

# Mellen School District

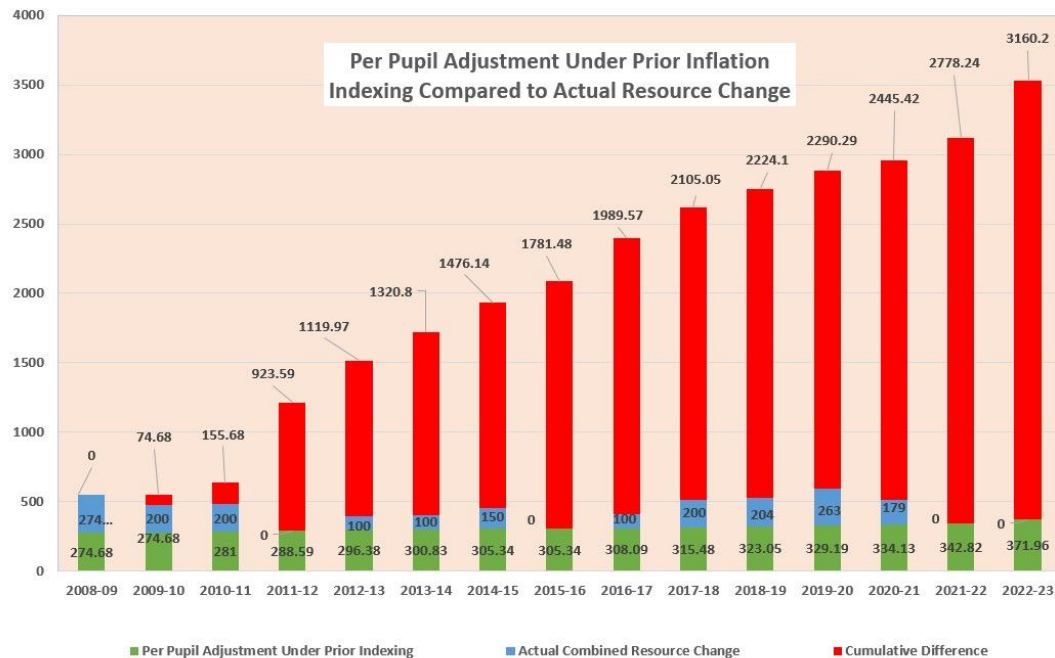
Financial Presentation January 2024



# Budget Constraints

- The District is facing a budget deficit due to inadequate state funding.
- The state has not allowed a per-pupil adjustment aligned to inflation in the past 14 years.
- Our mill rate is lower than our neighboring districts and the state average.
- Despite a well managed budget and responsible spending, expenses continue to rise making it increasingly difficult to fund school operations.

# Per Pupil Adjust Actual Compared to PPA Under Prior Inflation



# Budget Review

- Fall 2022: Began 3 year projection
- Winter 2022: Began future staffing proposal
- Winter 2022: Presented budget projections
- Spring 2023: Identified areas of reduction
- Summer 2023: Completed facility needs assessment
- Fall 2023: Reviewed all funding sources

# Budget Review continued...

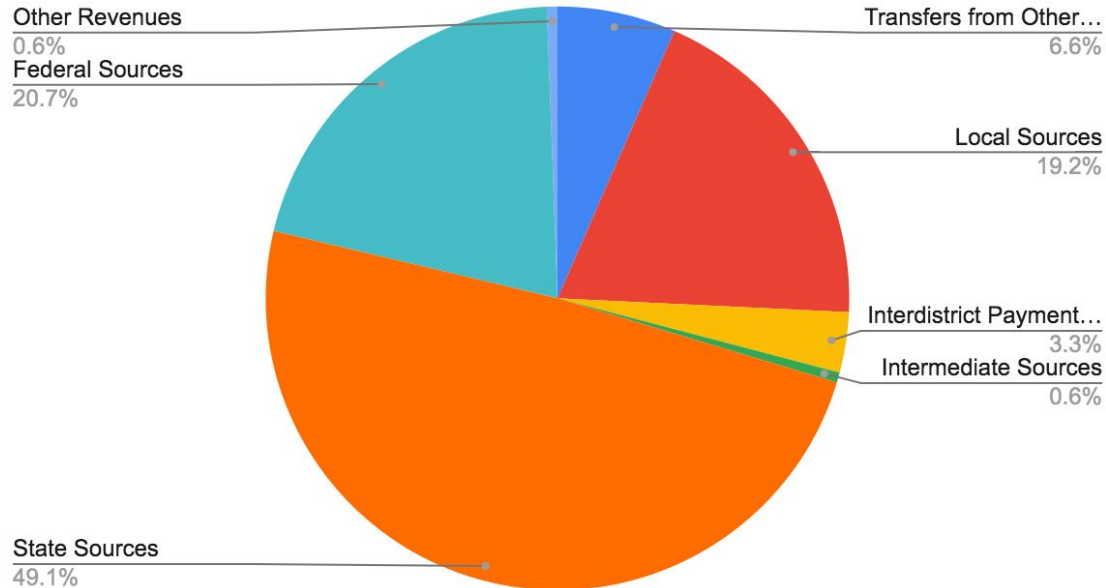
- Fall 2023: Presented budget at annual meeting
- Winter 2023: Presented Baird Forecasting multi-year projections and potential deficit scenarios to the Board
- Winter 2023: Presented community survey results to the Board
- Winter 2023: Referendum resolution presented for Board consideration
- Spring 2024: Communication campaign to all stakeholders for April election

