

# 2016 Financial Forecast

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Independent School District 877  
Buffalo-Hanover-Montrose  
Business Office



# 2016 Financial Forecast

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- General Fund only
- Revised budgets for 2015-16
- Projected fund balances for 2015-16
- Enrollment assumptions
- Staffing assumptions
- Revenue assumptions
- Expenditure assumptions
- Fund balance assumptions
- Forecast scenarios



# General Fund Definition

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- General Fund – fund 01
- Capital Outlay – fund 05
- Student Activities – fund 09



# General Fund Revenues 2015-2016

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- 1<sup>st</sup> Budget Revision

2015-16	Original Budget	Revised Budget	\$ Change	Adjustment
Local Property Taxes	4,692,270	5,667,628	<b>975,358</b>	Tax shift correction, early recognition of Qcomp, CTE, and reemployment levy
State Sources	51,248,829	50,648,552	<b>(600,277)</b>	Tax shift correction, revised pupil units, Qcomp aid to full, and reduction to special ed aid
Federal Sources	1,608,879	1,568,058	<b>(40,821)</b>	Revised federal aid
Other	1,954,042	2,116,957	<b>162,915</b>	Fund 9 revisions and other miscellaneous revenue adjustments
<b>Total</b>	<b>59,504,020</b>	<b>60,001,195</b>	<b>497,175</b>	





# General Fund Expenditures 2015-2016

- 1<sup>st</sup> Budget Revision

Expenditures 2015-16	Original Budget	Revised Budget	\$ Change	Adjustment
Salaries	34,780,508	35,171,909	391,401	Revised salary projections and Qcomp to full
Employee Benefits	12,897,545	12,729,215	(168,330)	Revised salary projections and benefits model implementation
Purchased Serv.	9,482,551	9,272,900	(209,651)	Revised tuition, federal budgets, travel, utilities, health and safety, and code corrections
Supplies	2,443,618	2,595,810	152,192	Q comp to full, fund 9 revisions, and fuel clause savings
Capital Outlay	1,161,251	1,368,202	206,951	Fund 9 revisions, code corrections, BHS fitness and food service equipment, & federal budget revisions
Other	467,332	448,588	(18,744)	Fund 9 revisions
Total	61,232,805	61,586,624	353,819	



# General Fund Balances 2015-2016

- 1<sup>st</sup> Budget Revision

Category	Ending Balance 06/30/2015	Original Change	Revised Change	Difference	Ending Balance 06/30/2016
Designated	665,558	87,297	(256,909)	(344,206)	408,649
Comitted or Assigned	5,671,135	389,293	401,299	12,006	6,072,433
Unassigned	10,274,898	(2,205,375)	(1,729,819)	475,556	8,545,080
Total	16,611,591	(1,728,785)	(1,585,429)	143,356	15,026,162
Unassigned %	17.92%	-4.74%	-4.04%	0.70%	13.87%



