



Financial Update

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Budget Forecast Model

- Purpose
 - Estimate future fund balances
 - The fund balance is District's checkbook
 - Monitored by the Department of Education
 - Board Policy is a fund balance of 16.6 %
 - Estimate adjustments that are needed
 - Work with totals
 - Based on assumptions
- It is based on the best information we have today

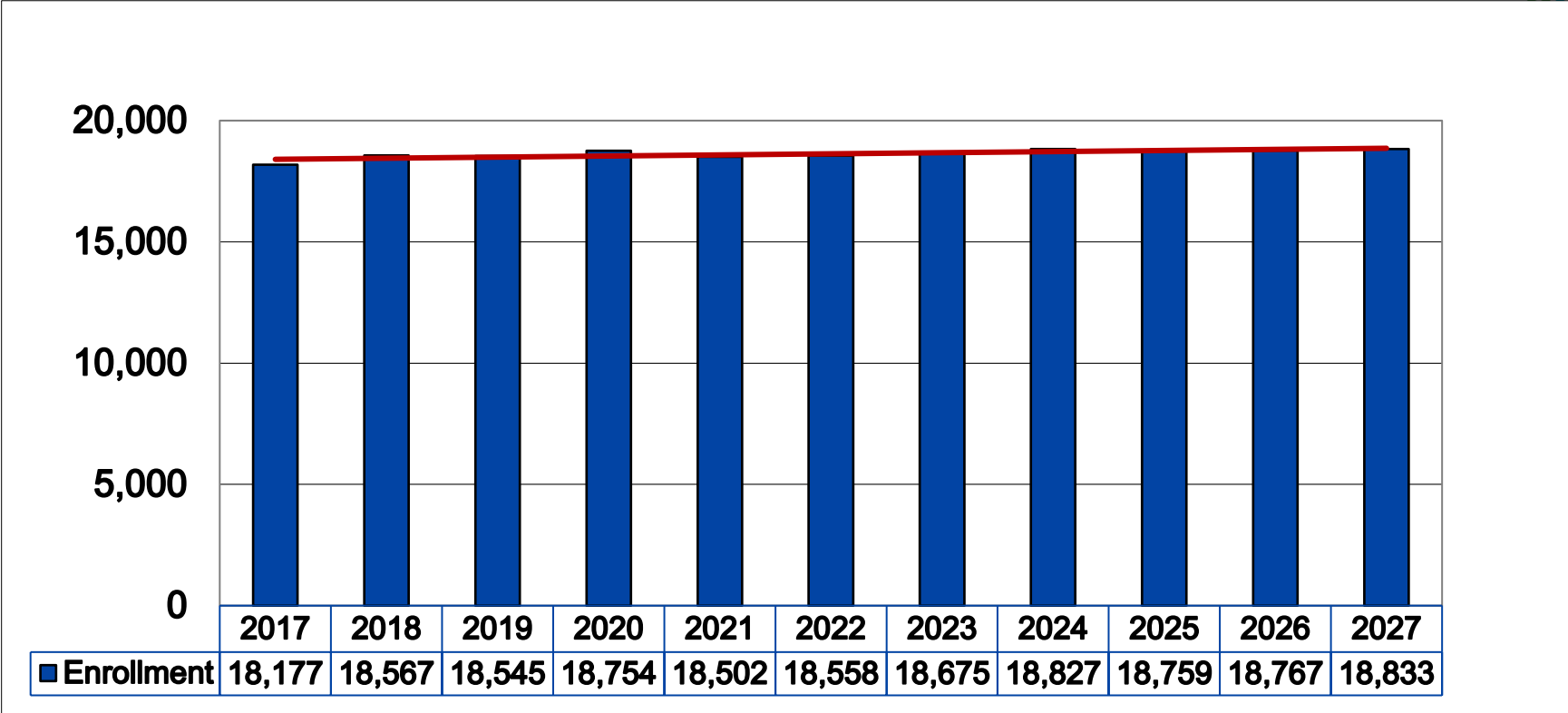
Budget Forecast Model

- Assumptions

- Enrollment

- Conservative
 - Shows very slight increase on overall enrollment
 - 1.5% over 5 years
 - About 55 students per year
 - Factors
 - Kindergarten/birth rates
 - Post Secondary Enrollment Options
 - Drops

