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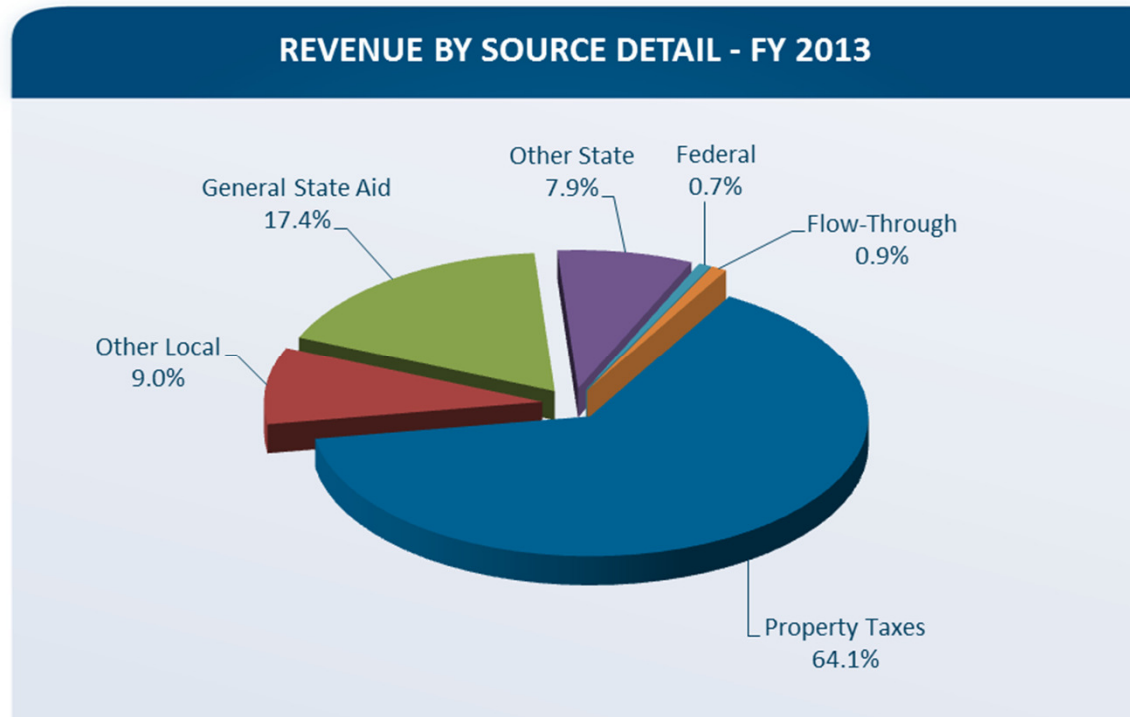
Millburn School District 24

PMA Financial Planning Program
Presented by
Howard Crouse, Vice President
PMA Financial Network, Inc.
February 13, 2013

February 2013 Update (**UPDATES IN BOLD CAPS**)

- Final FY12 Annual Financial Report information included at summary levels
- FY 13 adopted budget
- Current enrollment and staffing
- Review and update of assumptions
 - Enrollment
 - Consumer Price Index
 - General State Aid
 - Salary and benefits

Revenue by Source FY13 Budget



Revenue Assumptions (**UPDATES IN BOLD CAPS**)

- Existing EAV: -8% in LY12, -7.5% in LY13 and LY14, then 2% per year
 - **UPDATE: -7.5% FOR LY13, LY14, AND LY15; THEN RECOVERING SLOWLY**
 - **EFFECT: INCREASES TAX RATE BUT NO SIGNIFICANT CHANGE IN REVENUES**
- New Construction: \$200,000 in LY12 and 13, then increasing

Revenue Assumptions (**UPDATES IN BOLD CAPS**)

- CPI: 3% for LY12, then 2.5%
 - **UPDATE: 1.7% CPI FOR LY13**
 - **EFFECT: REDUCES REVENUE PROJECTIONS BY APPROXIMATELY \$85,000 IN FY15, \$410,000 THROUGH FY18**

Revenue Assumptions (**UPDATES IN BOLD CAPS**)

