

5-YEAR LONG RANGE FINANCIAL MODEL SUMMARY REPORT

Revenues by type	actual 2006	actual 2007	actual 2008	actual 2009	Preliminary 2010	forecast 2011	forecast 2012	forecast 2013	forecast 2014	forecast 2015
Ad Valorem	\$ 8,872,646	\$ 9,380,731	\$ 10,377,472	\$ 11,234,550	\$ 11,805,781	\$ 12,341,503	\$ 12,700,558	\$ 13,079,577	\$ 13,469,967	\$ 13,872,069
Intergovernmental Revenues Total	\$ 3,708,719	\$ 4,014,757	\$ 4,256,343	\$ 4,198,473	\$ 4,281,224	\$ 4,324,746	\$ 4,571,409	\$ 4,972,112	\$ 5,166,511	\$ 5,406,300
Intergovernmental - Sales Tax	\$ 2,300,686	\$ 2,532,509	\$ 2,673,821	\$ 2,439,170	\$ 2,359,244	\$ 2,412,216	\$ 2,549,794	\$ 2,846,059	\$ 2,919,178	\$ 3,027,601
Intergovernmental - Beer & Wine	\$ 53,560	\$ 57,972	\$ 62,191	\$ 64,257	\$ 23,783	\$ 24,713	\$ 27,880	\$ 28,189	\$ 28,510	\$ 28,829
Intergovernmental - Utilities Franchise Fees	\$ 576,532	\$ 700,555	\$ 740,779	\$ 848,933	\$ 1,079,613	\$ 1,044,537	\$ 1,124,152	\$ 1,210,722	\$ 1,313,393	\$ 1,425,768
Intergovernmental - Rental Vehicle Tax	\$ 58,145	\$ 49,692	\$ 44,552	\$ 40,702	\$ 34,844	\$ 35,889	\$ 36,607	\$ 37,339	\$ 38,459	\$ 39,613
Intergovernmental - NC Solid Waste Tax	\$ -	\$ -	\$ -	\$ 4,307	\$ 10,579	\$ 11,035	\$ 12,728	\$ 13,149	\$ 13,585	\$ 14,034
Intergovernmental Other Revenue	\$ 719,796	\$ 674,029	\$ 734,999	\$ 801,104	\$ 773,162	\$ 796,357	\$ 820,248	\$ 836,653	\$ 853,386	\$ 870,454
Intergovernmental Restricted Revenues Total	\$ 936,071	\$ 411,041	\$ 434,807	\$ 577,551	\$ 344,336	\$ 335,314	\$ 384,542	\$ 400,271	\$ 416,611	\$ 433,313
Powell Bill	\$ 320,811	\$ 329,399	\$ 383,634	\$ 362,838	\$ 335,295	\$ 335,314	\$ 384,542	\$ 400,271	\$ 416,611	\$ 433,313
Grants & Reimbursements	\$ 615,260	\$ 81,642	\$ 51,173	\$ 214,713	\$ 9,041	\$ -	\$ -	\$ -	\$ -	\$ -
Other Taxes & Licenses Total	\$ 484,214	\$ 639,135	\$ 982,591	\$ 1,025,286	\$ 1,075,346	\$ 1,198,582	\$ 1,266,999	\$ 1,322,153	\$ 1,375,062	\$ 1,428,806
Other Tax & Licenses - Video Programming Fees	\$ -	\$ 63,364	\$ 457,183	\$ 427,550	\$ 446,234	\$ 468,546	\$ 491,973	\$ 511,592	\$ 533,304	\$ 554,636
Other Tax & Licenses - CATV	\$ 167,395	\$ 106,142	\$ 34,091	\$ 35,292	\$ 37,184	\$ 39,043	\$ 40,995	\$ 43,045	\$ 45,197	\$ 47,457
Other Tax & Licenses - Privilege License Fees	\$ 257,598	\$ 408,006	\$ 426,719	\$ 495,065	\$ 519,818	\$ 551,007	\$ 573,048	\$ 601,700	\$ 625,768	\$ 650,799
Other Tax & Licenses - Auto Tag Fees	\$ 59,221	\$ 61,622	\$ 64,598	\$ 67,379	\$ 72,110	\$ 139,986	\$ 160,983	\$ 165,816	\$ 170,793	\$ 175,914
Permits & Fees Total	\$ 819,359	\$ 1,004,638	\$ 1,069,959	\$ 718,595	\$ 430,590	\$ 549,441	\$ 573,576	\$ 721,189	\$ 852,650	\$ 946,742
Permits & Fees - Building Inspection Fees	\$ 546,474	\$ 642,530	\$ 728,696	\$ 550,895	\$ 343,800	\$ 358,800	\$ 394,680	\$ 514,041	\$ 626,660	\$ 699,461
Permits & Fees - Planning Fees	\$ 72,442	\$ 79,948	\$ 64,933	\$ 64,825	\$ 43,000	\$ 118,610	\$ 101,884	\$ 55,083	\$ 60,592	\$ 66,651
Permits & Fees - Engineering Fees	\$ 190,557	\$ 267,278	\$ 252,596	\$ 79,691	\$ 20,002	\$ 48,006	\$ 52,806	\$ 126,735	\$ 139,409	\$ 153,350
Permits & Fees - Fire Department Fees	\$ 4,280	\$ 8,828	\$ 14,995	\$ 11,636	\$ 12,008	\$ 12,128	\$ 12,189	\$ 12,250	\$ 12,311	\$ 12,373
Permits & Fees - Police Department Fees	\$ 5,606	\$ 6,054	\$ 8,738	\$ 11,548	\$ 11,779	\$ 11,897	\$ 12,016	\$ 13,080	\$ 13,678	\$ 14,907
Sales & Services Total	\$ 723,189	\$ 911,309	\$ 888,382	\$ 922,177	\$ 886,007	\$ 933,253	\$ 962,237	\$ 975,977	\$ 1,019,867	\$ 1,047,854
Rents	\$ 74,263	\$ 244,666	\$ 106,418	\$ 162,176	\$ 159,972	\$ 159,972	\$ 159,972	\$ 144,172	\$ 144,172	\$ 144,172
Recreation Fees	\$ 648,927	\$ 666,642	\$ 781,963	\$ 760,001	\$ 726,035	\$ 773,281	\$ 802,265	\$ 831,805	\$ 875,695	\$ 903,682
Investment Earnings	\$ 386,472	\$ 394,118	\$ 349,915	\$ 181,397	\$ 26,000	\$ 39,840	\$ 59,760	\$ 110,555	\$ 221,111	\$ 229,955
Miscellaneous	\$ 622,523	\$ 1,133,958	\$ 1,437,978	\$ 462,591	\$ 198,004	\$ 130,316	\$ 130,234	\$ 431,848	\$ 135,826	\$ 139,998
Transfers in from other sources	\$ 506,962	\$ -	\$ -	\$ -	\$ 2,164,576	\$ 1,406,203	\$ 1,530,568	\$ 1,082,121	\$ 1,803,872	\$ 604,603
Total Revenues	\$ 17,060,156	\$ 17,889,687	\$ 19,797,447	\$ 19,320,619	\$ 21,211,865	\$ 21,259,198	\$ 22,179,882	\$ 23,095,804	\$ 24,461,478	\$ 24,109,641

