



# Six-Year Projections

**Eagle Mountain - Saginaw ISD**  
**Flow of Funds - Projection**

Model assumes passage of the TRE. The use of those pennies can be adjusted on the chart as a "what if" scenario.

Date Last Modified 1/23/13

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
<b>Sources of Revenue</b>						
Student Growth - Students	547	509	614	679	744	807
Student Growth - dollars	\$ 3,038,431	\$ 2,827,352	\$ 3,410,597	\$ 3,771,654	\$ 4,132,710	\$ 4,482,658
Loss of ASATR					\$ (14,500,000)	
Othe Revenue:						
SHARS	\$ 500,000	\$ 250,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Use of Fund Balance					\$ 7,000,000	\$ 4,500,000
TRE (increase in State Aid)	\$ 650,000					
Additional Pennies from TRE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue from committed TRE pennies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Expenditure increases</b>						
Use of local funds to cover reduction in Fed funding for Special Education	\$ (738,000)	(610,000)				
Current year Surplus/(Deficit) Note 2	\$ (1,000,000)	1,000,000	2,500,000	3,500,000	6,000,000	(6,500,000)
Staffing - CTHS Note 3	\$ (1,936,000)	(600,000)				
Preparation for 2017-18 Note 4	\$ (1,000,000)	(1,500,000)	(1,000,000)	(2,500,000)	(2,000,000)	(2,000,000)
Raise - Base plus equity adjustments Note 5	\$ (2,160,000)		(2,000,000)		(2,000,000)	
Raise - Contingent upon passage of TRE	\$ (700,000)					
Funds needed to make Debt Service Pmt Note 6		\$ (600,000)	\$ (600,000)	\$ -	\$ -	\$ -
Items not specifically identified: Utilities, Insurance, infrastructure, Technology, etc. Note 7	\$ (1,000,000)	\$ (1,000,000)	\$ (400,000)	\$ (400,000)	\$ (400,000)	\$ (400,000)
Open new elementary school			1	1		1
Indicate year opened						
Operating cost	\$ -	\$ -	\$ 800,000	\$ 800,000	\$ -	\$ 800,000
Financing cost	\$ (283,539)	\$ (850,617)	\$ (567,078)	\$ (283,539)	\$ (567,078)	\$ -
Open new middle school						1
Indicate year opened						
Operating cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,200,000
Financing cost			(850,617)	(283,539)	(567,078)	
Additional teachers for student growth (calc 1 to 25)		(1,323,400)	(1,596,400)	(1,765,400)	(1,934,400)	(2,098,200)
Total-all yrs						
Left to Identify \$ (12,075,117)	\$ (4,629,108)	\$ (2,406,666)	\$ (253,497)	\$ -	\$ (4,785,846)	\$ -
<b>Expenditure reduction</b>						
Increase Student/Teacher Ratio						
Elementary to _____						
Middle School						
High School						
<b>Note: Projected cuts beyond 2013-14 will be addressed through use of additional TRE pennies, or additional cuts. There are no specific recommendations at this time.</b>						
<b>Current surplus/(deficit) for year</b>						
Funds to prepare for 2017-18	1,000,000	2,500,000	3,500,000	6,000,000	(6,500,000)	(5,000,000)
Other	-	-	-	2,889,177	-	34,460
Annual Surplus/(Deficit)	1,000,000	2,500,000	3,500,000	8,889,177	(6,500,000)	(4,965,540)
Total impact to Fund Balance						4,423,636
Projected Fund Balance	\$ 27,000,000	\$ 29,500,000	\$ 33,000,000	\$ 41,889,177	\$ 35,389,177	\$ 30,423,636



Student growth and the dollars associated with that growth are based on the most recent demographic information funded at 98% of projected WADA, and 92% of target revenue.

