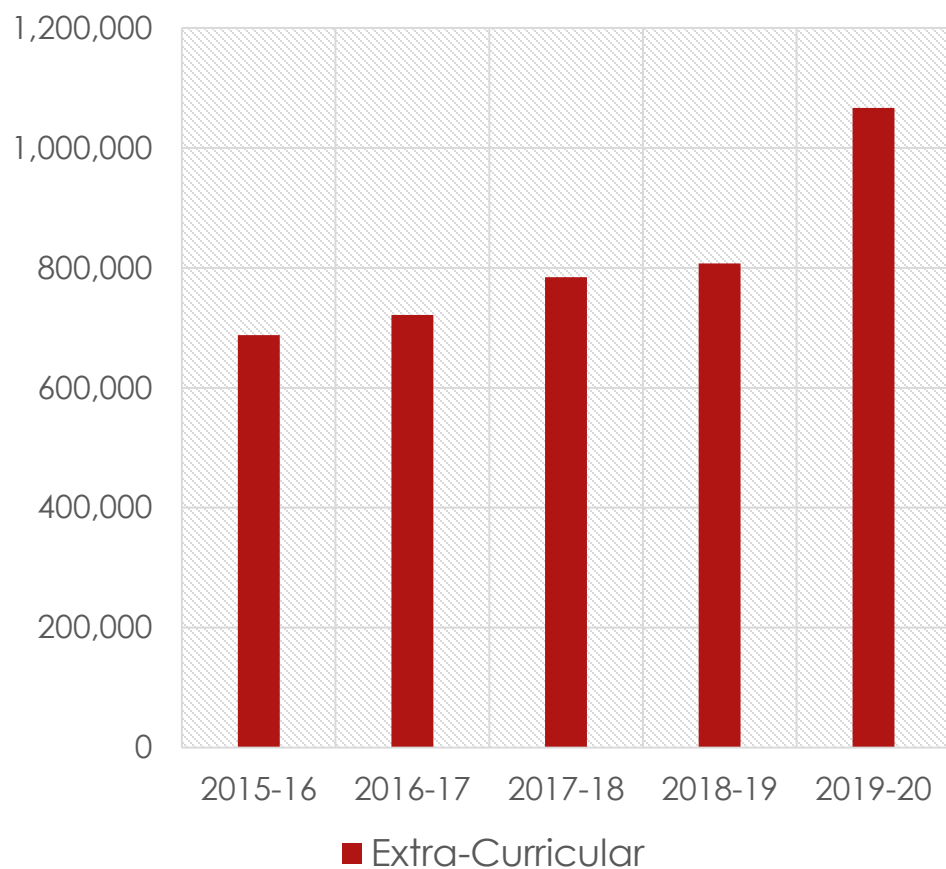
Utility Trends



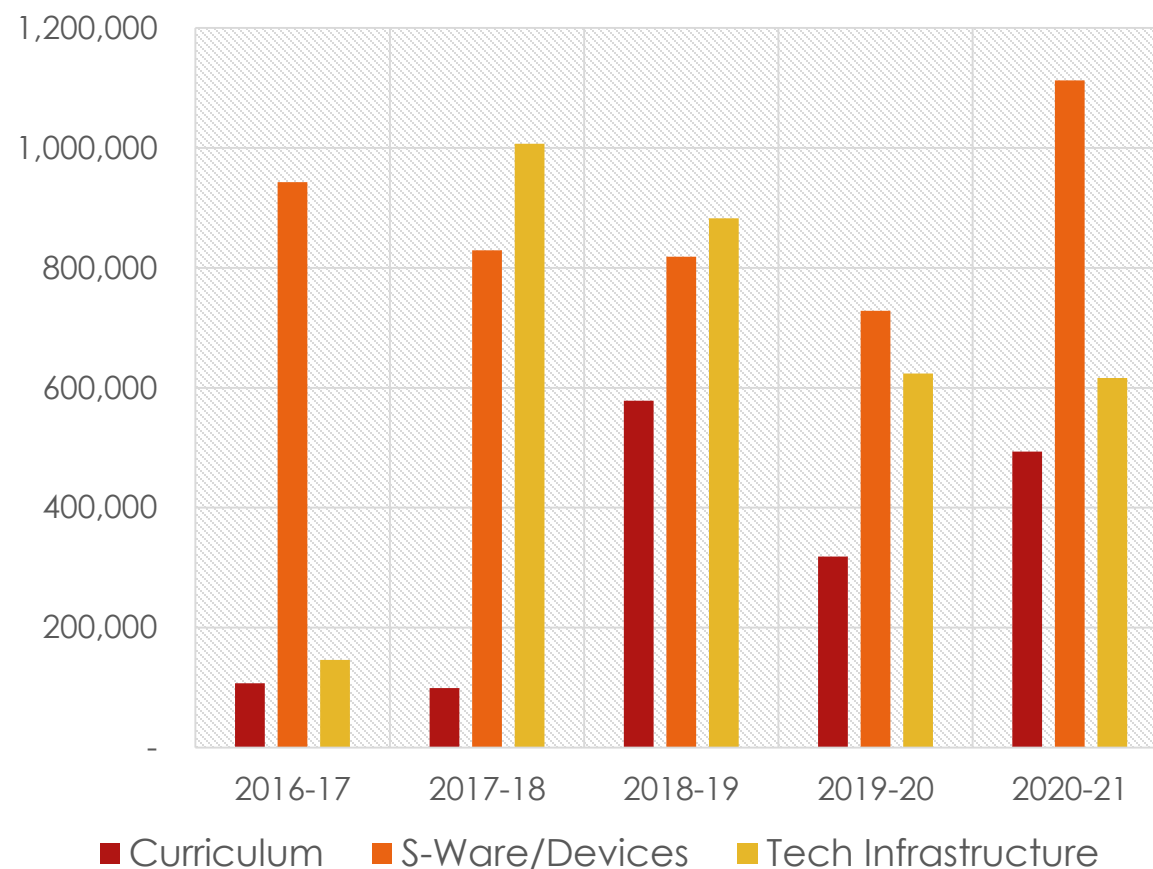
Extra-Curricular & Technology

14

Extra-Curricular

