



MILLBURN SCHOOL DIST. 24

5 YEAR PROJECTION

December 16, 2009

WHAT IS A PROJECTION?

- A projection is a best estimate at what will happen in the future, based on past experience.
- Projections are dynamic and are subject to constant change.
- Results are fully dependent on:
 - Quality of data entered into the projection
 - Assumptions coming to fruition

WE WILL BE LOOKING AT OPERATING FUNDS

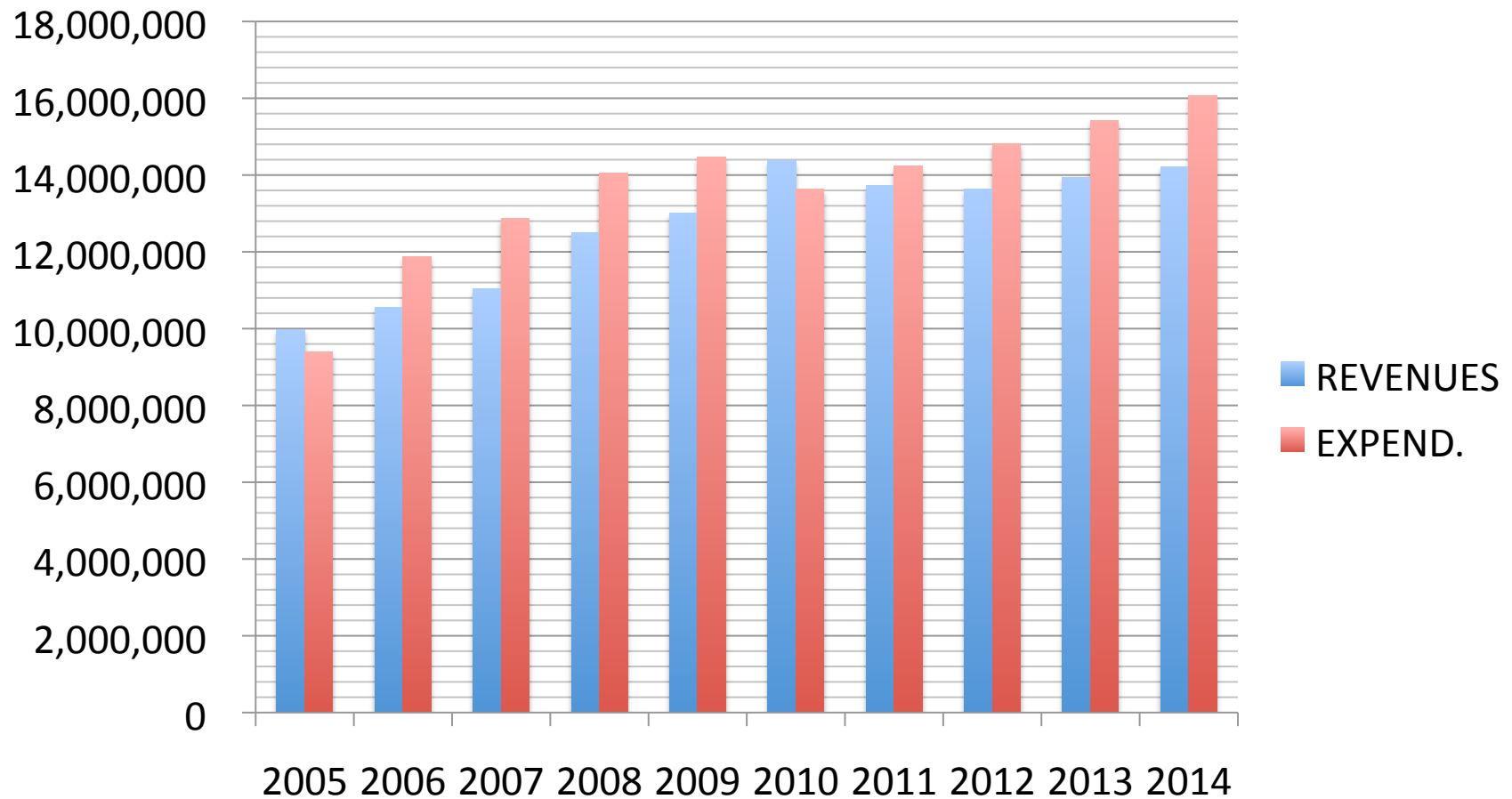
- EDUCATION FUND
- OPERATIONS & MAINTENANCE FUND
- TRANSPORTATION FUND
- WORKING CASH FUND
 - RESTRICTED FUNDS
 - Debt Service
 - IMRF/Soc. Security
 - Capital Expenditures

