



**Saint Paul**  
PUBLIC SCHOOLS

# Fiscal Year 2023-24 Proposed Budget

**Board of Education**

Tom Sager, Executive Chief of Financial Services

June 20, 2023

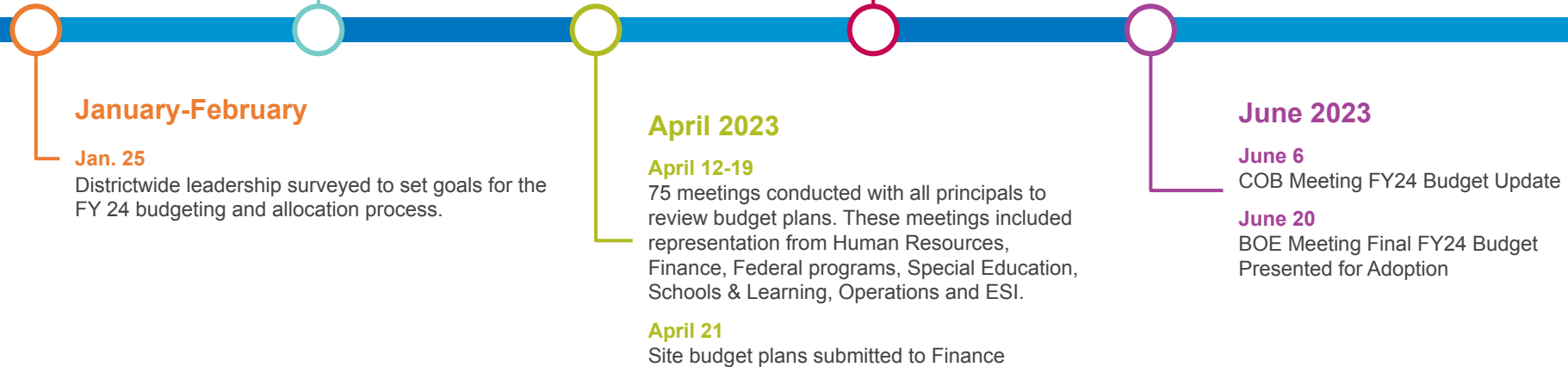
# Purpose of Tonight's Presentation

To present and recommend the proposed Fiscal Year 24 budget for approval

## Topics:

- Timelines and Parameters
- Revenue – All Funds
- Expenditures – All Funds
- Projected FY24 Ending Fund Balances
- Summary of Main Points
- Next Steps: Summer Plans for Budget Engagement
- Recommendation

# Overview of Timeline



# Current Assumptions and Parameters for Fiscal Year 24

- State funding formula: Base allocation, Special Ed and EL cross subsidy, compensatory aid
- Enrollment
- Employment contract agreements
- Unemployment insurance and Family and Medical Leave
- Continued investments in the strategic plan, comprehensive school structures, ESSER strategies, and new opportunities such as East African Magnet School
- Anticipated general fund deficit spend in FY24 that will keep district in compliance with Board policy of maintaining at least a 5 percent fund balance

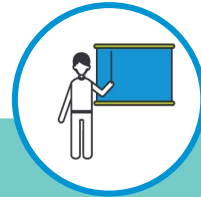
# Strategic Investments



**Students**



**Schools**



**Staff**



**Families &  
Community**



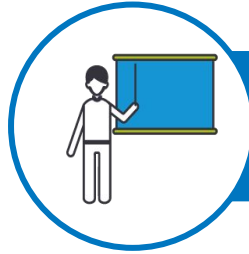
# Investments in Students

- Major reduction of split grade classes at elementary schools
  - 12 projected split (composite) classrooms (-37 from FY23)
- Increased fidelity to the Middle School Model
- High school staffing
  - Reducing 9th and 10th grade study halls
- Continuation of ESSER II-funded programs and services



## Investments in Schools

- Yellow buses for Harding and Washington Tech
- Safety and security enhancements
  - Increased School Support Liaisons (SSLs)
  - Security cameras
  - Phone system upgrade



