

March 12, 2024

FY25 BUDGET:

5-YEAR PROJECTIONS

FY25 FIRST LOOK

FY25 PRELIMINARY ASSUMPTIONS

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AGENDA

Statewide Budget Environment

- State Budget for Education
- Statewide District Response: Referendums (and layoffs?)

5-Year Budget Scenarios

- Flat Enrollment
- Declining Enrollment

FY25 Budget Assumptions

- Revenue and Expense Assumptions
- Potential Challenges Ahead

Next Steps

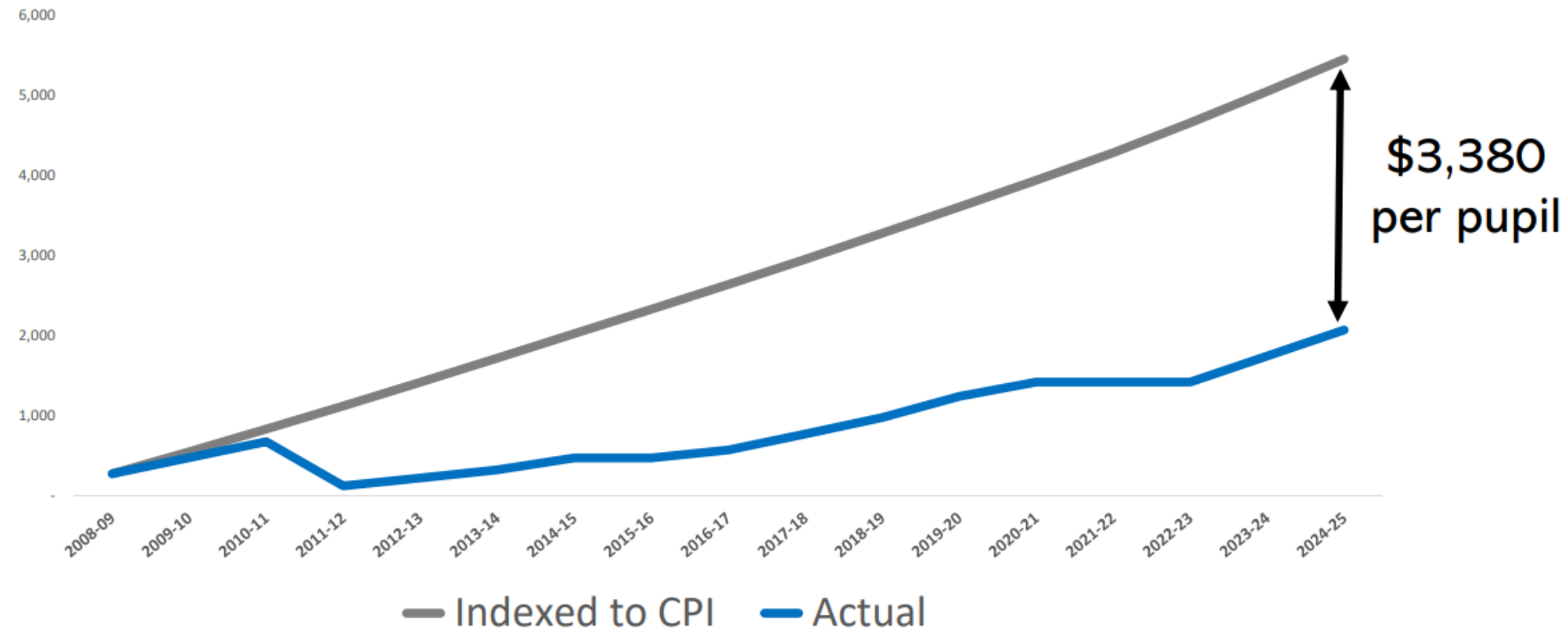


STATEWIDE BUDGET ENVIRONMENT



State Funding Lags

General school district revenues per pupil lag inflation by more than \$3,300 since 2009



In Shorewood, the Operating Referendum helped close this gap by adding \$2,845 per student to the 2023-2024 budget