EQUALIZED ASSESSED VALUE

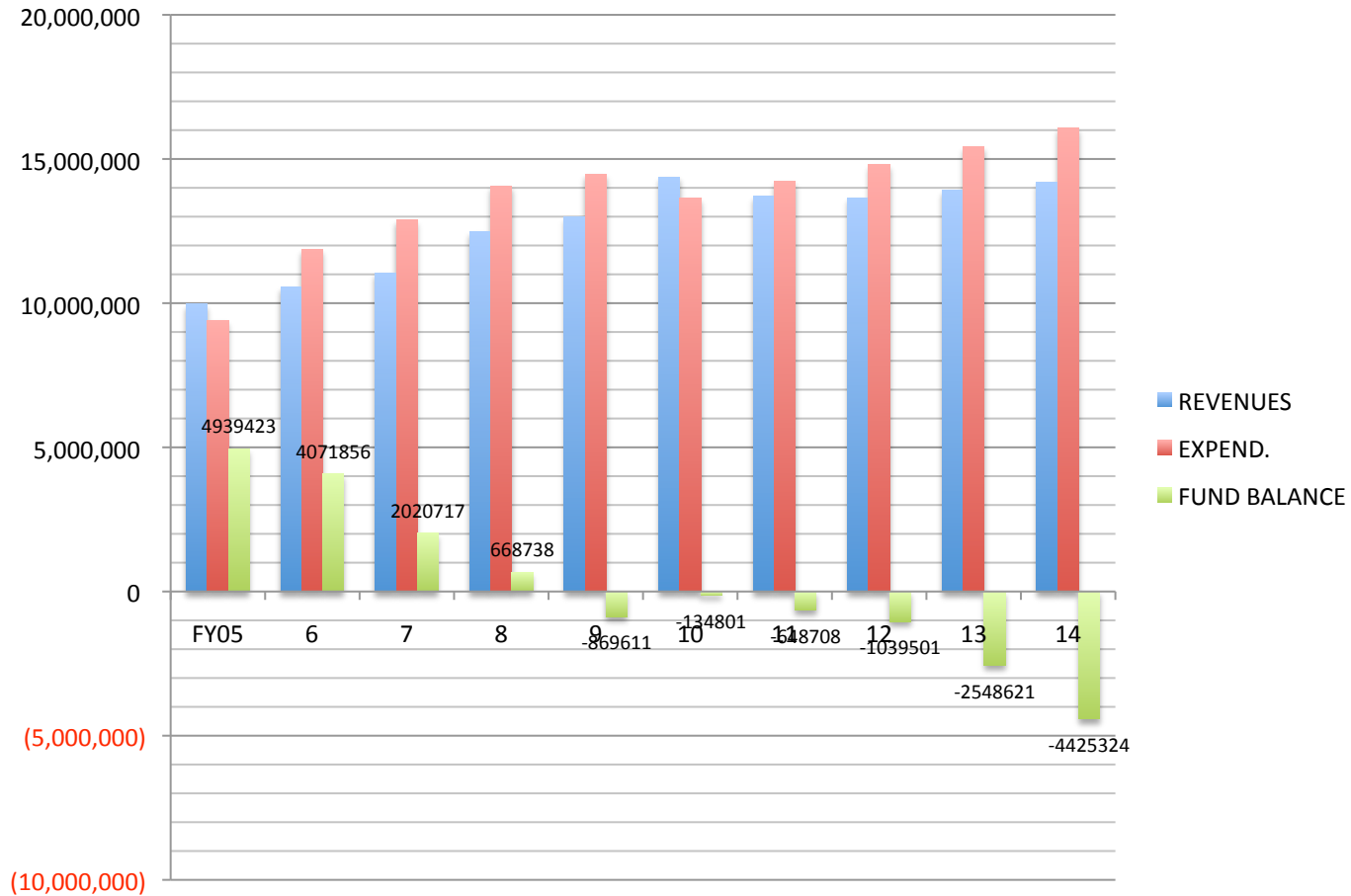
A review of the past gives us insight to the future

