

5-YEAR LONG RANGE FINANCIAL MODEL SUMMARY REPORT

Revenues by type

	actual 2006	actual 2007	actual 2008	actual 2009	actual 2010	estimated 2011	forecast 2012	forecast 2013	forecast 2014	forecast 2015	forecast 2016
Ad Valorem	\$ 8,872,646	\$ 9,380,731	\$ 10,377,472	\$ 11,234,550	\$ 11,906,215	\$ 12,289,006	\$ 12,554,746	\$ 14,386,414	\$ 14,816,117	\$ 15,258,710	\$ 15,714,581
Intergovernmental Revenues Total	\$ 3,708,719	\$ 4,014,757	\$ 4,256,343	\$ 4,198,473	\$ 4,173,221	\$ 4,267,353	\$ 4,927,904	\$ 5,031,243	\$ 5,150,023	\$ 5,279,778	\$ 5,406,985
Intergovernmental - Sales Tax	\$ 2,300,686	\$ 2,532,509	\$ 2,673,821	\$ 2,439,170	\$ 2,333,221	\$ 2,414,764	\$ 2,973,891	\$ 3,043,778	\$ 3,118,350	\$ 3,200,987	\$ 3,285,813
Intergovernmental - Beer & Wine	\$ 53,560	\$ 57,972	\$ 62,191	\$ 64,257	\$ 21,331	\$ 29,712	\$ 82,688	\$ 85,167	\$ 87,722	\$ 90,353	\$ 93,064
Intergovernmental - Utilities Franchise Fees	\$ 576,532	\$ 700,555	\$ 740,779	\$ 848,933	\$ 997,702	\$ 1,020,860	\$ 1,059,163	\$ 1,088,864	\$ 1,121,208	\$ 1,156,259	\$ 1,194,084
Intergovernmental - Rental Vehicle Tax	\$ 58,145	\$ 49,692	\$ 44,552	\$ 40,702	\$ 37,533	\$ 41,029	\$ 41,850	\$ 42,687	\$ 43,967	\$ 45,286	\$ 46,645
Intergovernmental - NC Solid Waste Tax	\$ -	\$ -	\$ -	\$ 4,307	\$ 10,272	\$ 11,021	\$ 12,845	\$ 13,280	\$ 13,732	\$ 14,201	\$ 14,687
Intergovernmental Other Revenues	\$ 719,796	\$ 674,029	\$ 734,999	\$ 801,104	\$ 773,162	\$ 749,967	\$ 757,467	\$ 757,467	\$ 765,042	\$ 772,692	\$ 772,692
Intergovernmental Restricted Revenues Total	\$ 935,358	\$ 991,003	\$ 430,117	\$ 576,335	\$ 420,894	\$ 360,591	\$ 533,692	\$ 432,536	\$ 450,246	\$ 468,367	\$ 487,180
Powell Bill	\$ 320,811	\$ 329,399	\$ 383,634	\$ 362,838	\$ 335,295	\$ 346,779	\$ 415,492	\$ 432,536	\$ 450,246	\$ 468,367	\$ 487,180
Grants & Reimbursements	\$ 614,547	\$ 61,604	\$ 46,483	\$ 213,497	\$ 85,599	\$ 13,812	\$ 18,200	\$ -	\$ -	\$ -	\$ -
Other Taxes & Licenses Total	\$ 484,214	\$ 639,135	\$ 982,591	\$ 1,025,286	\$ 1,159,433	\$ 1,204,152	\$ 1,261,885	\$ 1,305,113	\$ 1,344,028	\$ 1,384,941	\$ 1,413,195
Other Tax & Licenses - Video Programming Fees	\$ -	\$ 63,364	\$ 457,183	\$ 427,550	\$ 431,911	\$ 432,796	\$ 436,477	\$ 440,717	\$ 445,527	\$ 450,924	\$ 456,920
Other Tax & Licenses - CATV	\$ 167,395	\$ 106,142	\$ 34,091	\$ 35,292	\$ 38,311	\$ 41,301	\$ 43,689	\$ 46,250	\$ 48,997	\$ 51,944	\$ 55,108
