



Indian Prairie Community Unit
School District No. 204

Financial Forecast Fiscal Year 2012

Regular Board Meeting

Monday, March 7, 2011



Presentation Overview

- Our numbers tell the story
- State Educational Funding
 - Bonding for Prior Payments Due
- Assumptions used
- Financial Forecast
- Goal #5
- What's next



Our Numbers Tell The Story

- Pupil to Administrator ratio
 - District 204 347.5 to 1
 - **Best in DuPage**
 - DuPage County 189.5 to 1
 - State 203.8 to 1
- Operation Expenditures Per Pupil OEPP FY09
 - District 204 \$10,020
 - **Lowest of 6 unit districts in DuPage**
 - **26% lower than county unit district average**
 - DuPage County unit district average 13,504
 - State 11,197
- State Profile Score of “Recognition” (highest designation) – 6 of last 7 years
- ASBO Certificate of Excellence in Financial Reporting – last 3 years
- Moody’s Aa1 rating



State Educational Funding

- ISBE recommendation
 - Foundation level increase \$297 + reinstates Regular Transportation funding
- Governor's budget
 - \$418M less than ISBE recommendation
 - Foundation level increase \$148 to \$6,267
 - Mandated categoricals fully funded
 - Regular transportation decreased \$95M
 - Eliminates the Regional Office of Education
- Calls for the consolidation of school districts



Bonding for Prior Payments Due

- Bonding for prior payments due
 - Governor calling for authorization of \$8.7B
 - Portion of income tax increase specific to this request
 - Our belief: likely to pass at less - \$4B to \$5B



Assumptions used

- Governor's budget
 - \$148 increase in GSA foundation
- State delay in payments stabilizes due to income tax increase and likely issuance of bonds
- Austerity reductions stay in place except
 - Reinstating capital outlay for facilities
 - Reinstating capital outlay for technology

