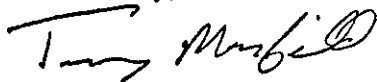


Drexel R-IV Board of Education
May 20th, 2024
Board Meeting – Media Summary

1. The board approved the consent agenda, which included the minutes of the April 15th, 2024 regular meeting, the warrant report, payment of bills, treasurer's report and the petty cash report. The board approved an athletic cooperative agreement for 2024-2025 with Miami for high school baseball, high school softball and junior high football. The board also heard the monthly budget/finance update and administrative reports (attached).
2. Under Old Business:
 - a. Reviewed the preliminary 2024-2025 budget, which currently estimates operating revenues at \$4,311,058 and estimates operating expenditures at \$4,168,628. A final budget will be presented to the board in June for adoption.
 - b. Reviewed the timeline for bond issue projects to be completed over the summer; building automation controls to begin May 28th, HVAC refurbishment to begin July 8th, door replacement to begin July 8th, roofing project to begin June 17th, preschool playground surface replacement to begin July 15th and parking lot paving project to begin June 24th. All projects are to be completed prior to the start of school in August.
 - c. Approved the lease purchase of three buses from Midwest Bus Sales.
 - d. Adopted the MSBA 2023D Policy, Procedure and Form Updates.
3. Under New Business:
 - a. Approved removing Lynn Stark as a bank signatory and adding Andy Gorsage as a bank signatory.
 - b. Adopted the 2024-2025 certified salary schedule, 2024-2025 classified salary schedule and 2024-2025 extra duty salary schedule.
 - c. Approved an agreement for custodial and maintenance services with Pro Alliance, LLC for 2024-2025.
 - d. Did not approve an agreement with the Cass County Sheriff's Department for a school resource officer for 2024-2025.
4. The board held an executive session, taking the following action:
 - a. Approved hiring Jessica Yager, Lynn Hunt, Jill Marks, Lori Reed, Jenny Wheeler, Christina Seely, Kelly Sims, Julia Barbarick and Heather Tucker to teach summer school.
 - b. Approved hiring Jenny Wheeler, Lynn Crowell, Andrea Wheeler and Julia Barbarick to teach summer school. Jill Marks and Heather Tucker were approved to serve as summer school substitute teachers as needed.
 - c. Approved the following extra duty hires:
 - Lacey Wheeler – high school football cheer sponsor
 - Craig Richardson – junior high head girls basketball coach
 - Julia Barbarick – high school scholar bowl sponsor

Submitted by,



Terry Mayfield, Superintendent

Superintendent Report
May 2024

- The district's 2024-2025 Alternative Method's of Instruction (AMI) Plan has been submitted to DESE for review.
- The district has been notified that we are eligible to participate in the rootED MPAI grant program, which provides supports for college and career planning for students in rural schools. We have participated in this program the last two years, receiving \$37,500 total. We plan on participating once again, at this time we do not know what our grant allocation will be.
- Operations Updates:
 - Facilities
 - Administrative team is working with Pro Alliance to create a summer work list of projects for the custodial/maintenance staff.
 - District met with McKinstry on May 16th for a construction project kick-off meeting to discuss the upcoming projects, timelines for completion and working out other logistical details.
 - People's Telecommunications Fiber Optic – many of you may be aware that they are installing fiber to provide internet service to Drexel. This will have a financial impact for the district. When something like fiber or any other utility is ran in a district it brings in some additional tax revenue. This project will be considered Construction Work in Progress for 2024 and will have no impact in 2024-2025. It will be considered New Construction and Improvement in 2025 and will add to our assessed valuation for 2025-2026 and we will collect it as local tax money. For 2026 and beyond it then becomes considered a state assessed utility and then becomes a county revenue source, which is greatly reduced from when it was a local revenue source.
 - Food Service
 - April – served 2,439 breakfasts = 143/day.
 - April – served 2,820 lunches = 166/day.
 - Health Services
 - April – Number of office visits = 570 = 33.5/day.
 - April – Number of students sent home = 26.
 - Cass County Health Department was here and provided immunizations to several students with parental consent.
 - Technology
 - Infrastructure funding has been given formal approval – will begin working with Heartland Business Solutions to start planning and scheduling the work to be done this summer. The scope of work to install a new firewall, five battery back-ups, two 48-port switches, the data networking, licensing and installation of the equipment

will cost around \$30,000 and the district will receive nearly \$16,000 in funding to help cover the cost of the project.