– **ENROLLMENT PROJECTIONS REVISED DOWNWARD**

- **KINDERGARTEN ENROLLMENT CORRECTED**
- **EFFECT: REDUCES GENERAL STATE AID; MAY FURTHER IMPACT STAFFING**

Revenue Assumptions (**UPDATES IN BOLD CAPS**)

- GSA Foundation Level held at \$6119
- GSA Proration 16% in FY14 and FY15, then 10% FY16, then 5% in FY17 and FY18
 - **UPDATE: GSA PRORATED 20% FOR FY14, THEN REDUCED APPROXIMATELY \$100,000 PER YEAR**
 - **EFFECT: GSA REDUCED \$135,000 IN FY14, \$3,580,000 THROUGH FY18**

Revenue Assumptions

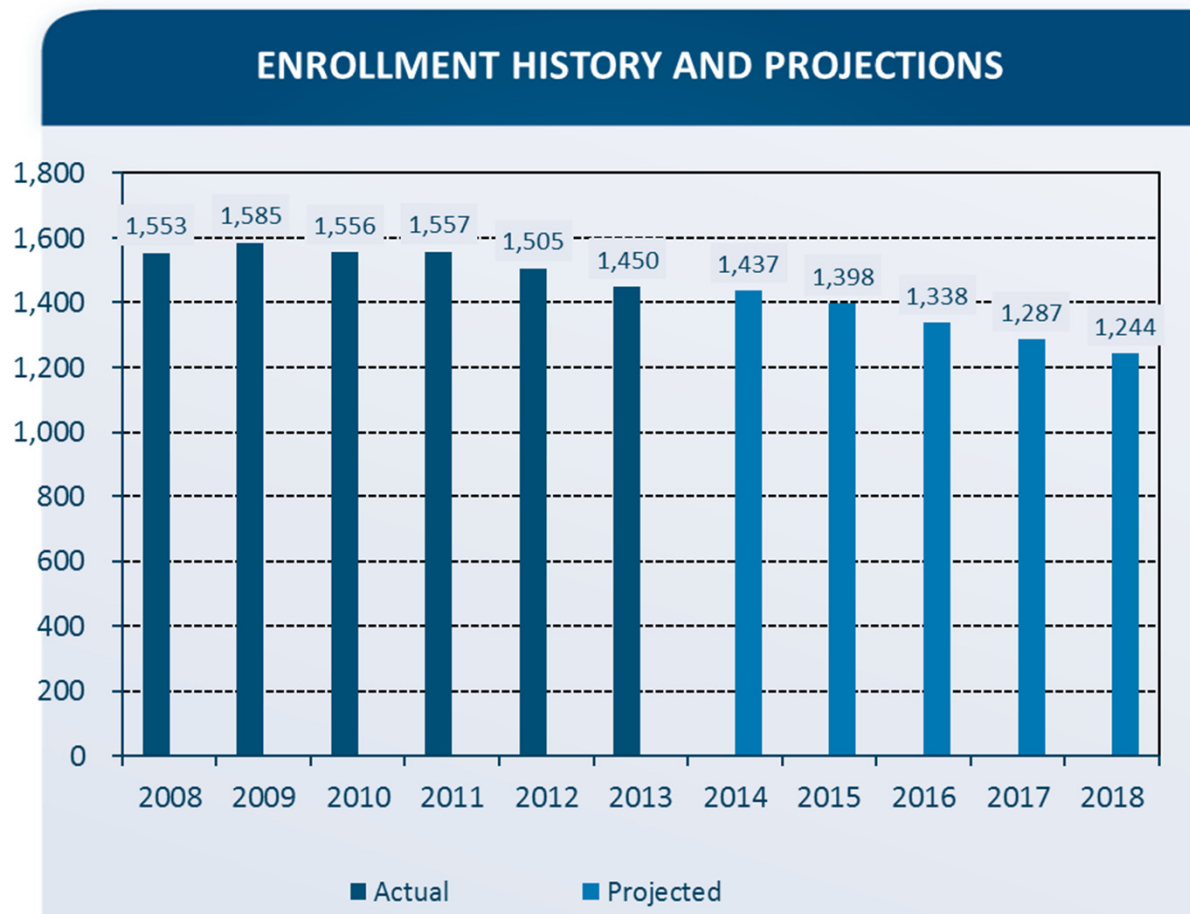
- State and Federal funds dropped \$600,000 in FY13
- All other revenues held flat, or very small increases

