LICKING R-8 SCHOOL DISTRICT

Superintendent's 2026-2027 Budget Message

Licking R-8's mission, "Excellence and Integrity Every Day," guides our work with students and our stewardship of taxpayer dollars. Our vision is to help every student reach their full potential through excellence, integrity, respect, innovation, and community connections. Fulfilling that vision while operating at the minimum levy associated with Missouri's state funding requirements requires careful spending decisions.

Over the past 20 years, unrestricted reserves have averaged approximately 22% of operating expenditures, compared with 15% before federal pandemic relief. Reserves ended 2025–26 at 24%. This cushion helps protect student services when revenues fall short, but using it for recurring expenses leaves less available for future needs.

For 2026–27, revenue is budgeted at $9.61 million—approximately $541,000 less than last year's budget. Local and county funding is down about $185,000, state funding $87,000, and federal funding $435,000, partly offset by increases in other revenue. Some federal grants have ended, and the state cannot currently fund a preschool grant awarded to the district.

The district has reduced total budgeted spending by approximately $98,000, including $301,000 in lower staffing expenses. Still, revenue has fallen much faster than spending. With expenses of $10.25 million, the district faces an approximately $633,000 deficit and expects to use reserves to cover the gap.

Meanwhile, enrollment has grown from 813 to 843 students. Serving more children with fewer resources makes it harder to sustain required services and the opportunities that help students discover their strengths and prepare for their futures.

If state and local funding reductions continue, these choices will become more difficult. Reserves provide temporary support, but cannot replace reliable annual funding. We remain committed to careful planning, open communication, and spending decisions that respect taxpayers' investment while supporting our students and our mission.

We welcome your questions and encourage you to contact the district office to better understand our budget and how it impacts our students' education.

Sincerely,
Mrs. Telena Haneline, Superintendent, Licking R-8 School District

#WeChooseLearning *#StrivingForExcellence* *#WildcatPride*

REVENUE FELL FASTER THAN SPENDING

2025-26 budget compared with the revised 2026-27 budget

BUDGETED REVENUE

$10.15M to **$9.61M**

Down $540,859 | 5.3%

BUDGETED SPENDING

$10.34M to **$10.25M**

Down $97,639 | 0.9%

PROJECTED 2026-27 BUDGET GAP

$632,591

Expenses exceed revenue by about $633,000.

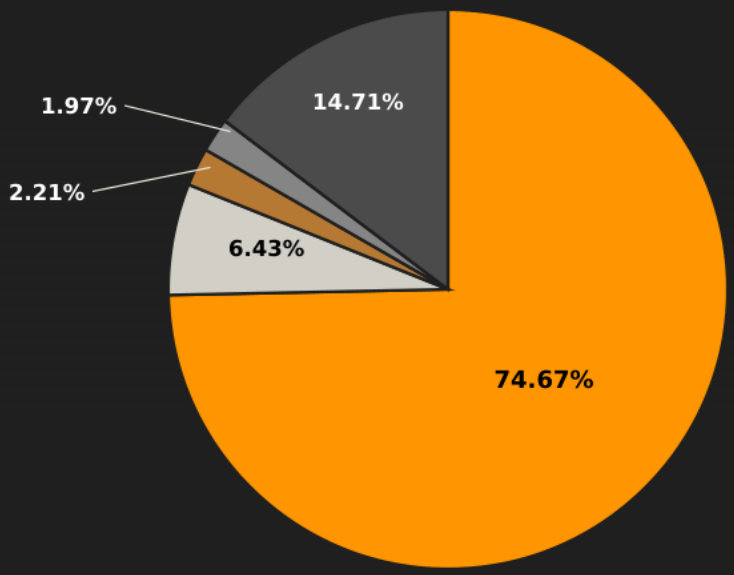
The district expects to use reserves to cover the difference. Spending is lower overall, but the revenue decline is much larger.

All four funds included. These are budget comparisons, not audited actual receipts. Amounts rounded.

Sources: 2025-26 and 2026-27 budget breakdowns; revenue comparison.

WHERE THE BUDGET GOES

2026-27 total budgeted expenditures: $10,245,109



Staffing $7,650,499		**74.67%**
Maintenance & facility improvements $658,792		**6.43%**
Transportation $226,463		**2.21%**
Extracurricular / student activities $202,271		**1.97%**
General operating expenses $1,507,083		**14.71%**

What is in general operating expenses?

Special education services and contracted therapies; food; classroom materials; tuition to other schools; technology; office operations; student support; land payments; professional development; and library materials.

