

Meeting Objectives

1. Introduction
2. Transparency
3. State Funding
4. Property Tax Reform
5. Financial Overview
6. Expense Reductions in 26-27
7. Q & A

State Funding

- State funding this year compared to last year is down approximately \$260,000
- Why??
- FY24– our state share of cost per student expenses was 57% of 2022 base cost expenses
- FY26–our state share is 47% of 2022 base cost expenses

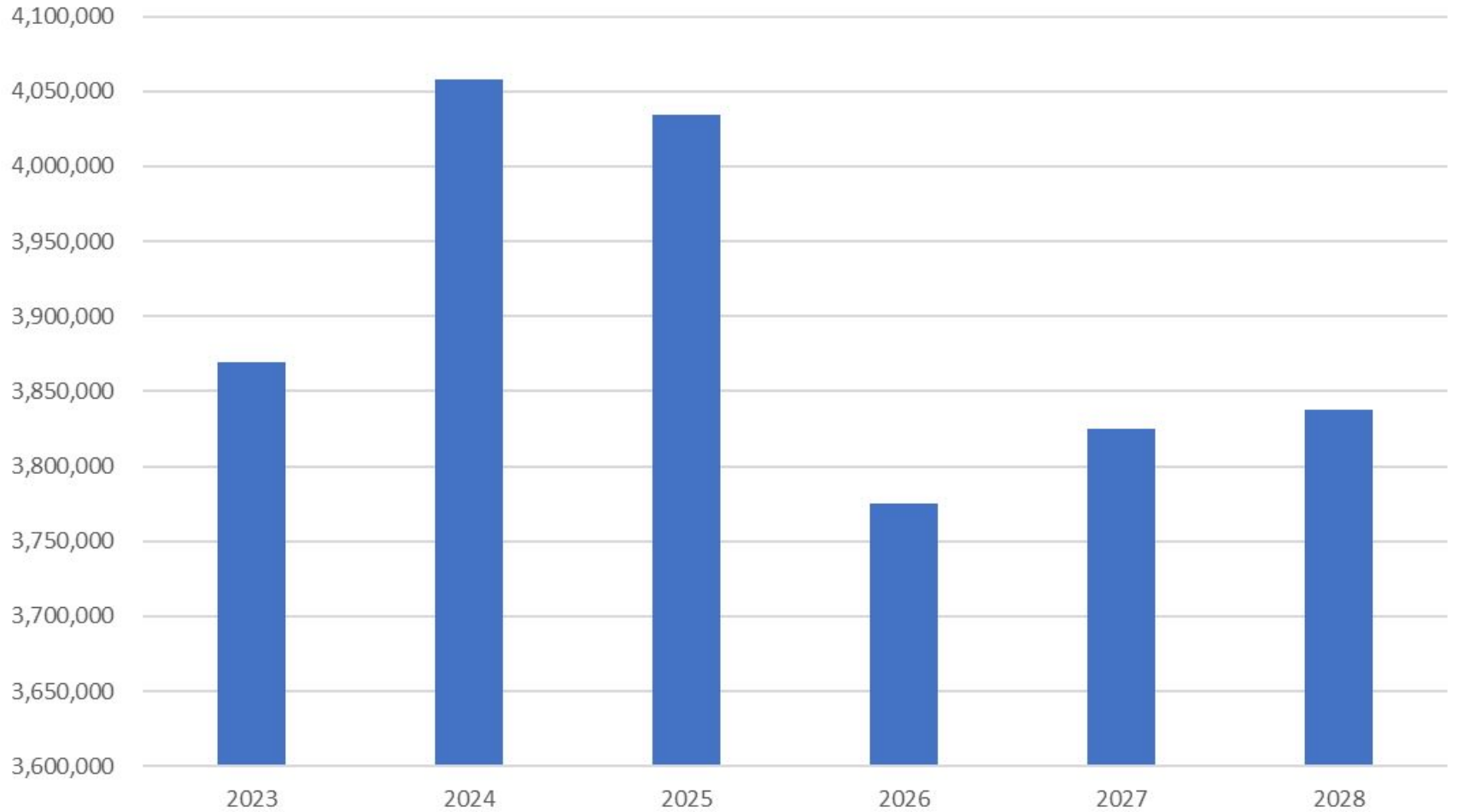
State Funding Continued

- The money the state sends us is determined by school district “wealth”. The higher a districts wealth, the less we receive and vice versa.
- Wealth factors include property values, median income, and average income.
- Wealth indicators are updated each year.
- State formula cost has not been updated since 2022

