

Budget Forecast  
2010-2011 to 2014-2015



March 9, 2011  
Second Draft

## Benefits of a Budget Forecast

- **Recognize enrollment trends and the budgetary and facility impact**
- **Understand revenue trends including the property tax impact**
- **Understand expenditure trends**
- **Realize the future impact of current fiscal decisions**
- **Explore the outcomes of different data scenarios**

## Steps in the Budget Forecast

- **Use enrollment projections to predict future enrollment scenarios**
- **Estimate revenue cap increases based on enrollment scenarios**
- **Estimate expenditure increases**
- **Analyze the outcomes and plan accordingly**

## Assumptions Made

- **Current school finance system continues** (revenue caps)
- **Enrollment projections scenarios are close to actual**
- **Personnel costs increase at 0%**
- **Non-personnel costs do not increase except transportation and utilities**
- **2.0 FTE added in 11-12, all other years add 1 FTE for every 20 additional students**
- **Revenue cap increase is based on the state budget proposal**
- **Savings from staff retirements is not included**
- **Data is less accurate as years progress**

## Enrollment History

| Grade           | 2006-07     | 2007-08     | 2008-09     | 2009-10     | 2010-11     |
|-----------------|-------------|-------------|-------------|-------------|-------------|
| EC/Sprouts      | 80          | 44          | 45          | 53          | 46          |
| <b>K</b>        | 230         | 250         | 253         | 270         | 266         |
| <b>1</b>        | 257         | 243         | 264         | 257         | 280         |
| <b>2</b>        | 224         | 269         | 255         | 268         | 275         |
| <b>3</b>        | 222         | 236         | 276         | 262         | 276         |
| <b>4</b>        | 219         | 240         | 240         | 281         | 271         |
| <b>TOTAL</b>    | <b>1232</b> | <b>1282</b> | <b>1333</b> | <b>1391</b> | <b>1414</b> |
| <b>ELEM</b>     |             |             |             |             |             |
| <b>5</b>        | 266         | 229         | 258         | 258         | 287         |
| <b>6</b>        | 246         | 280         | 235         | 260         | 271         |
| <b>TOTAL</b>    | <b>512</b>  | <b>509</b>  | <b>493</b>  | <b>518</b>  | <b>558</b>  |
| <b>INTER.</b>   |             |             |             |             |             |
| <b>7</b>        | 271         | 271         | 309         | 250         | 285         |
| <b>8</b>        | 296         | 281         | 272         | 315         | 253         |
| <b>TOTAL</b>    | <b>567</b>  | <b>552</b>  | <b>581</b>  | <b>565</b>  | <b>538</b>  |
| <b>MIDDLE</b>   |             |             |             |             |             |
| <b>9</b>        | 266         | 297         | 284         | 278         | 330         |
| <b>10</b>       | 247         | 277         | 299         | 282         | 278         |
| <b>11</b>       | 283         | 251         | 282         | 300         | 271         |
| <b>12</b>       | 254         | 288         | 256         | 283         | 305         |
| <b>TOTAL</b>    | <b>1050</b> | <b>1113</b> | <b>1121</b> | <b>1143</b> | <b>1184</b> |
| <b>HIGH</b>     |             |             |             |             |             |
| <b>TOTAL</b>    | <b>3361</b> | <b>3456</b> | <b>3528</b> | <b>3617</b> | <b>3694</b> |
| <b>DISTRICT</b> |             |             |             |             |             |

Enrollment History is from the Third Friday in September Count (Residents plus Open Enrollment-In)

