

2014 Financial Forecast

Independent School District 877
Buffalo-Hanover-Montrose
Business Office



2014 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 2013-2014

- 1st Budget Revision

2013-2014	Original Budget	Revised Budget	\$ Change	Adjustment
Local Property Taxes	5,557,339	3,329,072	(2,228,267)	Tax Shift and prior year correction
State Sources	45,687,504	48,078,883	2,391,379	Tax Shift correction Revised State Aids
Federal Sources	1,504,921	1,715,492	210,571	Revised Federal Aids
Other	1,830,042	1,832,731	2,689	Wright Choice billing and other sources
Total	54,579,806	54,956,178	376,372	



General Fund Expenditures 2013-2014

- 1st Budget Revision

2013-2014	Original Budget	Revised Budget	\$ Change	Adjustment
Salaries	31,277,522	31,486,607	209,085	Revised Salary Projections
Emp. Benefits	11,534,852	11,691,122	156,270	Revised Salary Projections
Purchased Serv.	8,067,732	8,007,740	(59,992)	Revised Federal Budget
Supplies	2,333,626	2,413,317	79,691	T&L curriculum, lower O&M, & Revised Federal Budget
Capital Outlay	1,990,099	1,865,549	(124,550)	Revised Federal Budget, Contingency shift to T&L,
Other	373,086	390,487	17,401	Revised Federal Budget and Marketing contingency
Total	55,576,917	55,854,822	277,905	