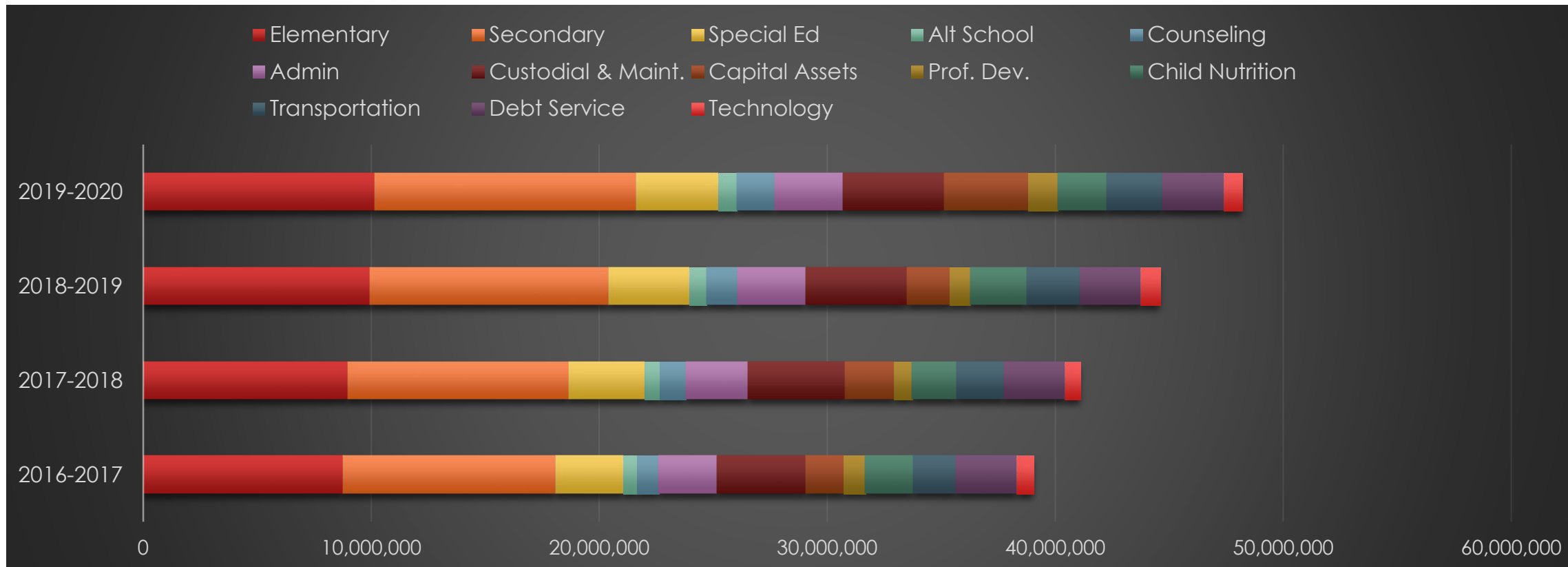


Curriculum & Technology



Major Expenditures by Program

15



Expenditures by School

