

Okemos Public Schools
Preliminary Budget Assumptions
2020-21

Increased Expenditures/Decreased Revenue	Optimistic	Most Likely	Worst Case
Health insurance inc's (WMHIP/MESSA 4.15%, MESSA 1/2 yr .7%, 2.075%)	126,000	126,000	126,000
MPSERS rate increase (base to 28.21% from 27.50%, eff. 10/1/20)	201,000	201,000	201,000
Teacher division advancement (8,12,16)	63,200	94,800	126,400
Additional classroom section(s) (1, 2, 3)	89,000	178,000	267,000
	\$479,200	\$599,800	\$720,400
Increased Revenue/Decreased Expenditures	Optimistic	Most Likely	Worst Case
Change in per-pupil Foundation Allowance, new base \$7,879 (+\$80,+50,0)	358,560	224,100	0
Increased enrollment (Feb +62/Oct +60,35,10) Blend 10/90	479,000	299,000	191,000
Increased Special Ed Categorical (MDE) (inc's 2019-20 timing delay)	300,000	300,000	300,000
Increase in Special Education Funding (2.1%,0%,0%) -Governor	164,000	0	0
Ingham ISD SE Funding	59,000	59,000	59,000
2019-20 Mid-year staff transitions (non-grant)	103,000	103,000	103,000
Savings from teaching staff retirements (6 gen fund, 1 grant funded)	270,000	270,000	270,000
Utility Efficiencies	72,000	72,000	72,000
	\$1,805,560	\$1,327,100	\$995,000
Projected Impact on General Fund Balance <u>before</u> Budget Considerations	\$1,326,360	\$727,300	\$274,600
Budget Reductions/Revenue Enhancements (Grants + Level 1)	\$2,025,722	\$2,025,722	\$2,025,722
Projected Impact on General Fund Balance <u>after</u> Budget Considerations	\$3,352,082	\$2,753,022	\$2,300,322
Carryforward effect on General Fund Budget (6/30/20) -proration			
\$650/Pupil Proration (\$8,529 to \$7,879)	(2,922,000)	(2,922,000)	(2,922,000)
All Other	25,741	\$25,741	25,741
	(2,896,259)	(\$2,896,259)	(2,896,259)
Total Impact on General Fund Balance <u>before</u> Rollup Costs	\$455,823	(\$143,237)	(\$595,937)
Rollup costs (Steps w/FICA & Retirement -Negotiations TBD)	672,000	672,000	672,000
Total Impact on General Fund Balance <u>after</u> Rollup Costs	(\$216,177)	(\$815,237)	(\$1,267,937)

Additional Information

Compensation reference - 1% of wages ~ \$375,000

Unassigned Fund Balance - as percentage of expenditures

Audited 6/30/17	\$ 3,713,496	7.7%
Audited 6/30/18	\$ 4,730,529	9.5%
Audited 6/30/19	\$ 5,518,566	10.7%
2019-20 1st Revision, Nov	\$ 5,593,566	10.2%
2019-20 2nd Revision, June	\$ 2,795,948	5.2%
<i>Pro Forma 6/30/21</i>		
<i>optimistic</i>	\$ 2,579,771	4.8%
<i>most likely</i>	\$ 1,980,711	3.7%
<i>worst case</i>	\$ 1,528,011	2.8%