



Forward Thinking, High Achieving.

School Funding & Budgets 101

January 28, 2025

Definitions

BUDGETED FUNDS

- Trustees must adopt a budget to spend money
- Local property tax levies are a common revenue source
 - **Voted Levy** – hold an election to obtain voter approval
 - **“Permissive” (non-voted) Levy** – voter approval not required

NON-BUDGETED FUNDS

- No budget is needed to spend money
- Expenditures are limited to cash available in the fund (20-9-210, MCA)
- No tax revenues

Budgeted Funds

Budgeted Fund	Permissive Levy?	Voted Levy?
General Fund (01)	Y	Y
Transportation Fund (10)	Y	N
Bus Depreciation Fund (11)	Y	N
Tuition Fund (13)	Y	N
Retirement Fund (14)	N/A	N
Adult Ed Fund (17)	Y	N
Technology Fund (28)	N	Y
Flexibility Fund (29)	Y	N
Debt Service Fund (50)	Y	Y
Building Reserve Fund (61)	Y	Y

Budgeted Funds for Schools

TYPE	FUNDING SOURCE	PURPOSE	MISC
GENERAL x01	<ul style="list-style-type: none"> •Budgeted fund (tax levy) •Funding model / formula •Funding is capped •Ongoing 	To finance general maintenance & operational costs of a district not financed by other funds	<ul style="list-style-type: none"> •Salaries •Health Premium •Workers Comp •Substitute Salaries •Utilities •General Liability Insurance •Supplies •Textbooks/materials
TRANSPORTATION x10	<ul style="list-style-type: none"> •Property tax •State & county transportation reimbursements •Ongoing 	For financing cost of pupil transportation and individual transportation contracts to and from school.	<ul style="list-style-type: none"> •Beach Contract •Routing Software •Some Salaries
TUITION x13	<ul style="list-style-type: none"> •Property tax •Ongoing 	Costs of students attending detention center and out-of district schools.	<ul style="list-style-type: none"> •Tuition Fee to Detention Cntr •Tuition for students attending out-of-district (open enrollment)

Budgeted Funds, cont.

TYPE	FUNDING SOURCE	PURPOSE	MISC
RETIREMENT x14	<ul style="list-style-type: none"> •Permissive (no vote) countywide retirement levy •Ongoing 	Funds District's contribution of social security and Medicare taxes, unemployment & retirements (TRS & PERS)	<ul style="list-style-type: none"> •Teachers' Retirement System •Public Employees' Retirement System •FICA •Unemployment Insurance
ADULT EDUCATION x17	<ul style="list-style-type: none"> •Property taxes •State tax aid •Fees •Ongoing if program exists •Advanced Opportunities local levy 	Instruction (reading, writing, arithmetic and other skills) for persons 16 years of age or older and not regularly enrolled in public school	<ul style="list-style-type: none"> •Salaries •Utilities •Supplies •Books
TECHNOLOGY x28	<ul style="list-style-type: none"> •Special Revenue •Ongoing levy if re-invested in replacement equipment. •Elementary \$850K •High School \$750K 	Purchase and maintain technology equipment & provide technical training	<ul style="list-style-type: none"> •Computers •AV Equipment •Software •Some Salaries

Budgeted Funds, continued

TYPE	FUNDING SOURCE	PURPOSE	MISC
FLEXIBILITY x29	<ul style="list-style-type: none"> •Transformational Learning grant •Advanced Opportunities grant •Local levy match for Transformational Learning 		<ul style="list-style-type: none"> •Transformational Learning and Advanced Opportunities expenditures
DEBT SERVICE x50	<ul style="list-style-type: none"> •Principal, interest on bonds & SIDs •Budgeted Fund •Voters approve original bond issue •Ongoing to service debt 	Funds necessary to pay interest and principal coming due during the ensuing fiscal year	<ul style="list-style-type: none"> •Principal •Interest
BUILDING RESERVE x61	<ul style="list-style-type: none"> •Budgeted fund •Voter-approved for building or construction projects •Levy passed May 2023 for \$700,000 for five years in Elementary district 	For building or construction projects or school and student safety and security	<ul style="list-style-type: none"> •Boilers •Roofs •Flooring •Plumbing •Electrical •ADA •New Classrooms •Furniture

Budgeted Funds, cont.

TYPE	FUNDING SOURCE	PURPOSE	MISC
BUILDING RESERVE (CONTINUED)	<ul style="list-style-type: none">•Levy passed May 2023 for \$700,000 for seven years in the High School district•Safety levy passed May 2024 for \$1.5 million in the Elementary district		<ul style="list-style-type: none">•Equipment•SROs/CROs•Safety support personnel•Security Improvements

Non-Budgeted Funds

TYPE	FUNDING SOURCE	PURPOSE	MISC.
SCHOOL FOOD SERVICE x12	<ul style="list-style-type: none"> •Student and adult lunch charges •Federal reimbursement 	School lunch program	<ul style="list-style-type: none"> •Salaries •Food inventory •Equipment •Utilities
MISCELLANEOUS PROGRAMS x15	<ul style="list-style-type: none"> •Local, state and federal grants & reimbursements 	Specific to grant and federal programs	<ul style="list-style-type: none"> •Salaries •Supplies •Professional development •Equipment •Computers •Educational services
BUILDING x60	<ul style="list-style-type: none"> •Bond proceeds •Insurance proceeds •Federal funds •Proceeds from property sold by district •Non-budgeted fund •Limited duration 	For building and construction projects	

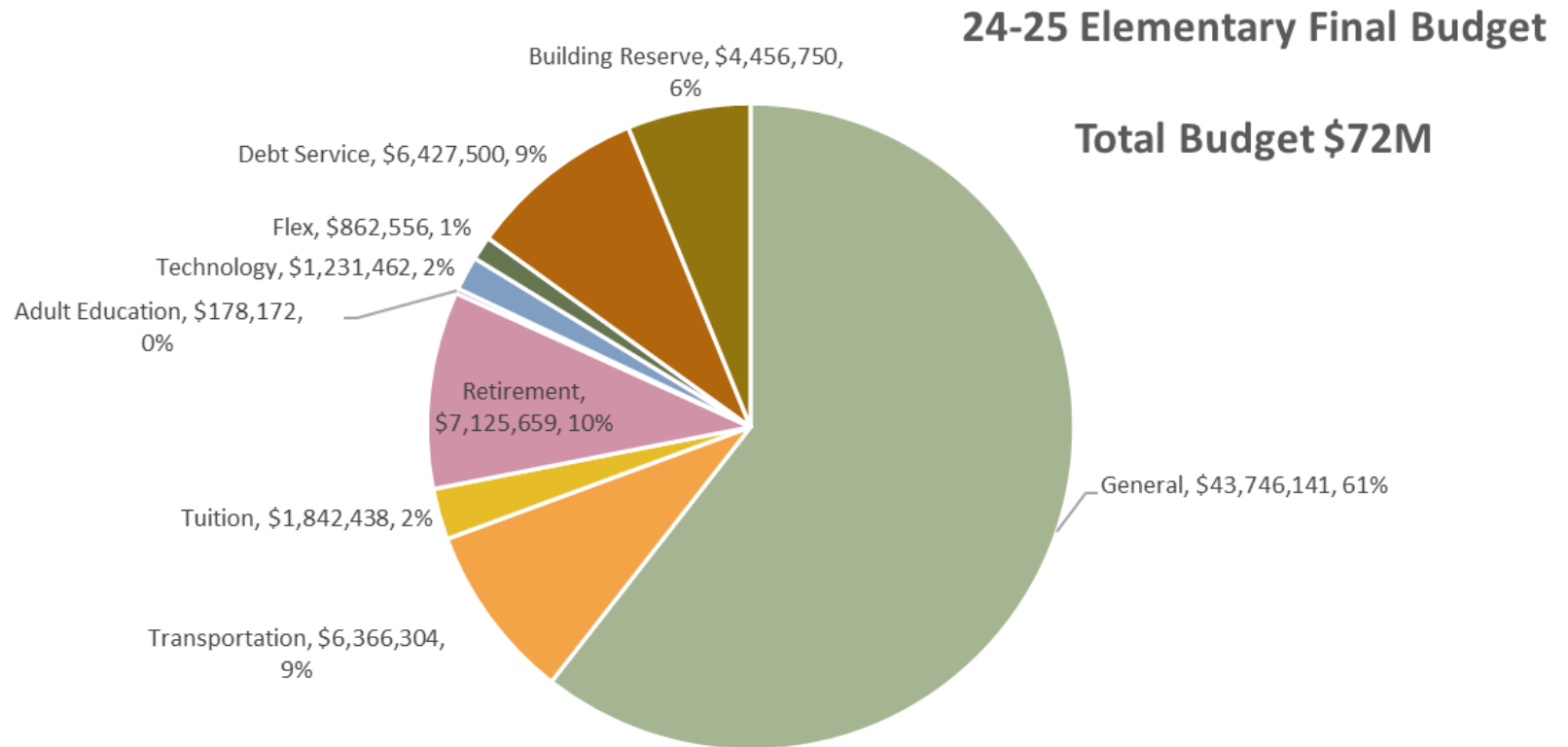
Non-Budgeted Funds, cont.

