

Budget Assumptions/Projections Discussion



Jeff Pruefer, Business Director
January 24, 2022

Agenda

- A. Revenue Assumptions: State Budget, Enrollment, Operations and Debt Levies
- B. Expenditure Updates/Assumptions: Salaries, Benefits, Purchased Services (Utilities, Transportation, open enrollment, vouchers, CESA), Leases/Insurance
- C. ESSER Funding Update
- D. 2022-23 and Future Years (2023-2027) Financial Forecast
- E. Adherence to Operational Referendum Fund Balance Annual Targets
- F. Mill Rate History/Projection
- G. Feedback/Questions

2021-23 Biennial Budget and Future State Budget Assumptions

- Revenue Limit: \$0/pupil increase for 2022-23 (\$75/pupil for each year through 2026-27)
- Per Pupil Categorical Aid: \$0/pupil increase (Carried forward through 2026-27)
- Open Enrollment Funding: Regular & Special Education \$63/pupil increase / Future: \$100/pupil increase
- Vouchers Funding: Regular and Special Education \$63/pupil increase / Future: \$100/pupil increase
- Special Education Aid: Increased to 30% in 2022-23 and held stable through 2026-27
- Property Valuation: Estimating 1% annual increase in property valuation through 25-26
- Other Changes: Removed CARES Act Funds, Increased Local Admissions & Rentals