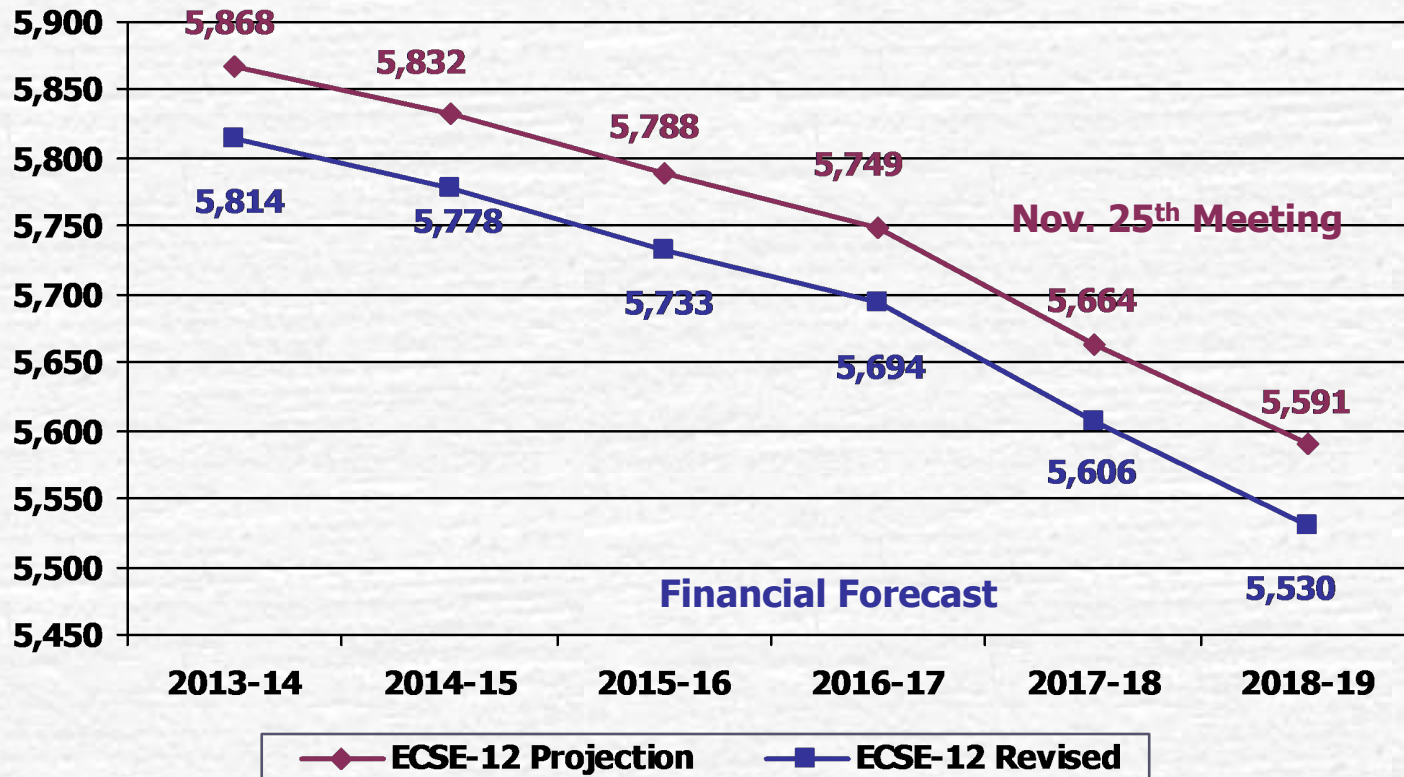


Enrollment Assumptions

- Revised for the financial forecast – ECSE & BHS

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
ECSE	60	60	60	62	62	62
K	387	367	359	352	346	340
Gr. 1-5	2,209	2,122	2,049	1,959	1,892	1,807
Gr. 6-8	1,350	1,411	1,384	1,399	1,344	1,334
Gr. 9-12	1,808	1,818	1,881	1,922	1,962	1,987
Total	5,814	5,778	5,733	5,694	5,606	5,530
Adjust.	54	54	55	55	58	61
Projection (ECSE)	5,868 (113)	5,832 (102)	5,788 (100)	5,749 (98)	5,664 (96)	5,591 (94)

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





Staffing Assumptions

- Staffing goes back to planned ratios determined for 2009-10 plus board initiative adds and 2013-14 ADED K staff currently coded to Community Service Fund
- Supt. and special education have contingency positions

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
K	19.288	19.288	18.868	18.500	18.184	17.869
1-5	90.312	84.779	81.879	78.236	75.552	72.133
Gr. 6-8	60.150	62.919	61.700	62.367	59.899	59.504
Gr. 9-12	71.945	71.803	74.474	78.332	78.001	79.133
Total	241.695	238.789	236.921	235.465	231.636	228.639
Staffing Change	0	(2.906)	(1.868)	(1.456)	(3.829)	(2.997)



Revenue Assumptions

- General Education Aid- Base includes 1.5% 2014-15
- Scenarios 1, 3, 4, and 5- 1% increase year two
- Scenario 2- 0% increase year two
- Operating Referendums – Board approved \$189.55 in 2013
- No new operating referendums
- 80% of Kindergarten attend full day program
- Special Education aid- 1% each year of forecast
- New Literacy Aid in 2012-13 and following years
- Integration program at 83% of 2012-13 levels for all years



Expenditure Assumptions

- Scenario 1- no staffing changes
- Scenarios 2 through 5- include 6 FTE Location Equity Revenue staff additions
- Salary and benefit increases based on expected market conditions and comparable settlements
- Non-salary, non-benefit costs 0%-5%
- Integration program at 83% of 2012-13 levels for all years



