

Board of Education Committee of the Whole

2024-2025 Revised Budget, ESSER III and 31aa Updates

Sandra Elka, Assistant Superintendent, Business & Operations

Amy Dagenhardt, Director of Finance & Budget

November 7, 2024



General Fund FY24/25 Original & Revised Budget

	2024-2025 Original Budget	Change	2024-2025 Revised Budget 8/1/24	Change	2024-2025 Revised Budget 11/7/24
	<i>In millions</i>				
Revenues	\$121.0	\$0.8	\$121.8	\$0.50	\$122.30
Expenditures	\$120.6	(\$0.2)	\$120.4	\$0.65	\$121.05
Net	\$0.4	\$1.0	\$1.4	(\$0.15)	\$1.25
Fund Balance – Beg	\$16.9		\$16.9		\$16.90
Fund Balance - End	\$17.3		\$18.3		\$18.15



FY24/25 General Fund Revised Budget – recurring versus one-time *updated 11/7/24*

Revenue	Recurring	One Time	Total
Original Revenue			121.0M
Total Local	0.5M		0.5M
Total State	(1.6M) + 0.2M + (1.4M) = (3.3M)	3.6M	0.3M
Change in Revenue	(2.8M)	3.6M	
Revised Revenue			121.8M

As of August 1, 2024

Revenue

Recurring

- Foundation Allowance (reduce from original budget of \$241 per pupil) decrease (\$1.6 million)
- Special Education rule change increase \$0.2 million
- 31aa Mental Health/Security grant decrease (\$1.4 million)

Non-Recurring or one-time

- MPSERS UAAL OPEB offset increase \$3.6 million

Revenue	Recurring	One Time	Total
Original Revenue			121.0M
Total Local	0.5M		0.5M
Total State	(1.6M) + 0.2M + (1.4M) + 3.6M + 0.1M = 0.4M	0.4M	0.8M
Change in Revenue	0.9M	0.4M	
Revised Revenue			122.3M

As of October 3, 2024 and November 7, 2024

Revenue

Recurring

- Foundation Allowance (reduce from original budget of \$241 per pupil) decrease (\$1.6 million)
- Special Education rule change increase \$0.2 million
- 31aa Mental Health/Security grant decrease (\$1.4 million)
- MPSERS UAAL OPEB offset increase \$3.6 million **HB5803 (S-1) approved by both chambers & sent to Governor to sign, makes the rate decrease recurring in FY25/26**
- Enrollment increase from budget net of declining enrollment categorical \$0.1M

Non-Recurring or one-time

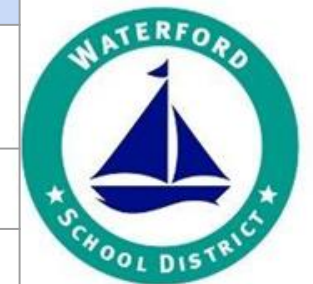
- 31aa Mental Health/Security grant increase \$0.4 million **HB5303 (H-2) increased funding, \$0.4M funds available in the spring of 2025**

FY24/25 General Fund Revised Budget – enrollment update

Item	Calculation	Change	Cumulative Change
Original Budget			
Student Count Change FTE	(130) Student FTE x \$9,608	(\$1.3M)	(\$1.3M)
Declining Enrollment Categorical FTE	65 student FTE x \$9,849	\$0.65M	\$0.65M
Net Revenue		(\$0.65M)	(\$0.65M)
Update as of 10/3/24			
Student Count Change FTE (week before count day)	45 student FTE X \$9,608 [(130) + 45 = (85) student FTE net]	\$0.4M	(\$0.9M)
Declining Enrollment Categorical FTE	(22.5) student FTE X \$9,608	(\$0.2M)	\$0.45M
Net Revenue Adjustment		\$0.2M	(\$0.45M)
Update as of 11/7/24			
Student Count Change FTE (week before certification day)	(28) student FTE X \$9,608 [(130) + 45 + (28) = (113) student FTE net]	(\$0.2M)	(\$1.1M)
Declining Enrollment Categorical FTE	14 student FTE X \$9,608	\$0.1M	\$0.55M
Net Revenue Adjustment		(\$0.1M)	(\$0.55M)

