

District Financial Presentation and Levy Rationale

Eastland CUSD #308

December, 2015 Levy

Financial Profile

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ESTIMATED FINANCIAL PROFILE SUMMARY

(Go to the following website for reference to the Financial Profile)

www.isbe.net/sfms/p/profile.htm

District Name:

EASTLAND COMMUNITY UNIT SCHOOL DISTRICT NO. 308

District Code:

08-008-3080-26

County Name:

CARROLL

1. Fund Balance to Revenue Ratio:

Total Sum of Fund Balance (P8, Cells C81, D81, F81 & I81)

Funds 10, 20, 40, 70 + (50 & 80 if negative)

6,382,230.00

Total

Ratio

Score

4

Total Sum of Direct Revenues (P7, Cell C8, D8, F8 & I8)

Funds 10, 20, 40, & 70,

7,151,263.00

Weight

0.35

Less: Operating Debt Pledged to Other Funds (P8, Cell C54 thru D74)

Minus Funds 10 & 20

(72,968.00)

Value

1.40

(Excluding C:D57, C:D61, C:D65, C:D69 and C:D73)

2. Expenditures to Revenue Ratio:

Total Sum of Direct Expenditures (P7, Cell C17, D17, F17, I17)

Funds 10, 20 & 40

6,711,427.00

Total

Ratio

Score

4

Total Sum of Direct Revenues (P7, Cell C8, D8, F8, & I8)

Funds 10, 20, 40 & 70,

7,151,263.00

Adjustment

0

Less: Operating Debt Pledged to Other Funds (P8, Cell C54 thru D74)

Minus Funds 10 & 20

(72,968.00)

Weight

0.35

(Excluding C:D57, C:D61, C:D65, C:D69 and C:D73)

Possible Adjustment:

0

Value

1.40

3. Days Cash on Hand:

Total Sum of Cash & Investments (P5, Cell C4, D4, F4, I4 & C5, D5, F5 & I5)

Funds 10, 20 40 & 70

6,382,230.00

Total

Days

Score

4

Total Sum of Direct Expenditures (P7, Cell C17, D17, F17 & I17)

Funds 10, 20, 40 divided by 360

18,642.85

Weight

0.10

Value

0.40

4. Percent of Short-Term Borrowing Maximum Remaining:

Tax Anticipation Warrants Borrowed (P25, Cell F6-7 & F11)

Funds 10, 20 & 40

0.00

Total

Percent

Score

4

EAV x 85% x Combined Tax Rates (P3, Cell J7 and J10)

(.85 x EAV) x Sum of Combined Tax Rates

4,818,853.99

Weight

0.10

Value

0.40

5. Percent of Long-Term Debt Margin Remaining:

Long-Term Debt Outstanding (P3, Cell H37)

8,196,796.00

Total

Percent

Score

3

Total Long-Term Debt Allowed (P3, Cell H31)

24,020,728.22

Weight

0.10

Value

0.30

Total Profile Score:

3.90 *

Estimated 2016 Financial Profile Designation: **RECOGNITION**

* Total Profile Score may change based on data provided on the Financial Profile Information, page 3 and by the timing of mandated categorical payments. Final score will be calculated by ISBE.

EAV trends

| | | EAV Trend |
|------------------------------|--|-------------------|
| 2009-10 Actual EAV | | \$ 211,320,030.00 |
| | | |
| 2010-11 Actual EAV | | \$ 213,255,981.00 |
| 2011-12 Actual EAV | | \$ 202,013,556.00 |
| | | |
| 2012-13 Actual EAV | | \$ 177,958,914.00 |
| 2013-14 Actual EAV | | \$ 163,027,117.00 |
| 2014-15 Actual EAV | | \$ 160,239,713.00 |
| 2015-16 Actual EAV | | \$ 173,737,130.00 |
| 2016-17 <i>Estimated</i> EAV | | \$ 184,256,974.56 |

25% decline in the District's taxable wealth from FY2011 to FY2015

15% rebound in the District's taxable wealth in the last two years

2015-16 Budget

ILLINOIS STATE BOARD OF EDUCATION
School Business Services Division

SCHOOL DISTRICT BUDGET FORM *
July 1, 2015 - June 30, 2016

Accounting Basis:

☒ Cash
☐ Accrual

Date of Amended Budget:

(MM/DD/YY)

District Name:

Eastland Community Unit School District #308

District RCDT No:

08-008-3080-26

Balanced budget, no deficit
reduction plan is required.

