

# FY 2024 Budget

Board Work Session  
February 7, 2023

Matthew Smith, Interim Superintendent  
Shashank Aurora, Chief Financial Officer



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# Agenda

**February 7, 2023**

- Review of Budget Timeline, Statutory Requirements, and FY 2024 Budget Overview
- Balanced Budget
- Strategic Goal Investments

# TIMELINES, REQUIREMENTS, AND ESTIMATED GENERAL FUND REVENUE



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# Budget Development

Date	Item
February 7	Board Work Session – FY 2024 Budget Overview
February 28 – March 2	Community Discussions (5 in person) – School Finance & Annual Budget
March 7	Board Work Session – Strategic Investments Aligned to Guardrails
March 21	Board Work Session – Student & Staff Recruitment and Retention; Legislative Impacts
March	Annual Budget Published (Statutory Requirement) – Budget published 10-25 days before the Public Hearing
March 22	Community Discussion (Virtual) – School Finance & Annual Budget
April 4	School Board Meeting (Public Hearing) – Adoption & Certification of Annual Budget
<b>April 17</b>	<b>Statutory Deadline – Submit Annual Budget to Polk County Auditor for Certification</b>
July 1	Fiscal Year Begins



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# Community Discussions

Date	Time	School	Location
February 28	7:00 am – 9:00 am	North	Library
February 28	5:30 pm – 7:30 pm	Roosevelt	Library
March 1	5:30 pm – 7:30 pm	East	Library
March 2	7:00 am – 9:00 am	Lincoln	Counseling / Conference Center
March 2	5:30 pm – 7:30 pm	Hoover	Library

# Budget Adoption and Certification Requirements

- **Budget Must be Balanced**
  - Revenue + Fund Balance  $\geq$  Annual Expenditures
- **Property Tax Rate Must be Set**
  - Levies: General Fund, Management, PPEL, PERL

# General Fund Revenue Estimate (FY 2024)

Source	FY 24 Budget
State	\$280 M
Local – Property Tax	101 M
Local – Other	34 M
Federal	45 M
<b>Total GF Revenue</b>	<b>\$460 M</b>

- Plan: Keep Tax Rate Flat

# ACHIEVING A BALANCED BUDGET



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# Financial Impact and Unknowns

- High Inflation
- Declining Enrollment
- Continued Employee Shortage
- Potential Recession
- Long-Term Supplemental State Aid
- State Vouchers
- Potential Increased Costs
  - DMTRS Plan
  - DBM levels for non-bargained staff
  - Others?

# High Level View

		July		November		February	
GF Expense Base	≈\$460 M						
Major GF Expense	Staff	<del>↑3%</del>	<del>\$11.0 M</del>	<b>↑3.4%</b>	<b>\$12.6 M</b>	↑3.4%	\$12.6 M
Major GF Expense	Goods, Services, etc.	↑1%	\$1.0 M	↑1%	\$1.0 M	↑1%	\$1.0 M
Major GF Revenue	State Aid tied to Student Enrollment	↓500	\$3.6 M	<del>↓500</del>	<del>\$3.6 M</del>	<b>↓250</b>	<b>\$1.8 M</b>
<i>Cumulative Impact</i>			<del>\$15.6 M</del>		<del>\$17.2 M</del>		\$15.4 M
<i>Rate of Growth in Supplemental State Aid</i>		↑2%	<del>(\$4.6 M)</del>	<b>↑1%</b>	<del>(\$2.3 M)</del>	↑2.5%	<del>(\$5.6 M)</del>
<b>Amount Needed to Decrease For Balanced Budget</b>			<del>\$11.0 M</del>		<del>\$14.9 M</del>		<b>\$9.8 M</b>
<b>Financial Impact of Unknowns</b>							<b>??</b>

# Keep General Fund Expenditures Flat

\$ 9.80 M Reduction

+ 0.95 M Potential Financial Impact of Unknowns

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\$10.75 M

0.75 M Health & Benefits Changes

1.00 M Operational Changes

9.00 M Staffing Reduction

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**Ø      Balanced Budget**

# Estimated Health Benefits Reduction

## STRATEGY

- Change in Specialty Pharmacy Provider
  - Prudent Rx/CVS
  - Specialty Medication

## IMPACT - \$0.75 M

- District Savings = \$750K
- Employee Savings on \$100 Co-Pays



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# Estimated Operational Reductions

