

# City of St. Charles School District



## 2023-24 Annual Budget

**A Proud Past...An Enlightened Future**

.....

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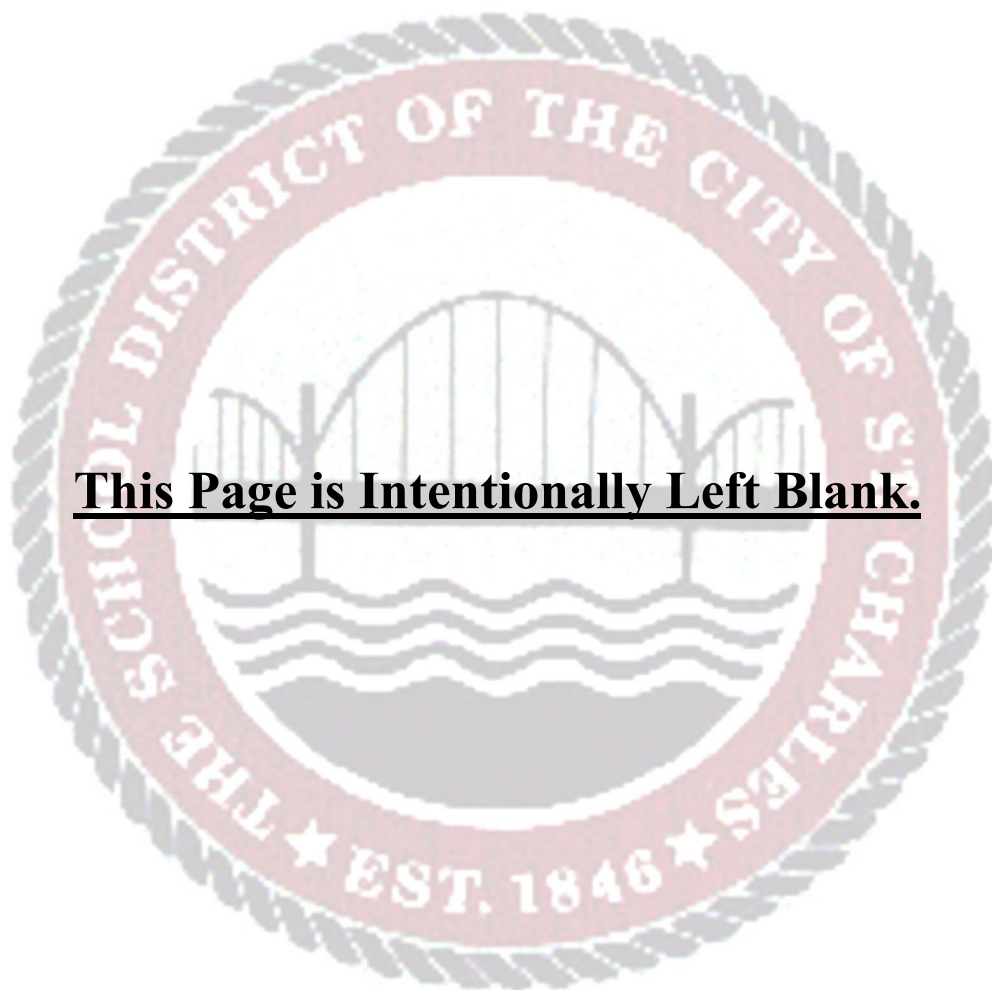
# CITY OF ST. CHARLES SCHOOL DISTRICT

St. Charles, Missouri

## 2023-24 Budget

Jason Sefrit, Ed.D., Superintendent  
Jeremy Shields, Assistant Superintendent of Operations  
Lavenia Draper, Director of Business Services  
Tina Adams, Business Coordinator

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# Introductory Section



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## **Executive Summary**

The St. Charles R-IV School District (hereinafter the “District”) has completed its budgeting process for fiscal year 2023-24. The Annual Budget represents the financial plan for the District for the coming year. This document is designed to inform the Board of Education and the St. Charles community on all financial matters, and to act as a financial guide for the upcoming year using the District’s current and historical financial information. The budget was developed with input from staff, community members, administration, and the Board of Education.

### **Mission, Values, and Goals**

The City of Saint Charles School District community works continuously to improve the education for all students through the quality of our schools and program offerings.

The Comprehensive School Improvement Plan (CSIP) serves as a long range, strategic planning document which directs the overall improvement of our educational programs and services (MSIP 8.2). Our CSIP is directly linked to our mission, vision, values, and goals.

#### **Mission**




The City of St. Charles School District will REACH, TEACH, and EMPOWER all students in a safe, diverse and innovative learning environment.

#### **Vision**

The City of St. Charles School District will be a leader of academic excellence that prepares students to be successful in all aspects of life.

#### **Values**

We, the City of St. Charles School District community of students, parents, staff, and patrons, value:

-  High quality education for all students which includes:
  - Lifelong learning from early childhood through adult education
  - Rigorous learning experiences that challenge all students through exploration, innovation and creativity
  - Instruction that meets the needs of a diverse community through a systematic approach to support all students with best practices
  - Respect for all
  - Real world, critical thinking and problem-solving skills to prepare students to be career ready
  - Developing caring, productive, and responsible citizens
  - Strong engagement of family and community through partnerships and collaboration
  - Focus on meeting social, emotional, and behavioral needs
  - A safe, secure, and nurturing school environment
  - Partnerships with stakeholders and community resources
  - Celebrating individual, school, and district success
-  High quality staff by:
  - Hiring and retaining highly qualified, diverse and engaged staff
  - Providing professional development and collaboration focused on increasing student achievement
  - Empowering staff to use innovative resources and practices
-  Informed decisions that are:
  - Student-centered
  - Focused on student achievement

- Data driven
- Considerate of all points of view
- Fiscally responsible

## **Goals**

For planning purposes, five overarching goals have been developed. These goals are statements of the key functions of the school district.

### **1. Student Performance:**

Develop and enhance quality educational/instructional programs to improve student performance and enable students to meet their personal, academic and career goals by:

- Increasing student achievement
- Providing a systematic approach to intervention and enrichment
- Offering high quality professional development and research-based best practices
- Having trauma informed schools and social-emotional needs

### **2. Highly Qualified Staff:**

Recruit, attract, develop, and retain highly qualified staff to carry out the LEA (local educational agency)/ District mission, vision, goals, and objectives by:

- Recruiting a culturally diverse staff
- Providing competitive salaries/benefits for all staff
- Exploring opportunities for additional staffing to support:
  - Instructional and mental health supports
  - Content-area specialists

### **3. Facilities, Support, and Instructional Resources:**

Provide and maintain appropriate instructional resources, support services, and functional and safe facilities by:

- Providing excellent facilities and support services for the district
- Ensuring the safety and security for students, staff, and visitors
- Providing high quality instructional resources for students, teachers, and families
- Maintain and enhance district technology resources

### **4. Parent and Community Involvement:**

Promote, facilitate and enhance parent, student, and community involvement in LEA/District educational programs by:

- Providing a centralized/standardized method of communication
- Being systematic/proactive in supporting families
- Engaging ALL families
- Building intentional partnerships with community groups

### **5. Governance:**

Govern the LEA/District in an efficient and effective manner providing leadership and representation to benefit the students, staff, and patrons of the district by:

- Providing K-12 school transitions to include efficiency, strong communication within those transitions, and continued evaluation of our grade level model
- Maintaining fiscal responsibility and consider opportunities to balance resources to assure equity throughout the District
- Improving the public image of the District and continuing the utilization of the SCSD United plan

**St. Charles R-VI School  
District 2023-24 Board of  
Education**



**Dr. Donna Towers, President**, was elected to the Board in 2004. She is a retired teacher and administrator from the City of St. Charles School District. Dr. Towers is currently an assistant professor in the graduate education division of Lindenwood University.



**Mrs. Heidi Sikma, Vice President**, was elected to the school board in April 2021. She is involved in the community through her service as a volunteer for the non-profit her and her husband started in 2010, We Love St. Charles (WLSC). Heidi graduated with a Master's Degree in Clinical Psychology



**Mrs. Lori Gibson, Board Member**, was elected to the school board in April of 2008. She is a freelance actress and an avid volunteer in the community, working with such groups as Habitat for Humanity and the St. Charles School District. She also works part-time for the State of Illinois, training officers in crisis intervention.





**Ms. M. Ellen Zerr, Board Member**, holds a B.S. in Chemistry/Life Science from Missouri S&T and an M.A. in Education from UM-St. Louis. A retired educator, she has taught in various high schools, the most recent being SCW (2000-2004) and SCHS (2004-2018). She is a graduate of SCHS and currently serves as a volunteer tutor at Null Elementary. Prior to her career in education, she spent 10 years working in the chemical industry.



