

OKEMOS PUBLIC SCHOOLS

2023-24 Proposed Budget Revision #2
2024-25 Preliminary Budget Assumptions

Board Meeting of May 13, 2024

2023-24 Proposed Budget Revision #2

Proposed Revised Budget Assumptions - Revenues

	Budget Impact
State Aid Enrollment -11.9 FTE, on-going	(113,968)
State Aid - 22I Transportation Costs, 1x	338,120
Grants, with offsetting expenditures	275,162
ISD SE Revenue, 1x	174,000
Communication Education	93,150
Interest Revenue	40,000
ORS Retirement Credit	40,000
Transportation Trip Revenue	35,000
Other	36,270
	<u>\$917,734</u>

Proposed Revised Budget Assumptions - Expenditures

	Budget Impact
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Grants, with Offsetting Revenues	(275,162)
310 Mental Health New Hires, Extended	95,463
Other Grant Offsets to General Fund	(36,936)
Removed COVID Cliff placeholder	415,765
Early Childhood SE Teacher Consultant	54,279
Communication Education	(165,320)
Operations Contracted Services/Supplies	(250,500)
Utilities (gas/electric/trash), 1x & on-going	(167,500)
Transportation Fuel	(35,000)
Other	(55,491)
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	(\$420,402)

Projected Impact on General Fund Budget

	Budget Impact
Operating Revenues	\$917,734
Operating Expenditures	(420,402)
Projected Impact on Fund Balance	\$497,332

Structural	(\$541,513)
One-time	1,038,845
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	\$497,332

2023-24 Budget Revision – Summary

	Adopted Budget	Net Impact	Revised Budget
Beginning Fund Balance	\$9,922,868		\$9,922,868
Operational Surplus/(Deficit)			
Total Revenues	\$69,858,419	\$917,734	\$70,776,153
Total Expenses	(69,979,656)	(420,402)	(70,400,058)
Preliminary Effect on Fund Balance	(\$121,237)	\$497,332	\$376,095
Ending Fund Balance	\$9,801,631	\$497,332	\$10,298,963
	14.0%		14.6%

2024-25 Proposed Budget Assumptions

Legislative Funding Proposals

	Governor	Senate	House
Foundation	+\$241	+\$302	+\$217
22l Transportation	Continues for 24-25 only	Continues for 24-25 only	Continues for 24-25 only
31aa Per Pupil Safety & Mental Health	Continues at 100% for 24-25; 50% in 25-26	Continues at 50% for 24-25; 16% in 25-26	Continues at 100% for 24-25; 50% in 25-26

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

	Most Likely
Preliminary Revised Net Change in Fund Balance	\$497,332
2023-24 Non-Structural, 1x revisions	
Reductions in Grants	(458,194)
Open positions	(153,122)
State Aid- 22l Transportation Costs, 1x	(338,120)
State Aid - 31o Counselors, SSWs, psychs	(329,873)
State Aid - 31aa, Student Mental Health	(183,420)
Ingham ISD SE Revenue	(174,000)
COVID Cliff placeholder	(415,765)
Utilities (gas)	(29,000)
Operations Contracted Services	100,000
Other Financing Sources/Uses - Subscription IT	(29,700)
Net Impact of Changes	<u>(\$2,011,194)</u>
Carry forward effect on General Fund Budget (6/30/25)	(1,513,862)

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
Teacher division advancement (15,18,20)	135,000	162,000	180,000
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
Graduation Alliance	100,000	100,000	100,000
	\$2,420,917	\$2,447,917	\$2,465,917

