



# DEVELOPMENT OF PRELIMINARY BUDGET

FISCAL YEAR ENDING JUNE 30, 2021

JULY 14, 2020

# BUDGET TIMETABLE

## **JUNE 24, 2020**

MET WITH FORC TO DISCUSS CONCERNS REGARDING FINANCIAL CONDITION OF THE STATE OF ILLINOIS AND TO SHARE UPDATE ON THE DEVELOPMENT OF THE BUDGET.

## **JULY 14, 2020**

UPDATE THE BOARD OF EDUCATION ON BUDGET DEVELOPMENT

## **AUGUST 11, 2020**

BOARD OF EDUCATION REVIEWS TENTATIVE BUDGET, AUTHORIZES PLACEMENT OF THE TENTATIVE BUDGET ON DISPLAY AND CALLS FOR A PUBLIC HEARING ON THE BUDGET ON SEPTEMBER 22, 2020.

## **AUGUST 12, 2020**

TENTATIVE BUDGET GOES ON DISPLAY IN DISTRICT OFFICE AND NOTICE OF THE PUBLIC HEARING SCHEDULED FOR SEPTEMBER 22, 2020 IS PLACED IN NEWSPAPER.

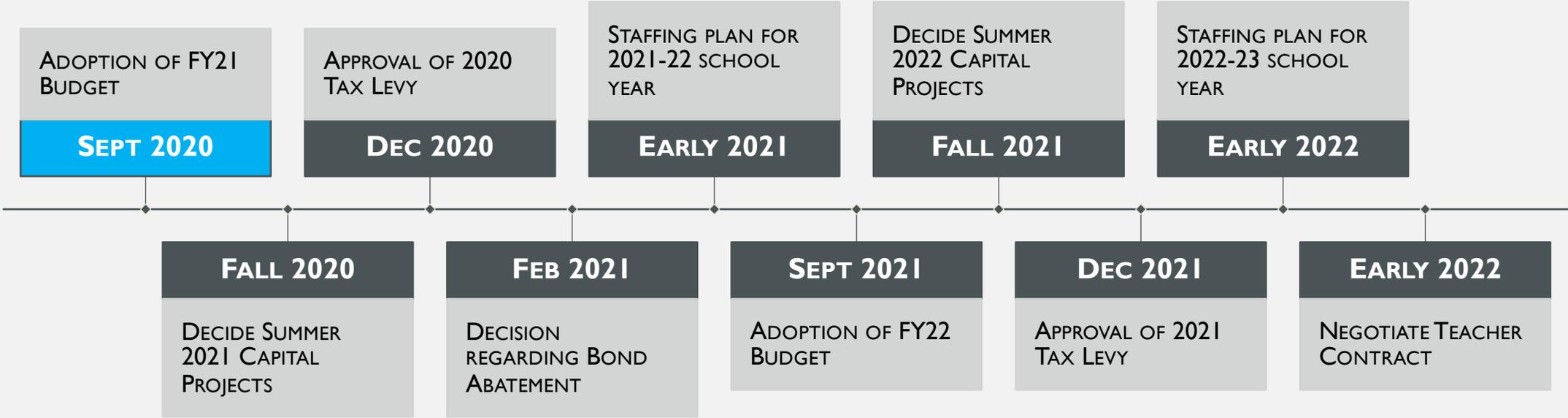
## **SEPTEMBER 22, 2020**

DISTRICT HOLDS PUBLIC HEARING ON THE BUDGET AND THE BOARD OF EDUCATION APPROVES THE FINAL BUDGET

## **SEPTEMBER 23, 2020**

APPROVED BUDGET IS FILED WITH THE ILLINOIS STATE BOARD OF EDUCATION.

# MAJOR FINANCIAL DECISIONS OVER THE NEXT 24 MONTHS





**THE DEVELOPMENT OF THE FY 2021  
BUDGET**



**REVENUE  
EXPECTATIONS  
FOR FY 2021**

- REAL ESTATE TAX REVENUES WILL INCREASE AS TAXES PAID FROM EXPIRED TIF AREAS WILL CONTINUE TO HIT THE DISTRICT'S BOOKS IN THE FALL OF 2020
- SOME OF INCREASE WILL BE PARTIALLY OFFSET BY THE BOND FUND ABATEMENT AND A POSSIBLE DECLINE IN TAX COLLECTION PERCENTAGES
- LOCAL REVENUES WILL DECREASE SIGNIFICANTLY AS TIF SURPLUS PAYMENTS WILL BE ELIMINATED (\$2.8 MILLION) AND INTEREST EARNINGS ARE EXPECTED TO DECREASE DRAMATICALLY
- THE DISTRICT WILL RECEIVE \$320,000 IN CARES MONEY DURING THE FISCAL YEAR
- OTHER STATE AND FEDERAL REVENUES SHOULD REMAIN RELATIVELY FLAT.