All salaries and benefits are in staffing, including custodians, bus drivers, and coaches. Other categories exclude payroll. Student activities includes some classroom programs.

Source: Licking_R8_Budget_Breakdown 26-27.xlsx, Budget breakdown.

WHERE REVENUE CHANGED

2025-26 budget to revised 2026-27 budget

$540,859 less

Total budgeted revenue decreased 5.3%.

Local + county

$3.43M to $3.24M

-$184,729

5.4% decrease

State

$4.73M to $4.65M

-$86,671

1.8% decrease

Federal

$1.61M to $1.18M

-$434,887

27.0% decrease

Federal revenue decreased in part because some grant funding ended. The district was also awarded a preschool grant, but the state cannot currently fund it.

Local includes county revenue and Proposition C, following the workbook grouping. These changes are district budget amounts, not statewide funding shortfall figures.

Source: Revenue comparison workbook, Revenue comparison tab.

SOME COSTS ROSE. TOTAL SPENDING FELL.

2025-26 budget to revised 2026-27 budget

CATEGORY	CHANGE	% CHANGE
Staffing	-$300,549	-3.8%
Maintenance & facility improvements	-$31,820	-4.6%
Transportation	+$9,327	+4.3%
Extracurricular / student activities	-$48,538	-19.4%
General operating expenses	+$273,941	+22.2%

Total spending decreased $97,639

A 0.9% reduction overall, including a $300,549 decrease in staffing expenses.

All employee pay and benefits are grouped under staffing. Category totals do not measure changes in prices or costs per employee. Figures rounded.

Source: Expense comparison workbook, Expense comparison tab.

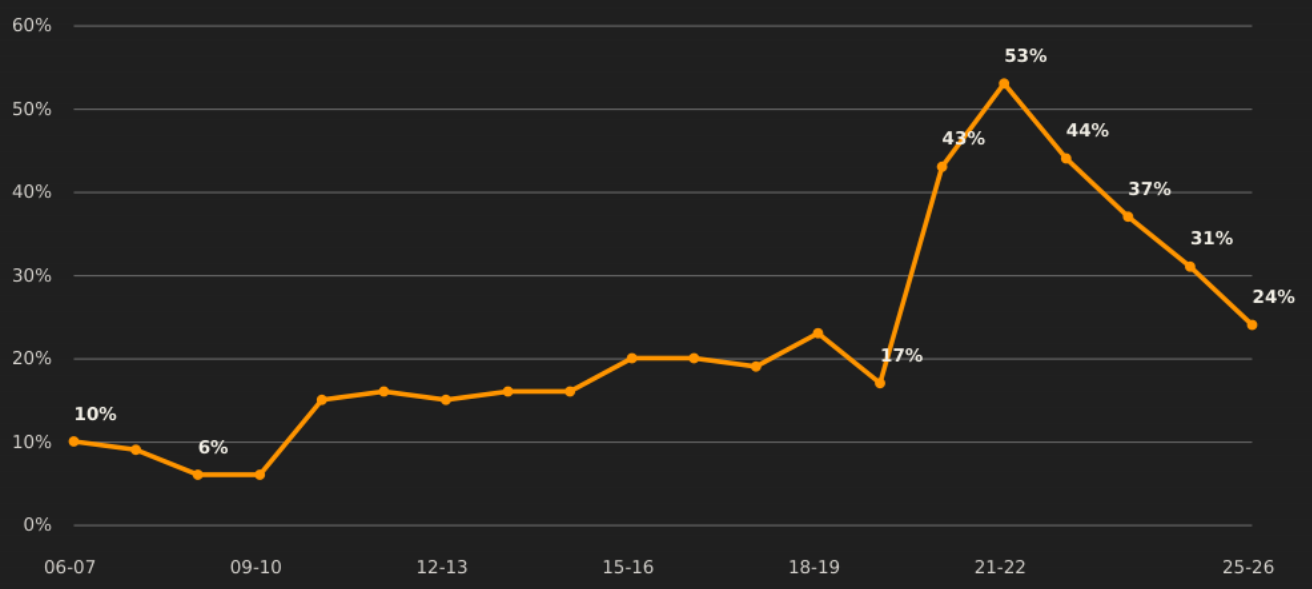
20 YEARS OF SCHOOL RESERVES

Unrestricted fund balance as a share of operating expenditures

22%
20-year average

53%
Peak: 2021-22

24%
Latest: 2025-26



Before ESSER / ARP

14.9% average | 2006-07 to 2019-20

ESSER / ARP era and after

38.7% average | 2020-21 to 2025-26

All 20 annual values are plotted. Historical percentages are rounded as supplied; averages are simple annual averages. ESSER / ARP refers to federal pandemic relief. No future projection is shown.

