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Morris Community High School District 101

PMA Financial Planning Program
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PMA Securities, Inc.
PMA Financial Network, Inc.

Financial Projections

- FY15 amended budget is included along with preliminary FY16 budget info
- Annual sale of Working Cash Bonds included in projections

Key Revenue Assumptions

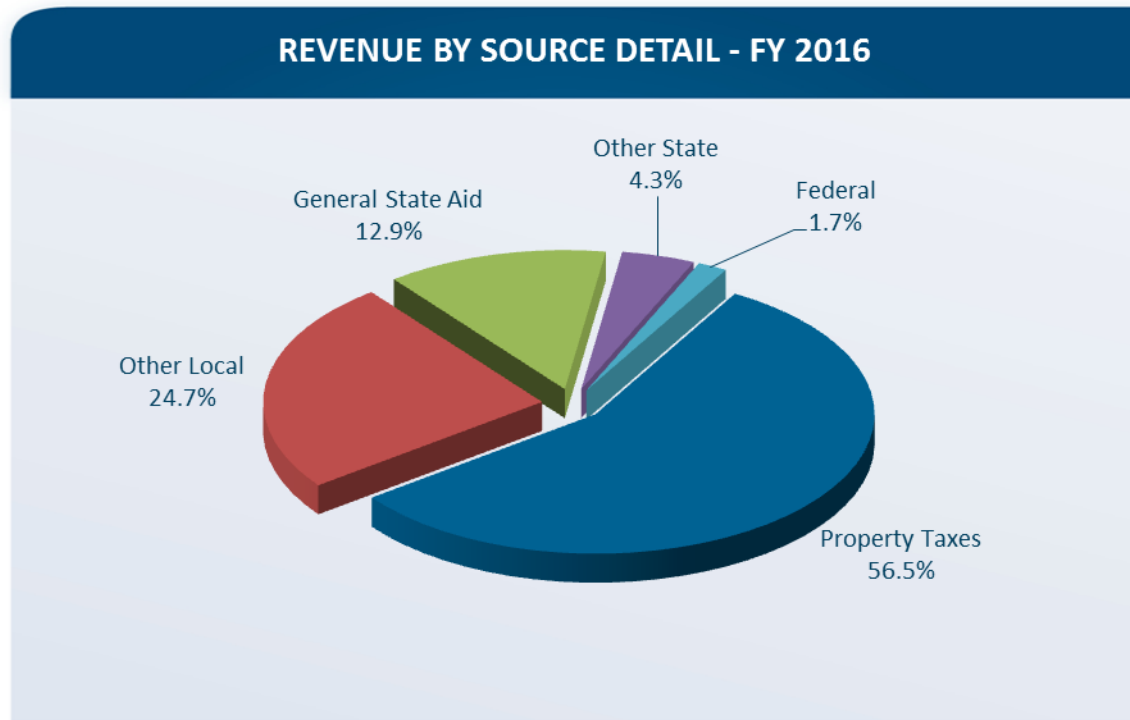
Local Revenue

- Levies 2013 – 2018
 - 2013-2014 Levies **-2%**, **-1.76%** EAV decrease
 - 2015 – 2020 Levies **0% change in EAV**
 - Annual sale of \$1.7M Working Cash Bonds

