



School Business Solutions “SBS”

Baird Budget Forecast Model Update

July 1 State Equalization Aid Estimate and January FTE
January 2019

Baird is dedicated to your district and its budget forecasting needs. In addition to providing support with your district-specific Baird Budget Forecast Model questions, Baird also provides timely and value-add updates throughout the year. Update your model regularly to ensure most recent assumptions and data is included. Below, please see recommended **January** updates:

January Ceiling and Guarantee Figures

As you are aware, numerous state variables impact the final equalization aid amount. Baird conducted extensive research and modeling to improve these estimates for the Equalization Aid Calculation in the Baird Budget Forecast Model and provides them to model users almost six months prior to actual availability.

Baird’s **January** Estimate of the Secondary Ceiling and Guarantee is derived from 2018-19 data submitted to the Wisconsin Department of Public Instruction by school districts state-wide. Below is a snapshot of updated figures districts may want to use, along with a guide for updating your Baird Model. Districts will need to evaluate if these updates are appropriate for their projections.

	Cost Ceilings		Guarantees		
	<u>Primary</u>	<u>Secondary</u>	<u>Primary</u>	<u>Secondary</u>	<u>Tertiary</u>
Updated % Change – \$0M increase to total state EQ Aid allocation	0.0%	2.4%	0.0%	2.0%	4.4%
Updated % Change – \$190M increase as per the Fair Funding Proposal	0.0%	2.4%	0.0%	8.9%	4.4%

To update your Baird Budget Forecast Model using the “Quick Access” buttons:

1. Select the **EQ Aid** “Quick Access” button.
2. Enter the 2019 ceiling and guarantee estimates from above. Include the (%) when entering to ensure accuracy (i.e. 2.4%). You may also want to adjust future years % and can do that here.
3. “Update”

For a step-by-step demonstration of how to update, [click here](#).

You may, instead, update your model via the **EQ AID** tab, cells P56, P59, P68, P73 and P78. If desired, also adjust future years %.

Due to expected “Budget vs. Actual” shared costs variance both state-wide and locally, Baird recommends running additional scenarios for the Secondary Ceiling and Secondary Guarantee estimates to test aid sensitivity.

January Ceiling and Guarantee Figures (cont.)

Important Notes

- The estimates provided above are based on the assumption of \$0M and \$190M increase to the total amount available for state equalization aid in 2019-20.*
- These estimates will change as the following data points are finalized throughout 2019:
 - Final allocation and distribution of Equalization Aid
 - Membership (FTE) - Typically available in February
 - Property Value - Typically available in May
 - Shared Costs (both state-wide and locally) - Typically available in October

*Note: the Fair Funding proposal is proposed to be effective in the 2020-21 school year, therefore the 2019-20 analysis above includes only the proposed \$190M increase in equalization aids.

January FTE

With the completion of the 2nd Friday in January count, districts have the final count needed for the 2019-20 (2020) Equalization Aid Calculation. This membership data will be compiled and available on the DPI website under "FY 2018-2019 Aid Calc FTE" under "FTE Reports" in each individual district's reporting portal. Once collected, this count can be entered into the Baird Model.

To update your Baird Budget Forecast Model using the "Quick Access" buttons:

1. Select the **FTE/OE/Voucher/AGR** "Quick Access" button.
2. Navigate to the **Base FTE Counts** tab.
3. Enter your district's January FTE into the **2019 January FTE** cell.
4. "Update"

For a step-by-step demonstration of how to update, [click here](#).

You may, instead, update your model via the **EQ AID** tab, cell O7. Future years are linked to Sept. FTE estimates.

Who to Contact

Watch for future email updates from the Baird School Business Solutions team as state and local variables become available. Updates will also be available on the SBS website rwbaird.com/WisconsinSBS.

Contact our [School Business Solutions Team](#) regarding these Baird Model updates or to learn more about consulting opportunities specific to your district's planning needs.

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