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Loss of ASATR					\$ (14,500,000)	
Othe Revenue:						
SHARS	\$ 500,000	\$ 250,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Use of Fund Balance					\$ 7,000,000	\$ 4,500,000
TRE (increase in State Aid)	\$ 650,000					
Additional Pennies from TRE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue from committed TRE pennies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Expenditure increases</b>						
Use of local funds to cover reduction in Fed funding for						
Special Education	\$ (738,000)	(610,000)				
Current year Surplus/(Deficit) Note 2	\$ (1,000,000)	1,000,000	2,500,000	3,500,000	6,000,000	(6,500,000)
Staffing - CTHS Note 3	\$ (1,936,000)	(600,000)				
Preparation for 2017-18 Note 4	\$ (1,000,000)	(1,500,000)	(1,000,000)	(2,500,000)	(2,000,000)	(2,000,000)
Raise - Base plus equity adjustments Note 5	\$ (2,160,000)		(2,000,000)		(2,000,000)	
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Funds needed to make Debt Service Pmt Note 6		\$ (600,000)	\$ (600,000)	\$ -	\$ -	\$ -
Items not specifically identified: Utilities, Insurance, infrastructure, Technology, etc. Note 7	\$ (1,000,000)	\$ (1,000,000)	\$ (400,000)	\$ (400,000)	\$ (400,000)	\$ (400,000)
Open new elementary school						
Indicate year opened			1	1		1
Operating cost	\$ -	\$ -	\$ 800,000	\$ 800,000	\$ -	\$ 800,000
Financing cost	\$ (283,539)	\$ (850,617)	\$ (567,078)	\$ (283,539)	\$ (567,078)	\$ -
Open new middle school						
Indicate year opened						1
Operating cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,200,000
Financing cost			(850,617)	(283,539)	(567,078)	
Additional teachers for student growth (calc 1 to 25		(1,323,400)	(1,596,400)	(1,765,400)	(1,934,400)	(2,098,200)
Total-all yrs						
Left to Identify \$ (12,075,117)	\$ (4,629,108)	\$ (2,406,666)	\$ (253,497)	\$ -	\$ (4,785,846)	\$ -
<b>Expenditure reduction</b>						
Increase Student/Teacher Ratio						
Elementary to _____						
Middle School						
High School						

Note: Projected cuts beyond 2013-14 will be addressed through use of additional TRE pennies, or additional cuts. There are no specific recommendations at this time.

The loss of \$14,500,000 in 2017-18 is based on the elimination of ASATR and the fact that the basic allotment for EM-S ISD's will be set at 86% of the adjusted basic allotment – which is the amount that most districts in the State will receive.

**Current surplus/(deficit) for year**

Funds to prepare for 2017-18	1,000,000	2,500,000	3,500,000	6,000,000	(6,500,000)	(5,000,000)
Other	-	-	-	2,889,177	-	34,460
Annual Surplus/(Deficit)	1,000,000	2,500,000	3,500,000	8,889,177	(6,500,000)	(4,965,540)
Total impact to Fund Balance						4,423,636
Projected Fund Balance	\$ 27,000,000	\$ 29,500,000	\$ 33,000,000	\$ 41,889,177	\$ 35,389,177	\$ 30,423,636

**Eagle Mountain - Saginaw ISD**  
**Flow of Funds - Projection**

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Staffing - CTHS Note 3	\$ (1,936,000)	(600,000)				
Preparation for 2017-18 Note 4	\$ (1,000,000)	(1,500,000)	(1,000,000)	(2,500,000)	(2,000,000)	(2,000,000)
Raise - Base plus equity adjustments Note 5	\$ (2,160,000)		(2,000,000)		(2,000,000)	
Raise - Contingent upon passage of TRE	\$ (700,000)					
Funds needed to make Debt Service Pmt Note 6		\$ (600,000)	\$ (600,000)	\$ -	\$ -	\$ -
Items not specifically identified: Utilities, Insurance, infrastructure, Technology, etc. Note 7	\$ (1,000,000)	\$ (1,000,000)	\$ (400,000)	\$ (400,000)	\$ (400,000)	\$ (400,000)
Open new elementary school						
Indicate year opened			1	1		1
Operating cost	\$ -	\$ -	\$ 800,000	\$ 800,000	\$ -	\$ 800,000
Financing cost	\$ (283,539)	\$ (850,617)	\$ (567,078)	\$ (283,539)	\$ (567,078)	\$ -
Open new middle school						
Indicate year opened						1
Operating cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,200,000
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Additional teachers for student growth (calc 1 to 25)		(1,323,400)	(1,596,400)	(1,765,400)	(1,934,400)	(2,098,200)
<b>Left to Identify</b>	<b>\$ (12,075,117)</b>	<b>\$ (4,629,108)</b>	<b>\$ (2,406,666)</b>	<b>\$ (253,497)</b>	<b>\$ (4,785,846)</b>	<b>\$ -</b>
<b>Expenditure reduction</b>						
Increase Student/Teacher Ratio						
Elementary to _____						
Middle School						
High School						
<b>Current surplus/(deficit) for year</b>						
Funds to prepare for 2017-18	1,000,000	2,500,000	3,500,000	6,000,000	(6,500,000)	(5,000,000)
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Note: Projected cuts beyond 2013-14 will be addressed through use of additional TRE pennies, or additional cuts. There are no specific recommendations at this time.