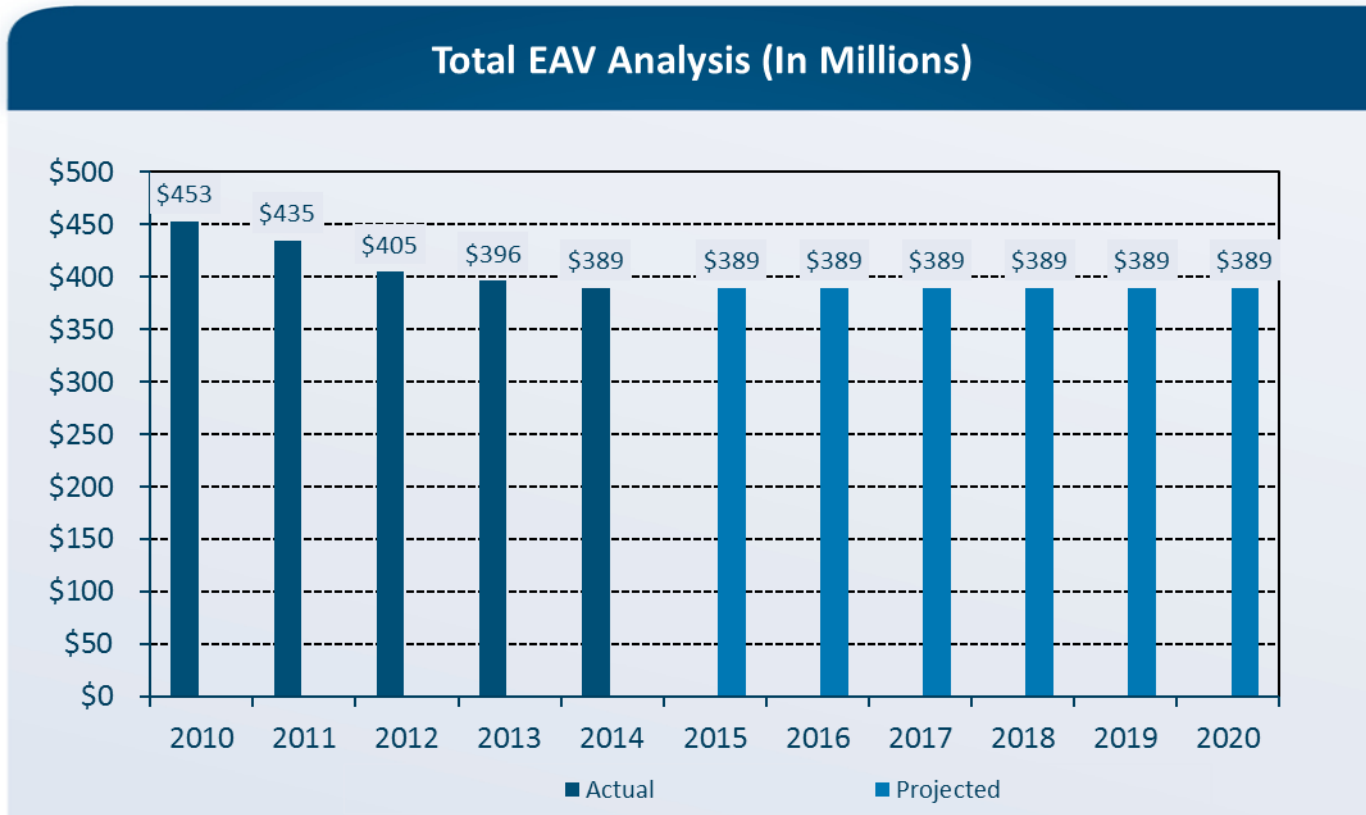
Key Revenue Assumptions

- State Revenue
 - General State Aid:
 - Foundation Level – \$6,119 remains constant
 - 89% proration in FY15 (same as FY13)
 - Loss is approximately \$140,000 this year
 - 92% proration in FY16, then 95%, and fully funded in FY18
 - One time adjustment in FY16 of additional ~\$165K
 - Categorical Funding: 0% increases,
 - Federal Revenue: 0% increases