# Programming Review

- Reviewed programming based on the following factors: staffing and enrollment trends along with student outcomes
- Reviewed programming in alignment with graduation requirements at the secondary level
- Identified questions requiring further discussion and investigation
- We have reviewed all academic, extracurricular, facilities and maintenance, transportation, staffing, purchased services, technology, food service, SpEd, equipment and supply programs

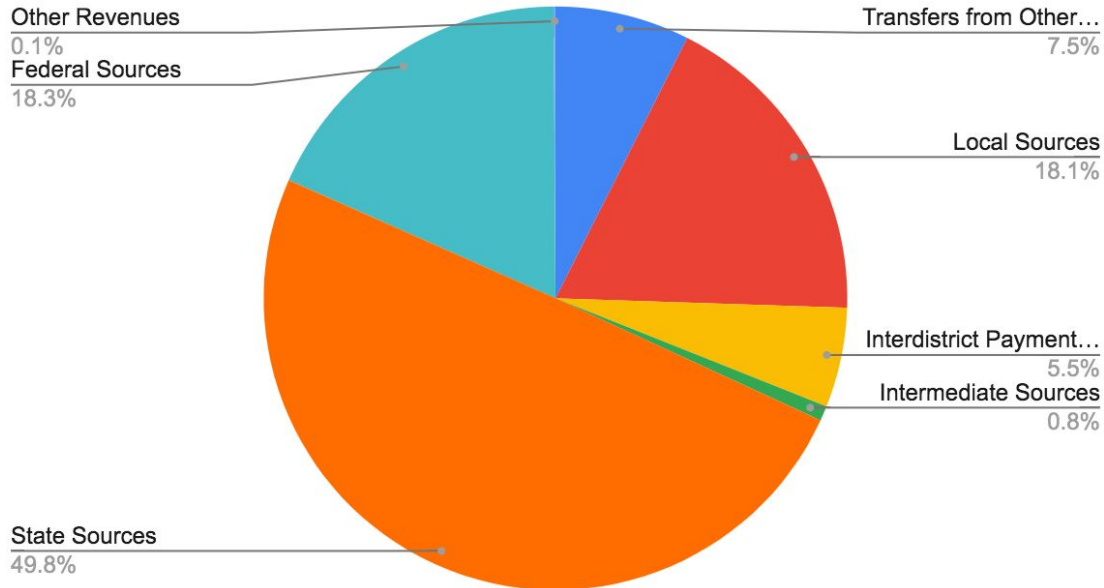
# 2022-23 Revenue Sources

## Actual Revenue



# 2023-24 Revenue Summary

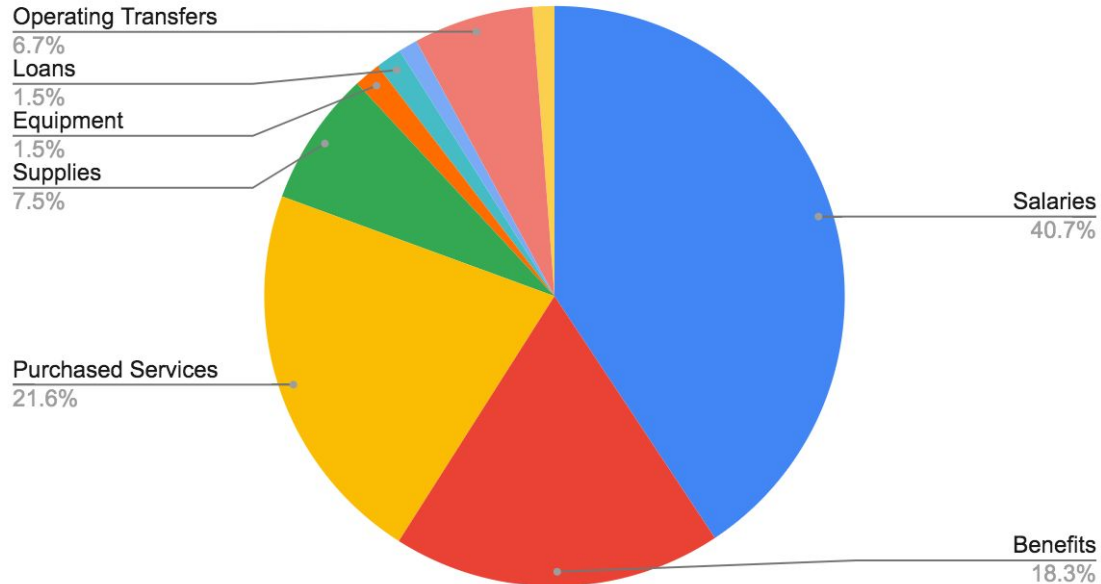