UPDATED ENROLLMENT PROJECTIONS

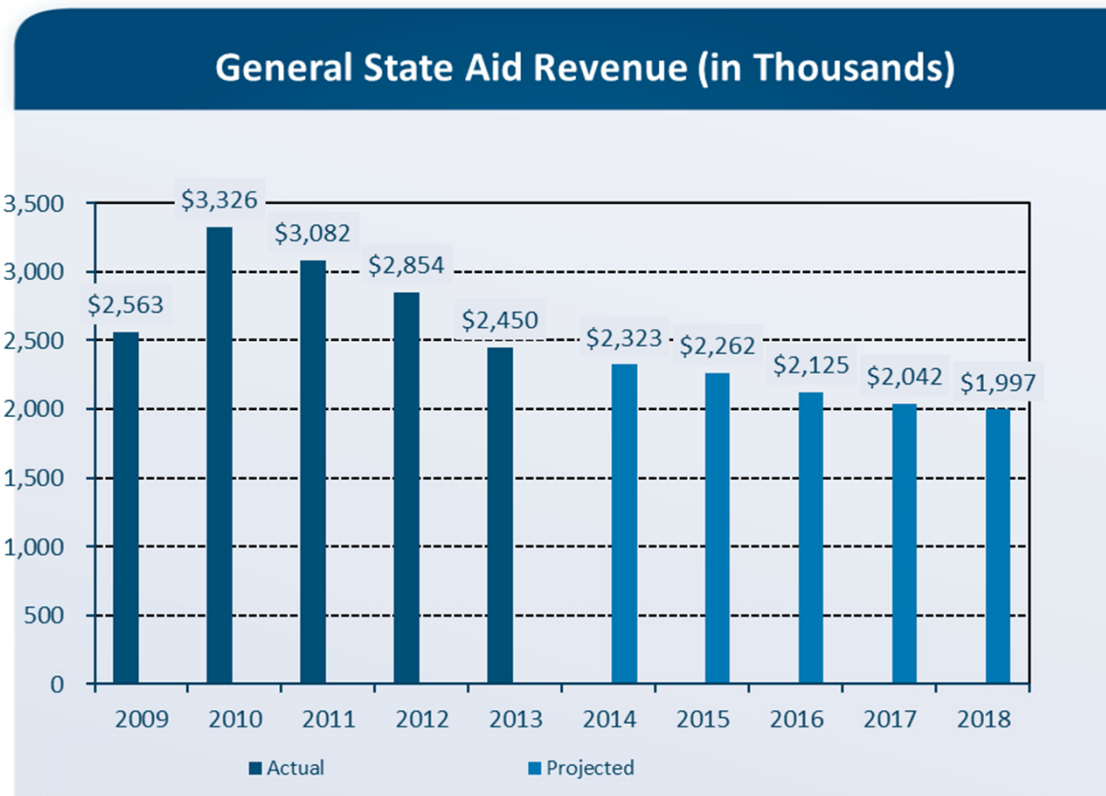
ENROLLMENT HISTORY AND PROJECTIONS



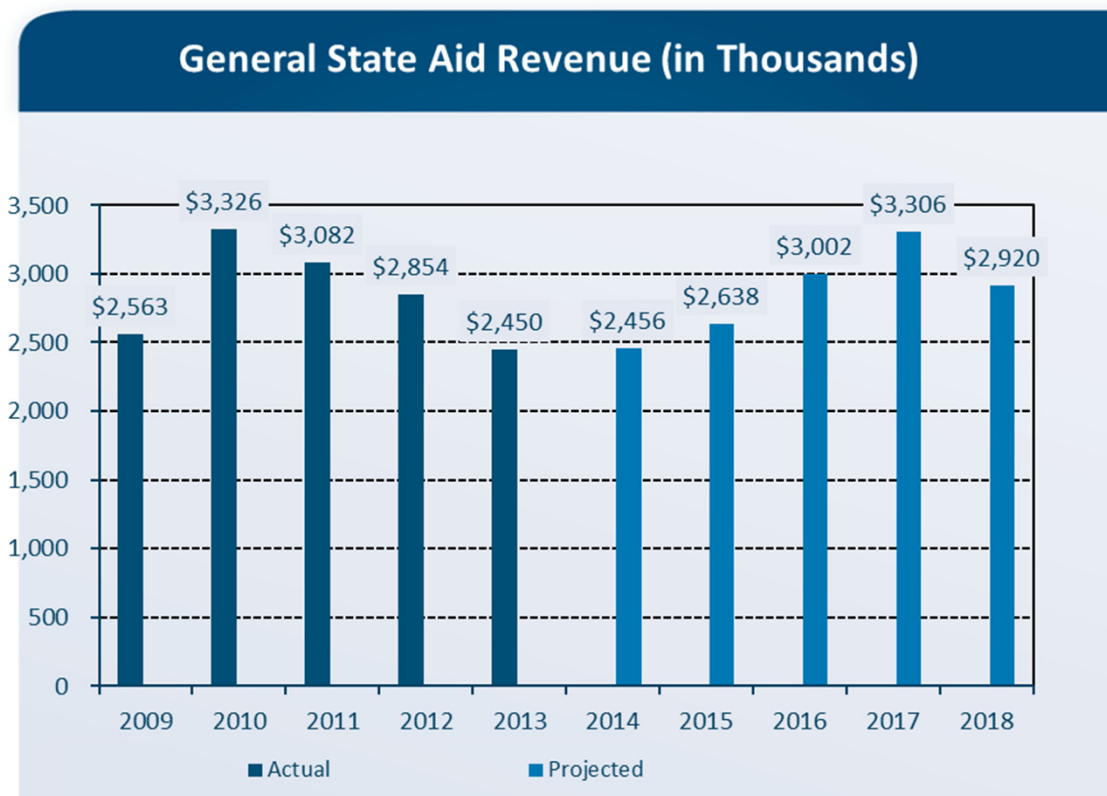
October 2012 Enrollment Projections



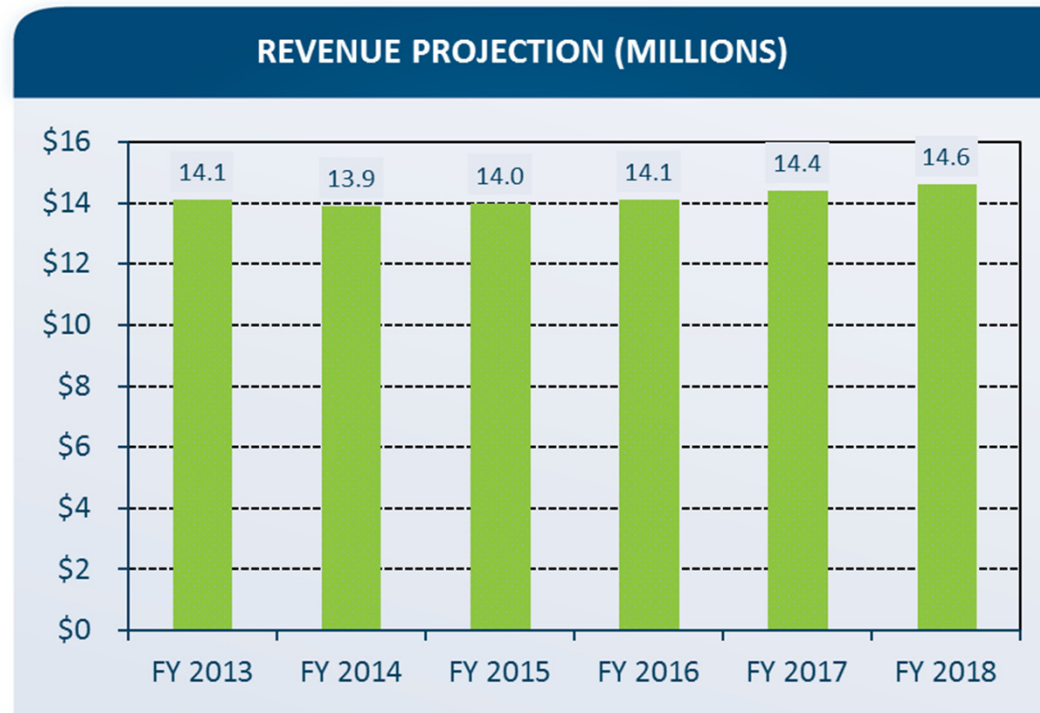
UPDATED GSA PROJECTIONS



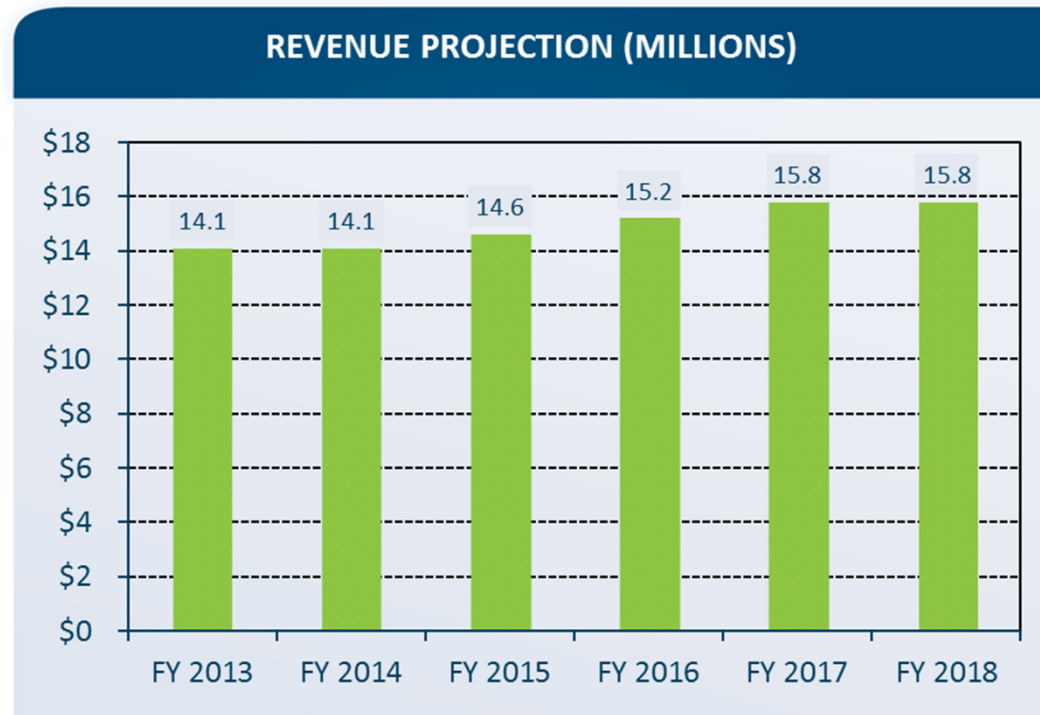