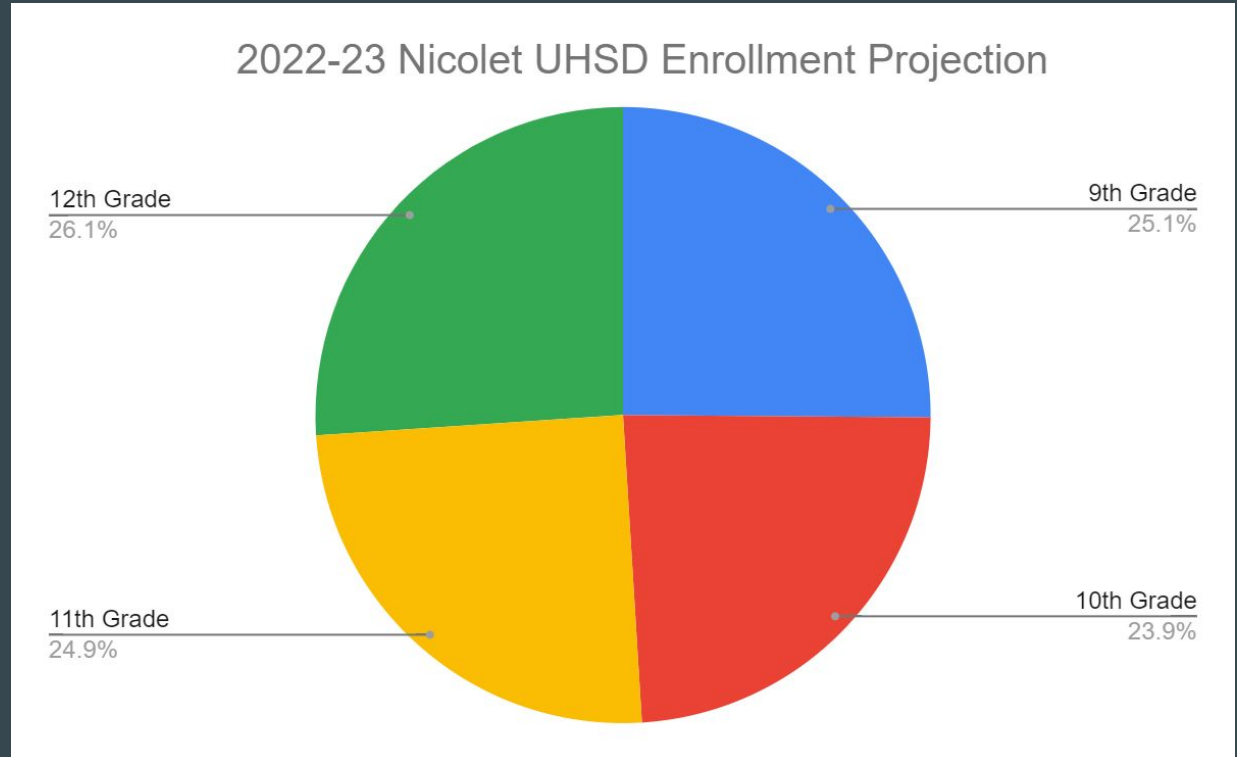
2022-23 Enrollment Assumptions

- [Link to Long-Range Enrollment Projection](#)
- Head Count: 1,071 Students (Down from 1,090 students)
 - Aligning future head count with partner school data (see attached projection for more details)
- Open Enrollment In: 5 Students (Down from 8 students)
 - Reducing to 3 students annually from 2023-2027
- Open Enrollment Out: 20 Students (Down from 21 students)
 - Maintaining at this level through 2026-27
- Summer School FTE Projection: 13 FTE (No Change)
 - Maintaining at this level through 2026-27
- Voucher Students: 24 Students (Up from 22 students)
 - Increased by 2 students annually through 2026-27
- 2022-23 FTE Projection (including summer school): 1,056 FTE (Down from 1,063)
- Three-Year FTE Average: 1,056 FTE (Up from 1,049 FTE)

