

OKEMOS PUBLIC SCHOOLS

2023-24 Preliminary Budget Assumptions

Board Meeting of March 20, 2023

Expenditure Increases/Revenue Decreases

Decrease to General Fund	Optimistic	Most Likely	Worst Case
MPSERS rate increase (+3.11% to 31.34% from 28.23%, eff. 10/1/23)	970,680	970,680	970,680
Rollup costs (Service Yrs w/FICA & Retirement, steps not included)	233,050	233,050	233,050
Teacher division advancement (15,18,20)	126,150	151,380	168,200
	\$1,329,880	\$1,355,110	\$1,371,930

Expenditure Increases/Revenue Decreases

<u>Decrease to General Fund</u>	<u>Optimistic</u>	<u>Most Likely</u>	<u>Worst Case</u>
Increase in per-pupil Foundation Allowance (\$458,\$300,\$200)	2,040,400	1,336,500	891,000
Enrollment (Feb 23 +100; Oct 23: +70,+30,-10;) Blend 10/90	701,000	349,700	9,000
Savings from teacher retirements (6)	250,020	250,020	250,020
	\$2,991,420	\$1,936,220	\$1,150,020

2022-23 Carryforward Impact on 2023-24 Budget

	<u>Most Likely</u>
2022-23 Net Change in Fund Balance	253,778
Staffing, +2 Transportation Subs +1 SE Teacher	(45,360)
Non-Structural Budget Items (removed from 23-24 budget)	
Athletics Equipment & Uniforms	58,700
Graduation alliance overpayment	(100,000)
22-23 State Aid, various sections	11,000
Retention bonus, 22-23 negotiations	526,775
New classrooms set-up costs	20,000
Textbooks	25,000
Operations Equipment	80,000
Carryforward effect on General Fund Budget	\$829,893

Projected Impact on General Fund Budget

	Optimistic	Most Likely	Worst Case
Expenditure Increases/Revenue Decreases	(\$1,329,880)	(\$1,355,110)	(\$1,371,930)
Revenue Increases/Expenditures Decreases	2,991,420	1,936,220	1,150,020
Net Impact on General Fund Balance	\$1,661,540	\$581,110	(\$221,910)
Carryforward effect on GF Budget (6/30/24)	829,893	829,893	829,893
Total Impact on General Fund Balance	\$2,491,433	\$1,411,003	\$607,983
<i>Fund Balance as a % of Expenditures</i>	17.7%	16.0%	14.8%

Impending Budget Discussion 2023-24

Topics w/financial impact not in assumptions

- State Aid
- Staffing Levels
- Negotiations
- Insurance rates
- Carryforward Effect of Prior Year Budget
- ISD Special Education revenue
- Board Priorities
- Food Service, Community Ed. Contribution to General Fund
- Other Variable Sources of General Fund Revenue