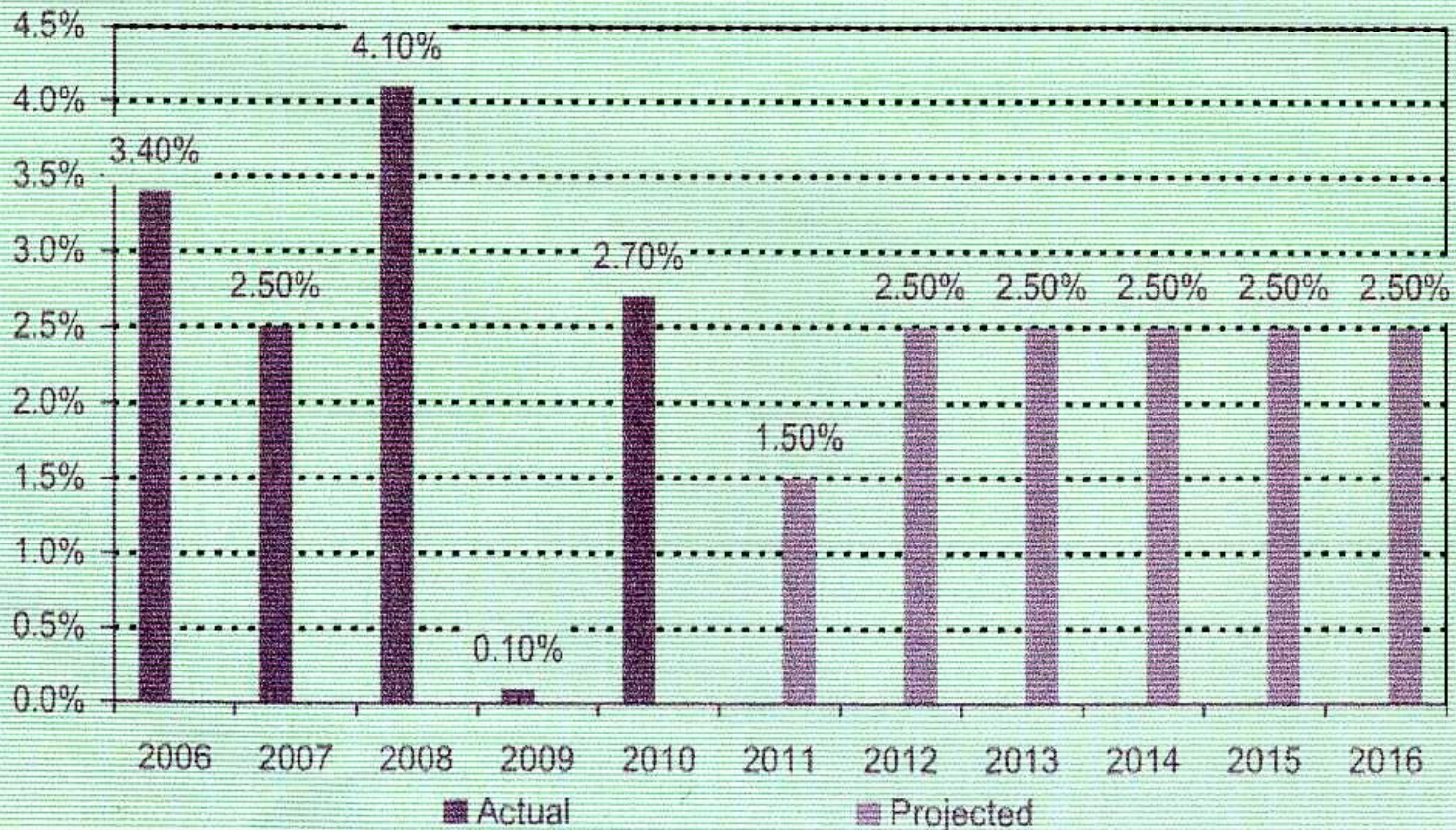


Assumptions used - *continued*

- Consumer Price Index
- Total EAV Analysis
- Total EAV % Change
- Existing EAV % Change
- New EAV Growth