# Investments in Staff

- Teacher Hiring bonuses
  - \$10,000 bonuses: 52 out of 70 have been awarded
  - \$4,000 bonuses: 12 out of 60 have been awarded
- Staffing adjustments
  - 166 positions eliminated during budget season districtwide
  - No layoffs for EA, TA, SCSP or Teachers
  - 62 teachers on the teacher placement list
- Retention strategies
- New Educator Week
- Unemployment and Family Medical Leave
- Collective bargaining agreements





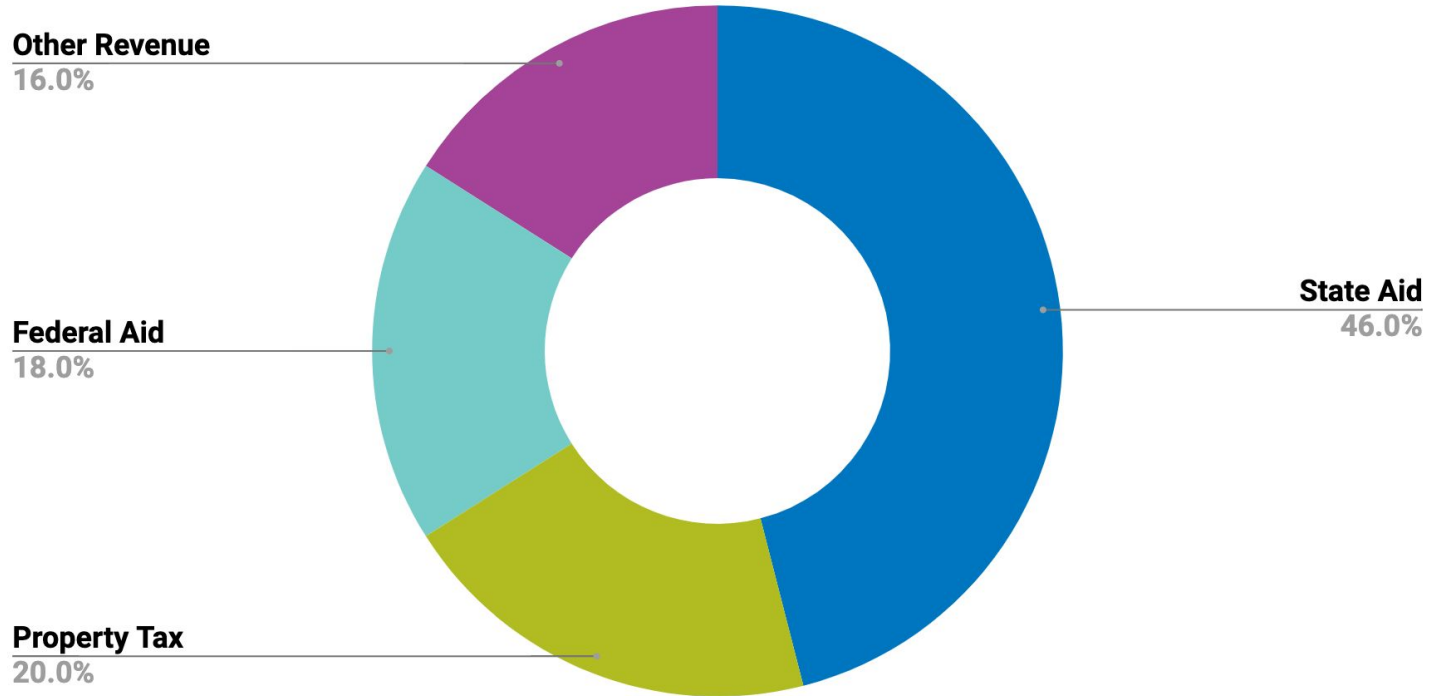
# Investments in Families & Community

- East African Elementary Magnet School
- Expansion of Pre-K options
  - Head Start
  - Nature Discovery Pre-K
  - Early Childhood Hubs