The increase in State Aid is based on passage of the TRE. We do not have to raise the overall tax rate to receive these funds. The State aid is increased based on the increase in local effort in the M&O rate.

**Eagle Mountain - Saginaw ISD**

**Flow of Funds - Projection**

Date Last Modified 1/23/13

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Indicate year opened			1	1		1
Operating cost	\$ -	\$ -	\$ 800,000	\$ 800,000	\$ -	\$ 800,000
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Annual Surplus/(Deficit)	1,000,000	2,500,000	3,500,000	8,889,177	(6,500,000)	(4,965,540)
Total impact to Fund Balance						4,423,636
Projected Fund Balance	\$ 27,000,000	\$ 29,500,000	\$ 33,000,000	\$ 41,889,177	\$ 35,389,177	\$ 30,423,636

For forecasting purposes we have not increased the overall tax rate to use the pennies approved in the TRE election. The Board, at a future date may decide it is in the best interest of the community to use some of these funds rather than make future cuts.

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**Flow of Funds - Projection**

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Open new elementary school						
Indicate year opened			1	1		1
Operating cost	\$ -	\$ -	\$ 800,000	\$ 800,000	\$ -	\$ 800,000
Financing cost	\$ (283,539)	\$ (850,617)	\$ (567,078)	\$ (283,539)	\$ (567,078)	\$ -
Open new middle school						
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Each year will start off based on the results of the prior year. Our goal is to run a series of surpluses to soften the impact of the reductions in 2017-18. These surpluses will be needed in spite of reductions made elsewhere and are part of an overall strategy to address the impending revenue loss.

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As noted above, in order to absorb the cuts in 2017-18, we have to start now not only making reductions in expenditures, but also building fund balance to carry us forward.

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**Flow of Funds - Projection**

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Use of local funds to cover reduction in Fed funding for						
Special Education	\$ (738,000)	(610,000)				
Current year Surplus/(Deficit) Note 2	\$ (1,000,000)	1,000,000	2,500,000	3,500,000	6,000,000	(6,500,000)
Staffing - CTHS Note 3	\$ (1,936,000)	(600,000)				
Preparation for 2017-18 Note 4	\$ (1,000,000)	(1,500,000)	(1,000,000)	(2,500,000)	(2,000,000)	(2,000,000)
Raise - Base plus equity adjustments Note 5	\$ (2,160,000)		(2,000,000)		(2,000,000)	
Raise - Contingent upon passage of TRE	\$ (700,000)					
Funds needed to make Debt Service Pmt Note 6		\$ (600,000)	\$ (600,000)	\$ -	\$ -	\$ -
Items not specifically identified: Utilities, Insurance, infrastructure, Technology, etc. Note 7	\$ (1,000,000)	\$ (1,000,000)	\$ (400,000)	\$ (400,000)	\$ (400,000)	\$ (400,000)
Open new elementary school						
Indicate year opened			1	1		1
Operating cost	\$ -	\$ -	\$ 800,000	\$ 800,000	\$ -	\$ 800,000
Financing cost	\$ (283,539)	\$ (850,617)	\$ (567,078)	\$ (283,539)	\$ (567,078)	\$ -
Open new middle school						
Indicate year opened						1
Operating cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,200,000
Financing cost			(850,617)	(283,539)	(567,078)	
Additional teachers for student growth (calc 1 to 25)		(1,323,400)	(1,596,400)	(1,765,400)	(1,934,400)	(2,098,200)
<b>Total-all yrs</b>						
<b>Left to Identify</b>	\$ (4,629,108)	\$ (2,406,666)	\$ (253,497)	\$ -	\$ (4,785,846)	\$ -
<b>Expenditure reduction</b>						
Increase Student/Teacher Ratio						
Elementary to _____						
Middle School						
High School						
<b>Note: Projected cuts beyond 2013-14 will be addressed through use of additional TRE pennies, or additional cuts. There are no specific recommendations at this time.</b>						
<b>Current surplus/(deficit) for year</b>						
Funds to prepare for 2017-18	1,000,000	2,500,000	3,500,000	6,000,000	(6,500,000)	(5,000,000)
Other	-	-	-	2,889,177	-	34,460
Annual Surplus/(Deficit)	1,000,000	2,500,000	3,500,000	8,889,177	(6,500,000)	(4,965,540)
Total impact to Fund Balance						4,423,636
<b>Projected Fund Balance</b>	\$ 27,000,000	\$ 29,500,000	\$ 33,000,000	\$ 41,889,177	\$ 35,389,177	\$ 30,423,636