**Mrs. Karen O'Hearn, Board Member**, graduated with a M.S. Education and a B.S. Business Administration from the University of Missouri--St. Louis (UMSL). She holds a lifetime certification in Business Education and Secondary Counseling. after working full-time for five years in corporate accounting, she began her career as a public-school business/vocational teacher and eventually moved to the counseling department.



**Mr. Daniel Hewitt, Board Member**, was elected to the school board in April 2022. He works as a manager in corporate compliance at Boeing. He has a BS in psychology from Lindenwood University-Belleville and an MBA from Lindenwood University. Daniel has lived in St. Charles nearly his entire life and was a graduate from St. Charles West, class of 2007.



**Mr. Brian O'Mara, Board Member**, has been married for 18 years and has two children currently in the district. He is a 5th generation native to St. Charles County and wants to be involved with the future of our community. He is an operations manager leading a team of 20 people who serve job sites all across the country. He works with a very diverse group of individuals and loves building cohesive teams and works under the premise of continuous improvement. He also works closely with leadership, project managers, engineers, accountants and laborers on a daily basis to ensure that we are serving our projects efficiently and meeting budget requirements.

## Board of Education

Dr. Donna Towers .....	President
Mrs. Heidi Sikma .....	Vice-President
Ms. Lori Gibson.....	Member
Mr. Daniel Hewitt.....	Member
Mrs. Karen O'Hearn... ..	Member
Mr. Brian K. O'Mara .....	Member
Ms. M. Ellen Zerr.....	Member

## Executive Administration (2023-24)

Dr. Jason Sefrit.....	Superintendent
Dr. Earl Draper... ..	Assistant Superintendent of Curriculum & Instruction
Mr. Jeremy Shields... ..	Assistant Superintendent of Operations
Dr. Rodney Lewis .....	Associate Superintendent of Human Resources
Mrs. Julie McClard.....	Executive Director of Special Education & Student Services

## Directors

Lavenia Draper.....	Director of Business Services
Michelle Fohey .....	Director of Food Service (Chartwells)
TBD.....	Director of Facilities
Stan Fowler. ....	Director of Transportation
Kevin Richmiller .....	Director of Technology

## Special Education Coordinators

Clarissa Beyer .....	Special Education Coordinator
Ashley Jones.....	Special Education Coordinator
Sarah Sherwood .....	Early Childhood Coordinator

## Coordinators

CaitlinCromien.....	12Month Curriculum Coordinator
Jessica Arico.....	12 Month Curriculum Coordinator
KristinaLauer.....	12 Month Curriculum Coodinator
Sherri Bertrand.....	12 Month Coordinator-Assessment, Data and Learning
Alexis Green.....	Application Support Coordinator

## Budget Overview

Missouri State statutes require school districts to prepare an annual budget to identify available resources and guide district spending for the ensuing school year. The statute requires the school district budget document to include five specific components. They are as follows:

- The **Budget Message**
- Estimated **Revenues** to be received from all sources, with comparison to estimated or actual revenues for the prior two years
- Estimated **Expenditures** to be paid by fund with comparison to estimated or actual expenditures for the prior two years
- A schedule detailing **Debt Service** interest, principal and charges on all debt of the district
- A general **Fund Summary** including information on assessed valuation, tax levies and fund balances.

Developing the annual budget for the District involves all stakeholders within the community. Input is given from the Board of Education, district administration, building administration, school staff, and the general public. The process is separated into four segments: planning, preparation, adoption, and implementation. There are two objectives driving the budget process. First, the goal of the District is to provide each student with a quality education. Second, the District focuses its resources in the most efficient and effective way to support the first objective. The annual budget creates a detailed analysis of the District's revenues and expenditures and allows the administration to focus its financial resources in a manner that supports student learning.

The planning process begins in the fall of the prior school year. A calendar is developed to outline the main activities and deadlines during the budget process. The calendar is used to gauge the District's progress toward adopting a budget for the next fiscal year.

Revenues for the coming year are projected by January and adjusted as needed based on current data. Preparation of the expenditure budget generally begins in early January as administrators make requests for staffing and facility needs. Budget allocations for general operations are established and distributed for administrators to prioritize at the building or program level.

In the spring, the District administration shares preliminary budget information with the Board of Education on projected revenues and any staffing or programming decisions required for the coming year. Formal discussions with the teachers' representatives, classified employees' and transportation employees' representatives are held.

The capital budget is developed in the same manner. In the fall, walk-throughs of each facility are conducted to assess the need of each building. A list of concerns are noted, costs estimated and prioritized. In the spring, the board is then presented with a list of Capital outlay requests along with the preliminary budget information.

Preliminary budget information is provided to the Board of Education at the regular board meetings in April and May. Each successive presentation reflected the most current information known at that time. Work sessions are scheduled as needed to review priorities and specific challenges in any given year. The Board may request modifications of the preliminary budget as well as the Capital Outlay requests at any time prior to adopting the budget. Final adoption occurs in June. The budget is a working document subject to constant evaluation and change throughout the 2023-24 school year to meet the needs of the City of St. Charles School District.

Upon approval of the budget, the Finance Department loads the new budget into the financial software system and the budget is available to use during the next fiscal year.

## Budget Calendar

DATE	ACTION
November 10, 2022	Complete update of long-range budget plan.
January 5, 2023	<p>Building administrators and directors submit prioritized staffing requests with rationale to the Assistant Superintendent of Human Resources.</p> <p>Any proposed revision of budget codes, elimination of unused codes, addition of new codes for refinement of accounting, and new codes for added programs should be forwarded to the Director of Business Services.</p> <p>Administrators should be considering a summer maintenance/capital project list for future submission.</p>
January 31, 2023	<p>Budget allocations sent to administrators for budget planning purposes.</p> <p>Prioritized request list for summer facility/capital improvement projects due to the Director of Facilities.</p>
February 9, 2023	Report to BOE on significant summer capital improvement projects (outside of bond projects) – seek approval for bids if required.
March 16, 2023	<p>Building administrators and directors submit first draft of budget to the Assistant Superintendent of Business for review.</p> <p>Budget and summer/capital project review conferences scheduled as needed with administrators and directors.</p> <p>District prioritization of new programs and positions prepared for BOE (grants included).</p>
April 13, 2023	<p>Review conferences with administrators and directors completed.</p> <p>Report to BOE on preliminary budget for 2023-24.</p>
May 11, 2023	<p>First draft of the 2023-2024 budget completed including personnel recommendations.</p> <p>District administrative conferences to revise draft budget as necessary.</p>
June 8, 2023	Budget presented to Board of Education for adoption.

## District Enrollment

District enrollment has declined slightly in recent years, although the rate of decline has demonstrated a two year stabilizing trend resulting in approximately 4,800 students. K-4 enrollment is expected to show no significant change.

Intermediate and middle school enrollment is expected to remain stable over the next couple of years while enrollment in the district's high schools are projected to remain consistent with the previous two years (21-22 & 22-23).

This projected stagnant growth trend caused the board and administration to undertake a strategic planning initiative in the 2012-13 school year in conjunction with Dickinson Hussman Architects. A full demographic study, as well as a facility utilization review, was undertaken. Results indicated a range of possible enrollments for the district, with the most likely result being stagnant enrollment for the next ten years. A facility review neglected to determine any significant economic or educational advantages to closing a high school. In response, the Board of Education officially took the position that the district will continue to operate two high schools for the foreseeable future. This future is driven by significant changes to enrollment, specifically at the secondary levels.

During the 2011-12 school year, the District began offering a Pre-K Program at each of the six elementary schools. During the 2014-15 school year, the District began two full-day Pre-K programs at Blackhurst and Coverdell, paid for through a Missouri Preschool Project grant. Demand continued to grow and the District began offering the Pre-K Program at all six elementary schools through the 2017-18 school year.

