

Smithton R-VI School District

Smithton, Missouri

BUDGET FOR FISCAL YEAR 2021

Presented by David R. Bray, Ed. S., Superintendent

Budget Adopted by the Smithton R-VI Board of Education June 15, 2020

Board of Education
Smithton R-VI School District
Smithton, MO 65350

Dear Board of Education,

Submitted herein is a financial budget for the educational program of the Smithton R-VI School District for the 2020-21 school year, referred to in this document as Fiscal Year 21 (FY21).

This budget represents the funding and expenses associated with providing the greatest learning opportunities for students in Preschool through Grade 12 in the Smithton R-VI School District. It is the financial representation of the collaborative effort between school and community to carry out the District Strategic Plan through a comprehensive plan for school improvement. The budget also represents the work of Mary Kaiser, who is in her second year of bookkeeping duties for the District. She works very hard to maintain an accurate and balanced ledger for the District and her dogged approach to a clean financial process is much appreciated.

It is important for everyone to realize that the FY21 budget is a prediction of revenues and expenses based on information from revenue providers and needs provided in school improvement plans. Both revenues and expenses are subject to change and therefore the budget itself should reflect any changes through revision by the administrative team and Board of Education during the fiscal year. This realization is amplified in light of the COVID-19 pandemic and subsequent economic recession we are experiencing during the early examination of this budget and budget process.

As your Superintendent of Schools and Budget Officer, I recommend the adoption of this budget.

Respectfully,

David R. Bray, Ed. S.
Superintendent of Smithton R-VI School District

BUDGET MESSAGE

The following information is intended to give an overview of the expected revenues and expenditures for the 2020-21 fiscal year (FY21) for the Smithton R-VI School District. Due to our organization's commitment to the education of the young people of the District this message will begin with an overview of the Instructional Plan for the district. The subsequent sections will be the Revenue and Expenditure Plans respectively. Being an overview document the information included herein will only include detail in areas where a change from the previous year is notable.

INSTRUCTIONAL PLAN

District enrollment appears to be slightly down with 530 students projected to attend the Smithton R-VI School District in the 2020-21 school year. We finished the 2019-20 school year serving 576 students.

The staff hired to carry out our instructional plan for the 2020-21 school year consists of the following positions:

5 Administrators
47.2 Classroom Teachers
2 Counselors
1 Nurse
1 Media Specialist
1 Technology Director
7.8 Paraprofessionals/Aides
5 Administrative Assistants
6 Custodians/Maintenance
5 Food Service

81 Total

Instruction and other services will be provided to the students of the Smithton R-VI School District through both contracted services and partnerships with other educational entities as follows:

The instructional plan from the 2019-20 school year was compromised due to the COVID-19 pandemic. Based on this unprecedented event the 2020-21 members of a task force of Smithton R-VI staff will develop instructional plans for a full return, a partial return and no return to school. This budget reflects the costs associated with a plan for a complete return to school and activities at Smithton R-VI.

We will continue to offer access to physical and occupational therapy services through the West Central Cooperative. For the past several years this entity has had Sedalia 200 as its fiscal agent. For the 2020-21 school year the Morgan County R-1 School District will operate as the fiscal agent. We will continue to use the Sedalia 200 School District for Early Childhood Special Education (ECSE).

Our partnerships with State Fair Community College and Central Methodist University will continue to allow us to provide dual credit classes for interested students. Career and Technical Education programs will be offered again through our partnership with the State Fair Career and Technical Education Center in Sedalia. Our primary source for coursework in the Missouri Course Access Program (MOCAP) will be through OdysseyWare and the Launch Program through the Springfield Public Schools. However, any programs approved by the state may be made available upon request.