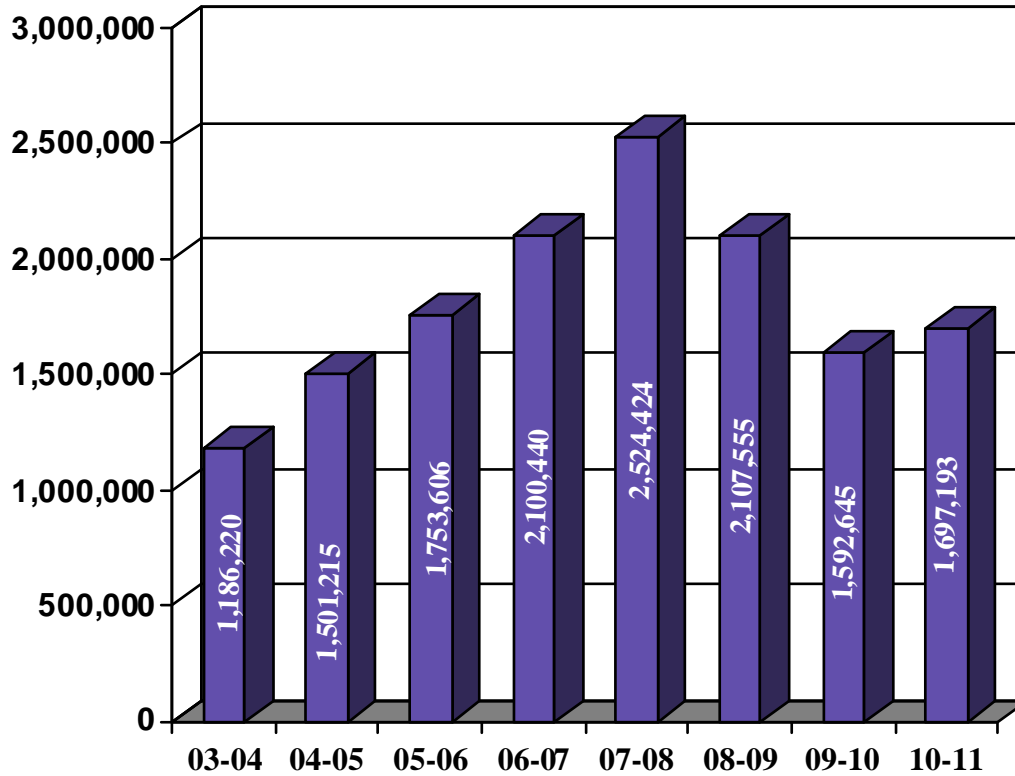
## Enrollment Increase “New” Students

- **2006-07            3.7%**
- **2007-08            3.3% (adjusted for Sprouts)**
- **2008-09            2.2%**
- **2009-10            1.3%**
- **2010-11            1.8%**
  
- **Five year average is 2.46%**

Enrollment Increase is calculated by removing the 12<sup>th</sup> grade students, adding in K students, and adding in 30 students in 7<sup>th</sup> grade. The difference between years is the increase in “new” students.