TYPE	FUNDING SOURCE	PURPOSE	MISC.
COMPENSATED ABSENCE x21	•Operating transfers from the general fund	Established to finance termination sick leave and vacation pay for non-teaching staff.	•Termination pay
HEALTH INSURANCE X78	•Contributions from other funds and from employees	Accounts for the District's self-funded medical plan	•Insurance claims

2024-2025 Elementary Final Budget

ELEMENTARY	BUDGET	LEVY AMOUNT
GENERAL (01)	\$ 43,746,141	\$ 13,007,681
TRANSPORTATION (10)	\$ 6,366,304	\$ 5,902,304
TUITION (13)	\$ 1,842,438	\$ 1,830,008
RETIREMENT (14)	\$ 7,125,659	
ADULT EDUCATION (17)	\$ 178,172	\$ 166,866
TECHNOLOGY (28)	\$ 1,231,462	\$ 850,000
FLEX (29)	\$ 862,556	\$ 362,850
DEBT SERVICE (50)	\$ 6,427,500	\$ 5,466,605
BUILDING RESERVE (61)	\$ 4,456,750	\$ 2,525,759
TOTAL	\$ 72,236,983	\$ 30,112,073

24-25 Elementary Final Budget

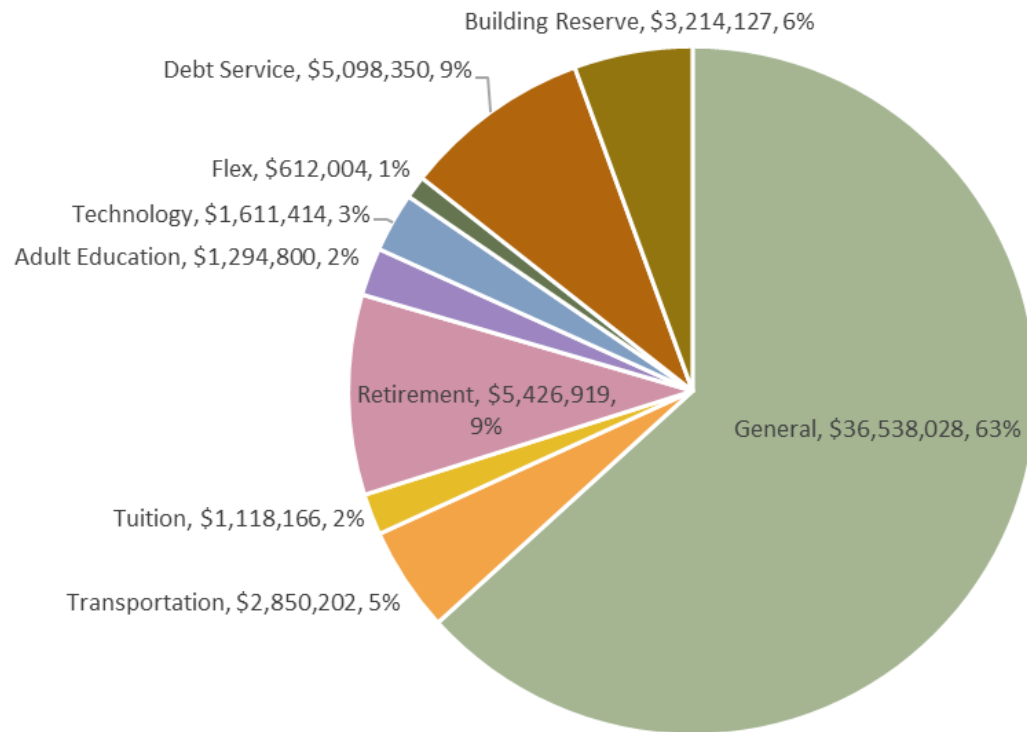


2024-2025 High School Final Budget

HIGH SCHOOL	BUDGET	LEVY AMOUNT
GENERAL (01)	\$ 36,538,028	\$ 11,457,662
TRANSPORTATION (10)	\$ 2,850,202	\$ 2,276,289
TUITION (13)	\$ 1,118,166	\$ 1,067,756
RETIREMENT (14)	\$ 5,426,919	
ADULT EDUCATION (17)	\$ 1,294,800	\$ 633,800
TECHNOLOGY (28)	\$ 1,611,141	\$ 750,000
FLEX (29)	\$ 612,004	
DEBT SERVICE (50)	\$ 5,098,350	\$ 4,315,900
BUILDING RESERVE (61)	\$ 3,214,127	\$ 981,680
TOTAL	\$ 57,763,737	\$ 21,483,086