In spite of the fact that EM-S will have fewer funds, we operate under the same market conditions as our neighbors. To remain competitive in the marketplace for employees we have built in a 2% raise every other year for employees.



**Eagle Mountain - Saginaw ISD**

**Flow of Funds - Projection**

Date Last Modified 1/23/13

Model assumes passage of the TRE. The use of those pennies can be adjusted on the chart as a "what if" scenario.

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
<b>Sources of Revenue</b>						
Student Growth - Students	547	509	614	679	744	807
Student Growth - dollars	\$ 3,038,431	\$ 2,827,352	\$ 3,410,597	\$ 3,771,654	\$ 4,132,710	\$ 4,482,658
Loss of ASATR					\$ (14,500,000)	
Othe Revenue:						
SHARS	\$ 500,000	\$ 250,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Use of Fund Balance					\$ 7,000,000	\$ 4,500,000
TRE (increase in State Aid)	\$ 650,000					
Additional Pennies from TRE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue from committed TRE pennies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Expenditure increases</b>						
Use of local funds to cover reduction in Fed funding for						
Special Education	\$ (738,000)	(610,000)				
Current year Surplus/(Deficit) Note 2	\$ (1,000,000)	1,000,000	2,500,000	3,500,000	6,000,000	(6,500,000)
Staffing - CTHS Note 3	\$ (1,936,000)	(600,000)				
Preparation for 2017-18 Note 4	\$ (1,000,000)	(1,500,000)	(1,000,000)	(2,500,000)	(2,000,000)	(2,000,000)
Raise - Base plus equity adjustments Note 5	\$ (2,160,000)		(2,000,000)		(2,000,000)	
Raise - Contingent upon pasgge of TRE	\$ (700,000)					
Funds needed to make Debt Service Pmt Note 6		\$ (600,000)	\$ (600,000)			
Items not specifically identified: Utilities, Insurance, infrastructure, Technology, etc. Note 7	\$ (1,000,000)	\$ (1,000,000)	\$ (400,000)	\$ (400,000)	\$ (400,000)	\$ (400,000)
Open new elementary school						
Indicate year opened			1	1		1
Operating cost	\$ -	\$ -	\$ 800,000	\$ 800,000	\$ -	\$ 800,000
Financing cost	\$ (283,539)	\$ (850,617)	\$ (567,078)	\$ (283,539)	\$ (567,078)	\$ -
Open new middle school						
Indicate year opened						1
Operating cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,200,000
Financing cost			(850,617)	(283,539)	(567,078)	
Additional teachers for student growth (calc 1 to 25		(1,323,400)	(1,596,400)	(1,765,400)	(1,934,400)	(2,098,200)
Total-all yrs						
Left to Identify	\$ (12,075,117)	\$ (4,629,108)	\$ (2,406,666)	\$ (253,497)	\$ (4,785,846)	\$ -
<b>Expenditure reduction</b>						
Increase Student/Teacher Ratio						
Elementary to _____						
Middle School						
High School						
<b>Current surplus/(deficit) for year</b>						
Funds to prepare for 2017-18	1,000,000	2,500,000	3,500,000	6,000,000	(6,500,000)	(5,000,000)
Other	-	-	-	2,889,177	-	34,460
Annual Surplus/(Deficit)	1,000,000	2,500,000	3,500,000	8,889,177	(6,500,000)	(4,965,540)
Total impact to Fund Balance						4,423,636
Projected Fund Balance	\$ 27,000,000	\$ 29,500,000	\$ 33,000,000	\$ 41,889,177	\$ 35,389,177	\$ 30,423,636