October 2012 General State Aid



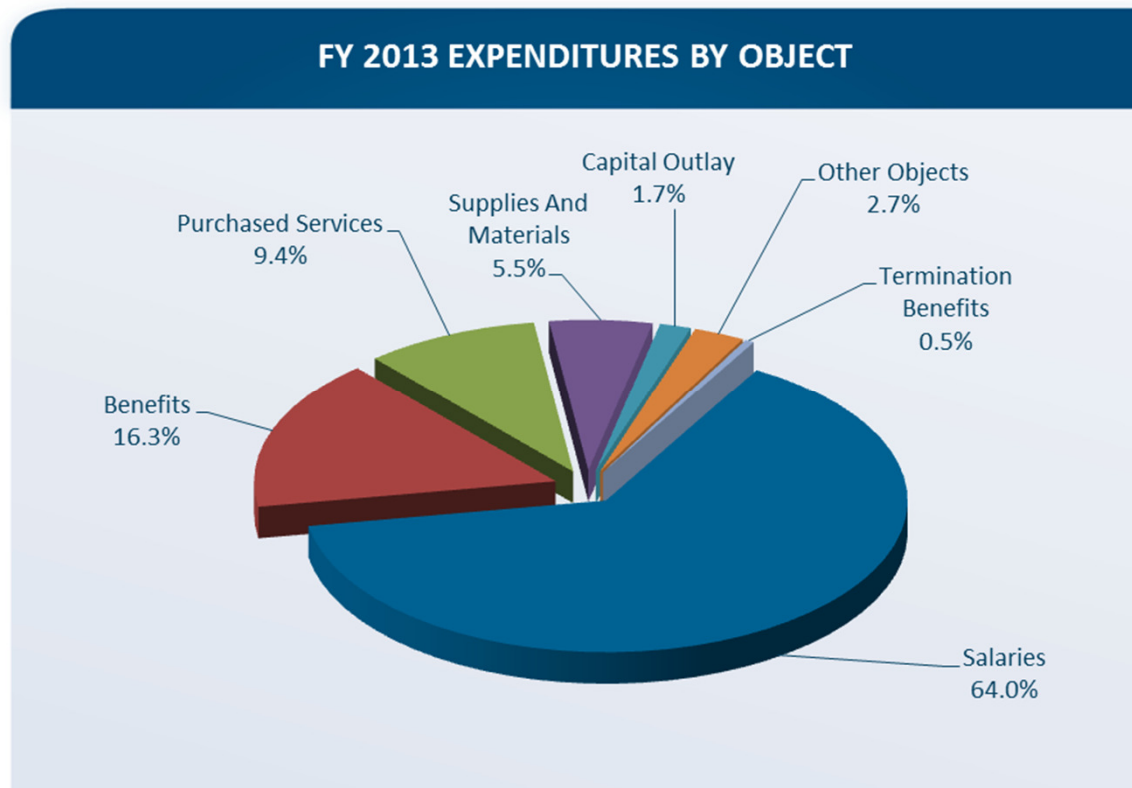
UPDATED REVENUE PROJECTIONS



October 2012 REVENUE PROJECTIONS



Expenditure by Object FY13 Budget



Current Expenditures

- Certified staff reduced from 103.51 to 95.8
- Administrative position eliminated in FY13