## Revenue Cap Increase History

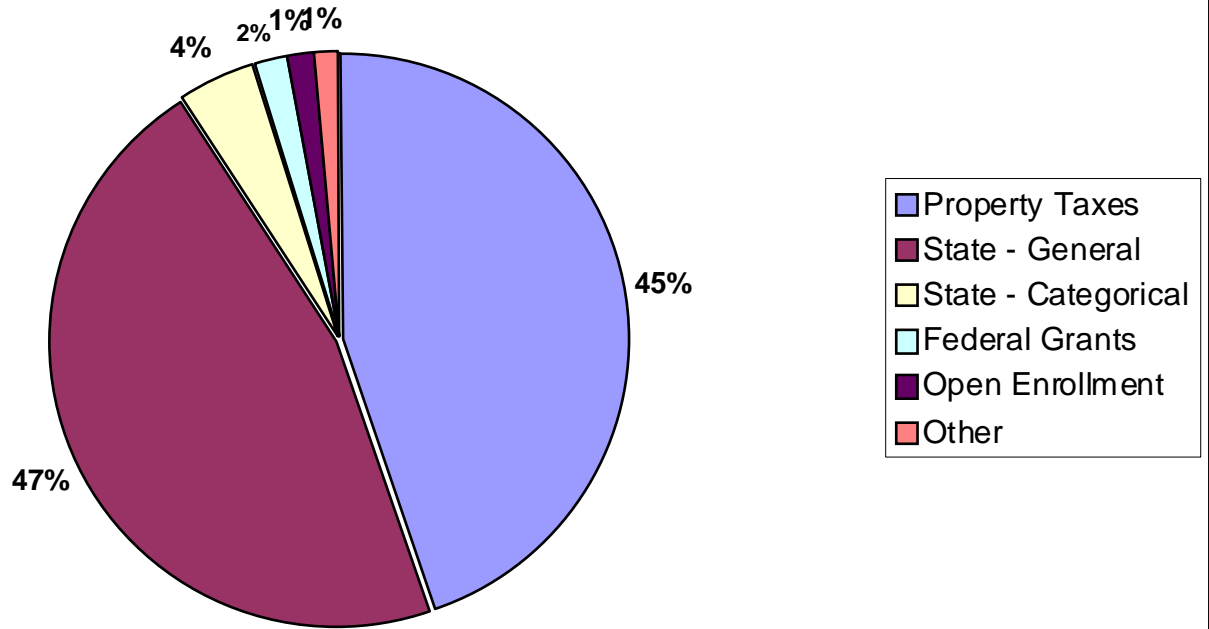
■ REVENUE CAP INCREASE



Please note that the years 2004-05 and 2005-06 included an additional \$300,000 per year due to the 2004 high school referendum.

Please note that the years 2006-07 and 2007-08 included an additional \$300,000 per year due to the 2005 K-8 referendum.

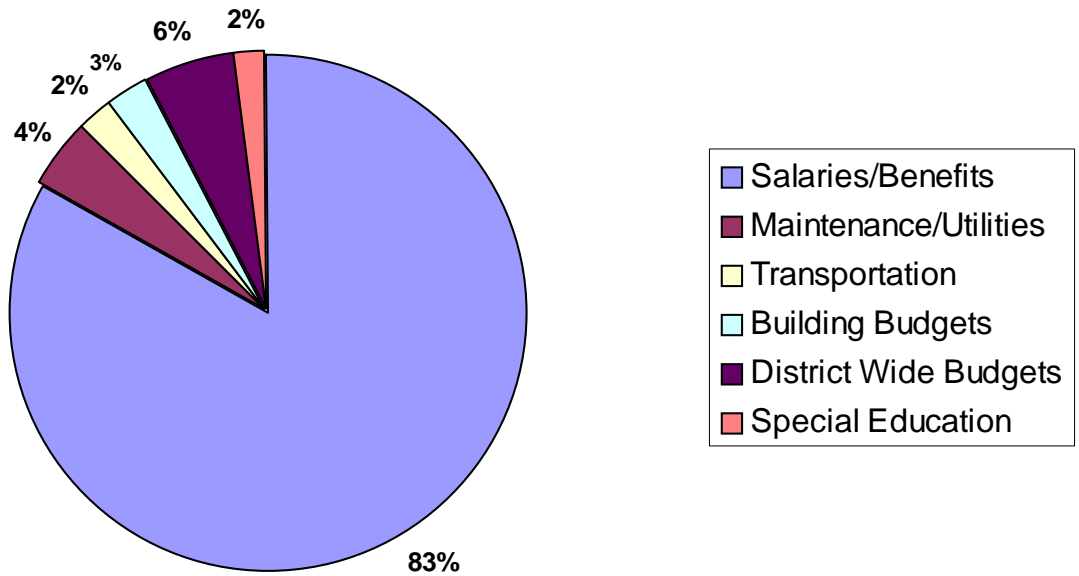
## 2010-11 Revenue Sources



## Revenue Sources History-%

| Revenue           | 2006-07    | 2007-08    | 2008-09    | 2009-10    | 2010-11    |
|-------------------|------------|------------|------------|------------|------------|
| State-General     | 50         | 48         | 49         | 44         | 47         |
| Property Taxes    | 41         | 43         | 42         | 45         | 45         |
| State-Categorical | 4          | 4          | 4          | 4          | 4          |
| Federal Grants    | 2          | 2          | 2          | 4          | 2          |
| Open Enrollment   | 1          | 1          | 1          | 2          | 1          |
| Other             | 2          | 2          | 2          | 1          | 1          |
| <b>TOTAL</b>      | <b>100</b> | <b>100</b> | <b>100</b> | <b>100</b> | <b>100</b> |