Resources are allocated based on student enrollment.

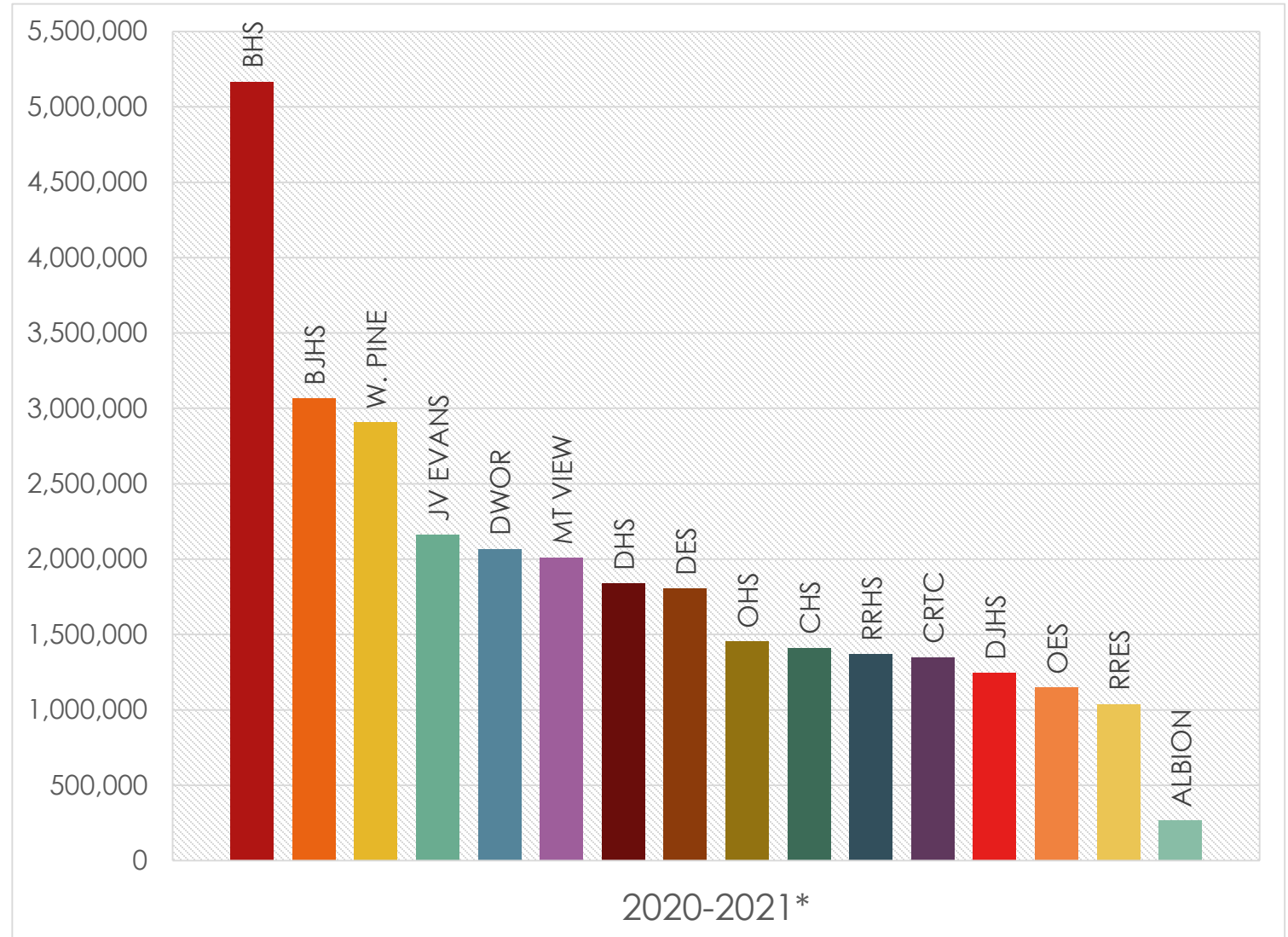
Instructional expenditures are coded to each building location.

