D86 Staffing Recommendation

Fiscal Assumptions

- Enrollment is projected to be fairly stable with numbers trending near the lower bound from the most recent demography report for Central and South.
- Following the 2013 levy the District worked over multiple fiscal years to reduce expenditures through increased operational efficiency and reductions to balance the budget.
- Excluding Capital Projects (construction funded by debt) and Debt Services (payments on debt) the District allocates nearly 80% of its budget to staffing costs (salaries and benefits).
- Budget favorability in the during the pandemic (FY 20 & FY21) was predominantly generated by one-time savings (e.g. staffing vacancies, savings from transportation, travel and supplies).
- The forecasting assumptions that were approved by the D86 Board in October 2021 included a PTELL increase of 5.0% funding fiscal year 2024 and 2.0% in the following years.
    - A one percentage point reduction in the PTELL increase for fiscal year 2024 would reduce projected property tax revenue by approximately $900K.

Staffing Options 1 - 3: Financial Impact on Five Year Forecast

Fiscal Year	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Surplus/(Deficit)	$ (416,353)	$ 367,496	$ 313,330	$ 434,896	$ 539,509
Cost of 1.0 FTE*	$ 91,693	$ 96,278	$ 98,203	$ 100,167	$ 102,171
Option 3: Traditional FTE	(1.30)	(1.30)	(1.30)	(1.30)	(1.30)
Savings/(Cost)	$ 119,201	$ 125,161	$ 127,664	$ 130,218	$ 132,822
Net Impact on Forecast	$ (297,152)	$ 492,657	$ 440,995	$ 565,114	$ 672,331
Option 2: Parity w/ Fiscal Lens FTE**	1.20	2.00	2.40	2.40	2.40
Savings/(Cost)	$ (110,032)	$ (192,556)	$ (235,688)	$ (240,402)	$ (245,210)
Net Impact on Forecast	$ (526,385)	$ 174,941	$ 77,642	$ 194,495	$ 294,299
Option 1: Increases in Course Parity FTE**	1.80	2.60	3.00	3.00	3.00
Savings/(Cost)	$ (165,048)	$ (250,322)	$ (294,610)	$ (300,502)	$ (306,512)
Net Impact on Forecast	$ (581,400)	$ 117,174	$ 18,720	$ 134,394	$ 232,997

***Assumes fully loaded replacement cost of 1.0 FTE at MA step 3 compounded by known/forecasted PTELL.**

****Adds Chemistry, Chemistry Honors, Latin 2, and German 2 in FY 2024. Physics and AP Physics 1 in FY 2025.**