- Transportation
 - The district is working to secure the financing to lease/purchase three buses.
 - The district is working to hire route drivers, activity trip drivers and substitute drivers.
 - The district is working to schedule driver training this summer for new hires.

- Budget/Finance Update: Year to Date Comparisons

YTD Comparison – Thru 04/30/24	Revenues	Expenditures	Difference
YTD Last Year Total (22-23)	\$4,148,003	\$3,556,038	+\$591,695
YTD This Year Total (23-24)	\$5,477,417	\$5,143,577	+\$333,840
YTD Last Year Operating (22-23)	\$3,839,860	\$3,294,496	+\$545,364
YTD This Year Operating (23-24)	\$3,889,757	\$3,353,111	+\$536,646
20-21 Operating Actuals	\$3,811,064	\$3,588,762	+\$223,302
21-22 Operating Actuals	\$3,870,691	\$3,675,215	+\$195,476
22-23 Operating Actuals	\$4,438,131	\$4,362,784	+\$75,347
23-24 Operating Budgeted	\$4,236,293	\$4,186,004	+\$50,289

Source	Budgeted	Received Thru 03/31/24
Local Revenue		
Current Taxes	\$1,372,569	\$1,398,895
Prop C	\$372,600	\$352,260
Delinquent Taxes	\$136,000	\$73,074
County Revenue		
Assessed Utilities	\$140,000	\$159,083
State Revenue		
Transportation	\$59,180	\$34,254
Classroom Trust Fund	\$113,854	\$102,027
Small Schools Grant	\$111,408	\$97,385
Basic Formula	\$1,475,474	\$1,219,960

State Budget Updates:

The House and Senate have passed the budget and it has been sent to the Governor.

The final version of the education budget looked virtually identical to the Senate's version and contains a number of positive developments for public schools. As it stands the final 2024-25 budget contains the following:

- A fully funded formula which is an increase of approximately \$120 million from our current budget and will result in a State Adequacy Target of \$6,760.
- Fully funding the transportation categorical. The Senate took the added step to ensure that the \$16 million increase in next year's budget will be classified as on-going funding. You will recall that the House's version of the budget listed the \$16 million increase as one-time funding.
- Full funding for the Missouri Baseline Teacher Salary Grants in order to fund a minimum salary of \$40,000. The amount will equate to the amount necessary to pay 100% of these costs for districts that participate. In previous years, this has either been a matching program and/or not covered the fringe benefits.
- An increase of approximately \$119 million in Proposition C funding. This increase is based on the consensus revenue projects for sales tax. DESE will need to determine the WADA of the state before determining the amount per WADA districts will receive as a result of this increase.
- The Career Ladder Program will receive flat funding next year. There had previously been a \$5 million increase considered, however, there was belief amongst lawmakers that the 2023-24 funding levels surpassed the amount necessary to fully fund the program. If additional funding is necessary to fund the program for the upcoming school year, a supplemental appropriation will be necessary during the 2025 legislative session.

State Legislative Updates:

Governor Parson has signed SB 727 allowing it to become law.

While there are some positive pieces within the bill, the negative aspects (voucher and charter school expansion) and the financial uncertainty of the funding promises that are made within the bill (teacher salary and formula changes) provide very little concrete benefit for public schools. The state's budget woes are no secret and with looming tax cuts, the expiration of federal resources, and scheduled increases in spending (i.e. - \$300 million increase in the foundation formula in 2025-26), resources will be slim for the state to ensure schools receive the financial promises made by SB 727.

If state resources do not remain in place to assist districts pay for the mandates of SB 727, schools could be placed in the unenviable task of either asking voters to increase tax levies and/or cutting programs, eliminating teachers/support staff, increasing class size etc.

There is a significant amount of attention to be paid to the implementation of SB 727. We will continue to have more information regarding SB 727 in the weeks and months ahead. For now, below is a quick summary of SB 727.

Voucher Program Expansion

The final version of the bill expands the current Education Savings Account Program by increasing the cap on the eligible tax breaks for donations to scholarship granting organizations from \$50 million to \$75 million and creates triggers that allow for the cap to increase or decrease the same percentage of the amount distributed through the foundation formula in any given fiscal year. The bill would also increase the income levels of families eligible for scholarships from 200% to 300% of the federal poverty level. The current program is currently limited to students who live in a charter county or a city with at least 30,000 inhabitants, the final version of SB 727 removes these geographic limitations, thus making the program statewide.

Charter School Expansion – Boone County

Under current law, charter schools can only open in districts that are provisionally accredited for 3 years or in unaccredited districts. SB 727 allows for charter schools to open in school districts in Boone County.