Instructional programs within the district will focus heavily on classroom level strategies. The Professional Development Committee, staff and administrators of the Smithton R-VI School District are committed to improving the engagement, cooperative classroom climate, and assessment strategies in every classroom which will enhance our ability to respond to the needs of all students. In response to both a need to more efficiently utilize staff and provide a more continuous educational program this year will see the elimination of a “middle school” and the designation of a Junior High in grades 7 and 8. Management of these grades will fall under the high school office. In the same way grades 5 and 6 will be part of Smithton Elementary School and management will fall under the elementary office. As our continued response to the overwhelming desire for continuity among behavior expectations for all students, the elementary school and grades 7 and 8 of the junior high will continue training and implementing the Positive Behavior Support Team model or PBIS. This model recognizes the need for collaboration among administration, staff, students and families when it comes to changing student behaviors to reflect more of the values necessary for success in school. We will continue to monitor the progress of students of the Smithton R-VI School District through a careful look at the distribution of grades. The summer of 2019 saw the final group of certified teachers in our fine arts and elective courses completing a curriculum aligned District-wide and accessible to all. We made the decision to improve our Science Technology Engineering and Math (S.T.E.M.) opportunities in grades K-6 through a partnership with Project Lead the Way (PLTW), a nationally recognized program for STEM education. Academic performance will continue to be monitored through the use of growth measurements in Reading, Language Usage, General Science and Mathematics from the Northwest Evaluation Association (NWEA), providing beginning, middle and end of year testing results. These are district wide assessments administered in the classroom in grades K-11. Other assessments that will provide performance data include the Missouri Assessment Program (MAP) in grades 3 through 8, End of Course (EOC) assessments in Biology I, English II, American Government and Algebra I, the Armed Services Vocational Aptitude Battery (ASVAB) for juniors and the American College Test (ACT) for high school students who intend to follow a path towards higher education. The District

Strategic Plan will continue to guide our comprehensive school improvement and is scheduled for revision during the 2020-21 School Year. The State Board of Education was prepared to release more information on the MSIP-6, but the COVID-19 pandemic has quieted it's progress. We do know that the attendance portion of MSIP-6 will be waived until further notice and of course the academic portion was waived in the spring of 2020. Technology usage and acquisition will continue to be a priority as we prepare students in the 21st Century and the potential for more distance learning. We will continue to employ technology at the classroom level for district and state assessments and to provide relevant learning opportunities for students. Our Rural Education Achievement Program (REAP) will continue to be our main source of funding for internet connectivity through the availability of the Small Rural Schools Achievement (SRSA) grant.

REVENUE PLAN

Local

The Smithton R-VI School District relies solely on the patrons of the district for 42% of our nearly \$5,300,000.00 budget. The 2019-20 school year saw a collection of \$2,321,524.18 to date from our households in Pettis, Morgan and Cooper counties including current and delinquent taxes and revenues from a full Proposition C rollback. On August 19th of 2019 the Smithton R-VI Board of Education held a Tax Rate Hearing where the proposed tax rate to be levied upon the citizens of the district was set at 3.6325% for every \$100.00 of assessed valuation. This revenue was to be collected from the counties and placed into Fund 1.

Assessed valuation for the district in Fiscal Year 2019 (FY19) was \$44,068,735.00 and the estimated assessed valuation for FY20 was \$46,079,142.00. The collection rate has exceeded that proposed and as a result of 3 full years of higher collection I have used a 98% collection rate when setting the FY21 budget. At this, still less than average rate, the budget is set to accept \$1,740,778.00 of local tax revenue based on early projections during this non-reassessment year.

Proposition C collection from FY19 was \$542,482.97 for an average monthly payment of \$45,206.91. The FY20 Proposition C collection was \$525,165.70 or an average monthly payment of \$43,763.81. This Prop C collection is \$19,246.30 lower than the budget which was \$544,412.00 for the fiscal year and a direct result of the economic shutdown from the COVID-19 pandemic. The Department of Elementary and Secondary Education (DESE) suggests \$1,000.00 for next year, however I have used \$940.00 with our Weighted Average Daily Attendance (WADA) of 539.32 allowing us to budget \$506,961.00 for Prop C funds in FY21. The distribution of these funds will include 100% to be placed into Teacher's Fund.

