

BEA Bargaining Articles 10, 17, 18 & 19, Payroll MOU

June 10, 2024

Cost Summary - BEA Articles 10, 17 and payroll MOU

- Article 10 \$162,100,000
- Article 17 \$200,000
- Payroll MOU \$30,600,000

BEA Proposal Article 10 Impacts \$162,100,000

Reference	Amount	Notes
A.3 (evenings)	\$ 1,000,000	
A.5 (duties)	Not determined	
B.1, B.2, B.3 (plan time)	Not determined	
B.10 (meetings)	Not determined	
C.3.a-g (class size)	\$105,700,000	728 FTE, SAM
C.4.a-c (caseloads)	\$ 24,200,000	168 FTE, separate from above
C.5.a-d (ratios)	\$ 25,500,000	192 FTE, SAM
D.4 (5 courses A/B)	\$ 5,700,000	39 FTE, separate from above

BSD Counter Proposal - Articles 18 & 19

- Three-year COLA proposed at 3.5% each year
- Three-year health insurance cap increase \$75/month each year (\$900/year)

Financial Forecast - Assumptions

- Based on actuals and projections
- Assumes \$10.2B SSF in 2023-2025, \$11.12B in 2025-2027 (9% increase)
- Assumes enrollment declines based on demographer assumptions through 2025-26, flat after
- Includes step increases and 3.5% COLA each year (all groups)
- Includes staffing added or maintained in the 2024-25 Approved Budget
- Does not include SIA or HSS funds
- Based on the best information we have today

Financial Forecast Based on BSD Proposal

BSD Financial Impact 6-10-24

Resources	2022-2023 Actual	2023-2024 Estimated	2024-2025 Estimated	2025-2026 Estimated	2026-2027 Estimated
Beginning Fund Balance	\$ 109,645,221	\$ 138,652,119	\$ 160,400,000	\$ 144,424,173	\$ 110,081,445
State Controlled	476,178,315	497,279,511	511,182,005	525,029,305	537,072,564
Locally Controlled	66,454,016	69,214,817	69,242,838	69,259,910	70,362,389
Total	\$ 652,277,552	\$ 705,146,447	\$ 740,824,843	\$ 738,713,388	\$ 717,516,398
Expenditures	2022-2023 Actual	2023-2024 Estimated	2024-2025 Estimated	2025-2026 Estimated	2026-2027 Estimated
Salaries	\$ 289,468,762	\$ 303,013,573	\$ 328,352,316	\$ 346,399,236	\$ 365,452,603
Benefits	169,554,436	180,501,161	198,165,968	209,031,888	219,360,693
All Other	54,602,235	61,231,713	69,882,386	73,200,819	77,712,485
Total	\$ 513,625,433	\$ 544,746,447	\$ 596,400,670	\$ 628,631,943	\$ 662,525,781
Surplus/(Deficit)	29,006,898	21,747,881	(15,975,827)	(34,342,728)	(55,090,828)
Ending Fund Balance	\$ 138,652,119	\$ 160,400,000	\$ 144,424,173	\$ 110,081,445	\$ 54,990,617
Financial Reserve (PERS)	17,163,350	31,600,000	37,600,000	43,600,000	49,600,000
Total Reserves	\$ 155,815,469	\$ 192,000,000	\$ 182,024,173	\$ 153,681,445	\$ 104,590,617

Financial Forecast Differential

COLA and CAP Differential Analysis 6-10-24

Resources	2022-2023 Actual	2023-2024 Estimated	2024-2025 Estimated	2025-2026 Estimated	2026-2027 Estimated
Beginning Fund Balance	\$ 109,645,221	\$ 138,652,119	\$ 160,400,000	\$ 120,520,351	\$ 44,231,284
State Controlled	476,178,315	497,279,511	511,182,005	525,029,305	537,072,564
Locally Controlled	66,454,016	69,214,817	69,242,838	69,259,910	70,362,389
Total	\$ 652,277,552	\$ 705,146,447	\$ 740,824,843	\$ 714,809,566	\$ 651,666,237
Expenditures	2022-2023 Actual	2023-2024 Estimated	2024-2025 Estimated	2025-2026 Estimated	2026-2027 Estimated
Salaries	\$ 289,468,762	\$ 303,013,573	\$ 328,352,316	\$ 346,399,236	\$ 365,452,603
Benefits	169,554,436	180,501,161	198,165,968	209,031,888	219,360,693
All Other	54,602,235	61,231,713	69,882,386	73,200,819	77,712,485
Licensed Differential (salary/cap)			23,903,822	41,946,339	28,974,190
Total	\$ 513,625,433	\$ 544,746,447	\$ 620,304,492	\$ 670,578,282	\$ 691,499,971
Surplus/(Deficit)	29,006,898	21,747,881	(39,879,649)	(76,289,067)	(84,065,018)
Ending Fund Balance	\$ 138,652,119	\$ 160,400,000	\$ 120,520,351	\$ 44,231,284	\$ (39,833,734)
Financial Reserve (PERS)	17,163,350	31,600,000	37,600,000	43,600,000	49,600,000
Total Reserves	\$ 155,815,469	\$ 192,000,000	\$ 158,120,351	\$ 87,831,284	\$ 9,766,266