If your FY15 AFR states that you need to do a deficit reduction plan and your FY16 budget is balanced please state the measures you took to have your budget become balanced. (Bckgrnd-Assumpt 25-26)

Budget of Eastland Community Unit School District #308, County of Carroll/Ogle/Stephenson,
State of Illinois, for the Fiscal Year beginning July 1, 2015 and ending June 30, 2016.

WHEREAS the Board of Education of Eastland Community Unit School District #308,
County of Carroll/Ogle/Stephenson, State of Illinois, caused to be prepared in tentative form a budget, and the Secretary
of this Board has made the same conveniently available to public inspection for at least thirty days prior to final action thereon;

AND WHEREAS a public hearing was held as to such budget on the 16th day of September, 20 15,
notice of said hearing was given at least thirty days prior thereto as required by law, and all other legal requirements have been complied with;

NOW, THEREFORE, Be it resolved by the Board of Education of said district as follows:

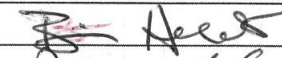
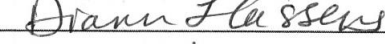


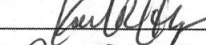


Section 1: That the fiscal year of this school district be and the same hereby is fixed and declared to be

beginning July 1, 2015 and ending June 30, 2016.

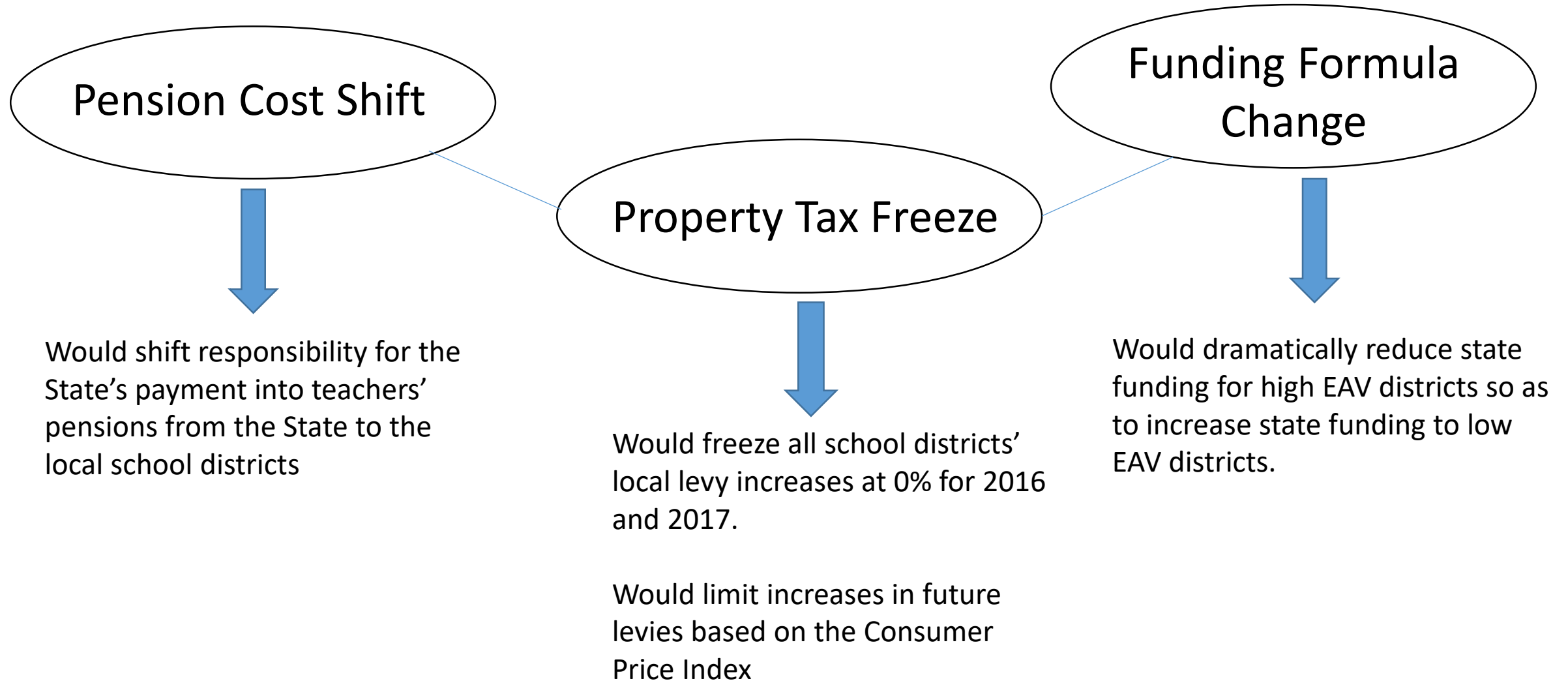
Section 2: That the following budget containing an estimate of amounts available in each Fund, separately, and expenditures from each
be and the same is hereby adopted as the budget of this school district for said fiscal year.