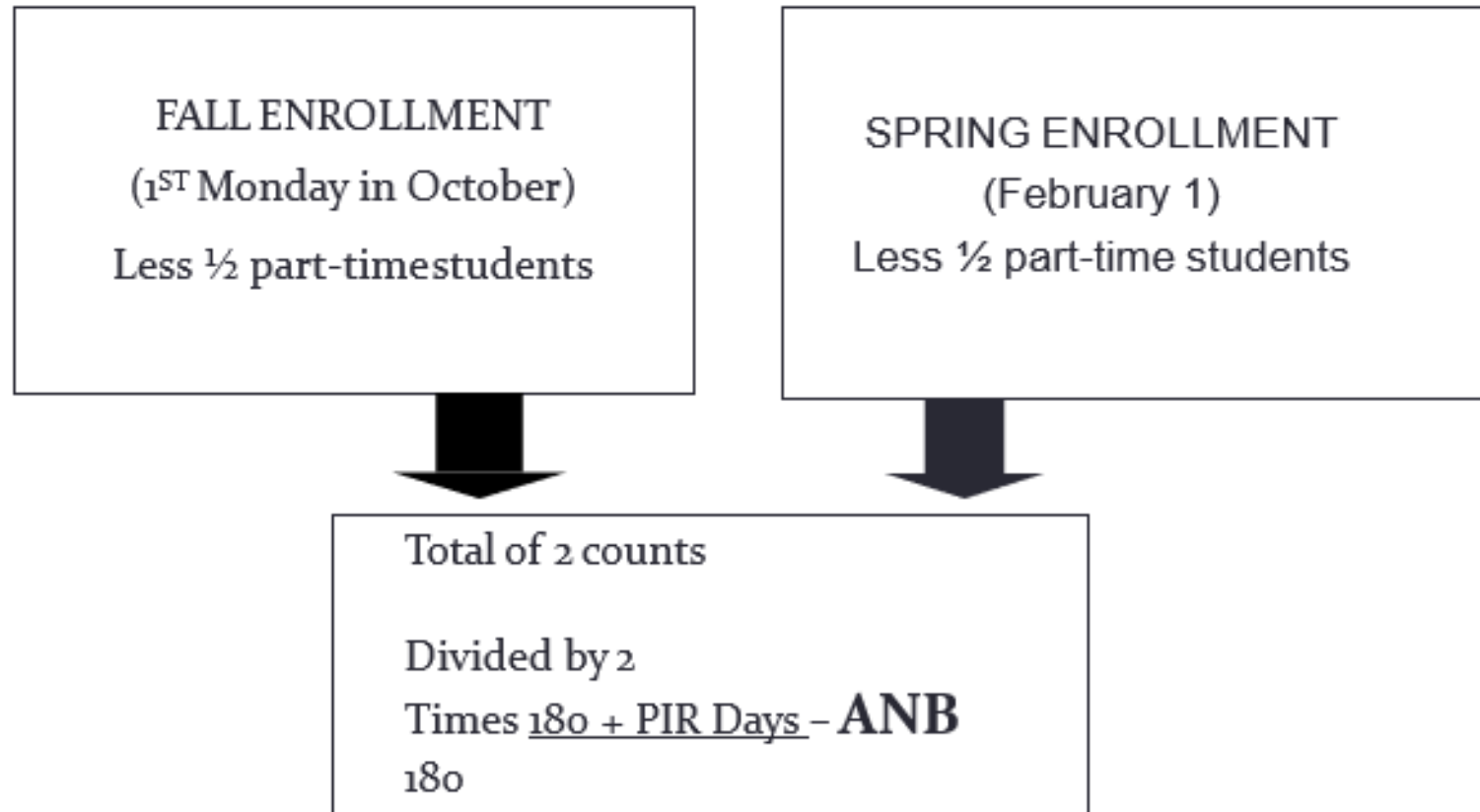
24-25 High School Final Budget

24-25 High School Final Budget
Total Budget \$57M



MCPS General Fund Overview

ANB=Average Number Belonging



ANB Review

- Regularly enrolled students
 - On September 10, must be at least 5 and not more than 19 years of age
 - Present for at least one of the ten school days immediately preceding the count dates

Basic Entitlement Rates

Entitlements	FY2024	FY2025*	FY2026*
Elementary Basic	\$ 57,246	\$ 58,963	\$ 60,732
For every 25 Elem ANB over 250	\$ 2,863	\$ 2,949	\$ 3,037
Middle School Basic	\$ 114,493	\$ 117,928	\$ 121,466
For every 45 MS ANB over 450	\$ 5,724	\$ 5,896	\$ 6,073
High School Basic	\$ 343,483	\$ 353,787	\$ 364,401
For every 80 HS ANB over 800	\$ 17,175	\$ 17,690	\$ 18,221

****HB15 increased FY2024 rates by inflation of 2.7% for FY2024, 3% for FY2025 and estimating 3% for FY26.***

Per ANB Entitlement Rates

Entitlements	FY2024	FY2025*	FY2026*
Elementary per-ANB	\$ 5,962	\$ 6,123	\$ 6,307
High School per-ANB	\$ 7,634	\$ 7,840	\$ 8,075

****HB15 increased FY2024 rates by inflation of 2.7% for FY2024, 3% for FY2025 and estimating 3% for FY26.***

Each student after the first ANB is decreased by a reduction factor (decrement) per ANB:

- Elementary ANB decrement is **\$.20** per ANB
- High school & 7th - 8th accred ANB decrement is **\$.50** per ANB

Funding Components

Components	FY2024	FY2025*	FY2026*
Quality Educator	\$3,566	\$3,673	\$3,783
At-Risk Student	\$6,032,369	\$6,213,340	\$6,399,740
Indian Education for All <i>(per ANB)</i>	\$23.91 (\$100 min.)	\$24.63 (\$100 min.)	\$25.37 (\$100 min.)
Am Indian Student Achievement Gap	\$235	\$242	\$249
Data for Achievement <i>(per ANB)</i>	\$22.89	\$23.58	\$24.29

****HB15 increased FY2024 rates by inflation of 2.7% for FY2024, 3% for FY2025 and estimating 3% for FY26.***

Elementary Max Budget

		3.00%		3.00%	
		FY25		FY26*	
Basic Entitlement		919,958	2.10%	816,908	1.82%
Per ANB Entitlement		35,401,139	80.92%	36,566,823	81.54%
		36,321,097	83.03%	37,383,731	83.36%
200% of Special Ed.		2,592,242		2,614,266	
		2,592,242		2,614,266	
		5,184,483	11.85%	5,228,531	11.66%
New Funding Components					
	QE	1,700,867		1,678,631	
	At Risk	189,926		195,624	
	IEFA	134,184		138,749	
	AIAG	87,120		89,640	
	Data for Achievement	128,464		132,842	
		2,240,561	5.12%	2,235,485	4.98%
Maximum Budget		\$43,746,141		\$44,847,747	
ANB (3yr Averaging)	K-6th	4,256		4,324	
	7-8th	1,192		1,145	
Adopted/Est. Budget		\$43,746,141		\$44,847,747	
	Levy	75,011		225,742	