State Funding Continued

- The very simple version is the state is providing less money for our expenses, pushing more burden to the local level.
- A large portion of state public education spending is now being used in the “School Voucher” program for students attending private schools instead of public education.
- 2020–390 Million spent in vouchers
- 2026–1.1 Billion spent in vouchers
- 2027–1.25 Billion budgeted for vouchers

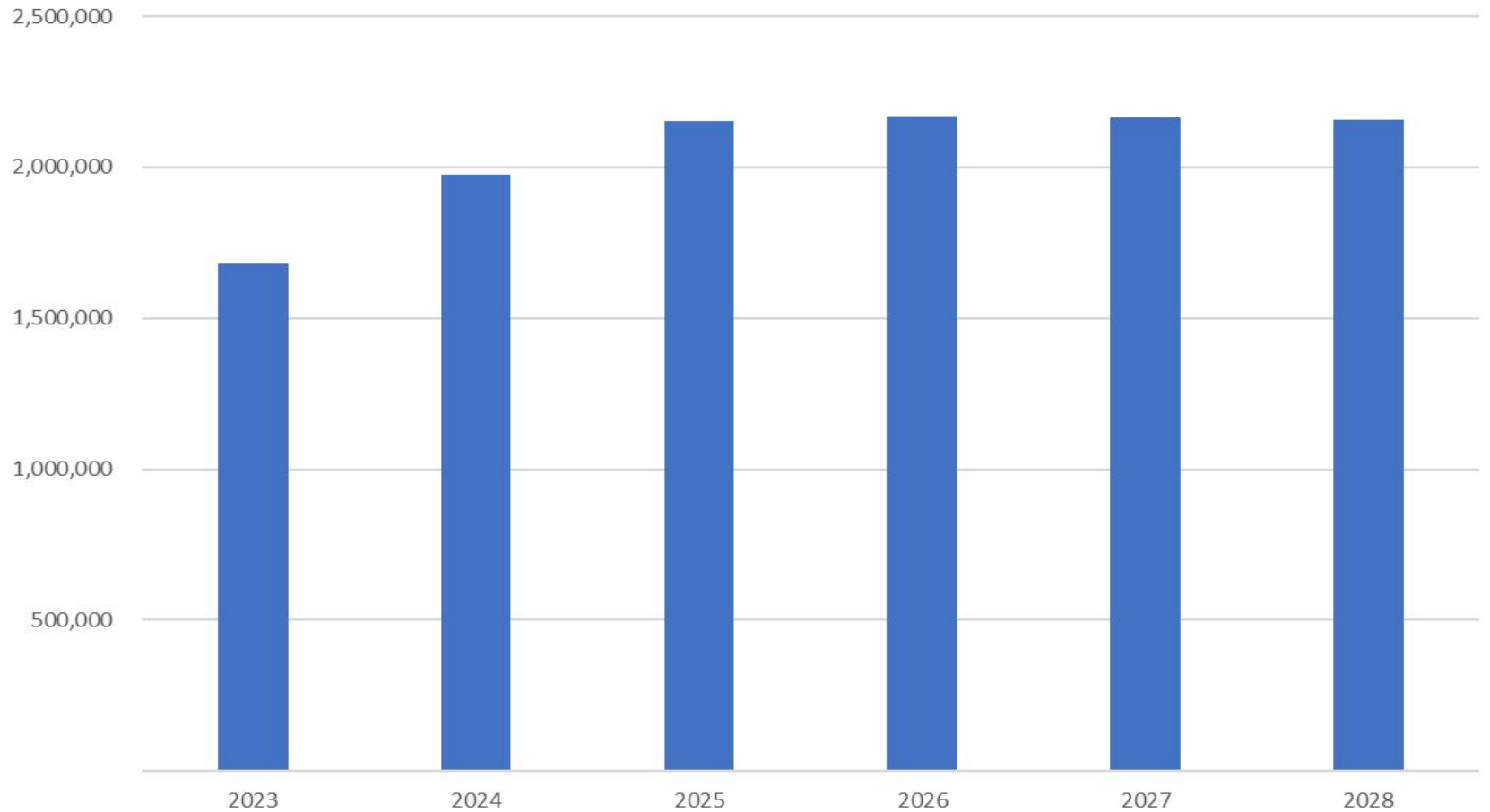
Unrestricted State Funding



Property Tax Reform

- New property tax laws cap increases in property tax collections to inflation instead of actual property values.
- This will be backdated to the 2023 property appraisal
- Under previous rules property tax collections would have increased in Calendar Year 2027 by about the same amount that property values rise
- Calendar year 2027—the school will collect \$400,000 to \$450,000 less that we would have under the old law.