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

2014 Financial Forecast-General Fund-Unassigned Fund Balance

2013-14

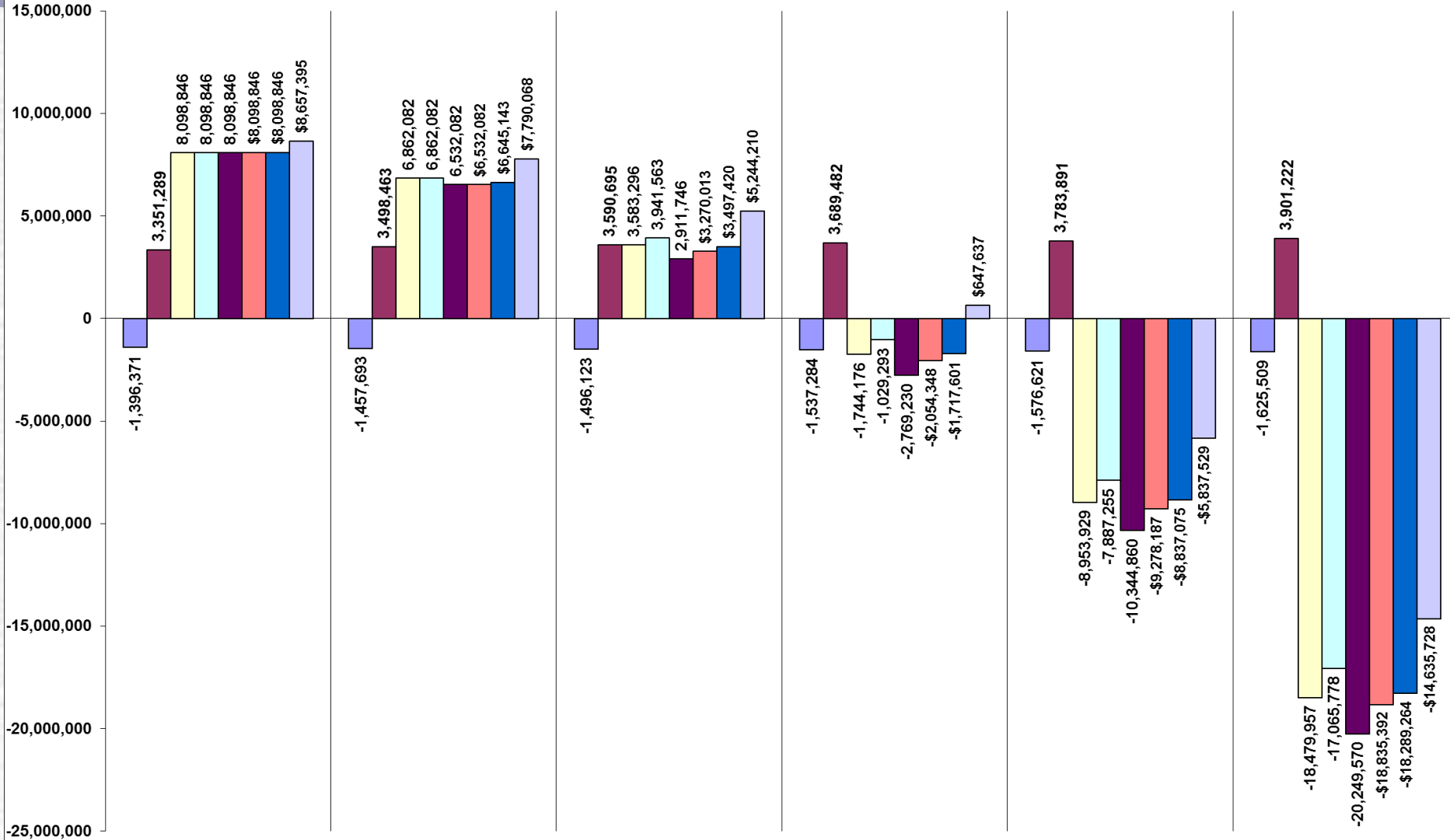
2014-15

2015-16

2016-17

2017-18

2018-19



- SOD RESERVE EST. AT -2.5%
- GOAL RESERVE
- Base Plan No Change
- Scenario #1
- Scenario #2
- Scenario #3
- Scenario #4
- Scenario #5