*estimated

High School Max Budget

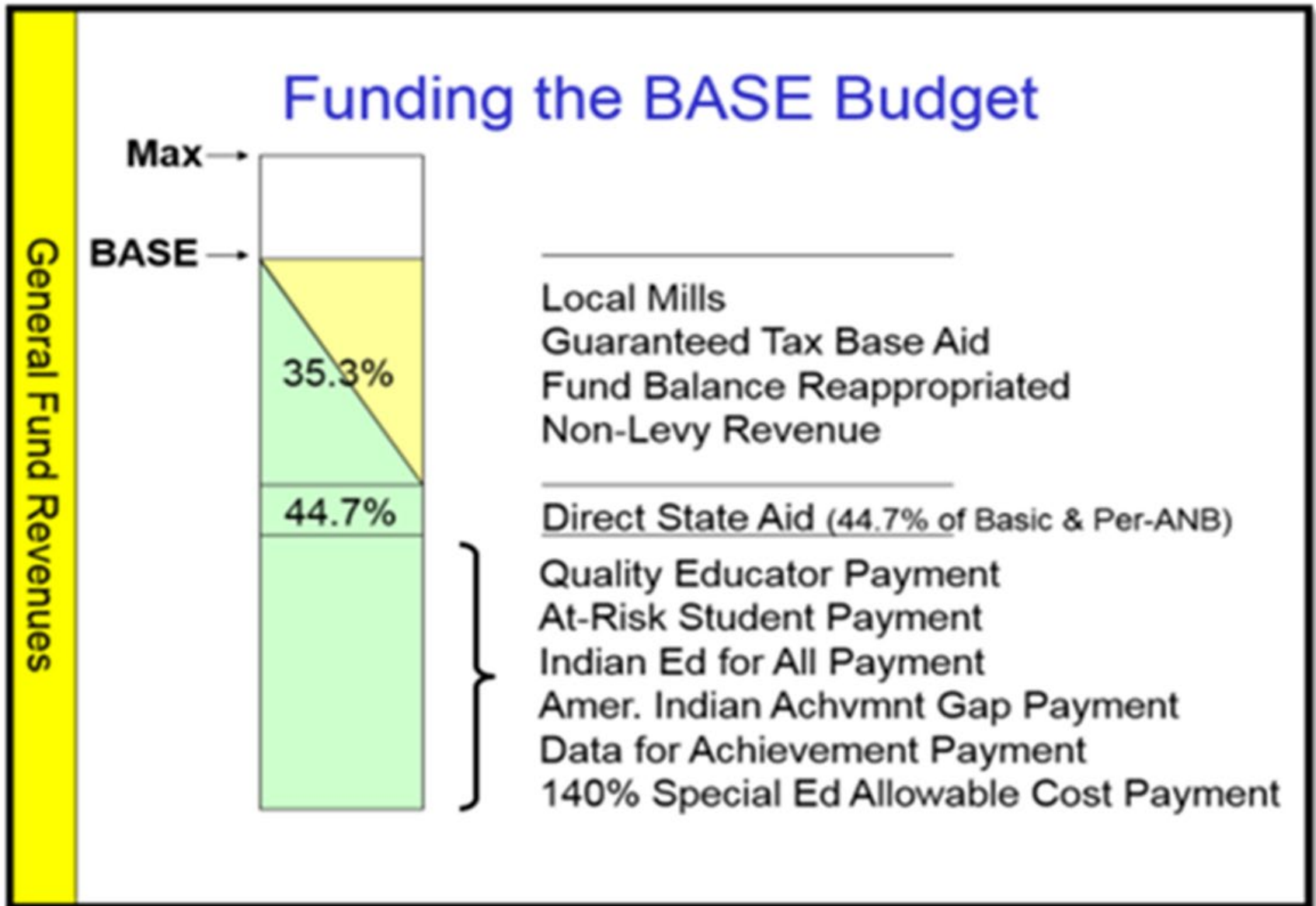
		3.00%		3.00%	
		FY25		FY26*	
Basic Entitlement		1,751,271	4.79%	1,785,601	4.89%
Per ANB Entitlement		31,420,859	85.99%	32,123,467	87.92%
		33,172,130	90.79%	33,909,068	90.00%
200% of Special Ed.		896,423		880,540	
		896,423		880,540	
		1,792,846	4.91%	1,761,080	4.67%
New Funding Components					
	QE	1,227,046		1,206,834	
	At Risk	91,324		94,063	
	IEFA	100,195		102,266	
	AIAG	58,564		60,258	
	Data for Achievement	95,923		97,913	
		1,573,052	4.31%	1,561,335	4.14%
Maximum Budget		\$36,538,028		\$37,231,483	
ANB (3yr Averaging)	Urban	3,969		3,935	
	SSHS	99		96	
Adopted/Est. Budget		\$36,538,028		\$37,675,040	
	Levy	\$474,412		\$581,415	

*estimated

General Fund Budget Sources

				"Maximum" Budget
Add'l Special Ed Funding*			←	
20% Per ANB Entitlement				
20% Basic Entitlement				
Special Ed Funding*			←	Base Budget
80% Per ANB Entitlement				
80% Basic Entitlement				
Per Educator Entitlement				
At Risk Student Entitlement				New Components
Amer. Indian Ach. Gap				From 2005 Special
Indian Ed for All Entitlement				Session
Data for Achievement				
The BASE is: *140% of the State Special Ed Allowable Cost				
Funding: *The MAXIMUM is up to 200% of the State Special Ed				
Allowable Cost Funding				

