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Center Cass School District 66

PMA Financial Planning Program
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Financial Planning Program

Process

- What is the Financial Planning Program (FPP)?
 - A comprehensive, interactive planning process that can be dynamically updated to assist the District in making important financial decisions.
- How we use the plan:
 - Budget Planning
 - Trend Analysis
 - Set Fiscal Policies
 - Scenario Analysis
 - Annual Update and Reassessment

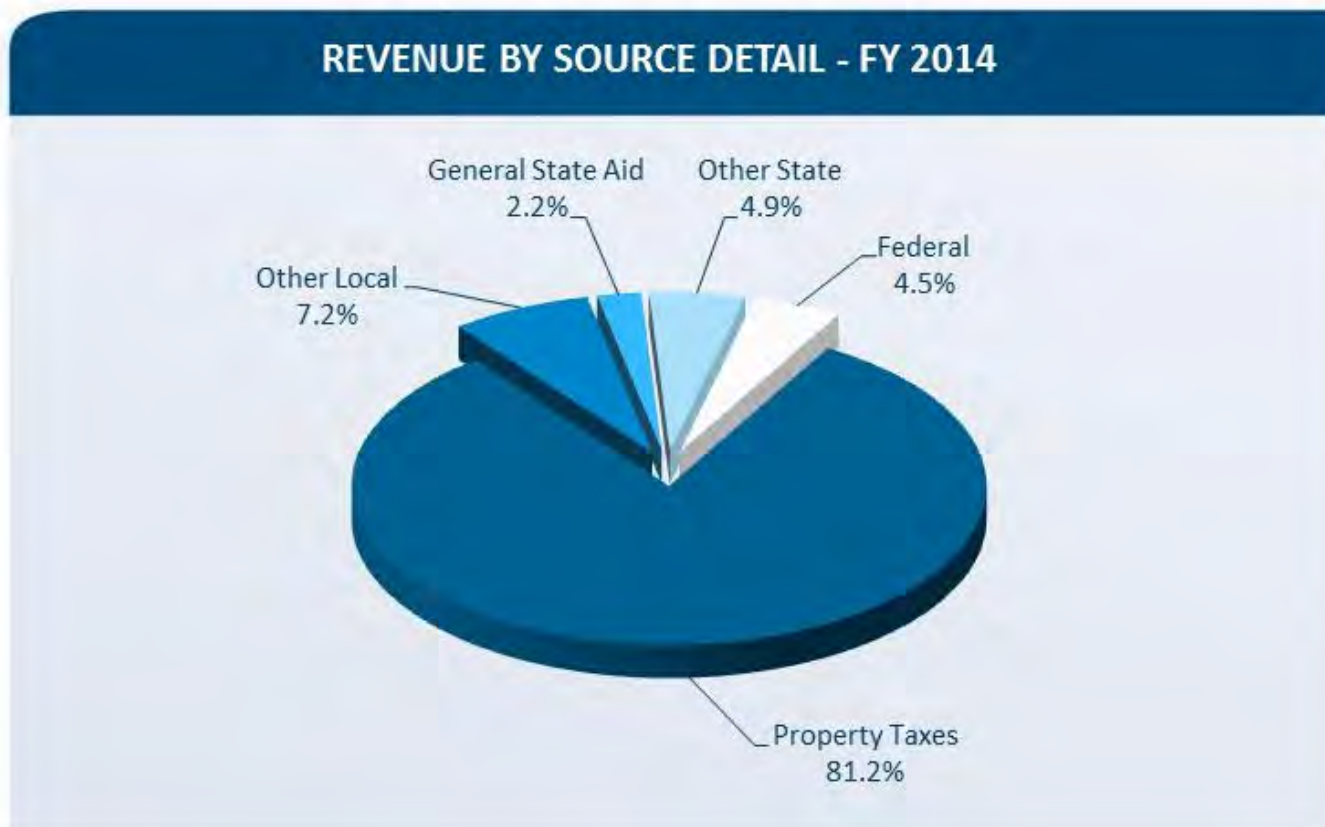
Financial Planning Program *Data Elements*

- Five Years of Audited Annual Financial Reports
- FY2014 Budget
- Tax Levy / Extensions / Maximum Tax Rate
- Equalized Assessed Valuation
- Enrollment
- Staffing Ratios
- Compensation and Benefits Provided
- District Assumptions