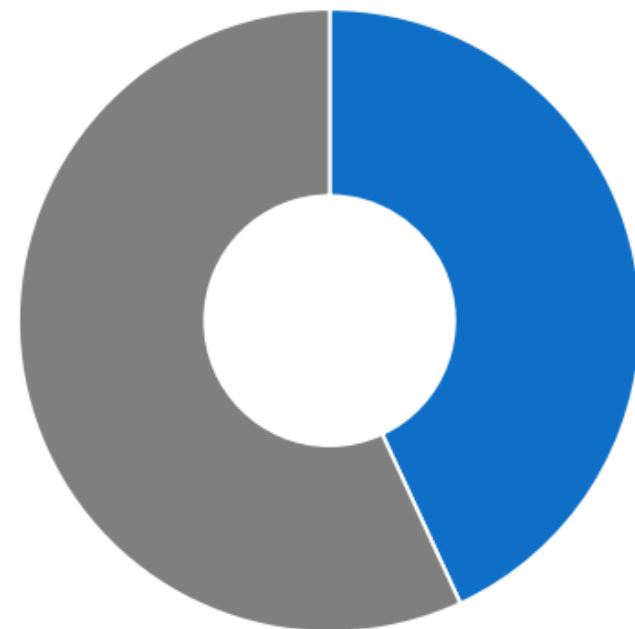
State Funding Lags

K-12 school aids as a share of state GPR

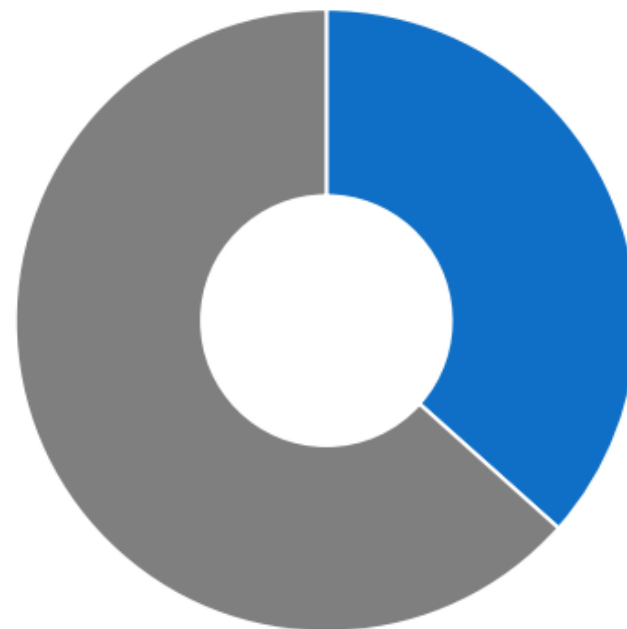


The \$325 per pupil increase authorized in the biennial budget represents an increase of less than 2% for Shorewood

2003
43.1%



2023
36.6%



Source: [Annual Fiscal Reports](#): Fiscal years ended June 30, 2023 and June 30, 2003