Other Tax & Licenses - Privilege License Fees	\$ 257,598	\$ 408,006	\$ 426,719	\$ 495,065	\$ 620,646	\$ 630,000	\$ 648,900	\$ 681,345	\$ 708,599	\$ 736,943	\$ 751,682
Other Tax & Licenses - Auto Tag Fees	\$ 59,221	\$ 61,622	\$ 64,598	\$ 67,379	\$ 68,564	\$ 100,055	\$ 132,818	\$ 136,801	\$ 140,905	\$ 145,131	\$ 149,485
Permits & Fees Total	\$ 819,359	\$ 1,004,638	\$ 1,069,959	\$ 718,595	\$ 499,013	\$ 738,545	\$ 699,723	\$ 782,049	\$ 895,119	\$ 1,022,488	\$ 1,021,093
Permits & Fees - Building Inspection Fees	\$ 546,474	\$ 642,530	\$ 728,696	\$ 550,895	\$ 396,490	\$ 503,628	\$ 528,339	\$ 567,339	\$ 602,727	\$ 644,226	\$ 693,470
Permits & Fees - Planning Fees	\$ 72,442	\$ 79,948	\$ 64,933	\$ 64,825	\$ 51,331	\$ 59,000	\$ 45,431	\$ 55,425	\$ 60,968	\$ 67,065	\$ 73,771
Permits & Fees - Engineering Fees	\$ 190,557	\$ 267,278	\$ 252,596	\$ 79,691	\$ 21,377	\$ 137,879	\$ 85,212	\$ 117,186	\$ 187,897	\$ 266,172	\$ 207,252
Permits & Fees - Fire Department Fees	\$ 4,280	\$ 8,828	\$ 14,995	\$ 11,636	\$ 18,730	\$ 23,038	\$ 27,191	\$ 28,549	\$ 29,977	\$ 31,476	\$ 33,050
Permits & Fees - Police Department Fees	\$ 5,606	\$ 6,054	\$ 8,738	\$ 11,548	\$ 11,085	\$ 15,000	\$ 13,550	\$ 13,550	\$ 13,550	\$ 13,550	\$ 13,550
Sales & Services Total	\$ 720,689	\$ 908,809	\$ 888,382	\$ 922,177	\$ 947,172	\$ 891,470	\$ 927,495	\$ 955,452	\$ 980,329	\$ 1,006,701	\$ 1,031,475
Rents	\$ 74,263	\$ 244,666	\$ 106,418	\$ 162,176	\$ 158,925	\$ 162,276	\$ 163,417	\$ 163,417	\$ 145,313	\$ 145,313	\$ 145,313
Recreation Fees	\$ 646,427	\$ 664,142	\$ 781,963	\$ 760,001	\$ 788,247	\$ 729,194	\$ 764,078	\$ 792,035	\$ 835,016	\$ 861,388	\$ 886,162
Investment Earnings	\$ 386,472	\$ 394,118	\$ 349,915	\$ 181,397	\$ 33,004	\$ 32,534	\$ 45,801	\$ 84,732	\$ 169,464	\$ 176,242	\$ 181,530
Miscellaneous	\$ 625,737	\$ 1,156,496	\$ 1,442,668	\$ 463,806	\$ 275,746	\$ 242,566	\$ 127,647	\$ 429,975	\$ 134,417	\$ 139,061	\$ 143,917
Transfers in from other sources	\$ 506,962	\$ -	\$ 3,877,502	\$ -	\$ 1,955,246	\$ 1,955,246	\$ 742,018	\$ 1,747,651	\$ 1,731,333	\$ 581,063	\$ 1,081,557
Total Revenues	\$ 17,060,156	\$ 17,889,687	\$ 23,674,949	\$ 19,320,619	\$ 19,613,413	\$ 21,981,463	\$ 21,820,910	\$ 25,155,164	\$ 25,671,075	\$ 25,317,692	\$ 26,461,514