- 81% of budget for salaries and benefits
- Some of capital expenditures are funded with technology fees

Updated Expenditure Assumptions (**UPDATES IN BOLD CAPS**)

- All salaries are subject to negotiations
 - **UPDATE: CLASSIFIED STAFF SALARY INCREASE INCLUDED**
 - **EFFECT: APPROXIMATELY \$48,000 SALARY INCREASE IN FY14, \$290,000 THROUGH FY18 (PLUS IMRF, SS, FICA)**
- Assumes District's share of TRS will increase 1% per year beginning in FY14

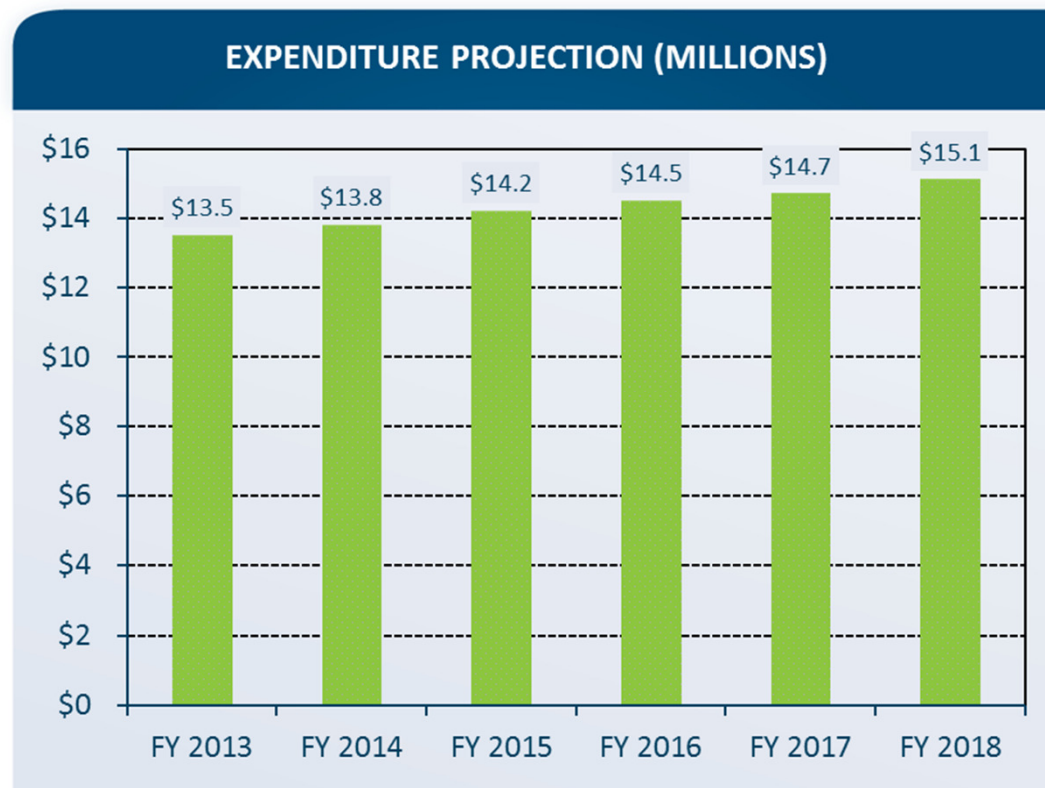
Updated Expenditure Assumptions (**UPDATES IN BOLD CAPS**)