FY16 Revenues by Source

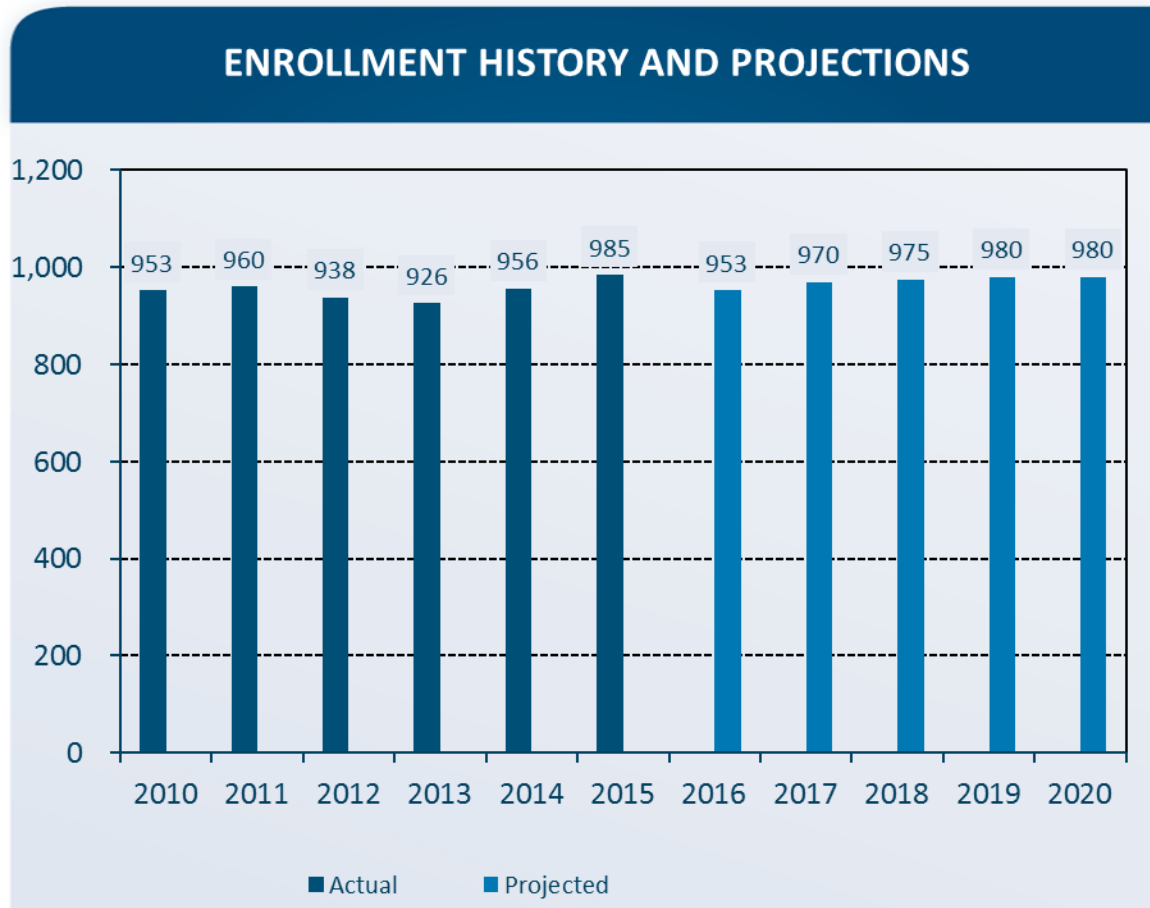


Local Revenue: Tax Base Assumptions

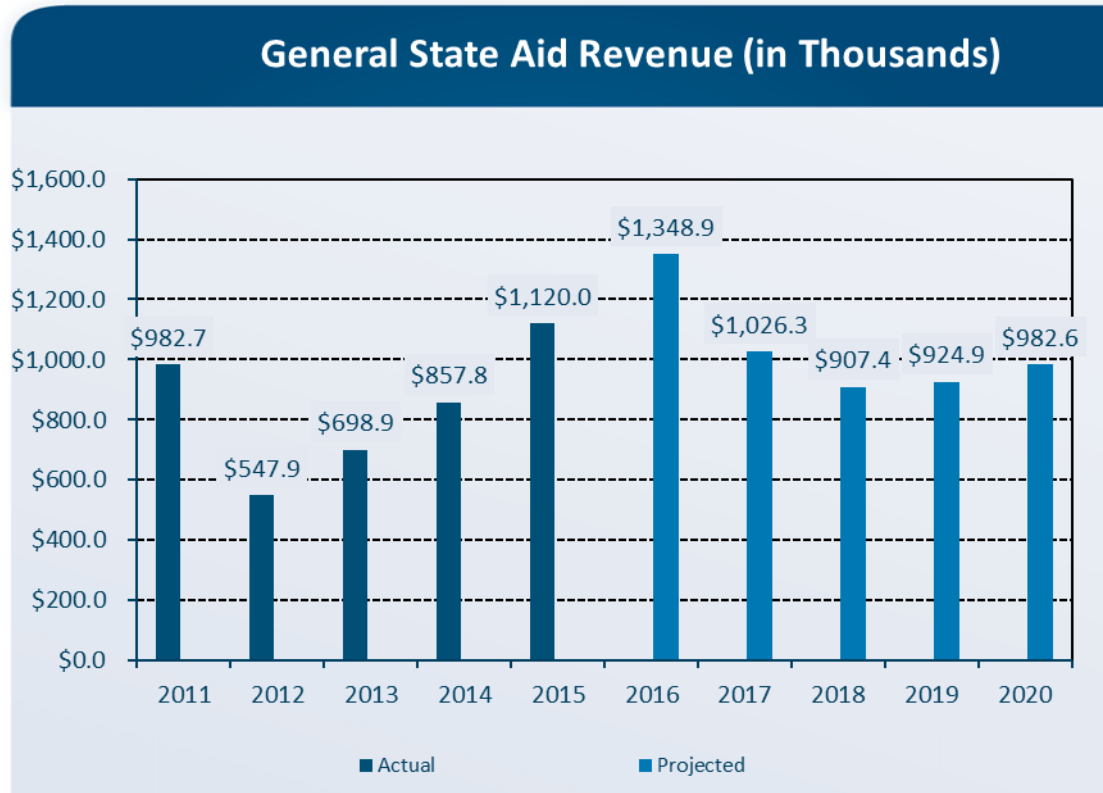


Source: District Projections

Enrollment



General State Aid



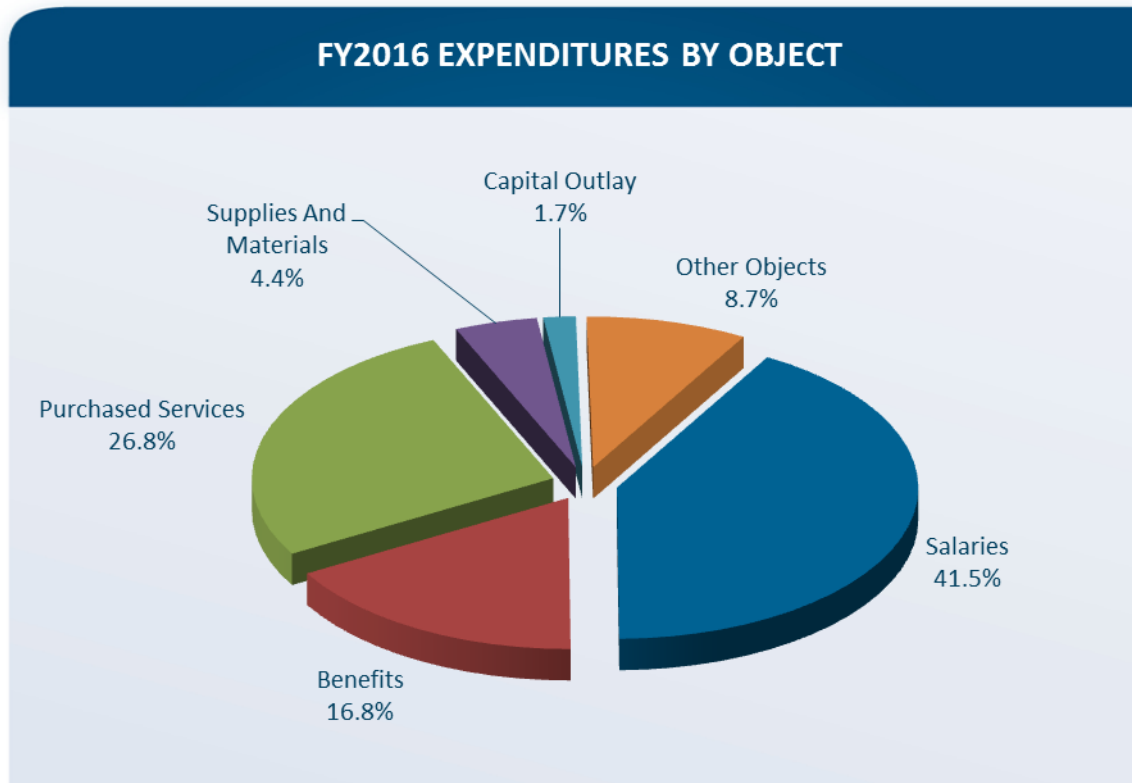
Key Expenditure Assumptions

- Salaries
 - Teachers
 - Current Contract through FY2017
 - Future years to be negotiated

- Health Benefits
 - Current cost

- Purchased Services, Supplies & Materials, Capital Outlay, Tuition
 - 0% to 3% annual increases
 - Capital outlay reduced after FY15 to maintain fund balances

FY16 Expenditures by Object



Aggregate Revenue vs. Expenditure Projections

Aggregate - Projection Summary

	BUDGET		REVENUE / EXPENDITURE PROJECTIONS									
	FY 2015	FY 2016	% chg	FY 2017	% chg	FY 2018	% chg	FY 2019	% chg	FY 2020	% chg	
REVENUE												
Local	\$8,786,190	\$8,511,409	-3.13%	\$8,501,106	-0.12%	\$8,507,194	0.07%	\$8,498,617	-0.10%	\$8,495,253	-0.04%	
State	\$1,746,292	\$1,796,492	2.87%	\$1,476,335	-17.82%	\$1,355,507	-8.18%	\$1,374,903	1.43%	\$1,432,656	4.20%	
Federal	\$179,820	\$179,204	-0.34%	\$181,647	1.36%	\$184,152	1.38%	\$186,719	1.39%	\$189,350	1.41%	
Other	\$0	\$0		\$0		\$0		\$0		\$0		
TOTAL REVENUE	\$10,712,302	\$10,487,105	-2.10%	\$10,159,088	-3.13%	\$10,046,853	-1.10%	\$10,060,239	0.13%	\$10,117,259	0.57%	
EXPENDITURES												