* Compensation Reference

Steps = \$942,910

1% wages = \$462,047

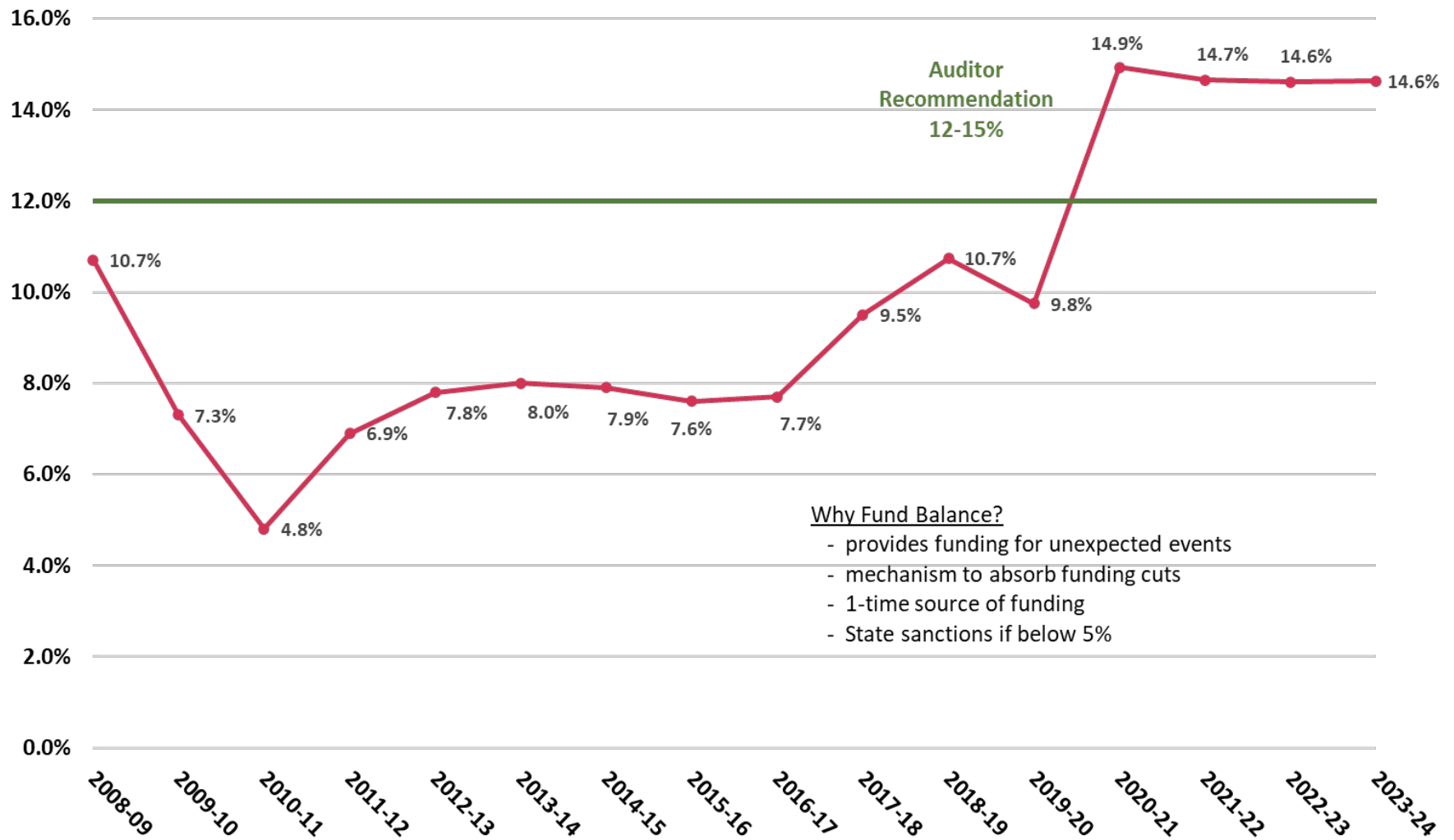
Revenue Increases/Expenditure Decreases

Increases to General Fund	Optimistic	Most Likely	Worst Case
Increase in per-pupil Foundation Allowance (\$302,\$241,\$217)	1,391,300	1,110,300	999,700
Enrollment (Feb 24 +60.79; Oct 24: +35,+15,-5;) Blend 10/90	372,420	192,840	15,470
Increased Special Ed Categorical (CY est + 23-24 timing delay)	99,800	99,800	99,800
State Aid, District Transportation Funding Extension	338,120	253,590	253,590
Savings from teacher retirements (7)	276,990	276,990	276,990
K-8 New Curriculum, 1x savings	220,000	220,000	220,000
	\$2,698,630	\$2,153,520	\$1,865,550

Projected Impact on General Fund Budget

	Optimistic	Most Likely	Worst Case
Expenditure Increases/Revenue Decreases	(\$2,420,917)	(\$2,447,917)	(\$2,465,917)
Revenue Increases/Expenditures Decreases	2,698,630	2,153,520	1,865,600
Net Impact on General Fund Balance	\$277,713	(\$294,397)	(\$600,317)
Carryforward effect on GF Budget (6/30/25)	(1,513,862)	(1,513,862)	(1,513,862)
Total Impact on General Fund Balance	(\$1,236,149)	(\$1,808,259)	(\$2,114,179)
<i>Fund Balance as a % of Expenditures</i>	12.6%	11.8%	11.3%

Fund Balance History



Impending Budget Discussion 2024-25

Topics w/financial impact not in assumptions

- State Aid
- Staffing Levels
- Grants
- Board Priorities
- Food Service, Community Ed. Impact on General Fund