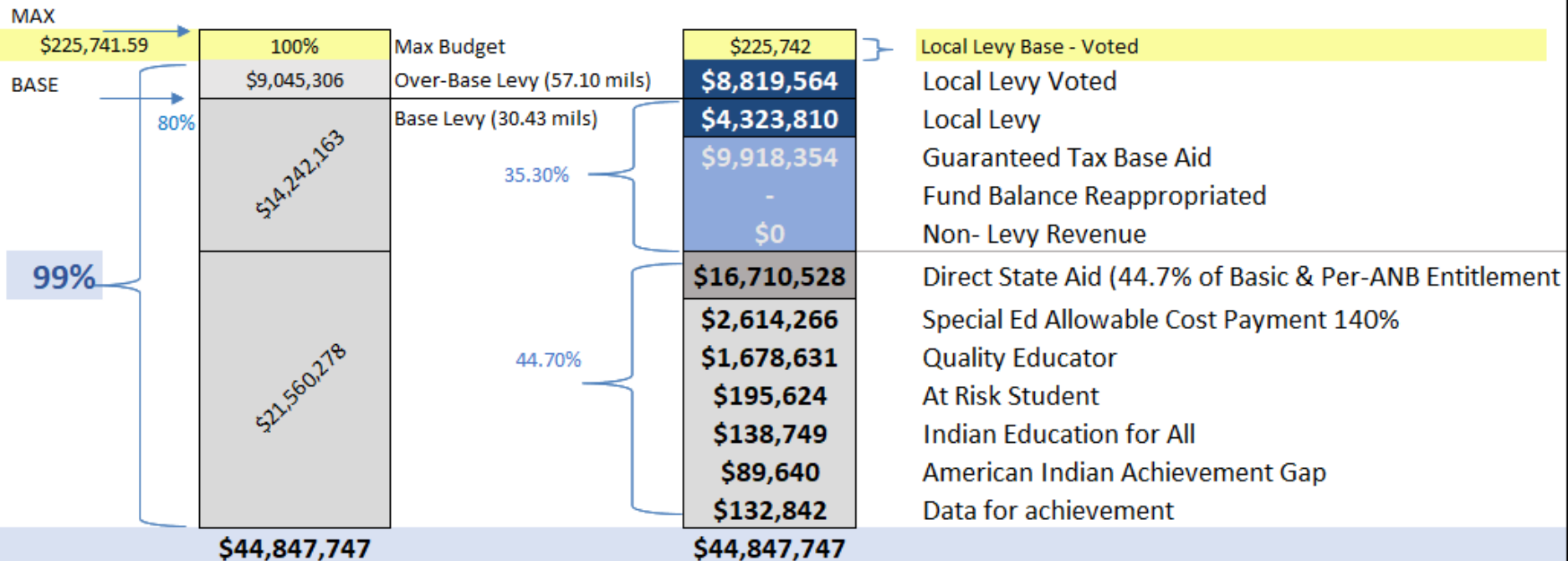
Funding the BASE Budget



Elem 25-26 GF Budget Projected

Elementary 2025-2026 General Fund Budget Projected

Highest Budget Without a Vote \$44,390,875



**PROJECTED FY25-FY26 REVENUE BUDGET
ELEMENTARY GENERAL FUND**

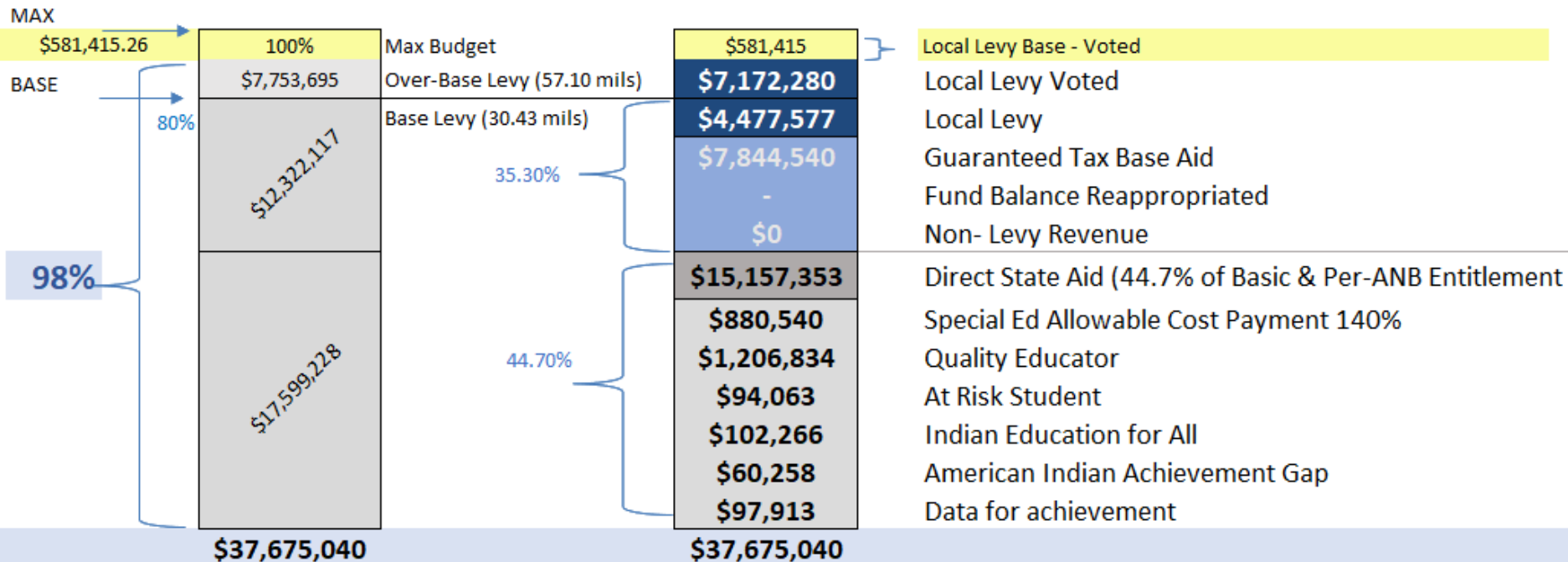
REVENUE DESCRIPTION	2025 BUDGET	PROJECTED 2026 BUDGET	DIFFERENCE	% CHANGE
Direct State Aid	\$ 16,235,530	\$ 16,710,528	\$ 474,997	2.93%
Special Ed Allowable Costs	2,592,242	2,614,266	22,024	0.85%
Guaranteed Tax Base	9,608,276	9,918,354	310,078	3.23%
Non-Levy Revenue	61,851	-	(61,851)	-100.00%
Base Levy	4,188,117	4,323,810	135,693	3.24%
Over-Base Levy	8,819,564	9,045,306	225,741	2.56%
Tuition Over Base	-	-	-	-
State Block Grants	-	-	-	-
Natural Resources Development	-	-	-	-
Quality Educator	1,700,867	1,678,631	(22,237)	-1.31%
At Risk Student	189,926	195,624	5,698	3.00%
Indian Education For All	134,184	138,749	4,564	3.40%
American Indian Achievement Gap	87,120	89,640	2,520	2.89%
Data for Achievement	128,464	132,842	4,378	3.41%
Total Revenue	\$ 43,746,141	\$ 44,847,747	\$ 1,101,606	2.52%

MILLS LEVIED:	72.18	74.19	2.01	2.78%
ANB:				
K-6	4,256	4,324	68	1.60%
7-8	1,192	1,145	(47)	-3.94%
TAXABLE VALUE	\$ 180,194,509	\$ 180,194,509	\$ -	0.00%