2013 Financial Forecast-General Fund-Unassigned Fund Balance

2012-13

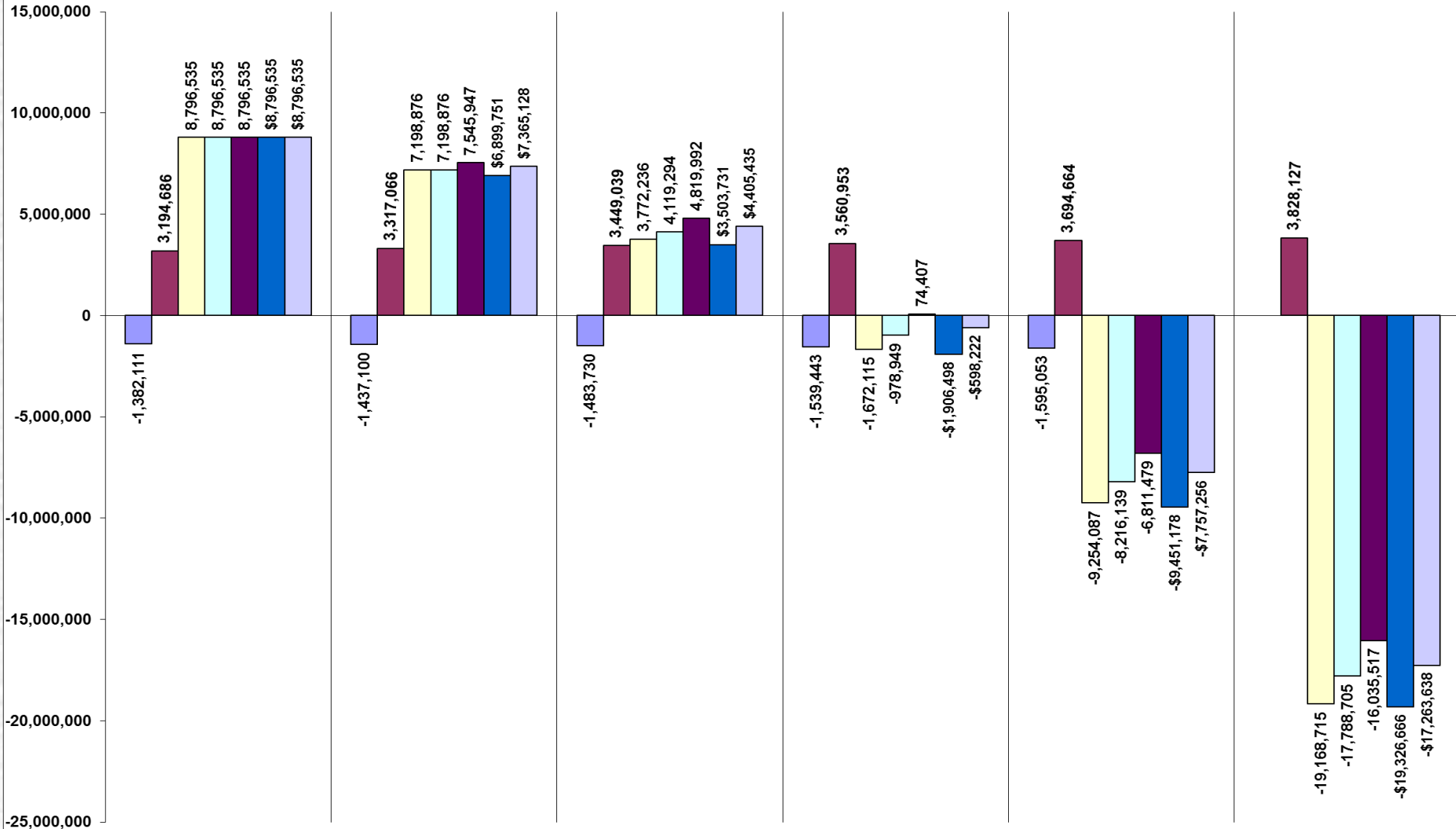
2013-14

2014-15

2015-16

2016-17

2017-18



■ SOD RESERVE EST. AT -2.5%

■ GOAL RESERVE

■ #1 Flat funding

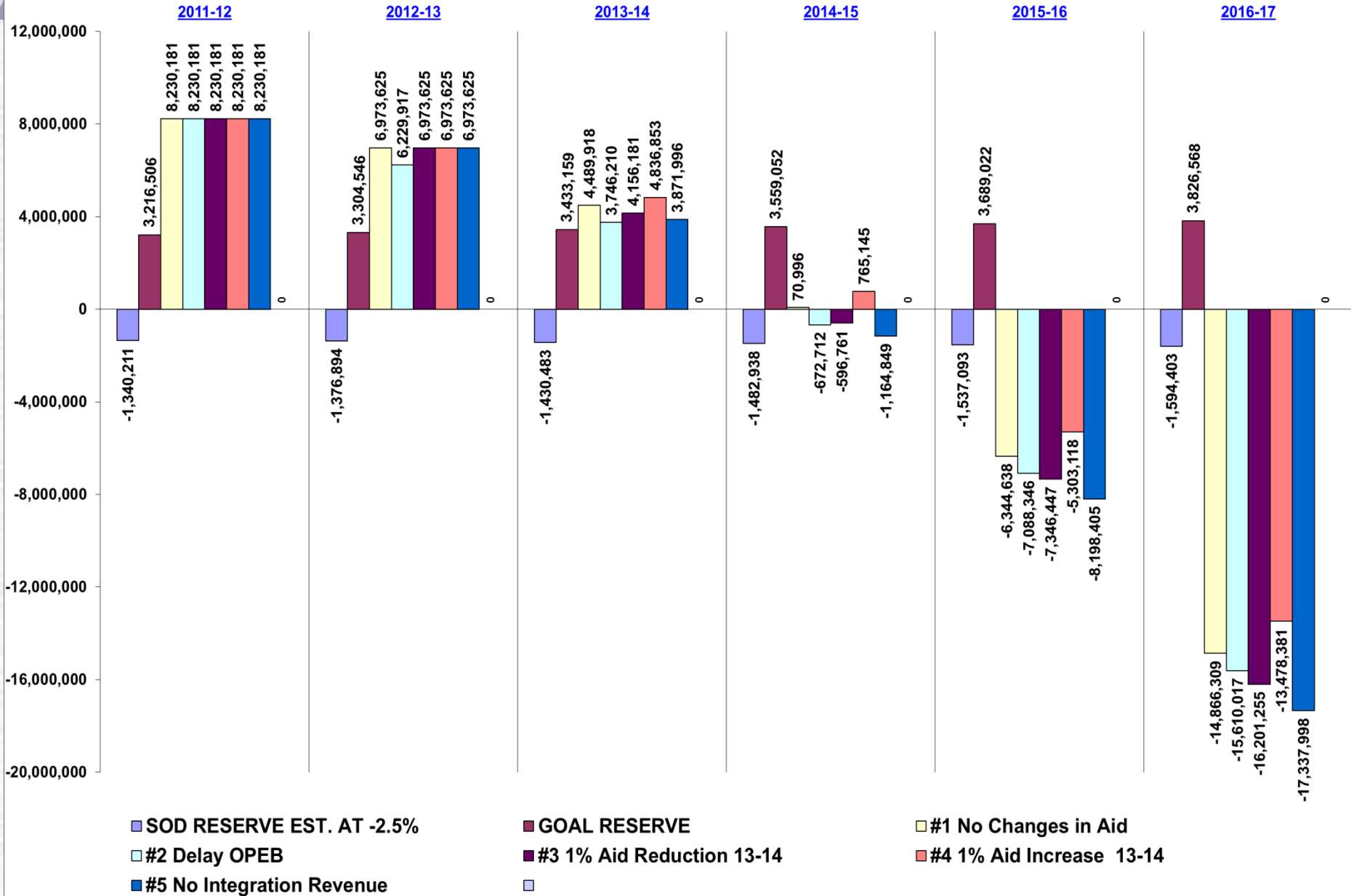
■ #2 0% 1%

■ #3 1% 1%

■ #4 no NWSISD 0% 1%

■ #5 Partial NWSISD 60% 1%&1%

2012 Financial Forecast - General Fund - Unassigned Fund Balance



Financial Forecast Scenario Base Plan Using 2013-14 As The Base Year 1.5% Aid Increase 2014-15 and 0.0% Increase in 2015-16



General Education Formula changes:

1.5%, 0.0%, 0.0%, 0.0%, 0.0%

No additional Staff changes

100% of Revenues Realized

100% of Expenditures Realized

	2013-14 \$5,302	2014-15 \$5,806	2015-16 \$5,806	2016-17 \$5,806	2017-18 \$5,806	2018-19 \$5,806
Revenue	\$54,956,178	\$56,488,016	\$56,502,487	\$56,394,269	\$55,986,459	\$55,542,510