School District Responses

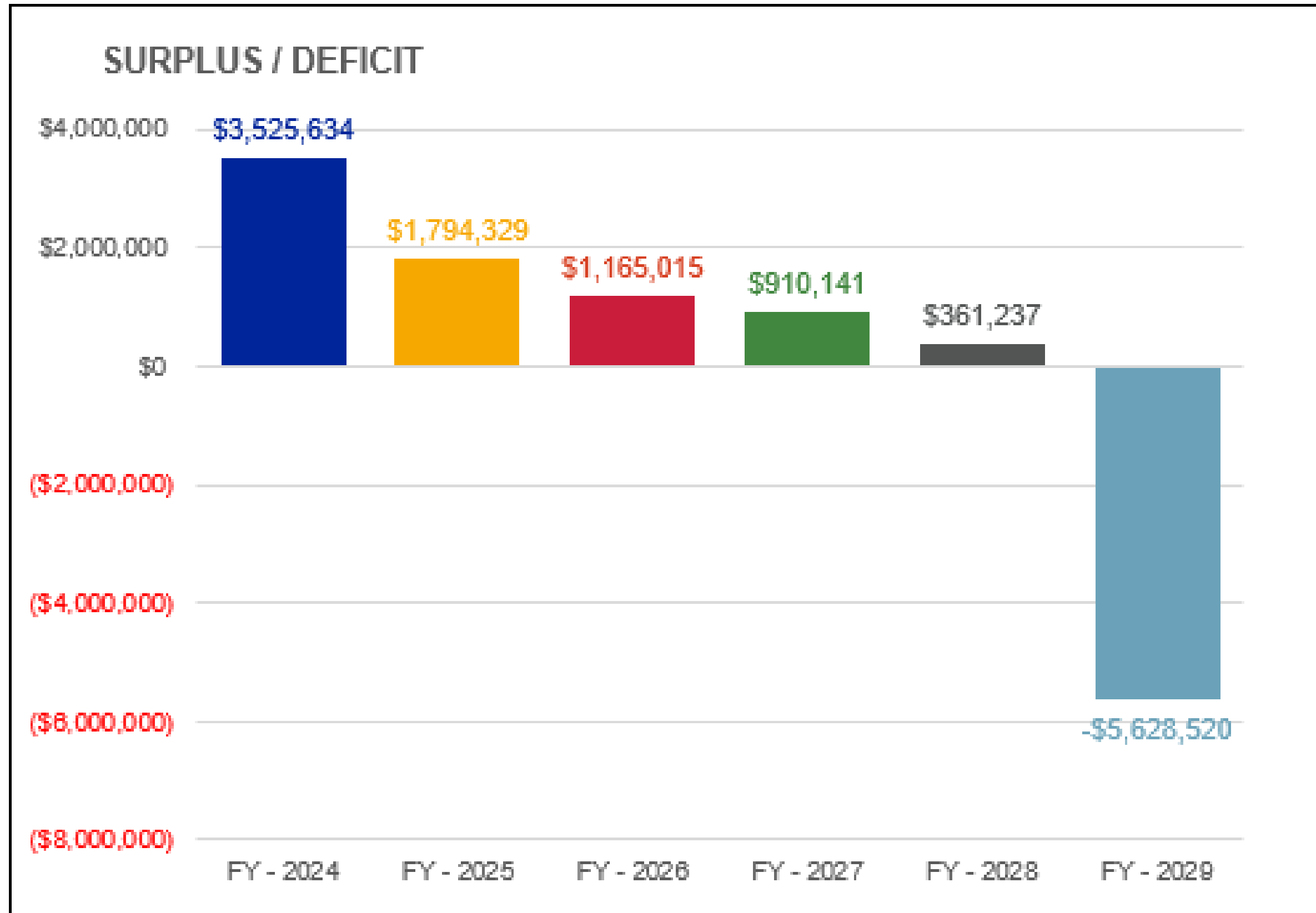
**61 of Wisconsin's 421 School District's
Have Operational Referenda
on the April Ballot**