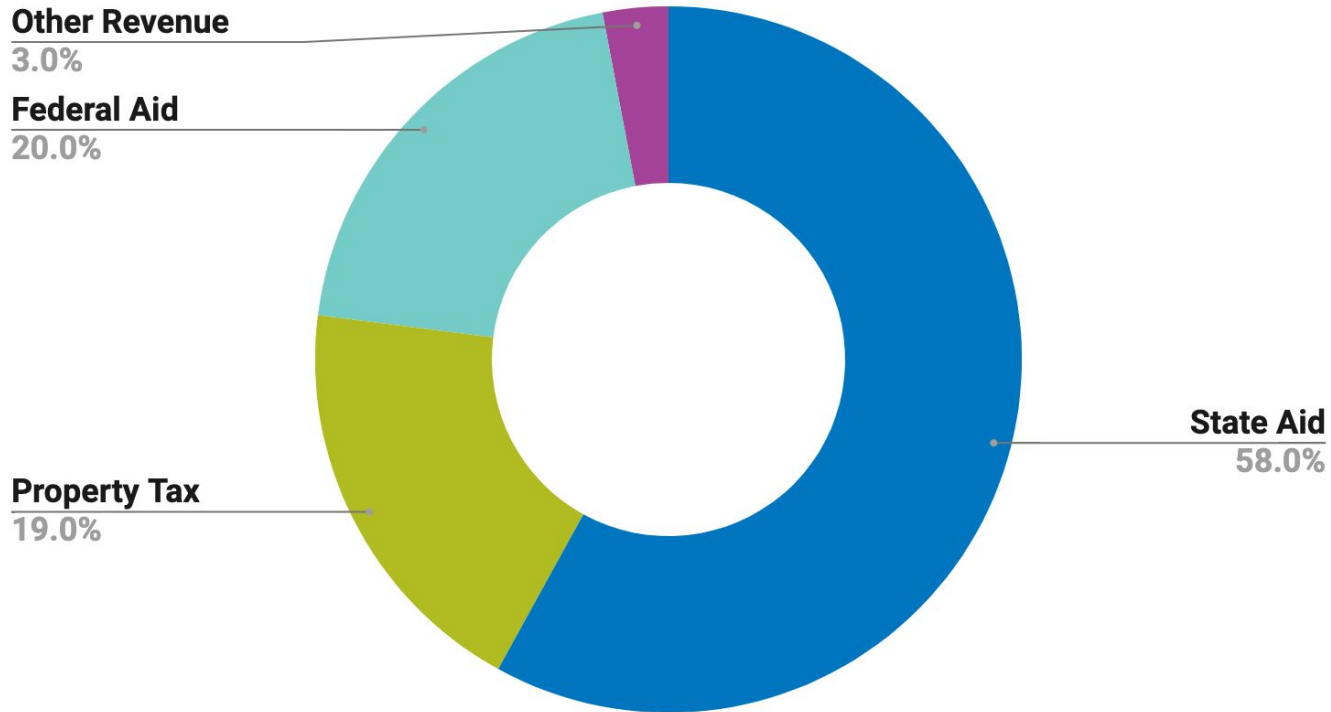
# All Funds - Revenue Changes

Funds	FY23 Adopted Budget	FY24 Proposed Budget	Change
General Fund	\$719,228,924	\$766,654,615	\$47,425,691
Food Service	30,519,035	28,782,398	(1,736,637)
Community Service	30,684,954	33,635,302	2,950,348
Building Construction	71,000,000	135,000,000	64,000,000
Debt Service	50,946,515	56,763,413	5,816,898
<b>Total Revenue</b>	<b>\$902,379,428</b>	<b>\$1,020,835,728</b>	<b>\$118,456,300</b>