Expenditures	(\$55,854,822)	(\$58,307,711)	(\$59,844,920)	(\$61,491,359)	(\$63,064,844)	(\$65,020,368)
Fund Balance-Unassig	\$ 8,098,846	\$ 6,862,082	\$ 3,583,296	\$ (1,744,176)	\$ (8,953,929)	\$ (18,479,957)
Fund Balance %	14.50%	11.77%	5.99%	-2.84%	-14.20%	-28.42%

Financial Forecast Scenario #1

1.5% Aid Increase 2014-15 and 1.0% Increase in 2015-16



General Education Formula changes:

1.5%, 1.0%, 0.0%, 0.0%, 0.0%

No additional Staff changes

100% of Revenues Realized

100% of Expenditures Realized

	2013-14 \$5,302	2014-15 \$5,806	2015-16 \$5,864	2016-17 \$5,864	2017-18 \$5,864	2018-19 \$5,864
Revenue	\$54,956,178	\$56,488,016	\$56,860,754	\$56,750,884	\$56,338,250	\$55,890,015
Expenditures	(\$55,854,822)	(\$58,307,711)	(\$59,844,920)	(\$61,491,359)	(\$63,064,844)	(\$65,020,368)
Fund Balance-Unassig	\$ 8,098,846	\$ 6,862,082	\$ 3,941,563	\$ (1,029,293)	\$ (7,887,255)	\$ (17,065,778)
Fund Balance %	14.50%	11.77%	6.59%	-1.67%	-12.51%	-26.25%

