

MSTA
School Finance Workshop

Winter 2026



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WE WANT TO:



- Give you a general understanding of things that impact money available for the Teacher Fund.
- Show you information that impacts your district to give you the tools and knowledge you need to negotiate successfully.



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Information provided to you:

District Financial Analysis

District Financial Summary

District Narrative

Handout of this Presentation for Note Taking



* After the workshop we will also provide these documents to you via email.



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Information on our resource page:
msta.org/salary-resources

- 2025-2026 MSTA Missouri Salary Schedule & Benefits Report
- What to do with this financial information
- Sample salary committee needs survey
- Sample salary & welfare survey
- Sample CTA salary questions
- Questions for your superintendent




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2024 SB727

- Weighted ADA formula calculation will be adjusted to include Weighted Annual Membership
- Minimum salary of \$40,000 for teachers starting in 2025-2026
- Minimum salary of \$46,000 for teachers with a master's degree and 10 years of experience starting in 2025-2026
 - \$47,000 in 2026-2027
 - \$48,000 in 2027-2028
- Minimum salaries listed above will be indexed to inflation, not to exceed 3% starting in 2028-2029
- Small Schools Grant is now \$30 million
- 1% additional formula money to be used for salary increases for districts with a calendar that includes 169 or more student attendance days starting in 2025-2026
 - Increases to 2% in 2027-2028
- <https://www.msta.org/stories/What-you-need-to-know-about-SB727>




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2026 legislative session notes

- Open enrollment
- Retirement changes
- Property, income, and sales taxes
- Foundation formula changes/Governor's School Funding Modernization Task Force
- Budget recommendations:
 - DESE requested a \$219 million formula increase
 - The governor proposed a decrease of \$15 million
 - No increase in the formula
 - \$15 million decrease in transportation




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2025-2026 state budget outlook

Fiscal year 2025-2026 and 2026-2027 estimates

State adequacy target

- 2025-2026 DESE projection
 - \$7,145 per WADA
- 2025-2026 MSTA projection
 - \$7,145 per WADA
- 2026-2027 MSTA projection
 - \$7,145 per WADA***

Proposition C

- \$1,465 per WADA

***Projections are based on the DESE request and Governor's proposed budget. They could be adjusted over the next few months.

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2025 legislative session notes

- *MSTA Action* email every Friday of the legislative session
- *MSTA Action: Member Brief* podcast every Monday
 - Members must login to msta.org to listen

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Overview of Missouri school finance

Revenue sources (tables 3, 4, 9-12)



- Federal – Title 1, special education
- State – Formula money, trust fund
- Local – Property taxes, prop C sales taxes

School budget (tables 6 and 7)

- General (incidental) fund – operating expenses, classified salaries
- Special revenue (teacher) fund – Certified staff salaries and benefits
- Debt service fund – pay back bonds approved by voters for specific projects
- Capital projects fund – Buildings, other major purchases

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State formula funding (tables 9 and 10)

- Formula money is dependent on the state budget appropriation which is finalized on the second Friday in May
- Districts will not receive less formula monies than they did in 2005-2006.

$$\begin{array}{r}
 \text{Weighted average daily attendance/membership} \\
 \text{times} \\
 \text{State adequacy target} \\
 \text{times} \\
 \text{Dollar value modifier} \\
 \text{minus} \\
 \text{Local effort} \\
 \hline
 \text{State funding}
 \end{array}$$


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Student attendance (table 5)

- Average daily attendance (ADA)
 - Total hours of attendance divided by calendar hours in session PLUS summer school ADA
- Summer school ADA
 - total number of hours attended in an approved summer school divided by 1,044 hours
- Weighted average daily attendance (WADA)
 - ADA plus weights of student populations deemed more expensive to educate
 - Free and reduced lunch (above 16.73%) – extra 25%
 - Special education (above 13.3%) – extra 75%
 - Limited English proficiency (above 2.09%) – extra 60%




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Student attendance (table 5)

- Weighted average membership (WAM)
 - Annual average of September and January membership counts plus weights of student populations deemed more expensive to educate
 - Free and reduced lunch (above 16.7%) – extra 25%
 - Special education (above 13.3%) – extra 75%
 - Limited English proficiency (above 2.1%) – extra 60%
 - Phase in over 5 years
 - 2025-2026 – 90% WADA and 10% WAM
 - 2026-2027 – 80% WADA and 20% WAM
 - 2027-2028 – 70% WADA and 30% WAM
 - 2028-2029 – 60% WADA and 40% WAM
 - 2029-2030 – 50% WADA and 50% WAM




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Important pages of the MSTA financial analysis

- **TABLE 1**
 - Line F tells you the net \$ amount available or not available for the teacher fund next year.
- **TABLE 3**
 - Compares and calculates the difference between the district budget and our estimates for the current year.
- **TABLE 4**
 - Projects new money based on our estimates for next year.
- **TABLE 8**
 - Identifies large fund balances and recommends a spend down of 1/8 of the difference between district fund balance and MSTA recommended level.

We recommend 70% of new money for certified staff and 30% for remaining general fund costs



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Reasons MSTA may show different totals than the district

- Student counts (table 5)
- Use of cash reserves
 - What's your district's long-range plan and do you have enough for it?
- Local tax calculations are based on trends from previous years



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Possible uses of table 1 money in the special revenue (teacher) fund...

- Salary increases
- Retirement costs – currently 14.5%
- Salary schedule advancement
 - Step increases
 - Credit for advanced coursework and degrees
- Proposed additional teachers or programs
- Other certificated staff raises (administrators)
- Salary schedule improvement
- Increased supplemental and extra duty salaries




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Other benefits that affect teachers...

- Health insurance options
- Section 125 cafeteria plan for pretax deductions of certain benefits
- Calendar and contract flexibility
 - Number of contract days
 - 4-day vs. 5-day week
- Payment for unused leave days
- Professional development days



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Questions to Ask Your Superintendent

(see others on the Salary Resources webpage)

- How much money is available for salary and benefits?
 - If you don't know now, when will you know?
- What is the cost for a step for existing staff?
 - Does that cost include retirement?



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What will your proposed salary increase cost the district???

Using your district's current salary schedule and a scattergram obtained from the district, MSTP can figure this out for you.



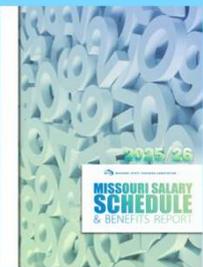
For more information, contact your MSTP Member Service Coordinator

Salary cost analysis



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- www.msta.org/salary
 - Missouri Salary Schedule & Benefits Report (salary book)
- Your MSTA Member Service Coordinator

Available data

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www.msta.org/salary

- Salary Negotiations Workshop
 - Learn how to negotiate more effectively
- Finance 101 Workshop
 - Go into more detail about School Finance
- Understanding Financial Information
 - In-depth understanding of your Financial Analysis



Online videos

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Contact Us

Glenn Bussen
Salary and Research Manager
salary@msta.org
800.392.0532

Sid Doerhoff
Salary Consultant
sdoerhoff@msta.org

Ed Vest
Salary Consultant
veste@msta.org

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