

OKEMOS PUBLIC SCHOOLS

2024-25 Preliminary Budget Assumptions

Board Meeting of June 10, 2024

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

| | Most Likely |
|--|----------------------|
| Preliminary Revised Net Change in Fund Balance | \$376,095 |
| 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 | (\$2,011,194) |
| Carry forward effect on General Fund Budget (6/30/25) | (\$1,635,099) |

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 |
| +1.0 Speech & Language Pathologist | 103,720 | 103,720 | 103,720 |
| High School Textbook Proposals | 15,000 | 15,000 | 15,000 |
| Athletic Equipment, Wrestling Mats | 15,000 | 15,000 | 15,000 |
| * Compensation Reference | \$2,554,637 | \$2,581,637 | \$2,599,637 |

Steps = \$942,910

1% wages = \$462,047

Revenue Increases/Expenditure Decreases

| <u>Increases to General Fund</u> | <u>Optimistic</u> | <u>Most Likely</u> | <u>Worst Case</u> |
|--|--------------------|--------------------|--------------------|
| 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 | 15,520 |
| Increased Special Ed Categorical (CY est + 23-24 timing delay) | 99,800 | 99,800 | 99,800 |
| Changes in Operations Due to Current Grants | 103,530 | 103,530 | 103,530 |
| 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 |
| Reduction in Sections (3 at elem, .4 HS) | 347,922 | 347,922 | 347,922 |
| Childcare Programming | 500,000 | 500,000 | 500,000 |
| | \$3,650,082 | \$3,104,972 | \$2,817,052 |

Projected Impact on General Fund Budget

| | Optimistic | Most Likely | Worst Case |
|--|--------------------|----------------------|----------------------|
| Expenditure Increases/Revenue Decreases | (\$2,544,637) | (\$2,581,637) | (\$2,599,637) |
| Revenue Increases/Expenditures Decreases | 3,650,082 | 3,104,972 | 2,817,052 |
| Net Impact on General Fund Balance | \$1,095,445 | \$523,335 | \$217,415 |
| Carryforward effect on GF Budget (6/30/25) | (1,635,099) | (1,635,099) | (1,635,099) |
| Total Impact on General Fund Balance | (\$539,654) | (\$1,111,764) | (\$1,417,684) |
| <i>Fund Balance as a % of Expenditures</i> | 13.7% | 12.9% | 12.5% |

Outstanding Budget Items & Next Steps

Outstanding Budget Items

- State Aid

Next Steps

- Board Action: June 24, 2024