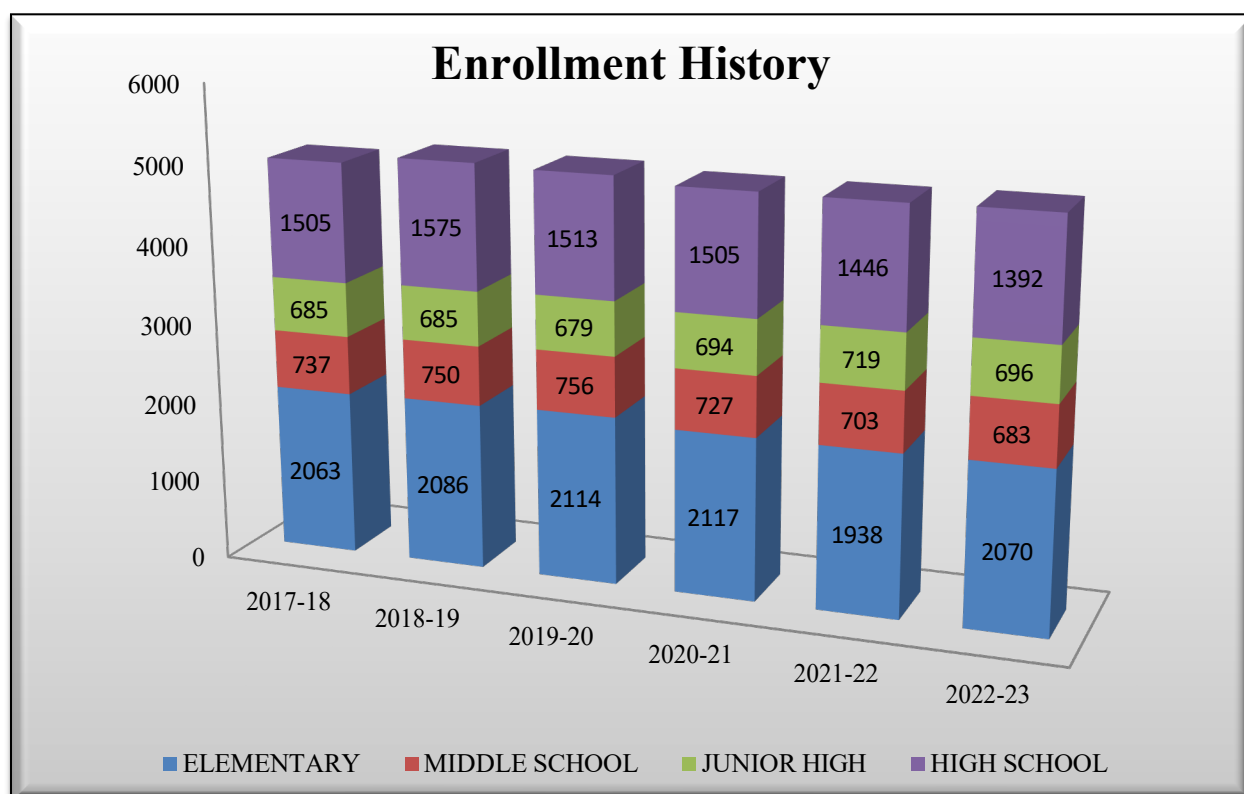
With the passing of the Bond Issue- Proposition Kids, the District was able to build an Early Childhood Center to include 16 early childhood classrooms. The center opened in August 2018 with an enrollment of 259. In 2019, the enrollment topped 300. While a significant drop was noted in the 21-22 school year, this loss was attributed to the effects of the pandemic. This past year, the center operated a typical enrollment of approximately 300 students.





Below is a breakdown of the enrollment per grade level.

Enrollment	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Pre-K	259	307	301	189	314	311	313	315
K	394	388	360	358	312	316	320	324
1	359	353	379	339	361	366	369	372
2	351	348	369	361	361	362	363	363
3	380	370	346	347	366	359	360	354
4	343	348	362	344	356	350	351	351
ELEMENTARY	2086	2114	2117	1938	2070	2064	2076	2079
5	382	385	349	360	350	342	323	330
6	368	371	378	343	333	336	354	350
MIDDLE SCHOOL	750	756	727	703	683	678	677	680
7	330	330	362	361	356	363	345	348
8	355	349	332	358	340	335	359	361
JUNIOR HIGH	685	679	694	719	696	698	704	709
9	374	373	391	364	374	375	363	368
10	389	380	370	371	366	366	374	377
11	400	367	376	342	336	351	359	361
12	412	393	368	369	319	364	348	351
HIGH SCHOOL	1575	1513	1505	1446	1392	1456	1444	1457
TOTAL	5096	5062	5043	4806	4841	4896	4901	4925



## **District Staff Allocation and Deployment**

Following the rapidly deteriorating assessed valuations during and after the Great Recession, the District decreased the number of teaching positions by ten (10). Previously, two administrator positions were not filled to adjust for a decreasing enrollment. This was absorbed by not replacing open positions if the loss did not increase class sizes beyond the desired 14:1 teacher to student ratio

Due to passage of the \$.35 tax levy increase, and the ability to shift some needed capital spending to the successfully passed bond issue, the District did not eliminate teaching positions for the 2014-15 school year. Some reassignments were made to fit student enrollments.

For the 2015-16 school year, supply spending levels were held steady, while a few key positions were added and significant adjustments to improve the salary schedule were implemented.

For the 2016-17 school year, supply spending levels were increased 2%, and 5 teaching positions were added. Staff agreed to a 3% raise for 2018-19.

The supply spending levels remained steady for the 2018-19 school year. Bond issue construction and renovation projects approved in 2017 have all been completed. The Annual Report with the Municipal Securities Rulemaking Board was submitted in December of 2022 as a final step in financial reporting for this bond money.

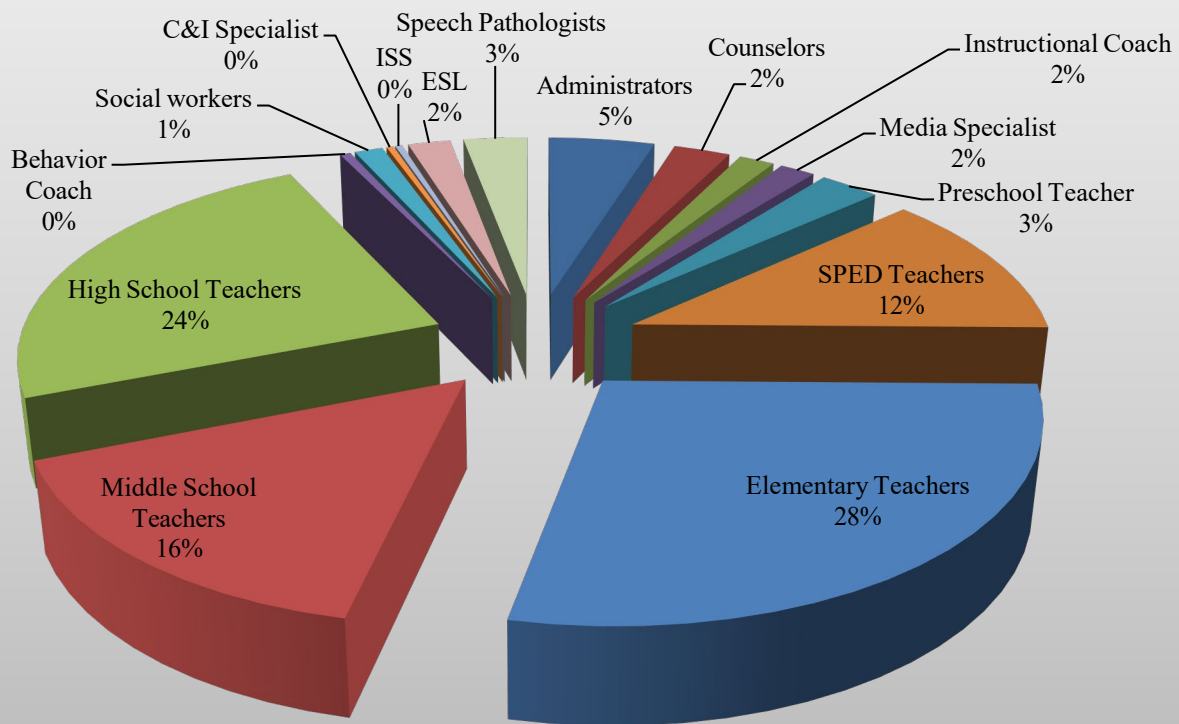
In 2020 the district began planning for a new bond issue. This bond spending focused heavily on energy efficiency (automation) with a focus on improvements to HVAC and LED lighting. The bond was approved by voters in April of 2021 for \$50M and construction projects began immediately at the conclusion of the 2020-21 school year.

Since this time every school district in Missouri has experienced significant difficulty in financial projections and preparedness due to the influx of finances from the federal and state governments. While this revenue is welcome it has been received with caution with regard to planning purposes. As has been noted in previous annual budget reports there has been no trend in educational revenue due to a pandemic and the government response to offset financial difficulty. As SCSD is nearing the end of pandemic spending we will continue to monitor this loss in revenue (expected) and the economic outlook for the foreseeable future (unexpected).