Expenditures by type

	actual 2006	actual 2007	actual 2008	actual 2009	actual 2010	estimated 2011	forecast 2012	forecast 2013	forecast 2014	forecast 2015	forecast 2016
Salary and Overtime	\$ 6,431,585	\$ 7,347,205	\$ 7,979,193	\$ 8,525,416	\$ 8,440,005	\$ 8,860,024	\$ 9,011,691.63	\$ 9,545,210.75	\$ 9,833,855.34	\$ 10,321,602.69	\$ 10,641,301.73
Tuition Reimbursement	\$ 7,378	\$ 4,415	\$ 4,557	\$ 1,572	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Payroll Taxes	\$ 482,264	\$ 539,069	\$ 581,723	\$ 623,480	\$ 615,734	\$ 666,292	\$ 689,394.41	\$ 730,208.62	\$ 752,289.93	\$ 789,602.61	\$ 814,059.58
Retirement	\$ 825,399	\$ 971,515	\$ 1,277,042	\$ 1,512,558	\$ 1,511,987	\$ 1,730,451	\$ 1,840,495.25	\$ 2,112,864.56	\$ 2,222,417.00	\$ 2,358,426.49	\$ 2,443,082.09
Insurance	\$ 769,946	\$ 826,671	\$ 928,725	\$ 1,106,134	\$ 1,126,751	\$ 1,338,742	\$ 1,509,914.08	\$ 1,608,039.64	\$ 1,713,948.47	\$ 1,828,438.58	\$ 1,952,082.56
Total Salary and Benefits	\$ 8,516,571	\$ 9,688,875	\$ 10,771,240	\$ 11,769,160	\$ 11,694,477	\$ 12,595,509	\$ 13,051,495	\$ 13,996,324	\$ 14,522,511	\$ 15,298,070	\$ 15,850,526
Operations	\$ 4,086,659	\$ 4,288,015	\$ 4,254,695	\$ 3,616,875	\$ 3,613,994	\$ 4,309,013	\$ 4,984,309	\$ 6,303,958	\$ 6,008,508	\$ 6,206,385	\$ 6,299,432
Capital Outlay	\$ 478,835	\$ 1,294,481	\$ 451,080	\$ 931,120	\$ 605,290	\$ 812,932	\$ 853,068	\$ 1,090,074	\$ 1,930,625	\$ 442,905	\$ 1,031,874
Professional Services	\$ 267,735	\$ 393,174	\$ 577,136	\$ 479,592	\$ 313,200	\$ 345,590	\$ 409,570	\$ 1,083,470	\$ 773,362	\$ 692,809	\$ 459,806
Transfers out of General Fund	\$ 771,345	\$ 6,143,028	\$ 610,532	\$ 496,000	\$ 2,224,434	\$ 942,000	\$ 875,000	\$ 693,000	\$ 807,000	\$ 602,000	\$ 1,083,000
Total Non-Personnel	\$ 5,604,574	\$ 12,118,698	\$ 5,893,443	\$ 5,523,587	\$ 6,756,918	\$ 6,409,535	\$ 7,121,946	\$ 9,170,503	\$ 9,519,495	\$ 7,944,099	\$ 8,874,112
Total Salary and Benefits	\$ 8,516,571	\$ 9,688,875	\$ 10,771,240	\$ 11,769,160	\$ 11,694,477	\$ 12,595,509	\$ 13,051,495	\$ 13,996,324	\$ 14,522,511	\$ 15,298,070	\$ 15,850,526
Total Non-Personnel	\$ 5,604,574	\$ 12,118,698	\$ 5,893,443	\$ 5,523,587	\$ 6,756,918	\$ 6,409,535	\$ 7,121,946	\$ 9,170,503	\$ 9,519,495	\$ 7,944,099	\$ 8,874,112
Total Debt Service (Existing plus New)	\$ 2,069,120	\$ 1,334,433	\$ 1,875,774	\$ 1,912,565	\$ 1,800,105	\$ 1,557,886	\$ 1,647,468	\$ 2,071,662	\$ 1,911,181	\$ 1,782,539	\$ 1,439,024
Total Expenditures	\$ 16,190,265	\$ 23,142,006	\$ 18,540,457	\$ 19,205,312	\$ 20,251,501	\$ 20,562,930	\$ 21,820,910	\$ 25,238,488	\$ 25,953,186	\$ 25,024,708	\$ 26,163,662