Note: Projected cuts beyond 2013-14 will be addressed through use of additional TRE pennies, or additional cuts. There are no specific recommendations at this time.

Because our TAV's have been stagnant for the past five years, we have assumed only marginal growth, which would require the use of M&O funds to make the debt service payment.

**Eagle Mountain - Saginaw ISD**  
**Flow of Funds - Projection**

Model assumes passage of the TRE. The use of those pennies can be adjusted on the chart as a "what if" scenario.

Date Last Modified 1/23/13

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
<b>Sources of Revenue</b>						
Student Growth - Students	547	509	614	679	744	807
Student Growth - dollars	\$ 3,038,431	\$ 2,827,352	\$ 3,410,597	\$ 3,771,654	\$ 4,132,710	\$ 4,482,658
Loss of ASATR					\$ (14,500,000)	
Othe Revenue:						
SHARS	\$ 500,000	\$ 250,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Use of Fund Balance					\$ 7,000,000	\$ 4,500,000
TRE (increase in State Aid)	\$ 650,000					
Additional Pennies from TRE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue from committed TRE pennies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Expenditure increases</b>						
Use of local funds to cover reduction in Fed funding for						
Special Education	\$ (738,000)	(610,000)				
Current year Surplus/(Deficit) Note 2	\$ (1,000,000)	1,000,000	2,500,000	3,500,000	6,000,000	(6,500,000)
Staffing - CTHS Note 3	\$ (1,936,000)	(600,000)				
Preparation for 2017-18 Note 4	\$ (1,000,000)	(1,500,000)	(1,000,000)	(2,500,000)	(2,000,000)	(2,000,000)
Raise - Base plus equity adjustments Note 5	\$ (2,160,000)		(2,000,000)		(2,000,000)	
Raise - Contingent upon passage of TRE	\$ (700,000)					
Funds needed to make Debt Service Pmt Note 6		\$ (600,000)	\$ (600,000)	\$ -	\$ -	\$ -
Items not specifically identified: Utilities, Insurance, infrastructure, Technology, etc. Note 7	\$ (1,000,000)	\$ (1,000,000)	\$ (400,000)	\$ (400,000)	\$ (400,000)	\$ (400,000)
Open new elementary school						
Indicate year opened			1	1		1
Operating cost	\$ -	\$ -	\$ 800,000	\$ 800,000	\$ -	\$ 800,000
Financing cost	\$ (283,539)	\$ (850,617)	\$ (567,078)	\$ (283,539)	\$ (567,078)	\$ -
Open new middle school						
Indicate year opened						1
Operating cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,200,000
Financing cost			(850,617)	(283,539)	(567,078)	
Additional teachers for student growth (calc 1 to 25)		(1,323,400)	(1,596,400)	(1,765,400)	(1,934,400)	(2,098,200)
<b>Total-all yrs</b>						
<b>Left to Identify</b>	\$ (4,629,108)	\$ (2,406,666)	\$ (253,497)	\$ -	\$ (4,785,846)	\$ -
<b>Expenditure reduction</b>						
Increase Student/Teacher Ratio						
Elementary to _____						
Middle School						
High School						
<b>Note: Projected cuts beyond 2013-14 will be addressed through use of additional TRE pennies, or additional cuts. There are no specific recommendations at this time.</b>						
<b>Current surplus/(deficit) for year</b>						
Funds to prepare for 2017-18	1,000,000	2,500,000	3,500,000	6,000,000	(6,500,000)	(5,000,000)
Other	-	-	-	2,889,177	-	34,460
Annual Surplus/(Deficit)	1,000,000	2,500,000	3,500,000	8,889,177	(6,500,000)	(4,965,540)
Total impact to Fund Balance						4,423,636
<b>Projected Fund Balance</b>	\$ 27,000,000	\$ 29,500,000	\$ 33,000,000	\$ 41,889,177	\$ 35,389,177	\$ 30,423,636

Because we have no resources in bond funds, we have to prepare for the repair and cyclical replacement of District assets. This amount – starting out at \$1,000,000 and increasing to \$3,600,000 is allocated for those needs.