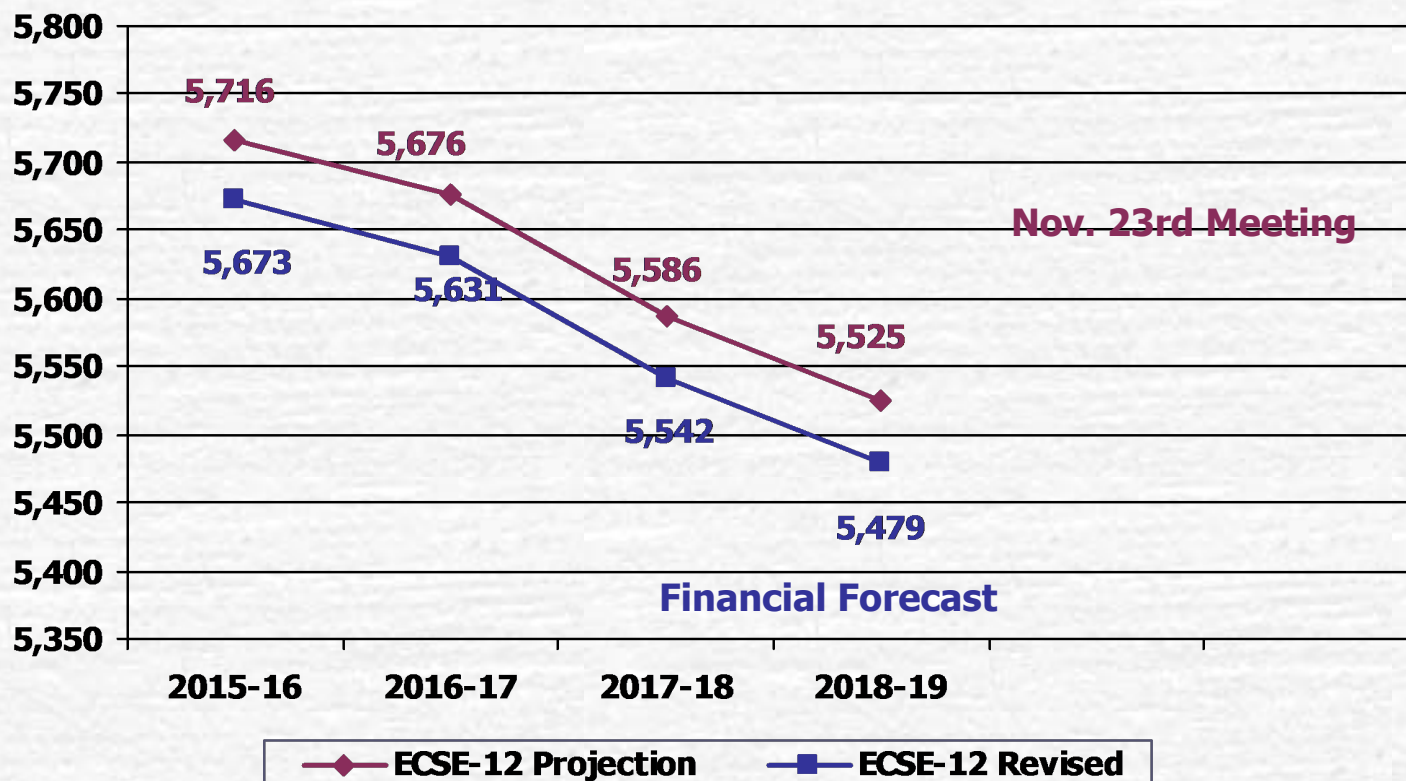
# Enrollment Assumptions

- Revised for the financial forecast – tuition & early exit

	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
<b>Pre-K</b>	52	52	52	52
<b>K</b>	370	367	361	352
<b>Gr. 1-5</b>	2,136	2,063	2,017	1,942
<b>Gr. 6-8</b>	1,330	1,347	1,308	1,331
<b>Gr. 9-12</b>	1,828	1,847	1,848	1,848
<b>Total</b>	<b>5,716</b>	<b>5,676</b>	<b>5,586</b>	<b>5,525</b>
<b>Adjust. For Early Exit</b>	(43)	(45)	(44)	(46)
<b>Adjusted Pre-K-12</b>	5,673	5,631	5,542	5,479
<b>Tuition</b>	71	71	71	71
<b>Total for forecast</b>	<b>5,744</b>	<b>5,702</b>	<b>5,613</b>	<b>5,550</b>



# Enrollment Assumptions- ECSE-Grade 12 Projection vs. Revised for Forecast







# Staffing Assumptions

- Staffing stays with planned ratios determined for 2009-10 plus 2013-14 board initiative adds and full ADED K staff
- Special education additional 2.0 FTE contingency positions included in the base
- Supt. Contingency 10.3 FTE - includes 14-15 Location Equity Revenue 6.0 FTE adds

	2015-16	2016-17	2017-18	2018-19
<b>K-5</b>	114.761	112.178	109.777	105.900
<b>Gr. 6-8</b>	60.042	57.645	55.976	56.961
<b>Gr. 9-12</b>	71.929	74.026	74.068	74.068
<b>Total</b>	<b>246.732</b>	<b>243.850</b>	<b>239.822</b>	<b>236.928</b>
<b>Staffing Change</b>	<b>0</b>	<b>(2.882)</b>	<b>(4.028)</b>	<b>(2.893)</b>



# Revenue Assumptions

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- General Education Aid – Base includes 2% in 2016-17 and 1% in 2017-18
- Operating Referendums – Board approved \$189.55 in 2013
- No new operating referendums
- 97% of Kindergarten attend full day program
- Special Education aid – .5% each year of forecast
- Qcomp in all years to match expenditures



# Expenditure Assumptions

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- Base plan includes 6.0 FTE Location Equity Revenue for all years
- Salary and benefit increases based on expected market conditions and comparable settlements
- Non-salary, non-benefit costs 0%-3%
- Qcomp in at match to revenue for all years



# Fund Balance Assumptions

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- District's undesignated, unreserved fund balance policy is 8-12% of General Fund expenditures
- Assignment for technology increases \$400,000 each year to cap of approximately \$2,000,000 through 2018-19
- 3<sup>rd</sup> party billing expenditures match revenues



# Financial Forecast Base

**2.0% Aid Increase 2016-17 and 1.0% Increase  
in 2017-18 and 97% Kindergarten Attendance**



General Education Formula changes:

2.0%, 1.0%, 0.0%, 0.0%, 0.0%

Retains 14-15 6.0 FTE LER and Class Size Reduction Staff For All Years

Special Education Aid Increased .5% Each Year

100.00% of Revenues Realized

100.00% of Expenditures Realized

		2015-16	2016-17	2017-18	2018-19
		\$5,948	\$6,067	\$6,128	\$6,128
Revenue		\$60,001,196	\$60,268,668	\$60,657,375	\$60,129,390
Expenditures		(\$61,586,626)	(\$62,424,540)	(\$64,089,513)	(\$65,512,942)
Fund Balance-Unassig		\$ 8,601,673	\$ 5,987,969	\$ 2,135,923	\$ (3,543,551)
Fund Balance %		13.97%	9.59%	3.33%	-5.41%



# Summary

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- We will need \$ from the state to stay within our fund balance policy
- We may need to adjust our expenditures to stay within our fund balance policy
- We will continue to build the assigned fund balance for technology to be built up through 2018-19 to be spent down the following five years
- Call your legislator!