## 2010-11 Expenses



## Expense History-%

| Expense                           | 2006-07    | 2007-08    | 2008-09    | 2009-10    | 2010-11    |
|-----------------------------------|------------|------------|------------|------------|------------|
| <b>Salaries/<br/>Benefits</b>     | 80         | 82         | 82         | 81         | 83         |
| <b>(% special ed)</b>             | (18)       | (18)       | (18)       | (19)       | (18)       |
| <b>(% regular ed)</b>             | (82)       | (82)       | (82)       | (81)       | (82)       |
| <b>Maintenance/<br/>Utilities</b> | 6          | 5          | 5          | 4          | 4          |
| <b>Transportation</b>             | 2          | 2          | 2          | 2          | 2          |
| <b>Building<br/>Budgets</b>       | 3          | 3          | 3          | 3          | 3          |
| <b>District Wide</b>              | 7          | 6          | 6          | 6          | 6          |
| <b>Special<br/>Education</b>      | 2          | 2          | 2          | 4          | 2          |
| <b>TOTAL</b>                      | <b>100</b> | <b>100</b> | <b>100</b> | <b>100</b> | <b>100</b> |

## Future Debt Service Payments – Fund 38

| FISCAL YEAR      | AMOUNT DUE            |
|------------------|-----------------------|
| 2010-2011        | 81,025.00             |
| 2011-2012        | 79,590.00             |
| 2012-2013        | 83,052.50             |
| 2013-2014        | 81,412.50             |
| 2014-2015        | 79,772.50             |
| 2015-2016        | 83,030.00             |
| 2016-2017        | 81,185.00             |
| 2017-2018        | 83,887.50             |
| 2018-2019        | 81,137.50             |
| 2019-2020        | 83,250.00             |
| 2020-2021        | 80,225.00             |
| 2021-2022        | 82,062.50             |
| 2022-2023        | 83,543.75             |
| 2023-2024        | 79,806.25             |
| 2024-2025        | 80,925.00             |
| 2025-2026        | 81,756.25             |
| 2026-2027        | 82,300.00             |
| 2027-2028        | 0                     |
| 2028-2029        | 0                     |
| 2029-2030        | 0                     |
| <b>TOTAL DUE</b> | <b>\$1,387,961.25</b> |

## Future Debt Service Payments – Fund 39

| FISCAL YEAR      | AMOUNT DUE          |
|------------------|---------------------|
| 2010-2011        | 5,150,424           |
| 2011-2012        | 5,096,223           |
| 2012-2013        | 5,104,209           |
| 2013-2014        | 5,100,897           |
| 2014-2015        | 5,102,395           |
| 2015-2016        | 5,106,735           |
| 2016-2017        | 5,098,766           |
| 2017-2018        | 5,103,386           |
| 2018-2019        | 5,099,299           |
| 2019-2020        | 5,105,186           |
| 2020-2021        | 5,105,955           |
| 2021-2022        | 5,105,886           |
| 2022-2023        | 5,126,199           |
| 2023-2024        | 5,128,817           |
| 2024-2025        | 2,670,961           |
| 2025-2026        | 1,306,461           |
| 2026-2027        | 173,836             |
| 2027-2028        | 173,836             |
| 2028-2029        | 2,369,426           |
| 2029-2030        | 2,388,250           |
| 2030-2031        | (24,259)            |
| 2031-2032        | 0.00                |
| <b>TOTAL DUE</b> | <b>\$80,592,887</b> |