**Eagle Mountain - Saginaw ISD**  
**Flow of Funds - Projection**

Model assumes passage of the TRE. The use of those pennies can be adjusted on the chart as a "what if" scenario.

Date Last Modified 1/23/13

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
<b>Sources of Revenue</b>						
Student Growth - Students	547	509	614	679	744	807
Student Growth - dollars	\$ 3,038,431	\$ 2,827,352	\$ 3,410,597	\$ 3,771,654	\$ 4,132,710	\$ 4,482,658
Loss of ASATR					\$ (14,500,000)	
Other Revenue:						
SHARS	\$ 500,000	\$ 250,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Use of Fund Balance					\$ 7,000,000	\$ 4,500,000
TRE (increase in State Aid)	\$ 650,000					
Additional Pennies from TRE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue from committed TRE pennies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Expenditure increases</b>						
Use of local funds to cover reduction in Fed funding for						
Special Education	\$ (738,000)	(610,000)				
Current year Surplus/(Deficit)	Note 2 \$ (1,000,000)	1,000,000	2,500,000	3,500,000	6,000,000	(6,500,000)
Staffing - CTHS	Note 3 \$ (1,936,000)	(600,000)				
Preparation for 2017-18	Note 4 \$ (1,000,000)	(1,500,000)	(1,000,000)	(2,500,000)	(2,000,000)	(2,000,000)
Raise - Base plus equity adjustments	Note 5 \$ (2,160,000)		(2,000,000)		(2,000,000)	
Raise - Contingent upon passage of TRE	\$ (700,000)					
Funds needed to make Debt Service Pmt	Note 6	\$ (600,000)	\$ (600,000)	\$ -	\$ -	\$ -
Items not specifically identified: Utilities, Insurance, infrastructure, Technology, etc.	Note 7	\$ (1,000,000)	\$ (1,000,000)	\$ (400,000)	\$ (400,000)	\$ (400,000)
Open new elementary school						
Indicate year opened			1	1		1
Operating cost	\$ -	\$ -	\$ 800,000	\$ 800,000	\$ -	\$ 800,000
Financing cost	\$ (283,539)	\$ (850,617)	\$ (567,078)	\$ (283,539)	\$ (567,078)	\$ -
Open new middle school						
Indicate year opened						1
Operating cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,200,000
Financing cost			(850,617)	(283,539)	(567,078)	
Additional teachers for student growth (calc 1 to	25	(1,323,400)	(1,596,400)	(1,765,400)	(1,934,400)	(2,098,200)
Total-all yrs						
Left to Identify	\$ (12,075,117)	\$ (4,629,108)	\$ (2,406,666)	\$ (253,497)	\$ (4,785,846)	\$ -
<b>Expenditure reduction</b>						
Increase Student/Teacher Ratio						
Elementary to _____						
Middle School						
High School						
<p>Note: Projected cuts beyond 2013-14 will be addressed through use of additional TRE pennies, or additional cuts. There are no specific recommendations at this time.</p>						
<b>Current surplus/(deficit) for year</b>						
Funds to prepare for 2017-18	1,000,000	2,500,000	3,500,000	6,000,000	(6,500,000)	(5,000,000)
Other	-	-	-	2,889,177	-	34,460
Annual Surplus/(Deficit)	1,000,000	2,500,000	3,500,000	8,889,177	(6,500,000)	(4,965,540)
Total impact to Fund Balance						4,423,636
Projected Fund Balance	\$ 27,000,000	\$ 29,500,000	\$ 33,000,000	\$ 41,889,177	\$ 35,389,177	\$ 30,423,636

Because of our limited bond capacity we must plan to pay for the construction and operation of the next set of schools using M&O funds. These amounts are based on estimated openings, average construction schedules and core operating costs.