Total Unfunded Expenditures⁶

\$ 2,040,716 \$ 1,489,552 \$ 1,341,545 \$ 1,015,835 \$ 1,604,451 \$ 835,539

Debt Outlay

	actual 2006	actual 2007	actual 2008	actual 2009	actual 2010	estimated 2011	forecast 2012	forecast 2013	forecast 2014	forecast 2015	forecast 2016
Maximum debt outlay annually within Policy ¹	\$ 2,118,172	\$ 3,271,136	\$ 2,499,702	\$ 2,593,912	\$ 2,767,709	\$ 2,850,757	\$ 3,026,016	\$ 3,475,024	\$ 3,606,301	\$ 3,486,325	\$ 3,708,696
Existing Long-term Debt	\$ 2,069,120	\$ 1,334,433	\$ 1,875,774	\$ 1,912,565	\$ 1,800,105	\$ 1,557,886	\$ 1,647,468	\$ 1,611,662	\$ 1,463,181	\$ 1,346,539	\$ 1,015,024
New CIP Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 460,000	\$ 448,000	\$ 436,000	\$ 424,000
Total Long-term Debt Service	\$ 2,069,120	\$ 1,334,433	\$ 1,875,774	\$ 1,912,565	\$ 1,800,105	\$ 1,557,886	\$ 1,647,468	\$ 2,071,662	\$ 1,911,181	\$ 1,782,539	\$ 1,439,024

Tax Rate

	0.4677	0.4677	0.4677	0.3665	0.3665	0.3665	0.3665	0.4080	0.4080	0.4080	0.4080
Current and Projected Tax Rate	0.4677	0.4677	0.4677	0.3665	0.3665	0.3665	0.3665	0.4080	0.4080	0.4080	0.4080
Ad Valorem Revenue Collection Required to support projected service levels w/o New CIP						\$ 10,870,473	\$ 12,554,746	\$ 14,009,738	\$ 14,650,228	\$ 14,529,726	\$ 14,992,730
Ad Valorem Tax Levy Required to support projected service levels w/o New CIP						\$ 11,092,319	\$ 12,810,965	\$ 14,295,651	\$ 14,949,212	\$ 14,826,251	\$ 15,298,704
Ad Valorem Tax Rate needed to Levy without New CIP ²	0	0	0	0	0.0000	0.3286	0.3684	0.3991	0.4052	0.3902	0.3909
Ad Valorem Revenue Collection Required to support projected Service levels with New CIP						\$ 10,870,473	\$ 12,554,746	\$ 14,469,738	\$ 15,098,228	\$ 14,965,726	\$ 15,416,730
Ad Valorem Tax Levy required to support projected service levels with New CIP						\$ 11,092,319	\$ 12,810,965	\$ 14,765,039	\$ 15,406,355	\$ 15,271,149	\$ 15,731,357
Ad Valorem Tax Rate needed to Levy with New CIP ^{3,5}	0	0	0	0	0.0000	0.3286	0.3684	0.4122	0.4176	0.4019	0.4019
Ad Valorem Revenue Collection Required to support projected Service levels with New CIP and Operational Unfunded Items						\$ 12,911,189	\$ 14,044,298	\$ 15,811,283	\$ 16,114,063	\$ 16,570,177	\$ 16,252,269
Ad Valorem Tax Levy required to support projected service levels with New CIP & Operational Unfunded Items						\$ 13,174,683	\$ 14,330,917	\$ 16,133,962	\$ 16,442,921	\$ 16,908,344	\$ 16,583,947
Ad Valorem Tax Rate needed to Levy with New CIP and Operational Unfunded Items ^{3,5}	0	0	0	0	0.0000	0.3902	0.4121	0.4504	0.4457	0.4450	0.4237