Financial Forecast Scenario #2

1.5% Aid Increase 2014-15 and 0.0% Increase in 2015-16



General Education Formula changes:

1.5%, 0.0%, 0.0%, 0.0%, 0.0%

Inlcudes 6.0 FTE LER Staff adds

100% of Revenues Realized

100% of Expenditures Realized

	2013-14 \$5,302	2014-15 \$5,806	2015-16 \$5,806	2016-17 \$5,806	2017-18 \$5,806	2018-19 \$5,806
Revenue	\$54,956,178	\$56,488,016	\$56,502,487	\$56,394,269	\$55,986,459	\$55,542,510
Expenditures	(\$55,854,822)	(\$58,637,711)	(\$60,186,470)	(\$61,844,863)	(\$63,430,721)	(\$65,399,051)
Fund Balance-Unassig	\$ 8,098,846	\$ 6,532,082	\$ 2,911,746	\$ (2,769,230)	\$ (10,344,860)	\$ (20,249,570)
Fund Balance %	14.50%	11.14%	4.84%	-4.48%	-16.31%	-30.96%

Financial Forecast Scenario #3

1.5% Aid Increase 2014-15 and 1.0% Increase in 2015-16



General Education Formula changes:

1.5%, 1.0%, 0.0%, 0.0%, 0.0%

Inlcudes 6.0 FTE LER Staff adds

100% of Revenues Realized

100% of Expenditures Realized

	2013-14 \$5,302	2014-15 \$5,806	2015-16 \$5,864	2016-17 \$5,864	2017-18 \$5,864	2018-19 \$5,864
Revenue	\$54,956,178	\$56,488,016	\$56,860,754	\$56,750,884	\$56,338,250	\$55,890,015
Expenditures	(\$55,854,822)	(\$58,637,711)	(\$60,186,470)	(\$61,844,863)	(\$63,430,721)	(\$65,399,051)
Fund Balance-Unassig	\$ 8,098,846	\$ 6,532,082	\$ 3,270,013	\$ (2,054,348)	\$ (9,278,187)	\$ (18,835,392)
Fund Balance %	14.50%	11.14%	5.43%	-3.32%	-14.63%	-28.80%

Financial Forecast Scenario #4

1.5% Aid Increase 2014-15 and 1.0% Increase in 2015-16 and 90% Kindergarten Attendance



General Education Formula changes:

1.5%, 1.0%, 0.0%, 0.0%, 0.0%

Inlcudes 6.0 FTE LER Staff adds

100% of Revenues Realized

100% of Expenditures Realized

	2013-14 \$5,302	2014-15 \$5,806	2015-16 \$5,864	2016-17 \$5,864	2017-18 \$5,864	2018-19 \$5,864
Revenue	\$54,956,178	\$56,604,567	\$56,978,606	\$56,863,554	\$56,445,799	\$55,998,255
Expenditures	(\$55,854,822)	(\$58,637,711)	(\$60,186,470)	(\$61,844,863)	(\$63,430,721)	(\$65,399,051)
Fund Balance-Unassig	\$ 8,098,846	\$ 6,645,143	\$ 3,497,420	\$ (1,717,601)	\$ (8,837,075)	\$ (18,289,264)
Fund Balance %	14.50%	11.33%	5.81%	-2.78%	-13.93%	-27.97%

Financial Forecast Scenario #5

1.5% Aid Increase 2014-15 and 1.0% Increase in 2015-16 and 90% Kindergarten Attendance



General Education Formula changes:

1.5%, 1.0%, 0.0%, 0.0%, 0.0%

Inlcudes 6.0 FTE LER Staff adds

100% of Revenues Realized

99% of Expenditures Realized

	2013-14 \$5,302	2014-15 \$5,806	2015-16 \$5,864	2016-17 \$5,864	2017-18 \$5,864	2018-19 \$5,864
Revenue	\$54,956,178	\$56,604,567	\$56,978,606	\$56,863,554	\$56,445,799	\$55,998,255
Expenditures	(\$55,296,274)	(\$58,051,334)	(\$59,584,605)	(\$61,226,414)	(\$62,796,414)	(\$64,745,060)
Fund Balance-Unassig	\$ 8,657,395	\$ 7,790,068	\$ 5,244,210	\$ 647,637	\$ (5,837,529)	\$ (14,635,728)
Fund Balance %	15.66%	13.42%	8.80%	1.06%	-9.30%	-22.61%