Original budgeted
FTE: 6,761
Original headcount:
6,946

11/7/24 update
Budgeted FTE:
6,778
(17 FTE more than
original budget)



FY24/25 General Fund Revised Budget – recurring versus one-time *updated 10/3/24*

Expenditures	Recurring	One Time	Total
Original Expenditures			120.6M
Total Instruction	(0.2M) + (0.2M) + 0.2M = (0.2M)		(0.2M)
Chg in Expenditures	(0.2M)		
Revised Expenditures			120.4M

As of August 1, 2024

Expenditures

Recurring

- Additional staffing reduction of 2.0 FTE (\$0.2 million)
- Reduction of 6.5 FTE permanent building subs (\$0.2 million)
- New ASD classroom increase \$0.2 million

Expenditures	Recurring	One Time	Total
Original Expenditures			120.6M
Total Instruction	(0.2M) + (0.2M) + 0.2M + (0.1M) + (0.1M) = (0.4M)	(.05M) + 0.6M = 0.55M	0.15M
Total Support		0.3M	0.3M
Chg in Expenditures	(0.4M)	0.85M	
Revised Expenditures			121.05

As of October 3, 2024

Expenditures

Recurring

- Additional staffing reduction of 2.0 FTE (\$0.2 million)
- Reduction of 6.5 FTE permanent building subs (\$0.2 million)
- New ASD classroom increase \$0.2 million
- Re-organized CIA position (\$0.1M)
- Additional staffing reduction of 1.0 FTE (\$0.1M) (total of 7.0 FTE)

Non-Recurring or one-time

- PAVA coordinator leave vacant for 24/25 (\$0.05M)
- Allocation for one-time stipends for FY24/25 \$0.9M

General Fund Structural Deficit *as of 8/1/24*

Item	Total
Expense increase rolled over from 23/24 Revised Budget *	10.3M
Recurring Revenue rolled over from 23/24 Revised Budget	(7.6M)
MPSERS Offset (amount in expenditure above)	(1.7)
MPSERS Additional funds (no offset in expenditures)	(2.8)
Special Education increase	(2.0)
At Risk increase	(1.1)
Structural deficit for 23/24	2.7M
Recurring Expenditure Changes for 24/25 Original & Revised Budget	(0.5M)
Staff reductions	(0.6M)
Reduce permanent subs	(0.2M)
Salary step increases	0.8M
New ASD classroom	0.2M
Maintenance reduction	(0.7M)
Recurring Revenue Changes for 24/25 (revised budget)	2.8M
Foundation allowance not increased (projected \$241PP)	1.6M
Mental Health/Safety grant (projected \$1.5M)	1.4M
Special Ed rule change adjustment	(0.2M)
Structural Deficit for 24/25	5.0M

(Recurring Funds Only)

- NOTE: expenditures included in \$10.3M are:
 - Does not include \$2M federal grants (both revenue & expense)
 - Previous staff increases (new increases are part of Salary Step increase each FY)
 - FY24 increases in the custodial/ maintenance/ transportation departments
 - No new items as of 8/1/24**



General Fund Structural Deficit *as of 11/7/24*

Item	Total
Expense increase rolled over from 23/24 Revised Budget *	10.3M
Recurring Revenue rolled over from 23/24 Revised Budget	(7.6M)
Structural deficit for 23/24	2.7M
Recurring Expenditure Changes for 24/25 Original & Revised Budget	(0.7M)
Staff reductions	(0.6M)
Reduce permanent subs	(0.2M)
Salary step increases	0.8M
New ASD classroom	0.2M
Maintenance reduction	(0.7M)
Staff reductions and reorganization	(0.2M)
Recurring Revenue Changes for 24/25 (revised budget)	(0.9M)
Foundation allowance not increase (projected \$241PP)	1.6M
Mental Health/Safety grant (projected \$1.5M)	1.4M
Special Ed rule change adjustment	(0.2M)
UAAL Rate reduction permanent	(3.6M)
Enrollment increase less declining enrollment categorical	(0.1M)
Structural Deficit for 24/25	1.1M

(Recurring Funds Only)