**Eagle Mountain - Saginaw ISD**  
**Flow of Funds - Projection**

Model assumes passage of the TRE. The use of those pennies can be adjusted on the chart as a "what if" scenario.

Date Last Modified 1/23/13

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
<b>Sources of Revenue</b>						
Student Growth - Students	547	509	614	679	744	807
Student Growth - dollars	\$ 3,038,431	\$ 2,827,352	\$ 3,410,597	\$ 3,771,654	\$ 4,132,710	\$ 4,482,658
Loss of ASATR					\$ (14,500,000)	
Othe Revenue:						
SHARS	\$ 500,000	\$ 250,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Use of Fund Balance					\$ 7,000,000	\$ 4,500,000
TRE (increase in State Aid)	\$ 650,000					
Additional Pennies from TRE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue from committed TRE pennies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Expenditure increases</b>						
Use of local funds to cover reduction in Fed funding for						
Special Education	\$ (738,000)	(610,000)				
Current year Surplus/(Deficit)	Note 2 \$ (1,000,000)	1,000,000	2,500,000	3,500,000	6,000,000	(6,500,000)
Staffing - CTHS	Note 3 \$ (1,936,000)	(600,000)				
Preparation for 2017-18	Note 4 \$ (1,000,000)	(1,500,000)	(1,000,000)	(2,500,000)	(2,000,000)	(2,000,000)
Raise - Base plus equity adjustments	Note 5 \$ (2,160,000)		(2,000,000)		(2,000,000)	
Raise - Contingent upon passge of TRE	\$ (700,000)					
Funds needed to make Debt Service Pmt	Note 6	\$ (600,000)	\$ (600,000)	\$ -	\$ -	\$ -
Items not specifically identified: Utilities, Insurance, infrastructure, Technology, etc.	Note 7	\$ (1,000,000)	\$ (1,000,000)	\$ (400,000)	\$ (400,000)	\$ (400,000)
Open new elementary school						
Indicate year opened			1	1		1
Operating cost	\$ -	\$ -	\$ 800,000	\$ 800,000	\$ -	\$ 800,000
Financing cost	\$ (283,539)	\$ (850,617)	\$ (567,078)	\$ (283,539)	\$ (567,078)	\$ -
Open new middle school						
Indicate year opened						1
Operating cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,200,000
Financing cost			(850,617)	(283,539)	(567,078)	
Additional teachers for student growth (calc 1 to	25	(1,323,400)	(1,596,400)	(1,765,400)	(1,934,400)	(2,098,200)
<b>Left to Identify</b>	<b>Total-all yrs \$ (12,075,117)</b>	<b>\$ (4,629,108)</b>	<b>\$ (2,406,666)</b>	<b>\$ (253,497)</b>	<b>\$ -</b>	<b>\$ (4,785,846)</b>
<b>Expenditure reduction</b>						
Increase Student/Teacher Ratio						
Elementary to _____						
Middle School						
High School						
<b>Current surplus/(deficit) for year</b>						
Funds to prepare for 2017-18	1,000,000	2,500,000	3,500,000	6,000,000	(6,500,000)	(5,000,000)
Other	-	-	-	2,889,177	-	34,460
Annual Surplus/(Deficit)	1,000,000	2,500,000	3,500,000	8,889,177	(6,500,000)	(4,965,540)
Total impact to Fund Balance						4,423,636
<b>Projected Fund Balance</b>	<b>\$ 27,000,000</b>	<b>\$ 29,500,000</b>	<b>\$ 33,000,000</b>	<b>\$ 41,889,177</b>	<b>\$ 35,389,177</b>	<b>\$ 30,423,636</b>

Note: Projected cuts beyond 2013-14 will be addressed through use of additional TRE pennies, or additional cuts. There are no specific recommendations at this time.

← This is the amount of revenue enhancements / expenditure reductions that must be made in each year to meet the needs of the District.

**Eagle Mountain - Saginaw ISD**

**Flow of Funds - Projection**

Date Last Modified 1/23/13

Model assumes passage of the TRE. The use of those pennies can be adjusted on the chart as a "what if" scenario.