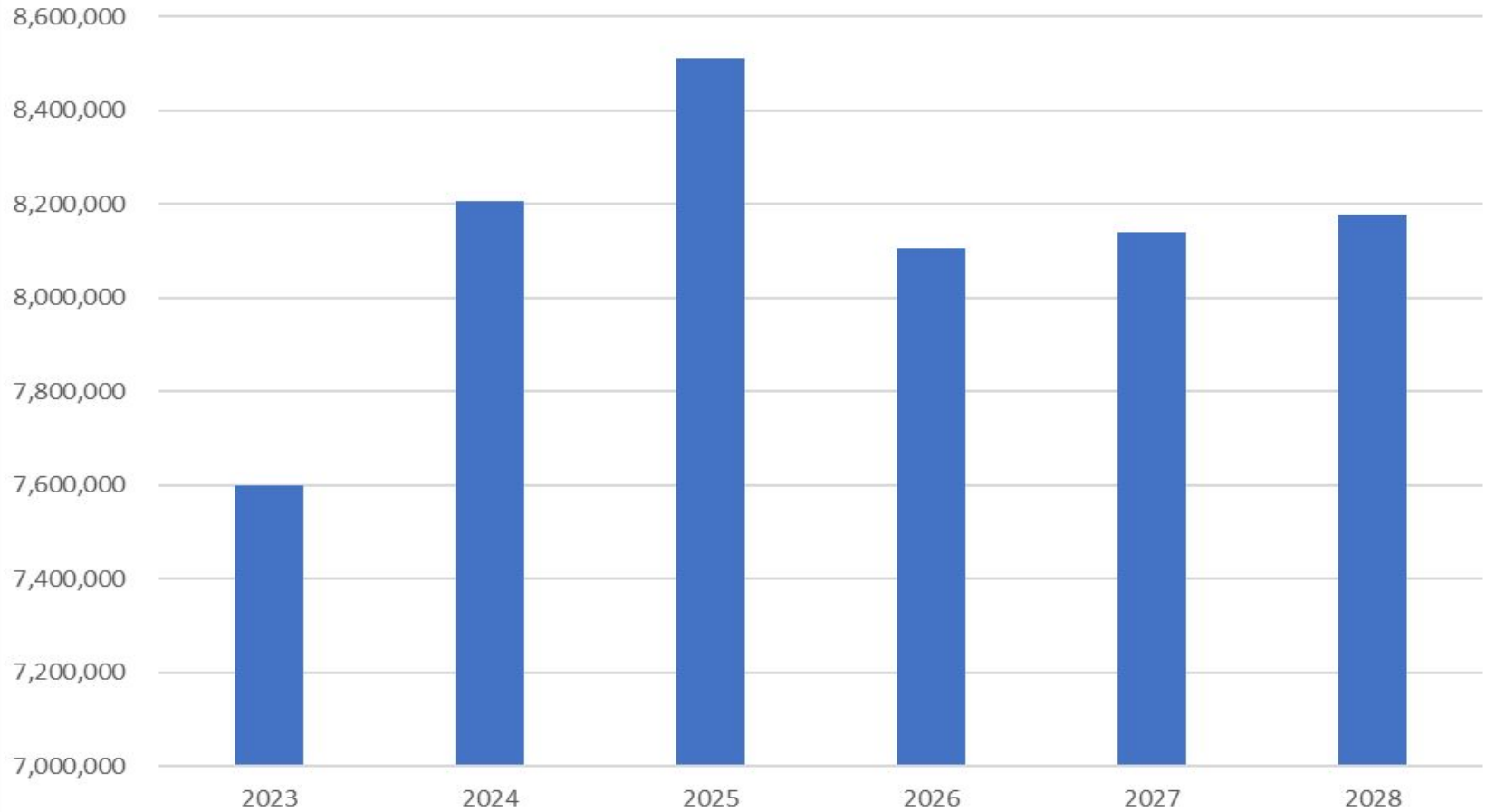
Property Tax Collections



District Revenue

- 2013 District Revenue was \$6,287,572
- 2020 District Revenue was \$7,544,869
- 2027 Projected District Revenue is \$8,193,658
- Average Annual Increase over 7 years is 1.2% per year
- Average Annual Increase over 14 years is 1.9% per year