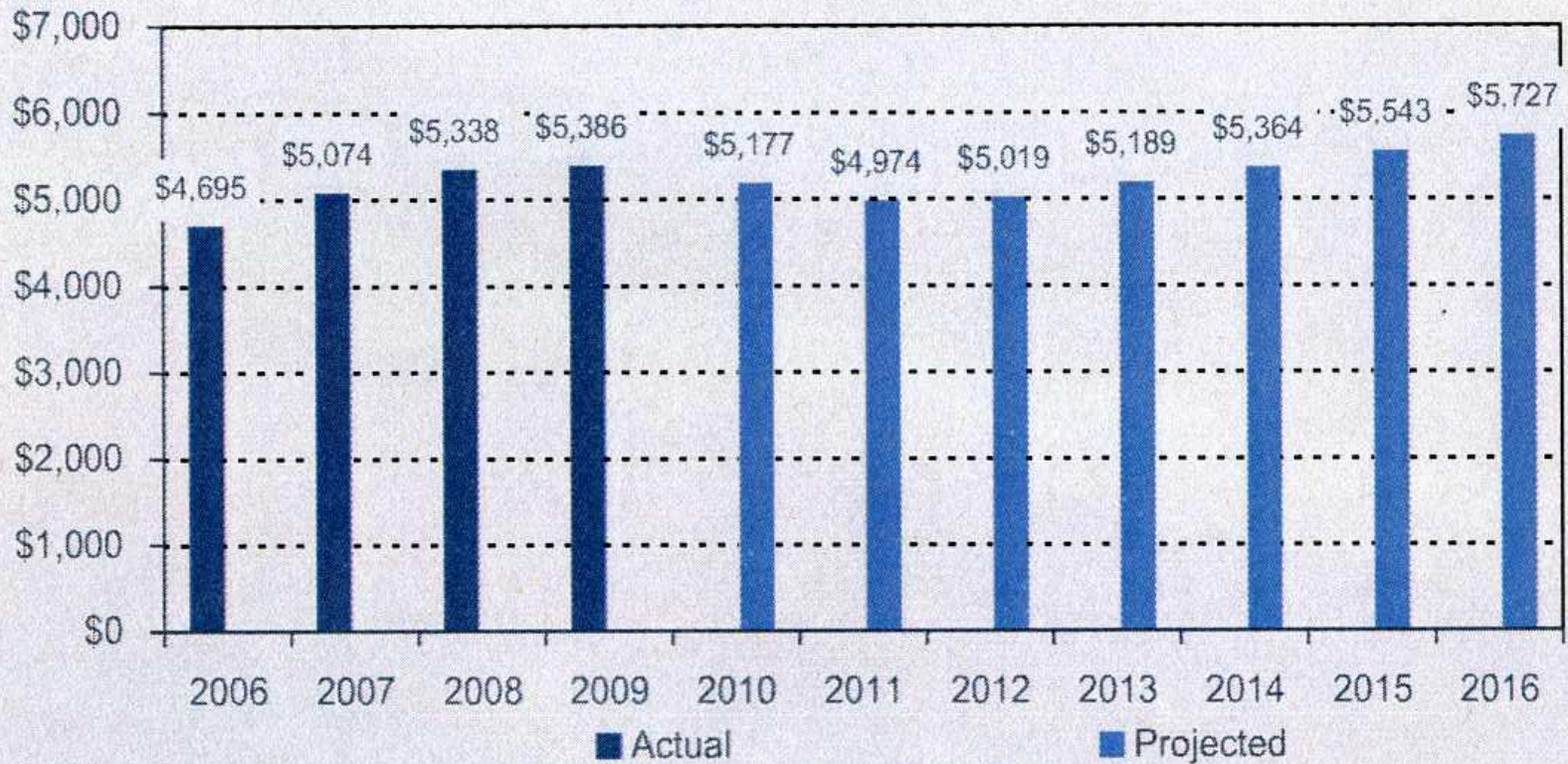
Consumer Price Index

Consumer Price Index (CPI) - Levy Years