Expenditures by type	actual 2006	actual 2007	actual 2008	actual 2009	Preliminary 2010	forecast 2011	forecast 2012	forecast 2013	forecast 2014	forecast 2015
Salary and Overtime	\$ 6,431,585	\$ 7,347,205	\$ 7,979,193	\$ 8,525,416	\$ 8,471,628	\$ 9,025,276.96	\$ 9,607,391.05	\$ 9,937,131.55	\$ 10,303,637.88	\$ 10,801,202.54
Tuition Reimbursement	\$ 7,378	\$ 4,415	\$ 4,557	\$ 1,572	\$ -	\$ 7,000.00	\$ 7,350.00	\$ 7,717.50	\$ 8,103.38	\$ 8,508.54
Payroll Taxes	\$ 482,264	\$ 539,069	\$ 581,723	\$ 623,480	\$ 631,822	\$ 689,913.47	\$ 734,321.15	\$ 759,628.24	\$ 787,724.23	\$ 825,696.26
Retirement	\$ 825,399	\$ 971,515	\$ 1,277,042	\$ 1,512,558	\$ 1,542,360	\$ 1,753,189.66	\$ 1,972,261.54	\$ 2,108,619.74	\$ 2,231,990.97	\$ 2,369,380.04
Insurance	\$ 769,946	\$ 826,671	\$ 928,725	\$ 1,106,134	\$ 1,154,590	\$ 1,362,753.09	\$ 1,597,064.24	\$ 1,772,421.45	\$ 1,986,650.59	\$ 2,199,569.33
Total Salary and Benefits	\$ 8,516,571	\$ 9,688,875	\$ 10,771,240	\$ 11,769,160	\$ 11,800,400	\$ 12,838,133	\$ 13,918,388	\$ 14,585,518	\$ 15,318,107	\$ 16,204,357
Operations	\$ 4,100,564	\$ 4,288,015	\$ 4,254,695	\$ 3,616,875	\$ 4,153,711	\$ 4,566,360	\$ 4,708,806	\$ 4,671,197	\$ 4,838,389	\$ 5,164,584
Capital Outlay	\$ 478,835	\$ 1,294,481	\$ 451,080	\$ 931,120	\$ 601,445	\$ 846,012	\$ 507,654	\$ 1,244,894	\$ 1,742,198	\$ 385,505
Professional Services	\$ 267,735	\$ 393,174	\$ 577,136	\$ 479,592	\$ 370,330	\$ 350,525	\$ 373,610	\$ 316,160	\$ 317,490	\$ 321,619
Transfers out of General Fund	\$ 771,345	\$ 6,143,028	\$ 610,532	\$ 496,000	\$ 2,208,668	\$ 942,000	\$ 980,000	\$ 683,000	\$ 980,000	\$ 605,000
Total Non-Personnel	\$ 5,618,479	\$ 12,118,698	\$ 5,893,443	\$ 5,523,587	\$ 7,334,154	\$ 6,704,897	\$ 6,570,070	\$ 6,915,251	\$ 7,878,077	\$ 6,476,708
Total Salary and Benefits	\$ 8,516,571	\$ 9,688,875	\$ 10,771,240	\$ 11,769,160	\$ 11,800,400	\$ 12,838,133	\$ 13,918,388	\$ 14,585,518	\$ 15,318,107	\$ 16,204,357
Total Non-Personnel	\$ 5,618,479	\$ 12,118,698	\$ 5,893,443	\$ 5,523,587	\$ 7,334,154	\$ 6,704,897	\$ 6,570,070	\$ 6,915,251	\$ 7,878,077	\$ 6,476,708
Total Debt Service (Existing plus New)	\$ 2,069,120	\$ 1,334,433	\$ 1,875,774	\$ 1,912,565	\$ 1,799,675	\$ 1,786,161	\$ 1,753,116	\$ 2,185,302	\$ 2,032,656	\$ 1,911,866
Total Expenditures	\$ 16,204,170	\$ 23,142,006	\$ 18,540,457	\$ 19,205,312	\$ 20,934,229	\$ 21,329,191	\$ 22,241,574	\$ 23,686,072	\$ 25,228,840	\$ 24,592,930