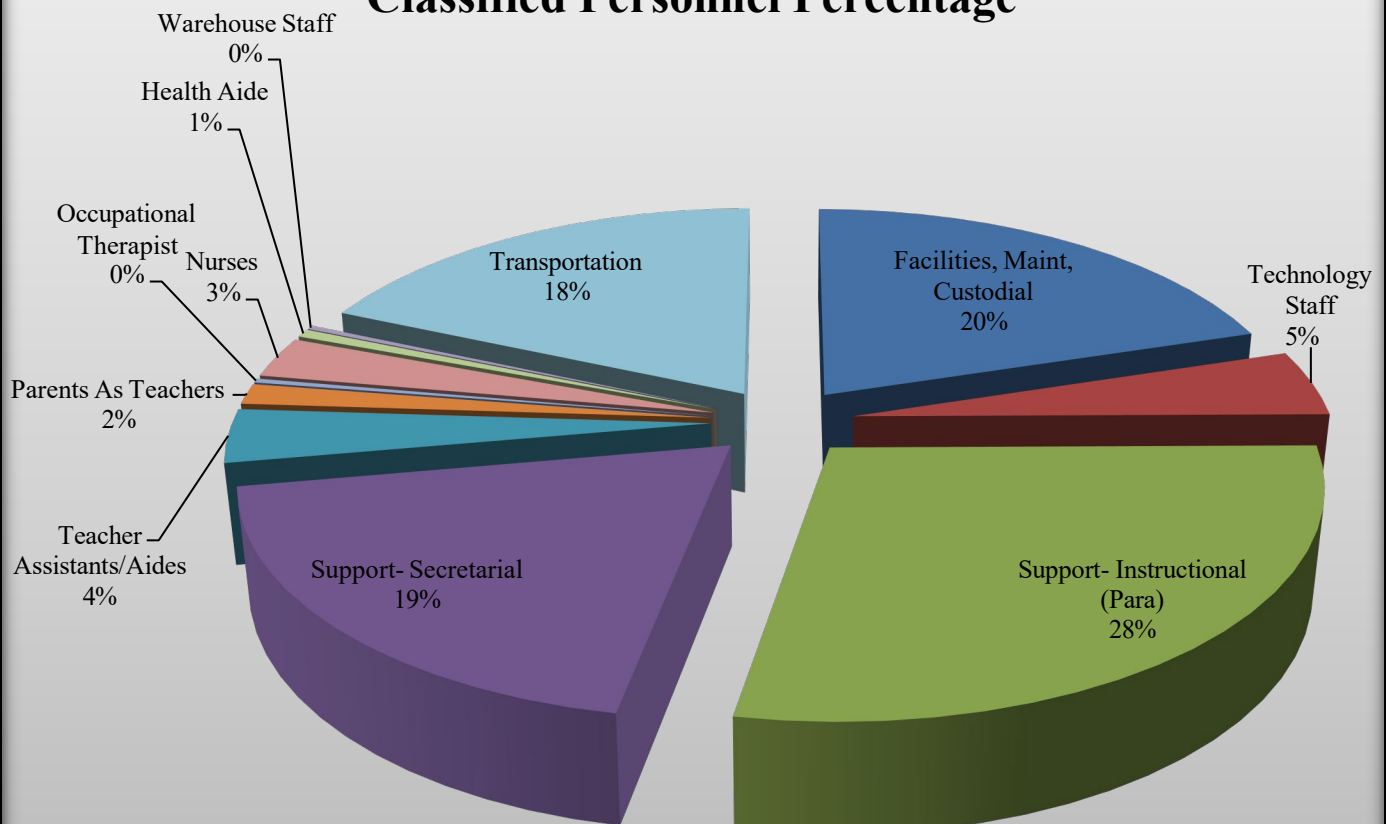
The district has planned to increase certified positions by four employees for the 23-24 school year. This was necessary to continue to meet the specific needs for certain buildings in our district. While the additions are noted in the expenditure projections they may be offset slightly by a few movements of positions for the 23-24 school year.

The District employs approximately 900 staff members to assist in student learning. With a 13:1 student to teacher ratio, SCSD has one the lowest student to teacher ratio in St. Charles County. 72.9% of our certified staff have advanced degrees, which is 10.9% higher than the state average. Personnel costs, including salaries and benefits, account for 79% of the District's total operating expenditures. The District approved 569 certified positions and 332 non-certified staff members for the FY 23-24 school year.

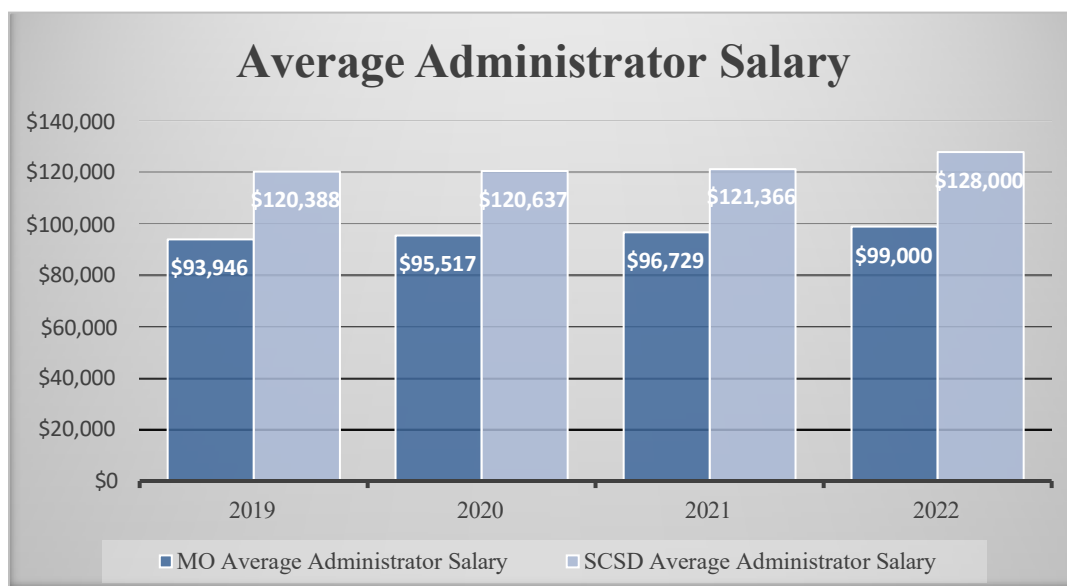
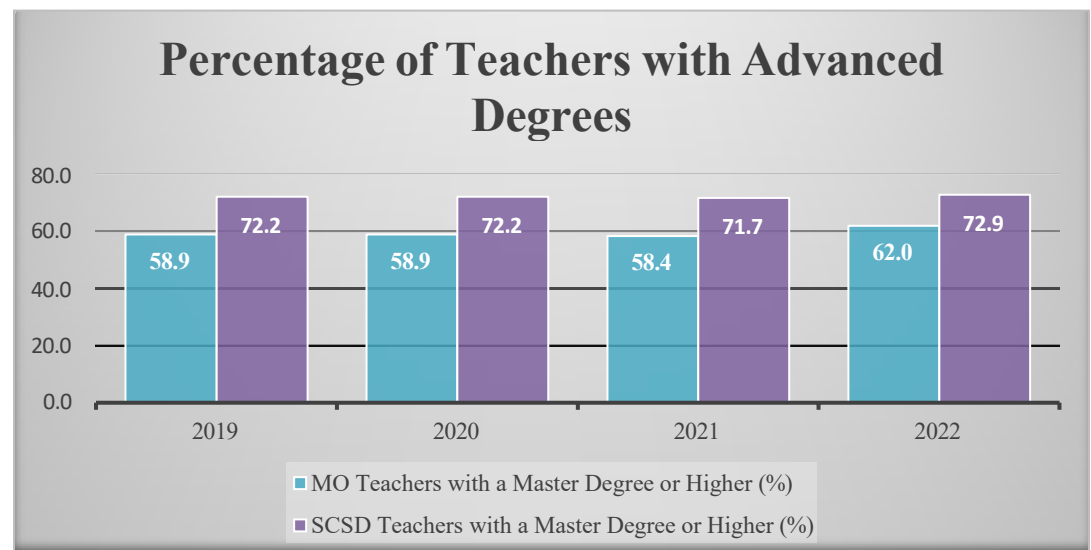
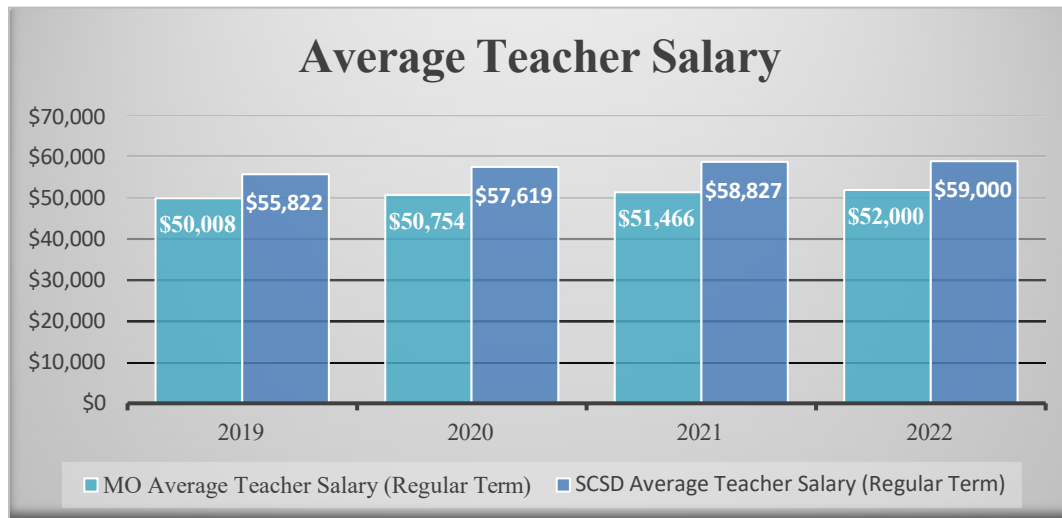
## Certified Personnel Percentage



## Classified Personnel Percentage



Below is a breakdown of the Average Teacher and Administrator Salaries compared to that of the State of Missouri. As you will notice, the District's average salaries exceed that of the State of Missouri's averages.