Source: 20-year fund balance workbook, Fund balance history.

OUR ENROLLMENT IS GROWING

September 30, 2025 compared with September 30, 2026

843 students

Up from 813: 30 more students, a 3.7% increase.

Elementary (PK-6)

435 to 447 students

+12

Secondary (7-12)

378 to 396 students

+18

The district reports growth across grade levels.

Instructional priorities include strong reading, writing and math foundations; work ethic and problem solving; and career readiness beyond high school.

Enrollment is a dated student headcount. State funding may use different attendance or weighted student measures.

WELCOMING STUDENTS FROM AREA K-8 DISTRICTS

High school enrollment from the five districts listed in the October update

77 students in 2026-27

Compared with 71 in 2025-26 and 70 in 2024-25.

DISTRICT	2024-25	2025-26	2026-27
Dent-Phelps	3	5	4
Edgar Springs	31	32	28
Raymondville	26	27	31
Green Forest	5	5	10
Success	5	2	4

Excellence and Integrity Every Day

The district’s mission guides its work with students and the community.

Counts refer to grades 9-12 students from these five area K-8 districts; they are not total high school enrollment.

Source: October 2026 District Information.docx.

WHAT OUR SCHOOL MUST PROVIDE

A plain-language overview of core responsibilities in Missouri

Free public instruction

Missouri establishes free public schools for eligible students between ages 5 and 21, subject to enrollment and attendance rules.

Instruction aligned to state standards

Learning includes language arts, math, science, social studies, fine arts, health and physical education, and other required coursework.

Special education and related services

Eligible students with disabilities receive appropriate services based on individual needs. This includes eligible preschool-age children.

Staff and learning environments

Schools must meet applicable educator, professional development, safety, accessibility, and school improvement requirements.

State standards set learning expectations. Local districts select curriculum and instructional materials. This overview is not an exhaustive list; sources and exceptions appear in the packet's source guide.

Sources: supplied school-services handout; Missouri statutes, DESE and IDEA.

WHAT OUR SCHOOL MAY PROVIDE OPTIONALLY

These specific programs are generally local choices, not universal state mandates

THE DISTRICT IS GENERALLY NOT REQUIRED TO OFFER:

Sports teams

Specific interscholastic athletic teams and competitions.

Student clubs and extracurricular activities

Clubs such as FFA, FCCLA, FBLA, and other interest groups.

Extracurricular performances and competitions

Specific band, choir, or academic competition activities.

General preschool

Preschool beyond required special education services.

Career Ladder participation

The voluntary state matching program for supplemental teacher pay.

Required services still apply

Fine arts instruction remains required. Eligible preschool children must receive special education. Tutoring, learning labs, or other supports may be required by an IEP, a reading success plan, or another student-specific obligation.

Local choices remain subject to applicable student rights, grants, contracts, and district policy. This information does not announce any program cuts. See the transportation page for route requirements.

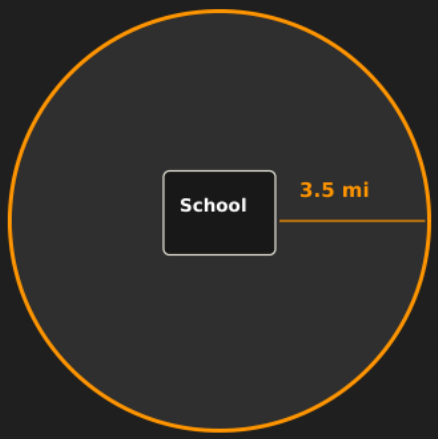
Sources: supplied handout; DESE; RSMo 168.500; special education and reading guidance.

UNDERSTANDING SCHOOL TRANSPORTATION REQUIREMENTS

The general Missouri rule and important exceptions

More than 3.5 miles from school

Missouri law generally requires nonmetropolitan school districts to provide transportation for pupils living more than 3.5 miles from school. Districts may also transport pupils who live closer.



Distance illustration only.

Not a route or eligibility map.

Closer to school

Routes within 3.5 miles may reflect local choices. Student-specific legal rights can still require transportation.

Disability-related services

An IEP may require transportation when needed for a student to benefit from special education, regardless of the general distance rule.

Distance alone does not decide every case

District policy and student-specific legal requirements also matter.

The supplied image was used as context. The illustration is not a geographic boundary and should not be used to determine individual transportation eligibility.

Sources: RSMo 167.231; IDEA 34 CFR 300.34; supplied transportation image.