## Enrollment Numbers – No Growth

| Grade             | 2010-11        | 2011-12        | 2012-13        | 2013-14        | 2014-15        |
|-------------------|----------------|----------------|----------------|----------------|----------------|
| <b>EC/Sprouts</b> | 46             | 50             | 50             | 50             | 50             |
| <b>K</b>          | 266            | 240            | 240            | 240            | 240            |
| <b>1</b>          | 280            | 266            | 240            | 240            | 240            |
| <b>2</b>          | 275            | 280            | 266            | 240            | 240            |
| <b>3</b>          | 276            | 275            | 280            | 266            | 240            |
| <b>4</b>          | 271            | 276            | 275            | 280            | 266            |
| <b>TOTAL</b>      | <b>1414</b>    | <b>1387</b>    | <b>1351</b>    | <b>1316</b>    | <b>1276</b>    |
| <b>ELEM</b>       |                |                |                |                |                |
| <b>5</b>          | 287            | 271            | 276            | 275            | 280            |
| <b>6</b>          | 271            | 287            | 271            | 276            | 275            |
| <b>TOTAL</b>      | <b>558</b>     | <b>558</b>     | <b>547</b>     | <b>551</b>     | <b>555</b>     |
| <b>INTER.</b>     |                |                |                |                |                |
| <b>7</b>          | 285            | 301            | 317            | 301            | 306            |
| <b>8</b>          | 253            | 285            | 301            | 317            | 301            |
| <b>TOTAL</b>      | <b>538</b>     | <b>586</b>     | <b>618</b>     | <b>618</b>     | <b>607</b>     |
| <b>MIDDLE</b>     |                |                |                |                |                |
| <b>9</b>          | 330            | 253            | 285            | 301            | 317            |
| <b>10</b>         | 278            | 330            | 253            | 285            | 301            |
| <b>11</b>         | 271            | 278            | 330            | 253            | 285            |
| <b>12</b>         | 305            | 271            | 278            | 330            | 253            |
| <b>TOTAL</b>      | <b>1184</b>    | <b>1132</b>    | <b>1146</b>    | <b>1169</b>    | <b>1156</b>    |
| <b>HIGH</b>       |                |                |                |                |                |
| <b>TOTAL</b>      | <b>3694</b>    | <b>3663</b>    | <b>3662</b>    | <b>3654</b>    | <b>3594</b>    |
| <b>DISTRICT</b>   | <b>2010-11</b> | <b>2011-12</b> | <b>2012-13</b> | <b>2013-14</b> | <b>2014-15</b> |

## Assumptions Made

- K classes estimated at 240
- 30 students enroll in 7<sup>th</sup> grade from private schools
- No student growth
- The 4K program is not included in this table.

## Scenario A: Aggressive Student Growth Planning

| Grade             | 2010-11        | 2011-12        | 2012-13        | 2013-14        | 2014-15        |
|-------------------|----------------|----------------|----------------|----------------|----------------|
| <b>EC/Sprouts</b> | 46             | 50             | 50             | 50             | 50             |
| <b>K</b>          | 266            | 240            | 240            | 240            | 240            |
| <b>1</b>          | 280            | 266            | 240            | 240            | 240            |
| <b>2</b>          | 275            | 280            | 266            | 240            | 240            |
| <b>3</b>          | 276            | 275            | 280            | 266            | 240            |
| <b>4</b>          | 271            | 276            | 275            | 280            | 266            |
| <b>TOTAL</b>      | <b>1414</b>    | <b>1387</b>    | <b>1351</b>    | <b>1316</b>    | <b>1276</b>    |
| <b>ELEM</b>       |                |                |                |                |                |
| <b>5</b>          | 287            | 271            | 276            | 275            | 280            |
| <b>6</b>          | 271            | 287            | 271            | 276            | 275            |
| <b>TOTAL</b>      | <b>558</b>     | <b>558</b>     | <b>547</b>     | <b>551</b>     | <b>555</b>     |
| <b>INTER.</b>     |                |                |                |                |                |
| <b>7</b>          | 285            | 301            | 317            | 301            | 306            |
| <b>8</b>          | 253            | 285            | 301            | 317            | 301            |
| <b>TOTAL</b>      | <b>538</b>     | <b>586</b>     | <b>618</b>     | <b>618</b>     | <b>607</b>     |
| <b>MIDDLE</b>     |                |                |                |                |                |
| <b>9</b>          | 330            | 253            | 285            | 301            | 317            |
| <b>10</b>         | 278            | 330            | 253            | 285            | 301            |
| <b>11</b>         | 271            | 278            | 330            | 253            | 285            |
| <b>12</b>         | 305            | 271            | 278            | 330            | 253            |
| <b>TOTAL</b>      | <b>1184</b>    | <b>1132</b>    | <b>1146</b>    | <b>1169</b>    | <b>1156</b>    |
| <b>HIGH</b>       |                |                |                |                |                |
| <b>TOTAL</b>      | <b>3694</b>    | <b>3663</b>    | <b>3662</b>    | <b>3654</b>    | <b>3594</b>    |
| <b>NEW</b>        | <b>0</b>       | <b>92</b>      | <b>186</b>     | <b>282</b>     | <b>380</b>     |
| <b>NEW TOTAL</b>  | <b>3694</b>    | <b>3755</b>    | <b>3848</b>    | <b>3936</b>    | <b>3974</b>    |
| <b>DISTRICT</b>   | <b>2010-11</b> | <b>2011-12</b> | <b>2012-13</b> | <b>2013-14</b> | <b>2014-15</b> |

