



**MEQUON-THIENSVILLE SCHOOL DISTRICT
BOARD OF EDUCATION**

EXECUTIVE SUMMARY

Subject: Initial 2012-13 Fiscal Forecast	Category: <input type="checkbox"/> Action <input type="checkbox"/> Discussion <input checked="" type="checkbox"/> Information
Attachments: <ul style="list-style-type: none"> Forecast Model 	Date for Consideration: February 20, 2012

Background

A fiscal forecast model is tool used to predict the district budget situation for upcoming years. Adjusting variables will change projected forecast. Assumptions are used to predict revenue and expenses by major budget categories. The forecast model is a tool used for planning purposes. As new information becomes available, model will be updated.

Highlights: <ul style="list-style-type: none"> Budget forecast model is a tool used to assist in budget planning. A \$1.0 million deficit is projected for 2012-13 assuming the following: loss of 63 resident students; \$50 increase in per pupil revenue limit; declining enrollment exemption remains in formula; and revenue and expenditure assumptions as identified in model. Administrative recommendations for 2012-13 will be presented in March. 	
Strengths	Needs Improvement
<ul style="list-style-type: none"> Expenditure assumptions for salary/benefits lower than previous years due to increased employee contributions for health care and pension. Expenditures assumptions for salary/benefits lower than projected future years due to anticipated decrease in retirement benefits for 2012-13. 	<ul style="list-style-type: none"> Declining enrollment continues to limit tax revenues.

Recommendation

For information at this time. Administrative budget recommendations for 2012-13 will be presented in March.

Submitted By: Gail Grieger, Director of Business Services	
Board of Education Action:	<input type="checkbox"/> Approve <input type="checkbox"/> Reject <input type="checkbox"/> Research/Report Back

MEQUON-THIENSVILLE SCHOOL DISTRICT
Revenue Limit Estimates

	<u>2011-2012</u>	<u>-63 Students</u> <u>2012-2013</u>	<u>-59 Students</u> <u>2013-14</u>	<u>-44 Students</u> <u>2014-15</u>	<u>-57 Students</u> <u>2015-16</u>	<u>-51 Students</u> <u>2016-17</u>
Base Revenue	\$39,793,261	\$37,012,323	\$36,654,146	\$36,653,389	\$36,639,007	\$36,616,194
Base Membership	3,603	3,543	3,492	3,413	3,356	3,303
Base Revenue Per Student	11,044.48	10,446.61	10,496.61	10,739.35	10,917.46	11,085.74
Per Student Increase*	-607.45	50.00	0.00	0.00	0.00	0.00
New Base Per Student	10,437.03	10,496.61	10,496.61	10,739.35	10,917.46	11,085.74
Membership Multiplier	3,543	3,492	3,413	3,356	3,303	3,252
Revenue Limit	\$36,978,397	\$36,654,146	\$35,824,914	\$36,041,246	\$36,060,382	\$36,050,821
Adjustments (Transfer of Service)	33926	0	0	0	0	0
Hold Harmless (line 14 not < 7)	0	0	\$828,475	\$597,761	\$555,812	\$534,839
Revenue Limit w/recurring exemptions	\$37,012,323	\$36,654,146	\$36,653,389	\$36,639,007	\$36,616,194	\$36,585,660
Declining Enrollment Exemption	626,222	535,327	829,232	612,143	578,626	565,373
Revenue Limit with Exemptions	\$37,638,545	\$37,189,473	\$37,482,621	\$37,251,150	\$37,194,819	\$37,151,033
Revenue Increase		-\$449,072	\$293,148	-\$231,471	-\$56,331	-\$43,787
% Increase		-1.19%	0.79%	-0.62%	-0.15%	-0.12%

Assumptions:

Per Pupil Increase est. at \$50 for 2012-13. Frozen 2013-14 and beyond.
 Hold Harmless provision remains in budget.
 Student enrollment estimated.