HS 25-26 GF Budget Projected

High School 2025-2026 General Fund Budget Projected

Highest Budget Without a Vote \$36,894,213

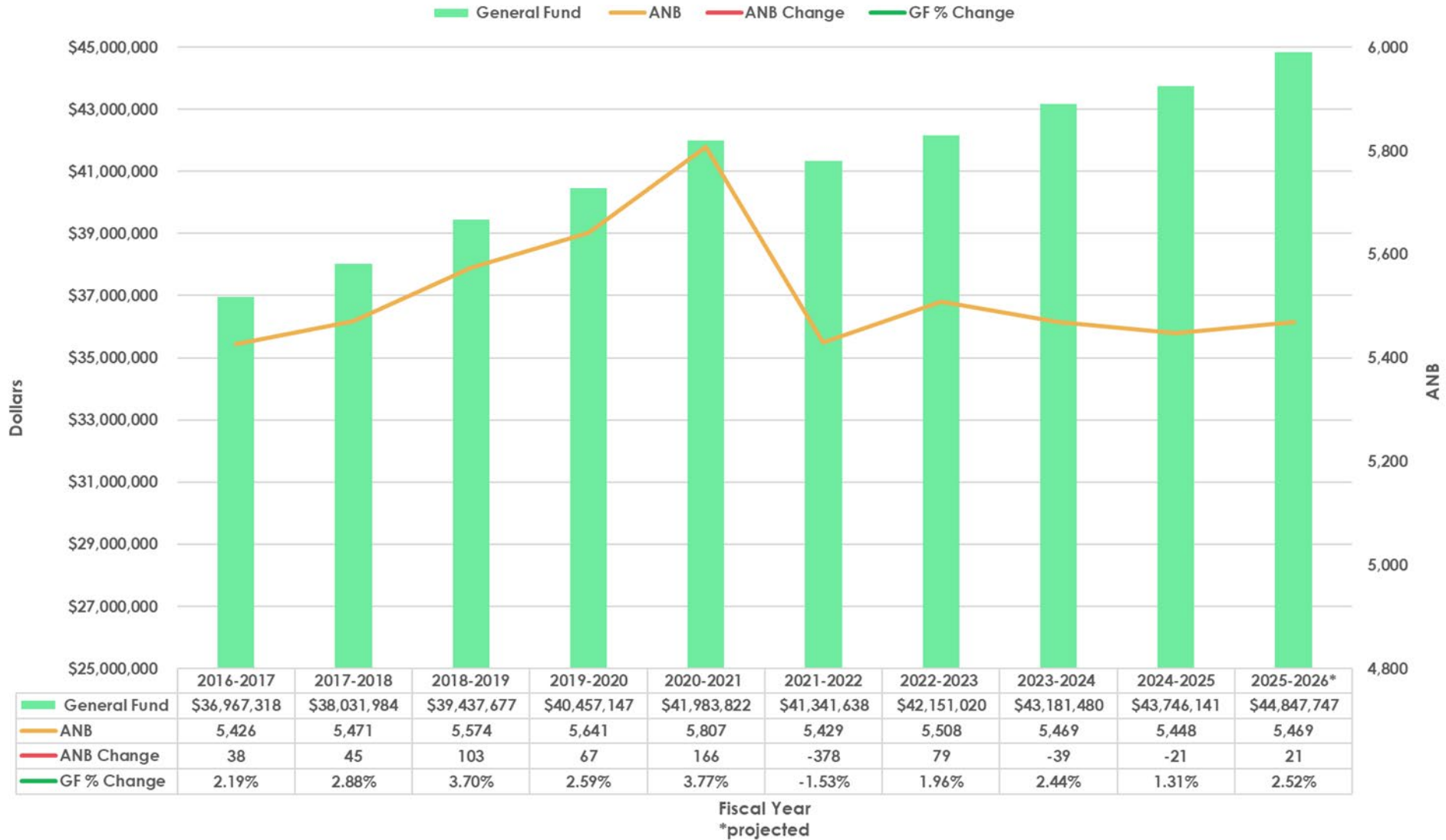


**PROJECTED FY25-FY26 REVENUE BUDGET
HIGH SCHOOL GENERAL FUND**

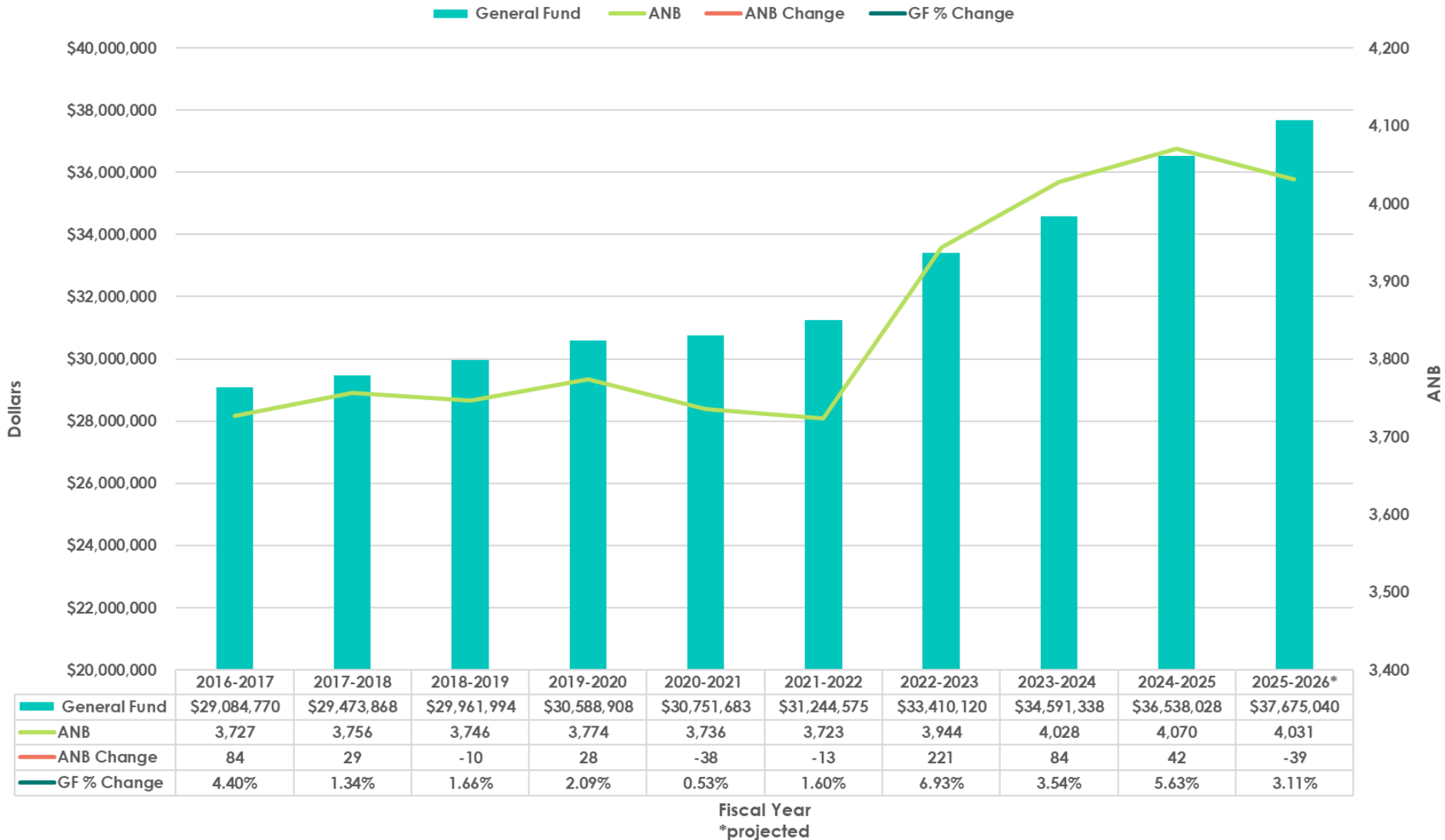
REVENUE DESCRIPTION	2025 BUDGET	PROJECTED 2026 BUDGET	DIFFERENCE	% CHANGE
Direct State Aid	\$ 14,827,942	\$ 15,157,353	\$ 329,411	2.22%
Special Ed Allowable Costs	896,423	880,540	(15,883)	-1.77%
Guaranteed Tax Base	7,635,352	7,844,540	209,188	2.74%
Non-Levy Revenue	76,240	-	(76,240)	-100.00%
Base Levy	4,356,740	4,477,577	120,838	2.77%
Over-Base Levy	7,172,280	7,753,695	581,415	8.11%
Flex Increase	-	-	-	
Tuition Over-Base	-	-	-	
State Block Grants	-	-	-	-
Natural Resources Development	-	-	-	-
Quality Educator	1,227,046	1,206,834	(20,213)	-1.65%
At Risk Student	91,324	94,063	2,740	3.00%
Indian Education For All	100,195	102,266	2,072	2.07%
American Indian Achievement Gap	58,564	60,258	1,694	2.89%
Data for Achievement	95,923	97,913	1,990	2.07%
Total Revenue	\$ 36,538,028	\$ 37,675,040	\$ 1,137,012	3.11%