Revenues by Source

FY 2014 Budget

Revenue by Source – Operating Funds Budget Total = \$12,734,361

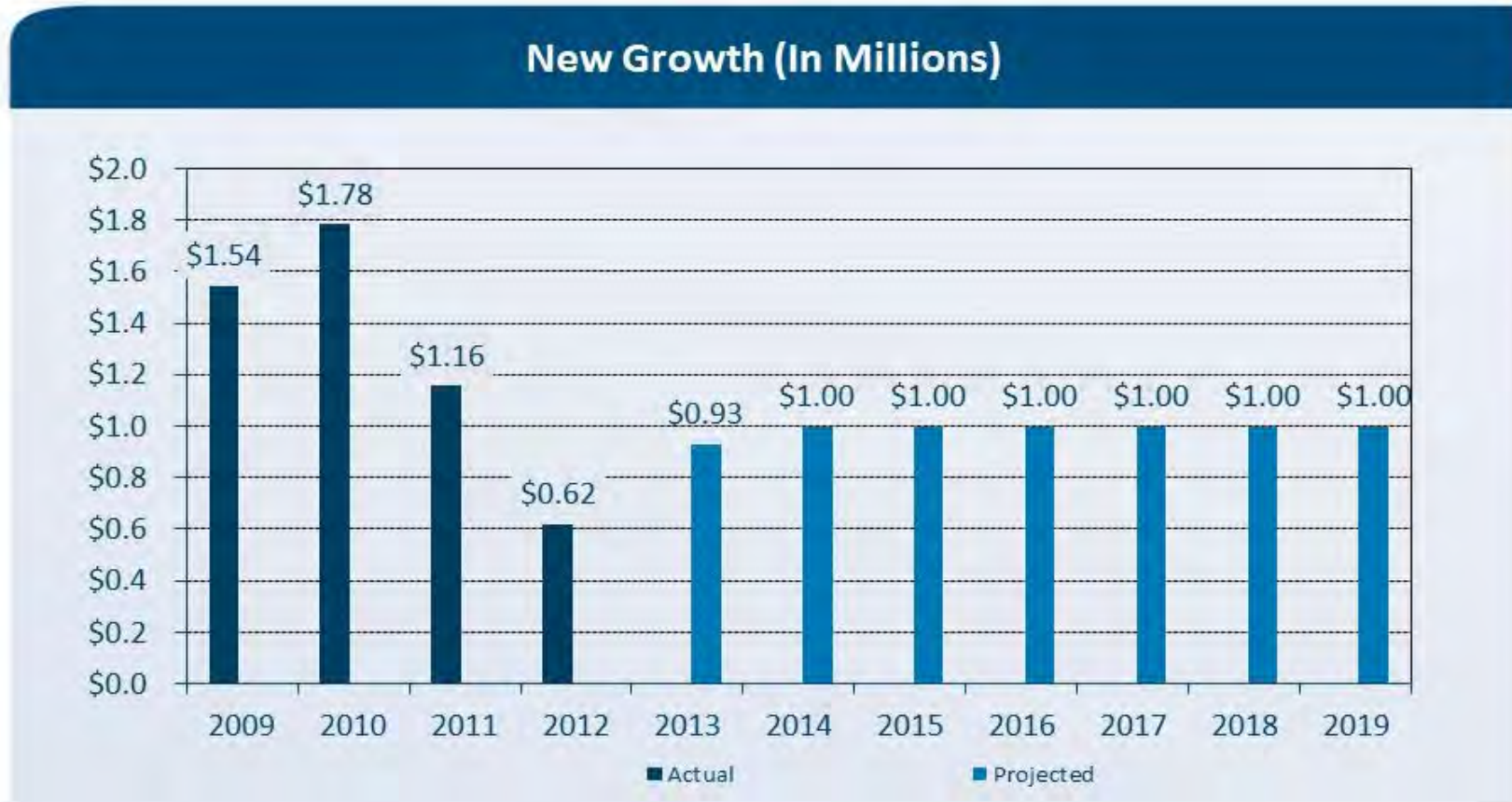


Operating Funds – Education, Operations & Maintenance, Transportation, Illinois Municipal Retirement Fund, and Working Cash Funds