**INITIAL ESTIMATES ARE THAT OVERALL REVENUES WILL INCREASE \$1.2 MILLION FY 2020**

# FY 2021 BUDGETED REVENUES – ALL FUNDS:

## FIRST DRAFT CALCULATIONS

Source	FY 2016	FY 2017	FY 2018	FY 2019	PRELIM FY 2020	BUDGET FY 2021
Real Estate Taxes	\$60,846,000	\$60,854,000	\$84,907,000	\$71,106,000	\$80,197,000	\$83,764,000
Other Local Revenues	6,318,000	9,725,000	8,431,000	7,267,000	7,616,000	4,200,000
General State-Aid	8,746,000	9,100,000	11,155,000	11,325,000	11,533,000	11,533,000
Other State Grants	5,150,000	6,322,000	4,789,000	4,604,000	3,902,000	4,500,000
Federal Grants	<u>2,699,000</u>	<u>3,074,000</u>	<u>3,297,000</u>	<u>3,040,000</u>	<u>2,774,000</u>	<u>3,320,000</u>
<b>Total Revenues</b>	<b>\$83,759,000</b>	<b>\$89,075,000</b>	<b>\$112,579,000</b>	<b>\$97,342,000</b>	<b>\$106,022,000</b>	<b>\$107,317,000</b>



**EXPENDITURE  
EXPECTATIONS  
FOR FY 2021**

- IT IS CURRENTLY PROJECTED THAT SAVINGS FROM STAFFING RETIREMENTS WILL EXCEED THE COST OF NEW STAFFING POSITIONS AND REPLACEMENTS IN EXCESS OF \$500,000.
- MOST STAFF WILL REALIZE SALARY GROWTH INDEXED FROM A 2.3% CPI RATE
- SOME NON-DISCRETIONARY EXPENSES SUCH AS TRANSPORTATION AND INSURANCE COSTS WILL GROW AT A RATE HIGHER THAN CPI
- IT IS THE INTENTION OF THE ADMINISTRATION TO RECOMMEND FREEZING OVERALL DISCRETIONARY SPENDING AT THE FY 2020 BUDGET LEVELS