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
<b>Sources of Revenue</b>						
Student Growth - Students	547	509	614	679	744	807
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Loss of ASATR					\$ (14,500,000)	
Othe Revenue:						
SHARS	\$ 500,000	\$ 250,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Use of Fund Balance					\$ 7,000,000	\$ 4,500,000
TRE (increase in State Aid)	\$ 650,000					
Additional Pennies from TRE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue from committed TRE pennies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Expenditure increases</b>						
Use of local funds to cover reduction in Fed funding for						
Special Education	\$ (738,000)	(610,000)				
Current year Surplus/(Deficit) Note 2	\$ (1,000,000)	1,000,000	2,500,000	3,500,000	6,000,000	(6,500,000)
Staffing - CTHS Note 3	\$ (1,936,000)	(600,000)				
Preparation for 2017-18 Note 4	\$ (1,000,000)	(1,500,000)	(1,000,000)	(2,500,000)	(2,000,000)	(2,000,000)
Raise - Base plus equity adjustments Note 5	\$ (2,160,000)		(2,000,000)		(2,000,000)	
Raise - Contingent upon passge of TRE	\$ (700,000)					
Funds needed to make Debt Service Pmt Note 6		\$ (600,000)	\$ (600,000)	\$ -	\$ -	\$ -
Items not specifically identified: Utilities, Insurance, infrastructure, Technology, etc. Note 7	\$ (1,000,000)	\$ (1,000,000)	\$ (400,000)	\$ (400,000)	\$ (400,000)	\$ (400,000)
Open new elementary school						
Indicate year opened			1	1		1
Operating cost	\$ -	\$ -	\$ 800,000	\$ 800,000	\$ -	\$ 800,000
Financing cost	\$ (283,539)	\$ (850,617)	\$ (567,078)	\$ (283,539)	\$ (567,078)	\$ -
Open new middle school						
Indicate year opened						1
Operating cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,200,000
Financing cost			(850,617)	(283,539)	(567,078)	
Additional teachers for student growth (calc 1 to 25		(1,323,400)	(1,596,400)	(1,765,400)	(1,934,400)	(2,098,200)
Total-all yrs						
Left to Identify	\$ (12,075,117)	\$ (4,629,108)	\$ (2,406,666)	\$ (253,497)	\$ (4,785,846)	\$ -
<b>Expenditure reduction</b>						
Increase Student/Teacher Ratio						
Elementary to _____						
Middle School						
High School						
<p>Note: Projected cuts beyond 2013-14 will be addressed through use of additional TRE pennies, or additional cuts. There are no specific recommendations at this time.</p>						
<b>Current surplus/(deficit) for year</b>						
Funds to prepare for 2017-18	1,000,000	2,500,000	3,500,000	6,000,000	(6,500,000)	(5,000,000)
Other	-	-	-	2,889,177	-	34,460
Annual Surplus/(Deficit)	1,000,000	2,500,000	3,500,000	8,889,177	(6,500,000)	(4,965,540)
Total impact to Fund Balance						4,423,636
Projected Fund Balance	\$ 27,000,000	\$ 29,500,000	\$ 33,000,000	\$ 41,889,177	\$ 35,389,177	\$ 30,423,636

This is how we forecast that fund balance will move over this six year period. It should be noted that the increase in fund balance to \$41.9 million is necessary to phase in the reduction in revenue in 2017-18.



# Notes on the Model

- + The model covers six years, yet we have phased in the impact of the reduction in 2017-18 over an 8 year period.
- + There are several factors that can significantly alter the model. Those include:
  - Acceleration of the elimination of ASATR.
  - A court decision that the current school finance system is unconstitutional. If we are at the maximum tax rate (with a successful TRE) we anticipate that any change required by the court would result in future benefits to the District.
  - Other legislative changes: For example a mandated increase in employer contributions to the Teachers' Retirement System at a cost of \$1.2 million yearly.

# Notes on the Model, cont.

- + There are several factors that can significantly alter the model. Those include:
  - Increases in the Taxable Assessed Values (TAVs)
  - Legislative action changing the school finance system: Again, we believe that any change made would be beneficial as long as we are positioned correctly with respect to maximizing local effort.
  - Changes in accountability: It is dependent upon what those changes are. Because of the differing bills that have been filed it cannot be quantified for this model.