Budgeted Enrollment



Birth Year	Washington County Births	Kindergarten Year	Kindergarten	South Washington County Schools Capture Rate
2012	2,774	2018	1,341	48.3%
2013	2,833	2019	1,325	46.7%
2014	2,880	2020	1,382	48.9%
2015	2,800	2021	1,225	43.7%
2016	2,821	2022	1,295	45.9%
2017	3,085	2023	1,335	43.3%
2018	2,732	2024	1,282	47.2 %
2019	2,701	2025	1,250 (Projected)	46.3 %
2020	2,668	2026	1,235 (Projected)	46.3 %

Enrollment Implications



South Washington County Schools Enrollment Projections for budget purposes (as of 9/04/23)														
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected
	14-15	15-16	2017	2018	2019	2020	2021	2022	2022	2023	2024	2025	2026	2027
Pre-K	236.24	237.00	251.59	250.04	269.71	280.38	254.36	273.31	273.31	272.00	272.00	272.00	272.00	272.00
K	1,229.00	1,240.59	1,296.18	1,341.24	1,326.2	1,382.01	1,226.12	1,296.92	1,296.92	1,336.22	1,282.00	1,250.00	1,235.00	1,305.67
PK/SR				17.27	41.22	35.22	30.20	28.26	28.26	25.00	25.00	40.00	40.00	40.00
1	1,289.28	1,278.83	1,308.13	1,340.77	1,350.37	1,366.47	1,362.35	1,307.80	1,307.80	1,361.00	1,364.00	1,357.38	1,323.50	1,307.62
2	1,321.05	1,326.57	1,365.73	1,359.71	1,366.24	1,367.19	1,334.06	1,384.49	1,384.49	1,358.44	1,410.00	1,393.21	1,386.45	1,351.85
3	1,402.09	1,354.96	1,416.41	1,412.42	1,387.75	1,411.13	1,337.52	1,360.81	1,360.81	1,437.78	1,389.00	1,446.95	1,429.72	1,422.78
4	1,376.53	1,437.63	1,400.92	1,466.37	1,402.44	1,437.13	1,400.35	1,407.06	1,407.06	1,430.33	1,471.00	1,422.85	1,482.21	1,464.57
5	1,377.19	1,385.75	1,498.43	1,444.56	1,463.79	1,430.10	1,432.07	1,396.81	1,396.81	1,444.67	1,445.00	1,492.48	1,443.63	1,503.85
6	1,395.93	1,323.52	1,384.27	1,486.80	1,405.22	1,438.74	1,340.41	1,390.31	1,390.31	1,353.33	1,412.00	1,410.28	1,456.61	1,408.94
7	1,324.39	1,393.66	1,347.75	1,425.70	1,464.47	1,438.86	1,432.09	1,375.82	1,375.82	1,402.44	1,401.00	1,425.24	1,423.51	1,470.28
8	1,383.32	1,333.71	1,407.43	1,398.11	1,415.48	1,464.52	1,438.20	1,443.88	1,443.88	1,390.89	1,442.00	1,410.15	1,434.55	1,432.80
9	1,359.33	1,409.08	1,415.00	1,463.24	1,431.06	1,463.55	1,528.12	1,491.54	1,491.54	1,495.00	1,474.00	1,494.67	1,461.65	1,486.94
10	1,378.35	1,365.02	1,416.32	1,413.75	1,462.91	1,438.72	1,458.00	1,515.07	1,515.07	1,506.33	1,474.00	1,473.22	1,493.87	1,460.87
11	1,352.37	1,332.64	1,339.06	1,376.09	1,349.14	1,425.05	1,440.82	1,418.24	1,418.24	1,406.22	1,413.00	1,428.51	1,427.75	1,447.76
12	1,372.74	1,375.34	1,330.25	1,371.31	1,409.71	1,374.92	1,488.33	1,469.08	1,469.08	1,456.67	1,553.00	1,441.63	1,457.45	1,456.68
ADM	17,797.81	17,794.30	18,177.47	18,567.38	18,544.69	18,753.99	18,502.00	18,558.40	18,558.40	18,675.33	18,827.00	18,758.56	18,767.91	18,832.61
	0.45%	-0.02%	2.15%	2.15%	-0.12%	1.13%	-1.34%	0.30%	0.30%	0.63%	0.81%	-0.36%	0.05%	0.34%
									New Revenue	\$ 1,110,044	\$ 1,801,333	\$ (894,110)	\$ 151,357	\$ 798,149
High Class	3	4	5	6	7	8	9	10		10	12	9	10	5
										Orig Budget	18,500			
										Difference	327.00			
											\$ 3,433,500			
											LY Difference	151.67		
											\$ 1,592,500			