Salary and Benefit Costs	\$7,279,768	\$7,363,865	1.16%	\$7,255,038	-1.48%	\$7,402,494	2.03%	\$7,513,013	1.49%	\$7,658,725	1.94%	
Other	\$5,747,421	\$5,261,719	-8.45%	\$5,322,334	1.15%	\$5,394,466	1.36%	\$5,412,650	0.34%	\$5,477,040	1.19%	
TOTAL EXPENDITURES	\$13,027,189	\$12,625,584	-3.08%	\$12,577,373	-0.38%	\$12,796,960	1.75%	\$12,925,663	1.01%	\$13,135,765	1.63%	
SURPLUS / DEFICIT	(\$2,314,887)	(\$2,138,479)		(\$2,418,285)		(\$2,750,107)		(\$2,865,425)		(\$3,018,505)		A
OTHER FINANCING SOURCES/USES												
Transfer Among Funds (Net)	\$0	\$0		\$0		\$0		\$0		\$0		
Sale of Bonds	\$1,401,158	\$1,700,000		\$1,700,000		\$1,700,000		\$1,700,000		\$1,800,000		
Other Financing Sources	\$0	\$0		\$0		\$0		\$0		\$0		
Other Financing Uses	(\$387,718)	\$0		\$0		\$0		\$0		\$0		
TOTAL OTHER FIN. SOURCES/USES	\$1,013,440	\$1,700,000		\$1,700,000		\$1,700,000		\$1,700,000		\$1,800,000		B
SURPLUS / DEFICIT INCL. OTHER FIN. SOURCES	(\$1,301,447)	(\$438,479)		(\$718,285)		(\$1,050,107)		(\$1,165,425)		(\$1,218,505)		A+B
BEGINNING FUND BALANCE	\$3,376,349	\$2,074,902		\$1,636,423		\$918,138		(\$131,969)		(\$1,297,393)		
PROJECTED YEAR END BALANCE	\$2,074,902	\$1,636,423		\$918,138		(\$131,969)		(\$1,297,393)		(\$2,515,899)		
FUND BALANCE AS % OF EXPENDITURES	15.93%	12.96%		7.30%		-1.03%		-10.04%		-19.15%		
FUND BALANCE AS # OF MONTHS OF EXPEND.	1.91	1.56		0.88		(0.12)		(1.20)		(2.30)		