## Budgeted Revenue





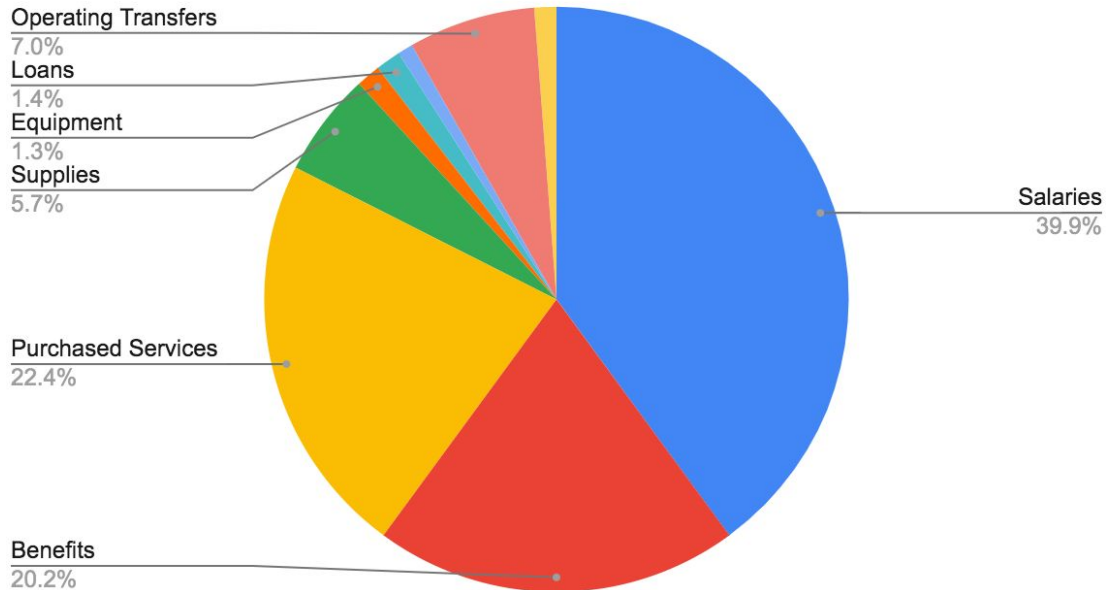
# 2022-23 Expense Summary

## Actual Expense



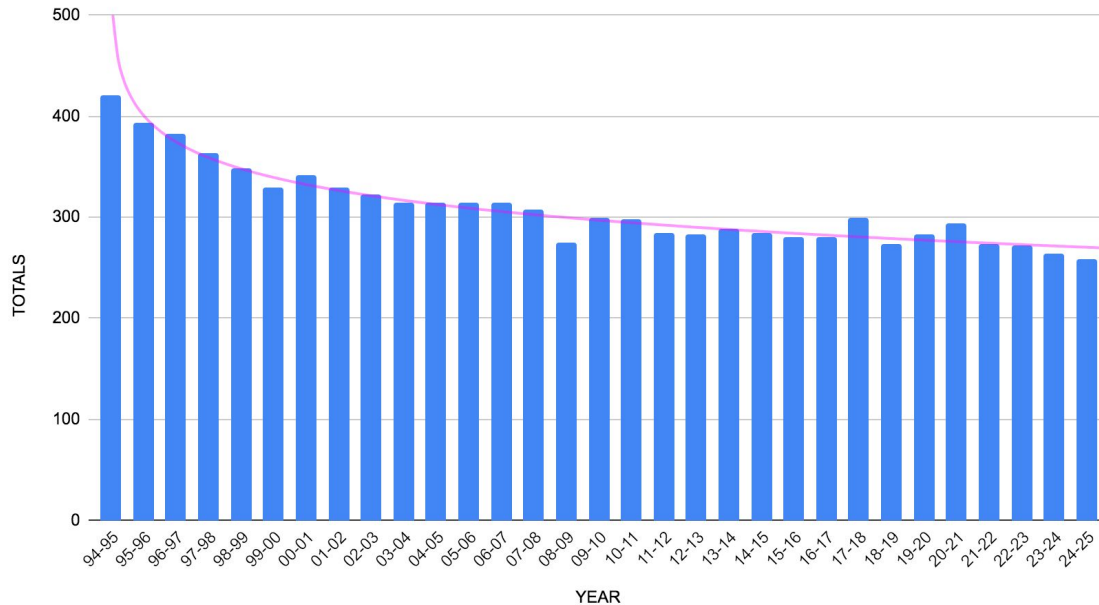
# 2023-24 Expense Summary

## Budgeted Expense



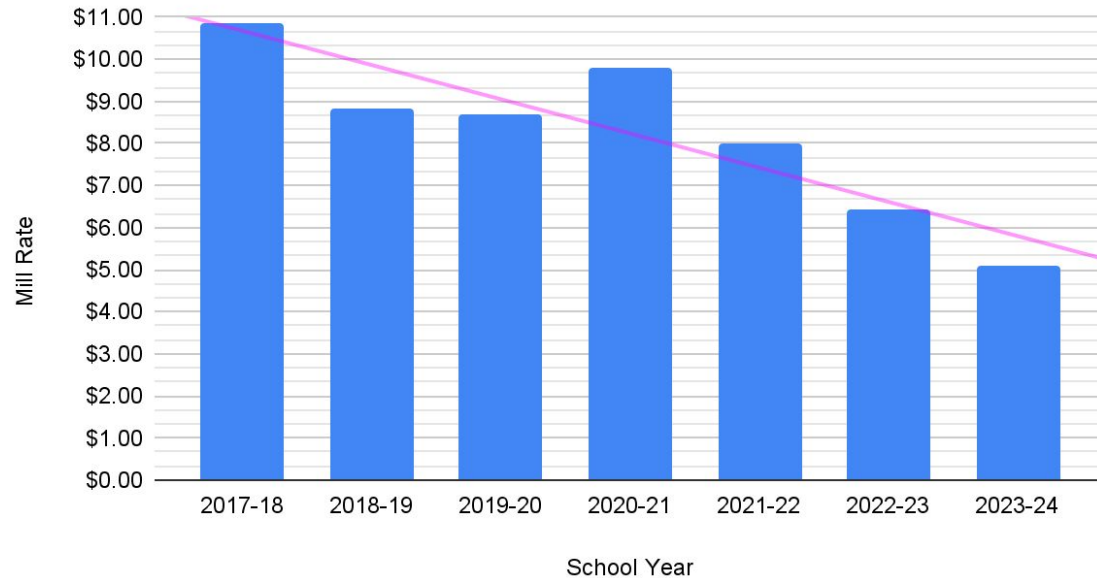
# Enrollment Trend and Impact on State Aid

