

School Board Meeting:

January 22, 2024

Subject:

2024-25 Budget Assumptions

Presenter:

**Ryan L. Tangen, Director
Finance and Operations**

SUGGESTED SCHOOL BOARD ACTION:

Approve 2024-25 Budget Assumptions

DESCRIPTION:

Budget Assumptions provide the framework for developing the upcoming 2024-25 budget. The assumptions listed below were used to generate the base financial projections presented at the Board Workshop on January 8th and the Board Retreat on January 16th.

The recommendation for the 2024-25 Budget Assumptions is as follows:

- Enrollment projection based on the November 2023 enrollment report.
- General Education formula allowance increase of 2% or \$143 to \$7,281 in 2024-25 and a 2% increase in 2025-26 and future years.
- \$750 per Adjusted Pupil Unit (APU) operating referendum approved in November 2019 through 2030.
- Special Education increases by 5%.
- Special Education Cross Subsidy Aid 44%.
- OPEB contributions continue in 2024-25.
- Continuation of 6.0 FTE for Class Size Reduction – includes marketing budget and social workers.
- Continuation of 6.0 FTE addition for Local Option Revenue funding.
- Maintain/exceed 2018-19 approved staffing ratios.
- One-year reallocation of 7 licensed FTEs above the staffing ratio.
- 1.0 FTE special education staffing contingency.
- 2.95 FTE Superintendent staffing contingency.
- Salary and benefit changes based on settlements in place and market conditions for non-settled contracts.
- Non-salary, non-benefit costs are estimated to increase by 0-5%.
- Continued cost containment initiatives such as joint purchasing agreements, energy use reduction, paper reduction, insurance contracts, and other operational efficiencies.
- QComp (PPD) continues for 2024-25 assuming revenues and expenditures are equal.