ED FUND PROJECTIONS

Educational Fund - Projection Summary											
	BUDGET	REVENUE / EXPENDITURE PROJECTIONS									
	FY 2015	FY 2016	% chg	FY 2017	% chg	FY 2018	% chg	FY 2019	% chg	FY 2020	% chg
REVENUE											
Local	\$6,006,328	\$5,823,175	-3.05%	\$5,807,664	-0.27%	\$5,809,404	0.03%	\$5,798,184	-0.19%	\$5,794,941	-0.06%
State	\$1,577,669	\$1,606,565	1.83%	\$1,283,952	-20.08%	\$1,165,043	-9.26%	\$1,182,608	1.51%	\$1,240,224	4.87%
Federal	\$179,820	\$179,204	-0.34%	\$181,647	1.36%	\$184,152	1.38%	\$186,719	1.39%	\$189,350	1.41%
Other	\$0	\$0		\$0		\$0		\$0		\$0	
TOTAL REVENUE	\$7,763,817	\$7,608,944	-1.99%	\$7,273,262	-4.41%	\$7,158,598	-1.58%	\$7,167,510	0.12%	\$7,224,514	0.80%
EXPENDITURES											
Salary and Benefit Costs	\$6,134,859	\$6,283,685	2.43%	\$6,091,142	-3.06%	\$6,214,517	2.03%	\$6,302,391	1.41%	\$6,423,265	1.92%
Other	\$3,861,861	\$3,655,475	-5.34%	\$3,710,975	1.52%	\$3,767,863	1.53%	\$3,826,172	1.55%	\$3,885,939	1.56%
TOTAL EXPENDITURES	\$9,996,720	\$9,939,160	-0.58%	\$9,802,118	-1.38%	\$9,982,380	1.84%	\$10,128,563	1.46%	\$10,309,205	1.78%
SURPLUS / DEFICIT	(\$2,232,903)	(\$2,330,217)		(\$2,528,855)		(\$2,823,781)		(\$2,961,053)		(\$3,084,690)	A
OTHER FINANCING SOURCES/USES											
Transfer Among Funds (Net)	\$1,598,468	\$1,920,000		\$1,920,000		\$1,920,000		\$1,920,000		\$2,000,000	
Sale of Bonds	\$0	\$0		\$0		\$0		\$0		\$0	
Other Financing Sources	\$0	\$0		\$0		\$0		\$0		\$0	
Other Financing Uses	\$0	\$0		\$0		\$0		\$0		\$0	
TOTAL OTHER FIN. SOURCES/USES	\$1,598,468	\$1,920,000		\$1,920,000		\$1,920,000		\$1,920,000		\$2,000,000	B
SURPLUS / DEFICIT INCL. OTHER FIN. SOURCES	(\$634,435)	(\$410,217)		(\$608,855)		(\$903,781)		(\$1,041,053)		(\$1,084,690)	A+B
BEGINNING FUND BALANCE	\$2,146,236	\$1,511,801		\$1,101,584		\$492,729		(\$411,053)		(\$1,452,105)	
PROJECTED YEAR END BALANCE	\$1,511,801	\$1,101,584		\$492,729		(\$411,053)		(\$1,452,105)		(\$2,536,796)	
FUND BALANCE AS % OF EXPENDITURES	15.12%	11.08%		5.03%		-4.12%		-14.34%		-24.61%	
FUND BALANCE AS # OF MONTHS OF EXPEND.	1.81	1.33		0.60		(0.49)		(1.72)		(2.95)	

O/M Fund Projections

Operations and Maintenance Fund - Projection Summary

	BUDGET	REVENUE / EXPENDITURE PROJECTIONS									
	FY 2015	FY 2016	% chg	FY 2017	% chg	FY 2018	% chg	FY 2019	% chg	FY 2020	% chg
REVENUE											
Local	\$1,537,208	\$1,381,565	-10.13%	\$1,382,847	0.09%	\$1,383,932	0.08%	\$1,384,713	0.06%	\$1,384,832	0.01%
State	\$0	\$0		\$0		\$0		\$0		\$0	
Federal	\$0	\$0		\$0		\$0		\$0		\$0	
Other	\$0	\$0		\$0		\$0		\$0		\$0	
TOTAL REVENUE	\$1,537,208	\$1,381,565	-10.13%	\$1,382,847	0.09%	\$1,383,932	0.08%	\$1,384,713	0.06%	\$1,384,832	0.01%
EXPENDITURES											
Salary and Benefit Costs	\$702,494	\$668,053	-4.90%	\$729,951	9.27%	\$744,197	1.95%	\$758,799	1.96%	\$773,766	1.97%
Other	\$996,344	\$756,753	-24.05%	\$756,753	0.00%	\$756,753	0.00%	\$756,753	0.00%	\$756,753	0.00%
TOTAL EXPENDITURES	\$1,698,838	\$1,424,806	-16.13%	\$1,486,704	4.34%	\$1,500,950	0.96%	\$1,515,551	0.97%	\$1,530,518	0.99%
SURPLUS / DEFICIT	(\$161,630)	(\$43,240)		(\$103,857)		(\$117,017)		(\$130,838)		(\$145,687)	A
OTHER FINANCING SOURCES/USES											
Transfer Among Funds (Net)	\$350,000	\$100,000		\$100,000		\$100,000		\$100,000		\$100,000	
Sale of Bonds	\$0	\$0		\$0		\$0		\$0		\$0	
Other Financing Sources	\$0	\$0		\$0		\$0		\$0		\$0	
Other Financing Uses	(\$387,718)	\$0		\$0		\$0		\$0		\$0	
TOTAL OTHER FIN. SOURCES/USES	(\$37,718)	\$100,000		\$100,000		\$100,000		\$100,000		\$100,000	B
SURPLUS / DEFICIT INCL. OTHER FIN. SOURCES	(\$199,348)	\$56,760		(\$3,857)		(\$17,017)		(\$30,838)		(\$45,687)	A+B
BEGINNING FUND BALANCE	\$310,208	\$110,860		\$167,620		\$163,763		\$146,745		\$115,907	
PROJECTED YEAR END BALANCE	\$110,860	\$167,620		\$163,763		\$146,745		\$115,907		\$70,220	
FUND BALANCE AS % OF EXPENDITURES	6.53%	11.76%		11.02%		9.78%		7.65%		4.59%	
FUND BALANCE AS # OF MONTHS OF EXPEND.	0.78	1.41		1.32		1.17		0.92		0.55	

