

# Preliminary FY24 General Fund Budget

West Perry School District

Kenneth Medina, MBA Business Manager / Board Secretary



# Agenda / Topics

- Mission and Goals
- Project Methodology
- Key Analysis - Revenues & Expenditures
- Research Drilldown
- Options & Professional Recommendations
- Consensus-Building Timeline



# Mission

The West Perry School District Community Partnership prepares students to thrive in a diverse, changing world. We are dedicated to building positive relationships, maintaining high character, achieving academic success, and possessing necessary global values.



# Community Partnership Strategic Goals

- Maintaining growth in secondary mathematics student achievement
- Identifying and implementing curriculum responsive to social/emotional barriers to student achievement
- Maintaining increased levels of daily pupil attendance in the classroom
- Developing and achieving early childhood literacy in our elementary schools



# Budget Formulation

- The General Fund Budget is formulated to support to the best of the tax-paying constituents' ability the stated strategic goals of the organization for the fiscal period. The period under consideration is the year that ends on **June 30, 2024**.
- The Budget considers as **Revenues** funds from various sources (local, state, and federal). The portion of taxes levied by the Board (Real Estate Tax, Earned Income Tax, Per Capita Tax) amounted to \$22,815,917 or 50.0% of total Revenue for FY23.

# Budget Formulation

- The Budget then considers the limit of Total Available Resources (all revenues, uses of committed funds, and fund balances) to generally plan **Expenditures** in support of the district's stated goals.
- Expenditures may be grouped in various ways for trend analysis or strategic alignment in order to build consensus of Board Members showing continued support for its strategic Comprehensive Plan.



# FY24 Revenues

Revenues for FY24 are expected to be \$45-\$46.5 Million, depending on key factors for category estimates:

- \$25.3 Million for Local Revenue - dependent on the Real Estate Tax levied by the Board
- \$19.4 Million for State Revenue - dependent on subsidies for Regular / Special / Vocational Instruction & Pupil Transportation; and Reimbursements for Social Security & PSERS (based upon the gross payroll expense for salaries & wages)
- \$2.6 Million for Federal Revenue - dependent on Title I, II, III, IV, and other grant funding. ESSER funding TBA prior to June 2023



# FY24 Expenditures - Key Analyses

Estimated Expenditures are \$46.5 - \$48.5 Million, depending on key factors.

## Salaries and Wages

- Is the largest single category for budgetary expenditures
- Expected for a human services-providing organization
- Respects collective bargaining agreements
- Comprises 35% of total expenditures





# FY24 Expenditures - Employee Benefits

- **PSERS** rate for FY24 is 34.0%, **\$6.1 Million** estimate, driven by wages and salaries negotiated by the Board.
- Social Security, Medical, Prescription, Vision, Dental, Workers Compensation, and Life insurance benefits **\$7.3 Million** estimate.
  - Health Care rate expected to increase 8.5%-9% over the current year.
  - Information received from the South Central Trust



# FY24 Expenditures - Energy & Fuel

Electricity rates are expected to increase 8% according to current published trends.

- Analysis includes historic kW Use and weather information

Heating fuel, gasoline, and diesel fuels have increased dramatically this year and defy forecasts.

- It may prove prudent to include in calculations cost per gallon averages from December 2022 rather than forecast a decrease in prices.



# FY24 Expenditures - Charter School Tuition

- The currently recalculated tuition for FY23 is \$4.8 Million, expected to increase in FY24 due to annual recalculation of the tuition RATE.
- Estimated year-over-year cost increase from FY22 to FY23 is approximately 3.5%
- Expected FY24 calculated **CS tuition** totals **\$4.9 Million**
- No significant change to the number of students returning to district-held classes.

# Costing Options

The District maintains the opportunity to adjust expenditures through negotiating labor agreements, staffing adjustments, responsible bidding/purchasing, and by seeking alternative funding sources:

- Deploying as intended the fund balances designated for capitalized facilities maintenance/improvement set aside by the Board for capital projects or other designated commitments;
- Assigning/Changing the dollar amount of fund balance commitments, freeing-up for use in alternate commitments;
- Seeking additional grant opportunities.