Schools with larger student bodies and facilities are generally more expensive to operate.

Factors such as the age and condition of the building can affect utilities and maintenance. Experience of teachers and staff can affect compensation.

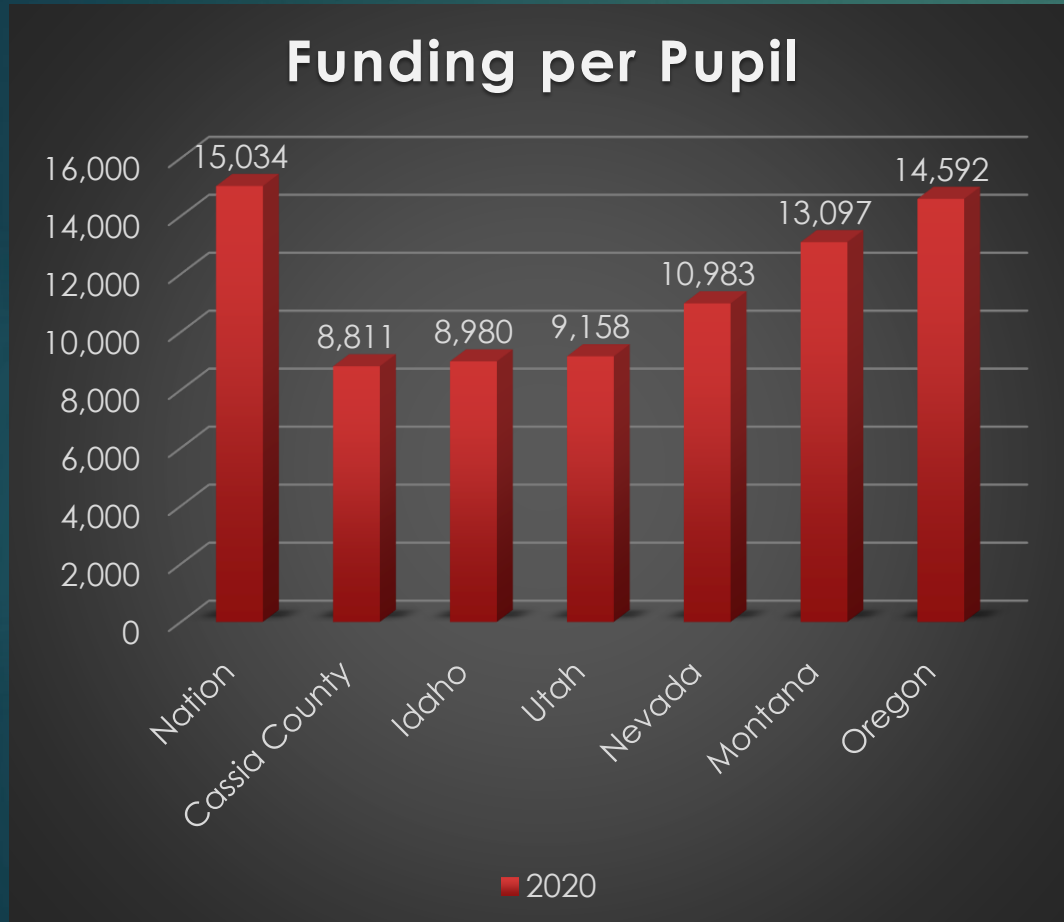
*This graph is based on the 2020-2021 budget, actual expenditures may differ once fiscal year is complete.