While there are numerous provisions of the bill which you can read about in the summary that is linked below, the major changes in the final version of SB 727 were the inclusion of several provisions impacting the state's foundation formula, changes to the school calendar statute, and efforts to increase teacher salaries, retention and recruitment. Those items include:

Combination of Enrollment & Attendance Funding

The bill modifies the definition of "weighted average daily attendance" as used in the foundation formula by adding a weighting factor relating to school district enrollment that is in addition to the typical attendance calculations currently used.

The act establishes "weighted membership" which will be the average number of students enrolled in a school district who attended school at least one day during the ten days at the end of January and September multiplied by the weighting factors used in the current formula for those students above the threshold calculations.

In the 2025-26 school year, a district's weighted average daily attendance shall be calculated as the sum of 90% of such district's weighted average daily attendance as calculated in current law, plus 10% of such district's weighted membership. The percent of weighted membership included in such calculation shall increase by 10% each year until 2030, when a district's weighted average daily attendance shall be calculated as the sum of 50% a district's weighted average daily attendance plus 50% of such district's weighted membership.

Small Schools Grant

The final version of SB 727 increases the Small Schools Grant from \$15 million to \$30 million. As is the case with the existing small school grant program, 2/3rd of the funding (\$20 million) will be distributed based on average daily attendance while the other 1/3rd of the funding (\$10 million) will be distributed equally to each school district that qualifies for the grant.

Local Effort & Merchants and Manufacturer's Tax

SB 727 contains a provision that allows school districts to update the local effort deduction contained in the formula to account for revenues from intangible taxes, the merchants' and manufacturers' surcharge, and payments in lieu of taxes (other than tax increment financing) within the district's teacher and incidental funds. Previously these amounts, if a district had not included them in the capital projects fund, caused an elevation of the district's local effort figure within the formula, resulting in less state aid through the formula.

Early Childhood Education

Currently, children between three and five years old who are eligible for free and reduced-price lunch and attend an early childhood education program operated by a school district may be included in the district's calculation of average daily attendance, provided that the total does not exceed 4% of all pupils in the entire district who are eligible for free and reduced-price lunch. The Senate's version of SB 727 increases this percentage to 8%.

School Calendar

Similar to SB 784 that we have previously discussed, SB 727 contains provisions that will have an impact on school calendars beginning in the 2026-27 school year. Specifically, the final version of the bill modifies the definition of "school term" by providing that school districts located in charter counties or in cities with more than 30,000 inhabitants shall have a school term that consists of at least 169 school days, unless the district has adopted a four-day school week, in which case a school term shall consist of at least 142 school days. School districts that are located wholly or partially in charter counties or cities with more than 30,000 inhabitants may adopt a four-day school week only upon a majority vote of the qualified voters of the school district. Districts outside of those areas may adopt a four-day week with a vote of the school board.

Additionally, any district that maintains a calendar of at least 169 days will receive a 1% increase to their state aid payments for fiscal years 2026 and 2027, with the multiplier increasing to 2% in the 2027-2028 school year. The bill provides these additional resources must be dedicated to teacher salaries.

Minimum Teacher Salary & Grant

Additionally, included in SB 727 were numerous provisions from HB 1447, sponsored by Rep. Ed Lewis (R – Moberly), the most significant being the statutory increase in minimum teacher salary to \$40,000 for starting teachers and \$46,000 for teachers with master's degrees plus ten years of experience starting in the 2025-26 school year. The bill contains automatic increases of \$1,000 to these minimums each year for two years, then places an inflationary adjustment (not to exceed 3%) on the amounts going forward.

Similar to the approach the House took, the 3-year sunset on the minimum teacher grant fund was removed, as was the 70/30 match language allowing for the legislature

with possibility of funding the program 100% of the increase as with the current fiscal year.

Teacher Retention & Recruitment

In addition to the salary changes mentioned above, SB 727 included several other provisions from HB 1447, including:

- The creation of a teacher retention and recruitment scholarship program intended to help increase the number of students in the teacher preparation pipeline and incentivize teachers to take positions in hard-to-staff schools.
- Changes to the 550 rule with PSRS/PEERS to allow a retiree from PSRS to earn up to 50% of the annual compensation to the person who last held the position or 50% of the limit set by the employer's school board for the position. This flexibility is subject to approval by the PSRS/PEERS Board of Directors.
- Changes to the Career Ladder Program impacting the ability for teachers to receive compensation for additional duties within regular school hours and the allowance to receive compensation for either mentoring other teachers or for work that does not require a teaching certificate.