## Assumptions Made

- **K classes estimated at 240**
- **30 students enroll in 7<sup>th</sup> grade from private schools**
- **Student growth at 2.5% of grand total**
- **The 4K program is not included in this table**

## Scenario B: Moderate Student Growth Planning

| Grade             | 2010-11        | 2011-12        | 2012-13        | 2013-14        | 2014-15        |
|-------------------|----------------|----------------|----------------|----------------|----------------|
| <b>EC/Sprouts</b> | 46             | 50             | 50             | 50             | 50             |
| <b>K</b>          | 266            | 240            | 240            | 240            | 240            |
| <b>1</b>          | 280            | 266            | 240            | 240            | 240            |
| <b>2</b>          | 275            | 280            | 266            | 240            | 240            |
| <b>3</b>          | 276            | 275            | 280            | 266            | 240            |
| <b>4</b>          | 271            | 276            | 275            | 280            | 266            |
| <b>TOTAL</b>      | <b>1414</b>    | <b>1387</b>    | <b>1351</b>    | <b>1316</b>    | <b>1276</b>    |
| <b>ELEM</b>       |                |                |                |                |                |
| <b>5</b>          | 287            | 271            | 276            | 275            | 280            |
| <b>6</b>          | 271            | 287            | 271            | 276            | 275            |
| <b>TOTAL</b>      | <b>558</b>     | <b>558</b>     | <b>547</b>     | <b>551</b>     | <b>555</b>     |
| <b>INTER.</b>     |                |                |                |                |                |
| <b>7</b>          | 285            | 301            | 317            | 301            | 306            |
| <b>8</b>          | 253            | 285            | 301            | 317            | 301            |
| <b>TOTAL</b>      | <b>538</b>     | <b>586</b>     | <b>618</b>     | <b>618</b>     | <b>607</b>     |
| <b>MIDDLE</b>     |                |                |                |                |                |
| <b>9</b>          | 330            | 253            | 285            | 301            | 317            |
| <b>10</b>         | 278            | 330            | 253            | 285            | 301            |
| <b>11</b>         | 271            | 278            | 330            | 253            | 285            |
| <b>12</b>         | 305            | 271            | 278            | 330            | 253            |
| <b>TOTAL</b>      | <b>1184</b>    | <b>1132</b>    | <b>1146</b>    | <b>1169</b>    | <b>1156</b>    |
| <b>HIGH</b>       |                |                |                |                |                |
| <b>TOTAL</b>      | <b>3694</b>    | <b>3663</b>    | <b>3662</b>    | <b>3654</b>    | <b>3594</b>    |
| <b>NEW</b>        | <b>0</b>       | <b>74</b>      | <b>149</b>     | <b>225</b>     | <b>303</b>     |
| <b>NEW TOTAL</b>  | <b>3694</b>    | <b>3737</b>    | <b>3811</b>    | <b>3879</b>    | <b>3897</b>    |
| <b>DISTRICT</b>   | <b>2010-11</b> | <b>2011-12</b> | <b>2012-13</b> | <b>2013-14</b> | <b>2014-15</b> |

## Assumptions Made

- K classes estimated at 240
- 30 students enroll in 7<sup>th</sup> grade from private schools
- Student growth at 2% of grand total
- The 4K program is not included in this table

