

2013 Financial Forecast

Independent School District 877
Buffalo-Hanover-Montrose

Business Office



2013 Financial Forecast

- General Fund
- Revised budgets
- Enrollment assumptions
- Staffing assumptions
- Revenue assumptions
- Expenditure assumptions
- Fund balance assumptions
- Forecast scenarios



General Fund Definition

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



General Fund Revenues

2012-2013

- 1st Budget Revision

2012-2013	Original Budget	Revised Budget	\$ Change	Adjustment
Local Property Taxes	7,727,324	5,577,144	(2,150,180)	Tax Shift correction
State Sources	42,211,224	44,347,285	2,136,061	Tax Shift correction Revised State Aids
Federal Sources	1,476,670	1,563,582	86,912	Revised Federal Aids
Other	1,829,646	1,895,421	65,775	Wright Choice billing and other sources
Total	53,244,864	53,383,432	138,568	



General Fund Expenditures 2012-2013

- 1st Budget Revision

2012-2013	Original Budget	Revised Budget	\$ Change	Adjustment
Salaries	30,432,255	30,221,142	(211,113)	Revised Salary Projections
Emp. Benefits	10,431,173	10,561,642	130,469	Revised Salary Projections
Purchased Serv.	7,774,986	7,801,712	26,726	Revised Federal Budget
Supplies	2,367,283	2,281,459	(85,824)	O&M Budget Adjustments
Capital Outlay	1,681,483	1,999,432	317,949	Contingency for Technology and Deferred Maintenance
Other	502,815	379,381	(123,434)	Eliminate Cash Flow Borrowing
Total	53,189,995	53,244,768	54,773	



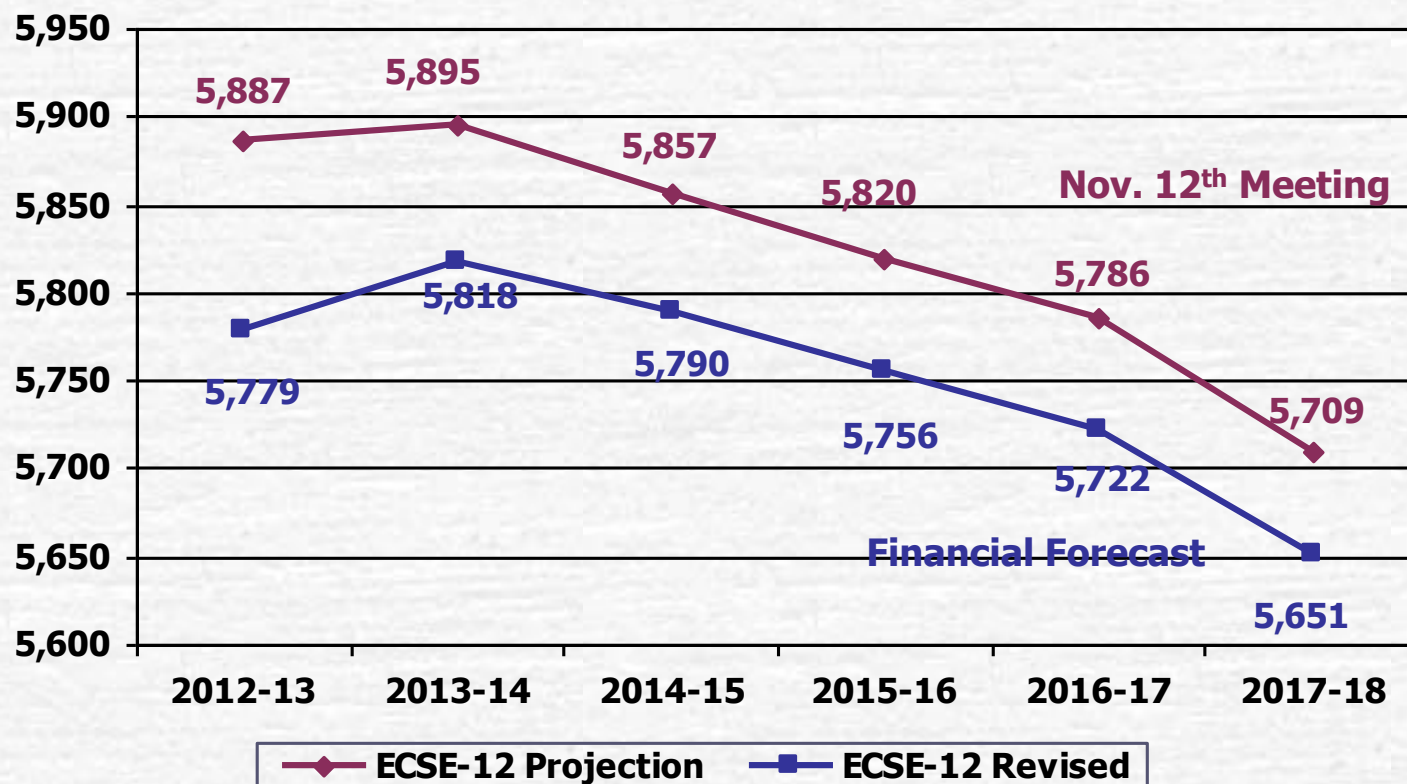
Enrollment Assumptions

- Revised for the financial forecast – ECSE & BHS

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
ECSE	60	60	60	62	62	62
K	433	411	381	373	364	356
Gr. 1-5	2,204	2,237	2,185	2,139	2,051	1,998
Gr. 6-8	1,348	1,340	1,400	1,373	1,410	1,365
Gr. 9-12	1,734	1,770	1,764	1,809	1,835	1,870
Total	5,779	5,818	5,790	5,756	5,722	5,651
Adjust.	108	77	67	64	64	58
Projection (ECSE)	5,887 (120)	5,895 (113)	5,857 (105)	5,820 (103)	5,786 (100)	5,709 (98)



