

Independent School District No. 877 BHM

Financial Forecast 2023-24 through 2025-26

Forecast Scenario #1 No Staff Cuts

Enrollment Assumptions:

1 Enrollment totals revised down from enrollment projections

TOTAL GRADES ECSE-12

	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
ECSE-12	5,383	5,300.00	5,186.00	5,096.00	5,002.00
ECSE (ADM)	64	72	55	60	70
Kindergarten	359	341	361	342	353
Grades 1-5	1,906	1,937	1,851	1,830	1,800
Grades 6-8	1,199	1,170	1,162	1,195	1,202
Grades 9-12	1,856	1,780	1,757	1,669	1,577
	5,382	5,300	5,186	5,096	5,002

Total Enrollment Change	(83)	(114)	(90)	(94)
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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 for all years and 1.0 FTE for special education

	2022-23	2023-24	2024-25	2025-26
Grades K-5	109.448	109.448	107.586	106.631
Grades 6-8	57.380	57.380	58.778	59.127
Grades 9-12	71.362	71.362	67.723	60.666
	238.190	238.190	234.087	226.424

Staffing Changes	0.000	(4.103)	(7.663)
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Major Revenue Assumptions:

1 General education formula scenarios as listed below
2 Operating referendum includes \$750 per pupil approved in 2019 for 2021 through 2025
3 Operating referendum does not include an inflation factor
4 Special Education Aid 5% increase all years
5 Federal funds remain the same (Title programs, Special Ed, Title II)
6 Remaining \$986,874 CARES act funds used in 2023-24 to cover staff costs
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% - 5% 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%-5% 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 increase of \$1,200,000 for all years
- 2 CARES funding ends in 2023-24
- 3 State has not adopted its biennial budget for FY 24 and FY 25

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

General Education Formula changes:

		2.01%	2.00%	1.00%	1.00%
		\$135.00	\$137.00	\$70.00	\$71.00
General Ed Formula	\$6,728	\$6,863	\$7,000	\$7,070	\$7,141
	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
Revenue	\$ 73,829,366	\$ 73,347,805	\$ 74,583,660	\$ 73,938,969	\$ 69,179,075
Expenditures	\$ (72,267,578)	\$ (74,752,755)	\$ (76,722,482)	\$ (77,622,583)	\$ (79,318,311)
Net Change	\$ 1,561,788	\$ (1,404,950)	\$ (2,138,822)	\$ (3,683,614)	\$ (10,139,236)
Operating Capital - 01-424	\$ 1,143,253	\$ 1,166,373	\$ 1,181,031	\$ 1,173,474	\$ 1,169,459
Operating Capital - 05-424	\$ 353,955	\$ 453,229	\$ 385,959	\$ 205,428	\$ 57,838
LTFM - 467	\$ 624,421	\$ 580,362	\$ 601,450	\$ 587,654	\$ 532,134
3rd Party Billing - 472	\$ 488,888	\$ 493,178	\$ 494,810	\$ 493,704	\$ 489,778
Teacher Development - 219	\$ -	\$ -	\$ -	\$ -	\$ -
Total Restricted (Reserve)	\$ 2,610,515	\$ 2,693,141	\$ 2,663,249	\$ 2,460,259	\$ 2,249,208
Severance Pay - 411	\$ 2,374,820	\$ 2,446,064	\$ 2,519,446	\$ 2,595,030	\$ 2,672,881
Total Committed	\$ 2,374,820	\$ 2,446,064	\$ 2,519,446	\$ 2,595,030	\$ 2,672,881
Dental Insurance	\$ 77,302	\$ 67,302	\$ 42,302	\$ 17,302	\$ 17,302
Carryover	\$ 1,425,513	\$ 1,025,513	\$ 925,513	\$ 825,513	\$ 800,513
Student Activities-Fund 9/51	\$ 384,884	\$ 368,194	\$ 350,077	\$ 336,523	\$ 327,544
PPD - F335	\$ 133,344	\$ 91,285	\$ 42,950	\$ 10,365	\$ 5,738
Capital Set Aside-Technology	\$ 1,030,697	\$ 637,454	\$ 244,201	\$ 56,011	\$ 6,120
3rd Party Special Ed	\$ -	\$ -	\$ -	\$ -	\$ -
Total Assigned (Designated)	\$ 3,051,740	\$ 2,189,748	\$ 1,605,043	\$ 1,245,714	\$ 1,157,217
Total Unassigned (Undesignated)	\$ 11,558,772	\$ 10,861,944	\$ 9,264,337	\$ 6,067,459	\$ (3,850,080)
Fund Balance %	15.99%	14.53%	12.08%	7.82%	-4.85%