Local Revenue: Tax Base Assumptions



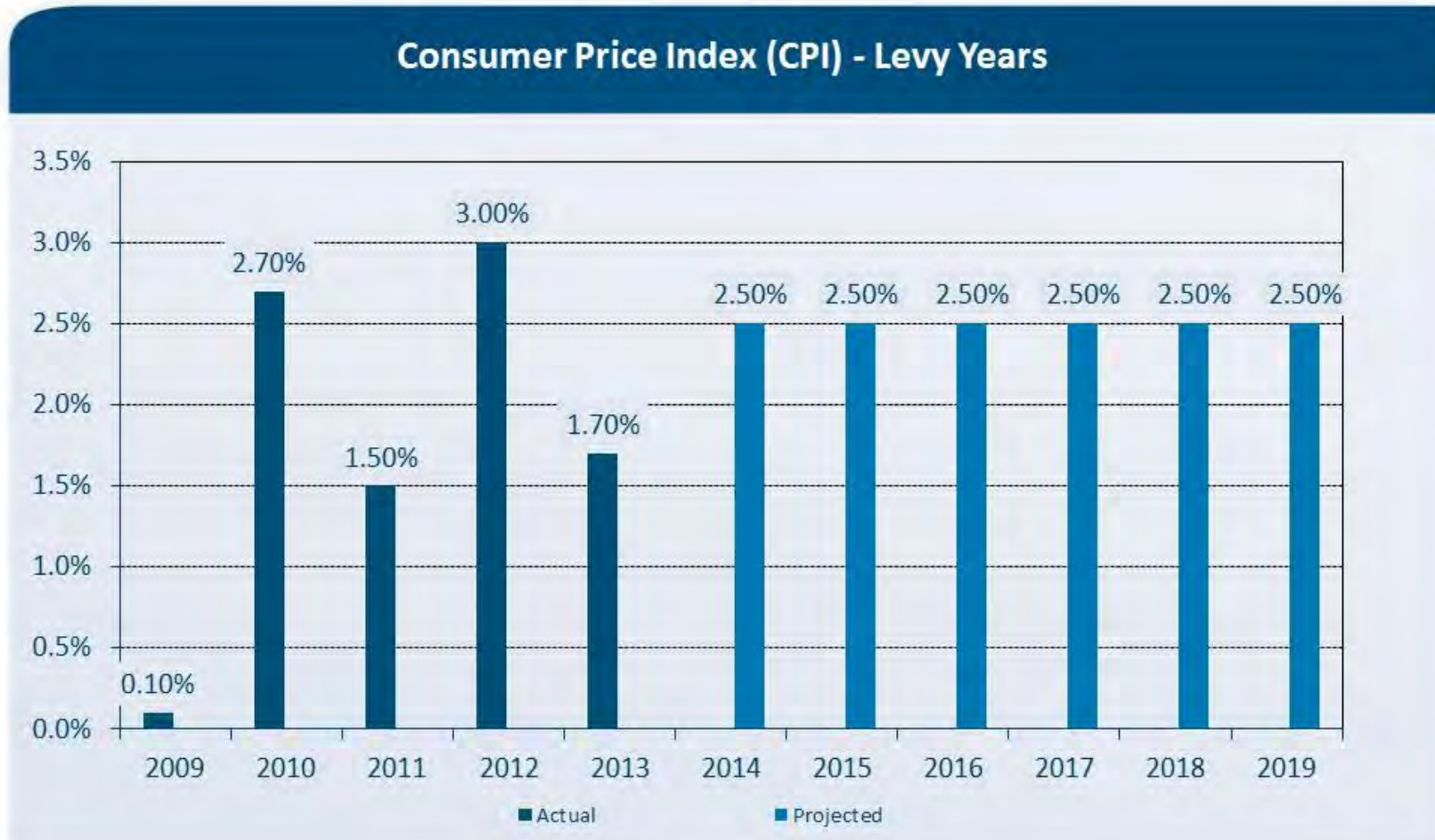
Local Revenue: Tax Base Assumptions



*every \$1 million in New Growth equals about \$20,000 to \$25,000 in new revenue to the District.

**Increased New Growth due to anticipated commercial and residential developments

Local Revenue: Tax Base Assumptions



Levy Process

- **Ballooning the levy**
 - Definition: asking for more than you think you will get
- **Why do it?**
 - **Tax Capped vs Home Rule**
 - Home Rule will get what they ask for
 - Tax Capped district is based on a formula:
 - Simplified: (last year's extension x CPI) + new growth
 - A district can't get more than formula allows, but it can get less if that is what is levied
 - The variables of Existing EAV and New Growth are not known at the time of the levy request
 - "Ballooning" protects the District from larger variances in EAV or larger increases in New Growth
 - With anticipated developments (commercial and residential) it is hard to predict when those values will be assessed
 - Once it is gone, it is gone forever
 - 3 year look back may not help

Key Revenue Assumptions

- **Other Local Revenue**

- Corporate Personal Property Replacement Taxes (CPPRT)
 - Projected no increase over the FY13 actual receipts
- Fees tied to enrollment
- Interest Income tied to Fund Balances