TRANSPORTATION FUND PROJECTIONS

Transportation Fund - Projection Summary											
	BUDGET	REVENUE / EXPENDITURE PROJECTIONS									
	FY 2015	FY 2016	% chg	FY 2017	% chg	FY 2018	% chg	FY 2019	% chg	FY 2020	% chg
REVENUE											
Local	\$479,282	\$469,935	-1.95%	\$470,420	0.10%	\$470,357	-0.01%	\$469,918	-0.09%	\$469,412	-0.11%
State	\$168,623	\$189,927	12.63%	\$192,383	1.29%	\$190,464	-1.00%	\$192,296	0.96%	\$192,432	0.07%
Federal	\$0	\$0		\$0		\$0		\$0		\$0	
Other	\$0	\$0		\$0		\$0		\$0		\$0	
TOTAL REVENUE	\$647,905	\$659,862	1.85%	\$662,803	0.45%	\$660,821	-0.30%	\$662,213	0.21%	\$661,845	-0.06%
EXPENDITURES											
Salary and Benefit Costs	\$5,000	\$5,121	2.41%	\$5,283	3.17%	\$5,413	2.46%	\$5,552	2.57%	\$5,691	2.49%
Other	\$693,516	\$657,898	-5.14%	\$658,224	0.05%	\$688,559	4.61%	\$658,901	-4.31%	\$659,253	0.05%
TOTAL EXPENDITURES	\$698,516	\$663,019	-5.08%	\$663,507	0.07%	\$693,972	4.59%	\$664,454	-4.25%	\$664,943	0.07%
SURPLUS / DEFICIT	(\$50,611)	(\$3,157)		(\$704)		(\$33,151)		(\$2,240)		(\$3,099)	A
OTHER FINANCING SOURCES/USES											
Transfer Among Funds (Net)	(\$350,000)	(\$100,000)		(\$100,000)		(\$100,000)		(\$100,000)		(\$100,000)	
Sale of Bonds	\$0	\$0		\$0		\$0		\$0		\$0	
Other Financing Sources	\$0	\$0		\$0		\$0		\$0		\$0	
Other Financing Uses	\$0	\$0		\$0		\$0		\$0		\$0	
TOTAL OTHER FIN. SOURCES/USES	(\$350,000)	(\$100,000)		(\$100,000)		(\$100,000)		(\$100,000)		(\$100,000)	B
SURPLUS / DEFICIT INCL. OTHER FIN. SOURCES	(\$400,611)	(\$103,157)		(\$100,704)		(\$133,151)		(\$102,240)		(\$103,099)	A+B
BEGINNING FUND BALANCE	\$655,241	\$254,630		\$151,473		\$50,769		(\$82,381)		(\$184,622)	
PROJECTED YEAR END BALANCE	\$254,630	\$151,473		\$50,769		(\$82,381)		(\$184,622)		(\$287,720)	
FUND BALANCE AS % OF EXPENDITURES	36.45%	22.85%		7.65%		-11.87%		-27.79%		-43.27%	
FUND BALANCE AS # OF MONTHS OF EXPEND.	4.37	2.74		0.92		(1.42)		(3.33)		(5.19)	

IMRF/SS Fund

Municipal Retirement/Social Security Fund - Projection Summary											
	BUDGET	REVENUE / EXPENDITURE PROJECTIONS									
	FY 2015	FY 2016	% chg	FY 2017	% chg	FY 2018	% chg	FY 2019	% chg	FY 2020	% chg
REVENUE											
Local	\$243,372	\$317,169	30.32%	\$318,056	0.28%	\$319,061	0.32%	\$320,020	0.30%	\$320,555	0.17%
State	\$0	\$0		\$0		\$0		\$0		\$0	
Federal	\$0	\$0		\$0		\$0		\$0		\$0	
Other	\$0	\$0		\$0		\$0		\$0		\$0	
TOTAL REVENUE	\$243,372	\$317,169	30.32%	\$318,056	0.28%	\$319,061	0.32%	\$320,020	0.30%	\$320,555	0.17%
EXPENDITURES											
Salary and Benefit Costs	\$276,635	\$262,887	-4.97%	\$267,936	1.92%	\$273,341	2.02%	\$278,395	1.85%	\$283,963	2.00%
Other	\$0	\$0		\$0		\$0		\$0		\$0	
TOTAL EXPENDITURES	\$276,635	\$262,887	-4.97%	\$267,936	1.92%	\$273,341	2.02%	\$278,395	1.85%	\$283,963	2.00%
SURPLUS / DEFICIT	(\$33,263)	\$54,282		\$50,119		\$45,720		\$41,626		\$36,592	A
OTHER FINANCING SOURCES/USES											
Transfer Among Funds (Net)	\$0	\$0		\$0		\$0		\$0		\$0	
Sale of Bonds	\$0	\$0		\$0		\$0		\$0		\$0	
Other Financing Sources	\$0	\$0		\$0		\$0		\$0		\$0	
Other Financing Uses	\$0	\$0		\$0		\$0		\$0		\$0	
TOTAL OTHER FIN. SOURCES/USES	\$0	\$0		\$0		\$0		\$0		\$0	B
SURPLUS / DEFICIT INCL. OTHER FIN. SOURCES	(\$33,263)	\$54,282		\$50,119		\$45,720		\$41,626		\$36,592	A+B
BEGINNING FUND BALANCE	\$165,222	\$131,959		\$186,241		\$236,360		\$282,080		\$323,705	
PROJECTED YEAR END BALANCE	\$131,959	\$186,241		\$236,360		\$282,080		\$323,705		\$360,297	
FUND BALANCE AS % OF EXPENDITURES	47.70%	70.84%		88.22%		103.20%		116.28%		126.88%	
FUND BALANCE AS # OF MONTHS OF EXPEND.	5.72	8.50		10.59		12.38		13.95		15.23	