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





Staffing Assumptions

- Staffing goes back to planned ratios determined for 2009-10
- Supt. and special education have contingency positions available

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
K-5	112.154	109.834	106.349	104.233	100.209	97.637
Gr. 6-8	53.721	53.085	55.567	54.450	55.981	54.119
Gr. 9-12	70.936	70.573	70.388	72.190	73.377	74.728
Total	236.811	233.491	232.304	230.873	229.567	226.484
Staffing Change	0	(3.320)	(1.187)	(1.431)	(1.306)	(3.083)



Revenue Assumptions

- General Education Aid – 3 scenarios-flat, 1% second year, 1% increase the first and second years
- Operating Referendums – renewed \$379 in 2011
- No new operating referendums
- OPEB contributions from the trust began in 2012-13
- New Literacy Aid in 2012-13 and following years
- Integration program - 2 scenarios (with and without changes to Aid)



Expenditure Assumptions

- Salary and benefit increases based on expected market conditions and comparable settlements
- Non-salary, non-benefit costs 0%-5%
- Integration program (with and without changes to expenditures)



Fund Balance Assumptions

- District's undesignated, unreserved fund balance policy is 8-12% of General Fund expenditures
- School Board agreed to spend down part of the fund balance for 2010-11 or 2011-12, if needed
- Capital set aside to be spent by 2014-15



Other Assumptions

- Stimulus funds have been spent
- State adopts the biennial budget by end of May, 2013



Financial Forecast Scenario #1 – Flat Funding

- General Education formula changes:
0%, 0%, 0%, 0%, 0%

	2012-13 \$5,224	2013-14 \$5,224	2014-15 \$5,224	2015-16 \$5,224	2016-17 \$5,224	2017-18 \$5,224
Revenue	53,383,432	53,774,653	53,990,297	54,018,795	53,976,320	53,775,609
Exp.	(53,244,768)	(55,284,431)	(57,483,981)	(59,349,219)	(61,577,738)	(63,802,109)
Fund Balance	8,796,535	7,198,876	3,772,236	(1,672,115)	(9,254,087)	(19,168,715)
Fund Balance %	16.52%	13.02%	6.56%	-2.82%	-15.03%	-30.04%



Financial Forecast Scenario #2

1% Aid Increase 2014-15

- General Education formula changes:
0%, 1%, 0%, 0%, 0%

	2012-13 \$5,224	2013-14 \$5,224	2014-15 \$5,276	2015-16 \$5,276	2016-17 \$5,276	2017-18 \$5,276
Revenue	53,383,432	53,774,653	54,337,355	54,364,903	54,321,101	54,117,671
Exp.	(53,244,768)	(55,284,431)	(57,483,981)	(59,349,219)	(61,577,738)	(63,802,109)
Fund Balance	8,796,535	7,198,876	4,119,294	(978,949)	(8,216,139)	(17,788,705)
Fund Balance %	16.52%	13.02%	7.17%	-1.65%	-13.34%	-27.88%



Financial Forecast Scenario #3

1% Aid Increase 2013-14 & 2014-15

- General Education formula changes:
1%, 1%, 0%, 0%, 0%

	2012-13 \$5,224	2013-14 \$5,276	2014-15 \$5,329	2015-16 \$5,329	2016-17 \$5,329	2017-18 \$5,329
Revenue	53,383,432	54,121,724	54,690,983	54,717,560	54,672,405	54,466,200
Exp.	(53,244,768)	(55,284,431)	(57,483,981)	(59,349,219)	(61,577,738)	(63,802,109)
Fund Balance	8,796,535	7,545,947	4,819,992	74,407	(6,811,479)	(16,035,517)
Fund Balance %	16.52%	13.65%	8.38%	.13%	-11.06%	-25.13%



Financial Forecast Scenario #4 – 1% Aid Increase 2014-15 and No Integration Program

- General Education formula changes:
0%, 1%, 0%, 0%, 0%

	2012-13 \$5,224	2013-14 \$5,224	2014-15 \$5,276	2015-16 \$5,276	2016-17 \$5,276	2017-18 \$5,276
Revenue	53,383,432	52,671,051	53,212,147	53,239,747	53,195,932	52,992,448
Exp.	(53,244,768)	(54,490,204)	(56,685,462)	(58,546,300)	(60,770,309)	(62,990,057)
Fund Balance	8,796,535	6,899,751	3,503,731	(1,906,498)	(9,451,178)	(19,326,666)
Fund Balance %	16.52%	12.66%	6.18%	-3.26%	-15.55%	-30.68%