Total Unfunded Expenditures*						\$ 2,497,486	\$ 1,378,901	\$ 1,521,191	\$ 1,018,834	\$ 1,329,450
-------------------------------------	--	--	--	--	--	--------------	--------------	--------------	--------------	--------------

Debt Outlay	actual 2006	actual 2007	actual 2008	actual 2009	Preliminary 2010	forecast 2011	forecast 2012	forecast 2013	forecast 2014	forecast 2015
Maximum debt outlay annually within Policy ¹	\$ 2,120,258	\$ 3,271,136	\$ 2,499,702	\$ 2,593,912	\$ 2,870,183	\$ 2,931,455	\$ 3,073,269	\$ 3,225,115	\$ 3,479,428	\$ 3,402,160
Existing Long-term Debt	\$ 2,069,120	\$ 1,334,433	\$ 1,875,774	\$ 1,912,565	\$ 1,799,675	\$ 1,388,439	\$ 1,355,394	\$ 1,327,580	\$ 1,186,934	\$ 1,078,143
New CIP Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 397,722	\$ 857,722	\$ 857,722	\$ 845,722	\$ 833,722
Total Long-term Debt Service	\$ 2,069,120	\$ 1,334,433	\$ 1,875,774	\$ 1,912,565	\$ 1,799,675	\$ 1,786,161	\$ 1,753,116	\$ 2,185,302	\$ 2,032,656	\$ 1,911,866

Tax Rate	actual 2006	actual 2007	actual 2008	actual 2009	Preliminary 2010	forecast 2011	forecast 2012	forecast 2013	forecast 2014	forecast 2015
Current and Projected Tax Rate	0.4677	0.4677	0.4677	0.3665	0.3665	0.3665	0.3665	0.3665	0.3665	0.3665
Ad Valorem Tax Rate needed to Levy without New CIP ²	0	0	0	0	0.3548	0.3590	0.3587	0.3609	0.3662	0.3590
Ad Valorem Tax Rate needed to Levy with New CIP ²	0	0	0	0	0.3548	0.3709	0.3703	0.3850	0.3894	0.3811
Ad Valorem Tax Rate needed to Levy with New CIP and Operational Unfunded Item	0	0	0	0	0.3548	0.4455	0.4103	0.4279	0.4172	0.4164
Tax Base	\$ 1,875,069,362	\$ 2,000,287,960	\$ 2,203,278,816	\$ 3,242,112,960	\$ 3,315,627,871	\$ 3,415,096,708	\$ 3,517,549,609	\$ 3,623,076,097	\$ 3,731,768,380	\$ 3,843,721,431

