

THE DE SMET SCHOOL DISTRICT #38-2  
BOARD OF EDUCATION  
MINUTES

The School Board of the De Smet School District #38-2 of Kingsbury County, SD convened pursuant to due notice at 5:30 PM on July 25<sup>th</sup>, 2023 in the high school library. Those in attendance were President Shane Roth and Evan Buckmiller. Vice President Barb Asleson joined by phone. Absent was Jared Tolzin and Norm Koehlmoos. Administrators present were Superintendent Abi Van Regenmorter, and Business Managers Cassi Johnson and Susan Purintun.

**Motion #2412 Agenda Approval:** On motion by B.Asleson, seconded by E. Buckmiller, to approve the agenda as presented.

**CONDUCT FISCAL YEAR 2024 BUDGET HEARING:** Business Manager Johnson provided an overview

GENERAL FUND – The district continues to request the max levy for general fund as well as the \$200,000 perpetual opt-out. The fund balance of the General Fund decreased to 42% in FY2023. The district spent 97% of the budgeted expenditures. Due to the healthy cash balance, the district did not transfer money from Capital Outlay to General Fund. In FY2024 the General Fund will increase by 10% primarily due to salary and benefit expenses, as well as rising costs of supplies, utilities and fuel. Revenue will come from the 7% increase in state aid and projected higher enrollment, as well as fund balance.

CAPITAL OUTLAY – The fund balance of the Capital Outlay Fund increased in FY2023. The district plans will continue to request the max levy set by the legislature in FY2024. This fund covers expenses such as curriculum, software, technology equipment, athletic uniforms, and vehicles. The district will use reserves to update existing furnishings, equipment and future building renovations.

SPECIAL EDUCATION – The fund balance had a slight increase in FY2023 due to increasing the tax levy and expenses being under budget. In FY2024 we recommend keeping the levy at \$1.25/thousand due to the rise in salary and benefit expenses, as well as service program fees.

FOOD SERVICE – The Food Service fund ended the year with net assets of \$9243. A transfer of \$36,657 was made from General Fund to Food Service Fund to assist with cash flow. There were over 52,000 meals served to students during the 2022-2023 school year, with a participation rate of 87%. Free meals are no longer offered to all students. Less than a third of the revenue in the food service fund comes from federal reimbursement. The district approved an increase in meal prices for the 2023-2024 school year at the July 10, 2023 board meeting to help increase revenue. Parents will have the option to pay meal balances online beginning this fall.

The total proposed budget of \$13,444,113 includes General (27%), Capital Outlay (8%), Special Education (6%), Bond Redemption (3%), Capital Projects (54%), Drivers Ed and Food Service (2%). The bond redemption and capital project funds are to fund the new Laura Ingalls Wilder elementary building project. The bond redemption is the vehicle fund for taxation over the next 25 years. The capital project fund will be where the expenditures for the building are dispensed through. The overall revenue sources are made up of 67% local, 25% state, less than 1% county, 6% federal, and 2% from fund transfers. Local taxes are divided amongst funds as follows: 41% general fund, 30% capital outlay, 18% special education and 11% bond redemption.

A few unique facts about our district - teachers in the district have an average of 17 years teaching experience, with only 2 teachers having three or fewer years experience. There are 22 teachers living in district and 8 that commute from outlying farms or cities. The student enrollment is anticipated to be 333 at this time.

The board will have the opportunity to study and question the proposal before adoption at the regular board meetings of August 14<sup>th</sup> and September 11<sup>th</sup>. Copies of the proposed budget are on file in the business office or posted online at [desmet.k12.sd.us/school-board](https://desmet.k12.sd.us/school-board) under the July 2023 meeting minutes and agendas section.

The next regular scheduled board meeting is Monday, August 14 at 5:30pm in the high school library.

**Motion #2413 Adjournment:** There being no further business at this time, on motion by B.Asleson, seconded by E. Buckmiller, to adjourn at 5:48 PM. All voting "aye", motion carried.

ATTEST: Shane Roth, President

Cassi Johnson, Business Manager

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