Financial Forecast Scenario #5 – 60% Integration Aid and 1% Increase FY 2014 & FY 2015

- General Education formula changes:
1%, 1%, 0%, 0%, 0%

	2012-13 \$5,224	2013-14 \$5,276	2014-15 \$5,329	2015-16 \$5,329	2016-17 \$5,329	2017-18 \$5,329
Revenue	53,383,432	53,458,218	54,014,221	54,040,857	53,995,627	53,789,452
Exp.	(53,244,768)	(54,807,895)	(57,047,108)	(58,936,738)	(61,180,258)	(63,413,855)
Fund Balance	8,796,535	7,365,128	4,405,435	(598,222)	(7,757,256)	(17,263,638)
Fund Balance %	16.52%	13.44%	7.72%	-1.02%	-12.68%	-27.22%

2013 Financial Forecast-General Fund-Unassigned Fund Balance

2012-13

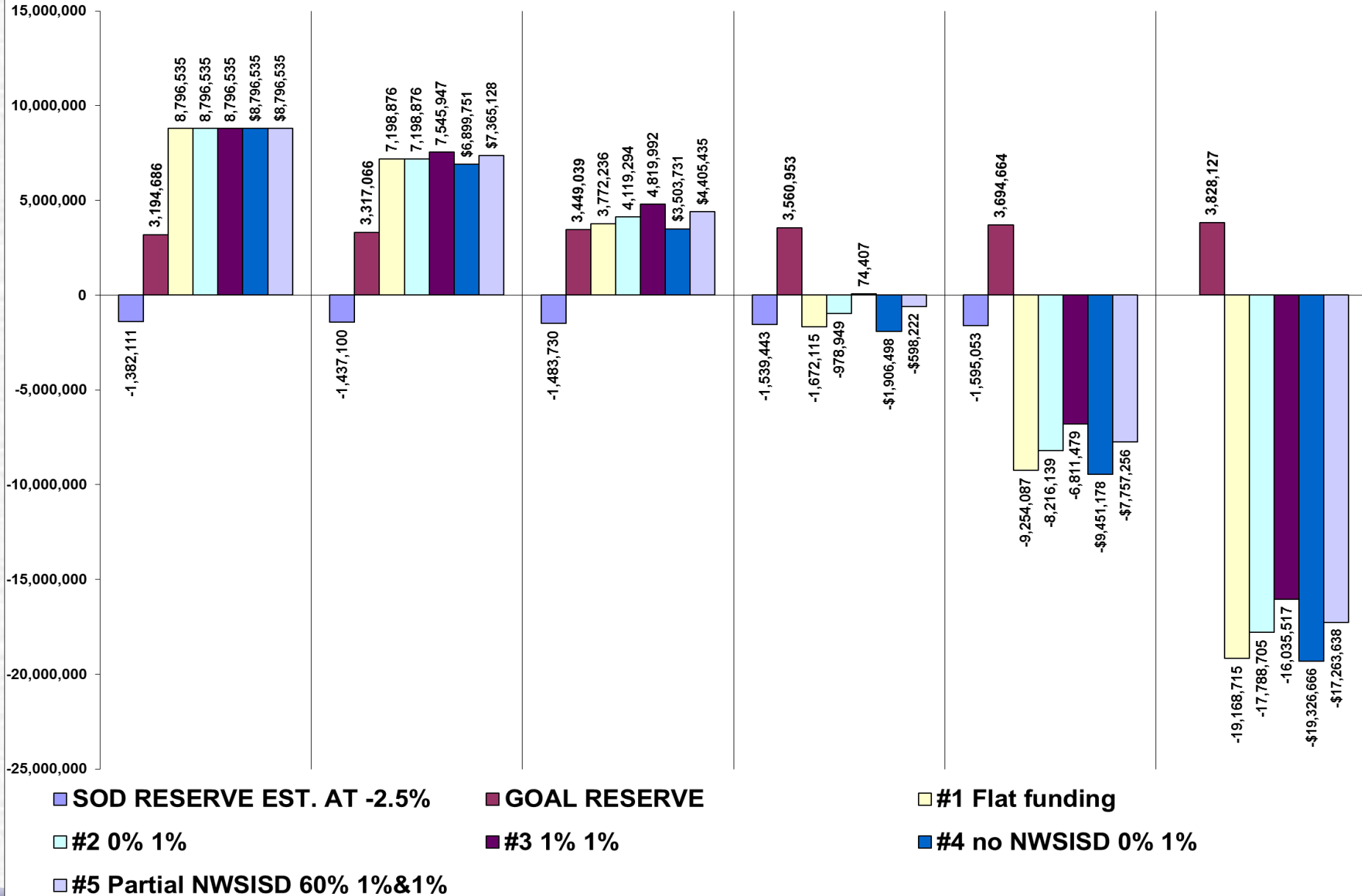
2013-14

2014-15

2015-16

2016-17

2017-18



2012 Financial Forecast - General Fund - Unassigned Fund Balance