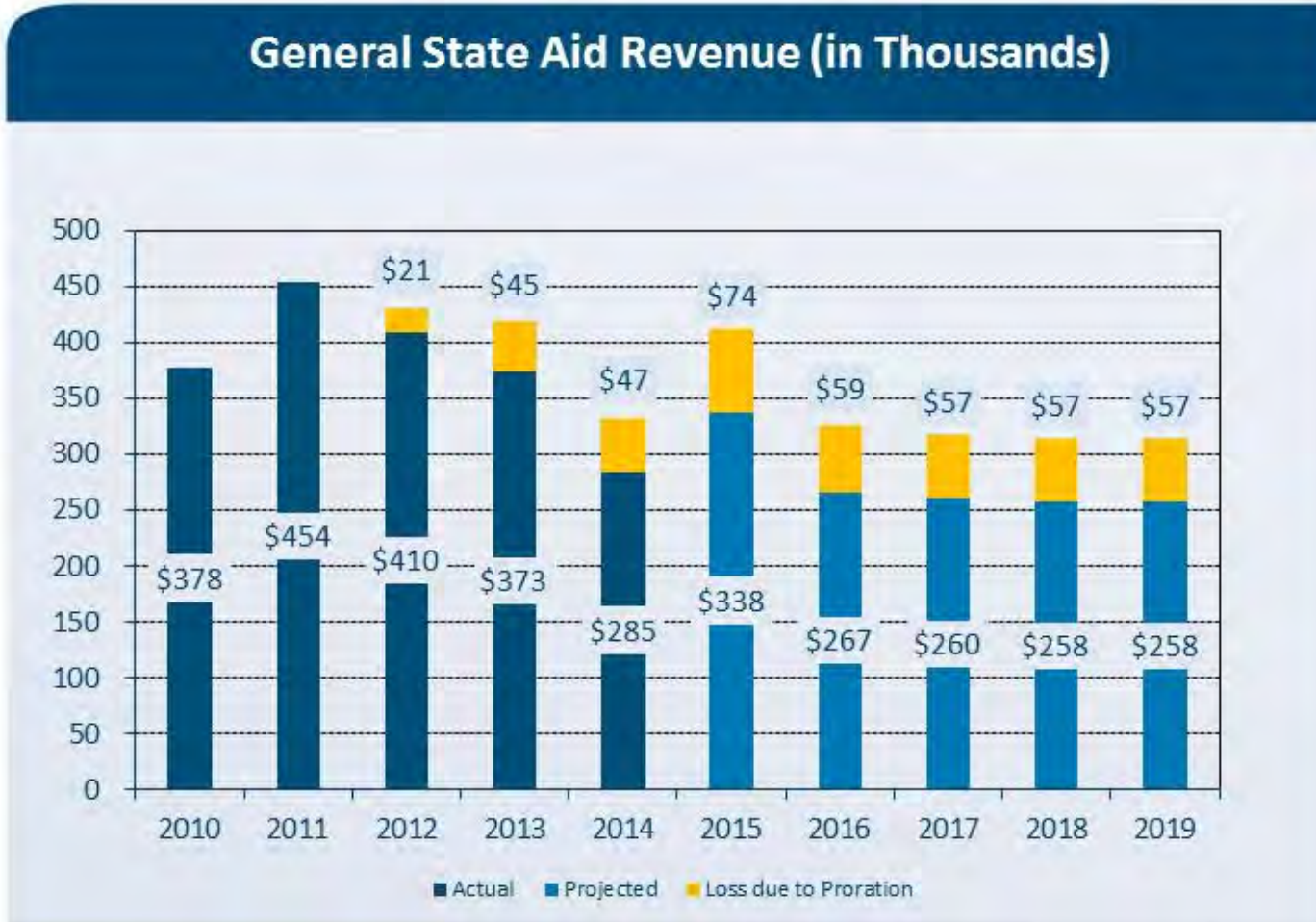
Key Revenue Assumptions

- **General State Aid (GSA)**
 - ❑ Based on Enrollment (Average Daily Attendance) and Available Local Resources
 - ❑ Foundation Level : \$6,119
 - As Alternate Formula District, Foundation Level impact is minimal
 - Projected to move in Flat Grant Formula in FY16, (\$218/ADA)
 - ❑ FY2014 Proration: 89%, FY2015-2019 Proration: 82%

- **State Mandated Categoricals**
 - ❑ Increase of 4.53% in FY2015 in Spec Ed from FY2014 Budgeted Levels (per ISBE website), then flat
 - ❑ Transportation decreased 16.34% from FY2014 Budgeted Levels (per ISBE website) then flat (even though Transportation costs expected to increase)

- **Federal Revenue**
 - ❑ Flat, with the exception of IDEA Grant (due to timing)

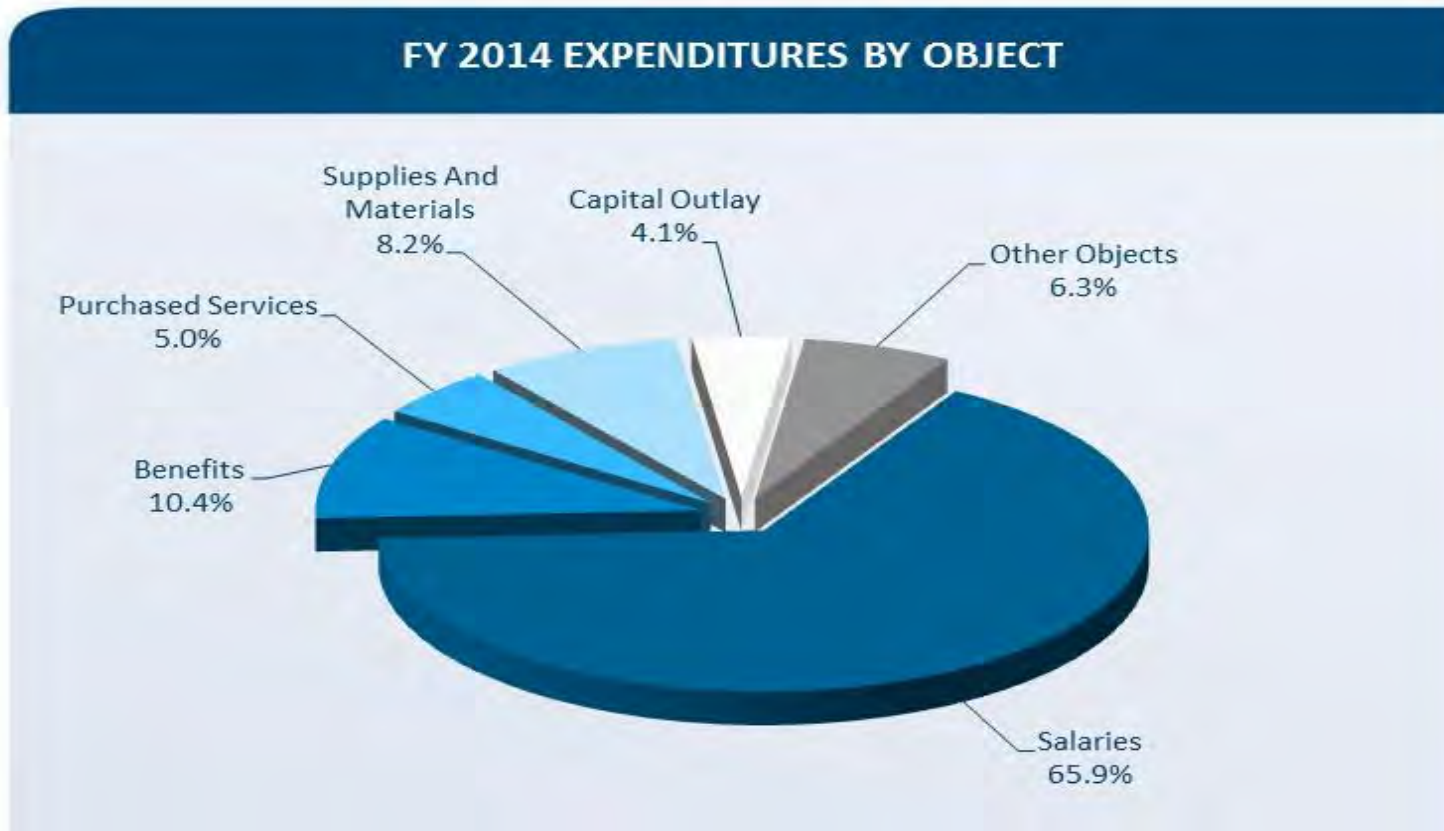
General State Aid



Expenditures by Object

FY 2014 Budget

Expenditures by Object – Operating Funds Budget Total = \$12,565,937



Operating Funds – Education, Operations & Maintenance, Transportation, Illinois Municipal Retirement Fund, and Working Cash Funds