ADOPTION OF BUDGET

The budget shall be approved and signed below by members of the School Board. Adopted this 16th
day of September, 20 15 by a roll call vote of 7 Yeas, and 0 Nays, to wit:

| MEMBERS VOTING YEA: | MEMBERS VOTING NAY: |
|---|---------------------|
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Threats to Funding



Rationale for Levy and Bond Issue

Impact of Funding Threats on Local Decision-Making



The Board has approved a Resolution of Estimated Taxes to be Levied:

1. The 2015 levy requests 7.9% more than the previous extension
2. This is necessary because:
 - a) if the Property Tax Freeze is passed into law – all future extensions will be based on the baseline set in December, 2015.
 - b) if the Funding Formula Change passes, we will need the local revenue to make-up for \$500,000 state revenue cut

The Board has approved a Resolution of Intent to Sell Working Cash or Life Safety Bonds to replace the HVAC systems in the oldest parts of EES and EJSHS :

1. The estimated cost for the work is \$3,500,000
2. This is necessary because:
 - a) an engineering audit shows that these systems are in need of replacement
 - b) the new geothermal systems will save energy over time
 - c) future failure of the systems would require expenditure of reserves that will be needed if the proposed legislation becomes law

Final Action on Bond Issuance

- District was able to issue \$3.5 million in bonds over a short, 8-yr term at a rate under 1.9%
- An aggressive debt service schedule helped the District:
 - A. Capture the favorable interest rates currently available
 - B. Minimize the total amount of taxpayer money spent to service the debt over the next 8 years
 - C. Quickly restore bonding capacity each year that principle is paid

Summary; The BOE . . .

1. levied an increase of 7.9% over the December, 2014 levy,
2. issued bonds (over a short term at a very low interest rate) to do work that needs to be done to replace outdated heating and ventilation systems in the oldest sections of the two buildings,
3. contracted for installation of geothermal systems that will replace original boilers and add cooling to approximately 40,000 square foot of space at the same or similar annual operating costs,
4. protected reserves that are threatened due to State fiscal problems
5. protected the District in the event that legislation is passed to reduce state funding, freeze property taxes, or both
6. ensured that future Boards of Education and Superintendents have non-referendum bonding capacity in case of emergencies.