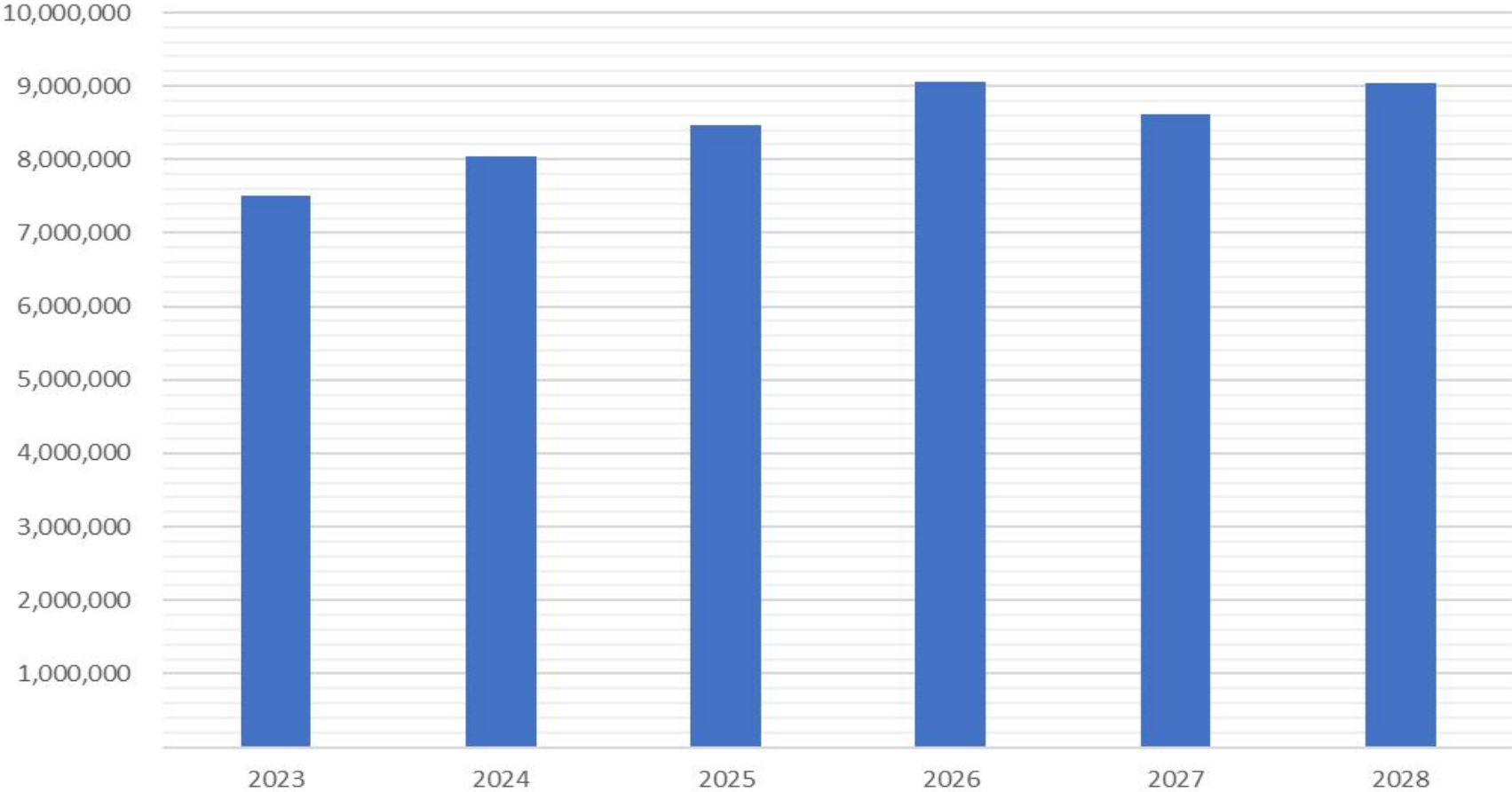
Revenue



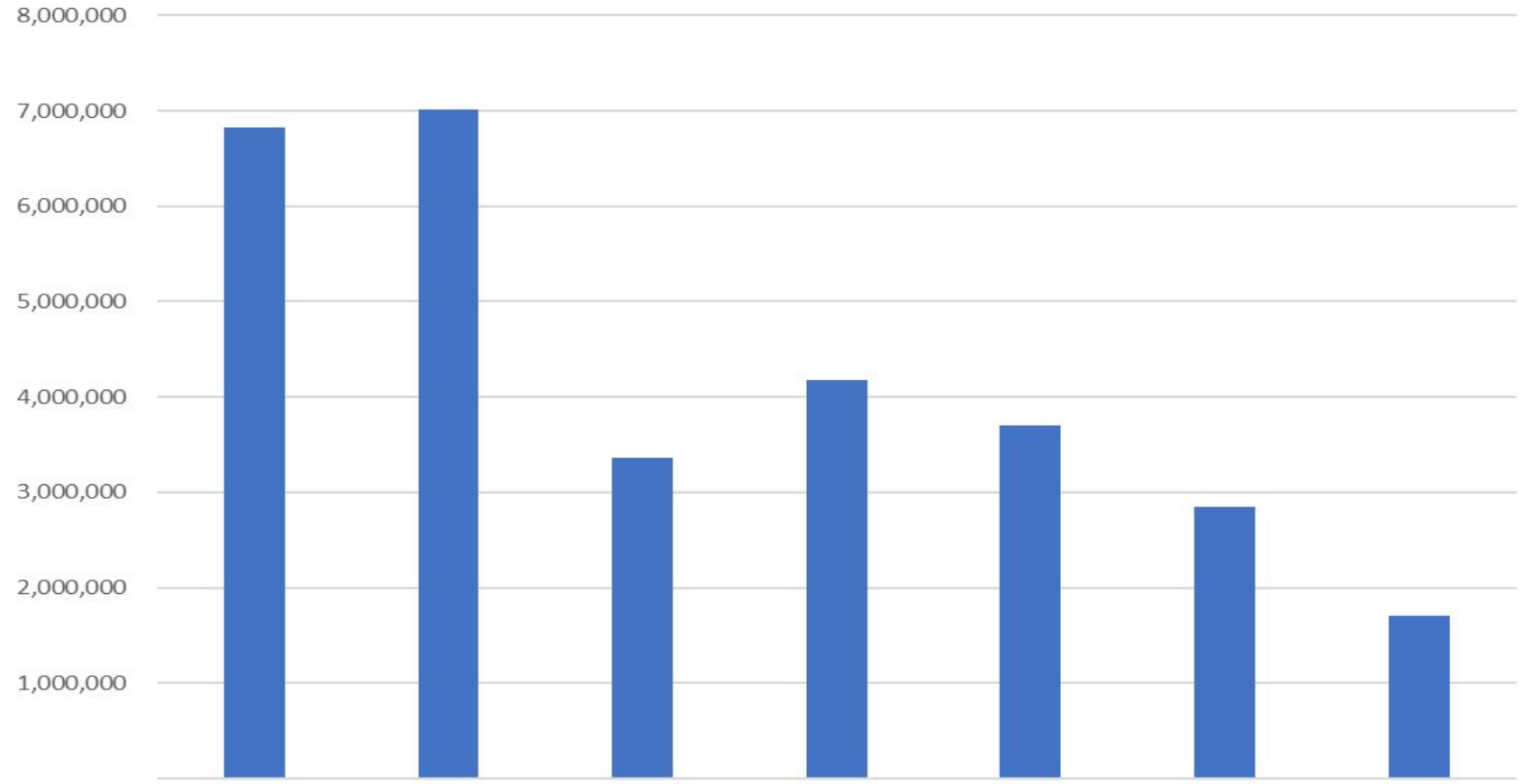
Expenses

- 2013 Expenses were \$6,411,348
- 2020 Expenses were \$7,415,832
- 2027 projected expenses are \$8,671,345
- Average Annual Increase over 7 years is 2.3% per year
 - Annual Inflation average is approximately 3.7% from 2020-present
- Average Annual Increase over 14 years is 2.2% per year

Expenses



Cash Balance



2023

2024

2025

2026

2027

2028

2029

Cost Reductions

- We have made several staffing reductions
- Total savings for salary and benefits will be approximately \$485,000

- Staff is forgoing a base salary increase for next year
- We are reducing student days from 177 to 171
- Savings will be approximately \$250,000

- Operations (Non-Staffing) reductions of approximately \$90,000

Cost Reductions continued

- All together—approximately \$825,000 in cost reductions for the 26-27 school year.
- A total of about 9% of total expenses

District Financial Forecast

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