**INITIAL ESTIMATES ARE THAT OVERALL EXPENSES WILL INCREASE \$3 MILLION VERSUS FY 2020 BUDGET**

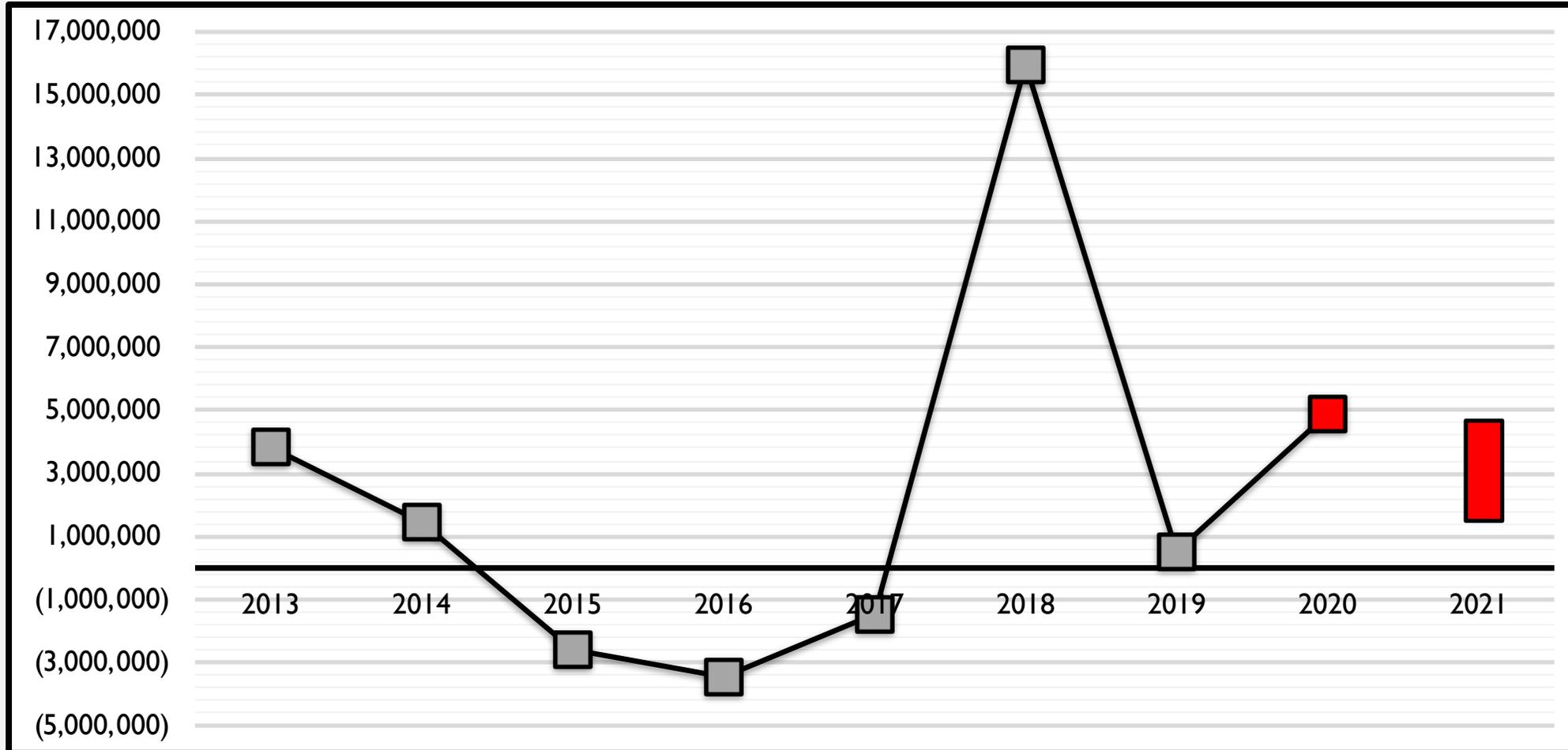
# FY 2021 BUDGETED EXPENDITURES – ALL FUNDS