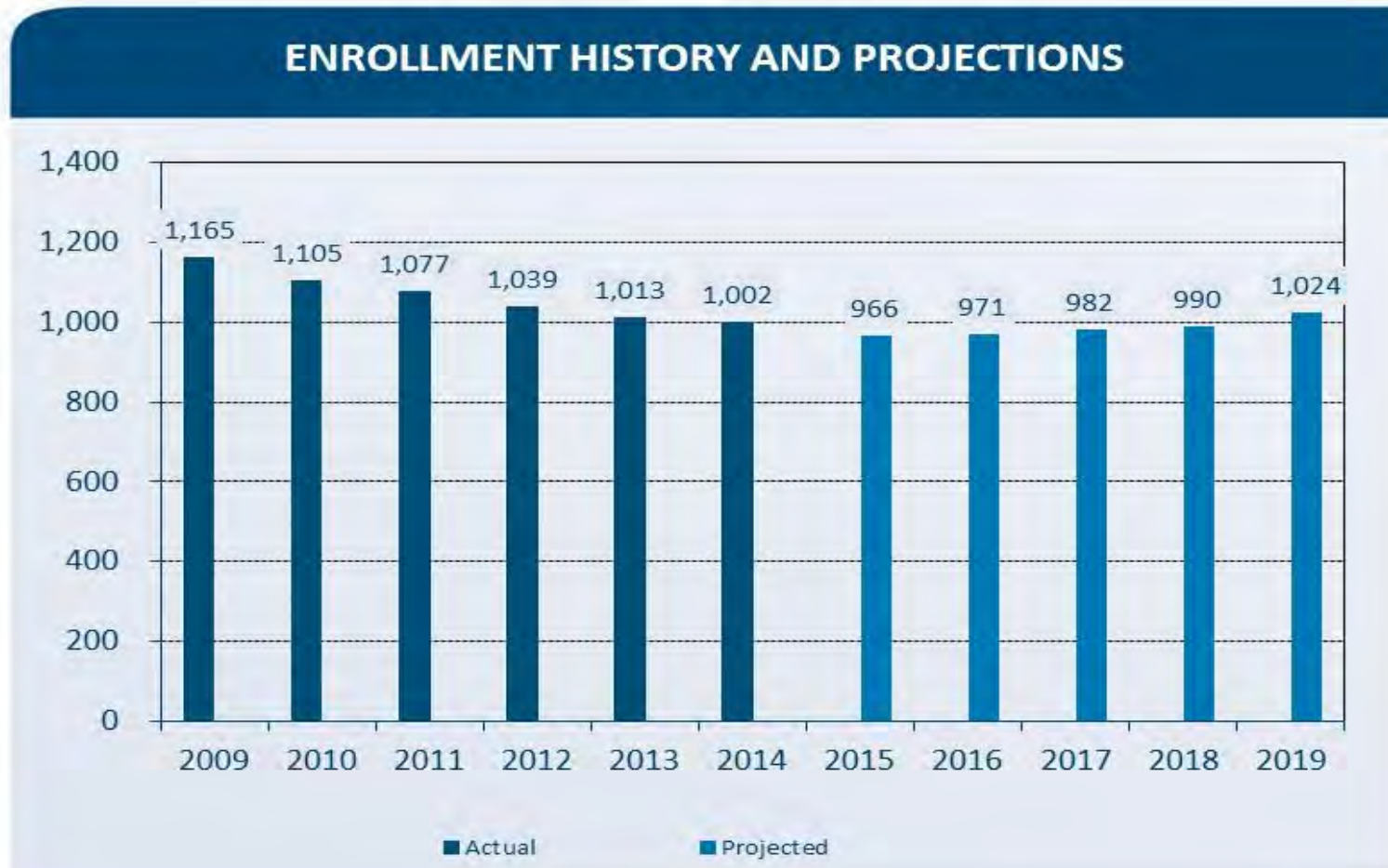
Key Expenditure Assumptions

- Salaries
 - Teachers
 - Current contract through FY2015
 - Future years to be negotiated
- Health Benefits
 - FY2015: modeled based on current contract
 - FY2016-FY2019: to be negotiated (modeled at 5% increases to account for Healthcare increases)
 - Expected cost of additional \$25,000 beginning in CY14 due to Healthcare fees is not included

Key Expenditure Assumptions

- Other Expenses
 - Projected 3% annual increases with the exception of:
 - Ed Other Objects (Spec Ed Tuition): 5% annual increases
 - O&M Supplies & Materials (Utilities): 5% annual increases
 - Trans Supplies & Materials (Fuel): 5% annual increases
 - One time adjustments accounted for accordingly

Enrollment Assumptions



*Enrollment projections include additional students from anticipated residential developments