## **Financial Summary**

### **Fund Groups- Generally Accepted Accounting Principles**

#### **General Fund (Fund 1):**

General Incidental  
Self Insurance  
Adult Education  
Food Service  
Student Activity

#### **State Definition**

#### **Operating Funds:**

General Incidental  
Special  
Capital Projects

#### **Teacher Fund (Fund 2):**

Special

#### **Debt Services (Fund 3):**

Debt Service

#### **Capital Fund (Fund 4):**

Capital Projects  
Bond Issue

The following information summarizes the District budget for the coming year. Key facts to recognize are as follows:

#### **All Funds (Including Debt Service)**

Revenue	\$ 97,619,918
Expenditures	<u>\$ 114,517,325</u>
Balance	\$ (16,897,407)

#### **Operating Funds**

Revenue	\$ 88,496,943
Expenditure	<u>\$ 101,431,335</u>
Balance	\$ (12,934,392)

#### **Operating Funds Excluding Bond Issue**

Revenue	\$ 88,496,943
Expenditure	<u>\$ 87,431,335</u>
Balance	\$ 1,065,608

#### **Operating Revenue**

The revenue budget for 2023-24 operations is expected to be approximately \$88.5 million which is a 2.21% increase compared to the 2022-2023 approved revenue. Significant revenue components of the 2023-24 budget are:

- Local property taxes
  - Property taxes were reassessed in 2023. The figures from the county assessor indicated a 21.35% increase in assessed valuation since 2021 and a 3.9% increase in 2022. While our local assessed valuation is incredibly strong, the reassessment in 2023 may be affected due to the strong potential for an economic decline. Any negative local economic activity will affect our budgets in the 24-25 year and beyond.



- Sales Tax
  - Prop C is anticipated to remain at or slightly above \$1255 per WADA, however, sales tax is highly volatile and quickly reflects changes in economic outlook and perception. While Prop C collections remain on track as of June 2023, it is anticipated that there may be some negative impact from the current economic climate.
- In Lieu of Taxes
  - In 2012, the City of St. Charles did approve a TIF project on First Capital Drive which is a joint venture of DESCO and Lindenwood University. Beginning in the 2014-15 school year, the District will receive a payment in lieu of taxes (PILOT) equal to \$100,000 annually for fifteen years. 2023-2024 will be year 10 of this 15 year annual payment.
- Basic Formula
  - The City of St. Charles School District is considered “hold harmless” by the state and its per pupil allocation is frozen. The District will likely see an increase in the percentage of Free and Reduced Lunch and LEP students in coming years. Based on changes in the law from SB 1698, our District had been protected from reductions even in times of fiscal crisis. However, in June 2020, the governor waived our statutory protections and reduced all districts 3.5% in fiscal year 2019-20. The state has met its obligation under Basic Formula due to the influx of Federal aid. We will be watching the state budget closely going forward. This is especially true given the current political climate surrounding public education finance.
- Transportation
  - The state reimburses the District for a portion of its student transportation costs. This reimbursement is based upon expenses for the immediate preceding year, for eligible and reimbursable costs. The state will maintain its funding for transportation this year. The previous budget estimated approximately \$1.8 million in funding and the district does not expect any changes to this funding at this time. We will continue to receive 75% of costs for handicapped route miles, and 100% of ECSE route miles. Non-route miles receive no state reimbursement.
- Federal Programs
  - ESSER funds (part of the CARES Act to offset the economic impact of COVID-19) in the amount of \$1.5M should be received by the district this year. These funds will offset added local expenses due to the pandemic.

## Operating Expenditures

The expenditure budget for 2023-24 operations is expected to be slightly over \$114 million. This is a 2.9% increase compared to the 2022-23 approved expenditure budget. The principal differences are:

- Salaries
  - The budget includes an average of 3.8% wage increase for certified, classified and transportation employees, as well as 3% for administrators. This increase was part of a two-year agreement between the district and all three employee associations covering years 2022-23 and 2023-24. Another component was the additional expenditures for all three groups during the 2022-23 school year that increased salary for every employee. This was due to the competitive salary/wage economic market in addition to extra revenue brought on by state dollars and assessed valuation in personal property.
- Benefits
  - The retirement contribution rates for PSRS and PEERS remain unchanged for the 2023-24 year. Employee insurance and other benefit costs are expected to increase 5.0%; however, at the time of this budget we are projected to spend 8% more than the previous year. The district continues to provide The Bridge Health Center, our employer sponsored clinic for employees and their dependents on our health plans as a means to 1) increase quality care available, 2) decrease expenses for that care, and 3) provide wellness initiatives to assist both employees and the plan in the longer term.

➤ Capital

- The amount spent on capital projects in 2023-24 will slightly decrease due to bond expenditures being slightly lower than the previous year. Current projected spending will occur on Board approved construction at the following: Null, Monroe, Blackhurst, Coverdell, Lincoln, St. Charles High, and Harris. Lincoln Elementary may also be included in this budget dependent on the bid proposals received in August of 2023. Major building systems and facility needs have been assessed, with the most pressing issues included in our bond issue. The District maintains an ongoing facility needs assessment of upcoming and anticipated maintenance/renovation projects.

**Budget Summary**

REVENUE	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Actual	Actual	Actual	Approved	Projected	Projected
TOTAL LOCAL	\$ 68,580,227	\$ 68,040,585	\$ 67,066,910	\$ 79,247,822	\$ 70,305,231	\$ 74,061,104	\$ 74,652,984
TOTAL COUNTY	\$ 899,877	\$ 908,745	\$ 953,792	\$ 992,726	\$ 1,050,000	\$ 996,403	\$ 996,403
TOTAL STATE	\$ 12,772,407	\$ 12,972,258	\$ 13,037,004	\$ 12,868,586	\$ 13,721,611	\$ 13,435,813	\$ 13,435,813
TOTAL FEDERAL	\$ 5,082,082	\$ 4,172,437	\$ 6,618,884	\$ 6,704,569	\$ 7,405,207	\$ 5,905,207	\$ 4,405,207
TOTAL OTHER REVENUE	\$ 645,782	\$ 7,282,873	\$ 23,332	\$ 50,595,293	\$ 343,826	\$ 343,826	\$ 343,826
TOTAL REV. FROM OTHER DIST'S	\$ 2,565,738	\$ 2,661,186	\$ 2,584,380	\$ 2,876,538	\$ 2,877,565	\$ 2,877,565	\$ 2,877,565
GRAND TOTAL	\$ 90,546,113	\$ 96,038,085	\$ 90,284,302	\$ 153,285,534	\$ 95,703,440	\$ 97,619,918	\$ 96,711,798
EXPENDITURES	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Amended	Actual	Actual	Approved	Projected	Projected
TOTAL SALARIES	\$ 45,981,518	\$ 46,665,265	\$ 47,425,207	\$ 50,789,276	\$ 51,850,280	\$ 53,804,626	\$ 54,880,718
TOTAL BENEFITS	\$ 13,733,209	\$ 14,635,384	\$ 14,783,400	\$ 16,853,522	\$ 17,950,420	\$ 19,017,959	\$ 20,007,643
TOTAL CONTRACTED SERV.	\$ 9,615,824	\$ 9,389,555	\$ 8,875,518	\$ 10,155,254	\$ 8,524,318	\$ 9,730,877	\$ 9,200,688
TOTAL SUPPLIES	\$ 6,298,085	\$ 5,747,886	\$ 5,829,058	\$ 7,904,344	\$ 5,916,654	\$ 5,706,999	\$ 5,600,319
TOTAL CAPITAL	\$ 19,155,725	\$ 14,712,032	\$ 3,481,866	\$ 15,755,948	\$ 17,725,082	\$ 16,925,508	\$ 16,925,508
TOTAL DEBT SERVICE	\$ 6,518,405	\$ 16,627,046	\$ 11,199,065	\$ 9,307,535	\$ 9,326,756	\$ 9,331,356	\$ 6,430,393
GRAND TOTAL	\$101,302,766	\$107,777,168	\$91,594,114	\$110,765,879	\$111,293,511	\$114,517,325	\$113,045,269



## **Budget Forecasts**

Budget forecasting is an essential tool for long term planning of the District's funds. Our projections are based on information currently available and certain estimates are based on historical information. The projections have been carefully reviewed; however, actual results may vary from the forecasts and at any time the forecasts can be revised based on new information presented to the District. Variations between actual budget spending and forecasts could have a positive or negative impact. Below is a summary of the major assumptions to the 2023-24 projections:

### **Revenue Forecast**

1. The forecast for 2023-24 the estimated operating tax rate is \$3.7927, and debt service will be \$.75, for a total estimated tax rate of \$4.5427. While the previous year's rate was higher, the historically high increase in assessed valuation outpaced the Consumer Price Index. Due to this difference, the tax rate must lower to ensure the district meets the legal obligations of the Hancock Amendment. This rate will be finalized once the County Assessor provides the total assessed valuation after the Board of Adjustment meets. At this time, the following is used for budgeting purposes: *General (1) = 1.7495 Teachers (2) = 2.2500 Debt Service (3) = .7500 Capital (4) = .2000*. The operating local property tax is estimated to be \$61,012,018 million, which is approximately \$2.3 million more than what is projected to have been received in 23-24.
2. The Foundation Formula and Classroom Trust revenue forecast's factors are estimated to remain flat In this budget, it is estimated that we will continue to receive the overall per student state foundation payment to which we are entitled. Our formula payment WADA is expected to remain similar to previous years as the pandemic provision was extended another year. Due to this, the district is able to choose the highest WADA from 2020 or 2021.
3. Proposition C sales tax revenue will increase slightly, and is based on a prior year WADA. We estimate the decrease in WADA as a result of our declining enrollment/attendance will be offset by slight increases to the per WADA amount (currently estimated by DESE to be over \$1255/student), which is an indication of a strong local economy.
4. Federal revenue to assist with pandemic recovery is still available to the district. This revenue ends after the 2023-24 school year.
5. Transportation is fully funded for the second consecutive school year.

### **Expenditure Forecast**

1. The 2023-24 forecast is based on a step increase for all certificated employees in addition to 1% added to the salary schedule. Classified staff also receives a step increase although additional money was added to the salary schedule during the 2022-23 school year. Bus drivers were granted a 6.5%+ increase based on the need to adjust our pay to fit a very tight employment market in this sector. There is contingency language in our agreements to protect the district if our fund balance on the ASBR falls below 20% on July 1 2020. Additionally, the contingency language also guarantees the employees we will reopen negotiations if the fund balance on that date is over 25%.
2. We continue to monitor changes/revisions to federal health care laws, and their potential impact to the District. We are in compliance with the Affordable Care Act as we meet the 95% threshold for providing health coverage to full-time employees. Our Health Care Trust is currently at a safe reserve level, and current health claims are trending about 3% higher than anticipated. We will continue to monitor this trend on a quarterly basis.

3. Purchased services and supplies are subject to inflation with significant increases for food services, transportation fuel, and construction materials.

4. The District passed a \$50 million bond issue in 2021. Projects to be completed as a part of our long-term capital plans are updated to the board during the fiscal year. We will complete all major projects and bond issue spending during the next two fiscal years.





## Expenditure Summary

Object		2019-20	2020-21	2021-22	2022-23		2023-24		2024-25		2025-26	
		Actual	Actual	Actual	Approved	% Inc.	Proposed	% Inc.	Proposed	% Inc.	Proposed	% Inc.
6110-49	CERTIFIED SALARIES	35,770,969.87	36,031,505.43	38,462,829	39,883,731.21	3.5%	41,479,080	4.0%	42,308,662	2.0%	43,154,835	2.0%
6150-99	NON-CERTIFIED SALARIES	10,894,295.10	11,393,701.10	12,326,447	11,948,011.78	4.5%	12,325,545	3.0%	12,572,056	2.0%	12,823,497	2.0%
	<b>TOTAL SALARIES</b>	<b>46,665,264.97</b>	<b>47,425,207</b>	<b>50,789,276</b>	<b>50,751,028</b>	<b>3.7%</b>	<b>53,804,626</b>	<b>3.8%</b>	<b>54,880,718</b>	<b>2.0%</b>	<b>55,978,333</b>	<b>2.0%</b>
6210-19	TEACHER RETIREMENT	5,752,086.84	5,815,288.63	6,150,930	5,927,588	7.5%	6,771,104	4.4%	6,951,925	2.7%	7,139,993	2.7%
6220-29	NON-TEACHER RETIREMENT	865,923.26	885,380.15	955,223	932,834	-4.2%	922,240	3.4%	945,287	2.5%	969,163	2.5%
6230-31	OASDI	744,585.40	766,366.63	906,183	483,761	3.9%	833,511	3.4%	854,341	2.5%	875,920	2.5%
6232	MEDICARE	658,199.85	666,733.11	716,405	380,491	2.7%	780,167	3.8%	795,770	2.0%	811,686	2.0%
6240-49	EMPLOYEE INSURANCE	6,316,263.83	6,238,926.72	7,852,256	9,463,749	8.0%	9,318,198	8.0%	10,063,654	8.0%	10,868,746	8.0%
6250-99	OTHER BENEFITS	298,325.10	410,704.69	272,525	277,470	1.0%	392,739	1.0%	396,666	1.0%	400,633	1.0%
	<b>TOTAL BENEFITS</b>	<b>14,635,384.28</b>	<b>14,783,400</b>	<b>16,853,522</b>	<b>17,465,893</b>	<b>6.6%</b>	<b>19,017,959</b>	<b>5.9%</b>	<b>20,007,643</b>	<b>5.2%</b>	<b>21,066,142</b>	<b>5.3%</b>
6311	INSTRUCTION SERVICES (TUITION)	1,660,793.46	1,437,362.55	1,256,768	1,239,956	2.0%	1,684,352	2.0%	1,718,040	2.0%	1,752,400	2.0%
6312-14	PROFESSIONAL/TECHNICAL SERVICES	519,224.43	546,280.64	519,681	551,262	2.0%	558,862	2.0%	570,040	2.0%	581,440	2.0%
6315	AUDIT	9,000.00	10,600.00	11,185	11,550	0.0%	13,000	0.0%	13,000	0.0%	13,000	0.0%
6316, 6318, 6319	TECHNICAL SERVICES	1,976,698.16	1,863,599.59	1,445,366	2,034,463	-57.6%	1,500,000	86.2%	805,553	-46.3%	805,553	0.0%
6317	LEGAL SERVICES	32,637.50	30,484.95	57,930	34,682	2.0%	72,828	2.0%	74,285	2.0%	75,770	2.0%
6330-39	PROPERTY SERVICES	1,365,394.99	1,349,639.29	2,181,922	2,026,744	2.0%	1,750,000	28.9%	1,785,000	2.0%	1,820,700	2.0%
6341	CONTRACTED TRANSPOR TO/FROM	344,073.33	277,216.83	479,415	615,162	-30.0%	350,000	0.0%	357,000	2.0%	364,140	2.0%
6342	OTHER CONTR. PUPIL TRANSPOR	10,186.68	-	19,743	1,693	2.0%	33,293	2.0%	33,959	2.0%	34,638	2.0%
6343-44, 6349	TRAVEL (Training)	301,542.62	106,060.68	212,114	137,664	-51.5%	153,000	2.0%	156,060	2.0%	159,181	2.0%
6351	PROPERTY INSURANCE	563,955.00	603,687.00	605,144	579,519	2.0%	604,889	2.0%	616,986	2.0%	629,326	2.0%
6352	LIABILITY INSURANCE	51,770.00	51,571.00	54,248	60,280	2.0%	59,162	2.0%	60,346	2.0%	61,553	2.0%
6353	FIDELITY PREMIUM	242.00	242.00	290	300	2.0%	435	2.0%	444	2.0%	452	2.0%
6359	JUDGMENTS AGAINST LEA	(26,570.36)	55,885.67	27,140	168,776	0.0%	5,000	0.0%	5,000	0.0%	5,000	0.0%
6360-99	OTHER PURCHASED SERV.	2,576,071.89	2,539,663.23	3,150,867	2,359,329	2.0%	2,946,056	2.0%	3,004,977	2.0%	3,065,077	2.0%
6398	PROTESTED TAXES (REIMBURSE)	4,535.00	3,224.19	133,441	562,022	-100.0%	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
	<b>TOTAL CONTRACTED SERV.</b>	<b>9,389,554.70</b>	<b>8,875,518</b>	<b>10,155,254</b>	<b>10,383,401</b>	<b>-13.0%</b>	<b>9,730,877</b>	<b>14.2%</b>	<b>9,200,688</b>	<b>-5.4%</b>	<b>9,368,231</b>	<b>1.8%</b>
6410-6419	GENERAL SUPPLIES	3,033,709.19	3,285,935.54	4,565,442	2,225,429	-7.7%	2,760,500	0.0%	2,788,105	1.0%	2,815,986	1.0%
6413, 6430-39	REGULAR TEXTBOOK	736,216.06	729,751.74	1,006,503	107,472	-11.7%	1,000,000	25.8%	795,000	-20.5%	795,000	0.0%
6440-6459	LIBRARY BOOKS & RESOURCES	58,471.74	49,466.76	47,704	16,561	1.0%	71,499	1.0%	72,214	1.0%	72,936	1.0%
6480-89	ENERGY SUPPLIES/SERVICE	1,726,509.21	1,683,875.48	1,883,488	1,640,157	4.0%	1,750,000	-19.2%	1,820,000	4.0%	1,892,800	9.0%
6490-99 + 6471	OTHER SUPPLIES	192,979.60	80,028.64	401,207	59,120	-30.6%	125,000	0.0%	125,000	0.0%	125,000	0.0%
	<b>TOTAL SUPPLIES</b>	<b>5,747,885.80</b>	<b>5,829,058</b>	<b>7,904,344</b>	<b>4,048,739</b>	<b>-4.9%</b>	<b>5,706,999</b>	<b>-3.5%</b>	<b>5,600,319</b>	<b>-1.9%</b>	<b>5,701,722</b>	<b>1.8%</b>
6511, 6520-29	LAND/BUILDING	11,748,465.22	1,428,929.77	6,797,008	11,437,280	0.0%	14,000,000	-14.0%	14,000,000	0.0%	14,000,000	0.0%
6530-39	IMPROVEMENT TO SITES	1,374,749.55	340,417.53	5,008,729	2,703,415	0.0%	1,250,000	-53.8%	1,250,000	0.0%	1,250,000	0.0%
6541, 6543-44, 6552	EQUIPMENT - GENERAL	1,311,408.12	1,530,146.98	3,722,871	874,899	0.0%	1,500,000	30.5%	1,500,000	0.0%	1,500,000	0.0%
6542	EQUIPMENT - INSTRUCTIONAL	275,347.52	174,996.44	200,065	131,712	0.0%	175,508	0.0%	175,508	0.0%	175,508	0.0%
6590	OTHER CAPITAL OUTLAY	2,061.90	7,375.30	27,275	-	-	-	-	-	-	-	-
	<b>TOTAL CAPITAL</b>	<b>14,712,032.31</b>	<b>3,481,866</b>	<b>15,755,948</b>	<b>15,147,307</b>	<b>0.0%</b>	<b>16,925,508</b>	<b>-4.5%</b>	<b>16,925,508</b>	<b>0.0%</b>	<b>16,925,508</b>	<b>0.0%</b>
6610	PRINCIPAL	14,465,792.64	9,004,105.58	5,855,000	6,790,436	-1.0%	6,600,000	3.6%	4,415,594	-33.1%	4,415,594	0.0%
6620	INTEREST	2,046,111.77	2,169,849.91	2,596,260	2,934,065	10.3%	2,731,356	-7.6%	2,014,799	-26.2%	2,014,799	0.0%
6630	OTHER	115,141.38	25,109.75	856,275	39,243	-100.0%	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
	<b>TOTAL DEBT SERVICE</b>	<b>16,627,045.79</b>	<b>11,199,065</b>	<b>9,307,535</b>	<b>9,763,744</b>	<b>1.1%</b>	<b>9,331,356</b>	<b>-4.4%</b>	<b>6,430,393</b>	<b>-31.1%</b>	<b>6,430,393</b>	<b>0.0%</b>
6702	TRANSFER EOY SPECIAL FB	-	-	-	-	0.0%	-	0.0%	-	0.0%	-	0.0%
6708	FOOD SERVICE TRANSFER	-	-	-	-	-	-	-	-	-	-	-
	<b>TOTAL DEBT SERVICE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>GRAND TOTAL</b>	<b>107,777,167.85</b>	<b>91,594,114</b>	<b>110,765,879</b>	<b>107,560,111</b>	<b>1.4%</b>	<b>114,517,325</b>	<b>2.9%</b>	<b>113,045,269</b>	<b>-1.3%</b>	<b>115,470,328</b>	<b>2.1%</b>