# FY24 Total Revenue by Source



# FY24 General Fund Revenue Sources



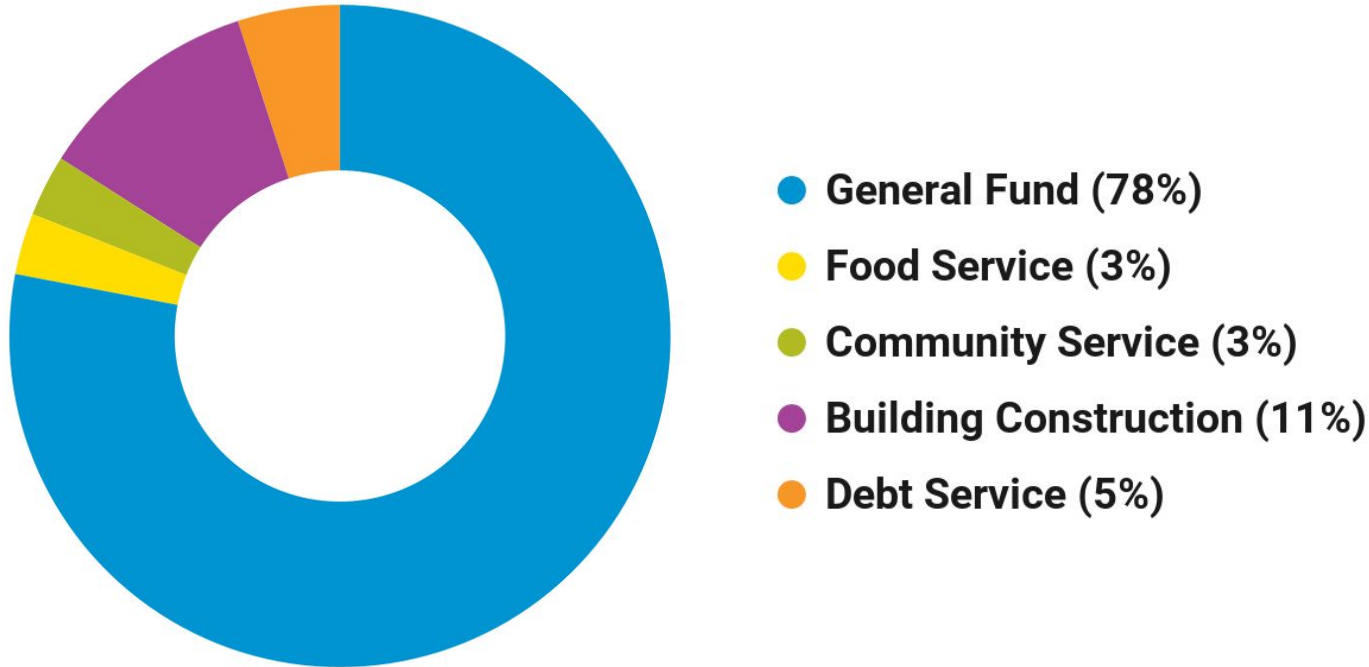
# FY24 General Fund Revenue

<b>General Fund Revenue</b>	<b>FY 2022-23 Adopted Budget</b>	<b>FY 2023-24 Proposed Budget</b>	<b>Difference</b>
State Revenue	\$297,069,681	\$288,706,481	\$(8,363,200)
Levy	143,841,363	147,199,735	3,358,372
Comp Ed	54,578,042	71,175,991	16,597,949
Special Education	62,000,000	86,086,729	24,086,729
Federal Revenue	153,226,223	154,040,421	814,198
Other Revenue	8,513,618	19,445,258	10,931,643
<b>Total</b>	<b>\$719,228,924</b>	<b>\$766,654,615</b>	<b>\$47,425,691</b>