Staffing Assumptions

- K – 8 Enrollment Projections
 - Slightly increasing enrollment

- Certified Staffing Projections

	FTE	Retirees	New Hires (Reductions):
FY - 2014	80.25	0.00	
FY - 2015	80.25	0.00	0.00
FY - 2016	80.25	2.00	0.00
FY - 2017	80.25	3.00	2.00
FY - 2018	80.25	0.00	3.00
FY - 2019	80.25	0.00	0.00

Retirees replaced on the salary schedule at BA, Step 5 ~ \$46,100 + benefits



Aggregate Revenue and Expenditure Projections

Aggregate - Projection Summary

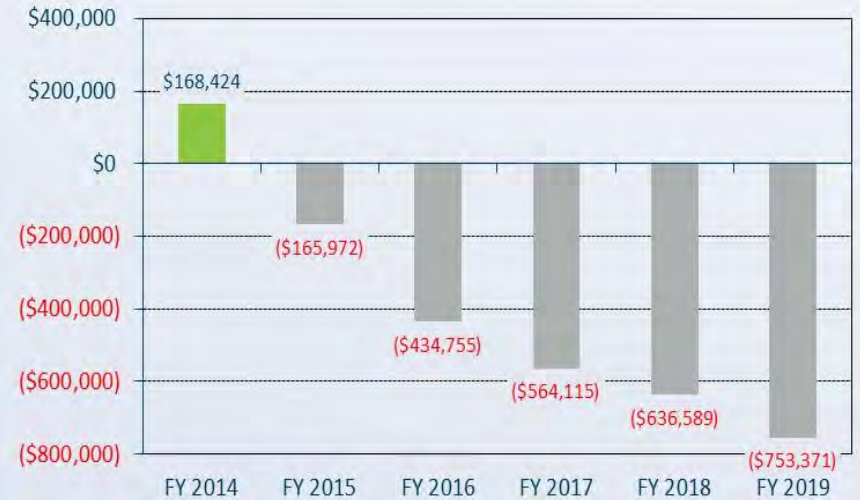
	BUDGET	REVENUE / EXPENDITURE PROJECTIONS									
	FY 2014	FY 2015	% chg	FY 2016	% chg	FY 2017	% chg	FY 2018	% chg	FY 2019	% chg
REVENUE											
Local	\$11,254,600	\$11,376,999	1.09%	\$11,680,178	2.66%	\$11,988,290	2.64%	\$12,298,729	2.59%	\$12,618,831	2.60%
State	\$905,301	\$933,084	3.07%	\$861,536	-7.67%	\$855,165	-0.74%	\$852,802	-0.28%	\$852,753	-0.01%
Federal	\$574,460	\$365,836	-36.32%	\$365,836	0.00%	\$365,836	0.00%	\$365,836	0.00%	\$365,836	0.00%
Other	\$0	\$0		\$0		\$0		\$0		\$0	
TOTAL REVENUE	\$12,734,361	\$12,675,919	-0.46%	\$12,907,550	1.83%	\$13,209,291	2.34%	\$13,517,366	2.33%	\$13,837,420	2.37%
EXPENDITURES											
Salary and Benefit Costs	\$9,592,043	\$9,980,175	4.05%	\$10,373,383	3.94%	\$10,692,893	3.08%	\$10,957,274	2.47%	\$11,273,164	2.88%
Other	\$2,973,894	\$2,861,716	-3.77%	\$2,968,923	3.75%	\$3,080,514	3.76%	\$3,196,682	3.77%	\$3,317,627	3.78%
TOTAL EXPENDITURES	\$12,565,937	\$12,841,891	2.20%	\$13,342,305	3.90%	\$13,773,407	3.23%	\$14,153,956	2.76%	\$14,590,791	3.09%
SURPLUS / DEFICIT	\$168,424	(\$165,972)		(\$434,755)		(\$564,115)		(\$636,589)		(\$753,371)	A
OTHER FINANCING SOURCES/USES											
Transfer Among Funds (Net)	(\$180,000)	(\$176,093)		(\$172,543)		(\$168,893)		(\$175,143)		(\$175,908)	
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	(\$180,000)	(\$176,093)		(\$172,543)		(\$168,893)		(\$175,143)		(\$175,908)	B
SURPLUS / DEFICIT INCL. OTHER FIN. SOURCES	(\$11,576)	(\$342,064)		(\$607,298)		(\$733,008)		(\$811,732)		(\$929,278)	A+B
BEGINNING FUND BALANCE	\$7,649,096	\$7,637,520		\$7,295,456		\$6,688,158		\$5,955,150		\$5,143,418	
PROJECTED YEAR END BALANCE	\$7,637,520	\$7,295,456		\$6,688,158		\$5,955,150		\$5,143,418		\$4,214,140	
FUND BALANCE AS % OF EXPENDITURES	60.78%	56.81%		50.13%		43.24%		36.34%		28.88%	
FUND BALANCE AS # OF MONTHS OF EXPEND.	7.29	6.82		6.02		5.19		4.36		3.47	

