

OKEMOS PUBLIC SCHOOLS

2024-25 Preliminary Budget Assumptions

Board Meeting of March 18, 2024

Expenditure Increases/Revenue Decreases

<u>Decreases to General Fund</u>	<u>Optimistic</u>	<u>Most Likely</u>	<u>Worst Case</u>
MPSERS rate increase (+.02% pts to 31.36%, eff. 10/1/24)	6,844	6,844	6,844
20f Hold Harmless Guarantee	239,545	239,545	239,545
23-24 Wage/Position adjustments to full year	356,655	356,655	356,655
23-24 Negotiations, steps & 1%*	1,404,957	1,404,957	1,404,957
23-24 Negotiations, health insurance +3.5%	177,916	177,916	177,916
	\$2,185,917	\$2,185,917	\$2,185,917

* Compensation Reference

Steps = \$942,910

1% wages = \$462,047

Revenue Increases/Expenditure Decreases

Increases to General Fund	Optimistic	Most Likely	Worst Case
Increase in per-pupil Foundation Allowance (\$241,\$180,\$120)	1,110,300	829,300	552,800
Enrollment (Feb 24 +60.79; Oct 24: +35,+15,-5;) Blend 10/90	370,130	191,650	15,370
Increased Special Ed Categorical (CY est + 23-24 timing delay)	99,800	99,800	99,800
Savings from teacher retirements (9,7)	356,130	276,990	276,990
	\$1,936,360	\$1,397,740	\$944,960

2023-24 Preliminary Budget Revisions & Carryforward Impact on 2024-25 Budget

	<u>Most Likely</u>
2023-24 Net Change in Fund Balance	(\$121,237)
Reductions in Grants	(462,139)
Open positions	(98,843)
Net Impact of Changes	(\$560,982)
Preliminary Net Change in Fund Balance	(\$682,219)

Projected Impact on General Fund Budget

	Optimistic	Most Likely	Worst Case
Expenditure Increases/Revenue Decreases	(\$2,185,917)	(\$2,185,917)	(\$2,185,917)
Revenue Increases/Expenditures Decreases	1,936,360	1,397,740	944,960
Net Impact on General Fund Balance	(\$249,557)	(\$788,177)	(\$1,240,957)
Carryforward effect on GF Budget (6/30/25)	(682,219)	(682,219)	(682,219)
Total Impact on General Fund Balance	(\$931,776)	(\$1,470,396)	(\$1,923,176)
<i>Fund Balance as a % of Expenditures</i>	12.3%	11.4%	10.9%

Impending Budget Discussion 2024-25

Topics w/financial impact not in assumptions

- State Aid
- Staffing Levels
- Grants
- Carryforward Effect of 23-24 Budget
- Board Priorities
- ISD Special Education revenue
- Food Service, Community Ed. Impact on General Fund
- Other Variable Sources of General Fund Revenue