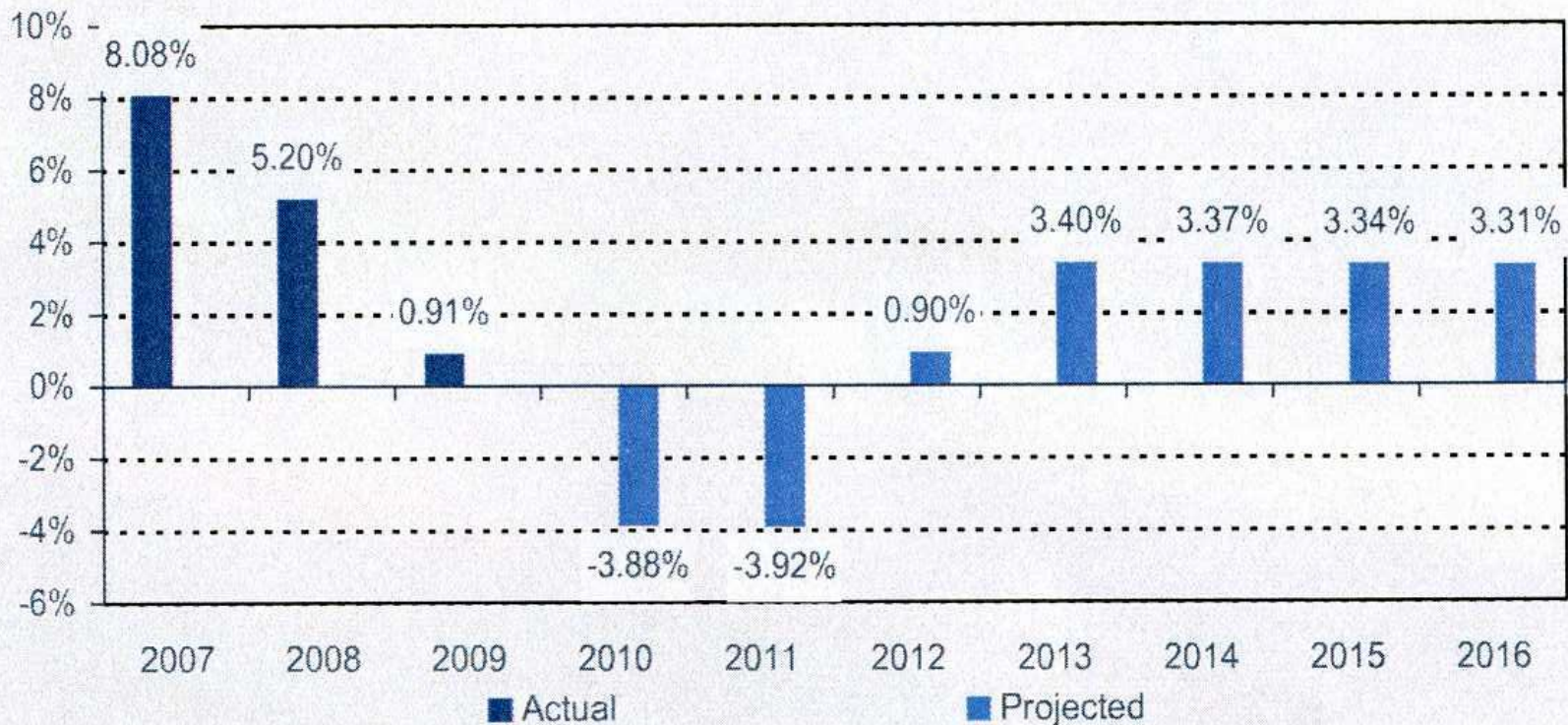
Total EAV Analysis

Total EAV Analysis (In Millions)