Budget Forecast Model



- Revenue Assumptions

- Formula Increases

- Basic formula in 2024 is \$7,138 per pupil unit
 - Per Adjusted Pupil Unit
 - Formula increased 4 % in 2024 and 2 % in 2025
 - Beginning in 2026, it is tied to inflation up to 3%
 - Determined by State Legislature
 - SoWashCo Schools is assuming 2 % in each of next 3 years

Budget Forecast Model

- Other Revenue Assumptions
 - Federal Title and Federal Special Education – assuming flat
 - Fees and others – Assuming flat
 - State Special Education Aid – increasing with expenses
 - Operating referendum – increases with inflation

Budget Forecast Model

- Expenditure Assumptions
 - Wages and Benefits
 - Negotiated
 - 11 Unions (8 in General Fund)
 - Percentage of Salaries and Wages – known as cost of living adjustment
 - Steps (Longevity)
 - Steps and Lanes (Teacher contracts)
 - Generally two-year agreements
 - Payroll taxes increase also

Budget Forecast Model

- Expenditure Assumptions – 2.5% average
 - Utility and Fuel Costs
 - Professional Services
 - Substitute Teachers and Para's
 - Snow Removal, Waste Removal
 - Textbooks
 - Instructional Supplies
 - General and Repair Supplies