You can see per student expenditures at each school by accessing their state report card.



Per Pupil Funding

17



Idaho ranks 50th in terms of spending, and Idaho schools receive the least funding.

Idaho schools receive \$244.6M, or \$1,043 per pupil from the Federal Government.

The state of Idaho divides \$1.7B (roughly half of state revenue), or \$5,880 per pupil among its public schools.

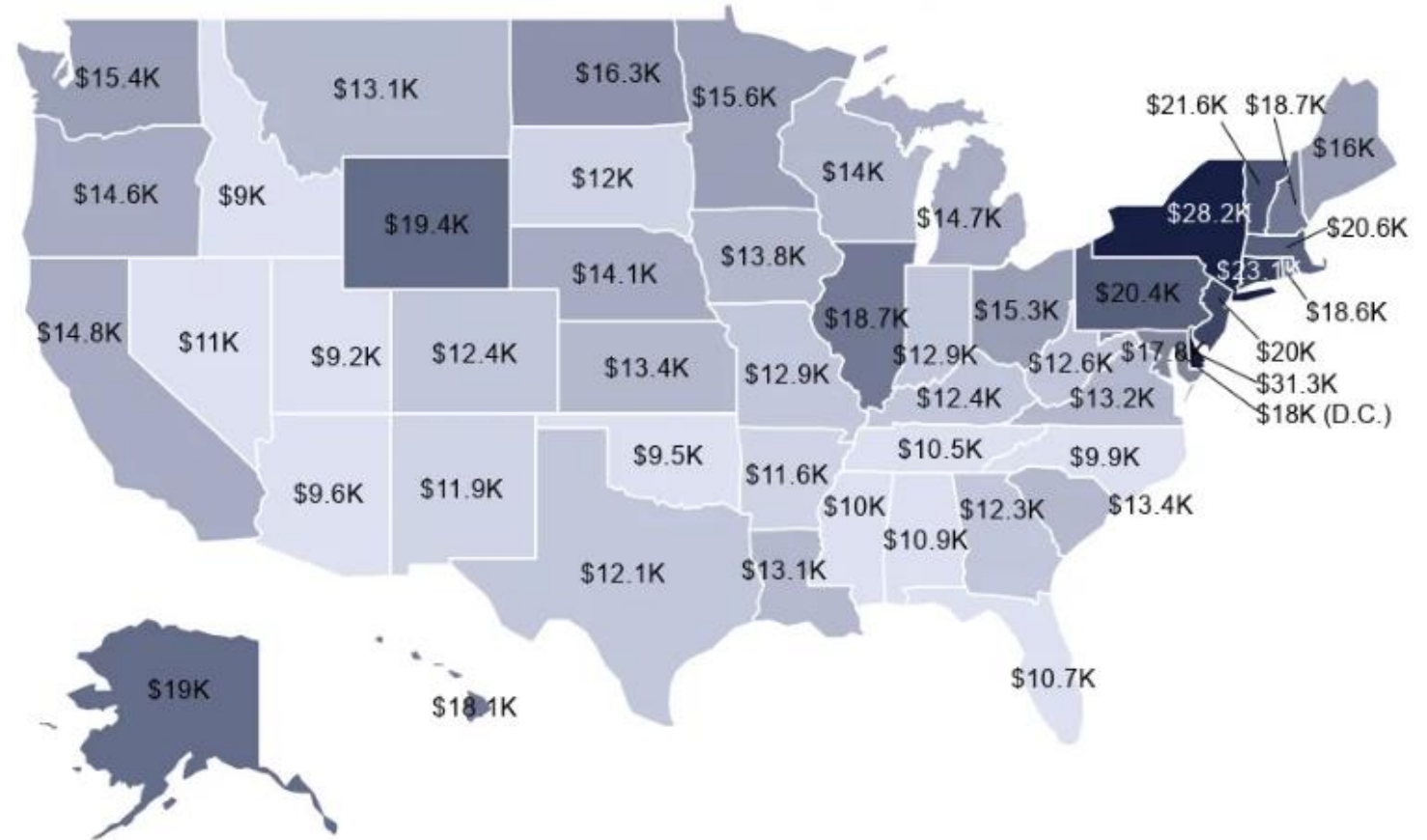
Local funding totals \$631.7M, or \$2,235 per pupil.

