



# **Budget Development and Input Committee Meeting Minutes**

## **December 20, 2022; 11:00 a.m.**

### **Central Administration Office – Board Room**

Present: Board Member Brent Seaks (Chair), Board member Jason Rodakowski, Superintendent Marcus Lewton, Assistant Superintendent Keith Harris, and Business Manager Stephanie Hunter

Called to Order – The meeting was called to order at 11:14 a.m. by Chair Brent Seaks.

Additions/Deletions to Agenda Items – No additions or deletions to the agenda.

Old Business – No Old Business was reported.

#### **New Business**

2023-2024 Preliminary Budget – Business Manager Hunter gave a brief recap of 2022-2023 fiscal year. The current Foundation Aid payment is calculated off a 3,849 ADM from the 2020-2021 school year and is on track to have an increase of 50 students (35 ADM) for 2022-2023 which will be used to calculate the 2023-3024 Foundation Aid payment. The legislature is meeting this spring to determine educational funding for the next biennium. State funds make up approximately 57% of the revenue budget.

Property taxes are estimated to remain steady. DPS will reduce its miscellaneous mills by four mills, approximately \$636,400. Legislature is considering reducing property taxes by 30 mills. The Budget Committee will be kept up to date on this piece of legislation.

Business Manager Hunter stated the remaining \$2,900,000 Federal ESSER II funds and \$2,000,000 of ESSER III funds have been used in current year to purchase four buses, Berg’s HVAC project, professional development, and RTI support. The remaining \$1,600,000 of ESSER III funds will be utilized in the 2023-2024 fiscal year.

The district saw decreased staffing costs during the 2022-2023 school year due mainly to attrition. Because of the projected 50 student (35 ADM) enrollment increase for 2023-2024 the board has approved the hiring of three certified positions which carries an approximate budget increase of \$280,000. Staff increases will not be determined until negotiations are complete. The district should see a decrease in operations for 2023-2024. This decrease is due to many initiatives being funded through ESSER funds in 2022-2023. Business Manager Hunter reported an estimated overall expense budget of \$55,523,925, which includes the remaining \$1,600,000 ESSER funds.

Mr. Anderson gave an update on the Federal CTE grant. Best case scenario, the funds will become available in the next six months. The current \$3,330,000 budget is a tight budget. Contractors cannot guarantee construction costs will not increase or that the project at Building C would be finished within the proposed time frame. The Governor has encouraged emergency action and an inflation bump that would benefit CTE. Mr. Anderson stated the renovation of Building C could be pushed back one year and the program could continue at DHS. Chair Seaks suggests being conservative with the project and keep the funds in a contingency account earmarked for Building C renovations.

Dr. Lewton reminded the committee the June, July, and August 2022 ND State Treasurer oil payments were not transferred into the building fund as traditionally done and were kept in the general fund to help balance the 2022-2023 budget. Business Manager Hunter stated that once funds are designated to the building fund they cannot be taken back out. The March, April, May, and June 2023 payments are approved to be transferred into the building fund.

The committee discussed the budgeted \$2,000,000 of ESSER III funds. Mr. Rodakowski recommends the funds be claimed and held in our own reserves. Business Manager Hunter stated there are initiatives administration is looking at where the budgeted ESSER III funds can be used. The committee recommends Business Manager Hunter request the budgeted \$2,000,000 in ESSER III funds before the end of the 2022-2023 fiscal year.

Adjournment – At 1:11 p.m., Chair Seaks declared the meeting adjourned.