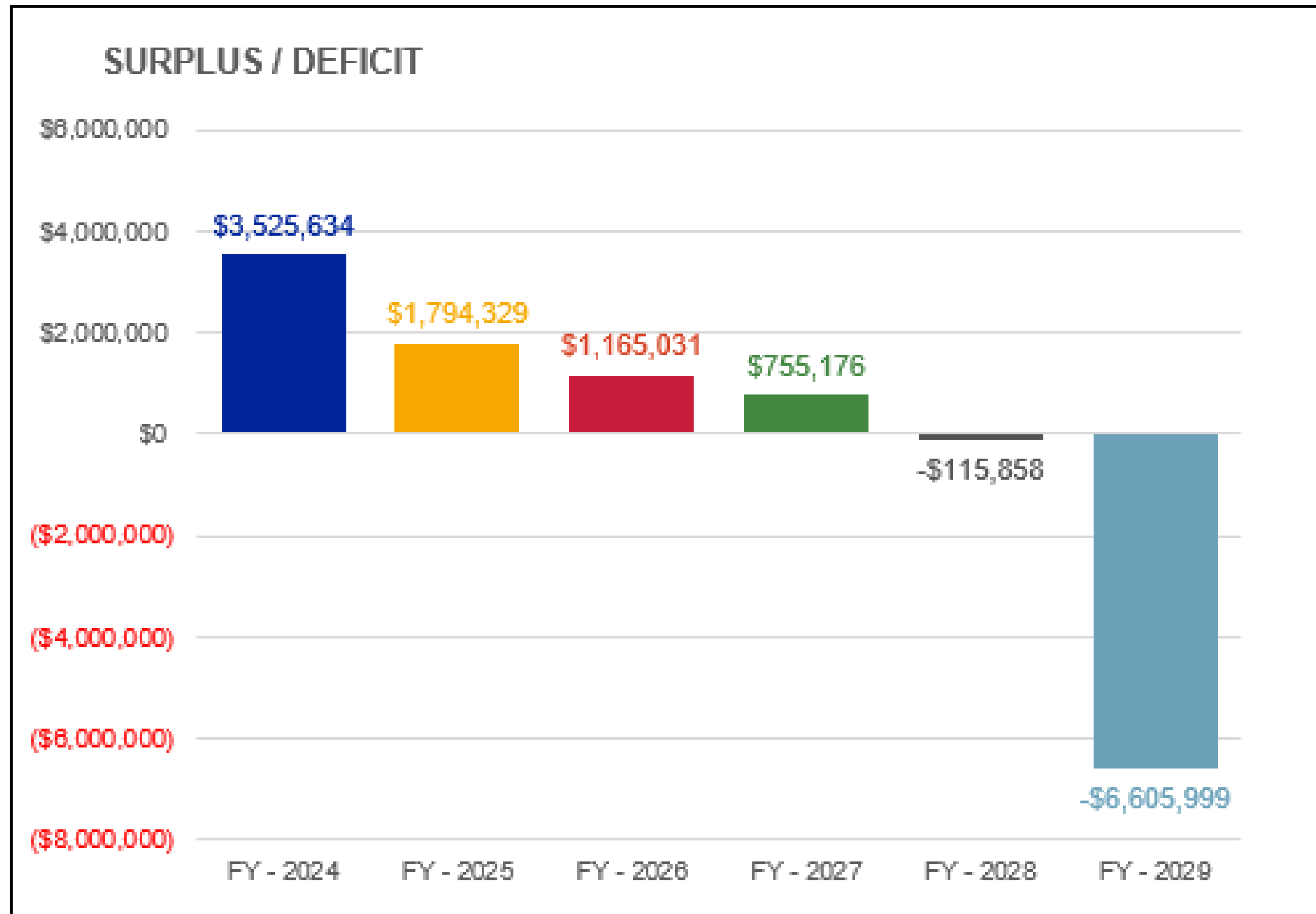
SHOREWOOD FINANCIAL FORECAST



OPERATING FUND - FLAT ENROLLMENT



OPERATING FUND - DECREASING ENROLLMENT



FY25 BUDGET ASSUMPTIONS



Preliminary Budget Assumptions

Revenue

- \$325 Per Pupil Increase
- Grants that support special populations and categorical aid percentage stay static
- Membership for revenue limit = 1,642 (1,675 = 3-year average)
- Increased aid from open enrollment (+39 new seats)
- State aid amount static

Expenses

- 4.6% average salary increase across all employee groups
- Preliminary allocations include increases to required fixed expenses only (i.e. utilities, insurance) and minor adjustments based on enrollment
- No net additional FTE



Preliminary Budget - Challenges Ahead

Tightening Margins

- First cut of revenue budget shows a decrease of \$650K
- First cut of expense budget shows an increase of \$1.45M
- Surplus was expected to tighten compared to the current year, but early projection is that it will be smaller than the 5-year projection

Increasing Needs

- Additional staff needed at Atwater and SIS based on projected enrollment and student needs
- Multiple additional requests received for staffing and/or materials



Next Steps

- ✓ District Leadership Team Work to Align Spending and Priorities
- ✓ Community Priority Input Session 3/18
- ✓ Propose budget balancing strategies to Board - 4/23
- ✓ Draft preliminary budget to Board - 5/22



DISCUSSION