Local funding comes primarily from voter approved bonds and levies and can vary greatly by district.

United States

- Schools in the US spend an average of \$12,612 per pupil, which is the fifth-highest among the 37 other developed nations (OECD).
- In terms of a percentage of its gross domestic product, the US ranks 12th among OECD members in spending on elementary education.
- A large portion of per-pupil expenditures are salaries and facilities. States that spend less per pupil typically pay teachers less.
- Idaho is increasing educational spending faster than the national average. Education in Idaho does get a large piece of the state budget pie, however the pie is small because of low tax rates and rural tax base.

Public School Funding Per Student



State 2021-22 Budget Proposals

19

Governor's Proposal

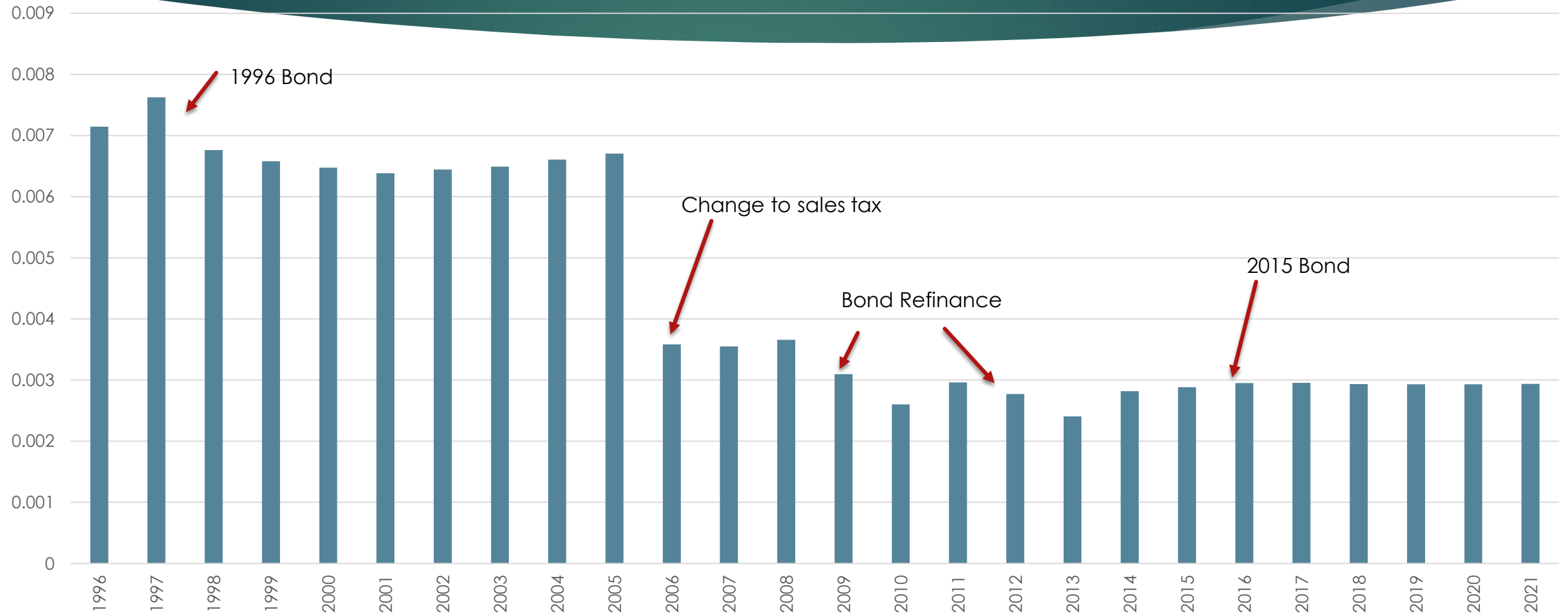
- ▶ Education budget increase of 3.7% or \$73M
- ▶ \$44.9M for teacher salaries and benefits
- ▶ Continued funding for the literacy initiative
- ▶ 2% cost of living for administrators and classified staff
- ▶ 2.3% increase in operational funds
- ▶ \$9.7M increase for Advanced Opportunities Student Program
- ▶ (\$10M) decrease in Technology, (\$10M) decrease in professional development, (\$4M) decrease in IT Staffing