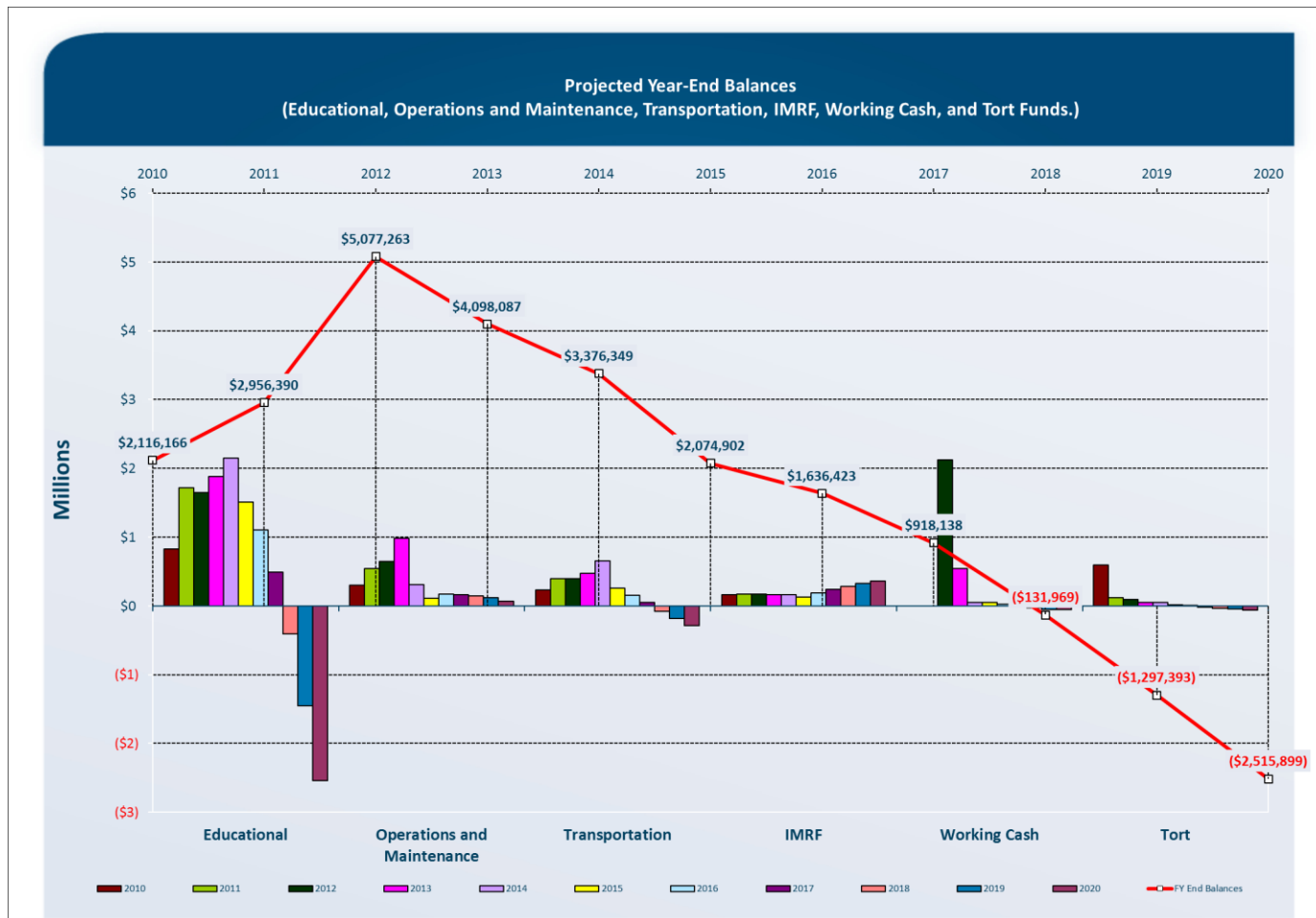
Working Cash Fund Projections

Working Cash Fund - Projection Summary											
	BUDGET	REVENUE / EXPENDITURE PROJECTIONS									
	FY 2015	FY 2016	% chg	FY 2017	% chg	FY 2018	% chg	FY 2019	% chg	FY 2020	% chg
REVENUE											
Local	\$198,000	\$191,221	-3.42%	\$193,509	1.20%	\$195,674	1.12%	\$196,880	0.62%	\$196,575	-0.15%
State	\$0	\$0		\$0		\$0		\$0		\$0	
Federal	\$0	\$0		\$0		\$0		\$0		\$0	
Other	\$0	\$0		\$0		\$0		\$0		\$0	
TOTAL REVENUE	\$198,000	\$191,221	-3.42%	\$193,509	1.20%	\$195,674	1.12%	\$196,880	0.62%	\$196,575	-0.15%
OTHER FIN. SOURCES/USES											
Transfer Among Funds (Net)	(\$1,598,468)	(\$1,920,000)		(\$1,920,000)		(\$1,920,000)		(\$1,920,000)		(\$2,000,000)	
Sale of Bonds	\$1,401,158	\$1,700,000		\$1,700,000		\$1,700,000		\$1,700,000		\$1,800,000	
Other Financing Sources	\$0	\$0		\$0		\$0		\$0		\$0	
Other Financing Uses	\$0	\$0		\$0		\$0		\$0		\$0	
TOTAL OTHER FIN. SOURCES/USES	(\$197,310)	(\$220,000)		(\$220,000)		(\$220,000)		(\$220,000)		(\$200,000)	
BEGINNING FUND BALANCE	\$49,097	\$49,787		\$21,008		(\$5,483)		(\$29,809)		(\$52,929)	
PROJECTED YEAR END BALANCE	\$49,787	\$21,008		(\$5,483)		(\$29,809)		(\$52,929)		(\$56,354)	

Tort Fund Projections

Tort Fund - Projection Summary											
	BUDGET	REVENUE / EXPENDITURE PROJECTIONS									
	FY 2015	FY 2016	% chg	FY 2017	% chg	FY 2018	% chg	FY 2019	% chg	FY 2020	% chg
REVENUE											
Local	\$322,000	\$328,344	1.97%	\$328,610	0.08%	\$328,766	0.05%	\$328,902	0.04%	\$328,939	0.01%
State	\$0	\$0		\$0		\$0		\$0		\$0	
Federal	\$0	\$0		\$0		\$0		\$0		\$0	
Other	\$0	\$0		\$0		\$0		\$0		\$0	
TOTAL REVENUE	\$322,000	\$328,344	1.97%	\$328,610	0.08%	\$328,766	0.05%	\$328,902	0.04%	\$328,939	0.01%
EXPENDITURES											
Salary and Benefit Costs	\$160,780	\$144,119	-10.36%	\$160,726	11.52%	\$165,026	2.68%	\$167,876	1.73%	\$172,041	2.48%
Other	\$195,700	\$191,593	-2.10%	\$196,382	2.50%	\$181,292	-7.68%	\$170,824	-5.77%	\$175,095	2.50%
TOTAL EXPENDITURES	\$356,480	\$335,712	-5.83%	\$357,108	6.37%	\$346,317	-3.02%	\$338,700	-2.20%	\$347,135	2.49%
SURPLUS / DEFICIT	(\$34,480)	(\$7,368)		(\$28,498)		(\$17,551)		(\$9,798)		(\$18,197)	A