## STRATEGY

- Move Expenses to non-GF Funds
- Expansion of Break / Fix Program
- Consolidations of Underutilized Facilities

## IMPACT - \$1.0 M

- Savings to the General Fund
- Move repair expenses from General Fund to Management
- Reductions in operating and maintenance expenditures



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# Estimated Staffing Reductions

## STRATEGY

- Focus on Board Goals
- Keep Reductions Furthest from Classroom (Teachers)
- Recognize Classroom Coverage Needs
- Maintain Conditions for Learning Focus
- Consider Support and Departmental Positions
- Ensure Department Reductions are Transparent

## IMPACT - \$9.0 M

- Teaching Staff (based on declining enrollment)
  - 2% reduction
- Support Staff
  - 5% reduction
- Central Office Staff
  - 5% reduction



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# INVESTMENTS

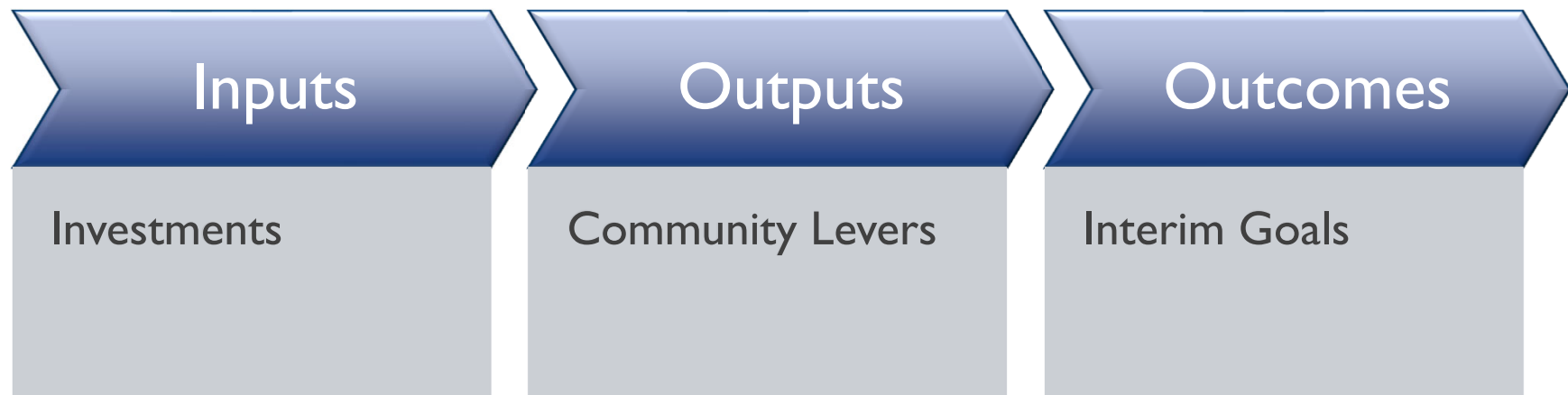
How are We Utilizing Our Funds



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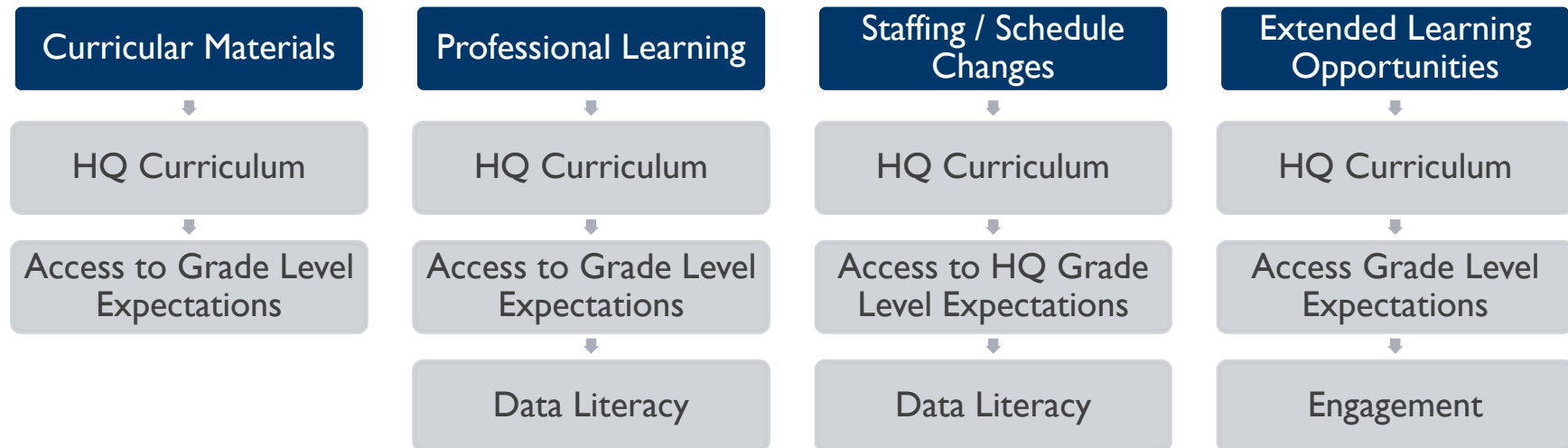
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# Logic Model for Tonight