Financial Forecast Differential Including BEA Articles 10, 17, Payroll MOU

COLA and CAP Differential Analysis 6-10-24

Resources	2022-2023 Actual	2023-2024 Estimated	2024-2025 Estimated	2025-2026 Estimated	2026-2027 Estimated
Beginning Fund Balance	\$ 109,645,221	\$ 138,652,119	\$ 160,400,000	\$ (72,379,649)	\$ (319,884,216)
State Controlled	476,178,315	497,279,511	511,182,005	525,029,305	537,072,564
Locally Controlled	66,454,016	69,214,817	69,242,838	69,259,910	70,362,389
Total	\$ 652,277,552	\$ 705,146,447	\$ 740,824,843	\$ 521,909,566	\$ 287,550,737
Expenditures	2022-2023 Actual	2023-2024 Estimated	2024-2025 Estimated	2025-2026 Estimated	2026-2027 Estimated
Salaries	\$ 289,468,762	\$ 303,013,573	\$ 328,352,316	\$ 346,399,236	\$ 365,452,603
Benefits	169,554,436	180,501,161	198,165,968	209,031,888	219,360,693
All Other	54,602,235	61,231,713	69,882,386	73,200,819	77,712,485
Licensed Differential (salary/cap)			23,903,822	41,946,339	28,974,190
BEA Article 10 Cost Impacts			162,100,000	171,015,500	180,421,353
BEA Article 17 Cost Impacts			200,000	200,000	200,000
BEA Payroll Adjustment MOU			30,600,000	-	-
Total	\$ 513,625,433	\$ 544,746,447	\$ 813,204,492	\$ 841,793,782	\$ 872,121,324
Surplus/(Deficit)	29,006,898	21,747,881	(232,779,649)	(247,504,567)	(264,686,371)
Ending Fund Balance	\$ 138,652,119	\$ 160,400,000	\$ (72,379,649)	\$ (319,884,216)	\$ (584,570,587)
Financial Reserve (PERS)	17,163,350	31,600,000	37,600,000	43,600,000	49,600,000
Total Reserves	\$ 155,815,469	\$ 192,000,000	\$ (34,779,649)	\$ (276,284,216)	\$ (534,970,587)

Reduction Scenario

Reduction Scenario 6-10-24

Resources	2022-2023 Actual	2023-2024 Estimated	2024-2025 Estimated	2025-2026 Estimated	2026-2027 Estimated
Beginning Fund Balance	\$ 109,645,221	\$ 138,652,119	\$ 160,400,000	\$ 29,020,351	\$ 30,985,784
State Controlled	476,178,315	497,279,511	511,182,005	525,029,305	537,072,564
Locally Controlled	66,454,016	69,214,817	69,242,838	69,259,910	70,362,389
Total	\$ 652,277,552	\$ 705,146,447	\$ 740,824,843	\$ 623,309,566	\$ 638,420,737
Expenditures	2022-2023 Actual	2023-2024 Estimated	2024-2025 Estimated	2025-2026 Estimated	2026-2027 Estimated
Salaries	\$ 289,468,762	\$ 303,013,573	\$ 328,352,316	\$ 346,399,236	\$ 365,452,603
Benefits	169,554,436	180,501,161	198,165,968	209,031,888	219,360,693
All Other	54,602,235	61,231,713	69,882,386	73,200,819	77,712,485
Licensed Differential (salary/cap)			23,903,822	41,946,339	28,974,190
BEA Article 10 Cost Impacts			162,100,000	171,015,500	180,421,353
BEA Article 17 Cost Impacts			200,000	200,000	200,000
BEA Payroll Adjustment MOU			30,600,000	-	-
Reduction Year 1 (24-25)			(101,400,000)	(106,470,000)	(111,793,500)
Reduction Next Biennium Year 1				(143,000,000)	(150,150,000)
Total	\$ 513,625,433	\$ 544,746,447	\$ 711,804,492	\$ 592,323,782	\$ 610,177,824
Surplus/(Deficit)	29,006,898	21,747,881	(131,379,649)	1,965,433	(2,742,871)
Ending Fund Balance	\$ 138,652,119	\$ 160,400,000	\$ 29,020,351	\$ 30,985,784	\$ 28,242,914
Financial Reserve (PERS)	17,163,350	31,600,000	37,600,000	43,600,000	49,600,000
Total Reserves	\$ 155,815,469	\$ 192,000,000	\$ 66,620,351	\$ 74,585,784	\$ 77,842,914

Questions & Comments?