TOTALS vs. YEAR



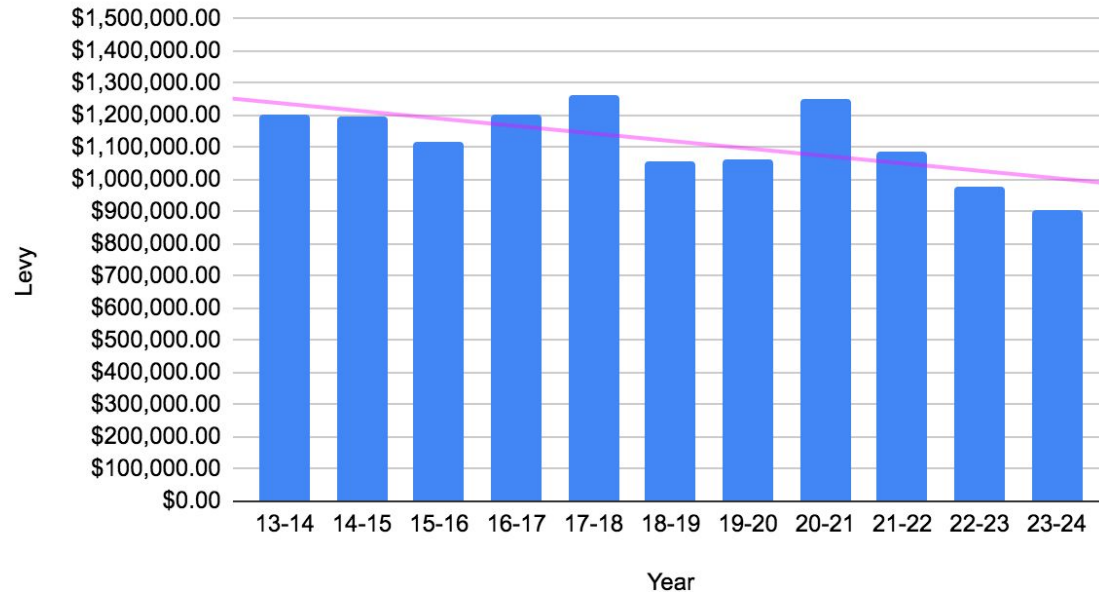
# Mill Rate Trend

Mill Rate vs. School Year



# Tax Levy 10 year Trend

Levy vs. Year



# Funding Our Future - Current Conditions

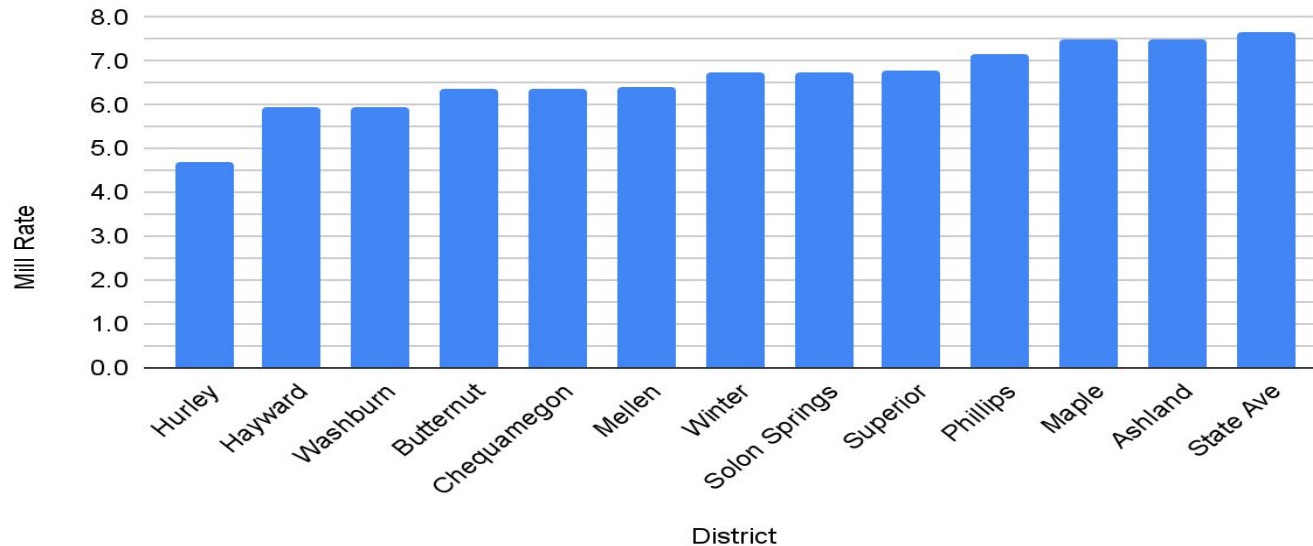
- Projected budget **deficit** 2023-24 - about \$319,340
- Projected budget **deficit** 2024-25 - about \$314,259
- Projected budget **deficit** 2025-26 - about \$370,304
- Projected budget **deficit** 2026-27 - about \$432,356
- Projections made with a 2% increase
- Funded at a lower mill rate than several of our neighboring communities
- Funded at a lower mill rate lower than the state average

# Funding Our Future - Current Conditions

- Projected budget **deficit** 2023-24 - about \$319,340
- Projected budget **deficit** 2024-25 - about \$259,783
- Projected budget **deficit** 2025-26 - about \$260,263
- Projected budget **deficit** 2026-27 - about \$265,638
- Projections made with a 0% increase
- Funded at a lower mill rate than several of our neighboring communities
- Funded at a lower mill rate lower than the state average