	actual 2006	actual 2007	actual 2008	actual 2009	actual 2010	estimated 2011	forecast 2012	forecast 2013	forecast 2014	forecast 2015	forecast 2016
Tax Base	\$ 1,875,069,362	\$ 2,000,287,960	\$ 2,203,278,816	\$ 3,242,112,960	\$ 3,272,364,723	\$ 3,376,648,575	\$ 3,477,948,032	\$ 3,582,286,473	\$ 3,689,755,067	\$ 3,800,447,719	\$ 3,914,461,151
Population	12,126	12,829	13,501	14,308	14,956	15,996	18,576	19,133	19,707	20,298	20,907
Per Penny	\$ 189,708	\$ 200,572	\$ 221,883	\$ 306,536	\$ 324,863	\$ 335,307	\$ 342,558	\$ 352,608	\$ 363,140	\$ 373,988	\$ 385,161
Expenditures Per Capita	\$ 1,335.17	\$ 1,499.88	\$ 1,373.27	\$ 1,342.28	\$ 1,354.07	\$ 1,285.50	\$ 1,174.68	\$ 1,319.11	\$ 1,316.95	\$ 1,232.87	\$ 1,251.43
Projected Fund Balance											
Beginning Fund Balance	\$ 9,233,123	\$ 10,110,890	\$ 4,858,571	\$ 9,993,063	\$ 10,268,779	\$ 8,362,587	\$ 9,781,120	\$ 9,781,120	\$ 9,697,796	\$ 9,415,685	\$ 9,708,669
Revenues based on Current Tax Rate	\$ 17,060,156	\$ 17,889,687	\$ 23,674,949	\$ 19,320,619	\$ 19,613,413	\$ 21,981,463	\$ 21,820,910	\$ 25,155,164	\$ 25,671,075	\$ 25,317,692	\$ 26,461,514
Expenditures with New CIP	\$ 16,190,265	\$ 23,142,006	\$ 18,540,457	\$ 19,205,312	\$ 20,251,501	\$ 20,562,930	\$ 21,820,910	\$ 25,238,488	\$ 25,953,186	\$ 25,024,708	\$ 26,163,662
Reserved Fund Balance	\$ 2,859,806	\$ 1,829,211	\$ 2,857,925	\$ 2,684,325	\$ 1,268,104						
Surplus/(deficit) ^{3, 5}	\$ 877,766	\$ (5,252,319)	\$ 5,134,492	\$ 115,306	\$ (638,089)	\$ 1,418,533	\$ -	\$ (83,324)	\$ (282,112)	\$ 292,984	\$ 297,852
Unassigned Fund Balance	\$ 7,251,083	\$ 3,029,360	\$ 7,135,138	\$ 7,424,044	\$ 8,362,587	\$ 9,781,120	\$ 9,781,120	\$ 9,697,796	\$ 9,415,685	\$ 9,708,669	\$ 10,006,521
Fund Balance High	45%	45%	45%	45%	45%	45%	45%	45%	45%	45%	45%
Fund Balance Low	25%	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	1.28	1.01	0.97	1.07	1.00	1.00	0.99	1.01	1.01
Intergovernmental Revenue Ratio illustrates the extent to which Morrisville is reliant on other government resources	0.18	0.18	0.15	0.17	0.16	0.15	0.17	0.15	0.15	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.	14.65%	6.12%	11.26%	11.06%	9.76%	8.20%	8.17%	8.94%	7.95%	7.67%	5.82%
Fund Balance as percentage of expenditures indicates Morrisville's ability to handle long-term obligations - 25% or less fails to meet Policy. ^{2, 5}	45%	13%	38%	39%	41.29%	47.57%	44.82%	38.42%	36.28%	38.80%	38.25%

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 24 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.