OTHER FINANCING SOURCES/USES											
Transfer Among Funds (Net)	\$0	\$0		\$0		\$0		\$0		\$0	
Sale of Bonds	\$0	\$0		\$0		\$0		\$0		\$0	
Other Financing Sources	\$0	\$0		\$0		\$0		\$0		\$0	
Other Financing Uses	\$0	\$0		\$0		\$0		\$0		\$0	
TOTAL OTHER FIN. SOURCES/USES	\$0	\$0		\$0		\$0		\$0		\$0	B
SURPLUS / DEFICIT INCL. OTHER FIN. SOURCES	(\$34,480)	(\$7,368)		(\$28,498)		(\$17,551)		(\$9,798)		(\$18,197)	A+B
BEGINNING FUND BALANCE	\$50,345	\$15,865		\$8,497		(\$20,000)		(\$37,552)		(\$47,350)	
PROJECTED YEAR END BALANCE	\$15,865	\$8,497		(\$20,000)		(\$37,552)		(\$47,350)		(\$65,546)	
FUND BALANCE AS % OF EXPENDITURES	4.45%	2.53%		-5.60%		-10.84%		-13.98%		-18.88%	
FUND BALANCE AS # OF MONTHS OF EXPEND.	0.53	0.30		(0.67)		(1.30)		(1.68)		(2.27)	

ELEVEN YEAR PERSPECTIVE



Observations

- The District's General State Aid (GSA) has been prorated, again
- In FY15, the District did not receive the last categorical payment the State owed it
- The District is reliant on Working Cash Bonds to support operating funds.
- The District's financial outlook has changed in the past with
 - Staffing reductions
 - Contract settlement
 - Transportation shared services
- The Average Daily Attendance, the primary District factor in the General State Aid calculation, is down significantly; so even as State Aid proration goes up, it is likely GSA will not increase
- The District's challenge is to continue to hang on until the economy, particularly locally, recovers and generates additional revenues; however, more immediate action is necessary

State Issues

- There is increasing discussion of imposing tax caps and a two - year tax freeze statewide, beginning with Levy Year 2016
- Several legislative proposals have included cost shifts
- Potential General State Aid proposals will not help the District

Further Information

- We used 5Sight to find high school districts in a comparability range to Morris 101
- Then we reviewed historical data among those districts
- We would like to share some of those findings tonight

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