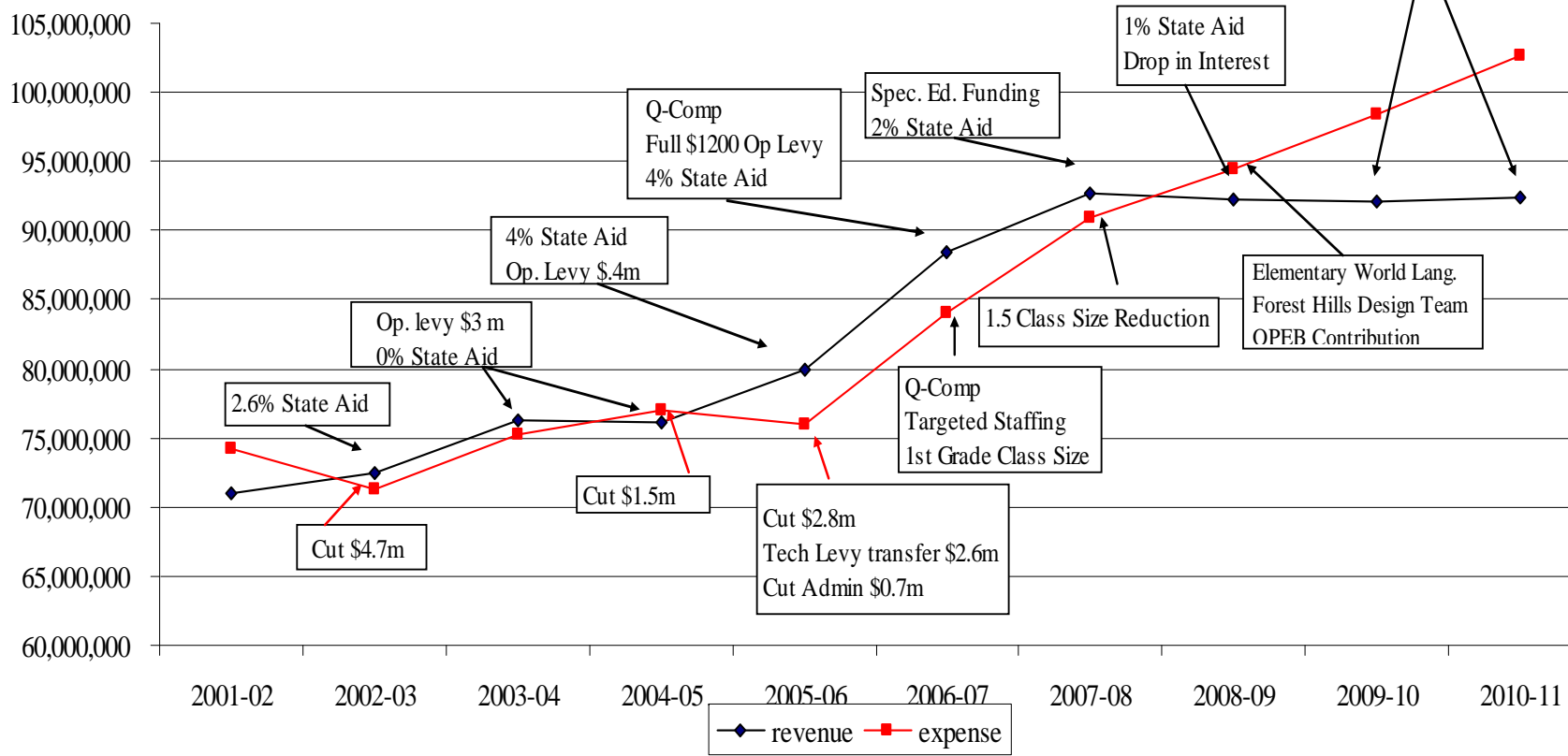


*YOUR SCHOOL DISTRICT*

Budget Development

# Trends

## Eden Prairie Schools



## Overall Considerations

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- Enrollment
- Revenue Assumptions
- Expenditure Assumptions
- Educational Needs
- Preliminary Revenue, Expenditures and Fund Balance
- Future Outlook

## Creating Assumptions

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- Experience
- Known Conditions
- Conversation; use of industry experts, Finance Advisory Committee, principals