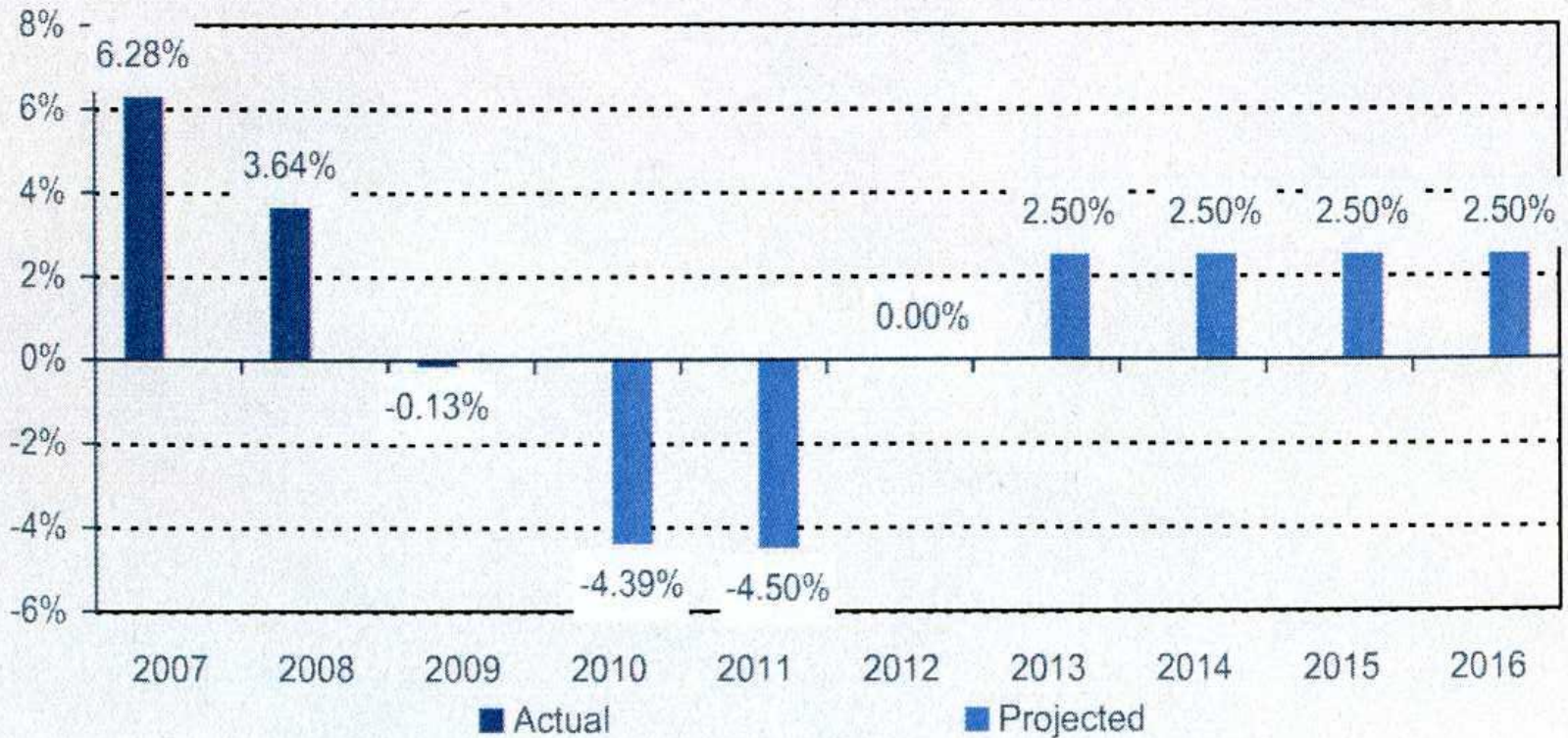
Total EAV % Change

Total EAV % Change



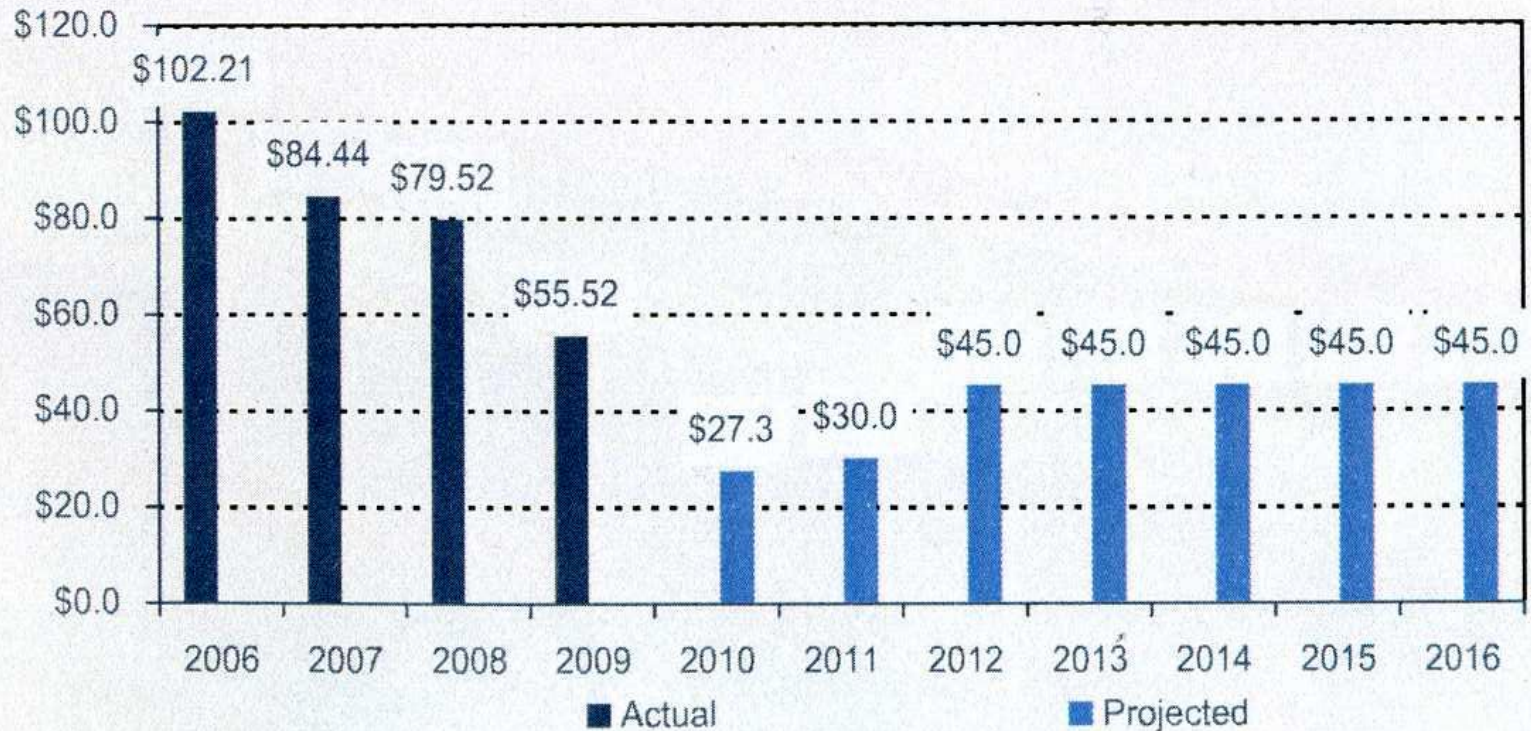
Existing EAV % Change

Existing EAV % Change



New EAV Growth

New Growth (In Millions)