## Revenue Summary

Object		2019-20	2020-21	2021-22	2022-23	2023-24		2024-25	
		Actual	Actual	Actual	Amended	Proposed	% Inc.	Proposed	% Inc.
5111	CURRENT TAXES	54,685,359.73	56,348,993.52	56,481,385.83	58,665,402	61,012,018	4.0%	61,927,198	1.5%
5112	DELINQUENT TAXES	2,393,500.00	2,167,009.56	1,986,856.39	1,706,513	1,860,467	0.0%	1,860,467	0.0%
5113	SALES TAX (PROP C)	4,987,812.71	5,102,086.88	5,924,193.94	5,336,086	5,442,808	2.0%	5,551,664	2.0%
5114	FINANCIAL INSTITUTIONS TAX	182,609.58	87,471.15	275,599.80	81,947	275,600	0.0%	275,600	0.0%
5115	M&M SURCHARGE	1,415,130.28	1,409,576.61	1,342,140.59	1,341,160	1,400,000	4.4%	1,400,000	0.0%
5116	IN LIEU OF TAXES	880,100.12	2,799.91	4,724,336.90	2,135,547	500,000	233.3%	117,844	-76.4%
5121	TUITION FROM INDIVIDUALS	-	-	-	735.00	-	-	-	-
5123	TUITION - POST SECONDARY	357,582.83	289,693.52	313,620.00	245,112	300,000	0.0%	300,000	0.0%
5141	EARNINGS ON INVEST	556,974.40	98,587.61	192,026.81	1,427,991	300,000	0.0%	300,000	0.0%
5142-43	PREMIUM	137,405.30	-	4,895,703.05	37,116	-	-	-	-
5151-61	FOOD SERVICE PROGRAM	513,583.85	22,589.80	10,840.15	613,591	655,456	0.0%	655,456	0.0%
5165	FOOD SERVICE - NON-PROG	255,471.06	124,931.53	163,012.66	147,653	300,000	0.0%	300,000	0.0%
5170-79	STUDENT ACTIVITIES	745,224.71	402,579.52	863,731.17	768,643	1,084,255	0.0%	1,084,255	0.0%
5181	COMMUNITY SERVICES	440,717.39	367,084.00	653,880.53	755,711	500,000	0.0%	500,000	0.0%
5191	RENTALS	79,702.64	63,311.85	114,273.93	87,422	80,500	0.0%	80,500	0.0%
5192-99	OTHER LOCAL 5192-99	409,410.36	580,194.52	1,305,485.66	1,146,699	350,000	0.0%	300,000	-14.3%
	<b>TOTAL LOCAL</b>	<b>68,040,584.96</b>	<b>67,066,910</b>	<b>79,247,822</b>	<b>74,498,152</b>	<b>74,061,104</b>	<b>5.3%</b>	<b>74,652,984</b>	<b>0.8%</b>
5211	FINES, FORFEITURES	-	22,460.87	17,716.07	19,808	20,000	-60.0%	20,000	0.0%
5221	STATE ASSESSED UTILITIES	908,745.41	931,331.36	975,009.79	980,774	976,403	-2.4%	976,403	0.0%
5237	OTHER COUNTY REVENUE	-	-	-	-	-	-	-	-
	<b>TOTAL COUNTY</b>	<b>908,745.41</b>	<b>953,792</b>	<b>992,726</b>	<b>1,000,583</b>	<b>996,403</b>	<b>-5.1%</b>	<b>996,403</b>	<b>0.0%</b>
5311	BASIC FORMULA	7,343,946.83	7,003,459.83	7,280,806.55	6,140,250	7,215,058	-0.7%	7,215,058	0.0%
5312	TRANSPORTATION	465,718.00	453,856.00	743,438.00	814,836	900,000	-10.0%	900,000	0.0%
5313-18	ECSE	1,757,005.86	2,135,335.73	1,912,999.97	991,820	1,727,996	0.0%	1,727,996	0.0%
5319	CLASSROOM TRUST FUND	1,469,921.85	1,844,492.47	1,913,736.66	1,578,589	1,800,000	0.0%	1,800,000	0.0%
5322	VOCATIONAL AT RISK	-	0.00	0.00	-	20,000	0.0%	20,000	0.0%
5324	ED SCREENING PROG / PAT	88,610.00	83,070.14	92,395.97	68,010	94,798	0.0%	94,798	0.0%
5332	VOCATIONAL	733,912.71	618,949.86	513,142.65	113,805	595,435	0.0%	595,435	0.0%
5333	FOOD SERVICE - STATE	17,080.23	19,663.37	28,959.66	-	19,020	0.0%	19,020	0.0%
5359	VOC/TECH ED ENHANCE GRANT	-	0.00	0.00	-	253,787	0.0%	253,787	0.0%
5369	RESIDENT PLACEMENT	33,433.86	100,801.74	56,183.81	123,921	35,000	0.0%	35,000	0.0%
5381-82	HIGH NEED FUND	356,596.36	347,724.38	322,664.57	373,002	483,427	0.0%	483,427	0.0%
5397	OTHER STATE	706,032.30	429,650.00	4,257.94	1,062,837	291,292	-31.5%	291,292	0.0%
	<b>TOTAL STATE</b>	<b>12,972,258.00</b>	<b>13,037,004</b>	<b>12,868,586</b>	<b>11,267,069</b>	<b>13,435,813</b>	<b>-2.1%</b>	<b>13,435,813</b>	<b>0.0%</b>
5412	MEDICAID	182,827.12	217,602.71	251,993.04	536,554	181,400	0.0%	181,400	0.0%
5424-8	VOCATIONAL EDUCATION	391,468.26	1,717,382.56	537,293.05	475,842	442,260	0.00%	442,260	0.00%
5435-38	WORKFORCE INVESTMENT ACT	117,016.69	54,364.74	7,712.90	22,349	29,581	0.0%	29,581	0.0%
5441	IDEA	1,407,490.23	1,207,682.71	1,133,901.47	1,355,260	966,047	0.0%	966,047	0.0%
5442	ECSE	175,872.43	206,422.15	124,566.25	173,683	200,000	0.0%	200,000	0.0%
5445-48	FEDERAL FOOD SERVICE	871,359.85	1,530,367.74	2,633,276.98	1,373,940	1,600,000	0.0%	1,600,000	0.0%
5451	TITLE I - ESEA	685,141.94	855,132.45	342,511.07	905,627	750,000	0.0%	750,000	0.0%
5461	TITLE IV, ESEA, DRUG FREE	45,495.99	57,351.41	22,344.04	67,091	22,344	-	22,344	-
5462	EMERG IMMIGRANT ED	26,596.74	50,976.87	3,531.00	31,264	15,000	0.0%	15,000	0.0%
5465	TITLE II, PART A - TCHR & PRIN	65,954.17	203,975.67	89,560.99	177,057	198,575	0.0%	198,575	0.0%
5466	ESSER	-	-	1,216,928.11	-	1,500,000	-	-	-
5472-74	Childcare Dev Fund Grant / ARRA 2	203,213.36	368,381.80	50,053.66	-	-	-	-	-
5494-97	ARRA: ECSE	-	149,243.01	290,896.88	200	-	-	-	-
	<b>TOTAL FEDERAL</b>	<b>4,172,436.78</b>	<b>6,618,884</b>	<b>6,704,569</b>	<b>5,118,867</b>	<b>5,905,207</b>	<b>-20.3%</b>	<b>4,405,207</b>	<b>-25.4%</b>
5611	SALE OF BONDS	-	-	50,000,000.00	-	-	-	-	-
5631	NET INSURANCE RECOVERY	2,324.11	1,597.55	3,108.96	3,315	5,000	0.0%	5,000	0.0%
5651	SALE OF OTHER PROPERTY	405,549.25	21,734.79	592,184.37	5,778	338,826	0.0%	338,826	0.0%
5692	REFUNDING BONDS	6,875,000.00	-	-	-	-	-	-	-
	<b>TOTAL OTHER REVENUE</b>	<b>7,282,873.36</b>	<b>23,332</b>	<b>50,595,293</b>	<b>9,092</b>	<b>343,826</b>	<b>0.0%</b>	<b>343,826</b>	<b>0.0%</b>
5811-21	AREA VOC FEES FROM LEA'S	2,499,159.65	2,513,703.75	2,764,528.50	2,841,792	2,750,000	0.0%	2,750,000	0.0%
5830	CONTRACTED ED SERVICE	76,156.46	27,556.95	58,599.57	53,993	77,565	0.0%	77,565	0.0%
5841	TRANS FROM OTHER LEA'S	85,870.31	43,119.37	53,409.49	61,658	50,000	0.0%	50,000	0.0%
	<b>TOTAL REV. FROM OTHER DIS</b>	<b>2,661,186.42</b>	<b>2,584,380</b>	<b>2,876,538</b>	<b>2,957,443</b>	<b>2,877,565</b>	<b>0.0%</b>	<b>2,877,565</b>	<b>0.0%</b>
	<b>GRAND TOTAL</b>	<b>96,038,084.93</b>	<b>90,284,302</b>	<b>153,285,534</b>	<b>94,851,205</b>	<b>97,619,918</b>	<b>2.0%</b>	<b>96,711,798</b>	<b>-0.9%</b>