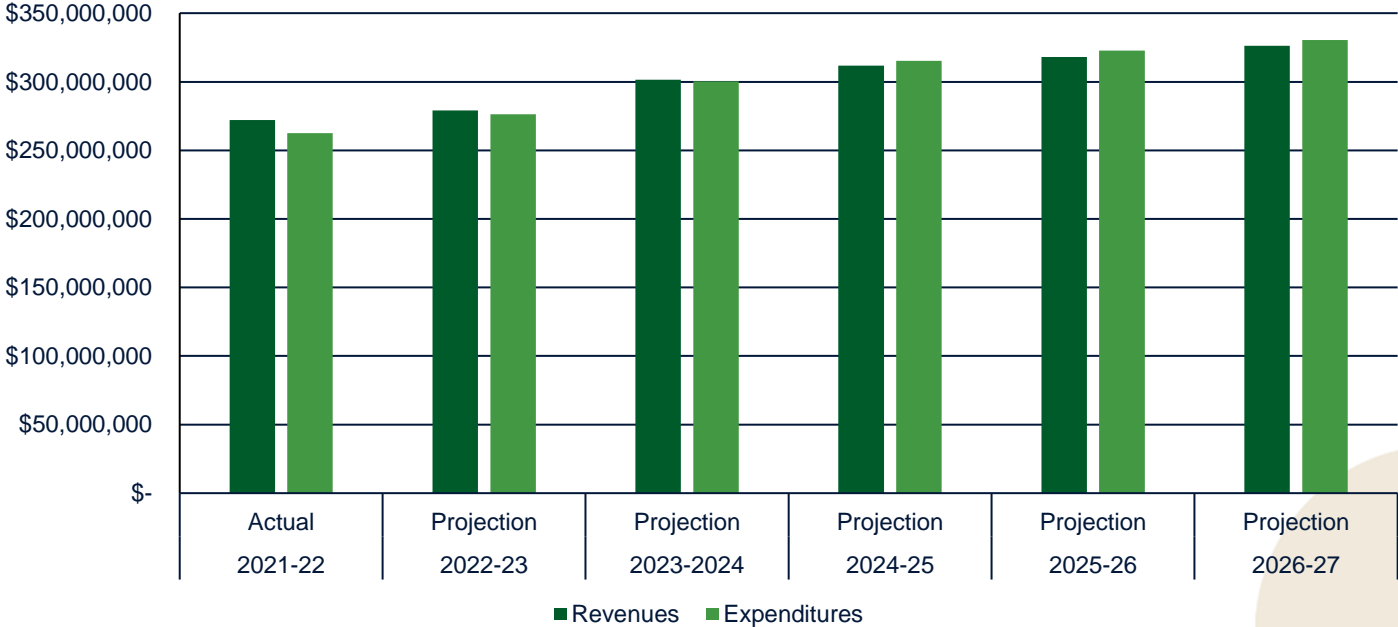
Budget Forecast Model

- Miscellaneous expenditure assumptions
 - Retirements
 - Save about \$50,000 per staff retirement
 - About 30 retirements per year
 - Staffing would need to increase with enrollment
 - New buildings and rentals

Budget Forecasts



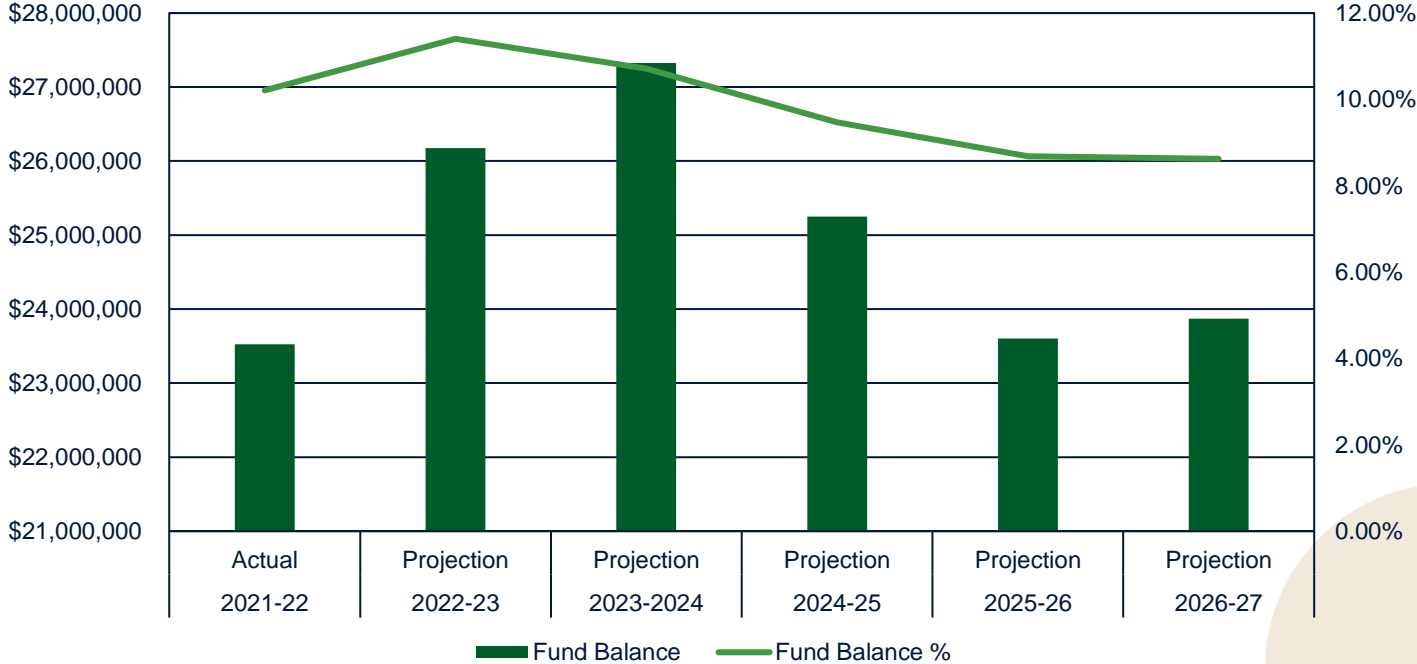
Projected Revenues and Expenses



Budget Forecasts



Projected Fund Balances



Questions?