# Outputs (Levers) Highly Targeted by Investments in Board Goals



# Input – Investments by Goal

FY 2023 Inputs	Investment in Goal 1	Investment in Goal 2	Investment in Goal 3	FY 2024 Inputs	Investment in Goal 1	Investment in Goal 2	Investment in Goal 3
Curricular Materials	\$0.30 M		\$0.39 M	Curricular Materials	\$0.30 M		\$0.69 M
Professional Learning	\$1.64 M	\$1.15 M	\$0.01 M	Professional Learning	\$1.97 M	\$0.41 M	\$0.53 M
Staffing / Schedule Changes			\$0.20 M	Staffing / Schedule Changes	\$0.75 M	\$0.70 M	\$1.32 M
Extended Learning Opportunities	\$0.18 M	\$0.18 M	\$0.41 M	Extended Learning Opportunities	\$0.25 M	\$1.35 M	\$0.83 M
<b>TOTAL</b>	<b>\$2.12 M</b>	<b>\$1.33 M</b>	<b>\$1.01 M</b>	<b>TOTAL</b>	<b>\$3.27 M</b>	<b>\$2.46 M</b>	<b>\$3.37 M</b>

**Total FY 23 Investment: \$4.46 M**

**Total FY 24 Investment: \$9.10 M**



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# WHY INVEST IN “IM” & “EL” CURRICULUM MATERIALS AND PROFESSIONAL LEARNING? WHAT DOES THE RESEARCH SAY?

*Ed Reports, TNPT Opportunity Myth Research Report on HQ Curriculum: (2018); National Center for Statistics, Science of Reading Research, Iowa Department of Education Dyslexia Guidance*



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# GLEAM

Students spend most of their time in school without access to four key resources:

1. Grade-Level assignments,
2. Deep Engagement,
3. Teachers who Affirm students and hold high expectations,
4. Meaningful instruction

## GLEAM, continued

- Students of color, those from low-income families, English language learners, and students with mild to moderate disabilities have even less access to GLEAM instruction than their peers

## GLEAM, continued

- Greater access to GLEAM Instruction can and does improve student achievement—particularly for students who start the school year behind

# FY24 Goal I: Investments in All Student Literacy

FY 2024 Inputs	Investment	Actions *New	Output
Curricular Materials	\$0.30 M	– K-4 Supplemental Literacy Materials	• Implementation of HQ Curriculum
Professional Learning	\$1.97 M	– EL Partnership, Skills Institute, Reading Coach, Science of Reading; – *UnBoundED (focused on supporting students who are ML Learners); – *Specially Designed Instructions to support students with IEPs	• Access to Grade-Level Expectations • Data Literacy
Staffing / Schedule Changes	\$0.75 M	– *K-12 Dyslexia Specialist – *K-1 Classroom Integration Associate – *BFL/CSC through reallocation	• Implementation of HQ Curriculum • Access to Grade-Level Expectations • Data Literacy
Extended Learning	\$0.25 M	– *Student Summer Learning (literacy focus)	• Access to Grade-Level Expectations • Engagement
<b>TOTAL</b>	<b>\$3.27 M</b>		



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# FY24 Goal 2: Investments in Literacy for Black Males