State Superintendent's Request

- ▶ Requested a 2.5% budget increase or \$49M.
- ▶ \$21.7M for teacher salaries
- ▶ Continued funding for the literacy initiative
- ▶ 1% cost of living for administrators and classified staff
- ▶ 2.3% increase in operational funds
- ▶ \$9.7M increase for Advanced Opportunities Student Program
- ▶ (\$10M) decrease in Technology, (\$10M) decrease in professional development, (\$4M) decrease in IT Staffing

CJSD Property Tax Levy Rates

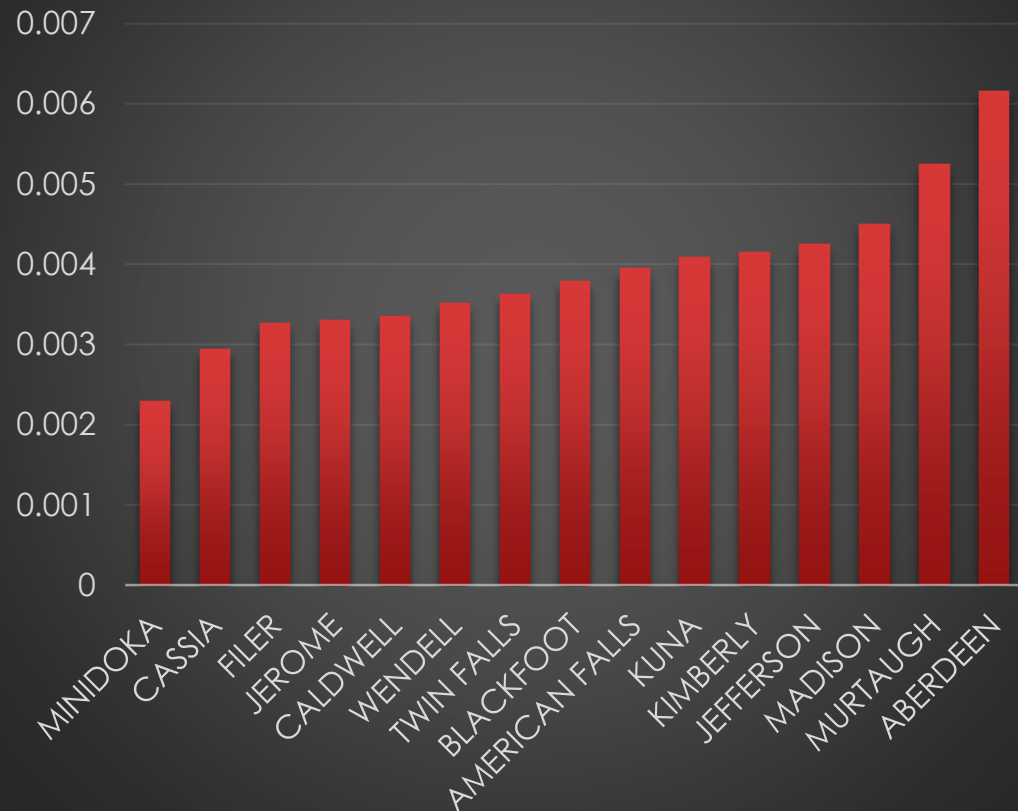
20



Levy Comparison by District

21

2021 COMBINED SCHOOL BOND & LEVY RATE



SUPPLEMENTAL LEVY \$\$ PER STUDENT

2020	Supplemental Levy Amount	Student Enrollment	Amount per Student
Cassia	\$ 2,195,000	5,507	\$ 398
Caldwell	\$ 2,500,000	6,125	\$ 408
Kuna	\$ 2,500,000	5,618	\$ 445
Gooding	\$ 650,000	1,372	\$ 474
Wendell	\$ 561,036	1,142	\$ 491
Valley	\$ 300,000	596	\$ 503
Twin Falls	\$ 5,000,000	9,620	\$ 520
Minidoka	\$ 2,250,000	4,315	\$ 521
Blackfoot	\$ 2,275,000	3,811	\$ 597
Shoshone	\$ 298,488	488	\$ 612
Mountain Home	\$ 2,700,000	3,919	\$ 689
Soda Springs	\$ 727,824	948	\$ 768
Hansen	\$ 290,000	333	\$ 871
Aberdeen	\$ 675,000	711	\$ 949
American Falls	\$ 2,662,997	1,553	\$ 1,715

2020 CASSIA COUNTY LARGEST TAX PAYERS

Cassia County is fortunate to have a strong tax base. This list obtained from the assessor's office shows the largest tax payers in the county.

Combined these tax payers make up over 47% of the taxable value in Cassia County which helps fund not only schools but local and county governments, roads, and emergency services.