## FIRST DRAFT CALCULATIONS

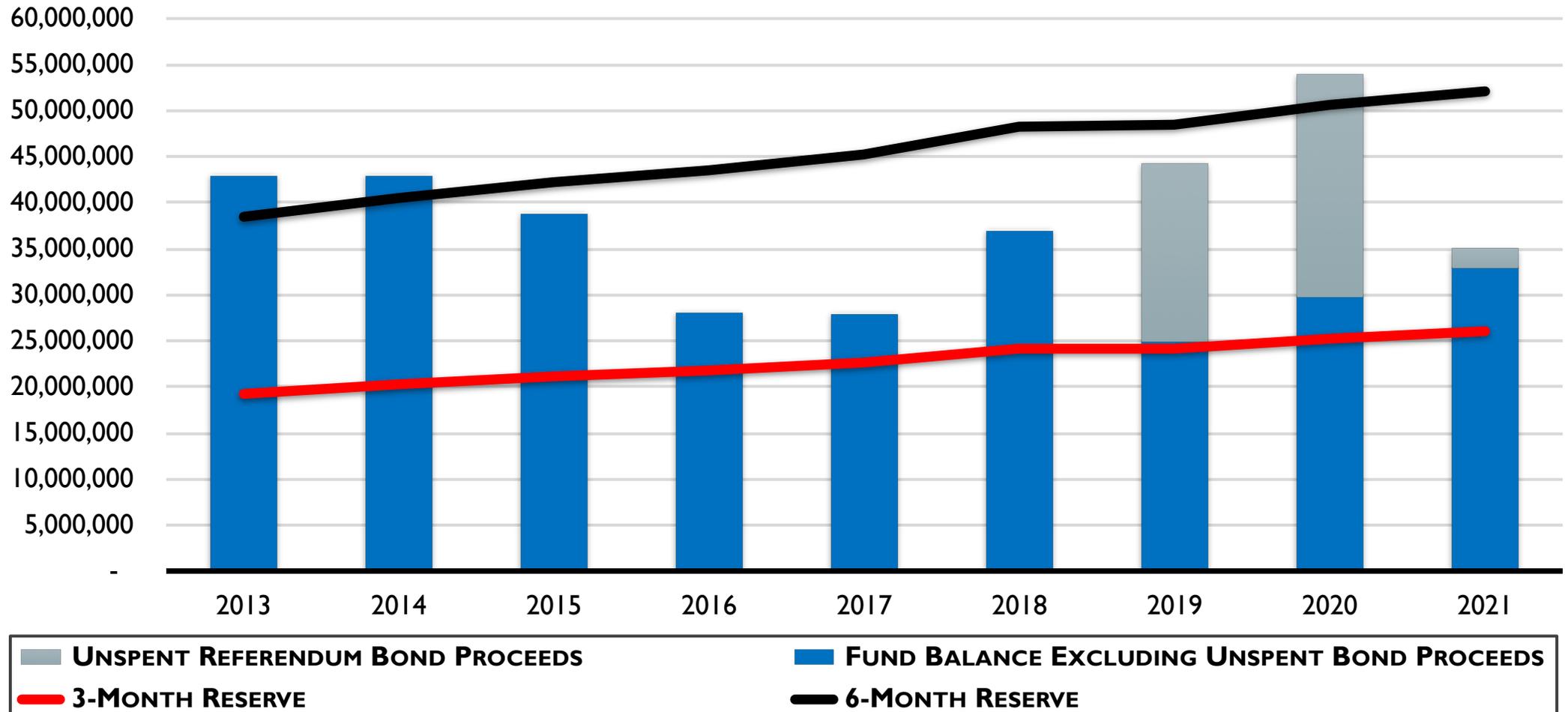
Source	FY 2016	FY 2017	FY 2018	FY 2019	PRELIM FY 2020	BUDGET FY 2021
Salaries	\$52,580,000	\$53,501,000	\$53,484,000	\$57,896,000	\$61,164,000	\$62,700,000
Employee Benefits	10,275,000	11,724,000	13,937,000	12,396,000	14,360,000	14,600,000
Purchased Services	8,644,000	9,647,000	11,366,000	11,607,000	10,375,000	11,000,000
Supplies and Materials	3,742,000	3,985,000	3,882,000	3,503,000	3,228,000	4,000,000
Capital Outlay/Non-Cap Equipment	998,000	353,000	2,863,000	1,517,000	1,756,000	1,500,000
Out of District Tuition & Other	3,089,000	3,597,000	2,741,000	2,943,000	2,749,000	2,900,000
Debt Service	<u>7,886,000</u>	<u>7,745,000</u>	<u>8,327,000</u>	<u>6,941,000</u>	<u>7,515,000</u>	<u>7,500,000</u>
<b>Sub Total</b>	\$87,214,000	\$90,552,000	\$96,600,000	\$96,803,000	\$101,147,000	\$104,200,000
Capital Projects Expenditures	<u>\$ 7,354,000</u>	<u>\$ 4,663,000</u>	<u>\$ 9,226,000</u>	<u>\$23,593,000</u>	<u>\$22,995,000</u>	<u>\$31,304,000</u>
<b>Total Expenses</b>	\$94,568,000	\$95,215,000	\$105,826,000	\$105,826,000	\$124,142,000	\$131,161,000

# REVENUES VS. EXPENSES (SURPLUS/DEFICITS)

ALL FUNDS – EXCLUDING BOND PROCEEDS AND MAJOR CAPITAL



# HISTORICAL AND BUDGETED FUND BALANCES



# ESTIMATED ADDITIONAL COSTS OF VARIOUS REOPENING SCENARIOS

PLAN B FIGURES INCLUDED IN PRELIMINARY BUDGET

	Plan A Full-Onsite	Plan B Hybrid Model	Plan C All Students Remote
<b>PPE<sup>(1)</sup></b>	\$330,000	<b>\$220,000</b>	based on length of plan
<b>Disinfecting Materials</b>	\$150,000	<b>\$100,000</b>	based on length of plan
<b>New Teacher Salaries<sup>(2)</sup></b>	\$11,250,000	n/a	n/a
<b>Desk Shields<sup>(2)</sup></b>	\$1,400,000	n/a	n/a
<b>New Custodial Salaries</b>	\$1,000,000	n/a	n/a
<b>Transportation</b>	More routes due to spacing (50 max per bus)	<b>More routes due to spacing - four days</b>	TBD - lowest cost
<b>Substitute Pay</b>	Likely highest	<b>Some increase</b>	Based on length of plan

1. Includes face masks for students and staff, hand sanitizer and wall mount dispensers for each classroom

2. Full onsite with 6-foot distancing would require 150 additional staff @ \$65,000. D97 does not have facility capacity (additional classrooms) to facilitate this option. Full onsite, without 6 foot social distancing would include desk shields for all student and teacher desks.

**IMPORTANT!**

**THIS IS THE INITIAL DRAFT OF THE  
BUDGET. THESE FIGURES WILL CHANGE  
DURING THE BUDGET DEVELOPMENT  
PROCESS**



**END OF PRESENTATION**