Summary of Local Revenue: For FY20 the total local revenues based on assessed valuation from properties in the Smithton R-VI School District, Prop C funding, and other campus or community based revenues is \$2,348,528.44 which is an increase of \$67,156.21 from the FY19 collection.

State

During FY20 \$2,248,315.20 was collected in state revenues with an average WADA of 539.354 and an average State Adequacy Target (SAT) of \$6,346.86. The State Adequacy Target was much higher prior to our May and June payments. The FY21 Budget estimates \$1,850,087.00 from the basic formula and represents monies generated from a very conservative SAT of \$6200.00, which is lower than the average SAT for FY20 which endured 2 months of recession level payments due to the COVID-19 pandemic. Transportation funding for the 2019-20 school year was \$54,952.00 which is \$22,048.00 less in transportation funding for the District than was budgeted. With economic uncertainty at the state level, the FY21 budget has a limit of \$55,000.00 in transportation funding. The Classroom Trust Fund (CTF) provided \$164,715.38 of revenues to the FY20 state revenues. The FY21 CTF estimated funding is based on an Average Daily Attendance (ADA) of 512.9832 at an amount of \$409.00 per child. The funds will be distributed into Fund 2 and Fund 4 at 53% and 47% respectively.

Summary of State Revenue: Although the legislature has passed full funding for the basic formula our FY21 budget reflects partial funding with \$2,148,097.00 generated. This would be a decrease from actual funding in FY20 of \$100,218.20. These conservative numbers regarding state revenue are a direct result of the decrease in funding experienced during the economic recession during the COVID-19 pandemic. At the time of this budget message and the adoption of the 2020-21 budget by the Smithton R-VI Board of Education the economic status, at all levels, makes it extremely difficult to predict revenues and therefore, conservative estimates have been made.

Federal

Federal Revenues are based on several areas in support of federal legislation for schools including Special Education through IDEA, Title I, Title II, Title VI B and Title IV and those related to Federal Lunch Programs. All of these programs operate through reimbursement and payments are not always consistent from month to month. During the 2019-20 school year federal funds accounted for \$394,331.19 in revenue. This failure to meet budget predictions is based primarily on a lack of reimbursements in the Federal Lunch Programs. It is important to note that during this time the C.A.R.E.S. funding provided supplemental revenues for our ongoing food service during school closure.

Summary of Federal Revenue: The FY21 Budget anticipates a collection in the form of federal reimbursements of \$478,575.00. This estimate does not include amounts generated through C.A.R.E.S. Act funding, as amounts are unpredictable at this time. However, I do anticipate this additional funding to be available.

EXPENDITURE PLAN

Staff

Expenditures related to salaries and benefits for the people hired to lead and facilitate learning at Smithton R-VI and those who support others in the process comprise 73.78% of the district's expenses. There are significant changes to staff with the elimination of the middle school and changes to administrative and instructional personnel.

In early March the salary committee and myself met several times in order to address our CSIP goal of attracting and retaining quality staff. As a result of these meetings we generated a new salary schedule for certified personnel. The goal of the schedule was to maintain a competitive base salary within the Kaysinger Conference and area schools, as well as adding a retention incentive for those choosing to remain employed by the District. This new salary schedule and an increase to the base salary of \$450.00 was approved by the Board of Education. These changes prove our commitment to honor our district improvement plan goal of maintaining salaries in the top ⅓ of Kaysinger Conference schools. Those who completed or earned college credit hours towards an advanced degree were honored as well.

Non-certified staff salaries were also approved to include a step on the schedule and an increase of \$0.425 to their hourly pay. Our goal is to place all hourly staff at the minimum wage mark by the beginning of FY22. These changes will have an initial cost of \$69,588.04 with subsequent years putting less stress on the budget with estimates near \$22,000.00 annually.