Legal Entity	Total Tax Charge
MCCAIN FOODSERVICE INC	\$3,113,173.18
HIGH DESERT MILK	\$617,111.84
DDP SPECIALTY ELECTRONIC MATERIALS US INC	\$532,810.60
PACIFIC ETHANOL MAGIC VALLEY LLC	\$518,875.80
EAST VALLEY CATTLE LLC	\$292,554.58
NEWCOLD BURLEY LLC	\$267,063.18
TESORO LOGISTICS NW	\$261,615.62
OAK VALLEY LAND COMPANY	\$302,427.78
IDAHO POWER COMPANY	\$180,654.42
NORTHWEST PIPELINE CORP	\$160,892.04
AMERICOLD REAL ESTATE LP	\$174,356.12
DOT IDAHO 2020 LLC	\$266,531.48
BOISE PACKAGING LLC	\$269,538.36
HY-LINE INTERNATIONAL	\$216,988.42
BIG SKY DAIRY	\$213,395.16
FABRI-KAL HOLDINGS LLC	\$209,962.66
PKD PROPERTIES LC	\$269,134.80
MIDWAY DAIRY LLC	\$109,252.30
MOLSON COORS USA LLC	\$96,797.00
WYBENGA DAIRY LLC	\$143,554.66

Benefits of a County School District

23

- ▶ County-wide school districts have a large-diversified tax base that helps keep levy rates low.
- ▶ Have economies of scale that help them run more efficiently without duplicating staff. (Transportation, food service, maintenance, administration)
- ▶ Have dedicated positions and resources that can serve all schools. Like the regional technical center.
- ▶ Small districts struggle to afford and recruit positions like psychologists, nurses, counselors, technology & administrative staff.
- ▶ Smaller rural schools generate more funding as part of a large district than they would on their own.



Cassia County School District
Supporting High Levels
of Learning and Success

“An investment in knowledge pays the best interest.”

-Benjamin Franklin