2005	Year	\$210,030,407	EAV	4.6%	% change
2006		\$227,797,303		8.46%	
2007		\$255,334,783		12.09%	
2008		\$273,522,605		7.12%	
2009		\$287,345,846		5.05%	
2010		\$295,596,148		2.87%	
2011		\$302,986,052		2.5%	
2012		\$310,560,703		2.5%	
2013		\$318,324,720		2.5%	
2014		\$334,240,956		5.0%	

REVENUE/EXPENSE HISTORY



DISTRICT'S SUMMARY OF OPERATIONS



PROJECTION ASSUMPTIONS

- Assessed Valuation will grow at 5% annually
- Costs will increase 3 – 5% annually
- 80 -90% of expenses can be tied to salaries and benefits
- Enrollment will continue to be stable
- CPI or cap projected at 2% each year
- We will continue to use TAW's for cash flow

OPERATING FUNDS

FUND BALANCES	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGETED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
EDUCATION FUND	3,287,254	2,887,865	1,688,868	320,335	(1,233,763)	(1,237,332)	(2,029,014)	(2,307,417)	(3,673,059)	(5,352,286)
OP/MAINT FUND	817,618	705,583	497,871	460,543	459,936	924,093	906,318	857,073	774,359	656,074
TRANSPORTATION FUND	834,551	478,408	(166,022)	(112,140)	(95,784)	178,438	473,988	410,843	350,079	270,888
WORKING CASH FUND	0	0	0	0	0	0	0	0	0	0
OPERATING FUND BALANCE	4,939,423	4,071,856	2,020,717	668,738	(869,611)	(134,801)	(648,708)	(1,039,501)	(2,548,621)	(4,425,324)
TOTAL REVENUES	9,963,459	10,555,591	11,038,229	12,489,522	13,003,237	14,369,054	13,720,095	13,643,247	13,925,963	14,208,714
TOTAL EXPENDITURES	9,398,288	11,870,877	12,877,891	14,058,171	14,477,373	13,628,282	14,227,920	14,819,519	15,428,756	16,078,964
EXCESS/DEFICIT	565,171	(1,315,286)	(1,839,662)	(1,568,649)	(1,474,136)	740,772	(507,826)	(1,176,272)	(1,502,793)	(1,870,250)

WHERE DO WE GO FROM HERE?



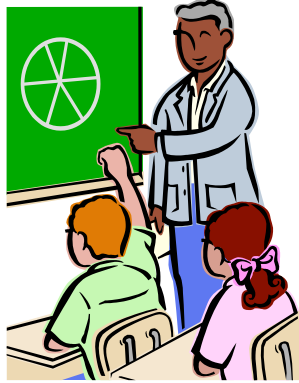
CREATE FACILITIES PLAN

Where
are we
now?

Where do
we want
to go?

How will
we get
there?

Go there!



ENROLLMENT PROJECTION

- Obtain accurate enrollment projections for the future.
- This will have a significant impact on the number of staff needed.
- Could have a significant impact on facilities
- Could have a significant impact on class sizes



STAFFING

- Incorporate salary agreements
- Create a scatter gram to project salaries
- Consider mandated programs
- Be proactive with benefit programs

CURRENT STATUS

- Fund Balances for 2009-2010 for the operating funds will be approx. (\$135,000)
- Starting in FY11 we will have to cut \$500,000 to balance the budget if we keep programs and class size at the same level. (We will still need to continue using TAWs for cash flow)
- By FY14 we will have deficit spending of 1.8 million and a fund balance of negative 4.4 million



FUTURE CONSIDERATIONS

- Update projections 3 – 4 times per year
- Advance projections with scenarios
- Adjust assumptions with trends
- Continue with good communication

DISCUSSION/QUESTIONS