## Scenario C: Conservative Student Growth Planning

| Grade             | 2010-11        | 2011-12        | 2012-13        | 2013-14        | 2014-15        |
|-------------------|----------------|----------------|----------------|----------------|----------------|
| <b>EC/Sprouts</b> | 46             | 50             | 50             | 50             | 50             |
| <b>K</b>          | 266            | 240            | 240            | 240            | 240            |
| <b>1</b>          | 280            | 266            | 240            | 240            | 240            |
| <b>2</b>          | 275            | 280            | 266            | 240            | 240            |
| <b>3</b>          | 276            | 275            | 280            | 266            | 240            |
| <b>4</b>          | 271            | 276            | 275            | 280            | 266            |
| <b>TOTAL</b>      | <b>1414</b>    | <b>1387</b>    | <b>1351</b>    | <b>1316</b>    | <b>1276</b>    |
| <b>ELEM</b>       |                |                |                |                |                |
| <b>5</b>          | 287            | 271            | 276            | 275            | 280            |
| <b>6</b>          | 271            | 287            | 271            | 276            | 275            |
| <b>TOTAL</b>      | <b>558</b>     | <b>558</b>     | <b>547</b>     | <b>551</b>     | <b>555</b>     |
| <b>INTER.</b>     |                |                |                |                |                |
| <b>7</b>          | 285            | 301            | 317            | 301            | 306            |
| <b>8</b>          | 253            | 285            | 301            | 317            | 301            |
| <b>TOTAL</b>      | <b>538</b>     | <b>586</b>     | <b>618</b>     | <b>618</b>     | <b>607</b>     |
| <b>MIDDLE</b>     |                |                |                |                |                |
| <b>9</b>          | 330            | 253            | 285            | 301            | 317            |
| <b>10</b>         | 278            | 330            | 253            | 285            | 301            |
| <b>11</b>         | 271            | 278            | 330            | 253            | 285            |
| <b>12</b>         | 305            | 271            | 278            | 330            | 253            |
| <b>TOTAL</b>      | <b>1184</b>    | <b>1132</b>    | <b>1146</b>    | <b>1169</b>    | <b>1156</b>    |
| <b>HIGH</b>       |                |                |                |                |                |
| <b>TOTAL</b>      | <b>3694</b>    | <b>3663</b>    | <b>3662</b>    | <b>3654</b>    | <b>3594</b>    |
| <b>NEW</b>        | <b>0</b>       | <b>37</b>      | <b>74</b>      | <b>111</b>     | <b>149</b>     |
| <b>NEW TOTAL</b>  | <b>3694</b>    | <b>3700</b>    | <b>3699</b>    | <b>3691</b>    | <b>3631</b>    |
| <b>DISTRICT</b>   | <b>2010-11</b> | <b>2011-12</b> | <b>2012-13</b> | <b>2013-14</b> | <b>2014-15</b> |

## Assumptions Made

- K classes estimated at 240
- 30 students enroll in 7<sup>th</sup> grade from private schools
- Student growth at 1% of grand total
- The 4K program is not included in this table

## Economic Factors

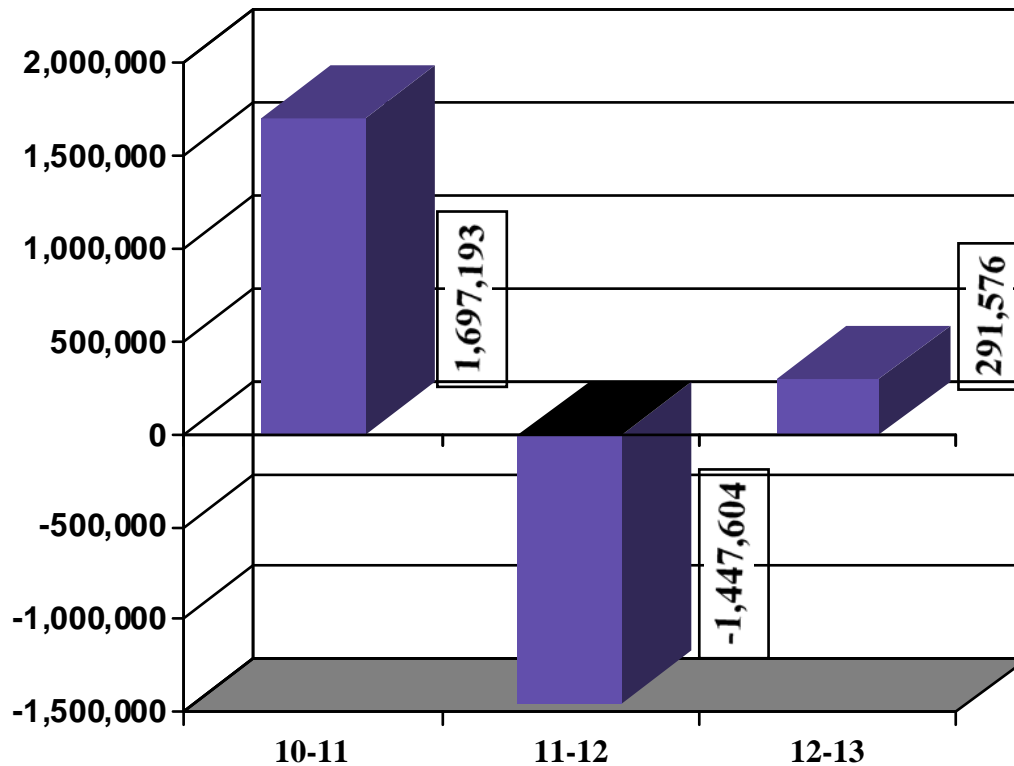
- **New housing starts were lower in 2010 than the recent past**
- **Interest rates are still low from historical standards, but loan requirements have increased from the recent past**
- **Real estate sales are increasing with a lower average dollar amount**
- **Overall economy was in an economic recession between December 2007 and June of 2009**
- **New developments may not begin until economic recovery (2012?)**
- **The Dane County Distressed Property Index reaches all-time high in December of 2010**