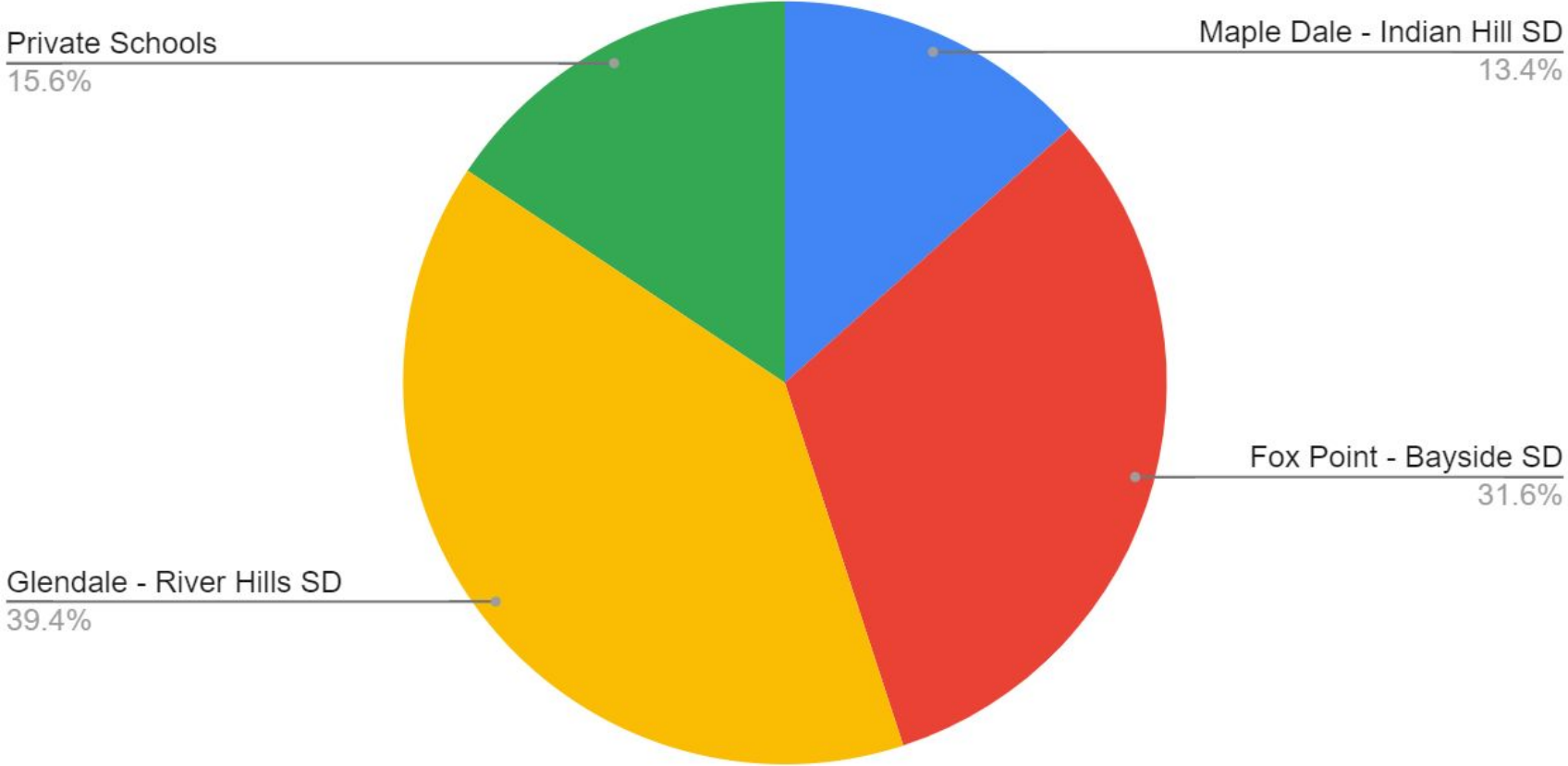
2022-23 Enrollment Projection

Head Count: 1,071 Students / Membership (FTE): 1,051 / 3 Year Mem. Avg (FTE): 1,056

Enrollment Projection	
Grade 9	269
Grade 10	256
Grade 11	267
Grade 12	279



Where are our students coming from?



Long Range Enrollment Projection

[Link to Long-Range Enrollment Projection](#)

Debt Structure Impact

- All current debt falls under revenue cap
- As debt payments increase/decrease, affects operational budget
- Debt Levy is increasing by \$87,937
- Energy Efficiency Exemption (EEE) is increasing by \$310,123
- Net Impact of Debt on Operations: \$222,186 in additional funding for Fund 10
 - Overall levy increases by the larger amount, but debt levy is increasing by a lower amount

2022-23 Expenditure Assumptions

- Salaries/Wages:
 - Teachers: Implement Compensation Model (approximately 3%)
 - Non-Teaching Staff: 4.7% Increase (CPI for July 1, 2022)
 - Estimating 2% in salary increases for future years (up from 1% in 2020)
- Health Benefits: 3.0% Increase (per Board discussions) through 2026-27
- Staff Changes
 - - 1.950 FTE Teacher Reduction (Two teacher reductions; One Teacher Addition; Overloads Removed)
 - + 0.200 FTE Addition for moving Athletic Director to 1.000 FTE in Fund 10
 - + 1.000 FTE Addition for HR Assistant/Records Retention (Temporary Role)
 - - 1.906 FTE Reduction for Special Education Paraprofessional
- WRS: Decreased to 6.5% for all staff (based on recent contribution requirements)

2022-23 Expenditure Assumptions

- Utilities (Water, Sewer, Electric, Gas): Planned 2% annual increase through 2026-27
- Transportation: Planned 4.5% increase for 2022-23 (due to high inflation); 3% annual increase through 2026-27
- CESA: Planned 2% Increase through 2026-27
- PNC and Worker's Compensation Insurance: Planned 2% increase through 2026-27
- Removal of One-Time Costs in 2021-22 (Chromebook Purchase)
- Budget requests added to projection (if recommended for approval)

ESSER Funding Update

Year	Amount Anticipated to be Spent from ESSER III	ESSER III Funds Remaining
Starting Amount (to begin 2021-22)	---	\$688,526
2021-22	\$300,000	\$388,526
2022-23	\$210,811	\$177,715
2023-24	\$177,715	---

