

# 2024-25 Budget

Presentation to the Board of Education  
February 26, 2024

## Guiding Principles

- The budget is the financial representation of our academic program.
- Our district goals must drive how we utilize our limited financial and human resources.
- We must use data to guide our decisions.
- Where possible, we will reduce staff through attrition.



# Tonight's Discussion

- State Aid
- Tax Cap
- Use of Reserves

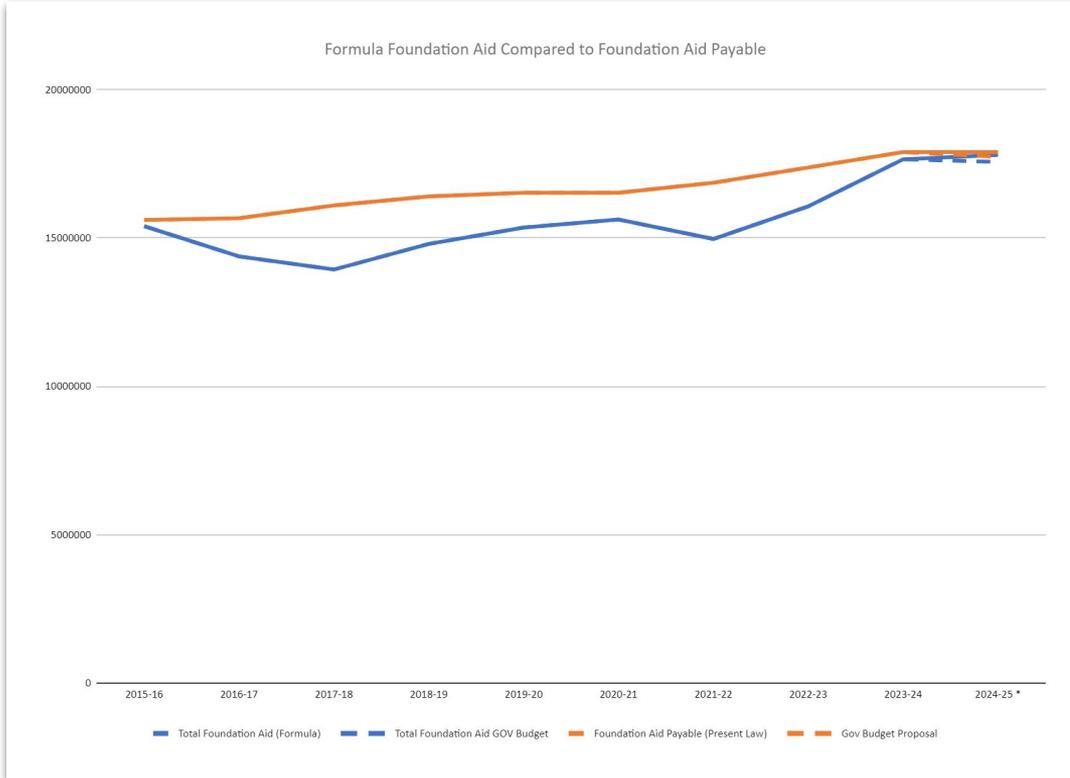


# 2024-25 State Aid

- **Foundation Aid**
  - Overfunded per Formula
- **Governor's Proposal**
  - Eliminates Hold Harmless
  - Reduces the Inflation Factor in the Formula
  - Result: \$159k Cut in Aid



# Foundation Aid



# Foundation Aid

|                       | <b>2023-2024<br/>Budgeted Aid</b> | <b>2024-25<br/>Governor's<br/>Proposal</b> | <b>2024-25 Current<br/>Law (Hold<br/>Harmless)</b> | <b>2024-2025<br/>2% Increase</b> | <b>2024-25<br/>3% Increase</b> |
|-----------------------|-----------------------------------|--|--|----------------------------------|--------------------------------|
| Foundation Aid        | \$17,897,921                      | \$17,738,628                               | \$17,897,921                                       | \$18,255,879                     | \$18,434,859                   |
| Difference to 2023-24 |                                   | (\$159,293)                                | \$0  | \$357,958                        | \$536,938                      |

## 2024-25 State Aid (Governor's Proposal)

|                   | <b>2023-2024<br/>Budgeted Aid</b> | <b>2024-2025<br/>Budgeted Aid</b> | <b>Difference</b> |
|-------------------|-----------------------------------|-----------------------------------|-------------------|
| Foundation Aid    | \$17,897,921                      | \$17,738,628                      | (\$159,293)       |
| Building Aid*     | \$3,034,428                       | \$1,509,778                       | (\$1,524,650)     |
| Reimbursable Aids | \$6,014,502                       | \$6,230,728                       | \$216,226         |
| Total             | \$26,946,851                      | \$25,479,134                      | (\$1,467,717)     |

\*Reduction in Debt Service for Old Project: \$1,091,850

# Tax Cap Factors

- Tax Base Growth Factor: 1.0103
- Allowable Growth Factor: 2%
  - CPI: 4.12%
- Capital Exclusion
  - Financing for New Project
  - Retiring Debt
  - Increase in Exclusion by \$329k (0.95%)
- ERS Exclusion
  - Greater than 2% Rate Increase
  - Rate Increase from 13.1% to 15.2%
  - 0.10% Exclusion
  - \$8,546 Exclusion

# Tax Levy Discussion

- 2024-25 Tax Levy Limit
  - 3.98% for a Total of \$36,150,533
  - Increase: \$1,384,804

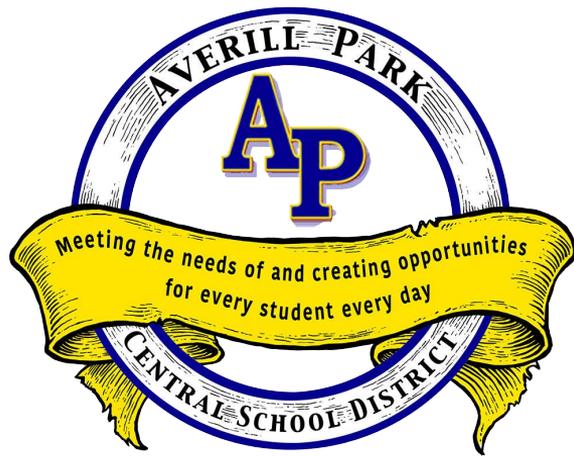


## Strategic Use of Fund Balance and Reserves

- **2023-2024 Budget- \$1,380,000 in Fund Balance & Reserves**
  - \$780,000 Appropriated Fund Balance
  - \$500,000 Employee Retirement System Reserve
  - \$100,000 Workers Compensation Reserve
- **2024-2025**
  - Increase the use of reserves to reduce layoffs

## Where Are We Now

- **Modified Rollover Budget Deficit**
  - Ranges from \$1.4 Million to \$2.1 Million
- **Recommendations:**
  - **State Aid**
    - Continue to Advocate and Monitor
  - **Tax Levy**
    - Tax Cap Max
  - **Close the Gap**
    - Increased Use of Reserves and Fund Balance



# 2024-25 Budget