## Analysis

- **Scenario A is unlikely**
- **Scenario B is optimistic given current economy**
- **Scenario C is conservative, but may be the best planning model**

## Conservative Student Growth Planning

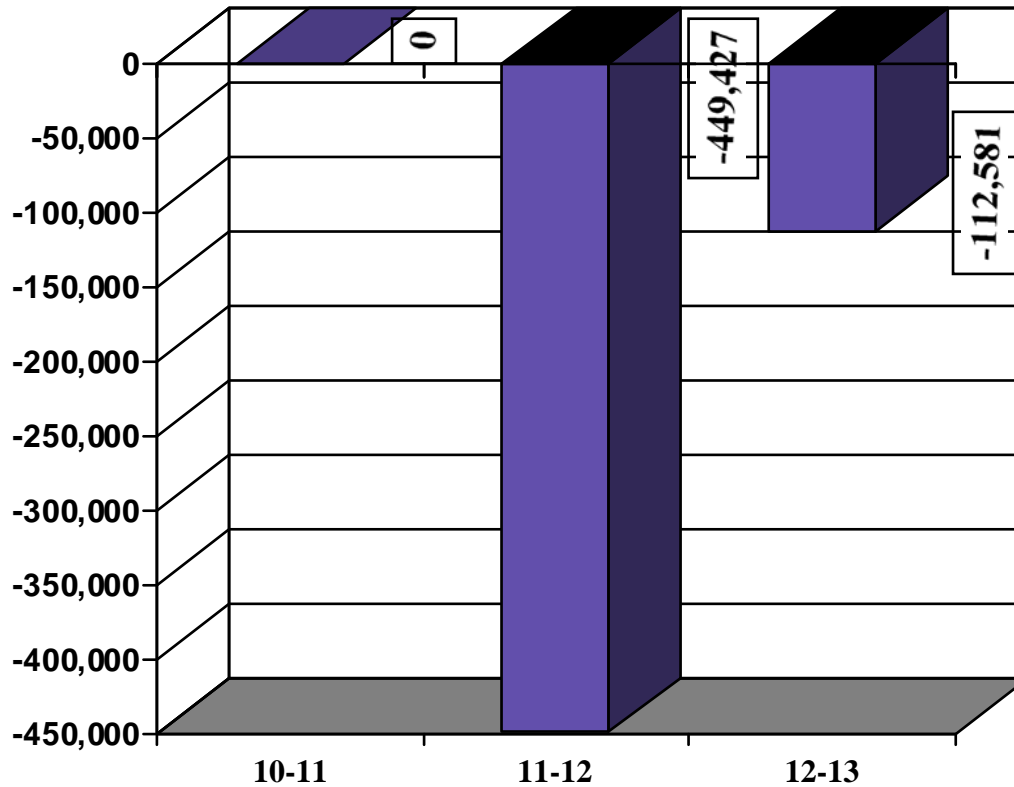
### REVENUE CAP PROJECTIONS



- A revenue cap deadline of \$565/student is included for 11-12, with an increase of \$0/student included for 12-13
- Revenue cap projections beyond 12-13 are not provided at this time
- The 4K program is not included in this analysis

## Conservative Student Growth Planning

### BUDGET PLANNING PROJECTIONS



- The above projections assume that personnel costs increase by 0.0% except required increases in the WRS
- Budget projections are not provided beyond 12-13 at this time
- The 4K program is not included in this analysis