Aggregate Revenue and Expenditure Projections

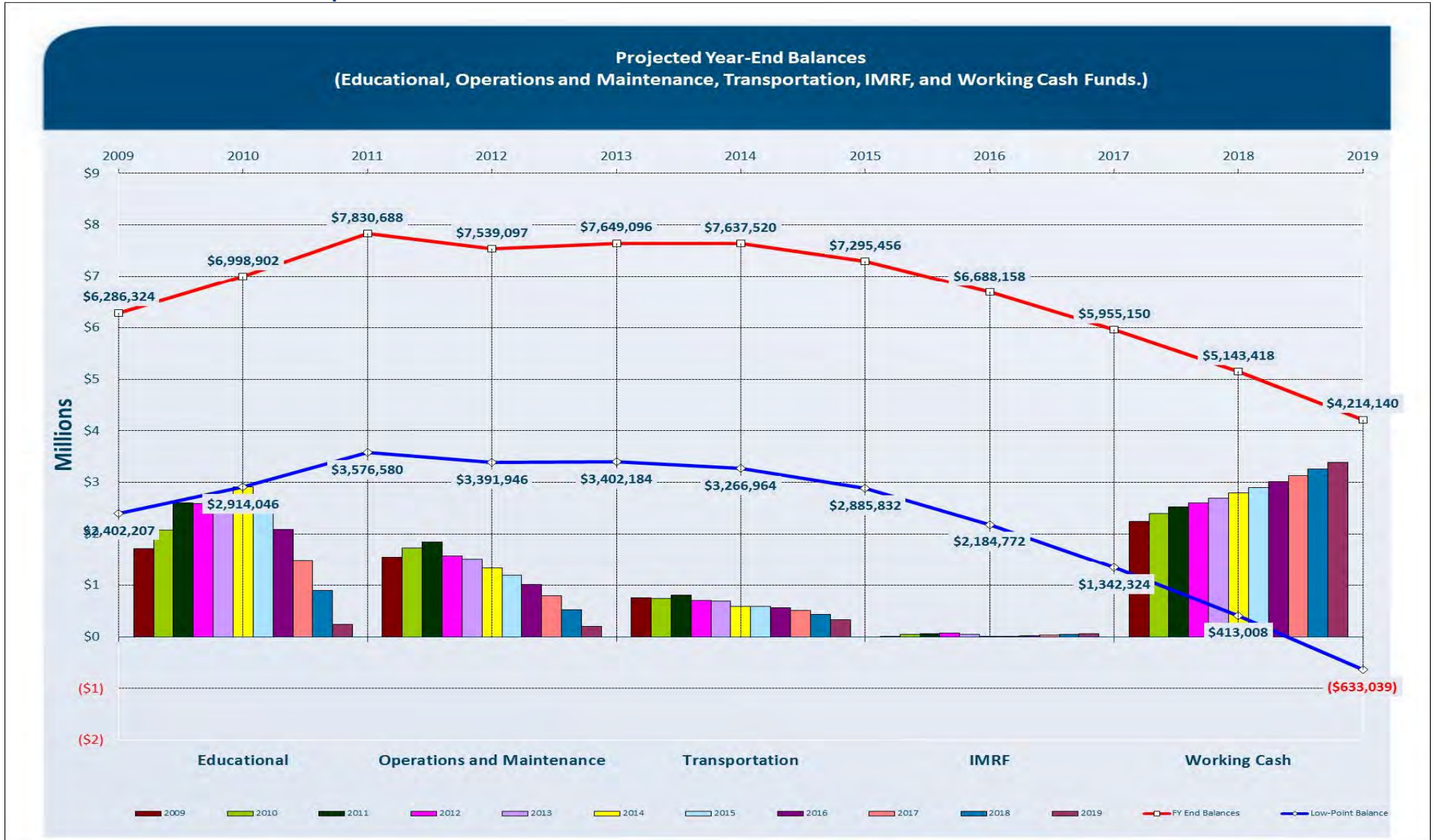
REVENUES VS. EXPENDITURES



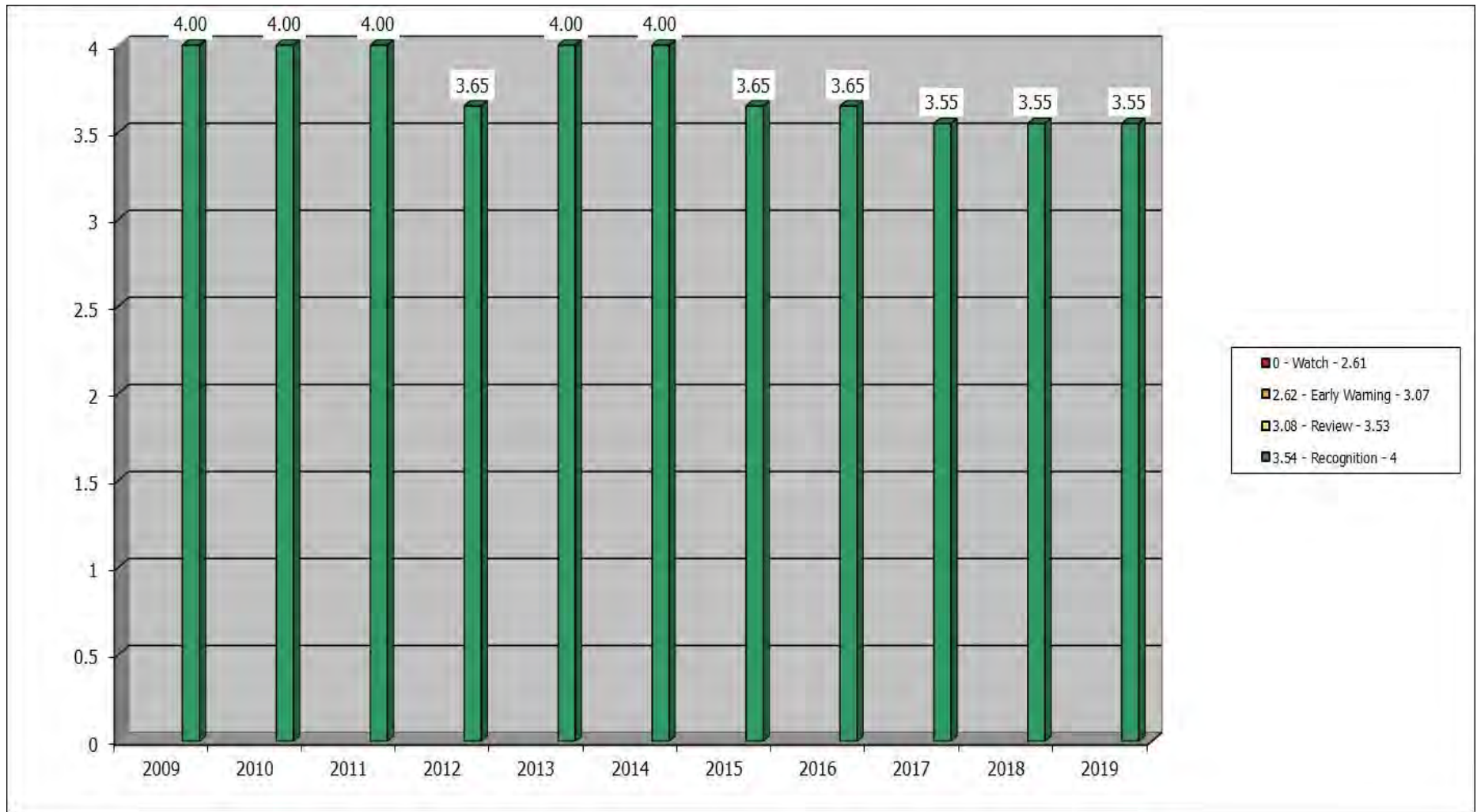
FY SURPLUS / DEFICIT



Eleven Year Perspective