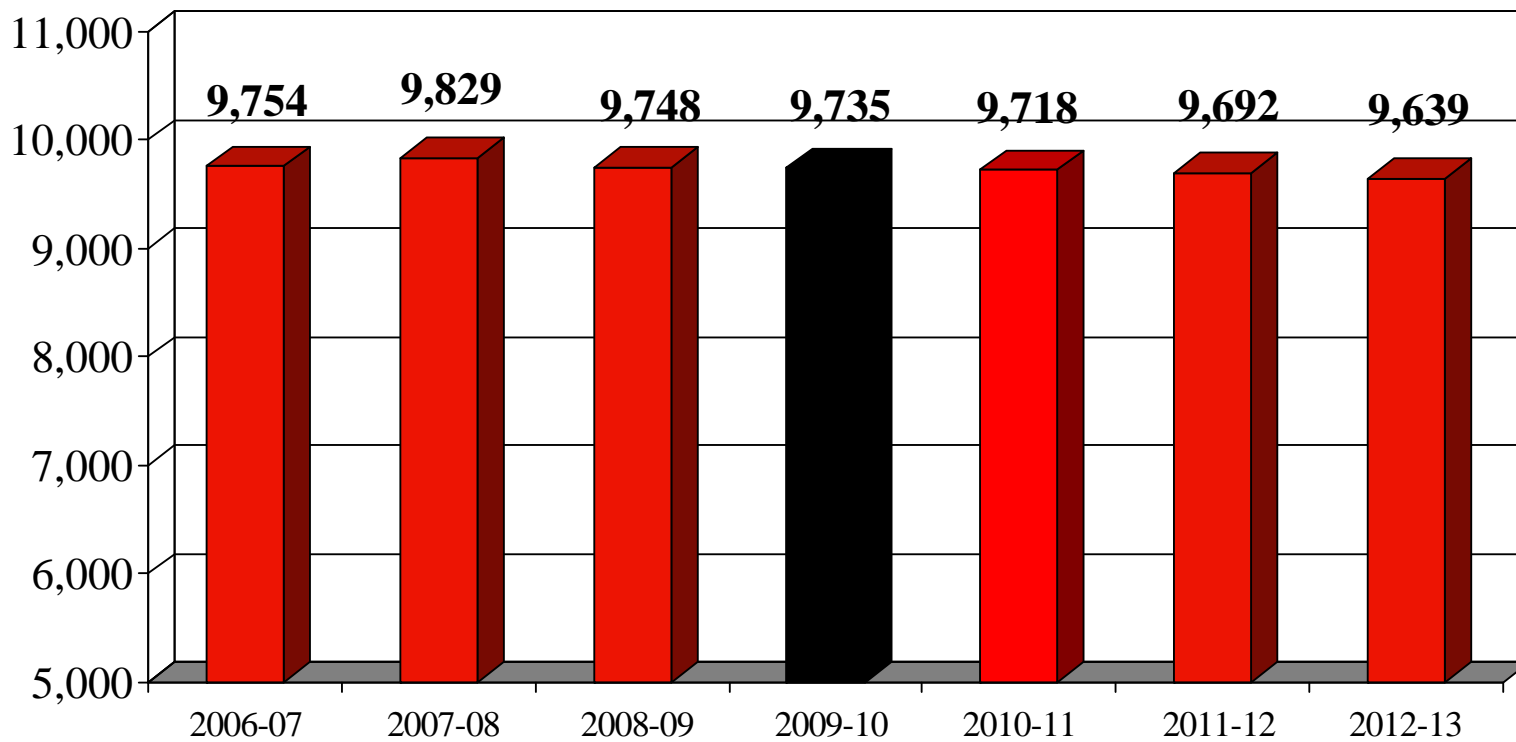
# Enrollment Projections

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- Review of demographics
  - Periodic Demographic Studies
  - Relationship City Planners
  - Trends (private schools, charters, neighborhoods)
- Enrollment model used
  - Include actual history
  - Mechanism for projecting future trends

# Enrollment Graph

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# General Fund Initial Revenue Assumptions

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- Pupil Units (Drives 70% of Revenue)
- General Education Funding Formula = \$5,124 (actual or assumed)
- Special Education Funding
- Checklist/Model (Other or One-time Revenue)

Result: Total revenue = \$92.1 million (decrease of 0.14%)

# General Fund Initial Expenditure Assumptions

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- **Classroom staffing ratios**
- **Staffing Hours & FTE projections**
- **Historical increases for unsettled employee contracts**
- **Assumptions regarding:**
  - **Medical/Dental insurance rates**
  - **Property Insurance**
  - **Utilities/fuel**
  - **Tuition**

Result: Total expenditures = \$98 million (increase of 2.73%)

## Initial Budget-General Fund

	<b>Budget 2008-09</b>	<b>Budget 2009-10</b>	<b>One Year Change</b>
<b>Revenue</b>	\$92,204,619	\$92,071,892	\$132,727 (-0.14%)
<b>Expense</b>	\$95,406,683	\$98,008,561	\$2,601,878 (+2.73%)
<b>Fund Balance</b>	\$13,989,950	\$8,053,281	-\$5,936,669 (-42.4%)
<b>Unappr. Fund Bal.</b>	\$11,575,941	\$5,639,272	
<b>Unappr. Fund Balance %</b>	12.60%	5.91%	
<b>Budget Gap</b>		\$5,936,669	

# The Creative Process

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- Meeting Educational Need
  - Enhanced Staffing Ratios
  - New Programs
  - Staffing Additions
- Address the Budget Gap
  - Increase Revenue (referendum, fees)
  - Expenditure Cuts
  - Habits of efficiency (energy, negotiate vendor contracts, review open positions)

# Other Funds

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- Food Service
  - Lunch prices
  - Meals served (participation)
  - Equipment Needs
  - Food Costs
- Capital Outlay (separate from General Fund)
  - Facility Needs
  - Textbooks
  - School bus replacements
- Community/Family Education
  - Tuition
  - Program Offerings
  - Understand Cost Drivers

## Long Range View

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- State Economy
- Enrollment Projections
- State Aid Trends
- Spending Habits
- Politics

Keep the long range view in front of decision makers.

## For More Information

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- [www.edenpr.org](http://www.edenpr.org)
  - ⇒ General Information
    - Departments and Services
    - Finance