

Independent School District No. 877 BHM

Financial Forecast 2024-25 through 2026-27

Forecast Scenario 1 - No Staff Cuts

January 2024 Workshop

Enrollment Assumptions:

1 Enrollment totals revised down from enrollment projections

TOTAL GRADES ECSE-12

	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>
ECSE-12	5,341	5,151	5,068	4,974	4,951
ECSE (ADM)	73	56	54	54	57
Kindergarten	339	354	340	341	362
Grades 1-5	1,896	1,840	1,833	1,817	1,833
Grades 6-8	1,172	1,153	1,171	1,175	1,097
Grades 9-12	1,861	1,748	1,670	1,587	1,602
	5,341	5,151	5,068	4,974	4,951
Total Enrollment Change		(190)	(83)	(94)	(23)

Major Staffing Assumptions:

1 Adjust staffing based on enrollment changes in future years using 19-20 adjusted ratios

2 Staffing contingency positions available at 2.95 FTE and 1.0 FTE for special education

	2023-24	2024-25	2025-26	2026-27
Grades K-5	118.722	118.722	101.972	103.643
Grades 6-8	54.501	54.501	50.758	47.351
Grades 9-12	76.566	76.566	65.882	66.602
	249.789	249.789	218.612	217.596
Staffing Changes		0.000	(31.177)	(1.016)

Major Revenue Assumptions:

1 General education formula scenarios as listed below

2 Operating referendum includes \$750 per pupil approved in 2019 for 2021 through 2030

3 Operating referendum does not include an inflation factor

4 Special Education Aid 5% increase all years

5 Cross Subsidy increased to 44% in FY 24, FY 25 and FY 26 and 50% forward

6 Federal funds remain the same (Title programs, Special Ed, Title II)

7 Qcomp included for all years

Major Expenditure Assumptions:

1 Salary & benefit increases projected are based on expected market conditions, comparable settlements, and settled contracts

2 Non-salary, non-benefit costs are estimated to increase 0% - 3% for all years

3 Qcomp included for all years and expenditures reduced to match revenues

4 Non-salary, non-benefit costs are estimated to increase 0%-3% for all years

5 Staffing contingency positions available at 2.95 FTE for all years and 1.0 FTE for special education

Fund Balance Assumptions:

- 1 The District's fund balance policy is 8-12% of expenditures
- 2 Committed Severance Fund Balance based on Actuarial estimates

Other factors that will have an impact on this three year forecast:

- 1 Compensatory Revenue adjustment for
- 2 The impact of inflation for both expenditures and the General Educaiton formula
- 3 State action regarding cost of new initiatives implemented in 2023

The year end fund balances that result from the assumptions above are:

General Education Formula changes:

		4.00%	2.00%	2.00%	2.00%
		\$275	\$143	\$146	\$149
General Ed Formula	\$6,863	\$7,138	\$7,281	\$7,427	\$7,576
	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>
Revenue	\$ 73,984,831	\$ 79,538,990	\$ 77,869,388	\$ 78,131,280	\$ 79,416,524
Expenditures	\$ (75,369,363)	\$ (78,987,060)	\$ (81,366,075)	\$ (80,559,298)	\$ (83,041,054)
Net Change	\$ (1,384,532)	\$ 551,930	\$ (3,496,687)	\$ (2,428,018)	\$ (3,624,530)
Operating Capital - 01-424	\$ 1,437,466	\$ 1,471,636	\$ 1,504,616	\$ 1,531,372	\$ 1,557,882
Operating Capital - 05-424	\$ 312,249	\$ 983,584	\$ 1,544,920	\$ 2,021,296	\$ 2,561,793
LTFM - 467	\$ (198,064)	\$ (237,709)	\$ (342,689)	\$ (489,013)	\$ (646,661)
3rd Party Billing - 472	\$ 326,694	\$ 415,402	\$ 503,867	\$ 592,082	\$ 680,039
Teacher Development - 219	\$ -	\$ -	\$ -	\$ -	\$ -
Total Restricted (Reserve)	\$ 1,878,345	\$ 2,632,913	\$ 3,210,714	\$ 3,655,737	\$ 4,153,053
Severance Pay - 411	\$ 2,576,411	\$ 2,627,939	\$ 2,680,498	\$ 2,734,108	\$ 2,788,790
Total Committed	\$ 2,576,411	\$ 2,627,939	\$ 2,680,498	\$ 2,734,108	\$ 2,788,790
Dental Insurance	\$ (70,774)	\$ (190,774)	\$ (215,774)	\$ (215,774)	\$ (190,774)
Carryover	\$ 1,352,588	\$ 952,588	\$ 852,588	\$ 752,588	\$ 727,588
Student Activities-Fund 9	\$ 471,270	\$ 471,270	\$ 469,873	\$ 472,177	\$ 478,187
PPD - F335	\$ 25,072	\$ (74,955)	\$ (292,325)	\$ (471,474)	\$ (628,758)
Capital Set Aside-Technology	\$ 853,208	\$ 628,208	\$ 403,008	\$ 289,454	\$ 256,117
3rd Party Special Ed	\$ -	\$ -	\$ -	\$ -	\$ -
Total Assigned (Designated)	\$ 2,631,364	\$ 1,786,337	\$ 1,217,370	\$ 826,971	\$ 642,360
Total Unassigned (Undesignated)	\$ 11,125,196	\$ 11,716,056	\$ 8,157,976	\$ 5,621,725	\$ 1,629,807
Fund Balance %	14.76%	14.83%	10.03%	6.98%	1.96%