FY 2024 Inputs	Investment	Actions *New	Output
Curricular Materials			
Professional Learning	\$0.41 M	<ul style="list-style-type: none"> <li>– UnboundED Cohort 6</li> <li>– *Language Acquisition</li> <li>– Leading Curricular Access: School Admin and ICs</li> <li>– *Arts Integration</li> </ul>	<ul style="list-style-type: none"> <li>• Access to Grade-Level Expectations</li> <li>• Data Literacy</li> </ul>
Staffing / Schedule Changes	\$0.70 M	<ul style="list-style-type: none"> <li>– *K-I Classroom Integration Associate</li> <li>– *BFL/CSC through reallocation</li> </ul>	<ul style="list-style-type: none"> <li>• Implementation of HQ Curriculum</li> <li>• Access to Grade-Level Expectations</li> <li>• Data Literacy</li> </ul>
Extended Learning	\$1.35 M	<ul style="list-style-type: none"> <li>– *Student Summer Learning (literacy focus)</li> <li>– *K-4 Emerging ML &amp; Black Male Students Afterschool Programming</li> <li>– *Increase in 6 Additional PreK Classrooms</li> </ul>	<ul style="list-style-type: none"> <li>• Access to Grade-Level Expectations</li> <li>• Engagement</li> </ul>
<b>TOTAL</b>	<b>\$2.46 M</b>		



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# FY24 Goal 3: Investments Math for Black Males

FY 2024 Inputs	Investment	Actions *New	Output
Curricular Materials	\$0.69 M	<ul style="list-style-type: none"> <li>– Supplies to support Algebra 1, Algebra 2, and Algebra Foundations</li> <li>– *K-5 Math Intervention Materials</li> <li>– AAIMS Training Materials</li> </ul>	<ul style="list-style-type: none"> <li>• Access to Grade-Level Expectations</li> </ul>
Professional Learning	\$0.53 M	<ul style="list-style-type: none"> <li>– Illustrative Math Grades 6-8, Algebra, Geometry, &amp; Algebra 2</li> <li>– *K-5 Illustrative Math</li> <li>– *K-8 UnboundED Cohort 6</li> <li>– *HS UnboundED Institute</li> <li>– AAIMS Training</li> </ul>	<ul style="list-style-type: none"> <li>• Access to Grade-Level Expectations</li> <li>• Data Literacy</li> </ul>
Staffing / Schedule Changes	\$1.32 M	<ul style="list-style-type: none"> <li>– *K-I Classroom Integration Associate</li> <li>– *BFL/CSC reallocation</li> <li>– *Middle School Schedule adds instructional time and PLC</li> <li>– *Creation of New Math Electives</li> </ul>	<ul style="list-style-type: none"> <li>• Implementation of HQ Curriculum</li> <li>• Access to Grade-Level Expectations</li> <li>• Data Literacy</li> </ul>
Extended Learning	\$0.83 M	<ul style="list-style-type: none"> <li>– Summer Jump Start (Rising 6<sup>th</sup> and 9<sup>th</sup> Grade)</li> <li>– *K-5 Math Summer Learning</li> <li>– *K-4 ML and Black Male Afterschool Programming</li> <li>– *Tutoring</li> </ul>	<ul style="list-style-type: none"> <li>• Access to Grade-Level Expectations</li> <li>• Engagement</li> </ul>
<b>TOTAL</b>	<b>\$3.37 M</b>		

# Input – Total Investments by Goal

FY 2023 Inputs	Investment in Goal 1	Investment in Goal 2	Investment in Goal 3	FY 2024 Inputs	Investment in Goal 1	Investment in Goal 2	Investment in Goal 3
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**Total FY 24 Investment: \$9.10 M**