- Medical insurance increases 8% beyond
 - **UPDATE: FY14 INCREASE ONLY 4%**
 - **EFFECT: \$45,000 REDUCTION IN FY14, \$230,000 REDUCTION THROUGH FY18**

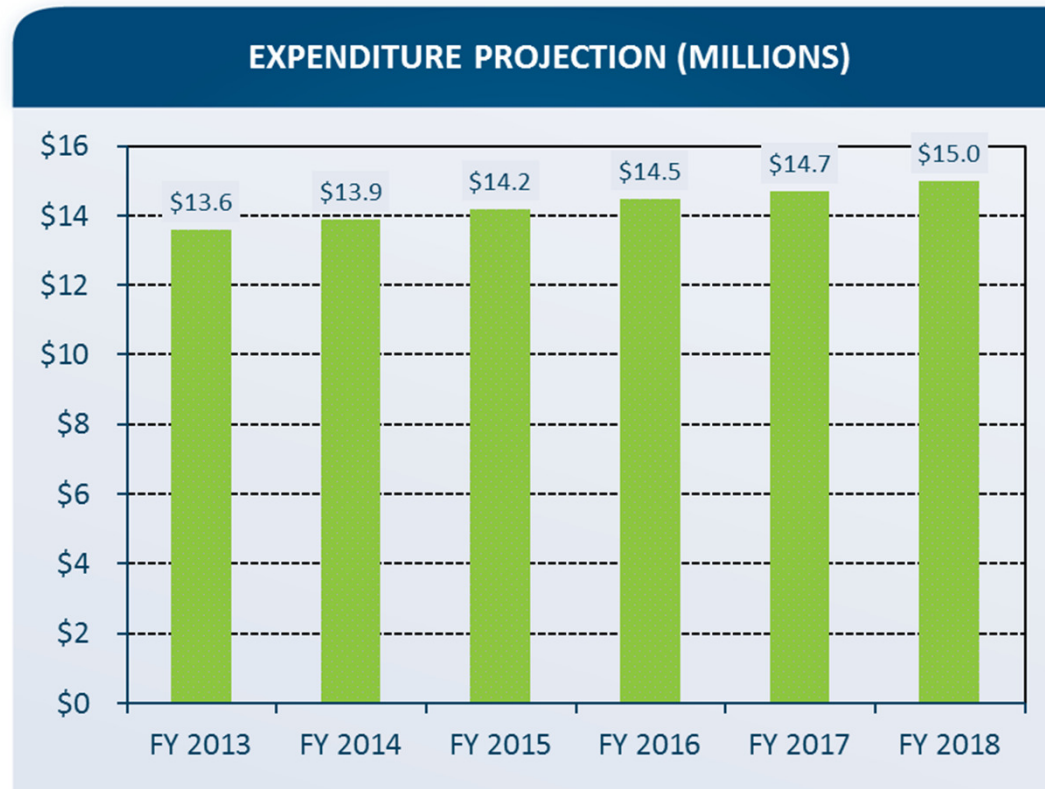
Updated Expenditure Assumptions (**UPDATES IN BOLD CAPS**)

- Most expenditures assumed flat
 - Tuition 5% increases
- Certified staff reduced from current 95.8 to 90.8 as enrollment declines
 - **UPDATE: TO BE REVIEWED BASED ON CURRENT ENROLLMENT ASSUMPTIONS**
 - **EFFECT: ADDITIONAL STAFF REDUCTIONS MAY BE LIKELY**