**NET DEBT SERVICE**

School District of the City of St. Charles, MO.  
All Outstanding GO Bonds  
As of July 6, 2022

<b>Period Ending</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>Net Debt Service</b>
06/30/2023	6,370,000	** %	2,956,756.26	9,326,756.26	9,326,756.26
06/30/2024	6,600,000	4.000%	2,731,356.26	9,331,356.26	9,331,356.26
06/30/2025	6,870,000	4.000%	2,467,356.26	9,337,356.26	9,337,356.26
06/30/2026	2,760,000	** %	2,192,556.26	4,952,556.26	4,952,556.26
06/30/2027	2,880,000	** %	2,078,856.26	4,958,856.26	4,958,856.26
06/30/2028	3,010,000	** %	1,958,368.76	4,968,368.76	4,968,368.76
06/30/2029	3,225,000	** %	1,816,718.76	5,041,718.76	5,041,718.76
06/30/2030	3,325,000	** %	1,665,468.76	4,990,468.76	4,990,468.76
06/30/2031	3,425,000	** %	1,536,937.50	4,961,937.50	4,961,937.50
06/30/2032	3,550,000	** %	1,410,187.50	4,960,187.50	4,960,187.50
06/30/2033	3,675,000	** %	1,278,687.50	4,953,687.50	4,953,687.50
06/30/2034	3,825,000	** %	1,142,687.50	4,967,687.50	4,967,687.50
06/30/2035	3,980,000	** %	1,001,187.50	4,981,187.50	4,981,187.50
06/30/2036	4,140,000	** %	847,037.50	4,987,037.50	4,987,037.50
06/30/2037	4,280,000	** %	686,587.50	4,966,587.50	4,966,587.50
06/30/2038	4,400,000	3.000%	553,500.00	4,953,500.00	4,953,500.00
06/30/2039	4,550,000	3.000%	421,500.00	4,971,500.00	4,971,500.00
06/30/2040	4,675,000	3.000%	285,000.00	4,960,000.00	4,960,000.00
06/30/2041	4,825,000	3.000%	144,750.00	4,969,750.00	4,969,750.00
	80,365,000		27,175,500.08	107,540,500.08	107,540,500.08

## **Budget Considerations for FY2023-24 (Budget Message)**

The budget development process includes input from a wide variety of sources. The most relevant data available is used to establish parameters for budget development to support the educational goals of the District. Key variables for FY 2023-2024 include the following:

District enrollment is projected to remain stable. However, increased enrollment for the future is projected based on housing development in the northeast and western sections of the district. Class sizes are expected to remain near current averages. Class sizes are intentionally held below the standard established by the Missouri Department of Elementary and Secondary Education.

Certified staffing was budgeted to accommodate salary step increases for current staff at a 4% rate to the salary schedule. Classified staffing wages were adjusted during the 2022-23 school year in addition to provided step increases during the 2023-24 school year. Transportation was provided an increase during the 2022-23 school year in addition to the agreed upon negotiated language prior to the start of the 2022-23 school year. Employee insurance and other benefit costs are projected to increase 5% although they are currently trending at 8%. These added operational expenses are expected to continue to draw down the district's operating balance which we have been saving in anticipation of these costs. The adopted CSIP contains an emphasis on addressing student needs for both academic remediation and emotional social adjustment. The costs associated with these goals will be a challenge for the district going forward. Class sizes and current assignments of staff will need to be carefully considered as we attempt to assign more resources to these efforts.

Other budget lines with increased expenditures include expected higher food, supplies, fuel, and construction costs. The cost for student resources, including technology costs, continue to slightly increase as expected. Maintenance budgets were held stable. The district will continue to work on completion of projects authorized by the \$50M bond issue passed in April 2021. All bond projects are planned for completion over the next two fiscal years.

This 2023-24 district budget continues to guide the City of St. Charles School District in a fiscally sound and responsible direction. The district is in a period of intentionally proposing operating deficits as we spend down the fund balances accrued from the 2014 levy increase on salaries. While this is planned, the board and administration will need to closely monitor revenues and expenditures moving forward to avoid this planned deficit becoming a long-term funding issue. Additionally, the use of Federal pandemic revenues to address learning needs of our students has been very positive, however this funding will only last through the 2023-24 school year; after which these positions will lack funding. The administration and the Board of Education monitor the budget continually for adherence to the basic goals of the newly adopted CSIP, and for fiscal responsibility. From the beginning of the budget process to the formal approval, there has been considerable scrutiny of the budget to ensure the resources of the District are being budgeted to provide outstanding instruction and support allowing each student to achieve his/her highest potential.

Respectfully Submitted,

Jeremy Shields, Assistant Superintendent of Operations

Lavenia Draper, Director of Business Services

Tina Adams, Business Coordinator