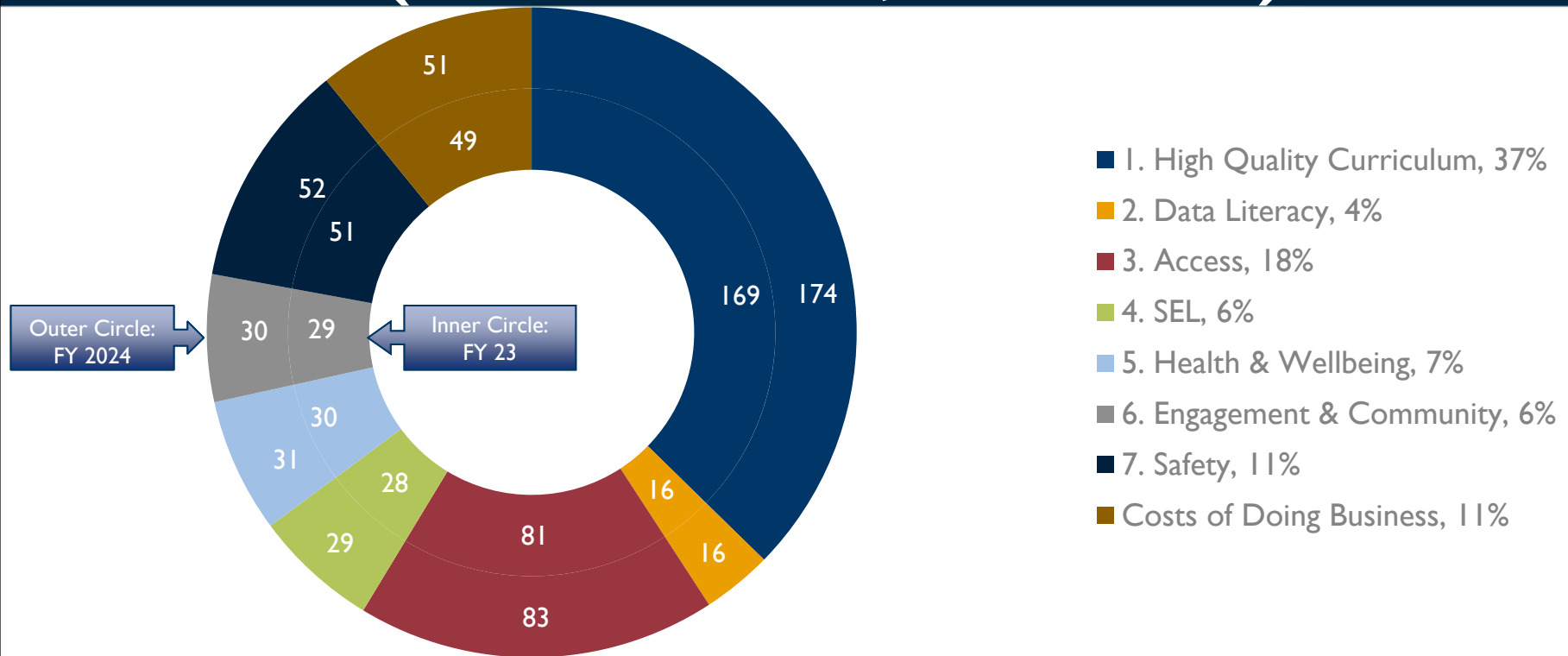


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# Investments in all Levers



# Investments in Levers (General Fund, in Millions)



# Costs of Doing Business Defined

- **General Expenses**

- Costs an organization incurs as part of its daily operations
  - Rent, insurance, utilities, etc.

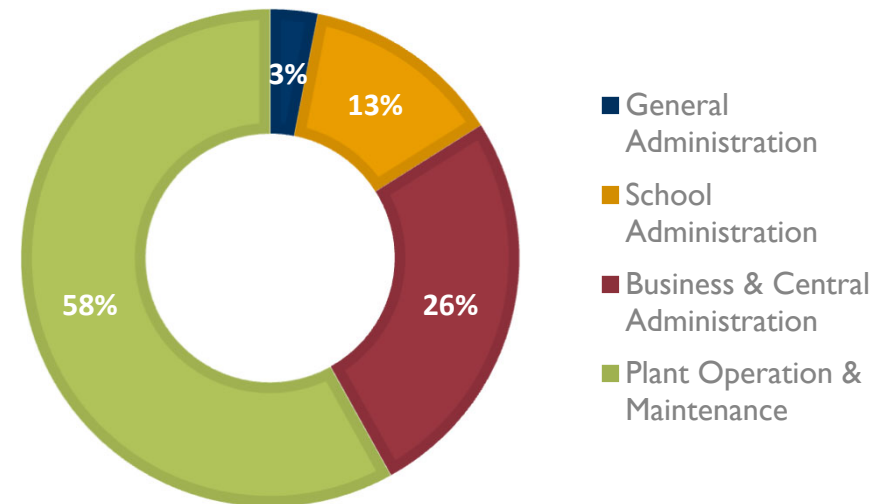
- **Administrative Expenses**

- Costs an organization incurs relating to the management of the business
  - All organizations: Paying wages, salaries, and providing benefits; accounting; human resources; operations, etc.
  - Education-specific: Specialized school staff and administration