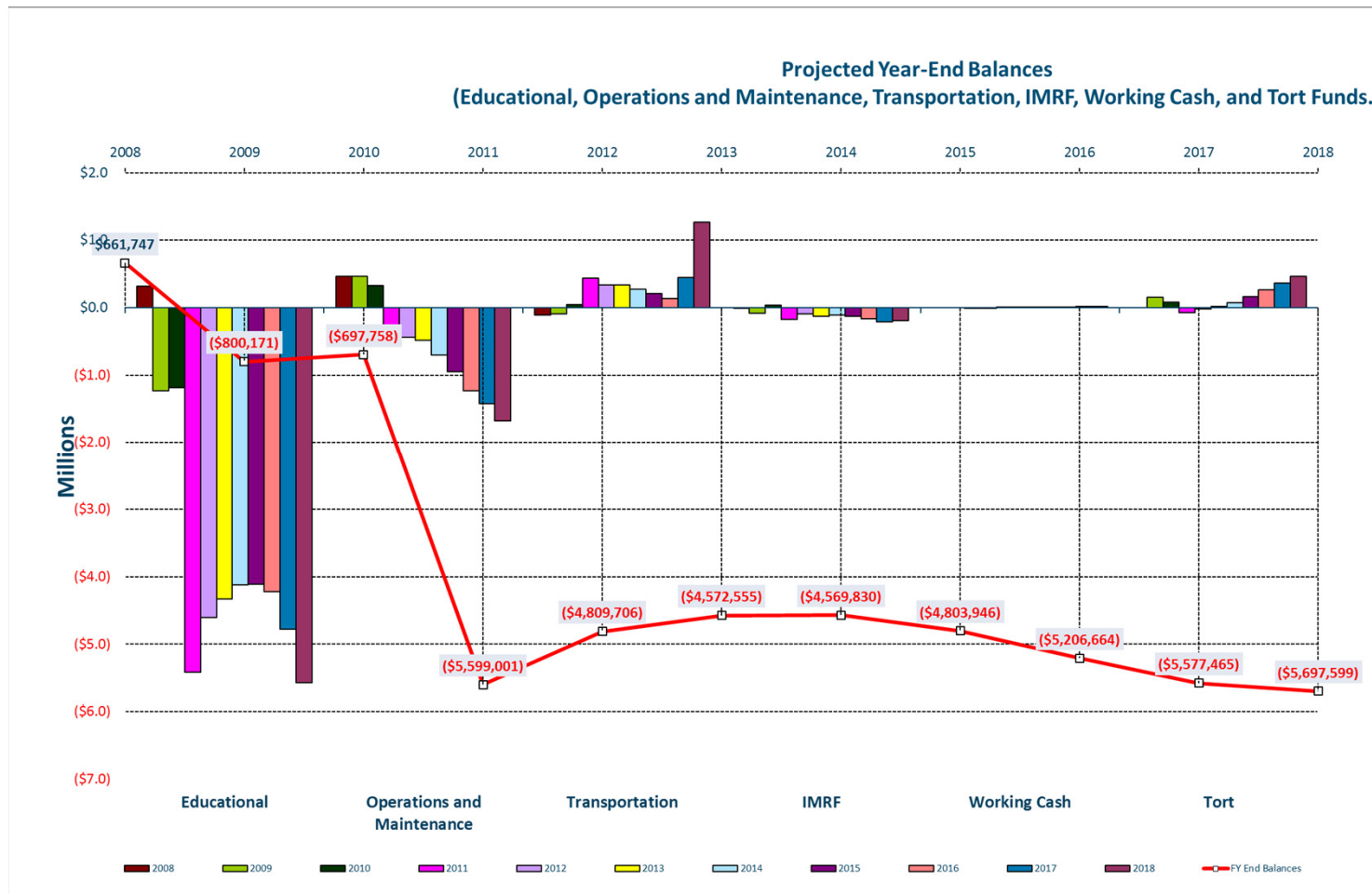
Updated Expenditure Projections



October 2012 Expenditure Projections



Updated Aggregate Projections





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