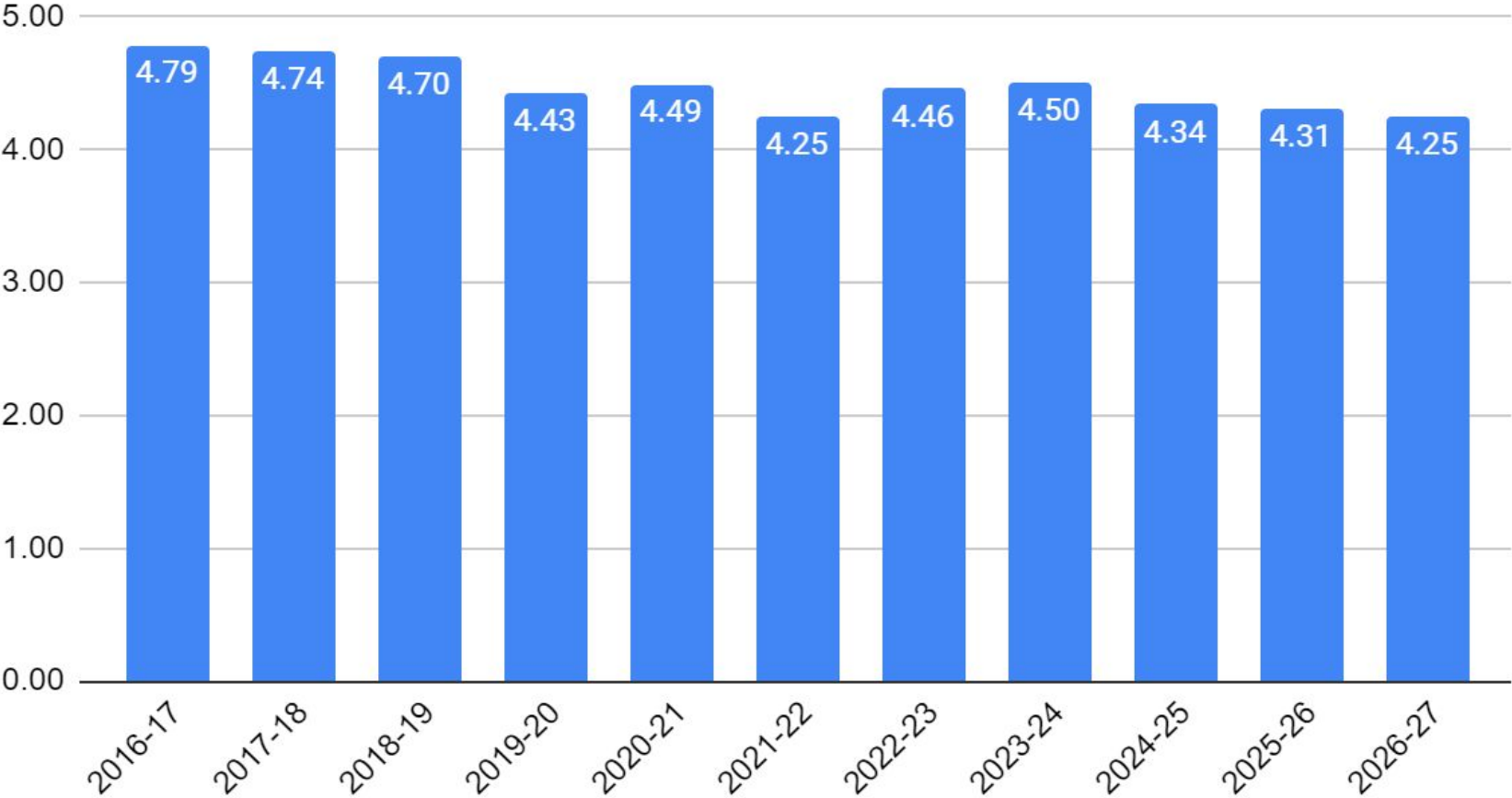
Projected 2022-23 Financial Results and Future Projected Results through 2026-27

[Link to projected financial results](#)

Adherence to Fund Balance Targets

YEAR	PROJECTED SURPLUS/DEFICIT FROM 2020	PROJECTED FUND BALANCE FROM 2020	PROJECTED SURPLUS/DEFICIT FROM 2022	PROJECTED FUND BALANCE FROM 2022
2022-23	482,001	35.23%	709,363	38.32%
2023-24	778,056	38.29%	687,948	40.74%
2024-25	369,228	39.48%	295,061	41.30%
2025-26	(216,548)	38.07%	(187,597)	39.72%
2026-27	(744,567)	34.37%	(720,962)	35.92%
2027-28	(916,761)	30.01%	TBD	TBD

Historical and Future Mill Rate Data/Projections



Feedback/Questions

Board Activity: Your chance to provide input

[Link to Assumptions Guide](#)

Where do we go from here? What is the Timeline?

- January 24, 2022: BOE Discussion to inform Budget Guidelines Development
- January 31, 2022: Finalize Budget Requests for 2022-23
- February, 2022: Prepare and present 2022-23 Budget Guidelines to BOE for approval
 - These guidelines will incorporate all of the budget assumptions discussed tonight
- March, 2022: Department Budget Development
- April, 2022: Finalize Staffing Plan and Budget Development
- May or June, 2022: Approve 2022-23 Preliminary Budget for Annual Meeting
- August, 2022: Budget Hearing and Annual Meeting
- October, 2022: Final Budget Approval for 2022-23