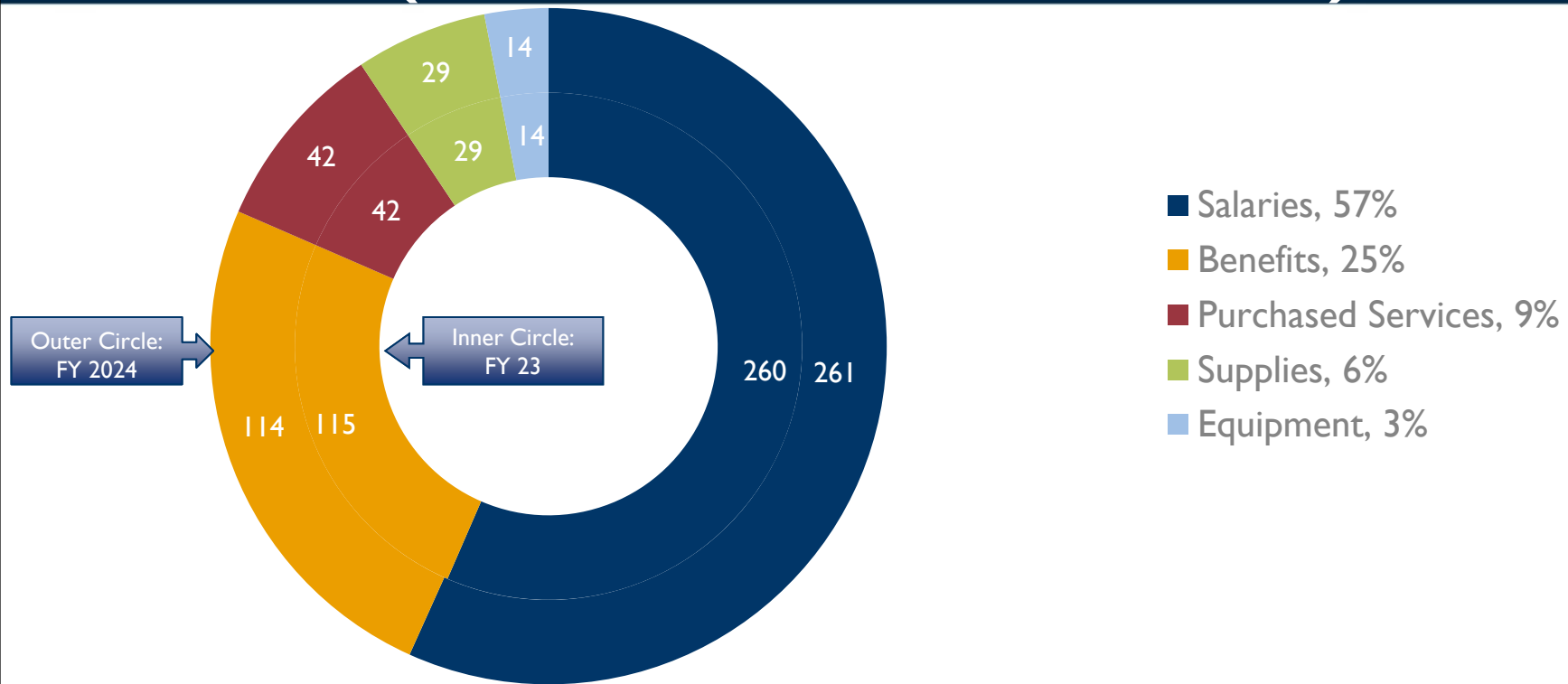
# Costs of Doing Business

## Breakdown of Non-Lever Expenses (11%)

- **General Administration**  
–Superintendent, T&L Staff, Title, SWD, ELL Staff (non-teaching), Professional Services, Supplies
- **School Administration**  
–Principal, AP, Office Staff, Supplies
- **Business & Central Administration**  
–Business & Finance, Talent & Personnel, Purchasing, Technology, Public Information, Printing
- **Plant Operation & Maintenance**  
–Facilities, Operation, Custodial, Utilities, Repair/Maintenance Equip, Public Safety



# Expenditures by Object (General Fund , in Millions)



# THANK YOU!



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# REMINDER

## Upcoming Board Work Sessions

- **March 7**

- FY 2023 & FY 2024  
Strategic Investments  
Aligned to Guardrails
- School Safety & Social,  
Emotional Learning
- Mental Health
- Cyber Security
- Activities and Athletics  
Facilities/Infrastructure

- **March 21**

- Student & Staff  
Recruitment and Retention
- Legislative Impact on FY  
2024 Budget and Strategic  
Planning



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