MILLS LEVIED:	34.76	36.87	2.11	6.07%
ANB:	4,068	4,031	(37)	-0.91%
TAXABLE VALUE	\$ 331,711,480	\$ 331,711,480	\$ -	0.00%

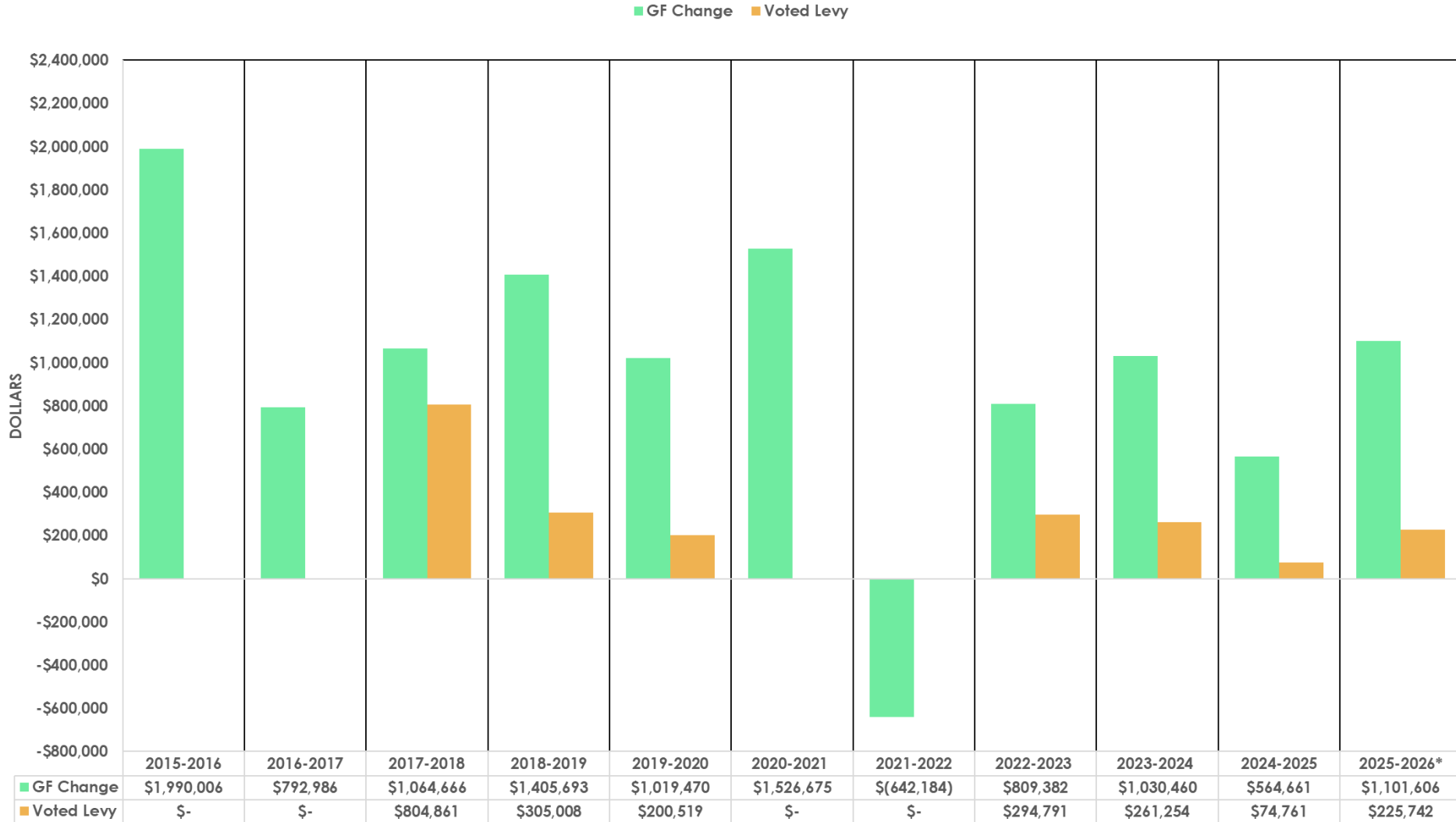
Elementary General Fund and Average Number of Belongings (ANB) Historical Overview FY17-FY26*



High School General Fund and Average Number of Belongings (ANB) Historical Overview FY17-FY26*

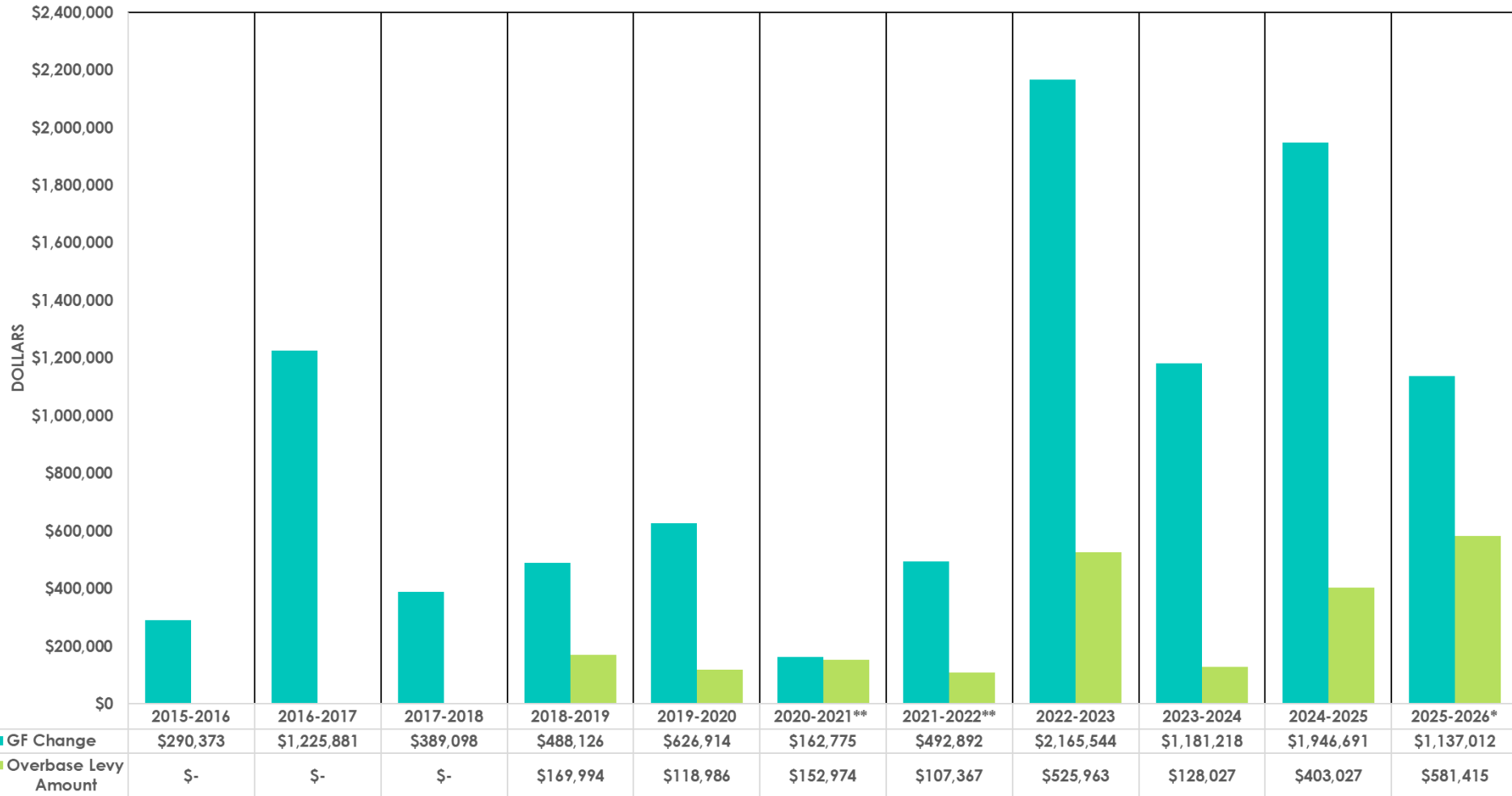


**ELEMENTARY GENERAL FUND
BUDGET CHANGE AND VOTED LEVY AMOUNTS
HISTORICAL OVERVIEW
FY2016 TO FY2026*
*PROJECTED**



HIGH SCHOOL GENERAL FUND BUDGET CHANGE AND OVERBASE LEVY AMOUNTS HISTORICAL OVERVIEW FY2016 TO FY2026* (*PROJECTED)