# Mill Rate Comparison

Mill Rate vs. District





# Funding Our Future - Referendum Conditions

- Projected budget **deficit** 2023-24 - about \$319,340
- Projected budget **surplus** 2024-25 - about \$185,741
- Projected budget **surplus** 2025-26 - about \$129,696
- Projected budget **surplus** 2026-27 - about \$67,644
- Projections made with a 2% increase
- Funded at a lower mill rate than 10 years ago

# Immediate Needs

- Attract and retain high-quality staff
- Maintain current educational and extracurricular programming
- Provide the needed reading and math interventions for students
- Upgrade safety and security infrastructure
- Enhance technology resources and support
- Secure budget for facility maintenance

# Recommendation

Increase revenue limit authority:

- \$500,000 2024-25
- \$500,000 2025-26
- \$500,000 2026-27

# Tax Impact

Mill rate:

- \$2.46 per \$1,000 per assessed property value
- Annual \$246 for a home valued at \$100,000

# Unmet Needs Covered by Grant Funds

## STEM Innovation Grants:

- used to purchase state-of-the-art lab equipment
- technology equipment
- digital literacy software
- CNC Lathe, CNC Mill, Plasma Cutter, 3D printer, Vinyl Cutter, Laser Engraver
- STEM courses, electrical supplies, and materials for student-led projects

# Unmet Needs Continued...

## School Safety Grants:

- used to purchase security window film
- two-way radios, video entry system and security cameras
- safety training and first aid and trauma kits
- dome mirrors and door lock replacements
- front entrance remodel and main office updates

# Unmet Needs Continued...

## Food Service Grants:

- FS equipment and supplies, expand menu options, additional FS staff during COVID
- purchase fresh fruits and vegetables, mobile meals cart and composting equipment
- supplies for physical activities
- free breakfast, lunch, and afternoon snack for all students

# Unmet Needs Continued

## Academic and Career Planning:

- used for ACP Scope and Sequence Support and to develop ACP/Pathways page on the school website
- purchase of school vehicle for transporting students to workplace, transition training for staff, employment training for students



# Unmet Needs Continued

## Student Mental Health and Wellbeing:

- Suicide Prevention Training, Yellow Tulip Project
- Telecounseling services, Blue Room supplies
- Executive Functioning curriculum, Mental Health Literacy training and curriculum
- Trauma Sensitive Practices training
- Positive messaging, increase School and Community access to mental health services
- Neurosequential training and supplies, telenursing services, airway clearance device to prevent choking,
- 4 portable AEDs for athletics

# Unmet Needs Continued...

## Facilities Improvement Grant:

- Expand outdoor learning opportunities
- 2 water bottle filling stations, water bottles and toothbrushes for all students

# Unmet Needs Continued...

## Arts and Culture Enrichment Grant:

- used to bring in artists for workshops and organize cultural events
- invest in art supplies and equipment

# Unmet Needs Continued

## Community Outreach and Service Learning Grant:

- used to purchase supplies and equipment for the Digger Center, the MS/HS after school program, the Ski program, staffing for both programs
- Family Room
- Technology
- School garden
- Family engagement support

# Unmet Needs Continued...

Teacher initiated Donors Choose Grants:

- Two tables
- Cushions, chair, and wobble stools
- Rug
- 2 wobble stools
- Magnet tiles, picasso tiles, and storage bins
- Chairs

# Unmet Needs Continued...

Teacher initiated Donors Choose Grants:

- Flexible seating chairs
- Large iPad for student use
- Digital art class for digital tools
- STEM Tools

# Unmet Needs Continued...

Teacher initiated Donors Choose Grants:

- Classroom organization items
- Teachers Pay Teachers gift cards (2)
- Books for classroom library
- Floor table & flexible seating
- ELA materials for project based learning

# Unmet Needs Continued...

Teacher initiated Donors Choose Grants:

- Field Trip items
- Classroom Community items
- Small Group table and chairs
- Indoor recess items
- Student incentive items



## In Summary

Increase revenue limit authority by  
\$500,000 per year for three years

Mill rate: \$2.46 per \$1,000 per assessed property  
value

# Baird Forecast Model

The forecast model provides tools for short and long term financial planning by utilizing analyzing revenue limits, equalization aid, fund balance, and cash flow. The projections are based on tax levy and mill rate, salary and benefit costs and student enrollment to name a few.

Kim Zabel will provide a brief overview of the forecast model reviewed by the board in December 2023.

# Questions