- NOTE: expenditures included in \$10.3M are:
 - Does not include \$2M federal grants (both revenue & expense)
 - Previous staff increases (new increases are part of Salary Step increase each FY)
 - FY24 increases in the custodial/ maintenance/ transportation departments
 - New items since 8/1/24 in red



General Fund FY24/25 Original & Revised Budget

	2024-2025 Original Budget	Change	2024-2025 Revised Budget 8/1/24	Change	2024-2025 Revised Budget 11/7/24
	<i>In millions</i>				
Revenues	\$121.0	\$0.8	\$121.8	\$0.50	\$122.30
Expenditures	\$120.6	(\$0.2)	\$120.4	\$0.65	\$121.05
Net	\$0.4	\$1.0	\$1.4	(\$0.15)	\$1.25
Fund Balance – Beg	\$16.9		\$16.9		\$16.90
Fund Balance - End	\$17.3		\$18.3		\$18.15



Revenue Watch Points

- Continue to monitor internal **enrollment numbers** into August and September; official count is in October; certified November
- Follow any State Legislature **budget supplemental bills** including information on the Employer OPEB funds
 - 2024-25 Budget signed by Governor July 23, 2024
 - **HB5803 (S-1) - permanently reduced the UAAL rate by 5.75% beginning in 2025-26 \$3.6M**
 - **HB5503 (H-2) - increased 31aa to \$125M effective Spring of 2025 \$0.4M**



Expenditure Next Steps

- Transportation – make routing changes to reduce third-party vendors
- Custodial – adjust cleaning schedules
- Maintenance – prioritize non-bondable projects
- Formulate a committee of stakeholders to determine structural reductions
- Cabinet is discussing cost containment measures for immediate implementation
- Regular budget reports for review



Timeline

- June 20, 2024 – The Board takes action on the 2023-2024 Revised Budget and the 2024-2025 Original Budget *completed*
- TBD - When the Governor signs a School Aid Fund budget, an updated budget will be prepared for the Board with the impact to WSD *signed 7/23/24*
- July 11 – 12, 2024 - Financial Audit Preliminary Field Work *completed*
- September 9 – 20, 2024 - Financial Audit On-Site Field Work *completed*
- November 21, 2024 (*tentative*) – Presentation of Audit to Board of Education
- December 5, 2024 – Budget update to Board



ESSER III Update (9/30/23 w/Tydings Amend 9/30/24)

Award	Spent 9/30/2024	Available
\$10,016,563	\$10,016,563	\$0
Funding Category	Final Exp.	
Addressing Learning Loss/Summer Learning (Camp WSD, Lexia/Successmaker/Powerup, Dreambox, ELA Curriculum Supports)	\$2,532,045	
Provide School Leaders Resources to Address Needs (Nurse, Smore, Teaching Supplies/Engagement Materials)	\$250,385	
Continuity of Services/Maintain Operations (Permanent Guest Teachers, DM Burr Incentive, Google Workspace)	\$2,293,305	
Implementing Evidence Based Activities (ELA Curriculum, Math Curriculum, Science Materials/Consultant, Social Studies Curriculum, Spanish Curriculum, AP Curriculum, DEI, PD, PBL Leaders, ELA/Math Leaders, Illuminate, Activate Learning)	\$3,833,085	
Purchase of Educational Technology (GoGuardian Cyber Security, Chromebooks, Calculators, Headphones)	\$630,810	
Purchase Supplies/Sanitation/Indoor Air Quality/Preparedness Efforts (PPE, Wipes, Sanitizers, MERV Filters, Clear to Go, Instrument Covers)	\$444,380	
Indirect Cost	\$32,553	



31aa Update FY23/24 Allocation

Per Pupil Award	Allocated	Available
\$1,609,318	\$1,609,318	\$0

Funding Category	Allocation
Mental Health	
Support Staff for Mental Health (School Safety Coordinators at Secondary)	\$345,000
Any Other Service to Improve or Maintain Health of Students and Staff (School Permanent Building Guest Teachers)	\$744,918
School Safety	
Safety Infrastructure (Cameras, Window Screens/Film, Technology Security Software, iPhone Video Intercom Replacement)	\$372,400
Any other school safety service or product necessary to improve or maintain security in buildings (Unity Bus Cameras, Navigate 360)	\$147,000