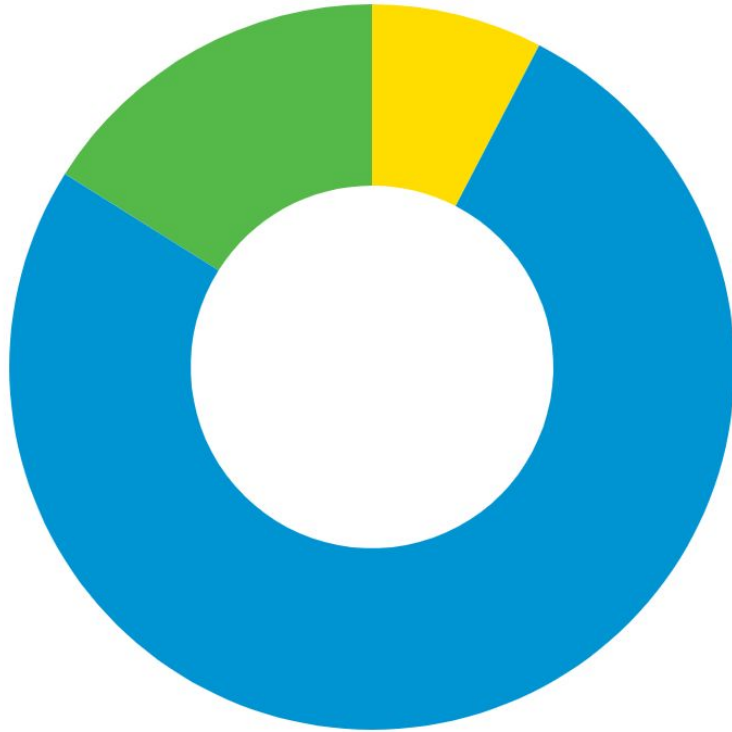
# All Funds - Expenditure Changes

Funds	FY23 Adopted Budget	FY24 Proposed Budget	Change
General Fund	\$719,228,924	\$801,094,756	\$81,865,832
Food Service	33,405,175	33,615,466	210,291
Community Service	30,687,841	35,149,600	4,461,759
Building Construction	73,752,699	114,685,153	40,932,454
Debt Service	51,953,103	51,333,088	(620,015)
<b>Total Expenditures</b>	<b>\$909,027,742</b>	<b>\$1,035,878,063</b>	<b>\$126,850,321</b>

# FY24 Expenditures by Fund



# FY24 General Fund Expenditures



- Administration Support Services (8%)
- Student Programs & Services (76%)
- Maintenance Operations, Equipment & Other Fiscal Expense (16%)





3. Pay for  
Priorities

# FY23 General Fund Allocations

	<b>FY2022-23 Adopted Budget</b>	<b>FY2023-24 Proposed Budget</b>
School Sites	\$419,941,289	454,013,719
School Support Services	186,736,862	203,738,110
Maintenance Operations, Equipment & Other Fiscal Expense	78,415,876	101,845,377
Districtwide Support Services	26,336,471	34,711,505
Administration*	7,798,426	6,786,045
<b>Total</b>	<b>\$719,228,924</b>	<b>\$801,094,756</b>

as of 6/20/23

# Summary All Funds - Fund Balance Budget

	Beginning Fund Balance	FY24 Proposed Revenue Budget	FY24 Proposed Expenditure Budget	Projected Ending Fund Balance
General Fund	\$165,721,421	\$766,654,615	\$801,094,756	\$131,281,280
Food Service Fund	7,580,115	28,782,398	33,615,465	2,747,048
Community Service Fund	12,071,056	33,635,320	35,149,600	10,556,758
Capital Projects Fund	125,279,340	135,000,000	114,685,153	145,594,187
Debt Service Fund	48,424,260	56,763,413	51,333,088	53,854,585
<b>Total – All Funds</b>	<b>\$359,076,192</b>	<b>\$1,020,835,728</b>	<b>\$1,035,878,063</b>	<b>\$344,033,857</b>

# Summary of Key Points for FY24 Budget

1. Increases in new state aid revenue are positive. Some of that is offset by revenue loss due to declining enrollment and ESSER II funding expiring.
2. District plans to draw down part of its general fund balance to maintain existing programming, student supports and new initiatives.
3. Unassigned general fund balance is anticipated to be 5.2 percent at the end of FY24. This remains in compliance with School Board Policy 701.01.
4. ESSER III funds will expire after FY24. SPPS anticipates budget prioritization and realignment for FY25.
5. Anticipated increase in construction fund revenue is based on anticipated bond sale in early FY24 to continue SPPS Builds initiatives.

# Next Steps: Public Engagement and Planning for FY25 Budget Planning

1. June/July: Senior Leadership Team researches options
2. July: Senior Leadership Team creates scope of engagement plan and calendar timeline
3. August COB: Senior Leadership Team presents School Board with a draft plan for public engagement for the FY25 budget
4. August BOE: Senior Leadership Team presents final plan for public engagement
5. September: District begins to implement engagement and communications plan

# Engagement for Process Improvement



Engaging with students



Community conversations with Marnita's Table



75 budget meetings with school and department staff

# Recommendation

District Administration recommends School Board approval and adoption of the Fiscal Year 2023-24 Proposed Budget as presented.