Population	12,126	12,829	13,501	14,308	\$ 14,956	\$ 15,554	\$ 17,887	\$ 18,424	\$ 18,977	\$ 19,546
Per Penny	\$ 189,708	\$ 200,572	\$ 221,883	\$ 306,536	\$ 322,122	\$ 336,740	\$ 346,536	\$ 356,878	\$ 367,530	\$ 378,501
Expenditures Per Capita	\$ 1,336.32	\$ 1,499.88	\$ 1,373.27	\$ 1,342.28	\$ 1,399.72	\$ 1,371.30	\$ 1,243.45	\$ 1,285.61	\$ 1,329.44	\$ 1,258.21

Projected Fund Balance

Beginning Fund Balance	\$ 9,233,123	\$ 10,110,890	\$ 4,858,571	\$ 9,993,063	\$ 7,447,240	\$ 7,724,876	\$ 7,654,882	\$ 7,593,190	\$ 7,002,923	\$ 6,235,561
Revenues based on Current Tax Rate	\$ 17,060,156	\$ 17,889,687	\$ 19,797,447	\$ 19,320,619	\$ 21,211,865	\$ 21,259,198	\$ 22,179,882	\$ 23,095,804	\$ 24,461,478	\$ 24,109,641
Expenditures with New CIP	\$ 16,204,170	\$ 23,142,006	\$ 18,540,457	\$ 19,205,312	\$ 20,934,229	\$ 21,329,191	\$ 22,241,574	\$ 23,686,072	\$ 25,228,840	\$ 24,592,930
Surplus/(deficit) ^{3, 5}	\$ 863,861	\$ (5,252,319)	\$ 1,256,990	\$ 115,306	\$ 277,636	\$ (69,993)	\$ (61,692)	\$ (590,268)	\$ (767,362)	\$ (483,289)
Undesignated Fund Balance	\$ 7,821,773	\$ 4,858,571	\$ 6,115,561	\$ 7,447,240	\$ 7,724,876	\$ 7,654,882	\$ 7,593,190	\$ 7,002,923	\$ 6,235,561	\$ 5,752,271
Fund Balance High	45%	45%	45%	45%	45%	45%	45%	45%	45%	45%
Fund Balance Low	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%

Financial Condition Indicators

Operations Ratio of 1 or higher indicates Morrisville can live within projected revenue collections	1.05	0.77	1.07	1.01	1.01	1.00	1.00	0.98	0.97	0.98
Intergovernmental Revenue Ratio illustrates the extent to which Morrisville is reliant on other government resources	0.18	0.18	0.18	0.17	0.15	0.15	0.15	0.16	0.16	0.16
Debt Service Ratio is debt outlay as % of prior year expenditures indicates the service flexibility within the amount of expenditures committed to annual debt service. 15% or higher exceeds Town Policy.	14.64%	6.12%	11.26%	11.06%	9.41%	9.14%	8.56%	10.16%	8.76%	8.43%
Fund Balance as percentage of expenditures indicates Morrisville's ability to handle long-term obligations - 25% or less fails to meet Policy. ^{2, 5}	48%	21%	33%	39%	36.90%	35.89%	34.14%	29.57%	24.72%	23.39%

This Projection Report captures a 5 Year Budget window derived from Morrisville's Comprehensive Long Range Financial Model.

- Footnotes:**
- 1 - Debt Management Policy - Debt service cost will be no greater than 15% of general fund expenditures including installment purchase debt.
 - 2 - Fund Balance Policy - At close out of each fiscal year should be no less than 25% of total expenditures. If this percentage drops below 25% then Council shall adopt a plan to return Fund Balance to policy level within 36 months.
 - 3 - Deficit indicates the need to use Fund Balance to balance revenues to expenditures / Surplus indicates revenues in excess of expenditures should current tax rate be held the same.
 - 4 - The property tax rates presented in this row represent the rates necessary to balance the budget and to amortize the additional debt contained in the capital improvements plan. This would eliminate the need to use fund balance to balance the budget.
 - 5 - After all revenues and other financing sources are projected, total revenues and total expenditures could be balanced by changing the tax rate to produce the necessary tax collections to deliver projected service levels. If the tax rate is not used to offset any deficit in revenues then an appropriation of Fund Balance would be necessary to balance the budget.
 - 6 - Began tracking unfunded operation expenses with Reduced Budget Ordinance Amendment for FY2009.

