



MARK MAUS, SUPERINTENDENT
655 SOUTH COMMERCIAL AVENUE, SMITHVILLE, MO 64089
P: (816) 532-0406
F: (816) 532-4192
SmithvilleSchoolDistrict.net

To: Board of Education
From: Dr. Mark Maus, Superintendent
Re: October Budget Revision
Date: October 16, 2024

Members of the Board of Education,

With the Tax Levy finalized and all numbers in from our counties we expect a deficit spend for FY25. We have budgeted a deficit spend of **(\$574,353)** in Funds 1 and 2. The budget would have a total deficit spend of **(\$602,384)**. We anticipated deficit spending this year based on the preliminary budget in June.

Teacher retention has been a priority for the District for several years. On average, 7.63% was added to the Certified Staff Salary Schedule when rolling the salary schedule is included. The Non-Certified Staff Salary Schedule had an equivalent of 7.63% added to the hourly rate. This continues to be a goal for the District in the coming years. This is a significant accomplishment after the previous year's average of 7.1%.

The revenue totals anticipated in June have come in lower than anticipated in several areas: Assessed Valuation came in 3.24%, with county revenue decreased by over **(\$250,000)** and federal Revenue **(\$179,000)**. Our initial anticipated deficit spend in June was **(\$830,127)**, and we have been able to reduce this even with a revenue reduction. We have combed the budget to minimize excess spending and used Bond savings to reduce our spending out of this year's budget (Maple HVAC: \$289,000).

The ASBR for FY24's ending reserve balance ratio has been submitted but not yet approved, and we forecast a reserve ratio of 22.04%. FY25 predicts the reserve ratio to be approximately 19.7%, which will put the district below the amount specified by policy DIAA, which specifies a range of 21-26%. Building the reserve ratio up will need to be a consideration during the FY26 budget cycle. We can still be strong financially with our lower-than-expected revenues for FY25.

The Board is entrusted with critical responsibilities as the District's leadership, and the budget approval is one of the most important aspects. This budget outlines the financial framework for the 2025 fiscal year and serves as a roadmap for the District's operations. Your thorough examination and thoughtful discussion of this budget are highly valued. Should you have any inquiries regarding the information presented in this document, please do not hesitate to contact us.