

BUDGET MESSAGE
2021-2022

June 29, 2021

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 132-135 for 2021-2022.

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 in 2019-20 and paid an additional aide. We changed back to 10 preschool students in 2020-21 and plan for 10 again this year. 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 73% 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 increased to \$28,250.00. 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 \$32,251.00.

The Title I teacher will continue to serve as the guidance counselor. A part-time para has been hired to help with Title I. This budget provides for one full-time Superintendent and one full-time Principal. There will continue to be one full-time special education para that will work in several different classrooms as needed. Two additional paras will work one on one with students.

It is anticipated that the Hume R-VIII School District will begin the 2021-2022 school year with a total fund balance of approximately 46.72%. Preliminary information is available for state and federal revenues for budgeting purposes. The SRSA grant is \$12,624 which is a decrease of approximately \$900 from last year. Title I is \$35,363 which is an increase of approximately \$1,500 from last year. Title II is \$5,994 which is an increase of approximately \$770 from last year. SPED is \$38,151 which is an approximate increase of \$1,500 from last year. Our lease payment changed in 2019-20 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 \$6,300 and \$6,400 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. We received ESSER I (\$27,000), ESSER II (\$113,000), and County CARES (\$36,000) which helped tremendously with additional expenses due to COVID in 2020-21. This also placed our budget in a much better position than was expected when June and July payments were reduced 50% in 2020. 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 one. 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. In August of 2020, the tax levy was again set at \$5.2592/100 Assessed Valuation with all of that going into fund one. The 2021-2022 budget reflects the 5.2592/100 Assessed Valuation. This budget is based on an estimated Assessed Valuation for 2021-2022 of \$8,498,491. The estimated beginning balance for 2021 is \$872,308.00 and an ending balance of \$873,144.00.

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 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 2021-2022 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

**GENERAL BUDGET SUMMARY
2020-2021**

Assessed Valuation \$8,498,491

Adjusted Assessed Valuation \$8,388,391

Unadjusted tax levy \$5.2592/100

Adjusted tax levy \$5.2592/100

Beginning balance by total and by fund: \$680,662.31

(1) General Fund 660,662.31

(2) Teachers Fund 0

(3) Debt Service Fund 0

(4) Capital Project Fund..... 20,000.00

Ending cash balance to date: \$872,308.00

(1) General Fund..... 821,478.96

(2) Teachers Fund 0

(3) Debt Services Fund 0

(4) Capital Project Fund 50,829.04

The restricted fund at the close of the 2020-2021 budget year is \$4,620.49

The 2020-2021 budget was created using a 100% pro ration factor of our Hold Harmless payments. Prop. C revenue decreased by \$7,400. The property tax collection rate increased this year by \$20,000 for current taxes and increased by \$48,000 for delinquent taxes. There was an decrease in assessed utilities of \$2,500.

The unrestricted ending balance (fund 1 + fund 2) is 46.72%

There may be some minor adjustment in the ending balance due to final payments of interest from bank deposits. At this date, the projected ending balance is \$872,308.00 which will be used as the beginning balance for 2021-2022.