Staff Expenses Summary: The Smithton R-VI School District will spend \$4,177,927.00 on salaries and benefits for its employees in FY21. This is an increase from the actual expenses related to staff in FY20 of \$63,720.00 a difference that can be attributed to the increase in salary and benefits and our commitment to creating optimal learning environments through small class sizes. Additional changes may occur to this amount based on changes to salaries from movement on the schedule due to coursework completed by staff and not anticipated during the creation of this budget.

Early Childhood

The Smithton Early Childhood Center has served students in a 3 year old and 4 year old program over the past few years and will continue to do so. We will continue to employ 2 full time certified staff members and an additional non-certified staff member. We will also continue to take advantage of the opportunity to receive state aid for our 4 year old program. Allowing us to expand our enrollment in both programs and offer the 4 year old program without tuition to our Smithton families.

Staff Expenses Summary: The Smithton R-VI School District will spend \$136,776.00 on salaries and benefits for its employees in Early Childhood for FY21 this is an increase of \$9,250.00 from FY20.

Professional Development

After evaluating the staff through the Professional Development Committee, administrators and other staff we have renewed our commitment to professional growth. With close alliance to building and district improvement plans the PDC has developed a calendar including work sessions and collaboration to address the individual needs of classroom teachers across the district. Like many of our programs the Professional Development Committee is remaining flexible regarding the opening of school in the fall after extended closure this spring. They have expressed their anticipation of changing staff development needs and the desire for that team to be responsive to the needs of staff regarding the unpredictability of teaching and learning during the COVID-19 pandemic.

Contracted Services

The 2020-21 school year will see a continued agreement with SERC Physical Therapy. This agreement is currently being negotiated as the pandemic related recession has dramatically changed the workforce regarding athletic training. Our preference will be to continue athletic trainer services with the goal of mitigating workplace injury and cost to families for sports related injuries among our student athletes. However, it appears the amount of time with our staff and athletes may change from previous years.

Our agreement with State Fair Career and Technical Center will continue with the cost to serve our students of \$51,016.00 which is an increase of \$2,711.00 from the 2019-20 year.

Transportation

In 2018 the Smithton R-VI School District entered into another contract with Apple Bus Company for transportation services. The FY20 expenses related to transportation with Apple Bus Company were \$263,914.00. That is a decrease of \$59,615.00 from the prior year. This decrease is a direct result in the lack of daily routes and activity trips during the months of March, April and May. With annual increases built into the agreement we anticipate expenses in FY21 of \$367,000.00 for transportation services provided through Apple Bus Co.

Utilities

The FY20 budget included an increase in electricity and water based on a full school year with building pressure similar to previous years. These estimates were high as overall utility costs were only 68% realized on average. FY21 again, is based on typical pressure on the campus from a full year of instruction and activities.

The fund balance anticipated at the close of FY21 will be 26.17% which is 1.17% higher than our district goal of 25%.

It is imperative that we keep in mind that even though the amounts in this document appear exact they are in fact estimates subject to change. The local, state, and federal revenues include variables that provide the opportunity for changes throughout a fiscal year. In addition, there are uncertainties with funding at all levels that are difficult if not impossible to anticipate. The FY21 budget process was further compromised by the unpredictable revenues resulting from the COVID-19 pandemic and subsequent economic recession. This office will monitor the budget closely and review and report to the board monthly in order to assure that the Smithton R-VI School District is operating in a wise fiscal manner. I fully anticipate amendments to this budget on both the revenue and expenditure ledgers and appreciate the cooperation and support of the Smithton R-VI Board of Education and community as we work through this challenging time together.

Using the revenues generated from local, state and federal taxation I believe the Smithton R-VI School district is in a position to adequately reach the goal of educating every child and providing students and families with high quality educational programming. We are grateful to those district leaders in the past who have maintained a strong financial foundation for us to meet the challenges of educating students in the 21st Century and more important, as outlined in this document, the 2020-21 school year. It is my intent to continue the traditions of academic excellence and fiscal responsibility of the Smithton R-VI School District.