# FUNDING for FY24 CPACTC project

Estimated CPACTC tuition is \$882,000 for FY24.

Proposed CAPCTC construction project Key Factors:

- Estimated annual debt service is \$206,000. WPSD pays \$103,000 in FY24 and \$206,000/yr for 19 years.
- The Capital Reserve Fund holds \$1.9 Million, from which \$103,000 can be sourced.
  - Payments totaling \$206,000 can be worked-into future years' operating budgets OR by spending down the Capital Reserve Fund OR using a combination of both sources.

# FUNDING FOR FIELD TURF REPLACEMENT

## Summer 2023

Estimated Project cost \$700,000

- The Capital Reserve Fund holds \$1.9 Million, of which \$700,000 can be deployed for athletic field replacement.
- Project can be completed without financing, bank loans, or short-term notes.
- Recommendation plans for \$1.1 Million to remain in the Capital Reserve Fund, incurs no additional debt service, nor impacts the Uncommitted/Unassigned Fund Balance of the General Fund in FY24.

# Current Year General Fund Budget Revisions

- Recommendation to revise the current year Budget to allow for expected off-setting expenditures and revenues.
- Allows for more accurate tracking of expenditures and revenues within the current year Funding Sources.
- Expected calculated expenditures of **\$1,119,373** for **Charter School Tuition** and contingency.
- Expected increased revenues of \$1,119,373 for grants.
- No change to the FY23 tax levies or ending fund balance.



# Budget Consensus Timeline



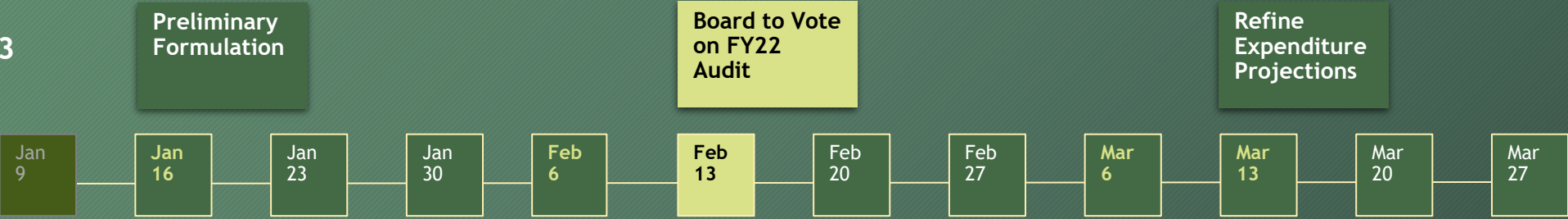
Today through June 2023



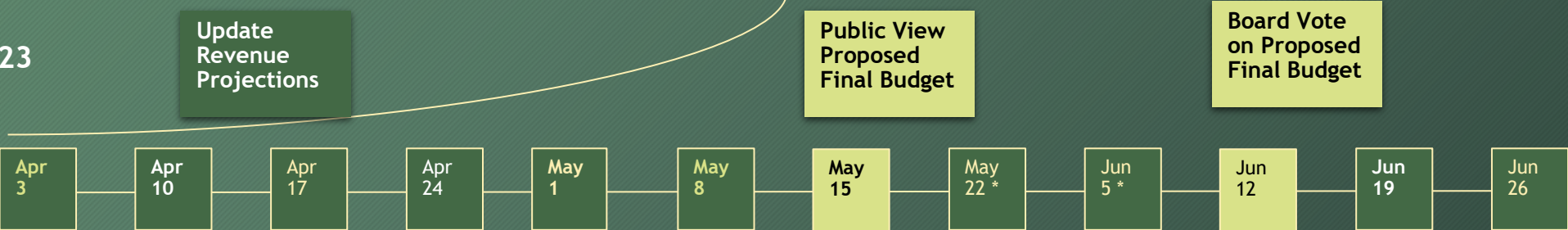


# Consensus-Building Timeline

## Third Quarter FY23



## Fourth Quarter FY23



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- Consensus-Building Timeline
- Invitation and Participation