■ GF Change ■ Overbase Levy Amount



**Elementary General Fund (Including Charter School)
Budget Projections - 3% Inflationary Increase**

**estimated*

	DETAIL	FY 25 TOTALS	DETAIL	FY 26 TOTALS*
REVENUE INCREASE				
Highest Budget Without Vote		\$ 43,671,131		\$ 44,622,006
Plus Maximum Over Base Levy (Voted \$105,134 for FY25)		\$ 75,011		\$ 225,742
Proposed Adopted Budget at Maximum		\$ 43,746,141		\$ 44,847,747
LESS Prior Year Adopted Budget		\$ 43,181,480		\$ 43,746,141
Estimated Increase		\$ 564,661		\$ 1,101,606
LESS Funded Portion of Basic Entitlement for Charter School		\$ (141,513)		\$ -
PLUS Estimated Certified & Classified Retiree Savings		\$ 260,000		\$ 260,000
Revenue Increase to Support FY Obligations		\$ 683,148		\$ 1,361,606
EXPENDITURE INCREASES				
<u>Salary & Benefit Obligations to Build into the Budget:</u>				
Certified Step Increases	\$ (434,664)		\$ (434,664)	
Certified Lane Movement	\$ (230,000)		\$ (185,000)	
ESSER Funds Built into Budget	\$ (355,769)		\$ -	
MMCEO Step/Longevity Increases	\$ (73,754)		\$ (73,754)	
Estimate of Additional Pay Increases	\$ (1,351,600)		\$ (1,200,000)	
Behavioral Interventionists	\$ (750,000)		\$ -	
SPED Staffing to Build into Budget	\$ (1,000,000)		\$ -	
TEACH Staffing to Build into Budget	\$ -		\$ (415,000)	
Proposed Extra Staffing	\$ (387,500)	\$ (4,583,288)	\$ -	\$ (2,308,419)
Subtotal		\$ (3,900,139)		\$ (946,813)
<u>Other Obligations to Build into the Budget:</u>				
Liability Insurance (estimated 15% increase)	\$ (90,366)		\$ (104,917)	
SRO/CRO/SSO (estimated increase)	\$ (3,152)		\$ (10,509)	
Early Literacy at Rattlesnake Elementary	\$ -		\$ (88,000)	
Utilities	\$ (160,700)		\$ -	
K-8 Visual Art Increase	\$ (6,000)		\$ -	
Work Comp Credit Utilized in FY24	\$ (63,800)	\$ (324,018)	\$ -	\$ (203,426)
Balance Before Proposed Additions		\$ (4,224,158)		\$ (1,150,239)
REDUCTIONS, SAVINGS AND OFFSETS				
K-8 Enrollment Based Reductions in Certified Staffing	\$ 800,000		\$ -	
K-8 Additional Reductions in Certified Staff	\$ 189,000		\$ -	
Reduce District Office or Building Admin	\$ 459,594		\$ -	
Reduce .5 Secretary Support at 4 Buildings	\$ 66,000		\$ -	
Eliminate Lifeworks Agreement	\$ 24,186		\$ -	
Shift Salaries to Other Sources	\$ 93,606		\$ -	
Offset Expenditures with Other Sources	\$ 99,000		\$ -	
Change in Allocation from 58/42 to 55/45	\$ 180,000		\$ -	
Reduce Building & Activity Budgets	\$ 47,500		\$ -	
Shift General Fund Safety Expenses to Safety Levy	\$ 1,500,000		\$ -	
Increase External Facility User Fees	\$ 90,000		\$ -	
Adjust IDEA B Allowance	\$ 125,000		\$ -	
Tuition Funding for Excess SPED, Including Preschool	\$ 550,000	\$ 4,223,886	\$ 550,000	\$ 550,000
Anticipated Budget Balance	\$ (272)	\$ (272)	\$ (600,239)	\$ (600,239)

**High School General Fund (Including Charter School)
Budget Projections - 3% Inflationary Increase**

*estimated

	DETAIL	FY25 TOTALS	DETAIL	FY26 TOTALS*
REVENUE INCREASE				
Highest Budget Without Vote		\$ 36,063,617		\$ 37,093,625
Over Base Voted Levy (plus TIF \$71,385 in FY25)		\$ 474,412		\$ 581,415
Proposed Adopted Budget at Maximum		\$ 36,538,028		\$ 37,675,040
LESS Prior Year Adopted Budget		\$ 34,591,338		\$ 36,538,028
Estimated Increase		\$ 1,946,691		\$ 1,137,012
LESS Basic Entitlement for Charter School		\$ (354,387)		\$ -
PLUS Estimated Certified & Classified Retiree Savings		\$ 260,000		\$ 260,000
Revenue Increase to Support Obligations		\$ 1,852,303		\$ 1,397,012
EXPENDITURE INCREASES				
<u>Salary & Benefit Obligations to Build into the Budget:</u>				
Certified Step Increases	\$ (311,647)		\$ (311,647)	
Certified Lane Movement	\$ (135,000)		\$ (125,000)	
ESSER for FY24 to Build into Budget	\$ (753,000)		\$ -	
MMCEO Step/Longevity Increases	\$ (55,257)		\$ (55,257)	
Estimate of Additional Pay Increases	\$ (1,110,000)		\$ (857,000)	
SPED Staffing to Build into Budget	\$ (200,000)		\$ -	
Connect Staff to Build into Budget	\$ -		\$ (415,000)	
Proposed Additional Staff	\$ (183,500)	\$ (2,748,404)	\$ -	\$ (1,763,904)
Subtotal		\$ (896,101)		\$ (366,892)
<u>Other Obligations to Build into the Budget:</u>				
Liability Insurance (estimated 15% increase)	\$ (73,936)		\$ (85,841)	
SRO/CRO/SSO (estimated increase)	\$ (4,728)		\$ (15,763)	
Utilities	\$ (131,000)		\$ -	
Student Athletics and Activities Travel	\$ (340,000)		\$ (109,500)	
Change in Allocation from 56/42 to 55/45	\$ (180,000)		\$ -	
Work Comp Credit Utilized in FY24	\$ (46,200)		\$ -	
Adjust IDEA B Allowance	\$ (125,000)	\$ (900,864)	\$ -	\$ (211,105)
Balance Before Reductions, Savings & Offsets		\$ (1,796,965)		\$ (577,997)
REDUCTIONS, SAVINGS AND OFFSETS				
Shift Salaries to Other Sources	\$ 94,622		\$ -	
9-12 Enrollment Based Reductions in Certified Staff	\$ 702,000		\$ -	
Reduce District Office or Building Admin in GF	\$ 333,878		\$ -	
Tuition Levy to fund Excess SPED Costs	\$ 450,000		\$ -	
Eliminate Lifeworks	\$ 19,788		\$ -	
Increase Fees	\$ 50,000		\$ -	
Reduce Building & Activity Budgets	\$ 165,000	\$ 1,815,288	\$ -	\$ -
Anticipated Budget Balance	\$ 18,323	\$ 18,323	\$ (577,997)	\$ (577,997)