Forecast

	Actual FY 2010	Amended Budget FY 2011	REVENUE / EXPENDITURE PROJECTIONS		
			FY 2012	FY 2013	FY 2014
REVENUE					
Local	226,362,749	231,764,232	236,629,593	243,294,447	251,634,618
State	37,220,230	35,793,065	40,888,221	41,859,954	46,177,940
Federal	17,561,090	13,888,871	10,046,972	10,247,912	10,452,870
TOTAL REVENUE	281,144,069	281,446,168	287,564,786	295,402,313	308,265,428
EXPENDITURES					
Salaries & benefits	223,529,179	214,818,265	224,390,545	234,311,888	244,035,446
Other	62,924,090	58,035,623	59,282,480	60,562,298	62,234,446
TOTAL EXPENDITURES	286,453,269	272,853,888	283,673,025	294,874,186	306,269,892
EXCESS / DEFICIT	(5,309,200)	8,592,280	3,891,761	528,127	1,995,536
Transfers	(296,844)	(907,887)	(907,887)	(907,887)	(907,887)
Reinstate Delayed Capital Outlay			(3,000,000)	(1,500,000)	(1,500,000)
Technology refresh					
Building repairs & maintenance					
Net excess (deficit) after adjustments	(5,606,044)	7,684,393	(16,126)	(1,879,760)	(412,351)
Beginning Fund Balance	87,589,897	81,983,853	89,668,246	89,652,120	87,772,360
Ending Fund Balance	81,983,853	89,668,246	89,652,120	87,772,360	87,360,009
Fund Balance to Revenue Percentage	29.16%	31.86%	31.18%	29.71%	28.34%



Board Goal #5

- By June 30 of each year the District will:
 - Maintain a fund balance to revenue ratio of 25%
 - Maintain a Aa2 rating with Moody's Investment Services
 - Maintain bonding capacity of over 50% of debt margin
 - Receive the School Financial Profile designation of "Recognition."



Maintain a Operating Fund Balance to Revenue Ratio of 25%

- District met target as of June 30, 2010
 - Fund Balance \$81,983,853
 - Revenues \$281,114,069
 - Ratio = 29.16%
- District projected to meet target as of June 30, 2012
 - Estimated Fund Balance \$89,652,120
 - Estimated Revenues \$287,564,786
 - Ratio = 31.18%



Maintain an Aa2 Rating with Moody's

- Moody's raised the District's rating from Aa2 to Aa1 last fall
- Aa1 rating confirmed by Moody's in November
- As we look to issue debt in the fall, our financial advisors anticipate that will continue to maintain this solid rating



Maintain Bonding Capacity of Over 50%

- As of June 30, 2010, the District met this target
 - Debt limit = \$743,285,748
 - Bond capacity = \$420,410,748
 - % of capacity to limit = 56.56%
- As of June 30, 2011, the District is projected to meet this target
 - Est. Debt limit = \$713,554,318
 - Est. Bond capacity = \$407,719,318
 - Est. % of capacity to limit = 57.14%
- Anticipate meeting this target well into future



Receive “Recognition”

- Financial profile score
 - State’s measure of financial health
 - FY05, FY06, FY07 & FY08– Recognition
 - FY09 – Review status – 2nd highest rating
 - All Day Kindergarten
 - FY10 – Projects out to Recognition
 - Investigating state’s process for delay
 - FY11 – Tentative budget projects out to Recognition
 - FY12 – Forecast projects to Recognition



What's Next

- General assembly considers Governor's budget proposal
- Monitor State financial situation
- Continue the discussion as we learn more
- Fiscal Year 2012 budget development