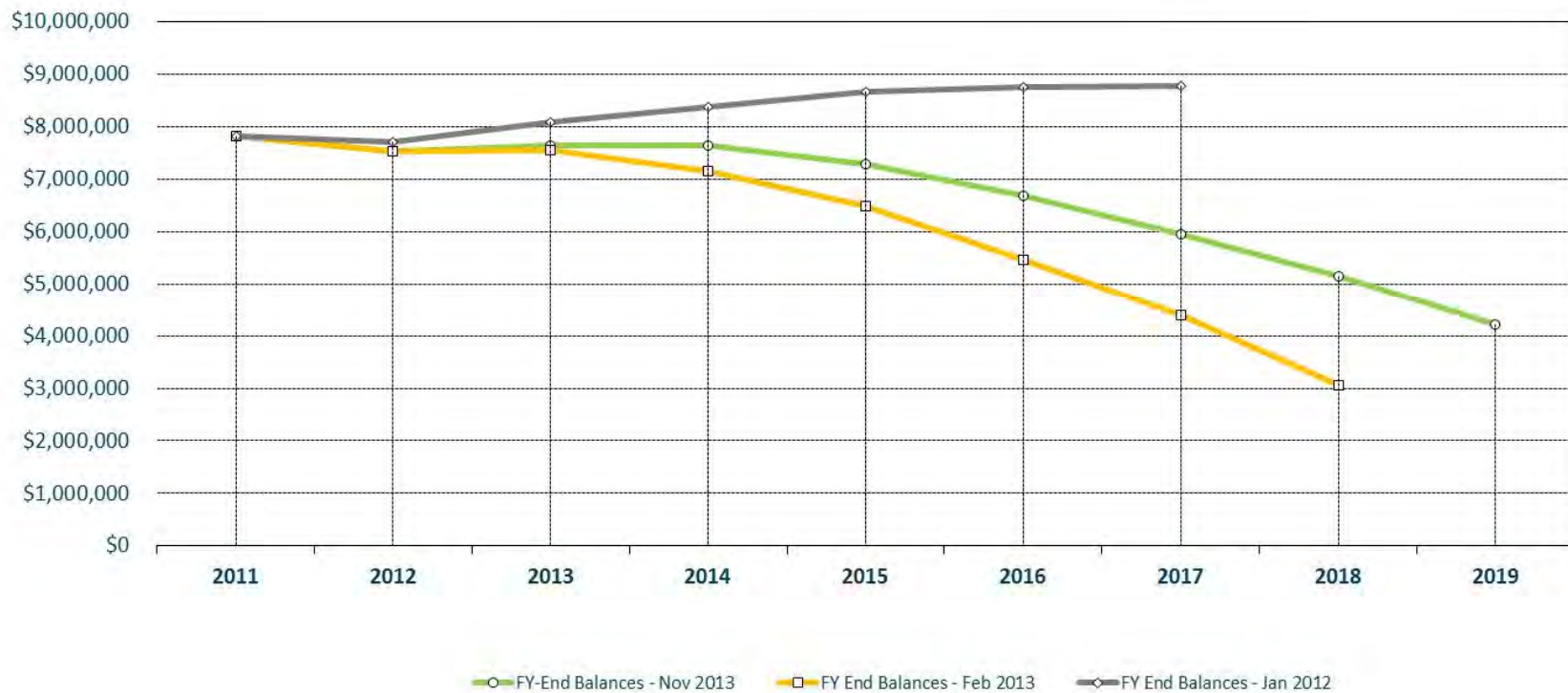


State Financial Profile Score



Comparison from Prior Year

Aggregate View - Projection Comparison



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