

BUDGET MESSAGE
2020-2021

June 29, 2020

Hume R-VIII School District is organized as a K-12 system with a K-6 elementary and a 7-12 junior high/high school. We continue to maintain a preschool for children 3-4 years old. The K-12 enrollment projection is 134-137 for 2020-2021.

For more than a decade Hume had a preschool program that was paid for through a grant. That grant ended at the end of the 2013-2014 school year. At the June 8, 2016 meeting the board decided that the district would pick up part of the cost of the program for the 2016-17 school year, and the enrollment would be limited to ten students with one non-certified teacher. This teacher is now certified. We allowed 20 students in preschool last year and paid an additional aide. There are 10 to 11 children wishing to attend preschool in 2020-2021. Therefore, the preschool will revert back to 10 students and be able to practice social distancing. This is a program that receives no ADA funding at present time. However, it is the foundation for preparing students for kindergarten.

Salaries continues to be the driving factor in this year's budget. About 80% of the district's budget is invested in salaries and benefits. The Board of Education has voted to keep the district's health insurance contribution rate at \$450 per month for employees who fully participate in the wellness program. Base salary remains at \$28,000.00. The Board of Education has also approved the \$500.00 step increase. This budget also includes a 2% increase in full time support staff salaries. There is money in this budget to cover over-time for support staff when needed. This budget shows a salary for the preschool teacher of \$29,000.00.

The Title I teacher will continue to serve as the guidance counselor. This budget provides for one full-time Superintendent and one full-time Principal. There will continue to be one full-time special education aide that will work in several different classrooms as needed.

It is anticipated that the Hume R-VIII School District will begin the 2020-2021 school year with a total fund balance of approximately 39%. Preliminary information is available for state and federal revenues for budgeting purposes. The SRSA grant is \$13,518 which is a decrease of approximately \$800 from last year. Title I is \$33,849 which is an increase of approximately \$4,800 from last year. Title II is \$5,224 which is a decrease of approximately \$170 from last year. SPED is \$36,661 which is an approximate increase of \$3,700 from last year. Our lease payment changed last year from \$15,000 to \$20,000 which was an increase of \$5,000. The Board of Education voted to pay off this lease in the

spring of 2020 to eliminate the \$20,000 payment plus interest each year. At this time, it appears DESE will pay between \$6,100 and \$6,200 per ADA. The Hume School District is considered Hold Harmless because our student numbers are low enough that we would receive less money than we did in 2006. Therefore, our money is a set amount of what we received in 2006 for each year. Since we are in a state of emergency our governor eliminated the Hold Harmless provision and was able to cut our funding. Governor Parson has cut our July payment by at least 39 percent. Hopefully, this will be the only withholding we see in this fiscal year. However, that is dependent upon our COVID-19 recovery and additional federal stimulus money. Amendments to this budget will be necessary due to state and federal funding adjustments.

In June of 2007 the district patrons passed a tax ceiling levy of \$5.2592 for Fund #1. On August 8, 2016 the Board of Education passed a resolution to set the levy at \$5.2592 with a rollback of .2592 which made the levy \$5.00/100 Assessed Valuation with \$4.5680 going into fund one to meet some of the needs of the increase in general operations, and \$.4320 going into fund four. Due to the voluntary roll back during an even numbered calendar year our tax rate was required to be reduced for 2017-2018. This decrease resulted in a maximum allowable tax rate for 2017-2018 of \$4.9074/100 Assessed Valuation with \$4.5680 going into fund one and \$.3394 going into fund four. In August of 2018 the district's Assessed Valuation decreased by \$442,865. This decrease resulted in the Board of Education voting to set the tax levy at \$5.2592/100 Assessed Valuation with \$4.9500 going into fund one and \$.3092 going into fund four for repairs, maintenance, and upgrades. The 2020-2021 budget reflects the 5.2592/100 Assessed Valuation. This budget is based on an estimated Assessed Valuation for 2020-2021 of \$8,510,231. The estimated beginning balance for 2020 is \$680,299.25 and an ending balance of \$680,390.70.

The Hume R-VIII School District annual budget has been prepared by the Superintendent, business manager, and suggestions and input from the staff, patrons and the Board of Education in an effort to meet the needs and desires of the community and its students. Budgeting and finance are extremely complex and will require constant monitoring.

Operating within the budget is imperative for maintaining our school. The Board of Education will be asked to review and make necessary adjustments to the budget in January, May and June.

With these topics in mind, the budget for 2020-2021 is designed to provide the Hume R-VIII School District the best opportunity for an efficient school operation with the focus on improving student learning while maintaining the physical plant and equipment.

Scott Morrison, Superintendent

Hume R-VIII School District