

Review of Financial Projection Assumptions 2017-18

Park Ridge-Niles School District 64
Board of Education - October 10, 2017

Luann Kolstad, Chief School Business Official

Assumptions - 2017-18 Revenue

1 | CPI

- Actual 2016: 2.1% (impacts 2017-18 and 2018-19 revenues)
- Levy for the full 2.1% plus new construction
- Future Years: 1%

2 | State and Federal Funding

- Remains unchanged for 2017-18 (\$6M/year)

Assumptions - 2017-18 Expenditures

1 Additional Staffing - Enrollment	2 Additional Staffing - "Bubbles"	3 Salaries Adjusted Based on CBAs
<ul style="list-style-type: none">• Cohort Survival projections• 4 classroom teachers• 1 special area• Actual - Up 2.93 FTE (8/28/17)	<ul style="list-style-type: none">• 1 classroom teacher	<ul style="list-style-type: none">• First 3 years of contract

Assumptions - 2017-18 Expenditures

4 Salaries - Retirement Incentive	5 O&M ongoing maintenance	6 Debt Certificates
<ul style="list-style-type: none">• 31 known retirements in 2 years• Net savings:<ul style="list-style-type: none">○ 2017-18: \$410K○ 2018-19: \$1.4M○ 2019-20: \$1.6M	<ul style="list-style-type: none">• Continuing \$500K/year	<ul style="list-style-type: none">• \$800K/year beginning 2017-18

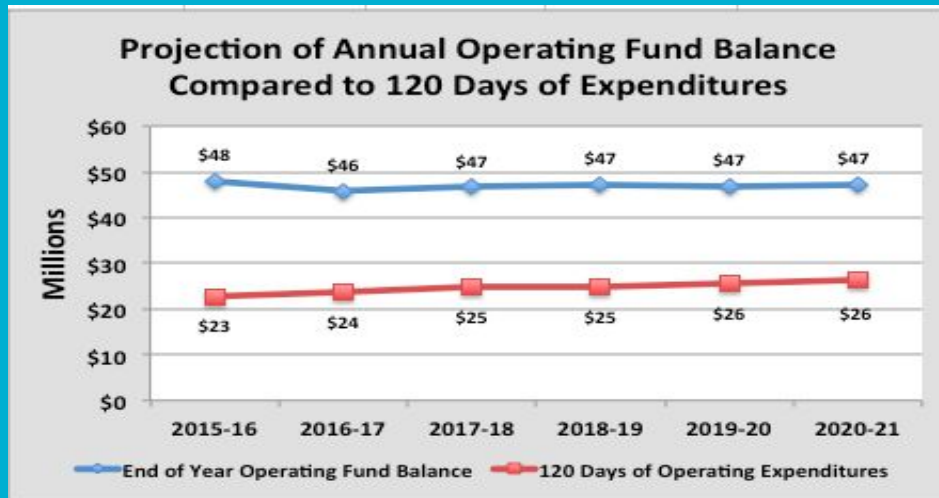
Conservative Approach

- Pension cost shift: 0.5% first year of certified salaries, increasing 0.5% annually. This is built into our projections.**

Financial Projections Update (9-25-17)

TOTAL OPERATING FUNDS			Unaudited Actuals 2016-17		Projected Budget 2017-18		Projected Budget 2018-19		Projected Budget 2019-20		Projected Budget 2020-21	
REVENUES:												
Education Fund	\$	59,350,840	\$	58,956,298	\$	61,150,920	\$	61,327,656	\$	63,077,394	\$	64,581,305
Operations & Maintenance Fund		7,993,722		7,064,536		6,420,813		6,782,238		6,771,190		7,478,067
Transportation Fund		2,236,055		3,731,720		4,443,720		4,287,727		4,294,106		4,372,323
IMRF Fund		1,866,786		1,183,056		1,055,300		1,093,929		794,519		1,039,249
Social Security Fund		520,226		1,377,946		1,594,300		1,247,394		1,056,330		1,025,838
Working Cash Fund		627,309		648,307		699,100		688,500		688,500		688,500
Tort Fund		685,649		573,313		584,700		716,356		693,521		693,521
TOTAL REVENUES	\$	73,280,588	0.3%	\$ 73,535,175	3.3%	\$ 75,948,853	0.3%	\$ 76,143,802	1.6%	\$ 77,375,561	3.2%	\$ 79,878,803
EXPENDITURES:												
Education Fund	\$	57,659,818	\$	59,634,489	\$	61,887,189	\$	62,165,919	\$	64,063,094	\$	65,775,989
Operations & Maintenance Fund		5,144,340		5,263,554		5,876,371		5,978,688		6,083,435		6,190,690
Transportation Fund		2,530,237		3,141,069		3,273,507		3,355,451		3,439,449		3,525,553
IMRF Fund		1,405,857		1,045,644		1,100,000		1,111,000		1,122,110		1,133,331
Social Security Fund		845,698		1,180,224		1,296,400		1,309,364		1,322,458		1,335,682
Working Cash Fund		-		-		-		-		-		-
Tort Fund		769,772		650,141		653,038		672,629		692,808		713,592
TOTAL EXPENDITURES	\$	68,355,722	3.7%	\$ 70,915,122	4.5%	\$ 74,086,505	0.7%	\$ 74,593,051	2.9%	\$ 76,723,353	2.5%	\$ 78,674,837
EXCESS (DEFICIT) FOR YEAR	\$	4,924,866		\$ 2,620,053		\$ 1,862,348		\$ 1,550,751		\$ 652,208		\$ 1,203,966
Fund Transfers/Loans												
Other Financing Sources(Uses)	-	5,696,807	-	4,853,702	-	1,037,510	-	1,031,059	-	949,320	-	897,631
BALANCE, BEGINNING:	\$	48,883,709		\$ 48,111,767		\$ 45,878,119		\$ 46,702,957		\$ 47,222,649		\$ 46,925,537
BALANCE, END-OF-YEAR	\$	48,111,767	-4.6%	\$ 45,878,119	1.8%	\$ 46,702,957	1.1%	\$ 47,222,649	-0.6%	\$ 46,925,537	0.7%	\$ 47,231,872
OPERATING FUND BALANCE:		70.38%		64.69%		63.04%		63.31%		61.16%		60.03%
DAYS CASH ON HAND		257		236		230		231		223		219

Operating Fund Balance/120 Days



Conservative Approach: Other Unknowns?

- Changes in **federal and/or state funding?**